



Daily Newswatch

Market Review

The FBM KLCI ended lower at 1,517.7 (-0.7%) as risk appetite remained subdued amid a lack of fresh catalysts. Market sentiment was weighed down by rising geopolitical tensions in the Middle East and lingering concerns over potential tariff escalations, following US President Trump's reiteration of reciprocal trade threats ahead of early April. Meanwhile, investors remained cautious ahead of the US Federal Reserve's interest rate decision due later today, alongside ongoing negotiations for a US-mediated peace agreement between Russia and Ukraine. Among index constituents, the top 3 key laggards are CIMB (-4.4%), AXIATA (-3.8%) and 99SMART (-2.9%). Sector performance was mixed, with Construction slipped (-2.2%) underpinned by strong selling pressure in IJM (-9.0%), while Financial Services also retreated (-1.0%). On the gainer side, Energy (+0.7%) and Health Care (+0.6%) posted modest gains. Overall, market breadth was almost balanced, with 433 advancers versus 455 decliners.

Macro Bits

- US:** Fed holds rates steady, sees slower growth and higher inflation
- US:** Mortgage rates increase for first time in nine weeks
- EU:** Euro-zone inflation revised down as ECB ponders cut or pause
- China:** Chinese banks cut consumer loan rates to record low to spur demand
- China:** Beijing woos global executives as FDI slides, trade tensions build
- Japan:** BOJ keeps interest rates steady as Trump risk looms
- South Korea:** Moves to curb rising speculation in home market
- Indonesia:** Central bank holds rates amid market uncertainties

Corporate News

- Samaiden:** Signs 21-year agreement with TNB for LSS5 solar project
- Favelle Favco:** Bags five crane contracts worth RM147.1m
- Affin Bank:** Inks MOU with MUFG Bank to boost Malaysia-Japan trade
- Gagasan Nadi:** Sells 523 affordable homes to Selangor housing board for RM134m
- Sapura Industrial:** Partners Germany's Mubea to boost expertise in automotive component manufacturing
- TSR:** Bags RM219m earthworks contract in Kwasa Damansara
- Mah Sing:** Tops out M Astra
- YTL Power:** Aims to launch first Nvidia supercomputer as early as July, among first in Asia Pacific

Upcoming key economic data releases	Date
Malaysia – Feb 2025 Inflation Rate	Mar 21
US – Mar 2025 Manufacturing PMI	Apr 01
US – Mar 2025 NFP, Unemployment Rate	Apr 04
US – Mar 2025 CPI	Apr 10
Malaysia – Feb 2025 Unemployment Rate	Apr 10
US – Mar 2025 PPI	Apr 11
US – Mar 2025 Retail Sales	Apr 16
Malaysia – Mar 2025 Inflation Rate	Apr 23

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,517.7	(0.7)	(7.6)
Dow Jones	41,964.6	0.9	(1.4)
Nasdaq CI	17,750.8	1.4	(8.1)
S&P 500	5,675.3	1.1	(3.5)
FTSE 100	8,706.7	0.0	6.5
Nikkei 225	37,751.9	(0.2)	(5.4)
Shanghai CI	3,426.4	(0.1)	2.2
HSI	24,771.1	0.1	23.5
STI	3,908.3	0.0	3.2

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,923.5	(10.8)
Value traded (RM m)	2,733.0	14.0
Gainers	433	
Losers	455	
Unchanged	483	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
SAPNRG	0.045	0.0	126.7
PERTAMA	0.170	54.5	81.0
IJM	1.930	(9.0)	66.2
CIMB	6.930	(4.4)	59.5
GAMUDA	3.980	(2.5)	30.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.930	(4.4)	415.2
MAYBANK	10.360	(0.6)	152.9
IJM	1.930	(9.0)	127.5
GAMUDA	3.980	(2.5)	122.9
PBBANK	4.540	0.0	105.4

Currencies	Last Close	% Chg
USD/MYR	4.426	0.2
USD/JPY	148.370	0.2
EUR/USD	1.092	0.1
USD/CNY	7.229	(0.1)
US Dollar Index	103.373	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	71.0	0.3
Gold (USD/troy oz)	3,054.3	0.2
CPO (MYR/metric t)	4,641.0	0.2
Bitcoin (USD/BTC)	87,380.5	2.3



Economics

US: Fed holds rates steady, sees slower growth and higher inflation

The Federal Reserve held interest rates steady at 4.25%-4.5% for the second consecutive meeting, citing uncertainty over economic growth and persistent inflation, partly influenced by President Trump's trade policies. While officials maintained projections for two rate cuts in 2025, they raised inflation and unemployment forecasts, signaling caution amid slowing growth and declining consumer confidence. The Fed also announced a reduction in the pace of balance sheet runoff starting in April, with dissent from Governor Waller on this move. *(Bloomberg)*

US: Mortgage rates increase for first time in nine weeks

The average US 30-year mortgage rate rose for the first time since early January, causing a pullback in refinancing and tempering purchase activity. The contract rate on a 30-year mortgage climbed five basis points to 6.72% in the week ended March 14 from the lowest level this year, according to Mortgage Bankers Association data released Wednesday. The rate on a 15-year fixed mortgage also rose. A sustained decline in mortgage rates would provide a much-needed boost for the housing market as affordability remains constrained by still-elevated prices. *(Bloomberg)*

EU: Euro-zone inflation revised down as ECB ponders cut or pause

Euro-area inflation slowed to 2.3% in February, lower than initially reported, reinforcing the case for the ECB to continue cutting interest rates, though policymakers remain cautious amid economic uncertainty. While wage growth has moderated and inflation expectations remain anchored, risks such as trade tensions and increased government spending could drive inflation higher. Economists expect at least two more rate cuts this year, with markets divided on whether the next reduction will come in April or June. *(Bloomberg)*

China: Chinese banks cut consumer loan rates to record low to spur demand

Chinese banks are slashing rates on consumer loans to record lows, as policymakers ramp up stimulus to stabilise growth and counter US President Donald Trump's tariffs. Lenders across the wealthier areas of Shanghai, the nation's financial capital, and Hangzhou, a key tech hub, are engaged in a price war, offering annual interest rates as low as 2.58% on loans to fuel restaurant visits and shopping, according to online ads. That compares to rates as high as 10% about two years ago. Beijing is seeking to ignite consumer spending and stoke local demand to help make the long-struggling economy less reliant on trade and exports. The National Financial Regulatory Administration last week urged banks to expand the issuance of personal consumer loans while ensuring reasonable terms including credit limits and interest rates. *(Bloomberg)*

China: Beijing woos global executives as FDI slides, trade tensions build

Chinese trade officials are stepping up a charm offensive as Beijing seeks to assure global business leaders of the economy's long-term prospects despite a consumer slump and renewed trade tensions, meeting as many as three foreign executives early this week. Since February, China's commerce minister, vice commerce ministers and trade representatives welcomed at least 10 executives from multinational companies including Airbus, PepsiCo, Procter & Gamble, Honeywell and Swire. The frequency of the meetings picked up towards the end of February after official data showed foreign direct investment (FDI) plummeted 27.1% in local currency terms in 2024 from the year earlier, the most since the 2008 global financial crisis. *(Reuters)*



Japan: BOJ keeps interest rates steady as Trump risk looms

The Bank of Japan (BOJ) kept interest rates steady on Wednesday in a widely expected move, as policymakers chose to spend more time gauging how prospects of higher US tariffs would affect the export-focused economy. The decision came as fears of a global slowdown caused by US President Donald Trump's tariff policy overshadow wage and price data showing Japan is making progress in durably achieving the BOJ's 2% inflation target. Highlighting the conflicting challenges, the central bank said rising rice costs would push up inflation at home while trade policies of other countries cast doubts over Japan's economic outlook. *(Reuters)*

South Korea: Moves to curb rising speculation in home market

South Korea plans fresh curbs on housing transactions in Seoul as Acting President Choi Sang-mok vowed to take "all available steps" to prevent a frenzy in the property market that could potentially complicate efforts by policymakers to shore up the economy. The government said on Wednesday it will designate the districts of Gangnam, Seocho, Songpa and Yongsan in the capital as areas where apartment buyers must seek permits. The Ministry of Land, Infrastructure and Transport said in a statement the number of areas may increase if the housing market overheats, and regulations on housing loans will also be tightened. "The government recognises the seriousness of the real estate market situation and will work in coordination with relevant ministries and local governments to respond firmly to prevent the spread of housing price instability," Choi said in comments emailed separately. *(Reuters)*

Indonesia: Central bank holds rates amid market uncertainties

Indonesia's central bank kept policy rates unchanged for a second straight review on Wednesday, as expected, against a backdrop of turmoil in local markets on concerns about global trade wars and the government's fiscal policy. Bank Indonesia (BI) held the benchmark seven-day reverse repurchase rate steady at 5.75%, as expected by 19 of 31 analysts polled by *Reuters*. The rest had expected a rate cut. The central bank also left its two other key policy rates unchanged. *(Reuters)*



Companies

Samaiden: Signs 21-year agreement with TNB for LSS5 solar project

Samaiden Group Bhd has signed a 21-year power purchase agreement (PPA) with Tenaga Nasional Bhd for the construction and operation of a solar photovoltaic energy generating facility. Under the agreement, Samaiden's wholly-owned unit Samaiden Legasi Timur Sdn Bhd will undertake the connection of the solar plant to TNB's high-voltage distribution network at project sites under the Large-Scale Solar 5 (LSS5) programme. The announcement follows Samaiden's selection in December by the Energy Commission to develop a 99.99-megawatt (MW) large-scale solar photovoltaic plant in Pasir Mas, Kelantan. The project falls under Package 3 of the LSS5 programme. *(The Edge)*

Favelle Favco: Bags five crane contracts worth RM147.1m

Construction crane manufacturer Favelle Favco Bhd said on Wednesday its subsidiaries have secured five contracts worth a total RM147.1m for the supply of offshore and tower cranes. The first contract for tower cranes was awarded to Shanghai Favco Engineering Machinery Manufacturing Co Ltd by Favco Heavy Industry (Changshu) Co Ltd, with deliveries staggered from the second to the third quarters of 2025. The second tower crane contract was awarded to Favelle Favco Cranes Pty Limited by Marr Contracting Pty Ltd and is expected to be delivered by the third quarter of 2025. *(The Edge)*

Affin Bank: Inks MOU with MUFG Bank to boost Malaysia-Japan trade

Affin Bank Bhd and MUFG Bank (Malaysia) Bhd, a subsidiary of Japan-based Mitsubishi UFJ Financial Group Inc, signed a memorandum of understanding (MOU) to boost Malaysia-Japan trade. The MOU will be for a period of three years or until either party terminates the MOU. In a statement on Wednesday, the collaboration is expected to foster business cooperation in key sectors aligned with the industrial master plans of both Japan and Malaysia. It aims to leverage Affin Bank's understanding of the Malaysian market and MUFG's global network to explore growth opportunities, particularly in areas such as green transformation and digital innovation. *(The Edge)*

Gagasan Nadi: Sells 523 affordable homes to Selangor housing board for RM134m

Gagasan Nadi Cergas Bhd (GNCB) said it has secured an en-bloc sale of 523 affordable housing units in the City of Elmina development in Shah Alam for RM134.41m. The company's 70%-owned subsidiary, Nadi Emery Sdn Bhd, accepted the offer letter from the Selangor Housing and Property Board (LPHS), which is responsible for managing low-cost housing schemes in the state, according to GNCB's exchange filing on Wednesday. The en-bloc purchase includes 523 Rumah Idaman units in Elmina 5, which is part of Nadi Emery's broader development in Bandar Elmina, alongside Elmina 4 and Elmina 12. *(The Edge)*

Sapura Industrial: Partners Germany's Mubea to boost expertise in automotive component manufacturing

Automotive component manufacturer Sapura Industrial Bhd has entered into a deal with Germany-based Mubea Fahrwerksfedern GmbH (Mubea) to boost its technical capabilities in the production of hollow stabiliser bars and high-stress coil springs. In a bourse filing on Wednesday, Sapura Industrial said Mubea will provide technical expertise to support the group in the design, development, and manufacturing of the critical automotive components. The five-year agreement includes an automatic renewal clause for an additional one-year term. In exchange for the technical assistance, Sapura Industrial will pay royalties to Mubea. *(The Edge)*



TSR: Bags RM219m earthworks contract in Kwasa Damansara

TSR Capital Bhd, a construction and property developer, has been awarded a RM219m contract by Kwasa Land Sdn Bhd for infrastructure and water reservoir construction at the Kwasa Damansara township in Sungai Buloh, Selangor. The contract size is more than five times its market capitalisation, which stood at RM45.36m. In a filing with the local bourse on Wednesday, TSR said the contract was awarded by Kwasa Land Sdn Bhd, a wholly-owned subsidiary of the Employees Provident Fund (EPF). (*The Edge*)

Mah Sing: Tops out M Astra

Mah Sing Group Bhd has topped out M Astra, its third project in Setapak. According to a press release on Wednesday, the fully sold development is 72% complete and ahead of schedule, with full completion of both towers expected in the first quarter of 2026. With a gross development value (GDV) of approximately RM618m, M Astra is a mixed-use development comprising two blocks of serviced suites. It comes with three- and four-bedroom units with built-ups ranging from 850 to 1,044 sq ft. There are also 24 units of retail lots with plans to accommodate drive-through food and beverage outlets. Both residential and retail units have been fully taken up. (*The Edge*)

YTL Power: Aims to launch first Nvidia supercomputer as early as July, among first in Asia Pacific

YTL Power International Bhd said it expects to launch its first Nvidia supercomputer in Malaysia “early in the third quarter”, making it one of the first cloud service providers in Asia Pacific to make the chipmaker’s Blackwell platform available. In a statement, YTL Power also said its Nvidia Cloud Partner subsidiary, YTL Cloud, will be an “early adopter” of the latest Nvidia Blackwell Ultra platform revealed by the US-listed chipmaker on Tuesday. The newly unveiled platform is set to use Nvidia’s latest series of graphics processing units (GPUs), with shipments scheduled to begin in the second half of 2025, according to recent reports. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.06	0.15	14.43
Hektar REITS	REIT	0.48	0.04	8.96
British American Tobacco (M)	Consumer	6.12	0.54	8.82
Sentral REIT	REIT	0.77	0.06	8.31
Amway (M)	Consumer	5.69	0.47	8.26
YTL Hospital REIT	REIT	1.04	0.08	7.98
REXIT	Technology	0.64	0.05	7.87
KIP REIT	REIT	0.87	0.07	7.75
CapitaLand Malaysia Trust	REIT	0.65	0.05	7.38
Paramount Corporation	Property	1.04	0.07	7.21
MBM Resources	Consumer	5.45	0.39	7.14
Ta Ann Holdings	Plantation	3.86	0.27	7.10
Taliworks Corporation	Utilities	0.71	0.05	7.04
MAG Holdings	Consumer	1.22	0.08	6.72
Magnum	Consumer	1.22	0.08	6.72

Source: Bloomberg

User guide: Mercury Securities compiles a list of dividend-yielding stocks for conservative long-term passive investors looking for regular income whilst capping downside risk of their investment.

Methodology: The list above includes stocks that have a high dividend yield, estimated to be greater than 4% per annum. These stocks also have a history of paying dividends consistently, having paid dividends for the past 3 years.

IPO Tracker

Company	Listing Sought	Issue Price (RM/Share)	No. Of Shares (m)		Closing Date	Listing Date
			Public Issue	Offer for Sale		
Lim Seong Hai Capital Bhd	ACE Market	0.88	132.0	59.0	06 Mar	21 Mar
Wawasan Dengkil Holdings Bhd	ACE Market	0.25	108.0	54.0	11 Mar	25 Mar
Chemlite Innovation Bhd	ACE Market	0.25	120.0	60.0	12 Mar	26 Mar
Hi Mobility Bhd	Main Market	1.22	95.0	35.0	19 Mar	28 Mar
SumiSaujana Group Berhad	ACE Market	0.24	310.0	90.0	25 Mar	09 Apr

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