



Daily Newswatch

Market Review

Yesterday (Wednesday), the FBM KLCI commenced the holiday-shortened trading week on a positive note, closing higher at 1,526.5 (+0.8%), driven by selective buying on defensive counters as investors positioned ahead of the Trump's anticipated tariff announcement and key US-employment data release (Wednesday & Friday). Index performance was supported by gains in CDB (+4.0%), TENAGA (+2.8%), and MRDIY (+2.8%), while the Financial Services sector (+1.0%) outperformed, led by strength in AMBANK (+3.2%), MAYBANK (+2.0%), and CIMB (+2.0%). Despite the index's advance, market breadth remained weak, with 637 decliners outpacing 288 advancers.

Chinese equities ended Wednesday's session with a muted performance as market participants awaited further clarity on U.S. President Donald Trump's reciprocal tariff announcement. The SHANGHAI CI edged 0.1% higher to close at 3,350.1, while HSI closed flat and end at 23,202.5.

This morning (Malaysian Time), U.S. stocks extended their rebound on Wednesday, navigating another volatile session as investors braced for President Trump's "Liberation Day" trade policy announcement and assessed rising recession risks. All the key index ended in positive notes with S&P 500 rebounded 0.7% to 5,671.0, the NASDAQ outperformed with a 0.9% gain, closing at 17,601.9 and the DOW JONES also advanced 0.6% to 42,225.3. Besides, bond yields fell late and erasing the early gain amid Trump's tariffs spark inflation and growth concerns with investors continue to sought safe havens.

Macro News

- Malaysia:** Manufacturing conditions moderate slightly in March amid muted demand, PMI data shows
- EU:** Trump's tariffs will be negative the world over, says ECB's Lagarde
- US:** Job openings decline in February amid rising economic uncertainty
- US:** Trump announces 10% tariff on all imports, with higher rates for some countries
- US:** US 10-Year Bond Yields Rise as Markets React to Trump's Tariff Announcement.
- US:** Hard data shows US economy solid, but there is fear around tariffs — Fed's Goolsbee
- Japan:** BOJ warns of possible hit to global trade from planned new US tariffs

Corporate News

- ICTZONE:** Concludes exit offer with little change to joint offerors' stake
- Rohas Tecnic:** Wins partial award in arbitration proceedings against Bangladesh firm
- TNB:** Confident of securing sizeable contingent capex over RP4
- Manforce:** Receives Bursa greenlight for exemption from extending exit offer in ACE Market transfer
- IJM:** Secures Simmons & Simmons as anchor tenant at 25 Finsbury Circus, London

Upcoming key economic data releases

Date

US – ISM Services PMI	Apr 03
US – Non Farm Payrolls	Apr 04
US – Unemployment Rate	Apr 04
US – Fed Chair Powell Speech	Apr 05

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,526.5	0.9	(7.1)
Dow Jones	42,225.3	0.6	(0.7)
Nasdaq CI	17,601.1	0.9	(8.9)
S&P 500	5,671.0	0.7	(3.6)
FTSE 100	8,608.5	(0.3)	5.3
Nikkei 225	35,725.9	0.3	(10.4)
Shanghai CI	3,350.1	0.1	(0.0)
HSI	23,202.5	(0.0)	15.7
STI	3,954.2	(0.4)	4.4

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,370.0	5.4
Value traded (RM m)	2,034.7	(4.6)
Gainers	288	
Losers	637	
Unchanged	428	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
VELOCITY	0.085	(5.6)	85.3
T7GLOBAL	0.320	(36.0)	56.0
TAWIN	0.025	(16.7)	54.9
PBBANK	4.390	(0.7)	32.7
CIMB	7.140	2.0	23.6

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.140	2.0	167.9
PBBANK	4.390	(0.7)	143.8
TENAGA	13.760	2.8	134.4
MAYBANK	10.320	2.0	119.9
RHBBANK	6.900	0.9	101.6

Currencies	Last Close	% Chg
USD/MYR	4.454	(0.4)
USD/JPY	148.210	0.7
EUR/USD	1.081	(0.4)
USD/CNY	7.268	0.0
US Dollar Index	103.807	(0.4)

Commodities	Last Close	% Chg
Brent (USD/barrel)	75.0	0.6
Gold (USD/troy oz)	3,140.7	0.2
CPO (MYR/metric t)	4,842.0	1.7
Bitcoin (USD/BTC)	83,319.1	(2.7)



Macro News

Malaysia: Manufacturing conditions moderate slightly in March amid muted demand, PMI data shows

Malaysia's manufacturing PMI fell to 48.8 in March from 49.7 in February, indicating a deeper contraction as new orders declined the most in a year and production weakened. Manufacturers responded by cutting employment and scaling back purchasing activity, with business confidence reaching its lowest in over 18 months. Despite these challenges, Malaysia's economy is still expected to grow between 4.5% and 5.5% in 2025, with firms hoping for a demand recovery despite ongoing uncertainties. *(The Edge)*

Japan: BOJ warns of possible hit to global trade from planned new US tariffs

BOJ Governor Kazuo Ueda warned that Trump's new tariffs could significantly impact global trade and economic growth, with uncertainty over their long-term effects. While the tariffs may push US inflation higher initially, they could also slow economic growth, affecting global markets and business sentiment. The issue is expected to be a key topic at upcoming IMF and G20 meetings, where finance leaders will discuss potential economic fallout. Analysts believe the impact on Japan's economy could influence the BOJ's decision on future interest rate hikes, with a possible rate increase anticipated in the third quarter of 2025. *(Reuters)*

EU: Trump's tariffs will be negative the world over, says ECB's Lagarde

ECB President Christine Lagarde warned that Trump's planned tariffs would have a negative global impact, with the severity depending on their scope, duration, and potential for negotiations. She highlighted the current uncertainty surrounding US trade policies and emphasized that such tariff escalations often lead to eventual negotiations. Lagarde also noted that eurozone inflation is nearing its 2% target but cautioned that the economic effects of increased European defense spending remain uncertain. *(Reuters)*

US: Job openings decline in February amid rising economic uncertainty

US job openings fell by 194,000 to 7.568 million in February as economic uncertainty from new tariffs dampened labor demand. Layoffs rose to 1.79 million, and economists warned that tariffs could fuel inflation, disrupt supply chains, and increase recession risks. Business sentiment declined further amid hiring freezes and federal job cuts driven by the Trump administration's efforts to downsize the government. *(Reuters)*

US: 10 Year Treasury Bond Yield

The yield on the U.S. 10-year Treasury note rose above 4.2% on Wednesday, rebounding from its lowest level since October 18, as investors reacted to President Donald Trump's tariff announcement. Trump announced a 10% tariff on all imports and higher rates for countries with trade surpluses, including 34% for China, 20% for Europe, and 24% for Japan. Trump said the U.S. would impose tariffs at about half the rate charged by other countries, factoring in foreign tariffs, trade barriers, and other unfair practices. *(Trading Economics)*

US: Hard data shows US economy solid, but there is fear around tariffs — Fed's Goolsbee

Chicago Fed President Austan Goolsbee warned that while the US economy remains solid with a strong labor market and lower inflation, Trump's new tariffs could trigger renewed inflation or an economic slowdown. He noted that while imports make up only 11% of the economy, tariffs on key components could raise production costs and dampen consumer and business confidence. With growing uncertainty over trade policy, the Fed is holding interest rates steady, preferring to wait and assess the economic impact before making any adjustments. *(Bloomberg)*

US: Trump announces 10% tariff on all imports, with higher rates for some countries

On April 2, 2025, President Donald Trump announced a 10% baseline tariff on all U.S. imports, with higher duties for approximately 60 countries, including a 34% tariff on Chinese imports and 20% on European Union goods. This move, described by Trump as a "declaration of independence," aims to counteract trade barriers imposed on U.S. products by other nations. The tariffs exempt critical goods such as pharmaceuticals, certain minerals, energy, and semiconductors. Economists warn that these measures may exacerbate inflation, slow economic growth, and increase consumer costs, while businesses express concerns about operational uncertainties. *(Reuters)*

US: Trump's list: More than 180 countries and territories facing reciprocal tariffs.



President Donald Trump on Wednesday unveiled a new “reciprocal tariff” regime targeting more than 180 countries and territories, including EU members, under his revamped trade policy. The White House released charts showing the alleged tariff, currency manipulation, and trade barrier rates imposed on the U.S., alongside new U.S. rates that are generally about half in comparison. Trump said the policy includes a 10% baseline tariff, but many countries will face higher rates depending on their trade practices. China, for instance, will see a combined tariff of 54% when added to existing duties. Trump emphasized the move aims to combat unfair trade and level the playing field for American industries. (CNBC News)

Corporate News

ICTZONE: Bags its largest direct contract of RM138m from TNB

ICT Zone Asia Bhd's (ICTZONE) major shareholders increased their joint stake to 65.28% after completing an exit offer at 20 sen per share to facilitate its transfer from the LEAP Market to the ACE Market. Independent advisor MainStreet Advisers recommended shareholders reject the offer, calling it unfair and unreasonable due to the 8.88% discount to the company's estimated value of 21.95 sen per share. Despite the exit offer, ICT Zone Asia will remain listed, and shareholders can still trade their shares with potential for capital appreciation or dividends upon its ACE Market listing. (*The Edge*)

Rohas Tecnic: Wins partial award in arbitration proceedings against Bangladesh firm

Rohas Tecnic Bhd's subsidiary, HG Power Transmission, won an arbitration case against Power Grid Company of Bangladesh, receiving an award of US\$1.89m plus interest, significantly lower than the US\$5.737m initially claimed. The unrecovered US\$3.63m will negatively impact Rohas' 2024 earnings, though some provisions have already been made. Both parties will share arbitration costs, with Power Grid reimbursing HG Power US\$68,250 and US\$4,700 for expenses. (*The Edge*)

TNB: Confident of securing sizeable contingent capex over RP4

Tenaga Nasional Bhd (TNB) expects to secure 60% to 70% of the RM16.3 billion contingent capital expenditure (capex) for Regulatory Period 4 (RP4), with most of it allocated to energy transition projects like smart meters and electric vehicle infrastructure. TNB's 2025 capex target is approximately RM20 billion, including regulated and unregulated investments, and the company projects electricity demand growth of 3.5% to 4.5%. (*The Star*)

Manforce: Receives Bursa greenlight for exemption from extending exit offer in ACE Market transfer

Manforce Group Bhd has received approval from Bursa Malaysia for a waiver on the requirement to extend an exit offer to shareholders and an exemption from appointing an independent adviser for its proposed transfer to the ACE Market. The company, which specializes in worker recruitment and management, plans to seek shareholder approval for the transfer at an extraordinary general meeting in the second quarter of 2025. As of March 6, Manforce's major shareholder, Datuk Wong Boon Ming, holds 79.2% of its shares, with the company required to meet public shareholding requirements for its ACE Market listing. (*The Edge*)

IJM: Secures Simmons & Simmons as anchor tenant at 25 Finsbury Circus, London

International law firm Simmons & Simmons LLP has signed a 20-year lease to become the anchor tenant at IJM Corp Bhd's 25 Finsbury Circus in London, occupying 62% of the building with an option to expand to 80%. The building is undergoing a £150m sustainability-led refurbishment and will offer 378,000 sq ft of space upon completion. The property aligns with IJM's strategy of building a global portfolio of well-positioned properties, and Simmons & Simmons plans to use the space to support its growth in London with flexible office layouts and wellness-focused areas. (*The Edge*)



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.17	0.15	13.08
Amway (M)	Consumer	5.15	0.47	9.13
British American Tobacco (M)	Consumer	6.25	0.54	8.64
Sentral REIT	REIT	0.77	0.06	8.31
YTL Hospital REIT	REIT	1.03	0.08	8.06
REXIT	Technology	0.64	0.05	7.81
Hektar REITS	REIT	0.48	0.04	7.79
KIP REIT	REIT	0.87	0.07	7.70
CapitaLand Malaysia Trust	REIT	0.65	0.05	7.44
MBM Resources	Consumer	5.40	0.39	7.28
Paramount Corporation	Property	1.05	0.07	7.14
Taliworks Corporation	Utilities	0.71	0.05	7.09
Ta Ann Holdings	Plantation	3.95	0.27	6.94
MAG Holdings	Consumer	1.23	0.08	6.67
Magnum	Consumer	1.23	0.08	6.67

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		
SumiSaujana Group Bhd	ACE Market	0.24	310.0	90.0	25 Mar	09 Apr
MSB Global Group Bhd	ACE Market	0.20	133.0	74.0	04 Apr	15 Apr
Cuckoo International (Mal) Bhd	Main Market	1.29	143.3	222.1	10 Apr	30 Apr

Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. ("Mercury Securities") and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities' website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my