



Daily Newswatch

Market Review

Yesterday (Thursday), the FBMKLCI plunged (-0.5%) as investors reacted to the announcement of President Trump's reciprocal tariffs, which saw Malaysia slapped with a 24% tariff set to take effect on April 8th. This development triggered a wave of risk-off sentiment across the market, with key constituents like SIME (-4.2%), NESTLE (-3.5%), and PMETAL (-3.2%) leading the losses. Sector performance was broadly negative, with the Technology (-1.6%), Industrial Products & Services (-1.4%), and Energy (-1.3%) sectors underperforming the market. The overall market breadth remained in bearish tone, with 548 losers outnumbered 357 gainers.

Chinese equities extended their losses on Thursday as market participants moved to de-risk following U.S. President Donald Trump's announcement of an additional 34% reciprocal tariff, on top of the prior 20%, targeting Chinese imports. The escalation significantly amplifies the risk of a prolonged U.S.-China trade conflict, with Beijing widely expected to retaliate. The SHANGHAI CI slipped 0.2% to close at 3,342.0, while the HSI declined further, ending the session at 23,202.5. Heightened geopolitical tensions and policy uncertainty continue to exert downward pressure on sentiment.

This morning (Malaysian Time), U.S. equities experienced a sharp sell-off for Thursday's closing as heightened trade tensions and inflationary concerns triggered broad-based risk aversion. The S&P 500 plunged 4.8% to close at 5,396.52, marking its worst single-day performance since June 2020. The DOW JONES tumbled 1,679.39 points (-4.0%) to 40,545.93, while the Nasdaq led declines with a 6.0% drop, settling at 16,550.61—its steepest daily loss since March 2020. The broad-based sell-off was driven by escalating fears over President Trump's newly announced tariffs, which raised concerns over a global trade war that could plunge the economy into recession.

Macro News

- Malaysia:** Won't retaliate, will negotiate with US on tariffs — Miti
- US:** Trade gap shrinks on export boost as imports stay elevated
- US:** Labour market calm ahead of tariffs storm
- EU:** Officials saw rate cut or pause as options for April
- China:** Urges US to immediately lift tariffs, vows retaliation
- US:** Trump's tariffs send deliberate shock to heart of global economy

Corporate News

- Tuju Setia:** Bags RM264m job from MKH to build serviced apartments
- Hi Mobility:** Secures RM134m bus services contract from APAD
- Kimlun:** Appoints Pang Khang Hau as new CEO, effective May 1
- Ho Hup:** Disposes of two properties totalling RM13m
- Mayu Global:** ED detained to assist in police investigation
- ICTZONE:** Offer gets 65.28% acceptance

Upcoming key economic data releases

Upcoming key economic data releases	Date
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	1,518.9	(0.5)	(7.5)
Dow Jones	40,545.9	(4.0)	(4.7)
Nasdaq CI	16,550.6	(6.0)	(14.3)
S&P 500	5,396.5	(4.8)	(8.2)
FTSE 100	8,474.7	(1.6)	3.7
Nikkei 225	34,735.9	(2.8)	(12.9)
Shanghai CI	3,342.0	(0.2)	(0.3)
HSI	22,849.8	(1.5)	13.9
STI	3,942.2	(0.3)	4.1

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,513.8	6.1
Value traded (RM m)	1,812.1	(10.9)
Gainers	357	
Losers	548	
Unchanged	448	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
TOPGLOV	0.845	5.0	57.8
SUPERMX	0.775	8.4	55.2
SAPNRG	0.045	(10.0)	47.9
T7GLOBAL	0.325	1.6	44.7
VS	0.820	(3.0)	32.0

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.130	(0.1)	179.4
PBBANK	4.400	0.2	92.7
HARTA	2.020	8.6	51.6
TOPGLOV	0.845	5.0	49.0
KPJ	2.660	0.8	45.1

Currencies	Last Close	% Chg
USD/MYR	4.443	0.2
USD/JPY	145.890	0.1
EUR/USD	1.105	(0.0)
USD/CNY	7.282	(0.2)
US Dollar Index	102.072	(1.7)

Commodities	Last Close	% Chg
Brent (USD/barrel)	70.1	(6.4)
Gold (USD/troy oz)	3,111.3	(0.1)
CPO (MYR/metric t)	4,760.0	(1.1)
Bitcoin (USD/BTC)	82,591.6	0.3

Macro News

Malaysia: Won't retaliate, will negotiate with US on tariffs — Miti

Malaysia will negotiate with the US instead of imposing retaliatory tariffs in response to the 24% reciprocal tariff set to take effect on April 9, while leveraging trade agreements to safeguard its economy. The National Geoeconomic Command Centre, chaired by Prime Minister Anwar Ibrahim, will assess the impact and implement strategies to minimize disruptions, including expanding exports and strengthening regional partnerships. Despite external trade tensions, Malaysia remains confident in its economic resilience, with Bank Negara Malaysia maintaining a 2025 GDP growth forecast of 4.5% to 5.5%. (*The Edge*)

US: Trade gap shrinks on export boost as imports stay elevated

The US trade deficit shrank by 6.1% in February to US\$122.7bn as stronger exports offset the impact of pre-tariff stockpiling, while imports remained near record levels. President Trump's new tariffs, including a baseline 10% global duty and higher levies on China and Vietnam, are expected to reduce imports further in the coming months. Economists warn that these policies may lead to higher prices and slower economic growth due to supply chain disruptions, with US stock futures and global markets experiencing declines. Meanwhile, inflation-adjusted trade data showed a slight narrowing of the merchandise deficit, but rising jobless claims and major federal job cuts indicate potential economic strain. (*Bloomberg*)

US: Labour market calm ahead of tariffs storm

US jobless claims fell by 6,000 to 219,000 last week, indicating a stable labor market despite concerns over President Trump's new tariffs and deep federal spending cuts. Economists warn that the tariffs, aimed at raising revenue and reviving US industry, could lead to inflation, reduced business investment, and potential job losses, with hiring already slowing. US stocks, the dollar, and Treasury yields fell sharply, while planned layoffs in the federal sector surged, raising fears of rising unemployment in the coming months. (*Reuters*)

EU: Officials saw rate cut or pause as options for April

The European Central Bank (ECB) is considering either lowering interest rates or holding them steady at its April meeting, with decisions depending on incoming economic data. Some ECB officials are concerned about the region's economic outlook and the impact of U.S. trade policies, while others focus on inflation, which is nearing the ECB's 2% target. Discussions also highlighted the challenge of balancing the risk of further rate cuts with the uncertainty around global trade and fiscal conditions. (*Bloomberg*)

China: Urges US to immediately lift tariffs, vows retaliation

China has strongly opposed the US's latest tariffs, with a 34% new levy on Chinese goods adding to the previous 20% tariff, bringing the total to 54%. In response, China vowed to implement countermeasures, while experts noted that the US tariffs could disrupt global supply chains and diminish the cost advantages of shifting production away from China. Despite these challenges, China's economy is expected to focus more on domestic demand, and the government has prepared additional fiscal stimulus and policy measures to mitigate the effects of the ongoing trade war. (*Reuters*)

US: Trump's tariffs send deliberate shock to heart of global economy

President Donald Trump's announcement of sweeping new tariffs aims to reshape the global economic order, drawing significant attention and concern from economists and global markets. The tariffs, which could push average US import taxes to their highest levels in over a century, are designed to boost domestic manufacturing, but they also raise the risk of recession and global economic downturn. While Trump and his supporters argue these measures are necessary to correct past trade imbalances, critics warn they could lead to higher consumer prices, economic pain, and a devastating global trade war. (*Bloomberg*)

Corporate News

Tuju Setia: Bags RM264m job from MKH to build serviced apartments

Builder Tuju Setia Bhd (Tuju Setia) secured a RM264.07m contract from Danau Saujana Sdn Bhd, a subsidiary of MKH Bhd, to construct four serviced apartment blocks and a five-storey podium in Cheras, Selangor, over 34 months. The company expects this project to positively impact its earnings and net assets from the financial year ending Dec 31, 2025, until completion. (*The Edge*)

Hi Mobility: Secures RM134m bus services contract from APAD

Newly-listed HI Mobility Bhd (Hi Mobility) secured a RM134.94m contract from the Land Public Transport Agency (APAD) to operate an intracity bus service in Johor Bahru for two years under the Stage Bus Service Transformation programme. The company expects the project to positively impact its earnings and net assets, with a formal agreement to be signed later. *(The Edge)*

Kimlun: Appoints Pang Khang Hau as new CEO, effective May 1

Kimlun Corp Bhd has redesignated executive director Pang Khang Hau as CEO effective May 1, 2025, replacing Sim Tian Liang, who will now serve as executive director. Pang, the son of executive chairman Pang Tin, has been with Kimlun since 2009 and oversees corporate affairs, business development, HR, and administration. He holds a Civil Engineering degree from the University of Western Australia and an MBA from the University of Liverpool. *(The Star)*

Ho Hup: Disposes of two properties totalling RM13m

Ho Hup Construction Co Bhd (Ho Hup) is selling two properties in Bukit Jalil for RM13m to Premium Realty Sdn Bhd and Sensecube Sdn Bhd as part of its restructuring strategy. The proceeds will be used to repay borrowings and for general working capital, though the impact on the company's gearing is minimal, as the amount represents only 2.55% of its total borrowings. The properties, located on Level 5 and Level 6 of Ho Hup Tower, are part of the company's plan to monetize non-current assets. *(The Star)*

Mayu Global: ED detained to assist in police investigation

Mayu Global Group Bhd's executive director, Tan Kim Hee, has been detained by Bukit Aman Police for an ongoing investigation, though the company has not been informed of its nature or relevance to the group. In his absence, the remaining executive directors will temporarily take over his responsibilities to ensure business continuity. *(The Star)*

ICTZONE: Offer gets 65.28% acceptance

ICT Zone Holding Sdn Bhd and Datuk Seri Ng Thien Phing have secured valid acceptances for 65.28% of ICT Zone Asia Bhd's voting shares in their unconditional voluntary take-over offer at 20 sen per share. By the April 2 closing date, they had received acceptances for 432.41 million shares, exceeding their previous 64.57% stake as of March 13. The exit offer had no minimum acceptance condition, as the joint offerers already controlled more than 50% of the company. *(The Star)*



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

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