

Daily Newswatch

Market Review

The FBM KLCI suffered a bloodbath on Monday, plunging to its lowest level in 16 months as a wave of heavy selling swept through the market. The rout mirrors a regional meltdown, with fears of a global trade war and economic slump driving a massive flight from risk. Among the key index-constituents, significant selling pressure were observed in PMETAL (-10.6%), GAMUDA (-8.9%) and PCHEM (-8.5%). Sector performance was all in negative tone, with the Technology (-13.6%), Energy (-10.7%), and Construction (-8.8%) being the top 3 laggards. The overall market breadth turned more hawkish, with 1,296 losers significantly outnumbered 122 gainers.

The Asian market experienced their biggest drop since 1997 on Monday after Beijing fired back at U.S. tariffs with its own trade levies, deepening market turmoil amid fears of a widening trade war, while China's sovereign wealth fund intervened to stabilise local shares. SHANGHAI CI declined 7.3% and HSI slumped 13.2%, the biggest one-day decline since 1997, with shares of tech, solar, banking and online retailers plunging as investors swiftly pulled out of anything linked to global growth and trade.

US stocks closed mostly lower on Monday, as markets reacted to President Donald Trump's escalating trade war with China, including a threat to impose an additional 50% tariff if Beijing did not back down from its retaliatory measures. The S&P 500 fell 0.7%, the Dow Jones dropped 342 points in a wild session marked by record intraday swings, the Nasdaq 100 closed up 0.2% after earlier plunging over 3%. The bump was a speculation of some sort of tariff pause circulated on social media, contributing to the pop. The White House, told media that any talk of a 90-day pause was "fake news" and major averages retreated once again.

Macro News

- Malaysia:** Anwar: Malaysia must improve its preparedness in facing global economic uncertainties
- Malaysia:** Zafrul: Global investments likely to see decline, Malaysia will not be spared
- Philippines:** Mulls cutting tariffs on US products, says trade chief
- Indonesia:** Wants fair and equal relationship with US, president says
- US:** Treasury personnel discusses tariffs with Asean officials
- US:** 10-year Treasury Yield Rises Sharply
- US:** Trump threatens extra 50% tariffs for China over retaliation

Corporate News

- Kerjaya Prospek:** Bags RM291m construction contract in Penang
- KJTS:** Clinches RM48m water plant project in Thailand
- Gas Malaysia:** Says more areas to face gas supply disruption after Putra Heights blaze
- Marine & General:** Buys petroleum product tanker for RM55m from Muhibbah Engineering unit

Upcoming key economic data releases

Date

US – FOMC Minutes	Apr 10
US – March 2025's CPI	Apr 10
US – March's PPI	Apr 11
US – April 2025's Consumer Sentiment Index	Apr 11

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,443.8	(4.0)	(12.1)
Dow Jones	37,965.6	(0.9)	(10.8)
Nasdaq CI	15,603.3	0.1	(19.2)
S&P 500	5,062.3	(0.2)	(13.9)
FTSE 100	7,702.1	(4.4)	(5.8)
Nikkei 225	31,136.6	(7.8)	(22.0)
Shanghai CI	3,096.6	(7.3)	(7.6)
HSI	19,828.3	(13.2)	(1.2)
STI	3,540.5	(7.5)	(6.5)

Market Activities	Last Close	% Chg
Vol traded (m shares)	5,353.0	195.4
Value traded (RM m)	4,671.5	146.9
Gainers	122	
Losers	1,296	
Unchanged	170	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.710	(22.8)	261.3
TA WIN	0.025	0.0	15.2
VELESTO	0.140	(12.5)	59.4
CIMB	6.620	(5.6)	58.5
GAMUDA	3.690	(8.9)	53.5

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.620	(5.6)	387.3
MAYBANK	10.000	(2.3)	328.2
RHBBANK	6.490	(4.4)	210.3
TNB	13.580	(1.3)	198.0
GAMUDA	3.690	(8.9)	197.6

Currencies	Last Close	% Chg
USD/MYR	4.481	(1.0)
USD/JPY	147.880	(0.0)
EUR/USD	1.092	0.0
USD/CNY	7.321	(0.5)
US Dollar Index	103.256	0.2

Commodities	Last Close	% Chg
Brent (USD/barrel)	64.2	(2.1)
Gold (USD/troy oz)	2,988.2	0.2
CPO (MYR/metric t)	4,562.0	(3.0)
Bitcoin (USD/BTC)	80,068.1	1.5



Macro News

Malaysia: Anwar: Malaysia must improve its preparedness in facing global economic uncertainties

Malaysia needs to improve its preparedness in facing global economic uncertainties, including the impact of the market crash in the US, which recorded losses of trillions of dollars, said Prime Minister Datuk Seri Anwar Ibrahim. He said although the country's economic fundamentals remain strong with convincing figures, there are several unexpected developments that require immediate attention, including tariff issues and trade relations with the US. "Our export value to the US is significant. Semiconductor exports alone may reach US\$100bn, which is 65% of the country's total semiconductor production. Trade and investment relations with the US are still among the highest. "Therefore, we must consider all possibilities because we do not want any economic policies that will eventually harm the people, affect jobs, and their livelihoods," he said during a staff meeting at the Prime Minister's Department here on Monday. (*Bernama*)

Malaysia: Zafrul: Global investments likely to see decline, Malaysia will not be spared

The Trump tariffs that will come into effect on April 9 will damage global investment sentiment, and Malaysia will not be spared, according to Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz. "We cannot deny this fact," Zafrul told the press on Monday, adding that his ministry will be revising its foreign direct investment target for 2025. The minister noted it is too early to gauge the impact and that quantifying it is even more difficult at this juncture. "But what's important is for us to start assessing and find ways to mitigate this." (*Bernama*)

Philippines: Mulls cutting tariffs on US products, says trade chief

The Philippines is considering reducing tariffs on US products in response to President Donald Trump's sweeping levies, including a 17% tariff on Manila's goods, its trade chief said. "We are really going to do that," Trade Secretary Cristina Roque told reporters on Monday, when asked whether the government plans to cut tariffs on imports from the US. She said government economic officials will soon meet to discuss which products will be covered. The Philippines is also looking at joining a potential collective response on the US tariffs by the Association of Southeast Asian Nations (Asean), of which it is a member, Roque said. (*Bloomberg*)

Indonesia: Wants fair and equal relationship with US, president says

Indonesia wants a fair and equal relationship with the US, and will pursue diplomacy to address a 32% tariff rate imposed by the Trump administration, President Prabowo Subianto said on Monday, while his ministers are working to finalise its negotiation proposal. "We will also open negotiations with America. We will say, we want a good relationship. We want a fair relationship. We want an equal relationship," Prabowo said during a rice harvesting event in West Java. Jakarta has said it would pursue negotiations rather than retaliate against the US tariffs, and will send a high-level delegation to the United States. (*Bloomberg*)

US: Treasury personnel discusses tariffs with Asean officials

United States (US) Department of the Treasury deputy assistant secretary for Asia Robert Kaproth met with senior Asean officials here on Monday to apprise them of the imposition of tariffs on 168 countries by the US. The US official shared Washington's policy outlook and discussed the effects of the newly implemented US tariffs on Asean member states during the US Treasury-Asean Finance and Central Bank Deputies Meeting (AFCDM). In a post on social media platform X, Malaysia's Ministry of Finance said the meeting provided an avenue for Asean finance and central bank deputies to directly engage with the US Treasury in a closed-door setting. (*Bloomberg*)

US: 10-year Treasury Yield Rises Sharply

The US 10-year Treasury yield jumped nearly 20 basis points to around 4.2% on Monday, rebounding from 6-month low as growing recession fears in US may prompt investors to question the safety of US Treasuries as a haven asset. The US tariffs have fuelled concerns about a potential global trade war, as other countries respond with retaliatory measures against the U.S. On Friday, China hit back with 34% tariffs on American goods, while the EU has pledged to introduce countermeasures if talks break down. The rise in the yield comes despite traders increasing their bets on rate cuts by the Fed, driven by expectations of a weakening economy. Fed funds suggest roughly a 50% probability of a quarter-point rate cut at the Fed's May meeting and are pricing in at least five rate cuts over the course of 2025. (*Bloomberg*)



MERCURY SECURITIES SDN BHD
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Malaysia Securities Bhd.)

MARKET WATCH
Tuesday, April 8, 2025
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US: Trump threatens extra 50% tariffs for China over retaliation

US President Donald Trump threatened to "impose additional tariffs on China of 50%" unless Beijing withdraws a 34% retaliatory duty on US goods. If China does not withdraw its 34% increase above their already long term trading abuses by tomorrow, April 8th, 2025. (*The Bloomberg*)

Corporate News

Kerjaya Prospek: Bags RM291m construction contract in Penang

Kerjaya Prospek Group Bhd has secured a RM291.4m construction contract for a 50-storey service apartment project in Pulau Andaman, Penang. The contract was awarded to its wholly owned subsidiary, Kerjaya Prospek (M) Sdn Bhd, by Persada Mentari Sdn Bhd. The project, which includes 516 units, is set to begin on June 23 and is expected to be completed in 38 months. This marks the fourth contract Kerjaya Prospek has secured this year, bringing its total order book to over RM4.6bn. *(The Edge)*

KJTS: Clinches RM48m water plant project in Thailand

KJTS Group Bhd, a building support services firm, has secured a chilled water plant improvement project worth approximately 372.5m Thai baht (about RM48.3m) over a 20-year period at the Centara Grand Beach Resort & Villas Hua Hin in Thailand. KJTN Engineering will finance the retrofit works, amounting to 195m Thai baht (approximately RM25.3m) for Phase One and 15.5m Thai baht (approximately RM2m) for Phase Two. *(The Edge)*

Gas Malaysia: Says more areas to face gas supply disruption after Putra Heights blaze

Gas Malaysia Bhd announced on Monday an expansion of the gas supply curtailment areas due to ongoing operational limitations stemming from the recent explosion at Putra Heights caused by a gas pipeline leak. The MMC Group member said in a press statement that while the previously announced curtailment period remains in effect — expected to last until April 20 — a new notification from the gas supplier indicates that additional areas and customers will now be affected. The curtailment, initially focused on areas directly impacted by the Putra Heights incident on April 1, will now be widened to include Merbau, Tronoh, Perai, Junjung and Hutan Melintang. *(The Edge)*

Marine & General: Buys petroleum product tanker for RM55m from Muhibbah Engineering unit

Marine & General Bhd is acquiring a clean petroleum product tanker for RM55.2m as part of its downstream vessel optimisation strategy aimed at boosting competitiveness in the marine logistics sector. In a bourse filing on Monday, the offshore support vessel player said its wholly-owned subsidiary, M&G Tankers Sdn Bhd (MGTSB), has entered into a vessel sale and purchase agreement with Muhibbah Marine Engineering Sdn Bhd (MMESB) — a wholly-owned subsidiary of Muhibbah Engineering (M) Bhd — to acquire the vessel named JM Sutera 9 (JMS9). The group said it will finance the acquisition through a combination of internal funds of up to RM25m and bank borrowings for the balance. *(The Edge)*

Alliance Bank: Offers relief assistance to clients affected by the gas pipeline fire

Alliance Bank Malaysia Bhd is offering a relief assistance programme to ease the financial burden of its customers and employees impacted by the gas pipeline fire in Putra Heights, Selangor, on April 1. In a statement on Monday, the bank said the various options of assistance include loan payment deferment of up to six months, loan repayment modifications, as well as waivers of fees and charges for customers and businesses that have been affected. “The relief assistance programme offers payment relief on all conventional loans and Islamic financing facilities. *(The Edge)*

Petronas Gas: Targets May for fire probe wrap-up, impact assessment ongoing

Petronas Gas Bhd said on Monday that it is still evaluating the financial and operational impact of the recent gas pipeline fire near Putra Heights, Selangor. In a filing with Bursa Malaysia, the company said it is working with authorities to determine the cause of the gas pipeline fire, aiming to complete the investigation by May 2025. “As part of the ongoing efforts, the company is currently assessing potential remediation measures, and is working closely with the relevant authorities to ensure a safe and efficient resumption of operations in the area,” Petronas Gas said. *(The Edge)*

HHRG: Suspends CEO for 2 weeks pending outcome of internal investigation

HHRG Bhd’s chief executive officer Fong Chee Khuen has been suspended with immediate effect for a period of two weeks, pending the outcome of an internal investigation. In a filing with Bursa Malaysia, the biomass material manufacturer said the suspension is a precautionary measure to facilitate an independent and thorough review into allegations of misconduct in breach of the company’s policies and / or the express and / or implied terms and conditions of Fong’s employment. *(The Star)*



Samsung: Logs Profit Beat With Boost From Galaxy Smartphones

Samsung Electronics Co.'s quarterly profit beat expectations after strong demand for its Galaxy S25 smartphones and legacy DRAM outpaced slipping margins in the high-stakes AI memory arena. The boost from the smartphones business is a relief for a company grappling with challenges throughout the pivotal high-bandwidth memory business. The world's largest memory maker has struggled to get Nvidia Corp.'s approval for its most advanced HBM, slipping further behind rival SK Hynix Inc. in the lucrative market of enabling AI accelerators.



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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