



Daily Newswatch

Market Review

The FBM KLCI closed flat (+0.0%) yesterday after paring early gains, as cautious sentiment prevailed ahead of the US's fresh round of reciprocal tariffs on Malaysia. Between the index constituents, positive performance was led by PETDAG (+5.8%), SUNWAY (+3.2%) and AXIATA (+2.9%). Market performance was weighed down by losses in the Plantation sector (-1.8%) though this was partially offset by strength in Construction (+2.6%) and Healthcare (+2.4%). These gains helped cushion the broader market from further downside, following Monday's sharp sell-off in reaction to the tariff announcement. Despite the neutral performance, market breadth was positive, with 669 gainers outpacing 367 losers.

Asian markets recovered on Tuesday after a steep sell off, with support from Beijing and improved regional sentiment. The SHANGHAI CI increased by 1.6% to 3,469.5 and the HSI climbed 1.5% to 20,127.7. The recovery followed interventions by China's sovereign wealth fund, Central Huijin and state-owned firms, which boosted ETF purchases and share buybacks. Investors remain cautious amid ongoing U.S.-China tariff tensions, as President Trump threatens further levies and Beijing vows to "fight to the end."

US stocks closed sharply lower Tuesday as optimism over tariff delays faded, triggering a broad selloff. The S&P 500 dropped 1.6% to 4,982.8—its first close below 5,000 in nearly a year, while the Dow Jones fell 320 points (-0.8%) and the Nasdaq slid 2.2% to 15,267.9. Markets had rallied earlier on hopes Trump might ease or delay tariffs set for midnight, but those hopes collapsed after the White House confirmed 104% tariffs on China would proceed, despite outreach from nearly 70 countries. Confidence quickly crumbled, with S&P 500 firms losing nearly \$6 trillion in value over four sessions—the steepest drop since the 1950s.

Macro News

- **Malaysia:** Pushing for border and intra-Asean trade development
- **Malaysia:** Anwar announced the dispatch of negotiators to the US, aiming to push policy change
- **Malaysia:** BNM data show a dip in forex reserves again in March
- **China:** PBOC vows funding support to sovereign fund to stabilise market
- **China:** Vows to 'fight to the end' if US insists on new tariffs
- **Singapore:** Sets up task force as trade tensions seen hitting GDP

Corporate News

- **Matrix Concepts:** Major shareholders plan injection of Selangor property business
- **Petronas Gas:** Pipeline disruption affects pipeline services in Shah Alam, Klang, Puchong, Batu Tiga
- **MBSB:** Withdrawing RM116m lawsuit against KNM
- **Subur Tiasa:** Accounts flagged with material uncertainty for fourth straight year
- **Fajarbaru:** Bags RM63m construction work, order book at RM1.1bn
- **LSH:** Hydroshoppe, Menara KL lose bid to pause KL Tower takeover
- **Yong Tai:** Forms JV with Taghill to develop two serviced suite blocks in Melaka

<u>Upcoming key economic data releases</u>	<u>Date</u>
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	1,443.6	(0.0)	(12.1)
Dow Jones	37,645.6	(0.8)	(11.5)
Nasdaq CI	15,267.9	(2.1)	(20.9)
S&P 500	4,982.8	(1.6)	(15.3)
FTSE 100	7,910.5	2.7	(3.2)
Nikkei 225	31,999.2	(3.1)	(19.8)
Shanghai CI	3,145.5	1.6	(6.2)
HSI	20,127.7	1.5	0.3
STI	3,469.5	(2.0)	(8.4)

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,323.5	(37.9)
Value traded (RM m)	2,832.5	(39.4)
Gainers	669	
Losers	367	
Unchanged	419	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.770	8.5	133.6
REVENUE	0.095	11.8	53.2
INARI	1.550	0.6	50.2
TOPGLOV	0.820	6.5	35.9
CIMB	6.680	0.9	33.2

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAYBANK	9.880	(1.2)	230.1
CIMB	6.680	0.9	220.7
PBBANK	4.220	0.2	117.5
GAMUDA	3.770	2.2	114.1
MYEG	0.770	8.5	102.4

Currencies	Last Close	% Chg
USD/MYR	4.507	(0.3)
USD/JPY	145.420	0.6
EUR/USD	1.099	0.3
USD/CNY	7.339	(0.3)
US Dollar Index	102.790	(0.2)

Commodities	Last Close	% Chg
Brent (USD/barrel)	61.1	(2.7)
Gold (USD/troy oz)	2,983.0	(0.0)
CPO (MYR/metric t)	4,556.0	(0.2)
Bitcoin (USD/BTC)	76,556.5	(0.6)

Macro News

Malaysia: Pushing for border and intra-Asean trade development

According to discussion to the Asean Investment Conference 2025 on Tuesday, Anwar Ibrahim said Malaysia will keep investing in developing border areas, much like the Johor-Singapore Special Economic Zone (JS-SEZ). It will also improve cross-border logistics and enhanced digital connectivity within Asean to strengthen trade within the region, which totaled RM15.7bn. Anwar mentioned developing border areas like the northern Peninsular Malaysia to boost economic activity for both sides of the borders. Malaysia will focus on revitalizing key platforms like Asean Plus Three to strengthen economic resilience. (*The Edge*)

Malaysia: Anwar announced the dispatch of negotiators to the US, aiming to push policy change

Malaysian officials will be heading to the US to initiate dialogue, Prime Minister Datuk Seri Anwar Ibrahim said on Tuesday, after a steep 24% tariff from the world's largest economy. He said there may still be room to nudge the US' policy's implementation. We will be despatching our officials to Washington to begin the process of dialogue." Malaysia is diversifying and strengthening trade ties with key markets across the EU, Asia, the Middle East, and Africa, he said. While Malaysia is committed to maintaining strong trade relations with the US, the country will take all steps to protect its economic interests. (*The Edge*)

Malaysia: BNM data show a dip in forex reserves again in March

Malaysia's international reserves dropped about US\$500m at the end of March from the middle of the month. Foreign reserves totalled US\$117.5bn as at March 28 compared to US\$118bn as at March 14, Bank Negara Malaysia (BNM) said in a statement on Thursday. BNM releases data on foreign exchange reserves every two weeks. The reserves position is sufficient to finance 4.8 months of imports of goods and services, and is 0.9 times the total short-term external debt, BNM said. (*The Edge*)

China: PBOC vows funding support to sovereign fund to stabilise market

China's central bank said it will provide support to a sovereign fund when needed as it firmly supports its decision to buy more stocks. The People's Bank of China will step up funding aid via a re-lending program to Central Huijin Investment Ltd when it's necessary, in order to safeguard the stability of capital markets, it said in a statement Tuesday. (*Bloomberg*)

China: Vows to 'fight to the end' if US insists on new tariffs

China slammed the US for threatening to raise tariffs and pledged to retaliate if Washington follows through, raising the stakes of the trade war between the world's two largest economies. "The US threat to escalate tariffs on China is a mistake on top of a mistake, which once again exposes the extortionate nature of the US," the Chinese Ministry of Commerce said in a Tuesday statement. "If the US insists on its own way, China will fight to the end." (*Bloomberg*)

Singapore: Sets up task force as trade tensions seen hitting GDP

Singapore will set up a taskforce to address economic uncertainties amid quickly escalating global trade tensions that are likely to undermine this year's growth prospects, Prime Minister Lawrence Wong said, one day before new US tariffs go into effect. "I have no doubt our growth will be significantly impacted." Wong said. While the city-state is only subject to the minimum 10% tariff on all exports to the US, among the lowest levels in Southeast Asia, Singapore officials say the real damage may come when nations retaliate. (*Bloomberg*)



Corporate News

Matrix Concepts: Major shareholders plan injection of Selangor property business

Matrix Concepts Holdings Bhd said on Tuesday a group of shareholders, led by its group executive deputy chairman, is injecting parts of their property business to provide a foothold for the company in Selangor. Agreements have been signed for Matrix to acquire a 50% stake in Horizon L&L Sdn Bhd, the entire equity stake in Exoland Property Management Sdn Bhd, and 30% of Horizon L&L (SEL) Sdn Bhd for RM77.9m cash, the company said in an exchange filing. *(The Edge)*

Petronas Gas: Pipeline disruption affects pipeline services in Shah Alam, Klang, Puchong, Batu Tiga

Petronas Gas Bhd said the fire that occurred at its main gas pipeline near Putra Heights, Selangor, on April 1 has impacted its pipeline services in the Central Zone, This is also approximately 7% of a gas shipper's total commitment volume to its customers, it added. In a bourse filing on Tuesday, PetGas said it is fully committed to fulfilling its obligations under the gas transportation agreement with the gas shipper after the fire. *(The Edge)*

MBSB: Withdrawing RM116m lawsuit against KNM

KNM Group Bhd (PN17) said that MBSB Bank Bhd has withdrawn its lawsuit against its indirect unit over the default of a RM116.13m Islamic financing facility. MBSB withdrew the originating summons against Perwira Awan Sdn Bhd following negotiations, KNM said in its filing. The withdrawal was made with liberty to file afresh, as indicated in a notice of discontinuation filed on April 4. *(The Edge)*

Subur Tiasa: Accounts flagged with material uncertainty for fourth straight year

Subur Tiasa Holdings Bhd's audited financial statements for the financial year ended Dec 31, 2024 (FY2024) has been flagged with a material uncertainty by its independent auditor, casting doubt over the timber firm's ability to continue as a going concern. This is the fourth consecutive year Subur Tiasa's accounts have been flagged with a material uncertainty related to a going concern. Messrs Crowe Malaysia PLT highlighted that the group's current liabilities exceed assets by RM393m. *(The Edge)*

Fajarbaru: Bags RM63m construction work, order book at RM1.1bn

Fajarbaru Builder Group Bhd said on Tuesday it has clinched a RM63.7m contract for construction works in Klang, Selangor. In a filing with the exchange, the construction outfit said its wholly owned subsidiary, FBG Builder Sdn Bhd, has accepted a letter of award from Jurutera Perunding Primareka Sdn Bhd, issued on behalf of Petaling Garden Bhd, an indirect wholly owned subsidiary of SP Setia Bhd. *(The Edge)*

LSH: Hydroshoppe, Menara KL lose bid to pause KL Tower takeover

The High Court on Tuesday dismissed an application by the former operator of the Kuala Lumpur Tower for an ad interim injunction to halt the award of the KL Tower concession to a subsidiary of Lim Seong Hai Capital Bhd, LSH Service Master Sdn Bhd. The application was filed by the former operator, Menara Kuala Lumpur Sdn Bhd, and its parent Hydroshoppe Sdn Bhd, which has filed a lawsuit against LSH Capital's wholly owned LSH Best Builders Sdn Bhd as well as its 70%-owned LSH Service Master, as well as the Malaysian government, and the Ministry of Communications and its Minister Datuk Fahmi Fadzil, against the award of the concession. *(The Edge)*

Yong Tai: Forms JV with Taghill to develop two serviced suite blocks in Melaka

Property developer Yong Tai Bhd has formed a joint venture (JV) with builder Taghill Holdings Bhd, previously known as Siab Holdings Bhd, to develop two blocks of serviced suites in Melaka. The project is expected to generate RM28m in capital entitlement for Yong Tai, which is granting Taghill's unit the exclusive rights to develop the blocks — to be known as The Dawn @ Impression City Melaka — on a plot of leasehold land measuring 2.02ha in Kawasan Bandar XLIV, Melaka Tengah, that Yong Tai owns. In separate bourse filings on Tuesday, Yong Tai and Taghill announced that the JV is formed via Yong Tai's fully owned YTB Impression Sdn Bhd and Taghill's fully owned Taghill Land Sdn Bhd. *(The Edge)*



Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.11	0.15	13.78
Amway (M)	Consumer	5.07	0.47	9.27
British American Tobacco (M)	Consumer	6.21	0.54	8.70
Sentral REIT	REIT	0.78	0.06	8.26
YTL Hospital REIT	REIT	1.04	0.08	7.98
REXIT	Technology	0.63	0.05	7.94
KIP REIT	REIT	0.87	0.07	7.75
Hektar REITS	REIT	0.49	0.04	7.63
CapitaLand Malaysia Trust	REIT	0.64	0.05	7.56
Paramount Corporation	Property	1.03	0.07	7.28
MBM Resources	Consumer	5.43	0.39	7.24
Taliworks Corporation	Utilities	0.70	0.05	7.14
MAG Holdings	Consumer	1.23	0.08	6.67
Magnum	Consumer	1.23	0.08	6.67
Ta Ann Holdings	Plantation	3.92	0.26	6.58

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		
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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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