



# Daily Newswatch

## Market Review

On Thursday, the FBM KLCI rebounded strongly (+4.5%), in tandem with its regional peers as the overall market sentiment turned strongly bullish following the President Donald Trump's overnight announcement of a 90-day pause in tariffs on most countries. The relief saw all the top 30 index constituents ended in green with the gain led by CIMB (+8.8%), GAMUDA (+7.2%) and NESTLE (+7.1%). Similarly, the positive gains are translated into all the sector, with Technology (+11.5%), Energy (+7.7%) and Construction (+6.2%) being the top 3 gainers. Market breadth reversed and turned strongly bullish, with 1,075 gainers significantly outpaced 183 losers.

Yesterday, Asian markets closed broadly higher, buoyed by improved sentiment as investors responded positively to the announced 90-day pause on tariffs, triggering a wave of bargain hunting following the recent steep market correction. In the Chinese market, HSI rallied 2.1% to 20,681.8, while SHANGHAI CI inched up 1.2% to 3,223.6. The rally was underpinned by investor optimism surrounding potential progress in US-China trade negotiations and expectations of policy support from state-owned enterprises.

This morning for Thursday's closing, US market reversed sharply lower, retracing a portion of the previous session's historic gains. The pullback came as investor sentiment turned risk-averse despite President Trump's announcement of a 90-day global pause on reciprocal tariffs. The Dow Jones dropped 2.5%, tumbling 1,014.8 points to close at 39,593.7. The S&P 500 slipped by 3.5%, while the Nasdaq dropped 4.3%. A broad-based risk-off sentiment took off amid intensifying concerns about a potential trade war and its impact on global economic growth, particularly following the announcement of a cumulative 145.0% tariff rate on Chinese imports.

## Macro News

- **China:** Consumer deflation persists as trade war poses new risks
- **US:** House passes plan to advance Trump tax cuts, debt limit boost
- **US:** US inflation unexpectedly slows down ahead of tariffs impact
- **Japan:** Wholesale inflation accelerates, signal sticky cost pressure
- **US:** Trump sees 'transition problems' with China tariffs at 145%
- **EU:** Pause metal counter-tariffs against US for 90 days
- **Malaysia:** No rush to adjust GDP growth forecast of 4.5%-5.5%

## Corporate News

- **Hibiscus:** 20-year PSC extension supports new wells, nearby gas processing
- **Ambank:** Grants RM307m in financing to Chin Hin Group for infrastructure projects
- **YHN Property:** Review uncovers ties among directors, shareholders in major JV deals
- **HeiTech Padu:** Inks two MOUs to explore AI computing power cloud services
- **Toyo Ventures:** Talks with Vietnamese govt over power plant dispute extended
- **MSM:** Sued by Ranhill over termination of effluent treatment plant project

<u>Upcoming key economic data releases</u>	<u>Date</u>
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	1,463.1	4.5	(10.9)
Dow Jones	39,593.7	(2.5)	(6.9)
Nasdaq CI	16,387.3	(4.3)	(15.1)
S&P 500	5,268.1	(3.5)	(10.4)
FTSE 100	7,913.3	3.0	(3.2)
Nikkei 225	34,609.0	9.1	(13.2)
Shanghai CI	3,223.6	1.2	(3.8)
HSI	20,681.8	2.1	3.1
STI	3,577.8	5.4	(5.5)

Market Activities	Last Close	% Chg
Vol traded (m shares)	4,412.0	17.0
Value traded (RM m)	3,811.0	0.6
Gainers	1,075	
Losers	183	
Unchanged	261	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.835	10.6	156.5
TOPGLOV	0.910	11.0	95.5
SUMI	0.190	5.6	89.5
SUPERMX	0.850	5.6	72.4
INARI	1.720	18.6	71.2

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.910	8.8	302.1
GAMUDA	3.850	7.2	182.3
TENAGA	13.300	3.7	167.6
MAYBANK	9.990	5.2	151.2
PBBANK	4.250	3.9	146.3

Currencies	Last Close	% Chg
USD/MYR	4.4700	0.6
USD/JPY	144.19	0.2
EUR/USD	1.1220	0.2
USD/CNY	7.3175	0.4
US Dollar Index	100.87	(2.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	63.3	(3.3)
Gold (USD/troy oz)	3,180	0.1
CPO (MYR/metric t)	4,444	0.4
Bitcoin (USD/BTC)	79,701	(0.2)



## Macro News

### **China: Consumer deflation persists as trade war poses new risks**

China's consumer prices fell by 0.1% year-on-year in March 2025, the National Bureau of Statistics said Thursday, missing market expectations of a 0.1% increase and marking the second consecutive month of drop, as the ongoing trade dispute with the U.S. threatens to exert further downward pressure on prices. Still, the latest drop was significantly milder than February's 0.7% fall. (*Bloomberg*)

### **US: House passes plan to advance Trump tax cuts, debt limit boost**

House Republicans narrowly passed a budget outline, enabling former President Donald Trump's multi-trillion-dollar tax cut agenda to advance without Democratic support, after intense lobbying by Trump and GOP leaders. The approved plan paves the way for up to \$5.3tn in tax cuts and a \$5tn debt ceiling increase, offset by \$4bn in spending cuts, though conservative factions are pushing for significantly deeper reductions. While moderate Republicans secured assurances on protecting certain Medicaid benefits, major policy battles—including potential cuts to social programs—are deferred to future negotiations, risking a standoff in the Senate. (*Bloomberg*)

### **US: US inflation unexpectedly slows down ahead of tariffs impact**

US inflation cooled in March, with core CPI rising just 0.1%—the slowest pace in nine months—amid declines in energy, vehicle, and travel-related costs, offering short-term relief to consumers. Despite tariffs already in place, their impact on consumer prices has been limited so far, though economists expect inflationary effects to emerge in the coming months. While housing costs remained firm, other service prices eased notably, and real wages rose 1.4% year-over-year, signalling ongoing strength in the labor market and consumer resilience. (*Bloomberg*)

### **Japan: Wholesale inflation accelerates, signal sticky cost pressure**

Japan's annual wholesale inflation hit 4.2% in March, accelerating from the previous month, in a sign of persistent cost pressures that add to corporate pain from uncertainty over US tariff policy. The data highlights the challenge the Bank of Japan (BOJ) faces in judging the timing of its next interest rate hike, particularly given push-pull forces exerted by mounting domestic inflationary pressure and the expected hit to economic growth from US President Donald Trump's tariffs. (*Reuters*)

### **US: Trump sees 'transition problems' with China tariffs at 145%**

President Trump defended his aggressive tariff stance, acknowledging short-term "transition problems" while expressing confidence in long-term economic benefits, after the White House confirmed U.S. tariffs on Chinese imports had surged to 145%. The move has heightened fears of a full-blown trade war, leading to sharp market declines and raising the average U.S. import tax to a historic 24%, despite a temporary 90-day tariff pause on many trading partners. The administration's shifting tariff policy has caused confusion among investors and trading partners, as the U.S. signaled readiness to reimpose broader tariffs if no deals are reached within three months. (*Bloomberg*)

### **EU: Pause metal counter-tariffs against US for 90 days**

The EU will delay for 90 days the implementation of its counter-tariffs against the US over the 25% duties President Donald Trump imposed last month on the bloc's steel and aluminium exports. It will move forward with the tariffs that would hit around €21bn (US\$23.2bn or RM103.93bn) of US goods and then immediately suspend them when they take effect. (*Bloomberg*)

### **Malaysia: No rush to adjust GDP growth forecast of 4.5%-5.5%**

BNM is not in a hurry to revise its 2025 growth forecast of 4.5% to 5.5% for Malaysia's GDP, despite the tariff upheaval initiated by US President Donald Trump. This is because the central bank had already factored in the potential tariff impact of the new Trump administration when it first made the projection, according to BNM governor Datuk Seri Abdul Rasheed Ghaffour. (*The Edge*)

## Corporate News

### **Hibiscus: 20-year PSC extension supports new wells, nearby gas processing**

Hibiscus secured the 20-year extension to its PM3 Commercial Arrangement Area (CAA) cluster PSC from Petroliaam Nasional Bhd (Petronas) and its Vietnamese counterpart Vietnam Oil and Gas Group, which pushed the contract's cut-off date to end-December 2047. The extension serves as a key enabler for its development plan for the group's assets near PM3 CAA. *(The Edge)*

### **Ambank: Grants RM307m in financing to Chin Hin Group for infrastructure projects**

AmBank Group has granted RM307m in financing facilities to Chin Hin Group Bhd's subsidiaries, Aricia Sdn Bhd and Makna Setia Sdn Bhd, to support several new property and infrastructure developments in the Klang Valley and Sabah and Sarawak. The financing will support the development of Aricia Residences @ Sungai Besi, a residential project with a gross development value of RM467m. *(Bernama)*

### **YHN Property: Review uncovers ties among directors, shareholders in major JV deals**

An independent review by UHY Advisory of YNH Property Bhd's RM1.1bn in joint ventures and turnkey contracts revealed overlapping directors, shared addresses, and common company secretaries among involved entities, raising concerns about potential related-party transactions (RPTs). The report highlighted weak internal controls, including a lack of formal policies for approvals and payment authorisation, and recommended stricter governance measures. YNH Property is reviewing the findings for improvements, following a qualified audit opinion and the resignation of its previous external auditor. *(The Edge)*

### **HeiTech Padu: Inks two MOUs to explore AI computing power cloud services**

HeiTech Padu Bhd (HeiTech Padu) has signed two memoranda of understanding (MOUs) to form strategic partnerships in AI computing power cloud services. The first agreement was signed with Huawei Technologies (Malaysia) Sdn Bhd and MyEG Services Bhd (MyEG) to collaborate on cloud and AI-enabled smart government services. HeiTech Padu and MyEG will provide application demand scenarios, while Huawei will offer an AI platform and technology solutions to support HeiTech on a non-exclusive basis. *(The Edge)*

### **Toyo Ventures: Talks with Vietnamese govt over power plant dispute extended**

Toyo Ventures Holdings Bhd said on Thursday that its discussions with the Vietnamese government over the termination of the Song Hau 2 thermal power plant project will proceed beyond the initial 45-day period. The company said its indirect wholly owned subsidiary, Song Hau 2 Power Company Ltd (SH2P), had received confirmation from Vietnam's Ministry of Industry and Trade (MOIT) agreeing to extend the period for "good faith discussions". *(The Edge)*

### **MSM: Sued by Ranhill over termination of effluent treatment plant project**

MSM Malaysia Holdings Bhd (MSM) said the group has been sued by a subsidiary of Ranhill Utilities Bhd over a failed industrial effluent treatment project in Tanjung Langsat, Johor. Ranhill Water Technologies Sdn Bhd (RWT) had initiated the lawsuit against MSM's wholly-owned unit, MSM Sugar Refinery Johor Sdn Bhd following the termination of a RM6.1m contract for a plant upgrade, said MSM in an exchange filing on Thursday. *(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
WTEC Group Berhad	ACE Market	0.25	90.2	43.2	15 Apr	29 Apr
<a href="#">Cuckoo International (Mal) Bhd</a>	Main Market	1.29	143.3	222.1	10 Apr	30 Apr
Reach Ten Holdings Berhad	Main Market	0.52	200.0	100.0	18 Apr	2 May
West River Berhad	ACE Market	0.39	71.5	35.8	17 Apr	5 May

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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](http://www.mercurysecurities.com.my)  
Email: [mercurykl@mersec.com.my](mailto:mercurykl@mersec.com.my)