



# Daily Newswatch

## Market Review

On Friday, the FBM KLCI edged down 0.6% to 1,454.8 as investor sentiment soured amid renewed US-China trade tensions. China's 125% tariff hike on US imports, in response to President Trump's move to raise duties to 145%, sparked fresh global market volatility and supply chain concerns, despite a 90-day reprieve for most other trading partners. Among key index constituents, CIMB (-3.8%) led the decliners, followed by GAMUDA (-2.1%) and MAYBANK (-1.7%). Sector-wise, Energy (-1.7%), Financial Services (-1.3%) and Construction (-1.0%) were the top 3 laggards. Overall, market breadth was weak with 472 gainers narrowly outpacing 444 losers.

Asian markets edged higher last week as bullish signals from Hong Kong and China with potential state support particularly on chip rally amid Sino-US trade war. The Shanghai CI rose by 0.5%, while the HSI added 1.1% to close at 20,914.7. The gains come when Beijing ramped up efforts to stabilize domestic markets last week, urging state-owned financial institutions to increase equity investments. A flurry of share buyback announcements from listed companies also bolstered investor confidence.

Despite initial sell-offs from new tariffs last week, the US market rebounded as investors focused on the strong March Jobs Report, with nonfarm payrolls rising by 228k, well above expectations of 135k. However, revisions put the report more in line with expectations, removing 48k jobs from gains over the prior two months. The data signalled economic resilience, boosting confidence despite ongoing policy concerns. With that, all three major indices posted gains – the S&P 500, Dow Jones, and NASDAQ rose by 1.8%, 1.6%, and 2.1% respectively. Though the labour market appears strong moving into the second quarter, it is still too early to see the full effect of recent policies, including immigration policy.

## Macro News

- **Malaysia:** Wholesale and retail sale pickup in February amid festive splurge
- **Malaysia:** Factory output decelerates sharply in February
- **Malaysia:** Jobless rate steady in February
- **China:** Raises tariffs on US to 125%, says won't go higher
- **China:** US chipmakers outsourcing manufacturing will escape China's tariffs
- **EU:** Races to expand €2tn trade network as US links sour
- **US:** Producer Price Inflation MoM
- **US:** Trump exempts phones, computers, chips from 'reciprocal' tariffs

## Corporate News

- **MyEG:** Work together to build Malaysian AI model with China's Guangxi
- **UUE:** Secures RM28m pipe installation contract in Singapore
- **TXCD:** Bags RM85.5m subcontract for construction job in Subang Jaya
- **TNB:** Court postpones hearing of TNB's judicial review leave application over RM292m tax bill
- **Magma:** Buy for a Tioman resort lapses after four years, citing unmet conditions

### Upcoming key economic data releases

	Date
US – March 2025 's Retail Sales	Apr 16
US – Fed Chair Powell Speech	Apr 17
Malaysia – Q1 GDP Growth Rate	Apr 18

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,454.8	(0.6)	(11.4)
Dow Jones	40,212.7	1.6	(5.5)
Nasdaq CI	16,724.5	2.1	(13.4)
S&P 500	5,363.4	1.8	(8.8)
FTSE 100	7,964.2	0.6	(2.6)
Nikkei 225	33,585.6	(3.0)	(15.8)
Shanghai CI	3,238.2	0.5	(3.4)
HSI	20,914.7	1.1	4.3
STI	3,512.5	(1.8)	(7.3)

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,798.0	(36.6)
Value traded (RM m)	2,463.0	(35.4)
Gainers	472	
Losers	444	
Unchanged	456	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.900	7.8	92.4
SUMI	0.195	2.6	62.4
GAMUDA	3.770	(2.1)	28.0
TOPGLOV	0.905	(0.5)	27.7
CIMB	6.650	(3.8)	27.6

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.650	(3.8)	183.8
TENAGA	13.220	(0.6)	151.4
GAMUDA	3.770	(2.1)	105.4
MAYBANK	9.820	(1.7)	102.0
RHBBANK	6.480	0.3	87.3

Currencies	Last Close	% Chg
USD/MYR	4.4233	1.1
USD/JPY	143.54	0.6
EUR/USD	1.1355	1.4
USD/CNY	7.2919	0.4
US Dollar Index	100.10	(0.8)

Commodities	Last Close	% Chg
Brent (USD/barrel)	64.8	2.3
Gold (USD/roy oz)	3,238	1.9
CPO (MYR/metric t)	4,461	0.4
Bitcoin (USD/BTC)	83,193	(0.7)



## Macro News

### Malaysia: Wholesale and retail sales pick up in February amid festive splurge

Malaysia's wholesale and retail trade growth picked up in February as consumers splurged on food and non-essential goods ahead of Ramadan while parents spent on school supplies, official data on Friday showed. Distributive trade grew 5.1% to RM148.3bn in February, the Department of Statistics Malaysia said in a statement. The rate was faster than January's 4.6% year-on-year gain. On a month-on-month basis, sales slipped 0.4%. (*The Edge*)

### Malaysia: Factory output decelerates sharply in February

Malaysia's industrial production growth decelerated sharply in February as contraction in mining output and electricity generation offset gains in manufacturing activity, official data Friday showed. The industrial production index — which measures output from factories, mines, and power plants — rose 1.5% in February from a year earlier, the Department of Statistics Malaysia said. (*The Edge*)

### Malaysia: Jobless rate steady in February

Malaysia's unemployment rate remained steady in February 2025, as the number of jobless people fell, even as the labour force expanded, according to the latest official survey. Unemployment rate in February was 3.1%, unchanged since December 2024, the Department of Statistics Malaysia said in a statement. (*The Edge*)

### China: Raises tariffs on US to 125%, says won't go higher

China will raise tariffs on all US goods from 84% to 125% starting April 12, and said it plans to ignore any further increases announced by Washington from here. The move — announced by the Ministry of Finance on Friday — came after the White House clarified that levies on Chinese goods rose to 145% this year. China said it no longer makes economic sense if the US imposes more tariffs. (*Bloomberg*)

### China: US chipmakers outsourcing manufacturing will escape China's tariffs

US chipmakers which outsource manufacturing will be exempt from China's retaliatory tariffs on US imports, according to a notice by the main Chinese semiconductor association on Friday. This means China-based companies importing their chips will not be forced to pay China's retaliatory tariffs on US imports, EETop said on its WeChat account. (*Reuters*)

### EU: Races to expand €2tn trade network as US links sour

The European Union (EU) is racing to clinch trade deals with countries around the world, in an effort to diversify away from an increasingly protectionist US, as officials worry that the transatlantic relationship has been irreversibly damaged. The bloc's chief trade negotiator, Maros Sefcovic, will travel to Washington on Monday to lobby for a reduction in the tariffs US President Donald Trump imposed on €380bn (US\$432bn or RM1.9tn) of the bloc's exports. (*Bloomberg*)

### US: Producer Price Inflation MoM

US factory gate prices unexpectedly decreased 0.4% month-over-month in March 2025, the first decline in PPI since October 2023, following a 0.1% rise in February and compared to forecasts of a 0.3% increase. Prices of goods went down 0.9%, also the biggest drop since October 2023, mainly due an 11% plunge in gasoline. (*Trading Economics*)

### US: Trump exempts phones, computers, chips from 'reciprocal' tariffs

Trump's administration exempted smartphones, computers and other electronics from its so-called reciprocal tariffs, potentially cushioning consumers from sticker shock, while benefitting electronics companies. The exclusions, published late Friday, narrow the scope of the levies by excluding the products from Trump's 125% China tariff and his baseline 10% global tariff on other countries. (*Bloomberg*)



## Corporate News

### **MyEG: Work together to build Malaysian AI model with China's Guangxi**

Digital services provider MyEG Services Bhd is working with China's Guangxi state-owned enterprise to develop a national artificial intelligence (AI) model — a foundation for various AI applications in the country. According to MyEG, the company and Guangxi BeiTou IT Innovation Technology Investment Group Co Ltd will establish an AI Innovation Cooperation Centre in Malaysia. The centre, which will be run by the two companies' joint venture (JV), is focused on developing AI infrastructure, creating Malaysia's foundational AI model, supporting research and development, and driving market growth. *(The Edge)*

### **UUE: Secures RM28m pipe installation contract in Singapore**

UUE Holdings Bhd, a Johor-based underground utilities engineering firm, said its Singaporean subsidiary has been awarded a subcontract valued at S\$8.4m (RM28.1m) for the installation of high-density polyethylene (HDPE) pipes in Singapore. The subcontract was secured by UUE's wholly owned Konnection Engineering Pte Ltd from Weng Guan Technology Pte Ltd, the ACE Market-listed company said in a bourse filing on Friday. *(The Edge)*

### **TXCD: Bags RM85.5m subcontract for construction job in Subang Jaya**

Construction outfit TXCD Bhd (PN17), formerly known as Ageson Bhd, said on Friday that it has secured an RM85.5m subcontract to undertake a construction project in Bandar Subang Jaya, Selangor. The contract was awarded to Ageson Kensetsu Sdn Bhd, a wholly-owned subsidiary of TXCD, by Vestland Resources Sdn Bhd. The scope of work includes the supply, construction, and commissioning of a tower block's superstructure and related infrastructure. The project is set to begin immediately and is scheduled for completion by May 11, 2026, TXCD said in a filing with the stock exchange. *(The Edge)*

### **TNB: Court postpones hearing of TNB's judicial review leave application over RM292m tax bill**

Tenaga Nasional Bhd said the hearing of its application for leave to proceed with a judicial review over a RM291.6m income tax bill has been postponed from April 14 to June 30. The High Court, which fixed the new date on Friday, also extended the interim stay on all further proceedings, including the enforcement of the notice issued by the Inland Revenue Board, until the disposal of the leave application, said TNB in a filing with Bursa Malaysia. *(The Edge)*

### **Magma: Buy for a Tioman resort lapses after four years, citing unmet conditions**

Magma Group Bhd, formerly known as Impiana Hotels Bhd, announced that its proposed acquisition of five parcels of land in Tioman Island for the development of a RM40m resort has lapsed, following the expiry of conditions precedent set out in the sale and purchase agreements (SPAs). The hospitality operator said both agreements — SPA 1 and SPA 2, had automatically lapsed as of Dec 31, 2024, due to the non-fulfilment of the agreed conditions within the stipulated time frame and the absence of any further extension. *(The Edge)*

### **Paramont: 70%-owned unit and two others sued over Taman U-Thant land deal**

Paramont Corp Bhd said its 70%-owned unit Tanah Bayumas Sdn Bhd is being sued over its RM145m purchase of a luxury condominium site in Taman U-Thant. The suit was filed by Prismaworld Embassyview Sdn Bhd, the property's current owner under receivership, to block the transaction and seek RM313m in damages. *(The Edge)*

### **SkyWorld: Inks MOU to explore joint development of residential project in Vietnam**

SkyWorld Development Bhd is exploring the joint development of a residential project in Ho Chi Minh City, Vietnam, with the landowner. The group has, via its wholly owned SkyWorld Development (Vietnam) Co Ltd (SkyWorld Vietnam), inked a memorandum of understanding (MOU) with Dong Me Kong Construction Manufacture Trading Service Co Ltd (DMK) and Phu My Development Investment Joint Stock Company (PM) for the purpose. PM is a wholly owned unit of DMK, and the current landholder of the project site. According to SkyWorld in a bourse filing on Friday, the residential project is to be developed on land measuring 117,890 sq m. Situated in the Binh Chanh district, it will include high-rise apartments, low-rise linked houses, shophouses, and villas, developed across five designated plots. *(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
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
Fibromat (M) Berhad	ACE Market	0.55	32.3	24.8	25 Apr	8 May
<a href="#">Cuckoo International (Mal) Bhd</a>	Main Market	1.29	143.3	222.1	5 Jun	24 Jun

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