



# Daily Newswatch

## Market Review

The FBM KLCI tumbled (-0.9%) on Tuesday, mirroring broader regional markets, as concerns over US President Donald Trump's interference with the Federal Reserve's independence regarding interest rate cuts dampened investor sentiment amid a worsening trade war. Among key index constituents, YTL declined (-3.3%), followed by YTLPOWER (-2.8%) and GAMUDA (-2.3%). Losses were seen across most sectors, led by Health Care (-2.1%), Construction (-2.0%) and Property (-1.3%). Market breadth remained negative, with 630 losers significantly outpacing 302 gainers.

Asian stocks closed higher on Tuesday, supported by a wave of patriotic "buy-the-dip" activity from Chinese retail investors in anticipation of a rebound in stock values. Many locals are aligning with the state-backed 'national team' to defend the Chinese market amid escalating Sino-U.S. tensions. Consequently, the SHANGHAI CI edged up 0.3% to 3,299.8, while the HSI rose 0.8% to 21,562.3.

This morning, for Tuesday's closing, US stocks closed higher, underpinned by investor optimism following a potential de-escalation in trade tension between China and US following comments from the US Secretary of Treasury Scott Bessent. Consequently, Dow Jones and Nasdaq edged up by 2.7% respectively, while S&P 500 increased by 2.5%.

European stock markets closed higher on Tuesday amid easing market concerns over US tariffs and trade tensions This translates into a 0.5% gain in the EURO STOXX 50.

## Macro News

- Malaysia:** US imposes new duties on solar imports from Malaysia, Southeast Asia
- Malaysia:** MAA sees slower vehicle sales in April post-Hari Raya bump
- Malaysia:** Visa exemption for Chinese tourists extended for five years to boost economy
- Malaysia:** BNM international reserves stood at US\$118.4bn as at April 15, 2025
- China:** Ramps up business charm offensive towards Taiwan alongside political pressure, study shows
- US:** Says major trade progress made with India during Vance's visit
- US:** Earnings to offer clues on how much tariffs will boost prices
- US:** Treasury Secretary Bessent sees de-escalation with China – Bloomberg

## Corporate News

- Scanwolf:** Secures subcontract for relocation of water supply in Rawang
- MGB Bhd:** Settles RM7.2m with JV partner to revive Cameron Highlands project after six years
- Petronas Chemicals:** Says commercial ops at Pengerang site commenced in November 2024
- DPS Resources:** Invest Energy team up to build solar farms in Melaka
- Sarawak Consolidated:** Drops RM19.8m claim against developer over scrapped Perak housing project
- Southern Steel:** Sell 55% stake in steel wire mesh unit to Singapore-listed BRC Asia
- Pentamaster:** Norges Bank emerges as substantial shareholder

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,486.3	(0.9)	(9.5)
Dow Jones	39,187.0	2.7	(7.9)
Nasdaq CI	16,300.4	2.7	(15.6)
S&P 500	5,287.8	2.5	(10.1)
FTSE 100	8,328.6	0.6	1.9
Nikkei 225	34,220.6	(0.2)	(14.2)
Shanghai CI	3,299.8	0.3	(1.6)
HSI	21,562.3	0.8	7.5
STI	3,795.4	1.0	0.2
Market Activities		Last Close	% Chg
Vol traded (m shares)		3,426.2	123.2
Value traded (RM m)		1,663.7	39.4
Gainers		302	
Losers		630	
Unchanged		398	
Top 5 Volume	Last Close	Daily chg %	Vol (m)
NEXG	0.355	2.9	77.2
INGENIEU	0.035	(12.5)	61.5
TANCO	0.845	(4.0)	44.4
MYEG	0.890	(2.2)	33.2
AUMAS	0.800	2.6	29.7
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.750	(1.6)	120.0
GAMUDA	3.850	(2.3)	100.7
PBBANK	4.370	(0.7)	65.3
MAYBANK	9.950	(0.3)	64.7
TENAGA	13.400	(0.6)	43.4
Currencies		Last Close	% Chg
USD/MYR		4.3870	(0.4)
USD/JPY		142.97	(1.0)
EUR/USD		1.1333	(0.8)
USD/CNY		7.3076	(0.2)
US Dollar Index		98.92	0.7
Commodities			
Brent (USD/barrel)		67.4	1.8
Gold (USD/troy oz)		3,332	(1.4)
CPO (MYR/metric t)		4,091	(0.4)
Bitcoin (USD/BTC)		92,800	1.8



## Macro News

### Malaysia: US imposes new duties on solar imports from Malaysia, Southeast Asia

Solar cells exported into the US from Malaysia and its neighbours Cambodia, Thailand and Vietnam will be subjected to steep anti-dumping duties. Malaysia's rate is the lowest at 8.6% among antidumping and countervailing duties on the four Southeast Asian nations. Certain companies based in Malaysia, however, are slapped with duties of as high as 81.2% due to their non-cooperation with investigations. Investigations into imports from Cambodia, Malaysia, Thailand, and Vietnam, found that companies in each country were receiving subsidies from China, according to a statement by the US Department of Commerce. (*The Edge*)

### Malaysia: MAA sees slower vehicle sales in April post-Hari Raya bump

Vehicle sales are expected to moderate in April following a 12% jump in March, as demand normalised after the Hari Raya Aidilfitri break, according to the Malaysian Automotive Association (MAA). The association said in a statement on Tuesday that the total industry volume (TIV) — which represents the total number of vehicles sold within a specific period — surged by 12% in March 2025 to 72,704 units, from 65,061 units in February 2025. (*The Edge*)

### Malaysia: Visa exemption for Chinese tourists extended for five years to boost economy

The Visa Liberalisation Plan (PLV) for Chinese visitors has been extended for another five years, as the initiative has shown immediate positive impact on the country's economy, said Home Minister Datuk Seri Saifuddin Nasution Ismail. He said the decision to extend the PLV was part of a series of memoranda of understanding and documents signed during Chinese President Xi Jinping's state visit to Malaysia last week, covering various sectors of cooperation. (*Bernama*)

### Malaysia: BNM international reserves stood at US\$118.4bn as at April 15, 2025

The international reserves of Bank Negara Malaysia (BNM) amounted to US\$118.4bn as at April 15, 2025. BNM, in a statement, said the reserves position is sufficient to finance 4.9 months of imports of goods and services, and is 0.9 times of the total short-term external debt. The biggest part of the reserves is foreign currency at US\$105.3bn. It also includes US\$1.3bn with the International Monetary Fund, US\$5.8bn in special drawing rights, and US\$3.8bn in gold. Other reserve assets stood at US\$2.2bn. (*The Edge*)

### China: Ramps up business charm offensive towards Taiwan alongside political pressure, study shows

Nearly 40,000 Taiwanese joined industry events in China such as conferences and trade fairs supported by the Chinese government in 2024, a study showed on Tuesday, as Beijing ramps up a charm offensive toward the island alongside military pressure. China, which views democratically governed Taiwan as its own despite Taipei's objections, has long taken a carrot and stick approach to Taiwan, threatening it with the prospect of military action while reaching out to those it believes are amenable to Beijing's point of view. (*Reuters*)

### US: Says major trade progress made with India during Vance's visit

The US said it has made "significant progress" towards a bilateral trade deal, following talks between Vice-President JD Vance and Indian Prime Minister Narendra Modi on Monday (April 21), laying down a roadmap for further discussions that New Delhi hopes may shield it from additional tariff hikes. The two sides have finalised the terms of reference for negotiations on "a new and modern trade agreement," the White House said in a statement during Vance's four-day visit to India. (*Bloomberg*)

### US: Earnings to offer clues on how much tariffs will boost prices

With profit margins close to record levels, corporate America has some room to absorb costs from higher tariffs. How much it decides to cushion the blow will determine how high inflation goes in 2025. After-tax profits rose in the fourth quarter by the most in more than two years, according to the latest government data. Bloomberg Intelligence expects upcoming earnings releases to show profitability began to deteriorate in the first three months of 2025, just before the Trump administration imposed massive levies on imported goods. (*Bloomberg*)

### US: Treasury Secretary Bessent sees de-escalation with China – Bloomberg

U.S. Treasury Secretary Scott Bessent expressed cautious optimism about a potential de-escalation in trade tensions with China, labeling the current tariff exchanges—145% on Chinese goods and 125% on U.S. goods—as "unsustainable." While formal negotiations have yet to commence, Bessent emphasized the need for rebalancing: encouraging China to boost domestic consumption and the U.S. to enhance manufacturing. His remarks, delivered at a JP Morgan investor summit, spurred a positive reaction in financial markets, with major indices like the S&P 500 rising by approximately 2.5%. (*Bloomberg*)



## Corporate News

### **Scanwolf: Secures subcontract for relocation of water supply in Rawang**

Scanwolf Corporation Bhd said it has secured a RM16.6m subcontract for the relocation of water supply in Rawang, Selangor. In a filing with Bursa Malaysia on Tuesday, Scanwolf said the subcontract, awarded by Asianmax Corporation Sdn Bhd, involves the relocation of water supply for the Jalan Perindustrian Rawang road upgrading project. *(The Edge)*

### **MGB Bhd: Settles RM7.2m with JV partner to revive Cameron Highlands project after six years**

MGB Bhd proposes to settle RM7.2m with joint venture partner Aset AZG Sdn Bhd (AASB) to kick start a serviced apartment project in Cameron Highlands which has been on the back burner for six years. In a filing with Bursa Malaysia on Tuesday, MGB said its unit Sinaran Kencana Sdn Bhd signed a settlement agreement with AASB to pay a total of RM7.2m to cover the remaining land cost due to AASB and agreed interest for non-development of the 1.884-acre leasehold land. This fully settles the RM11.5m land cost already paid by AASB, who owns the land. *(The Edge)*

### **Petronas Chemicals: Says commercial ops at Pengerang site commenced in November 2024**

Petronas Chemicals Group Bhd, announced on Tuesday that its Pengerang Petrochemicals Complex in Johor — the group's largest growth project under its olefins and derivatives segment in partnership with Saudi Aramco — commenced commercial operations in November 2024. In a statement issued in conjunction with its annual general meeting, the group also said that its isogonol plant at the same site has achieved on-spec production and remains on track to reach full operational capacity by 2025. *(The Edge)*

### **DPS Resources: Invest Energy team up to build solar farms in Melaka**

DPS Resources Bhd is partnering Invest Energy Sdn Bhd to develop solar farms and other infrastructure to support its proposed artificial intelligence (AI) data centre and high-tech industrial park in Alor Gajah, Melaka. In a bourse filing on Tuesday, the company announced that its wholly-owned subsidiary, DPS Energy Sdn Bhd, has inked a memorandum of understanding with Invest Energy Ventures Sdn Bhd, a subsidiary of Invest Energy. *(The Edge)*

### **Sarawak Consolidated: Drops RM19.8m claim against developer over scrapped Perak housing project**

Sarawak Consolidated Industries Bhd has withdrawn one of its legal claims against housing developer Awana JV Suria Saga Sdn Bhd over the termination of a housing project for civil servants in Perak's Muallim district. SCIB said its wholly-owned subsidiary, SCIB Properties Sdn Bhd, has filed a notice to discontinue with the claim to recover RM19.7m from Awana, said the industrialised building systems specialist in a bourse filing on Tuesday. SCIB, however, did not disclose the reason for the discontinuance of the claim. But the company stressed that the rest of the legal claims against Awana will proceed. *(The Edge)*

### **Southern Steel: Sell 55% stake in steel wire mesh unit to Singapore-listed BRC Asia**

After Singapore-based steel firm Green Estee Pte Ltd's emergence as the controlling shareholder of Southern Steel Bhd earlier this year, the Malaysian group is now offloading a 55% stake in its steel wire mesh-making unit to Singapore-listed BRC Asia Ltd for RM61.1m in cash. Southern Steel inked an agreement with BRC Asia on Tuesday for the disposal of the 55% stake in wholly-owned unit Southern Steel Mesh Sdn Bhd (SSM), according to a bourse filing. The deal is deemed a related-party transaction as Green Estee is the controlling shareholder of both Southern Steel and BRC Asia, with a 51% stake in Southern Steel and a 61.2% stake in BRC Asia. *(The Edge)*

### **Pentamaster: Norges Bank emerges as substantial shareholder**

Norges Bank, which manages Norway's government pension fund, has emerged as a substantial shareholder in automated test equipment maker Pentamaster Corp Bhd with a 5.3% stake. Bourse filings on Tuesday showed that Norges Bank bought 300,000 shares in Pentamaster on April 17, bringing its shareholding in the group to 35.8m shares or a 5.0% stake — above the 5% threshold required to be deemed a substantial shareholder. A day later, it purchased another 1.6m shares, raising its stake in the ATE manufacturer to 5.3%. *(The Edge)*



<u>Upcoming key economic data releases</u>	<u>Date</u>
US – March's Durable Goods Orders	Apr 24
Malaysia – March's PPI	Apr 28

## 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		
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
Peoplelogy Berhad	ACE Market	0.25	105.0	0.0	6 May	20 May
<a href="#">Cuckoo International (Mal) Bhd</a>	Main Market	1.29	143.3	222.1	5 Jun	24 Jun

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