



# Daily Newswatch

## Market Review

The FBM KLCI continued its steady upward trajectory and decisively consolidating above the physiological 1,500 mark, closing higher (+0.4%) on Thursday, driven by optimistic investor sentiment in anticipation of easing US-China trade tensions. Among key index constituents, AXIATA led the gains (+2.0%), followed by CIMB (+1.9%) and SUNWAY (+1.8%). Gains were seen across most sectors, led by Construction (+0.8%), Telecommunications & Media (+0.7%) and Energy (+0.6%). Market breadth remained positive, with 463 gainers outpacing 426 losers.

Asian stocks were mixed on Thursday, initially buoyed by investor optimism after US President Donald Trump signalled a softer stance on China and Beijing showed conditional openness to resuming trade talks. However, the rally quickly lost momentum after US Treasury Secretary Scott Bessent tempered expectations, stating that no unilateral tariff cuts had been proposed and that formal negotiations had yet to begin. Consequently, the HSI slipped 0.7% to 21,909.8 and the SHANGHAI CI ended flat at 3,297.3.

This morning, for Thursday's closing, US stocks closed higher, fuelled by strong gains in megacap tech names. The positive trading action comes as investors digested more tariff-talk optimism, with deals with India and South Korea reportedly on the table even as progress on negotiations with China remains unclear. Consequently, Dow Jones edged up 1.2%, Nasdaq increases 2.7% and S&P 500 increased 2%.

On Thursday, European markets closed higher, buoyed by growing hopes for a de-escalation in US-China trade tensions. This translated into a 0.3% gain in the EURO STOXX 50.

## Macro News

- Malaysia:** Inflation may rebound after March slowdown, says Moody's Analytics
- Malaysia:** Will need to revise down growth forecast, BNM governor says
- China:** Says US should revoke unilateral tariffs, denies talk
- China:** Allows overseas investors access to more sectors
- Japan:** Resist Trump efforts to form trade bloc against China
- US:** Trump to exempt car parts from tariffs on China imports, FT says

## Corporate News

- CelcomDigi:** Be chosen CT Sabah as fibre partner to support 5G roll-out in Sabah and Labuan with U Mobile
- IJM:** Completes acquisition of troubled UK builder for RM283m
- YTL:** Hotels opens Moxy Kuala Lumpur Chinatown and AC Hotel by Marriott Ipoh
- Tenaga Nasional:** Doubles capex to RM42.9bn to back energy transition efforts
- ICT Zone:** Sticks to 2Q ACE Market listing target, secures Malacca Securities, Kenanga IB as underwriters
- Reservoir Link:** Appointed as panel contractor for light weight well testing services
- Steel Hawk:** Unit bags Petronas Carigali contract
- Magma Group:** Lee Chong Wei among new shareholders
- Binastra:** To acquire 51% stake in LF Lansen for up to RM44.8m

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,506.5	0.4	(8.3)
Dow Jones	40,093.4	1.2	(5.8)
Nasdaq CI	17,166.0	2.7	(11.1)
S&P 500	5,484.8	2.0	(6.7)
FTSE 100	8,407.4	0.1	2.9
Nikkei 225	35,039.2	0.5	(12.2)
Shanghai CI	3,297.3	0.0	(1.6)
HSI	21,909.8	(0.7)	9.2
STI	3,831.9	(0.0)	1.2
Market Activities		Last Close	% Chg
Vol traded (m shares)		3,084.6	3.1
Value traded (RM m)		2,144.5	3.2
Gainers		463	
Losers		426	
Unchanged		456	
Top 5 Volume	Last Close	Daily chg %	Vol (m)
BPURI	0.375	8.7	103.7
SFPTECH	0.210	2.4	54.1
POS	0.290	23.4	40.3
CIMB	6.980	1.9	32.2
MYEG	0.895	0.6	29.6
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	6.980	1.9	224.1
AMBANK	4.940	(1.6)	121.3
MAYBANK	9.950	0.0	92.5
TENAGA	13.600	0.7	77.5
PBBANK	4.370	(0.7)	59.5
Currencies		Last Close	% Chg
USD/MYR		4.3723	0.4
USD/JPY		142.71	(0.1)
EUR/USD		1.1388	(0.0)
USD/CNY		7.2889	(0.0)
US Dollar Index		99.29	(0.6)
Commodities		Last Close	% Chg
Brent (USD/barrel)		66.5	0.6
Gold (USD/troy oz)		3,349	(0.0)
CPO (MYR/metric t)		4,152	0.4
Bitcoin (USD/BTC)		93,368	(0.1)



## Macro News

### Malaysia: Inflation may rebound after March slowdown, says Moody's Analytics

Malaysia's headline inflation is expected to tick up in the latter half of the year, following its lowest reading in more than four years in March, according to Moody's Analytics. The firm said that both the transport and housing, and utilities categories are at risk of stronger inflationary pressures in the coming months, as the government rolls back fuel subsidies and raises electricity tariffs. (*The Edge*)

### Malaysia: Will need to revise down growth forecast, BNM governor says

Malaysia will need to mark down its growth forecast of 4.5% to 5.5% for the year, due to trade and tariff uncertainties, its central bank governor said. The Southeast Asian country is, however, in no rush to revise the forecast and will see how the global trade situation plays out, Bank Negara Malaysia governor Datuk Seri Abdul Rasheed Ghaffour said at an International Monetary Fund event in Washington on Wednesday, April 23. (*The Edge*)

### China: Says US should revoke unilateral tariffs, denies talks

China demanded that the US revoke all unilateral tariffs and denied there were talks on reaching a trade deal, maintaining a defiant stance despite President Donald Trump's recent easing of criticism of the country. "The US should respond to rational voices in the international community and within its own borders and thoroughly remove all unilateral tariffs imposed on China, if it really wants to solve the problem," Commerce Ministry spokesman He Yadong said at a regular briefing on Thursday in Beijing. (*Bloomberg*)

### China: Allow overseas investors access to more sectors

China's state regulator and planning council published a new version of its "negative list" that relaxes barriers to entering the world's second-largest economy, reducing the number of restricted industries to 106 from 117. The negative list specifies industries where activities by foreign investors are either restricted or prohibited. It was first issued in 2018 by Beijing. The relaxation comes as U.S. tariffs threaten more pressure on China's economy, which is already reeling from weak domestic consumption and a debt crisis in the property sector. (*Reuters*)

### Japan: Resist Trump efforts to form trade bloc against China

Japan intends to push back against any US effort to bring it into an economic bloc aligned against China because of the importance of Tokyo's trade ties with Beijing, according to current and former Japanese government officials. Like many other countries, Japan is trying to get permanent relief from President Donald Trump's tariffs by addressing US concerns in areas of bilateral trade, including automobiles and agriculture. The officials, who asked not to be identified, said that Japan is pushing to strike a deal before the current 90-day reprieve in tariffs expires, with one person saying the country hopes to finalize an agreement around the Group of Seven summit in June. (*Bloomberg*)

### US: Trump to exempt car parts from tariffs on China imports, FT says

The Trump administration is considering reducing tariffs on auto parts ahead of a May 3 deadline that has drawn the ire of global carmakers, according to the Financial Times. The proposal would exempt car parts from tariffs President Donald Trump has levied on imports from China to stop fentanyl production, people familiar with the plan told the newspaper. The plan would also let parts makers avoid tariffs for steel and aluminium, referred to as "destacking," the FT said. (*Bloomberg*)

## Corporate News

### CelcomDigi: Be chosen CT Sabah as fibre partner to support 5G roll-out in Sabah and Labuan with U Mobile

U Mobile Sdn Bhd, the telco spearheading the development of Malaysia's second 5G network, announced on Thursday it had signed a term sheet agreement with Celcom Timur (Sabah) Sdn Bhd (CT Sabah) — a subsidiary of CelcomDigi Bhd — to deploy leased fibre circuits in Sabah and the Federal Territory of Labuan. In a statement on Thursday, U Mobile said the partnership will see CT Sabah — which is 80% owned by CelcomDigi — upgrading its existing 4G leased circuit sites to support 5G, as well as developing new fibre infrastructure to meet the telco's operational requirements in East Malaysia. (*The Edge*)

### IJM: Completes acquisition of troubled UK builder for RM283m

IJM Corporation Bhd has acquired a 50% stake in financially troubled UK-based construction firm JRL Group for £50m, or about RM283m. The acquisition positions both builders to jointly scale capabilities and pursue growth opportunities in the UK, IJM said in a statement. In the meantime, JRL has a £1.5bn order book, providing earnings visibility for the next three years, the company noted. (*The Edge*)

### YTL: Hotels opens Moxy Kuala Lumpur Chinatown and AC Hotel by Marriott Ipoh

YTL Hotels has expanded its hospitality portfolio with the opening of two new properties — Moxy Kuala Lumpur Chinatown and AC Hotel by Marriott Ipoh. Moxy Kuala Lumpur Chinatown is located in a restored 1970s-era Oriental Bank building on Jalan Hang Lekiu, and features



320 rooms across 21 storeys. The hotel is positioned as the first Moxy hotel in KL, according to a press release dated April 22. *(The Edge)*

**Tenaga Nasional: Doubles capex to RM42.9bn to back energy transition efforts**

Tenaga Nasional Bhd (TNB) has more than doubled its budgeted capital expenditure (capex) to RM42.9bn — comprising RM26.6bn in base capex and RM16.3bn in contingent capex — to support infrastructure development for Malaysia's energy transition. TNB president and chief executive officer Datuk Megat Jalaluddin Megat Hassan said of the contingency capex, 64% will be to upgrade infrastructure to support renewable energy, the National Energy Transition Roadmap, and interconnection projects, while 30% is to meet potential demand growth, and 6% to maintain security of supply. *(Bernama)*

**ICT Zone: Sticks to 2Q ACE Market listing target, secures Malacca Securities, Kenanga IB as underwriters**

ICT Zone Asia Bhd on Thursday inked an agreement with Malacca Securities Sdn Bhd and Kenanga Investment Bank Bhd to underwrite its transfer listing from the LEAP Market to the ACE Market of Bursa Malaysia. Under the agreement, Malacca Securities and Kenanga IB will jointly underwrite 44m new shares allocated to the Malaysian public and eligible individuals through pink form applications, the technology financing solutions provider announced in a statement. *(The Edge)*

**Reservoir Link: Appointed as panel contractor for light weight well testing services**

Energy-related services provider Reservoir Link Energy Bhd has received a work order award from Petronas Carigali Sdn Bhd for the provision of light weight well testing services. The company said it has been appointed as a panel contractor under an umbrella contract for the provision of well testing and tubing conveyed perforations services for petroleum arrangement contractors. The value of the work order will depend on the number of wells executed, said Reservoir Link in a statement on Thursday. *(The Edge)*

**Steel Hawk: Unit bags Petronas Carigali contract**

Steel Hawk Bhd's wholly-owned subsidiary Steel Hawk Engineering Sdn Bhd has secured a contract from PETRONAS Carigali Sdn Bhd for the provision of splash zone structural repair and maintenance. In a filing with Bursa Malaysia, the group said the works was related to PETRONAS Carigali's Package A of its Peninsular Malaysia assets and Package B of its Sarawak assets. The contract is for a period of three years from April 12, 2025, to April 11, 2028. The contract is on a call-out basis with no fixed contract value. *(The Star)*

**Magma Group: Lee Chong Wei among new shareholders**

Magma Group Bhd has announced a change in the composition of its substantial shareholders following the allotment of consideration shares pursuant to the proposed acquisition that was approved at its EGM last month. In a statement, the company said Skyload Express Sdn Bhd has emerged as a direct substantial shareholder, holding 120m ordinary shares or 7.7% of Magma's total issued share capital. *(The Star)*

**Binastra: To acquire 51% stake in LF Lansen for up to RM44.8m**

Binastra Corp Bhd is acquiring a 51% equity interest in LF Lansen Sdn Bhd for up to RM44.8m in cash, to be paid in three stages. In a statement, Binastra said that for the first stage, it will acquire a 40.8% equity interest in LF Lansen for RM15m. Out of that, RM12.8m will be used to subscribe for new LF Lansen shares (for 34.8% in the enlarged share capital) and the balance RM2.2m will be via the acquisition of shares from the vendor (for 6% equity interest in the enlarged share capital). *(The Star)*

<u>Upcoming key economic data releases</u>	<u>Date</u>
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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## Published & Printed By:

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