



Daily Newswatch

Market Review

The FBM KLCI continued its steady upward momentum (+0.8%) on Monday, supported by positive foreign net inflows and stronger regional market sentiment amid growing hopes of a potential de-escalation in trade tensions between the US and China. That said, this week will be a shortened trading week, with Bursa Malaysia closed on Thursday for Labour Day, which could dampen liquidity further upside. Among key index constituents, QL led the gains (+2.1%), followed by PBBANK (+2.1%) and PETGAS (+2.0%). Gains were seen across most sectors, led by Health Care (+1.3%), Construction (+1.3%) and Telecommunications & Media (+1.2%). Market breadth remained positive, with 519 gainers outpacing 420 losers.

Across the region, Asian stocks ended mixed on Monday as investors weighed China's pledges to support domestic businesses amid uncertainty over ongoing trade negotiations between the US and regional partners. As a result, the SHANGHAI CI slipped 0.2% to 3,288.4, while the HSI closed flat and ended at 21,972.

On Monday, 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.

This morning, for Monday's closing, US stocks closed mixed with the gains came following comments from President Trump, who signalled reduced pressure on Federal Reserve Chair Jerome Powell and suggested potential easing of the elevated 145% tariffs on Chinese imports. However, Treasury officials emphasized that it remained "up to China" to de-escalate tensions, although Beijing's recent exemption of certain US goods from tariffs was seen as a positive gesture. Consequently, the Dow Jones edged up 0.3%, the S&P 500 rose 0.1%, while the Nasdaq slipped 0.1%.

Macro News

- Malaysia:** Aim for stronger economic collaboration between Malaysia and Italy, says deputy minister
- Malaysia:** PPI eased by 1.9% in March 2025, according to DOSM
- China:** Vows to aid exporters, denies being in trade talks with US
- Asia:** Takes lead in race for interim deals to avoid Trump tariffs
- US:** Trump China tariffs set to unleash supply jolt on US economy
- US:** Trump, China ramp up Panama Canal pressure With Li deal in Limbo

Corporate News

- BAT:** To stop selling vape products by 3Q2025 to comply with new smoking law
- Alam Maritim:** Legal challenges over Alam Maritim's RM52.8m adjudication award for unpaid gas works dropped
- Duopharma:** Bags another supply contract from Pharmaniaga
- Reservoir Link:** Wins EnQuest contract for offshore well perforation
- Meta Bright:** Secures RM30m concrete supply job from China State Construction Engineering Corp unit
- Axiata:** Khazanah-EPF consortium looking to acquire Axiata's stake in Edotco

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,521.6	0.8	(7.4)
Dow Jones	40,227.6	0.3	(5.4)
Nasdaq CI	17,366.1	(0.1)	(10.1)
S&P 500	5,528.8	0.1	(6.0)
FTSE 100	8,417.3	0.0	3.0
Nikkei 225	35,840.0	0.4	(10.2)
Shanghai CI	3,288.4	(0.2)	(1.9)
HSI	21,972.0	(0.0)	9.5
STI	3,811.8	(0.3)	0.6

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,620.0	(15.5)
Value traded (RM m)	1,738.6	(10.7)
Gainers	519	
Losers	420	
Unchanged	436	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.910	0.6	51.3
SNS	0.460	5.7	40.0
TANCO	0.880	2.3	32.3
CTOS	0.995	(5.2)	30.2
ASTRO	0.190	11.8	25.3

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
MAYBANK	9.990	1.2	100.6
TENAGA	13.600	0.3	65.7
GAMUDA	4.060	1.8	52.1
AMBANK	5.090	1.6	50.7
CIMB	6.990	0.0	47.5

Currencies	Last Close	% Chg
USD/MYR	4.3640	0.2
USD/JPY	142.08	(0.0)
EUR/USD	1.1421	0.0
USD/CNY	7.2874	(0.0)
US Dollar Index	98.94	(0.5)

Commodities	Last Close	% Chg
Brent (USD/barrel)	65.6	(1.9)
Gold (USD/troy oz)	3,344	(0.0)
CPO (MYR/metric t)	4,067	0.7
Bitcoin (USD/BTC)	94,396	(0.1)



Macro News

Malaysia: Aim for stronger economic collaboration between Malaysia and Italy, says deputy minister

Malaysia and Italy seek to strengthen economic collaboration, according to Deputy Investment, Trade and Industry Minister Liew Chin Tong. Liew is scheduled to meet Italy's Deputy Enterprises and Made in Italy Minister Valentino Valentini later on Monday to discuss potential areas of collaboration between the two countries. *(Bernama)*

Malaysia: PPI eased by 1.9% in March 2025, according to DOSM

Malaysia's producer price index eased by 1.9% in March 2025, as compared to the 0.3% rise in February 2025, mainly due to the mining sector, according to the Department of Statistics Malaysia. Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said the mining sector continued its downtrend in the year, with a double-digit decrease of 15% in March 2025, compared to a 9.7% fall in February 2025. *(Bernama)*

China: Vows to aid exporters, denies being in trade talks with US

Chinese officials vowed to provide more support for exporters affected by US President Donald Trump's tariffs, showing greater urgency to shore up the crucial sector while denying having had any trade talks with Washington. Policymakers in Beijing on Monday laid out policies to aid exporting companies, including plans to ensure troubled firms get the loans they need and boost domestic consumption to absorb the blow of US levies. Hours later, the Chinese Foreign Ministry again denied the world's two largest economies were discussing tariffs. *(Bloomberg)*

Asia: Takes lead in race for interim deals to avoid Trump tariffs

Asian economies geared for exports and facing some of the highest US "reciprocal" tariffs are leading the way over their western counterparts in trade negotiations with the Trump administration. Past experience suggests comprehensive trade deals take many months if not years to complete — time that countries including South Korea, Japan and India don't have, given their shipments to the US face levies rising to near 25% in just over two months. Vietnam's is pegged at 46% and Thailand's at 36%. *(Bloomberg)*

US: Trump China tariffs set to unleash supply jolt on US economy

President Donald Trump's tariff onslaught has roiled Washington and Wall Street for nearly a month. If the trade war persists, the next upheaval will hit much closer to home. Since the US raised levies on China to 145% in early April, cargo shipments have plummeted, perhaps by as much as 60%, according to one estimate. That drastic reduction in goods from one of the largest US trading partners hasn't been felt by many Americans yet, but that's about to change. *(Bloomberg)*

US: Trump, China ramp up Panama Canal pressure With Li deal in limbo

China dialed up scrutiny of Hong Kong billionaire Li Ka-shing's planned Panama ports sale to a BlackRock Inc.-backed group while Donald Trump sought preferential treatment for US ships in the waterway, adding to uncertainty over whether the blockbuster deal will proceed. China's market regulator said Sunday that its review of Li-owned CK Hutchison Holdings Ltd.'s sale of dozens of ports would cover all parties involved, and that the deal shouldn't be implemented without the body's approval. *(Bloomberg)*

Corporate News

BAT: To stop selling vape products by 3Q2025 to comply with new smoking law

British American Tobacco (Malaysia) Bhd (BAT) said on Monday that it will phase out its vapour products from the Malaysian market by the third quarter of 2025 to comply with the new Control of Smoking Products for Public Health Act 2024. "In order to comply with the new regulatory requirements for vapour products as set out in Act 852 and its regulations that will take effect on Oct 1, 2025, the company will be transitioning out its current range of Vuse products in the third quarter of 2025," BAT Malaysia said in a filing. *(The Edge)*

Alam Maritim: Legal challenges over Alam Maritim's RM52.8m adjudication award for unpaid gas works dropped

Alam Maritim Resources Bhd (Alam Maritim) announced that a client has dropped its lawsuit challenging a RM52.8m adjudication award previously granted to the oil and gas services company, as well as withdrawn its related arbitration. In a filing with Bursa Malaysia on Monday, Alam Maritim said the client, Vestigo Petroleum Sdn Bhd, had on April 17 filed a notice of discontinuance for the two civil lawsuits it filed to stay (halt) and set aside the adjudication award. Vestigo has also written to the Asian International Arbitration Centre to withdraw its notice of arbitration dated Dec 15, 2022. *(The Edge)*

Duopharma: Bags another supply contract from Pharmaniaga

Duopharma Biotech Bhd (Duopharma), in which Permodalan Nasional Bhd holds a 44.1% stake, announced on Monday that it has secured another government supply contract worth RM1.8m from a unit of Pharmaniaga Bhd. The contract was awarded to Duopharma's wholly owned subsidiary, Duopharma Manufacturing (Bangi) Sdn Bhd, from Pharmaniaga Logistics Sdn Bhd. This brings the total number of products supplied to the government by Duopharma to 100, with a combined value of RM684.2m. *(The Edge)*



Reservoir Link: Wins EnQuest contract for offshore well perforation

Reservoir Link Energy Bhd has secured a letter of award from EnQuest Petroleum Production Malaysia Ltd for provision of tubing conveyed perforation equipment and services. It won the three-year contract from a subsidiary of UK-listed oil producer EnQuest plc, effective Jan 24, 2025 to Jan 23, 2028. The contract is on a call-off basis, with the total value to be determined based on the actual satisfactory work completed, Reservoir Link said. *(The Edge)*

Meta Bright: Secures RM30m concrete supply job from China State Construction Engineering Corp unit

Meta Bright Group Bhd has secured a RM30m contract from China State Construction Engineering (M) Sdn Bhd to supply ready-mixed concrete for the Boulevard 360 Bundusan project in Sabah. CSEC Malaysia is the Malaysian arm of China State Construction Engineering Corporation, a large state-owned Chinese construction group. The contract was awarded to Expogaya Sdn Bhd, Meta Bright's 70%-owned subsidiary. *(The Edge)*

Axiata: Khazanah-EPF consortium looking to acquire Axiata's stake in Edotco

A consortium made up of Khazanah Nasional Bhd and the Employees Provident Fund is believed to be looking at acquiring Axiata Group Bhd's 63% stake in telecommunications tower infrastructure company Edotco Group Sdn Bhd. This comes after years of talk that Axiata would monetise its investment in Edotco, whether through a public listing or an outright sale. The latest development points to the latter. "Khazanah is creating a consortium with EPF to buy Axiata's stake in Edotco. This will help Axiata pare down its debts," says a person with knowledge of the plan. *(The Edge)*

<u>Upcoming key economic data releases</u>	<u>Date</u>
US – Q1's GDP Growth Rate	Apr 30
EU – GDP Annual Growth Rate	Apr 30
US – April's Unemployment Rate	May 02
US – Non-Farm Payrolls	May 02
EU – April's Inflation Rate	May 02



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
Oasis Home Holding Berhad	ACE Market	0.28	100.0	50.0	9 May	28 May
Cuckoo International (Mal) Bhd	Main Market	1.29	143.3	222.1	5 Jun	24 Jun



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