



# Daily Newswatch

## Market Review

The FBM KLCI closed lower (-0.2%) on Monday, driven by profit-taking activities as a constructive pause, enabling the market to digest recent gains and establish a firmer base for sustained upside. Among key index constituents, 99SMART led the losses (-2.2%), followed by CDB (-1.8%) and KLK (-1.7%). Losses were seen across most sectors, led by Technology (-2.0%), Energy (-1.8%) and Health Care (-1.2%). Market breadth turned negative, with 518 losers outpacing 317 gainers.

Chinese markets were closed on Monday for the May Golden Week holiday. In consequence, the HSI remained unchanged at 22,504.7 while SHANGHAI CI remained unchanged at 3,279.0.

European stocks erased early losses and closed slightly higher on thin-trading Monday due to Britain's May Bank holiday, as markets continued to assess risks of uncertain economic policy in the US for European businesses. The Eurozone's STOXX 50 was flat at 5,283.1 and the pan-European STOXX 600 inched higher to 537.

This morning, for Monday's closing, US stocks closed lower amid renewed trade war concerns following President Trump's new tariff threat, underpinned by cautious investor sentiment ahead of the Federal Reserve's upcoming interest rate decision. As a result, the Dow Jones edged down 0.2%, the S&P 500 decline 0.6%, while the Nasdaq decreased 0.7%.

## Macro News

- Malaysia:** Government allocates additional RM50m to Matrade to expedite exploration of new markets — Anwar
- Malaysia:** Government pledges RM1.5bn in guarantees, financing as countermeasures against US tariffs
- Singapore:** PAP victory a boon for local assets, analysts say
- India:** Edge toward a conflict neither India nor Pakistan can afford
- Asia:** Dollar's decline is fuelling dislocations across Asian FX
- US:** Trump says he is willing to lower China tariffs at some point
- US:** Trump suggests some trade deals may come as soon as this week

## Corporate News

- Gamuda:** Sells land for RM455m to Google affiliate, lands RM1bn data centre project
- West River:** Wins RM13.9m electrical subcontract from China Railway unit
- Ekovest:** Gets government approval for two links connecting to Duke Expressway
- HI Mobility:** Gets nine-month extension to continue providing free bus service in Johor
- Evergreen Max Cash:** Secures RM40m loan to support pawnbroking operations from CIMB Bank
- TAS Offshore:** Lands shipbuilding contracts worth RM38m
- Tan Chong:** Introduces China's Wuling EVs, gets nod for local semi-assembly

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,539.5	(0.2)	(6.3)
Dow Jones	41,218.8	(0.2)	(3.1)
Nasdaq CI	17,844.2	(0.7)	(7.6)
S&P 500	5,650.4	(0.6)	(3.9)
Euro Stoxx 50	5283.1	(0.0)	7.9
FTSE 100	8,596.4	1.2	5.2
Nikkei 225	36,830.7	1.0	(7.7)
Shanghai CI	3,279.0	(0.2)	(2.2)
HSI	22,504.7	1.7	12.2
STI	3,853.1	0.2	1.7

Market Activities	Last Close	% Chg
Vol traded (m shares)	2,343.3	(14.4)
Value traded (RM m)	2,079.3	(15.5)
Gainers	317	
Losers	518	
Unchanged	581	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
WESTVR	0.370	(5.1)	66.0
SFPTECH	0.235	6.8	57.2
NATGATE	1.470	(3.3)	48.0
VELESTO	0.155	0.0	47.5
MYEG	0.885	(2.2)	43.1

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
GAMUDA	4.380	(0.5)	130.6
TENAGA	13.800	(0.4)	103.4
CIMB	7.080	(1.0)	77.3
NATGATE	1.470	(3.3)	72.4
MAYBANK	10.000	0.1	68.7

Currencies	Last Close	% Chg
USD/MYR	4.2013	1.3
USD/JPY	143.75	(0.0)
EUR/USD	1.1313	(0.0)
USD/CNY	7.2713	0.0
US Dollar Index	99.83	(0.2)

Commodities	Last Close	% Chg
Brent (USD/barrel)	60.2	(1.7)
Gold (USD/troy oz)	3,332	(0.1)
CPO (MYR/metric t)	3,889	(0.8)
Bitcoin (USD/BTC)	95,191	1.0



## Macro News

### Malaysia: Government allocates additional RM50m to Matrade to expedite exploration of new markets — Anwar

The government will allocate an additional RM50m to the Malaysia External Trade Development Corporation (Matrade) to expedite efforts to explore new markets. Prime Minister Datuk Seri Anwar Ibrahim said this initiative is part of the Madani government's strategy to ensure economic stability and safeguard national interests in the short to medium term following the sudden reciprocal tariffs imposed by the US on Malaysia. *(Bernama)*

### Malaysia: Government pledges RM1.5bn in guarantees, financing as countermeasures against US tariffs

Malaysia has pledged to provide up to RM1.5bn in additional loan guarantees and financing for small and medium-sized enterprises (SMEs) affected by US tariff measures. The government will raise the allocation under the Business Financing Guarantee Scheme to assist affected SMEs in securing commercial bank loans, Prime Minister Datuk Seri Anwar Ibrahim told the Dewan Rakyat during a special parliamentary session on Monday. "In addition, the government will increase soft loan funds by RM500m through development financial institutions to support affected SME entrepreneurs," said Anwar, who also serves as the country's finance minister. *(The Edge)*

### Singapore: PAP victory a boon for local assets, analysts say

Singapore's stocks and currency are expected to get a boost after the ruling party secured a convincing victory in Saturday's election, according to analysts. The People's Action Party's (PAP) vote share has historically had a positive correlation with the performance of the country's equity market, analysts noted. After the PAP gained a bigger majority of the popular vote, investors will be watching how policymakers respond to a worsening global economic climate while juggling domestic worries about rising costs. The Straits Times Index was little changed on Monday, while the Singapore dollar edged higher against the greenback. *(Bloomberg)*

### India: Edge toward a conflict neither India nor Pakistan can afford

India and Pakistan are the closest they have been to military conflict in years following last month's devastating attack on Indian tourists in Kashmir. The turmoil could not come at a worse time for the economies of the two nuclear-armed nations. For India, the crisis has struck in the middle of intense negotiations over a trade deal with the US that New Delhi hopes will spare it from President Donald Trump's so-called reciprocal tariffs. Prime Minister Narendra Modi has been counting on the pact to bolster India's pitch to global investors that it is a haven from Trump's trade war. *(Bloomberg)*

### Asia: Dollar's decline is fuelling dislocations across Asian FX

Asian currencies ripped higher against the US dollar Monday, extending a move that's hurting exporters, weighing on equities and forcing central banks to intervene in the market to curb excessive gains. Taiwan's dollar surged the most since 1988, sending the nation's benchmark stock index to its steepest slide in nearly a month. The offshore yuan climbed to its highest level in almost six months as exporters repatriated dollar earnings. The Hong Kong dollar held at the strong end of its allowed trading band for a second session. Meanwhile, the Indonesian rupiah recouped most of this year's losses after slumping to a record low less than a month ago. *(Bloomberg)*

### US: Trump says he is willing to lower China tariffs at some point

President Donald Trump said he is willing to lower tariffs on China at some point because the levies now are so high that the world's two largest economies have essentially stopped doing business with each other. Trump has placed tariffs as high as 145% on Chinese imports. China has retaliated with tariffs of 125% on American imports. The moves rattled markets and threatened to drive up prices for manufacturing equipment as well as affordable goods that many Americans rely on, including clothing and toys. "At some point, I'm going to lower them, because otherwise, you could never do business with them, and they want to do business very much," Trump said in an interview that aired Sunday on NBC's Meet the Press with Kristen Welker. *(Bloomberg)*

### US: Trump suggests some trade deals may come as soon as this week

President Donald Trump suggested that his administration could strike trade deals with some countries as soon as this week, offering the prospect of relief for trading partners seeking to avoid higher US import duties. "It could very well be," Trump told reporters on Sunday when asked whether any trade agreements were coming this week. He did not specify any countries. "We're negotiating with many countries, but at the end of this, I'll set my own deals — because I set the deal, they don't set the deal," Trump said aboard Air Force One. "You keep asking the same question: 'When will you agree?' It's up to me, it's not up to them." *(Bloomberg)*

## Corporate News

### Gamuda: Sells land for RM455m to Google affiliate, lands RM1bn data centre project

Gamuda Bhd (Gamuda) has sold a 389-acre plot of land in Port Dickson, originally purchased for data centre development, to Google affiliate Pearl Computing Malaysia Sdn Bhd for RM455.2m. The land, which Gamuda had acquired for RM424.4m in December 2024, will be used for a major data centre project, with Gamuda set to oversee RM1bn worth of development. In a filing with Bursa Malaysia on Monday,



Gamuda said that on May 2, 2025, Gamuda DC Infrastructure Sdn Bhd signed a sale and purchase agreement and external infrastructure contract with Pearl Computing. *(The Edge)*

**West River: Wins RM13.9m electrical subcontract from China Railway unit**

West River, which debuted on the ACE Market on Monday, has secured a RM13.9m contract from China Railway Engineering Corporation (M) Sdn Bhd, a company primarily involved in trading construction materials and equipment. In a bourse filing on Monday, the engineering company announced that its wholly owned subsidiary, West River Engineering Sdn Bhd, was appointed as a subcontractor for electrical and generator set installation works at two 50-storey serviced apartment blocks in Kuala Lumpur for Aricia Sdn Bhd, a subsidiary of Chin Hin Group Bhd. The main contract is set to be completed within 36 months from the commencement date. *(The Edge)*

**Ekovest: Gets government approval for two links connecting to Duke Expressway**

Ekovest Bhd (Ekovest) said on Monday the government has approved the construction of two links under Phase 2A of the Duta-Ulu Kelang Expressway, also known as the Duke project. Laluan Istana Kiara will proceed first with the signing of the concession agreement after it has been cleared by the Attorney General's Chambers, Ekovest said in an exchange filing. The concession agreement for the Kampung Baru Link, meanwhile, is being finalised with a deadline by Dec 31, 2026. *(The Edge)*

**HI Mobility: Gets nine-month extension to continue providing free bus service in Johor**

HI Mobility Bhd, which made its debut on the Main Market a month ago, has secured a nine-month extension worth RM8.2m for its free "Bas Muafakat Johor" service. The extension, which runs from April 1 to Dec 31, 2025, was awarded to the company's wholly owned unit Handal Indah Sdn Bhd by Perbadanan Pengangkutan Awam Johor (PAJ). Handal Indah received the letter of award on April 29, but the announcement was made on Monday after receiving PAJ's approval. *(The Edge)*

**Evergreen Max Cash: Secures RM40m loan to support pawnbroking operations from CIMB Bank**

Evergreen Max Cash Capital Bhd announced on Monday that its subsidiary has secured a RM40m loan from CIMB Bank to fund its pawnbroking business. The pawnbroking service provider, Pajak Gadai E Assets Sdn Bhd, accepted a letter of offer from CIMB on Monday for a RM40m short-term revolving credit facility. In a filing with Bursa Malaysia Securities, the company said the loan will be secured by a debenture with fixed and floating charges on pawned loan and interest receivables. It will also be backed by a letter of subordination for all current and future loans or contributions from the company. *(The Edge)*

**TAS Offshore: Lands shipbuilding contracts worth RM38m**

TAS Offshore Bhd (TAS Offshore) has secured shipbuilding contracts worth about RM38m for six tugboats from two new customers in Indonesia. In a bourse filing on Monday, the group did not disclose the names of the clients. The vessels are scheduled for delivery in the financial year 2026. The contracts are expected to contribute positively to the group's earnings and net assets for the financial year ending May 31, 2026 (FY2026), TAS Offshore said. *(The Edge)*

**Tan Chong: Introduces China's Wuling EVs, gets nod for local semi-assembly**

Tan Chong Motor Holdings Bhd (Tan Chong) is set to introduce the Chinese automotive marque Wuling to the Malaysian market under the brand name TQ Wuling, marking the group's latest foray into the electric vehicle (EV) segment. In partnership with Chinese automaker SAIC-GM-Wuling Automobile Co Ltd, Tan Chong on Monday signed an investment commitment agreement to begin semi knocked-down assembly of Wuling models in Malaysia. The first model will be launched in the fourth quarter of 2025, namely the compact EV hatchback TQ Wuling Bingo, Tan Chong group chief executive officer Daniel Ho Wai Ming said. *(The Edge)*

<u>Upcoming key economic data releases</u>	<u>Date</u>
<b>US – Fed Funds Interest Rate Decision</b>	May 08
<b>Malaysia – Interest Rate Decision</b>	May 08
<b>Malaysia – March's Unemployment Rate</b>	May 09
<b>China – Balance of Trade</b>	May 09
<i>Source: Bloomberg</i>	



## 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		
Fibromat (M) Berhad	ACE Market	0.55	32.3	24.8	25 Apr	08 May
<a href="#">Peoplelogy Berhad</a>	ACE Market	0.25	105.0	0.0	6 May	20 May
Eco-Shop Marketing Berhad	Main Market	1.21	347.0	515.1	7 May	23 May
Oasis Home Holding Berhad	ACE Market	0.28	100.0	50.0	9 May	28 May
Hartanah Kenyalang Berhad	ACE Market	0.16	120.9	77.5	27 May	09 Jun
<a href="#">Cuckoo International (Mal) Bhd</a>	Main Market	1.29	143.3	222.1	5 Jun	24 Jun

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