



Daily Newswatch

Market Review

The FBM KLCI closed lower (-0.2%) on Tuesday, for the second consecutive session amid weaker broader market sentiment, as investors remained cautious amid ongoing tariff uncertainty that continues to rattle global markets. Among key index constituents, PCHEM led the losses (-4.4%), followed by YTL (-3.0%) and CIMB (-2.5%). Losses were seen across most sectors, led by Health Care (-0.9%), Industrial Products & Services (-0.9%) and Financial Services (-0.8%). Market breadth remained negative, with 425 losers outpacing 337 gainers.

On Tuesday, Asian markets closed higher supported by optimism over a potential easing of US-China trade tensions and anticipation of the Federal Reserve's interest rate decision on Thursday. In consequence, the HSI edged up 0.7% to close at 22,662.7, while SHANGHAI CI rose 1.1% to end at 3,316.1.

European equities ended lower on Tuesday as persistent tariff-related uncertainties continued to weigh on investor sentiment. As a result, the EURO STOXX 50 posted a 0.4% decline in response to the cautious trading environment.

This morning, for Tuesday'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 0.9%, the S&P 500 decline 0.8%, while the Nasdaq decreased 0.9%.

Macro News

- **China:** Xi urges EU to join forces against unilateralism in swipe at US
- **China:** Firm hand restores calm after Asia's wild currency moves
- **Hong Kong:** Ramps up forex intervention to defend currency peg
- **India:** Offers zero-for-zero tariffs on auto parts, steel from US
- **US:** Trump vows to meet Hollywood on tariff plan that shook industry

Corporate News

- **LFE Corp:** Secures RM51m hyperscale data centre subcontractor job
- **Favelle Favco:** Secures RM43.9m crane supply orders
- **FGV:** Says no formal notice from Felda on potential takeover or privatisation
- **Malakoff:** Raises RM250m from Asean green sukuk
- **Masteel:** Partnering with Kelington and UTAR to develop carbon capture technology for greener steel production
- **Ivory Properties:** Sells The Birch House for RM18m to repay loan

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,536.8	(0.2)	(6.4)
Dow Jones	40,829.0	(0.9)	(4.0)
Nasdaq CI	17,689.7	(0.9)	(8.4)
S&P 500	5,606.9	(0.8)	(4.7)
SX5E	5,263.4	(0.4)	7.5
FTSE 100	8,597.4	0.0	5.2
Nikkei 225	36,830.7	1.0	(7.7)
Shanghai CI	3,316.1	1.1	(1.1)
HSI	22,662.7	0.7	13.0
STI	3,860.4	0.2	1.9
Market Activities		Last Close	% Chg
Vol traded (m shares)		2,793.5	19.2
Value traded (RM m)		1,876.1	(9.8)
Gainers		337	
Losers		425	
Unchanged		637	
Top 5 Volume	Last Close	Daily chg %	Vol (m)
REACTHEN	0.560	4.7	40.5
PERMAJU	0.035	16.7	40.4
MRDIY	1.740	4.2	32.5
EKOVEST	0.325	(1.5)	32.2
EWINT	0.310	14.8	32.2
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
TENAGA	14.060	1.9	195.1
CIMB	6.900	(2.5)	127.5
MRDIY	1.740	4.2	57.0
MAYBANK	9.960	(0.4)	55.8
GAMUDA	4.350	(0.7)	45.3
Currencies		Last Close	% Chg
USD/MYR		4.2323	(0.7)
USD/JPY		142.47	(0.0)
EUR/USD		1.1372	0.0
USD/CNY		7.2187	0.7
US Dollar Index		99.25	(0.6)
Commodities		Last Close	% Chg
Brent (USD/barrel)		62.1	3.0
Gold (USD/troy oz)		3,431	(0.0)
CPO (MYR/metric t)		3,796	0.0
Bitcoin (USD/BTC)		94,698	(0.0)



Macro News

China: Xi urges EU to join forces against unilateralism in swipe at US

China's President Xi Jinping has called on European Union leaders to stand with it against unilateralism, in a veiled rebuke to US President Donald Trump's efforts to upend the global world order. In a message to European Commission President Ursula von der Leyen and European Council President Antonio Costa on the 50th anniversary of the establishment of EU-China ties, Xi said the two sides need to "properly manage" differences and deepen strategic communication. (*Bloomberg*)

China: Firm hand restores calm after Asia's wild currency moves

China signalled that it is not ready to let the yuan strengthen dramatically against the US dollar, helping restore calm to Asia's foreign exchange market after days of extreme volatility. The People's Bank of China kept its daily reference rate for the yuan steady as it returned from a public holiday, pushing back against a recent rally in the offshore version of its currency — and making clear to traders that the dollar's rout in Asia won't all be one-way traffic. (*Bloomberg*)

Hong Kong: Ramps up forex intervention to defend currency peg

Hong Kong authorities ramped up sales of the local dollar as the greenback's slide threatened the foreign-exchange peg. The Hong Kong Monetary Authority sold a record HK\$60.5bn (US\$7.8bn or RM33.1bn) of the city's currency, according to an alert sent on its *Bloomberg* page on Tuesday in Asia, after it tested the upper end of its trading band. That adds to the HK\$56.1bn of sales versus the greenback since last Friday. (*Bloomberg*)

India: Offers zero-for-zero tariffs on auto parts, steel from US

India has proposed zero tariffs on steel, auto components and pharmaceuticals on a reciprocal basis up to a certain quantity of imports in its trade negotiations with the US, people familiar with the matter said. Beyond this threshold, imported industrial goods would attract the regular level of duties, the people said, asking not to be identified as the discussions are private. The offer was made by Indian trade officials visiting Washington late last month to expedite negotiations on a bilateral trade deal expected by fall this year, the people said. The two nations are prioritising certain sectors to strike an early trade deal before the end of the 90-day pause on US President Donald Trump's tit-for-tat tariffs, the people said. (*Bloomberg*)

US: Trump vows to meet Hollywood on tariff plan that shook industry

US President Donald Trump said he would meet with Hollywood executives after confounding the US film industry over his plan to impose a 100% tariff on movies made overseas. "So, we are going to meet with the industry," Trump said on Monday afternoon. "I want to make sure they are happy with it, because we are all about jobs." Film and entertainment figures on Monday struggled to interpret Trump's directive, posted to his social media account on Sunday evening, which said the American movie industry is "dying" and cast foreign films as a national security threat that spread propaganda to US audiences. (*Bloomberg*)

Corporate News

LFE Corp: Secures RM51m hyperscale data centre subcontractor job

LFE Corp Bhd (LFE Corp) has bagged a subcontract worth RM50.6m to undertake the mechanical, electrical and plumbing fit-out work for a hyperscale data centre in Elmina Business Park 1A. In a bourse filing on Tuesday, LFE Corp said R&L Engineering Sdn Bhd — a joint-venture company between RYB Engineering Pte Ltd and LFE Engineering Sdn Bhd — has accepted a letter of award from Gamuda Engineering Sdn Bhd on April 21. (*The Edge*)

Favelle Favco: Secures RM43.9m crane supply orders

Crane specialist Favelle Favco Bhd (Favelle Favco) announced that its subsidiaries have secured five purchase orders to supply tower and offshore cranes totalling RM43.9m. Of these, three contracts pertain to the supply of tower cranes, while the remaining two involve offshore cranes, according to a bourse filing. Most deliveries are set for the third and fourth quarters of 2025, with one contract due by the second quarter of 2026. These contracts are expected to boost Favelle Favco's earnings and net assets for the financial year ending Dec 31, 2025 (FY2025) and beyond. (*The Edge*)

FGV: Says no formal notice from Felda on potential takeover or privatisation

FGV Holdings Bhd (FGV) on Tuesday clarified that it has not received any formal notice from the Federal Land Development Authority regarding a potential takeover offer or any corporate exercise that would result in the group's privatisation or delisting from Bursa Malaysia. In a filing with Bursa Malaysia, FGV said it is not in a position to act on any privatisation matter until it receives official notification from its shareholders. "It is important to note that any privatisation initiative is FGV's shareholders' matter and not to be dealt at FGV's level until an official notification in respect of such an exercise be communicated to FGV," the group said. (*The Edge*)

Malakoff: Raises RM250m from Asean green sukuk

Malakoff Corp Bhd said on Tuesday it has raised RM250m from the issuance of green Islamic bonds to finance certain projects. The maiden Asean Sustainability SRI Sukuk Murabahah was issued under a RM1.2bn Islamic medium-term notes programme, the company said in a statement. The issuance was also the first of such transaction by an independent power producer in Malaysia, it noted. “We are very encouraged by the strong demand from a diverse investor base for this issuance” seen during the bookbuilding, said Malakoff chief executive officer Anwar Syahrin Abdul Ajib. *(The Edge)*

Masteel: Partnering with Kelington and UTAR to develop carbon capture technology for greener steel production

Malaysia Steel Works (Masteel) is working with Kelington Group and Universiti Tunku Abdul Rahman to develop carbon capture technology — which traps and stores carbon dioxide (CO₂) emissions — to make steel production greener. The initiative also looks to find ways to trade the captured CO₂ in the future to generate a new source of income. The collaboration, formalised through a memorandum of understanding, will study the best ways to capture and use or store CO₂ in steel production. In a joint statement by the three organisations, they said in later stages, the study will look at improving Masteel’s energy efficiency and finding ways to make money from captured CO₂, such as selling verified carbon units. *(The Edge)*

Ivory Properties: Sells The Birch House for RM18m to repay loan

Practice Note 17 company Ivory Properties Group Bhd is selling a double-storey detached commercial building known as The Birch House for RM18m to settle its bank borrowings. In a filing with Bursa Malaysia on Tuesday, the group said the property, currently leased to a third-party restaurant chain, generates insufficient rental income to cover loan installments. Consequently, the loan has fallen into default, prompting the financier, Bank Islam Malaysia Bhd, to initiate legal action against Ivory Properties. The case has progressed to a summary judgment application and has been transferred from the Kuala Lumpur High Court to the Penang High Court. *(The Edge)*

Upcoming key economic data releases	Date
US – Fed Funds Interest Rate Decision	May 08
Malaysia – Interest Rate Decision	May 08
Malaysia – March’s Unemployment Rate	May 09
China – Balance of Trade	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
Peoplelogy Berhad	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
Cuckoo International (Mal) Bhd	Main Market	1.29	143.3	222.1	5 Jun	24 Jun

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