



# Daily Newswatch

## Market Review

The FBM KLCI closed higher (+2.3%) driven by renewed risk-on sentiment after the U.S. and China took significant steps to ease trade tensions over the weekend. Among key index constituents, CIMB led the gains (+6.4%), followed by PETCHEM (+5.4%) and GAMUDA (+5.3%). Gains were seen across most sectors, led by Technology (+6.0%), Energy (+4.0%), and Construction (3.7%). Market breath turned positive, with 706 gainers outpacing 270 losers.

Asian stocks ended mixed on Tuesday, as initial euphoria over the U.S.-China trade deal faded and investors lowered their bets of Federal Reserve rate cuts this year. Uncertainty lingered and there was apprehension over whether anything durable would come out of the trade talks after a 90-day tariff suspension. As a result, the HSI fell 1.9% to 23,108.3, while the SHANGHAI CI held steady, edging up 0.16% to close at 3,374.9.

In Europe, equities ended slightly higher on Tuesday, as positive momentum fueled by a soft U.S. inflation reading and a truce in the Sino-U.S. trade spat showed signs of fizzling out, while investors assessed a mixed bag of corporate results. This translated to 0.4% gains in EURO STOXX 50. The auto sector led the gains with Volkswagen, BMW, and Stellantis adding between 4.5% and 3%. Industrials were also firmly higher, with Siemens, Airbus, and Schneider rising by 1.5%

Over in the U.S., the Dow ended 0.64% lower but the S&P 500 (+0.7%) and the Nasdaq 100 (1.6%) inched higher on Tuesday as investors parsed fresh inflation data and gauged its monetary policy implications following a spirited market rally spurred by the US-China trade reprieve. US consumer prices rebounded moderately in April, with headline inflation increasing 0.2% last month after dipping 0.1% in March.

## Macro News

- US:** Inflation comes in softer than forecast for a third month
- US:** Boost Saudi AI chip access even as China issues linger
- US:** Cut 'de minimis' tariff on China shipments, bolstering broader trade truce
- Malaysia:** Service sector revenue climbs 6% to RM630bn in 1Q — DOSM
- Malaysia:** Imposes anti-dumping duties on steel, tinplate from China and other Asian nations
- India:** Inflation slows to lowest in nearly six years, making room for more rate cuts

## Corporate News

- Nextgreen:** Expands organic fertiliser products into Libyan market
- Kerjaya Prospek:** Wins RM75.5m in dispute with Yong Tai
- DNeX:** Secures US\$1.8m contracts for Makkah pilgrim programme in 2025
- Oxford Innotech:** Gets Bursa nod to list on ACE Market
- Keyfield:** Secures vessel charter job from Petronas Carigali
- Nestcon:** Subsidiary wins RM44.1m contract in Labu
- Sentoria:** External auditor issues disclaimer of opinion on financial statements; shares to resume trading on May 14 after filing annual report
- OM Holdings:** Sell 26% stake in South African manganese mining firm for RM439.2m

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,582.4	2.3	(3.6)
Dow Jones	42,140.4	(0.6)	(0.9)
Nasdaq CI	19,010.1	1.6	(1.6)
S&P 500	5,886.6	0.7	0.1
SX5E	5,416.2	0.4	10.6
FTSE 100	8,602.9	(0.0)	5.3
Nikkei 225	38,183.3	1.4	(4.3)
Shanghai CI	3,374.9	0.2	0.7
HSI	23,108.3	(1.9)	15.2
STI	3,881.1	0.1	2.5

Market Activities	Last Close	% Chg
Vol traded (m shares)	4,162.9	41.4
Value traded (RM m)	4,488.2	136.5
Gainers	706	
Losers	270	
Unchanged	454	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
MYEG	0.925	2.2	85.5
INARI	2.210	13.9	85.0
CIMB	7.310	6.4	61.2
VS	0.915	15.1	54.5
GAMUDA	4.740	5.3	51.1

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.310	6.4	443.5
MAYBANK	10.200	3.1	341.5
GAMUDA	4.740	5.3	239.5
INARI	2.210	13.9	187.9
TENAGA	14.340	0.3	187.5

Currencies	Last Close	% Chg
USD/MYR	4.3185	0.1
USD/JPY	147.66	(0.1)
EUR/USD	1.1183	(0.0)
USD/CNY	7.2046	0.0
US Dollar Index	101.00	(0.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	66.5	(0.2)
Gold (USD/troy oz)	3,244	(0.2)
CPO (MYR/metric t)	3,827	1.0
Bitcoin (USD/BTC)	104,037	(0.5)



## Macro News

### US: Inflation comes in softer than forecast for a third month

US inflation rose by less than forecast in April amid tame prices for clothing and new cars, suggesting little urgency so far by companies to pass along the cost of higher tariffs to consumers. The consumer price index, excluding the often volatile food and energy categories, increased 0.2% from March, according to Bureau of Labor Statistics data out Tuesday. That marked the third-straight month of softer-than-forecast readings. (*Bloomberg*)

### US: Boost Saudi AI chip access even as China issues linger

The Trump administration is preparing to announce a deal granting Saudi Arabia more access to advanced semiconductors, paving the way for increased data centre capacity in the Gulf nation despite concerns from some US officials about its ties to China, according to people familiar with the matter. The agreement would boost Saudi Arabia's ability to buy chips from the likes of Nvidia Corp and Advanced Micro Devices Inc, which are considered the gold standard for training and running artificial intelligence models, said the people, who asked not to be identified discussing confidential conversations. President Donald Trump is in Riyadh Tuesday, kicking off a broader Middle East trip, and he could announce the deal as soon as this week. (*Bloomberg*)

### US: Cut 'de minimis' tariff on China shipments, bolstering broader trade truce

The US will cut the low value "de minimis" tariff on China shipments, a White House executive order said on Monday, further de-escalating a potentially damaging trade war between the world's two largest economies. The tariff relief comes in the wake of Beijing and Washington announcing a truce in their trade spat after weekend talks in Geneva, with both sides agreeing to unwind most of the tariffs imposed on each other's goods since early April. While their joint statement in Geneva didn't mention the de minimis duties, the White House order released later said the levies will be reduced to 54% from 120%, with a flat fee of US\$100 (RM432) to remain, starting from May 14. (*Bloomberg*)

### Malaysia: Service sector revenue climbs 6% to RM630bn in 1Q — DOSM

Malaysia's service sector, which accounts for about half of the economy, grew by 6% year-on-year (y-o-y) to RM630bn in the first quarter of 2025 (Q1 2025), driven by consumer spending, tourism and increased demand for digital and professional services, according to the Department of Statistics Malaysia. Chief statistician Datuk Seri Dr Mohd Uzir Mahidin highlighted that all sectors within services experienced growth. The wholesale, retail, food and beverage, and accommodation segments saw a 5.3% rise to RM475.7bn, fuelled by higher spending during key events like Chinese New Year, Ramadan and Aidilfitri, along with increased local travel and a 31.3% boost in tourist arrivals. (*The Edge*)

### Malaysia: Imposes anti-dumping duties on steel, tinplate from China and other Asian nations

Starting May 11, 2025, Malaysia will impose five-year anti-dumping duties on flat-rolled products of iron or non-alloy steel, and tinplate from China and other Asian nations, following an investigation on the imports of the products. The Royal Malaysian Customs Department will enforce the collection of the anti-dumping duties on these imports for five years, starting from May 11, 2025, to May 10, 2030, according to a statement released by the Ministry of Investment, Trade and Industry (MITI). Definitive anti-dumping duties have been imposed on imports of the subject merchandise from the following countries: The People's Republic of China (4.5% to 20.4%), the Republic of India (27.9%), Japan (15.7% to 36.8%), and the Republic of Korea (21.6% to 35.4%). (*Bloomberg*)

### India: Inflation slows to lowest in nearly six years, making room for more rate cuts

India's retail inflation remained below the central bank's 4% target for the third consecutive month as food prices rose at a slower pace, opening up room for more interest rate cuts to support growth in the world's fifth-largest economy. Annual retail inflation slowed to 3.16% in April from 3.34% in March, marking its lowest level since July 2019 and coming in below economists' estimate of 3.27% in a Reuters poll. Inflation in food prices — which accounts for nearly half of the consumption basket — slowed to 1.78% from 2.69% in March, its lowest since October 2021. Vegetable prices continued their downward trend, falling 11% year-on-year, compared to a 7.04% fall in March. (*Reuters*)

## Corporate News

### Nextgreen: Expands organic fertiliser products into Libyan market

Nextgreen Global Bhd (NGF), a company that turns oil palm empty fruit bunches (EFB) into paper, is entering the Libyan market through an exclusive distribution and supply agreement for its organic fertiliser products. Nextgreen Fertilizer Sdn Bhd (NGF), the fertiliser manufacturing unit of Nextgreen, appointed the group's 49%-owned associate, P Teguh Nextgreen Sdn Bhd (PTNG), as its exclusive distributor in the Libyan market. PTNG has signed a contract with Libyan companies INBAT Global and Fazzan Cooperative Association for the supply and sale of its organic fertiliser products in Libya, the company said in a filing with the local bourse on Tuesday. (*The Edge*)

### Kerjaya Prospek: Wins RM75.5m in dispute with Yong Tai

Kerjaya Prospek Group Bhd said an adjudicator has ordered Yong Tai Bhd to pay the construction outfit RM75.5m over an alleged unpaid



contract for a mixed development project in Melaka, known as “The Apple”. An adjudicator is a neutral party who helps resolve such disputes quickly, especially in construction and contract cases. The adjudicator ordered Yong Tai’s wholly owned subsidiary Apple 99 Development Sdn Bhd pay the sum together with interest to Kerjaya Prospek’s wholly owned unit Kerjaya Prospek (M) Sdn Bhd (KPM), Kerjaya Prospek said in a bourse filing on Tuesday. (*The Edge*)

#### **DNeX: Secures US\$1.8m contracts for Makkah pilgrim programme in 2025**

Through its subsidiary Dagang Net Technologies, has secured US\$1.8m (RM7.8m) in contracts to support Saudi Arabia’s Makkah Route initiative in 2025. In a statement released on Tuesday, the company said the contracts involve providing technical and equipment support at six international sites in Malaysia, Indonesia, and Türkiye. These sites are the Kuala Lumpur International Airport’s Terminal 1 (Malaysia), Soekarno-Hatta Airport (Jakarta, Indonesia), Juanda Airport (Surabaya, Indonesia), Adi Soemarmo Airport (Solo, Indonesia), Istanbul Airport (Türkiye), and Ankara Esenboga Airport (Türkiye). DNeX has been involved in the Makkah Route project since 2019. (*The Edge*)

#### **Keyfield: Secures vessel charter job from Petronas Carigali**

Keyfield International Bhd has secured a contract from Petronas Carigali Sdn Bhd to provide an accommodation work boat for offshore activities. The seven-month work order award, which comes with an optional two-month extension, was awarded on April 11 to its wholly owned Keyfield Offshore Sdn Bhd, according to the oil and gas services firm’s bourse filing on Tuesday. The work order, the value of which was not specified, is in line with provisions under the panel contractor contract for offshore support vessel services, Keyfield added. (*The Edge*)

#### **Nestcon: Subsidiary wins RM44.1m contract in Labu**

Nestcon Bhd’s subsidiary, Nestcon Borneo Sdn Bhd (NBSB), has secured a RM44.1m contract from Matrix Excelcon Sdn Bhd for site clearing and earthworks in Labu, Negeri Sembilan. In a filing with Bursa Malaysia, Nestcon said the contract covers site clearing and earthworks for a proposed 1,382-acre mixed development in Labu. NBSB is a 51% owned subsidiary of Nestcon Infra Sdn Bhd, which in turn is a wholly owned subsidiary of the company. The sub-contract works will begin on May 15, 2025, and are set to complete in 32 months, by Jan 14, 2028. (*The Edge*)

#### **Sentoria: External auditor issues disclaimer of opinion on financial statements; shares to resume trading on May 14 after filing annual report**

Sentoria Group Bhd said its external auditor Messrs Kreston John & Gan had expressed a disclaimer of opinion on the group’s audited financial statements for the 15-month period ended Dec 31, 2024, due to insufficient audit evidence. In a separate filing, Sentoria announced that its shares will resume trading on May 14 after submitting its annual report on May 13. The stock has been suspended since May 9. Pertaining to the auditor’s disclaimer, Messrs Kreston John & Gan highlighted that there were material uncertainties that may cast significant doubt on Sentoria’s ability to continue as a going concern, the group said in a filing with Bursa Malaysia on Tuesday. (*The Edge*)

#### **OM Holdings: Sell 26% stake in South African manganese mining firm for RM439.2m**

OM Holdings Ltd is selling its 26% stake in Ntsimbintle Mining to South Africa’s Exxaro Resources for 1.9bn rand (RM439.2m). Ntsimbintle owns 50.1% of Tshipi é Ntle, which runs the Tshipi Borwa Mine — one of the largest manganese mines in South Africa and among the top five globally. The other 49.9% is held by Australian exchange-listed Jupiter Mines. Through its stake in Ntsimbintle, OM Holdings effectively owns 13% of Tshipi. A conditional binding sale and purchase agreement was inked between OM Holdings’ wholly owned unit OMH (Mauritius) Corp and Exxaro for the deal, according to the group’s filing on Bursa Malaysia. “The consideration from Exxaro is an attractive and compelling opportunity to unlock value for OM Holdings and recirculate capital to our core business operations,” said OM Holdings executive chairman and CEO Low Ngee Tong. (*The Edge*)

Upcoming key economic data releases	Date
US – April’s PPI	May 15
US – April’s Retail Sales	May 15
EU – March’s Industrial Production	May 15
EU – Q1’s GDP Growth Rate	May 15
Malaysia – Q1’s GDP Growth Rate	May 16
EU – March’s Balance of Trade	May 16
Source: Bloomberg	



## 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		
<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
<a href="#">Oasis Home Holding Berhad</a>	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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