



Daily Newswatch

Market Review

The FBM KLCI reversed its recent gains at midday as profit-taking set in following Tuesday's strong rally. As a result, the index ended the day broadly unchanged, closing marginally higher by 0.1%. Despite the pause, further upside remains possible, supported by improving US-China trade relations, which have eased fears of a global trade war and could sustain risk-on sentiment in the near term. Among key index constituents, Petronas Chemicals led the gains (+2.7%), followed by CelcomDigi (+2.6%) and YTL Power (+1.9%). Sector-wise, most segments posted gains, led by Energy (+3.1%), Technology (+2.5%), and Industrial Products & Services (+1.5%). Market breadth remained positive, with 700 gainers outpacing 312 decliners.

Across Asia, markets traded mostly higher on Wednesday as investors digested softer-than-expected U.S. inflation data and looked ahead to further developments in trade negotiations. Regional tech stocks saw strong buying interest after Nvidia revealed it had sold over 18,000 AI chips to Saudi Arabian firm Humain during the Saudi-U.S. Investment Forum. HSI climbed 2.3%, while the SHANGHAI CI gained 0.9%, both supported by strong performance from tech heavyweights such as Tencent and Alibaba.

Major European stock markets finished moderately to the downside in cautious trade on Wednesday. EURO STOXX 50 fell 0.3% as investors took profit and benign U.S. inflation data prompted traders to pare back Fed rate cut bets for this year. The markets spent all day in the red as investors also are waiting see what happens next in terms of tariffs and upcoming talks between Ukraine and Russia in Istanbul. Consumer discretionary extended their volatile momentum to record losses, with LVMH and Kering dropping 2% and 3%, while L'Oreal slumped 3.3%. In turn, healthcare continued to decline as US President Trump was due to pass policy to cap drug prices, with Sanofi and Bayer losing 1% and 2%, respectively

For US, after moving to the upside at the start of trading on Wednesday, stocks showed a lack of direction over the course of the session - bouncing back and forth across the unchanged line before finishing mixed. The DOW slumped 0.2% to finish at 42,051.1, while the NASDAQ rallied 0.7% to close at 19,146 and the S&P 500 rose 0.1% to end at 5892.6. While trade deals between the U.S. and China and the U.K. have helped ease concerns about President Donald Trump's trade policies, uncertainty about the eventual outcome continues to hang over the markets. Eight of the S&P's 11 sectors declined, led by losses in healthcare, materials, and real estate. On the upside, communication services, technology, and consumer discretionary sectors outperformed.

Macro News

- Europe:** NATO is sketching out plan to meet Trump's call for 5% of GDP on defence
- Malaysia:** Zafrul in South Korea for Apec trade ministers meeting, to reinforce multilateral trading platform
- US:** Trump says US to lift Syria sanctions, secures US\$600bn Saudi deal
- US:** Trump calls on Fed to cut rates, saying prices of 'practically everything' are down

Corporate News

- Signature Alliance:** ACE Market-bound eyes Johor, Penang expansion
- Sapura Energy:** MOF may end up with 33% in restructuring plan
- MCE Holdings:** Partners Chinese firms to support Chery Malaysia's local production

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,583.5	0.1	(3.6)
Dow Jones	42,051.1	(0.2)	(1.2)
Nasdaq CI	19,146.8	0.7	(0.8)
S&P 500	5,892.6	0.1	0.2
SX5E	5,403.4	(0.2)	10.4
FTSE 100	8,585.0	(0.2)	5.0
Nikkei 225	38,128.1	(0.1)	(4.4)
Shanghai CI	3,403.9	0.9	1.6
HSI	23,640.7	2.3	17.9
STI	3,871.1	(0.3)	2.2
Market Activities	Last Close	% Chg	
Vol traded (m shares)	4,202.6	1.0	
Value traded (RM m)	3,294.9	(26.6)	
Gainers	700		
Losers	312		
Unchanged	559		
Top 5 Volume	Last Close	Daily chg %	Vol (m)
OCR	0.035	0.0	67.3
SFPTECH	0.235	6.8	65.5
NOTION	0.755	8.6	61.8
WIDAD	0.030	(14.3)	61.8
NATGATE	1.770	8.6	54.8
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.240	(1.0)	194.7
MAYBANK	10.200	0.0	170.0
TENAGA	14.300	(0.3)	154.8
GAMUDA	4.710	(0.6)	143.0
PUBLIC BANK	4.530	0.7	96.7
Currencies	Last Close	% Chg	
USD/MYR	4.3040	(0.4)	
USD/JPY	146.66	0.1	
EUR/USD	1.1186	0.1	
USD/CNY	7.2084	(0.1)	
US Dollar Index	101.03	(0.0)	
Commodities	Last Close	% Chg	
Brent (USD/barrel)	65.3	(1.2)	
Gold (USD/troy oz)	3,183	0.2	
CPO (MYR/metric t)	3,900	1.9	
Bitcoin (USD/BTC)	103,775	0.2	



Macro News

Europe: NATO is sketching out plan to meet Trump's call for 5% of GDP on defence

NATO allies have started cobbling together an agreement to significantly boost defence spending in a way that may assuage US President Donald Trump's demand to spend 5% of economic output on the military. Negotiators in the military alliance are making progress on a path to achieve 5% of gross domestic product (GDP) on defence and defence-related spending by 2032, ahead of a North Atlantic Treaty Organization (NATO) summit in The Hague in June, according to diplomats familiar with the matter. NATO foreign ministers will discuss the initiative at a meeting in the Turkish resort city of Antalya on Wednesday and Thursday. *(Bloomberg)*

Thailand: Minister says US trade pitch gets positive response

Thailand has told Washington it will crack down on transshipments through its ports, buy more US goods and improve local market access as part of a pitch to avoid steep tariffs on its exports, its finance minister said on Wednesday. Thailand is among Southeast Asian nations hardest hit by US President Donald Trump's measures, facing a 36% tariff on its exports if a reduction can't be negotiated before a global moratorium expires in July. "Our trade proposal is a 'win-win' solution," Pichai Chunhavajira told reporters, adding US Treasury Secretary Scott Bessent had responded positively to the proposal, which he said showed a readiness for negotiation. *(Bloomberg)*

Malaysia: PM attends round-table meeting with Russian industry players

Prime Minister Datuk Seri Anwar Ibrahim continued the agenda of his second day of official visit to Russia by attending a round-table meeting with industry leaders of the Russian Federation. The meeting, which began at 9am here on Wednesday, was attended by 24 major companies in Russia and two business councils represented by industry leaders to discuss strategic cooperation in increasing bilateral trade between Malaysia and Russia. In the meeting, industry leaders in Russia expressed their desire to explore new collaborations in various fields including food manufacturing, agriculture, technology, logistics services, property development and financial services. The meeting covered industrial sectors involving major products such as palm oil-based products, furniture manufacturing, chemical industry and retail. Among the companies involved were Oil Partners, Sportmaster and Russian Direct Investment Fund. *(Bloomberg)*

Malaysia: Zafrul in South Korea for Apec trade ministers meeting, to reinforce multilateral trading platform

Minister of Investment, Trade and Industry (Miti) Tengku Datuk Seri Zafrul Aziz is leading Malaysia's delegation to Jeju, South Korea as trade ministers from the 21 member economies of the Asia-Pacific Economic Cooperation (Apec) are gathered for the 31st meeting. The two-day Apec Ministers Responsible for Trade (MRT) Meeting, starting on May 15, takes place at a critical juncture marked by persistent global economic uncertainty, ongoing tariff negotiations with the United States by various countries, cross-border barriers, and a rapidly evolving economic landscape. While focusing on the host country's priority areas, namely artificial intelligence (AI) and demographic challenges, member economies are also expected to reaffirm the importance of a robust and inclusive multilateral trading system. *(Bloomberg)*

US: Trump says US to lift Syria sanctions, secures US\$600bn Saudi deal

US President Donald Trump kicked off his trip to the Gulf on Tuesday with a surprise announcement that the United States will lift long-standing sanctions on Syria, and a US\$600bn (RM2.6tn) commitment from Saudi Arabia to invest in the US. The US agreed to sell Saudi Arabia an arms package worth nearly US\$142bn, according to the White House, which called it the largest "defence cooperation agreement" Washington has ever done. The end of sanctions on Syria would be a huge boost for a country that has been shattered by more than a decade of civil war. Rebels led by current President Ahmed al-Sharaa toppled previous president Bashar al-Assad last December. *(Bloomberg)*

US: Trump calls on Fed to cut rates, saying prices of 'practically everything' are down

US President Donald Trump on Tuesday repeated his call for the Federal Reserve (Fed) to lower interest rates, saying prices for gas, groceries and "practically everything else" are down. "No Inflation, and Prices of Gasoline, Energy, Groceries, and practically everything else, are DOWN!!! THE FED must lower the RATE, like Europe and China have done," Trump said on Truth Social. "What is wrong with Too Late Powell? Not fair to America, which is ready to blossom? Just let it all happen, it will be a beautiful thing!" Trump added, repeating criticism of Fed chair Jerome Powell. *(Reuters)*

India: Signals tougher US trade stance as China's tactic pays off

Indian officials said trade talks with the US remain on track, although there are signs that New Delhi is adopting a tougher approach in negotiations, following China's defiance of US President Donald Trump. Trade talks between India and the US are progressing smoothly, with the first tranche of a deal expected by fall, according to people familiar with the discussions. However, it's unclear if India can secure an interim deal by early July, when Trump's reciprocal tariffs are expected to kick in, the people said, asking not to be identified because the matter isn't public. India's Ministry of Commerce and Industry didn't immediately respond to a request for a comment. *(Bloomberg)*



Corporate News

Signature Alliance: ACE Market-bound eyes Johor, Penang expansion

ACE Market-bound Signature Alliance Group Bhd, a subsidiary of Signature International Bhd, is advancing its regional expansion plans with a focus on Penang and Johor to establish brand offices. At a press conference after its prospectus launch on Wednesday, executive director and group chief executive officer Darren Chang said the company is exploring rental properties with an estimated built-up area of 12,000 sq ft in Penang and 5,000 sq ft in Johor. The expansion sees it further diversifying its revenue base geographically, which is largely contributed by the central region comprising Kuala Lumpur, Selangor, Putrajaya, and Negeri Sembilan (76.9% of group revenue in 2024). Penang, alongside Kedah and Perak, accounted for 19.9% of the group's revenue for the year, whereas Johor and Melaka contributed 2.5% combined, Chang said. *(The Edge)*

Sapura Energy: MOF may end up with 33% in restructuring plan

Upstream oil and gas contractor Sapura Energy Bhd has revealed its proposed regularisation plan to exit its Practice Note 17 status, which could see the Ministry of Finance owning up to 33% in the company following its RM1.1bn capital injection in March. The proposed regularisation plan also entails a 99.99% capital reduction together with a debt restructuring to nearly halve its total borrowings to just over RM5bn. The MOF, through Malaysia Development Holding Sdn Bhd, in March subscribed to RM1.1bn worth of redeemable convertible loan stocks (RCLS) in Sapura Energy to fund its repayment to vendors. "MDH will become a major shareholder upon full conversion of the RCLS, which will result in MDH holding more than 33% of Sapura Energy's enlarged share capital," it said in a statement. *(The Edge)*

MCE Holdings: Partners Chinese firms to support Chery Malaysia's local production

MCE Holdings Bhd's unit will partner with China's Cheling Smart Mobility Technology and Wuhu Atech Automotive Electronics to support Chery Malaysia's local production, focusing on automotive parts, technology transfer, and quality standards, with potential joint investments in tooling or facilities. MCE designs and manufactures automotive electronics and mechatronics parts. Cheling Smart Mobility Technology specialises in automotive electronics, while Wuhu Atech Automotive Electronics is a supplier of automotive electronics in China. *(The Edge)*

Reservoir Link: Deputy chairman Thien Chiet Chai sells 3.3% stake to Propel Global

Reservoir Link Energy Bhd's deputy chairman Thien Chiet Chai has offloaded a 3.3% stake in the oil and gas services firm to Propel Global Bhd for RM4.4m. Thien disposed of 12m shares on Tuesday at 37 sen apiece, according to Reservoir Link's bourse filing on Wednesday. A separate filing showed the block of shares was acquired by Propel Global Bhd, whose direct stake in the Reservoir has risen to 9.8% following the stake purchase. *(The Edge)*

Oriental Interest: Unveils landed homes at RM1bn Myra Tenuman; teams up with RHB Bank for loan package

Oriental Interest Bhd's residential brand Myra unveiled the first phase of Halaman collection in its RM1bn Myra Tenuman master-planned development at the Myra Tenuman sales gallery in Alam Impian, Shah Alam on Wednesday. The first phase of Halaman collection will feature two-storey dwellings in the form of 54 semi-detached homes and 16 bungalows, which will have an estimated gross development value of RM165.5m. The bungalows' land sizes range from 6,652 to 8,826 sq ft with built-ups of up to 3,982 sq ft and priced from RM3m. The semidees, meanwhile, have lot sizes between 4,166 and 7,535 sq ft with built-ups of up to 3,376 sq ft, with prices starting from RM2m. These individual-titled homes are expected to be completed in June 2027. *(The Edge)*

AwanBiru: Gets RM201m govt settlement, ending seven-year dispute over scrapped RM3.5bn SKIN project

AwanBiru Technology Bhd has received the full and final RM201.5m settlement from the government, ending a seven-year dispute over the cancelled RM3.5bn National Immigration Control System (SKIN) project. On March 24, 2025, the Court of Appeal recorded a consent judgement where the government agreed to pay AwanBiru's unit Prestariang Skin Sdn Bhd RM201.5m within three months and dropped its appeal against a previous court order to pay RM231.6m. The company said its wholly owned subsidiary Prestariang Skin Sdn Bhd received the full and final settlement sum on Wednesday, the group's bourse filing showed. *(The Edge)*

MN Holdings: Wins RM37.9m waste-to-energy project

MN Holdings Bhd's wholly owned subsidiary, Mutu Nusantara Sdn Bhd, has secured a RM37.9m contract from a customer providing civil engineering and electrical works. The infrastructure utilities construction and engineering solutions specialist said that the company was unable to disclose the customer's identity due to a non-disclosure agreement. In a filing with Bursa Malaysia, MN said that the contract covers the design, engineering, procurement, construction, installation, testing, and commissioning (EPCC) of the waste-to-energy interconnection facility's transmission lines located in the central region of Peninsular Malaysia. The contract will take effect from May 14, 2025, and is expected to be completed by March 31, 2027. *(The Star)*



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
<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		
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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