



Daily Newswatch

Market Review

The FBM KLCI closed lower yesterday at 1,573.0 (-0.7%), pairing back gains from its recent two-day rebound as investors engaged in broad based profit-taking, particularly among index heavyweights. In contrast, the small cap index demonstrated notable resilience, maintaining upward momentum and reflecting continued interest in domestic driven themes. Investor sentiment is likely to remain cautious in the near term, with attention turning to the upcoming release of Malaysia's first quarter GDP figures. Among key index constituents, PETDAG (-2.7%) led the losses, followed by PMETAL (-2.5%) and SUNWAY (-2.4%). Losses were broad-based, with the Technology (-0.9%), Energy (-0.8%), and Construction (-0.7%) sectors posting the largest declines. Market breath turned negative, with 542 losers outpacing 405 gainers.

Across the region, sentiment in Asian markets remained subdued as investors digested the latest developments on the trade tariff front. A cautious tone prevailed, with markets awaiting further clarity on trade negotiations and progress on the Iran nuclear deal. The SHANGHAI CI slipped 0.7% to 3,380.8, while the HSI fell 0.8% to close at 23,453.2.

In Europe, stocks posted a mixed performance on Thursday amid ongoing assessment of corporate earnings and trade developments, following recent U.S.-U.K. and U.S.-China trade announcements. The EURO STOXX 50 rose 0.2% in response to these developments. Healthcare stocks rebounded as investors took advantage of lower valuations due to US President Trump's signals of caps on drug prices, lifting Bayer and Sanofi shares by 3% and 1%, respectively. Utilities also advanced sharply with Iberdrola and Enel each gaining close to 2%.

Over in the U.S, after experiencing choppy trading during Thursday's session. The major averages fluctuated over the course of the day before eventually closing mixed. NASDAQ Composite dipped 0.2% to 19,112.3, the S&P 500 rose 0.4% to 5,916.93 and the DOW climbed 0.7% at 42,322.75. Eight of the 11 S&P 500 sectors ended higher, led by gains in utilities, consumer staples, and real estate, while the tech sector faced a bout of profit-taking. The choppy trading on day came as traders digested an avalanche of U.S. economic data, including a Labor Department report showing Producer Price Index (PPI) unexpectedly fell in the month of April. The Labor Department said its PPI for final demand fell by 0.5% in April following a revised unchanged reading in March.

Macro News

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- Malaysia:** Japan ink RM1.3bn green bioeconomy deals at Expo 2025 Osaka
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- Aneka Jaringan:** Bags RM51m substructure job in KL
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- Sarawak Cable:** High Court orders Serendib Capital to pay RM200,000

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,573.0	(0.7)	(4.2)
Dow Jones	42,322.8	0.7	(0.5)
Nasdaq CI	19,112.3	(0.2)	(1.0)
S&P 500	5,916.9	0.4	0.6
SX5E	5,412.1	0.2	10.5
FTSE 100	8,633.8	0.6	5.6
Nikkei 225	37,620.2	(0.4)	(5.7)
Shanghai CI	3,380.8	0.7	0.9
HSI	23,453.2	(0.8)	17.0
STI	3,892.0	0.5	2.8

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,707.7	(11.8)
Value traded (RM m)	2,740.0	(16.8)
Gainers	542	
Losers	405	
Unchanged	257	

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	4.2760	0.2
USD/JPY	145.15	0.4
EUR/USD	1.1202	0.1
USD/CNY	7.2073	0.0
US Dollar Index	100.701	(0.0)

Commodities	Last Close	% Chg
Brent (USD/barrel)	64.7	0.2
Gold (USD/troy oz)	3,235.8	(0.1)
CPO (MYR/metric t)	3,855	(0.4)
Bitcoin (USD/BTC)	103,953	0.5



Macro News

China: Accuses US of 'unilateral bullying' on Huawei AI chips

Beijing has pushed back against a US decision aimed at curbing Chinese-made artificial intelligence chips, a first sign of discord between the world's two largest economies since they agreed to a trade truce last weekend. In a reminder of the tensions that continue to exist between the Trump administration and China when it comes to technology, the Commerce Department said earlier this week it would issue guidance to make clear that using Huawei Technologies Co's Ascend AI chips "anywhere in the world violates US export controls." The warning by the US "fully exposes its unilateral protectionist nature," He Yongqian, a spokeswoman for China's Commerce Ministry, said Thursday. *(Bloomberg)*

EU: Trade officials see signs of optimism for US tariff deal

Top trade officials from the European Union's (EU) member states expressed increased confidence that they can reach an agreement to dial back the US's tariff hikes after the Trump administration struck a tentative deal with the UK and agreed to significantly de-escalate its conflict with China. Ahead of a gathering in Brussels on Thursday, the officials welcomed the US' recent moves to dial back its trade war while indicating they want to ensure that any deal is in the trading bloc's interests. "We are seeing some elements of optimism because we are seeing elements of de-escalation on the American side," said Michal Baranowski, the undersecretary of state at the Ministry of Economic Development and Technology of Poland. "Negotiations with the EU are speeding up." *(Bloomberg)*

Thailand: Growth to slow over next two years due to tariffs, minister says

Thailand's economic growth may slow down over the next two years due to steep US tariffs, but state-owned banks will provide support to exporters and supply chain businesses affected, its finance minister said on Thursday. "Within the next two years, we should see quite a few stumbles. The ones who will stumble are likely to be in the export sector," minister Pichai Chunhavajira said at a meeting with state-owned banks. However, Thailand is not expected to see a greater tariff impact than other countries, Pichai said. Thailand faces a 36% US tariff if a reduction cannot be negotiated with Washington before a moratorium expires in July. The United States has set a 10% tariff for most nations while the moratorium is in place. *(Bloomberg)*

Malaysia: Japan ink RM1.3bn green bioeconomy deals at Expo 2025 Osaka

Malaysia and Japan reached a new milestone in their green bioeconomy partnership with the signing of three strategic agreements worth RM1.3bn on May 12 at Expo 2025 Osaka in Japan. In a statement on Thursday, Malaysian Bioeconomy Development Corporation (Bioeconomy Corp), an agency of the Ministry of Science, Technology and Innovation, said the signing is in conjunction with launch of the Mosti Week, which is a step forward by both nations to drive the low-carbon and bio-based economy agenda, in line with global sustainability commitments. "The collaborations involve the development of renewable energy and the commercialisation of sustainable biotechnology products, aligning with the aspirations of the National Biotechnology Policy 2.0 and global sustainability goals," it said. *(Bernama)*

Malaysia: US tariff negotiations going smoothly, many issues can be resolved, says Zafrul

Discussions between Malaysia and the US regarding reciprocal tariffs have so far proceeded smoothly, with many issues being resolved while some require further scrutiny, particularly those related to the country's strategic sectors. Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz said this was discussed during his meeting with US Trade Representative Jamieson Greer at the 31st Asia-Pacific Economic Cooperation (APEC) Ministerial Meeting on Trade held in Jeju, South Korea. The Malaysian delegation will continue negotiations in Washington from May 28 to 30, led by Investment, Trade and Industry Ministry deputy secretary general (trade) Mastura Ahmad Mustafa, while Zafrul is scheduled to visit the US in June for further discussions. "So far, we understand that talks between the chief negotiators on both sides have been progressing smoothly." *(Bernama)*

US: Trump says India offered to remove all tariffs on US goods

President Donald Trump said India has made an offer to drop tariffs on US goods, as the Asian nation negotiates a deal to avert higher import taxes. Speaking on Thursday at an event with business leaders in Qatar, Trump said the Indian government has "offered us a deal where basically they are willing to literally charge us no tariff." Trump didn't offer further details of New Delhi's apparent offer and the Indian government didn't immediately respond to a request for comment. *(Bloomberg)*

US: Trump wants Apple to stop moving iPhone production to India

US President Donald Trump said he's asked Apple Inc's Tim Cook to stop building plants in India, taking aim at the iPhone maker's plans to diversify its manufacturing beyond China. "I had a little problem with Tim Cook yesterday [Wednesday]," Trump said of his conversation with the Apple chief executive officer in Qatar, where he's on a state visit. "He is building all over India. I don't want you building in India." As a result of their discussion, Trump said Apple will be "upping their production in the United States". India has one of the highest tariff barriers in the world and it's very hard to sell American products in the planet's most populous country, Trump said. He said, though, that India has made an offer to drop tariffs on US goods, as the Asian nation seeks an agreement on import taxes. *(Bloomberg)*



Corporate News

Aneka Jaringan: Bags RM51m substructure job in KL

Aneka Jaringan Holdings Bhd has secured a RM50.5m contract to undertake earthworks, piling and substructure works for an apartment and hotel development project in Jalan Sultan Ismail, Kuala Lumpur. The construction firm's wholly owned Aneka Jaringan Sdn Bhd accepted the letter of award from Clement Chan Architect, who is acting on behalf of developer Kuala Lumpur Metro Property Sdn Bhd, according to Aneka Jaringan's bourse filing on Thursday. The 18-month job will start from June 2 this year and be completed on Dec 1, 2026. (*The Edge*)

YNH, Sunway REIT: Extend Aeon Mall Seri Manjung sale by four months, add new conditions

YNH Property Bhd and Sunway Real Estate Investment Trust (Sunway REIT) have agreed to take another four months to complete the sale of Aeon Mall Seri Manjung for RM138m. The deal was initially set for completion by Aug 20, 2025. In an exchange filing, YNH Property said its wholly owned units Kar Sin Bhd and YNH Hospitality Sdn Bhd, together with RHB Trustees Bhd, the trustee of Sunway REIT, have mutually agreed to extend the conditional period of their sale and purchase agreement (SPA) signed on Jan 20, 2025. (*The Edge*)

LBS Bina: Partnering Oriental Holdings for RM7bn mixed development in Melaka

Property developer LBS Bina Group Bhd is collaborating with Penang-based Oriental Holdings Bhd to undertake a mixed-use project in Klebang, Melaka, with an estimated gross development value (GDV) of RM7bn. A memorandum of understanding (MOU) has been signed for the proposed joint-venture development. According to both companies' filings with the stock exchange on Thursday, the proposed development will span approximately 561 acres and be executed in four phases over a 15-year period. The project aims to transform the land into a mixed-use development featuring both industrial and commercial components. (*The Edge*)

Bintai Kinden: Says TNB has reinstated three contracts it terminated two years ago

Bintai Kinden Corp Bhd said Tenaga Nasional Bhd has reinstated three of 10 contracts that the utility company had previously terminated two years ago, after a series of negotiations between them. The reinstated contracts, executed by Bintai Kinden's wholly owned Kejuruteraan Bintai Kinden Sdn Bhd (KBK), are related to defect clearance works at PMU 275kV/33kV Grik, the 132kV Subang Jaya GIS Switching Station, and the 132kV Kuchai Lama GIS Switching Station. "The board wishes to update that this positive development is the result of a series of negotiations between KBK and TNB, aimed at reaching an amicable resolution to the contractual matters arising from the termination of 10 contracts by TNB on June 21, 2023, and July 13, 2023 respectively," Bintai Kinden said in a bourse filing on Thursday. (*The Edge*)

Sarawak Cable: High Court orders Serendib Capital to pay RM200,000 as security for costs or lose case, Mahmud Abu Bekir

The High Court has ruled that UK-based Serendib Capital Ltd must pay RM200,000 as security for costs in its lawsuit against Datuk Seri Mahmud Abu Bekir Taib, Sarawak Cable Bhd, and six others. The payment must be made within 14 days from May 13, or Serendib's case will be struck out. According to a court order seen by The Edge, Judicial Commissioner Dr Suzana Muhamad Said approved Mahmud Abu Bekir's request for security costs and ordered Serendib to pay RM200,000 within 14 days from May 13. If Serendib fails to do so, its lawsuit against Mahmud Abu Bekir will be struck out. (*The Edge*)

Fibromat: bags RM283.5m road job in Kelantan

Geotechnical solutions specialist Fibromat (M) Bhd's has bagged a RM283.5m contract from Casa Hartamas Sdn Bhd to serve as the subcontractor for the provision of design and installation solutions. According to a bourse filing on Thursday, the group said the contract, which was secured by its wholly owned subsidiary MTS Fibromat (M) Sdn Bhd, involves the supply of materials, labour, machinery, and other essential resources for the execution and completion of works related to the Central Spine Road Package 2 and Section 2A. The project will cover road construction from Sungai Lakit Bridge to Gua Musang and from Sungai Lakit Bridge to Paloh 2. The contract period is scheduled to span 24 months, beginning on May 15, 2025, and slated for completion on May 14, 2027. (*The Edge*)

99 Speed Mart: 1Q net profit rises 7.5%, declares 2.25 sen dividend

99 Speed Mart Retail Holdings Bhd, which saw its net profit rise 7.5% in the first quarter, has declared a first interim dividend of 2.25 sen per share — its maiden payout since listing last year. The convenience store chain operator said the dividend amounted to about RM189m for the financial year ending Dec 31, 2025. The entitlement date is fixed on May 29, and payment will be made on June 9. "In this quarter, we have declared our first dividend since our listing last year, a reflection of our solid financial foundation. "With a dividend policy of distributing approximately 50% of our net profit, we intend to declare dividends twice annually as part of our commitment to reward shareholders while delivering sustainable long-term value," founder and chief executive officer Lee Thiam Wah said in a statement. (*The Star*)



Upcoming key economic data releases	Date
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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