



Daily Newswatch

Market Review

The FBMKLCI slipped 0.1% last Friday, reflecting continued profit-taking activity. However, trading volumes suggest that selling pressure has eased compared to the steeper 0.7% decline seen on Thursday. Malaysia's GDP grew by 4.4% in Q1 2025, moderating from 4.9% in the previous quarter but still outpacing the 4.2% growth recorded in Q1 2024. This supports the narrative of a soft landing, underpinned by resilient domestic demand. Despite the positive GDP print, investor sentiment remained cautious, especially in cyclical sectors like industrials and consumer discretionary, which are more sensitive to the macroeconomic outlook. Among key index constituents, MRDIY (-3.0%) led the losses, followed by NESTLE (-2.8%) and YTL (-1.8%). Losses were broad-based, with Technology (-2.1%), Energy (-1.1%), and Utilities (-1.0%) posting the largest declines. Market breadth was negative, with 467 decliners outpacing 377 gainers.

Across Asia, markets ended mostly lower on Friday, pressured by disappointing Japanese GDP data and lingering uncertainty over the impact of U.S. tariffs on global trade. The SHANGHAI CI dropped 0.4% to 3,367.5, with investor focus on corporate earnings and heightened U.S. tech export restrictions. Reuters reported that the U.S. Commerce Department is considering adding more Chinese firms, including Changi Memory—to its restricted export list. The HSI fell 0.5% to 23,345.1, dragged down by Alibaba Group, which slumped 4.1% after posting disappointing earnings that highlighted ongoing pressure on Chinese consumer spending.

In contrast, European markets closed higher, buoyed by easing trade tensions after the announcement of a U.S.-China deal earlier in the week. Optimism was further lifted by reports of constructive negotiations between the EU and U.S. on tariff reductions. Investors also weighed potential interest rate decisions from major central banks. Notably, ECB Governing Council member Martins Kazaks commented that market expectations for a 25bps rate cut at the June 5 meeting are "relatively appropriate." The EURO STOXX 50 gained 0.4%.

In the U.S., stocks regained momentum after an indecisive start, with all major indices ending firmly in positive territory, marking their strongest levels in over two months. The DOW rose 0.8% to 42,654.7, the S&P 500 gained 0.7% to 5,958.4, and the NASDAQ advanced 0.5% to 19,211.1. Continued optimism following the U.S.-China trade agreement, which included temporary tariff reductions, spurred broad-based buying and sustained the week's upward trend.

Macro News

- China:** Slaps anti-dumping duties on plastics from US, EU, Japan, Taiwan
- Malaysia:** Economic growth 4.4% in 1Q as exports decelerate, official data show
- Malaysia:** Moscow visit attracts up to US\$10bn in potential trade, investments, says PM's political secretary
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- Samaiden:** Bags RM108.6m EPCC job for large-scale solar project
- Hextar Capital:** Associate wins contract to build Malaysia's first super high-voltage power substation

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,571.8	(0.1)	(4.2)
Dow Jones	42,654.7	0.8	(0.5)
Nasdaq CI	19,211.1	0.5	(1.0)
S&P 500	5,958.4	0.7	0.6
SX5E	5,412.1	0.4	10.5
FTSE 100	8,633.8	0.6	5.6
Nikkei 225	37,620.2	(0.4)	(5.7)
Shanghai CI	3,367.5	(0.4)	0.9
HSI	23,345.1	(0.5)	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	467		
Losers	377		
Unchanged	364		
Top 5 Volume	Last Close	Daily chg %	Vol (m)
NEXG	0.375	4.2	67.3
EKOVEST	0.390	0.0	65.5
WESTVR	0.360	1.4	61.8
MAGMA	0.415	3.7	61.8
TANCO	0.945	1.1	54.8
Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.180	0.3	194.7
GAMUDA	4.590	(0.4)	170.0
MAYBANK	10.140	0.4	154.8
KPJ	2.950	0.0	143.0
TM	6.890	(0.4)	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: Slaps anti-dumping duties on plastics from US, EU, Japan, Taiwan

China on Sunday announced anti-dumping duties as high as 74.9% on imports of POM copolymers, a type of engineering plastic, from the United States, the European Union, Japan and Taiwan. The commerce ministry's findings conclude a probe launched in May 2024, shortly after the US sharply increased tariffs on Chinese electric vehicles, computer chips and other imports. POM copolymers can partially replace metals such as copper and zinc and have various applications including in auto parts, electronics and medical equipment, the ministry has said. *(Bloomberg)*

US: Trump tells Walmart to 'eat tariffs' instead of raising prices

US President Donald Trump said on Saturday that Walmart should "eat the tariffs" instead of blaming duties imposed by his administration on imported goods for the retailer's increased prices. His comments were in response to the world's largest retailer saying this week it would have to start raising prices later this month due to high tariffs. "Walmart should STOP trying to blame Tariffs as the reason for raising prices throughout the chain. Walmart made BILLIONS OF DOLLARS last year, far more than expected," Trump said in a social media post. "Between Walmart and China they should, as is said, 'EAT THE TARIFFS,' and not charge valued customers ANYTHING." Walmart said it has always worked to keep its prices as low as possible, adding that this practice will not stop. "We'll keep prices as low as we can for as long as we can given the reality of small retail margins," the company said in a statement to Reuters. *(Bloomberg)*

US: Adnoc says UAE and US to invest US\$440bn in energy sector through 2035

The US and the United Arab Emirates (UAE) plan to spend a total of US\$440bn (RM1.9bn) in the energy sector over the next decade, Sultan al-Jaber of the UAE oil company Adnoc said on Friday. As part of a tour of Gulf countries that has placed the focus on huge business deals, US President Donald Trump announced deals with the UAE totalling over US\$200bn. Already in March, when senior UAE officials met Trump, the UAE had committed to a 10-year, US\$1.4tn investment framework in the US to deepen reciprocal ties. The framework will "substantially increase the UAE's existing investments in the US economy" in artificial intelligence infrastructure, semiconductors, energy, and manufacturing, the White House said in a statement on Friday. *(Bloomberg)*

Malaysia: Economic growth slows to 4.4% in 1Q as exports decelerate, official data show

Malaysia's economy decelerated but continued to expand in the first three months of 2025, thanks to resilient household spending and business investments, while exports slowed. Gross domestic product (GDP) grew 4.4% in January-March compared to the same quarter in 2024, Bank Negara Malaysia announced on Friday. The reading matches the official flash estimate of a 4.4% expansion, but lower than the revised 4.9% year-on-year growth in the preceding quarter. On a seasonally-adjusted basis, GDP rose 0.7% quarter-on-quarter. *(The Edge)*

Malaysia: BNM expects front-loaded export momentum to taper off in coming months

Bank Negara Malaysia (BNM) expects the front-loading of exports — especially in the electrical and electronics (E&E) sector — to normalise in the coming months, after a temporary uptick as businesses sought to preempt higher tariffs during the 90-day pause announced by the US. BNM governor Datuk Seri Abdul Rasheed Ghaffour acknowledged that Malaysia is also benefiting from the front-loading of purchases as companies sought to circumvent impending tariff hikes under US President Donald Trump's administration by moving shipments forward. "We have already observed signs of front-loading in E&E exports as firms try to soften the impact of tariff-related risks," Abdul Rasheed said at a press briefing on Friday on the country's economic and financial developments in the first quarter of 2025. *(The Edge)*

Malaysia: Moscow visit attracts up to US\$10bn in potential trade, investments, says PM's political secretary

The first segment of Prime Minister Datuk Seri Anwar Ibrahim's official visit to the Russian Federation has been described as highly fruitful, with potential trade and investments of between US\$5bn and US\$10bn. During the visit to Moscow, which started on Tuesday, the prime minister also held meetings with industry players, according to political secretary to the prime minister Muhammad Kamil Abdul Munim. One of the sectors in focus was the halal industry. Moscow, which is the capital and the largest city of Russia, has a population of over 13m people, and about 2.0m and of them are Muslims. "We saw great potential for the next five years. If all goes well, we could see potential trade and investments worth US\$5bn to US\$10bn between Malaysia and Russia," he told Malaysian media on Thursday. *(The Edge)*

EU: PM Starmer to agree deal to strengthen EU partnership, his office says

British Prime Minister Keir Starmer is set to agree a deal next week to strengthen the country's post-Brexit partnership with the European Union and to facilitate trade in some food products, his office said on Saturday. Starmer will welcome EU leaders to London on Monday to help reset relations with the bloc, with both sides aiming to secure progress in specific areas while others will remain off-limits. Britain left the EU in 2020, but Starmer has been trying to boost ties with the country's biggest trading partner since his centre-left Labour Party won last year's national election. The summit will result in a deal, his office said, though it provided few details beyond saying it would improve the situation for British producers currently facing checks on products or unable to export, and also that it would ease matters for families facing higher bills and queues when travelling. *(Bloomberg)*



Corporate News

Samaiden: Bags RM108.6m EPCC job for large-scale solar project

Samaiden Group Bhd has secured a RM108.6m contract to carry out engineering, procurement, construction and commissioning (EPCC) works for the development of a large-scale solar photovoltaic (LSSPV) project. In its bourse filing, the company stated that it could not disclose the identity of its client, referred to as 'Company A,' as the client has not consented to such disclosure. The LSSPV project, with a capacity of 29.99 megawatt (MWac), is situated in the central region of Peninsular Malaysia. Samaiden is expected to complete all works by the target date of January 15, 2026. (*The Edge*)

EG Industries: Clinches deal to produce AI-related products for US tech firm

Electronic manufacturing services firm EG Industries Bhd has secured a deal from a US-based firm to supply consumable network and artificial intelligence (AI)-related products for the global market. The identity of the customer referred to as Company G — a fibre-optic internet service and AI robotics provider known for delivering ultra-fast and reliable broadband to residential and commercial users across the US — was not disclosed due to a non-disclosure agreement. EG Industries said in a filing with the stock exchange on Friday that it will repurpose the third floor of its new Smart Factory 4.0 facility in Batu Kawan, Penang — originally designated for office and other uses — to manufacture Company G's products. The space spans a built-up area of 24,400 square feet. Product implementation is expected to begin in the second half of 2025, with mass production slated for 2026, the group noted. (*The Edge*)

Gamuda: Buying 336-acre land near Gamuda Cove project

Gamuda Bhd said on Friday it is buying three plots of land measuring 336 acres combined for RM248.7m near its current project in Selangor. The expansion at the southern tip of Gamuda Cove will allow the company to develop landed homes and commercial properties with a gross development value of RM2.2bn, Gamuda said. The proposed acquisition is expected to be done by the second quarter of 2026. "The new land parcel will introduce a fresh range of residential products tailored to meet the growing demand for quality landed homes set amid a master-planned township, ensuring the continued success of Gamuda Cove," the company said. (*The Edge*)

Hextar Capital: Associate wins contract to build Malaysia's first super high-voltage power substation

A joint venture between Hextar Capital Bhd's associate, Transgrid Ventures Sdn Bhd (TGV), and CD Electrical Engineering Sdn Bhd has won a RM427.5m contract from Tenaga Nasional Bhd to build Malaysia's first 500-kilovolt (kV) power transmission system, the highest voltage level in the country. The super high-voltage power transmission intake will carry large amounts of electricity over long distances with minimal energy loss before it's distributed to lower-voltage systems. Hextar Capital said in a statement the project involves building a 500/275kV gas insulated substation in Gurun East, Kedah. (*The Edge*)

Magma: To tap Chagee's premium tea chain in Malaysia

Magma Group Bhd said it has signed a partnership with Nasdaq-listed Chagee to tap the Chinese premium tea chain business in Malaysia. A joint venture (JV) company, Chagee Magma Sdn Bhd, in which Chagee owns 60% and Magma 40%, has been formed to operate the chain's business in the country and undertake the expansion, according to an exchange filing by the hotelier on Friday. "The JV company will serve as the primary vehicle for executing business expansion and operations, which include, among others, the development of branded retail outlets and other commercial initiatives within the premium tea and beverage segment," Magma said. The target over the next three years is to open 300 directly managed outlets across Malaysia, Chagee's largest market outside of China. (*The Edge*)

MRCB: Unit to build RM2.9bn Shah Alam sports complex, paid in land and cash

Malaysian Resources Corp Bhd's subsidiary Lembaran Prospek Sdn Bhd (LPSB) will build a new RM2.9bn sports complex in Shah Alam, Selangor to be paid with a combination of land and cash. In a filing with Bursa Malaysia, MRCB said LPSB received a letter of acceptance from Menteri Besar Selangor (Incorporated), also known as MBI Selangor, on Friday. MRCB said MBI Selangor will pay for the sports complex project, which includes RM35m to demolish Stadium Shah Alam as commissioned in February 2024, with land worth up to RM200m and the rest in cash. Demolition works are to be completed by this month. (*The Edge*)

Pekati: Unit bags RM135m TNB contract for power distribution equipment

Pekati Group Bhd said on Friday that its indirect 60%-owned subsidiary, EPE Switchgear (M) Sdn Bhd, has secured a RM135.2m contract from Tenaga Nasional Bhd. In a filing with Bursa Malaysia, the solar power specialist said EPE Switchgear will undertake the supply, installation, testing, and commissioning of 33 kilovolt (kV) and 11kV gas insulated switchgear and related equipment for TNB's electricity distribution network. The contract is effective from May 9 and will span two years, Pekati noted. (*The Edge*)

Avillion: Owned by late Daim's son, plans RM11.5m placement to upgrade Port Dickson hotel

Avillion Bhd plans to raise RM11.5m through a private placement of 283m new shares to refurbish one of its main hotels, Avillion Port Dickson.



This plan requires shareholders' approval. Avillion is 21.8%-owned by Datuk Dani Abdul Daim, son of the late Tun Daim Zainuddin. After the new share placement, his stake will drop to 17.5%. In its filing with Bursa Malaysia, the company said it plans to use RM4m of the RM11.5m raised from the new private placement to upgrade hotel rooms, restaurant, gym and pool, RM3.9m for working capital and RM3m for loan repayment. *(The Edge)*

Bursa: CFO Rosidah Baharom to step down after 11 years

Bursa Malaysia Bhd, the operator of the country's bourse, said its chief financial officer (CFO) Rosidah Baharom will step down from the role, effective May 17. In a filing to the stock exchange, Bursa Malaysia said Rosidah's resignation is to "pursue personal interests". The exchange said its nomination and remuneration committee had earlier initiated a process to identify and appoint a new CFO, with an announcement to be made in due course. In the interim, executive vice president of group finance and corporate services, Rasmona Abdul Rahman, will assume the role of acting CFO, effective May 17. *(The Edge)*

Acme: To sell 5.85-acre land in Penang for RM22m

Acme Holdings Bhd is selling a 5.86-acre parcel together with a building atop in Perai, Penang, for RM22m cash to Nation Robo Sdn Bhd. The proposed disposal, which Acme firmed up with Nation Robo via a sale and purchase agreement, is to unlock the property's value and utilise proceeds to repay borrowings, according to the property developer's bourse filing on Friday. If the deal goes through by the second half of 2025, there would be a pro forma gain of RM14.1m, Acme said. *(The Edge)*

Upcoming key economic data releases	Date
US – Leading Index (APR)	May 19
EU – CPI (APR)	May 19
GBP – CPI (APR)	May 21
US – S&P Global Manufacturing PMI	May 22
MY – Inflation Rate (APR)	May 22
US – Initial Jobless Claims	May 22
<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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