



Daily Newswatch

Market Review

The FBMKLCI ended lower (-0.1%) to 1,534.3, mirroring the cautious sentiment seen across Wall Street and European markets last Friday, as resurfacing trade and tariff risks weighed on global investor confidence. Market jitters were reignited following US President Donald Trump's threat to impose a 50 percent tariff on European Union imports, raising concerns over a potential reescalation of global trade tensions. Although the implementation has since been deferred to July 9 from the initial June 1 timeline, investor sentiment remains fragile amid uncertainty surrounding the broader trajectory of international trade relations. Among the key index constituents, significant selling pressure were observed in YTLP (-4.4%), YTL (-2.7%) and MISC (-2.4%). Sector wise, Technology (-1.3%), Transportation & Logistics (-0.8%) and Energy (-0.7%) are the top 3 laggards. Overall market breadth turned bearish, with 595 decliners outnumbered 338 gainers.

Asian equity markets closed mixed on Monday amid renewed trade tensions, following remarks from U.S. President Donald Trump suggesting the potential imposition of a 25% tariff on smartphones manufactured outside the United States. The proposed tariffs, which could be implemented by the end of next month, would target major global producers including Apple and Samsung Electronics Co., adding a layer of uncertainty for the broader technology supply chain and investor sentiment. SHANGHAI CI closed flat while the HSI tumbled 1.4%.

European equities opened the week on a positive footing, buoyed by renewed risk appetite as investors responded to the deferment of tariff escalation by U.S. President Donald Trump. The proposed 50% tariffs on European Union goods, originally slated for implementation on June 1, have now been postponed to July 9 following a conciliatory call with EU Commission President Ursula von der Leyen. This development appears to have triggered selective repositioning across key sectors, with market participants viewing the delay as a tactical reprieve that temporarily reduces geopolitical trade headwinds. The European STOXX 50 turned positive and closed 1.3% higher.

US market was closed in conjunction with the celebration of Memorial Day.

Macro Snapshots

- Malaysia:** RON95 subsidy rationalisation to be implemented in 2H2025, says Amir Hamzah
- Malaysia:** Manufacturing industry capacity utilisation reaches 81.8% in 1Q2025
- Malaysia:** Signs deal to initiate trade talks with GCC, eyes expansion of businesses — Zafrul
- Malaysia:** Anwar urges Asean-BAC to propose intra-Asean trade measures
- US:** Trump delays EU tariffs until July 9, European markets rally
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Corporate Snapshots

- Samaiden:** Wins RM101m job to build 27.6MW solar plant in Kelantan
- TM:** U Mobile signs RM2.4bn deal with TM to boost 5G rollout
- Capital A:** Maintenance, repair and overhaul arm gets US, EU certifications
- Public Bank:** Apex court rules bank must pay damages for breach of

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,534.3	(0.1)	(6.6)
Dow Jones	41,603.1	(0.6)	(2.2)
Nasdaq CI	18,737.2	(1.0)	(3.0)
S&P 500	5,802.8	(0.7)	(1.3)
SX5E	5,395.3	1.3	10.2
FTSE 100	8,718.0	(0.2)	6.7
Nikkei 225	37,531.5	1.0	(5.9)
Shanghai CI	3,346.8	(0.0)	(0.1)
HSI	23,282.3	(1.4)	16.1
STI	3,875.6	(0.2)	2.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,121.1	14.8
Value traded (RM m)	1,634.0	(24.8)
Gainers	338	
Losers	595	
Unchanged	478	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
SAPNRG	0.040	0.0	124.8
ECOSHOP	1.160	(3.3)	43.3
OCR	0.035	0.0	33.5
TANCO	1.000	2.6	33.2
HM	0.180	0.0	30.8

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
PBBANK	4.410	0.2	71.6
TENAGA	14.000	0.0	71.4
MAYBANK	9.920	0.4	69.2
ECOSHOP	1.160	(3.3)	50.5
CIMB	6.960	0.3	44.5

Currencies	Last Close	% Chg
USD/MYR	4.2188	0.3
USD/JPY	142.65	0.1
EUR/USD	1.1388	0.0
USD/CNY	7.1864	(0.1)
US Dollar Index	98.93	(0.2)

Commodities	Last Close	% Chg
Brent (USD/barrel)	64.7	(0.1)
Gold (USD/troy oz)	3,346	0.0
CPO (MYR/metric t)	3,821	(0.4)
Bitcoin (USD/BTC)	109,446.2	(0.2)



confidentiality

- **Maybank:** 1Q net profit rises 4% as interest, insurance income offsets fall in non-interest income
- **FGV:** Receives unconditional takeover offer from Felda at RM1.3 per share
- **Keyjaya Prospek:** Buy 49% stake in Aspen Vision Land for RM98m

Macro News

Malaysia: RON95 subsidy rationalisation to be implemented in 2H2025, says Amir Hamzah

The rationalisation of RON95 fuel subsidies will be implemented in the second half of 2025, said Second Finance Minister Datuk Seri Amir Hamzah Azizan. He said the Ministry of Finance (MoF) will continue with the subsidy rationalisation process, but the current focus is on identifying the groups that will be eligible to receive subsidy. "MoF will proceed with the subsidy rationalisation, but for now, the priority is to ensure that the right recipients are identified. "Prime Minister Datuk Seri Anwar Ibrahim, together with the Cabinet is discussing the eligibility threshold for Malaysians, where the qualifying level to receive subsidies will be raised," he told media after officiating the Malaysian Institute of Accountants (MIA) International Accountants Conference 2025 here today. *(The Edge)*

Malaysia: Manufacturing industry capacity utilisation reaches 81.8% in 1Q2025

Malaysia's manufacturing industry capacity utilisation reached 81.8% in the first quarter of 2025 (1Q2025), increasing 1.0 percentage points from the 80.1% recorded in the same quarter of the preceding year, said the Department of Statistics Malaysia (DOSM). In a statement on Monday, chief statistician Datuk Sri Dr Mohd Uzir Mahidin said the capacity utilisation was in line with the performance of the manufacturing sector's industrial production index, which increased 4.2% year-on-year during this quarter. "In the first quarter of 2025, sub-sectors posted capacity utilisation above 80%, with the highest rate recorded by the non-metallic mineral products, basic metal and fabricated metal products sub-sector at 85.2%, which increased by 2.3 percentage points. "This was followed by the increased 2.5 percentage points in textiles, wearing apparel, leather and footwear to a rate of 82.6%," he said. *(The Edge)*

Malaysia: Signs deal to initiate trade talks with GCC, eyes expansion of businesses — Zafrul

Malaysia has set its sights on expanding trade with the oil-rich Gulf Cooperation Council (GCC) countries after signing a joint statement to initiate negotiations on a Malaysia-GCC Free Trade Agreement (MGFTA) on Monday. Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Aziz said the MGFTA would help reduce tariffs, non-barriers, promote business mobility and enhance regulatory cooperation, and expressed optimism that trade — which was valued at US\$22 billion (RM92.8 billion) last year — would further expand. "In terms of sectors, we are looking at electrical and electronics (E&E), semiconductors, halal products, (and) especially palm oil, as well as chemicals and petrochemicals, among others. *(The Edge)*

Malaysia: Anwar urges Asean-BAC to propose intra-Asean trade measures

Prime Minister Datuk Seri Anwar Ibrahim, who is also Asean chair, has directed the Asean Business Advisory Council (Asean-BAC) to submit concrete proposals to boost intra-Asean trade, which currently accounts for only about 20% of the grouping's total trade. He noted that his counterparts had expressed a shared desire to unlock the region's full economic potential, underscoring the opportunity to significantly expand intra-Asean trade. "Proposals have been made by presidents and prime ministers, and there is actually no reason why the extent of our inter-Asean trade and investments is still limited at this stage, as the potential is enormous. "So please come up with some very specific proposals on how we can compel policymakers to accept some recommendations," he said in his opening remarks at the Asean Leaders' Interface with Representatives of the Asean Business Advisory Council (Asean-BAC) here today. *(The Edge)*

US: Trump delays EU tariffs until July 9, European markets rally

US President Donald Trump backed away from his threat to impose 50% tariffs on imports from the European Union (EU) next month, restoring a July 9 deadline to allow for talks between Washington and the 27-nation bloc to produce a deal. European assets rallied on Monday. The euro hit its highest level against the dollar since April 30, while European shares surged and were poised to recoup the previous session's losses. Trump had said on Friday he was recommending a 50% tariff effective from June 1, expressing frustration that trade negotiations with the EU were not moving quickly enough. *(The Edge)*

US: Trump expresses optimism on Iran nuclear deal after 'very good' talks

Trump said he had "very good" talks with Iranian officials over the weekend, on his push to put limits on the Islamic Republic's nuclear programmes. "We had some very good talks with Iran yesterday and today, and let's see what happens," Trump told reporters on Sunday at the Morristown Airport in New Jersey, on his way back to Washington. "I don't know if I'll be telling you anything good or bad over the next two days, but I have a feeling I might be telling you something good." The US and Iran held talks last week in Rome, that the Iranian foreign minister and lead negotiator Abbas Araghchi said could lead to an agreement in the next couple of meetings. *(The Edge)*



China: Mulling new economic policy tools, Premier Li says

China is weighing new policy tools in the face of an international economic and trade order that is "under severe impact", Chinese Premier Li Qiang told a symposium with Chinese firms in Jakarta over the weekend. "The fragmentation of industrial and supply chains has deepened, and trade barriers have increased, which has had a great impact on the economic development of all countries," state news agency *Xinhua* reported on Sunday, citing Li. China is studying new policy tools, including some "unconventional measures", which will be launched as the situation changes, the Chinese premier said. (*The Edge*)

Corporate News

Samaiden: Wins RM101m job to build 27.6MW solar plant in Kelantan

Samaiden Group Bhd has bagged a RM100.8m contract to build a 27.6-megawatt (MW) large-scale solar power plant in Pasir Mas, Kelantan, under the large-scale solar 5 programme. The contract, awarded by GVV Fajar Timur, covers full engineering, procurement, construction and commissioning works. In a filing with Bursa Malaysia, the company said the plant is expected to start operations by July 24, 2027. Samaiden group managing director Datuk Chow Pui Hee said the project shows the company's strength in delivering key renewable energy infrastructure for Malaysia's clean energy goals. (*The Edge*)

TM: U Mobile signs RM2.4bn deal with TM to boost 5G rollout

U Mobile Sdn Bhd has signed a RM2.4bn, 10-year deal with Telekom Malaysia Bhd to speed up its nationwide 5G rollout. Under the agreement, TM will provide fibre infrastructure services, including leased lines, data-centre access, and network connectivity, to support U Mobile's 5G network. Using TM's 740,000km fibre network, the widest in Malaysia, U Mobile aims to reach 80% population coverage by July 2026. The deal was formalised at a ceremony officiated by Communications Minister Datuk Fahmi Fadzil. (*The Edge*)

Capital A: Maintenance, repair and overhaul arm gets US, EU certifications

Asia Digital Engineering Sdn Bhd (ADE), the maintenance, repair and overhaul (MRO) arm of Capital A Berhad, has been awarded certifications from the US Federal Aviation Administration (FAA) and the European Union Aviation Safety Agency (EASA). ADE said the company was awarded the Maintenance Organisation Approval (EASA145.0967) from EASA, and the Repair Station Certificate (ADNY458E) from the FAA. In a statement on Monday, it said this dual certification, regarded as a hallmark of quality and safety in the aviation industry, marks ADE's emergence as a globally recognised, multi-certified aircraft maintenance provider, and underscores Malaysia's growing role as an aviation hub in the Asean region. (*The Edge*)

Public Bank: Apex court rules bank must pay damages for breach of confidentiality

Public Bank Bhd has failed in its appeal to set aside a RM560m lawsuit filed by the National Feedlot Corporation (NFCorp) and four others, including its chairman Datuk Seri Mohamad Salleh Ismail, after the country's apex court unanimously dismissed the bank's appeal. The three-member Federal Court bench led by Chief Judge of Malaya Datuk Seri Hasnah Mohammed Hashim in a unanimous decision on Monday dismissed the bank's appeal against a Court of Appeal (COA) decision. Hasnah, who was flanked by Chief Judge of Sabah and Sarawak Tan Sri Abdul Rahman Sebli and judge Datuk Abu Bakar Jais, also allowed NFCorp's cross-appeal to pursue exemplary and aggravated damages against the bank, which had not been awarded by the appellate court. (*The Edge*)

Maybank: 1Q net profit rises 4% as interest, insurance income offsets fall in non-interest income

Malayan Banking Bhd, the country's biggest bank by assets, said its net profit edged up 4% in the first quarter from a year earlier, as income from interests and insurance offset a decline in non-interest income. Net profit for the three months ended March 31, 2025 (1QFY2025) was RM2.6bn, or 21.5 sen per share, Maybank said in an exchange filing. Year-on-year (y-o-y), net interest income was up 0.8% to RM5.3bn, while non-interest income was down 27% to RM2.9bn. Provisions for potential bad loans and investment losses also fell. However, the bank insurance/takaful service result for the quarter more than doubled to RM471.4m. (*The Edge*)

FGV: Receives unconditional takeover offer from Felda at RM1.3 per share

FGV Holdings Bhd has received an unconditional voluntary takeover offer from the Federal Land Development Authority (Felda), which seeks to acquire all remaining shares in the company not already under its control. In a notice issued by Maybank Investment Bank Bhd on behalf of Felda, the offer proposes a cash consideration of RM1.3 per share for all outstanding ordinary shares of FGV not currently held by Felda. As of May 20, 2025, FGV's total issued share capital stood at RM7.0bn, comprising 3.6bn ordinary shares and one special share held by the Minister of Finance (Incorporated). Felda currently owns 69.5 per cent of FGV's equity, amounting to 2.5bn shares. (*The Edge*)

Keyjaya Prospek: Buy 49% stake in Aspen Vision Land for RM98m

Kerjaya Prospek Group Bhd on Monday said it will be acquiring a 49% stake in Aspen Vision Land Sdn Bhd for RM98m, as the property developer intends to co-develop Aspen Vision City in Batu Kawan, Penang. Kerjaya Prospek said the acquisition will be executed by its subsidiary, Kerjaya Prospek Ventures, which has entered into a subscription and shareholders' agreement (SSA) with three Singapore-listed



Aspen (Group) Holdings Ltd's subsidiaries, namely AVL, Aspen Vision Development Sdn Bhd (AVD) and Aspen Vision All Sdn Bhd (AVA). Under the deal, KPV will subscribe to 4.4m new ordinary shares and 935,900 new redeemable preference shares in AVL, effectively acquiring a 49% stake in AVL, which will then become an associate of Kerjaya Prospek. Meanwhile, AVD will hold the remaining 51%. (*The Edge*)

Upcoming key economic data releases	Date
US – April's Durable Goods Orders	May 27
US – FOMC Minutes	May 29
US – Q2's GDP Growth Rate	May 29
US – April's Core PCE Price Index	May 30
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		
Oasis Home Holding Berhad	ACE Market	0.28	100.0	50.0	9 May	28 May
ICT Zone Asia Berhad	ACE Market	0.20	133.0	21.0	20 May	3 Jun
Signature Alliance Group Berhad	ACE Market	0.62	260.0	0.0	21 May	5 Jun
Hartanah Kenyalang Berhad	ACE Market	0.16	120.9	77.5	27 May	09 Jun
Paradigm REIT	Main Market	1.00	865.3	0.0	23 May	10 Jun
Cuckoo International (Mal) Bhd	Main Market	1.29	143.3	222.1	5 Jun	24 Jun

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