



# Daily Newswatch

## Market Review

The FBM KLCI edged higher to 1,512.2 (+0.1%) for the second consecutive day as bargain hunting continued to support the market, even though it's on track for a 2.3% weekly decline. Lifting the index were YTL (+6.0%), YTLPOWER (+4.3%), and GAMUDA (+3.6%). Sector wise, Construction led the gains (+2.5%), followed by Technology (+2.0%), and Energy (+1.9%). Overall, market breadth remained positive with 680 advancers vs 292 decliners.

US stocks rebounded on Friday as investors resumed bargain-hunting at the close of a turbulent week marked by escalating trade tensions and recession fears triggered by President Donald Trump's tariff actions. The relief rally saw the DOW close at 41,488.2, (+1.7%); the NASDAQ finish at 17,754.1 (+2.6%) and the S&P 500 end at 5,638.9 (+2.1%). Overall, weekly the US market was still down with the DOW (-2.4%), NASDAQ (-0.5%) and S&P 500 (-1.2%). In the Asia market, the HSI (+2.1%) and SHANGHAI CI (+1.8%) ended the week mixed as investors awaiting further stimulus measures this week.

## Macro Bits

- US:** Averts Govt Shutdown as Senate Passes GOP Spending Bill
- US:** Trump looks to press ahead with more lay-offs even as courts order some reinstatements
- EU:** Big fiscal boost could force ECB to hike rates, Holzmann tells Platow
- EU:** Trump's trade war a 'wake-up call' for Europe, Lagarde says

## Corporate News

- Sapura Energy:** MACC opens two investigation papers involving Sapura Energy
- Pertama Digital:** Acquires 80% stakes in two companies for RM106m as part of its regularisation plan
- MAG:** Announces RM40m purchase of farmland and assets in Tawau
- HHRG:** Largest shareholders dispose of entire stake at a steep 94% discount
- KJTS:** To form JV with Stonepeak affiliate to develop cooling assets
- Catcha Digital:** Acquires 60% stake in digital media advertising company for RM37.3m cash

<u>Upcoming key economic data releases</u>	<u>Date</u>
US – Fed Interest Rate Decision & FOMC	Mar 20
Malaysia – Feb 2025 Inflation Rate	Mar 21
US – Mar 2025 Manufacturing PMI	Apr 01
US – Mar 2025 NFP, Unemployment Rate	Apr 04
US – Mar 2025 CPI	Apr 10
Malaysia – Feb 2025 Unemployment Rate	Apr 10
US – Mar 2025 PPI	Apr 11
US – Mar 2025 Retail Sales	Apr 16
Malaysia – Mar 2025 Inflation Rate	Apr 23

Key Indices	Last Close	Daily chg %	YTD chg %
FBM KLCI	1,512.2	0.1	(7.9)
Dow Jones	41,488.2	1.7	(2.5)
Nasdaq CI	17,754.1	2.6	(8.1)
S&P 500	5,638.9	2.1	(4.1)
FTSE 100	8,632.3	1.1	5.6
Nikkei 225	37,053.1	0.7	(7.1)
Shanghai CI	3,419.6	1.8	2.0
HSI	23,960.0	2.1	19.4
STI	3,836.0	(0.0)	1.3

Market Activities	Last Close	% Chg
Vol traded (m shares)	3,241.6	(0.3)
Value traded (RM m)	2,499.4	(14.0)
Gainers	680	
Losers	292	
Unchanged	437	

Top 5 Volume	Last Close	Daily chg %	Vol (m)
NATGATE	1.360	3.8	48.8
KNM	0.045	12.5	44.3
NEXG	0.255	0.0	42.8
SAPNRG	0.050	11.1	41.4
SG	0.010	(33.3)	39.9

Top 5 Turnover	Last Close	Daily chg %	Val (RM m)
CIMB	7.070	0.3	189.5
MAYBANK	10.320	0.2	126.0
GAMUDA	4.040	3.6	106.0
PBBANK	4.480	0.0	103.6
RHBBANK	6.850	0.3	94.7

Currencies	Last Close	% Chg
USD/MYR	4.443	(0.2)
USD/JPY	148.640	(0.6)
EUR/USD	1.088	0.2
USD/CNY	7.237	0.1
US Dollar Index	103.718	(0.1)

Commodities	Last Close	% Chg
Brent (USD/barrel)	70.6	1.0
Gold (USD/troy oz)	2,984.2	(0.2)
CPO (MYR/metric t)	4,694.0	0.5
Bitcoin (USD/BTC)	83,857.0	(0.6)

## Economics

### **US: Averts Govt Shutdown as Senate Passes GOP Spending Bill**

The Senate passed a Republican spending plan on Friday, averting a US government shutdown hours before a midnight deadline while exacerbating a furious struggle within the Democratic party over how to confront President Donald Trump. Senate Democratic leader Chuck Schumer and a handful of other Democrats helped the Republican majority overcome a crucial procedural obstacle and pave the way for the funding's approval. Their actions relinquished what some believed was the party's best leverage to impose constraints on Trump and Elon Musk's mass firings of federal workers and wholesale elimination of federal agencies. Opponents will have to look instead to the courts. (*Bloomberg*)

### **US: Trump looks to press ahead with more lay-offs even as courts order some reinstatements**

President Donald Trump's administration is expected on Friday to move ahead with a second wave of mass firings and budget cuts across the US federal government even as two federal judges ordered it to reinstate thousands of federal workers. Before those rulings on Thursday, federal agencies faced a Thursday deadline to submit large-scale downsizing plans as part of Trump's push to radically remake the federal bureaucracy, a task he has largely left to Elon Musk's Department of Government Efficiency (DOGE). So far, DOGE has overseen potential cuts of more than 100,000 jobs across the 2.3m-member federal civilian workforce, the freezing of foreign aid, and the canceling of thousands of programs and contracts. (*Reuters*)

### **EU: Big fiscal boost could force ECB to hike rates, Holzmann tells Platow**

Higher government spending could force the European Central Bank (ECB) to start raising interest rates again, Governing Council member Robert Holzmann told Germany's Platow Brief. Such measures would present a "very strong fiscal stimulus" that usually leads to more inflation, the hawkish Austrian official said in an interview published on Friday. "In this case, monetary policy would probably have to go in the other direction again." (*Reuters*)

### **EU: Trump's trade war a 'wake-up call' for Europe, Lagarde says**

A full-scale global trade war would hurt the United States in particular and could re-energise Europe's push towards unity, European Central Bank president Christine Lagarde said on Friday. The US has imposed a raft of tariffs on friends and foes alike and threatened even more measures, prompting retaliation from most and raising concern that global growth could take a major hit. "If we were to go to a real trade war, where trade would be dampened significantly, that would have severe consequences," Lagarde told BBC's HARDTalk programme. "It would have severe consequences for growth around the world and for prices around the world, but particularly in the United States." (*Reuters*)

## Companies

### **Sapura Energy: MACC opens two investigation papers involving Sapura Energy**

The Malaysian Anti-Corruption Commission (MACC) has opened two investigation papers on the alleged bribery and misappropriation of funds involving Sapura Energy Bhd. According to sources, the investigation is being carried out based on the results of MACC's initial probe at the end of 2023 involving the company. "The two investigation papers that have been opened focus on money laundering activities and misappropriation around 2018 when the company was known as Sapura Kencana Petroleum Bhd. "In addition to corruption, the investigation will focus on issues related to weaknesses in governance and management," the sources said. *(The Edge)*

### **Pertama Digital: Acquires 80% stakes in two companies for RM106m as part of its regularisation plan**

Government e-services provider Pertama Digital Bhd plans to acquire 80% stakes in two companies, D-Ron Singapore Pte Ltd (D-Ron SG) and D-Ron Malaysia Sdn Bhd (D-Ron MY), for RM106.1m in cash. These companies specialise in information technology and surveillance hardware distribution, as well as related services in Singapore and Malaysia. The acquisition is part of Pertama Digital's regularisation plan, which it failed to submit by the Feb 9, 2025 deadline as required by Bursa Malaysia. *(The Edge)*

### **MAG: Announces RM40m purchase of farmland and assets in Tawau**

Prawn farming company MAG Holdings Bhd has proposed to buy farmland and other assets in Tawau, Sabah for RM39.6m, in related party transactions. The group's wholly owned subsidiary, North Cube Sdn Bhd, entered into a deal with Pegagau Aquaculture Sdn Bhd (PASB) to buy 111.5 acres of farmland for RM10m, buildings and structure for RM15m, as well as plant and machinery for RM7.6m, according to MAG's bourse filing. North Cube also signed an agreement to buy 57.2 acres of farmland from Lilian Chong Kah Nyuk for RM7m, another filing showed. *(The Edge)*

### **HHRG: Largest shareholders dispose of entire stake at a steep 94% discount**

HHRG Bhd's largest substantial shareholders, Ch'ng Chen Mong and Tan Poh Cheng, have disposed of their entire 17.8% stake in the Penang-based biomass material manufacturer at a steep discount. Ch'ng and Tan, through their private vehicle Cfamily Holdings Sdn Bhd, offloaded 154.3m shares via an off-market transaction on March 11, according to HHRG's filing with the local exchange on Friday. A check with Bloomberg showed that 154.3m HHRG shares changed hands at half a sen apiece, amounting to RM771,450. The transaction price represents a sharp 94% discount to the closing price of nine sen on March 11. *(The Edge)*

### **KJTS: To form JV with Stonepeak affiliate to develop cooling assets**

KJTS Group Bhd said it has partnered with an affiliate of New York-based investment firm Stonepeak Partners LP to develop, operate and invest in cooling assets. In an exchange filing on Friday, the building support services firm said its wholly owned unit KJ Technical Services Sdn Bhd has entered into a joint venture (JV) agreement with Stonepeak Kelvin Holdings Ltd. Stonepeak Kelvin will be the controlling owner of the JV company with a 90% stake, while KJ Technical Services will hold the remaining 10%. *(The Edge)*



**Catcha Digital: Acquires 60% stake in digital media advertising company for RM37.3m cash**

Catcha Digital Bhd made its fourth acquisition in nearly four months by purchasing a 60% stake in digital media advertising firm Framemotion Studio Sdn Bhd (FMS) for RM37.3m in cash. The deal is payable over three tranches: the first upon completion of the share agreement, and the second and third contingent upon achieving profit targets of RM6.8m in the first 12 months and the subsequent 12 months. To incentivise the remaining shareholders to grow the business and align their interests with Catcha Digital, the purchase consideration is subject to downward adjustments based on profit achievements, which will dictate the price-earnings multiple, and net debt levels in the first 12 months and the subsequent 12 months.  
*(The Edge)*



## Stock Selection Based on Dividend Yield

	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
Bermaz Auto	Consumer	1.04	0.15	14.62
Hektar REITS	REIT	0.48	0.04	9.05
British American Tobacco (M)	Consumer	6.18	0.54	8.74
REXIT	Technology	0.60	0.05	8.33
Sentral REIT	REIT	0.77	0.06	8.31
Amway (M)	Consumer	5.70	0.47	8.25
YTL Hospital REIT	REIT	1.01	0.08	8.22
KIP REIT	REIT	0.87	0.07	7.70
CapitaLand Malaysia Trust	REIT	0.64	0.05	7.56
Paramount Corporation	Property	1.04	0.07	7.21
Taliworks Corporation	Utilities	0.70	0.05	7.19
MBM Resources	Consumer	5.42	0.39	7.18
Ta Ann Holdings	Plantation	3.85	0.27	7.12
MAG Holdings	Consumer	1.21	0.08	6.78
Magnum	Consumer	1.21	0.08	6.78

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="#">Lim Seong Hai Capital Bhd</a>	ACE Market	0.88	132.0	59.0	06 Mar	21 Mar
Wawasan Dengkil Holdings Bhd	ACE Market	0.25	108.0	54.0	11 Mar	25 Mar
<a href="#">Chemlite Innovation Bhd</a>	ACE Market	0.25	120.0	60.0	12 Mar	26 Mar
Hi Mobility Bhd	Main Market	1.22	95.0	35.0	19 Mar	28 Mar
SumiSaujana Group Berhad	ACE Market	0.24	310.0	90.0	25 Mar	09 Apr

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