

## This Week's Highlight : No Spike In Withdrawals From Tabung Haji - Zukri



Lembaga Tabung Haji (TH) still receiving support from the depositors, says Group Managing Director and Chief Executive Officer Datuk Seri Zukri Samat. -- Photo from TH Facebook

KUALA LUMPUR -- There was no spike in withdrawals from Lembaga Tabung Haji (TH) amid the commencement of the TH rehabilitation and restructuring plan, said Group Managing Director and Chief Executive Officer Datuk Seri Zukri Samat Tuesday. He said TH was still receiving support from the

depositors despite revelations made by Minister in the Prime Minister's Department Datuk Seri Dr Muzahid Yusof Rawa that TH will be placed under Bank Negara Malaysia's supervision starting January next year to improve the organisation's governance.

## This Week's Top Stories

### MONDAY

#### **BNM To Supervise TH Starting January**

KUALA LUMPUR -- Lembaga Tabung Haji (TH) will be placed under Bank Negara Malaysia's (BNM) supervision starting January next year to improve the organisation's governance, said Minister in the Prime Minister's Department, Datuk Seri Dr Muzahid Yusof. The move was part of a comprehensive turnaround plan to improve TH's balance sheet as it had recorded a deficit of RM4.1 billion as at Dec 31, 2017, he told reporters at the Parliament lobby Monday.

### TUESDAY

#### **TH Identifies RM19.9 Bln Underperforming Assets For SPV**

KUALA LUMPUR -- Lembaga Tabung Haji (TH) has identified underperforming assets worth RM19.9 billion to be transferred to a special-purpose vehicle (SPV) owned by the Minister of Finance Incorporated (MoF Inc) to normalise its financial position, said Group Managing Director and Chief Executive Officer Datuk Seri Zukri Samat. Of the identified assets, 80 per cent are equities with unrealised losses of more than 20 per cent, while the remaining 20 per cent are properties and land assets with yields of below 2.5 per cent, he told a press

conference to unveil TH's rehabilitation and restructuring plan here Tuesday.

### WEDNESDAY

#### **Mahathir Hopes Proton-Geely Tie-Up Will Produce Truly Malaysian Car**

KUALA LUMPUR -- Prime Minister Tun Dr Mahathir Mohamad hopes the collaboration between Proton Holdings Bhd and Zhejiang Geely Holdings Group (Proton-Geely) collaboration will produce a truly Malaysian car in the future. "Of course this car is not designed and built by Proton entirely but in order to be fast on the road, you have to cut corners," he said after launching the model's four variants here Wednesday night.

### THURSDAY

#### **Transport Ministry Ready To Mediate In MAHB-AirAsia Dispute**

SEPANG -- The Transport Ministry is prepared to mediate in the passenger service charge (PSC) dispute between Malaysia Airports Holdings Bhd (MAHB) and the AirAsia group to de-escalate tensions, said its minister Anthony Loke. "I want both sides to sit down and thrash it out. Yes, we will mediate it. We hope a harmonious situation will arise," he told reporters after launching the "Happy Guests, Caring Hosts" service culture and senior citizen and family-friendly facilities at the Kuala Lumpur International Airport 2 (klia2) here today.

### FRIDAY

#### **IMF: Malaysia's 2018 GDP Growth Forecast At 4.7 Pct**

KUALA LUMPUR -- The International Monetary Fund (IMF) is projecting Malaysia's real gross domestic product (GDP) growth at 4.7 per cent for 2018, compared with an earlier forecast of 5.3 per cent made on March 7. "Credit growth has rebounded recently and capital outflows have been manageable. The current account surplus is projected to decline to 2.1 per cent of GDP," it said in a statement Friday.

### Govt Concerned About SMEs' Readiness To Adopt Industry 4.0

KUALA LUMPUR -- The government is concerned about the readiness of local industries, particularly Small and Medium Enterprises (SMEs), to adopt Industry 4.0.

International Trade and Industry Minister Datuk Darell Leiking said the government had made a large allocation in the 2019 Budget to assess the readiness of SMEs to adopt automation and industry 4.0.

"We have seen a number of them having completed preparations on their own initiative by making themselves ready through enhancing the automation of their production lines.

"The government will assist those who are not ready so that no one will be left behind," he told reporters after witnessing the exchange of

a memorandum of understanding between MIMOS Bhd and Microsoft Malaysia here Monday. However, Darell did not elaborate on how the allocation would be channelled to SMEs.

On another note, he said Malaysians were fast in adopting technological changes and the many training centres available for technology conversion in the country could help expedite the adoption of Industry 4.0.

### SL1M To Undergo Rebranding Exercise To Produce Entrepreneurs

BANGI -- The 1Malaysia Training Scheme (SL1M) under the Ministry of Entrepreneur Development (MED) will undergo a rebranding exercise with emphasis on the acquisition of business skills in order to produce more "job creators". MED deputy minister, Datuk Wira Dr Mohd Hatta Md Ramli, said Tuesday, the main objective of the

process is to ensure those enrolled in SL1M – which was launched in 2011 – have options should the companies they're training at not employ them.

### PKNS Committed To Instilling Knowledge To Bumiputera, Youth Entrepreneurs

SHAH ALAM -- The Selangor State Development Corporation (PKNS) is always committed to instilling entrepreneurial knowledge to youth and Bumiputera entrepreneurs to enhance their business strength, says Chief Corporate Officer Siti Zubaidah Abd Jabar. The initiatives undertaken to help these entrepreneurs included the Graduate Realising Opportunities Way Forward (Grow) and Bumiputera Sub-Contractors (SKB) programmes, she said during her speech at the Grow Graduation and SKB Accreditation ceremony here Thursday.

## PropUP

## Property update

### Developers Urged To Provide Quality Housing For M40, B40

KUALA LUMPUR -- Property developers have been urged to equally address the need for quality housing for the Middle 40 (M40) and Bottom 40 (B40) groups as the country moves towards being a developed, high-income nation. Housing and Local Government Deputy Minister Senator Datuk Raja Kamarul Bahrin Shah said Monday, developers who have made huge fortunes should work together with the government to give attention to the less fortunate, including treating them with dignity and sensitivity in building their living habitat.

### Johor Land Targets RM50 Mln Sales During Festival JLand

JOHOR BAHRU -- Johor Land Bhd (JLand) targets to record property sales worth RM50 million in conjunction with the three-day Festival JLand that begins on Friday. General Manager (Marketing and Sales Documentation Department) Mohd Hizam Abdul Rauf said Tuesday,

the target could be achieved based on offers that would be given for its property products located in five areas – Bandar Dato' Onn, Pasir Gudang, Batu Pahat, Bandar Tiram and Kempas.

### Johor REHDA Expects Faster Release Of Unsold Bumi Quota Houses

JOHOR BAHRU -- The Johor chapter of the Real Estate and Housing Developers Association Malaysia (REHDA) has called for a faster mechanism to release unsold Bumiputera quota houses to enable developers to help the state government build 100,000 affordable homes by 2023. The Johor state government plans to build 100,000 affordable homes under the Rumah Mampu Biaya (RMB) scheme over the next five years.

### BNC, APS To Produce Bernama Property Hot Seat Programme

By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- The Malaysian National News Agency (Bernama), via Bernama News Channel (BNC), has signed a programme production agreement with APS Management Services Sdn Bhd to produce the Bernama Property Hot Seat, a property talk programme. Bernama Acting Chief Executive Officer Datuk Zakaria Abdul Wahab said the English-language television programme will focus on important policies, issues, trends and their impact on the real estate industry. "We will be inviting guests who are high-level policymakers, industry players, property and real estate stakeholders to be interviewed on pertinent issues and questions not normally covered by the media," he told Bernama here Friday after the signing of the agreement. The first of the 13-episode, 30-minute programme will be aired on Feb 21, 2019 at 8.30pm, with repeats on Saturdays at 2.30pm



## Scoreboard

Gainers - 242

Losers - 541

Not Traded - 780

Unchanged - 339

Value - 1384387995

Volume - 14968345

### Bursa Malaysia Ends Lower

KUALA LUMPUR -- Bursa Malaysia closed broadly lower Friday, in tandem with the downtrend in regional bourses prompted by continued weak market sentiment and re-emerged risk aversion which curbed interest for equities, dealers said. The FTSE Bursa Malaysia KLCI (FBM KLCI) finished 14.04 points weaker at 1,661.96 from Thursday's close of 1,676.00 on the back of selling in index-linked counters like IHH Healthcare, Tenaga, Public Bank and Maybank. The barometer index moved between 1,661.30 and 1,671.73 throughout the day with the overall market breadth remaining unfavourable. Trading on the local bourse also saw heavy selling in small capitalisation stocks with the Small Cap Index erasing 129.09 points to settle at 11,906.14. There were 541 losers and 242 gainers, while 339 counters remained unchanged, 780 untraded and 24 others were suspended. Total volume decreased marginally to 1.50 billion units, worth RM1.39 billion, from 1.57 billion units, valued at RM1.65 billion, traded Thursday. Rakuten Trade Sdn Bhd Head of Research Kenny Yee said the downward pattern on Bursa Malaysia was due to local investors taking the cue from the declining Dow Jones Industrial Average, profit taking activities ahead of the weekend coupled with concerns over China's economic growth. "China's economy continued to show slow growth and the weak economic data somehow hurt sentiment. "We have quite a significant investment and trade with the

Chinese, so any progress is worrying," he told Bernama. China's industrial production growth contracted to 5.4 per cent in November, the lowest since the start of 2016, while the country's retail sales rose 8.1 per cent, the least in 15 years. Main Market volume shrank to 938.32 million shares, worth RM1.28 billion, from 1.02 billion shares, valued at RM1.53 billion, recorded Thursday.



### Exchange Rate (Ringgit : Foreign Currency)

	Buying	Selling
USD	4.1830	4.1880
EUR	4.7239	4.7299
GBP	5.2635	5.2710
100 YEN	3.6842	3.6895
SGD	3.0393	3.0434

CLOSING MALAYSIAN FOREIGN EXCHANGE:  
Dec 14, 2018

### FOREX: Ringgit Weaker Against US Dollar

KUALA LUMPUR -- The ringgit weakened against the US dollar Friday as news that China's retail sales and industrial production data was less than expected, was bearish for the local market, said OANDA Head of Trading Asia-Pacific Stephen Innes. At 6 pm, the local note traded at 4.1830/1880 against the US dollar from Thursday's 4.1780/1820. The ringgit was seen tracking the movement of China's renminbi for quite some time as the latter was one of Malaysia's major investors. "I must admit I'm a bit surprised the ringgit did not trade with a more positive bias as US-China trade tensions have improved while the local unit should find support from a probable US Federal Interest rate pause in 2019. "The market is indeed caught in the year-end malaise with local investors now fretting over oil markets and the outlook for global growth in 2019," he told Bernama. Against major currencies, the ringgit rose to 5.2635/2710 from 5.2902/2957 against the pound Thursday and improved to 4.7239/7299 versus the euro from 4.7533/7587 Thursday. It strengthened slightly against the Singapore dollar to 3.0393/0434 from 3.0479/0519

on Thursday but slipped against the yen to 3.6842/6895 from 3.6817/6859 Thursday.

### Short-Term Rates Close Stable On BNM's Operations

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia's (BNM) operations to absorb excess liquidity from the financial system. The surplus in the conventional system fell to RM20.21 billion from RM22.28 billion this morning while in the Islamic system, it eased to RM8.92 billion from RM23.45 billion. The central bank conducted conventional money market tender, range maturity auction Qard tender, as well as, Bank Negara Interbank Bills. At 4 pm, it conducted a RM20.2 billion conventional money market tender and a RM8.9 billion Murabahah money market tender, both for three-day money. The average Islamic overnight interest rate stood at 3.19 per cent, while the one-week, two and three-week rates were pegged at 3.26 per cent, 3.30 per cent and 3.35 per cent, respectively.

### KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives was untraded Friday. December 2018, January 2019, February 2019 and March 2019 stood at 96.27, 96.25, 96.24 and 96.22 respectively. Both volume and open interest remained nil. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.69 per cent.

### KLCI Futures Contract Ends Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract on Bursa Malaysia Derivatives closed higher Friday, despite the weaker underlying cash market. December 2018 was 11.5 points firmer at 1,674.00, January 2019 rose 10.5 points to 1,674, and March 2019 bagged 10 points to 1,669.5. Meanwhile, June 2019 was unchanged at 1,662. Turnover increased to 6,252 lots from 5,186 lots on Thursday and open interest widened to 27,377 contracts versus 26,205 contracts previously. The underlying benchmark FBM KLCI ended 14.04 points easier at 1,661.96.

## **Fast Action Can Stop Scam Transactions - CIMB**

KUALA LUMPUR -- CIMB Bank Bhd is calling on cybercrime victims to quickly contact the bank to stop transactions the moment they discover any fraud activity or fraudulent calls. Chief Compliance Officer Kwan Keen Yew told reporters Monday, last week the bank had managed to stop a RM2.2 million transaction and prevented the money from being withdrawn from the customer's bank account.

## **TH Structured 2 Deals To Enable Hibah Payouts - PWC**

KUALA LUMPUR -- A financial position review of Tabung Haji (TH) by independent auditor PricewaterhouseCoopers (PwC) for 2017 has found that the pilgrim board had structured two deals to enable hibah payouts despite recording a deficit balance sheet and thus violating the Tabung Haji Act 1995. According to the report that was distributed to Members of Parliament Monday, the deals were a RM553 million gain from the disposal of Bank Islam Malaysia Bhd (BIMB) shares which had been subsequently bought back, and RM510 million dividends declared by TH subsidiaries of which RM222 million remained unpaid.

## **World Bank Urges Focus On Five Key Pillars To Address Challenges**

KUALA LUMPUR -- The promotion of economic competitiveness, building skills, fostering inclusion, strengthening state institutions and financing the transition to high-income status, are five key areas that policymakers in East Asia should focus on in the coming decade, says the World Bank. The World Bank said in a report Monday, the region's remarkably successful development model, a combination of outward-oriented growth, human capital development and sound economic governance, needed to be adjusted to effectively address emerging external and internal challenges.

## **RAM Ratings Reaffirms AAA Ratings Of Hong Leong Banking Entities**

KUALA LUMPUR -- RAM Rating Services Bhd has reaffirmed the AAA/Stable/P1 financial institution ratings (FIR) for Hong Leong Bank Bhd (HLB), Hong Leong Islamic Bank Bhd (HLISB) and Hong Leong Investment Bank Bhd (HLIB). The ratings agency has also reaffirmed Hong Leong Financial Group Bhd's (HLFG) AA1/P1 corporate credit ratings (CCR). "The reaffirmations were anchored by HLB's sustained track record of excellent asset quality across credit cycles and the bank's respectable domestic retail and SME franchises," it said in a statement Monday.

## **Govt Accountants Should Become Adept With Technologies**

KUALA LUMPUR -- Government accountants should become adept at technologies, especially automation and artificial intelligence, blockchain, cloud and cybersecurity and data analytics (ABCD), as Malaysia moves into the digital economy and companies steered towards adopting the Industrial Revolution 4.0 (IR 4.0). Treasury Secretary-General Datuk Ahmad Badri Mohd Zahir said Monday, competency building was critical as the shift to accrual accounting and enhancing public sector financial management, required the upskilling of many professional accountants and a better definition of their roles and skills through competency roadmaps.

## **Lower LTAT Dividend Due To Domestic Equity Market Volatility**

KUALA LUMPUR -- The lower dividend from the Armed Forces Fund Board (LTAT) for three consecutive years since 2015 was due to the decline in dividend income received from LTAT's investment in companies and the sale of equities following the volatile domestic equity market, said Defense Minister Mohamad Sabu. He said in the Dewan Rakyat Tuesday, share trading activities and dividends from investments in

companies were among the biggest contributors to LTAT's income, aside from real estate investments, interest from fixed deposits and rental incomes.

## **TH Plans To Put A Cap On Depositor's Fund Level**

By Zarul Effendi Razali

KUALA LUMPUR -- Lembaga Tabung Haji (TH) is looking to put a cap on each depositor's fund in the future as one of the measures to reduce government's liability and exposure towards the depositors. Group Managing Director and Chief Executive Officer Datuk Seri Zukri Samat told Bernama Wednesday, the move to limit the individual deposits at a suitable level was part of TH's business restructuring plan now awaiting board approval.

## **OCBC To Drive Progress Via Fintech, Innovation Unit**

KUALA LUMPUR -- OCBC Bank (Malaysia) Bhd has set up a financial technology (fintech) and innovation unit, The Open Vault, aimed at driving the bank's progression into the digital age. In a statement Wednesday, the bank said the unit was expected to act as a catalyst for its growing fintech segment, allowing the bank to engage with fintech companies globally.

## **PTPTN Needs Time To Review Study Loan Repayment Method**

KUALA LUMPUR -- The National Higher Education Fund Corporation (PTPTN) needs between six and 12 months to review implementation of the new repayment method for study loans. Its deputy chief executive (Policy and Operation), Mastura Mohd Khalid told Bernama Friday, the time frame was necessary for it to discuss with stakeholders on finding a new formula, as well as to get feedback from all quarters.

### MAHB Registers 3.8 Pct Growth In Passenger Movements In Nov

KUALA LUMPUR -- Malaysia Airports Holdings Bhd's (MAHB) network of airports, including the Sabiha Gokcen International Airport (SGIA) in Istanbul, registered 3.8 per cent growth with 11.0 million passenger movements in November, over the same month last year. It said the 3.8 per cent passenger movements growth for MAHB network of airports was driven by airlines launch of new routes for both international and domestic sector, additional frequencies and operation of new airlines, in particular at Malaysia Airports network of airports. "Indigo Airlines, a low-cost airlines based in India and Condor Airlines, a leisure airline based in Frankfurt, Germany, commenced operation to klia2 and KLIA Main in November," it said in a filing to Bursa Malaysia Monday. The airport operator said international traffic posted 5.8 per cent growth with 5.2 million passengers

in November, while domestic passenger movements increased by 2.0 per cent with 5.7 million movements.

### Sanichi Aims To Secure Order Book Of RM500 Mln Via F&B Business

KUALA LUMPUR -- Sanichi Technology Bhd aims to secure an order book of RM500 million over the next five years with its latest venture into the food and beverage (F&B) business. The company said Tuesday it had entered into a memorandum of understanding (MoU) with FKS Holdings Pte Ltd to supply fresh produce for the international F&B industry, in addition to providing Japanese fine dining cuisine. Under the MoU, Sanichi and FKS intend to form an equity joint venture (JV). Sanichi will hold a 70 per cent equity interest and FKS the rest. Sanichi Group Managing Director Datuk Seri Dr Pang Chow Huat said the JV planned to set up 25 outlets over the next three years across the region and major cities, namely Singapore, Kuala

Lumpur, Hong Kong, Shanghai, Beijing, Melbourne, Sydney, Brisbane and Jakarta, offering "Omakase" fine dining Japanese cuisine.

### Negeri Sembilan Draws RM2 Bln Investments In H1

SEREMBAN -- Twenty manufacturing projects with total investments worth RM1.6 billion have been approved in Negeri Sembilan from January to June this year, says Menteri Besar Aminuddin Harun. He said the services sector drew investments worth RM400 million over the same period. "This brings the total investments in Negeri Sembilan for the first six months of this year to RM2 billion. This figure is based on investment data from the Malaysian Investment Development Authority (MIDA)," he said on Tuesday.

### IATA Cautiously Optimistic About Airline Performance In 2019

KUALA LUMPUR -- The International Air Transport Association (IATA) has forecast the global airline industry to generate a net profit of US\$35.5 billion (US\$1=RM4.18) in 2019, slightly above the US\$32.3 billion net profit expected this year. IATA Director General and Chief Executive Officer Alexandre de Juniac said in a statement Wednesday, the forecast was due to lower oil price coupled with solid, albeit slower economic growth (+3.1 per cent) which would extend the run of profits for the global airline industry.

### Bermaz Auto Records Higher Q2 Net Profit Of RM73.92 Mln

KUALA LUMPUR -- Bermaz Auto Bhd (BAuto), the distributor of Mazda vehicles, has recorded a higher net profit of RM73.92 million for the second quarter (Q2) ended Oct 31, 2018 from RM22.20 million in the same period last year. Revenue jumped 46 per cent, or RM218.61 million, to RM690.32 million from RM471.71 million previously. BAuto said on Wednesday,

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the significant increase in the revenue was mainly due to a surge in sales from domestic operations due to the zero-rating of the Goods and Services Tax (GST) from June to August this year.

### Malaysia's Oct IPI Grows To Its Third-Strongest Level

KUALA LUMPUR -- Malaysia's Industrial Production Index (IPI) growth picked up to its third-strongest level this year, said RHB Research Institute Sdn Bhd. The IPI increased by 4.2 per cent year-on-year (y-o-y) from 2.3 per cent in the previous month, driven by stronger growth in manufacturing activity and a rebound in mining output, it said Wednesday.

### Manufacturing Sales Grow 10.2 Pct In Oct

KUALA LUMPUR -- Malaysia's manufacturing sales in October grew 10.2 per cent year-on-year (y-o-y) to RM73.1 billion from RM66.3 billion, said the Department of Statistics. In a statement Wednesday, it said the growth was due to an increase in transport equipment and other manufactured products (13.3 per cent), electrical and electronics products (11.5 per cent) and petroleum, chemical, rubber and plastic products (11.5 per cent).

### Gagasan Nadi Cergas Eyes RM60 Mln From IPO

KUALA LUMPUR -- Gagasan Nadi Cergas Bhd, which is slated for listing on Bursa Malaysia's ACE market on Jan 8, 2019, expects to raise RM60 million in proceeds from its Initial Public Offering (IPO). Of the proceeds, RM14 million will be allocated to fund its ASEAN Football Federation (AFF) mixed development, RM6.5 million for a district cooling system (DCS) for

the Datum Jelatek development and RM16.5 million for working capital, said Group Managing Director Wan Azman Wan Kamal Thursday.

### Malaysia Airports Handles 89.8 Mln Passengers For Jan-Nov This Year

SEPANG -- Malaysia Airports Holdings Bhd's (MAHB) operating airports in Malaysia saw 89.8 million passenger arrivals from January to November this year. Acting Group Chief Executive Officer Raja Azmi Raja Nazuddin told reporters Thursday, for the 11-month period, the Kuala Lumpur International Airport (KLIA) clocked 25.4 million passengers, while the Kuala Lumpur International Airport 2 (klia2) registered 29 million – a three per cent year-on-year growth. Apart from KLIA, MAHB also manages four other international airports. "The four have also grown by leaps and bounds. This year alone, 26 new international routes were added at these four airports," he said.

### EcoWorld Eyes RM12 Bln Sales For FY19, FY20

KUALA LUMPUR -- Eco World Development Group Bhd (EcoWorld Malaysia) and Eco World International Bhd (EcoWorld International) aim to achieve a combined sales of RM12 billion over two financial years ending Oct 31, 2019 (FY19) and FY20. EcoWorld Malaysia Chairman Tan Sri Liew Kee Sin told a press conference Thursday, the target was based on the bullish performance recorded by both companies, which saw its local and international sales exceed RM6 billion for the 2018 financial year, amid the challenging environment for the property sector. "We expect 2019 and 2020 to be good years for EcoWorld,

driven by the record high unbilled sales of RM6.44 billion for EcoWorld Malaysia and RM6.62 billion for EcoWorld International to be carried forward to FY19," he said.

### Sales Of Wholesale, Retail Trade 8.2 Pct Higher In Oct

KUALA LUMPUR -- Wholesale and retail trade recorded a 8.2 per cent growth to RM106 billion in October 2018 over the same month last year. The growth was driven by retail trade which continued its double-digit growth at 11.2 per cent to RM42 billion, the Statistics Department said. In a statement Thursday, Chief Statistician Datuk Seri Dr Mohd Uzir Mahidin said the expansion was propelled by sales in non-specialised stores, sales in specialised stores, sales of food, beverages and tobacco in specialised stores and sales of cultural and recreation goods in specialised stores.

### IWK Looking Into Alternative Revenue Sources

By Aishah Mohmad Afandi

KUALA LUMPUR -- Indah Water Konsortium (IWK) Sdn Bhd is looking into other alternatives to generate its revenue, said Chief Operating Officer Ir. Mohd Haniffa Abdul Hamid. In an interview with Bernama Radio Friday, Mohd Haniffa said aside from sewage treatment, IWK also sells treated water to various industries. "For example, the water used to water plants in Port Dickson has been treated, and we can see that the flowers are really fragrant and growing well," he said.



## FINANCING YOUR BUSINESS ACROSS THE WORLD



### Online Integrated Immigration System To Replace myIMMS - Muhyiddin

PUTRAJAYA -- A fully-online Integrated Immigration System will be developed to replace the Malaysia Immigration System (myIMMS) which has been in use for more than 20 years, said Home Minister Tan Sri Muhyiddin Yassin. He told a news conference on Monday, the decision to replace the myIMMS was made at the last Cabinet meeting as the Immigration Department needed an integrated system that would be really efficient with up-to-date technology.

### MITI Vows To Help Local Designers Export Products Worldwide

KUALA LUMPUR -- The Ministry of International Trade and Industry (MITI) has vowed to help local design industry players export and market their products through its 75 offices worldwide. "As long as the industry players continue to create products with good design, MITI will use all its networks to help the players sell them around the world," said MITI Secretary-General Datuk Isham Ishak. He said this when opening the Malaysia Good Design Award (MGDA) 2017/2018 Ceremony on behalf of MITI Minister Datuk Darell Leiking here, Tuesday night.

### FGV Unit, Safitex To Meet Dubai Court-Appointed Expert On Dec 23

KUALA LUMPUR -- The Dubai Court of First Instance has appointed an

independent expert to ascertain the accuracy of the calculations of the outstanding amount claimed by, and payable to, FGV Holdings Bhd's unit, Delima Oil Products Sdn Bhd. In a filing to Bursa Malaysia Tuesday, FGV said the court had directed Delima Oil Products and Safitex General Trading LLC to meet with the expert on Dec 23.

### Perodua Further Enhances Sales Network With Outlet Relocation

KUALA LUMPUR -- Perodua, via its authorised dealer DMM Sales Sdn Bhd, has relocated its Mid Valley showroom to a new showroom located at Menara MBMR, Jalan Syed Putra in a move to double its sales capacity here while at the same time placing greater emphasis on customer satisfaction. Daihatsu (M) Sdn Bhd (Daihatsu) Chairman Aqil Ahmad Azizuddin said on Tuesday, the new sales showroom, which has a built-up area of 6,900 sq ft, is more than twice the size of its previous location.

### Malaysia's Deal Activity Falls Significantly In 2018: Duff & Phelps

KUALA LUMPUR -- Malaysia has seen a major reduction in corporate deal activity this year with total deals in mergers and acquisitions (M&A), private equity/venture capital (PE/VC) and initial public offerings (IPO) valued at US\$12.5 billion compared with the record levels last year with deals worth US\$20.3 billion. Duff & Phelps said in a statement Tuesday, this

could be due to political changes and businesses taking a wait-and-see approach on strategic growth initiatives.

### Oil Price Volatility Expected To Persist In 2019 - Petronas

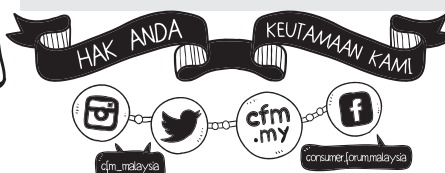
KUALA LUMPUR -- National oil and gas (O&G) company Petronas expects the greater volatility seen in oil prices this year to continue in 2019. In its annual Petronas Activity Outlook (PAO) report for 2019-2021 released Tuesday, Petronas shared its perspective on industry trends, demand outlook and activities in the upstream and downstream sectors. "Petronas, in this edition of the PAO, maintains its prudent view on the industry outlook and will respond with cautious optimism particularly on new capital projects," it said in a statement Tuesday.

### Kedah Plans To Attract More Aerospace Investments

BUKIT KAYU HITAM -- The Kedah state government plans to attract more aerospace industry investments, especially in Bukit Kayu Hitam which also houses the Kedah Science and Technology Park (KSTP). Menteri Besar Datuk Seri Mukhriz Tun Dr Mahathir told reporters Tuesday, this was based on the potential and rapid expansion of the aerospace sector in Malaysia, which also involved maintenance, repair and overhaul (MRO) activities that could contribute to national economic growth.

### New National Auto Policy Focuses On Next-Generation Vehicles

KUALA LUMPUR -- Malaysia's





new National Automotive Policy (NAP) which will be unveiled by year-end is expected to focus on next-generation vehicles which are smart and connected, as well as utilising green technology. Malaysia Automotive, Robotics and Internet of Things Institute (MARii) Chief Executive Officer Datuk Madani Sahari told reporters Wednesday, the NAP would also look into mobility as a service.

### Malaysia Well On Track To Become High-Income Nation, Says World Bank

KUALA LUMPUR -- Malaysia is well on its way to cross the threshold into high-income and developed country status in the coming years, said the World Bank. In a statement Wednesday, Vice President for East Asia and Pacific Victoria Kwakwa said Malaysia's economy was well-diversified and stood on solid foundations, which are primed to take the country to the next level.

### O&G Sector Recruitment Up 13 Pct In Oct

KUALA LUMPUR -- The Oil & Gas (O&G) industry showed no signs of slowing down in its online recruitment activity as the sector recorded 19 consecutive months of year-on-year growth in rising 13 per cent in October. According

to the latest Monster Employment Index, the O&G industry has also recorded positive growth of eight per cent on a six-month basis. Monster.com Chief Executive Officer— APAC and Middle East Abhijeet Mukherjee said in a statement Wednesday, the industry had had a tough couple of years, and the recovery and stabilisation of oil prices now, paved the way for new investments and operations.

### Vertice To Sell 60 Pct Stake In Kumpulan Voir For RM32.62 Mln

KUALA LUMPUR -- Vertice Bhd has proposed to sell a 60 per cent stake in its wholly-owned subsidiary, Kumpulan Voir Sdn Bhd, to its Executive Deputy Chairman, Seow Khim Soon, for RM32.62 million. Seow, who is also a director of Kumpulan Voir, has entered into a conditional sale and purchase agreement (SPA) with Vertice Thursday. Following the completion of the sale, he will relinquish his directorship in Vertice to concentrate on managing the fashion retailing business of Kumpulan Voir and also to avoid potential conflict of interest arising from having directorships in both companies.

### MATRADE's EAM To Promote Malaysian Construction Capabilities In India

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is organising its export promotion initiative, the Export Acceleration Mission (EAM), in New Delhi, India to promote Malaysian capabilities in construction and building materials. In a statement Friday, MATRADE said the mission features

pre-arranged business meetings between Malaysian companies with potential clients, a briefing by KPMG New Delhi on insights of doing business in India and site visits to related associations and retailers in India.

### CIDB, Petronas To Drive O&G Construction Excellence Via CITP

KUALA LUMPUR -- The Construction Industry Development Board Malaysia (CIDB) has partnered with Petronas to drive construction excellence in the oil and gas (O&G) sector through the Construction Industry Transformation Programme 2016-2020 (CITP). CIDB Chief Executive Datuk Ahmad Asri Abdul Hamid said Friday the collaboration would focus on five key areas, namely corporate agreement, procurement best practices, technology development, material and quality assurance, as well as contractor and construction personnel development.

### Belgium To Benchmark Against Malaysia In e-Commerce

By Azlee Nor Mahmud  
KUALA LUMPUR -- Belgium, which recently partnered with Alibaba Group Holding Ltd to create a trade hub under the Electronic World Trade Platform (eWTP) initiative, seeks to benchmark itself against Malaysia, Alibaba's first e-commerce hub outside China. Belgian Ambassador to Malaysia, Pascal H. Gregoire told Bernama in an interview, Belgium became more keen on the e-commerce initiative after Malaysia launched its eWTP hub with Alibaba last year. Belgium is the first European Union (EU) country to sign up to the eWTP.



### **MIMOS, Microsoft In Pact To Boost IoT, AI Adoption**

KUALA LUMPUR -- MIMOS Bhd and Microsoft Malaysia have signed a memorandum of understanding (MoU) to establish a joint lab to help boost adoption of the Internet of Things (IoT) and Artificial Intelligence (AI) in Malaysia. MIMOS Bhd Chief Technology Officer Thillai Raj told reporters Monday, the partnership would see the establishment of a joint lab in MIMOS which would be equipped with Microsoft's IoT and AI programmes.

### **Sarawak Energy's Pilot Hydrogen Production Plant Ready By Q1 2019**

KUCHING -- Sarawak Energy Bhd's pilot hydrogen production plant and refuelling station is expected to be ready by the first quarter of next year, in time for a test run of three hydrogen fuel-powered buses. In a statement Monday, the state-owned energy developer said the facility was the first of its kind in Southeast Asia for research on the commercial viability of a hydrogen economy through the production, delivery, storage and utilisation of the fuel.

### **RAM Rating Services Bhd Named Best Rating Agency 2018**

KUALA LUMPUR -- RAM Rating Services Bhd was named Best Rating Agency 2018 at the recent Islamic Business and Finance - South-East Asia (SEA) awards ceremony here. In a statement Monday, the ratings agency said this was the second consecutive year it had won the award, in recognition of its outstanding services and contributions to Islamic finance, particularly sukuk.

### **TM ONE Receives ISO Certification For Contact Centre Services**

KUALA LUMPUR -- Telekom Malaysia Bhd's (TM) business solutions arm, TM ONE, has received the international standard ISO 18295-1:2017 certification on service requirements for customer contact centres (CCC) from SIRIM QAS International Sdn Bhd. In a statement Tuesday, TM ONE Executive Vice President Azizi A. Hadi

said the certification was a testament to the company's expertise as well as dedication to constantly evolve and improve processes and services to meet the highest international standards.

### **New CEO Nurini's Experience Can Strengthen Bernama Brand, Says Chairman Azman**

KUALA LUMPUR -- The appointment of Nurini Kassim as the chief executive officer of Bernama can raise the national news agency to a higher level despite the challenging media environment, Bernama chairman Datuk Seri Azman Ujang said Tuesday. He said he had confidence in Nurini's ability because she has extensive experience in various aspects of the corporate sector, including the Employees Provident Fund. "I am confident her experience in the various fields can help in providing ideas to take Bernama to a higher level although I know it will be a huge challenge because the media landscape now is facing a rather challenging situation with the emergence of the new media," he said to Bernama.

### **MITI, MIDA, Intel Hold IoT Forum To Review Progress**

KUALA LUMPUR -- The Ministry of International Trade and Industry (MITI), Malaysian Investment Development Authority (MIDA) and Intel Malaysia conducted the Internet of Things (IoT) Malaysia Forum 2018 Tuesday to review IoT's progress since its introduction five years ago. MITI Minister Datuk Darell Leiking said in a statement Wednesday, the forum also highlighted the Smart City innovation with IoT as the core technology and how IoT can be the catalyst for Industry 4.0 (IR 4.0) deployment.

### **AirAsia Bags 2 Awards At The Edge Billion Ringgit Club 2018**

KUALA LUMPUR -- AirAsia received two prestigious awards at The Edge Billion Ringgit Club 2018 for its strong profit growth over the past three years. In a statement Wednesday, the budget airline said the awards were for Highest Growth

in Profit After Tax Over Three Years for Big Cap Companies of RM10 Billion to RM40 Billion Market Capitalisation and for the Highest Growth in Profit After Tax Over Three Years for Consumer Products and Services.

### **Malaysia Ranks 5th In Asia For Digital Readiness, Says UNCTAD**

KUALA LUMPUR -- Malaysia ranked fifth among top 10 developing economies in Asia for its readiness to support online shopping, based on the 2018 United Nations Conference on Trade and Development (UNCTAD) Business to Consumer (B2C) e-commerce index. A report on the B2C E-Commerce Index by UNCTAD, released on Dec 10, said Malaysia has had strong B2C sales contribution to its gross domestic product (GDP) since 2016 and was among the top five countries including United Kingdom, China, Ireland and Thailand.

### **PLUS Launches Country's First Solar EV Charging Station**

MELAKA -- PLUS Malaysia Bhd (PLUS), which Thursday launched the country's first solar electric vehicle (EV) charging station, plans to build five more such stations by early 2020. Managing Director Datuk Azman Ismail told reporters Thursday, the first station, located at the Ayer Keroh Overhead Bridge Restaurant (southbound) on the North-South Expressway here, began operation in May and could be used for free.

### **Perodua Appoints New Chief As Aminar Completes His Term**

KUALA LUMPUR -- Perusahaan Otomobil Kedua Sdn Bhd (Perodua) has appointed Datuk Zainal Abidin Ahmad as its new Chief Executive Officer (CEO), succeeding Datuk Dr Aminar Rashid Salleh, who is retiring after nine years at the helm. In a statement Thursday, Perodua said Aminar's tenure as Perodua President and CEO would end on Dec 31.

## TM WILL OVERCOME CHALLENGES GIVEN ITS EXPERIENCE, INFRASTRUCTURE

By Nurul Jannah Kamaruddin and Farhana Poniman

KUALA LUMPUR (Bernama) -- Despite the stiff challenges currently being faced by Telekom Malaysia Bhd (TM), the general perception remains that the company will be able to ride the turbulent times and retain its top spot as the leading telecommunication company in the country given its vast infrastructure experience.

Their edge in the industry, since its establishment in 1946, must, however, be strengthened and supported by fresh injection of strategies, as a price war is expected next year, in order for TM to remain competitive, says Universiti Teknologi Malaysia Geostrategist, Professor Dr Azmi Hassan.

Saying that if TM was slow in taking proactive measures, it would be left behind by its closest competitors.

"Before the entry of other telecommunication companies into the broadband industry, TM was the obvious choice for consumers as there was no other alternative.

"That is why TM must now offer attractive packages compared with their competitors as it is the oldest telecommunication company with extensive experience. It should ride on these two factors to hold on to its position," he told Bernama today.

### RESTING ON ITS LAURELS

As is the case today, TM, which was resting on its laurels, has to compete with Maxis Bhd, TIME dotCom Bhd, Celcom Axiata Bhd as they have somewhat captured TM's existing customers with very attractive and affordable broadband packages.

"Price adjustments by other telecommunication companies, following the announcement of the Mandatory Standard on Access Pricing (MSAP) by the Ministry of Communications and Multimedia in June, caught TM off-guard. TM is facing stiff



Telekom Malaysia Bhd in good stead to face challenges. --fotoBERNAMA by Sharil Amin Abdul Rahim

competition today as it has invested heavily on infrastructure .

"But, I believe in the long-run, TM will have the edge over others as it will be able to offer broadband packages which are even more attractive than what is available today. It may take some time to reduce the impact of investment cost but nevertheless, TM will get there," Dr Azmi said.

He also believed the appointment of fresh candidates to TM's top management would not only inject a breadth of fresh air but also make the organisation more relevant.

TM is currently headed by Imri Mokhtar who is replacing the former Acting Group Chief Executive Officer Datuk Bazlan Osman who resigned in November.

### NEW REVENUE STREAMS

Meanwhile, Research Director IoT & Telco for IDC Market Research Asia Pacific, Randy Roberts said TM needed to generate completely new revenue streams just to keep revenue at existing levels in the next few years.

However, he said it might take a long time to generate the new revenue growth.

"The company has a 'burning platform' to focus its strategy and efforts to create new services and revenue as a result of the impact of the MSAP.

"The challenges for TM include; a technical transformation of the network to technologies such as Network Function Virtualisation, Software Define Network and cloud, developing new digital skill sets in its workforce and changing a culture that has thought and acted as a monopoly for many years," he said.

Regardless, Roberts said the light at the end of the tunnel is visible in the form of developing new services based on new technologies such as the the Internet of Things, data analytics and 5G, which would provide an opportunity to cut operating costs while offering market-leading services.

"Execution of these new digital services will be the key for TM in the next few years," he added.