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This Week's Highlight : KL Enjoys Warm, Cordial Ties With Washington - Envoy

CHEMISTRY...Prime Minister Datuk Seri Najib Tun Razak shaking hands with United States President Barack Obama during a bilateral meeting on the sidelines of the 27th ASEAN Summit and Related Summits 2015. File Photo: Mazlan Samion fotoBERNAMA

From Jamaluddin Muhammad

LOS ANGELES -- Kuala Lumpur enjoys a very warm and cordial relationship with Washington, thanks to the good chemistry between Malaysian Prime Minister Datuk Seri Najib Tun Razak and United States President Barack Obama, said a Malaysian envoy.

"Our doors for discussion are always open," said Malaysian Ambassador to the United States Datuk Dr Awang Adek Hussin. "The US likes to engage ... not like in those (old) days when the US liked to use force on us and show its might," Awang Adek told Malaysian journalists here Thursday.

This Week's Top Stories

Monday

Malaysia To Sign 3 More FTAs Next Year

IPOH -- Malaysia will sign three more Free Trade Agreements (FTAs) this year, said International Trade and Industry Second Minister Datuk Seri Ong Ka Chuan. He said the three FTAs -- with the European Union, Hong Kong and the Regional Comprehensive Economic Partnership (RCEP) -- will further enhance Malaysia's trade and investment volume as well as revenue. "As an example, since Malaysia and Turkey signed an FTA on Aug 1 last year, the country's total trade has increased by 54 per cent this year. "I would like to stress that the FTA will facilitate two-way trade, and we will enjoy zero tax rates from the country concerned as no import duties will be imposed on nearly 90 per cent of products," he told reporters after holding an open house at his residence in Gunung Rapat here Monday. Ong said the nation's economic growth will be more positive this year, adding more FTAs are planned with other countries to further strengthen Malaysia's economy and facilitate two-way trade.

Tuesday

MasWing's 7-Year Contract in Sabah, Sarawak Renewed

KOTA KINABALU -- MasWing, a wholly owned subsidiary of Malaysia Airlines, will continue to provide rural air services in Sabah and Sarawak for another seven years from 2017 for the benefit of the people in the interiors of Sabah and Sarawak. Transport Minister Datuk Seri Liow Tiong Lai said Tuesday, the government, in principle, had approved the renewal of the contract, which would expire next year, with a total subsidy of RM190 million to cater to the needs of the people in the areas.

Wednesday

Najib To Attend US-ASEAN Leaders Summit In Sunnylands

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak will make a seven-day working visit to Los Angeles, Sunnylands and San Francisco, United States (US) from Thursday until Feb 17. The Foreign Ministry in a statement Wednesday said Najib is scheduled to participate in the US-ASEAN Leaders Summit in Sunnylands, California, on Monday and Tuesday (15 and 16 Feb).

Thursday

Msia's Trade To Grow 2 Pct In 2016 - Mustapa

KUALA LUMPUR -- The country's total trade is likely to grow by two per cent in 2016 amid the challenging economic environment, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed. He said the growth would be supported by the government's focus on trade in the ASEAN market. "Among our focus will be ASEAN nations. ASEAN is the largest trading region which contributes significantly to Malaysia's total trade," he told reporters after launching the "Generation of New Exporters" (GenEX) programme here Thursday.

Friday

MCMC To Raise Netizens' Awareness On Self-Regulation

By Farhana Poniman

KUALA LUMPUR -- The Malaysian Communications and Multimedia Commission (MCMC) plans to raise netizens' awareness on self-regulation during their online interactions, considering the increasing number of cases prosecuted. Its Chief Officer for the Network Security, Enforcement and Advocacy Sector, Zulkarnain Mohd Yasin said 16 cases under Section 211 and 233 of the Communications and Multimedia Act 1998 were reported last year, an alarming increase from merely five cases during the 2013-2014 period. "There were already two cases so far this year," he told Bernama.

SMEbrief

MATRADE Ready To Reap Benefits Under TPPA

By Zairina Zainudin

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is ready to aggressively reap the benefits under the Trans-Pacific Partnership Agreement (TPPA), especially in markets where Malaysia does not have Free Trade Agreements (FTAs). Towards this end, the national trade promotion agency has already formulated strategies, including boosting awareness among potential buyers about the country's products and services, its chief executive officer Datuk Dzulkifli Mahmud said. "We are already aggressive but we are going to be more aggressive (under the TPPA). Actually, Malaysia has all the capabilities (to market its goods and services). "We will intensify our efforts to get more buyers from overseas, particularly from countries like the United States, Canada, and Mexico," he told Bernama in an interview recently. Among products that would benefit from potential trade under the TPPA are textile, high-end fashion, automotive parts and components, electrical and electronic, nature-based product, and rubber based products. Dzulkifli said MATRADE would continue its push through various initiatives to prepare exporters, especially small and medium enterprises (SMEs) so that they would be ready and become more competitive for the TPPA markets.

Online Entrepreneurs Should Stay On Top Of Trends

By Siti Radzeah Rahmat

KUALA LUMPUR -- Online entrepreneurs should always keep abreast of trends and information technology in order to remain competitive, Malaysian Internet Entrepreneur Association president Mohd Azrul Mohd Nor said. He said they should also update their customer database, be creative in marketing their products like entering into after-sales service, and build good rapport with other entrepreneurs to foster collaboration and exchange ideas. On top of all these, they must register with the Companies Commission of Malaysia to safeguard their business and build consumer confidence, he told Bernama here recently.

SKM Should Further Assist SME Co-Ops

KUALA LUMPUR -- The Cooperative Commission of Malaysia (SKM) needs to play a bigger role in helping cooperatives in the small and medium enterprise (SME) sector to penetrate the Trans-Pacific Partnership (TPP) markets. Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hamzah Zainudin said, SKM could become a facilitator and adviser, as well as provide assistance, such as accounting, to enable the cooperatives to improve the quality of their products and compete in the global market. "I want SKM to assist them in producing quality products which could be marketed to TPP member states," he told reporters following the presentation of SKM outstanding service awards here Thursday.

PropUP

Property update

Johor To Develop Second Cyberjaya In Sedenak

JOHOR BAHARU -- Johor plans to develop a global data hub on 20,234 hectares of land in Iskandar Malaysia, making it the country's second Cyberjaya, said Menteri Besar Datuk Seri Mohamed Khaled Nordin. The state government has also identified several sites for other industries in Sedenak and surrounding areas, he said. "The matter is still at discussion stage. The government plans to officially announce the development in June or July this year," he told reporters after attending Chinese New Year celebrations at Wisma Tiong Hua here Monday.

Government Hospital For Cyberjaya By 2018

CYBERJAYA -- A government hospital costing RM500 million will be built in the vicinity of Autoville here within the next two years, Treasury secretary-general Tan Sri Dr Mohd Irwan Serigar Abdullah says. He said the bidding documents for the project were being prepared by Cyberview Sdn Bhd, a government-owned company spearheading the development of Cyberjaya. The selection of the contractor is expected to be completed in three months' time, he told reporters after opening a TSI synthetic football field here Wednesday.

PWS To Develop 5 WAQF Projects Worth RM100 Mln

SHAH ALAM -- The Selangor Waqf Corporation (PWS) will develop five housing and commercial projects with a gross development value of about RM100 million on waqf land in the state. The projects, by a PWS subsidiary established on Oct 17, 2014 -- Urus Maju Ehsan (M) Sdn Bhd (UME) -- are expected to commence in the middle of this year and be completed in end-2018 and 2019, said UME Executive Chairman Ar Mohd Azli Md Yusof Thursday. They comprise UME Teratai Avenue, a commercial building on Jalan Teratai, Meru, Klang and four housing projects -- UME Ehsan Residence in Section 30, Shah Alam; UME Impian Taman Desa Kencana and UME Idaman Taman Desa Kencana on Jalan Limau, Meru; and two-storey houses in UME Gemersik, Taman Meru Makmur on Jalan Kasban, Meru.

BURSA MALAYSIA

Scoreboard

Gainers - 271

Losers - 517

Not Traded - 650

Unchanged - 312

Value - 1573996584

Volume - 13337178

BURSA: Bursa Malaysia Closes Lower

KUALA LUMPUR -- Bursa Malaysia closed marginally lower Friday in tracking the insipid performance of its regional peers and weighed down by selected heavyweight stocks, dealers said. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was 0.21 of a point lower at 1,643.74 from Thursday's close of 1,643.95 after hovering between 1,648.70 and 1,638.50 points. The key index opened 0.29 point higher at 1,643.66 at 9 am. Hong Leong Investment Bank said the local bourse was seen to be relatively calm despite the sharp fall on regional bourses and the 1,600 points psychological support level well defended. A dealer said most Asian equity markets extended their fall in reacting to the overnight decline on Wall Street and amid persistent volatility in oil prices as well as heightened concern over the health of European banks which might add to the strained global economic outlook. Market breadth was negative with losers outpacing gainers 517 to 271 with 312 counters unchanged, 650 counters untraded and 15 others suspended. Total volume rose to 1.33 billion shares worth RM1.57 billion from Thursday's 1.23 billion shares worth RM1.41 billion. Main Market volume rose to 936.74 million units worth RM1.49 billion from Thursday's 823.33 million units worth RM1.33 billion.

MARKET

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.1650	4.1750
EUR	4.6973	4.6102
GBP	6.0422	6.0583
100 YEN	3.6979	3.6081
SGD	2.9831	2.9918

Source: Bank Negara Malaysia

FOREX: Ringgit Lower Versus Greenback

KUALA LUMPUR -- The ringgit was lower against the US dollar at Friday's closing due to the slow demand for the local currency amid improving oil prices, dealers said. At 5 pm, the local unit was traded at 4.1650/1750 from 4.1400/1490 against the greenback on Thursday. A dealer said the local note was pressured by the weakening greenback, after the US Federal Reserve announced that the central bank will not introduce a new rate hike anytime soon. "However, if global oil prices continue to pick up, the ringgit will get a boost and will likely be traded at the 3.95 level," a dealer said. It was reported that oil prices jumped almost five per cent on Friday after comments by the United Arab Emirates energy minister that the country, an OPEC member, will talk with other exporters about cutting output. International benchmark Brent crude was traded at US$31.43 per barrel, up US$1.37 or 4.56 per cent. Against other major currencies, the ringgit was traded mostly lower. It fell against the Singapore dollar to 2.9831/9918 from 2.9776/9851 on Thursday but versus the yen it rose to 3.6979/6081 from 3.7100/7197. The ringgit was down versus the British pound at 6.0422/0583 from 5.9748/9895 Thursday and depreciated against the euro to 4.6973/6102 from 4.6844/6954.

Short-Term Rates End Steady On BNM's Intervention

KUALA LUMPUR -- Short-term inter-bank rates ended steady Friday on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM32.77 billion from RM39.33 billion earlier, while in the Islamic system, it eased to RM8.08 billion from RM16.24 billion. In the morning, BNM called for four tenders of a range maturity auction market tender, conventional money market tender, Islamic range maturity auction Qard tender and a reverse repo. The central bank conducted a late conventional money market tender for RM31 billion and a Qard money market tender for RM8 billion, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent while the one-week, two and three-week rates were pegged at 3.30 per cent, 3.35 per cent and 3.39 per cent respectively.

KLIBOR Futures Ends Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives finished untraded Friday. February 2016, March 2016, April 2016 and June 2016 remained pegged at 96.28, 96.27, 96.26 and 96.27, respectively. Open interest totalled 120 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.76 per cent.

KLCI Futures Closes Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives ended higher Friday despite the weak cash market. February 2016 and March 2016 added 8.5 points each to 1,638 and 1,631.5, respectively, June 2016 increased six points to 1,617 and September 2016 2016 rose 3.5 points to 1,608.5. Turnover stood at 6,628 lots, up from 6,347 lots on Thursday while open interest improved to 45,712 contracts from 45,019 contracts. The benchmark FBM KLCI ended the day 0.21 of a point lower at 1,643.74.

Islamic Finance To Overide Oil Price Woes, Prospects Remain Strong

By Farhana Poniman

KUALA LUMPUR -- The prospects for Islamic finance remains strong given the growing interest towards Shariah-compliant investment asset class, despite the inevitable correlation between oil price and Islamic wealth. Bahrain Central Bank Governor Rasheed Al Maraj said while were some headwinds recently, the long-term growth picture within its strongest markets in the Middle East and Southeast Asia remained robust. "There is a clear demand for Shariah-compliant financial products and services. As the industry matures, it is able to do more to meet that demand," he told Bernama in an email interview. Rasheed also highlighted that it was imperative for the industry to continue addressing challenges that could hamper longer-term growth such as investment in education and training to ensure that the supply of skilled professionals meets growing demand. In an effort to reduce the difference in costs between Islamic and conventional finances, the Central Bank of Bahrain has been working with institutions such as the Accounting and Auditing Organisation for Islamic Financial Institutions and International Islamic Financial Market to achieve greater standardisation. "The Islamic finance sector is increasingly being recognised as more than just a niche player – the fact that the International Monetary Fund is including Islamic finance within its supervisory frameworks is proof of this.

MARC Assigns AAIS Rating To Sime Darby's Proposed RM3 Bln Sukuk Programme

KUALA LUMPUR -- Malaysian Rating Corporation Bhd (MARC) has assigned a preliminary rating of AAIS to Sime Darby Bhd's Perpetual Subordinated Sukuk Programme of up to RM3 billion. It also affirmed the ratings of MARC-1ID/AAAID on the existing RM4.5 billion Islamic Medium-Term Note (IMTN) Programme and RM500 million Islamic Commercial Paper/Islamic Medium-Term Note (ICP/IMTN) Programme with a combined limit of RM4.5 billion. In a statement here Thursday, the rating agency said the company's rating outlook for the Perpetual Sukuk was negative, consistent with the revised outlook on the ICP/IMTN to negative from stable. "The two-notch rating differential between the Perpetual Sukuk and IMTN is in line with MARC's notching principles on hybrid securities. "The negative outlook revision factors in the slower-than-expected pace of measures initiated thus far to address the substantial increase in group borrowings following the debt-funded acquisition of New Britain Palm Oil Limited for RM6 billion in March 2015," it said in a statement.

KPDNKK To Strengthen Cooperatives Act

KUALA LUMPUR -- The Ministry of Domestic Trade, Cooperatives and Consumerism (KPDNKK) plans to amend the Cooperatives Act 1993 to strengthen and streamline laws governing cooperatives. Its minister Datuk Seri Hamzah Zainudin said the act was last amended in 2007. "The proposal to amend the act is the outcome of the National Cooperative Consultative Council (MPKK) meeting on Nov 23," he told the media after the Excellence Service Awards 2015 ceremony of the Malaysian Cooperatives Commission (SKM) here Thursday. He was confident the amendments would make the local cooperatives sector more competitive like other sectors in the national transformation tide. Hamzah said the SKM will conduct a study on the amendments for the act. "SKM is the facilitator and advisor to start a cooperative, and is responsible for specific analysis for various sectors in assisting the government boost economic growth in the country," he said. At the ceremony, Hamzah also witnessed the launch of the book "Anthology of Cooperative Law Cases from 2012-2015, published by SKM. The book was published to provide an understanding of cooperative laws and the application of these laws which are not limited to the Cooperatives Act 1993, Cooperative Regulations and Cooperative By-Laws.

i-VCAP Declares FY2015 Income Distribution For MyETF Series

KUALA LUMPUR -- i-VCAP Management Sdn Bhd has declared the income distribution for three of its exchange traded funds (ETFs) under its MyETF Series. They are the MyETF Dow Jones Islamic Market Malaysia Titans 25 (MyETF-DJIM25), the MyETF MSCI Malaysia Islamic Dividend (MyETF-MMID) and the MyETF MSCI SEA Islamic Dividend (MyETF-MSEAD). MyETF-MMID unit holders will enjoy the highest income distribution among the three funds at 3.15 sen per unit. This is on top of the 8.59 per cent unit price gain that the ETF has registered for its unitholders in 2015, i-VCAP said in a statement here Thursday. The fund declared its maiden income distribution of 2.25 sen per unit last year since its listing in March 2014. Meanwhile, MyETF-DJIM25 will be distributing 2.37 sen per unit while MyETF-MSEAD will have its first income distribution at 2.15 sen per unit since its listing in May 2015. The entitlement date for all three income distributions is on March 1 while payment is set for March 29, 2016.

Accumulated Profit Of LTH Remains Positive At RM609 Mln

KUALA LUMPUR -- The Lembaga Tabung Haji (LTH) has stressed that its accumulated profit remains positive at RM609 million compared to the RM293 million at end-2014 and despite the payment of the bonus for 2015. "This is in line with Bank Negara Malaysia's call for LTH to review its existing reserve policy. "It needs to be reiterated that the 2015 bonus was paid from the current year's profit and not by utilising reserves,' the LTH said in a statement here Wednesday. The fund management company has credited RM3.2 billion as bonus payment to its 8.85 million depositors since last Monday. The LTH said its financial statement was prepared based on the financial reporting standards published by the Malaysian Accounting Standards Board and follows the syariah principles. The Accountant General in a statement on Feb 3, 2016 confirmed that his office had reviewed the accounting policy of the LTH and found it consistent and adhering to the concept of prudence. "As such, there is no issue of 'creative accounting' by the LTH as highlighted by certain parties," the statement said.

Pakistan Hopes MPCEPA Revision Brings Equitable Benefits

KUALA LUMPUR -- Pakistan hopes the revision of the Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA), expected this year, will bring more equitable benefits to both countries. Pakistan High Commissioner to Malaysia Syed Hassan Raza said the original MPCEPA, which came into force on Jan 1, 2008, was in favour of Malaysia and it was hoped that the revision this year would add more products in the list that would bring equality in the agreement. "We want to add more in the tariff line. We want to balance it and make it more even to both countries," he told reporters here Wednesday. He said the review was in accordance with a clause in the MPCEPA which stipulated that the agreement would be revised after several years after its implementation. "We are expecting a delegation from the Pakistan's Ministry of Commerce to visit Kuala Lumpur in the next two to three months to discuss with the Ministry of International Trade and Industry (on the MPCEPA revision)," he added.

'Ola Bola' Rakes RM8 Mln After 13 Days Of Screening

KUALA LUMPUR -- 'Ola Bola', which debuted Malaysian cinemas on Jan 28, has collected RM8 million after 13 days of its screening, producer Astro Shaw said. Directed by Chiu Keng Guan, the movie is about a Malaysian football team striving to make it to the 1980 Olympic Games. For more information, visit olabola.com.my, youtube.com/astroshaw, and facebook.com/astroshaw.

Ford's Sales Given A Boost By New Ranger

KUALA LUMPUR -- Ford, which has sold 792 units of vehicles in Malaysia last month, expects sales to increase over the next few months with the introduction of several new models. The new models include Mustang, new Focus, all-new Everest SUV, and new S-MAX MPV. In a statement here Wednesday, Ford said the new Ranger pick-up truck contributed 687 units of the total sales last month. The Ranger features advanced technology of best-in-class payload and water wading, and a range of active and passive safety features. "Our momentum continues as demand for the new Ranger grows across the country," Ford Motor Company's Malaysia and Asia Pacific Emerging Markets managing director David Westerman said.

MITA Rakes In RM1.6 Mln Sales From Tourism Fair

KUALA LUMPUR -- The Malaysian Inbound Tourism Association (MITA) raked in sales of RM1.6 million from its inaugural Tourism Fair at the Kuala Lumpur Convention Centre here last month. Its deputy president, Uzaidi Udanis said it was a great achievement for the association as the three-day fair attracted 12,508 visitors. "We will be promoting a series of #GoDomestic events such as the Webinar Travel Fair and roadshows in Terengganu and Kedah. "We are confident that the number of tourists will be higher this year due to rising tourist arrivals from China," he told reporters following a lion dance performance at the Malaysia Tourism Centre (MaTic) in conjunction with the Chinese New Year celebration here Wednesday. The lion dance was performed by non-profit organisation Junwai Dragon and Lion Dance to welcome foreign tourists to MaTic. Meanwhile, Uzaidi said MITA welcomed Prime Minister Datuk Seri Najib Tun Razak's announcement on visa exemption for tourists from China from March 1 to Dec 31 this year. "We hope to draw eight million tourists from China annually over the next five years, generating a revenue of RM22.1 billion to the country," he added.

IATA: Global Airlines To Stage Strong Performance In 2016

KUALA LUMPUR -- Global airlines are expected to stage a strong performance in 2016, driven by increased passenger traffic, said the International Air Transport Association (IATA). The IATA said declining oil prices and competitive pressures within the industry would likely translate into further declines in fares this year as fuel hedges unwind. "Global air passenger traffic grew by 6.5 per cent in 2015 as a whole, its fastest pace since 2010, boosted by the fall in global air fares. "We expect another strong year in 2016," it said in a note. Brent crude oil prices fell to a 12-year low of US$26 per barrel in January on the back of weakening demand outlook. The IATA said if sustained, the falls in oil prices seen over the past three months would reduce the industry's annual fuel bill by about US$12 billion in 2016, although hedging will delay these benefits. During the fourth quarter last year, airline financial results pointed to a strong end to 2015, with significant improvements in North America and Europe. "We only have the fourth quarter 2015 results from 14 airlines so far, but net post-tax profits in this sample were over 50 per cent higher than in the same quarter of 2014, representing an operating margin of 15.2 per cent. "We still expect a strong financial performance for the industry in 2016," it added.

Malaysia's IPI Rises 2.7 Pct In December 2015

KUALA LUMPUR -- Malaysia's Industrial Production Index (IPI) rose 2.7 per cent in December 2015 to 127.2 against the corresponding month in 2014, supported by positive growth in manufacturing and electricity output, says the Statistics Department said. It said the manufacturing index grew 4.0 per cent and the electricity index increased 5.6 per cent but the mining index recorded a decrease of 1.5 per cent. The department said the IPI in November 2015 remained unchanged at 1.8 per cent, year-on-year. "In seasonally adjusted terms, the IPI in December 2015 edged up 2.8 per cent, month-on-month, following an increase in manufacturing (3.6 per cent), mining (2.5 per cent) and electricity (3.5 per cent)," it said in a statement here Thursday. The manufacturing sector output grew 4.0 per cent in December 2015 after registering a growth of 4.1 per cent a month earlier.

OHB Unit Gets Ministry Nod To Buy Pt SSL For RM2.84 Mln

KUALA LUMPUR -- Oriental Holdings Bhd's (OHB) unit OBS Pte Ltd has received approval from Indonesia's Ministry of Law and Human Rights to acquire PT Sumatera Sawit Lestari (PT SSL) for RM2.84 million. OBS, which is involved in investments and granting of loans, is a wholly-owned subsidiary of Oriental Boon Siew (Mauritius) Pte Ltd, which in turn is a 50.5 per cent subsidiary of OHB. In a filing to Bursa Malaysia here Thursday, OHB said the cash transaction follows a share subscription agreement entered into with PT Tradisi Bina Usaha and Saksono Benjamin. PT SSL, whose principal activity is cultivation of palm oil, has a land concession of 8,000 hectares in the regency of Musi Rawas Utara, South Sumatera province. "The acquisition is consistent with OHB's strategic plan to expand its planted land holdings in Indonesia. The land is located next to existing concessions owned by two other subsidiaries of the group. "This expansion of upstream activities will enhance the value chain and allow the group to derive synergies through enhanced operations and optimisation of costs across its plantations through sharing common resources and expertise," OHB added.

TM Receives 10.67 Mln P1 Shares

KUALA LUMPUR -- Telekom Malaysia's (TM) subsidiary, Mobikom Sdn Bhd has received 10.67 million new Packet One Networks (Malaysia) Sdn Bhd (P1) shares. In a filing to Bursa Malaysia here Thursday, TM said the exercise was in pursuant to the early conversion of the convertible medium term notes subscribed by Mobikom on Sept 15, 2015. "In addition, P1 had issued 133,726 new P1 shares to Mobikom due to net debt adjustment in accordance with the terms of the investment agreement dated March 27, 2014," it said. With the additional shares, TM's shareholding in P1 (via Mobikom) has increased to 72.9 per cent from 55.3 per cent. The balance is currently held by Green Packet Bhd, through its subsidiary, Packet One Sdn Bhd and SK Telecom Co Ltd at 18.9 per cent and 8.2 per cent, respectively. At the end of trading hour Thursday, TM declined three sen to RM6.59, with 5.033 million shares transacted.

Tourism Sector Saviour Of Nation's Economy - Nazri

KOTA KINABALU -- The tourism sector is a key contributor to the country's economy amid global uncertainties, said Tourism and Culture Minister Datuk Seri Mohamed Nazri Abdul Aziz. He said Malaysia's eco-tourism was a major draw for tourists from Europe, Japan, South Korea and China and that the visa-free facility for Chinese nationals to Malaysia was expected to attract eight million visitors and an estimated RM22 billion revenue every year with an average spending of RM3,500 per person. "Tourism is a saviour of Malaysia's economy…visa-free facility is offered to various third world countries as means to rebuild the economy," he said at the launching ceremony of an engagement session with Sabah's tourism industry players organised by the Ministry of Tourism and Culture here Thursday. Also present was Sabah Tourism, Culture and Environment Minister Datuk Seri Masidi Manjun. He urged tourism industry players in Sabah to take advantage of the visa-free entry for foreigners particularly Chinese citizens to boost the state's economy as well as Kota Kinabalu's strategic location as a hub or 'flying route' of Borneo due to its proximity from China, Hong Kong and Japan.

M'sia's NR Output In Dec 2015 Up At 73,571 Tonnes

KUALA LUMPUR -- Malaysia' natural rubber (NR) output stood at 73,571 tonnes in December 2015, up 44.4 per cent, from November and was 38.3 per cent better than the production recorded in the same month of 2014, the Department of Statistics said Friday. Smallholdings contributed 91.8 per cent of total production while the estate sector accounted for the remainder. Month-on-month basis, both the smallholdings and estate sectors registered an increase in output, at 44.0 per cent and 49.3 per cent, respectively. Exports totalled 54,154 tonnes, up 19.7 per cent, compared with November 2015 but it dropped 22.0 per cent in December 2014. Standard Malaysian Rubber (SMR) made up the bulk of exports, accounting for 95.1 per cent. For the month under review, NR was mainly exported to China (41.3 per cent), Germany (14.8 per cent), Iran (8.0 per cent), United States (6.6 per cent), Turkey (4.0 per cent), Finland (2.2 per cent), South Korea (2.0 per cent), Taiwan (1.9 per cent) and Portugal (1.9 per cent). In December 2015, imports of NR rose 19.3 per cent to 108,656 tonnes when compared with November and was 27.5 per cent better than the corresponding month in 2014. Main types of NR imported was standard rubber (37.3 per cent) and latex concentrate (26.0 per cent) which were mainly sourced from Thailand and Vietnam. The department said domestic consumption of NR in December 2015 stood at 41,305 tonnes, up 4.7 per cent, from November but y-o-y comparison showed that local use increased 9.5 per cent. The major NR consuming industries in the month was the rubber gloves industry at 30,563 tonnes (74.0 per cent), rubber thread (8.6 per cent) and tyre and tubes (7.5 per cent). These three industries accounted for 37,218 tonnes (90.1 per cent) of the total domestic consumption of NR.

Salmonella Tainted Salad Greens Not Exported To M'sia

KUALA LUMPUR -- Salad greens from Australia reported to be contaminated with salmonella were not exported to Malaysia, said Health director-general Datuk Dr Noor Hisham Abdullah. He said the product was only exported to Singapore, Hong Kong and Thailand. "According to the International Food Safety Authorities Network (Infosan), the Australian Department of Agriculture and Water Resources has identified the consignment of the affected product exported to the related countries and has taken measures to control it," he said in a statement here Monday. Salmonella is a type of bacteria that can cause a person to suffer from diarrhoea, fever and abdominal pain, in addition to causing nausea, vomiting, headache and muscle pain. The Food Standards Australia New Zealand (FSANZ) website had on Feb 5, published the withdrawal of certain batches of prepacked salad brands of Wash N Toss, Woolworths, Coles, Supa Salad and Clear Film produced by Tripod Farmers, Australia, with the expiry date of Feb 14, 2016, due to salmonella contamination.

Sandakan 380MW Power Plant Operators To Be Named In 2 Weeks

KOTA KINABALU -- The operators of the Sandakan 380-Megawatt gas-fired power plant are expected to be named within two weeks time, says Energy, Green Technology and Water Minister Datuk Seri Dr Maximus Ongkili. He said it depended on the Cabinet as to who the contract would be awarded to. "The project has already been approved by the Economic Council (EC). Right now, it is only a question of implementation. "There is also costing that needs to be presented to the Cabinet," he told reporters here Tuesday. Under the proposal, gas will be channelled from Tuaran to Sandakan using a piped system, which would pass through several districts, including Kota Belud, Kota Marudu and Beluran to meet the demand for power in Sabah's east cost.

Boeing To Highlight Partnership & Product Innovation At S'pore Airshow

KUALA LUMPUR -- Boeing, the world's largest aerospace company, will highlight its innovative defence and commercial products and important regional partnerships at this year's Singapore Airshow beginning February 16-21. During the Asia's largest aerospace and defence show, Boeing and Singapore Airlines' low-cost, long-haul subsidiary, Scoot, would also demonstrate the passenger-pleasing features of the Boeing 787-9, which Scoot would display during the show's first day. Scoot currently operates ten 787-8 and 787-9 airplanes and plans to open new markets and routes with an additional ten 787s on order. In a statement here Wednesday, Boeing said its defence products expected to be at the show included the Republic of Singapore Air Force F-15SG fighters as well as AH-64 Apache and CH-47 Chinook helicopters.

MTUC Calls For Reduction In Foreign Workers

KUALA LUMPUR -- The issue of increased levy for foreign workers would be easily solved if employers make conscious efforts to employ locals and reduce their dependence on foreigners. Malaysian Trades Union Congress (MTUC) Secretary-General Gopal Kishnam told Bernama here Wednesday that the problem persisted because employers were over dependent on foreigners and refused to provide job opportunities for locals. "At present there are more than 2.1 million registered and an estimated four million unregistered foreign workers in Malaysia. "The government must be firm in implementing the policy. They should request employers to submit a long-term blueprint on how they are going to reduce their dependence on foreign workers," he said, adding that MTUC was willing to assist both parties in finding an amicable solution to the recurring problem.

Stone Master Signs Settlement Agreements To Clear RM3.05 Bln Debt

KUALA LUMPUR -- Stone Master Corporation Bhd has signed 25 settlement agreements with creditors to settle a RM3.05 billion debt by issuing 7.64 billion new shares. In a filing to Bursa Malaysia here Wednesday, Stone Master said the execution of the settlement agreements enabled the company to settle the debts in full. "As an effect of the agreement, existing shareholders' shareholdings in the company will be diluted. "The agreement also enabled us to reduce our debts without any cash outflow, enhance our equity base and improve our financial results," it said.

IRB To Offer Reduction Of Penalty For Voluntary Disclosure

PUTRAJAYA -- The Inland Revenue Board (IRB) is offering a reduction of penalty with specific rates for taxpayers who make voluntary disclosure from March 1 to December 15 this year. IRB in a statement here Wednesday said the reduction was for taxpayers who have not submitted their Income Tax Return Forms (BNCP) or Petroleum Statement Forms (BNP) for years. The reduction of penalty is also applicable to taxpayers who wish to declare the correct information in the tax form as compared to the BNCP and BNP forms that they had been submitted earlier. Prime Minister Datuk Seri Najib Tun Razak had announced in the recent 2016 Budget recalibration that the government has agreed to give special consideration by relaxing the imposition of penalties on taxpayers to encourage them to come forward to report on their income for previous years. For further information, taxpayers may refer to IRB's website, penalty reduction help desk at 03-8313 8885 or call centre at 1-800-88-5436.

Public Urged To Give Suggestions On Action Against Errant Traders

PUTRAJAYA -- The public is urged to give ideas and suggestions on the appropriate action that should be taken against traders who violated the Festive Season Price Control Scheme. Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hamzah Zainudin said the suggestions could be made through the ministry's official twitter account, mykpdnkk or his personal twitter account, dhzhamzah. He made the call following some traders found not complying to the Chinese New Year 2016 Festive Season Price Control Scheme during an operation conducted for a week between Feb 3 and Wednesday. Hamzah said here Wednesday, 20,000 premises were inspected from Feb 3 to 10 and 216 cases of violation by traders were detected.

Air Transport Will Enhance Economic Development

LABUAN -- Being the fastest means of connecting people and businesses, air transport is an important tool that enhances economic development. However, the benefits from air transport can only be gained if there is sufficient investment in infrastructure capacity like tourist attraction spots and attractive holiday packages. State Consumer Movement President Fauziah Datuk Mohd Din said relevant parties and industry players must work together and draw up strategies to lure more tourists to the duty-free island. "With the weakening ringgit and the slump in global crude oil prices, which has resulted in increased unemployment, relevant parties must come up with concrete solutions," she told Bernama here Thursday.

CFM Resolves 97 Pct Telco Consumer Complaints Received In 2015

KUALA LUMPUR -- The Communications and Multimedia Consumer Forum of Malaysia (CFM) managed to resolve over 97 per cent of the 7,326 telecommunications consumer complaints received in 2015. In a statement here Thursday, CFM said only less than 3.0 per cent of the total complaints were still under investigation. Chairman Megat Ishak Maamunor Rashid said CFM's Complaints and Compliance Management Department worked closely with service providers to ensure all the remaining cases would be solved as per mandated in the General Consumer Code of Practice for the Communications and Multimedia Industry Malaysia (GCC). "As a public benefit organisation, CFM will protect the rights of the consumer in Malaysia by continuously monitoring the service delivery of the various service providers and by addressing any breach of the GCC," he added. It said among the top consumer complaints received last year included poor service, billing and charging, poor coverage, short message service and no coverage.

TPPA Creates Spin-Off Effects, New Industries

By Farhana Poniman

KUALA LUMPUR -- The signing of the Trans-Pacific Partnership Agreement (TPPA) will not only provide greater market access for exporters, but potentially create spin-off effects such as the creation of new industries. Batik manufacturer Cliff Ink Sdn Bhd Managing Director Michelle Lau Sook Yee said industry players could collaborate with the Malaysia External Trade Development Corporation (MATRADE) and Malaysian Investment Development Authority (MIDA) to attract investments from TPPA countries to set up factories here. "The investments will give us (the textile industry) an advantage from the technological point of view because this industry is a very capital-intensive," she told Bernama. Echoing a similar sentiment, MATRADE Lifestyle Director of Trade and Services Promotion Division Abu Bakar Yusof said it was important for Malaysia to develop a complete ecosystem of the textile industry incorporating both the upstream and downstream segments.

M'sia Halal Council To Spearhead Halal Mgmt, Devt - Zahid

PUTRAJAYA -- The Special Cabinet Committee on Halal Industry Management and Development was dissolved Thursday and replaced with the Malaysia Halal Council (MHM). Announcing this Thursday, Deputy Prime Minister Seri Dr Ahmad Zahid Hamidi said the committee's functions would be divided between the Malaysian Islamic Development Department (Jakim) and the Halal Industry Development Corp (HDC). "Jakim will concentrate on the certification process, governance and matters related to Syariah, while HDC will focus on expanding and internationalising the halal industry," he told reporters here Thursday. Ahmad Zahid said other bodies and agencies from various ministries would be consolidated under the MHM to assail the industry to greater heights.

MyEG To Manage Illegal Foreign Workers Rehiring Programme

KUALA LUMPUR -- MY E.G. Services Bhd (MyEG) was Thursday appointed by the Ministry of Home Affairs to manage illegal foreign workers for the rehiring programme. In a filing to Bursa Malaysia, MyEG said it received a new letter of appointment Thursday and this would be supersede the appointment letter dated Sept 4, 2015. "All terms and conditions in the earlier letter will be replaced by new conditions stated in the letter dated today," the company said. MyEG said the project has no fixed value as it is dependent on the number of illegal foreign workers registered successfully. "It would take effect from Feb 15, 2016 to Aug 15, 2016 and is expected to contribute positively to the earnings of MyEG for the financial years ending June 30, 2016 and 2017, respectively.

RSPO Launches Voluntary Add-On Criteria 'RSPO NEXT'

KUALA LUMPUR -- The Roundtable on Sustainable Palm Oil (RSPO) has launched "RSPO NEXT" as a voluntary add-on to its existing Principles & Criteria (P&C) for sustainably grown oil palm. In a statement here Tuesday, RSPO said RSPO NEXT policies across plantations for eligible growers to abide by included a broader no-deforestation policy, no planting on peatland, and reduction of greenhouse gas emissions. In addition to the existing ban on using fire to clear land as stipulated by the P&C, oil palm growers must have plans and procedures to prevent, monitor and combat fire on plantations and around their estates, it said.

IKEA Recalls HYBY, LOCK Or RINNA Ceiling Lamps

KUALA LUMPUR -- IKEA has urged customers, who have a HYBY, LOCK or RINNA ceiling lamp, to immediately remove it and bring it back to any IKEA store for a full refund. In a statement here Tuesday, the furniture store said it had received customer reports globally of the ceiling lamp glass shades falling. In a few cases, medical treatment was required, including one from Malaysia, it said. "IKEA takes product safety very seriously. All our products are tested to comply with applicable testing standards and legislations. In spite of this, we have received reports that LOCK and HYBY ceiling lamps have fallen. In order to safeguard customers and avoid further incidents, we are recalling the products for a full refund," IKEA said. The LOCK and HYBY ceiling lamps have been sold in Malaysia since 2002 and 2012, respectively.

LSHL Awards Letter Of Offer To Compugates Unit

KUALA LUMPUR -- Lower Sepik Holdings Ltd (LSHL) has awarded a letter of offer to Compugates Holdings Bhd's (CHB) wholly-owned unit Compugates Perak Sdn Bhd (CPSB) for an evaluation and assessment of a 70,000-hectare forested area in Papua New Guinea. In a filing to Bursa Malaysia here Wednesday, CHB said CPSB considers such an evaluation and assessment necessary to assist in its final decision whether to enter into a binding commercial enterprise with LSHL or not. "Upon written confirmation by CPSB with LSHL, an additional agreement shall be executed within 14 working days by both parties and an announcement will be made should there be any further development," it said.

Petronas Gas And Sabah Energy Terminate Shareholders Agreement

KUALA LUMPUR -- Petronas Gas Bhd and Sabah Energy Corporation Sdn Bhd have terminated a shareholders agreement (SHA) for Regasification Terminal Lahad Datu Sdn Bhd, effective Wednesday. In a filing to Bursa Malaysia, Petronas Gas said both parties had mutually agreed to terminate the SHA in view of the prolonged uncertainty of the project. Petronas Gas ended 18 sen lower at RM22.32 with 332,700 shares transacted.

M'sia Ranks 17th In US Chamber Int'l IP Index

KUALA LUMPUR -- Malaysia is ranked 17th out of 38 economies, with countries like Russia, Brazil, Indonesia and Thailand scoring lower in the US Chamber of Commerce's International Intellectual Property Index (IIPI) 2016 - 4th Edition. In a statement here Wednesday, the US chamber said Malaysia's overall IIPI score has increased to 14.78 from 14.62 in the previous edition of the index. "However, when measured as a percentage, the score has stayed the same as last year at 49 per cent. "The accession by Malaysia to the Trans-Pacific Partnership (TPP) and the adoption of the Intellectual Property (IP) standards enshrined in the agreement would strengthen Malaysia's national IP environment," it said.

Over 150 Exhibitors At Middle East Largest Expo For Disabled

KUALA LUMPUR -- More than 150 exhibitors are taking part in AccessAbilities Expo, the Middle East's largest expo for the disabled, which started on Tuesday at the Dubai International Convention & Exhibition Centre, United Arab Emirates (UAE). The three-day exhibition involved participation from over 30 countries, government bodies, special education centres and associations showcasing the world's latest smart assistive technology, initiatives and facilities aimed at enhancing the lives of the disabled, AccessAbilities Expo said in a press release. The exhibition was opened Tuesday by Jamal Al Hai, Member Federal National Council (FNC) and Deputy Chief Executive Officer Dubai Airports, who noted that the expo was a major milestone in the UAE's journey to becoming fully disabled-friendly by 2020.

UniMAP 1st Public Varsity To Own 1.0 Mw Solar Panels

PAUH PUTRA, (Arau) -- Universiti Malaysia Perlis (UniMAP) is the first public university in Malaysia to receive tariff quotas for solar panels installation with the capacity to generate 1.0 megawatt (MW) of electricity. The solar panels, which will be installed at the Univation building at the university's main campus here, will be implemented in collaboration with GetSol Sdn Bhd (GetSol). UniMAP vice-chancellor Datuk Brig Gen Prof Emeritus Dr Kamarudin Hussin said here Wednesday, the university received the quota on March 12 last year and 80 per cent of the cables had been installed and expected to be completed in June.

Enrich Offers 10 Pct Bonus Miles With Credit Card Points

KUALA LUMPUR -- Enrich, Malaysia Airlines loyalty programme, will be treating members to some 10 per cent Bonus Miles for every credit card points conversion to Enrich Miles from now until Feb 29. In a statement here Thursday, Malaysia Airlines Bhd said the bonus miles conversion was only available at Enrich's participating banks. The banks are Alliance Bank; Amex (Malaysia only); AmBank; Bank Simpanan Nasional; CIMB Bank; Citibank (local only); Hong Leong Bank; HSBC; Maybank; Public Bank; RHB Bank; Standard Chartered Bank Malaysia; The National Commercial Bank Saudi Arabia (NCB) and UOB. "We are committed to ensure our members are well rewarded in our Frequent Flyer Programme and this is some of the privileges our members will be able to enjoy," said Head of Loyalty Khairul Nisa Ismail.

Full House At MATRADE's Export Day 2016

By Mohd Azhar Ibrahim

KUALA LUMPUR (Bernama) --The MATRADE Export Day 2016 held recently attracted an enthusiastic crowd of 1000 participants comprising SME entrepreneurs, representatives from financial institutions and business graduates.

Carrying the theme 'Go The Extra Mile' the event featured talks by representatives from Bank Negara Malaysia, SME Bank, and EXIM Bank on how their respective financial institutions can assist aspiring exporters to market their trade overseas.

In his opening speech, International Trade & Industry Minister, Datuk Seri Mustapa Mohamed said the formation of the ASEAN Economic Community, the TPP and other FTAs entered into by Malaysia have open the door for Malaysian entrepreneurs to expand their businesses globally.

Mustapa also launched a special edition book on 'Exporting and International Trade' written by veteran exporter, lecturer and columnist AB Teoh.

In conjunction with its 20th anniversary, EXIM bank had commissioned Teoh to write the book which lays out all there is to know about exporting from Malaysia, including key aspects in generating ideas, planning, and setting up and managing a successful export business.

BACKBONE OF THE ECONOMY

SMEs are the backbone of the economy. Through the SME Master Plan, the government aims to increase SME participation in export from the present 19 per cent to 23 per cent in 2020," MATRADE Chief Executive Officer Datuk Dzulkifli Mahmud said.

In line with MATRADE s tag line 'The Time To Export Is Now' Dzulkifli urged the SMEs, particularly the Bumiputeras, Women and Youth entrepreneurs, to make use of MATRADE s advisory services, market intelligence, business matching and capacity building training to expand their business globally.

LAUNCHED...International Trade and Industry Minister, Datuk Seri Mustapa Mohamed at the launch of EXIM Bank's Special Publication 'Pengeksportan dan Perdagangan Antarabangsa' during 2016 Export Day at Matrade Hall last month. Also present (from left) MATRADE Chief Executive Officer, Datuk Dzulkifli Mahmud, International Trade and Industry (MITI) Deputy Minister, Datuk Ahmad Maslan and Second International Trade and Industry Minister, Datuk Seri Ong Ka Chuan. -- Azhar Pidek fotoBERNAMA

With 23 years of experience under its belt, MATRADE with its extensive global network of 46 overseas offices its various training programmes, and funding assistance such as the Market Development Grant and Services Export Fund, has evolved into the premier solution for SMEs participation in international trade, he added.

The event witnessed the exchange of documents between MATRADE and EXIM Bank to mark their collaboration in providing export financing for Malaysian SME entrepreneurs to export their products and services overseas, and between MATRADE and SME Bank for the Services Export Fund. MATRADE also exchanged documents with China Inspection Consultancy (M) Sdn Bhd, and Lanzhou Longma ECommerce Technologies Co. Ltd. to facilitate the entry of Malaysian goods and services into the China market.

CLARITY, CONSISTENCY AND COLOURS

The forum which was divided into two sessions featured 8 successful SME entrepreneurs from various sectors of industry who shared the trial and tribulations they had to go through in their foray into the export market and how they managed to overcome them.

Model, actress and television presenter Noor Neelofa Mohd Noor and her sister Noor Nabila manage their family-owned hijab (shawl and headscarf) manufacturing business NH Prima International Sdn Bhd. Theirs was a cottage industry which started selling hijabs online and at local bazaars in September 2014. In just over a year Naelofar Hijab has become one of Malaysia s biggest headscarf brands.

The company operates in a 3-storey building from where they distribute their products to a network of 700 distributors nationwide. It currently exports to over 30 countries covering Europe, the USA, Middle East, and even in Israel. Turnover reached RM50 million in 2015, more than double the family's target.

Neelofa summed up the reason behind her company's phenomenal success to: clarity, consistency and colours.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA MALAYSIA

Bursa Malaysia To Trend Lower Towards 1,600 Points Level

By Sharifah Pirdaus Syede Ali

KUALA LUMPUR -- Bursa Malaysia is expected to trend lower and consolidate towards the 1,600 points level next week amid weak sentiment in global equity markets. Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said lack of stimulus and the recent testimony by the US Federal Reserve dampened sentiment. "This was compounded by persistent uncertainty about the outlook for global growth amid sliding oil prices, concerns about a hard landing for China and fears about the over exposure of European banks to oil related bonds," he said. On the domestic front, the market saw a mix of bullish (ringgit, industrial output) and bearish economic data (trade surplus) that might deepen the local index consolidation, he told Bernama. Overall, Nazri said the local stock market was expected to stay weak with key major sectors (technology and finance) dragging the index lower. "With the underlying trends of a strengthening ringgit, we sense a good defensive investment strategy now especially on emerging trading interest in consumer, utilities and health care stocks," he added. On a weekly basis, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) finished 18.72 points lower at 1,643.74 this holiday-shortened week. Weekly turnover shrank to 3.45 billion units, worth RM4.04 billion, from 6.64 billion units, worth RM8.11 billion, recorded last week. Main market volume fell to 2.37 billion shares, valued at RM3.82 billion, from 4.66 billion shares, worth RM7.71 billion, registered previously.

FOREX: Ringgit Likely To Trade Lower Versus Greenback

By Nurul Hanis Izmir

KUALA LUMPUR -- The ringgit is likely to trade lower against the US dollar next week due to the continued global weakness and lack of stimulus from the US Federal Reserve (Fed) testimony to support the market, analysts said. "The weakness in the global economy will be pressured by continued uncertainty amid sliding oil prices coupled with the over exposure of the European banking sector to oil related bonds," said Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan. He told Bernama that although Fed Chairman Janet Yellen acknowledged concerns over tightening financial conditions and the risks from recent market turmoil, the market showed greater concern over advanced economies that remain stuck in low growth. However, Nazri added that the ringgit would likely hover around the 4.100 level next week versus the greenback on expectation of higher global crude oil prices and improved risk appetite for the local note. Last week, the global market saw oil prices up almost five per cent after comments emerged that there were talks that exporters may cut output. “If the global oil prices continue to pick up, it will boost the ringgit to the 3.95 level,” he added. International benchmark Brent crude was traded at US$31.43 per barrel, up US$1.37 or 4.56 per cent. For the holiday shortened week, the ringgit eased to 4.1650/1750 from 4.1520/1620 versus the greenback last Friday mainly due to the uncertainty in the global economy and the movement of crude oil prices. The foreign exchange market was closed on Feb 8-9 for the Chinese New Year celebration. The local unit fell against the Singapore dollar to 2.9831/9918 from 2.9672/9754 last Friday and dropped versus the yen to 3.6979/6081 from 3.5514/5612. The ringgit depreciated against the British pound to 6.0422/0583 from 6.0312/0478 and depreciated against the euro to 4.6973/6102 from 4.6469/6598 last Friday.

Money Market Expected To Remain Stable

KUALA LUMPUR -- The Malaysian money market is expected to remain stable next week as Bank Negara Malaysia’s (BNM) continues to intervene to manage surplus liquidity. The central bank is expected to call for daily tenders to mop up excess funds from the market. For the week just-ended, BNM intervened daily to absorb excess funds by conducting conventional money market tenders, range maturity auction, commodity murabahah programme, Islamic range maturity auction Qard and repo tenders. On Friday, the central bank’s action helped reduce the market’s total liquidity surplus to RM32.77 billion from RM39.33 billion earlier while in the Islamic system, it declined to RM8.08 billion from RM16.24 billion, previously. The overnight Islamic reference rate stood at 3.21 per cent while the one-, two- and three-week rates were at 3.30 per cent, 3.35 per cent and 3.39 per cent, respectively. Meanwhile, the benchmark three-month interbank rate stood at 3.76 per cent.

KLCI Futures Expected To Trade Lower

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected to trade lower next week in line with the weak outlook for the cash market. Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said the FBMKLCI might continue its downward trading pattern on the back of below-average trading volume. He said the key index was venturing deeper into its negative zone, while lack of excitement coming from the indicators suggests lack of buying interest in the local market. “We do not rule out short-term bargain hunters but reckon that the bullish rebound by the benchmark index could be short-lived, underpinned by the firm negative condition and tepid trading volume throughout the week," he told Bernama. For the week just ended, KLCI futures were mixed during this holiday-shortened week taking the cue from the volatility of regional bourses amid fears of a new global recession. The market was closed on Monday and Tuesday for the Chinese New Year holidays. On a week-to-week basis, February 2016 added 12.5 points to 1,638, March 2016 was 15 points lower at 1,631.5, June 2016 declined 10 points to 1,617 and September 2016 shed 10.5 points to 1,608.5. Weekly turnover contracted to 20,244 lots from 34,776 lots last week while open interest shrank to 45,712 contracts from 48,716 contracts last Friday. The benchmark FBM KLCI settled at 1,643.74, down 0.21 point, from 1,662.46 recorded in the previous week.

CPO Futures Likely To Be Higher On Lower Stocks

By Farhana Poniman

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives will likely be higher next week on better demand due to lower stockpiles, with prices expected to range between RM2,350 and RM2,450 a tonne. Interband Group of Companies Senior Palm Oil Trader Jim Teh said trading would be active next week as players return from their Chinese New Year holidays, after the market was closed on Monday and Tuesday. "Furthermore, the market is filled with good news such as low stockpiles, with CPO stocks for January 2016 declining 18.28 per cent to 1.30 million tonnes against 1.59 million tonnes at end-December. "Total CPO production also dropped 19.26 per cent to 1.13 million tonnes in January from 1.40 million tonnes a month earlier," he told Bernama. On the government's decision to maintain its CPO export tax at zero in March, Teh said this would be positive to the market as it gives a competitive edge to Malaysian exporters against rival Indonesia. On a weekly basis, February 2016 added RM51 to RM2,548 a tonne, March 2016 rose RM67 to RM2,590 a tonne, April 2016 gained RM59 to RM2,639 a tonne and May 2016 increased RM72 to RM2,643 a tonne. Turnover during the three-day trading week was lower at 133,267 lots from 227,269 lots last week while open interest narrowed to 245,610 contracts from 253,318 contracts last Friday. On the physical market, February South remained unchanged from last week's RM2,500 a tonne.

Rubber Market Expected To Be Better

KUALA LUMPUR -- The Malaysian rubber market is likely be steadier next week as buyers take advantage of the commodity's low price. A dealer said for the week just-ended, the local rubber market benefited from the declining ringgit as it made the commodity cheaper for foreign buyers. "This condition is expected to continue next week because the ringgit's movement tend to mirror crude oil prices and we expect the oversupply situation to remain," he added. Furthermore, trading activity is expected to resume in full force next week as players return after the Chinese

New Year holiday on Monday and Tuesday. On a Friday-to-Friday basis, the Malaysian Rubber Board's sellers' official physical price for tyre-grade SMR 20 decreased 12.5 sen to 433.5 sen a kg while latex-in-bulk trimmed 15.5 sen to 345.5 sen a kg. The unofficial closing price for tyre-grade SMR 20 fell 15.5 sen to 434 sen a kg while latex-in-bulk declined 13.5 sen to 347.5 sen a kg.

KLIBOR Futures To Remain Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives will likely remain untraded next week. For the week just-ended, the market continued its lacklustre performance. Settlement prices for February 2016, March 2016, April 2016 and June 2016 remained pegged at 96.28, 96.27, 96.26 and 96.27, respectively. Open interest was unchanged at 120 contracts. The underlying three-month KLIBOR was pegged at 3.76 per cent. The market was closed on Feb 8-9 for the Chinese New Year celebration.

KLTM To Trade Between US$15,200 And US$15,500

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) will likely trade within a narrow range of between US$15,200 per tonne and US$15,500 per tonne next week, a dealer said. "We anticipate the market to trade sideways, depending on movements on the London Metal Exchange (LME) and moderate consumer buying support particularly from European and Japanese buyers," he told Bernama. For this holiday-shortened week, due to the Chinese New Year holidays, the local tin market finished US$500 lower at US$15,450 per tonne. European, Japanese and local players accounted for the week's turnover of 188 tonnes compared with 409 tonnes last week. The discount between the KLTM and the LME widened to US$125 per tonne versus US$50 per tonne last Friday.

Gold Futures Likely To Continue Uptrend

By Azlee Nor Mahmud

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to continue their uptrend next week, boosted by the US Federal Reserve's (Fed) decision to keep interest rates at bay, a dealer said. Phillip Futures Sdn Bhd Dealer Chu Ching Yong said Federal Reserve chair Janet Yellen commented that an interest rate hike in the near term was unlikely and that the US central bank would consider a negative interest rate. "We would expect gold to have a positive move for the week to come," he told Bernama. On a Friday-to-Friday basis, February 2016 added 236 ticks to RM165.80, while March 2016, April 2016 and May 2016 rose 237 ticks each to RM166.00, RM166.25 and RM166.25 a gramme, respectively. The market was closed on Monday and Tuesday for Chinese New Year. Volume for the holiday-shortened week rose to 272 lots worth RM4.38 million from 100 lots worth RM1.49 million previously. Open interest was higher at 1,470 contracts from 1,461 contracts last week.