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This Week's Highlight :
Dr Mahathir Back On The Global Stage

Prime Minister Tun Dr Mahathir Mohamad is highly respected by leaders worldwide.
-- fotoBERNAMA by Mohd Faizol Aziz

By Mohd Faizal Hassan

KUALA LUMPUR – Elder statesman Tun Dr Mahathir Mohamad not only emerged as the world's oldest prime minister at the ripe old age of 93, but also becomes a highly respected figure in leading the country and championing various causes for national and global peace and prosperity.Since being re-elected to become Malaysia's seventh prime minister on May 10, after the 14th General Election, Dr Mahathir, or well known internationally as just Dr M, is also highly respected by leaders worldwide.

This Week's Top Stories

MONDAY

Avoid 'Financial Engineering' Towards Solving Tabung Haji's Problems - MTEM

KUALA LUMPUR -- The government needs to avoid complicated "financial engineering" to solve Tabung Haji's problems, which may result in making things less transparent to public scrutiny, says the Malay Economic Action Council (MTEM). In a statement Monday, it urged the Pakatan Harapan government to keep guarantees on all deposits without an upper limit as it would reduce the likelihood of an exodus of funds by high-net-worth individuals and decrease the financial viability of one of the nation's premier investment funds.

TUESDAY

Felda Identifies 31 Strategic Initiatives For Transformation Plan

KUALA LUMPUR -- The Federal Land Development Authority (Felda), which is undergoing a transformation plan, has identified 31 strategic initiatives to be implemented over three phases. Each phase will take eight months. "The first phase is to create momentum and early wins, the second on expanding and growing results, while the third is to deliver and build capabilities," Felda said in a statement Tuesday.

WEDNESDAY

4.4 Mln Insurance, Takaful Policyholders To Be Reimbursed

PUTRAJAYA -- The Finance Ministry Wednesday announced tax exemptions for all individual policyholders who had bought or renewed an insurance or general takaful policy for motor, fire or accident insurance during the tax holiday period from June 1 to Aug 31, 2018. Minister Lim Guan Eng said insurance or takaful companies are required to reimburse any services tax they had charged their policyholders.

THURSDAY

Malaysia Draws RM139.3 Bln Investments Jan-Sept 2018

KUALA LUMPUR -- Malaysia attracted a total of RM139.3 billion worth of investments in the manufacturing, services and primary sectors in the first nine months of 2018, up 18 per cent from RM118.1 billion approved in the same period last year. In a statement Thursday, Malaysian Investment Development Authority (MIDA) said the total investments approved in January-September 2018 were from 3,243 projects, which are expected to generate 93,379 job opportunities for the country.

FRIDAY

Malaysia's Corporate Earnings Cause For Concern - PNB

KUALA LUMPUR -- Malaysia's corporate earnings is a concern as it continues to disappoint, said Permodalan Nasional Bhd President and Group Chief Executive Officer Datuk Abdul Rahman Ahmad Friday. As at Dec 20 this year, the FBM KLCI declined 8.1 per cent year-to-date, making it four out of five years that the index recorded a negative price return.

SMEbrief

FMM Working With OCBC, CIMB On SME Financing Support

KUALA LUMPUR -- The Federation of Malaysian Manufacturers (FMM) via its Penang Branch, has engaged with OCBC and CIMB to provide financing to companies with working capital needs, especially small and medium enterprises (SMEs). FMM said in a statement Monday, these banks would work out financing packages based on the requirement of each individual company which faced long outstanding Goods and Services Tax (GST) refunds.

SME Corp Spent RM217.33 Mln On Tech- Related Programmes In 2018

KUALA LUMPUR — SME Corporation Malaysia (SME Corp) spent RM217.33 million to implement 28 innovation and technology- related programmes in 2018, benefiting 37,429 small and medium-sized enterprises (SMEs), said Chief Executive Officer Noor Azmi Mat Said. He said the programmes were under the Innovation and Technology Adoption initiative outlined in SME Corp's annual SME Integrated Plan of Action (SMEIPA) report. "Based on our SMEIPA report for 2018, 151 SME development programmes were planned and 613,576 SMEs are expected to have benefited from it," he said in his speech at the launch of the "SME Digitalisation Whitepaper " here, Monday. Citing SME Corp's latest survey, Noor Azmi said the finding showed that out of 1,469 SME respondents, only 32 per cent were aware of the Fourth Industrial Revolution (Industry 4.0), while 69 per cent indicated that they were ready for its implementation. "Meanwhile, 62 per cent said they lacked knowledge and skills, and 45 per cent said there was a lack of funding and support," he said. He hoped, therefore, the 2019 Budget allocation of RM7.12 billion for various initiatives to support Industry 4.0 and digitalisation would provide the necessary support for SMEs to embark on the journey. The whitepaper is the first milestone in the collaboration between SME Corp and Huawei Technologies (M) Sdn Bhd (Huawei Malaysia) as part of the deliverables under a Memorandum of Understanding (MoU) signed in November 2017. In June this year, SME Corp and Huawei Malaysia sponsored a study on 2,033 SMEs across all regions and sectors - including services, manufacturing, construction and agriculture - to explore the state of adoption of information and communications technology.

PropUP Propertyupdate

Sime Darby, SP Setia Sell Battersea Phase 2 To PNB-EPF

KUALA LUMPUR – Sime Darby Property Bhd and S P Setia Bhd are disposing of their stake in the Battersea Power Station building for RM8.351 billion (£1.583 billion) to PNB-Kwasa International 2 Ltd. The transaction is expected to be completed in the first quarter of 2019, said a statement Monday.

Office Market Likely To Remain Tenant-Led In 2010

KUALA LUMPUR -- The market for office property sector is expected to remain firmly tenant-led in 2019 as there is no immediate catalysts to boost demand, said independent global property consultancy Knight Frank. In its 2018 wrap-up and 2019 outlook on nine markets across Asia Pacific, it said Wednesday, although the increase of the shared office/co-working segment provided a breather to a market with oversupply, with more stock expected, there would be further headwinds ahead.

BCorporation In Talks With Potential Buyers

KUALA LUMPUR -- The management of Berjaya Corporation Bhd (BCorporation) is still in negotiations with potential buyers on the possible sale of its Four Seasons Hotel and Hotel Residences in Kyoto. In a filing with Bursa Malaysia Thursday, BCorporation said it has not entered into any definitive agreement and an announcement would be made once an agreement is executed.

Melaka Property Project Offers Investment Cost Refund Scheme

JOHOL – A mixed development project in Bukit Beruang, Melaka, will offer an additional benefit to buyers of its condominium units via a cost refund scheme introduced by its joint developers, Super Green Technology Sdn Bhd dan Qingdao MG Investment Ltd. Undang Luak Johol Datuk Muhammed Abdullah, who is also Super Green Technology's advisor, said Thursday, the two companies established the scheme, called "The World 1st Property Investment Cost Refund Scheme", for the 710-unit project with a gross development value of RM237 million.

MHUB, Tongdun Inks Pact To Enhance Mortgage Financing Solutions

KUALA LUMPUR -- Real estate financial technology (fintech) company MHub has signed a memorandum of understanding with China's Tongdun International to enhance customer experience in real estate mortgage financing solutions. MHub Co-founder and Chief Executive Officer Quek Wee Siong said in a statement Thursday, the partnership would connect the company with China and enable two-way knowledge exchange to advance the innovations and security of the real estate fintech sector.

MARKETS

BURSA MALAYSIA

Scoreboard

Gainers - 439

Losers - 356

Not Traded -769

Unchanged - 343

Value - 1880000000

Volume - 17500000

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.1790	4.1830
EUR	4.7758	4.7808
GBP	5.2919	5.2986
100 YEN	3.7588	3.7634
SGD	3.0490	3.0531

Source: Bank Negara Malaysia

Shares On Bursa Malaysia Close Higher

KUALA LUMPUR – Shares on Bursa Malaysia reversed earlier losses to close higher Friday as window dressing activities commenced, with Tenaga, Petronas Dagangan and Sime Darby Plantation emerging among the top gainers. The FTSE Bursa Malaysia KLCI (FBM KLCI) ended 19.72 points higher at 1,670.28 from Thursday's close of 1,650.56. After opening 5.24 points weaker at 1,645.32, the index moved between 1,642.79 and 1,672.21 throughout the day.Among the top gainers were heavyweights Tenaga, which rose 66 sen to RM13.48, Petronas Dagangan soared 60 sen to RM26 and Sime Darby Plantation jumped 43 sen to RM4.79. Market breadth on Bursa Malaysia was positive with 439 gainers and 356 losers, while 343 counters remained unchanged, 769 untraded and 44 others suspended. Total volume decreased to 1.75 billion units worth RM1.88 billion from 2.00 billion units worth RM1.58 billion Thursday. Main Market volume declined to 1.22 billion units worth RM1.76 billion from 1.43 billion units worth RM1.48 billion. Volume on the ACE Market shrank to 167.16 million shares worth RM25.47 million from 191.79 million shares worth RM22.97 million.

Ringgit Closes Lower Ahead of Weekend And Christmas Holiday

KUALA LUMPUR – The ringgit closed lower against the US dollar Friday as traders trimmed positions ahead of the weekend and Christmas holiday, a dealer said. At 6 pm, the local note traded at 4.1790/1830 against the US dollar compared with Thursday's 4.1760/1800. FXTM Research Analyst Lukman Otunuga said financial markets remained a threat of concluding 2018 on a risk-off note, thanks to fears over plateauing global growth. "US rate jitters, ongoing trade tensions and political risks in Europe, are among many other geopolitical risk factors likely to expose the market to downside shocks," he added. However, the ringgit was mostly higher against major currencies. It increased against the Singapore dollar to 3.0490/0531 from 3.0513/0553 on Thursday, but fell against the Japanese yen to 3.7588/7634 from 3.7379/7425. The local unit strengthened against the British pound to 5.2919/2986 from Thursday's 5.2968/3036 and appreciated against the euro to 4.7758/7808 from 4.7924/7991.

Short-Term Rates Close Steady On BNM Operations

KUALA LUMPUR – Short-term interbank rates closed steady Friday on Bank Negara Malaysia's operations to absorb excess liquidity from the financial system. The surplus in the conventional system fell to RM20.76 billion from RM25.47 billion Friday morning, while in the Islamic system, it decreased to RM13.91 billion from RM20.84 billion. The central bank conducted three conventional money market tenders, three Qard tenders and two reverse repo tenders. At 4 pm, it conducted a RM20.3 billion conventional money market tender and a RM13.9 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 Close Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives closed untraded Friday. January 2019, February 2019, March 2019 and June 2019 stood at 96.25, 96.24, 96.22 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 in line with the bullish performance of the underlying cash market. December 2018 and January 2019 both added 15.5 points to 1,665 and 1,666, respectively, March 2019 rose 15 points to 1,662 and June 2019 was 14.5 points higher at 1,656. Turnover rose to 15,800 lots from 8,876 lots Thursday and open interest widened to 38,010 contracts from 31,083 contracts. The underlying benchmark FBM KLCI ended 19.72 points better at 1,670.28.

CIMBClicks Remains Secure, Additional Measures Introduced

KUALA LUMPUR -- CIMB Bank Bhd's online banking portal, CIMBClicks remains secure and all customers' transactions continue to be protected. "The bank would like to inform that it had, over the weekend, introduced a few additional measures to enhance the security of its CIMBClicks transactions. "Apart from ensuring that the system is now able to accommodate passwords longer than eight characters and up to 20 characters, we have also added the reCaptcha security measure on CIMBClicks to ensure the user is not a bot," the bank said in a statement Monday, amid recent social media news on alleged insecurity of the online banking portal.

Ringgit Depreciation Value Becoming Smaller

KUALA LUMPUR -- The value of the ringgit is becoming more stable with the depreciation level standing at 2.9 per cent on Dec 13, 2018. Deputy Finance Minister Datuk Ir Amiruddin Hamzah during the winding up session for the ministry at the Dewan Negara Tuesday said the ringgit depreciation against the US dollar was shrinking, from 4.4 per cent in the second half of this year to 2.5 per cent in the third quarter and 1.0 per cent in the fourth quarter up to Dec 13, 2018.

Socso Disburses Over RM2.7 Billion In Benefits From Jan-Sept

MELAKA -- The Social Security Organisation (Socso) has disbursed over RM2.7 billion in benefits in the first nine months this year. Its chief executive officer, Datuk Seri Dr Mohammed Azman Aziz Mohammed told reporters Tuesday, it was a slight increase from RM2.4 billion disbursed for the same purposes in the corresponding period last year.

Maybank Expects 20 Pct Increase In ASNB Investments

KUALA LUMPUR -- Malayan Banking Bhd (Maybank) expects a 20 per cent increase in Amanah Saham Nasional Bhd (ASNB) investments in the next 12 months following enhanced convenience and accessibility for ASNB customers via digital channels. For the first time, investors will be able to invest in ASNB units via Maybank2u and automated teller machines (ATMs). Maybank Community Financial Services Malaysia Head Datuk Hamirullah Boorhan told reporters Tuesday, ASNB investments were gaining popularity among the public and the bank recorded over three million ASNB transactions over its counters in a year.

CIMB Seals Malaysia Stockbroking JV With China Galaxy

KUALA LUMPUR -- CIMB Group Holdings Bhd (CIMB Group) Tuesday inked a share subscription agreement to form a stockbroking joint venture in Malaysia with China Galaxy Securities Co Ltd (CGS). In a filing with Bursa Malaysia Tuesday, CIMB Group said the two partners would have equal equity stakes in the joint-venture entity, CGS-CIMB Holdings Sdn Bhd, which would be the holding company for the stockbroking business.

AIA Public Takaful Supports Race For Cover Programme

KUALA LUMPUR -- AIA Public Takaful Bhd (AIA Public) has announced its support to the Race for Cover programme initiated by the Malaysian Takaful Association (MTA) to promote awareness on family takaful to Malaysians. As part of efforts to help protect more Malaysian families, the company continues to offer innovative protection solutions such as A-Life Signature-i and A-Life Signature-i PlusOne plans, it said in a statement Wednesday.

RAM Reaffirms Maybank's AAA/Stable/P1 Ratings

KUALA LUMPUR -- RAM Ratings has reaffirmed Malayan Banking Bhd's (Maybank) ASEAN- and national-scale financial institution ratings at AAA/Stable/P1 each. Concurrently, the ratings of the group's debt issues had been reaffirmed, the rating agency said in a statement Friday.

WZ Satu Unit Bags RM133.5 Mln Subcontract Job For Gemas-JB Rail Track

KUALA LUMPUR -- WZ Satu Bhd's wholly-owned unit, WZS BinaRaya Sdn Bhd, has bagged a RM133.50 million subcontract works for the Gemas-Johor Bahru electrified double track project from SIPP-YTL joint-venture (JV). In a filing to Bursa Malaysia Monday, WZ Satu said the subcontract works were for the construction of bridges from Genuang to Paloh for the electrified double track project.

Top Glove's Profit Jumps To RM110.1 Mln On Record Sales

KUALA LUMPUR -- Top Glove Corporation Bhd's net profit in the first quarter ended Nov 30, 2018, rose 4.4 per cent year-on-year to RM110.06 million on record quarterly sales revenue. Revenue jumped to RM1.26 billion from RM938.17 million chalked up in last year's corresponding quarter, it said in a filing with Bursa Malaysia Monday. The world's largest glove maker attributed the 34.5 per cent top-line performance growth mainly to the strong demand growth observed both in developed and emerging markets.

FAMA Targets To Export 100 Tonnes Of Roselle In 2019

JOHOR BAHRU -- The Federal Agricultural Marketing Authority (FAMA) targets to export 100 tonnes of fresh roselle in 2019. Since 2014, Malaysia has recorded roselle exports valued at over RM3 million, with Australia and South Korea the main destinations for the product. FAMA Chairman Ishak Ismail told reporters Monday, additionally, the organisation would also cooperate with roselle producers nationwide including forging collaborations with the Johor government to make roselle as the state's unique commodity export.

HDC Expects M'sian Halal Exports To Hit RM50 Bln By 2020

PETALING JAYA -- The Halal Industry Development Corporation (HDC) expects Malaysia's export of halal products to grow to RM50 billion by 2020, driven by new demand from international markets. HDC Vice-President of Industry Development Hanisofian Alias told reporters Monday, this growth was possible due to the increasing Muslim population globally and more non-Muslims embracing halal products as part of a healthy and hygienic lifestyle.

MAHB Expects Higher Passenger Movement In Dec

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) expects the passenger movement at the Kuala Lumpur International Airport's (KLIA) main terminal and klia2 to surge by 12 per cent and 21 per cent, respectively, this month, which is considered a super-peak travel period. The airport operator projected a total of 6.9 million passengers travelling via KLIA during this school holidays and Christmas festive season. The super-peak period at the KLIA's main terminal, which is likely to last until Dec 23, 2018, is due to additional flights scheduled by airlines, MAHB said in a statement Tuesday.

More Than 30,200 Honda City Sold In Jan-Nov Period

KUALA LUMPUR -- More than 30,200 units of Honda City were sold from January to November this year, making it the largest contributor to Honda Malaysia's sales volume at 32 per cent during the period. Honda Malaysia President and Chief Operating Officer Roslan Abdullah said on Tuesday, the City also maintained its leadership in the B-segment.

MAHB Eyes 10 New Airlines In 2019

SEPANG -- Malaysia Airports Holdings Bhd (MAHB) aims to attract 10 new airlines both premium and low-cost carriers (LCCs) to Malaysia, especially to its five main airports, in 2019. The airports are the KL International Airport (KLIA), klia2, Penang International Airport, Kota Kinabalu International Airport and Kuching International Airport, MAHB General Manager for Airline Marketing Mohd Sallauddin Mat Sah told reporters Wednesday.

George Kent Posts Lower Net Profit Of RM20.5 Mln In Q3

KUALA LUMPUR -- George Kent (Malaysia) Bhd's net profit for the third quarter (3Q) ended Oct 31, 2018, fell to RM20.5 million from RM28.7 million in the same quarter a year ago. Revenue also declined to RM103.5 million from RM127.1 million previously, it said in a filing to Bursa Malaysia Wednesday. Meanwhile for the first nine months to Oct 31, 2018, the group's net profit decreased eight per cent to RM66.7 million versus RM72.5 million in the same period previously, while revenue declined to RM316.2 million from RM444.1 million before.

EPF's Total Investment Income Rises 12.82 Pct To RM14.61 Bln In Q3

KUALA LUMPUR -- The Employees Provident Fund's (EPF) total investment income for the third quarter ended Sept 30, 2018 (Q3) rose 12.82 per cent to RM14.61 billion from RM12.95 billion recorded during the same period last year. Deputy Chief Executive Officer (Investment) Datuk Mohamad Nasir Ab Latif said in a statement Wednesday, the improvement in income was driven by recovery in Malaysia and ASEAN equities in the quarter from the market downturn in the previous quarters, while developed market equities continued to record positive growth from previous quarter.

AEON Credit Service Q3 Net Profit Increases To RM87 Mln

KUALA LUMPUR – AEON Credit Service (M) Bhd's net profit for the third quarter ended Nov 30, 2018, increased to RM87.13 million from RM70.55 million chalked up in the same period last year. Revenue rose to RM348.49 million from RM312.34 million recorded previously mainly attributable to the increase in financing receivables for motorcycle, auto and personal financing businesses, it said in a statement Thursday.

Yinson Net Profif Eases To RM43.40 Mln In Q3

KUALA LUMPUR – Yinson Holdings Bhd's net profit declined to RM43.40 million in the third quarter ended Oct 31, 2018, from RM91.16 million recorded a year earlier. Revenue for the quarter, however, was slightly higher at RM265.58 million against RM263.12 million year-on-year mainly due to stronger translation of the US dollar against the ringgit.

Berjaya Land Q2 Net Loss Narrows To RM1.77 Mln

KUALA LUMPUR -- Berjaya Land Bhd's net loss for the second quarter (Q2) ended Oct 31, 2018 narrowed to RM1.77 million versus the RM99.92 million net loss in the same period a year earlier. Revenue for the quarter eased to RM1.51 billion from RM1.61 billion year-on-year, it said in a filing with Bursa Malaysia Thursday. The group attributed the lower revenue primarily to a drop in gaming revenue reported by Sports Toto Malaysia Sdn Bhd and lower revenue from H.R. Owen Plc following unfavourable foreign exchange translation.

HSBC Insurance To Dispose Of 49 Pct Of Takaful Business

KUALA LUMPUR -- HSBC Insurance (Asia Pacific) Holdings Ltd, an indirect wholly-owned subsidiary of HSBC Holdings Plc (HSBC), will be disposing of 49 per cent of its shares in HSBC Amanah Takaful (Malaysia) Bhd to FWD Life Insurance Company (Bermuda) Ltd. HSBC Bank Malaysia Chief Executive Officer Stuart Milne said Thursday, the Minister of Finance, via Bank Negara Malaysia, has given approval for the transaction and it is expected to be completed during the first half of 2019.

MAHB Eyes RM1 Bln In Future Investments For Infrastructure Devt

PETALING JAYA -- Malaysia Airport Holdings Bhd (MAHB) is expecting RM1 billion worth of future investments from third party investors in the next three to five years from its investment in infrastructure development between 2018 and 2020. General Manager of Land Development, Randhill Singh said Thursday, the airport operator is investing RM150 million during the three-year period for the development of infrastructure in its air cargo and aerospace segment, which would also generate about 3,200 jobs.

PNB Declares 7 Sen Income Distribution For ASB

KUALA LUMPUR — Amanah Saham Nasional Bhd (ASNB) has declared an income distribution of 6.5 sen a unit and bonus of 0.50 sen for Amanah Saham Bumiputera (ASB) for financial year ending Dec 31, 2018 (FY18). For FY17, ASB made a distribution payout of 7.25 sen per unit comprising a dividend of seven sen a unit and bonus of 0.25 sen a unit. Permodalan Nasional Bhd (PNB) Chairman, Tan Sri Dr Zeti Akhtar Aziz, said Friday, this represented a total payout of seven sen a unit involving a total payout of about RM10.7 billion that would benefit 9.6 million unit holders who owned 155 billion units in ASB.

BNM's International Reserves Ease To US$101.4 Bln

KUALA LUMPUR – The international reserves of Bank Negara Malaysia amounted to US$101.4 billion as at Dec 14, down from US$102.0 billion a fortnight earlier. The central bank said the reserves position is sufficient to finance 7.4 months of retained imports and was 1.0 time the short-term external debt.

Joint Offerors Secure Over 90 Pct Of Hovid

KUALA LUMPUR -- The voluntary takeover offer by Hovid Bhd managing director David Ho Sue San and Fajar Astoria Sdn Bhd (joint offerors) have secured more than 90 per cent of the total issued shares of Hovid as at market closing Monday. In a filing with Bursa Malaysia, Hovid said the shareholders who have yet to accept the joint offerors' takeover offer and wish to do so are still able to accept it until the final closing date, which is 5.00 pm on Jan 8, 2019.

Prohibiting Fish, Shrimp Export To Ensure Domestic Supply

KUALA LUMPUR -- The government will prohibit the export of four species of wild-caught fish and shrimp to meet the shortage in the market during the monsoon and festive seasons, Agriculture and Agro-based Industry Minister Datuk Salahuddin Ayub said Monday. He said the 'kembung' (mackerel), 'selar' (trevally), 'pelaling' (Indian mackerel) and 'bawal' (Pomfret) fish and shrimp will be prohibited from export from Jan 1 to Feb 28, 2019. Three associations – National Fishermen's Association (NEKMAT), Kedah Fishermen's Association (NEKAD) and Besut Area Fishermen's Association (PNK BESUT) – will be entrusted with the storage of frozen fish and moving the supply throughout the country, he told a press conference at Parliament House.

Air Selangor, SPLASH Holdings Extend Takeover Cut-Off Date

KUALA LUMPUR -- Pengurusan Air Selangor Sdn Bhd (PASSB) and SPLASH Holdings, Gamuda Bhd's associate company, have mutually agreed to extend the cut-off date for PASSB's takeover of Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (SPLASH). In a filing with Bursa Malaysia Monday, Gamuda said the move was made to enable PASSB to fulfil the conditions precedent in the share purchase agreement to acquire a 100 per cent stake in SPLASH. It said the deadline was extended to Feb 28, 2019 from Dec 27, 2018.

Headline Inflation To Rise To 2.7 Pct In 2019 - RAM

KUALA LUMPUR -- Malaysia's 2019 headline inflation is projected to rise to 2.7 per cent, mainly driven by additional pressure from the switch to targeted fuel subsidies, continued spillover effects from the reintroduction of the Sales and Service Tax and low-base effects during the three-month zero-rated Goods and Services Tax period. RAM Rating Services Bhd (RAM Ratings) said in a statement Monday, the inflation projection for 2019 would still depend on the implementation of the targeted fuel-subsidy mechanism in the second quarter next year as key details of its implementation, such as the disbursement mechanism, were still scant.

Selangor Helping The Halal Industry Get Ahead

SHAH ALAM -- Adaptation is not an option but unavoidable in the race to stay ahead and reap the rewards, said Invest Selangor Bhd chief executive officer, Datuk Hasan Azhari Idris, about local halal product producers. "One of the challenges in going global is Industry 4.0, as it hasn't just impacted economic growth, but jobs as well," he said in his speech at a town hall to share the progress of, as well as gather feedback and support for, the Selangor Halal Industry Action Plan 2018-2028 Tuesday.

Angkasa Looking At Sourcing Building Materials From Iran, China

SHAH ALAM -- Angkatan Koperasi Kebangsaan Malaysia Bhd (Angkasa), through Konsortium Koperasi Hartanah Negara Bhd, is looking at sourcing construction materials from Iran and China for the property development sector in the country through the cooperative alliance. President Datuk Abdul Fattah Abdullah told reporters Tuesday, Angkasa held talks with the Iran Central Chamber of Cooperative dan All China Federation of Supply and Marketing Cooperatives on the matter at the International Cooperative Alliance Conference in Tehran two weeks ago.

Malaysia Leads ASEAN In Women Participation On Boards Of Public Listed Firms

KUALA LUMPUR -- The participation of Malaysian women on the boards of public listed companies (PLCs) stood at 15.4 per cent in the third quarter of 2018, putting Malaysia in the lead among ASEAN countries. As for the top 100 companies, the percentage was higher at 23.2 per cent, said 30% Club Malaysia Founding Chairman Tan Sri Zarinah Anwar on Tuesday. She said when the club was established in 2015, 17 Malaysian PLCs, out of the top 100 companies, did not have a single woman on their board.

SC Dismisses Review Applications By Lotte Chemical Titan

KUALA LUMPUR -- The Securities Commission Malaysia (SC) has dismissed the review applications by Lotte Chemical Titan Holding Bhd (LCT) and other relevant parties for their failure to inform the commission of material developments prior to LCT's listing in 2017. The regulator, in a statement Tuesday, had maintained its decision to reprimand and impose penalties on LCT, its two executive directors, Ernst & Young (EY) and Maybank Investment Bank Bhd (Maybank IB). The parties reprimanded by the SC are LCT, the issuer; Lee Dong Woo and Lee Kwan Ho, LCT's executive directors; EY, LCT's reporting accountant; and Maybank IB, the principal adviser to LCT's listing exercise.

Innovators Urged To Apply For UNCDF Financial Innovation Lab Programme

KUALA LUMPUR -- The United Nations Capital Development Fund (UNCDF) is calling for start-ups, fintechs, financial service providers and pre-seed stage teams which have a minimum viable product to apply for its Financial Innovation Lab programme. In a statement Tuesday, UNCDF said the programme -- a collaboration with Bank Negara Malaysia and Malaysia Digital Economy Corporation -- looks for solutions and models aimed at disrupting the market and addressing the needs of different customer segments.

TNB's Coal-Fired Power Plant Project Achieves National Grid Connectivity

KUALA LUMPUR -- Unit 1 of Jimah East Power Sdn Bhd's coal-fired power plant in Port Dickson, Negeri Sembilan, successfully achieved its first synchronisation on Dec 10. Jimah East Power is a 70 per cent subsidiary of Tenaga Nasional Bhd (TNB). TNB said in a statement Teusday, the first synchronisation means the generator of Unit 1 had been synchronised to the Malaysian grid system and commenced supplying electricity to it.

Petronas Enhances Ties With Bernama Sarawak Via News Coverage

KUCHING -- Petroliam Nasional Bhd (Petronas), through its Media Engagement Department, hopes to further enhance ties with the Malaysian National News Agency (Bernama), especially the Sarawak Bureau. Its Sarawak Regional Office's Media Engagement head Johannes Ridu said on Wednesday, the national oil and gas company was proud to share its successful journey in Sarawak, which was made possible with the strong support and enduring commitment by Bernama through news coverage of its events and programmes.

Sime Darby Unit To Acquire 65 Pct Of Quijing Bow

KUALA LUMPUR -- Sime Darby Bhd's indirect wholly-owned subsidiary, Chengdu Bow Yue Vehicle Company Ltd, has proposed to acquire a 65 per cent stake in China-based Qujing Bow Kai Motors Sales & Services Co Ltd for RMB19.5 million (RM11.83 million). In a filing to Bursa Malaysia Friday, Sime Darby said the exercise was entered with a collective seller comprising Yunnan Kai Cheng Economic and Trading Co Ltd and Heshan Shunwei Property Management Co Ltd.

DKSH To Acquire Auric Pacific For RM480.91 Mln

KUALA LUMPUR -- DKSH Holdings (Malaysia) Bhd has proposed to acquire the entire equity interest in Auric Pacific (M) Sdn Bhd for about RM480.91 million. The acquisition would be made via its Singaporean unit, DKSH Holding (S) Pte Ltd with Auric Pacific Marketing Pte Ltd and Centurion Marketing Pte Ltd, it said in a filing with Bursa Malaysia Friday.

PNB Expects 2019 Funds Growth To Be Range-Bound, Moderate

KUALA LUMPUR -- Permodalan Nasional Bhd (PNB) expects the growth of funds under its management in 2019 will be range-bound and moderate, similar to 2018. PNB Group Chairman Tan Sri Dr Zeti Akhtar Aziz said Friday, following the uncertainties and challenging economic environment, which included trade tension, shifts in macroeconomic policies in major economies and other geopolitical developments, PNB would undertake a diversification strategy using a more robust risk management strategy to ensure it would not enter into risks that would affect returns.

AmMetlife Bags Best Family Takaful Operator Award

KUALA LUMPUR -- AmMetLife Takaful Bhd clinched the Best Family Takaful Operator Award at the recent Islamic Business and Finance Southeast Asia awards ceremony. The takaful operator said in a statement Monday that it was the sole award recipient for the family takaful category. "Over the past two years, AmMetLife Takaful has embarked on two first-of-its-kind initiatives: the first family takaful product distributed online named i-am Wira, and iMeriah takaful coverage, a takaful scheme where the benefits are payable in terms of groceries," it said.

Scomi, Larsen & Toubro Mumbai Monorail Contract Terminated

KUALA LUMPUR -- Scomi Engineering Bhd and Larsen & Toubro Ltd's contract for the design, development, construction, operation and maintenance of a monorail system in the Mumbai Metropolitan region has been terminated. In a statement with Bursa Malaysia Monday, Scomi said the letter of termination was dated Dec 14, 2018 and would take effect 15 days from the date.

Selangor State Govt Signs LOI With Indonesia's NTB

From Azlee Nor Mahmud

LOMBOK -- The Selangor state government has signed a "Letter of Intent " with Indonesia's Nusa Tenggara Barat (NTB), for potential cooperation in trade, tourism as well as other sectors that serve as catalysts for development. State Tourism and Culture, Malay Civilisation and Heritage Exco Datuk Abdul Rashid Asari is heading a Selangor State Tourism Mission here, while NTB is the representative of the Governor, Dr Hajah Siti Rohmi Djalillah. Abdul Rashid told Bernama, the Malaysia and Indonesia cultural exchange programme is focused specifically on Selangor and the province of Lombok.

FGV Inks MoU With China's CMEC To Explore Paper Pulp Project

KUALA LUMPUR -- FGV Holdings Bhd (FGV) has signed a Memorandum of Understanding (MoU) with China Machinery Engineering Corporation (CMEC) to explore the feasibility of a joint-venture to establish paper pulp production facilities as well as potential distribution and commercialisation of the paper pulp business to the global market. CMEC's core business is engineering contracting, specialising in the construction of power projects, trading, investment, research and development and international services. The company is currently listed on the Hong Kong Stock Exchange with a current market capitalisation of HK$15.88 billion (about RM8.58 billion), it said in a statement Tuesday.

LinkedIn To Set Up Office In Malaysia

KUALA LUMPUR -- World's largest professional network LinkedIn will be setting up an office in Malaysia in the first quarter of 2019 to serve its four million members in the country and to scale up its business in Asia Pacific. Managing Director for Asia Pacific Olivier Legrand said in a statement Tuesday, LinkedIn was also keen to tap into ASEAN's vast population 600 million to create access to economic opportunities for its professionals.

JF Apex, Mercury Ink RM140 Mln Merger Agreement

KUALA LUMPUR -- JF Apex Securities Bhd (JF Apex) and Mercury Securities Sdn Bhd (Mercury) today entered into an agreement to merge their stockbroking operations. Apex Equity Holdings Bhd (Apex), the parent company of JF Apex, said in a filing with Bursa Malaysia Tuesday, Mercury had agreed to transfer its entire business comprising stockbroking and corporate advisory, together with the requisite business assets and business liabilities, into JF Apex for RM140 million.

TM's Upgrading Exercise Complete In 1st Quarter 2019

KUALA LUMPUR -- Streamyx customers who are residing in non-unifi coverage areas will have their existing speeds doubled up to 8Mbps for free, and where coverage is available, they can opt for the wireless 4G LTE service, Telekom Malaysia Bhd (TM) said in a statement Tuesday. In clarifying what was said by Communications and Multimedia Deputy Minister, Eddin Syazlee Shith, in Dewan Negara Monday, it added that the upgrading exercise is being done in stages and is expected to be complete in the first quarter of 2019.

MDV Appoints New Non-Executive Chairman

KUALA LUMPUR -- Malaysia Debt Ventures Bhd (MDV) has appointed Datuk Seri Lee Kah Choon as its new non-executive chairman, effective Dec 13. Lee succeeds Tan Sri Zarinah Anwar, whose term of service ended on July 21 this year. In a statement Tuesday, MDV said Lee is currently a board member of various state government-linked companies, where he is actively involved in charting the policy direction of these corporations and their many strategic decisions.

Bursa Malaysia Names Muhamad Umar Swift As New CEO

KUALA LUMPUR -- Datuk Muhamad Umar Swift has been appointed as Bursa Malaysia Bhd's new Chief Executive Officer (CEO), replacing Datuk Seri Tajuddin Atan, effective Feb 11, 2019. Bursa Malaysia Chairman Tan Sri Amirsham A Aziz said in a statement Wednesday, the board of directors, management and staff of the bourse are looking forward to working closely with him.

ADAM50 Initiative To Be Discontinued By Year-End

KUALA LUMPUR — Amanah Dana Anak Malaysia 2050 (ADAM50), introduced in January by the Barisan Nasional government, will be discontinued by year-end, said Permodalan Nasional Bhd (PNB) Group Chairman, Tan Seri Zeti Akhtar Aziz Friday.Under the scheme, a baby born within Jan 1, 2018 until 2022 will receive initial savings of RM200 via units of ASB (for Bumiputera) and AS1M (for non-Bumiputera) as long as the child is registered within a year from the date of birth, but the savings could only be withdrawn after the child reaches 18 years-old.

Malaysian Corporate Landscape Hit By “Perfect Storm”

By Christine Lim

The poor corporate financial results in the third quarter caused share prices to decline. -- fotoBERNAMA by Sharil Amin Abdul Rahim (STR)

KUALA LUMPUR -- The Malaysian corporate landscape in 2018 was hit by the “perfect storm” with major colossal losses and shake-up in government-linked corporations (GLC) amid the multi-billion ringgit debt scandal weighing on 1Malaysia Development Bhd (1MDB), as well as, the misappropriation of funds and operational issues in other major corporates. It is the loss in trust and confidence placed on these institutions which were set up with noble objectives, that resonated with the Malay idiom “harapkan pegar, pegar makan padi”, which describes the abuse of power for personal gain among board members and those entrusted with authority.

The magnitude of the problem is so great that it required government attention and resources to resolve the mounting debt and financial fiasco inflicting these corporations.

The Federal Land Development Authority (Felda), set up to transform the lives of settlers and eradicate poverty, along with its other subsidiaries namely FGV Holdings Bhd and Felda Investment Corporation Sdn Bhd, wasted billions between 2013 and 2017, on acquisition deals that were questionable and drew a lot of criticism. As for sovereign investment fund,1MDB, the government is planning to take legal action against alleged perpetrators on the misused of funds in the multi-billion ringgit scandal.

PUBLIC SCRUTINY

And the latest “to join the foray”, is Malaysia’s pilgrim fund, Lembaga Tabung Haji (TH), a statutory body set up to facilitate Muslims to perform the haj pilgrimage, which is now subject to public scrutiny after incurring a deficit of RM4 billion in deposits, suggesting that the management falsified accounts in order to justify dividend payment.

This was pointed out by former Bank Negara Malaysia governor Tan Sri Dr Zeti Akhtar Aziz who rightly pointed out that the fund, since 2012, was paying higher dividends than it could afford and warned that for every ringgit of liability, it had 98 sen in assets. Referring to an audit finding, a local daily reported that the dividends could have been paid by depositors’ savings.

Former executives were implicated for lack of proper regulatory oversight and alleged misuse of funds for political motives.

IMPACT OF FINANCIAL SCANDALS

In the 2019 Budget speech, Finance Minister Lim Guan Eng said the new government is saddled with a worrying state of financial affairs with RM1,065 billion in debt and liabilities, as at June 2018, nearly RM350 billion higher than officially announced by the previous government.

The trillion ringgit debt followed financial scandals and mega debts related to inflated mega projects due to corrupt deals. Meanwhile, MIDF Amanah Investment Bank Bhd research head Mohd Redza Abdul Rahman said the poor corporate financial results in the third quarter, more often than not, was caused by poor revenue from lower commodity prices and delayed recognition of income and changes to policies or regulation.

“Not all bad results come from poor governance but more like, the not so exciting results, made this issue more prominent,” Mohd Redza told Bernama in responding to a question of whether the dissapointing financial results were due to poor governance and weak operational issues.

He said the increase in cost from raw material imports due to the ringgit’s depreciation and high oil prices, impacted corporate earnings. “While earnings affect profitability and cause share prices to decline, the decline is also caused by concerns over geopolitics such as trade war and also the high outflow of foreign funds due to many factors including the US Federal Reserve interest rate hike,” he said.

-- BERNAMA