May 6, 2016

This Week's Highlight :
Time Not Right For Oil Royalty Talks - Najib

IN PROGRESS...Prime Minister Datuk Seri Najib Tun Razak chairing the Cabinet Meeting at Wisma Bapa Malaysia in Kuching, the first held outside Putrajaya since 2011. Pix: Anuar Isman fotoBERNAMA

KUCHING -- Sarawak's request for an increase in oil royalty will not be considered for the time being as the country's oil revenue had dropped drastically due to a significant drop in global oil prices said Prime Minister Datuk Seri Najib Tun Razak Wednesday. The Cabinet and the Sarawak state government agreed that the time was not right because the country had lost RM40 billion due to a drop in crude oil prices in the global market, he said after a Cabinet meeting at Wisma Bapa Malaysia here, the first held outside Putrajaya since 2011.

This Week's Top Stories

MONDAY

New BNM Governor's Appointment Well Received - Mustapa

By Soraya Jamal

KUCHING -- The appointment of Datuk Muhammad Ibrahim as Bank Negara Malaysia (BNM) Governor, to succeed Tan Sri Dr Zeti Akhtar Aziz who just retired, will ensure continuity and has drawn positive reaction from the financial fraternity. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said Monday, Mohammad Ibrahim brings a myriad of skills and years of valuable experience honed in various roles including bank regulation and supervision and strategic planning.

TUESDAY

EPF To Deliver Good Returns Above Inflation Rate

KUALA LUMPUR -- The Employees Provident Fund (EPF) is optimistic that it will continue to deliver real rate of return of 2.0 per cent above the rate of inflation this year despite the volatility in equity markets, Chief Executive Officer Datuk Shahril Ridza Ridzuan said Tuesday. He said the 'inflation plus 2.0' key target, which defined its contribution to investors, has led EPF to outperform over the last five to six years when it managed to deliver a larger return of 'inflation plus 4.0'.

WEDNESDAY

Govt Not Revising Growth, Deficit Targets - Irwan

KUALA LUMPUR -- The government is not planning to revise the gross domestic product (GDP) and fiscal deficit targets, although global crude oil prices have stabilised at around US$45 per barrel and above the US$35 mark set for the 2016 Budget, says Treasury Secretary-General Tan Sri Dr Mohd Irwan Serigar Abdullah. "It's still premature. We don't know whether the price will remain this stable. We are watching closely (the movement of oil prices) and will maintain the GDP growth target," he told reporters after launching Malaysia Debt Ventures Bhd's (MDV) Elevate programme here Wednesday.

THURSDAY

M'sia-Sri Lanka FTA Takes At Least 2-3 Years - Mustapa

From Nurunnasihah Ahmad Rashid

COLOMBO -- The possibility of exploring a Free Trade Agreement (FTA) between Malaysia and Sri Lanka would take at least two to three years, said Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed. The timeline, which is considered reasonable, would also depend on the negotiations between both countries, he said after the Seminar on Business Opportunities in Malaysia here Thursday.

FRIDAY

Malaysia Registers RM23.94 Bln Trade Surplus Q1

KUALA LUMPUR -- Malaysia registered a resilient trade performance in the first quarter of 2016 (1Q16), with total trade expanding to RM346.38 billion from the RM345.15 billion chalked up in the same period of 2015. The trade surplus improved by 12.2 per cent to RM23.94 billion in the quarter under review, said Minister of International Trade and Industry Datuk Mustapa Mohamed in the Malaysia External Trade Statistics report released here Friday.

SMEbrief

TERAJU Expands Outreach Programme To Mukah

KUALA LUMPUR -- The Bumiputera Agenda Steering Unit (TERAJU) is continuing efforts to lead, coordinate and drive Bumiputera economic participation in Sarawak, through an outreach programme held in Mukah Monday. "The initiatives and programmes made available through TERAJU and other government agencies, are to develop and empower Bumiputera entrepreneurs and look at creating a strong ecosystem and potentially provide networking opportunities for the community," Chief Executive Officer Datuk Husni Salleh said in a statement.

Pahang SMEs Record RM2 Bln Exports Last Year

KUANTAN -- The Small and Medium Enterprises (SMEs) in Pahang registered close to RM2 billion in export value last year. Ministry of International Trade and Industry (MITI) Deputy Minister Datuk Ahmad Maslan said Tuesday, there were 25 major companies in the state that exported products to countries in ASEAN, West Asia and Europe.

Sabah SMEs Urged To Join SIRIM's Entrepreneurship Programmes

KOTA KINABALU -- Sabah Industrial Development Minister Datuk Tan Shu Kiah wants more small and medium entrepreneurs (SMEs) to participate in entrepreneurship programmes organised by SIRIM Bhd. "I am confident their technology will help our SMEs boost their productivity," Tan said at a SIRIM-Industry Engagement seminar here Tuesday.

Agrobazaar M'sia Opens Up Opportunities For S'pore SMEs

From Rashidah Abdul Rahim

SINGAPORE -- The government's initiative in opening up the Agrobazaar Malaysia at Sultan Gate here has paved the way for small and medium enterprises to market their products in the country as well as internationally. A producer of fish-based frozen products, Noormala Ismail, 42, said Wednesday, the agrobazaar had enabled her company, Cahaya Mala Enterprise, to penetrate the Singapore market to sell otak-otak daun nipah, popiah otak-otak and satar.

PUNB Approves RM43 Mln Loans For Sarawak Entrepreneurs

Noor Soraya Mohd Jamal

KUCHING -- Perbadanan Usahawan Nasional Berhad (PUNB) has approved loans of RM43 million to more than 60 Sarawak entrepreneurs in an effort to improve their numbers and quality. Chairman Datuk Seri Mohd Ali Rustam told Bernama Thursday, for this year, PUNB allocated RM5.0 million to finance at least 30 Sarawak Bumiputera entrepreneurs.

PropUP Propertyupdate

Prasarana Picks 96 For LRT3 Project

KUALA LUMPUR -- Syarikat Prasarana Negara Bhd (Prasarana) Wednesday announced that 96 applicants have qualified for the construction of the RM9 billion Bandar Utama-Klang Light Rail Transit Line 3 (LRT 3) project. Ninety-six were identified out of 124 applicants that met the requirements of a weightage-based evaluation criteria upon completion of the pre-qualification stage for competitive tendering of the 37km project, said President/Group Chief Executive Officer, Datuk Azmi Abdul Aziz.

Gabungan AQRS, JV To Build RM424.23 Mln PR1MA Houses

KUALA LUMPUR -- Gabungan AQRS Bhd's unit, Gabungan Strategik Sdn Bhd, and a joint-venture (JV) partner, Monolight IBS Building System Sdn Bhd, plan to build PR1MA houses in Kuantan, Pahang for RM424.23 million. In a filing to Bursa Malaysia, the group said the project also involved building of amenities, utilities, facilities and infrastructures. Both parties entered into a JV agreement Thursday.

'One Home, One Entrepreneur' To Elevate Indian Economy

KUALA LUMPUR - 'One home, one entrepreneur'. This is the motto set by the newly elected Management Council of the KL & Selangor Indian Chamber of Commerce and Industry (KLSICCI) to elevate the economic standing of Indians in the country. KLSICCI President Datuk V.Shanmuganathan said Thursday, the new committee aspired to create 1,000 Indian entrepreneurs in the next two years with at least one entrepreneur in a family.

Vivocom Bags RM160 Mln Mixed Devt Contract

KUALA LUMPUR -- Vivocom Intl Holdings Bhd Group has secured a RM160 million contract to build a mixed development project in Kinta, Perak. The group said in a statement to Bursa Malaysia Thursday, its unit, Vivocom Enterprise Sdn Bhd, has entered into a heads of agreement with De Facto Integrated Sdn Bhd. De Facto Integrated is the appointed developer for the land which has an estimated gross development value of RM200 million.

MBSB Not Looking To Apply For Banking Licence

KUALA LUMPUR -- Malaysia Building Society Bhd (MBSB) is not looking to apply for a banking licence at this stage, said its President/Chief Executive Officer, Datuk Ahmad Zaini Othman Thursday. He said over the past two years, MBSB has been involved in merger exercises with CIMB Bank and Bank Muamalat, all with the intention of putting it in a banking kind of platform.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 426

Losers - 346

Not Traded - 564

Unchanged - 367

Value - 1822300672

Volume - 15751527

BURSA Malaysia Ends Marginally Higher

KUALA LUMPUR -- Bursa Malaysia reversed its earlier trend to end marginally higher on late buying support especially for selected finance counters. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) finished 4.27 points or 0.26 per cent better at 1,649.36, after opening 3.00 points lower at 1,642.09. It moved between 1,651.42 and 1,633.18 throughout the day. The bellwether index had closed at 1,645.09 on Thursday.

Gainers outnumbered losers 426 to 346 while 367 counters were unchanged, 564 untraded and seven others were suspended. Volume rose to 1.57 billion shares, worth RM1.82 billion, from Thursday's 1.39 billion shares valued at RM1.62 billion. Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said investors were taking the opportunity to take profits out of the market given the weak market sentiment. "We see that there has been signs of bargain hunting activity in some blue chip stocks, but this would only be temporary," he told Bernama. Main Market turnover rose to 1.02 billion units, worth RM1.73 billion, from Thursday's 949.51 million units valued at RM1.55 billion.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.0000	4.0080
EUR	4.5684	4.5791
GBP	5.7948	5.7080
100 YEN	3.7404	3.7489
SGD	2.9440	2.9501

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Higher Against US Dollar

KUALA LUMPUR -- A last-minute buying momentum lifted the ringgit to close slightly higher at 4.0000/0080 against the US dollar from 4.0020/0090 on Thursday. However, traders were still cautious due to lack of market moving catalyst. The US Non-Farm Payroll data for April is due to be released Friday evening coupled with concerns over another round of US interest rate hike, expected in July, which sent investors into a jittery mode.

Money-Market: Short-Term Rates Close Stable

KUALA LUMPUR -- Short-term interbank rates ended stable Friday on Bank Negara Malaysia's (BNM) intervention to reduce the liquidity surplus in the financial system. The liquidity surplus in the conventional system eased to RM25.33 billion from RM30.58 billion earlier while in the Islamic system, it fell to RM6.03 billion from RM11.79 billion. BNM had earlier called for two Repo tenders, a Qard Islamic Range Maturity Auction tender and one Commodity Murabahah Programme. The central bank also conducted a conventional money market tender for RM25 billion and a Qard money market tender for RM6 billion, both for three-day money. The overnight Islamic reference rate stood at 3.20 per cent while the one-week, two and three-week rates were pegged at 3.31 per cent, 3.35 per cent and 3.40 per cent, respectively.

KLIBOR Futures Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended untraded Friday. May 2016 stood at 96.32 while June 2016, July 2016 and September 2016 were each pegged at 96.35 each. Open interest was nil. At the 11am fixing, the underlying three-month KLIBOR stood at 3.68 per cent.

KLCI Futures Ends Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives ended higher Friday in tandem with the underlying cash market. Spot contract May 2016 and September 2016 each rose 1.00 point to 1,641.00 and 1,628.00, respectively, June 2016 added 0.50 of-a-point to 1,637 and December 2016 improved 3.00 points to 1,619.00. Turnover fell to 8,932 lots from 9,594 lots on Thursday while open interest increased to 42,874 contracts from 41,872 contracts, previously. The benchmark FBM KLCI closed 4.27 points higher at 1,649.36.

Bank Muamalat Ready For Listing, Says Munir

KUALA LUMPUR -- Bank Muamalat Malaysia Bhd is ready to list on Bursa Malaysia if the shareholders said so, said Chairman Tan Sri Dr Munir Majid. He said the shareholders would certainly look for ways to add values to their holdings and find ways, including listing. "If such a corporate exercise reaches us, we will have to deal with it. Listing as an option has being mentioned before. "We are a small bank that needs to grow -- organic or merger and acquisition (M&A)," he told reporters here Tuesday.

New BNM Governor Will Continue To Take Financial Sector To Greater Heights - LIAM

KUALA LUMPUR -- The Life Insurance Association of Malaysia (LIAM) has great confidence that Bank Negara Malaysia (BNM) Governor Datuk Muhammad Ibrahim will continue with the legacy to bring the central bank and the country's financial industry to greater heights of achievements. LIAM President Toi See Jong said the appointment was timely in recognition of Muhammad's outstanding contributions in various capacities at BNM over the last 32 years. "The smooth leadership transition will pave the way for the life insurance industry to continue with its efforts to work closely with the central bank and key stakeholders in embarking on various educational, promotional and awareness programmes for the people," he said in a statement Tuesday.

TA Investment Declared Gross Income Distributions For TAREITs, TADIF

KUALA LUMPUR-- TA Investment Management Bhd has declared gross income distribution of 1.5 sen per unit for the TA Asia Pacific Real Estate Investment Trust Income Fund (TAREITs) and 0.4 sen per unit for its quarterly TA Asian Dividend Income Fund (TADIF). In a statement here Tuesday, the fund manager said the payout would benefit registered unit holders of the funds as at April 29, 2016.

Financial, Insurance Sector Staff Opt For VSS

KUALA LUMPUR -- A total of 17,628 workers in the financial and insurance sectors are made redundant with 98 per cent opted to accept voluntary separation schemes (VSS) last year Deputy Human Resources Minister Datuk Seri Ismail Abd Mutalib said they accounted for 46 per cent of 38,499 workers across all sectors who were laid-off in 2015. "The downsizing in the financial and insurance sectors was not just because of the economic situation but also due to employers' strategy to optimise the information and communication technology utilisation," he said here Wednesday.

MAA Takaful's Acquisition Won't Affect Existing Customers - Zurich Insurance

KUALA LUMPUR -- Existing Takaful contracts of MAA Takaful Bhd (MAAT) will be unaffected by the Zurich Insurance Company Ltd's takeover of the company. As the new owner, Zurich will continue servicing MAAT customers and their contracts remain valid, with all obligations honoured until the term ends. In a statement Thursday, the leading multi-line insurer said it had entered into a conditional share purchase agreement (SPA) to acquire 100 per cent of the shares of MAAT from MAA Group Bhd (MAAG) and Solidarity Group Holding BSC.

Takaful Ikhlas, NUBE Partners For Golden Retirement Scheme

KUALA LUMPUR -- Takaful Ikhlas Bhd has partnered the National Union of Bank Employees (NUBE) to provide the NUBE Golden Retirement Scheme, a long-term takaful plan that provides members with takaful coverage and savings for retirement. Takaful Ikhlas President and Chief Executive Officer Datuk Ab Latiff Abu Bakar said the aim of the initiative was not only to help NUBE members plan their retirement effectively but also enjoy a comfortable life in the future without being burdened with financial problems.

BNM's Int'l Reserves At RM381.4 Bln As At April 29

KUALA LUMPUR -- Bank Negara Malaysia's (BNM) international reserves amounted to RM381.4 billion (equivalent to US$97.0 billion) as at April 29, 2016. In a statement here Friday, BNM said the reserves position was sufficient to finance 7.9 months of retained imports and was 1.1 times the short-term external debt. The main components of the international reserves were foreign currency reserves (US$89.1 billion), International Monetary Fund position (US$0.8 billion), Special Drawing Rights (SDRs) (US$1.2 billion), gold (US$1.4 billion) and other reserve assets (US$4.5 billion).

MAA Takaful Set To Scale Greater Heights With International Expertise

KUALA LUMPUR -- MAA Takaful Bhd (MAAT) Friday said it is confident that with international expertise and a global brand combined with local Takaful talent, it will scale greater heights, benefiting all certificate holders. In a statement here Friday, it said Zurich Insurance Company Ltd's takeover of the company will not affect existing customers. "We wish to inform our certificate holders that the potential transaction would not affect their existing Takaful contracts. "MAAT would continue servicing our existing certificate holders and their contracts would remain valid, with all obligations honoured until the end of their term," it said.

OCBC Al-Amin Pre-Tax Profit Soars To RM172 Mln

KUALA LUMPUR -- OCBC Al-Amin Bank Bhd's (OCBC Al-Amin) pre-tax profit for the financial year ended Dec 31, 2015 surged 97 per cent to RM172 million from RM87 million in 2014. OCBC Al-Amin Chief Executive Officer Syed Abdull Aziz Syed Kechik said the strong growth in 2015 was largely due to higher financing income from gross financing and advances, which grew eight per cent to RM10.2 billion. "This is supported by an increase in customer deposits which grew two per cent to RM10.2 billion," he said in a statement here Tuesday.

Malaysia Manufacturing PMI Declines To 47.1 In April

KUALA LUMPUR -- The headline Nikkei Malaysia Manufacturing Purchasing Managers Index (PMI) has deteriorated to 47.1 in April 2016 from 48.4 in March. Financial information services provider Markit said here Tuesday, the PMI April Index was the lowest in five months. The index is an indicator of manufacturing performance, whereby any figure greater than 50.0, indicates overall improvement of sector operating conditions. The headline PMI signalled a sharper rate of deterioration in the Malaysian manufacturing sector.

Press Metal's Q1 Pre-Tax Profit Surges To RM137.24 Mln

KUALA LUMPUR -- Press Metal Bhd's pre-tax profit for the first quarter ended March 31, 2016 surged to RM137.24 million from RM70.16 million in the same quarter last year. In a filing to Bursa Malaysia Tuesday, Press Metal said the higher pre-tax profit was due to the increase in output and lower finance costs due to the retirement of certain higher interest-bearing debts. Revenue rose by 22.2 per cent to RM1.29 billion from RM1.06 billion due to the additional output by the Samalaju plant's new phase which has been commissioning progressively, it said.

Hartalega Q4 Pre-Tax Profit Increases To RM71.19 Mln

KUALA LUMPUR -- Hartalega Holdings Bhd's pre-tax profit for the fourth quarter ended March 31, 2016 rose to RM71.19 million from RM67.33 million in the same quarter last year. Revenue increased to RM400.43 million from RM305.11 million previously, the investment holding company said in a filing to Bursa Malaysia Tuesday. For the full-year, it said, pre-tax profit increased to RM317.35 million from RM276.88 million last year while revenue rose to RM1.5 billion from RM1.15 billion previously.

F&N Q2 Pre-Tax Profit Increases To RM107.61 Mln

KUALA LUMPUR -- Fraser & Neave Holdings Bhd's (F&N) pre-tax profit for the second quarter (Q2) ended March 31, 2016 rose to RM107.61 million from RM86.55 million in the same quarter a year ago. Revenue increased to RM999.16 million from RM939.88 million previously, F&N said in a filing to Bursa Malaysia Wednesday. It said the higher revenue was mainly due to the better sell-in of its core products from well-executed Chinese New Year festivity-driven consumer and trade marketing programmes.

Air Freight Demand In Asia-Pacific Falls 5.2 Pct In March

KUALA LUMPUR -- Asia-Pacific carriers saw a 5.2 per cent drop in demand in March 2016 as compared with the same month last year. The International Air Transport Association (IATA), in a statement said overall demand was weak with export volumes from emerging Asian economies having contracted in annual terms for 11 of the past 12 months. Director General and Chief Executive Officer Tony Tyler stressed that this is shaping up to be another tough year for air cargo, of which February 2016 world trade volumes, were only 0.4 per cent higher than at the end of 2014.

TM Eyes Higher Contribution From Enterprise Segment

KUALA LUMPUR -- Telekom Malaysia Bhd (TM) is bullish on market prospects and expects its enterprise segment to register a higher contribution to the group's total revenue this year. "The segment contributed 16 per cent to the group's revenue in 2015, up from a healthy single-digit contribution previously. "For this year, I am very confident that the segment will grow more than 16 per cent," said TM's Enterprise Sales Executive Vice President, Wan Ahmad Kamal Wan Halim. He was speaking to reporters after delivering a presentation at the TM Biz Fusion 2016 conference here, Thursday.

Grab Expects Double-Digit Growth In Regional Service

KUALA LUMPUR -- Grab, the largest transport booking application in South East Asia, is targeting a double-digit growth this year in its services regionally. Head of Grab Malaysia Jaygan Fu said the target was based on the fact that more drivers had registered and more people were using the service. "I think it maybe a double-digit. I think it is about 15 per cent based on what I think is a good gauge," he told reporters here Thursday.


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Malaysia Re-Energising Economic Ties With India – Mustapa
From Nurunnasihah Abdul Rashid

NEW DELHI -- India, a fast growing economic force in Asia and an important trading and economic partner of Malaysia and Putrajaya, aims to elevate it further by re-energising ties amid the immense potential available between the two nations. In 2015, India was Malaysia's 10th largest trading partner with total trade amounting to US$12.02 billion. India's economy grew by 7.3 per cent during 2014-2015. Malaysia's cumulative investment in India amounted to US$4.057 billion while India's approved investments in Malaysia between 2011-2015 stood at US$607.7 million. "Malaysia has a strong presence in India, especially in the infrastructure sector. At the same time we also want Indian companies to invest in Malaysia," Minister of International Trade and Industry Datuk Seri Mustapa Mohamed said at a business opportunity seminar in Malaysia here Monday.

Excellent Service By Malaysia Airlines Impresses Indian Investor
From Nurunnasihah Ahmad Rashid

NEW DELHI -- Malaysia Airlines' excellent services is a good benchmark on how Malaysia welcomes investors, Tata Consultancy Services Ltd (TCS) Head Delivery & Operation Milind Kamble said. "When I step into a Malaysia Airlines aircraft, the excellent service provided by the flag carrier is exactly what I experience in my business dealings in the country," he said. Malaysia, which is a multiracial country, also offers an array of delicious food, which would make anyone feel at home. "My favourite is the teh-tarik," he said to the amusement of about 170 participants at the seminar on "Business Opportunities in Malaysia" here Monday.

Boeing 737 Max Makes First Int'l Journey For Flight Testing
KUALA LUMPUR -- The Boeing 737 MAX 8 has marked a key achievement after completing high altitude flight testing in La Paz, Bolivia. It is the first international trip for the 737 MAX flight-test fleet. The airport's 13,300-foot (4,050-meter) altitude tested the MAX's capability to take off and land at high altitudes, which can affect overall airplane performance, Boeing said in a statement here Tuesday.

Mersing To Be Transformed Into Regional Tourist Hub
KUALA LUMPUR -- The East Coast Economic Region Development Council (ECERDC) and the Johor state government have developed

a strategic implementation plan to transform Mersing into a regional tourist hub. The plan is part of the government's overall commitment to improve the socio-economy by boosting investments into the tourism sector to create more entrepreneurial and job opportunities for the local community. "The tourism development strategy will turn Mersing and its islands into a premier tourism and fishing destination," said ECERDC Chief Executive Officer Datuk Seri Jebasingam Issace John in a statement Tuesday. The council would implement the 'Rainforest to Reef' (R2R) concept in the development of tourism and fishing heritage in Mersing, while focusing on community-based tourism to ensure all projects implemented would benefit the locals.

EPF To Strengthen Leadership, Governance

KUALA LUMPUR -- The Employees Provident Fund (EPF) remains committed to strengthen its leadership and governance, en route to foster a performance-based corporate culture. Chief Executive Officer Datuk Shahril Ridza Ridzuan said good governance and integrity would continue to drive the fund. "EPF will continue to enhance our customers' experience by introducing new online facilities and roll out more self-service options for both members and employers," he told reporters here Tuesday. Shahril Ridza said the e-Pengeluaran, an online platform set up specifically for individual EPF withdrawal, would be extended to include withdrawals for education and critical illnesses.

FIM 2016 Attracts 70 Participants From Seven Countries

KUALA LUMPUR -- The Franchise International Malaysia (FIM) 2016 is set to become the largest franchise exhibition ever held in Southeast Asia with 70 franchise industry players, from seven countries, participating in the three-day event, beginning Friday. The Malaysian Franchise Association (MFA) Secretary-General Mohamad Shukri Salleh said besides local players, interest was also forthcoming from the United States, Australia, Singapore, Indonesia, South Korea and Taiwan. "Among the global brands that will be showcased at FIM 2016 are Gloria Jean's Coffees and Anytime Fitness while home-grown brands will include Marrybrown and Adan Laundry," he told reporters here Thursday. The annual event is organised by the Ministry of Domestic Trade, Cooperatives and Consumerism.

M'sia To Spearhead Establishment Of World's 1st Islamic Venture Capital

KUALA LUMPUR -- Malaysia is spearheading the establishment of the world's first Islamic Venture Capital in collaboration with the Islamic Development Bank (IDB), said Treasury Secretary-General, Tan Sri Irwan Serigar Abdullah. He said a Memorandum of Understanding (MOU) is expected to be signed in Jakarta this month between Malaysia Venture Capital Management Bhd (MAVCAP) and the IDB. "Our team from the Finance Ministry and MAVCAP is currently at the IDB's headquarters in Jeddah, to discuss the final touches to details of the MoU. "We are looking at an initial fund size of US$100 million," he told reporters here Wednesday.

Govt Mulling Free Float Mechanism For Oil Price - Chua

KUALA LUMPUR -- The government is mulling the possibility of replacing the managed float mechanism with a free float system to set petrol and diesel retail prices, said Deputy Finance Minister Datuk Chua Tee Yong. A free float system could benefit consumers by introducing competition among petrol station operators, although more detailed studies are needed before a final decision is made, he said. "The government is studying the possibility of implementing a free float system to replace the current managed float method, but it has not been decided whether oil prices will be determined daily, weekly or fortnightly," he told the Dewan Negara here Wednesday. Chua said under the present managed float mechanism, RON 95 and diesel do not come under the Goods and Services Tax and their prices are lower than in neighbouring countries.

Businesses Told To Capitalise On ASEAN Secretariat Website

KUALA LUMPUR -- Malaysian businesses should capitalise on the ASEAN Secretariat website for information on a wide range of topics about trade and market access in ASEAN member states. ASEAN Business Advisory Council Malaysia Chairman Tan Sri Dr Munir Majid said here Wednesday, they could check on the development of each member state, information on trade-related matters and market access, and the ASEAN Trade Repository. He said the ASEAN Trade Repository provided information on trade, customs, laws, regulations, requirements and procedures, which were done in a transparent manner among the 10 ASEAN member states.

Agrobank Wins Prestigious Award For Financial Inclusion

KUALA LUMPUR -- Agrobank Malaysia Monday received a prestigious award from the Association of Development Financing Institutions in Asia Pacific (ADFIAP) for the bank's outstanding work in financial inclusion particularly to the agriculture community and underserved segment. Agrobank President and Chief Executive Officer Datuk Wan Mohd Fadzmi Wan Othman said the international recognition was a testament to Agrobank's efforts towards providing access to finance particularly to the unserved and underserved community.

Syed Muhammad Appointed Chairman Facilitator For The Future CEO Programme

KUALA LUMPUR -- CIMB Islamic Bank Chairman Datuk Dr Syed Muhammad Syed Abdul Kadir has been appointed as Chairman Facilitator for the Future CEO Programme in Malaysia. The programme offered by the CEO Institute of Australia, the world's first global certification body for CEOs, is a platform for senior executives and small and medium enterprise business leaders to regularly engage through 'mentored learning'. Syed Muhammad's appointment will help facilitate experiential learning for participants of the personal development programme and mentoring them in their current business challenges, K-Pintar Sdn Bhd, a leading human capital development solutions provider, it said in a statement Tuesday.

First Batch Of Torchbearers Under ABS' Flame Programme Rolls Out

KUALA LUMPUR -- The Asian Banking School (ABS) has rolled out its first batch of 20 torchbearers under the Future Leaders and Managers Enrichment (FLAME) programme. The programme targets graduates starting out in the financial services industry. The trainees were part of apprentices under the Financial Sector Talent Enrichment Programme (FSTEP), ABS said in a statement here Tuesday.

PTP Embarks On MRMS & VTMIS Systems

KUALA LUMPUR -- The Port of Tanjung Pelepas (PTP) has embarked on the latest Marine Resource Management System (MRMS) and Vessel Traffic Monitoring and Information System (VTMIS) to step up its measures towards becoming a green port. The systems have the ability to reduce the company's carbon footprint specifically paper usage, said PTP Acting Chief Executive Officer Johannes De Jong in a statement Tuesday.

AIBIM To Host Global Islamic Finance Forum 5.0

KUALA LUMPUR -- The Global Islamic Finance Forum (GIFF) 5.0 will bring experts from across the globe to unlock the potential of the industry in order to stay relevant and maintain a positive momentum. Organising Chairman Nazlee Khalifah said the forum, scheduled for May 10 to 12 here, would be a platform for industry players to identify areas that should be addressed to boost the growth of global Islamic capital. "The global Islamic finance industry was worth about US$2.14 trillion in 2015, of which Malaysia's contribution was at 30 per cent," he told reporters here Tuesday.

FIM 2016 Set To Attract RM370 Mln In Transactions

By Kamarul Irwan Alias

KUALA LUMPUR -- The Malaysian Franchise Association (MFA) expects the 23rd Franchise International Malaysia 2016 (FIM 2016) Exhibition and Conference to record RM370 million in transactions. MFA Secretary-General, Mohamad Shukri Salleh, said FIM 2016 was expected to attract 12,000 visitors and 80 companies, local and foreign, which had the potential to invest in the franchise industry. "Federal Agricultural Marketing Authority will showcase its local brand serving premium specialty coffee blend, KopieSatu. "The brand is expected to receive strong demand via franchise system sales," he told Bernama here Tuesday.

Malakoff Appoints New Group MD

KUALA LUMPUR -- Malakoff Corporation Bhd (Malakoff), a member of the MMC Group, Tuesday announced the appointment of Datuk Wira Azhar Abdul Hamid as Group Managing Director, effective May 1. Azhar began his career in the United Kingdom where he served British Telecom Plc as an Internal Auditor Manager from 1989 to 1991, a company statement said here Tuesday. He is the Chairman of Tradewinds Corporation Bhd, a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom, and a member of the Malaysian Institute of Accountants.

Malaysian Firms Bag Nine Out Of 10 Awards At ADFIAP

KUALA LUMPUR -- Six members of the Association of Development Financing Institutions Malaysia (ADFIM) have bagged nine out of 10 awards at the 39th Annual Meeting of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). In a statement Tuesday, ADFIM said the members -- SME Bank, Bank Pembangunan Malaysia Bhd, Agrobank, Perbadanan Nasional Bhd, Credit Guarantee Corp Malaysia Bhd and Tekun Nasional -- won the awards in different categories. The ADFIAP is held in Apia, Samoa from May 2-5, 2016. SME Bank Group Managing Director, Datuk Mohd Radzif Mohd Yunus, received the 'Outstanding CEO of the Year 2016' Award.

AirAsia Indonesia To End Bali-Kota Kinabalu Services

KUALA LUMPUR -- AirAsia Indonesia will end its thrice weekly Bali–Kota Kinabalu (KK) services, effective June 23, 2016. In a statement here Wednesday, AirAsia Bhd Chief Executive Officer, Aireen Omar, said this was due to the stagnant market growth and insufficient revenues to offset the costs. "The operational costs have also increased quite substantially for AirAsia's operations at Terminal 1 Kota Kinabalu International Airport," she said.

That Demure, Gutsy Lady Governor In Blue Baju Kurung

Commentary by Siti Hawa Othman

KUALA LUMPUR (Bernama) -- She always had that calm look and weak smile and yet that demure, gutsy lady governor in blue baju kurung sure commanded a lot of confidence and respect from the public.

It had been a tough act all along, managing challenges including financial crisis after crisis, but Tan Sri Dr Zeti Akhtar Aziz maintained her superb reputation to the very end as she completed her 16-year reign helming Bank Negara Malaysia (BNM). A no-nonsense type, Malaysia's first ever woman governor was someone that one could count on to do the job and who was looked up to in times of trouble. Yet she would not take the whole credit for herself, maintaining "it has always been a team effort".

For Zeti has tonnes of appreciation for the BNM team for their commitment and dedication in delivering the mandates of the Bank, and insists that the central bank's success has not been about her alone. "I didn't do it alone but with a solid team, with and behind me," she would say, but she had been instrumental in ensuring that the institution remains solid and resilient even after she has retired.

ZETI OWES IT TO HER TEAM

To her, managing challenges and crises has been one of the bank's accomplishments, besides the success of regional financial integration and development of Islamic finance to be well recognised by the international community.

"It is rewarding to see it during a person's career lifetime. But it's the team that did it, and I was very privileged to have led the team," she said, but added: "I wish we had been a little faster on migration to e-payment, (BNM) is now placing higher priority on this because the benefit is immense." And her newly-named successor Datuk Muhammad Ibrahim is equally able, having the credentials and respect from the financial industry itself. Zeti was thrust into the limelight for her bravery and courage at the height of the Asian financial crisis, being appointed as acting Governor on Sept 1, 1998, a post she held for two years. She and her team had an important role in managing the financial system during the crisis which eventually led to the strong recovery of the Malaysian economy.

VOICE OF EMERGING ECONOMIES

Not only did she help steer the economy through the 1998 Asian financial crisis and the global financial crisis of 2009, she is also being lauded as the voice of the emerging economies in wanting them to have a bigger role in the global economy.

She and her team also had a hand in the transformation of the Malaysian financial system, leaving it solid, stable and resilient to withstand volatilities and future shocks. Born in Johor Baharu on Aug 27, 1947, Zeti is the only child of a noble and highly regarded Malaysian couple, Royal Professor Ungku Aziz and the late Sharifah Azah Mohamed Alsagoff, better known as Puan Azah Aziz.

Her father, fondly known as Ungku Aziz, was Vice-Chancellor of Universiti Malaya from 1968-1988 and a well-known academic and economist who was also responsible for the creation of the Pilgrims Fund (Tabung Haji), which has helped a lot of Muslims to perform the Hajj. Her mother was a renowned and respected Malay culture icon who advocated the preservation of authentic Malay traditional culture. She was always seen in her trademark baju kurung, a trait also instilled in her daughter. Together with Zeti in the financial sector, this family deserves the gratitude of Malaysians for their outstanding contributions to society and the country.

-- BERNAMA

FAREWELL...Bank Negara Governor Tan Sri Dr Zeti Akhtar Aziz in a group photograph with the media at the central bank lobby on April 29. Pix: Dayana Nabila fotoBERNAMA

LIST OF MARKET REPORTS :

BURSA To Stage Oversold Rebound Next Week

By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- Bursa Malaysia is expected to stage an oversold rebound next week despite looming external factors. Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the FTSE Bursa Malaysia KLCI (FBM KLCI) was anticipated to rebound to between 1,650 and 1,660 following the upside correction to the downtrend in the past three weeks. "Regional bourses as well as the MSCI AC Asia Pacific Index have also been down for almost three weeks, which was another reason as to why the local market dropped," he told Bernama. Nazri Khan said the external factors included the lacklustre United States (US) economic data based on the ADP private sector employment report. The report showed private job creation decreased in April as firms added just 156,000 jobs. In March, ADP revised private payrolls down by 6,000 to 194,000. Meanwhile, in China, the Caixin Manufacturing Purchasing Managers' Index (PMI) fell to 49.4 in April from 49.7 in March. "Economists were also speculating on a possibility of an interest rate increase in June by the US Federal Reserve, thus we reckon that it is normal to see market consolidation in May," Nazri Khan told Bernama . Last week, the four-day trading session was volatile, which saw the benchmark FBM KLCI fall 23.36 points to 1,649.36 from 1,672.72 last week. The market was closed on Monday in lieu of the Labour Day public holiday which fell on Sunday. Weekly turnover decreased to 6.36 billion units worth RM7.31 billion from 9.77 billion units valued at RM10.24 billion last Friday. Main market volume fell to 4.31 billion units worth RM6.9 billion from 7.20 billion shares valued at RM9.79 billion.

FOREX: Ringgit To Hover At 4.01 Versus US Dollar

KUALA LUMPUR -- The ringgit is likely to hover around 4.01 level against the US dollar next week, hinging on the crude oil price movement. Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the movement of the local note would be mirrored by the Brent crude oil trend. Global benchmark Brent crude oil price fell to US$44.75 on Friday as the US dollar gained momentum. "The volatility in the ringgit is very much related to the volatility in the oil price...this is a short term trend and I'm optimistic that it (the ringgit) would recover soon when the oil price resumes its uptrend," he added. Prices of Brent crude oil and US West Texas Intermediate slid more than five per cent as US crude inventories were at its highest level in 80 years. For the week just ended, the ringgit breached the 4.00 level against the greenback and touched a six-week low, a level last seen on March 29, 2016. The local unit ended at 4.0000/0080 on Friday against the greenback from 3.9000/9070 in the previous week. It also fell against the Singapore dollar to 2.9440/9501 from last Friday's 2.9024/9083 and weakened against the yen to 3.7404/7489 from 3.6411/6487 previously. It depreciated against the British pound to 5.7948/7080 from 5.6862/6984 last Friday and weakened against the euro to 4.5684/5791 from 4.4370/4462 from previously.

Money Market To Stay Stable Next Week

KUALA LUMPUR -- The Malaysian money market is likely to remain stable next week with Bank Negara Malaysia (BNM) continuing to intervene to manage surplus liquidity. The central bank is expected to conduct daily tenders to reduce excess liquidity from the financial market. For the week just ended, BNM intervened on a daily basis to absorb excess funds by conducting several tenders -- conventional money market, Qard, repo, range maturity auction, Islamic range maturity auction and Commodity Murabahah Programmes. On Friday, the central bank's action helped reduce the market's liquidity surplus in the conventional system to RM25.33 billion from RM30.58 billion earlier.

The market liquidity in the Islamic system fell to RM6.03 billion from RM11.79 billion previously. The overnight rate stood at 3.20 per cent while the one-, two- and three-week rates were at 3.31 per cent, 3.35 per cent and 3.40 per cent respectively throughout the week. Meanwhile, the benchmark three-month interbank rate was lower at 3.68 per cent from 3.70 per cent last Friday.

KLCI Futures Likely To Trade Higher Next Week

By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected trade higher next week. Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said this was in line with the anticipated upside correction to the downtrend in the cash market. "Bargain hunting would occur when market is slow, as traders would buy because the market is cheaper, he told Bernama. For the week just ended, the futures market was volatile due to a weaker ringgit against the US dollar, coupled with poor global economic data mainly from the United States and China. Market was closed on Monday in lieu of the Labour Day public holiday which fell on Sunday. On a week-to-week basis, new spot contract month May 2016 fell 21.50 points to 1,641.00, June decreased 20.50 points to 1,637.00, September 2016 eased 18.50 points to 1,628.00 while December 2016 stood at 1,619.00. Turnover for the week declined to 39,286 lots from 106,101 lots last week while open interest decreased to 42,874 contracts from 68,589 contracts previously. The benchmark FBM KLCI settled at 1,649.36, up 4.27 points from 1,672.72 last Friday.

CPO Futures Expected To Trade Mixed Next Week

By Zarul Effendi Razali

KUALA LUMPUR -- The crude palm oil (CPO) futures market is expected to trade mixed next week, with prices ranging between RM2,550 and RM2,600 a tonne, a dealer said. Interband

Group of Companies Senior Palm Oil Trader, Jim Teh, said traders remained cautious ahead of the official crop report from the Malaysia Palm Oil Board next week. "Talks have lingered around the market expecting the April CPO production to be better than that in March," he told Bernama. He said the data would provide a clearer direction for the traders. Teh said the ringgit, which is expected to continue its downtrend against the US dollar next week, would also provide positive buying sentiment for foreign traders, which would result in a reduction in inventory. "More foreign traders are expected to come into our market next week, as the weakening of the ringgit will make our CPO cheaper for them," he added. For the week just ended, the CPO futures traded higher on the weakening ringgit. May 2016 rose RM68 to RM2,640 a tonne, June 2016 went up RM44 to RM2,637 a tonne, July 2016 added RM35 to RM2,628 a tonne while August 2016 was RM23 higher at RM2,605 a tonne. Turnover slipped to 234,724 lots from 265,786 lots last Friday while open interest increased to 323,495 contracts from 307,609 contracts previously. On the physical market, April South rose RM40 to RM2,640 a tonne.

Rubber Market Likely To Rebound

KUALA LUMPUR -- The Malaysian rubber market is likely to bounce back next week driven by fresh leads from regional markets, dealers said. A dealer said the shorter trading days on the Tokyo Commodity Exchange (TOCOM) had resulted in traders remaining on the sidelines this week. He said the Shanghai Futures Exchange saw heavy profit-taking this week due to the sharp increase in prices two weeks ago. "The Chinese regulators are expected to further step in into the market next week in order to restore calm," he said. The weakening of the ringgit against the US dollar had also hurt buying sentiment among traders, he added. For the week just ended, the local rubber market traded mixed in tandem with regional futures markets. On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 declined 3.0 sen to 571.5 sen a kg while latex-in-bulk slipped 2.5 sen to 506.5 sen a kg. The 5 pm unofficial closing price for SMR 20 appreciated 9.0 sen to 583 sen a kg while latex-in-bulk added 1.5 sen to 508 sen a kg.

KLIBOR Futures Likely To Remain Flat Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are expected to remain flat next week on lack of trading interest. For the week just ended, no contract was traded throughout the week and open interest remained nil. On a Friday-to-Friday basis, spot month May 2016 remained at 96.32 while June 2016, July 2016 and September 2016 all remained at 96.35. The underlying three-month KLIBOR was lower at 3.68 per cent from last Friday's 3.70 per cent.

KLTM To Trade Between US$17,000 And US$17,800 A Tonne

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to trade higher at between US$17,000 and US$17,800 a tonne next week. "The demand for tin is still strong and it is estimated to be on an upward momentum," a dealer told Bernama. He said the trend is currently upwards, however, he said there might be some moderate downward trend throughout the week. For the week just-ended, tin finished US$100 higher at US$17,350 a tonne compared with US$17,250 per tonne last Friday. The weekly turnover fell to 167 lots from 256 lots last week. Meanwhile, the price differential between the KLTM and the LME stood at a discount of US$25 a tonne.

Gold Futures Expected To Trend Higher

By Azlee Nor Mahmud

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to strengthen next week in line with the anticipated rise in New York Commodity Exchange's (COMEX) gold futures prices. Phillip Futures Sdn Bhd Dealer Ong Su Ling said the latest US non-farm payrolls declined by 40,000 in April, which was lower than expected. "This could force the Federal Reserve to rethink their interest rate plan. "However, the movement in the ringgit also needs to be taken into consideration," she told Bernama. On a Friday-to-Friday basis, May 2016 and June 2016 gained 90 ticks each to RM165.15 a gramme and RM165.00 a gramme, respectively. July 2016 added 100 ticks to RM165.60 a gramme and August 2016 rose 85 ticks to RM165.10 a gramme. Weekly turnover declined to 82 lots valued at RM1.35 million, from 130 lots worth RM1.06 million, recorded last week. Open interest on Friday narrowed to 473 contracts from 569 contracts previously.