MALAYSIAeBiz
BERNAMA
WEEKLY BUSINESS ROUNDUP 11- 15 JULY 2016

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This Week's Highlight :
OPR Cut Is Pre-Emptive, Says BNM Governor
An exclusive interview by Christine Lim and Siti Hawa Othman

KUALA LUMPUR -- Bank Negara Malaysia (BNM) said Wednesday it has reduced the overnight policy rate (OPR) by 25 basis points to three per cent to further stimulate Malaysia's economic growth. Pix: Amirul Azmi FotoBERNAMA

KUALA LUMPUR -- The decision to cut the overnight policy rate (OPR) is a pre-emptive action to ensure that the economy continues to remain on a steady growth path, says Bank Negara Malaysia (BNM) Governor Datuk Muhammad Ibrahim. "It's not that we expected growth to be weaker in the second half. We anticipate it to be stronger and that growth for the whole year is expected to remain between 4.0 and 4.5 per cent. Now, what we intend to do is to ensure this happens. Basically it is a pre-emptive move," he told Bernama in his maiden media interview since his appointment as the central bank Governor on May 1, 2016.

This Week's Top Stories

MONDAY
Boeing, Xiamen Airlines Sign MoU For 737 MAX 200s

KUALA LUMPUR -- Boeing and Xiamen Airlines have signed a Memorandum of Understanding (MoU) for the purchase of more 737 MAX 200s aircraft. In a statement, Boeing said the MoU, which was signed at the Farnborough Airshow in the United Kingdom Monday, would pave way for the purchase of up to 30 airplanes valued up to US$3.39 billion at current list prices.

TUESDAY
Boeing, StanChart Announce Order For 10 Next-Generation 737-800s

KUALA LUMPUR -- Boeing and Standard Chartered Bank Tuesday announced an order for 10 Next-Generation 737-800s, valued at US$960 million (US$1=RM4.00), at current list prices. The announcement made at the 2016 Farnborough International Airshow, United Kingdom, was attributed to an unidentified customer on the Boeing Orders & Deliveries website, said Boeing in a statement issued here Tuesday.

WEDNESDAY
BNM Cuts OPR By 25 Basis Points To 3 Pct

KUALA LUMPUR -- Bank Negara Malaysia (BNM) has reduced the overnight policy rate (OPR) by 25 basis points to three per cent to further stimulate Malaysia's economic growth. The decision was made at Wednesday's Monetary Policy Committee (MPC) meeting. The last time the central bank adjusted the OPR was on July 2014 when it raised the rate by 25 basis points to 3.25 per cent.

THURSDAY
Ringgit Hits 10-Week High Versus Greenback

KUALA LUMPUR -- The ringgit hit a 10-week high versus the US dollar Thursday as government bond prices extended gains after Bank Negara Malaysia's surprise interest rate cut Wednesday. At 5 pm, the ringgit stood at 3.9450/9510 against the greenback from 3.9690/9740 on Wednesday. A dealer said the higher ringgit was also in line with the uptrend seen among other emerging currencies on expectation that the Bank of England will also follow suit by cutting interest rates.

FRIDAY
Malaysia Wants More Concrete Measures To Realise RCEP
From D.Arul Rajoo

ULAANBAATAR, Mongolia -- Malaysia hopes more emphasis and concrete measures will be given to realise the Regional Comprehensive Economic Partnership, a free trade agreement between ASEAN and six member countries of the Asia-Europe Meeting (ASEM). Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi said Friday, when concluded, the agreement offered vast opportunities and possibilities for both Asia and Europe to bring their economic partnership and cooperation to greater heights.

SMEbrief

M'sian Cos Should Focus On Offering Niche Brands In China

By Samantha Tan

BEIJING -- Despite China's promise of vast business potential and opportunities, Malaysian companies should focus on offering niche brands, says MATRADE Trade Commissioner in Beijing Razida Hanim Abdul Razak. In an effort to further promote Malaysia as a brand, MATRADE provided a platform for Malaysian companies to seek potential partners to expand local franchise brands at the 18th China (Beijing) Franchise Expo (CFE), held from July 9 to 11, she told Bernama.

ANGKASA's 100 Product Champion Makes Foray Into Brunei

PETALING JAYA -- Forty-one products produced by 17 Malaysian co-operatives under the 100 Product Champion Programme will soon make their foray into Brunei, says the Malaysian National Co-operative Movement (ANGKASA). President Datuk Abdul Fattah Abdullah said Tuesday, the halal food and beverage products, worth RM100,000, would be marketed by Brunei's Koperasi Samakaya DT Bhd.

Entrepreneur To Market Fresh Mutton Under Akma Tani

By Syaza Syafiqah Sapudin

KULAI -- Imported goat supplier and breeder, Akma Tani Enterprise, aims to market fresh mutton under the 'Akma Tani' brand in five years. Owner and founder, Noor Akma Walid said Wednesday, the demand for fresh mutton was on the increase, especially in Peninsular Malaysia. "Currently, we are importing 100 goats fortnightly and sell them direcly to our customers between RM700 and RM1,000 per head.

Angkasa To Send 40 Co-ops To Jakarta's Acotex 2016

KOTA BAHARU -- Angkatan Koperasi Kebangsaan Malaysia Bhd (Angkasa) will be sending 40 cooperatives under its aegis to participate in the ASEAN Cooperative Organisation Trade Exhibition, Conference and Business Matching 2016 (ACOTEX 2016) in Jakarta, Indonesia. Angkasa President Datuk Abdul Fatah Abdullah said Thursday, 400 representatives from the ASEAN member countries were expected to attend the event, which will be held from Aug 1-4 at the Bekasi Trade and Convention Centre.

Sophisticated Logistics, Ports Attract China Investors To Johor

JOHOR BAHARU -- The sophisticated logistics and port facilities were among factors that attracted China's investors to the halal industry hub in the state. Johor State Tourism, Trade and Consumerism Committee Chairman, Datuk Tee Siew Kiong said Thursday, in addition to the state's strategic location, another factor was the halal certificates which were recognised worldwide and these provided a platform for them to sell their halal products.

PropUP

Property*update*

OPR Cut Will Ease Property Buyers' Burden - SP Setia

KUALA LUMPUR -- Bank Negara Malaysia (BNM)'s decision to cut the overnight policy rate (OPR) will ease the burden of property purchasers servicing their home loans. In a statement Wednesday, SP Setia Bhd Chief Executive Officer (CEO)/President, Datuk Khor Chap Jen, said the purchasers' monthly repayments for their their loans will be lower and they will have extra money on hand to spend.

Decision To Auction Off Property Last Resort - BSN

KUALA LUMPUR -- The decision to auction off a property was undertaken only after exhausting all means of assisting the borrowers, said Bank Simpanan Nasional (BSN). In a statement Wednesday, BSN said, due care and attention were given to resolve both the complainant's and the co-borrowers' financial commitments to the bank.

Amcorp Properties Unit, Grosvenor Fund Sign JVA

KUALA LUMPUR -- Amcorp Properties Bhd's unit, Amcorp Horizon Sdn Bhd, has signed a joint-venture agreement (JVA) with Grosvenor Europe Investments Ltd and Grosvenor Fund Management Spain, SLU to set up a joint-venture company, Urban Value Add I (Spain) SL. In a filing to Bursa Malaysia Thursday, Amcorp Properties said Urban Value Add I would invest in a portfolio of real estate development and value-add projects in Madrid and any other cities in Spain.

BSN Targets 10,000 Borrowers Under Youth Housing Scheme

KUALA LUMPUR -- Bank Simpanan Nasional (BSN) is striving to get 10,000 new borrowers under its Youth Housing Scheme to boost its low take-up rate. Deputy Chief Executive (Strategy & Communication) Kameel Abdul Halim said Thursday, the scheme, which was aimed at helping married youths own their first home with ease, was launched in July last year but only 2,000 borrowers took advantage of it from BSN.

OPR Cut Can Boost Consumer Spending Power - Developer

KOTA TINGGI -- Bank Negara Malaysia's move in cutting the overnight policy rate (OPR) to 3.00 per cent from 3.25 per cent Wednesday can boost consumer buying power, especially in the property sector, says a developer. Green Target Group Managing Director and Chief Executive Officer Datuk Tan Hong Lai said Thursday, following the reduction of the OPR, the interest rates for housing loans too would go lower.

BURSA MALAYSIA

Scoreboard

Gainers - 476

Losers - 310

Not Traded - 570

Unchanged - 364

Value - 1916930420

Volume - 18903838

BURSA Malaysia Ends Higher, CI Up 0.82 Pct

KUALA LUMPUR -- Bursa Malaysia ended the week higher Friday, helped by buying support in consumer- and trade/service-related stocks, dealers said. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) rose by 13.62 points, or 0.82 per cent, to close at 1,668.4 from 1,654.78 Thursday. Inter-Pacific Research Sdn Bhd Research Head, Pong Teng Siew, said it was a good end to the week. The climb in the index was sparked by the overnight policy rate reduction by Bank Negara Malaysia, he said. On OPR, Pong said, it should not impact the credit market. It would, however, would benefit the public with borrowings, he said. On the broader market, gainers led decliners by 476 to 310, 364 counters were unchanged, 570 untraded and 44 others suspended. Turnover stood at 1.89 billion shares worth RM1.91 billion from 1.57 billion shares worth RM1.89 billion on Thursday. The Main Market turnover rose to 1.16 billion units worth RM1.78 billion from Thursday's 1.15 billion units worth RM1.79 billion.

FOREX: Ringgit Ends Flat Versus Greenback

KUALA LUMPUR -- The ringgit closed flat against the US dollar Friday on lack of catalyst but with continuous demand for the local note, dealers said. At 5 pm, the ringgit was unchanged at 3.9450/9500 against 3.9450/9510 on Thursday. A dealer said the local note remained unchanged after having hit the 10-week high versus the greenback on Thursday as government bond prices extended gains after Bank Negara Malaysia's surprise interest rate cut on Wednesday. "When compared with other emerging currencies, the local note was trading mostly lower on profit-taking ahead of the weekend," the dealer said. Against the yen, the ringgit rose to 3.7242/7306 from 3.7333/7401 on Thursday, while versus the Singapore dollar it fell to 2.9335/9381 from 2.9287/9354. Vis-a-vis the British pound, the local note weakened to 5.2918/2009 from 5.2141/2248 and eased to 4.3935/3007 from 4.3813/3896 versus the euro.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.9450	3.9500
EUR	4.3935	4.3007
GBP	5.2918	5.2009
100 YEN	3.7242	3.7306
SGD	2.9335	2.9381

Source: Bank Negara Malaysia

Money-Market: Short-Term Rates Close Stable

KUALA LUMPUR -- Short-term interbank rates closed stable 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 RM27.99 billion from RM36.54 billion earlier, while in the Islamic system, it declined to RM5.75 billion from RM12.85 billion. BNM had earlier called for two tenders -- conventional money market and Qard. The central bank also conducted a conventional money-market tender for RM24.5 billion and a RM5.5 billion Qard money-market tender, both for three-day money. The overnight Islamic reference rate was one per cent higher at 3.21 per cent, while the one-, two and three-week rates stood at 3.31 per cent, 3.35 per cent and 3.40 per cent, respectively.

KLIBOR Futures Contract Ends Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended untraded Friday. July 2016, August 2016, September 2016 and December 2016 were pegged at 96.54, 96.54, 96.59, and 96.59, respectively. Open interest was nil. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.40 per cent.

KLCI Futures Close Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives closed higher today in tandem with the firmer cash market. Spot month, July 2016 finished 11.5 points higher at 1,668.00, August 2016 and September 2016 gained 11 points each to 1,664.00 and 1,658.5, respectively, and December 2016 increased nine points to 1,645.00. Turnover increased to 6,311 lots from 4,896 lots on Thursday while open interest improved to 42,157 contracts from 39,427 contracts, Thursday. The benchmark FBM KLCI closed 13.62 points better at 1,668.4.

StanChart: BNM To Keep OPR Unchanged At 3.25 Pct

KUALA LUMPUR -- Bank Negara Malaysia (BNM) is expected to keep its overnight policy rate unchanged at 3.25 per cent in its coming monetary policy decision on July 13, Standard Chartered (StanChart) said. "Our long-held view had been for the central bank to ease policy rates this year. However, following the largely neutral tone of the last monetary policy statement, we expect it to maintain the status quo next week and cut rates only in September," StanChart said in a statement here Monday.

CLSB Unit Obtains RM18 Mln Financing From Al-Rajhi Bank

KUALA LUMPUR -- Complete Logistic Services Bhd (CLSB)'s wholly-owned unit, Guper Integrated Logistics Sdn Bhd (Guper), has been granted an Islamic Financing Package of Structured Commodity Financing-i by Al-Rajhi Bank worth RM18 million. In a filing to Bursa Malaysia Tuesday, CLSB said the facility would be used to repay a term-loan and to redeem the properties charged with Hong Leong Bank.

Digital Roadmap For Capturing US$405 Bln Retail Banking Opportunity Unveiled

KUALA LUMPUR -- Cisco Malaysia Tuesday unveiled 'The Roadmap to Digital Value in the Retail Banking Industry' research to help retail banks capture US$405 billion (RM1.6 trillion) in Digital Value at Stake (VaS). In a statement here Tuesday, Cisco said, the research outlined the Digital VaS for retail banking -- as well as a digital roadmap for success. It said in 2015, the financial services only managed to capture just 29 per cent of that opportunity.

OPR Reduction Helps Cut Business Costs, Increase Purchasing Power - ACCCIM

KUALA LUMPUR -- The 25 basis points reduction in the Overnight Policy Rate (OPR) to 3.0 per cent by Bank Negara Malaysia (BNM) will help ease the cost of doing business and benefit consumers, the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM) said. ACCCIM President Datuk Ter Leong Yap told reporters here Thursday, the OPR reduction is a measure of strategy by BNM to stimulate the market. "To a certain degree, this will ease a little bit the cost of doing business and it will also be good for consumers as they will have extra buying power," he said.

SC Seeks Feedback On Proposed REITS Guidelines Enhancements

KUALA LUMPUR -- The Securities Commission Malaysia (SC) has published a consultation paper seeking feedback on the proposed enhancements to the Guidelines on Real Estate Investment Trusts (REITs Guidelines). In a statement here Thursday, the SC said, the proposals were part of its efforts to facilitate growth of the maturing REITs market in a manner that promoted stronger governance practices and instilled greater market confidence.

BSN To Revise Base Rate

KUALA LUMPUR -- Bank Simpanan Nasional (BSN) will revise downward its base rate (BR) to reflect the new overnight policy rate (OPR) as announced by Bank Negara Malaysia (BNM). Deputy Chief Executive (Strategy & Communication) Kameel Abdul Halim told reporters here Thursday, however, BSN had yet to decide when it would make the announcement.

BSN Targets 10,000 Borrowers Under Youth Housing Scheme

KUALA LUMPUR -- Bank Simpanan Nasional (BSN) is striving to get 10,000 new borrowers under its Youth Housing Scheme to boost its low take-up rate. Deputy Chief Executive (Strategy & Communication) Kameel Abdul Halim told reporters here Thursday, the scheme, which was aimed at helping married youths own their first home with ease, was launched in July last year but only 2,000 borrowers took advantage of it from BSN.

Maybank Revises BR, BLR Effective Friday

KUALA LUMPUR -- Malaysia's largest banking group, Maybank, will be revising its base rate (BR) and base lending rate (BLR) effective Friday, in line with the reduction in the overnight policy rate (OPR) by Bank Negara Malaysia (BNM). Maybank in a statement here Thursday said its BR will be decreased by 20 basis points (bps) to 3.00 per cent per annum from 3.20 per cent per annum while its BLR will be revised to 6.65 per cent per annum from 6.85 per cent per annum.

Maybank IB Maintains 'Neutral' On Banking Sector Despite OPR Cut

KUALA LUMPUR -- Maybank Investment Bank (IB) Research has maintained its "neutral" call on the banking sector despite the overnight policy rate (OPR) cut by 25 basis points. In a note here Friday, Maybank IB said the cut is expected to have a marginally negative impact on banks' earnings, but this is buffered in part by the recent 10 basis point base rate hike by some of the banks.

Agrobank Wins Karlsruhe Sustainable Finance Award

KUALA LUMPUR -- Agrobank received 'Outstanding Sustainable Project Financing' award at the Karlsruhe Sustainable Finance Awards 2016 for its success in Paddy-i financing. President and Chief Executive Officer of Agrobank Malaysia Datuk Wan Mohd Fadzmi Wan Othman accepted the award, on behalf of the bank, in a ceremony held in Karlsruhe, Germany, on Thursday. An Agrobank statement said here Friday, the features and benefits of the Paddy-I financing significantly helped paddy farmers increase their output and their income. "The amount disbursed between 2006 and 2015 stood at RM370.53 million, thus benefitting 84,970 farmers, nationwide.

LPI Posts Higher Pre-Tax Profit Of RM232.47 Mln For Q2

KUALA LUMPUR -- LPI Capital Bhd posted a higher pre-tax profit of RM232.47 million for the second quarter ended June 30, 2016 versus RM101.83 million recorded a year ago. Revenue rose to RM339.25 million, during the period under review, from RM304.73 million, contributed by the realisation of gains on the company's equity investment, the company said here Monday.

Digi's Q2 Profit Down On Intense Competition, Softer Consumer Spending

KUALA LUMPUR -- Intense competition and softer consumer spending saw Digi.Com Bhd record a lower pre-tax profit of RM575.64 million for the second quarter ended June 30, 2016 versus RM626.35 million registered a year ago. A steep price decline was also among the reasons why revenue declined to RM1.66 billion from RM1.72 billion previously, the company said in a filing to Bursa Malaysia here Monday.

Global Passenger Traffic To Grow 4.5 Pct Yearly Next 20 Years

KUALA LUMPUR -- In the next 20 years beginning 2016, the global passenger traffic is expected to grow at an average 4.5 per cent a year, according to Airbus' Global Market Forecast. "This will drive the need for over 33,000 new aircraft above 100 seats (32,425 passenger & 645 freighters greater than 10 tonnes) worth US$5.2 trillion. By 2035, the world's aircraft fleet will have doubled from today's 19,500 aircraft to almost 40,000," it said in a statement here Tuesday.

InvestKL Attracts 10 MNCs To Invest RM788 Mln Last Year

KUALA LUMPUR -- The government investment entity, InvestKL, attracted 10 multinational corporations' (MNCs) which invested RM788 million in the capital city in 2015. In its Performance Report 2015, InvestKL said that these 10 MNCs also created 672 high-skilled regional jobs. "In just five years from 2011-2015, InvestKL has drawn 51 MNCs with approved and committed investments of RM5.9 billion, as well as, created more than 7,000 regional jobs," it said in a statement here Tuesday.

June 2016 Passenger Movements Down 4.2 Pct To 9.1 Mln - MAHB

KUALA LUMPUR -- Passenger movements at airports under Malaysia Airports Holdings Bhd (MAHB), including Istanbul Sabiha Gokcen International Airport (SGIA), fell 4.2 per cent year-on-year to 9.1 million in June 2016. In a filing to Bursa Malaysia Tuesday, MAHB said, international traffic fell 3.3 per cent to four million passengers while domestic traffic slipped 4.9 per cent to 5.1 million passengers.

Kao Malaysia Targets 15 Pct Sales Growth In 2016

PETALING JAYA -- Japan's Kao Corporation subsidiary, Kao (M) Sdn Bhd (Kao Malaysia), is targeting a 15 per cent sales growth this year, driven by its core brand. Kao Malaysia Associate Vice-President Tan Poh Ling told reporters here Thursday, the home care's expert core brands included Merries babies diapers, Attack concentrated laundry powder and Biore and Laurier beauty products. She said Kao Malaysia registered a sales growth of 11 per cent last year despite slower market sentiment due to the implementation of the Goods and Services Tax on April 1, 2015.

Atlan's Q1 Pre-Tax Profit Rises To RM25.99 Mln

KUALA LUMPUR -- Atlan Holdings Bhd's pre-tax profit for the first quarter ended May 31, 2016 rose to RM25.99 million from RM22.33 million in the corresponding period a year ago. Revenue increased to RM231.77 million from RM186.46 million previously, it said in a filing to Bursa Malaysia Thursday.

IATA: Airline Profits Not Expected To Improve

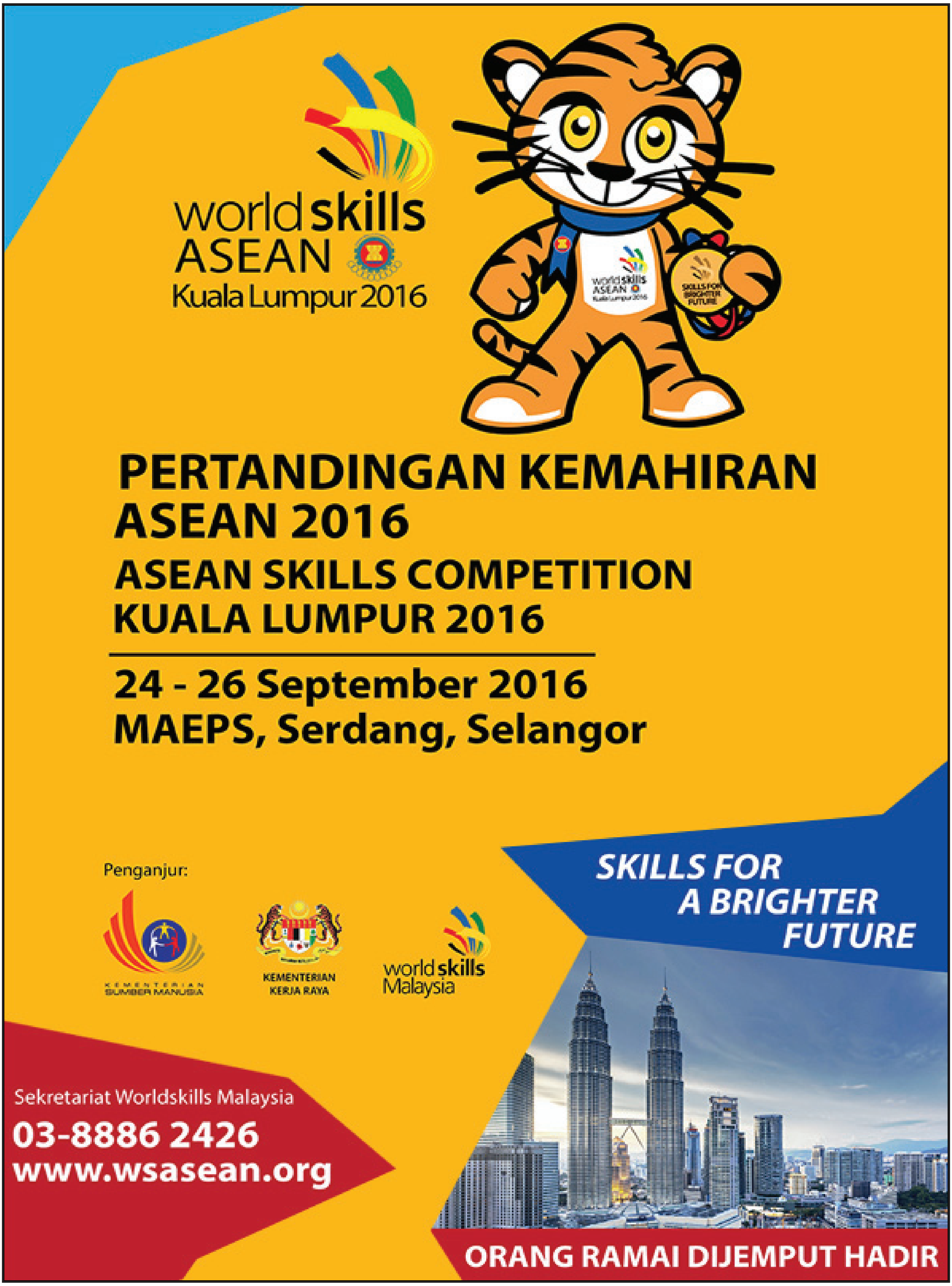
KUALA LUMPUR -- Airline profits are not expected to improve over the next 12 months, said the International Air Transport Association (IATA). In a statement here Thursday, IATA said, based on its Airline Business Confidence Index quarterly survey of airline chief financial officers and heads of cargo in July 2016, the industry's profitability fell slightly year-on-year (yoy) during second quarter 2016 (Q216).

Export Revenue From Rubber Gloves To Hit RM14.3 Bln This Year

KUALA LUMPUR -- Export revenue from rubber gloves is expected to reach a record high of RM14.3 billion this year, up 14 per cent, from RM13.1 billion achieved last year, says the Malaysian Rubber Glove Manufacturers Association (MARGMA). Malaysia maintained the world's number one rubber glove producer with 133.6 billion gloves estimated to be produced this year, commanding an estimated 63 per cent of world market share, President Dennis Low told reporters here Friday.

Cocoa Grindings Up A Slight 0.6 Pct In Q2 2016

KUALA LUMPUR -- Cocoa grindings in Malaysia in the second quarter of 2016 recorded a slight increase of 0.6 per cent to 45,873 tonnes from 45,610 tonnes recorded in the same period of 2015. In a joint statement here Friday, the Malaysia Cocoa Board and Cocoa Manufacturers Group said the cocoa grindings for the second quarter of this year dropped 2.4 per cent from the previous quarter.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ORANG RAMAI DIJEMPUT HADIR

Petronas To Cease Berantai RSC In Sept

KUALA LUMPUR -- Petronas has reached a mutual agreement with Petrofac Energy Developments Sdn Bhd, Kencana Energy Sdn Bhd and Sapura Energy Ventures Sdn Bhd for the cessation of the Berantai Risk Service Contract (RSC) effective Sept 30, 2016. It said in a statement here Monday, the RSC's cessation would allow the group to minimise the project's long-term value erosion and optimise its development and production activities in Malaysia.

AirAsia Places Major Order For 100 A321neo, Total Order Rises To 575

KUALA LUMPUR -- AirAsia has signed a firm order with Airbus for the purchase of 100 A321neo aircraft, marking the first order by the low-cost carrier for the largest model in the best-selling A320 Family. The announcement at the Farnborough Airshow in England sees the total number of A320 Family ordered by AirAsia rising to 575, reaffirming its position as the largest airline customer for the Airbus single-aisle product line.

Global Airline Share Prices Drop 11.6 Pct In June 2016

KUALA LUMPUR -- Global airline share prices dropped 11.6 per cent in June to end the month more than 21 per cent below the level at the start of the year, the International Air Transport Association's (IATA) said in its Financial Monitor report for May 2016-June 2016. It attributed the fall to the uncertainty over the Brexit vote, along with lingering impacts from recent terrorist attacks, which had added investor concerns about the impact of falling unit revenues on profitability.

Boeing Announces Commitment For 30 737 Planes From Chinese Customer

KUALA LUMPUR -- Boeing Tuesday announced a commitment for 30 737 planes from an unidentified Chinese customer at the 2016 Farnborough International Airshow in UK. In a statement here Tuesday, Boeing said, the commitment included a mix of 737 MAX and Next-Generation 737 planes, valued at over US$3 billion at current list prices.

Boeing, TUI Group Finalise Order For 10 737 Max 8s, One 787-9 Dreamliner

KUALA LUMPUR -- Boeing and TUI Group, a multinational travel and tourism company headquartered in Hannover, Germany, and the world's number one in the tourism business, finalised an order, valued at US$1.4 billion, at current list prices for 10 737 Max 8s and one 787-9 Dreamliner. In a statement here Wednesday, Boeing said the order finalised at the Farnborough International Airshow on Tuesday also included an option for one additional 787-9. "With today's order, TUI Group now has three unfilled orders for 787-9s and 70 for the 737 MAX," Boeing said.

Boeing, EGYPTAIR Announce Order For Nine Next-Generation 737-800s

KUALA LUMPUR -- Boeing and EGYPTAIR announced an order Wednesday for nine Next-Generation 737-800s at the 2016 Farnborough International Airshow, England. The deal, valued at US$864 million at current list prices, was previously attributed to an unidentified customer on the Boeing's Order & Deliveries website. Eight of the airplanes will be financed by Dubai Aerospace Enterprise (DAE), headquartered in Dubai, the United Arab Emirates.

Transparency Index Set To See Further Increase This Year

KUALA LUMPUR -- The Transparency Index of Malaysia's top 100 public-listed companies (PLCs) is expected to see further increase and possibly hit 82 points this year, said the Minority Shareholders Watchdog Group (MSWG). Its Chief Executive Officer, Rita Benoy Bushon, said here Wednesday, the index's uptrend, which it has experienced for the past four years, would continue if more firms disclose the minutes of their annual general meetings.

Mongolia Offers Huge Potential For Malaysian Investors

From D.Arul Rajoo

ULAANBAATAR (Mongolia) -- Although Malaysia's trade with Mongolia has declined 57 per cent last year, it has a huge potential for Malaysian investors, especially in the untapped oil and gas industry. Malaysian Ambassador to China and concurrently designated to Mongolia, Datuk Zainuddin Yahya said besides the oil and gas sector, there is also a vast potential in the service and hospitality industry. When he presented his letter of credence to Mongolian President Tsakhiagiin Elbegdorj here last year, Zainuddin said the president expressed his wish to see more Malaysian companies exploring and venturing into various potential sectors in the country.

Perodua Bezza Open For Booking From July 16

KUALA LUMPUR -- Perodua's first energy-efficient vehicle (EEV) sedan, fully-designed by Malaysians with support from Daihatsu Motor Co of Japan, will be open for booking this Saturday. In a statement here Thursday, Perodua President/Chief Executive Officer, Datuk Aminar Rashid Salleh, said the sedan, Perodua Bezza, will be launched on July 21, 2016. "This sedan is the culmination of decades of technology collaboration and technology transfer with our partner Daihatsu Motor.

Logistics, Ports Attract China Investors To Johor Halal Industry Hub

JOHOR BAHARU -- The sophisticated logistics and port facilities were among factors that attracted China's investors to the halal industry hub in the state. Johor State Tourism, Trade and Consumerism Committee

Chairman, Datuk Tee Siew Kiong told reporters here Thursday, in addition to the state's strategic location, another factor was the halal certificates which were recognised worldwide and these provided a platform for them to sell their halal products.

Boeing Celebrates Centennial With Successful Farnborough Airshow

KUALA LUMPUR -- Boeing celebrated its centennial Friday amid a highly successful 2016 Farnborough International Airshow in England that has seen multi-billion US dollar orders and commitments across the company, including defence platforms, commercial airplanes and services agreements. "As the birthplace of British aviation, there are few better backdrops to celebrate the accomplishments and wonders of the aerospace industry and mark our centennial than the Farnborough Airshow," said Boeing Chairman, President and Chief Executive Officer, Dennis Muilenburg.

Malaysia Will Be Home To Chinese Antiques Authentication Service

KUALA LUMPUR -- Malaysia will be home to an authentication service for Chinese antiques following the signing of a memorandum of understanding (MoU) between MIMDAS Sdn Bhd and Guangdong Han Chun Xuan Art Exhibition Co Ltd. Advisor to the programme Tan Sri Ong Tee Keat told reporters here Friday, the MoU would see experts from China verifying and issuing authentication certificates for the artifacts throughout Malaysia with Chinese origins.

Oldtown's Unit Signs Territorial Licence Agreement With China's G&L

KUALA LUMPUR -- Shenzhen Kopitiam Asia Pacific Ltd (SZKAP) has entered into a Territorial Licence Agreement with China-based G&L Food and Beverage Management Company Ltd to establish a restaurant business under the "Oldtown White Coffee" brand name in Jiangsu province. SZKAP is an indirect wholly-owned subsidiary of Oldtown Bhd. In a filing to Bursa Malaysia here Friday, Oldtown said the two companies signed the agreement on July 4, which could be renewed for a period of five years.

Singapore-Malaysia To Sign HSR MoU On July 19

SINGAPORE -- Singapore and Malaysia will sign a Memorandum of Understanding on the High-Speed Rail (HSR) project linking Kuala Lumpur with Singapore next Tuesday, Channel NewsAsia reported. "We are working towards signing the MoU on July 19, 2016. We are still in the process of confirming the details," a spokesperson from Singapore's Ministry of Transport was quoted as saying. It was reported that the ceremony would be witnessed by Singapore Prime Minister Lee Hsien Loong and his counterpart Datuk Seri Najib Tun Razak, who is set to host the event at Seri Perdana, Putrajaya.

Private Sector Needs To Place Importance On R&D, Innovation - PM

KUALA LUMPUR -- The private sector needs to place greater importance and increase expenditure on research and development (R&D), as well as innovation to ensure that the country achieve a sustainable and resilient economy, Datuk Seri Najib Tun Razak said. The prime minister said this would also set Malaysia on the right path towards a developed nation. He said in order for Malaysia to achieve greater outcomes, it must not be afraid or even hesitate to invest in innovation, research and development. "We must aim to increase our R&D and innovation output," he said in a posting on the NajibRazak.com blog here Friday. Najib, who is also finance minister, said Malaysia's commitment to R&D was lagging behind those in high- and middle-income economies, coming in close to 1.1 per cent.

Malaysia-India Trade Potential Remains Untapped - Envoy

KUALA LUMPUR -- The huge potential for trade growth between Malaysia and India remains untapped due to the underutilised free-trade agreement (FTA) and ongoing negotiations for the Regional Comprehensive Economic Partnership (RCEP), High Commissioner of India to Malaysia T.S. Tirumurti said. Malaysia and India established the Comprehensive Economic Cooperation Agreement, a form of a FTA, on September 24, 2010. Tirumurti said the utilisation of the agreement has been low due to the lack of awareness among businesses in both countries. "The utilisation of the FTA has not been high because of lack of information. So, it is the endeavour of the government to tell them to start utilising it more," he told reporters here Friday.

MSM Appoints Mohamad Amri As CEO

KUALA LUMPUR -- MSM Malaysia Holdings Bhd appointed Mohamad Amri Sahari as Chief Executive Officer (CEO) effective Tuesday, replacing the late Datuk Sheikh Awab Sheikh Abod. Mohamad Amri was MSM Deputy CEO since March 2011, the group said in a filing to Bursa Malaysia Tuesday. Prior to joining MSM, Mohamad Amri was the Acting General Manager, Procurement & Supply Services Department for Felda Palm Industries Sdn Bhd.

Boeing, Kunming Airlines Ink MoU For 10 737 Max 7 Airplanes

KUALA LUMPUR -- Boeing and Kunming Airlines have inked a Memorandum of Understanding (MoU) for the purchase of 10 737 MAX 7 airplanes at the 2016 Farnborough International Airshow in the United Kingdom. With the MoU, Kunming Airlines, an all-Boeing fleet customer in China, would become launch customer in China for the improved 737 MAX 7 airplane, as well as, further enhance the strategic cooperation between the two entities, Boeing said in a statement here Tuesday.

AirAsia X Once Again Bags Two Skytrax World Airline Awards

KUALA LUMPUR -- AirAsia X Bhd has won two awards for fourth consecutive year at the 2016 Skytrax World Airline Awards at the Farnborough International Airshow. The long-haul budget airline was once again named the 'World's Best Low-Cost Airline Premium Cabin' and 'World's Best Low-Cost Airline Premium Seat', it said in a statement here Wednesday.

AirAsia Places RM10.73 Bln CFM Leap-1A Engine Order

KUALA LUMPUR -- AirAsia Wednesday announced that it has ordered 200 additional CFM LEAP-1A engines, valued at US$2.7 billion (RM10.73 billion) at list price, to power its 100 new Airbus A321neo. The latest order would expand its LEAP engine fleet to nearly 730 engines. "This order for the larger A321neo is an important element in our long-term growth and expansion strategy," AirAsia Group Chief Executive Officer (CEO), Tan Sri Tony Fernandes said in a statement here Wednesday.

Malaysia Joins Global Alliance Of Cleaning Associations

SINGAPORE -- The Environmental Management Association of Singapore (EMAS) Wednesday signed a Memorandum of Understanding (MoU) with five countries including Malaysia to form a global alliance of cleaning associations. In a joint statement Wednesday, EMAS said the alliance wanted cleaning industry players to collaborate, explore business opportunities, export services and products plus share best practices and knowledge.

Boeing Announces 10 New Orders, Commitments For Boeing Converted Freighters

KUALA LUMPUR -- Boeing announced 10 new orders and commitments Thursday at the 2016 Farnborough International Airshow for its Boeing Converted Freighters (BCF) programme. Cargo Air, based in Sofia, Bulgaria, and Lineas Aereas Suramericanas (LAS) Cargo, based in Bogota, Colombia, will each receive two 737-800BCFs. Air Algerie, based in Algiers, Algeria, signed a commitment for two 737-800BCFs. An unidentified customer ordered four 767BCFs.

Tune Protect Affirms Razman Hafidz As New CEO

KUALA LUMPUR -- Tune Protect Group Bhd has appointed Razman Hafidz Abu Zarim as its new chief executive officer following regulatory approval for his leadership, effective Friday. This comes following an announcement on the pending resignation of CEO Junior Cho effective July 15, citing personal reasons, Tune Protect said in a statement here Thursday.

"Wo Ai Ni" Campaign Offers Up To 50 Pct Discount For Enrich Members

KUALA LUMPUR -- Malaysia Airlines is offering up to 50 per cent off flight redemptions for travel from Malaysia to Greater China via its "Wo Ai Ni" campaign for its Enrich loyalty programme members. The redemption period is from Thursday until July 21, 2016 and valid for travel to China, Taiwan, Taipei and Hong Kong from July 14 until Sept 14, 2016, it said in a statement Thursday.

Shazalli Ramly Appointed Axiata Southeast Asia Regional CEO

KUALA LUMPUR -- Axiata Group Bhd has appointed Celcom Axiata Bhd Chief Executive Officer (CEO) Datuk Seri Shazalli Ramly as Southeast Asia Regional CEO, effective Sept 1, 2016. Shazalli's current position would be replaced by Robi Axiata Limited CEO Michael Kuehner, effective on the same date. Celcom and Robi are both subsidiaries of Axiata. In a filing to Bursa Malaysia Thursday, Axiata said Shazalli's current tenure with the company, which would expire by year-end, would be extended for another three years.

Bioeconomy Corp CEO Nazlee Resigns

KUALA LUMPUR -- Bioeconomy Corporation's Chief Executive Officer (CEO), Datuk Dr Mohd Nazlee Kamal, resigns effective Friday. In a statement here Friday, the company said, in his absence, Syed Agil Syed Hashim, Chief Financial Officer, will serve as interim CEO while the board searched for a new CEO. Nazlee will not seek re-election as board member and will discharge his responsibilities and duties from the company by July 15, 2016.

Part 1: Medical And Health Insurance/ Takaful – To Buy Or Not To Buy?

Understanding Medical And Health Insurance / Takaful

KUALA LUMPUR: Many of us juggle daily between work and family commitments, with very little time left to care for our own health needs. Perhaps it is time to take a step back and look at what we are doing for our physical and mental well-being. Other than making the necessary effort to eat sensibly, exercise and take sufficient rest, there is also the financial care aspect on how to protect our savings in the event of a medical emergency. Given that health care costs are likely to climb further, one financial care option worth considering is investing in Medical and Health Insurance and Takaful (MHIT) policy to help finance the unforeseen medical expenses.

MHIT AS A FINANCIAL SAFETY NET

In the early 70s, medical and health insurance in Malaysia was structured to provide basic cover for personal accidents, workmen's compensation and was also included as part of our motor insurance to cover for third party bodily injuries. Today, MHIT has evolved into a sophisticated, financial risk management tool that can be tailor-made to cover for a diverse array of medical conditions and services. This evolution is necessary and in tandem with the needs of an increasingly affluent and knowledgeable community. Medical inflation has also driven many consumers to explore options to protect their financial nest egg if ever they are faced with a health crisis resulting from serious illnesses like cancer, stroke, or even from accidents.

TYPES OF MHIT POLICIES

While a MHIT policy could be structured specially to meet your medical insurance/takaful requirements, a typical MHIT policy in Malaysia is designed to cover the actual cost of hospital private medical treatment of covered conditions (illnesses or accidents). In order to invest in a policy that best meets your requirements and budget, it is advisable to familiarise yourself with the different types of MHIT policies, what they cover and do not cover.

Broadly, the following describes the four major types of MHIT policies:

1. Hospitalisation and surgical insurance/ takaful provides reimbursement of actual medical expenses incurred in the event of hospital treatment / surgery for covered conditions. This amount is subject to the annual or lifetime limit fixed by the product plan.

2. Dread disease, or critical illness insurance/ takaful provides a specified lump sum benefit upon the diagnosis of any of the 36 listed conditions specified in the policy such as cancer, heart attack, stroke, kidney failure etc, or actual undergoing of a surgical procedure such as coronary artery bypass surgery, heart valve surgery, brain surgery etc.

3. Disability income insurance/takaful covers a portion of your income in the event that you are displaced from work when stricken with an illness or an injury.

4. Hospital income insurance/takaful pays a specified sum of money per day of hospitalisation for any covered illness, sickness or injury. This amount is subject to a maximum number of days per disability.

While it is a common practice among Malaysians to purchase more than one MHIT policy, the insurance/takaful experts advise that it would be more cost effective to consider having a single, comprehensive MHIT policy to avoid duplicate coverage.

EXCLUSIONS AND WAITING PERIOD

Malaysians have a variety of options when it comes to shopping for MHIT policies. Conventional insurers and takaful operators have designed MHIT policies providing different levels of cover to meet the varied needs and budgets of the Malaysian population. Before you put pen to paper, it is important that you have familiarised yourself with the MHIT policy that you have selected in terms of what it covers and does not cover.

For instance, a hospitalisation and surgical policy typically covers:

- Hospital accommodation and nursing expenses
- Surgical expenses (surgeon's fees and costs associated with the surgery)
- Physicians' expenses
- In-patient tests

This policy normally does not cover:
- Pregnancy related conditions
- Congenital abnormalities
- Accidental injuries or illnesses arising from high risks activities like racing
- Cosmetic or plastic surgery
- Non accident related dental work or treatment including oral surgery

Furthermore, there are various policy exclusions that you would need to be aware of, for example:-

- Pre-existing conditions – Conditions and illnesses experienced by you prior to applying for the policy. These conditions and illnesses would be excluded from coverage by your insurance company/takaful operator. You should check with your insurance company/ takaful operator regarding the details of pre-existing conditions for the policy that you intend to buy.

- Specified illnesses – These are defined as 12 disabilities (e.g. tumours and gastritis) and their related conditions. You will not be covered for these illnesses if the illnesses have been treated or occurred during the first 12 months of your policy.

- Qualifying/waiting period – You will not be eligible for any claim arising from any medical or physical conditions within the first 30 days of the cover, except for accidental injuries.

If unsure, check the exclusion clauses with the company or authorised agent that you intend to buy your MHIT policy from. Another point to note is that once a policy is purchased, there is a 30-day waiting period before the insured/ person covered can enjoy the benefits in the policy. However, there are exceptions to the rule, as in the case of accidental injuries where coverage will start immediately.

There is also a list of specified common illnesses (including diabetes, hypertension, back problems, all types of tumours and cardiovascular diseases) where the waiting period is longer. If the insured/person covered is admitted/treated for any of these listed specified illnesses within 120 days from effective date of policy, no benefit is payable.

BUYING A MHIT POLICY

Once you have taken your time to understand your medical insurance/takaful needs and the protection required, the rest of the process is easy. A MHIT policy can be purchased from any of the conventional insurance companies or takaful operators in town through their authorised agents, financial advisors, insurance/takaful brokers or banks which have bancassurance/ bancatakaful arrangements.

When in doubt, your insurance provider/ takaful operator will also be able to offer you further advice on your MHIT policy of choice.

Choosing and acquiring a MHIT policy that is right for you and your family would certainly help give you the peace of mind and safeguard your savings. Finally, another important tip is to review your MHIT policy every two to three years to ensure that your medical insurance/takaful needs have been adjusted or upgraded to keep pace with medical inflation.

LIST OF MARKET REPORTS :

Bursa Malaysia To Trend Higher On Improved Sentiment

By Azlee Nor Mahmud

KUALA LUMPUR -- Bursa Malaysia is likely to trend higher next week on improved sentiment including Bank Negara's overnight policy rate (OPR) cut, rebound in oil prices, global bank stimulus and a stronger currency. Affin Hwang Investment Bank Vice-President and Retail Research Head, Datuk Dr Nazri Khan Adam Khan said the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was ready to stage further upside if the ringgit and commodities continued to strengthen. He said the local bourse should be catalysed by Bank Negara's unexpected move to reduce the OPR to 3.00 per cent from 3.25 per cent.

"The index should be bullish with the rate cut although the broad market is slow to react. "We see the OPR cut as a pre-emptive move to ensure that inflation remains under control and the economy remains on a steady growth path," he told Bernama. This was confirmed by the Malaysian bonds three-year yield which dropped to its lowest level since 2009 and a stronger ringgit which hit a 10-week high against the US dollar this week, he added. He said technically, the FBM KLCI had broken out from its consolidation zone and was still looking to test its immediate resistance level at 1,680. "Overall, given the buoyant mood coming from global markets as well as positive catalysts in the domestic front, we reckon that the FBM KLCI could be poised to trend upwards this week to break out from its consolidation zone," said Nazri Khan. He said the upside resistance and downside support are now spotted at 1,700/1,680 and 1,650/1,630 levels, respectively. On Friday-to-Friday basis, the FBM KLCI rose 23.86 points to 1,668.40 from 1,644.54 recorded last week. Weekly turnover increased to 8.18 billion units worth RM9.37 billion from 2.87 billion units worth RM3.37 billion last week. Main market volume rose to 5.44 billion shares worth RM8.84 billion from 1.95 billion shares valued at RM3.21 billion previously.

Ringgit To Trade At Current Level Next Week

KUALA LUMPUR -- The ringgit is likely to trade around current level and could be slightly lower versus the US dollar next week, influenced mostly by external and internal market sentiments, dealers said. A dealer said the local note might be lower due to profit-taking. "Profit-taking may set in as the currency hit a 10-week high versus the US dollar this week as government bond prices extended gains after Bank Negara Malaysia's surprise interest rate cut on Wednesday," the dealer said. The central bank in a surprise move has slashed the overnight policy rate (OPR) by 25 basis points to 3.00 per cent, the first since 2009, to ensure the economy remains on a strong trajectory.

Meanwhile, Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said although the cut would not have any adverse impact on the local currency, it would still benefit the currency provided there were foreign investments coming into the country. "We see the OPR cut as a pre-emptive move to ensure that inflation remains under control and the economy remains on a steady growth path. "This is confirmed by the Malaysian bonds three-year yield which dropped to its lowest level since 2009, and the stronger ringgit which hit a 10-week high versus greenback," he said. Nazri Khan, however, said that Affin Hwang remained confident that the ringgit's fair value would be between 3.95 and 4.00 this year. For the week just-ended, the ringgit was traded mostly higher before BNM's two-day monetary policy meeting which ended on Wednesday. It continued its bullish momentum even after the OPR cut was announced.

On a Friday-to-Friday basis, the local unit was higher at 3.9450/9500 against the US dollar from 4.0300/0350 in the previous week. Against other currencies, the ringgit ended mostly higher. The ringgit rose against the Singapore dollar to 2.9335/9381 from 2.9885/9931, strengthened versus the yen to 3.7242/7306 from 4.0052/0121 and increased vis-a-vis the euro to 4.3935/3007 from 4.4624/4688 previously. However, it depreciated against the British pound to 5.2918/2009 from 5.2128/2201. The ringgit was traded mostly lower against the British Pound as the latter has improved following Theresa May's appointment as British Prime Minister.

Short-Term Rates To Remain Stable Next Week

KUALA LUMPUR -- The Malaysian money market is likely to remain stable next week on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. 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, namely conventional money market, range maturity auction and Qard tender. On Friday, BNM's action helped reduce the market's liquidity surplus in the conventional system to RM27.99 billion from RM36.54 billion earlier, while in the Islamic system, it declined to RM5.75 billion from RM12.85 billion. The overnight Islamic reference rate ended the week one per cent higher at 2.96 per cent, while the one-, two and three-week rates stood at 3.03 per cent, 3.07 per cent and 3.11 per cent respectively. Meanwhile, the benchmark three-month interbank rate stood at 3.38 per cent.

KLCI Futures To Move Higher In Line with Cash Market

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is expected to be firm next week as the underlying cash market is projected to trade higher. Affin Hwang Investment Bank Vice-President and Retail Research Head, Datuk Dr Nazri Khan Adam Khan, said the benchmark index was ready to bounce and could stage further upside if the ringgit and commodities continued to strengthen. He said the overnight policy rate cut would ensure that the economy remained on a steady growth path and this was confirmed by the Malaysian bonds three-year yield which dropped to its lowest level since 2009 and a stronger ringgit which hit a 10-week high against the US dollar this week. Meanwhile, RHB Research in a note has projected that the next resistance for the index would be at the 1,700-point psychological mark if there was a decisive breakout.

For the week just-ended, the futures market was mostly higher on increased buying support. Spot month July 2016 rose 25 points to 1,668, August 2016 added 24 points to 1,664, September 2016 improved 24.5 points to 1,658.5 while December 2016 gained 23 points to 1,645. Weekly turnover expanded to 40,717 lots from last week's 15,688 lots while open interest increased to 42,157 contracts from 41,307 contracts previously. The benchmark FBM KLCI settled at 1,668.4, up 23.86 points, from 1,644.54 recorded last Friday. September 2016 down two points to 1,616.50. Turnover increased to 39,276 lots from 36,091 lots last week while open interest increased to 58,365 contracts versus 42,463 contracts previously. The benchmark FBM KLCI settled at 1,634.05, up 9.87 points from 1624.18 last Friday. The market was closed on Wednesday for the Nuzul Al-Quran holiday.

CPO Futures Contract To Stay Firm Next Week

KUALA LUMPUR -- Crude palm oil (CPO) futures prices are likely to stay firm at current levels at between RM2,200 a tonne and RM2,500 a tonne on expectation of higher CPO stockpile in the coming months, said a dealer. Interband Group of Companies Senior Palm Oil Trader Jim Teh said the market sentiment was generally quiet and the fundamentals were not expected to change next week due high palm oil production. “Demand from India and China, the two biggest palm oil consumers, have slowed down, and that somehow affected market sentiment,” he said. Earlier this week, the Malaysian Palm Oil Board reported that total palm oil stocks in June 2016 rose 7.66 per cent to 1.78 million tonnes from 1.65 million tonnes registered in May 2016, the first increase in seven months. On Friday, cargo surveyor Intertek Testing Services said Malaysia’s palm oil shipments for July 1-15 period fell almost one per cent to 561,471 tonnes from a month ago.

On Friday-to-Friday basis, spot month July 2016 fell RM52 to RM2,298 per tonne, August 2016 rose RM22 to RM2,300 per tonne, September 2016 went up RM40 to RM2,278 per tonne and October 2016 increased RM39 to RM2,261 per tonne. Weekly turnover jumped to 215,545 lots from last Friday’s 104,166 lots while open interest eased to 274,427 contracts from 302,334 contracts previously. On the physical market, July South was RM30 easier at RM2,350 per tonne.

Rubber Market To Be Rangebound Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to see rangebound trading next week amid shrinking production and export, said a dealer. The natural rubber (NR) production decreased 19.7 per cent in May 2016 to 33,565 tonnes from 41,786 tonnes in the previous month while NR exports dropped nine per cent to 51,146 tonnes in May compared with April. “The rubber market is likely to be bearish next week on lack of catalysts,” said the dealer. On a weekly basis, the Malaysian Rubber Board’s official physical price for tyre-grade SMR 20 fell 15.5 sen to 500.5 sen a kg while while latex-in-bulk dipped 11.5 sen to 425.0 sen a kg. Meanwhile, the unofficial physical price for tyre-grade SMR 20 and latex-in-bulk stood at 497.5 sen a kg and 422.5 sen a kg respectively. The market was traded at half-day last Tuesday and was closed from Wednesday to Friday last week for Hari Raya Aidilfitri.

KLIBOR Futures To Remain Untraded Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is expected to remain untraded next week on weak demand. The futures market was also untraded for the week just-ended with open interest remaining nil. On Friday-to-Friday basis, spot month July 2016 and August 2016 were pegged at 96.54, respectively, while both September 2016 and December 2016 stood at 96.59, respectively. The underlying three-month KLIBOR on the cash market stood at 3.40 per cent.

KLTM To Trade Between US$17,800 And US$18,200 Per Tonne

By Niam Seet Wei

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to trade between US$17,800 and US$18,200 next week, taking cues from the upward momentum on the London Metal Exchange (LME), said a dealer. The dealer said the demand for tin on the LME was expected to increase next week as the traders’ confidence had improved. “The anticipation of more stimulus from the Bank

of England, coupled with the appointment of new British prime minister after Britain voted to exit the European Union have rebuilt the confidence of the traders," he told Bernama. On the local front, he anticipated the higher demand from China and South Korea would also help spur the metal's price next week. For the week just-ended, tin finished US$440 higher at US$17,990 a tonne compared with US$17,550 a tonne last Friday. The weekly turnover rose to 237 lots from 109 lots last week.
On a Friday-to-Friday basis, the price differential between the KLTM and the LME was at a discount of US$110 a tonne from a discount of US$200 a tonne.

Gold Futures To Trend Higher Next Week
By Niam Seet Wei

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is expected to trend higher next week due to the diminishing expectation of a United States Federal Reserve's (Fed) rate hike.
Phillip Futures Sdn Bhd Dealer Chua Zheng Liang said the Fed policymakers had opined that there was no hurry to raise the interest rates after Britain voted to exit the European Union, despite a stronger-than-expected US employment report released last week. "The lower Fed rates tended to boost gold prices as the opportunity cost of holding non-yielding bullion will be reduced, and the same time, weigh on the dollar on which the precious metal is priced," he told Bernama. On Friday-to-Friday basis, July 2016 dropped 130 ticks to RM169.50 a gramme, August 2016 declined 144 ticks to RM169.80 a gramme while September 2016 and October 2016 eased 83 ticks each to RM170.30 and RM170.45 per gramme, respectively. Weekly turnover improved to 191 lots worth RM2.39 million from 70 lots worth RM1.21 million last week. Open interest on Friday advanced to 320 contracts from 307 contracts previously.