MALAYSIAeBiz
BERNAMA WEEKLY BUSINESS ROUNDUP 5 - 9 SEPT 2016

Sept 9, 2016

This Week's Highlight : Handle South China Sea Security Issues Through Talks - Najib

ONE FOR THE ALBUM...Prime Minister Datuk Seri Najib Tun Razak (third, right) with his wife Datin Seri Rosmah Mansor (second, right) having a group photograph with US President (third, left) and ASEAN leaders at the Gala Dinner in conjunction with the 29th ASEAN Summit Meeting in Vientiane, Laos Wednesday night. Pix by Mohd Faizol Aziz fotoBERNAMA

From Mohd Shukri Ishak

VIENTIANE -- Prime Minister Datuk Seri Najib Tun Razak pointed out that Malaysia holds the stand that issues concerning security in the South China Sea must be tackled through negotiations and that everyone should not take any action that could cause tension in the maritime region. "They (ASEAN leaders) have the same opinion and this (matter) was brought to the ASEAN-China Summit Meeting," he told Malaysian journalists Wednesday night.

This Week's Top Stories

MONDAY

M'sia Is Eighth Largest Foreign Investor In Laos

From Mohd Shukri Ishak

VIENTIANE -- Malaysia has emerged as the eighth largest foreign investor in Laos with investments of RM2.3 billion from 2000 to 2015. Malaysian Ambassador to Laos, Datuk Than Tai Hing said Monday, investments by Malaysian companies at present covers the banking and finance, insurance, tourism, education, construction and agricultural sectors.

TUESDAY

Najib Urges Malaysian Cos To Boost Ties With Laos

From Mohd Shukri Ishak

VIENTIANE -- Prime Minister Datuk Seri Najib Tun Razak has urged Malaysian companies to continue enhancing cooperation with Laos to benefit both countries. Najib said to date, Malaysian investments amounted to US$569.6 million, making Malaysia the sixth largest investor in Laos. "On trade, however, both countries need to do more," he said, when meeting with Malaysian companies and business representatives in Laos, here Tuesday.

WEDNESDAY

Economists Expect BNM To Cut OPR Before Year-End

By Mohd Khairi Idham Amran & Harizah Hanim Mohamed

KUALA LUMPUR -- Economists expect Bank Negara Malaysia (BNM) to cut the Overnight Policy Rate (OPR) before year-end after maintaining it at 3.00 per cent at the Monetary Policy Meeting Wednesday. MIDF Amanah Investment Bank Bhd Chief Economist Dr Kamarudin Mohd Nor said the expectation is based on internal and external indicators which point toward moderating growth going forward. "We believe BNM is still expecting solid data to emerge on the domestic front before making any move to cut the interest rate, at least in the short term."

THURSDAY

Bursa Bull Charge 2016 Raises RM1.9 Mln

KUALA LUMPUR -- The annual Bursa Bull Charge 2016, a running event that gathers Malaysia's chief executive officers (CEO) as well as youths and young executives, has raised RM1.9 million, exceeding its initial target of RM1.8 million. Bursa Malaysia Bhd Chief Executive Officer Datuk Seri Tajuddin Atan said Wednesday, the funds generated this year would be channelled to 10 deserving beneficiaries and 28 philanthropies.

FRIDAY

EPF Records RM8.44 Bln Income Q2 2016

KUALA LUMPUR -- The Employees Provident Fund (EPF) has reported a quarterly investment income of RM8.44 billion for the second quarter (Q2 2016) ending June 30, 2016, a year-on-year decline of 26.04 per cent from RM11.41 billion in Q2 2015. Investment assets recorded an increase of 0.76 per cent, or RM5.17 billion, to RM689.69 billion from RM684.52 billion as at Dec 31, 2015. "Since late last year, EPF has been preparing itself for a challenging global and domestic environment," said Chief Executive Officer Datuk Shahril Ridza Ridzuan in a statement to announce the fund's Q2 2016 investment performance here Friday.

SMEbrief

Only 28 Pct Of 17,500 Bumi Entrepreneurs Export-Oriented - MATRADE

KUANTAN -- Only 28 per cent of 17,500 Bumiputera entrepreneurs, who are registered with the Malaysia External Trade Development Corporation (MATRADE), are exporting their products. "Entrepreneurs need to become more competitive in order to sell their products abroad and we encourage entrepreneurs, especially Bumiputera from rural areas to export their products," MATRADE chief executive officer Datuk Dzulkifli Mahmud said after launching an entrepreneurship programme here.

UOB-ABS Executive Certification Programme For SME Bankers

KUALA LUMPUR -- United Overseas Bank (M) Bhd has partnered the Asian Banking School (ABS) to launch the finance industry's first executive certification programme designed for small and medium enterprise (SME) bankers in Malaysia. UOB Malaysia said in a statement Tuesday that as Malaysian SMEs expand into new markets, they may face challenges such as international trade risk, gaining access to bank financing or adapting to unfamiliar business environments.

SME Corp Provides RM500,000 Matching Grant For SMEs

KUALA TERENGGANU -- SME Corporation Malaysia (SME Corp) Terengganu has introduced a matching grant of RM500,000 to help small and medium enterprises (SMEs) in the state undertake promotional activities this year. Director Muhammad Ibrahim said Wednesday, it expected 10 SMEs to benefit from the grant, which is provided under the Bumiputera Enterprise Enhancement Programme (BEEP).

Global Trade Finance Gap Reaches US$1.6 Trillion, SMEs Hardest Hit

SINGAPORE -- The inability of financial institutions to provide US$1.6 trillion (US$1=RM4.05) in support to buyers and sellers of goods across countries, resulted in forgone growth and job creation in 2015. According to the Asian Development Bank (ADB) Brief released Wednesday, the growth of the trade finance gap in 2015 continued to be a drag on trade, and small-and medium-sized enterprises (SMEs) were the most affected.

RISDA Plans To Export Products Of Smallholders, Entrepreneurs

PORT DICKSON -- The Rubber Industry Smallholders Development Authority (RISDA) plans to assist its smallholders and entrepreneurs market their products abroad, particularly to Italy, the US and China, next year. Its chairman, said Datuk Zahidi Zainul Abidin said Thursday, several foods such as biscuits and stingless bee honey were being identified and contacts had been made with several parties abroad for the export market.

PropUP Propertyupdate

Hua Yang To Complete Tower A Of Astetica Residences Year-End

SERI KEMBANGAN -- Hua Yang Bhd expects Tower A of its Astetica Residences development project to be completed by year-end. With a gross development value (GDV) of RM368 million, the Astetica project comprises two towers with 520 units of serviced apartments, along with 48 studio units and 26 retail outlets, Chief Executive Officer Ho Wen Yan said Monday.

IRDA Eyes RM25 Bln New Investments For Iskandar

KUALA LUMPUR -- The Iskandar Regional Development Authority (IRDA) aims to achieve RM25 billion in new investments for Iskandar Malaysia this year. Corporate Management and Finance Director Nor Hisham Mohd Yusof said Monday, IRDA was confident of achieving the target as the authority had secured RM17.7 billion in new investments in the first half of 2016.

Felda Housing Project To Start Within Two Months

KUALA LUMPUR -- The Federal Land Development Authority (Felda) plans to start the construction of single-storey terrace houses under the Felda New Generation Housing programme in one or two months, Chairman Tan Sri Mohd Isa Abdul Samad said Tuesday. He said under the programme, undertaken nationwide, 11,530 residential units were scheduled to be built with a gross development value of RM1 billion, but experienced a delay in commencement due to a financing mechanism problem.

2017 Budget To Focus On Affordable Housing, Social Security

KUALA LUMPUR -- Budget 2017 is expected to focus on several critical issues, among them, affordable housing, social security network and reskilling of graduates. Minister in the Prime Minister's Department Datuk Abdul Rahman Dahlan said Tuesday, next year's budget would encompass steps to provide an efficient social security network for the people during a challenging economic environment.

Ministry Mulls Proposal For Developers To Act As Money Lenders

PETALING JAYA -- The Urban Wellbeing, Housing and Local Government Ministry is mulling a proposal for housing developers to be issued a money lending licence to help non-bankable house buyers and overcome down payment issues. "I am thus proposing that eligible housing developers, especially those with deep-pockets like Sunway Group, EcoWorld, Mah Sing and Glomac, be issued a money lending licence," said its minister Tan Sri Noh Omar Thursday.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 324

Losers - 401

Not Traded - 516

Unchanged - 429

Value - 1364079932

Volume - 13427192

Bursa Malaysia Ends In The Red On Bearish Sentiment

KUALA LUMPUR -- Bursa Malaysia ended in the red Friday, dampened by across-the-board selling following bearish regional sentiment, dealers said. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) stood at 1,686.44, down 4.94 points, from Thursday's close of 1,691.38. After opening 0.26 of-a-point lower at 1,691.12, the local index moved between 1,682.63 and 1,691.12 throughout the day. Decliners led gainers by 401 to 324, while 429 counters were unchanged, 516 untraded and 20 others suspended. Volume fell to 1.34 billion units worth RM1.36 billion from 1.69 billion units worth RM1.58 billion Thursday. A dealer said the market was affected by the disappointment over the European Central Bank's decision to keep policy unchanged as well as increasing geopolitical tensions after North Korea conducted its fifth and most powerful nuclear test Friday. Main Market turnover was lower at 885.17 million shares worth RM1.29 billion from 970.16 million shares worth RM1.47 billion on Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
US	4.0675	4.0725
S'PORE	3.0030	3.0069
YEN	3.9792	3.9852
POUND	5.4118	5.4205
EURO	4.5845	4.5905

Source: Bank Negara Malaysia

FOREX: Ringgit Ends Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday in line with most Asian currencies as the greenback strengthened after Thursday's decline, dealers said. At 6 pm, the ringgit was quoted at 4.0675/0725 against the greenback from 4.0420/0500 on Thursday. A dealer said the US dollar extended gains on expectation of a US interest rate increase by the US Federal Reserve in its next policy meeting on Sept 20-21. He said lower oil prices also pressured the ringgit. The benchmark Brent Crude oil eased 1.2 per cent to US$49.39 per barrel. The ringgit, meanwhile, traded lower against a basket of major currencies. It fell against the Singapore dollar to 3.0030/0069 from 3.0012/0089 on Thursday and eased against the yen to 3.9792/9852 from 3.9768/9866. The local note slid against the British pound to 5.4118/4205 from 5.3985/3100 and dipped against the euro to 4.5845/5905 from 4.5574/5668.

Money-Market: Short-Term Rates End Stable On BNM's Intervention

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 eased to RM17.68 billion from RM20.6 billion earlier, while in the Islamic system, it fell to RM6.19 billion from RM10.49 billion previously. Earlier, BNM conducted a conventional money market tender, a Commodity Murabahah Programme and a Qard tender. The central bank also conducted a RM17.7 billion conventional money market tender and a RM5.9 billion Qard money market tender, both for four-day money. The overnight Islamic reference rate stood at 2.95 per cent, while the one-, two- and three-week rates stood at 3.01 per cent, 3.06 per cent and 3.10 per cent, respectively.

KLIBOR Futures Contract Closes Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives closed untraded Friday. Spot month September 2016, October 2016, November 2016 and December 2016 were all pegged at 96.60, respectively. Open interest was nil. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.40 per cent.

KLCI Futures Close Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives closed lower Friday in tandem with the weaker performance on the cash market. September 2016 fell 4.5 points to 1,682, October 2016 dropped 5.5 points to 1,678.5, December 2016 slipped four points to 1,673, and March 2017 reduced 3.5 points to 1,662.5. Turnover rose to 4,712 lots from 4,611 lots on Thursday, while open interest increased to 42,424 contracts from 41,678 contracts previously. The underlying benchmark FBM KLCI finished 4.94 points lower at 1,686.44.

Commercial, Islamic Banks To Join As SIDREC Members

KUALA LUMPUR -- Commercial and Islamic banks offering capital market services and products will become members of the Securities Industry Dispute Resolution Centre (SIDREC), effective Monday. This is part of efforts to enhance the financial dispute resolution arrangements for consumers in Malaysia, said the Securities Commission Malaysia (SC) and Bank Negara Malaysia in a joint statement here.

AmBank Group Wins 'Best FX Bank' Award Again

KUALA LUMPUR -- AmBank Group has won the 'Best Foreign Exchange (FX) Bank for Corporates and Financial Institution in Malaysia' award at the 10th Annual Alpha South-East Asia Best Financial Institution Awards 2016. In a statement here Monday, AmBank said, the ceremony, which was held in Singapore, was to recognise the winning houses from South-East Asia as well as to celebrate Alpha South-East Asia's achievements over the last 10 years.

Great Eastern Takaful Expects To Continue Double-Digit Growth In 2H

KUALA LUMPUR -- Great Eastern Takaful Sdn Bhd, which charted double-digit growth in the first half of this year, expects to grow faster in the second half. Chief Executive Officer Zafri Ab Halim told reporters here Monday, the strong growth is achievable with the recruitment of an additional 1,200 Malay agents to boost sales of its takaful products.

Call To Boost Islamic Multi-Currency Financing

KUALA LUMPUR -- Malaysia needs to boost Islamic multi-currency financing for industries such as infrastructure and energy to tap into ASEAN's capital market. Minister of Finance II, Datuk Johari Abdul Ghani, said at the launch of shariah investing on Bursa Malaysia-i here Monday, ASEAN is home to a rapidly-growing capital market, in which total market capitalisation amounted to about US$2.3 trillion (US$1=RM4.06), or 90 per cent, of gross domestic product in 2015.

Bank Negara's Int'l Reserves At RM391.9 Bln As At Aug 30

KUALA LUMPUR -- Bank Negara Malaysia's (BNM) international reserves amounted to RM391.9 billion (equivalent to US$97.5 billion) as at Aug 30, 2016, the same amount of international reserves at Aug 15, 2016. In a statement here Tuesday, BNM said, the reserves position was sufficient to finance 8.1 months of retained imports and was 1.2 times the short-term external debt.

Agrobank's Business Growth For 2H16 On Right Trajectory, Says CEO

KUALA LUMPUR -- Agrobank's business growth is on the right trajectory for the second half of this year, says President/Chief Executive Officer, Datuk Wan Mohd Fadzmi Wan Othman. He told reporters here Tuesday the growth was driven by demand for financing assets for the agriculture sector, especially agrofood.

CIMB Secures Operating Licence In Vietnam, 1st Branch By Year-End

KUALA LUMPUR -- CIMB Bank Bhd has secured an operating licence from the State Bank of Vietnam to establish and operate a 100 per cent-owned subsidiary in Vietnam. This follows the receipt of an approval-in-principle on Aug 7, 2015, it said in a filing to Bursa here Tuesday.

Country View's Unit Accepts RM25 Mln Loan From AmBank

KUALA LUMPUR -- Country View Bhd's unit, Country View Resources Sdn Bhd, has accepted a standby Term Loan 3 facility of up to RM25 million from AmBank (M) Bhd for future investment purposes. In a filing to Bursa Malaysia here Thursday, Country View said, the facility will be secured by principal and secondary instruments.

Be Innovative In Introducing Islamic Financial Products - Asyraf Wajdi

KUALA LUMPUR -- Islamic banking institutions in the country must be innovative in introducing more guaranteed Islamic financial products especially for housing loans. Deputy Minister in the Prime Minister's Department Datuk Dr Asyraf Wajdi Dusuki told reporters here Thursday, the innovation was vital to meet the needs and interest of all parties and to handle housing loans approved for projects that end up abandoned later.

Atrium REIT Accepts Banking Facility To Finance 80 Pct Of Atrium Shah Alam 2

KUALA LUMPUR -- Atrium Real Estate Investment Trust's (REIT) trustee, Pacific Trustees Bhd has accepted the banking facility of a term loan and bank guarantee amounting to RM12.8 million and RM300,000 respectively, offered by Public Bank Bhd. In a filing to Bursa Malaysia Thursday, Atrium REIT said the offer was accepted via the bank's letter of offer on Aug 26, 2016 for the purpose of financing 80 per cent of the total cost of the proposed Asset Enhancement Initiatives (AEI) at Atrium Shah Alam 2.

MTC Expects RM40 Mln Potential Sales From China Int'l Furniture Expo

KUALA LUMPUR -- The Malaysian Timber Council (MTC) expects potential sales of RM40 million from the China International Furniture Expo this year. The event will be held from Sept 8-11 at the Shanghai New International Expo Centre in Pudong, Shanghai, it said in a statement here Monday.

Allianz Langkawi Branch Records RM2.6 Mln In Gross Written Premiums

KUALA LUMPUR -- Allianz General Insurance Company (M) Bhd, Langkawi branch, recorded RM2.6 million in gross written premiums in the first half of 2016, with an underwriting profit of RM64,887 and combined ratio of 96.1 per cent. Alor Setar Branch Manager Cheah Lye Chong said in a statement here Friday, the branch which opened on June 16, 2015, provided general insurance services and served about 3,000 customers.

FTSB Eyes RM2 Mln In 1st Year Sales Of Kingoya Products

KUALA LUMPUR -- Felda Trading Sdn Bhd (FTSB) has targeted RM2 million in sales of Kingoya's palm oil harvesting tools in its first year as the sole distributor of Kingoya Enterprise Sdn Bhd's products. FTSB Chief Executive Officer Eimir Huzaimi Md Noh told reporters here Monday, the company, which has also been appointed to distribute Kingoya's equipment and components, aims to lead the harvesting equipment supplier segment in the country.

Life Insurance Records Strong Performance In 1st Half Of 2016

KUALA LUMPUR -- The life insurance industry recorded a strong performance in the first half of 2016 with a 20.8 per cent growth registered in new business weighted premium. Life Insurance Association of Malaysia (LIAM) said in a statement here Tuesday, new business weighted premium registered RM2.44 billion compared with RM2.02 billion recorded in the same period in 2015.

Air Cargo Demand Strengthens In July

KUALA LUMPUR -- Demand for global air cargo registered positive growth in July this year, with freight tonne kilometers (FTKs) up five per cent, the fastest pace in almost 18 months. In a statement here Tuesday, the International Air Transport Association (IATA) said available freight tonne kilometers (AFTKs), on the other hand, increased by 5.2 per cent year-on-year, outstripping demand and keeping yields under pressure.

Malaysia Registers Trade Surplus Of RM1.91 Bln For July

KUALA LUMPUR -- Malaysia's export sector continued to post a positive trend with July registering a trade surplus of RM1.91 billion. This, makes it the 225th consecutive month of trade surpluses recorded since November 1997, said the International Trade and Industry Ministry (MITI) in a statement here Wednesday.

TDM Records Pre-Tax Profit Of RM22.8 Mln For 2Q16

KUALA TERENGGANU -- TDM Bhd, a company owned by the Terengganu state government, posted a 145 per cent pre-tax profit rise from RM9.3 million to RM22.8 million for the second quarter ended June 30, 2016. Executive Director Wan Zalizan Wan Jusoh said in a statement here Wednesday, revenue for the quarter improved to RM103.1 million compared to RM94.2 million for the same period last year.

MAB Shows Steady Progress On Turnaround Plan

KUALA LUMPUR -- Malaysia Airlines Bhd (MAB) is showing steady progress on the turnaround plan and working on generating more revenue, whilst, maintaining strict cost discipline. Chief Executive Officer Peter Bellew said in a statement here Thursday, the focus so far had been on managing costs and continuing the product improvements in food, on time performance and new business class seats.

July Trade Performance Affected By Lumpy Imports, Economic Slowdown - MATRADE

KUALA LUMPUR -- Lumpy imports, coupled with an economic slowdown in certain countries, are among factors that contributed to the lower trade surplus for Malaysia in July. The Malaysia External Trade Development Corporation (MATRADE) Chief Executive Officer Datuk Dzulkifli Mahmud told reporters here Thursday, lumpy imports such as ships or aircraft, come once in a while, but these are investments good for the long term.

worldskills
ASEAN
Kuala Lumpur 2016
PERTANDINGAN KEMAHIRAN
ASEAN 2016
ASEAN SKILLS COMPETITION
KUALA LUMPUR 2016
24 - 26 September 2016
MAEPS, Serdang, Selangor
SKILLS FOR
A BRIGHTER
FUTURE
Penganjur:
KEMENTERIAN
SUMBER MANUSIA
KEMENTERIAN
KERJA RAYA
worldskills
Malaysia
Sekretariat Worldskills Malaysia
03-8886 2426
www.wsasean.org
ORANG RAMAI DIJEMPUT HADIR

SimplySiti To Enter Indon Market In H1 2017

SEPANG -- SimplySiti Sdn Bhd, founded by Malaysia's popular singer, Datuk Siti Nurhaliza, plans to penetrate the Indonesian cosmetics market by the first half (H1) of 2017. Its Executive Chairman, Datuk Seri Khalid Mohamad Jiwa told a media briefing Monday, the company, which would bank on Siti's popularity in the republic, planned to open its outlets in Indonesia's main cities starting from Jakarta.

Companies Bill 2015 To Take Effect Next Year - SSM

KUALA LUMPUR -- The Companies Bill 2015, which will replace the current Companies Act 1965, will be implemented in stages from next year. Companies Commission of Malaysia (SSM) Chief Executive Officer, Datuk Zahrah Abd Wahab Fenner told reporters here Tuesday, the companies would see some changes in the enforcement as early as in the first quarter.

M'sia Economic Growth Pattern Higher Than Average - World Bank

KUALA LUMPUR-- Malaysia's economic growth pattern is still higher than the average and will continue to be positive moving forward despite softer economic conditions regionally, says the World Bank Tuesday. "Its growth pattern, whether down a few basis points or up, is still higher than the average," its Malaysia Country Manager, Faris H. Hadad-Zervos told reporters here Tuesday.

M'sia To Capture 5 Pct Of Global Software Testing Mart By 2020

KUALA LUMPUR -- Malaysia aims to capture at least five per cent of the US$90 billion global software testing market by 2020, says Minister in the Prime Minister's Department Datuk Abdul Rahman Dahlan. He told reporters here Tuesday, the industry was expected to create 30,000 jobs for Malaysians over the next four years.

No Extra Funds For Agricultural Sector In Budget 2017- Ahmad Shabery

KUALA LUMPUR -- The Agriculture and Agro-based Industry Ministry will not apply for additional funds under Budget 2017 for the agricultural sector. The Minister, Datuk Seri Ahmad Shabery Cheek told reporters here Tuesday, the focus is on distributing available funds to selected sectors such as dairy, which can help improve the country's economy.

MSET Shipbuilding Contributes To Vendor Development - MIDA

KUALA TERENGGANU -- MSET Shipbuilding Corporation Sdn Bhd, a Bumiputera-owned company, has contributed significantly to the development of local suppliers in the shipbuilding and ship repair industry in Terengganu, the Malaysian Investment Development Authority (MIDA) said. Chief Executive Officer Datuk Azman Mahmud said at a seminar here Tuesday, the company had created business opportunities for over 30 vendors in the sector.

MATRADE Collaborates With World Bank To Help Firms Bid For Projects

KUALA LUMPUR -- Malaysia External Trade Development Corp (MATRADE) will collaborate with the World Bank to increase the number of local companies bid for the bank's development projects in developing countries. Its Chief Executive Officer, Datuk Dzulkifli Mahmud told reporters here Tuesday, the participation of the local firms in the World Bank's procurement tenders was small because they were unable to face competition.

MITI Expects Bumi Firms' Participation In Halal Industry To Increase

SERDANG -- The Ministry of International Trade and Industry (MITI) expects the participation of

Bumiputera companies in the halal industry to increase by between 40 and 60 per cent in the next five years. Its Deputy Minister, Datuk Ahmad Maslan told reporters here Tuesday of the 6,548 firms involved in halal industry last year, Bumiputeras only accounted for 30 per cent and non-Bumiputeras 70 per cent.

Proton Renews Collective Agreements With Unions

KUALA LUMPUR -- Proton Holdings Bhd renewed its collective agreement (CA) with union members on Aug 19, to replace that which expired in December last year. Proton said the CAs provides certain improvements for employees which include an alignment with the new minimum wage order, employee insurance for personal accidents, term life, medical insurance and bereavement benefits, it said in a statement here Wednesday.

Malaysia Airlines Encourages Passengers To Arrive Early

KUALA LUMPUR -- Malaysia Airlines has encouraged its passengers to arrive early for self check-in and printing of baggage tags before proceeding to the baggage drop counters. In a statement here Wednesday, the airline said, this will help passengers avoid long queues at the airport during the coming holiday season.

Touch 'N Go To Introduce New Digital Application Next Year

KUALA LUMPUR -- Touch 'n Go Sdn Bhd (TnG) plans to launch a digital application, in the first quarter of next year, that will enable cashless transaction between customers, small retailers and stall traders. Chief Executive Officer Syahrunizam Samsudin told reporters here Thursday, this would allow the electronic payment service provider to tap the segment which had good potential in expanding its service offerings.

AirAsia Receives First A320neo Aircraft

KUALA LUMPUR -- AirAsia Bhd took delivery of its first A320neo aircraft at a dedicated ceremony in Hamburg, Germany. It is the first CFM International LEAP-1A powered A320neo in Southeast Asia and the second worldwide, Airbus said in a statement here Thursday.

Share Of Renewable Energy In ASEAN To Rise To 23 Pct By 2025

KUALA LUMPUR -- The Ministry of Energy, Green Technology and Water hopes the share of renewable energy (RE) in the ASEAN region to rise to 23 per cent by 2025. Its Secretary-General, Datuk Seri Dr. Zaini Ujang told a forum here Thursday, currently, the share of RE in the generation mix was only 9.7 per cent, mainly from hydropower and geothermal power.

MDEC To Push IoT Adoption Agenda From Next Year

KUALA LUMPUR -- Malaysia Digital Economy Corp Sdn Bhd (MDEC) will push the agenda of adopting the Internet of Things (IoT) starting next year, after focusing on the information and communications technology (ICT) sector since 1996. Chief Strategy Officer, Ir Siva Ramanathan, told reporters here Thursday, MDEC would push digital adoption across 83 per cent of the traditional economy by reaching out to sectors including agriculture, manufacturing, healthcare as well as oil and gas.

Pos Malaysia Targets Higher Student Subscriber Base For SODA

KUALA LUMPUR -- Pos Malaysia Bhd is optimistic of increasing its student subscriber base for its 'Standing Order Deposit Account (SODA)' to 10,000 by March 31, 2017. SODA is a special service provided by Pos Malaysia to allow stamp collectors to obtain new stamp issues and stamped stationery through home delivery. Stamp and Philately Unit Head Diyana Lean Abdullah told reporters here Friday, Pos Malaysia obtained the licence to establish stamp clubs in schools and thereafter visited 344 schools to lure more students to become SODA account holders.

M'sia Reiterates Interest In Mexico's Expertise In Aerospace Sector

KUALA LUMPUR -- Malaysia reiterates its interest to continue leveraging on Mexico's expertise and experience to develop its aerospace and aviation sector through strategic cooperation. "Mexico's aviation industry attained an export of US$6.7 billion (US$1.00=RM4.06) last year," the ministry said in a statement here Friday.

Samsung Suspends Galaxy Note7 Sales

KUALA LUMPUR -- Samsung has stopped all sales of the Galaxy Note7, after 35 cases were reported globally as of Sept 1, over an issue related to the battery cell. The Galaxy Note7 has not been officially launched in Malaysia. "We are currently conducting a thorough inspection with our suppliers to identify the batteries possibly affected in the market," Samsung Malaysia Electronics said in a statement here Monday.

AirAsia Offers Three Mln Promotional Seats

KUALA LUMPUR -- AirAsia is offering up to three million promotional seats as part of its latest Free Seats campaign. In a statement here Monday, it said the seats are available for booking from Monday until Sept 11 for the travel period of Feb 6, 2017 to Oct 28, 2017. Destinations on offer include to Alor Setar, Penang, Hong Kong, Chiangmai, Kota Baharu, Phnom Penh, Siem Reap, Medan, Surabaya and Pekanbaru.

IIC Launches Inaugural 'Investor Stewardship & Future Key Priorities' Report

KUALA LUMPUR -- The Institutional Investor Council Malaysia (IIC) Monday launched the "Investor Stewardship and Future Key Priorities 2016" report, which outlines observations on the corporate governance of investee companies. Chairman Datuk Wan Kamaruzaman Wan Ahmad said at the launch here Monday, the release of the inaugural report marked a significant milestone in IIC's journey toward enhancing governance and investor stewardship in Malaysia.

UMT To Embark On RM900,000 Tiger Prawn Farming Project

KUALA NERUS -- Universiti Malaysia Terengganu (UMT)'s Institute of Tropical Aquaculture (Akuatrop) will embark on a large scale tiger prawn farming project costing RM900,000 by the end of this year. Director Prof Dr Mohd Azmi Ambak told reporters here Monday, the project, which is an effort to generate income for UMT, would be carried out in 14 ponds at the Brackish Water Aquaculture Research Institute in Gelang Patah, Johor.

AirAsia Re-Designates Key Executives

KUALA LUMPUR --AirAsia Bhd's Group Chief Financial Officer (CFO), Rozman Omar, has been promoted to the position of Group Deputy Chief Executive Officer (Corporate) effective Sept 1, 2016. In a filing to the local bourse here Monday, the low cost airline said Rozman will now report to Group Chief Executive Officer, Tan Sri Tony Fernandes.

Bandai Namco Studios Malaysia Opens Studio

PETALING JAYA -- Bandai Namco Studios Inc, with the help of Malaysia Digital Economy Corp (MDEC), has opened a studio in Kuala Lumpur, Bandai Namco Studios Malaysia Sdn Bhd (BNSMY). The studio was formally launched in-house during a private ceremony with the attendance of Managing Director of BNSMY, Makoto Ishii, and Director of Creative Content & Technology Division of MDEC, Hasnul Hadi Samsudin, it said in a statement here Monday.

IFC Appoints Azam Khan As Country Manager For Indonesia, Malaysia

KUALA LUMPUR -- The International Finance Corporation (IFC), a member of the World Bank Group, has appointed Azam Khan as Country Manager for Indonesia and Malaysia. He will be based in Jakarta and replaces Sarvesh Suri who completed his assignment in June, it said in a statement here Tuesday.

Microsoft Malaysia Appoints G-Asiapacific As CSP Direct Partner

KUALA LUMPUR -- Microsoft Malaysia has appointed Malaysia's leading and only Cloud technology agnostic provider, G-Asiapacific Sdn Bhd, as a direct Microsoft Cloud Solutions Provider (CSP) in strengthening its position in the cloud computing space. In a statement here Tuesday, Microsoft said the partnership is part of the long-term strategy to penetrate further into several key industries in Malaysia, including retail, airlines, construction, media and the oil & gas industry, as well as the small and medium enterprises (SME) sector.

SIRIM Names New MD For SIRIM QAS International

KUALA LUMPUR -- SIRIM Bhd has appointed Mohd Azanuddin Salleh as Managing Director for its wholly-owned subsidiary, SIRIM QAS International Sdn Bhd, effective Sept 1, 2016. In a statement here Tuesday, SIRIM said Mohd Azanuddin would continue to strengthen SIRIM QAS International's position as a market leader in certification, inspection and testing services in Malaysia and abroad.

Agrobank Honours 7 Agropreneurs At Agropreneur Award 2016

KUALA LUMPUR -- Seven entrepreneurs were named awardees of the inaugural Agrobank Agropreneurs Awards 2016, recognising the outstanding and successful bank's clients in various categories. In a statement here Tuesday, Chairman Tan Sri Mohamad Zabidi Zainal said the awards highlighted successful agropreneurs who could be icons for other entrepreneurs of the industry and to encourage more entrepreneurs to build agro-based business.

Malaysian Telcos' Spectrum Fees Reasonably Priced - Analysts

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR (Bernama) -- The new spectrum fees for telecommunication companies (telcos) under the spectrum reallocation exercise by the Malaysian Communication and Multimedia Commission (MCMC), is reasonably priced compared with countries which applied the auction mode, said telco analysts.

IDC Market Research (M) Sdn Bhd Research Manager for Telecom, Nikhil Batra said the fact that the Malaysian government had opted for reallocation instead of the auction mode, was a big advantage for telcos as they did not have to go through the auction process.

"Auction mode needs specific expertise whereby the telcos need to decide on the amount of spectrum allocated, by region, to bid.

"Plus, they also have to decide on the economical cost so that telcos would have no problem in monetising their capital expenditure," he told Bernama.

With the new fees, the government is expected to collect between RM2.6 billion and RM2.8 billion for 15 years, along with a fixed annual maintenance fee.

RM70 MILLION MAINTENANCE

"Maxis and Celcom would have to pay RM70 million in maintenance fee, Digi (RM51.5 million) and U-Mobile (about RM43 million), he said.

"The amount is not much different from what was collected under the previous model (roll-out).

"Like in India and Thailand, for example, the price, under an auction mode, would be four to five times higher than the base price as the telcos would compete during bidding to get as much spectrum possible to control the market," said Nikhil.

CHALLENGES AHEAD...With the spectrum reallocation, the four telcos now have about the same amount of spectrum but with a different set of challenges. Pix by Harry Salzman fotoBERNAMA (2015 File)

With the reallocation, he said the four telcos now have about the same amount of spectrum but with a different set of challenges.

"Celcom and Maxis used to own a bigger spectrum of 34MHz and 32MHz of the 900MHz band previously but have less now, with both being reduced by 14MHz and 12MHz, respectively, to 20MHz each.

IMPACT ON TELCOS' REVENUE

"This means that they will have less operating expenditure (OPEX), which would offer them slight relief from margin pressure, from the already saturated market.

"But, they have to expect deterioration in service quality and find effective ways to manage their subscribers based on lesser spectrum," said Nikhil.

Current Analysis Group Senior Analyst Alfie Amir said Malaysian telcos only have to pay several hundred millions of US dollars for the 900MHz and 1800MHz while telcos in Germany and Thailand paid more than US$1 billion or at least three times more for the same amount of spectrum.

However, he said, the new fees were expected to have an impact on the telcos' total service revenue by between 10 and 15 per cent of their current earnings before interest, taxes, depreciation and amortisation (EBITDA) and profit after tax (PAT) margins (currently at around 45 per cent and 25 per cent respectively).

Among the telcos, Alfie pointed out that U-Mobile was likely to have the most impact as its existing subscribers and revenue were way less than the other three main telcos (Celom, Digi, Maxis), but it has to pay the same amount as Digi, and not much less than Celcom and Maxis.

-- BERNAMA

LIST OF MARKET REPORTS :

1. Bursa Malaysia
2. Forex
3. Money Market
4. FBM KLCI Futures
5. Crude Palm Oil (CPO) Futures
6. Rubber Futures
7. KLIBOR Futures
8. Kuala Lumpur Tin Market (KLTM)
9. Gold Futures

BURSA MALAYSIA

Bursa Malaysia To Be Slightly Weaker Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- Bursa Malaysia is expected to be slightly weaker in the coming holiday-shortened week, amid mixed sentiment surrounding the global equity markets, a dealer said.

Affin Hwang Investment Bank Vice-President/Retail Research Head Datuk Dr Nazri Khan Adam Khan said sentiment was slightly bearish on revived fear of interest rates being raised at the next policy meeting on Sept 20-21 following a strong US jobless data and consumer credit figures released last week.

The European Central Bank's decision on Thursday, to keep its monetary policy stance unchanged, had sent disappointment across financial markets as the market expected more stimulus to improve liquidity, he said.

On the local front, Bank Negara Malaysia's decision to keep the overnight policy rate at three per cent plus a weaker trade data for July were not seen as supporting the local market.

He said total trade fell 5 per cent while the trade balance was at its lowest in 21 months.

On the other hand, crude oil prices were uplifted last week following the large drawdown in US crude inventory data and recent talks by Russia and Saudi Arabia to stabilise oil prices, he said.

"However, the rise in crude oil price sentiment was not sufficiently strong to offset the US interest rate fear.

"As such, the local equity market is expected to trade cautiously and in a defensive mode next week with the support level seen between the 1,660 and 1,680 level and the resistence at 1,700.

"With the holiday shortened week, the volume would not be inspiring next week," he told Bernama.

The market will be closed on Monday and Friday next week for the Hari Raya Aidiladha and Hari Malaysia holidays, respectively.

For the week just-ended, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) firmed 14.65 points to 1,686.44.

Main market volume rose to 4.61 billion shares worth RM7.03 billion from 4.03 billion shares valued at RM5.76 billion transacted previously.

Ringgit To Trend Lower Against US Dollar Next Week

By Rosemarie Khoo bt Mohd Sani

KUALA LUMPUR -- The ringgit is expected to trend lower against the US dollar next week in anticipation of a possible interest rate hike by the US Federal Reserve.

Affin Hwang Investment Bank Vice-President/ Retail Research Head Datuk Dr Nazri Khan Adam Khan said most Asian currencies would also trend lower, given the strong US dollar index following the possibility of interest rates being raised at the next policy meeting on Sept 20-21.

"Market will react defensively, because if the US Federal Reserve were to raise interest rates this month, we may see an outflow of foreign funds.

"There is also geopolitical tension caused by North Korea, as it conducted its fifth and most powerful nuclear test on Friday," he told Bernama.

Meanwhile, FXTM Research Analyst Lukman Otunuga said the European Central Bank's decision to keep its monetary policy stance unchanged on Thursday, also pressured the Asian market.

"There could be further losses if risk aversion encourages investors to scatter from riskier assets," said a dealer.

On a Friday-to-Friday basis, the local note rose against the greenback to 4.0675/0725 from 4.0830/0900.
Against other currencies, the ringgit ended mostly lower against a basket of currencies.

The ringgit slid against the Singapore dollar to 3.0030/0069 from 3.0018/0080 last Friday and eased against the yen to 3.9792/9852 from 3.9411/9498.

The local note fell against the euro to 4.5845/5905 from 4.5640/5734 but strengthened against the British pound to 5.4118/4205 from last Friday's 5.4161/3262.

Short-Term Rates To Remain Stable Next Week

KUALA LUMPUR -- The 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 of a conventional money market, range maturity auction (RMA), Qard Islamic range maturity auction (iRMA), Qard, repo, as well as commodity murabahah programme.

On Friday, BNM's action reduced the market's liquidity surplus in the conventional system to RM17.68 billion from RM20.6 billion earlier, while in the Islamic system, it fell to RM6.19 billion from RM10.49 billion, previously.

The overnight Islamic reference rate was one per cent higher at 2.95 per cent, while the one-week, two and three-week rates stood at 3.01 per cent, 3.06 per cent and 3.10 per cent, respectively.

Meanwhile, the benchmark three-month interbank rate stood at 3.40 per cent.

FBM KLCI Futures On Downtrend Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is expected to trade lower next week in tandem with the anticipated weak trend on the underlying cash market.

A dealer said movements this coming holiday-shortened trading week are expected to be limited as most players would abstain from taking up positions.
"It is unlikely to see much activity as investors will stay on the sidelines in the absence of market moving factors," a dealer told Bernama.

The market will be closed on Monday and Friday next week for the Hari Raya Aidiladha and Malaysia Day holidays, respectively.

On a Friday-to-Friday basis, spot month September 2016, October 2016 and December 2016 rose 15 points each to 1,682, 1,678.5 and 1,673, respectively, while March 2017 added 15.5 points to 1,662.

Turnover dropped to 23,732 lots from 48,648 lots last week while open interest increased to 42,424 contracts from 41,413 contracts previously.

The benchmark FBM KLCI ended the week 4.94 points lower at 1,686.44.

CPO Futures To Retreat Next Week

KUALA LUMPUR -- The crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to retreat next week due to mild profit taking activities.

Interband Group of Companies Senior Palm Oil Trader Jim Teh said the market will come in for a correction after its rally the week just-ended.

"The market is also expected to be quiet next week as trading days will be shortened by two public holidays, on Monday and Friday," he told Bernama.

He said the market was awaiting the release of production and export data by the Malaysian Palm Oil Board on Tuesday.

Rumour is rife that production would remain low.

"CPO futures is well supported by the anticipation of good weather, which simply means good output," he added.

Teh expected prices to hover between RM2,600 per tonne and RM2,700 per tonne next week.

On a Friday-to-Friday basis, September 2016 gained RM69 to RM2,898 per tonne, October 2016 rose RM57 to RM2,724, November 2016 advanced RM45 to RM2,640 per tonne and December 2016 increased RM36 to RM2,592 per tonne.

Weekly turnover improved to 227,564 lots from last Friday's 149,148 lots while open interest advanced to 237,950 contracts from 228,551 contracts.

On the physical market, September South was RM60 better at RM2,920 a tonne.

Rubber Market To Continue Uptrend Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to continue its upward momentum next week on the back of a bullish outlook for the commodity, a dealer said.

He said firmer advices from regional rubber futures markets was expected to boost the market next week aided by the further weakening of the ringgit against US dollar.

The rise in China's imports in August, the first time in nearly two years, boosted by coal and other commodities, indicated that domestic demand may pick up, moving forward.

The market will be closed on Monday for the Hari Raya Aidiladha holiday.

For the week just-ended, the Malaysian Rubber Board's (MRB) official physical price for tyre-grade SMR 20 rose 6.0 sen to 533.5 sen per kg while latex-in-bulk was up 14 sen at 454 sen per kg.

The 5 pm unofficial closing price for SMR 20 gained 5.0 sen to 525.5 sen a kg while latex-in-bulk improved 11.5 sen to 456 sen a kg.

KLIBOR Futures To Remain Lacklustre Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is expected to continue its lacklustre trading next week.

On a Friday-to-Friday basis, spot month September 2016, October 2016, November 2016 and December were all pegged at 96.60, respectively.

The underlying three-month KLIBOR on the cash market stood at 3.40 per cent.

Tin Price To Decline On Technical Correction

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to trend lower next week on technical correction, after staging a strong performance this week.

A dealer said the price of the metal on KLTM and the London Metal Exchange (LME) were on the uptrend and considering the absence of major market moving factors, the trend could possibly reverse next week.

"Furthermore, considering the holiday-shortened trading days, next week, some traders may abstain from maintaining their positions in the market," he added.

The local market would be closed on Monday and Friday for the Hari Raya Aidiladha and Malaysia Day celebrations, respectively.

For the week just-ended, the KLTM finished US$420 higher at US$19,600 per tonne against US$19,180 per tonne recorded last Friday.

Turnover rose to 195 tonnes from 173 tonnes last week.
On a Friday-to-Friday basis, the price differential between the KLTM and the LME stood at a higher premium of US$370 from US$330 the previous Friday.

Gold Futures To Consolidate On US Fed Meeting

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is expected to stay in a consolidation mode next week, as market players were cautious ahead of the upcoming US Federal Open Market Committee meeting on Sept 20-21.

Phillip Futures Sdn Bhd Dealer Viola Yong said a rate increase, this month, was less likely to happen based on current market sentiment.

"Market players will also continue to closely watch any new US economic data announcements next week," Yong told Bernama.

Besides, he said the gold futures market would also likely move in tandem with the gold futures market on the US Commodity Exchange.

On a Friday-to-Friday basis, September 2016, October 2016 and November 2016 each rose 30 ticks to RM174.90, RM175.00 and RM175.70 a gramme, respectively, while December 2016 increased 34 ticks to RM175.50 a gramme.

Weekly turnover improved to 55 lots worth RM966,000 from 50 lots worth RM866,090, registered last week.
Open interest was marginally higher at 249 contracts on Friday versus 248 contracts previously.