BERNAMA
MALAYSIAeBiz
WEEKLY BUSINESS ROUNDUP 11-15 AUGUST 2014

This Week's Highlight :

Higher Exports Push Q2 GDP To 6.4 Pct

STRONG GROWTH..."Exports and private sector activity remained the key drivers of growth during the quarter whereby private investment expanded by 12.1 per cent, reflecting investments in the services and manufacturing sectors," said BNM Governor Tan Sri Dr Zeti Akhtar Aziz. -- fotoBERNAMA

KUALA LUMPUR -- Malaysia's Gross Domestic Product (GDP) grew 6.4 per cent in the second quarter against 6.2 per cent registered in the first quarter of the year, driven by higher exports and continued strength in private domestic demand, Bank Negara Malaysia Governor Tan Sri Dr Zeti Akhtar Aziz announced Friday. In current prices, the second quarter GDP amounted to RM262.8 billion. Speaking at a media briefing on the country's second quarter GDP performance here, she said that the performance achieved was broadly higher than the 4.5 per cent recorded in the same quarter of last year.

This Week's Top Stories

Monday

GST: Govt May Announce Additional Zero-Rated Items

KUALA LUMPUR -- The government may announce additional zero-rated items under the Goods and Services Tax (GST) in the Budget 2015 announcement in October. "We have decided on the additional zero-rated items and may announce the list in the Budget," said Deputy Finance Minister Datuk Ahmad Maslan, responding to a media question after speaking at a GST awareness seminar organised by the Kuala Lumpur and Selangor Indian Chamber of Commerce and Industry, here Monday.

Tuesday

Budget 2015 To Improve Fiscal Position, Improve Living Standards - Najib

KUALA LUMPUR -- The 2015 Budget, scheduled to be tabled in Parliament in October, will continue to stimulate growth, and improve fiscal position and the people's standards of living, said Datuk Seri Najib Tun Razak. "Malaysia is on the dawn of a developed nation. Together, we are able to achieve the target. Let's continue with our efforts," he said in his 1Malaysia blog post entitled "Budget2015: Let's Continue Our Efforts" here Tuesday.

August 15, 2014

Wednesday

Merger Exercise Still At Management Discussion Stage – Nazir

PETALING JAYA -- The planned merger between CIMB, RHB Capital and Malaysia Building Society Bhd (MBSB) is still at the stage of management discussion and looking optimistic. CIMB Group Chief Executive Datuk Seri Nazir Tun Razak said the merger proposal had been well received by the management team as it can enhance value for all concerned. "Everything is still at an early stage. Shareholders should wait for details before taking any position," he told reporters this at the opening of the CIMB branch at the new-look Jaya Shopping Centre here Wednesday.

Thursday

M'sia's First EEV, Perodua Axia Opens For Booking

KUALA LUMPUR -- Axia, Malaysia's first energy-efficient vehicle (EEV) - with a tentative starting price of RM24,900 (for Peninsular Malaysia) - will be open for booking at all Perodua sales outlets from Friday, Perusahaan Otomobil Kedua Sdn Bhd (Perodua) said. In a statement here Thursday, Perodua said the latest model is its most fuel efficient car that could travel up to 21.6 kilometers per litre, spacious, packed with unique Malaysian features, and boasted an overall low-cost ownership. Perodua President and Chief Executive Officer Datuk Aminar Rashid Salleh said the deal is the all-in-one package for every Malaysian.

Friday

M'sia's 2014 GDP Forecast To Exceed 5.5 Pct

KUALA LUMPUR -- Bank Negara Malaysia expects the country's economy to exceed 5.5 per cent for this year due to the strong performance recorded in the first six months of 2014, said Governor Tan Sri Dr Zeti Akhtar Aziz. Speaking to reporters at a press conference on the country's second quarter GDP performance here Friday, she said Malaysia registered a strong performance with a Gross Domestic Product (GDP) growth of 6.3 per cent for the first half of 2014, compared with 5.5 per cent recorded in the same period a year ago. Zeti said the official projection figures for the GDP would be announced in the upcoming 2015 Budget.

SMEbrief

Govt Wants FFB Output Boost From Smallholders

SIBU -- The government hopes that 90 per cent of the nation's 200,000 oil palm smallholders could produce up to 22 tonnes per hectare per year of fresh fruit bunches (FFBs) by 2020. Plantation Industries and Commodities Minister, Datuk Amar Douglas Uggah Embas, said the RM1.14 billion allocation for 2011-2014 was to help the smallholders in their planting and replanting activities. "As it is now, those in Peninsular Malaysia have an average production of 19.14 tonnes per ha annually while those in Sarawak, 17.84 tonnes, and in Sabah, 15.48 tonnes. The national average is 18.21 tonnes," he said when officiating the 2014 national-level Palm Oil Smallholders Conference here Monday.

20 SMEs Sign Corporate Integrity Pledge With MACC

KUALA LUMPUR -- Twenty Small and Medium Enterprises (SMEs) here Monday joined representatives of hawkers in signing the Corporate Integrity Pledge in a bid to combat corruption. Malaysian Anti-Corruption Commission Deputy Chief Commissioner (Prevention) Datuk Mustafar Ali said the pledge symbolised a commitment that their organisations would not get involved in corruption.

Expo Offers Solutions To SME Challenges

KUALA LUMPUR -- Small and Medium Enterprises (SMEs) will find solutions to their business challenges and growth plans at the three-day SME Solutions Expo 2014 starting here Wednesday.Business Media International Managing Director Datuk William Ng said the Expo would focus on key SMEs challenges such as tougher access to capital, difficulty in recruiting and retaining talent in a significantly more competitive marketplace, and a shortage of new innovation and ideas.

Online Entrepreneurs Can Get Advice, Grants - PUIM

KOTA BAHARU -- The Malaysian Internet Entrepreneurs Association (PUIM) will assist online entrepreneurs throughout the country to develop their respective businesses by providing assistance in the form of advice and grants. Its President, Mohd Azrul Mohd Nor said the vast online business opportunities, need to be fully utilised by entrepreneurs in the country. "The 18,866 online entrepreneurs registered with PUIM to date can enjoy grants up to RM100,000," he said this when met at the "Slot Sembang Santai PUIM" with MARA entrepreneurs here Wednesday.

SMEs Urged To Tap Global Market Via E-Commerce

KUALA LUMPUR -- The Malaysian business community, particularly Small and Medium Enterprises (SMEs), has been urged to penetrate the global market via electronic commerce (e-commerce) and enhance revenue streams. Science, Technology and Innovation (MOSTI) Minister Datuk Dr Ewon Ebin said SMEs account for about 97 per cent of business establishments in Malaysia. "But about 70 per cent of them do not have a website displaying company information," he added, at the e-Commerce Conference 2014 here Thursday.

PropUP Propertyupdate

Mah Sing Acquires Land For RM359.60 Mln

KUALA LUMPUR -- Mah Sing Group Bhd has acquired 388.50 hectares of land south of Klang Valley in Seremban for RM359.60 million to embark on its biggest freehold township development. The company said the land was strategically located south of its Southville City along the North-South Highway with a 2.5 kilometre frontage along the highway. In a statement here Monday, the group said it was planning for a mixed development township with the focus on first time house buyers and starters' houses, with an estimated Gross Development Value (GDV) of approximately RM7.5 billion.

Q2 Construction Work Increases To RM25.2 Bln

KUALA LUMPUR -- The total value of construction work done in the second quarter of 2014 rose by 10.8 per cent year-on-year to RM25.2 billion. In a statement here Monday, the Department of Statistics Malaysia said the sector continued to register a positive growth since the third quarter of 2011. It said for the quarter under review, the construction activity by type, the highest percentage share contribution was from non-residential buildings and civil engineering sub-sector with 32.4 per cent respectively, followed by residential building (30.4 per cent) and special trades (4.7 per cent).

Encorp Aims To Be Among Top 10 Property Players

KOTA DAMANSARA -- Property developer, Encorp Bhd, which is now 72 per cent owned by Felda Investment Corp (FIC), aims to be one of the top 10 property players in Malaysia. Its chairman, Tan Sri Mohd Isa Samad, said achieving the target within 10-15 years from now should not be difficult given Federal Land Development Authority's (Felda) has valuable and large landbank nationwide. "The strategy is to keep on looking for strategic landbank, which is not a problem for Felda, and with good economy and stability, any area we can develop. Encorp can also step in to develop township within 11 regions of Felda, nationwide," he said after launching Encorp's 'New Journey' logo here Monday.

Berjaya Corp To Dispose Of Land To Tagar Properties

KUALA LUMPUR -- Berjaya Corp Bhd's unit, Berjaya City Sdn Bhd, has proposed to dispose of its 4.05 hectares, including a palm oil mill in Selangor, to Tagar Properties Sdn Bhd for RM743 million. In a filing to Bursa Malaysia here Monday, the company said the proceeds would be used to repay its borrowings and for working capital. "The proposed disposal will not have any material effect on the net assets and gearing of the company for the current financial year ending April 30, 2015," it said.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 407
Losers - 439
Not Traded - 446
Unchanged - 336
Value - 341274027
Volume - 2341325010

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.1530	3.1560
EUR	4.2197	4.2243
GBP	5.2636	5.2699
100 YEN	3.0743	3.0778
SGD	2.5333	2.5376

Source: Bank Negara Malaysia

BURSA: KL Shares Close Mixed To Higher

KUALA LUMPUR -- Shares on Bursa Malaysia closed mixed to higher Friday on the back of persistent buying momentum in small capitalised and penny stocks amid positive sentiment brought about by strong local economic data, dealers said. At close, the benchmark FTSE Bursa Malaysia (FBM KLCI) finished 2.73 points firmer at 1,864.31, up 2.73 points, after fluctuating between 1,860.22 and 1,864.62 points throughout the day.

Malaysia's Gross Domestic Product (GDP) grew 6.4 per cent in the second quarter against 6.2 per cent registered in the first quarter of the year, driven by higher exports and continued strength in private domestic demand. Following this, the central bank has revised upwards the economic growth projection for 2014 to exceed 5.5 per cent from an earlier forecast of between 4.5 per cent and 5.5 per cent.

Losers slightly outnumbered gainers 439 to 407 while 336 counters were unchanged, 446 untraded and 19 others were suspended. Total volume decreased to 3.41 billion units, worth RM2.34 billion, from 3.95 billion units, worth RM2.58 billion, transacted on Thursday. The Main Market volume decreased to 2.16 billion units, worth RM2.09 billion, from 2.9 billion units, worth RM2.42 billion, registered on Thursday.

FOREX: Ringgit Ends Near 10-Month High

KUALA LUMPUR -- The ringgit strengthened near its 10-month high against the US dollar Friday after the economy grew by 6.4 per cent for the second quarter this year. At 5 pm, the ringgit rallied to 3.1530/1560 against the greenback from 3.1785/1805 on Thursday.

A dealer said the country's Gross Domestic Product (GDP), which surpassed analysts' expectation, was driven by higher exports and continued strength in private domestic demand.

"The second quarter GDP amounted to RM262.8 billion. Meanwhile, the country posted RM6.9 billion in net portfolio investment inflow," he added. Against other major currencies, the ringgit was traded sharply higher, whereby it appreciated to 2.5333/5376 against the Singapore dollar from 2.5481/5517 on Thursday and against the yen to 3.0743/0778 from 3.1025/1050.

It strengthened against the euro to 4.2197/2243 from 4.2468/2501 and increased to 5.2636/2699 from 5.2998/3044 against the pound.

Money Market: Short- Term Rates End Stable

KUALA LUMPUR -- Short-term interbank rates closed stable Friday following Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system.

The liquidity surplus in the conventional system fell to RM18.612 billion from RM26.974 billion estimated in the morning while in the Islamic system it was reduced to RM2.303 billion from RM6.593 billion.

In the morning, BNM conducted five tenders -- one range maturity auction, two repo and two Al-Wadiah tenders.

The central bank also conducted a late conventional money market tender for RM18.3 billion and a RM2.3 billion Al-Wadiah money market tender, both for three-day money. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.62 per cent.

The overnight Islamic reference rate stood at 3.22 per cent, while the one-, two- and three-week rates stood at 3.26 per cent, 3.30 per cent and 3.33 per cent, respectively.

KLIBOR Futures Contracts End Lower

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract ended lower with one contract month traded. At close, September 2014 fell one tick to 96.34 while August 2014, October 2014 and December 2014 stood at 96.35, 96.30 and 96.25 respectively. Open interest amounted to 3,280 contracts. At 11 am fixing, the underlying three-month KLIBOR stood at 3.62 per cent.

KLCI Futures Close Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia (FBM) KLCI futures contracts (FKLI) on Bursa Malaysia Derivatives closed higher Friday. At the close, spot month August 2014 and September 2014 rose 5.5 points each to 1,863.5 and 1,860.5 respectively, while December 2014 and March 2015 perked six points each to 1,862 and 1,858 respectively. Turnover increased to 4,752 lots from 4,506 lots on Thursday, while open interest fell to 26,564 contracts from 30,466 contracts previously. FBM KLCI extended its gain for the fifth consecutive session to close 2.73 point higher at 1,864.31.

ASB2 Breaches RM1 Bln Since Its Launch

MELAKA -- Amanah Saham Bumiputera 2 (ASB2), which is managed by Permodalan Nasional Bhd (PNB), has now breached the RM1 billion mark with more than 52,000 unitholders within four months of its launch on April 2 this year. PNB President and Group Chief Executive Tan Sri Hamad Kama Piah Che Othman said the sales performance of ASB2 was better than the record made by its other unit trusts. "With its trademark simple product features and easy to undertstand, ASB2 will become another main choice of the Bumiputera community including the young generation or Generation Y (Gen-Y) which is the target group for the ASB2 investment," he said to reporters after the state-level ASB2 launch ceremony, officiated by Melaka Chief Minister Datuk Seri Idris Haron here Monday.

Embrace Sustainability Reporting, Transparency - ACCA

KUALA LUMPUR -- More companies should step up and embrace greater transparency and report on their sustainability practices, said the Association of Chartered Certified Accountants (ACCA). In a statement here Monday, head of ACCA Malaysia, Jennifer Lopez, said the commitment to sustainable business practices must begin from the top and should be a key consideration discussed at the board level and integrated into the company's business strategy.

CNMC's Q2 Net Profit Rises To US$5.50 Mln

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- CNMC Goldmine Holdings Ltd, the first Catalist-listed gold mining company on the Singapore Exchange Securities Trading Ltd, registered a record net profit of US$5.50 million in the second quarter of 2014 (Q2) ended June 30, 2014 as compared to US$0.12 million in Q2 2013. Correspondingly, its net profit in first half elevated to US$7.05 million, which surpassed the audited net profit of US$3.43 million in the financial year ended Dec 31, 2013 (FY13). Commenting on the Group's overall performance, CNMC Chief Executive Officer Chris Lim said: "The board and management are very pleased with another excellent quarter for the Group, which marks the fifth consecutive quarter of profitability."

Overwhelming Response To Maybank GO Ahead Challenge

KUALA LUMPUR -- The Maybank GO Ahead Challenge, a business talent competition organised by Maybank, received a 100 per cent surge in submissions this year compared to last year. The 60 finalists from 14 countries worldwide, unveiled here Monday, are the best-performing participants selected from more than 10,000 applicants, Maybank said in a statement here Tuesday. Applications were open to recent graduates and final-year university students in Malaysia and 13 other countries in which Maybank has a significant presence.

AIBIM Gives Thumbs Up To Mega Islamic Bank

KUALA LUMPUR -- The creation of a mega Islamic bank will make Islamic banking internationally more acceptable and become a household name, says the Association Of Islamic Banking in Malaysia (AIBIM). "We'll see a bigger bank that would be regionally relevant across international market. The formation of a mega Islamic bank is very much welcomed," said its president Datuk Mohd Redza Shah, after the signing of memorandum of understanding (MOU) between AIBIM and Islamic Banker Asia here Tuesday.

Maybank Investment Bank Issues 6 New Call Warrants

KUALA LUMPUR -- Maybank Investment Bank Bhd has issued six new European style cash-settled call warrants over ordinary shares of DRB-HICOM Bhd, Genting Bhd, Genting Malaysia Bhd, Genting Plantations Bhd, MBM Resources Bhd and Tan Chong Motor Holdings Bhd. In a statement here Tuesday, Maybank Investment said the warrants will be listed Tuesday with an issue size of 100 million each. "This tranche focuses on the automotive sector. Total vehicle sales in the first half of this year had outperformed the total vehicle sales for the same period last year," it said.

Maybank's Etiqa Forays Into S'pore

KUALA LUMPUR -- Maybank Group enhances its presence in Singapore with the launch of its insurance arm, Etiqa Insurance Pte. Ltd. at Maybank's 22 branches in the republic recently. In a statement here Tuesday, it said the approval given by the Monetary Authority of Singapore to Etiqa to operate as a licensed life and general insurance company on June 13, 2014 marked its forays into the local life insurance market. Maybank Singapore Chief Executive Officer and Financial Services Head of Group Community Datuk Lim Hong Tat said Etiqa's entry into Singapore's life insurance market would enable consumers to get more choices and to be served more holistically.

SPECIAL COVERAGE

Newsbriefs@7 Updated Daily

AHB Aims For No. 1 In Office Furniture

KUALA LUMPUR -- Office furniture manufacturer, AHB Holdings Bhd aims to be the largest player in the local market within five years, said Chief Executive Officer and Managing Director, Yong Yoke Keong. He said the local office furniture industry was estimated to be about RM200 million per year. Some of the company's local clients were Public Bank, Petronas, and BASF Malaysia, he added. "With strong corporate balance sheet with about RM5 million to RM10 million net cash, the management and the board of directors of AHB are very focused on the business going forward," he told a press conference here Monday.

KFC Sales Not Affected by Recent Boycotts

KUALA LUMPUR -- Sales continue to remain brisk at all KFC outlets, nationwide, despite the boycott against companies that are alleged to have links with Israel. General Manager KFC Marketing Kelvin Hong Kim Hoong said the company's business was not affected by the boycott because it was a full-fledged Malaysian conglomerate owned by Johor Corporation. "Sale of KFC products remain stable and it is business as usual for us," he told reporters after launching the company's latest KFC Tasty Travels campaign here Monday.

Alliance Group Q1 PBT Falls To RM173.31 Mln

KUALA LUMPUR -- Alliance Financial Group Bhd's pre-tax profit (PBT) profit fell to RM173.31 million for its first quarter ended June 30, 2014, from the RM183.95 million reported in the same period last year. Revenue was also lower at RM336.73 million during the quarter from RM364.17 million previously, the company said in a filing to Bursa Malaysia here Monday. Earnings per share for the quarter stood at 8.6 sen from 9.0 sen in the same period last year.

IPI Edges Up 7.0 Pct In June

KUALA LUMPUR -- The Industrial Production Index (IPI) edged 7.0 per cent in June 2014 compared with the same month in the previous year said the Statistics Department Monday. The Statistics Department in a statement here Monday, said the rise was contributed by an increase in all three indices, namely manufacturing (9.1 per cent), mining (1.4 per cent) and electricity (6.5 per cent). "In seasonally adjusted terms, the IPI in June increased by 0.5 per cent month-on-month due to increases in both the mining and electricity indices of 0.9 per cent and 3.3 per cent respectively," it added.

Distributive Trade Sector Up 9.1 Pct In Q2

KUALA LUMPUR -- The distributive trade sector expanded further to 9.1 per cent in the second quarter of 2014. The increase was propelled by retail trade sub-sector (11.1 per cent), followed by motor vehicles (10.3 per cent) and wholesale trade (7.3 per cent), the Statistics Department said in a statement here Monday.

June Manufacturing Sales Increase To RM53.3 Bln

KUALA LUMPUR -- The sales value for the manufacturing sector in June 2014 rose by 3.8 per cent (RM1.9 billion) to RM53.3 billion from RM51.4 billion in the same month a year ago. On a month-on-month basis, the sales value increased by 0.5 per cent (RM0.2 billion) compared with the preceding month. The sales value in May 2014 has been revised based on latest data available, said the Department of Statistics Malaysia in its Monthly Manufacturing Statistics here Monday.

Price Of Cocoa Beans To Increase Steadily

KOTA SAMARAHAN -- The price of cocoa beans is anticipated to rise steadily until 2020 following a reduction in global supply, says the Malaysian Cocoa Board (MCB) Director General, Dr Lee Choon Hui. He said the cocoa market is expected to strengthen as a global deficit of 85,000 tonnes of cocoa beans is anticipated. "The price is now more than RM9,000 per metric tonne and is expected to further strengthen to RM11,723 (US$3,664) by 2018 with the world expected to experience a shortage of one million metric tonnes in 2020. "So, there is money. All we need is hard work with the world seeking more chocolate and more dark cocoa," he told a press conference here Monday.

Takaful Q2 Pre-Tax Profit Rises To RM55.62 Mln

KUALA LUMPUR -- Syarikat Takaful Malaysia Bhd's (Takaful Malaysia) pre-tax profit for the second quarter ended June 30, 2014 increased to RM55.62 million from RM42.55 million in the same period last year. Revenue, however, slipped to RM424.81 million from RM437.95 million previously, mainly attributed to lower sales generated by the family takaful business. In a filing to Bursa Malaysia here Monday, the company said the higher pre-tax profit registered was attributable to lower management expenses and expense reserves and better investment results.

Petronas Chemicals Q2 PBT Declines To RM782 Mln

KUALA LUMPUR -- Petronas Chemicals Group (PCG) Bhd saw its pre-tax profit (PBT) decline to RM782 million for the second quarter ended June 30, 2014 from RM1.4 billion a year earlier. Revenue during the same period also fell to RM3.3 billion from RM3.9 billion previously, it said in a filing to Bursa Malaysia here Monday. “The market conditions were challenging, following increased supply availability for aromatics, fertilisers and methanol, while ethylene derivatives were affected by softer demand,” it said.

Riverview Q2 Pre-Tax Profit Rises To RM3.78 Mln

KUALA LUMPUR -- Riverview Rubber Estates Bhd’s pre-tax profit for the second quarter ended June 30, 2014 rose to RM3.78 million from RM1.17 million in the same period a year ago. Revenue increased to RM7.895 million from RM5.545 million previously, it said in a filing to Bursa Malaysia here Monday. Riverview said for the half year ended June 30, 2014, pre-tax profit grew by 63.7 per cent to RM7.73 million from RM2.80 million in the same period of 2013. Revenue rose to RM16.10 million from RM11.17 million in the same period of last year.

KLCCP Q2 Pre-Tax Profit Dips To RM203.48 Mln

KUALA LUMPUR -- KLCC Property Holdings Bhd’s (KLCCP) pre-tax profit for the second quarter ended June 30, 2014 declined to RM203.48 million from RM220.74 million in the same quarter last year. Revenue, however, increased to RM332.81 million from RM316.92 million in the same period a year ago. In a filing to Bursa Malaysia here Monday, KLCCP said its pre-tax profit in the second quarter was lower mainly due to a one-off cost incurred in the current quarter arising from debt refinancing.

Sunway REIT Q2 Pre-Tax Profit Rises To RM411 Mln

KUALA LUMPUR -- Sunway Real Estate Investment Trust’s (Sunway REIT) pre-tax profit for the financial year ended June 30, 2014 rose to RM411.124 million from RM392.322 million in the same period last year. Revenue rose to RM427.788 million from RM415.946 million previously. The retail segment registered a gross revenue of RM300.7 million despite the closure of Sunway Putra Mall since May last year for major refurbishment, Sunway REIT said in a statement here Monday.

Petchem’s Earnings Set To Recover From 2nd Half

KUALA LUMPUR -- Petronas Chemicals Group (PetChem) Bhd’s earnings are set to recover from the second half of 2014 onwards. Kenanga Research reiterated its “outperform” rating for the chemicals producer with a revised target price of RM7.19. The research house said in a note here Tuesday that PetChem’s recent weaker-than-expected results was mainly due to a lower utilisation rate at Olefins & Derivatives (O&D) of only 65 per cent in the first half compared to its full-year assumption of 88 per cent.

Petronas Q2 Pre-Tax Profit Surges To RM28.1 Bln

KUALA LUMPUR -- Petronas’ pre-tax profit for the second quarter ended June 30, 2014 rose 28 per cent to RM28.1 billion from RM22 billion in the corresponding period last year on the back of higher revenue. Its revenue increased 15 per cent to RM85.4 billion from RM74.4 billion previously, driven by improved production, higher gas sales and favourable exchange rate, Petronas Executive Vice-President and Group Chief Financial Officer Datuk George Ratilal told a media briefing here Wednesday.

BHIC Records Lower Pre-Tax Profit For First Half

KUALA LUMPUR -- Boustead Heavy Industries Corporation Bhd’s (BHIC) pre-tax profit for the first six months ended June 30, 2014, declined to RM11.9 million compared with the RM15.3 million reported for the same period a year ago. Revenue was up by four per cent to RM130.7 million from RM126.2 million previously, the unit of Boustead Holdings Bhd said in a statement here Wednesday. For second quarter, BHIC reported an improved pre-tax profit of RM11.2 million from RM10.3 million in the corresponding quarter, while for revenue, it rose to RM66.5 million from RM61.8 million.

Amway Q2 Pre-Tax Profit Increases To RM35.22 Mln

KUALA LUMPUR -- Amway (M) Holdings Bhd’s pre-tax profit for the second quarter ended June 30, 2014 rose 2.6 per cent to RM35.22 million from RM32.04 million in the same quarter of 2013. Revenue however decreased to RM193.51 million from RM195.36 million. In a filing to Bursa Malaysia here Wednesday, Amway said the group’s sales revenue decreased by 9.3 per cent for the quarter under review as compared to the preceding quarter. This was due mainly to higher distributor productivity achieved in the first quarter, driven by the sales and marketing programmes.

MAS Privatisation Could Be Best Option For Restructuring

KUALA LUMPUR -- The privatisation of Malaysia Airlines (MAS) could be the best available option for the national carrier to undergo a major restructuring and similar to what Japan Airlines underwent back in 2010. Kenanga Research said in a research note here Monday that post-privatisation, MAS' operations would likely remain “”business as usual”. However, the research firm anticipates a reduction in MAS' workforce (abolishment of workforce unions) and unprofitable routes and renegotiation of contracts to achieve a leaner structure.

July Palm Oil Stocks Rise 1.47 Pct

KUALA LUMPUR -- Palm oil stocks rose 1.47 per cent to 1.681 million tonnes in July 2014 from 1.656 million tonnes in June, the Malaysian Palm Oil Board (MPOB) said. In a statement here Monday, the MPOB also said crude palm oil (CPO) stocks improved 7.64 per cent to 891,636 tonnes last month, while processed palm oil eased 4.7 per cent to 789,380 tonnes. Palm kernel stocks increased 32.27 per cent to 164,701 tonnes in July, while crude palm kernel oil fell 14.09 per cent to 149,243 tonnes, it added.l

Govt To Continue Strengthen M'sia's Competitiveness – Muhyiddin

KUALA LUMPUR -- The government will continue to strengthen Malaysia's global competitiveness through efforts targeted at enhancing its investment environment and promoting policies, said Deputy Prime Minister Tan Sri Muhyiddin Mohd Yassin. The move would increase trade, harness talents to achieve higher productivity growth, intensify efforts to reduce regulatory burden, as well as strengthen the country's technological capabilities, he said this in his keynote address at The Edge Billion Ringgit Club Gala Dinner Monday.

MAS Among Top Counters On Bursa Malaysia

KUALA LUMPUR -- Malaysia Airlines' (MAS) shares emerged among the most active counter on Bursa Malaysia, finishing two sen higher at 26 sen here Monday. At the closing bell, the counter saw 244.84 million shares changing hands, reflecting the interest of investors in the national carrier despite news of its privatisation. The counter opened 2.5 sen higher at 26.5 sen, the highest for the day, against 24 sen on Friday.

M'sia Can Move Away From Subsidies – Rabobank

KUALA LUMPUR -- Malaysia's economy is strong enough to move away from subsidies, says Rabobank's Director and Head of Financial Market Research for Asia-Pacific, Michael Every. He said this would benefit the country in the long run as the subsidies could be used for more useful spending such as for infrastructure. “If the government is serious in reducing fiscal deficit, that (rationalisation subsidies) are the easiest way to do it,” he told reporters after the Dutch cooperative bank's 2014 Client Seminar here Tuesday.

GST Incentive Guidelines To Be Released Soon

PUTRAJAYA -- The guidelines on incentives for companies that have registered for implementation of the Goods and Services Tax (GST) will be released soon. Deputy Finance Minister Datuk Chua Tee Yong said the guidelines are needed as many companies or business associations, have yet to fully comprehend the incentive package being offered by the government, Chua told reporters this after meeting with representatives of business associations here Tuesday.

M'sia Aims To Be Among World's Biggest Cocoa Product Producers

By Robert Kenneth

KUCHING -- The Malaysian Cocoa Board (MCB) aims to make the country among the world's biggest producers of quality cocoa products by 2020. In its efforts to achieve this target, the MCB has taken various initiatives with the latest being the Cocoa Safety Project Facilitator Training. Plantation Industries and Commodities Minister Datuk Amar Douglas Uggah Embas said the training involved human capital development as well as sharing knowledge on sanitary and phytosanitary standards in the cocoa industry in Southeast Asia.

M'sian Companies Should Take Advantage Of Rising Yuan - HSBC

KUALA LUMPUR -- Malaysian companies should take advantage of the rising yuan, as the Chinese currency is set to gain stronger momentum in international trade in the future, says the Hong Kong Shanghai Banking Corporation (HSBC). “The trade done by Malaysian companies in yuan is ‘fairly low',” said its Regional Head of Global Trade and Receivables Finance, Simon Constantinides told a media briefing held in conjunction with a HSBC Forum on “China Globalising: Renminbi Rising (Malaysia)”, held here Tuesday.

EPF Ups Stake In Star Publications

KUALA LUMPUR -- Star Publications (M) Bhd Tuesday announced that the Employees Provident Fund Board (EPF) has acquired additional 71,700 shares on Aug 7, 2014.

In a filing to Bursa Malaysia here Tuesday, Star Publications said the acquisition brought the fund's stake in the company to 36.938 million shares.

M'sia, Australia Strive To Advance Trade, Investment Interests
By Neville Dcruz

MELBOURNE -- Malaysia's International Trade and Industry Minister Datuk Mustapa Mohamed and his Australian counterpart, Andrew Robb co-chaired bilateral talks here Wednesday on advancing shared trade and investment. Speaking to about 200 corporate and professional leaders, the ministers underlined the importance of commercial relationship to both countries, reflecting on the strong growth in bilateral trade and investment over the past three years. Malaysia is Australia's ninth-largest trading partner.

AirAsia Expects Strong 2nd Half Performance
KUALA LUMPUR -- Low-cost carrier AirAsia expects a strong performance in the second half of this year driven by the lower oil price and the introduction of new services. Group Chief Executive Officer Tan Sri Tony Fernandes said the cheap oil price will improve the bottomline and allow passengers to benefit in terms of lower fares. "Loads remained strong. The Philippines is turning around and we expect to be profitable in Indonesia in the fourth quarter," he told reporters after the launch of AirAsia's low-cost courier service, Redbox here Thursday.

AirAsia CEO Denies Buying MAHB, MAS Stakes
KUALA LUMPUR -- AirAsia Group Chief Executive Officer Tan Sri Tony Fernandes Thursday dismissed rumours of him possibly taking up stakes in Malaysia Airports Holdings Bhd (MAHB) and Malaysia Airlines. "I want to make my life more simple. That is why I have given up Formula One (F1) and I only have football. I do not want to own airports and I do not want to own other airlines. I just want AirAsia," he told reporters here Thursday after the launch of AirAsia's low-cost courier service, Redbox.

Pakistanis Urged To Do Business In M'sia
KUALA LUMPUR -- Pakistan's High Commissioner to Malaysia Syed Hassan Raza has urged Pakistani business players to take full advantage of doing business in the country. This, he added, is especially after the completion of a review of the free trade agreement (FTA) for closer economic ties, signed by both countries in November, 2007. Malaysia's favourable environment and the people's high awareness of the benefits of the FTA, the volume of bilateral trade could be increased and economic ties continue to prosper, he told reporters here Thursday at a flag-raising ceremony to mark Pakistan's 67th Independence Day celebration.

SUPERB To Help Realise Bumi Entrepreneurs' Dreams
KUALA LUMPUR -- Skim Usahawan Permulaan Bumiputera (SUPERB), now in its third series, is determined to help make Bumiputera entrepreneurs' dream a reality. In a statement here Thursday, the Bumiputera Agenda Steering Unit (TERAJU) said it will assist promising Bumi individuals or start-up companies receive a possible grant of up to RM500,000 through their innovative and creative business ideas. Its Economic Corridors Programme's Director, Bestari Abrar Nasiruddin, said in Series 3, participants had valuable opportunity to pitch in front of knowledgeable and experienced panelists starting with BizPitch Road Tour.

ASTRO, Pinewood Iskandar To Offer TV Content
KUALA LUMPUR -- Astro Malaysia Holdings Bhd's wholly-owned subsidiary, Astro Productions Sdn Bhd (APSB), is collaborating with Pinewood Iskandar Malaysia Studios Sdn Bhd (IMS) to offer integrated television content production services at Pinewood Iskandar Malaysia Studios (PIMS). Under the five-year agreement, IMS has appointed APSB as the provider of equipment and services for production of television content at its two television studios, Pinewood said in a statement here Thursday.

GST: MK Land To Absorb Rising Housing Cost
KUALA LUMPUR -- Property developer, MK Land Holdings Bhd will absorb the anticipated escalating residential property cost that are indirectly incurred when the Goods and Services Tax (GST) commences.Its Group Chief Executive Officer Lau Shu Chuan said market sources were saying that with the implementation of the GST, there could be a slight increase in property cost. MK Land's cost absorption would depend on the type of products offered, he told reporters at the company's Hari Raya open house Thursday.

Richworks To Organise Entrepreneurship Seminars

KUALA LUMPUR -- Entrepreneurs seeking an easy way to build successful businesses should take time to attend the "It's Easy To Do Business 2014 Special Edition" seminars from Aug 23-Sept 7. The seminars are being organised by Richworks International Sdn Bhd and will be held at the Bayview Hotel, Malacca (Aug 23), the Setia City Convention Centre, Shah Alam (Aug 24), Dewan Millenium, Penang (Sept 3) and the Thistle Hotel, Johor Baharu (Sept 6) with the finale at the Wisma MCA in Kuala Lumpur on Sept 7. In a statement here Monday, Richworks International said the seminar will be conducted by success trainer and marketing guru, Dr Azizan Osman.

Zurich Insurance Appoints New CEO

KUALA LUMPUR -- Zurich Insurance Malaysia Bhd has appointed Philip Smith as its new Chief Executive Officer. Smith will be responsible for further strengthening Zurich's business in Malaysia and will play a key role in achieving its goals in this important market, said Zurich in a statement here Monday.

CIMB, Mitsubishi Set Up JV

KUALA LUMPUR -- CIMB Group Holdings Bhd has signed a joint venture agreement with Mitshubishi Corp to set up a joint venture. CIMB-MC Capital Ltd will be a 50:50 joint venture between CIMB Strategic Assets Sdn Bhd, a wholly-owned unit of CIMB Group, and MC Emerging Capital Partners BV, a wholly-owned subsidiary of Mitsubishi, it said in a filing to Bursa Malaysia here Monday. The joint venture will be incorporated in Cayman Islands and act as an investment holding company dedicated to establishing and managing a private equity fund.

Perodua To End 3-Year Free Service Package

KUALA LUMPUR -- Perusahaan Otomobil Kedua Sdn Bhd (Perodua) is ending its three-year free service package for all models by end of this month. The three-year free service package was introduced last year as part of its 20th Anniversary offering to customers along with the introduction of the Perodua S- Series. "Our customers who register their Perodua vehicles before the end of August will still be entitled for the package," Perodua President and Chief Executive Officer Datuk Aminar Rashid Salleh said in a statement here Monday.

AirAsia's Premium Flex To Spur More Intra-Asia Business Activities

KUALA LUMPUR -- AirAsia expects its latest service, Premium Flex, designed to cater to the needs of discerning business travellers, will encourage more intra-Asian business activities. AirAsia Group Chief Executive Officer, Tan Sri Tony Fernandes said Premium Flex is a great product especially for young entrepreneurs and small and medium enterprises (SME) businessmen who are not flying business class in premium airlines but still want the flexibility. "It's a new market in Asia that create opportunities for new and young businessmen to expand their business and start growing," he told reporters during the launch here, Monday.

Time Partners With Google In Trans-Pacific Submarine Cable System

KUALA LUMPUR -- TIME dotCom Bhd will collaborate with Google and other investors to invest in its second submarine cable project, FASTER, which will connect Asia and North America to support its global expansion initiatives. Besides Google, China Mobile International, China Telecom Global, KDDI and SingTel are partners in FASTER, TIME said in a statement here Monday. The cable system is targeted for completion in the second quarter of 2016.

Tomei Unit Gets Non-Exclusive Right To Distribute Bullion Products

KUALA LUMPUR -- Tomei Consolidated Bhd's (TCB) unit Tomei Gold and Jewellery Holdings (M) Sdn Bhd (Tomei Holdings) has entered into a distribution agreement with the Royal Canadian Mint for the distribution of bullion products in Malaysia. Under the agreement, Tomei Holdings will hold the non-exclusive right to advertise, market and promote the sale of the bullion products in Malaysia until terminated by either party. "Tomei Holdings may retain sub-distributors for the purpose of selling, advertising and promoting the bullion products in accordance with the terms and conditions of the agreement," TCB said in a filing to Bursa Malaysia here Tuesday.

Pizza Hut To Open More Branches By Year-End

KUALA LUMPUR -- Pizza Hut Malaysia wants to open five to six new branches by year-end, said its Senior General Manager, Low Kang Moon. He said Pizza Hut Pizza Hut would allocate about RM500,000 to RM1 million for the new branches. "Currently, we have over 300 restaurants and plan to open more branches by year-end," he said at the launch of the new and improved Pan Pizza here Tuesday.

QNET Signs Three-Year Partnership With Manchester City

KUALA LUMPUR -- QNET, an Asian direct selling company, has signed a three-year partnership with 2013/2014 Barclays Premier League champions, Manchester City.QNET is an international direct selling subsidiary of QI Group of Companies helmed by Malaysian entrepreneur, Datuk Seri Vijay Eswaran. In a statement here Wednesday, he said the venture will provide another strategic platform for QNET to further elevate its brand and achieve greater reach for its independent representatives and consumers worldwide.

MAS Set For Major Overhaul

By Salbiah Said

KUALA LUMPUR -- Malaysia Airlines (MAS) is set for a major overhaul under Khazanah Nasional Bhd's plans to resuscitate the ailing company which has undergone two air disasters within five months.

Saying the 68-year old national flag carrier was "part of Malaysia's history," Prime Minister Datuk Seri Najib Tun Razak called on all MAS stakeholders to support the government investment fund's move despite the "painful steps" that may be involved.

"Piecemeal changes will not work", he said in a statement last Friday, in response to the proposed de-listing of MAS.

The government, through Khazanah, Friday announced a formal process to take full ownership and de-list the airline from Bursa Malaysia.

Khazanah, which owns 69.37 per cent of MAS, said it will offer 27 sen for each share in the company it does not own, amounting to nearly RM1.4 billion to take the airline private.

Details By End-August

Khazanah believes that MAS privatisation would pave the way for a complete overhaul of its loss-making operations, and more details of its planned restructuring are expected by the end of August after it secures approval from shareholders.

The sovereign wealth fund said all stakeholders would need to work together to rescue the company via a "complete overhaul" extending across "the airline's operations, business model, finances, human capital and regulatory environment".

"Nothing less will be required in order to revive our national airline to be profitable as a commercial entity and to serve its function as a critical national development entity", Khazanah said.

Kenanga Research said the MAS privatisation could be the best available option for the national carrier to undergo a major restructuring and similar to what Japan Airlines underwent back in 2010.

In a research note, it said that post-privatisation, MAS' operations would likely remain "business as usual".

MAS Privatisation Anticipated

However, it anticipates a reduction in MAS' workforce (abolishment of workforce unions) and unprofitable routes and renegotiation of contracts to achieve a leaner structure.

MAS AIRBUS FLEET... Malaysia Airlines (MAS) has a fleet of six Airbus A380 superjumbos. It took delivery of its first A380 (pix) at a handing over ceremony in Toulouse, south west of France on May 29, 2012. -- fotoBERNAMA

Kenanga Research said it was not surprised with the plan to privatise MAS as the move had been anticipated since the third quarter.

"We opine that the selective capital reduction (SCR) offer price of 27 sen per share by Khazanah to the minority shareholders is decent, given that the offer price implies a 2.4 times Price-to-Book to our financial year 2014 book value per share of 11 sen, representing 100 premium to the industry average", said Kenanga Research.

"Hence, we would strongly advise that shareholders of MAS accept Khazanah's offer to make way for the privatisation. This is given that its reserves might not last till the end of financial year 2015 due to the staggering losses", it added.

Hong Leong Investment Bank said the outlook for MAS is of great concern, given that the national airline has been suffering core losses since financial year 2009.

Worst Q2 Performance Expected

"The upcoming second quarter performance is expected be the worst, due to the after-effects of the MH370 incident (March 2014) in lowering load-factor and passenger yields.

"The recent MH17 incident (July 2014) has further worsened passenger demand", it said in a separate note.

Following the privatisation, it expects MAS to cut long haul routes - as MAS can still leverage on the Oneworld Alliance - and concentrate on shorter regional and domestic networks, as well as downsize the aircraft fleet and staff number.

"A likely beneficiary of the restructuring is AirAsia X, while losers are AirAsia, MAHB and Brahim. However, we would like to reiterate our positive view on MAHB's long term prospects on the growing demand for air travel", it added.

While Khazanah's de-listing proposal is able to take MAS restructuring plans out of the public scrutiny, analysts say long-term solutions must include plugging the financial leakages to turnaround the ailing national carrier.

Khazanah On Course

"The restructuring move will have to involve the spin-off of non-core assets, such as engineering division and subsidiary Firefly Airlines, as well as reshuffling of the management.

It has to re-adjust its money-losing routes at the expense of losing market share to other players", an aviation analyst, who requested anonymity, said.

An analyst with a local brokerage said Khazanah is on course in making the national carrier profitable again with a possibility that the airline will be listed again in the next few years.

"We suspect that retrenchment is one of the plans to revive the carrier's bleeding balance sheet", the analyst told Bernama.

MAS was founded in 1946 (then known as Malayan Airways), and later commenced operation as Malaysia Airlines System in 1972. The airline flies around 37,000 passengers a day to 80 destinations worldwide and employs about 20,000 people.

The company has been in the red for the past three years, with the biggest loss of RM2.52 billion being reported in the financial year ended Dec 31, 2011. It has seen fierce competition from low-cost airlines, including Air Asia, that drove down fares.

LIST OF MARKET REPORTS :

BURSA *MALAYSIA*

BURSA: Rise In Risk-Taking Sentiment To Influence Bursa M'sia

By Zairina Zainudin

KUALA LUMPUR -- Bursa Malaysia is expected to trend higher next week, supported by a slow boost in risk-taking sentiment amid the strengthening of the ringgit, said Affin Investment Bank Vice-President and Head of Retail Research Dr Nazri Khan Adam Khan.

He said there should be more upside momentum following the strong reversal over the past week where the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) breached through the 1,860 level to a new one-week high after a series of negative raft of economic data.

"The momentum would be supported by waning geopolitical worries and ultra-easy monetary policy driven by some sour global economic data," he told Bernama.

He added the local market should also be supported by Malaysia's strong economic growth coupled with Bank Negara Malaysia's decision to keep the overnight policy rate unchanged at 3.25 per cent even though inflation had accelerated in June.

In the second quarter of this year, the national Gross Domestic Product (GDP) grew by 6.4 per cent, underpinned by higher exports and higher private domestic
demand.

Bank Negara Governor Tan Sri Dr Zeti Akhtar Aziz said the economic growth projection for 2014 had been revised upwards to more than 5.5 per cent from an earlier forecast of between 4.5 per cent and 5.5 per cent.

Weekly turnover rose to 17.14 billion shares, valued at RM11.93 billion from 15.28 billion shares, valued at RM11.39 billion last week.

Main market volume increased to 12.91 billion units worth RM11.14 billion from last Friday's 11.57 billion units worth RM10.7 billion.

FOREX: Ringgit Expected To Strengthened Further

By Farhana Poniman

KUALA LUMPUR -- The ringgit is expected to continue its uptrend next week, driven by stronger foreign fund inflows, Affin Investment Bank said.

Vice-President/Head of Retail Research Dr Nazri Khan said emerging market currencies including the ringgit climbed strongly against a fast receding dollar as an unexpected foreign buying and inflows made a comeback.

"We expect these fresh rounds of foreign dollar injection to slowly push carry trades into higher yield Malaysian market, boosting local asset liquidity specifically Bursa Malaysia and Malaysian government bonds," he told Bernama.

On a weekly basis, Nazri said the local note moved aggressively higher versus the US dollar, gaining 5.3 per cent to 3.17 since February, making strong upward momentum after being battered down since May 2013.

The ringgit improved sharply to 3.1530/1560 per US dollar against 3.2060/2090 last Friday.

It also ended the week sharply higher against other major currencies.

The local unit appreciated against the Singapore dollar to 2.5333/5376 from 2.5611/5643 last week and rose against the yen to 3.0743/0778 from 3.1499/1532 previously.

The local note strengthened against the British pound to 5.2636/2699 from 5.3870/3934 and was up versus the euro to 4.2197/2243 from 4.2922/2972 last Friday.

Money Market: Short- Term Rates To Remain Stable

KUALA LUMPUR -- Short-term interest rates are expected to remain stable next week as Bank Negara Malaysia (BNM) continues to intervene to stabilise the money market, dealers said. The central bank will continue with the daily tender intervention to absorb excess funds in the market by conducting conventional, Al-Wadiah, range-maturity auctions and repo money market tenders.

For the week just-ended, BNM intervened daily to flush the system of surplus funds.

On Friday, the market's total liquidity surplus was reduced to RM18.612 billion in the conventional system and RM2.303 billion in Islamic funds.

The overnight Islamic reference rate stood at 3.22 per cent while the one-, two- and three-week rates stood at 3.26 per cent, 3.30 per cent and 3.33 per cent, respectively.

On a week-to-week basis, the benchmark three-month KLIBOR inched up to 3.62 per cent from last week's 3.61 per cent.

KLCI Futures To Trade Higher, In Sync With Cash Market

By Zairina Zainudin

KUALA LUMPUR -- The FTSE Bursa Malaysia (FBM) KLCI futures contracts (FKLI) on Bursa Malaysia Derivatives are expected trade firmer next week, in line with the cash market.

Affin Investment Bank Vice-President and Head of Retail Research Dr Nazri Khan Adam Khan anticipated the FBM KLCI to trend higher alongside with its peers, amid the strengthening of the ringgit against the US dollar.

"There should be more upside momentum following a strong reversal over the past week where FBM KLCI punched through above the 1,860 level to a new one-week high following a series of negative raft of global economic data," he told Bernama.

He said the upside penetration of the FBM KLCI to close above the psychological resistance of 1,850 and 1,860 levels would open up further upside possibilities of a new leg towards the 1,880 level over the medium-term.

On a Friday-to-Friday basis, August 2014 and September 2014 rose 26.5 points each to 1,863.5 and 1,860.5 respectively, December 2014 gained 25 points to 1,862 while March 2015 improved 22 points to 1,858.

Turnover for the week decreased to 22,521 lots from 31,403 lots from last week while open interest narrowed to 26,564 contracts from 37,491 contracts last Friday.

CPO Futures Likely To Trade Lower

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- Crude Palm Oil (CPO) futures contracts on Bursa Malaysia Derivatives are likely to trade lower next week amid bearish market sentiment.

Interband Group of Companies senior palm oil trader Jim Teh said the market was expected to track other commodities particularly crude oil on concerns over weakening demand.

"High inventory levels in July and probably in August as well continued to suppress CPO prices," he told Bernama.

Teh also expected speculative play to continue to dominate the market next week with prices likely to trade between RM2,050 and RM2,200 a tonne. Meanwhile, he said Malaysia could attract CPO physical buyers by reducing the export duty but still has to face competition from other countries. According to the Malaysian Palm Oil Board's website on Friday, Malaysia has reduced the export duty on CPO for September to 4.5 per cent.

On a Friday-to-Friday basis spot month August 2014 decreased RM125 to RM2,166 a tonne, September 2014 slid RM150 to RM2,107 a tonne, October 2014 lost RM140 to RM2,093 a tonne and November 2014 fell RM139 to RM2,091 a tonne.

Weekly turnover increased to 206,886 lots from 133,225 lots last week, while open interest decreased to 205,112 contracts from 266,354 contracts previously. On the physical market, April South ended RM170 lower at RM2,140 per tonne.

Rubber Mart Likely To Be Easier Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to be easier next week, tracking the movements on the Tokyo Commodity Exchange on weak demand, dealers said.

They said the market would also continue to perform weaker due to the strengthening of the ringgit against the US dollar. "Prices are expected to trend lower and hover within a tight range," a dealer said.

On a Friday-to-Friday basis, the Malaysian Rubber Board's sellers' official physical price for tyre-grade SMR 20 slipped 15 sen to 519.5 sen per kg while latex-in-bulk decreased 10.5 sen to 426.5 sen per kg.

The unofficial sellers' closing price for tyre-grade SMR 20 lost 15 sen to 518 sen per kg and latex-in-bulk declined 14 sen to 423 sen per kg.

KLIBOR Futures To Remain Lacklustre

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are likely to remain lacklustre next week.

For the week just-ended, the market was only traded on Friday. August 2014 stood at 96.35 while September 2014, October 2014 and December 2014 were pegged at 96.34, 96.30 and 96.25.

Volume stood at 100 lots while open interest was unchanged from last week's 3,280 contracts. The underlying three-month KLIBOR inched up to 3.62 per cent from last week's 3.61 per cent.

Tin Price Likely To Trade Lower At US$22,400 Per Tonne

By S. Joan Santani

KUALA LUMPUR -- The tin price on the Kuala Lumpur Tin Market (KLTM) is expected to trade lower at US$22,400 per tonne next week on slower consumer demand, a dealer said.

Consumers would likely be cautious on expectations of weak economic data from Europe and China next week which would be unfavourable to the metals sector, the dealer told Bernama.

For the week just-ended, the KLTM moved between US$22,390 and US$22,450 a tonne, mostly influenced by the trend on the London Metal Exchange (LME) and some scattered buying from foreign traders.

Turnover eased to 234 lots from 239 lots last week with European, Japanese and local buyers dominating trade. The price differential between the KLTM and LME widened to a premium of US$405 a tonne from US$400 a tonne last Friday.

Gold Futures To Continue Uptrend Next Week

KUALA LUMPUR -- Trading in gold futures contract on Bursa Malaysia is expected to continue its upward trend next week on weaker than expected Eurozone and US economic data, said Phillip Futures Sdn Bhd dealer Lim Eng Wee.

"Investors' sentiments will be weighed on expectations of a weak economicdata from Europe and US which would boost the safe-haven demand for gold," he told Bernama. On the physical gold demand, Lim said it remained subdued due to easing concerns over the unrest in Ukraine and Middle East and signs of soft demand in China and India.

On a Friday-to-Friday basis August 2014 57 ticks to RM133.35 a gramme and September 2014 fell 58 ticks to RM133.50 a gramme while October 2014 and November 2014 slid 59 ticks to RM133.95 a gramme and RM134.25 a gramme respectively.

Volume declined to 2,328 lots worth RM69.38 million from 3,160 lots worth RM42.47 million recorded last week.

Open interest on Friday stood at 4,878 contracts compared with last week's 4,644 contracts.