MALAYSIAeBiz

BERNAMA WEEKLY BUSINESS ROUNDUP SEPT 15 - 19, 2014

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This Week's Highlight : New Talent In Creative Industry To Boost Innovation - Ahmad Shabery

COLLABORATION...Communications and Multimedia Minister Datuk Seri Ahmad Shabery Cheek (third, left) at the exchanging of documents between Les Copaque Production and KRU Group as an agreement to collaborate at KL Converge, Wednesday. -- fotoBERNAMA

KUALA LUMPUR -- Attracting talent into the digital content and creative industry will create a workforce that can sustain the need for innovation, said Communications and Multimedia Minister Datuk Seri Ahmad Shabery Cheek. He said these talents would contribute to the growth of the economy once they entered the workforce. "And we believe that this will be for more than just Malaysia, for the greater ASEAN region," he said in his remarks at the opening of KL Converge 2014 here Wednesday.

This Week's Top Stories

Monday

GST Would Help Secure M'sia's Future - PM

Kuala Lumpur -- The Sales and Services Tax (SST) is no longer fit for a rapidly growing and economically progressive economy such as Malaysia and it is imperative for the country to expand and diversify its tax base, Datuk Seri Najib Tun Razak.

The Prime Minister said Malaysia needs a more effective and equitable tax system that would help the country to secure its future. Speaking at the International Seminar on the Goods and Services Tax (GST) in Malaysia here Monday, Najib said Malaysia cannot sustain its growth and development based on current revenue streams alone.

Tuesday

ECERDC Draws Investors From China And Beyond To ECER

KUALA LUMPUR -- The East Coast Economic Region Development Council (ECERDC) continues to pursue its effort in drawing investors from China and beyond to the East Coast Economic Region (ECER) by taking part in the 11th China-Asean Expo (CAEXPO) 2014 in Nanning, China starting Tuesday. "At CAEXPO 2014, ECERDC is participating in the Malaysia Pavilion under the Government cluster to showcase the various investment opportunities in ECER to potential investors from China and other countries," its Chief Executive Officer Datuk Jebasingam Issace John said in a statement here Tuesday.

Wednesday

Govt Pledges To Provide Platform To Drive Ideas Of Young Entrepreneurs – Najib

CYBERJAYA -- The government has pledged to listen to the young entrepreneurs and provide a platform to drive their ideas, as their participation in the country's economy is important to drive Malaysia to become a high-income nation, says Prime Minister Datuk Seri Najib Tun Razak. He said the young entrepreneurs would succeed if they have good ideas, skill, drive and passion. "We understand the young people, we listen to the young people and we are sensitive to the young people," he said at the launch of Gabungan Rakan Entrepreneur Aspirasi Terhebat (GREAT 2014) at the Malaysian Global Innovation and Creative Centre (MaGIC) here Wednesday.

Thursday

BNM Maintains OPR At 3.25 Pct

KUALA LUMPUR -- Bank Negara Malaysia (BNM) has decided to maintain the Overnight Policy Rate (OPR) at 3.25 per cent. The central bank said the country's economic activity had been supported by the continued growth in domestic demand and exports. Going forward, the bank said domestic demand was expected to moderate but remain the key driver of growth. "The prospects are for the Malaysian economy to remain on a steady growth path," said BNM in a statement here Thursday.

Friday

Give More Projects To Local Firms - DR M

KUALA LUMPUR -- Local construction companies should be given more opportunities to show their credibility to develop buildings of different shapes and heights instead of giving the projects to foreign firms. Former Prime Minister, Tun Dr Mahathir Mohamad, said giving the projects to local companies would prevent the outflow of money to foreign countries. "If it (money) is going out, that means we will have a deficit in our trade balance and this would be reflected in the government's spending as it may have to borrow. On the converse, if the inflow of funds is good, the balance should be in our favour," he told reporters after delivering a keynote address at the 6th Malaysian Construction Summit 2014 here Friday.

SMEbrief

Customs Dept Encourages Companies, SMEs To Register For GST

KUALA LUMPUR -- The Royal Malaysian Customs Department is encouraging companies especially Small and Medium Enterprises (SMEs) to register for the Goods and Services Tax (GST) as soon as possible, says Director GST, Datuk Subromaniam Tholasy.

RM256,290 Incentive For 24 Young Agropreneurs - MOA

TUMPAT -- The Agriculture and Agro-Based Industry Ministry (MOA) Monday presented incentive 'in kind contribution' amounting to RM256,290 to 24 young agropreneurs in Tumpat district to assist entrepreneurs start their business. Its Deputy Minister, Datuk Tajuddin Abdul Rahman said the overall cost of the project was RM944,300 and MOA has provided 30 per cent incentives to the project cost needed by the entrepreneurs. "We also assist young entrepreneurs in terms of guidance, training, funding, marketing and so on until they become self-reliant," he told reporters after the opening of the Young Agropreneur Expedition programme at the Telaga Bata polling district centre (PDM) here, Monday.

ASEAN SMEs Reaffirm 2025 Vision

By Minggu Simon Lhasa

BANGKOK -- The Asean Small and Medium Enterprise Working Group (SMEWG) plans to convene a public policy dialogue in November, alongside the upcoming SMEWG meeting in Cambodia. The dialogue is to obtain practical inputs and recommendations from the private sector -- as the key stakeholders of the Asean Economic Community – as well as relevant government and regulatory agencies in Asean member states, according to a press release by the Asean Secretariat here Tuesday.

Cyberview Launches Women Network For Women Entrepreneurship

CYBERJAYA -- Cyberview Sdn Bhd has launched Cyberjaya Women Network (CWN) to establish a supportive work environment to attract, retain valuable women employees and encourage entrepreneurship among women. In a statement here Wednesday, the company said CWN will be executed by fostering partnership with many leading and rising renowned organisations in Cyberjaya, as women in technology represented a majority in the corporate and entrepreneurial sectors here.

Sarawak Encourages Its Women To Venture Into Cottage Industry

KUCHING -- Sarawak wants to learn from Thailand's experience on how it developed its cottage industry, said Sarawak's Welfare, Women and Family Development Minister Datuk Fatimah Abdullah Fatimah said her ministry would be sending a delegate to Thailand for the purpose before the end of the year. The visit was also in response to the invitation from Thailand Women's Business Council (TWBC) delegates who were currently visiting the state, said Fatimah to Bernama after receiving TWBC delegates led by its president Dr Wallapa Wisawasukmongchol at Wisma Wanita Sarawak here Wednesday.

PropUP Propertyupdate

Tambun Indah Unit To Buy RM150 Mln Land In Penang

KUALA LUMPUR -- Tambun Indah Land Bhd's wholly-owned subsidiary, Palmington Sdn Bhd, has proposed to acquire 27 parcels of freehold land in Penang worth RM150 million from TPPT Sdn Bhd. In a filing to Bursa Malaysia here Monday, Tambun Indah said the purchase of the land totalling 84.8 hectares would be satisfied by cash. It said the proposed acquisition is in line with Tambun Indah's strategy to expand its land bank in locations with growth potential and strengthen its foothold in the property market in mainland Penang.

Matang Township To Be New Economic Engine Of Growth – Adenan

KUCHING -- The Sarawak state government will build a new metrocity, Matang New Township, in the forest areas of Matang and make it an economic engine of growth. Chief Minister, Datuk Patinggi Tan Sri Adenan Satem, said the township would be the nucleus of development projects to generate businesses and create jobs. "It is the state government's policy to encourage development of new townships to cope with the rising population following rural-urban migration," he said at the launch of the Metrocity Square project here Monday.

GBH To Dispose Land With Buildings For RM192.37 Mln Cash

KUALA LUMPUR -- Goh Ban Huat Bhd (GBH) and its wholly-owned subsidiary, GBH Land Sdn Bhd, has proposed to dispose land together with buildings to Keladi Maju Bhd for RM192.37 million, cash. It also included the subsequent tenancy on the properties by GHB. In a filing to Bursa Malaysia here Monday, GBH said the board viewed the proposed disposal as being in the best interest as it represented an opportunity for the group to re-strategise its financial and capital resources.

CIDB Holdings To Team Up With Int'l Bodies

KUALA LUMPUR -- CIDB Holdings Sdn Bhd, a unit of Construction Industry Development Board, is looking to partner international bodies to address the industry's future human resource issue. Chief Executive Officer Abdul Latif Hitam said among the international bodies that the company were in talks with included the Construction Industry Training Board UK, Chartered Institute of Building UK and an undisclosed German organisation. "We are looking to work not only with local players but also international bodies especially those who are conducting skills, supervisor and managerial trainings to create capacity building and address the future needs of the industry," he told reporters after the signing of a memorandum of understanding with local companies here Wednesday.

Call For Landbank Fund For Affordable Housing In Urban Areas

KUALA LUMPUR -- The Urban Well-being, Housing and Local Government Ministry has proposed the setting up a fund to buy landbanks to build affordable housing projects in urban areas. Its minister, Datuk Abdul Rahman Dahlan said this would offset escalating house prices that were beyond the reach of low-income families as the increase in their disposable income could not match the price hike. He told reporters at the close of the Asean Real Estate and Infrastructure Summit in conjunction with the seven-day International Construction Week 2014 here Wednesday, 71 per cent of Malaysians were now living in urban areas, causing housing demand to rise dramatically.

MARKET

BURSA MALAYSIA

Scoreboard

Scoreboard
Gainers - 578
Losers - 251
Not Traded - 482
Unchanged - 320
Value - 2261210730
Volume - 26022384

BURSA: KL Shares End Higher, CI Up 0.23 Pct

KUALA LUMPUR -- Bursa Malaysia ended higher Friday with the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) closing 4.17 points or 0.23 per cent better at 1,849.49. IHH Healthcare Bhd was the top contributor to the gain in the key index, adding nine sen to RM5.10, with 6.32 million shares changing hands.

Support to the key index also came from other component stocks including RHB Capital which jumped 25 sen to RM9.10, while Malayan Banking, Public Bank and Tenaga Nasional added four sen each to RM10.04, RM19.04 and RM12.38 respectively. A dealer said the local bourse pared its week loss on the back of the improved risk appetite and in tandem with an upbeat performance on Wall Street.

The US stock benchmark -- the Dow Jones Industrial Average (DJIA) – rose 109.14 points, or 0.6 per cent, to an all-time high of 17,265.99, after data showed fewer Americans filed jobless claims and investors speculated US interest rates would remain low. Back home, Bank Negara Malaysia left the overnight policy rate unchanged at 3.25 per cent, another factor that prompted investors to bargain hunt for oversold counters. On the broader market, gainers outpaced losers 578 to 251 with 320 counters unchanged, 482 counters untraded and 14 others suspended. Total volume rose to 2.60 billion shares worth RM2.26 billion from 2.06 billion shares worth RM2.30 billion on Thursday. Main Market volume rose to 1.70 billion units worth RM2.09 billion from 1.49 billion units worth RM1.72 billion on Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.2330	3.2350
EUR	4.1625	4.1664
GBP	5.2957	5.2999
100 YEN	2.9691	2.9723
SGD	2.5515	2.5551

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Lower Against US Dollar

By Azlee Nor Mahmud

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday as investors shifted their interest to the greenback, a dealer said. At 5 pm, the ringgit was quoted at 3.2330/2350 against the greenback from 3.2260/2290 on Thursday. A dealer told Bernama the US Federal Reserve's policy review that was conducted on September 16-17 had not been concluded but might result in an interest rate hike sooner than previously forecast, which in turn had a positive effect on the greenback Friday. Meanwhile, the local unit was traded lower against other major currencies, except for the Japanese yen. The ringgit rose against the yen to 2.9691/9723 from Thursday's 2.9711/9749 but decreased against the euro to 4.1625/1664 from 4.1573/1625 Thursday. Against the British pound, it depreciated to 5.2957/2999 from 5.2600/2659 on Thursday and was lower against the Singapore dollar to 2.5515/5551 from 2.5456/5493 previously.

Money Market: Short-Term Rates Close Steady On BNM's Intervention

KUALA LUMPUR -- Short-term interbank rates closed steady Friday following Bank Negara Malaysia's (BNM) intervention to absorb surplus liquidity from the financial system. The liquidity surplus in the conventional system fell to RM17.289 billion from RM52.574 billion in the morning while in the Islamic system, it eased to RM4.228 billion from RM13.696 billion earlier in the day. In the morning, the central bank called for six tenders -- one conventional money market tender, four repo tenders and one Al-Wadiah tender.

BNM also conducted a RM17.3 billion conventional money market tender and a RM4.3 billion Al-Wadiah money market tender, both for three-day money. The overnight rate stood at 3.21 per cent while the one-, two- and three-week rates stood at 3.26 per cent, 3.30 per cent and 3.34 per cent respectively.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract ended untraded Friday. October 2014, November 2014, December 2014 and March 2015 were pegged at 96.24, 96.23, 96.24 and 96.16, respectively. Open interest amounted to 2,660 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.74 per cent.

KLCI Futures End Higher Across The Board

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives closed higher Friday in tandem with the stronger cash market. All four contracts were traded higher. September 2014 jumped nine points to 1,848.00, October 2014 rose eight points to 1,849.50, December 2014 gained six points to 1,852.00, and March 2015 advanced 6.5 points to 1,851.00.

Turnover increased to 5,718 lots from 5,710 lots Thursday while open interest dipped to 28,548 contracts from 29,125 contracts previously. The benchmark FBM KLCI rose 4.17 points to end at 1,849.49. Dealers said sentiment at the cash market improved with the local bourse pared its week loss on the back of the improved risk appetite and in tandem with an upbeat performance on Wall Street.

CIMB Niaga Teams Up With AirAsia Indonesia For Credit Card

KUALA LUMPUR -- PT Bank CIMB Niaga Tbk (CIMB Niaga), PT Indonesia AirAsia (AirAsia Indonesia) and Think BIG Digital Sdn Bhd (BIG) launched the CIMB Niaga AirAsia BIG co-branded credit card in Jakarta on Monday. The launch was officiated by President Director of CIMB Niaga, Arwin Rasyid; Group Chief Executive Officer (CEO) of AirAsia, Tan Sri Tony Fernandes; CEO of AirAsia Indonesia, Sunu Widyatmoko; CEO of Think BIG Digital, Alice Goh; and President Director of Visa Worldwide Indonesia, Ellyana Fuad. Arwin said that in the midst of a very competitive credit card industry, there is a need to create breakthrough and innovative products to cater to the needs of the market.

UOB And CCPIT Renew Landmark MoU

KUALA LUMPUR -- United Overseas Bank (UOB) and the China Council for the Promotion of International Trade (CCPIT) Tuesday renewed their landmark Memorandum of Understanding (MoU) aimed at increasing foreign investment and trade between China and Southeast Asia. The MoU remains the only MoU that CCPIT has entered into with a bank from Southeast Asia. "Asia's economic transformation is opening up new avenues for long-term growth and we continue to see intra-regional trade and income levels rise," UOB Group's Deputy Chairman and Chief Executive Officer, Wee Ee Cheong, said in a statement issued from Nanning Tuesday.

Sultan Nazrin Becomes Royal Patron For Islamic Finance Initiative

KUALA LUMPUR -- The Sultan of Perak, Sultan Nazrin Shah Muizzuddin Shah, has graciously consented to be the Royal Patron for Malaysia's Islamic Finance Initiative, Bank Negara Malaysia announced Wednesday. On behalf of the Malaysia International Islamic Financial Centre (MIFC) Executive Committee, the central bank said under the patronage of Sultan Nazrin, it was envisaged that Malaysia's Islamic finance marketplace would continue to further strengthen the goodwill and strong bilateral relationships the country has established with other nations. "Malaysia's Islamic finance marketplace has emerged as one of the key destinations in Islamic finance, particularly in Islamic banking, sukuk, Islamic equities and takaful markets," it said in a statement here Wednesday.

Monetary Management By BNM Effective – Moody's

KUALA LUMPUR -- The monetary management by Bank Negara Malaysia is effective and has ensured adequate levels of liquidity, banking stability and low inflation, said Moody's Investors Service. It said the overall price stability has facilitated a high savings rate, contributing to the deepening and diversification of local capital markets. "The central bank's track record of monetary management has anchored inflation expectations, in turn leading to lower financing costs for the government, the credit rating agency said in its report "Credit Analysis on Malaysia" released here Wednesday.

Cagamas Gets Overwhelming Response In Int'l Bond Market Debut

KUALA LUMPUR -- Cagamas Bhd, through its wholly-owned subsidiary, Cagamas Global PLC, Wednesday made its debut in the international bond market by successfully printing the first and largest Chinese renminbi (RMB) bond by a Malaysian issuer with a three-year 1.5 billion RMB offering at a fixed coupon rate of 3.7 per cent per annum. Proceeds from the issuance would be used to purchase mortgage loans from the financial system, it said in a statement here Wednesday. This is Cagamas' first ever non-Malaysian ringgit denominated bond issuance, the largest RMB issue by a Malaysian issuer to date, the largest RMB bond in Southeast Asia to date and the world's first RMB bond to be issued by a mortgage corporation.

Sun Life Eyes RM150 Mln Premium Via Bank Rakyat

KUALA LUMPUR -- Sun Life Malaysia Takaful Bhd (Sun Life Takaful) is targeting RM150 million in premium in the first year for its products subscribed through Bank Rakyat's channels. Sun Life Takaful Chief Executive Officer Muhammad Fikri Mohamad Rawi said the strategic partnership has been in place since March 2013, starting with Reducing Term Takaful products which were packaged with Bank Rakyat's Aslah personal financing. "From March last year until August this year, the products registered total business of RM192 million in Takaful contribution and this translated to RM28.4 million income to Bank Rakyat," he said after the signing ceremony of a Strategic Bancatakaful agreement with Bank Rakyat, which will enhance both parties' relationship with the introduction of a new channel, direct and telemarketing (DMTM).

BNM To Keep OPR At 3.25 Pct For The Year – RHB Research

KUALA LUMPUR -- RHB Research Institute expects the overnight policy rate (OPR) to be kept at 3.25 per cent for the rest of the year given the sharp slowdown in July's exports and industrial production numbers. The research house said in a note here Thursday, it believes there is no urgency for the central bank to tighten its monetary policy further although the OPR could still be raised by another 25 basis points in the first half of 2015."Bank Negara will likely be cautious on tightening its monetary policy further as the price pressure remains elevated," it said.

GST On Insurance To Benefit Consumers - MII

PETALING JAYA -- The implementation of the Goods and Services Tax (GST) in the insurance industry would benefit consumers, said Malaysian Insurance Institute (MII) Chief Executive Officer Datuk Syed Moheeb. He said over a period of time, the claims cost is expected to go down and will impact upon the overall industry statistics, moving forward. "In my view, the deterioration of the motor claims experience will be somewhat arrested by the GST," he told reporters at the 'General Insurance Agent Convention 2014' press conference here Thursday.

Calls For Financial Institutions, LEAs Cooperation For Effective AML/CFT

KUALA LUMPUR -- Bank Negara Malaysia has called for the cooperation and collaboration between financial institutions and law enforcement agencies (LEAs) to ensure the Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) regime is effective. Assistant Governor, Abu Hassan Alshari Yahaya said the collaborations were vital to prevent criminals from benefiting from crime proceeds and reduce crime pervasiveness. Crimes and money laundering could jeopardise the socio-economic development of the country as it would reduce productivity and increase leakages thus weakening the economy, he said in his keynote address at the AML/CFT Compliance Conference 2014 on Wednesday.

WZ Expects Misi Setia To Contribute 25 Pct To Net Profits

KUALA LUMPUR -- WZ Satu Bhd, which is acquiring Misi Setia Oil & Gas Sdn Bhd for RM27 million, is optimistic the acquisition would contribute 25 per cent to group net profits, going forward. In a circular to shareholders here Monday, WZ Satu said the acquisition "may reasonably be expected to contribute 25 per cent or more to the group's net profits, going forward. Our group has identified the proposed acquisition as a new business opportunity to further diversify earnings base and reduce our dependency on existing businesses," it added.

Perodua To Achieve Target Of Selling 30,000 Units Of Axia

KUALA LUMPUR -- Perusahaan Otomobil Kedua Sdn Bhd (Perodua) is on track to achieve its target of selling 30,000 units of Perodua Axia by year-end, said its Chief Executive Officer, Datuk Aminar Rashid Salleh. Aminar said since booking opened on Aug 15, it has received bookings for 13,500 units, with daily bookings of between 500 and 600 units. "Most of the demand were for the Standard G variants, both automatic and manual transmissions, which accounted for around 50 per cent of the total bookings," he told a media briefing on the launch of the model here Monday.

Mydin Eyes Another 25 Supermarkets By 2018

KEPALA BATAS -- Mydin Mohamed Holdings Bhd (Mydin), the operator of Mydin hypermarkets, plans to add another 25 supermarkets in Malaysia over the next four years. Its Managing Director Datuk Dr Ameer Ali Mydin said the group annually invests about RM500 million to RM600 million to build new hypermarkets. "I believe we can achieve over 42 hypermarkets in Malaysia including Sabah and Sarawak by 2018," he told reporters after launching the Mydin Hypermarket in Bertam here Tuesday.

MCKIP To Achieve RM10 Bln Investment By Next Year

By Niam Seet Wei

NANNING (China) -- The Malaysia-China Kuantan Industrial Park (MCKIP) is expected to achieve its targeted investment volume of RM10 billion by next year. "We have secured a total of RM4.2 billion in investments from our first investor, five other companies are expected to pump in investments of another RM5 billion in MCKIP's second phase of development. "The companies from China, Europe and Australia will invest in information and communications technology (ICT), food and beverages (F&B) and heavy machinery sectors," East Coast Economic Region Development Council (ECERDC) Chief Executive Officer Datuk Jebasingam Issace John told Malaysian journalists after attending the opening of the 11th China-Asean Expo (Caexpo) here on Wednesday.

MOSTI Eyes 15 Pct R&D Commercialisation Rate

GEORGE TOWN -- The Ministry of Science, Technology and Innovation (MOSTI) targets a research and development (R&D) commercialisation rate of 15 per cent, up from the current eight to 10 per cent. Speaking to reporters after opening the International Conference on Functional Materials and Metallurgy 2014 here Tuesday, Deputy Minister Datuk Dr Abu Bakar Mohamad Diah said the ministry aims to commercialise 360 local R&D products in the six years to 2020. The government allocated R&D grants worth RM3.2 billion under the Ninth Malaysia Plan, and for the 10th Malaysia Plan, RM850 million has been approved, he said.

Telenor Eyes Increase In Subscriber Base In Asia

KUALA LUMPUR -- Norway's Telenor Group expects to increase its mobile Internet subscriber base in Asia to 45 million by year-end, representing an increase of about 64 per cent year-on-year. Group Executive Vice President/Head of Asia Operations, Sigve Brekke, said when the target was attained, roughly one-third of the group's user base of 160 million in the region would be Internet-enabled. "Currently, less than 20 per cent of Telenor's markets in Asia are active mobile data users, so this would be a marked jump, an encouraging step towards widespread Internet access," he said this during his presentation at the KL Converge, a multi-platform conference and exhibition on digital content and creative industry.

VCB To Increase Export Sales To 30 Pct

KUALA LUMPUR -- Paper and boxboard packaging products manufacturer Versatile Creative Bhd (VCB) aims to increase export sales to 30 per cent from the current 10 per cent. "We believe that we can achieve the target on the back of strong export production," its Executive Director Datuk Michael Eow told reporters after a meeting with stakeholders here Wednesday.

CPI Rises 3.3 Pct To 110.5 In August

KUALA LUMPUR -- The Consumer Price Index (CPI) increased 3.3 per cent to 110.5 in August 2014 compared with 107.0 recorded in the same month last year, the Statistics Department said. It attributed the increase to the rise in the index for food and non-alcoholic beverages and non-food by 3.3 per cent, respectively, versus the same month in 2013. "When compared with the previous month, the CPI for August 2014 rose 0.2 per cent mainly due to the increases namely in housing, water, electricity, gas and other fuels and furnishings," it said in a statement here Wednesday.

SP Setia Q3 Pre-Tax Profit Up 19 Pct To RM187.6 Mln

KUALA LUMPUR -- SP Setia Bhd's pre-tax profit rose 19 per cent to RM187.597 million in the third quarter (Q3) ended July 31, 2014 from RM158.036 million in the same quarter a year ago. Revenue rose to RM902.663 million from RM806.821 million previously. "The Group's prospects remain positive as it has a geographically well-diversified portfolio of projects both locally and internationally," its Acting President and Chief Executive Officer, Datuk Voon Tin Yow said in a statement here Wednesday.

M'sia My Second Home Scheme Eyes 70,000 HK Retirees

By Chiang Hee Tze

HONG KONG (China) -- The Malaysia My Second Home (MM2H) programme targets over 70,000 Hong Kong retirees. A MM2H agency, Aubella Sdn Bhd, has signed a joint venture agreement with Rainbow Credit Union, Hong Kong, to offer a new retirement solution and property investment in Cyberjaya. Aubella General Manager

Vincent Fong said at the programme launch and agreement signing ceremony that investors nearing retirement age could rent out their units as this offers a steady passive income.

China To Import M'sian Frozen Durians Worth RM2 Mln A Month

By Niam Seet Wei

NANNING -- Malaysia is expected to export up to four containers of frozen durians worth RM2 million a month to China following the introduction of the MiTrace Traceability System. "The first container of frozen durians valued at RM500,000 is expected to arrive in Nanning by next week," said the Prime Minister's special envoy to China Tan Sri Ong Ka Ting, adding other containers would reach Guangzhou and Shanghai by the end of next month. Speaking to Malaysian journalists here after launching the Malaysian Frozen Durian MiTrace Live Export in China here Wednesday, Ong said the MiTrace system would enable Chinese consumers to trace the origin of the durian, which they regard as the king of Malaysian fruits and a premium product.

BHIC JV Gets Further LCS Works Worth 16.957 Mln Euro

KUALA LUMPUR -- Contraves Advanced Devices Sdn Bhd (CAD) has received and accepted a Letter of Award (LOA) from Boustead Naval Shipyard Sdn Bhd (BNS) worth 16.957 million euro (RM1=4.16 euro) according to a statement here Wednesday. CAD is a 51:49 joint venture between BHIC Defence Technologies Sdn Bhd and Rheinmetall Air Defence AG. BHIC Defence Technologies meanwhile is a unit of Boustead Heavy Industries Corporation (BHIC).

Sabah Registers Favourable Trade & Investment As Of June – Musa Aman

KOTA KINABALU -- Sabah registered favourable trade and investment figures as of June despite various internal and international challenges faced by Malaysia, Chief Minister Datuk Seri Musa Aman. He said from January to June, Sabah's trade registered a five per cent increase in exports and a 11.4 per cent increase in imports compared with the same period last year, resulting in a trade surplus of RM4.9 billion. Musa, who is also State Finance Minister, said in the six months period, the Malaysian Investment Development Authority had approved 13 projects valued at RM1 billion in Sabah while tourist arrivals increased 8.7 per cent compared to the same period last year.

MATRADE Mission Secures RM7.64 Mln From Herbal & Supplement Fair

KUALA LUMPUR -- A specialised marketing mission on herbal and nutraceutical products secured RM7.64 million in sales at the recently held Vitafoods Asia Fair in Hong Kong. "Herbal and supplement products and functional food contributed 23.3 per cent of total sales, followed by health drinks products (11.5 per cent) and skin care & cosmetics products (6.7 per cent), said the Malaysia External Trade Development Corporation (MATRADE). "Malaysian companies had the opportunity to explore business cooperation with two of the biggest importers in Hong Kong namely Fok Hing Co Ltd with 35 Indomarket outlets and Dairy Farm, that operates over 280 Welcome outlets and 350 Manning outlets," it said in a statement here Thursday.

Guangzhou Company Expects Rise In Halal Product Imports From M'sia

By Niam Seet Wei

NANNING (China) -- Hangrui Imp & Exp Trading (Guangzhou) Co., Ltd expects the total value of halal products imported from Malaysia by the company to hit US$30 million this year as consumer confidence rose. Its Chief Executive Officer, Fu Bin said the company has so far this year imported snacks, biscuits, beverages and chocolates worth US$26 million from eight Malaysian food manufacturers. He told Bernama that the value of the import rose tenfold from merely US$3 million in 2011 - thanks to the assistance from the Guangzhou office of the Malaysia External Trade Development Corporation (MATRADE).

MSC - Status Tomato Animation Eyes Wider Int'l Market

By Joan Santani

KUALA LUMPUR -- Tomato Animation Sdn Bhd, an MSC-status company, plans to expand its mobile games to a wider international market, particularly the Middle East, Southeast Asia and America by next year. Its Founder, Chan Kam Wai, told Bernama Thursday, this could be done by creating mobile game applications or apps which would attract mass audience in these regions based on their different cultures and languages. Six mobile games and animation produced by the company are currently popular in markets like China, Hong Kong and Japan.

Aug Auto Sales Rise Marginally To 51,125 Units

KUALA LUMPUR -- Positive consumer sentiment drove vehicle sales higher to 51,125 units in August against 51,106 units sold in same month last year, said the Malaysian Automotive Association (MAA). Sales in the commercial vehicle segment increased to 6,227 units from 6,052 units last year but passenger vehicle segment sales slipped to 44,898 units from 45,054 units recorded in August 2013. Year-to-date, the association pointed out that total industry volume sales rose 2.7 per cent to 444,534 units from 433,025 units registered in the corresponding period.

Govt Expects Sustained Double-Digit Growth Of Construction Sector

KUALA LUMPUR -- The government expects the construction sector to sustain double-digit growth this year, riding on massive ongoing construction projects and potential new investments from the private sector. Minister of Works Datuk Fadillah Yusof said in the first half of this year the construction industry showed positive results, posting a stronger growth of 14.3 per cent against 12 per cent in the same period last year. "The construction industry will continue to be one of the prime movers of the Malaysian economy," he told reporters after opening the International Construction Week (ICW) 2014 here Thursday.

M'sia, China Sign MoU On Sister Port

By Niam Seet Wei

NANNING (China) -- Malaysia and China signed a memorandum of understanding (MoU) Monday to establish a sister port relationship between both countries. The agreement is aimed at extending the collaboration on ports in the sister parks -- Malaysia-China Kuantan Industrial Park (MCKIP) and Qinzhou Industrial Park (QIP) -- of both countries, Deputy Minister of International Trade and Industry Datuk Lee Chee Leong told Malaysian journalists after witnessing the MoU signing ceremony here Monday.

WZ To Acquire 5 Mln Shares In Misi Setia For RM27 Mln

KUALA LUMPUR -- WZ Satu Bhd said it proposed on July 18 this year to acquire 5.0 million ordinary shares of RM1 each in Misi Setia Oil & Gas Sdn Bhd for RM27 million. In a filing to Bursa Malaysia Monday, WZ said approximately RM16.2 million will be satisfied in cash with the balance to be satisfied via the issuance of 10.59 million new WZ shares at an issue price of RM1.02 per WZ share. "Upon completion, Misi Setia will become our wholly-owned subsidiary company," it said.

GST On Petroleum Products Depend On Savings From Subsidy Rationalisation

KUALA LUMPUR -- Whether or not the Goods and Services Tax (GST) will be imposed on petroleum products will very much depend on how much savings can be derived from the subsidy rationalisation programme. Deputy Finance Minister Datuk Ahmad Maslan said to date, this matter was yet to be resolved. "We are carrying out a study on the subsidy rationalisation headed by the Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar and when it is completed we will be able to see how much we have saved," he told reporters on the sidelines of the "International Seminar on GST 2014" here Monday.

M'sia, China To Establish Bird's Nest Lab By Oct

By Niam Seet Wei

NANNING (China) -- Malaysia and China are expected to jointly establish a laboratory to process raw unclean bird's nests here in Qinzhou Industrial Park (QIP) by end-October, said Deputy Minister of International Trade and Industry Datuk Lee Chee Leong. He said the laboratory would be the first national laboratory recognised by the Chinese Central Government. He told Malaysian journalists after witnessing the signing ceremony of a memorandum of understanding (MoU) for the establishment of a sister port relationship between both countries here Monday.

IMF Gives Thumbs Up To M'sia's Ongoing Fiscal Reform

KUALA LUMPUR -- The International Monetary Fund (IMF) has given the thumbs up to Malaysia's ongoing fiscal reform by broadening the tax base with the implementation the Goods and Services Tax (GST) starting April 1, 2015. Fiscal Affairs Department Adviser, Kiyoshi Nakayama, said this shift of revenue source, from natural resource and corporate income to also include the GST, was a crucial policy direction to maintain Malaysia's long-term fiscal sustainability. In his presentation at the International Seminar on GST 2014 here Monday, he said, the growth-friendly tax was less distortive for economic growth compared with income tax.

Great Potential For Green Building, Construction In Thailand - MATRADE

KUALA LUMPUR -- There is great potential in Thailand for green building and construction materials from Malaysia, especially with the recent development in Thailand that focuses on clean environment and the use of environmentally friendly materials. Malaysia External Trade Development Corporation (MATRADE) Trade Commissioner in Bangkok, Niqman Rafaee Mohd Sahar in a statement here Monday said the owners of such building would be eligible for incentives offered by the Thailand Green Building Institute (TGBI) under the 'TREES Rating System'.

Govt & Businesses Should Communicate Well On GST Impact

By Siti Radziah Hamzah

KUALA LUMPUR -- The government and businesses should communicate well on the impact of the Goods and Services Tax (GST) to the business community. Australian Taxation Office GST Assistant Commissioner Steve Howlin said the government needed to continuously send the message to the business community on the new tax change and how it would benefit the country. He also said businesses need to prepare and have a sense of urgency to prepare themselves ahead of the implementation of the new tax regime on April 1, 2015, he told Bernama on the sidelines of International Seminar of GST 2014 here Monday.

KL Converge! To Benefit Creative Industry

KUALA LUMPUR -- The creative industry in U.S. has contributed no less than US$3 trillion to its economy. In Malaysia, the industry is only contributing 1.3 per cent to the national Gross Domestic Product (GDP), unlike South Korea or Japan that contributes between five and seven per cent to their GDP. However, the industry has promising potential in Malaysia. It is owing to that a conference called KL Converge! is being held for the first time here, as an avenue to channel ideas and disseminate digital materials online.

S'pore To Explore Investment Opportunities In East Coast
KUALA TERENGGANU -- Singapore says it is willing to explore investment opportunities in Peninsular Malaysia's east coast states. Senior Minister of State for Foreign Affairs and Home Affairs Masagos Zulkifli Masagos Mohamad said the matter is, however, still at the discussion stage and any agreement or business partnership has yet to be finalised. "It's too early to say, we are still at the exploratory stage, but we see a huge tourism potential in the East Coast, especially Terengganu, and we will identify and publicise the opportunities to investors in Singapore," he told reporters after visiting the Islamic Civilisation Park here Tuesday.

Develop Long-Term Strategy, M'sian Organisations Urged
PETALING JAYA -- Malaysia Productivity Corporation (MPC) Chairman Tan Sri Azman Hashim has called upon Malaysian organisations to develop a long-term strategy and work plan in order to maximise customer value and eliminate waste. He said appropriate goals and practical plans would encourage employees to generate and successfully implement lean ideas. "Indeed, many organisations believe that they are not short of lean ideas but are facing difficulties in executing or implementing these lean ideas," he said in his opening remarks at the Lean Six Sigma Asia Summit 2014 here Tuesday.

Register Early For GST & Reap The Benefits - Chua
KUALA LUMPUR -- Companies with an annual turnover of RM500,000 and above must register for the Goods and Services Tax (GST) so as not to be left out of reaping its benefits and to obtain valuable information on the new tax structure, says Deputy Finance Minister Datuk Chua Tee Yong. He said every company that registers for the GST would be able to receive additional information as they would be accorded "one-to-one" guidance by the Royal Malaysian Customs Department. "Via this programme, the companies will get a better understanding of the benefits and their queries on the matter will be answered," he told reporters after opening a one-day seminar on GST for about 500 Indian restaurant operators here Wednesday.

Strongly Despite Fiscal Drag – Moody's
KUALA LUMPUR -- The Malaysian economy ('A3' positive outlook) posted strong growth in the first half of 2014, buoyed by private sector consumption and investment, said Moody's Investors Service. In a statement here Wednesday, Moody's said the higher prices for petroleum and other hydrocarbons aided exports and government revenue, but this trend also underscored the susceptibility of external and fiscal balances to commodity prices.

M'sia's GDP To Grow 6.0 Pct This Year, 5.0 Pct In 2015 KUALA LUMPUR -- Moody's Investor Service has projected that the Malaysian economy would expand by 6.0 per cent this year and 5.0 per cent in 2015, driven by its relative diversification and continuing regional economic integration. "These projections are stronger than the median growth forecast of 2.9 per cent and 3.3 per cent projected for A-rated countries in those respective years. "We expect Malaysia to sustain higher growth in the medium-term compared with most rating peers. Its robust growth performance and outlook supports creditworthiness," it said in its credit analysis report titled "Government of Malaysia".

Local Creative Industry Content Catches Eye Of Int'l Players - FINAS
KUALA LUMPUR -- The content of the national creative industry appears to be more advanced and impressive, thanks to the use of the latest technology, and draws the attention of industry players from abroad, according to the National Film Development Corporation Malaysia (Finas). Finas chairman Datuk Md Afendi Hamdan said this would lead to the export of more content of the local creative industry in the near future. "For example, with the existence of Pinewood Studios in Johor, we can feel the positive impact on the industry when many Hollywood key players come to make their content there, and most require the assistance of local manpower," he spoke to Bernama Wednesday at KL Converge, the multi-platform creative industry conference and exhibition being held for three days at the Kuala Lumpur Convention Centre here.

GST Likely To Reduce Prices Of Mercedes Benz Cars
By Amir Sukarno Salimi

SHAH ALAM -- The introduction of the Goods and Services Tax (GST) next year is likely to reduce the prices of Mercedes Benz cars. Mercedes-Benz Malaysia Sdn Bhd Vice President of Sales and Marketing, Kai Schlickum, said the company was still working on the pricing. "The price reduction could happen but we're not sure yet," he told Bernama after launching the new Mercedes-Benz C-Class models -- C200 and C250 – here Wednesday.

M'sian Economy Grows
M'sia's Halal Products To Make Inroads Into Qinghai Province
PUTRAJAYA -- Malaysia's halal products, worth an estimated RM50 million a year, are expected to make inroads into China's Qinghai province by the middle of next year, said Minister of Agriculture and Agro-Based Industry. He said the province, in the northwest of China, would be the entry point for halal agro-based frozen food and cosmetics to other provinces like Xinjiang and Ningxia. "Initially, the products would be sold at Beijing Hualian Hypermarket Co Ltd's hypermarket in Xining. The group has 106 hypermarkets in China," he said at a media briefing here Wednesday.

Ahmad Jauhari's Contract As MAS' MD/CEO Extended For A Year

KUALA LUMPUR -- The contract of Ahmad Jauhari Yahya as Managing Director/ Group Chief Executive Officer (CEO) of Malaysia Airlines (MAS) has been extended for a year from Sept 20, 2014 to Sept 19, 2015. MAS announced this in a statement to Bursa Malaysia here Monday. Ahmad Jauhari's three-year contract is slated to expire this month. It was reported before that Ahmad Jauhari would continue to lead the existing MAS entity until July 1, 2015 to smoothen the transition from the old entity to the new restructured MAS entity.

80,000 Visitors Expected At OIC World Biz & Muslim World Biz Event

KUALA LUMPUR -- The Fifth OIC World Biz and Muslim World Biz event, to be held in Kuala Lumpur from Nov 10, is expected to attract 80,000 visitors from various industries. The OIC International Business Centre in collaboration with the Islamic Centre for Development of Trade are organising the five-day event comprising four conferences namely the Round Table Talk 2014 of 'Movers and Shakers' of Muslim World Economy, OIC Higher Education Conference, OIC-Asia Trade and Economic Forum 2014 and the Third World Islamic Tourism Conference, they said in a statement here Monday.

Astro Deploys Audience Measurement Service

KUALA LUMPUR -- Astro Malaysia Holding Bhd has appointed Kantar Media, a world leader in television audience measurement, to deploy and manage a proprietary audience measurement service. Astro said the innovative service called DynamicTAM (DTAM) would measure viewership of not only linear standard definition and high definition channels but aggregate viewership from services. "The DTAM system will deliver robust and accurate insights into customer behaviour that will help us plan and develop our content more effectively," said Chief Operating Officer Henry Tan in a statement here Monday.

Firefly Starts JB-Ipoh Flights Monday

IPOH -- Local airline, Firefly Sdn Bhd Monday launched its maiden flight from Sultan Ismail Airport, Senai in Johor to Sultan Azlan Shah Airport (LTSAS), here. State Tourism, Arts and Culture Committee chairman, Datuk Nolee Ashilin Mohammed Radzi told reporters Monday, it was the second route after the Changi International Airport, Singapore-LTSAS route began in 2009.

Software Test Design Competition Gets Great Response

KUALA LUMPUR -- The inaugural Software Test Design Competition has received great response, attracting many testers and budding testers, said Malaysian Software Testing Board (MSTB) president, Mastura Abu Samah. She said the competition also put software testing and its professionals in the limelight that would help to enhance the awareness on the importance of software testing. It would also spur interest among students as well as professionals in other fields to take up software testing as a career option, she told reporters here Monday.

Channel NewsAsia Launches Asia's First Sustainability Ranking For Businesses

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Regional broadcaster Channel NewsAsia (CNA), in partnership with CSR Asia and Sustainalytics, launched the Channel NewsAsia Sustainability Ranking for Asia's top businesses at the CSR Summit in Hong Kong Tuesday. The first of its kind in Asia, the ranking identifies leading firms in corporate sustainability across 10 key Asian economies, CNA said in a statement here Tuesday. It said the index lists the Top 100 companies with the highest sustainability performance.

Google Malaysia Features Prize-Winning Doodle On Malaysia Day

KUALA LUMPUR -- Iconic landmarks and elements best associated with Malaysia adorned the doodle put up on the Google Malaysia homepage as the country marked the 51st Malaysia Day anniversary Tuesday. Titled 'Beauty of Malaysia', the artwork designed by student Lee Yee Run of SMJK(C) Yoke Kuan in Sekinchan, Selangor, was the grand winner of the 'Malaysia's Doodle 4 Google' competition on Sept 8. Adjudged the best entry in the 16-17 age category, the doodle featured a colourful rendition of the Kuala Lumpur Tower, Petronas Twin Towers and Penang Bridge along with the national flower Hibiscus, Jalur Gemilang national flag and a beach scene.

AmGeneral Insurance Appoints New CEO

KUALA LUMPUR -- AmGeneral Insurance Bhd Wednesday announced the appointment of Derek Roberts as its new Chief Executive Officer, effective Sept 8. He succeeds Travis Atkinson who will return to Insurance Australia Group (IAG), New Zealand. In a statement, AmGeneral said before joining the company, Derek was Chief Financial Officer for a joint venture within IAG.

Voon To Resign As SP Setia President & CEO

KUALA LUMPUR -- Datuk Voon Tin Yow has given notice of his intention to resign from his position as SP Setia Bhd's Acting President and Chief Executive Officer as well as a member of the Board. Voon will leave on Jan 1, 2015. "Having served for almost two decades, it is time for me to step down to pursue my own interests. I am happy that P Setia is currently strong and stable," Voon said in a statement here Wednesday. Accordingly, SP Setia's Board has elected Datuk Khor Chap Jen to replace Voon and Datuk Wong Tuck Wai as Acting Deputy President and Chief Operating Officer effective Jan 1, 2015.

Samsung Announces World's 1st Android-Powered Printer

KUALA LUMPUR -- Samsung Electronics Co Ltd announced 10 new multi-function printer (MFP) models for the European market at the 'Smart MultiXpress' Unveiling Event taking place at IFA 2014 in Berlin. The new models are in four categories -- the X4300 (A3 colour), K4350 (A3 monochrome), M5370 (A4 monochrome) and M4580 (A4 monochrome) series -- and are designed to be more independent, intuitive and scalable for all types of business environments. The MFPs are the first printers of their kind to be equipped with an Android operating system, the company said in a statement here Thursday.

2015 Budget To Stimulate Growth, Tackle Rising Costs

By Salbiah Said

BERNAMA TAKES THE LEAD...Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah (centre) having a group photo at the National GST Conference on July 10, organised by Bernama and TAMS.--fotoBERNAMA

KUALA LUMPUR -- Come October, Prime Minister Datuk Seri Najib Tun Razak will unveil the 2015 Budget, which will focus on efforts to stimulate growth as the nation forges ahead towards achieving Vision 2020 and developed nation status. The prime minister says the country needs a responsible budget that lives up to the people's expectations in the march towards attaining these goals.

"Malaysia is at the dawn of a developed nation. Together, we are able to achieve the target. Let's continue our efforts," he said in his 1Malaysia blog post 'Budget 2015: Let's Continue Our Efforts'. The budget to be tabled in Parliament on Oct 10, will also focus on improving the country's fiscal position as well as tackling the rising costs of living. Najib, who is also Finance Minister said, various measures will be taken to help the people cope with the rising cost of living. These include increasing food production levels, as well as curbing profiteering by the middlemen and speculative activities.

Beefing Up Enforcement

"The Domestic Trade, Cooperative and Consumerism Ministry will continue to step up enforcement and monitor prices more closely. "In the long run, we are also looking into ways of how the rakyat can be empowered through better education and continuous upskilling to increase productivity and to earn higher wages," he said at the budget consultation session last month. Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah said: "For cost of living, the priority is on price increase, so we will look at how efforts to strengthen the supply chain can be carried out." This, he added, will be among 30 government initiatives under the Budget 2015, in efforts to assist the people overcome the effects of rising cost of living.

In the 2015 Budget, the government, he said, is also expected to announce an increase in the 1Malaysia People's Aid (BR1M), besides ensuring increase in food supply and reducing the involvement of middlemen.

Increasing Food Supply

Husni said: "When we talk about cost of living, supply must match demand, so we have discussed with the Agriculture and Agro-based Industry Ministry on how to increase food supply, including fish."

"For example, under this budget, we want more fish output through caged fish farming compared to fishing in open sea and we want to look into the supply chain to reduce the role of middlemen. Hence, we want the agencies involved like Fama and the Fisheries Development Authority of Malaysia to play an important role," he told reporters after opening the Lipis Umno division delegates' meeting, last month. Husni said this would be the last budget under the 10th Malaysia Plan and it would see a bigger allocation for development expenditure. Deputy Finance Minister Datuk Ahmad Maslan said last month, the government may announce additional zero-rated items under the Goods and Services Tax (GST) in the 2015 Budget.

GST's Zero-Rated Items

"We have decided on the additional zero-rated items and may announce the list in the Budget," he said when responding to a media question after speaking at a GST awareness seminar last month. Royal Malaysian Customs Department GST director Datuk Subromaniam Tholasy said nearly a third of the 944 items within the consumer price index basket will be zero-rated, and there are additional items joining the list after taking into the account public feedback. As of Aug 10, a total of 9,067 companies of the some 300,000 liable to take part in the GST scheme, had registered with the Customs Department, he said. The department has set a goal of attracting 123,000 companies to register for the GST scheme by end-September. It is targeting between 140,000 and 150,000 companies to register for the GST by year-end.

Malaysia is set to replace its current Sales and Services Tax (SST) and implement the GST on April 1, 2015.

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: Bursa Malaysia Likely To See Pre-Budget Rally

By Azizul Ahmad

KUALA LUMPUR -- Bursa Malaysia is likely to be bullish next week in the run-up to the Budget 2015, dealers said. A dealer said the budget expectations were likely to trigger a pre-budget rally and power, healthcare, construction, oil and gas sectors would likely to attract investors' interests.

Affin Investment Bank Vice President/Head of Retail Research, Dr Nazri Khan Adam Khan, said the Budget 2015 (scheduled on Oct 10) and the impending launches 2014 biggest mega initial public offerings -- 1Malaysia Development Bhd, Iskandar, Weststar and Carimin Bhd -- should be market-positive.

"We expect these catalysts to attract foreign investors' interests and foreign funds to spur Bursa Malaysia," Nazri told Bernama. As the global stocks rose sharply, he said, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) should make a U-turn and rebound. For the week just-ended, the FBM KLCI fell by 6.15 points to 1,849.49 from 1,855.64 last Friday. For the holiday-shortened week, the weekly turnover fell to 8.84 billion shares valued at RM8.16 billion from 11.85 billion shares valued at RM10.11 billion recorded last week.

The market was closed on Tuesday for Malaysia Day. Main market volume dipped to 5.94 billion units worth RM7.59 billion from last week's 8.43 billion units worth RM9.42 billion.

FOREX: Ringgit Likely To Weaken Against US Dollar

By Azlee Nor Mahmud

KUALA LUMPUR -- The ringgit is likely to be slightly weaker next week at between 3.20 and 3.25 against the US dollar, as investors react to the monetary policy meeting outcomes of Bank Negara Malaysia (BNM) and the US Federal Reserve System (Fed). Hong Leong Bank Senior Manager for bond and economic research, Choong Yin Pheng, said the overnight policy rate, which was maintained at 3.25 per cent by BNM Thursday, may see subdued loan growth, moving forward.

Meanwhile the Fed's policy review may result in interest rate moving at a faster pace as previously forecast, she said. "Interest rate increases have yet to be imposed by the Fed but investors are awaiting further developments regarding it. "There is a likelihood that the rising interest rates may commence after 2015," Choong told Bernama. On Friday, the ringgit fell to 3.2330/2350 per US dollar versus 3.1960/1990 last Friday. The local unit eased against the Singapore dollar to 2.5515/5551 from 2.5293/5337 last week and was also lower against the British pound at 5.2957/2999 from 5.1893/1952 last Friday. The ringgit weakened against the euro to 4.1625/1664 from 4.1305/1347 last Friday and advanced against the yen to 2.9691/9723 from 2.9800/9836 previously.

Money Market: Short-Term Rates Likely To Be Steady

KUALA LUMPUR -- Short-term rates are expected to be steady next week as Bank Negara Malaysia (BNM) is set to intervene in the money market. This week, the central bank intervened on a daily basis to mop up excess funds from the system by conducting conventional, Al-Wadiah, repo and Commodity Murabahah Programme tenders.

For the week just-ended, the overnight rate was at 3.21 per cent while the one-, two- and three-week rates were pegged at 3.26 per cent, 3.30 per cent and 3.34 per cent respectively. The underlying three-month Kuala Lumpur Interbank Offered Rate was fixed at 3.74 per cent. On Friday, the total liquidity surplus in the conventional system was reduced to RM17.29 billion from an earlier estimate of RM52.57 billion while in the Islamic system, the liquidity surplus was reduced to RM4.23 billion from an earlier forecast of RM13.70 billion.

Following this, the central bank issued a late conventional tender for RM17.30 billion and a late Al-Wadiah tender for RM4.30 billion, both for three-day money.

KLCI Futures Likely To Move Higher

By Azizul Ahmad

KUALA LUMPUR -- The FTSE Bursa Malaysia (FBM) KLCI futures contracts (FKLI) on Bursa Malaysia Derivatives are expected to move higher next week as the cash market is expected to enter "pre-budget rally" mode. Traders said the sentiment next week would also be in tandem with the improved risk appetite and the likely upbeat performance of global stocks, which would see Dow Jones Industrial Average and Japan's Nikkei 225 continue to scale new high.

Meanwhile, Affin Investment Bank Vice President/Head of Retail Research, Dr Nazri Khan Adam Khan, said with the expected rises in global markets, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) should make a U-turn and rebound.

"Aggressive 'bulls' might consider buying FBM KLCI index futures on a breakout above 1850, positioning for a larger jump to an all-time-high of 1,900," he told Bernama. On a Friday-to-Friday basis, September 2014 rose 10.5 points to 1,848, October 2014 advanced 10.5 points to 1,849.50, December 2014 added seven points to 1,852 and March 2015 gained 10 points to 1,851.

Turnover for the week rose to 27,410 lots from 23,278 lots last week while open interest dipped to 124,845 contracts from 149,911 contracts previously. For the week just-ended, the benchmark FBM KLCI dipped 6.15 points to 1,849.49 from 1,855.64 last Friday.

CPO Futures Contracts To See Cautious Trading

By Zairina Zainudin

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are expected to see cautious trading next week with the prices to move between RM2,050 and RM2,200 a tonne. Interband Group of Companies senior palm oil trader, Jim Teh, said a mixture of speculative players would drive the local CPO market next week. He told Bernama the country's huge inventory level, coupled with high physical prices, would be negative factors which could drive demand away, particularly among physical buyers.

For the week just-ended, the local market was closed on Tuesday for the Malaysia Day holiday. Contract month September 2013 settled at RM2,160 a tonne on Monday. On a Friday-to-Friday basis, October 2013 increased RM39 to RM2,136, November 2013 gained RM29 to RM2,113 and December 2013 rose RM11 to RM2,111 a tonne.

Meanwhile, a new contract month January 2015, finished at RM2,125 a tonne on Friday. Weekly turnover improved to 282,893 lots from 237,650 lots last Friday, while open interest slipped to 320,124 contracts from 326,397 contracts previously. On the physical market, October South added RM30 to RM2,160 per tonne from RM2,130 per tonne last week.

Rubber Supply Concerns Likely To Affect Buying Sentiment

KUALA LUMPUR -- Concerns over regional supply would continue to affect buying sentiment on the Malaysian rubber market next week and this would dampen the prices, a dealer said. "The current declining pattern will likely continue next week due to high stockpile, particularly in Thailand. "The high inventory level will cap prices from increasing," he told Bernama.

Thailand is the world's biggest rubber producer and exporter. Recently, the Thai government disposed of half of its rubber stockpile to reduce its storage costs. The dealer said the rubber prices would likely be lower next week in anticipation of weak demand from China, the world's largest rubber consumer, following the slowdown in its economic growth. Another dealer said the rubber price movements on the Tokyo Commodity Exchange, coupled with the performance of ringgit against the US dollar, would also influence the local market next week.

On a Friday-to-Friday basis the Malaysian Rubber Board's sellers' official physical price for tyre-grade SMR 20 rose 8.5 sen to 488 sen per kg while latex-in-bulk gained 1.5 sen to 391 sen per kg. The unofficial sellers' closing price for tyre-grade SMR 20 increased two sen to 483 sen per kg while latex-in-bulk added a sen to 390 sen per kg. The local market was closed on Tuesday for the Malaysia Day holiday.

KLIBOR Futures Likely To Remain Quiet

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are likely to remain quiet next week. For the week just-ended, the KLIBOR futures remained flat with no contract months traded.

On a Friday-to-Friday basis, October 2014 trimmed one tick to 96.24, while November 2014 and December 2014 were pegged at 96.23 and 96.24 respectively. Meanwhile, open interest decreased to 2,660 contracts from last Friday's 3,310 contracts.

Tin Price To Move Around US$21,200 Next Week

KUALA LUMPUR -- The tin price on the Kuala Lumpur Tin Market (KLTM) is expected to move around US$21,200 next week, supported by overseas demand, a dealer said. He said consumer demand from Europe and Japan would provide the support for the price to stay around that level. "The price is already almost at one-year low. It shouldn't go down much," he told Bernama.

For the week just ended, the metal's price finished US$50 higher at US$21,150 a tonne from US$21,100 a tonne last Friday, with trading dominated by European, Japanese and local buyers. Weekly turnover during the holiday-shortened-week eased to 240 lots from 258 lots last week. The premium between the KLTM and the London Metal Exchange narrowed to US$285 a tonne from US$410 a tonne previously. The market was closed on Tuesday for Malaysia Day celebration.

Gold Futures To Trade Sideways Next Week

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to trade sideways next week as the US economy normalises while the effect of Scotland's separation results hog the limelight, a dealer said. Phillip Futures Sdn Bhd dealer, Ahmad Danial Zainudin, said gold prices would go sideways with little downside bias as gold investors used the results of Scotland's independence referendum to evaluate the impact on the US dollar and any safe-haven prices.

"The separation of the world's sixth-largest economy could have had geopolitical and financial effects for the rest of the globe," he told Bernama. On a Friday-to-Friday basis for the holiday-shortened week, September 2014, October 2014 and November 2014 declined three ticks to RM127.2, RM127.3 and RM127.5 a gramme respectively, while December 2014 lost seven ticks to RM128.15 a gramme.

Volume eased to 1,995 lots worth RM25.54 million from 2,089 lots worth RM27.66 million transacted last week. Open interest on Friday rose to 3,903 contracts from 3,271 contracts previously.