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JANUARY 30, 2015

This Week's Highlight : MH370 Officially Declared An Accident, 239 People Aboard Presumed Dead

OFFICIAL DECLARATION…"We have endeavoured and pursued every credible lead and reviewed all available data. Despite all these efforts over the last 327 days (as of yesterday), the search unfortunately has yet to yield the location of the missing aircraft," said Datuk Azharuddin Abdul Rahman. --fotoBERNAMA

KUALA LUMPUR -- The missing Malaysia Airlines (MAS) Flight MH370 was Thursday officially declared an accident under international aviation rules, and that all 239 passengers and crew aboard are presumed to have lost their lives. In making the announcement, the Malaysian government stressed that the search for the Boeing 777 remains a priority.

The government is committed to continuing all reasonable efforts to bring closure to this unfortunate tragedy, with the continuing cooperation and assistance of the governments of China and Australia, said Department of Civil Aviation director-general Datuk Azharuddin Abdul Rahman.

This Week's Top Stories

Monday

Trade To Grow Despite China's Decelerating Growth - Mustapa

KUALA LUMPUR -- China's decelerating growth may be a hard landing for exporters, but trade will continue to grow with hard work, says Minister of International Trade and Industry (MITI), Datuk Seri Mustapa Mohamed. He said China, the foremost trade partner for 120 countries in the world, grew by 7.4 per cent last year, and is very competitive to all exporters vying to gain a market share in that country. "As we work hard to promote our exports, many others will come up with their own initiatives to gain from the Chinese market. As such, we hope our people will be more aggressive and continue to do well in the big China market," he told reporters here Monday.

Tuesday

Oil Price Slump Won't Hinder AEC Take Off - Mustapa

KUALA LUMPUR -- The global slump in oil prices will not have an adverse effect towards the realisation of the Asean Economic Community (AEC), International Trade and Industry Minister Datuk Seri Mustapa Mohamed said. "When I was in Davos for the World Economic Forum annual meeting recently, many leaders concurred that this situation will last for six months and there will be a correction in the second half of the year, and the price will likely rebound, not up to US$100, but between US$60-US$70 a barrel. If this were to happen, it will be a bonus to us," he said at a media briefing on the AEC here Tuesday.

Wednesday

BNM Keeps OPR Unchanged At 3.25 Pct

KUALA LUMPUR -- Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.25 per cent during its Monetary Policy Committee (MPC) meeting here Wednesday. The central bank said the current stance of monetary policy remained accommodative and was assessed to be appropriate, given developments in monetary and financial conditions. "The MPC will continue to carefully assess external developments and their implications on the Malaysian economy, as well as monitor the risk of destabilising financial imbalances. This is to ensure that the monetary policy stance is consistent with the sustainability of the growth prospects of the Malaysian economy," BNM said in a statement here Wednesday.

Thursday

MAS Assures MH370 Families Of Fair Compensation

KUALA LUMPUR -- Malaysia Airlines (MAS) remains steadfast to ensure that fair and reasonable compensation is paid to the families of all MH370 passengers in accordance with the applicable laws. The airline said its representatives would be contacting the appointed next-of-kin to proceed with the compensation process following the official declaration of an accident to the flight MH370 under international aviation rules Thursday. Further resources are being deployed at its Family Support Centre (FSC) which had been set up in Kuala Lumpur, MAS said in a statement here.

Friday

RM16.8 Mln Life Insurance Claims Paid Out To Next-Of-Kin Of MH370 Tragedy

KUALA LUMPUR -- Payments totalling RM16.8 million in life insurance claims were settled to the next-of-kin of passengers and crew members of the ill-fated Malaysia Airlines flight MH370. In a statement here Friday, Life Insurance Association of Malaysia (LIAM) said 185 policies were issued by 14 life insurance companies in Malaysia which were settled from March 2014 to date. "Life insurers have treated the accident as an extraordinary event and have waived all proof of death as early as March 2014 to process the claim payment," it said.

SMEbrief

Exempt Petty Traders From GST - MITA

By Sankara Subramaniam

KLANG -- The Malaysian Indian Textiles and General Stores Association (MITA) has urged the government to consider exempting petty traders from the Goods and Service Tax (GST) which will be implemented from April 1, 2015. Its secretary, Maheswary Ramasamy, said the tax should not be imposed on traders from the lower level of retailing business though sometimes they met the RM500,000 threshold. "MITA felt that the GST should be imposed only on wholesalers and retailers who conduct large quantity business. It's good enough to collect GST from the big industry players and not burden petty traders and sundry shop owners who will be bogged down by the new accounting procedures for GST," she told Bernama.

Consumers Should Support SME Products To Help Economy - Chua

KUALA LUMPUR -- The government has called on consumers to play a role in helping stabilise the national economy by supporting the products of Small and Medium Enterprises (SMEs). Deputy Finance Minister Datuk Chua Tee Yong said this could be one way to help the country during this period of uncertainty, and on top of all the measures being taken by the government. Speaking to reporters after officiating the Malaysian Business Student Summit 2015 at University of Malaya here Wednesday, he said as Malaysia strives to be the global halal hub, it would benefit producers of halal products.

ICT Adoption Among SMEs Still Lag Behind

CYBERJAYA -- The adoption of information and communication technology (ICT) as an integral part of doing business among Small and Medium enterprises (SMEs) is still lagging behind, Minister in the Prime Minster's Department Datuk Wee Ka Siong said. He said three-quarters of 665,000 SMEs in the country were not equipped with ICT frameworks as a key part of their business. As knowledge in ICT is a pre-condition to a successful business, he told reporter Wednesday, SMEs should be more ICT savvy in taking up new applications and software to enhance their productivity.

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PropUP — Propertyupdate

Kwasa Land Lists 21 Developers For Next Request R2-1 Proposal

KUALA LUMPUR -- Kwasa Land Sdn Bhd, the master developer of the iconic Kwasa Damansara township in Sungei Buloh, has named 21 Tier-2 developers who had been successfully prequalified for its next Request for Proposal (RFP) R2-1. The companies are Amcorp Properties Bhd, Encorp Bhd, Glomac Bhd, Ivory Properties Group Bhd, Johor Land Bhd, KSK Group Bhd, KSL Holdings Bhd, Malton Bhd, MKH Bhd, Nadayu Properties Bhd, Naim Land Sdn Bhd, Naza TTDI Sdn Bhd, OSK Property Holdings Bhd, Paramount Corporation Bhd, Perdana Parkcity Sdn Bhd, Plenitude Bhd, Reliance Pacific Bhd, TH Properties Sdn Bhd, Titijaya Group Sdn Bhd (Tenang Sempurna Sdn Bhd), United Malayan Land Bhd, and Worldwide Holdings Bhd. Kwasa Land is a unit of the Employees Provident Fund (EPF). Managing Director Mohd Lotfy Mohd Noh said the RFP seeks a development partner for a proposed residential development of a land area measuring 5.14 hectares (12.7 acres) identified as Project R2-1 based on the approved planning approval.

iProperty.com Sees Property Sales Rush Before GST

KUALA LUMPUR -- The purchase of properties is expected to boom before the implementation of the Goods and Services Tax (GST) on April 1, 2015, said iProperty.com Malaysia. Group Managing Director and Chief Executive Officer Georg Chmiel said here Monday, the property market was expected to pick-up up again after property buyers and investors adjust to the changes. "Once the GST is implemented, the property market may see a slight decline. Calculations have shown that the implementation of the GST will result in a cost increase of about between three and four per cent of current prices," he said.

Premier Group To Launch Property Development Project

KUALA LUMPUR -- Premier Group Holdings Bhd (PRG), formerly known as Furniweb Industrial Products Bhd, will launch its first property development project in March. The Picasso, a 472 unit condominium project, would be undertaken on a 1.618 hectare piece of land along Jalan Jelatek with an estimated gross value of RM600 million. PRG is a semi-finished products manufacturer in the industrial textile and rubber-based industry. Chairman Datuk Lim Heen Peok said the project was a joint-venture between PRG's subsidiary, Premier Gesture Sdn Bhd, and Almaharta Sdn Bhd which was expected to garner a gross development profit of RM150 million over estimated development period of four years. "PRG will hold a 60 per cent stake in the joint venture and Almaharta the remaining 40 per cent. Picasso will be completed in four years," he told reporters here Monday.

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MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 440
Losers - 344
Not Traded - 640
Unchanged - 330
Value - 2206896620
Volume - 19138837

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.6290	3. 6320
EUR	4.1156	4. 1198
GBP	5.4689	5. 4745
100 YEN	3.0825	3.0853
SGD	2.6872	2. 6916

Source: Bank Negara Malaysia

BURSA: KL Shares End Mixed

KUALA LUMPUR -- Bursa Malaysia closed mixed Friday following a severe bout of persistent selling pressure in the final hours and cloaked by low market sentiment, dealers said. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was 0.92 of a point lower at 1,781.26. The benchmark index, which opened 6.18 points higher at 1,788.36, hovered between 1,781.26 and 1,789.39 throughout the day. The market gave up early gains on profit-taking seen in the consumer, plantation and properties segment.

"A volatile session saw the dollar push higher and equities trapped in a sideways range, between the 1,780 and 1,800 levels," Affin Hwang Investment Bank Head of Retail Research Datuk Dr Nazri Khan told Bernama. He said oil prices also sank to the lowest in nearly six years as market participants digested the Greece election turmoil and scrutinised the US Federal Reserve's latest policy statement, At the close, market breadth was positive with market breadth was positive with gainers outpacing decliners 440 to 344, while 330 counters were unchanged, 640 untraded and 39 others suspended.

Total turnover increased to 1.91 billion shares valued at RM2.21 billion from 1.89 billion shares worth RM2.23 billion on Thursday. Main Market volume rose to 1.3 billion units valued at RM2.08 billion from 1.24 billion units worth RM2.08 billion Thursday.

FOREX: Ringgit Ends Marginally Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed marginally lower against the rejuvenated US dollar which attracted demand towards the close, a currency dealer said. At 5 pm, the ringgit was quoted at 3.6290/6320 against the dollar from Thursday's close of 3.6280/6310.

The local trader said current market expectations were that the US Federal Reserve would stay the course towards increasing rates, as hinted in its latest policy statement, and this was supportive of the dollar's rally. Selling pressure on ringgit also intensifies as the Monetary Authority of Singapore (MAS) surprisingly eased its monetary stance, he said.

The ringgit was traded lower at the close Friday against other major currencies, except the British pound. It declined at 2.6872/6916 against the Singapore dollar from 2.6840/6866 Thursday and weakened against the yen at 3.0825/0853 from 3.0795/0834 on Thursday. The local note was lower against the euro at 4.1156/1198 from Thursday's close of 4.0971/1009, but was traded higher against the British pound to 5.4689/4745 from Thursday's 5.4837/4897.

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

KUALA LUMPUR -- Short-term interbank rates ended stable Friday on Bank Negara Malaysia's (BNM) intervention to reduce excess liquidity from the financial system. The liquidity surplus in the conventional system slipped to RM17.58 billion from RM24.60 billion earlier, while in the Islamic system, surplus dwindled to RM8.45 billion from RM9.99 billion. In the morning, BNM called for five tenders -- two conventional money market, a repo and two Al-Wadiah tenders. The central bank also conducted a late conventional money market tender for RM17.60 billion and a RM6.60 billion Al-Wadiah money market tender, both for five-day money. The overnight Islamic reference rate stood at 3.22 per cent, while the one-, two- and three-week rates stood at 3.28 per cent, 3.32 per cent and 3.36 per cent, respectively.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives ended the week untraded. Spot month February 2015 remained pegged at 96.15, while March 2015, April 2015 and June 2015 were pegged at 96.18, 96.18 and 96.17, respectively. Open interest stood at 1,320 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.85 per cent.

KLCI Futures Contracts End Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI futures (FKLI) contracts on Bursa Malaysia Derivatives closed higher Friday despite weak equity markets. Phillip Futures' dealer, Lim Eng Wee, said the market saw buying after the FBM KLCI touched as high of 1,789.39 on optimism on overnight gain in Wall Street. However, it reversed earlier gain to close slightly lower by 0.92 of a point lower at 1,781.26 due to profit taking. Traders were also awaiting the fourth quarter gross domestic product from the US, which will be released later Friday, he told Bernama. At close, the spot month January FKLI was 14.5 points higher at 1,787.0, February added 9.5 points to 1,778, March 2015 went up 6.5 points to 1,773.5 and June 2015 advanced 2.5 points to 1,769. Total turnover went down to 10,465 lots from Thursday's 16,079 lots while open interest was down to 44,721 contracts from 49,329 contracts on Thursday.

Banking &Finance

Tap Investment Opportunities In GMS - Maybank Kim Eng

KUALA LUMPUR -- Investors must tap the investment opportunities in the Greater Mekong Sub-region (GMS) via Thailand to gain exposure in the region and capitalise on its growth. In a statement here Monday, Maybank Kim Eng said recent developments in GMS, including improved cross-border trade, investment and labour mobility, had helped boost economic activities. GMS is a development project formed by the Asian Development Bank in 1992 that brought together the six states of the Mekong River basin -- Cambodia, Laos, Myanmar, Thailand, Vietnam and Yunnan Province, China. Maybank Group Pesident/Cief Excutive Officer, Datuk Abdul Farid Alias, said 2015 would be a comeback year for Thailand with the political gridlock of 2014 cleared, paving the way for public spending programmes that would stimulate the economy.

BNM Won't Allow Individual Company's 'Systemic' Effect To Impact Economy

PUTRAJAYA -- Bank Negara Malaysia will not allow any "systemic" effect from an individual company to impact the country's economy, said Governor, Tan Sri Dr Zeti Akhtar Aziz. "We will never comment on an individual entity, but what we have are arrangements to deal with it so that no individual entity will have a systemic implication on the overall financial system of our economy. That is the basic principle," she said when commenting on 1Malaysia Development Bhd (1MDB)'s huge outstanding debts here Tuesday.

Asian Banks' Credit Quality Stable Despite Credit Pressures - Moody's

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Moody's Investors Service expects Asian banks' credit quality will be stable in 2015 even as asset quality weakens and credit costs increase. In a statement here Tuesday, Moody's Managing Director - financial institutions group, Stephen Long, said most banking systems in the region remained well-capitalised and profitable. "This stable footing will allow Asian banks to withstand increasing credit costs. We anticipate a gradual strengthening in the region's growth momentum as external demand particularly when the US economy improves. Some Asian banking systems will face adjustment challenges as industrial economies pursue divergent monetary policies in 2015," Long said.

AmMetLife Expects More M'sians To Buy Insurance Policies

KOTA BAHARU -- AmMetLife Insurance Bhd (AmMetLife) expects more Malaysians to buy insurance policies, said Chief Executive Officer (CEO), Ramzi Toubassy. He said currently over 350,000 people had bought insurance policies from the company. "The number is expected to increase because of the company's move to instil in the public the importance of having an insurance policy. We are trying to develop because everything needs protection. We need the insurance policy to protect the family," he said after presenting school aid to students of Sekolah Kebangsaan Pangkal Kalong here Tuesday.

WCPSS Adopts Principles Of Product Transparency & Disclosure

KUALA LUMPUR -- The Asean Working Committee on Payment and Settlement Systems (WCPSS) Tuesday adopted the Principles of Product Transparency and Disclosure (Principles) to improve the level of transparency on charges and service level offered by financial institutions in the Asean region for cross-border trade settlement. "The Principles are designed to ensure that customers have a clear, timely and easy to access information to make an informed decision in performing cross-border trade settlement," said Bank Negara Malaysia in a statement here Tuesday. BNM said Malaysia, Philippines, Singapore and Thailand will implement the Principles by February with Brunei, Cambodia, Indonesia, Laos, Myanmar and Vietnam to follow suit later this year.

88 Pct Working M'sians Concerned About Retirement

KUALA LUMPUR -- Not having enough money to live day-to-day on retirement is the main concern of 88 per cent of Malaysians of working age, according to a survey. According to HSBC's report, 'The Future of Retirement: A balancing act', 49 per cent of them said debt repayment was preventing their preparation for a comfortable retirement. "The global economic downturn has also impacted their retirement plans -- 36 per cent has stopped, or reduced their savings through cash deposits, annuities or investments; 32 per cent were less able to save for retirement; and, 28 per cent found themselves getting into debt," it said. The report findings were based on an online surveys of 1,000 people of working age (25 and above) and in retirement, conducted by Ipsos Mori in August and September 2014.

Maybank AM Offers Asian Exposure Income-Generated Fund In US Dollar

KUALA LUMPUR -- Maybank Asset Management Sdn Bhd (Maybank AM Malaysia) has launched the Maybank Constant Income Fund 2 (Maybank CIF 2), a three year close-ended fixed maturity fund in US dollar with Asian exposure. Aimed to provide a semi-annual consistent return, the Maybank CIF 2 is the second fund under the Maybank Constant Income Fund umbrella that encapsulates a series of close-ended fixed maturity funds. Its first fund was Maybank CIF 1, launched in February 2014, which has garnered strong interest from investors with a fund size of RM200 million, which was raised within 30 days from inception. "Maybank CIF 2 aims to provide investors a consistent semi-annual income through investing in a diversified portfolio of US$ denominated bonds issued primarily by Asian issuers," Maybank AM Malaysia Chief Executive Officer Badrul Hisyam said in a statement here, Tuesday.

Maybank Aims For 20 Pct Growth In SME Merchant Card Billing

KUALA LUMPUR -- Maybank, is aiming for a 20 per cent growth in Small and Medium Enterprises (SME) merchant card billing transactions this year, from RM10 billion in 2014, boosted by the launch of a smartphone mobile point-of-sale (mPOS) service. Executive Vice President and head of the cards, group community financial services/ funding, deposit and bancassurance, B Ravinthararan, said the new facility is targeted at attracting some 4,000 new SME merchants in the first year of introduction. "The service makes card payment more convenient, easy and acceptable anywhere," he told reporters after the launch of the service here Monday.

Eversendai Gets RM184 Mln Contract From Reliance Industries

KUALA LUMPUR -- Eversendai Corp Bhd, a specialist structural steel contractor, has been awarded a contract worth RM184 million from Reliance Industries Ltd of India. The contract is for the supply of steel materials, connection design, engineering and fabrication for the construction of the Dhirubhai Ambani International Convention and Exhibition Centre (DAICEC) in Mumbai. "We take great pride in having secured the structural steel works contract for a prominent project like DAICEC. This is a highly anticipated project in India and reaffirms Eversendai's continued success in winning landmark projects based on our good reputation," its Executive Chairman and Group Managing Director, Tan Sri A K Nathan said in a statement to Bursa Malaysia here Monday.

MITI Expects 2015 Halal Industry Export Surplus Exceeds RM32 Bln

KUALA LUMPUR -- The Ministry of International Trade and Industry (MITI) expects total export surplus for the halal industry this year to exceed the RM32 billion achieved in 2013. Deputy Minister Datuk Hamim Samuri said there is massive untapped growth potential the global halal industry which local Halal players should tap. "The weakening ringgit can also be a key driver to the exports as importers can buy products at lower prices," he told reporters after the soft launch of Halal Ingredients Asia 2015 here Monday.

BMW Malaysia Records Best Ever Sales Performance In 2014

KUALA LUMPUR -- BMW Group Malaysia recorded its best ever sale of vehicles in 2014 at 9,046 units, up 13 per cent, from the 7,974 sold in the previous year. There were 7,808 BMWs, 655 Minis and 583 BMW Motorrad's sold. Managing Director and Chief Executive Office Alan Harris said with the outstanding performance, the company once again emerged as the foremost premium automaker in the country. "The key driver to our success here in Malaysia was the introduction of new models and strong demand for the variants of the BMW 3 Series and BMW 5 Series last year. We were also able to get the continuous support from our customers, and for that we are very appreciative," he told a media briefing here, Monday.

Capitamalls Acquires Tropicana City Mall, Office Tower For RM540 Mln

KUALA LUMPUR -- Capitamalls Malaysia Trust is acquiring the Tropicana City Mall and Tropicana City Office Tower from Tropicana City Sdn Bhd for RM540 million. In a filing to Bursa Malaysia here Monday, Capitamalls said the costs, including the acquisition fee, would be RM565 million. The acquisition will be subject to the satisfactory completion of due diligence, which includes a building audit and valuation exercise. CapitaMalls Malaysia REIT Management Sdn Bhd, the manager of CapitaMalls, said it intended to fund the acquisition through debt and/or equity fund raising in a combination to be determined later.

KLCCP's Pre-Tax Profit Rises To RM601.38 Mln In 4th Quarter

KUALA LUMPUR -- KLCC Property Holdings Bhd's (KLCCP) pre-tax profit rose to RM601.38 million in the fourth quarter ended Dec 31, 2014 from RM496.76 million in the same period last year. In a filing to Bursa Malaysia here Monday, the group said revenue for the quarter increased to RM347.0 million from RM332.17 million, while earnings per share rose to 23.92 sen against 20.67 sen. For KLCCP's full year performance, the group's pre-tax appreciated to RM1.28 billion from RM1.14 billion in the same period last year, while revenue increased to RM1.35 billion from RM1.28 billion. Moving forward, KLCCP expects its overall performance to remain stable for its financial year in 2015, benefiting from the long-term tenancies of the office segment and performance of the retail segment.

Asean Gets 97.2 Mln International Visitors In 2014

By Minggu Simon Lhasa

BANGKOK -- A total of 97.2 million international tourists visited the 10 ASEAN member states last year, posting a growth of three per cent from 2013. The operationalisation of ASEAN Open Skies Agreements helped to maintain intra-ASEAN travel as the main source of tourism growth in the region, with record arrivals of 28.05 million, or a 53 per cent share of total international tourists visiting ASEAN, according to a joint statement after the Meeting of ASEAN Tourism Ministers on Jan 25 in Nay Pyi Taw, Myanmar. The ministers commended the progress made in implementing the ASEAN Tourism Strategic Plan (ATSP) 2011-2015 and tasked senior officials to expedite the implementation of remaining measures to support the timely realisation of the ASEAN Economic Community (AEC).

Poor Demand Sees Slide In Export Of M'sian Palm Oil Products

By Harizah Hanim Mohamed

KUALA LUMPUR -- Malaysian palm oil products fell 17.7 per cent from Jan 1-25, 2015 vis-a-vis Dec 1-25 last year on poor demand from the biggest consuming countries. According to cargo surveyor Intertek Testing Services, export volume fell to 886,189 tonnes from 1.077 million tonnes in the previous month. Phillip Futures Sdn Bhd Senior Derivatives Product Specialist David Ng attributed it to weaker demand from China during the winter season, and India owing to lesser restocking activities as local supply was sufficient to meet its needs. "We also noticed that biodiesel demand from Europe has dropped significantly due to cheaper global crude oil," he told Bernama.

IGB Reit's Pre-Tax Profit Slips To RM56.239 Mln In 4th Quarter

KUALA LUMPUR -- IGB Real Estate Investment Trust (IGB Reit)'s pre-tax profit declined to RM56.239 million in the fourth quarter ended Dec 31,2014 from RM158.082 million recorded in the same period last year. However, revenue for the quarter rose 4.6 per cent to RM119.599 million due to higher total rental income in the current quarter, IGB Reit said in a filing to Bursa Malaysia here Tuesday. For the full year, the company's pre-tax profit grew to RM317.617 million from RM311.945 reported in the same period last year while revenue increased 7.2 per cent to RM461.768 million.

Orang Kampung Holdings Targets RM30 Mln Sales From Overseas Market

JASIN -- Traditional herbal drink manufacturer, Orang Kampung Holdings (M) Sdn Bhd, is targeting export sales of RM30 million this year. Managing Director Habibul'Ajmi Manggar said the company had a similar sales target for the domestic market given the overwhelming response from customers. He said the target was achievable due to the overwhelming demand and response for the company's products overseas especially in Singapore, Japan, Philippines, Brunei and Saudi Arabia. "We also plan to market our products to Australia by end-March and we are targeting sales to come from energy drinks and cosmetics products," he told reporters here Tuesday.

MAHB Expects To Record 3.0 Pct Passenger Traffic Growth In 2015

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) expects the 2015 passenger traffic to record 85.8 million movements, a growth of three per cent from 2014. "We are more cautious in light of the market outlook," the airport operator said in its filing to Bursa Malaysia on its Headline Key Performance Indicators (KPIs) for the financial year ending Dec 31, 2015, here Tuesday. "There is room for further optimism for 2015, being the Malaysia Year of Festivals as well as the return of British Airways to Malaysia," it said. MAHB noted that preliminary traffic results indicated airports operated by the company in Malaysia handled 83.3 million passengers in 2014, a 4.7 per cent increase on the back of the 18.4 per cent growth in 2013. International passenger movements achieved a growth of 4.9 per cent while domestic passengers recorded a 4.5 per cent growth over 2013.

RHBAM Aims To Grow AUM To RM58 Bln By Year-End

KUALA LUMPUR -- RHB Asset Management Sdn Bhd (RHBAM), a unit of RHB Investment Bhd, aims to grow its assets under management (AUM) to RM58 billion by year-end from the present RM48.6 billion. "We are confident of raising the AUM, driven by upcoming product launches in Malaysia and Asia, as well as our established reputation network," said Regional Head of Retail Distribution Group Asset Management Chief Executive Officer of Malaysia, Ho Seng Yee. He was speaking at the launch of the RHB-OSK Global Equity Stabiliser Fund, here Wednesday. Ho said over the next 12 months, the group is targeting to raise RM200 million for the RHB-OSK Global Equity Stabiliser Fund."The fund is believed to be the first with a "stabiliser mechanism" in Malaysia as it protects investors against volatile global equity market correction. Apart from potential capital appreciation, it is expected to reward investors with dividend payments of between 3.5 and 4.0 per cent annually on a quarterly basis," he added.

LPI's Pre-Tax Profit Rises To RM341.9 Mln

KUALA LUMPUR -- LPI Capital Bhd's pre-tax profit for the financial year ended Dec 31, 2014 rose by 33.1 per cent to RM341.9 million from RM256.8 million a year ago. Revenue rose to RM1.17 billion from RM1.12 billion previously, driven by the strong performance in Lonpac's equity investment, the investment holding company said in a statement here Wednesday. Moving forward, the company said it would strengthen its resilience capacity and implement innovative action plans to continue attracting and retaining its customers.

Boeing Reports 3 Pct Rise In Q4 Revenue To US$24.5 Bln

KUALA LUMPUR -- The Boeing Company reported a three per cent increase in fourth-quarter 2014 revenue to US$24.5 billion over the same period of 2013 on higher commercial deliveries. In releasing its financial results for the quarter ended Dec 31, 2014, the global aviation company said the total company backlogs at the quarter-end was a record US$502 billion, up from US$490 billion at the beginning of the quarter, and included net orders for the quarter of US$37 billion. Commercial airplanes booked 432 net orders during the quarter with a record 1,432 orders in 2014.

AirAsia To Abolish Fuel Surcharge

KUALA LUMPUR -- AirAsia Bhd will be abolishing the fuel surcharge across all of its airlines in the group from Monday and in line with declining global oil prices. The low-cost carrier will also abolish the fuel surcharge for its low-cost long haul affiliates, AirAsia X, Thai AirAsia X and Indonesia AirAsia X, the company said in a statement here Monday. Group Chief Executive Officer Tan Sri Tony Fernandes said this would be a plus point for consumers and the economy, as the tourism industry is a great job creator. "This decision was made in November 2014, but, we are only able to implement it now and believe removing the fuel surcharge and reducing travel costs, will be a huge boost to the tourism industry," he added.

TapWay To Represent Malaysia In Startups Competition In Geneva

KUALA LUMPUR -- Malaysian startup TapWay, will represent the country at the Seedstars World Grand Final in Geneva, Switzerland, on Feb 4 and compete against 35 other startups from emerging markets. In a statement here Monday, Seedstars World said TapWay, a customer analytics service provider, which won Seedstars Kuala Lumpur in September last year, would compete and pitch for a US$500,000 equity investment. TapWay Chief Executive Officer Lim Chee How said the competition was an amazing opportunity for the company, as it looks to scale its business across Asia and globally. The competition was founded by Alisee De Tonnac and Pierre-Alain Masson and supported by the venture builder Seedstars SA.

Retail Organisations Lead Shift To Modern Marketing Best Practices

KUALA LUMPUR -- Retail organisations are leading the shift to modern marketing best practices, said Oracle Corp survey. In a statement here Monday, Oracle said the survey revealed that these organisations enhanced customer experience through advanced marketing platform and cross-channel marketing capabilities, leading the shift ahead of their peers from other industries in key areas. It said these included investments in date management and behaviour tracking technology as well as marketing integration. The survey, titled "Why You Need To Be A Modern Marketer: The Business Impact of Marketing Maturity in the Age of the Customer", assessed marketing maturity across industries and demonstrated the business impact of modern marketing best practices, it said.

Bursa Amends LR To Enhance Business Efficacy, Market Quality

KUALA LUMPUR -- Bursa Malaysia Bhd has issued various amendments to its Listing Requirements (LR), which is predicated on the two main thrusts of facilitating a balance between promoting business efficacy and enhancing market quality. Through this exercise, the Exchange would continue to strengthen investor's protection and improve business efficiency via a balanced and appropriate regulatory framework, it said in a statement here Monday. "The Malaysian market has continued to mature and amongst the proof points are the improved corporate governance and better compliance culture by our listed issuers. As such Bursa Malaysia believes it is timely to liberalise some of our listing requirements, to ease compliance by listed issuers where appropriate and enhance Bursa Malaysia's position as a conducive listing and capital destination," said Chief Executive Officer Datuk Tajuddin Atan.

An Additional 50,000 Companies Expected To Register For GST By April 1

BEAUFORT -- An additional 50,000 companies are expected to register for the Goods and Services Tax (GST) before the new tax regime is implemented on April 1, said Deputy Finance Minister Datuk Ahmad Maslan. "The 50,000 companies have been identified as those which failed to register by the Dec 31 deadline last year. We will issue reminders to them and request them to register by April 1," he told reporters after visiting the Kampung Bambangan Primary School in Membakut here Tuesday. Ahmad said the number of companies registered for GST stood at 300,730 when the registration exercise ended on Dec 31, 2014 and rose to 305,000 after the deadline.

MAHB New Shares Fixed At RM4.78

KUALA LUMPUR -- Malaysia Airport Holdings Bhd (MAHB) has fixed the issue price of 275.31 million new ordinary shares at RM4.78, a discount of approximately 28.8 per cent to the theoretical ex-rights price of MAHB shares of RM6.71. The rights issue is expected to raise gross proceeds of approximately RM1.32 billion, MAHB said in a filing to Bursa Malaysia here Tuesday. The price was determined after taking into consideration the purchase price for the acquisitions of the 40 per cent equity stake in the Istanbul Sabiha Gökçen Airport and 40 per cent equity stake in the LGM Havalimanı Airport at RM1.18 billion.

Ringgit's Depreciation Will Boost Export Competitiveness, Tourist Arrivals

KUALA LUMPUR -- The ringgit's depreciation will help boost export competitiveness and tourist arrivals in the country, says the Malaysian Institute of Economic Research (MIER). Executive Director Dr Zakariah Abdul Rashid told reporters here Wednesday, the decline would encourage wider import substitution activities into the country. The ringgit has hit an all-time low in five years as emerging Asian currencies lose ground, among others, due to retreating crude oil prices. As oil is a key Malaysian exports, making up to

30 per cent of the gross domestic product (GDP) in 2014, the decline in crude oil prices by 50 per cent from June last year, has had a significant impact on the ringgit.

MIDA Approves 619 Manufacturing Projects In Jan-Sept 2014

JOHOR BAHARU -- A total of 619 manufacturing projects with investments of RM63.5 billion were approved by the Malaysian Investment Development Authority (MIDA) between January and September last year compared with 787 projects valued at RM52.1 billion in 2013. MIDA executive director of manufacturing development (resource) N.Sangaran said 147 of the projects worth RM20.1 billion approved between January and September last year were in Johor. He said Johor received the highest investment in the manufacturing sector amounted to RM14.4 billion involving 197 projects in 2013. "Johor will continue to remain a favourite among foreign investors," he told reporters here Wednesday.

Worth Putting Your Money In M'sia - Fortune Magazine

KUALA LUMPUR -- Malaysia is one of the 'seven emerging markets worth putting your money in', reported a popular business publication, Fortune Magazine. "In Malaysia, the incumbent (Barisan Nasional) government is trying to stay ahead of increased demand for change," penned Ian Bremmer. Bremmer wrote Prime Minister Datuk Seri Najib Tun Razak scrapped fuel subsidies and will enact a six per cent Goods and Services Tax in April to improve his government's fiscal position. He believed that Najib will likely accelerate his Economic Transformation Programme by introducing further tax incentives for foreign investors. "Further liberalisation of the manufacturing and financial services sectors is likely as well. It is a fair bet that as growth tapers in China (and the impact of that slowdown is felt in Malaysia), Najib's government will feel pressured to boost public spending on infrastructure, education and health care," he wrote.

Pricing Of PR1MA's Affordable Homes Will Stabilise, Set Benchmark

KUALA LUMPUR -- Pricing of affordable home projects by the Perbadanan PR1MA Malaysia (PR1MA) will have a stabiliser effect and act as a benchmark for similar range of residential houses to be offered by other private developers. The property market would soon react and match PR1MA's pricing, which would be 25 per cent cheaper than the market value, said Rahim and Co Chartered Surveyors Sdn Bhd Executive Chairman Tan Sri Abdul Rahim Rahman. "If a PR1MA house only cost around RM250,000, who would want to buy a house from a private developer who fixes the price between 20 and 40 per cent higher? "The private sector will have no choice but to follow suit and start bringing down the price to almost match what is being offered by PR1MA," he told reporters here Thursday.

MDeC Sets To Accelerate Big Data Analytics Adoption, Innovation

CYBERJAYA -- The Multimedia Development Corporation (MDeC) sets to accelerate the Big Data Analytics (BDA) adoption and innovation among Malaysian companies by establishing a network of BDA Innovation Centres of Excellence. Its Chief Executive Officer, Datuk Yasmin Mahmood said the initiative would focus on bringing private and public partnerships as a conduit to build critical mass in BDA adoption and innovation. It is also a crucial step in realising MDeC's vision to turn Malaysia into a BDA hub in Asean, she said at the launch of a network of BDA Innovation Centres of Excellence, here Thursday.

Khazanah Raises RM1.624 Bln Via TNB Placement Shares

KUALA LUMPUR -- CIMB Investment Bank Bhd and Credit Suisse (Singapore) Ltd, as joint bookrunners, have raised gross proceed of RM1.624 billion for Khazanah Nasional Bhd. This was following the completion of a placement of 112 million existing shares in Tenaga Nasional Bhd (TNB), representing about two per cent of the company's paid up share capital, at a price of RM14.50 per share, Thursday. In a joint statement here, CIMB Investment Bank and Credit Suisse said the placement price represented a two per cent discount to the closing market price on Jan 28, 2015 of RM14.80 per share. The shares were placed to domestic and foreign institutional investors, they said. With the placement, Khazanah's stake in TNB is reduced to 30.4 per cent from 32.4 per cent, it added.

Malaysia's Reserves Remains Usable & Unencumbered - BNM

KUALA LUMPUR -- Malaysia's reserves remained usable and unencumbered, as at end-December 2014, based on the detailed breakdown of international reserves under the International Monetary Fund's Special Data Dissemination Standard (SDDS) format. Bank Negara Malaysia (BNM) said official reserve assets amounted to US$115.93 billion while other foreign currency assets amounted to US$1.04 billion. For the next 12 months, the central bank said the pre-determined short-term outflow of foreign currency loans would amount to US$1.47 billion arising from scheduled repayments of external borrowings by the government. In line with the practice adopted since April 2006, the data excludes projected foreign currency inflows arising from interest income and the drawdown of project loans amounting to US$3.12 billion in the next 12 months.

Mohd Khalid Is MYCC's New CEO

KUALA LUMPUR -- The Malaysia Competition Commission (MyCC) has a new Chief Executive Officer in Dr Mohd Khalid Abdul Samad. His appointment is effective Jan 6. Mohd Khalid said he was honoured to be given the opportunity to lead the MyCC, which is in the inimitable position of encouraging healthy competition in the country. "I look forward to working with the public and private sectors as well as the business and consumer communities towards a more dynamic business landscape, especially during this era of significant economic challenges," he said in a statement here Monday. Mohd Khalid was the former Director of Consumerism Standards Division and Director of Co-operative Development Division in the Ministry of Domestic Trade, Cooperatives and Consumerism.

BOH Produces Specially-Designed Palas Supreme Tea In Conjunction With WEF

KUALA LUMPUR -- BOH Plantations Sdn Bhd has produced specially-designed Palas Supreme tea canisters in conjunction with the 2015 World Economic Forum (WEF) Annual Meeting in Davos, Switzerland. The limited edition packaging was specially flown to Davos and presented as a special gift to participants at the Malaysia business luncheon. In a statement here Monday, Chief Executive Officer of BOH Plantations Sdn Bhd, Caroline Russell, said the tea canisters depicted captivating images of BOH's tea plantation in Cameron Highlands and the snow-capped Alps of Switzerland. "We are so delighted to be able to serve Malaysia's best home-grown tea at the luncheon and present delegates with the limited edition Palas Supreme tea canisters as a memento. We also served BOH Iced Peach Tea, BOH Teh Tarik Kurang Manis, BOH Cameronian Gold Blend and BOH Seri Songket Mango to the delegates," Russell said.

World Bank Group To Open Office In Kuala Lumpur

PUTRAJAYA -- The World Bank Group office in Kuala Lumpur will serve as a knowledge and research centre. Second Finance Minister, Datuk Seri Ahmad Husni Hanadzlah, said the office, which would be located at Sasana Kijang, would enable Malaysia to share its development experience with other developing countries while benefitting from World Bank's international experience and expertise. "Malaysia has achieved significant progress, among others, in reducing poverty, creating a business-friendly environment, developing small and medium enterprises, ensuring financial stability and promoting Islamic finance," Ahmad Husni said this at the ceremony to sign the agreement for the establishment of office. He said the office would also undertake research in key development areas as well as global indicators for the World Bank Doing Business Report.

Tan & Tan Developments Launches Damai Residence Project

KUALA LUMPUR -- Property developer, Tan & Tan Developments Bhd, Tuesday launched its 0.21-hectare Damai residence project, which has a gross development value (GDV) of RM62 million, at Jalan Ampang's embassy row. Executive Director, Teh Boon Ghee, said the project comprised 30 units of condominiums of 1,938 sq ft each and priced between RM1.9 million and RM2.2 million, and one 3,961 sq ft penthouse at RM4.35 million. "Damai residence features a contemporary design concept. It offers three bedrooms and bathroom, a separate lifestyle and kitchen, a yard and private lift lobby with four access cards and two parking lots for each unit. The 20-storey development consists of two units on each floor. It is now opened for the bookings," he told reporters here Tuesday.

UBM, Interexpo Tie-Up To Organise Beauty Expo

KUALA LUMPUR -- UBM Malaysia has entered into a strategic partnership with Interexpo (M) Sdn Bhd to organise the latter's annual Beauty Expo in Malaysia starting from the 2015 event. In a statement here Wednesday, UBM Malaysia said the expo would be the biggest and longest-running beauty trade show in Malaysia and the largest such trade platform in South-East Asia serving the beauty and wellness industry. It said the partnership was a significant addition to UBM Malaysia's portfolio of beauty, cosmetics and wellness events in Asia apart from those in the Philippines, Thailand, Japan and Hong Kong.

Public Gold Group To Host Seminar On GST & Physical Gold

KUALA LUMPUR -- Gold trading company, Public Gold Group is collaborating with ArRahnu@POS and Koperasi Dagang Emas (KDE) to organise a seminar, entitled, "Goods and Services Tax (GST) and Shariah Principles on Physical Gold", on Jan 31. The seminar, to be held at the Tabung Haji Hotel in Kelana Jaya, will bring together the Custom Department and veterans from the gold investment industry to speak on and share their knowledge of physical gold investment. Public Gold Group founder and executive chairman Datuk Wira Louis Ng in a statement here Wednesday said with the exemption of GST on London Bullion Market Association (LBMA) accredited investment precious metals (IPM), more Malaysians will be encouraged to grow their wealth with physical gold.

Affin Bank Opens Branch In Kota Damansara

KUALA LUMPUR -- Affin Bank Bhd has extended its banking network with the opening of its 106th branch in Kota Damansara here Wednesday. In a statement here Wednesday, the bank said the branch, located at the ground floor of the Cascades building, offered the full range of products and services.

AEC Set To Transform ASEAN Into Economic Superpower

COLOURS OF ASEAN...Thai Foreign Minister's wife, Penlaksana Patimapragorn (fourth, right) in a group photograph with delegates and guests of the spouse programme in conjunction with the ASEAN Foreign Ministers' Retreat in Kota Kinabalu Sabah Wednesday. In the middle is Sabah Chief Minister's wife Datin Seri Faridah Tussin. --fotoBERNAMA

By Mikhail Raj Abdullah

KUALA LUMPUR (Bernama) -- ASEAN has truly gained traction as an potentially dynamic economic entity with huge prospects for trade and investment.

This will undoubtedly take on greater prominence with the realisation of the ASEAN Economic Community (AEC) by the end of this year.

Undoubtedly, the AEC has created a conducive environment for local companies to increase sales, open operations outside their domestic market and enable sourcing on a region-wide basis.

Its significance by being the seventh largest economy in the world with a combined Gross Domestic Product (GDP) of US$2.5 trillion, has attracted more non-ASEAN countries to be dialogue partners with it including Bangladesh and Timor Leste.

Realising its potential back then, Australia was the first to come on board as a dialogue partner, quickly followed by China, Japan, South Korea, New Zealand, India, the United States, Russia, Canada and the European Union.

COMPETITIVE ECONOMIC AREA

To take this significantly further, ASEAN is in talks to realise the Regional Comprehensive Partnership (RCEP) to create a highly competitive economic area with dialogue partners with which it has free trade agreements.

The regional grouping's potential is also set to gain greater momentum with Malaysia -- holding the chair for ASEAN this year, bent on driving regional transformation and powering growth through holistic platforms.

They include not only stepping up government-to-government (G-G) or business-to-business (B-B) interaction, but more importantly at the people-to-people level so citizens also gain from its plans and not just the elitists.

For Malaysia, the clarion call is for local companies to look regional, particularly with the realisation of the AEC which would expand boundaries for its workers and the country's citizens.

If anything else, a regional populace of 625 million versus a domestic populace of 30 million plus the combined GDP of US$2.5 trillion offers opportunities under AEC.

INTEGRATED ECONOMIC REGION

Collectively, it has the economic power to emerge as a dynamic production base and business for global companies including creating much needed employment opportunities in the region.

Therefore, the 1,000 or so Malaysian companies which have a foothold in ASEAN can expand operations even further as the AEC aims to emerge as an integrated economic region encompassing regional economies.

Among Malaysian companies already operating as regional or even global firms include the likes of Petronas, Sime Darby, Ingress, Axiata, AirAsia, Maybank, CIMB, law firm ZICOlaw, SapuraCreest Petroleum and Pathlab.

Besides the big names, there are also others such as biscuit manufacturer, Hup Seng, Julie's, Ramly, Mamee, Safeguards, Hai-O, Mastech, Success Transfer Corporation and consumer-based NTPM Holdings.

For Malaysians, AEC also means employment opportunities, especially for engineers, technicians, financial analysts, accounts and in other specialised skills, as ASEAN companies expand into Malaysia and vice-versa.

MALAYSIA'S GLOBAL TRADE WITH ASEAN

About 27 per cent of Malaysia's global trade of RM374.7 billion in 2013 was with ASEAN while foreign direct investment inflows from ASEAN into Malaysia amounted to US$6.2 billion.

These figures cannot be ignored for they prove that Malaysia's economic fortunes via ASEAN is inextricably linked which means it should be pursued with greater vigour for Malaysians to maximise and reap its benefits.

Given ASEAN's wide agenda, it would be prudent for leaders meeting for the summit in April in Kuala Lumpur to decide that the secretariat be empowered as its staff strength is only 300 now compared to the EU's 300,000.

Malaysia's hosting of the ASEAN ministerial meetings and summits is both timely and crucial for it will set the stage for what could potentially be the emergence of a single market and a regional economic superpower via the AEC.

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JANUARY 31, 2015
Market Outlook

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA: Shares To Trade Mixed Next Week

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- Bursa Malaysia is expected to trade mixed with easier buying next week on the back of stronger US dollar and declining oil prices. The Greece election results and mixed signals from the US Federal Reserve (Fed) statement would also dent market sentiment, Affin Hwang Investment Bank Head of Retail Research Datuk Dr Nazri Khan said.

"The biggest question mark in the markets is whether the Fed will start hiking rates, while many other central banks around the world are easing policy rates," he told Bernama.

The benchmark FTSE Bursa Malaysia KLCI should test the uptrend channel support at 1,770, he said, adding that, a move below this key support would open the door for further aggressive selling.

For the local bulls, they will get their support closer back over 1,800 to hold the uptrend, Nazri said.

As for stock picks, he said some quality stocks are well positioned for the continuity of 2015 Economic Transformation Programme policy.

They include Tenaga Nasional, Sime Darby, DiGi, LPI Capital, Bursa Malaysia, QL Resource, Unisem, IJM Land, Mitra and Evergreen.

Bursa Malaysia will be closed on Monday and Tuesday for the Federal Territory Day (replacement) and Thaipusam holidays.

For the week just ended, the FBM KLCI declined 21.82 points to 1,781.26 from 1803.08 on Friday. Weekly turnover decreased to 9.74 billion units valued at RM11.07 billion from 11.32 billion units worth RM12.38 billion on Friday.

Main market volume declined to 6.32 billion shares worth RM10.31 billion from 7.65 billion shares valued at RM11.39 billion last week.

FOREX: Ringgit To Consolidate Next Week

By Azizul Ahmad

KUALA LUMPUR -- The ringgit is expected to consolidate next week and retrace back to near the 3.60 level, but the case for further pressure remains.

The ringgit has been traded over 700 hundred basis points lower for the past two weeks and it is time for a minimum correction, a currency chartist said.

For the week just ended, the ringgit went down to 3.6290/6320 against the US dollar from Friday's 3.6015/6045. The previous Friday, it was traded at 3.55 level and ended the week at 3.5580/5610. "It could retrace back to near the 3.60 level next week on an improved risk appetite as a minimum correction," he told Bernama.

It should happen sooner if not due to the Monetary Authority of Singapore (MAS) move to ease its monetary stance by surprise, said another trader. MAS' decision has triggered additional ringgit's short positions by speculators, he said.

The Singapore central bank on Wednesday had surprised the markets by easing its policy to tackle deflation risks and support the island's economy. "MAS' move boosted expectations that other central banks in Asia might follow suit and such expectations may drag the ringgit and other emerging Asian currencies to depreciate further in coming weeks," he added.

Besides the MAS factor, the current market expectations were that the US Federal Reserve would stay the course towards increasing rates as hinted in its latest policy statement, and this was supportive of the dollar's rally against other currencies.

On a weekly basis, the ringgit was down against the Singapore dollar at 2.6872/6916 from last Friday's 2.6863/6905, its lowest level in 16 years. The local unit also eased against the yen to 3.0825/0853 from 3.0439/0469 on Friday.

It was softer against the British pound at 5.4689/4745 from 5.3958/6021 as well as against euro at 4.1156/1198 versus 4.0593/0634 last Friday.

Money Market: Short-Term Rates Likely To Remain Stable

KUALA LUMPUR -- Short-term rates are likely to remain stable next week on Bank Negara Malaysia's (BNM) intervention in the money market to absorb excess funds.

A dealer said she does not anticipate the central bank to amend the overnight policy rate in the very near term despite the Monetary Authority of Singapore's move to ease its monetary stance on Wednesday while the US Federal Reserve hinted that it would stay the course towards increasing rates.

For next week, she said BNM is expected to continue to call for several money market tenders, comprising conventional and Islamic, including commodity murabahah programme, range maturity auctions and repo tenders, on a daily basis.

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

On Friday, the liquidity surplus in the conventional system amounted to RM17.58 billion while the excess in the Islamic system stood at RM8.45 billion.

Following this, the central bank issued a late conventional tender for RM17.60 billion and a late Al-Wadiah tender for RM6.60 billion, both for five-day money.

On a week-to-week basis, the benchmark three-month KLIBOR inched down to 3.85 per cent from last week's 3.86 per cent.

Meanwhile, the overnight Islamic reference rate stood at 3.22 per cent, while the one-, two- and three-week rates stood at 3.28 per cent, 3.32 per cent and 3.36 per cent, respectively.

The market will be closed on Monday and Tuesday for Federal Territory Day (replacement) and Thaipusam holidays.

KLCI Futures Expected To Be Volatile Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are likely to be volatile next week in line with equity markets, a dealer said.

On a Friday-to-Friday basis, January 2015 declined 21 points to 1,787, February 2015 slipped 28 points to 1,778, March 2015 decreased 32 points to 1,773.5 and June 2015 fell 35 points to 1,769.

Turnover for the week increased to 90,460 lots from 47,371 lots last week while open interest narrowed to 44,721 contracts from 49,489 contracts previously.

For the week just ended, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was 0.92 of a point lower at 1,781.26.

CPO Futures To Trade Between RM2,070-RM2,160

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are likely to trade between RM2,070 and RM2,160 a tonne next week on a short trading period.

Interband Group of Companies Senior Palm Oil Trader Jim Teh said the trading market would be closed on Monday and Tuesday for public holidays, with the market expected to be quiet for the rest of the week.

On a Friday-to-Friday basis, February 2015 fell RM110 to RM2,154, March 2015 slipped RM97 to RM2,150, April 2015 fell RM84 to RM2,146 and May 2015 dropped RM80 to RM2,132 a tonne.

Weekly turnover rose to 272,867 lots from 250,380 lots last week while open interest increased to 233,922 contracts from 217,446 contracts, previously.

On the physical market, February South fell RM110 to RM2,180 per tonne.

Uncertain Outlook For Rubber Prices Next Week

KUALA LUMPUR -- The Malaysian rubber market is expected to be uncertain next week due to lower buying interests coupled with weaker crude oil prices.

“The market will be quiet as traders trim their position due to the long holiday,” a dealer said.

The commodity market will be closed on Monday and Tuesday for the Federal Territory Day and Thaipusam holidays.

On a Friday-to-Friday basis, the Malaysian Rubber Board’s official physical price for tyre-grade SMR 20 fell half-a-sen to 496.5 sen a kg and latex-in-bulk declined nine sen to 361.5 sen a kg.

The unofficial closing price for tyre-grade SMR 20 lost five sen to 491 sen a kg and latex-in-bulk fell nine sen to 360 sen a kg.

KLIBOR Futures To Remain Lacklustre Next Week

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, no contract was traded throughout the week and open interest remained unchanged at 1,320 contracts.

Spot month February 2015 remained pegged at 96.15, while March 2015, April 2015 and June 2015 were pegged at 96.18, 96.18 and 96.17, respectively.

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The underlying three-month KLIBOR inched down to 3.85 per cent from last week’s 3.86 per cent.

The market will be closed on Monday and Tuesday for the Federal Territory Day (replacement) and Thaipusam holidays.

Tin Price To Stay At Current Level Next Week

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is likely to stay at the current level following the strengthening of the US dollar, a dealer said.

He expects foreign and local buyers to remain active in the coming week with the commodity likely to trade between US$19,100 and US$19,300 per tonne.

As usual, the local tin market is also expected to take cues from movements on the London Metal Exchange (LME).

The local tin market will be closed on Monday and Tuesday for the Federal Territory Day and Thaipusam holidays.

During the week just-ended, the local tin price was traded mostly lower on lack of strong buying.

On a Friday-to-Friday basis, the KLTM tin price was slightly lower at US$19,200 per tonne compared with US$19,300 per tonne last Friday.

Total turnover on the KLTM went down to 290 tonnes from 303 tonnes last week, with activities dominated by European, Japanese and local traders.

The price differential between the KLTM and LME widened to US$375 from US$140 last week.

Gold Futures Likely To Remain Bearish Next Week

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are likely to remain bearish next week amid concern over the US interest rates hike, said dealers.

He said market participants would be focusing on the US fourth quarter gross domestic product data to be released on Friday to dictate their buying strategy.

Another dealer said the local market would likely remain quiet next week due to the long weekend. Gold trading on Bursa Malaysia Derivatives will be closed on Monday and Tuesday for the Federal Territory Day (replacement) and Thaipusam holidays.

On a Friday-to-Friday basis, January declined 52 ticks to RM147.40 a gramme and February 2015 was 45 ticks lower at RM148.35 a gramme.

March 2015 and April both fell 47 ticks to RM148.75 a gramme and RM149.20 a gramme, respectively.

Volume for the week eased to 735 lots worth RM10.96 million from 843 lots worth RM16.4 million last week.

Open interest on Friday was lower at 2,938 contracts against last week’s 3,399 contracts.