MALAYSIAeBiz
BERNAMA
WEEKLY BUSINESS ROUNDUP MAY 11 - 15, 2015
May 15, 2015

This Week's Highlight : Govt Will Explain People's Benefits From Higher Revenue - Najib

PM'S ADDRESS...Prime Minister Datuk Seri Najib Tun Razak at the monthly gathering of the PM's Department in Putrajaya Monday. Also present Deputy Prime Minister Tan Sri Muhyiddin Yassin.

PUTRAJAYA -- The government will explain and table to the people the benefits that they derive from the growth in national revenue, said Prime Minister Datuk Seri Najib Tun Razak. The government must find a stronger source of income for the country's finances by, among other things, introducing the Goods and Services Tax (GST), and to give additional explanation to the people," he said at the monthly staff gathering of the Prime Minister's Department, here Monday.

This Week's Top Stories

MONDAY

Savings Of Tabung Haji Depositors Guaranteed By Govt

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak says, Lembaga Tabung Haji (TH) depositors need not be worried about their savings in the institution as these are guaranteed by the government. They should not be influenced by the instigation of any quarters who suggested that they withdraw their savings from TH, said Najib, who is also UMNO president after chairing the party's Supreme Council meeting here Monday.

TUESDAY

GST: 295 Products Should Be Cheaper

KUALA LUMPUR -- The government Tuesday listed 295 items that should be cheaper following the implementation of Goods and Services Tax (GST). The list comprises 22 products which were earlier subjected to the Sales and Service Tax (SST) of five per cent but now have been exempted from the GST, and 273 products which were previously imposed with the SST of 10 per cent but now subjected to the GST of six per cent.

WEDNESDAY

30 Pct Of 70,000 Firms Have Submitted GST Statements

BALING -- About 30 per cent of the 70,000 registered companies have submitted their Goods and Services Tax (GST) monthly statements to the Customs Department, 14 days before the May 27, deadline. Customs Director-General Datuk Seri Khazali Ahmad said Wednesday, companies that generated revenue of more than RM5 million must submit their statements every month compared to every-three-month submission for companies with income below RM5 million.

THURSDAY

IRB Receives 2,760,930 Income Tax Return Forms

PONTIAN -- The Inland Revenue Board (IRB) has received 2,760,930 income tax return forms via e-Filing, as of Wednesday, an increase of 9.85 per cent as compared with 2,513,421 forms last year. Deputy Finance Minister Datuk Ahmad Maslan said Thursday, of that total, acceptance of BE tax forms recorded 2,114,698, an increase of 4.11 per cent as compared with 2,205,318 forms in the corresponding period last year.

FRIDAY

Malaysia Posts Strong Q1 GDP Of 5.6 Pct

KUALA LUMPUR -- Malaysia registered a strong economic growth of 5.6 per cent in the first quarter of 2015, with the private sector remaining the anchor of growth, said Bank Negara Malaysia (BNM) Governor Tan Sri Dr Zeti Akhtar Aziz Friday. She said the Malaysian economy remained resilient with a Gross Domestic Product (GDP) value of RM277.2 billion in the quarter under review. Malaysia reported a GDP growth of 5.7 per cent in the last quarter of last year and a 6.3 per cent growth in the January-March quarter of 2014.

SMEbrief

MaGIC Prepares Firms To Be Investment-Ready

CYBERJAYA -- The upcoming Malaysian Global Innovation and Creativity Centre (MaGIC) Accelerator Programme (MAP), dubbed the largest accelerator in Southeast Asia, will enable companies to be investment-ready in four months. MaGIC Chief Executive Officer, Cheryl Yeoh, said the MAP, scheduled in June this year, had received 450 applications from 20 countries todate. "Accelerators give companies access to expert advice, vital connections and a community that knows what it is like to build something from nothing," she told reporters at the launch of MaGIC's Impact Report here, Tuesday.

TPM Biotech Eyes 80 New Biopreneurs

KUALA LUMPUR -- TPM Biotech Sdn Bhd (TPMB) targets to develop 80 new biopreneurs and 70 new products in efforts to boost the growth of the biotech sector at grassroots level. Chief Executive Officer Ahmad Husni Johari said since its inception in 2007, the company has assisted the development of 1,629 biopreneurs who have collectively generated total revenue close to RM100 million as at end-2014. TPMB has also helped develop more than 700 herbal and nature-based functional food and cosmeceutical products in the same period, he said after the launch of a product quality compliance seminar here Wednesday by Deputy Finance Minister Datuk Ahmad Maslan.

MyCreative To Help 40 Companies Via Financing Packages

PUTRAJAYA -- MyCreative Ventures Sdn Bhd, the government investment arm to spur Malaysia's creative industry, is looking at approving between RM50 million-RM60 million worth of financing packages to 40 selected companies next year. Chief executive officer Johan Ishak said Wednesday, since its establishment in 2012, MyCreative had approved about RM70 million in financing packages to 46 companies. He said the amount was part of the RM200 million fund allocated in the 2012 Budget for MyCreative to spur the country's creative industry via strategic and innovative funding in the form of equity or debt investments.

PropUP Propertyupdate

MyTown Shopping Centre To Have RM3 Bln Condos

KUALA LUMPUR -- Boustead Holdings Bhd and Ikano Pte Ltd Tuesday announced that the MyTOWN Shopping Centre in Cheras will also include three towers of condominiums with a gross development value (GDV) of RM3 billion. Speaking at a press conference on the development Tuesday, Boustead Holdings Deputy Chairman/Group Managing Director Tan Sri Lodin Wok Kamaruddin said the mall would open its doors by end-2016 and be anchored by IKEA and the Parkson department store.

TRX Attracts Indonesia's Leading Property Developer

KUALA LUMPUR -- The Tun Razak Exchange (TRX)has signed on Indonesia's leading property developer, Mulia Group, to develop its Signature Tower at the upcoming international financial district here. In a statement Wednesday, it said 1MDB Real Estate Sdn Bhd (1MDB RE), the master developer of the TRX, signed the sale and purchase agreement with Mulia Group for the development rights to the plot. The land transaction is valued at RM665 million, it said.

M'sia, Overseas Properties At iProperty Expo In S'pore

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- The 10th iProperty.com International Property and Investment Expo, featuring an array of properties and a line-up of investment seminars, is set to take place here on at Hall 403, Suntec Convention Centre on May 16-17 from 10am to 8pm. In a statement Wednesday, iProperty said overseas projects and developments from Australia, Indonesia, Japan, Malaysia, Thailand and the United Kingdom (UK) will be exhibited.

EcoWorld Opens International Property Gallery In S'pore

By Tengku Noor Shamsiah Abdullah

SINGAPORE -- Eco World Development Group Bhd (EcoWorld Bhd), one of Malaysia's fastest growing property developer, is making a foray into Singapore with the opening of its first international EcoWorld Gallery@Singapore.Located on St Martin's drive, the EcoWorld Gallery@Singapore will showcase EcoWorld projects in Malaysia and overseas. Currently, the group has 15 projects located in three key economic regions in Malaysia namely the Klang Valley, Iskandar Malaysia and Penang.

Iskandar Malaysia Property Mart Stable - Envoy

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- The property market in Iskandar Malaysia remains stable and attractive due to strong fundamentals, says Malaysian High Commissioner to Singapore Datuk Husni Zai Yaacob. "Like other property markets, the slowdown is only short-term due to the cautious reaction to the recent implementation of the Goods and Services Tax (GST), government property cooling measures as well as tighter lending conditions by banks," he said in his address at the opening of the first international EcoWorld Gallery@Singapore here Friday.

MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 411
Losers - 358
Not Traded - 334
Unchanged - 701
Value - 1845156555
Volume - 1746149300

BURSA: KL Shares End Higher On Positive Economic Data

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Shares on Bursa Malaysia ended higher Friday following a string of positive local economic data including a strong first-quarter gross domestic product (GDP) growth of 5.6 per cent. At 5 pm Friday, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) rose 4.37 points to 1,811.92, after hovering between 1,802.05 and 1,811.92 throughout the day. Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the GDP numbers and Industrial Production Index (IPI), which rebounded in March to 6.9 per cent year-on-year from a seasonally weak Lunar New Year month, suggested resilient economic output despite the volatility seen in the ringgit and commodity prices. "Malaysia's GDP data has been resilient despite many challenges such as the implementation of the Goods and Services Tax and the ringgit and oil volatilities. "Manufacturing output, which accounts for about two-thirds of the IPI, also performed much better than expected (up 6.3 per cent year-on-year) which suggests robust exports and external surplus," he told Bernama. Meanwhile, he said Bank Negara Malaysia's reserves also stayed healthy at RM392.4 billion as at April 30, 2015, sufficient to finance eight months of retained imports and is 1.1 times the short-term external debt. Gainers led losers 411 to 358, with 334 counters unchanged, 701 counters untraded and 13 others suspended. Total volume rose to 1.74 billion units worth RM1.84 billion from Thursday's 1.57 billion units worth RM1.79 billion. Main Market volume rose to 1.1 billion shares worth RM1.67 billion from 886.01 million shares worth RM1.59 billion on Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.5620	3.5660
EUR	4.0447	4.0503
GBP	5.6052	5.6132
100 YEN	2.9785	2.9826
SGD	2.6889	2.6940

Source: Bank Negara Malaysia

FOREX: Ringgit Ends Broadly Higher On Strong Q1 GDP Growth

By Azlee Nor Mahmud

KUALA LUMPUR -- The ringgit ended broadly higher against the US dollar as the market reacted to Malaysia's first quarter (Q1) GDP growth that beat market forecasts, dealers said. At 5 pm, the local unit improved further against the greenback to 3.5620/5660 from 3.5800/5830 Thursday. For Q1 2015, Malaysia registered a strong GDP growth of 5.6 per cent with the private sector remaining the anchor of growth, surpassing the earlier market forecast of 5.5 per cent. The ringgit extended its rally in anticipation of more economic goodies from the 11th Malaysia Plan to be tabled by the Prime Minister next week, said a currency trader. The ringgit also strengthened against other major currencies Friday. It rose against the Singapore dollar to 2.6889/6940 from 2.7109/7136 Thursday and advanced against the yen to 2.9785/9826 from 3.0029/0064 on Thursday. The local currency was also traded higher against the British pound at 5.6052/6132 from 5.6428/6490 Thursday, and gained against the euro to 4.0447/0503 from 4.0819/0864 on Thursday.

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

KUALA LUMPUR -- Short-term interbank rates ended on a stable note Friday on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system eased to RM23.97 billion from RM27.52 billion earlier, while in the Islamic system, it dwindled to RM4.70 billion from RM11.18 billion. In the morning, BNM called for two conventional money market tenders, two repo tenders, an Islamic range maturity auction programme and a commodity murabahah programme tender. The central bank also conducted a late conventional money market tender for RM24.0 billion and a RM4.7 billion Al-Wadiah money market tender, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent, while the one-week, two-week and three-week rates stood at 3.27 per cent, 3.32 per cent and 3.35 per cent, respectively.

KLIBOR Futures Untraded For Fifth Consecutive Day

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended the day untraded. May 2015 stood at 96.29, June 2015 remained at 96.32 while July 2015 and September 2015 were pegged at 96.36 and 96.39, respectively. Open interest amounted to 902 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.70 per cent.

KLCI Futures Close Mostly Higher

By Mohd Khairi Idham Amran

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts closed mostly higher Friday lifted by positive outlook on the cash market, a dealer said. Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the benchmark FBM KLCI had been deeply oversold over past three weeks, correcting 3.2 per cent since hitting a high of 1,867 on April 27, and now looks poised for further rebound. "The key psychological levels were successfully recaptured, with the FBM KLCI climbing back above the 1,800 level. "We reiterate that the FBM KLCI remains above its monthly uptrend line and thus any correction is a buying opportunity," he told Bernama. He added that the FBM KLCI continued Thursday's upside momentum which saw the key index end a losing streak by closing marginally above the 1,800 level backed by some late buying activities.At the close, May 2015 added 3.5 points to 1,806.5, June 2015 gained 2.5 points to 1,808 and September 2015 improved two points to 1,801.5. December 2015 lost 2.5 points to 1,799. Turnover declined to 5,787 lots from 6,916 lots Thursday, while open interest decreased slightly to 35,731 contracts from 35,988 contracts previously. The benchmark FBM KLCI ended 4.37 points higher at 1,811.92 Friday.

BNM Introduces Ink-Stain Technology To Combat ATM Theft

KUALA LUMPUR -- Bank Negara Malaysia (BNM), in collaboration with the Association of Banks in Malaysia and the Royal Malaysian Police (PDRM), Monday introduced ink-stain technology to combat theft involving automated teller machines (ATM). The technology, developed by French company Oberthur Cash Protection, releases indelible ink to smear currency notes on the corners, when there is an attempt to tamper with the protected ATM. BNM Deputy Governor Datuk Muhammad Ibrahim said the stained notes would lose their legal tender and thus, cannot be brought back into circulation. "To make the initiative effective, the public must play their civic duty by being vigilant when receiving stained currency notes, which are most likely stolen. The stained notes cannot be washed and must be returned to the central bank for replacement," he said in his speech at the launch here Monday.

BNM International Reserves At RM392.4 Bln As Of April 30

KUALA LUMPUR -- The international reserves of Bank Negara Malaysia (BNM) stood at RM392.4 billion (equivalent to US$105.8 billion) as of April 30,2015. The reserves position is sufficient to finance 8.0 months of retained imports and is 1.1 times the short-term external debt, the central bank said in a statement here Monday. The short-term external debt includes short-term offshore borrowing, non-resident holdings of short-term ringgit debt securities, non-resident deposits with the banking system and other short-term debt. As of April 15, 2015, the international reserves of BNM was at RM391.4 billion (US$105.6 billion).

Bandar Malaysia Sukuk A Secured Investment – TH

KUALA LUMPUR -- Lembaga Tabung Haji (TH) Monday clarified that it invested in the Bandar Malaysia Sukuk Issuance in February 2014, as it is a secured investment. The Sukuk is effectively secured against parcels of land in Bandar Malaysia with security cover of at least 1.67 times, said its Chief Investment Officer Abd Kadir Sahlan in a statement here Monday. Abd Kadir said the sukuk was issued to finance the construction of replacement facilities in relation to the relocation of the existing Sg Besi Air Force Base Facilities. TH's total investment, in two tranches on the said Sukuk, is RM920.8 million, and will generate yields of 5.85 per cent and 6.05 per cent for the seven- and 10-year tranches, respectively. At the end of the investment periods, TH will receive total proceeds of RM1.55 billion resulting in a RM626.5 million profits, said Abd Kadir.

Franklin Templeton Launches Global Balanced Fund For Malaysian Investors

KUALA LUMPUR -- Franklin Templeton Asset Management (Malaysia) Sdn Bhd (FTAM) Tuesday launched the Templeton Global Balanced Fund for qualified investors in Malaysia. It said the multi-asset fund invested in global equities and fixed income and is one of the few truly global balanced funds available to Malaysian investors. In a statement here, FTAM said a minimum of 95 per cent net asset value of the Malaysian collected fund would be invested into the Luxembourg-registered FTIF – Templeton Global Balanced Fund, which had a long track record of over 20 years with an asset size of over US$1.2 billion. It said, typically 65 per cent of the fund would be invested into equity and equity-linked securities and 35 per cent in fixed income securities. FTAM's Country Head, Sandeep Singh said at present, Hong Leong Bank had been appointed distributor of the company's range of wholesale funds, including the Templeton Global Balanced Fund.

Maybank IB Projects GDP Of 6.2 Pct For Q1

KUALA LUMPUR -- Maybank Investment Bank Research (Maybank IB) has projected a firm gross domestic product (GDP) of 6.2 per cent for the first quarter 2015, supported by positive figures for the services and industrial production indices. "The pre-Goods and Services Tax (GST) has boosted activities like distributive trade, professional and computer and information services," the research house said in a statement here Wednesday. It said consumers' spending and preparations ahead of the GST, such as upgrading information technology and installed GST software (for the businesses) had promoted the strong results.

CIMB Eyes RM25 Mln Premium From 'Sun EduSmart' Product

KUALA LUMPUR -- CIMB Bank Bhd expects to achieve an annualised first year premium (AFYP) of RM25 million from its new financial solutions product, Sun EduSmart. Chief Executive Officer Datuk Sulaiman Mohd Tahir said the target is based on the 5,000 customers that CIMB Bank aims to secure within a 12-month period. CIMB Bank Wednesday rolled out the Sun EduSmart with its bancassurance partner, Sun Life Malaysia. Developed exclusively for CIMB Bank by Sun Life Malaysia, the product is an education plan which aims to help parents plan ahead, towards providing their children financial access to quality education. Sulaiman said the Sun EduSmart has secured at present a RM1.2 million AFYP from 200 customers since the soft launch earlier this year. He said CIMB Bank wants to empower parents by educating them on the importance of planning ahead and saving for their children's future now by giving them the right plan to keep up with the rising cost of living.

Takaful Malaysia Confirms Buying RM85 Mln

Sukuk Bond From Terengganu Investment

KUALA LUMPUR -- Syarikat Takaful Malaysia Bhd Thursday confirmed the purchase of a RM85 million Islamic Bond in 2009 from the Terengganu Investment Authority (TIA), now known as 1Malaysia Development Bhd (1MDB). "It was purchased when the TIA issued the bond and this was prior to 1MDB coming in existence," Group Managing Director, Datuk Seri Mohamed Hassan Kamil said. The bond is fully guaranteed by the government and matures in 2039, he told reporters after BIMB Holdings Bhd's annual general meeting here. Takaful Malaysia is a unit under BIMB. Hassan said the firm decided to invest in the bond, which has a coupon rate of 5.25 per cent, because it was a 30-year tenure.

BNM To Review Inflation Numbers Should Oil Price Exceeds US$70 A Barrel

KUALA LUMPUR -- Bank Negara Malaysia (BNM) may look into reviewing its inflation projection this year from the two to three per cent set earlier, if the oil price exceeds US$70 per barrel. However, its Governor Tan Sri Dr Zeti Akhtar Aziz, said that at the current level, the oil price is not going to have a significant adverse impact on inflation and consumption spending. "At the moment, the assumption (made by the government) is at US$55 per barrel and we do expect that it would range between this figure and US$65 per barrel. So we believe that it would not have a significant impact on consumption and inflation. Unless it (oil price) reaches beyond US$70 per barrel, then we will review and make an assessment," she told reporters here Friday.

Malaysia's IPI Up 6.9 Pct In March 2015

KUALA LUMPUR -- Malaysia's Industrial Production Index (IPI) grew 6.9 per cent in March 2015 compared with the same month a year ago, driven by growth in the indices of manufacturing, mining and electricity components. In a statement here Monday, the Statistics Department said manufacturing rose 6.3 per cent, mining (9.2 per cent) and electricity (3.8 per cent). It also said the IPI in February 2015 remained unchanged at 5.2 per cent year-on-year. On a month-on-month basis, in seasonally adjusted terms, the IPI in March increased by 0.6 per cent following an increase in the indices for manufacturing (1.2 per cent), mining (1.2 per cent) and electricity (2.3 per cent).

March Manufacturing Sales Up 4.4 Pct To RM58.4 Bln

KUALA LUMPUR -- The sales value for the manufacturing sector in March 2015 rose by 4.4 per cent (RM2.5 billion) to RM58.4 billion from the RM55.9 billion reported in the same month a year ago. On a month-on-month basis, the sales value was up by 12.1 per cent (RM6.3 billion) compared with the preceding month. Year-on-year, the increase in sales value for the month under review was contributed by 76 of 138 industries surveyed, the Department of Statistics Malaysia said in its Monthly Manufacturing Statistics here Monday. "On a seasonally adjusted month-on-month, the sales value in March decreased by 1.2 per cent," it said.

Magna Prima Q1 Pre-Tax Profit Rises To RM100.2 Mln

KUALA LUMPUR -- Magna Prima Bhd's pre-tax profit for the first quarter ended March 31, 2015 rose to RM100.2 million from RM24.7 million in the corresponding quarter last year. Its revenue increased to RM390.6 million from RM133.2 million previously. In a filing to Bursa Malaysia, the group said the 193 per cent increase in revenue was due to positive results in property development. "In view of the realisation of the Istana project in Melbourne and significant progress of Phase One of the Jalan Kuching Commercial Centre project, the group is optimistic of the financial performance for the current financial year," it said.

Malaysia Smelting Posts RM1.93 Mln Pre-Tax Loss For Q1

KUALA LUMPUR -- Malaysia Smelting Corporation Bhd registered a pre-tax loss of RM1.93 million for the first quarter ended March 31, 2015, from a pre-tax profit of RM24.04 million in the same period last year. Revenue decreased to RM381.64 million from RM429.10 million due to the decline in world commodity prices, the company said in a filing with Bursa Malaysia. "Despite the continuous difficulty in the market this year, we believe that the current prices are sustainable, which could help us to benefit positively in the long term," it said.

Petronas Dagangan Q1 Pre-Tax Profit Rises To RM283.8 Mln

KUALA LUMPUR -- Petronas Dagangan Bhd's pre-tax profit for the first quarter ended March 31, 2015 rose to RM283.8 million form RM223.1 million in the same period last year. However, the retailer and marketer of downstream oil and gas products' revenue fell to RM6.10 billion from RM8.29 billion previously, as a result of a decrease in average selling price by 19 per cent. In a filing to Bursa Malaysia here Monday, Petronas Dagangan said the economic and business environment would continue to be challenging this year. It said it is undertaking measures to address the volatile oil price environment, including through cost reduction efforts, inventory optimisation, and supply and distribution efficiency.

Tropicana Q1 Pre-Tax Profit Soars To RM41.1 Mln

KUALA LUMPUR -- Tropicana Corporation Bhd's pre-tax profit for the first quarter (Q1) ended March 31, 2015, surged 137 per cent to RM41.1 million from RM17.3 million recorded in the same quarter last year. Revenue rose 54.7 per cent to RM390.9 million from RM252.7 million previously, the company said in a statement Monday. Tropicana said the improved performance in Q1 was driven by higher revenue recognition across key projects within the Klang Valley including Tropicana Gardens, Tropicana Heights and Tropicana Metropark, as well as Tropicana Danga Bay in Iskandar region, Johor. "The group will continue to unlock value of its landbank in the Klang Valley, where potential gross development value (GDV) is in excess of RM34.5 billion, as well as those in the Northern region with a GDV of RM9.5 billion.

Malaysia's Distributive Trade Sector Expands 8.8 Pct In Q1

KUALA LUMPUR -- Malaysia's distributive trade sector expanded to 8.8 per cent in the first quarter of 2015 (1Q15), supported by positive trading in its sub-sector. The retail trade sub-sector contributed 10.7 per cent, followed by wholesale trade (7.9 per cent) and motor vehicles (7 per cent), the Statistics Department said in a statement here Tuesday. "The index of wholesale trade increased by 7.9 per cent in the first quarter to the same quarter of 2014. This was due to the contribution of other specialised wholesale (11.8 per cent), non-specialised wholesale trade (10.1 per cent) and wholesale on a fee or contract basis (9.0 per cent)," it said.

Takaful Malaysia Eyes Above-Average Contribution Growth In 2015

KUALA LUMPUR -- Syarikat Takaful Malaysia Bhd expects contributions in 2015 to grow faster than the industry average of 11 per cent, said Group Managing Director Datuk Seri Mohamed Hassan Kamil. He said the business trend and success rate in securing new customers look positive compared to the previous year especially in the Employee Benefit business, which has seen a shift from conventional to Takaful insurance. The group expects about 20 per cent growth in contributions for employee benefit from RM300 million registered last year, and aims to secure up to 600,000 policy holders, up from 400,000 recorded in 2014, said Mohamed Hasan. "Moving forward, I believe this year will be a good one for us," he told reporters here Tuesday.

Matrix Concepts Q1 Net Profit Surges To RM115.4 Mln

KUALA LUMPUR -- Property developer Matrix Concepts Holdings Bhd's net profit for the first quarter ended March 31, 2015 surged to RM115.4 million from RM38.6 million in the corresponding period in the previous year on accelerated revenue recognition for residential and industrial properties. In a statement here Tuesday, Matrix Concepts Chairman Datuk Mohamad Haslah Mohamad Amin said group revenue increased 135.8 per cent to RM317.6 million from RM134.6 million previously. "We noted a bumper quarter due to the quicker construction progress of our residential projects in Bandar Sri Sendayan (BSS) and accelerated payments by investors for industrial properties at Sendayan TechValley. It is timely for Matrix Concepts to commence the educational and lifestyle amenities in BSS, which we target would contribute 10 per cent to its revenue in the next five years," he said.

Petronas Gas Q1 Pre-Tax Profit Rises To RM571.29 Mln

KUALA LUMPUR -- Petronas Gas Bhd's pre-tax profit rose to RM571.29 million for the first quarter ended March 31, 2015 from RM543.21 million recorded in the same period last year. Revenue increased to RM1.1 billion from RM1.05 billion. In a filing to Bursa Malaysia here Tuesday, Petronas Gas attributed the better performance to higher gas transportation and gas processing revenues, which recorded an improvement of RM26.1 million and RM21.5 million, respectively. On prospects, the company said it expects to continue delivering sustainable and steady returns.

KUALA LUMPUR -- OSK Property Holdings Bhd's pre-tax profit almost doubled to RM56.59 million for the first quarter ended March 31, 2015 from RM29.07 million in the same period last year. Revenue increased to RM284.01 million from RM139.72 million previously. In a filing to Bursa Malaysia Tuesday, the company attributed the better performance to the disposal of freehold land to PR1MA Corporation Malaysia and higher level of construction work carried out during the period under review for on-going projects. On prospects, the company said it is optimistic of achieving satisfactory results for the remainder of the year.

PPB Group Eyes Better Growth For FY2015

KUALA LUMPUR -- PPB Group Bhd is confident of achieving better growth in the 2015 financial year (FY2015), driven by its diversified business and riding on Wilmar International Ltd's bullish performance. Managing Director Lim Soo Huat said given the diversified nature of its business, from flour and feed milling to cinemas and property investment, the growth would be well distributed among PPB Group's various core businesses. "Our performance will also be largely supported by Wilmar's operations because we own 18.3 per cent of the company. Wilmar announced its first quarter results last week, which showed a substantial improvement, and the management has also indicated optimism for the second quarter," he told a press conference after the company's annual general meeting here Wednesday. For the financial year ended Dec 31, 2014, PPB Group recorded a 3.0 per cent lower pre-tax profit of RM1.03 billion on the back of 12 per cent higher revenue of RM3.7 billion. Shareholders' funds increased 7.5 per cent to RM16.8 billion representing net assets per share of RM14.19.

NCB Holdings Expects TEUs To Surpass 3.3 Mln This Year

PETALING JAYA -- NCB Holdings Bhd, which is involved in port, transport and logistics services, is upbeat its unit, Northport (M) Bhd, will be able to handle a capacity of more than 3.3 million twenty-foot equivalent units (TEUs) in 2015. NCB Chairman Tun Ahmad Sarji Abdul Hamid said this was on the back of the potential collaboration with new shareholder, MMC Corporation Bhd, another port and logistics player. MMC Corp's key businesses include the Port of Tanjung Pelepas, which is Malaysia's largest container terminal, and Johor Port. "However, both parties are still discussing and exploring the areas of port operations and logistics business synergies which could complement each other in order to create more opportunities," he told reporters after NCB's annual general meeting here, Wednesday.

BHIC Q1 Pre-Tax Profit Rises To RM8.57 Mln

KUALA LUMPUR -- Boustead Heavy Industries Corporation Bhd's (BHIC) pre-tax profit rose to RM8.57 million for the first quarter (Q1) ended March 31, 2015 from RM811,000 in the same period a year ago. Revenue however fell to RM63.40 million from RM64.20 million, contributed by the group's heavy engineering segment, the company said in a filing to Bursa Malaysia. Its basic earnings per share rose to 3.39 sen versus 0.31 sen previously. "Going forward, we are cautiously optimistic that this positive trend will continue in the coming quarters," it added.

M'sian Firms To Be More Prominent In Global Market - MDeC

KUALA LUMPUR -- The Multimedia Development Corp (MDeC) expects MSC Malaysia to help increase the presence of local companies in the global market and further strengthen its global business services' (GBS) footprint. MDeC Chief Executive Officer Datuk Yasmin Mahmood said currently only two per cent of Malaysian companies has reached the global market and achieved over RM100 million in revenue last year. "To move Malaysia up the value chain, it is essential to create more Malaysian global heroes by doubling the number of companies. MDeC is committed to help these companies export their products and get across the global market," she said at the announcement of MSC Malaysia's 2014 performance here Monday.

Muslim Travel Warehouse Off To A Flying Start

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- The Muslim Travel Warehouse, the world's first B2B (business-to-business) global aggregator of comprehensive Halal tourism products has seen a flying start following its official launch. Over 100 travel agents and tour operators from across the world have signed up as distribution partners for the Muslim Travel Warehouse, which made its debut at the Arabian Travel Market (ATM) 2015 held in Dubai on May 4-7. In a statement today, Muslim Travel Warehouse Chief Marketing Officer Anas Kasak said this is the first time ever that travel agents have access to comprehensive tailored holiday packages directly for Muslim consumers, a market which is set to swell to US$200 billion in the next five years. "During the ATM, Muslim Travel Warehouse also made agreements with over 30 destinations who will partner to develop Halal-friendly packages. We have launched packages for 16 destinations including the UAE, Malaysia, the UK, the US and Maldives.

National Audit Dept Plans Handover Of 1MDB Interim Audit End-June

KUALA LUMPUR -- The National Audit Department is actively pursuing the audit of 1Malaysia Development Bhd (1MDB) and plans to complete it as soon as possible. In this regard, the department aims to handover its interim audit report to the Public Accounts Committee (PAC), the latest by June-end. "The National Audit Department is giving priority to this task," said the Auditor-General, Tan Sri Ambrin Buang in a statement here Tuesday. He was responding to various quarters, who had queried the current status of the department's audit on 1MDB.

Construction Of LRT3 To Start In Q1 2016

KUALA LUMPUR -- The construction of the RM9 billion Light Rail Transit Line 3 (LRT 3) project will commence in the first quarter of next year, says Prasarana Malaysia Bhd. Group Managing Director Azmi Abdul Aziz said the design for the 36-km alignment project was expected to be finalised by the fourth quarter of the year. "As for land acquisition, we have identified the corridor but not the alignment (as) we have to comply with the Land Acquisition Act requirement," he told reporters at a briefing on the LRT3 Tuesday. Explaining that the RM9 billion is just the cost of construction, Azmi said Prasarana, however, has set aside some allocation that was sufficient for the land acquisition. "We have not completed the actual budget for the alignment. We will have that once we start the process," he said while declining to disclose the actual amount. On the Project Delivery Partner (PDP), Azmi said to date seven companies had collected application forms which must be submitted in the first week of June. Prasarana aims to award the project by July.

AirAsia Group Seeks IATA, IOSA Registration

KUALA LUMPUR -- AirAsia Malaysia, AirAsia Thailand, AirAsia Indonesia, AirAsia Philippines, AirAsia India, AirAsia X Thailand and AirAsia X Indonesia are in the midst of obtaining the International Air Transport Association (IATA) Operational Safety Audit (IOSA) registration, says Co-Founder and Group Chief Executive Officer, Tony Fernandes. This move is to follow the footsteps of AirAsia X, an affiliate of the AirAsia Group, which has successfully completed the IATA IOSA registry on April 16, the benchmark for global safety management in airlines, it said in a statement here Tuesday. "This registration is a major milestone for the AirAsia Group as we started working towards the IOSA audit process at the end of 2012 and I am excited to announce that AirAsia X is the first airline in the group to be registered. "The rest of the airlines across the group are also in the midst of the preparation process and we are committed to getting all of our airlines through the audit process," Fernandes said.

IKEA Recalls Safety Gates Due To Fall Hazard

KUALA LUMPUR -- Furniture store IKEA Tuesday recalled its two safety gate models that could pose a fall hazard -- the Patrull Klamma and Patrull Smidig. The Sweden-based company said these models are not to be used at the top of a staircase. "The Patrull Klamma and Patrull Smidig pressure-mounted safety gates are safe to use in a doorway between rooms or at the bottom of a staircase," it said in a statement Tuesday. IKEA has received reports that the friction between the wall and the pressure-mounted safety gate has been insufficient to hold the gate in its intended position. In addition, the lower metal bar could constitute a tripping hazard. "If the gate is mounted at the top of a staircase this poses a fall hazard and risk of injury," said IKEA. Three reports of children injured as a result of falling downwards on stairs have been identified, but no incident of injury has been reported in Malaysia.

Frost & Sullivan Sees Downtrend In Used Car Market Until 2020

KUALA LUMPUR -- Used-car sales volumes are expected to fall from 394,000 units in 2014 to 300,700 units in 2020, according to global growth consulting firm Frost & Sullivan. In its latest analysis, 'Strategic Insight into Used-Car Market in Malaysia', it said the local used car market functions in tandem with the new car market. "If the prices of new cars fall, so will the prices of used cars. In these circumstances, customers are more likely to invest in new cars rather than used ones," Frost & Sullivan Automotive & Transportation Principal Consultant Animesh Kumar said in a statement here Tuesday. He said many used car dealers in Malaysia have been looking to cut down inventory to decrease exposure should new car prices drop unexpectedly. "They are more selective in buying trade-ins, selecting only brands and models that can be sold off quickly. Used car dealers should design platform strategies involving mobile apps and virtual technicians to better educate, communicate and build relationships with customers," he added.

Malaysia's Trade Not Much Impacted Despite Fall In Oil Prices

JOHOR BAHARU -- As Malaysia is not too dependent on the export of petroleum products, trade numbers this year have not been impacted badly, following the fall in oil prices. Deputy Minister of International Trade and Industry Datuk Ir Hamim Samuri said diversification, as well as an increase in exports of other products, had helped sustain the existing trade momentum. At the same time, imports by other ASEAN countries has also helped enhance Malaysia's trade figures at present, he added. "Exports of Malaysia's petroleum products were affected slightly with he drop in global crude oil prices, but this was replaced by the higher exports of other products. "Crude oil prices have seemingly stablised of late," Hamim told reporters here Wednesday.

M'sians Urged To Invest Amid Current Technical Correction

KUALA LUMPUR -- Malaysians should take the opportunity to invest, whether in the stock market or unit trusts, during this current technical-correction phase, said Malaysia Association of Technical Analysts (MATA) President, Datuk Dr Nazri Khan Adam Khan. Seeing the technical correction in the stock market as a "usual" phase annually, he said the current weaker market environment coupled with the easing of the ringgit and lower oil prices should augur well for market players to invest. "In the months of May and June every year, seasonally, the (stock) market will consolidate, that's normal. I think the main reason the market is consolidating right now is because of expectation that the United States will raise its interest rate. In the past, the market will normalise in the next few months after consolidation. So, take this opportunity (consolidation) to invest, directly or indirectly," he told reporters here Wednesday.

SIRIM Industry Standards Enhance Quality Of Products, Services

SHAH ALAM -- Deputy Science, Technology and Innovation Minister Datuk Dr Abu Bakar Mohd Diah Wednesday launched the SIRIM Industry Standards aimed at improving the quality of products and services while ensuring consumers' safety and health. "A product, especially from a small and medium enterprise (SME), with the SIRIM Standard certification would be more easily accepted in the market," he told reporters after the launch here Wednesday attended by SIRIM President and Chief Executive Datuk Dr Zainal Abidin Mohd Yusof. Abu Bakar said SIRIM has published standards for various industries, including for Arowana fish, bird's nest and, most recently, cleanliness of toilets in surau and mosques. "SIRIM strictly adheres to the guidelines and carries out comprehensive research before coming out with standards for an industry," he said, adding his ministry has allocated RM372,000 to SIRIM this year to help SMEs come up with better products.

Malaysia To Be Hub For Electric Cars For Southeast Asian Market

From Kamarul Ariffin Md Yassin

BEIJING -- Beijing Auto International Cooperation (BAIC), which is among the world's leading electric vehicle producers, wants to make Malaysia as the hub for its electric cars for the Southeast Asian market. Towards this end, BAIC has signed a cooperation agreement with its Malaysian joint venture partner, Amber Dual Sdn Bhd, at BAIC's plant here Thursday. The first batch of production will take place in July next year at a manufacturing plant to be built in Gurun, Kedah. Kedah Chief Minister Datuk Seri Mukhriz Tun Dr Mahathir who attended the signing ceremony said this was the first foreign manufacturer of electric vehicles to have invested in Malaysia.

Telcos Pledge To Deliver 'RM10-For-RM10', More Affordable Packages

KUALA LUMPUR -- The telecommunications industry supports the government's decision to apply the Goods and Services Tax (GST) for prepaid top-ups whereby consumers should receive RM10 worth of prepaid air time for RM10 reload value or 'RM10-for-RM10' formula, only upon usage of prepaid services. In a joint statement via the Communications and Multimedia Consumer Forum of Malaysia (CFM) here Thursday, the telecommunication companies (telcos) said it understood the call for a more future-oriented application. They also welcomed the Communications and Multimedia Minister, Datuk Seri Ahmad Shabery Cheek's directive for GST on prepaid services to follow a usage-based principle. "This means GST is applied to the individual transactions when customers use their airtime," it said.

Maybank Inks Deal With Honda For Comprehensive Automotive Business Solution

KUALA LUMPUR -- Maybank has signed an agreement with Honda Malaysia Sdn Bhd for an enhanced automotive business solution to facilitate the provision of a comprehensive range of financial services. In a statement here Monday, Maybank said the agreement, the first of its kind among automotive companies in Malaysia, covered the entire supply chain, from car manufacturing, distribution, retailing and after sale services for its suppliers, dealers and customers in Malaysia. Maybank's Head of Community Financial Services, Hamirullah Boorhan, said the tie-up would benefit Honda dealers as they would enjoy convenient physical, electronic and mobile access to the entire suite of banking products and services from Maybank. It would provide access to floor stocking financing, hire purchase, credit card merchants, cash management, Distributor-Supplier Financing packages, MaxiPlan, personal and business insurance coverage and access to online banking services to Honda's clients.

MAS Rewards Enrich Members Via Digital World Of Riches

KUALA LUMPUR -- Malaysia Airlines (MAS) will be rewarding Enrich members to an exclusive redemption offer via its Digital World of Riches from now until May 31, 2015. Accessible via MAS' online publication, Digital World of Riches, the redemption campaign is packed with attractive deals and packages, as well as interesting destinations. In a statement here Monday, MAS said holiday goers can fly from as low as 7,000 Enrich Miles one-way or 14,000 Enrich Miles return, enjoying discounts on flights by up to 50 per cent to selected destinations. Moreover, they could also earn up to five times Enrich Miles when they spend with Enrich's lifestyle partners, including hotels, car rentals, banks and retailers, it said. MAS said Enrich members could utilise their Enrich Miles to redeem flight tickets for one-way and return flights to/from Australia, Paris, Istanbul, the United Kingdom, China, the Indian subcontinent and North Asia on the national carrier.

Celcom Partners With Gigalink To Develop Smartaxiads

KUALA LUMPUR -- Celcom Axiata Bhd has embarked on a partnership with Gigalink Solutions Sdn Bhd to provide M2M (machine-to-machine) solutions to enable taxis deliver targeted digital media content to passengers through Smartaxiads. Celcom Chief Business Services and Solutions Officer, Afizulazha Abdullah, said the company's M2M platform enabled advertisements, news and events updates to be broadcasted in the taxis in real time continuously. Moving forward, he said taxi passengers could enjoy the full multimedia experience including next-generation touch screen and interactive content while simultaneously use WiFi powered by Celcom 4G LTE (long term evolution) network throughout their journeys by just paying for the taxi fares. Smartaxiads is a mobile digital advertising provided through tablet-size panels installed at the driver and front passenger's headrests in a taxi.

Malaysia Airlines, Brahim's Ink 2 New Catering Agreements

KUALA LUMPUR -- Malaysia Airlines Bhd (MAB) and Brahim's Airline Catering Sdn Bhd (BAC) has entered into two new catering agreements (NCAs), covering two separate contracts for "wide body aircraft" flights and "narrow body aircraft" flights. "The NCAs commenced on May 10 with a transitional period during which the terms of the existing catering agreement and settlement agreement (executed on Feb 26) with the full terms of the NCAs to be effective on Sept 1, 2015 or on such other earlier date as BAC and MAB may agree in writing," MAB said in a statement here Monday. It said the initial tenure of the NCAs shall be for a period of five years, with an additional five years renewal subject to strict conditions including BAC meeting critical key performance indicators over the initial five years.

MAS Announces Resignation Of Commercial Director Dunleavy

KUALA LUMPUR -- Malaysia Airlines (MAS) Tuesday announced the resignation of its Director of Commercial Dr Hugh Dunleavy, effective Aug 31, 2015. In a statement, it said a search to identify a suitable successor, both internally and externally, was being conducted. In the meantime, Chief Executive Officer Christoph Mueller will take over responsibilities as Chief Commercial Officer effective June 1, 2015 to ensure a smooth transition until an individual has been identified for the role, the airline said.

Lenovo Malaysia Launches World's First Smartphone With Dolby Atmos

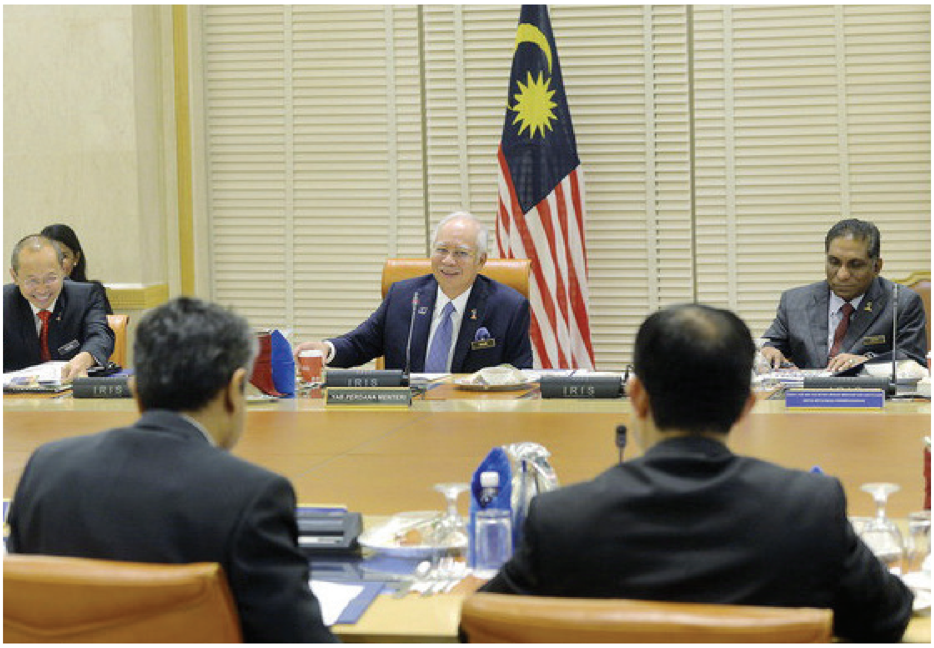
KUALA LUMPUR -- Lenovo Malaysia Tuesday unveiled its A7000 model, the world's first smartphone to feature the audio technology, Dolby Atmos. It is priced at RM699, inclusive of the Goods and Services Tax (GST). Country Leader Foo Mun Yee said the phone, equipped with cinematic audio technology, caters for those dependent on their phone to enjoy music, watch videos or play games," she said at the launch here. Foo added that for six weeks from May 20 and in partnership with the Lazada Group, the A7000 would be available on Lazada.MY, priced at RM625 inclusive of the GST. She said the retail of the smartphone is exclusively across the six Southeast Asian countries that Lazada operates in. "Registration for purchases starts today with the first flash sale on May 20," she added.

TM To Extend Unifi Coverage In Johor

JOHOR BAHARU -- Telekom Malaysia Bhd (TM) will extend its Unifi broadband service coverage to three exchange areas of Batu Pahat, Taman Perling and Ulu Tiram in Johor by the third quarter of the year. "With the addition of three new locations, we expect the number of Unifi users to increase in the state," Telekom Malaysia Johor Vice-President Azhar Omar told reporters after launching 'SME BizFest 2015' at the Persada International Convention Centre here Tuesday. At last year's event, TM announced 10 exchanges areas for Unifi service which included Skudai, Johor, Gelang Patah, Senai, Permas, Kulaijaya and Pasir Gudang. The currently Unifi utilisation rate in the state stood at 47 per cent with 800,000 Unifi users of which 130,000 were industries.

Govt To Focus On People's Priorities Under 11MP

By S. Chandravathani



BUSINESS DIALOGUE...Prime Minister Datuk Seri Najib Tun Razak chairing the Business Leaders Dialogue Session at the Prime Minister's Office in Putrajaya Tuesday. Also present Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar (left) and Treasury Secretary-General Tan Sri Dr Mohd Irwan Serigar Abdullah (right).

PUTRAJAYA (Bernama) -- The priorities of the people especially with regard to the cost of living, education, security, public transportation and rural infrastructure remain the focus of the 11th Malaysia Plan (11MP), said Prime Minister Datuk Seri Najib Tun Razak. Najib, who is scheduled to table the 11MP in the Dewan Rakyat on May 21, said that there would be a special focus on technical and vocational education and training. "Our ambition, which will be reinforced by the Education Blue Print, is to produce well-rounded and balanced graduates who meet the needs of industry. "I'm in fact looking at models in technical and vocational education and training in other countries including Europe which have successful track records in recent years," he said at the Business Leaders Dialogue Session at the Prime Minister's Office, here Tuesday. Najib said a 'People's Economy' is not complete without the support of the private sector in raising incomes, generating employment opportunities and facilitating career advancement and development.

MALAYSIA ON TRACK

"As we look ahead of the 11th Malaysian Plan, which will take us through the next five years, Malaysia's economic fundamentals are strong and our national transformation agenda puts Malaysia on track to achieve Vision 2020," he said. Sharing with the business leaders on the economic fundamentals, Najib is confident that Malaysia's outlook was fully justified, with the Gross Domestic Product remaining strong and expected to record between 4.5 per cent to 5.5 per cent this year. "This is a healthy rate which exceeds many of our regional peers, and is testimony to the resilience of our economy. Its diversification was vital and necessary, and that has been one of our key reforms," he noted. Najib also expressed his intention to gradually reduce corporate tax to boost Malaysia's competitiveness and this would require the country to expand its income base from different sources including the Goods and Services Tax (GST). "It will take time to fade down, but I am confident that once we iron out initial problems and abuses, it will be seen as a necessary step.

DON'T PLAY POLITICS

"Those who suggest otherwise and attempt to stir up disaffection on this issue (such as GST) are the ones being irresponsible. No one should play politics with an issue so vital to our country's future," he said. On the dialogue, Najib said he valued the dialogue with the nation's most eminent business leaders and looking forward to work together to make the most of home-grown talents in Malaysia. "I look forward to hear from you on how we can work together, government and employers, in particular on how to minimise youth unemployment, raise female labour participation, invest in upskilling employees and raise incomes. "We look to you as captains of industry not to remain silent. Share the facts. Speak of the success of your businesses and your ambitious growth. It is for us as leaders to motivate and inspire our people and the economy as a whole," he said. On the third dialogue, a follow-up from previous dialogues in April and August last year, Najib said several leaders had shared valuable suggestions on greater collaboration between the industry and academia, that includes an initiative for CEOs to lecture at public universities.

EMULATE TONY FERNANDES

"Tan Sri Tony Fernandes (AirAsia Chief Executive Officer) is one of those who have volunteered and I am sure that others will follow his example, and also ensure that your companies will become more involved in partnerships with colleges and universities," he said. Another business player also suggested to the government to issue guidelines to employers to help them establish childcare centres in the workplace above the second floor, and promote female participation in the workforce. On the new Expatriate Service Centre, Najib said it would be operational as of next month, run jointly by TalentCorp and the Immigration Department. Earlier, Minister at the Prime Minister's Department Datuk Seri Abdul Wahid Omar shared the country's economic status with 25 top business leaders at the dialogue session.

--BERNAMA

LIST OF MARKET REPORTS :

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

Bursa Malaysia To Stage Further Rebound Next Week

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Positive Gross Domestic Product (GDP) data and rising local currency and commodity prices are expected to drive shares on Bursa Malaysia for a further rebound next week. Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan said the local index put up a strong defensive performance, with upside leadership coming from gains in technology and construction sectors, driven by a stronger ringgit and rising light crude oil price. “The fact that the ringgit had its best month in three years (up 5.1 per cent in April) and Malakoff initial public offering was 14 times oversubscribed suggest that strong foreign confidence has returned,” he told Bernama. Furthermore, he said investors would also be focusing on the upcoming 11th Malaysia Plan (May 21) on measures to boost Malaysia’s economic growth in the march towards a developed country. “We project the 11th Malaysia Plan, which will adopt a new approach (Malaysian National Development Strategy, Creativity and Blue Ocean Strategy), to be a comprehensive blueprint to chart the direction of all economic sectors in the country towards 2020,” he said. He said the focus of the plan would also likely be on Islamic finance and green economy by highlighting on innovation, knowledge abilities, bridging socioeconomic inequalities, improving quality of living, and institutional delivery. “We expect one of the 11th Malaysia Plan objectives, which is to have a twin surplus (budget and current account surplus) through broadening government revenue and optimising expenditure, to be an attractive proposition for big investors and a positive influence on international rating agencies,” he added.

On a Friday-to-Friday basis, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) edged up 4.27 points to 1,811.92 from 1,807.65 previously, lifted by buying sentiment in the last two days on bargain hunting. Weekly turnover declined to 6.81 billion units worth RM8.94 billion from 6.81 billion units worth RM7.63 billion previously. Main market volume increased to 4.5 billion shares valued at RM7.99 billion versus 4 billion shares valued at RM7.04 billion last week.

FOREX: Ringgit To Test 3.53 If Oil Rallies Above US$70

By Azizul Ahmad

KUALA LUMPUR -- The ringgit may extend its rally against the US dollar towards 3.53 next week if Brent crude futures advance above US$70 a barrel. A local senior currency trader said, the Malaysian currency would continue to rebound as crude oil climbed higher, on the back of risk appetite and the greenback's weaknesses. "Many speculators started cutting short positions on the ringgit and more will cut if it breaks the 3.53 level. "This could happen when Brent crude futures advance above US$70 a barrel," he said, adding that many speculators used sliding oil price as an excuse to sell ringgit earlier, claiming Malaysia is a net oil exporter. Brent crude for July 2015 delivery, the global benchmark, settled the week up 11 cents at US$66.81 a barrel on the Intercontinental (ICE) Futures Europe exchange.

On a weekly basis, Brent was up in five of the past six weeks, having risen from a nearly six-year low of US$45.19 in January. He said the ringgit's current rally was also led by the US dollar's weakness and more volatility could be seen next week if US data would continue to show a slowdown as it would lower the chance of a rate hike by the Federal Reserve this year. "Perhaps we could see 3.50 much earlier, within this quarter," he told Bernama. The ringgit could also extend its rally next week in anticipation of more economic goodies from the 11th Malaysia Plan to be tabled by the prime minister next week (May 21), he added. On a weekly basis, the ringgit was traded stronger against the US dollar at 3.5620/5660 from last Friday's 3.5950/5980. The ringgit ended the week broadly higher against the greenback as the market reacted to Malaysia's first quarter (Q1) Gross Domestic Product (GDP) growth released Friday that beat market forecasts. Malaysia registered a strong Q1 GDP growth of 5.6 per cent with the private sector remaining the anchor of growth, surpassing the earlier market forecast of between 5.4 and 5.5 per cent. The local note however, ended the week mixed against other major currencies. It improved against the Singapore dollar to 2.6889/6940 from 2.7004/7036 last Friday and strengthened against the yen at 2.9785/9826 from 2.9936/9973 last week. The local currency weakened against the British pound to 5.6052/6132 from 5.5643/5701 last week and edged down against the euro to 4.0447/0503 versus 4.0383/0427 last Friday.

Money-Market: Short-Term Money Rates To Stay Stable Next Week

KUALA LUMPUR -- Short-term interest rates are expected to remain stable next week as Bank Negara Malaysia (BNM) would continue to intervene to stabilise the money market. A money dealer said short-tenured interbank rates would remain stable next week as the central bank is expected to continue the intervention with daily tenders to mop up excess funds in the market. "The Overnight Policy Rate (OPR) had remained at 3.25 per cent as the recent Monetary Policy Committee meeting decided to maintain it. "This made both deposit and borrowing costs to the economy broadly stable," she said. Should there be short-term excess liquidity, BNM would simply conduct money market tender programmes - conventional, Al-Wadiah, or range-maturity auctions of both conventional or Islamic, and commodity murabahah programme - to mop out the excess, she added. For the week just-ended, BNM had intervened daily to flush the system of surplus funds. On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM23.97 billion in the conventional system and RM4.70 billion in Islamic funds. The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates stood at 3.27 per cent, 3.32 per cent and 3.35 per cent respectively. On a week-to-week basis, the benchmark three-month KLIBOR inched down to 3.70 per cent from last week's 3.71 per cent.

KLCI Futures To Trend Higher Next Week

By Mohd Khairi Idham Amran

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is likely to trend higher next week in tandem with a positive cash market outlook, a dealer said. Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan said the local bourse is expected to continue its rebound momentum driven by positive Gross Domestic Product (GDP) data as well as raising ringgit and commodities prices. "Following the oversold performance of the local stocks for the last three weeks and successful test of 1,800 support level, we expect the FBM KLCI to stage further rebound," he told Bernama.

For the week just ended, the futures market was mostly lower on lack of catalyst amid mixed external sentiment. Spot month May 2015 inched up 0.5 point to 1,806.5, June 2015 gained two points to 1,808 and September 2015 edged up 2.5 points to 1,801.5. December 2015 was flat at 1,799. Turnover for the week increased to 35,538 lots from 30,961 lots last week while open interest eased to 35,731 contracts from 38,111 contracts previously.

CPO To Trade Between RM2,150 And RM2,160 Next Week

KUALA LUMPUR -- The crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to trade between RM2,150 and RM2,160 a tonne next week. Interband Group of Companies senior palm oil trader Jim Teh said the high CPO inventories of 2.2 million in Malaysia and Indonesia coupled with concern about the effects of El Nino would drive commodity prices. "Rumours of (an impending) El Nino (unusual warming in ocean temperatures) will definitely have some impact on the prices," he said. On a weekly basis, May 2015 rose RM53 to RM2,199 a tonne, June 2015 gained RM22 to RM2,191, July 2015 up RM26 to RM2,188, and August 2015 rose RM25 also to RM2,188. Weekly turnover improved to 207,947 lots from 165,967 lots last week while open interest narrowed to 211,339 contracts from 220,698 contracts previously. On the physical market, May South rose RM15 to RM2,195 a tonne.

Rubber Mart To Be Influenced By Ringgit Movement

KUALA LUMPUR -- The Malaysian rubber market is expected to trade lower next week if the ringgit continues to strengthen as it would weigh on prices, a dealer said. As rubber prices largely depend on oil prices and ringgit movement, they may slip if the trend continues, he added. "Unless we have other factors that could influence the sentiment such as tight supply or any announcement made by the ministry that could lift the prices," the dealer said. On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 decreased 2.5 sen to 531.5 sen a kg while latex-in-bulk rose 12.5 sen to 438 sen a kg. The unofficial closing price for tyre-grade SMR 20 rose 33 sen to 531 sen a kg and latex-in-bulk added 35.5 sen to 438.5 sen a kg.

Klibor Futures Likely To Remain Flat Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are expected to remain flat next week. It ended the week untraded and open interest stood at 902 contracts. Contract for May 2015 stood at 96.29, June 2015 remained at 96.32 while July 2015 and September 2015 were pegged at 96.36 and 96.39, respectively. The underlying three-month KLIBOR however inched down to 3.70 per cent from last week's 3.71 per cent.

KLTM To Trade At US$16,000 A Tonne

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is expected to trade at the US$16,000 a tonne level next week, boosted by overseas demand. A dealer said buying activity, especially from the Japanese and European traders, are expected to dominate trading next week. He said the performance of the market trendsetter, London Metal Exchange (LME), would continue to influence the local market going forward. For the week just ended, the KLTM price moved between US$15,800 and US$16,050 a tonne, while turnover slipped to 220 tonnes from 244 tonnes last week. It ended the week at US$15,900 a tonne. The price differential between the KLTM and the LME narrowed to a premium of US$320 a tonne from US$390 a tonne last Friday.

Gold Futures To Trade Slightly Higher On Weaker Greenback

KUALA LUMPUR -- The gold futures contract on Bursa Malaysia Derivatives is likely to trade slightly higher next week, ranging between RM138.00 and RM140.00 per gramme. A dealer said the weaker US producer price index sparked concerns that the Federal Reserve would hold back on raising its interest rates, thus creating pressure on the greenback. "This will help spur demand for gold," the dealer said, adding that gold price on the US Commodity Exchange's (COMEX) would continue to influence the movement in the local gold market.

On a Friday-to-Friday basis, May 2015 rose 29 ticks to RM138.70 per gramme, both June 2015 and July 2015 gained 24 ticks to RM138.90 and RM139.30 per gramme respectively, while August 2015 improved 25 ticks to RM139.50. Volume surged to 1,315 lots worth RM53.75 million from 532 lots worth RM7.3 million last week while open interest narrowed to 2,166 contracts from 3,527 contracts last Friday. On the physical front, the gold price was RM2.15 higher at RM135.05 per gramme from RM132.90 on last Friday.