MALAYSIAeBiz
BERNAMA WEEKLY BUSINESS ROUNDUP 27 - 31 JULY 2015

July 31, 2015

This Week's Highlight :
Muhyiddin Dropped, Zahid New DPM In Cabinet Reshuffle

NEW DPM...Prime Minister Datuk Seri Najib Tun Razak congratulates Datuk Seri Ahmad Zahid Hamidi on his new appointment as Deputy Prime Minister Tuesday.

PUTRAJAYA -- Tan Sri Muhyiddin Yassin was dropped in a Cabinet reshuffle announced Tuesday and Datuk Seri Dr Ahmad Zahid Hamidi was named to take over as the new deputy prime minister.
Prime Minister Datuk Seri Najib Tun Razak, who made the announcement said Dr Ahmad Zahid would retain the Home Ministry portfolio. The announcement sees the dropping of five ministers and the appointment of seven new ministers.

This Week's Top Stories

Monday
S&P's Latest Assessment Testament To Msia's Continuous Efforts
KUALA LUMPUR -- The government has welcomed Standard & Poor's (S&P) reaffirmation of Malaysia's long-term foreign currency credit rating at 'A-' with a stable outlook. Treasury secretary-general Tan Sri Dr Mohd Irwan Serigar Abdullah said Monday, the reaffirmation of the sovereign credit rating was a testament to the government's continuous efforts in ensuring sound macroeconomic fundamentals and strengthening public finances.

Tuesday
Cabinet Reshuffle Ensures Smooth Administration - BN Leaders
KUALA LUMPUR -- The Cabinet reshuffle announced by Prime Minister Datuk Seri Najib Tun Razak Tuesday is a positive effort by the country's number one leader to ensure a smooth administration and national development, said leading figures in the Barisan Nasional (BN). They stressed that a stable and strong cabinet could help the country become a high-income developed nation by 2020.

Wednesday
Msia Will Continue To Grow Sustainably - Najib
KUALA LUMPUR -- Malaysia will continue to grow sustainably, reduce fiscal deficit and keep debt at a manageable level, said Prime Minister Datuk Seri Najib Tun Razak. "We have strong fundamentals," Najib said via Twitter. Meanwhile, the Prime Minister's Office (PMO) has expressed satisfaction with the Standard & Poor's reaffirmation of its ratings in various 'A' categories for short- and long-term credit ratings for Malaysia.

Thursday
Cameron Beckons Malaysian Investors To Northern England
KUALA LUMPUR -- British Prime Minister David Cameron has invited Malaysian investors to explore the enormous investment opportunities elsewhere in Britain, particularly the northern side. He said northern England, with a population of 70 million and has over 600,000 businesses, was a driving force of the UK economy.

Friday
AirAsia Serves RM409 Mln Letter of Demand On MAHB
KUALA LUMPUR -- AirAsia Bhd has served a letter of demand amounting to RM409 million on Malaysia Airports Holdings Bhd and Malaysia Airports (Sepang) Sdn Bhd (collectively referred to as MAHB) for loss and damages incurred as a result of operating from klia2 as well as from the LCC Terminal. In a filing to Bursa Malaysia Friday, AirAsia said in its demand, it had stated that MAHB had failed and/or breached its contractual duties and duty of care, causing the airline to suffer and continue to suffer losses as a result of MAHB's breach.

SMEbrief

E-Commerce Provides Ideal Environment For SMEs: Expert

HANOI -- Internet and e-commerce is a good environment for small-and medium-sized enterprises thanks to its advantages in low transaction cost, equal playground, extensive market and reduced operation expense, a seminar on e-commerce was told here on Tuesday, Vietnam News Agency (VNA) reported. According to Nguyen Dinh Chuc, head of the Institute for Regional Sustainable Development, Academy of Social Sciences, e-commerce helped enterprises access international market and information more easily, reducing intermediary services and risk, and covering a wider range of customers.

SMEs Told To Tap Into Food, Health-Based Segments

KUALA LUMPUR -- Small and medium enterprises (SMEs) have been urged to tap into the food and health-based segments, particularly palm-based finished products. Malaysian Palm Oil Board (MPOB) Product Development and Advisory Services Director Rosidah Radzian said Wednesday, the agency was ready to help with grants and technical support for them to venture into the business.

Govt Mulls Formula To Enhance Bumi Entrepreneurs Resilience

KUALA LUMPUR -- The government will hold a series of discussions with Bumiputera entrepreneurs in an effort to devise a salient long-term formula to enhance their resilience, Datuk Seri Najib Tun Razak said Wednesday. The prime minister said the government would also continue to focus on the Bumiputera Economic Empowerment Agenda as a national agenda by implementing various programmes to enable them to compete in the open and global market.

Entrepreneurs Urged To Register As MATRADE Exporters

KOTA KINABALU -- Sabah Chief Minister Datuk Seri Musa Aman has urged companies and entrepreneurs to register as exporters with the Malaysia External Trade Development Corp (MATRADE). “The small and medium enterprises (SMEs) are an important component of the national economy and trade and must be developed effectively,” Musa said at the Sabah State Level Exporters’ Forum 2015 here Wednesday.

German businesses Positive Of ASEAN Economic Outlook

KUALA LUMPUR -- German businesses are positive of the region’s economic outlook, according to the ASEAN Business Climate Survey 2015 released here Wednesday. “In the run-up to the ASEAN Economic Community 2015, German businesses, including the small- and medium-sized enterprises (SMEs), are increasing their engagement in the region,” said Malaysian-German Chamber of Commerce and Industry (MGCC) Executive Director Alexander Stedtfield.

PropUP — Property *update*

Mitsui & Co JV With Nusajaya Tech Park

KUALA LUMPUR -- Tokyo-based Mitsui and Co Ltd has entered into a joint venture (JV) agreement with Nusajaya Tech Park Sdn Bhd to undertake a 10.7-hectare development, comprising build-to-suit (BTS) properties for lease in Iskandar Malaysia. The project will have an estimated gross development value of RM468 million over four years.

Jiankun, Fivestar To Develop Land In Petaling

KUALA LUMPUR -- Jiankun International Bhd’s wholly owned unit, JKI Development Sdn Bhd, and Fivestar Development (Puchong) Sdn Bhd are embarking on a joint venture pact to develop a land in Petaling, Selangor. Jiankun International, in a filing to Bursa Malaysia Tuesday, said the land had been slated for 377 serviced apartment units, equipped with facilities, amenities and infrastructure, costing RM147.20 million.

Najib Urges Mitsui Outlet Park To Offer ‘Unbeatable’ Prices

SEPANG -- Datuk Seri Najib Tun Razak has urged businesses at the Mitsui Outlet Park (MOP) KLIA here, one of the projects identified under the Entry Point Projects (EPP), to offer ‘unbeatable’ prices to lure shoppers. The Prime Minister said the premium outlet park has the potential of becoming the largest factory outlet mall in Southeast Asia after the completion of its expansion plans in 2021.

TA Global To Launch Residential Property In Australia

KUALA LUMPUR -- TA Global Bhd will launch the second phase of its residential property development in Sydney, Australia, next month with a gross development value of AU$160 million. Executive Director Kimmy Khoo Poh Kim said Wednesday, the second phase, spread over 33 hectares, would comprise 179 apartment units with construction expected to begin next year and completed in 24 months.

Coffee Table Book Property Investment Out In September

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- Armani Media Sdn Bhd, a media and event management company that focuses on the property industry, will publish a coffee table book in September as a guide to investing in the right property over the next one year. Managing Director Chua Kee Kian said Thursday, the 100-over page ‘Property Insight Guide to Investing 2015/2016’ would appeal to affluent property investors who are financially ever-ready for good investment opportunities.

BURSA MALAYSIA

Scoreboard

Gainers	467
Losers	365
Not Traded	680
Unchanged	315
Value	2013262586
Volume	16762946

MARKET

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.8230	3.8260
EUR	4.1816	4.1860
GBP	5.9509	5.9563
100 YEN	3.0771	3.0800
SGD	2.7775	2.7799

Source: Bank Negara Malaysia

BURSA: Bursa Malaysia Ends Higher On Technical Rebound

KUALA LUMPUR -- Bursa Malaysia ended higher on a technical rebound following bargain hunting ahead of the weekend, a dealer said. At 5 pm, the FTSE Bursa Malaysia KLCI (FBM KLCI) jumped 23.22 points or 1.37 per cent to 1,723.14 after fluctuating between 1,701.31 and 1,723.14 throughout the day.

Among the top gainers, British American Tobacco rose RM1.50 to RM67.50, Hong Leong Financial added 54 sen to RM15.86 and KAF Seagroatt & Campbell gained 53 sen to RM2.61. "The stable ringgit following the Prime Minister's cabinet reshuffle, Standard & Poor's reaffirmation on Malaysia's rating and a respite in oil price also helped lift the local bourse," the dealer said.

Gainers outpaced losers 467 to 365, with 315 counters unchanged, 680 untraded and 41 others suspended. Total volume rose to 1.68 billion units valued at RM2.01 billion from 1.61 billion units valued at RM1.58 billion Thursday. Main Market volume fell to 987.76 million units worth RM1.86 billion from 1.13 billion units worth RM1.44 billion on Thursday.

FOREX: Ringgit Closes Lower Against US Dollar

KUALA LUMPUR -- The ringgit ended the week on an easier note in line with the bearish performance of most emerging Asian currencies. At 5 pm, the ringgit was quoted at 3.8230/8260 against the greenback from 3.8150/8170 Thursday. A dealer said regional currencies, including the ringgit, declined as faster US economic growth for the second quarter sparked hope for a September interest rate hike by the Federal Reserve. "The local note declined the most compared with other regional currencies. It even fell to 3.8260 earlier, the lowest since the Asian financial crisis in 1998," he added. However, the ringgit traded mostly higher against other major currencies. It rose against the Singapore dollar to 2.7775/7799 from 2.7794/7827 previously but decreased against the yen to 3.0771/0800 from 3.0717/0735. The local unit appreciated against the euro to 4.1816/1860 from 4.1839/1869 and was up against the pound sterling to 5.9509/9563 from 5.9560/9610 on Thursday.

Money-Market: Short-Term Rates Close Stable

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia's (BNM) intervention to absorb surplus liquidity from the financial system. The liquidity surplus in the conventional system fell to RM29.42 billion from RM34.99 billion earlier while in the Islamic system, it dropped to RM7.03 billion from RM13.27 billion Thursday. In the morning, BNM called for two tenders, namely, a conventional money market and a Qard. The central bank also conducted a late conventional money market tender for RM29.5 billion and a RM7 billion Qard tender, both for three-day money. 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 3.36 per cent, respectively.

KLIBOR Futures Contracts End Marginally Lower

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives ended the marginally lower Friday with one contract month traded. At the close, December 2015 fell three ticks to 96.30 while August 2015, September 2015 and October 2015 remained pegged at 96.32, 96.33 and 96.33, respectively. Volume stood at 20 lots while open interests stood at 964 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.69 per cent.

KLCI Futures Contracts End Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives ended higher Friday in line with the improved performance on the cash market. July 2015 and December 2015 rose 17 points each to 1,718 and 1,694, respectively, while August 2015 gained 16.5 points to 1,708 and September 2015 was 14.5 points better at 1,699.5. Turnover rose to 15,605 lots from 14,228 lots on Thursday, while open interest increased to 72,104 contracts from 71,916 contracts. The benchmark FBM KLCI ended 23.22 points higher at 1,723.14.

Malaysia's Outlook Stable On Monetary Flexibility

By Farhana Poniman and Zairina Zainudin

KUALA LUMPUR -- Malaysia's outlook remained stable given its high degree of monetary flexibility despite the ringgit touching a 17-year low at the 3.81 level against the US dollar Monday. Even though Malaysia is going through a tremendous challenge right now, Standard & Poor's Ratings Services (S&P) has maintained a stable outlook on the country, reflecting its strong external position, the result of years of current account surpluses. Bank Negara Malaysia's (BNM) international reserves amounted to RM379.4 billion as at July 15, 2015, which is sufficient to finance 7.9 months of retained imports and is 1.1 times the short-term external debt. S&P Asia-Pacific sovereign analyst, Kim Eng Tan, said the country's high degree of monetary flexibility reflected BNM's track record in controlling inflation.

Ringgit Decline Not Surprising - Economist

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Given the weakness in oil and commodity prices and prospects of higher US interest rates later this year, it is not surprising to see the ringgit fall. Dr Shane Oliver, Head of Investment Strategy and Chief Economist at AMP Capital Investors, said other commodity currencies, like the Australian dollar, were also falling. "This is a good thing as it will promote Malaysia's international competitiveness which will help reduce imports and boost export volumes thus helping to offset the decline in commodity-related earnings," he told Bernama here Monday.

Amanie & UNITAR To Hold Forum On Islamic Finance

KUALA LUMPUR -- Amanie Academy Sdn Bhd, a unit of Amanie Holdings Ltd, together with UNITAR International University (UNITAR) will jointly organise the AMANIE UNITAR Islamic Finance Forum 2015 on September 17. Themed, 'Unlocking the Critical Ecosystem of Islamic Finance', the one-day forum would share ideas and insights in keeping up with the new trends and demand in the market, said Amanie Holdings Ltd Chairman Datuk Dr Mohd Daud Bakar. "In this forum, we will try to bring back the right focus and attention to rediscover the importance of the Islamic Finance ecosystem and to make the industry better," he told a press comference here Monday. Mohd Daud, who is also Chairman of the Shariah Advisory Council of Bank Negara Malaysia, also said collaborative ventures between market players, academic institutions and technology providers are significant in developing talent in Islamic finance industry.

Unwinding Of Asset Bubbles Top Macro Threat To Asian Banks

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Moody's Investors Service said its investor poll on Asian banks has shown that the unwinding of asset bubbles is the top macroeconomic threat to Asian banks in the coming 12 months, followed by a growth slowdown in China. Its vice president and senior credit officer, Eugene Tarzimanov said: "We largely agree that asset bubbles -- particularly in real estate -- are an important but manageable source of credit risk for the banks in 2015 and 2016." Property prices have appreciated particularly rapidly in Hong Kong (Aa1 stable), India (Baa3 positive), Malaysia (A3 positive) and Singapore (Aaa stable) since the 2008-09 global financial crisis.

Slide In WTI Sparks Selling In Emerging Currencies, Ringgit

By Azizul Ahmad

KUALA LUMPUR -- Concerns on crude oil oversupply, which led the West Texas Intermediate (WTI) crude to breach below the key US$50 a barrel mark, has prompted selling momentum in emerging currencies of economies linked to crude exports, including the ringgit. "It is the emerging market currencies that are going to feel the most pain over the selling pressure in WTI, and it is happening at the exact same time that the US dollar momentum was picking up speed, a deadly combination that leads to the emerging market currencies declining at a rapid rate, as that happened in early 2015," said ForexTime Ltd Chief Market Analyst Jameel Ahmad.

Euromoney Names Citi Best Bank In Asia

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Euromoney has named Citi the Best Bank for 2015 -– the eighth time in the last 10 years that Citi has picked up the prestigious award. Citi also picked up Best Investment Bank and merger and acquisition (M&A) house in India at an awards ceremony in Hong Kong on July 16. In a statement here Monday, Citi said the awards were decided by the editors of Euromoney Magazine. In the Global awards announced earlier in July, Citi was named Best Global Bank and Best Emerging Markets Investment Bank by the magazine.

Need To Accelerate Financial Literacy - Alliance Bank

KUALA LUMPUR -- There is a need to accelerate the financial literacy of the people, especially among youngsters, says Alliance Bank (M) Bhd Group Chief Executive Officer, Joel Kornreich. He said this, in turn, could help them make good financial decisions as well as be debt-free in the future. "Good money habits can insulate children from making bad decisions in the future and positively impact their quality of life in adulthood and we believe financial literacy is crucial to avoid having financial burden when they are grown up," he told reporters here Tuesday.

TAS Records Lower Pre-Tax Profit Of RM12.93 Mln

KUALA LUMPUR -- TAS Offshore Bhd's pre-tax profit for the financial year ended May 31, 2015 (FY15), fell to RM12.93 million from RM34.30 million last year. Revenue however rose to RM275.87 million from RM254.27 million previously, the company said in a filing to Bursa Malaysia here Tuesday. TAS Offshore said it would take some time for the oil price to return to the US$80 level as the Organisation Of Petroleum Exporting Countries (OPEC), the United States and other oil producing countries were unwilling to cut their production, and due to the incompatible rise in oil demand.

BAT's Q2 Pre-Tax Profit, Revenue In Q2 Slip

KUALA LUMPUR -- British American Tobacco (M) Bhd's pre-tax profit for the second quarter ended June 30, 2015 slipped to RM286.88 million from RM330.41 million in the same quarter last year. Revenue declined to RM1.09 billion from RM1.23 billion previously. In a filing to Bursa Malaysia here Tuesday, the tobacco company attributed the subdued financial results to weaker market sentiment after the implementation of the Goods and Services Tax (GST) on April 1 this year.

Globetronics Q2 Net Profit Falls To RM20.77 Mln

KUALA LUMPUR -- Globetronics Technology Bhd's pre-tax profit for the second quarter ended June 30, 2015 declined to RM20.77 million from RM20.78 million in the same period last year. Its revenue fell to RM89.03 million from RM90.62 million previously. In a filing to Bursa Malaysia here Tuesday, Globetronics said the Singapore and US segments recorded healthy sales and net profit improvements as compared to the last corresponding period. "The higher net profit was achieved mainly due to higher volume loadings from some of the group's customers, better economy of scale coupled with productivity improvement or cost control programmes carried out in the group," it said.

Country View Q2 Pre-Tax Profit Falls To RM4.29 Mln

KUALA LUMPUR -- Country View Bhd's pre-tax profit for the second quarter ended May 31, 2015 fell to RM4.29 million from RM29.39 million in the same quarter last year. Revenue declined to RM27.52 million from RM46.86 million previously. In a filing to Bursa Malaysia here Tuesday, the property developer said the decline was due to lower number of units sold and a lower percentage recognised for revenue and profit as most of the properties in Taman Nusa Sentral were completed with the exception of the serviced apartments. "Revenue and profit before tax are mainly derived from the property development division," it said.

Alam Maritim Gets RM6 Mln Contract From PETRONAS Carigali

KUALA LUMPUR -- Alam Maritim Resources Bhd's unit, Alam Maritim (M) Sdn Bhd, has secured a RM6 million splash zone structural repair and maintenance contract from PETRONAS Carigali Sdn Bhd. In a filing to Bursa Malaysia here Tuesday, the company said the contract is for two years, effective June 8, 2015 until June 7, 2017, with an extension option of a year, from June 8, 2017 to June 7, 2018. The contract is expected to contribute positively to the earnings and net tangible assets of company for the financial year ending Dec 31, 2015 and beyond.

Cepatwawasan Q2 Pre-Tax Profit Falls By 59 Pct To RM4.67 Mln

KUALA LUMPUR -- Cepatwawasan Group Bhd's pre-tax profit for the second quarter ended June 30, 2015 slipped 59 per cent to RM4.67 million from RM11.43 million in the same quarter last year. Revenue dropped to RM53.97 million from RM68.29 million, previously. In a filing to Bursa Malaysia here Wednesday, the group said the bearish results were due to the fall in crude palm oil (CPO) and palm kernel prices by 14 per cent and 25 per cent respectively and lower CPO sales volume by seven per cent.

Unisem Pre-Tax Profit More Than Double To RM34.93 Mln

KUALA LUMPUR -- Unisem (M) Bhd's pre-tax profit for the second quarter ended June 30, 2015, jumped to RM34.93 million from RM14.44 million recorded in the same quarter last year. Revenue rose to RM298.79 million from RM251.58 million previously, the company said in a filing to Bursa Malaysia Thursday. The higher pre-tax profit was attributed to improved gross profit margin and gains of RM3.33 million arising from the disposal of assets in one of its foreign subsidiaries, it said.

Better M'sia, Bangladesh Bilateral Trade In 2nd Half 2015

KUALA LUMPUR -- Bilateral trade between Malaysia and Bangladesh, which fell 26.4 per cent as of May this year, is expected to improve in the second half, amid a better economic environment. From January to May 2015, bilateral trade declined to US$412 million from US$560 million during the same period of last year. "Bilateral trade will increase by five per cent (in the second half of the year. This is my expectation," said the Malaysia External Trade Development Corporation's (Matrade) Chief Executive Officer, Datuk Dzulkifli Mahmud here Thursday.

Public Bank 1st Half Pre-Tax Profit Up 12.1 Pct To RM3.02 Bln

KUALA LUMPUR -- Public Bank Bhd's pre-tax profit for the first half of the year ended June 30, 2015 (1H2015) grew to RM3.02 billion, up 12.1 per cent over the same period last year on healthy growth in loans and deposits and stable asset quality. Gains arising from foreign exchange fluctuation due to the group's foreign operations also contributed to the profit growth. Founder and Chairman Tan Sri Teh Hong Piow in a statement here Thursday said the operating environment in 1H2015 was more challenging with increasing concerns over growth sentiment, following the uncertainties in the global economy as well as domestic factors.

MAHB Posts RM1.68 Mln Pre-Tax Profit For Q2

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) has posted a pre-tax profit of RM1.68 million for the second quarter ended June 30, 2015 from a pre-tax loss of RM37.73 million recorded in the same period last year. Revenue was lower at RM939.96 million from RM1.18 billion previously. In a filing to Bursa Malaysia here Thursday, the operator of airports, nationwide, attributed the increase in airport operations' revenue to the 42.7 per cent increase in aeronautical revenue, which stood at RM458.9 million compared with RM321.5 million in the same quarter last year.

TNB's Q3 Earnings Slip

KUALA LUMPUR -- Utility giant, Tenaga Nasional Bhd posted a lower pre-tax profit of RM734.9 million for the third quarter ended May 31, 2015, down from RM1.87 billion posted in the same quarter last year. Revenue shrank to RM9.90 billion from RM11.499 billion previously. However, for the cumulative nine months, pre-tax profit was higher at RM5.72 billion compared with RM4.8 billion registered in the corresponding period last year, it said in a filing to Bursa Malaysia here Thursday.

Habib Jewels Targets 20 Pct Sales Increase In Kuantan

KUANTAN -- Habib Jewels Sdn Bhd targets a 20 per cent increase in sales from RM8 million recorded last year at its branch in the East Coast Mall here. Its Kuantan Branch Manager, Yusof Chan, said the company expected sales to reach RM10 million this year on support from customers not only in Pahang but also Terengganu and Kelantan. "Last year, we surpassed our targeted sales value with RM8 million and even with the present uncertain economic conditions, we are confident of achieving our RM10 million sales target," he told reporters here Thursday.

IIC Eyes Development Programmes In South Sudan

KUALA LUMPUR -- International Investment Consortium (Asia) Ltd (IIC) is set to venture into comprehensive development programmes in the Republic of South Sudan (RSS) with capital investment of US$150 billion. Its Chairman, Datuk Arshad Mahmood, said the consortium would involve strategic partnerships with companies in various sectors from 16 countries to participate in the various development programmes. Among the countries, he said, were Malaysia, China, United Arab Emirates, Turkey, Holland, Saudi Arabia, US, Germany, Singapore and South Korea. "This is a private initiative to help the new independent states transform and catch up with world development," he said told reporters at the signing of agreements with its joint-venture partners here Thursday.

Muhibbah Engineering Bags RM158.2 Mln Pengerang Project

KUALA LUMPUR -- Muhibbah Engineering (M) Bhd has accepted the award from Toyo Thai Malaysia Sdn Bhd for civil, concrete and buildings of offsite areas in Pengerang, Johor for RM158.2 million. "The construction is scheduled to commence in August 2015 and is expected to be completed by November 2017," Muhibbah Engineering said in a filing to Bursa Malaysia here Thursday. Toyo Thai Malaysia is a unit of TTCL Public Company Limited which is listed on the Stock Exchange of Thailand. TTCL is undertaking part of the engineering, procurement, construction and commissioning (EPCC) contract under Package Five EPCC Of the steam cracker complex for the Refinery and Petrochemicals Integrated Development (RAPID) project.

HB Fuller Builds New Facility To Support Growth In SEA

KUALA LUMPUR -- Global adhesive provider, HB Fuller, is aiming to strengthen its network and grow its business in the Asia Pacific region with the development of its new manufacturing facility in Surabaya, Indonesia. This would increase its production capacity in the region, which in turn will enable the company to consistently meet local customers' requirements and grow significantly in Southeast Asia, particularly Indonesia. The plant is also expected to complement the products and technical service offered today by the company's manufacturing facilities in China, the Philippines, Malaysia and Australia, HB Fuller said in a statement here Thursday.

Kansai Paint To Grow In Asia Pacific 20-30 Pct By 2016

KUALA LUMPUR -- Kansai Paint Asia Pacific Sdn Bhd is looking to grow its business in Asia-Pacific by between 20 and 30 per cent by 2016 by leveraging on its existing footprint in the region's decorative coatings market. Last year, Kansai Paint's operations contributed 16 per cent to the group's total sales turnover of RM1.7 billion while for this year the group targeted a revenue of approximately RM370 million, it said in a statement here Friday.

CIMB Niaga Operating Income Up To 6.73 Tln Rupiah

KUALA LUMPUR -- PT Bank CIMB Niaga Tbk reported an operating income of 6.73 trillion rupiah for the six months ended June 30, 2015, up 1.5 per cent year-on-year (y-o-y). Net profit for the period amounted to 176 billion rupiah while earnings per share stood at 7.02 rupiah. In a statement here Friday, CIMB Niaga attributed the softer first half of 2015 to the economic slowdown, coupled with a challenging business environment. It added the lower y-o-y net profit came mainly from a high level of provisions predominantly from the coal and coal-related sector.

Westports Q2 Pre-Tax Profit Rises To RM 162 Mln

KUALA LUMPUR -- Westports Holdings Bhd's pre-tax profit for the second quarter (Q2) ended June 30, 2015 rose to RM162 million from RM148.7 million in the same period a year ago. Revenue decreased to RM405.3 million versus RM409 million previously, the cargo management and port services provider said in a filing to Bursa Malaysia here Friday. The company attributed the improved profitability mainly to reduction of fuel cost

REDtone's Fy2015 Pre-Tax Profit Increases To RM14.48 Mln

KUALA LUMPUR -- REDtone International Bhd's pre-tax profit was up by RM2.11 million to RM14.48 million for the financial year ended May 31, 2015 from RM12.37 million registered in the previous financial year. Revenue was also higher at RM150.37 million from RM141.76 million previously. In a statement here Friday, the telecommunications solutions provider attributed the better performance to its value-added services which include data centre and disaster recovery services, healthcare solutions, Internet of Things services, as well as, cloud services and applications for businesses.

SAM Malaysia Invests RM190 Mln To Increase Production

GEORGE TOWN -- SAM Engineering & Equipment (M) Bhd (SAM Malaysia) is reinvesting another US$50 million (RM190 million) on new machines to produce components for the aviation sector. SAM Chairman, Philip Yeo, said over the last few years, SAM Malaysia has bought new engines and these would require additional investment about US$50 million. "We have just approved the purchase of four more machines and we are also looking to hire between 250 and 300 engineers and machinists over the next two years," he told reporters here Friday.

MAI, Perodua Collaborate To Develop Local Dealers Capability

CYBERJAYA -- The Malaysia Automotive Institute (MAI) and Perusahaan Otomobil Kedua Sdn Bhd (Perodua) have forged a collaboration under the Dealer Entrepreneurship Enhancement Programme (DEEP) to further increase competitive capabilities of local automotive dealers. DEEP is designed to give homegrown businesses the tool needed to improve their professionalism in the areas of human capital development and business acumen. MAI Chief Executive Officer (CEO) Mohamad Madani Sahari said here Monday the collaboration was aimed at enhancing technical skills and entrepreneurship of more than 100 Perodua dealers within five years.

Malaysia Ranks 3rd In Mobile Shopping Growth In Asia Pacific

KUALA LUMPUR -- Malaysia ranked third in mobile shopping growth in Asia Pacific, just behind Taiwan and India, according to MasterCard's Mobile Shopping Survey. The country recorded over 20 per cent growth, from 25.4 per cent in 2012 to 45.6 per cent in 2014, the technology company in global payments industry said in a statement here Monday. MasterCard said one of the key factors fuelling the growth was the number of Malaysians accessing the Internet through their mobile phones, which had risen steadily from 81.2 per cent in 2012 to 94.6 per cent in 2014.

IMI Eyes Local Partner To Develop Int'l L4 Qualification

KUALA LUMPUR -- The Institute of the Motor Industry (IMI) is eyeing to partner with the Malaysian government and local institutions to develop an international version of its Level 4 (L4) qualification. In a statement here Monday, the United Kingdom-based institute said the L4 qualification in the Diagnosis, Testing and Repair of Electric/Hybrid Vehicles and Components would enable technicians to safely carry out repairs on live high voltage electrical components and systems of electric or hybrid vehicles.

IKEA Cheras Offers Over 300 Job Opportunities

KUALA LUMPUR -- Over 300 job opportunities are expected to be created by IKEA Malaysia following the opening of its new store in Cheras by end of this year. Retail Director of IKEA Malaysia, Singapore and Thailand, Mike King in a statement here Tuesday said that IKEA Cheras at Jalan Cochrane here was part of the company's overall ambition to expand in Southeast Asia.

MAA Cuts Total Industry Volume To 670,000 Units

PETALING JAYA -- The Malaysian Automotive Association (MAA) has cut its 2015 total industry volume (TIV) forecast to 670,000 units from an initial 680,000. Datuk Aishah Ahmad, the president, said the organisation had taken economic and environmental factors into account in its revised forecast. It includes Malaysia's Gross Domestic Product growth moderating from six per cent last year to between 4.5 per cent to 5.5 per cent in 2015. "The ongoing inflationary pressures, fluctuations in oil and commodity prices, fluctuating foreign exchange rates, especially the weakening of the Malaysian ringgit against major world currencies, are also among the factors," she told reporters here Tuesday.

No Plans To Sell Stockbroking Business - TA Enterprise

KUALA LUMPUR -- TA Enterprise Bhd has no plans to sell its stockbroking business, but it is on the lookout for merger and acquisition (M&A) opportunities to diverse its business portfolio. Managing Director and Chief Executive Officer, Datin Alicia Tiah said stockbroking business was still seen as a business for the group, although its profit contribution dropped sharply to 20 per cent from 80 per cent previously. "It is profitable. We are quite comfortable to be able to earn over RM20 million per year from this business, which I feel is a cash cow for the group," she told reporters here Wednesday.

Last Date For Filing GST Returns Is Aug 14

PUTRAJAYA -- The due date for filing the Goods and Services Tax (GST) returns has been extended to Aug 14 from July 31, Royal Malaysian Customs Department director-general Datuk Seri Khazali Ahmad said. In a statement here Wednesday, he said the department would make assessment of the tax payable under Section 43 of the GST Act 2014 if companies registered for the GST failed to submit their returns by the due date. There will be no further extensions of the date to file the returns, he said, adding the GST taxable period was calculated on a monthly basis.

Strong Interest From Thai Buyers For M'sian F&B Products

KUALA LUMPUR -- Malaysian food and beverage (F&B) products received strong interest from buyers in Thailand during the Border Trade Fair in Songkhla, with business matching efforts concluded total sales of RM4.28 million. Held in June 2015, a total of 14 Malaysian companies from Perlis, Kedah, Kelantan, Penang and Melaka participated in the event. “The event was organised to embody the Thai Government’s strong commitment in promoting border trade activities especially with the announcement of the first phase of Special Economic Zones in five areas, one of which is Sadao, Songkhla Province,” Malaysia External Trade Development Corporation (Matrade) Trade Commissioner in Bangkok, Niqman Rafaee Mohd Sahar, said in a statement here Wednesday.

Malaysia-Germany Trade To Grow By 5-7 Pct More - Chamber

KUALA LUMPUR -- Malaysia-Germany total trade, which touched a high of €10.9 billion (€1 = RM4.22) last year, is expected to grow by between five and seven per cent more this year, says Malaysian-German Chamber of Commerce and Industry (MGCC). Executive Director, Alexander Stedtfeld told reporters here Wednesday, the total trade would hit the above €11 billion mark by 2016, driven by trade in manufactured products. He said German imports from Malaysia were the highest ever in 2014 at €6.1 billion while exports to this country were €14.8 billion.

Malaysia Will Not Sign TPPA In Hawaii - Mustapa

KUALA LUMPUR -- Malaysia will not sign the Trans-Pacific Partnership Agreement (TPPA) at the ministerial meeting in Hawaii from July 28-31, says Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed. Mustapa, who heads the Malaysian negotiating team comprising experts from over 20 ministries and agencies, said: “The signing of the TPPA will not happen in Hawaii.” In a statement here Wednesday, he said, like Malaysia, each TPPA member will need to go through its own domestic process before a final decision to sign and ratify the pact was made.

Lloyd Applies Tier One Onshore Licence In Malaysia

KUALA LUMPUR -- Lloyd’s of London will apply for a Tier One onshore licence to underwrite the reinsurance business in Malaysia. The decision, which comes after some months of discussions between the company and the Malaysian authorities, will also see the opening of an office in Kuala Lumpur. “The proposed new licence will enable Lloyd’s to increase the support it can offer in Malaysia besides an opportunity to develop its marine, energy, construction, engineering and liability business, as well as, introduce new products to the market,” it said in a statement here Thursday.

Biomass Sector Poised To Contribute RM30 Bln To GNI

KUALA LUMPUR -- The biomass industry is anticipated to contribute an additional RM30 billion to the gross national income (GNI), said Minister in the Prime Minister’s Department, Datuk Mah Siew Keong here Thursday. He said the projection was made taking into account the downstream activities for the oil palm sector alone. The minister said based on the National Biomass Strategy 2020, Malaysia was expected to produce some 80 to 100 million dry tonnes of biomass annually from now until 2020, a projection that would create significant opportunities for the downstream activities in the biomass industry.

Franchisors Urged To Broaden Network In ASEAN Via AFES

KUALA LUMPUR -- Local homegrown franchisors have been urged to share and broaden their networks with delegates from ASEAN countries in the upcoming ASEAN Franchise Expo & Symposium (AFES) 2015 in September. Deputy Education Minister Senator Chong Sin Woon said with quality input from the delegates, AFES 2015 could help forge business networks and stimulate exchange of experiences that would be insightful and enlightening in enhancing the industry’s objectives. “There will be participation from ASEAN countries like Indonesia, Thailand and Vietnam as well as China,” he said at the soft launch of AFES 2015 here Friday.

Timber Industry Players Urged To Adhere To EUTR

By S.Joan Santani

KUALA LUMPUR -- Malaysian timber industry players have been urged to comply with the European Union Timber Regulation (EUTR) to meet the demand of buyers. NEPCon Regional Manager (Southeast Asia) Christian Schriver said a key concern of European customers is timber legality. The EUTR, a key timber regulation in the export market, is a European-wide law with the goal of halting the import of illegal timber to the EU. “EU consumers want an assurance that timber products come from sustainable forests. Therefore, traders in timber exporting countries, including Malaysia, can expect more requests on timber legality information and verification from EU buyers in future,” he told Bernama here Friday.

Marketing Guru To Make A Comeback In Malaysia

KUALA LUMPUR -- Marketing guru and founder of World Marketing Summit, Prof Philip Kotler, is making a comeback here after six years for the Prof Philip Kotler Marketing Forum Live in Malaysia 2015 this October. University Kuala Lumpur (UniKL) Chairman, Datuk Dr Adham Baba told reporters here Tuesday, this was a great opportunity for participants attending the forum to get a further in-depth insight and gain more knowledge in the marketing field as it was considered vital in this globalised era.

AirAsia X To Fly To Sapporo From October

KUALA LUMPUR -- AirAsia X Bhd, the leading long-haul low-fare airline, will commence four times weekly direct flights from Kuala Lumpur to Sapporo, Japan from Oct 1. Its acting chief executive officer, Benyamin Ismail said in a statement here Tuesday, AirAsia X would be the only airline operating direct flights from Kuala Lumpur to Sapporo.

Red Hat Sees Potential, Sets Up Unit In Malaysia

KUALA LUMPUR -- Global open source solutions provider, Red Hat Inc sees potential in the Malaysian market by opening a subsidiary, Red Hat Malaysia Sdn Bhd, to further strengthen its presence in the country. Senior Director and General Manager, ASEAN, Damien Wong Yok Weng told reporters here Wednesday Malaysia was an important market for the company and it had much potential for the adoption of open source technology across industries.

CIDB Marks 20th Anniversary, Honours 72 Construction Leaders

KUALA LUMPUR -- The Construction Industry Development Board (CIDB), which celebrates its 20th anniversary in November this year, will honour 72 leaders from the construction industry and construction-related government bodies with fellowship awards for their contributions to the industry. Datuk Seri Ir Judin Abdul Karim, Chief Executive of CIDB, said in a statement here Thursday that after many achievements in the last 20 years, CIDB felt that this was the right time to acknowledge the achievements of industry players, especially those who were active in the country's early development.

Sunway Hotels & Resorts Teams Up With AirAsia BIG

KUALA LUMPUR -- Sunway Hotels & Resorts has teamed up with AirAsia BIG to enable members of AirAsia BIG Loyalty Programme to earn BIG Points when they book rooms with Sunway Hotels & Resorts in Malaysia, Cambodia, and Vietnam. In a statement here Thursday, Sunway Hotels said the AirAsia BIG members could now earn points for every RM1, or US$1, spent on a qualifying minimum of two nights' stay, with the bookings made via the hotel's internet booking engine www. sunwayhotels.com.

U Mobile, MCMM Reward Students For Achievement

KUALA LUMPUR -- U Mobile Sdn Bhd announced here Thursday a collaboration with the Ministry of Communications and Multimedia (MCMM) to reward local university students for excellent academic achievements. The telecommunications provider said the new 'U Excellence' award would be the first telco-backed award in Malaysia to offer scholarships to local university students. Chief Executive Officer Wong Heang Tuck said for the inaugural award, 10 Universiti Malaya final-year students were selected, with priority given to those from underprivileged backgrounds and with an average Cumulative Grade Point Average (CGPA) of 3.5 and above in their final year.

AirAsia Offers T-Shirts To Raise Funds For Makna

KUALA LUMPUR -- AirAsia is raising funds for the National Cancer Council of Malaysia (Makna) via the #AirAsiaMAKNA campaign. In this regard, the budget airline is offering special edition t-shirts featuring the iconic AirAsia captain and flight attendant uniforms.The campaign is part of the airline's corporate social responsibility programme. In a statement here Thursday, AirAsia said the t-shirts which also carry the Makna logo and the tagline,"A Meaning to Life" at the back, are now available for online purchase at Makna's online store, makna.org.my/airasiamakna.

Khazanah Europe Investments Sets Up London Office

KUALA LUMPUR -- Khazanah Nasional Bhd's unit, Khazanah Europe Investments Limited (KEIL), will set up an office in London as part of its larger strategy to become more global in scope. The government strategic investment fund said KEIL, to be headed by executive director Javier Santiso, would provide advice and support on investments in Europe which were of strategic interest to Khazanah. The KEIL regional office in London will be operational by the third quarter, subjects to relevant regulatory approvals, Khazanah said in a statement here Thursday.

CarDhekho Launches CarBay In Malaysia, Thailand

KUALA LUMPUR -- Indian-based company, Girnar Software Pvt Ltd which runs auto portal, CarDheko.com, has launched CarBay.my and Thailand. CarBay.com in Malaysia and Thailand, respectively. CarDheko.com has won India's Website of the Year award thrice in the past four years, underscoring its success in the subcontinent. In a statement here Wednesday, Girnar Software said CarBay would provide car buyers with an intuitive platform to serve their needs for automobile information, and provided English and Thai languages for its portal in Thailand.

Unravelling Dilemmas in Medical Insurance

Are you insured? Or over-insured? Or you're unsure of your life insurance situation? Here, we provide frank insights on medical insurance, focussing on various situations involving claims on critical illness insurance that could help to unravel your dilemma and discover solutions in medical insurance.

Q: I was diagnosed to have Carcinoma-in-situ of my cervix. The doctor performed a hysterectomy and my womb was removed. When I made a claim on my critical illness policy, my claim was declined. The insurance company says that carcinoma-in-situ is not payable under the policy. Why is it not payable when carcinoma-in-situ is still a form of cancer?

A: Critical illness policy, as the name suggests, is meant to provide cover for those medical conditions that are at very critical stage, where the probability of long term survival is very low.

For you to make a claim under 'Cancer', the histopathology report must show that the cells are malignant and have spread and invaded into adjacent tissues.

Carcinoma-in-situ of the cervix is a very early stage of cancer and the cells are localised in its original location. The malignant cells have not penetrated the basement membrane or invaded into the surrounding tissues. Most doctors refer to carcinoma-in-situ of the cervix as 'pre-cancer'. They normally recommend that the condition be completely removed and if you are beyond the child-bearing age, doctors may recommend the removal of the womb. Therefore, carcinoma-in-situ is treated in much the same way as malignant cancer which gives the impression that the person has cancer.

Females diagnosed with carcinoma-in-situ, who have been fully treated and have made full recovery, will normally have high survival rate. Hence, carcinoma-in-situ is a condition that is not critical enough to be considered for critical illness payment. In fact, carcinoma-in-situ is specifically excluded under the 'Cancer' definition.

Q: I was diagnosed to have blockages in my heart arteries and was advised to do a by-pass operation. With the report from my cardiologist, I made a claim on my critical illness policy but the claim was declined. I was told to wait until after the by-pass surgery has been done before the claim is payable. Can they decline my claim as I was told by my agent that critical illness policy will pay on diagnosis of critical illness?

A: You have to read and understand the definitions of the critical illnesses in your policy. Some critical illnesses will pay based on the diagnosis made by the specialist following tests and criteria performed for those illnesses while some require the surgery to be performed first. Critical illnesses like Brain Surgery, Heart Valve Replacement, Surgery to the Aorta, Coronary Artery Disease Requiring Surgery or Major Organ Transplantation will require the life assured to undergo the actual surgery first before the claim is payable. It is not sufficient for claims to be paid based on the advice of the specialist or surgeon to undergo such surgeries.

If you have been advised by your specialist to perform the by-pass operation, you should follow his advice and get it done as soon as possible. If cost of surgery is of concern or that you do not have sufficient funds to pay for the operation upfront, you can make arrangements with your insurance company to pay the cost of the surgery direct to the hospital after the surgery has been performed.

Q: I bought 2 critical illness policies from the same insurance company. After my heart attack, I made a critical illness claim on both my policies. However, the insurance company only paid the sum assured for one policy whereas I was advised to wait for 30 days before they pay the other policy. Both are critical illness policies, why does one policy have to wait for 30 days and the other does not?

A: Critical illness policies can be structured into different forms. Some critical illness policies are packaged together to provide cover for 3 components, ie. Death, Total and Permanent Disability and Critical Illness, such that the sum assured will be paid if any of the 3 events happen. Once this sum assured has been paid, the benefit or the policy will terminate.

Some critical illness policies will cover for critical illness alone. For such policies, there is a need for the life assured to survive at least 30 days from the date of the critical illness before the event is considered to be a critical illness event.

For example, A owns 2 policies. The first policy is a packaged policy consisting of the 3 components (Death, Total and Permanent Disability (TPD) and Critical Illness) and the second policy provides cover for Critical Illness only.

If A dies of a heart attack, only the first policy is payable as a death claim. The second policy is not payable as there is no death component in it.
However, if A had a heart attack and dies 35 days later, then both policies will be payable. Once the first policy has been paid out as a critical illness claim, it will terminate. No more payment will be made thereafter. Since A died 35 days later, the second policy will also be payable as a critical illness claim.

Q: I was recently approached by an agent who says that he has a new product that pays critical illness at an early stage and covers for 92 illnesses. Is there such a product?

A: Companies are getting more and more innovative in their product offerings. They are hearing what the consumer wants and introduce products based on consumer needs.

Back then, people diagnosed with carcinoma-in-situ, were disappointed with their insurance companies when their claims were rejected. Their argument is that carcinoma-in-situ is still cancer and since it was discovered at an early stage, the insurance company does not pay but only pays when it has developed into late stage cancer!

Now, there are critical illness products available in the market that pay for illnesses that are diagnosed at early stages of the critical illness. With these illnesses added in, it increases the number of illnesses for such plans to 92.

The base for 'early pay critical illness' product is still the 36 critical illnesses while the other illnesses are early stages of these critical illnesses and are subsets of the 36.

The illnesses are classified into severity levels of 'low', 'medium' or 'severe'. The 36 critical illnesses are all classified under the 'severe' level for which the full sum assured is payable.

If you suffer from one of the illnesses, you have to check the severity level of that illness and a certain percentage of the sum assured will be payable. The payment of such sum assured will reduce the original sum assured. The policy will terminate once the full sum assured has been paid.

The advantages for such product is that it allows protection at early stages of the critical illness and the overall coverage shall be a lot more comprehensive. Of course, with the extra benefits, premium for such policies shall be higher.

The article is written courtesy of Life Insurance Association of Malaysia. For further information, please log on to www.liam.org.my.

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA Likely To Trend Sideways Next Week

By Nurul Hanis Izmir

KUALA LUMPUR -- Bursa Malaysia is likely to trend sideways next week with the benchmark index continuing to be confined within the 1,700 points and 1,740 points range, says Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan.

“Given the deep price correction over the last six weeks, the FTSE Bursa Malaysia KLCI (FBMKLCI) should be more attractive for long-term investors,” he told Bernama.

Nazri said it was timely now for traders to consider bottom-fishing stocks, especially the bashed down big caps from FBMKLCI, which were trading near their respective 52-week low.

He also said that the ringgit, which hovered around the 3.80 level, welcomed investors to buy Malaysian assets.

Prime Minister Datuk Seri Najib Tun Razak on Wednesday announced a Cabinet reshuffle to ensure a smooth administration and national development.

“Minister of International Trade and Industry Datuk Seri Mustapa Mohamed, who maintained his portfolio, said Malaysia will not sign the Trans-Pacific Partnership Agreement.

“This signals that the Bumiputera agenda will be safeguarded against unfair foreign competition,” Nazri added.

On a weekly basis, the benchmark FTSE Bursa Malaysia KLCI finished at 1,723.14, up 2.38 points, on a technical rebound following bargain hunting activities.

Weekly turnover rose to 9.01 billion units worth RM9.36 billion from last week’s 8.35 billion units worth RM7.93 billion.

Main market volume expanded to 5.84 billion units valued at RM8.53 billion against 5.34 billion shares valued at RM7.07 billion recorded last week.

Ringgit To Remain At Current Level Next Week

KUALA LUMPUR -- The ringgit is expected to remain steady at the current level of 3.81 level against the US dollar next week due to lack of market moving factors.

Despite the generally weak market sentiment, a dealer said the ringgit remained supported as investors,unnerved by the latest political development, continued to buy Malaysian assets.

Furthermore, foreign holdings of ringgit-denominated bonds, which were still high at between 45 and 47 per cent, also kept the ringgit supported.

"The ringgit is definitely undervalued at the current level as it does not reflect the country's strong fundamentals.

"Prevailing hints and talks over a possible US interest rates hike has fuelled the dollar's strength for so long, causing many emerging regional currencies to succumb to selling pressure including the ringgit," he added.

For the just-ended week, the ringgit traded lower against the US dollar at 3.8230/8260 from 3.8080/8100 recorded last Friday.

The local currency also fell against the Singapore dollar to 2.7775/7799 from 2.7763/7798 last week and weakened against the yen to 3.0771/0800 from 3.0715/0733 last Friday.

It declined against the pound sterling to 5.9509/9563 from 5.8978/8017 last week and was easier against the euro at 4.1816/1860 from 4.1652/1678 previously.

Short-Term Rates To Be Stable Next Week

KUALA LUMPUR -- Short-term interbank rates are expected to remain stable next week as Bank Negara Malaysia (BNM) continues to intervene to stabilise the money market.

The central bank is expected to continue its intervention with daily tenders to mop up excess funds in the market, said a dealer.

For the week just-ended, BNM intervened daily to flush the system of surplus funds by conducting conventional, range maturity auction, Qard and repo tenders.

On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM29.42 billion in the conventional system and RM7.03 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 3.36 per cent, respectively.

Meanwhile, the benchmark three-month interbank rate stood at 3.69 per cent.

KLCI Futures Likely To Trend Sideways Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) futures contract (FKLI) is expected to trend sideways next week, trailing a similar trend on the cash market.

However, Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan said as the FBMKLCI showed some inspiration from the Cabinet reshuffle coupled with the steady ringgit, it could provide positive sentiment to the futures contract.

He said previously, the benchmark managed to remain above the key 1,700 psychological level while the average daily trading volume and value remained steady at 1.6 billion shares and RM1.5 billion, respectively.

For the week just-ended, the FKLI was mostly higher despite the lower cash market.
On week-to-week basis, July 2015 rose two points

to 1,718, August 2015 eased 13 points to 1,694, September 2015 gained eight points to 1,708 while December 2015 added 4.5 points to 1,699.5.

Turnover for the week jumped 126,525 lots from 31,861 lots last week while open interest increased to 72,104 contracts versus 48,009 contracts previously.

CPO Futures To Trade Between RM2,050 And RM2,100

KUALA LUMPUR -- Crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to see cautious trading next week with prices ranging between RM2,050 and RM2,100 per tonne promoted by weak global sentiment, a dealer said.

Interband Group of Companies Senior Palm Oil Trader Jim Teh said trading was expected to be volatile against a backdrop of declining crude oil prices coupled with volatile ringgit movements.

“The unstable global economy is also expected to impact the commodity’s outlook,” he told Bernama.

On a weekly basis, August 2015 and September 2015 slipped RM60 each to RM2,120 and RM2,118 a tonne, respectively, October 2015 declined RM58 to RM2,120 a tonne while November 2015 fell RM55 to RM2,132 a tonne.

Weekly turnover rose to 206,316 lots from 143,491 lots last week while open interest climbed to 228,460 contracts against 205,458 contracts previously.

On the physical market, August South ended the week RM60 lower at RM2,125 per tonne.

Rubber Market To Trade Cautiously Next Week

KUALA LUMPUR -- The Malaysian rubber market is expected to trade cautiously next week against the backdrop of volatile currency movements and declining crude oil prices, dealers said.

A dealer said the rubber performance would also track the performance ofother commodities and regional futures markets namely the Tokyo Commodity Exchange and Shanghai Futures Exchange.

For the week just-ended, rubber prices were mostly lower due to weak buying support.

On a weekly basis, the local market traded lower with the Malaysian Rubber Board’s noon price for tyre-grade SMR 20 easing eight sen to 527 sen a kg while
latex-in-bulk slipped 15 sen to 427 sen a kg.

The 5 pm unofficial closing price for SMR 20 declined three sen to 525.50 sen a kg while latex-in-bulk fell 16.5 sen to end the week at 424.5 sen a kg.

KLIBOR Futures Expected To Trade Lower Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is likely to trade lower next weak.

A dealer said the current weak sentiment in the market would reflect on the futures market next week.

“Local sentiment has been weakening due to the ongoing political problems and the 1Malaysia Development Bhd issue, while externally the upcoming US interest rates hike will further cloud the market," he added.

For the week just-ended, turnover amounted to 20 lots only and open interest on Friday totalled 964 contracts.

August 2015, September 2015 and October 2015 remained pegged at 96.32, 96.33 and 96.33, respectively, while December 2015 fell three ticks to 96.30.

The underlying three-month KLIBOR was pegged at 3.69 per cent.

Tin Price To Stay At Current Levels Next Week

By Rosemarie Khoo

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is likely to remain at current levels next week, buoyed by continued buying support by Japanese traders.

A dealer said the price of the metal was expected to hover around US$16,600 per tonne.

"Continuing buying support mainly from Japanese and the tight stock level will help support prices," he told Bernama.
For the week just-ended, the market closed higher due to increased demand and low stocks.

On a Friday-to-Friday basis, the KLTM tin price finished at US$16,160 per tonne compared with US$15,020 per tonne last Friday.

Total turnover on the KLTM dipped slightly to 275 tonnes from 276 tonnes last week with trading dominated by Japanese, European and local traders.

The price differential between the KLTM and LME narrowed to a premium of US$275 per tonne from US$350 per tonne last week.

Gold Futures Likely To Stay Bearish Next Week

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is likely to remain bearish next week amid speculation on the timing of the US interest rate hike, a dealer said.

Phillip Futures Sdn Bhd Dealer Ong Su Ling said the lower gold price could, however, trigger some buying support from India and China.

"The significant data to watch out for next week are US factory orders, trade balance, jobless claims and non-farm payroll figures," said Ong.

The local market was traded mostly lower for the week just-ended.

On a Friday-to-Friday basis, July 2015 declined one tick to RM132.80 a gramme, August 2015 added eight ticks to RM133.80 a gramme while September 2015 and October 2015 increased 12 ticks each to RM134.20 and RM134.60 a gramme, respectively.

Volume for the week fell to 440 lots worth RM5.92 million from 2,723 lots valued at RM36.44 million recorded last week.

Open interest was lower at 1,625 contracts from 4,041 contracts last