MALAYSIAeBiz
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This Week's Highlight : Budget Continues Balancing Act To Prosper People

BALANCING ACT...Prime Minister Datuk Seri Najib Tun Razak tabling the Budget 2016 themed 'Prospering the Rakyat' at the Dewan Rakyat Friday. Pic: Anuar Isman fotoBERNAMA

KUALA LUMPUR -- The balancing act continues as the government strives to give something to everyone under very difficult circumstances. With oil-related revenue expected to fall from RM62 billion to RM31.7 billion this year, the Budget 2016 would seem impossible to achieve. Not so, said Prime Minister Datuk Seri Najib Tun Razak when tabling the budget in the Dewan Rakyat Friday. And this is thanks in large part to the Goods and Services Tax (GST). In less than seven months from April, the GST brought in RM39 billion.

This Week's Top Stories

MONDAY

BNM Empowered Under Financial Services Act

KUALA LUMPUR -- Bank Negara Malaysia would take enforcement actions, also known as administrative actions, on parties that are found to have transgressed or have not complied with rules and regulations issued under the Financial Services Act. "These actions may be taken concurrently with, and are separate and distinct from, criminal proceedings that are under the sole purview of the Attorney General," it said in a statement Monday to provide clarity regarding its powers to enforce in compliance with the regulatory laws that are administered by the bank.

TUESDAY

Malaysian Economy To Record Strong Q3 Growth - Wahid

PUTRAJAYA -- Malaysia's economy in the third quarter is expected to be strong based on the growth of the Industrial Production Index (IPP) and the trade data for August, said Minister in the Prime Minister's Department, Datuk Seri Abdul Wahid Omar. Despite the challenging domestic and foreign environment, the August trade recorded a surplus of RM10 billion and IPP rose by three per cent in August and 6.1 per cent in July, he said at the panel discussion at the World Statistics Day here Tuesday.

WEDNESDAY

Tough Decisions For Balanced Budget - Najib

KUALA LUMPUR -- The government has had to make some "hard" decisions, such as removal of fuel subsidies and introduction of the Goods and Services Tax (GST), to enable the country to achieve a balanced budget. "As per our targets, we are confident of reaching a balanced budget, or as close to that as possible, by 2020," he said in his speech at the Global Transformation Forum here, Wednesday.

THURSDAY

Budget Will Have Something For Everybody - MOF Official

By Mikhail Raj Abdullah

PUTRAJAYA -- There will be something for everybody in the 2016 Budget especially the lower income group, as well as the middle class, but the people must not expect goodies that are not realistic, a senior Ministry of Finance Official said Thursday. Although one-third of the country's income came from oil where prices dropped by as much as 50 per cent, the official gave the assurance the government would not abandon projects that will improve the livelihood of the people.

FRIDAY

M'sian Economy To Expand Between 4-5 Pct Next Year

KUALA LUMPUR -- The Malaysian economy is expected to remain on a steady growth next year, expanding between four per cent and five per cent. The Ministry of Finance said against the backdrop of increased uncertainty in the global economy, growth in the Malaysian economy would be driven by domestic demand, with private expenditure as the main anchor while public expenditure will increase slightly. "Domestic demand is expected to register a growth of 5.5 per cent driven by private sector spending, it said in the 2015/2016 Economic Report released Friday.

SMEbrief

Fareeda Ventures Into Haircare, Cosmetics

PUTRAJAYA -- Fareeda Global Resources Sdn Bhd, the producer and distributor of 'Fareeda' headscarves, is expanding its product lines to include haircare and cosmetics products. The company aims to sell 50,000 bottles of its first non-fashion products, the 'Shampoo by Mawar' shampoo by year-end, said Head of Marketing and Sales, Fizo Omar after the launch of the collection, 'Fareeda Persia' headscarves here Monday.

ACCA Launches Financial Reporting Guide For Non-Profit Sector

KUALA LUMPUR -- International donors, national regulators and policymakers involved with the not-for-profit sector can now benefit from a 'how to' guide on financial reporting specific to the sector, the the Association of Chartered Certified Accountants (ACCA) says Monday. "It works in conjunction with the International Financial Reporting Standard (IFRS) for small businesses, which has been introduced to create consistency in the information provided to stakeholders of SMEs around the world, it said in a statement.

Chamber Wants More Govt Support For SMEs

KUALA LUMPUR -- The Malaysia-China Chamber of Commerce wants the government to offer more support for the backbone of the country's economy, small and medium enterprises (SMEs), in Budget 2016. Its Deputy President Tan Yew Sing said Tuesday, 90 per cent of the businesses in Malaysia were SMEs and the chamber would like to seek the government's help, especially in encouraging more bilateral trade with other countries such as China.

Perdasama Seeks Incentives For SMEs' Global Promotion

KUALA LUMPUR --The Malay Businessmen and Industrialists Association of Malaysia (Perdasama), Kuala Lumpur wants the government to provide incentives for the Small and Medium Enterprises (SMEs) who are interested in promoting their products globally. Its president and SME Bureau chairman Datuk Mohd Fauzi Zakaria said, the SMEs could also use some budget for training. MCCC and Perdasama Tuesday held the briefing for participants of a three-day expo in Guangdong.The event, starting Oct 29, has attracted 1,000 local companies.

Budget: SMES Among Beneficiaries With Over RM1.3 Bln

KUALA LUMPUR -- Small and medium enterprises (SMEs) are among those to benefit from the Budget 2016 with an allocation of more than RM1.3 billion. "SMEs play an important role in developing the business value chain," said Prime Minister Datuk Seri Najib Tun Razak when tabling the Budget 2016 in the Dewan Rakyat here Friday.

PropUP — Property *update*

Continued Strong Demand For Affordable Housing - iProperty

KUALA LUMPUR -- A survey conducted by the iProperty network of property portals has revealed that the rising property prices in the country have spurred higher demand for affordable housing. "Even though Malaysians are concerned about the rising house prices and affordability, the love affair for Malaysian property remains strong, from within Malaysia and increasingly from overseas," iProperty Group Managing Director and Chief Executive Officer Georg Chmiel said in a statement here Monday.

Penang Govt's New Housing Measures Only Help Developers - Gerakan

GEORGE TOWN -- The Penang government's new measures on affordable home only benefit the developers not the lower-income earners, said Penang Gerakan Youth Legal and Public Complaints Bureau Chief Jason Loo Monday. He said according to a recent survey, 49 per cent of Penangites had a monthly household income of less than RM4,000 and they still could not afford to buy a house in the state.

IOI Properties To Acquire Mayang Devt For RM1.26 Bln

KUALA LUMPUR -- IOI Properties Group Bhd has entered into a conditional share sale agreement with Tan Sri Lee Shin Cheng and Puan Sri Hoong May Kuan to acquire the entire equity interest in Mayang Development Sdn Bhd for RM1.26 billion. The entire equity interest in Mayang development consist of 250,000 ordinary shares of RM1 each, the company said in a filing to Bursa Malaysia Tuesday.

75 Pct M'sians Unhappy With Costly Properties - Survey

KUALA LUMPUR -- PropertyGuru's latest survey shows three out of four Malaysians are unhappy with the current property market, citing expensive properties and lack of government action among the main reasons for dissatisfaction. "Only 25 per cent of Malaysians felt satisfied with with general conditions of the property market -- a significant drop from the 32 per cent registered in last year's sentiment survey," PropertyGuru said in a statement Tuesday.

Amcorp Property Investment In Japan Reach RM102.2 Mln

KUALA LUMPUR -- AMCORP Properties Bhd's investment in Japan's real estate is close to Japanese Yen 2.9 billion or RM102.2 million. AMCORP's most recent venture was its co-investment partnership with Grosvenor Asia Pacific Ltd and Nan Fung to successfully acquire 14 office and three retail units totalling about 39,000 square feet comprising about eight per cent of the net rentable area in a 44-storey residential–cum-commercial high rise building, it said in a statement Tuesday.

MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 525
Losers - 318
Not Traded - 635
Unchanged - 339
Value - 2005398232
Volume - 24195308

BURSA: KL Shares End Higher, CI Above 1,700

By Farhana Poniman

KUALA LUMPUR -- Shares on Bursa Malaysia closed marginally higher with the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) holding steady above the 1,700 points level. At 5 pm, the benchmark index was up 5.84 points at 1,710.90 after moving between 1,709.56 and 1,717.49 throughout the day. Market breadth was extremely positive as gainers outpaced losers by 525 to 318 while 339 counters were unchanged, 635 untraded and 18 others were suspended. Volume, however, decreased to 2.41 billion shares worth RM2 billion from 2.43 billion shares worth RM2.02 billion recorded Thursday. Inter-Pacific Securities Sdn Bhd Head of Research Pong Teng Siew said market players were reacting positively towards the prospects of new stimulus measures in Europe. “European Central Bank President Mario Draghi’s comments on bolstering its bond-buying programme gave fresh hope of funds inflow into emerging markets. The index is also performing better compared with last year given the more stable global oil prices,” he told Bernama. Main Market volume rose to 1.3 billion units worth RM1.82 billion from 1.26 billion units worth RM1.83 billion recorded thursday.

FOREX: Ringgit Ends Higher On Expectation Of Money Inflow From EU

KUALA LUMPUR -- The ringgit closed higher against the US dollar Friday boosted by the anticipation of money inflow from the European Union (EU) after the European Central Bank (ECB) president indicated a further quantitative easing (QE). At 5 pm, the local unit was quoted at 4.2250/2350 against the US dollar from Thursday’s 4.2800/2890. Inter-Pacific Research Sdn Bhd Head of Research Pong Teng Siew said the statement by the ECB president indicated that the European market was weak and more money would flow into the emerging markets.

“Investors who are looking for better opportunities will look to emerging markets,” he told Bernama. He said the weak outlook of the European economy would also indicate a weak outlook for US export. He added that the ECB’s QE was expected to lead the US to engage on its own QE after a string of soft economic data. The ringgit also strengthened against other major currencies. It firmed against the Singapore dollar to 3.0420/0507 from Thursday’s 3.0732/0816 and appreciated against the yen to 3.5097/5189 from 3.5735/5825 previously. The local unit strengthened against the pound sterling to 6.5078/5244 from 6.6233/6381 Thursday and went up against the euro to 4.7020/7144 from 4.8420/8534 previously.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.2250	4.2350
EUR	4.7020	4.7144
GBP	6.5078	6.5244
100 YEN	3.5097	3.5189
SGD	3.0420	3.0507

Source: Bank Negara Malaysia

Money-Market: Short-Term Interbank Rates End Stable

KUALA LUMPUR -- Short-term interbank rates closed stable today on Bank Negara Malaysia’s (BNM) intervention to mop out surplus liquidity from the financial system. The liquidity surplus in the conventional system fell to RM27.38 billion from RM34.75 billion earlier, while in the Islamic system, it eased to RM5.17 billion from RM8.83 billion previously.

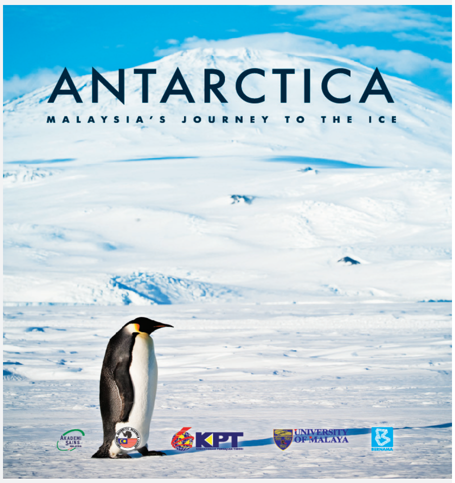
In the morning, BNM called for a conventional money market, two repos a Qard and a Commodity Murabahah Programme. The central bank also conducted a late conventional money market tender for RM27.4 billion and a RM5.2 billion Qard, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent, while the one-week, two and three-week rates were 3.28 per cent, 3.33 per cent and 3.37 per cent, respectively.

KLIBOR Futures Ends Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives closed untraded Friday. November 2015, December 2015, January 2015 and March 2016 ended at 96.24, 96.20, 96.19 and 96.17, respectively. Open interest stood at 590 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.74 per cent.

KLCI Futures Contracts Close Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives closed higher Friday. October 2015 rose 17.5 points to 1,714, November 2015 added 19.5 points to 1,706.5, December 2015 appreciated 19 points to 1,697 and March 2016 gained 21.5 points to 1,675.5. Turnover expanded to 8,913 lots from 5,755 lots Thursday while open interest increased to 48,189 contracts from 44,607 contracts previously. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI was up 5.84 points at 1,710.93.



OCBC Al-Amin Opens 1st Islamic Premier Banking Centre

KUALA LUMPUR -- OCBC Al-Amin Bank Bhd has opened its first Islamic Premier Banking Centre at the newly opened branch, the 11th, at Kota Kemuning in Shah Alam. The move will cater to high net worth individuals seeking sophisticated Islamic banking products and services. OCBC Al-Amin's Director and Chief Executive Officer Syed Abdull Aziz Syed Kechik said the opening is a significant milestone in OCBC's journey towards even greater sophistication in Islamic banking, he said in a statement here Monday.

Quick Nod For RHB's Personal Loan Applications

KUALA LUMPUR -- Malaysians can now apply online for "Easy by RHB" personal loans and receive approval in ten minutes. In a statement here Monday, RHB Banking group said it has collaborated with RinggitPlus.com, Malaysia's leading website for consumer transactions, in the Drive Easy Sweepstakes Contest. It said approved applicants would stand a chance to win prizes worth up to RM600,000. The contest started from Oct 1 to March 31, 2016, it said.

ValueCap's 1st Tranche To Be Allocated By Nov

KUALA LUMPUR -- ValueCap Sdn Bhd's first tranche of its RM20 billion fund will be allocated by late November, said Retirement Fund (Incorporated) (KWAP) Chief Executive Officer, Wan Kamaruzaman Wan Ahmad. He said the first tranche, valued at a total of RM6 billion, would come equally (33.33 per cent each) from its three shareholders, namely Khazanah Nasional Bhd, Permodalan Nasional Bhd and KWAP, to revive the stock market, amid economic challenges. The disbursement would be pending the shareholders' approval and could be slated as late as December, he told reporters here Monday.

EPF To Declare Not Less Than 2.5 Pct Dividend

KUALA LUMPUR -- The Employees Provident Fund (EPF) will declare a dividend of not less than 2.5 per cent per cent for members who have not elected for their accounts to be managed according to Shariah. It will also be for those who have made the elections but they have not come into effect. This proposal was made under the amendments to Employees Provident Fund Act 1991 which was tabled for the first reading at Dewan Rakyat here Monday.

Four Islamic Banks To Form Consortium For Investment Platform

KUALA LUMPUR -- Four Malaysian Islamic banks -- Affin Islamic Bank Bhd, Bank Islam Malaysia Bhd, Bank Muamalat Malaysia Bhd and Maybank Islamic Bhd -- have established a consortium to develop a multi-bank platform to market investment account products. The consortium, known as Raeed Holdings Sdn Bhd (Raeed), is equally owned by the four Islamic banks. The board of directors of Raeed comprises CEOs of the four banks. Raeed Chairman Datuk Zamani Abdul Ghani said in a statement here Tuesday, the establishment of the consortium is a ground-breaking initiative in the Malaysian Islamic finance industry.

Hong Leong Bank, Hong Leong Islamic Bank Offer Employees MSS

KUALA LUMPUR -- Hong Leong Bank Bhd and Hong Leong Islamic Bank Bhd is offering employees a voluntary mutual separation scheme (MSS) as part of its move to strengthen operational efficiencies. The MSS, offered to permanent staff at all levels, functions and locations, would create an opportunity for both the bank and employees to gain mutual benefits, Hong Leong Bank said in a statement here Tuesday.

LIAM Wants Tax Relief For EPF Contributions, Tax Cut For Life Premiums

KUALA LUMPUR -- The Life Insurance Association of Malaysia (LIAM) wants a separate tax relief for the Employees Provident Fund (EPF) contributions and tax deduction for life insurance premiums. In a statement here Tuesday, LIAM said its Wishlist for 2016 Budget was for the change so that it would promote financial planning and create awareness on the importance of financial protection among the rakyat.

EPF Subscribers May Choose Shariah-Compliant Account Under Amended Act

KUALA LUMPUR -- Contributors to the Employees Provident Fund (EPF) may choose to have their KWSP-I account managed and invested under shariah principles when the Employees Provident Fund Act (Amendment) 2015 is passed. Deputy Finance Minister Datuk Johari Abdul Ghani said the amendments to the Employees Provident Fund Act 1991, tabled for second reading by him at the Dewan Rakyat here Tuesday, also provides for the establishment of a Shariah Advisory Committee and an Investment Panel to ensure shariah compliance.

Maybank Hopes ASEAN Banking Industry Can Have Own Infrastructure System

KUALA LUMPUR -- Malayan Banking Bhd (Maybank) hopes the ASEAN banking industry will be allowed to have their own infrastructure system that can be used in all 10 ASEAN countries, said Group President and Chief Executive Officer Datuk Abdul Farid Alias. With the system, it would help regional players like Maybank to have a better risk management, higher competitive advantage, as well as, lower cost of operation going forward, he told reporters here Thursday.

PIDM's Resolution Power To Be Strengthened

KUALA LUMPUR -- The existing resolution power of Malaysia Deposit Insurance Corporation will be strengthened through new provisions under the Malaysia Deposit Insurance Corporation Act 2011 (PIDM Act), namely compulsory share transfer power. The proposal is among those contained in the provisions to the act that was tabled for second reading by Deputy Finance Minister Datuk Johari Abdul Ghani at the Dewan Rakyat here Thursday.

September Auto Sales Up 7 Pct Year-On-Year

KUALA LUMPUR -- Total vehicle sales in September rose seven per cent to 51,106 units from 47,771 units in the same month last year, the Malaysian Automotive Association (MAA) said. Sales, however, declined 4.4 per cent, or 2,346 units, compared to the previous month's volume of 53,452 units. The sales volume for year-to-date September 2015 of 485,388 units was 1.4 per cent or 6,934 units lower than similar corresponding period in 2014, it said in a statement here Monday.

Axis-REIT's Q3 Revenue Rises To RM41.86 Mln

KUALA LUMPUR -- Axis Real Estate Investment Trust (Axis-REIT) recorded a revenue of RM41.86 million in the third quarter ended Sept 30, 2015, up 26 per cent from RM33.12 million in the same period last year. In a statement here Monday, Axis-REIT's manager, Axis REIT Managers Bhd (ARMB) said income after taxation for the quarter stood at RM23.71 million. "Distribution per unit (DPU) rose by 2.0 per cent to 2.20 sen for the current quarter," it said.

Eco World Optimistic Of Achieving Sales Target

KUALA LUMPUR -- Eco World Development Group Bhd is optimistic of achieving its sales target of RM1 billion for its Iskandar Malaysia project by year-end. As at Aug 31, 2015, Eco World has chalked up RM964 million in sales, said President/Chief Executive Officer, Datuk Chang Khim Wah. Chang told reporters here Tuesday, the achievement was backed by the development area which was sited mostly in matured and growing population catchment area.

Glomac Expects Better Sales For FY2016

KUALA LUMPUR -- Property developer, Glomac Bhd, expects sales to improve in the financial year ending April 30, 2016 driven by new launches worth RM802 million. Group Managing Director/Chief Executive Officer Datuk Fateh Iskandar Tan Sri Mohamed Mansor said the company's unbilled sales as-to-date stood at RM796 million. "We will continue to focus on executing planned launches to drive sales in the current financial year despite the softer property market," he told reporters here Tuesday.

IATA: Passengers Travel On Int'l Markets Up 5.4 Pct In Aug

KUALA LUMPUR -- Passenger travel on international markets rose 5.4 per cent in August, year-on-year, reflecting strong growth on the 'Within Europe' travel market, said the International Air Transport Association (IATA). In its Premium Traffic Monitor report, IATA said premium class travel increased 5.3 per cent during the month, while that for economy class improved 5.4 per cent.

Cement Industry To See Reasonable Growth - Mustapa

KUALA LUMPUR -- The cement industry is expected to see reasonable growth in the next two to three years on the support from the major government infrastructure development projects. Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed, said the construction sector recorded between five and six per cent growth for the past few years. "Although demand for high-end residential units had softened, the government is continuously pushing to spur construction in the form of affordable housing, the Refinery and Petrochemical Integrated Development and Mass Rapid Transit projects, among others," he told reporters here Wednesday.

Iskandar M'sia Drew RM27.22 Bln Investments Jan-Sept 2015

JOHOR BAHARU -- Iskandar Malaysia attracted committed investments worth RM27.22 billion between January and September this year, said Iskandar Regional Development Authority (IRDA) Chief Executive Datuk Ismail Ibrahim. The economic region drew a total of RM185.34 billion in committed investments from 2006 to September 2015, with local investors accounting for 59 per cent or RM109.78 billion and foreign investors the remaining 41 per cent or RM75.56 billion, he told reporters here Wednesday.

Hua Yang Q2 Pre-Tax Profit Rises To RM38.2 Mln

KUALA LUMPUR -- Hua Yang Bhd's pre-tax profit for the second quarter ended Sept 30, 2015 increased to RM38.2 million from RM35.2 million in the same period last year. In a filing to Bursa Malaysia here Wednesday, it said revenue rose to RM150.6 million from RM139.5 million previously. Meanwhile, Chief Executive Officer Ho Wen Yan said in a statement: "Given the challenging operating landscape, our improved results were primarily attributed to our focus on delivering quality and affordable homes to Malaysians, while at the same time managing development cost effectively and efficiently."

Barakah Eyeing To Acquire Technology-Based Company

KUALA LUMPUR -- Oil and gas service provider, Barakah Offshore Petroleum Bhd is interested in acquiring a technology-based company to enhance its capabilities. Deputy executive chairman Nik Hamdan Daud told reporters here Wednesday, the company had identified a few companies but was still keeping its options open for a better deal. "We are going to search for a suitable (company) that can give good synergies. At the same time, in the current situation, we need a good offer, good pricing," he said.

Boeing's Q3 Profit Up 25 Pct On Record Deliveries, Lifts Outlook

KUALA LUMPUR -- The world's largest aerospace company by sales, Boeing, recorded a higher net profit of US$1.7

billion for its third quarter, up 25 per cent from US$1.36 billion in the same quarter last year. Revenue jumped nine per cent to US$25.8 billion from US$23.78 billion previously on record commercial deliveries, said Boeing in a statement here Thursday.

JA Solar To Increase Exports To US, Emerging Markets

GEORGE TOWN -- JA Solar Holdings Co Ltd, a manufacturer of high performance solar power products, aims to increase exports to the United States and emerging markets, after opening its Penang facility. The company has set up a local subsidiary, JA Solar Malaysia Sdn Bhd in Penang. Its Deputy General Manager, Ong Ken Yong told reporters here Thursday, for the second quarter of this year, a majority of the group's products were supplied to China (45 per cent), followed by Japan (21 per cent), European countries (15 per cent), the United States (one per cent) and other emerging markets (18 per cent).

GDP Contributions From O&G Sector To Fall Further - Wahid

KUALA LUMPUR -- The contributions from the oil and gas (O&G) sector to the country's gross domestic product (GDP) are expected to fall further this year, in line with the nation's plan to diversify its economic structure. Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said last year, the sector's contributions to the country's revenue were reduced by 30 per cent. He told reporters here the country's diversified economy was the source of its strength.

Co-Op Movement Contributed RM35 Bln To GDP

MELAKA -- The cooperative movement contributed RM35 billion to the country's gross domestic product (GDP) last year, said Minister of Domestic Trade, Cooperatives and Consumerism, Datuk Hamzah Zainuddin. Hamzah said the encouraging figure would help the country achieve the target of RM50 billion in contribution from the movement by 2020. "We want to see the co-ops buy assets which can bring in profits. If a co-op buys a building, it can use it for office and rent the rest," he told reporters here Thursday.

Public Bank Q3 Pre-Tax Profit Rises To RM1.61 Bln

KUALA LUMPUR -- Public Bank Bhd chalked up a higher pre-tax profit of RM1.61 billion for the third quarter ended Sept 30, 2015 against RM1.55 billion recorded in the same period last year. In a filing to Bursa Malaysia here Thursday, the banking group said revenue rose to RM4.91 billion during the period under review from RM4.32 billion registered previously. Founder and Chairman of Public Bank Tan Sri Dr Teh Hong Piow said for the first nine months ended Sept 30, 2015, Public Bank Group reported a net profit attributable to shareholders of RM3.57 billion, up 9.3 per cent, compared with the same period last year.

Bursa Pre-Tax Profit Eases 2.3 Pct To RM71.89 Mln In Q3

KUALA LUMPUR -- Bursa Malaysia Bhd's pre-tax profit eased 2.3 per cent to RM71.89 million in the third quarter ended Sept 30,2015 from RM73.62 million recorded in the same period a year ago. Revenue declined to RM128.83 million from RM128.96 million previously. Profit after tax and minority interest (PATAMI) for the third quarter of 2015 was down 3.1 per cent compared to the corresponding quarter of last year as a result of higher operating expenses.

CTRM Aviation Secures RM18 Mln Contract From RMPAOF

KUALA LUMPUR -- CTRM Aviation Sdn Bhd, a subsidiary of Composites Technology Research (M) Sdn Bhd (CTRM), and a member of DRB-Hicom Group, has signed a three-year contract worth RM18 million with Royal Malaysian Police Air Operation Force (RMPAOF). In a statement here Thursday, CTRM said the contract was to supply, repair/overhaul components and spare parts for the latter's fleet of six units of Cessna Caravan 208, four units of Cessna 172 and five units of King Air 350.

Country View's Q3 Pre-Tax Profit Falls To RM4.17 Mln

KUALA LUMPUR -- Country View Bhd's pre-tax profit for the third quarter ended Aug 31, 2015 fell to RM4.17 million from RM22 million registered in the same quarter last year. Revenue declined to RM24.14 million from RM41.51 million previously. In a filing to Bursa Malaysia here Thursday, the property developer said revenue and pre-tax profit for the preceding corresponding quarter was higher mainly due to the sales of triple-storey shop offices. "Revenue and pre-tax profit which were mainly derived from the property development division decreased by 42 per cent and 81 per cent, respectively," it said.

Shipbuilding, Repair Industry To Generate RM6.35 Bln In GNI

KUALA LUMPUR -- The Shipbuilding and Ship Repair (SBSR) industry in Malaysia is expected to generate RM6.35 billion in Gross National Income (GNI) and provide 55,000 employment opportunities by 2020. In 2013, the industry generated a turnover of about RM8.35 billion and provided about 32,500 jobs. Minister in the Prime Minister's Department Datuk Mah Siew Keong said the industry is gaining traction as a new growth area and the government is fully committed to positioning Malaysia as a key global maritime player by 2020.

Market Sensing Exercise On HSR Project Draws 150 Responses

KUALA LUMPUR -- A market sensing exercise via a Request for Information (RFI) on the Kuala Lumpur - Singapore High Speed Rail (HSR) project received responses from around 150 companies and consortia as of Oct 16. In a joint statement here Monday, Malaysia's Land Public Transport Commission (SPAD) and Singapore's Land Transport Authority (LTA) said responses to the RFI came from across the HSR value chain, and include entities based in Malaysia, Singapore, the Asia-Pacific, Europe, the Middle East and North America.

Details Of GST Collection To Be Announced In Budget 2016 - Chua

KUALA LUMPUR -- Details of the collection of the Goods and Services Tax (GST) implemented in April will be announced at the tabling of the Budget 2016 this Friday. Deputy Finance Minister Datuk Chua Tee Yong said however, based on the Budget 2015, the government projects an estimated RM23.2 billion in collection. "Various types of goods and services have been exempted or zero rated for the GST, which as whole, is estimated at RM3.8 billion," he said in the Dewan Rakyat here Monday.

PTP Undertaking RM5 Bln Expansion To Increase Capacity

JOHOR BAHARU -- Port of Tanjung Pelepas (PTP) plans to expand its capacity next year through its phase 3A development project costing about RM5 billion. Johor Port Authority (LPJ) general manager Muhammad Razif Ahmad said the development would increase PTP's capacity from 10.5 million twenty-foot equivalent units (TEU) currently to 15 million TEUs when completed in 2019. "The PTP expansion is always being discussed between LPJ and the PTP management in efforts to increase its operation which now enters the 15th year. PTP is now operating under Phase two and has 14 wharves totalling five kilometres (km)," he told reporters here Monday.

Telcos Must Revert Prepaid Reloads To Pre-GST Rates On Nov 1

KUALA LUMPUR -- Telcos have until Oct 31 to revert to the pre-Goods and Services Tax (GST) rates for their prepaid reloads, said Deputy Finance Minister Datuk Johari Abdul Ghani. He said the government will not compromise with telcos that fail to do so and is prepared to act against them. "The telcos need to adjust their own system, if they want to impose the GST, they should find an appropriate method, the charge should be based on usage and not during the sale of the reloads as this is not convenient for the consumer," he told reporters here Monday.

'Top Tether' Matter with ASEAN NCAP A Miscommunication - Proton

KUALA LUMPUR -- Proton Holdings Bhd Monday announced that there was a miscommunication with ASEAN NCAP on the "top tether" matter that was mistakenly omitted from the current running Saga model that was crash tested in 2013. In a statement here Monday, Proton said the 'top tether' and more than 10 other safety enhancement components were fitted for ASEAN NCAP testing in 2013.

Companies Urged To Apply For SEF For Overseas Investments

JOHOR BAHARU -- Malaysian companies are encouraged to apply for the Services Export Fund (SEF) which will benefit them in respect of exploring greater overseas investment opportunities. Malaysia External Trade Development Corporation (Matrade) Southern Regional Office Director Raphy Md Radzi said the SEF, initiated this May, has yet to gain the interest of entrepreneurs, he told reporters here Tuesday.

M'sians Prefer New Mercedes Benz Than Owning Used Ones

From Niam Seet Wei

KUANTAN -- Malaysians are more keen to purchase new Mercedes-Benz vehicles, compared with owning used vehicles, with new sales recording a 15 per cent growth over the past three years. Mercedes-Benz Malaysia Commercial Vehicle Vice-President Albert Yee told reporters here Wednesday, this was a new trend in Malaysia, as by purchasing such commercial vehicles, customers can enjoy a two-year warranty as well as a year's unlimited mileage benefits.

MIER Expects Ringgit To Strengthen To RM3.80 Against USD In Medium-Term

KUALA LUMPUR -- The Malaysian Institute of Economic Research (MIER) expects the ringgit to strengthen to RM3.80 against the US dollar in the medium-term. Executive Director Dr Zakariah Abdul Rashid said for the ringgit to revert to a fair value level, much would depend on the price of crude oil. "If you look at the ringgit now, it is tied to crude oil prices. "If prices of crude oil can go up, perhaps not over US$100 per barrel but maybe US$80 per barrel, the ringgit can get back to that level (3.80). But this is what we forecast for the medium-term. Maybe another year or year-and-a-half," he told reporters here Thursday.

Boeing, Norwegian Finalise Order For 19 787-9 Dreamliners

KUALA LUMPUR -- Boeing and Norwegian have finalised an order for 19 787-9 Dreamliners valued at more than US$5 billion at current list prices, Boeing announced Thursday. The order also includes options for 10 more 787-9s, as the carrier looks to significantly grow its existing long-haul fleet into the next decade. It is the largest single order for 787-9s from a European airline. Norwegian currently operates eight 787-8s and had previously ordered 11 787-9s through lease agreements.

Govt Not Shouldering Extra Costs For MRTrt Line 1 Project - Najib

KUALA LUMPUR -- The government is not shouldering any additional costs in the construction of the Mass Rapid Transit (MRT) Line 1 project connecting Sungai Buloh-Kajang despite the depreciating ringgit. Prime Minister Datuk Seri Najib Tun Razak said the original value of all construction contracts, including job systems involving overseas contractors, were in ringgit, which were fixed before the local currency weaken. “In this respect, any cost increases due to the slumping ringgit will be borne by the contractors. To date, the escalating costs borne by contractors amounted to RM600,000,” he said here Thursday.

ECER’s Programmes Benefit 2,000 People In Mersing

JOHOR BAHARU -- About 2,000 people have benefitted from various projects and programmes conducted by the East Coast Economic Region’s (ECER) in the Mersing District since its launch in 2007. East Coast Economic Region Development Council Chief Executive Officer Datuk Seri Jebasingam Issace John said this was proved through improved social-economic status, entrepreneurship and academic performance among youths. “The projects and programmes were capital-based economy and people-based economy approaches to ensure that the community enjoyed prosperity from ECER transformation,” he said in a statement here Thursday.

SPAD Approves MRT SSP Line Final Alignment

KUALA LUMPUR -- Mass Rapid Transit Corporation Sdn Bhd (MRT Corp) Thursday announced that the government has given the final approval for the MRT Sungai Buloh-Serdang-Putrajaya Line (SSP Line) Railway Scheme. In a statement, MRT Corp said it has received a letter from the Land Public Transport Commission (SPAD)informing of the final approval, signed by Prime Minister Datuk Seri Najib Razak, which contains, among others, the final alignment and stations of the SSP Line. MRT Corp said it would now proceed with the construction of the SSP Line which is the second line of the Klang Valley MRT Project.

Perangsang S’gor Disposes Unit To Pengurusan Air S’gor For RM78.05 Mln

KUALA LUMPUR -- Kumpulan Perangsang Selangor Bhd has entered into a conditional share purchase agreement with Pengurusan Air Selangor Sdn Bhd to dispose 90.83 per cent of its equity interest in its unit, TiTisan Modal (M) Sdn Bhd (TMSB), for RM78.054 million. In a filing to Bursa Malaysia here Thursday, the company said the equity in TMSB represented 44.55 million ordinary shares of RM1.00 each. “After a series of negotiations and several exchange of letters, it was resolved after accepting the offer in relation to the disposal dated June 20, 2014 from Kumpulan Darul Ehsan Bhd (KDEB),” it said.

AirAsia Moves To Unisys Cloud-Based Logistics Management System

KUALA LUMPUR -- Low-cost airline, AirAsia, has replaced its legacy cargo management system with a modern Unisys cloud-based service in less than six months to manage cargo services across its flight network. In a statement here Thursday, the airline said the use of Unisys cloud-based logistics management system (LMS) meant that all AirAsia’s affiliates would benefit from centralised information management and visibility, as well as, common processes. “As the Unisys system is browser-based, authorised users can access it from many devices including personal computers, tablets and other mobile devices,” it said.

BNM’s Int’l Reserves At RM418 Bln As At Oct 15

KUALA LUMPUR -- Bank Negara Malaysia’s (BNM) international reserves amounted to RM418 billion (equivalent to US$94.1 billion) as at Oct 15, 2015. In a statement today, BNM said the reserves position was sufficient to finance 8.8 months of retained imports and was 1.2 times the short-term external debt. The central bank said the main components of the international reserves were foreign currency reserves (US$85.8 billion), International Monetary Fund position (US$0.8 billion), Special Drawing Rights (US$1.8 billion), gold (US$1.4 billion) and other reserve assets (US$4.3 billion).

Adopt New Strategies To Raise Productivity, Employers Urged

KUALA LUMPUR -- Employers have been urged to implement new strategies to increase workers’ productivity and accelerate Malaysia’s development during the Eleventh Malaysia Plan (RMK-11) period (2016-2020). Making the call, Human Resources Minister Datuk Seri Richard Riot said countries with high productivity levels share common characteristics that set them apart from the rest. “These countries always emphasise skill development among their workforce as key factors towards better productivity. Businesses also maintain their competitive advantage by improving wages of their employees, and this is important because productivity level and job performance are correlated,” he told reporters here Thursday.

Amendments To Patents Act To Be Tabled In Current Parliament Session

KUALA LUMPUR -- The Ministry of Domestic Trade, Co-operatives and Consumerism (MDTCC) expects proposed amendments to several sections of the Patents Act 1983 to be tabled during the current Parliament session. Its Minister Datuk Hamzah Zainudin told reporters here Monday said the proposed amendments will among others, ensure the readiness to accede to the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure.

Guide On Financial Reporting For Not-For-Profit Sector Launched

KUALA LUMPUR --International donors, national regulators and policymakers involved with the not-for-profit sector can now benefit from a ‘how to' guide on financial reporting specific to the sector. The guide, produced by the Association of Chartered Certified Accountants (ACCA), would help individuals operate in this sector to produce more meaningful reports using a recognised global standard, ACCA said in a statement here Monday.

Sunway Putra Hotel Announces New Appointments

KUALA LUMPUR -- Sunway Hotels & Resorts has appointed Augustine M. Silva as Senior Manager at Sunway Putra Hotel Kuala Lumpur and TS Cheah as the Cluster Director of Sales and Marketing for the 650-room five-star hotel, effective Tuesday. Augustine, a Singaporean, brings with him over 25 years of hospitality management experience plus robust exposure in asset and fund management, it said in a statement here Tuesday.

Malaysia Airlines Offers Bonanza 50 Pct Off All Tickets

KUALA LUMPUR -- Malaysia Airlines is offering 50 per cent discounts on all tickets in its Year-End Super Specials (YESS) starting Tuesday until Oct 30. In a statement here Tuesday, the airline said the YESS campaign is for the travel period of Nov 1, 2015 until April 30, 2016 and available for immediate booking on its website. This includes international or domestic airfares inclusive of on-demand in-flight entertainment, 30 kg complimentary checked-in baggage and meals.

Zurich M'sia Launches Medical Insurance Plan With NCB Reward

KUALA LUMPUR -- Zurich Insurance Malaysia Bhd (ZIMB) Wednesday launched a medical insurance plan, Omni Health, the first in the market which offers cash back on premiums paid under its no claim bonus (NCB) benefits to give customers more reason to stay fit. Chief Executive Officer Philip Smith told reporters here Wednesday the ten per cent cashback on premiums excluded the Goods and Services Tax which would be refunded to the policy holder as a bonus in the following policy year.

CIRAIC 2015 To Promote M'sia As Hub For Sustainable Construction

KUALA LUMPUR -- The Fourth Construction Industry Research Achievement International Conference 2015 (CIRAIC 2015) will be a platform to promote Malaysia as a regional hub for sustainable construction. Works Minister Datuk Seri Fadillah Yusof told reporters here Thursday, the event will also create research partnerships and collaboration among industry players in Malaysia and internationally. Fadillah said apart from the latest technology, lessons learnt and best practices on infrastructure resilience to natural disaster, are critical as a response to the severe effects of recent natural catastrophes in Malaysia.

TM, Swiss Garden Ink MoU On Broadband Service

KUANTAN -- Telekom Malaysia Bhd (TM) Thursday signed a memorandum of understanding (MoU) with Swiss Garden Resort Residences, Sungai Karang on the provision of high-speed broadband service. The MoU would enable the hotel to provide hospitality entertainment solutions, including HyppTV and support services, TM Pahang General Manager Zulfikri Hashim told reporters here Thursday.

Citrix Appoints Kho Country Manager

KUALA LUMPUR -- Citrix Malaysia has appointed Wendy Kho as the country manager. In a statement here Thursday, Citrix said Kho would drive the firm's local operations and sales. “She will provide Malaysian informational technology organisations with the freedom to allow their end-users to work from anywhere, on their device of choice, while also securing corporate applications, data and intellectual property,” it said. Meanwhile, Area Vice President, Mark Micallef, said the Malaysian market was key to the company's continued growth and success in ASEAN.

Tesco Allocates RM120 Mln To Open 4 More Outlets

GOPENG -- Tesco Stores (Malaysia) Sdn Bhd has allocated RM120 million to open four new outlets that will increase its total supermarket outlets in the country to 58. Its Director of Government Relations and Corporate Affairs, Datuk Azlam Shah Alias told reporters here Thursday three outlets had been opened at IOI City Mall, Putrajaya; Jenjarom, Selangor; and Bahau, Negri Sembilan. One more store would be opened in Lukut, Negri Sembilan in February next year he said.

Islamic Financial Services Board Issues Working Paper

KUALA LUMPUR -- The Islamic Financial Services Board (IFSB) has announced that the issuance of a Working Paper on ‘Comparative Study on the Implementation of Selected IFSB Standards' Thursday, as part of its Working Paper series. In a statement here Thursday, IFSB said the study, funded by the Asian Development Bank, aimed to identify the factors that contributed to a better understanding of the challenges faced in the implementation of the IFSB Standards.

Najib Unveils Slew Of Incentives To Boost Incentives

By Azlina Aziz & Soraya Jamal

KEY DOCUMENTS...Prime Minister Datuk Seri Najib Tun Razak holding a briefcase containing Budget 2016 documents at the Federal Treasury Building in Putrajaya Friday. He later left for Parliament to present the budget. -- Pic: Team/Mahayudin Mohamad fotoBERNAMA

KUALA LUMPUR (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak Friday unveiled what is surely a balanced and practical budget that offered a slew of incentives to stimulate domestic investments, energise small and medium enterprises (SMEs) and invigorate the capital market.

The Budget 2016 also includes multi-billion ringgit projects that provide ample opportunities for infrastructure and construction companies, a move that would surely provide an impetus to the business sector over the long term against a backdrop of a challenging external environment.

Najib, who is Finance Minister, also announced a RM11 billion development of the Cyber City Centre in Cyberjaya, RM7.0 billion KLIA Aeropolis township and the RM320 million rubber city in Kedah, all of which were bound to trigger increased corporate activities, including for the Bumiputera sector. A major project within Kuala Lumpur, worth RM900 million, is the Jalan Tun Razak traffic dispersal project through a strategic public and private partnerships, which obviously would be good news for the construction firms.

Najib also told the Dewan Rakyat that Khazanah Nasional Bhd was investing RM6.7 billion in nine high-impact domestic projects in various sectors, as well as allocating RM500 million as venture capital and private equity fund.

GST SAVIOUR IN BOOSTING REVENUE

To attract more private investments and ensure the benefits also accrue to all states including Sabah and Sarawak, RM142 million was allocated to develop the Samalaju Industrial Park in Sarawak and the Palm Oil Jetty in Sandakan, Sabah valued at RM20 million.

Besides this, RM42 million would be spent to develop the Mukah Airport in Sarawak as well as upgrade airports in Kuantan and Kota Bharu while a feasibility study would be undertaken to extend the runway in Batu Berendam in Melaka. The budget, themed 'Prospering the Rakyat', and valued at RM267.2 billion compared to the revised RM260.7 billion in 2015, comes amid immense challenges including the sharp drop in crude oil prices, global economic slowdown and decline in the value of the ringgit. However, the broad-based Goods and Services Tax (GST) has emerged as a saviour in boosting revenue via the efficient collection of taxes from some 400,000 companies representing 90 per cent GST-compliance.

The GST collection in its first full-year implementation is expected to be significantly higher at RM39 billion which will offset the fall in oil revenue.

RAKYAT TO GET GST REVENUE RETURNS

"As announced several times, the rakyat can be assured that revenue from GST collection will be returned to benefit them, in addition to clarifying how the GST will be spent. This is the real intention of the government and there is no hidden agenda," he said. The Prime Minister said the Opposition parties, which vehemently criticised and opposed the GST before, were unashamedly adopting the GST in their Budget documents.

Under development expenditure, the economic sector would receive the highest share of RM30.1 billion. For next year, the federal government revenue collection is expected at RM225.7 billion, an increase of RM3.2 billion from 2015. He also said that focus would be given to chemical, electrical and electronics, machinery and equipment, aerospace and medical devices industries and services. "For this, RM730 million is allocated to funds under the Malaysia Investment Development Authority," Najib said.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA M'sia Likely To Continue Uptrend

KUALA LUMPUR -- Bursa Malaysia will likely continue its gains next week albeit at a moderate pace, given favourable external developments. Inter-Pacific Securities Sdn Bhd Head of Research Pong Teng Siew said one of the factors which would keep the FTSE Bursa Malaysia KLCI (FBM KLCI) supported is the prospect of new stimulus measures in Europe. "European Central Bank President Mario Draghi's comments on bolstering its bond-buying programme gave fresh hope of funds inflow into emerging markets, including Malaysia. "The moderate strength showcased by the local bourse this week will likely carry on to next week," he told Bernama. Meanwhile, a dealer said the 2016 Budget announcement by Prime Minister Datuk Seri Najib Tun Razak on Friday could also provide a boost for certain stocks or sectors in the local market next week. The government had allocated RM267.2 billion for the 2016 Budget, which was slightly higher than for the 2015 Budget of RM260.7 billion. "We expect positive movement in construction, as well as oil and gas stocks next week given that they are some of the benefactors from the announcement," the dealer added. Weekly turnover increased to 11.93 billion units worth RM10.13 billion from 9.54 billion units worth RM9.42 billion last week. Main market volume appreciated to 6.20 billion units worth RM9.15 billion from 5.23 billion units worth RM8.58 billion.

FOREX: Ringgit Likely To Improve Further

By Mohd Khairi Idham Amran

KUALA LUMPUR -- The ringgit is expected to improve further next week on anticipation of a weaker US economy, a dealer said. Inter-Pacific Research Sdn Bhd Head of Research Pong Teng Siew said the ringgit which has stabilised in the recent week was expected to receive a further boost from the possibility of clearer signs of a weakening US economy. "Signs will emerged convincingly that the US economy is in a sharp slowdown. This would put an end to any signs of interest rate hike by the US Federal Reserve," he told Bernama. He said the recent statement by the European Central Bank (ECB) president of a further quantitative easing (QE) was also expected to benefit the ringgit as more money inflows were expected to go to emerging markets. He added that the ECB's QE statement was an indication of a weak economy in the European Union which in turn would indicate a weak outlook for US export. For the week-just-ended, the ringgit slipped to 4.2250/2350 from 4.1700/1800 in the previous week, dampened by sustained concerns over slowing global growth continuing to hit commodity prices amid sluggish Chinese economic data. The ringgit also ended the week mostly lower against other major currencies. The local unit fell versus the Singapore dollar to 3.0420/0507 from 3.0124/0215 last Friday and depreciated against the yen to 3.5097/5189 from 3.4995/5094 last week. It was also softer against the British pound at 6.5078/5244 from 6.4435/4610 but appreciated against euro at 4.7020/7144 versus 4.7371/7497 previously.

Money-Market: Short Term Rates To Remain Stable

KUALA LUMPUR -- The Malaysian money market is expected to remain stable next week with more stabilised rates as Bank Negara Malaysia (BNM) is anticipated to continue to manage excess liquidity. The central bank is expected to continue the intervention with daily tenders to mop up excess funds from the market, a dealer said. For the week just-ended, BNM intervened daily to absorb the system of surplus funds by conducting conventional, Commodity Murabahah Programme, Qard, range-maturity auction and repo tenders. On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM27.38 billion in the conventional system and RM5.17 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 3.28 per cent, 3.33 per cent and 3.37 per cent, respectively. Meanwhile, the benchmark three-month interbank rate stood at 3.74 per cent.

KLCI Futures Expected To Trade Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected to be on an uptrend next week, tracking the performance of the underlying cash market. Inter-Pacific Securities Sdn Bhd Head of Research Pong Teng Siew said one of the factors which would keep the FTSE Bursa Malaysia KLCI (FBM KLCI) supported is the prospect of new stimulus measures in Europe. "European Central Bank President Mario Draghi's comments on bolstering its bond-buying programme gave fresh hope of funds inflow into emerging markets, including Malaysia," he told Bernama. On a week-to-week basis, October 2015 rose four points to 1,714, November 2015 and March 2016 added 0.5 point each to 1,706.5 and 1,675.5 respectively while December 2015 decreased 26 points to 1,674. Weekly turnover for the week expanded to 40,034 lots from 33,803 lots last Friday, interest was higher at 48,189 contracts from 43,892 contracts previously.

CPO To Trade Between RM2,150 And RM2,300 A Tonne

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are expected to trade between RM2,150 and RM2,300 a tonne next week on speculative buying. Interband Group of Companies senior palm oil trader Jim Teh told Bernama that the CPO futures will also be impacted by the movement of the ringgit. "Demand for palm oil is expected to be lower next week, as India, the second largest buyer for the commodity, has stocked up for the Deepavali festive season. "However, we expect that it will pick up beginning November," said Teh. On a weekly basis, November 2015 added RM16 to RM2,251 a tonne, December 2015 rose RM21 to RM2,290 a tonne, January 2016 went up RM26 to RM2,328 a tonne, and February 2016 gained RM29 to RM2,358 a tonne. Weekly turnover rose to 230,056 lots from 182,136 lots last week while open interest fell to 219,771 contracts from 233,593 contracts previously. On the physical market, November South jumped RM40 to RM2,250 per tonne.

Rubber Market To Trade Cautiously Next Week

By Rosemarie Khoo

KUALA LUMPUR -- The Malaysian rubber market is expected to trade cautiously next week as traders digest the new incentives announced in the 2016 budget to support rubber smallholders income and increase production. The move included improving the Rubber Production Incentive which is expected to raise the income of 300,000 rubber smallholders. "We hope the recent meeting of the Association of Natural Rubber Producing Countries in Cambodia would provide a clear direction over the recent announcement by the Thai government to end price subsidy. "We expect a collective decision to ensure our smallholders' interest," he told Bernama. On Wednesday, the Thai government said price subsidy for rubber will be halted and that 180,000 tonnes of rubber would be released from the stockpile if prices are reasonable. On a weekly basis, the local market was traded mostly mixed with the Malaysian Rubber Board's noon price for tyre-grade SMR 20 up 2.5 sen to 527 sen a kg while latex-in-bulk eased nine sen to 399 sen a kg. The 5pm unofficial closing price for SMR 20 fell half-a-sen to 524 sen a kg while latex-in-bulk slipped nine sen to end the week at 398 sen a kg.

KLIBOR Futures Likely To Remain Quiet

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is expected to remain quiet next week on lack of market direction. For the week just-ended, the market was quiet in nil trading. Open interest remained flat at 590 contracts. On a week-to-week basis, October 2015 ended at 96.26, November 2015, December 2015 and March 2016 were flat at 96.24, 96.20 and 96.17, respectively. The underlying three-month KLIBOR remained unchanged and stood at 3.74 per cent.

Bargain Hunting Likely To Support Next Week's Tin Prices

KUALA LUMPUR -- Bargain hunting might support falling tin prices on the Kuala Lumpur Tin Market (KLTM) next week which is expected to hover around US$16,200 per tonne, dealers said. The market was lower this week following poor support amidst weaker tin prices on the London Metal Exchange (LME). For the week just ended, the KLTM moved between US$15,950 and US$16,050 per tonne, mostly influenced by European buying support. Turnover added to 195 tonnes from 192 tonnes last week with European, Japanese and local buyers dominating trading. The price differential between the KLTM and LME narrowed to a premium of US$300 per tonne from US$375 per tonne last Friday.

Gold Futures Expected To Trend Lower

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to trade lower next week, influenced by lower demand amid weaker sentiment, dealers said. A dealer said the precious metal would likely trend downwards after the People's Bank of China cut interest rates for the sixth time since November in an attempt to boost the economy. Another dealer said the expectations of the first rate hike in almost a decade by the US Federal Reserve also influenced the market as it would reduce the appeal of the precious metal as a safe-haven investment. On a Friday-to-Friday basis, October 2015 rose 47 ticks to RM159.25 while November 2015 was up 48 ticks to close at RM160.00 a gramme. December 2015 and January 2016 improved 46 ticks each to RM160.60 and RM161.10 a gramme, respectively. Weekly turnover totalled 205 lots worth RM3.28 million from 88 lots worth RM1.38 million last week. Open interest on Friday was down to 797 contracts from 862 contracts previously.