BERNAMA
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WEEKLY BUSINESS ROUNDUP 21 - 23 DECEMBER 2015

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This Week's Highlight :

Shipping Industry Awaits 'Winds Of Change' In 2016

OPTIMISTIC...Malaysia's shipping industry expects increase in seaborne trade fotoBERNAMA

By Harizah Hanim Mohamed

KUALA LUMPUR -- Having taken the brunt of the global economic slowdown this year, Malaysia's shipping industry is clamouring for the "winds of change" in 2016, anticipating an increase in seaborne trade. "The outlook across the globe for the shipping industry is uneven", Westports Holdings Bhd Chief Executive Officer (CEO) Ruben Emir Gnanalingam Abdullah said. While some countries and regions recently experienced economic headwinds, others have sustained positive momentum, he added. Hence, Westports is working closely with its clients to ensure they can maximise on the sectoral growth "tailwind", he told Bernama.

This Week's Top Stories

Monday

Johor Proposes Friendship City With Jogjakarta

From Suhainie Mohd Khalid

JOGJAKARTA -- The Johor government has proposed that Johor Baharu and Jogjakarta become friendship cities to help boost tourism and investment between them. Johor Tourism, Trade and Consumerism Committee chairman Datuk Tee Siew Kiong said Monday, the four weekly flights between Johor Baharu and Jogjakarta by AirAsia would be a catalyst for the success of the friendship city concept in enhancing cooperation between the two regions.

Tuesday

Gas Tariff Up 17.11 Pct For Non-Power Sector

KUALA LUMPUR -- The government Tuesday revised upwards the natural gas tariff for the non-power sector in Peninsular Malaysia, but there will be no change in the selling price for residential customers, said Gas Malaysia Bhd. The average gas tariff, which takes effect on Jan 1, will be revised by 17.11 per cent from RM21.80/MMBtu to RM25.53/MMBtu.

Wednesday

No Changes To TPPA Final Text - Mustapa

KUALA LUMPUR -- No changes will be made to the final text of the Trans-Pacific Partnership Agreement (TPPA) and Malaysia's participation will be solely decided by Parliament. Minister of International Trade and Industry (MITI) Datuk Seri Mustapa Mohamed said Wednesday, if Malaysia wanted to make changes to the final text, it would take a longer time to determine the country's decision on TPPA.

SMEbrief

GCH Looking Forward To Helping Sarawak SMEs

KUCHING -- GCH Retail (Malaysia) Sdn Bhd, which operates the Giant hypermarket chain, is looking forward to offering small and medium businesses in Sarawak the opportunity to expand their market not only in the country but also throughout Asia.
Regional Director Datuk Tim Ashdown said with 147 stores all over the country under the banners of Giant, Cold Storage, Mercato and Jason Foothall, GCH offers great logistics facilities for ambitious business-people here to market their products further.

Mara Digital Mall At Planning Stage - Ismail Sabri

SHAH ALAM -- The rural and regional development ministry is still in the midst of having discussions on its proposed plan to have a Mara Digital Mall at the Anggerik Mall shopping centre here. Minister, Datuk Seri Ismail Sabri Yaakob said Monday, this was because the space available at the mall to accommodate retail space for gadgets and mobile phones was quite limited.

Take Advantage Of PH Scheme, Companies Urged

KUALA LUMPUR -- Local conglomerates and multinational corporations (MNCs) using Malaysia as a base for their regional and global businesses, have been urged to take advantage of the many benefits of the Principal Hub (PH) scheme. Malaysian Investment Development Authority (MIDA) Chief Executive Officer Datuk Azman Mahmud said Monday, with Malaysia as the optimal location for their PH, conglomerates and MNCs would have greater flexibility in serving their network companies catering to the Asia Pacific region and global markets.

MATRADE To Assist 30 Companies Expand To Japan

KUALA LUMPUR -- Malaysia External Trade Development Corporation (MATRADE) is assisting 30 local companies to expand their business into Japan next year through its collaboration with AEON Co (M) Bhd. Its Chief Executive Officer, Datuk Dzulkifli Mahmud said Monday, Matrade would tap into AEON's platform as a major retailer in Japan to market Malaysian halal products and services in the country.

Mydin To Focus On Expanding Business Domestically

By Harizah Hanim Mohamed

KUALA LUMPUR -- Mydin Mohamed Holdings Bhd will focus on strengthening its retail chain in the domestic market rather than pushing the brand overseas, said Managing Director Datuk Ameer Ali Mydin. "It is very important for us to build strong pillars in our own country first before venturing into overseas market, because when you go there, you need to compete with somebody else and Mydin has not grown big enough in Malaysia to open overseas," he told Bernama.

PropUP

Property*update*

MRCB Eyes Property Devt Expansion Into Indonesia, Thailand

KUALA LUMPUR -- Construction and property development company Malaysian Resources Corporation Bhd (MRCB) aims to expand its property development business into Indonesia and Thailand. Its Executive Director, Mohd Imran Mohamad Salim said Monday, MRCB plans to expand regionally and in the midst of studying the two markets.

YNH Property Unit Signs MoU To Develop KL Land

KUALA LUMPUR -- YNH Property Bhd's wholly-owned subsidiary, Kar Sin Bhd, has signed a memorandum of understanding (MoU) with Ruby Premium Sdn Bhd to develop three pieces of land in Kuala Lumpur. In a filing to Bursa Malaysia Monday, YNH Property said a building and renovation contract agreement would be inked by Kar Sin and Ruby Premium, and fulfilled within a year commencing from the date of the MoU signing.

PNB, Rahim & Co Form Strategic Partnership

KUALA LUMPUR -- Permodalan Nasional Bhd (PNB) and Rahim & Co International Sdn Bhd (Rahim & Co) have formed a strategic partnership after the completion of the acquisition of a 49 per cent stake by PNB in Rahim & Co. In a joint statement Monda, the parties said the strategic partnership will further enhance PNB's property management activities, given Rahim & Co's established research capabilities.

LTKM Disposes Klang Land For RM26 Million

KUALA LUMPUR -- LTKM Bhd's unit, Lumi Jaya Sdn Bhd, has disposed a 2.13 hectare industrial land in Kapar, Klang, for RM26 million to JM Asiajaya Sdn Bhd. In a filing to Bursa Malaysia Tuesday, LTKM said the proposed disposal would allow the group to unlock the potential value of the land and generate cash.

Yong Tai Eyes Land Acquisition To Maintain Growth

MELAKA -- Yong Tai Bhd will continue to grow its property development business segment by seeking opportunities to acquire more land with good prospects, said Chairman Datuk Amil@Amir Junus. He said the company has entered into five Memorandums of Understanding (MoUs) -- with PTS Impression Sdn Bhd; Yuten Development Sdn Bhd; Terrawest Resources Sdn Bhd; Land & Build Sdn Bhd; and Admiral City Sdn Bhd -- on several proposals.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 551

Losers - 331

Not Traded - 556

Unchanged - 330

Value - 1634979135

Volume - 16307566

BURSA Extends Tuesday's Gains To End Higher

By Zarul Effendi Razali

KUALA LUMPUR -- Bursa Malaysia extended Tuesday's gains to close higher on Wednesday, on continued buying support mostly in plantation and palm oil counters.

The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) jumped 20.25 points to end at an intra-day high of 1,663.51 after hitting a low of 1,641.14 in the morning session.

Inter-Pacific Research Sdn Bhd Head of Research Pong Teng Siew said Tuesday's local benchmark index was supported by several factors, including the bargain hunting and positive overseas sentiment.

"The market was recovering from earlier losses (on Friday and Monday), as investors began their "year-end window dressing", coupled with the slight recovery in oil prices," he told Bernama.

Another dealer said that European and Asian stock markets continued to climb in the run-up to Christmas due to a positive lead from Wall Street and an uptick in oil prices.

The US Federal Reserve has finally increased its interest rates while lower regional production data released recently had triggered the crude palm oil prices.

Market breadth was positive as advancers outpaced decliners by 551 to 331, while 330 counters were unchanged, 556 untraded and 12 others suspended.

Total volume rose to 1.63 billion shares worth RM1.63 billion from 1.62 billion shares worth RM1.58 billion on Tuesday.

The local bourse will be closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays.

Main Market volume advanced to 1.08 billion units worth RM1.52 billion from 1.05 billion units worth RM1.45 billion on Tuesday.

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Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.3070	4.3136
EUR	4.7024	4.7100
GBP	6.3890	6.3997
100 YEN	3.5589	3.5647
SGD	3.0609	3.0660

Source: Bank Negara Malaysia

FOREX: Ringgit Ends Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Wednesday due to weaker demand on concerns over the release of unfavourable economic data, coupled with the bearish outlook for global oil prices.

At 5 pm, the local unit was quoted at 4.3070/3136 against the greenback from 4.2980/3030 recorded Tuesday.

The Statistics Department Wednesday announced that Malaysia's Consumer Price Index, used to gauge inflation, was 2.6 per cent higher year-on-year in November 2015 at 114.8.

A dealer said this sparked investor concerns as the general outlook for oil remained bearish, as global production remained high, putting pressure on the country's oil and gas revenue.

Meanwhile, the local unit was mostly down against other major currencies.

It declined against the Singapore dollar to 3.0609/0660 from 3.0602/0657 Tuesday and was lower against the yen at 3.5589/5647 from 3.5521/5568 on Tuesday.

The ringgit weakened against the euro to 4.7024/7100 from 4.6921/6980 on Tuesday.

It, however, appreciated against the British pound to 6.3890/3997 from 6.4019/4106 Tuesday.

The local market would be closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.

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Money-Market: Short-Term Interbank Rates End On Steady Note

KUALA LUMPUR -- Short-term interbank rates ended on a steady note Wednesday on Bank Negara Malaysia (BNM)'s intervention to absorb excess liquidity from the financial system.

The liquidity surplus in the conventional system eased to RM38.48 billion from RM49.29 billion earlier while in the Islamic system, it fell to RM8.98 billion from RM18.22 billion.

In the morning, BNM called for five tenders comprising two conventional money market, a Qard, a commodity murabahah programme and a repo. The central bank conducted a late conventional overnight tender for RM34.5 billion and a RM9 billion Qard, both for five-day money.

The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates were pegged at 3.30 per cent, 3.35 per cent and 3.39 per cent, respectively.

The local market will be closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.

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KLIBOR Futures Contracts End Untraded For Third Day

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives ended untraded for the third consecutive day this week.

At the close, January 2016, February 2016, March 2016 and April 2016 were pegged at 96.18, 96.17, 96.16 and 96.13, respectively.

Open interest stood at 120 contracts. Meanwhile, from the 11 am fixing, the underlying three-month KLIBOR stood at 3.84 per cent.

Bursa Malaysia and its derivatives would be closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.

KLCI Futures Contracts Close On Firm Note

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives closed higher Wednesday in line with the better underlying cash market.

Spot month December 2015 gained 22 points to 1,664, March 2016 rose 23.5 points to 1,661, January 2016 added 21 points to 1,644.5 while June 2016 was 20.5 points higher at 1,626.

Turnover rose to 22,357 lots from 8,623 lots on Tuesday while open interest was higher at 78,716 contracts from 54,898 contracts previously.

At 5 pm, the benchmark FBM KLCI closed at 1,663.51, up 20.25 points.

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Etiqa Ramps Up Efforts To Simplify Flood Claims Process

KUALA LUMPUR -- Etiqa Insurance and Takaful have geared up to extend fast track claims process to flood claimants with the deployment of mobile Flood Claims Assist truck to assist affected customers. In a joint statement here Monday, Etiqa Insurance Bhd and Etiqa Takaful Bhd said the truck would also distribute flood emergency kit, such as waterproof document bag, backpack, first aid kit, multipurpose pocket knife, poncho, multipurpose towel and torchlight. Head of Claim Management Muhammad Azlan Noor Che Mat said Etiqa also collaborated with a panel of adjusters on the East Coast to expedite the claims process beginning from notification through to settlement stage.

Maybank IB Voted 'Best Brokerage House In Malaysia'

KUALA LUMPUR -- Maybank Investment Bank (Maybank IB) has been voted the Best Brokerage House in Malaysia by fund managers across the world in Asiamoney's Brokers Poll 2015. The Asiamoney's Brokers Poll is Asia's largest and most recognised annual equities poll for institutional research and brokerage. In a statement here Monday, the investment bank, known globally as Maybank Kim Eng, said it was also given other recognitions, including the 'Best Overall Country Research' and 'Best Macroeconomic Research for Malaysia'.

QBE Insurance Opens 15th Branch In Kuala Lumpur

KUALA LUMPUR -- QBE Insurance (Malaysia) Bhd has expanded its network nationwide with the opening of its 15th branch in the city centre here Monday. QBE Insurance Chief Executive Officer Leo Zanolini said the new office would allow the company to capture more of the surging insurance business opportunities offered by the Economic Transformation Programme. "We have a deep understanding of the local market. Our specialist expertise and professional services allow us to ensure that our customers are adequately covered," he said in a statement. Despite the highly competitive regional and local insurance pricing environment in 2015, QBE Insurance is ranked number one in engineering insurance.

OCBC Al-Amin To Raise Bar In Islamic Banking With New Sibu Branch

KUALA LUMPUR -- OCBC Al-Amin Bank Bhd (OCBC Al-Amin) is looking to raise the bar in Islamic banking with the opening of its branch in Sibu, Sarawak, Tuesday. In a statement, Chief Executive Officer Syed Abdull Aziz Syed Kechik said the branch focus in Islamic banking products and services is for the high net worth segment in the region. "The expansion into Sabah and Sarawak has been a key part of our overall Islamic banking network-building strategy from the start. "With the opening of the first Islamic premier banking centre in east Malaysia today, we continue to expect further growth in terms of our premier banking offerings. We see Sibu as key to reaching the surrounding markets here in Sarawak," he said.

AmGeneral To Assist Chiang Mai Bus Crash Victims

KUALA LUMPUR -- AmGeneral Insurance Bhd is ready to assist its customers and their families who were affected by the tragic bus crash in Chiang Mai, Thailand. Southern Region Vice-President Ang Teck Boh said AmGeneral Insurance was working with its agent and authorities there to identify the next-of-kin in relation to the relevant insurance claims. "We are aware that some of our customers were on board the bus and their families have been directly impacted by this tragedy. "We urge the family of the victims to contact our branch in Batu Pahat or our claims contact centres for immediate assistance," Ang said in a statement here Tuesday.

ABF M'sia Bond Index Fund Proposes Increase In Fund Size

KUALA LUMPUR -- ABF Malaysia Bond Index Fund, a fixed-income fund, today submitted a proposal to the Securities Commission to increase its approved fund size from 1.5 billion units to 2.25 billion units, according to a Bursa Malaysia filing. The fund was set up with the objective of offering investors an index-based approach to invest in a portfolio of ringgit-denominated government and quasi-government debt securities.

No Decision On Using EPF To Settle Credit Card Debts

KUALA LUMPUR -- The government has yet to decide on allowing contributors to withdraw Employees Provident Fund (EPF) savings to settle their credit card debts, the Dewan Negara was told Tuesday. Finance Deputy Minister Datuk Chua Tee Yong said the principle of EPF as a social security organisation was to provide retirement savings for members. "A contribution in EPF Account 2, which is in pre-retirement category can be withdrawn only for specific purposes such as health, housing and education. "If there is demand to withdraw EPF savings for another purpose, we are worried it will effect a sufficient amount (of the fund) for their retirement," he said.

CIMA, AICPA Develop Tool For Corporate Ethics Policy Implementation

KUALA LUMPUR -- The Chartered Institute of Management Accountants (CIMA) and the American Institute of CPAs (AICPA) have developed a tool to help businesses implement an effective corporate ethics policy. "In the aftermath of the financial crisis, there has been a dramatic increase in transparency, government regulation and public scrutiny. "This all points to the need for organisations to embed ethical considerations into strategy and performance measurements," CIMA said in a statement here Monday. The institute said businesses that want to succeed in the long term have to reflect upon ethical challenges in their own operations. The ethics tool is available at http://www.cgma.org/Resources/Reports/.

Axiata Expands Regional Footprint With Acquisition Of Nepal's Ncell

KUALA LUMPUR -- Axiata Group Bhd is expanding its regional footprint and entry into the Nepal market through the acquisition of the country's number one mobile operator, Ncell Private Ltd. Axiata has proposed to acquire a 100 per cent stake in Reynolds Holdings Ltd from TeliaSonera UTA Holdings B.V. and SEA Telecom Investments B.V. for US$1.37 billion or RM 5.88 billion. "(The acquisition of Reynolds) effectively secures Axiata an 80 per cent equity interest and controlling stake in Ncell," the company said in a statement here Monday. Axiata said the acquisition is in line with its expansion strategy and meets its merger and acquisition criteria such as brownfield investment, management control, growth market and attractive valuation. Nepal is also a healthy, growing market while Ncell is an attractive valuation as the country's number one player, it said.

GB Asiatic, CMEC To Undertake RM9.2 Bln Projects With AJ Phama, PT Sriwijaya

KUALA LUMPUR -- GB Asiatic Ventures Sdn Bhd has partnered with China Machinery Engineering Corp (CMEC) to sign two memorandums of developments with AJ Pharma Holding Sdn Bhd and PT Sriwijaya Utama Energy to undertake projects worth RM9.2 billion. GB Asiatic's Chief Executive Officer, Datuk Wong Kong Choong, said the projects involved building the world's first halal vaccine and pharmaceutical plant for AJ Pharma with gross development value (GDV) of RM330 million in Bandar Enstek, Negeri Sembilan and two coal-fired power plants in south Sumatra, Indonesia with PT Sriwijaya worth around RM8.82 billion. CMEC, one of the top ten infrastructure contractors in the world, is China's state-owned company. It has exclusive strategic partnership with GB Asiatic in bringing into Malaysia and Asia-Pacific world infrastructure, construction technology with financing of up to 85 per cent on gross development cost.

KKB Bags Two Fabrication Contracts Worth About RM31.8 Mln

KUALA LUMPUR -- KKB Engineering Bhd has secured two fabrication contracts worth about RM31.8 million. In a filing to Bursa Malaysia Monday, the company said the first contract, from Auxicorp Construction and Engineering Sdn Bhd, is for the fabrication and supply of steel pipes in Kuching, Sarawak. The second contract is from Petron Malaysia Refining and Marketing Bhd for the fabrication, supply and delivery of new Petron cylinders. "The completion date for Auxicorp is scheduled within the third quarter of 2016 and for Petron within the fourth quarter of 2016," it said, adding that both contracts are expected to contribute positively to the earnings and net assets of the KKB Group for the financial year ending Dec 31, 2016.

SKB Shutters Eyes Better Growth Driven By Insulated Fire Shutters

GEORGE TOWN -- SKB Shutters Corporation Bhd, a Malaysian-based roller shutter and steel door manufacturer, is eyeing better growth in the next two years driven by its new range of Insulated Fire Shutters. Group Executive Director Michelle Sin Siew Huey said the group is now promoting the products, which have just been approved for use in Malaysia, to the relevant authorities in the building safety compliance sector. "We are expecting new orders to come in by end-2016," she told reporters here Monday.

BLand Q2 Pre-Tax Profit Surges To RM310.09 Mln

KUALA LUMPUR -- Berjaya Land Bhd's (BLand) pre-tax profit for the second quarter (Q2) ended Oct 31, 2015 surged to RM310.09 million from RM122.42 million in the same period a year ago. Revenue increased to RM1.62 billion from RM1.41 billion previously, it said in a filing to Bursa Malaysia Monday. "The higher group revenue was mainly due to strong sales of the 4D Jackpot games recorded by the gaming business operated by Berjaya Sports Toto Bhd's (BToto) principal unit, Sports Toto Malaysia Sdn Bhd," it said. It said another factor was the higher group revenue from H.R. Owen plc's having additional outlets which was further enhanced by favourable foreign exchange rate. Another reason was the higher progress billings reported by the property development and investment business, it said.

SapuraKencana Reports Lower Profit For Q3

KUALA LUMPUR -- SapuraKencana Petroleum Bhd reported a pre-tax profit of RM198.022 million for the third quarter (Q3) ended Oct 31, 2015, down 51.8 per cent from RM410.98 million in the same period last year. The lower profit was due to provisions for impairment on property, plant and equipment and oil and gas (O&G) properties of RM317.3 million, combined with lower profit contribution from the energy division, it said in a filing to Bursa Malaysia. However, excluding the provisions, the group's PBT stood at RM463 million. Meanwhile, group revenue grew 19.9 per cent to RM2.89 billion against RM2.41 billion previously, primarily attributable to higher revenue recorded by the engineering and construction (E&C) division. SapuraKencana said the increase in revenue was driven mainly by newly-executed international projects in the current quarter and the current financial period, combined with higher scope of works for domestic projects.

Mudajaya Bags RM220 Mln Rapid Project

KUALA LUMPUR -- Mudajaya Corporation Bhd has bagged a contract to provide utilities, interconnecting, offsite facilities: engineering, procurement, construction and commissioning of warehouses and workshops the Refinery and Petrochemical Integrated Development Project (RAPID) worth RM220 million. In a filing to Bursa Malaysia here Tuesday, the parent company, Mudajaya Group Bhd said the contract was awarded to Mudajaya by Petronas' unit, PRPC Utilities and Facilities Sdn Bhd. "The contract is targeted to be fully completed by January 2018 with a construction period of 25 months from the date of the contract," it added.

Rayani Air Sets 10 Years To Capitalise Umrah, Haj Pilgrimage Mart
LANGKAWI -- Rayani Air, the first Shariah-compliant airline in Malaysia, is setting a 10-year target to establish a network to capitalise on the umrah and haj pilgrimage market, says Managing Director Jaafar Zamhari. For a start, the airline, which just received approval from the Department of Civil Aviation to begin operations, is taking "small steps" to fulfil the requirements set under Islamic law in their operations before executing more plans within the next few years. "We will continue to work together with the authorities towards refining our steps from time to time but our ultimate intention will be to capitalise on the (umrah and haj) markets," he told reporters after arriving on Rayani Air's maiden flight from Kuala Lumpur to Langkawi International Airport (KIA).

Rayani Air Will Spur Tourism Sector, Economy In Kelantan
KOTA BAHARU -- Malaysia's first Shariah-compliant airline, Rayani Air, which started its maiden flight from Kuala Lumpur to Kota Baharu Sunday, will spur development in the tourism sector and economy in Kelantan. State Culture, Tourism and Heritage Committee Chairman Datuk Mohd Anizam Abdul Rahman told reporters here Sunday, the flight services offered by the company would also further stimulate the flight services at the Sultan Ismail Petra Airport in Pengkalan Chepa here, which currently provides 44 times daily flights. "We hope the existence of the Shariah-compliant airline would benefit the community in Kelantan and spur the growth of the tourism sector and economy in the state," he said.

DRB-Hicom, Minority Shareholders To Dispose Of 100 Pct Stake In Corwin
KUALA LUMPUR -- DRB-Hicom Bhd and another two minority shareholders have proposed to dispose the entire equity interest in Corwin Holding Pte Ltd to Evolutyon Real Estate Investment Holding Pte Ltd. The SG$317 million (RM960.95 million) disposal, involved DRB-HICOM's indirect wholly-owned subsidiary, HICOM Megah and minority shareholders -- Mohamed Mustafa & Samsuddin Co Pte Ltd and B.I. Distributors Pte Ltd. "The proposed disposal allows the DRB-HICOM Group to unlock the value of its investment in Corwin based on the current market value of the property," said DRB-Hicom in a filing to Bursa Malaysia Monday. Upon completion, Corwin would cease to be an indirect 90 per cent-owned subsidiary of DRB-HICOM.

M'sia's Tourism Industry Urged To Adopt New Tech To Attract Tourists
KUALA LUMPUR -- Malaysia's tourism industry needs to adopt new technology to attract tourists, an integrated amusement park solutions and services provider said. London Stock Exchange-listed Galasys PLC said as consumers get savvier, the tourism industry needs to leverage on new technology to revamp the traditional approaches to attract tourists. "There is a marked rise in the investment in digital channels and computerisation amongst Asian theme park operators. However, on the Malaysian front, investments have been rather slow due to the new Goods and Services Tax and weaker currency," the Malaysia-based company said in a statement Tuesday. According to Tourism Malaysia, tourist numbers dropped 9.4 per cent between January to June this year, with 12.56 million foreign visitors recorded during this period as compared to 13.87 million in the same tenure of 2014.

MITI Studying To Set Up SPV To Import Hot-Rolled Coils
KUALA LUMPUR -- The Ministry of International Trade and Industry (MITI) is contemplating a study to establish a special purpose vehicle to import hot-rolled coils (HRCs) and downstream products into the country. Its Minister, Datuk Seri Mustapa Mohamed, said the matter was still being considered after several rounds of discussions with relevant parties. "We have to first consult stakeholders and relevant authorities. This is important as we need their support. "However, the matter has yet to be raised at the higher level as it's still being studied by MITI," he told reporters here Tuesday.

M'sia's Nov Online Hiring Drops 31 Pct Y-O-Y
KUALA LUMPUR -- Online hiring in Malaysia across all industries and job functions declined by 31 per cent between November 2014 and November 2015, with not a single industry sector witnessing positive year-over-year (y-o-y) growth, according to the Monster Employment Index. The oil and gas industry (O&G) performed the worst, with a 40 per cent y-o-y decline in online hiring activities, while the production/manufacturing, automotive and ancillary sectors recorded the least decline of 10 per cent, it said in a statement Tuesday. However, the O&G sector's three-month growth trend showed the most notable growth in the last three months, it said.

M'sia Airlines To Use Airpas Aviation's Cost Mgmt Solution
KUALA LUMPUR -- Malaysia Airlines Bhd (MAB) has announced its long-term relationship with Germany's Airpas Aviation whereby it will use the latter's unique cost management solution by controlling and cutting its direct operating costs (DOCs). Malaysia Airlines chief executive officer (CEO) Christoph Müller said that Airpas would support MAB on its way back to profitability by streamlining processes, enabling centralised control of the carrier's contracts, budget and debit and by cutting overspends significantly. "Furthermore, MAB will use the Airpas solution to change internal processes from station management all the way to procurement and finance," Müller said in a statement here Tuesday.

Azman Mokhtar To Lead Khazanah Until May 2019

KUALA LUMPUR -- Khazanah Nasional Bhd has renewed the employment contract of its Managing Director Tan Sri Azman Mokhtar for another three-year term effective June 1, 2016 to May 31, 2019. Azman, 54, assumed his current position on June 1, 2004, said Khazanah, the strategic investment fund of the government, in a statement. It is entrusted to hold and manage the commercial assets of the government and to undertake strategic investments. The strategic investment fund is involved in various sectors such as power, telecommunications, financial institutions, healthcare, aviation, infrastructure, leisure and tourism, property, creative and media, education, as well as innovation and technology.

Mobile App Identifies Genuine Bird's Nest Products

CYBERJAYA -- Malaysian bird's nest products exported to Guangdong in China can now be scanned to determine their origin, manufacture date, laboratory test and Royal Malaysian Customs clearance using a mobile phone application. Track and trace solutions provider SMTrack Bhd Vice President, Winsen Tan, said today that China has imposed a mandatory traceability policy on bird's nest products. "The policy will be enforced on other exported food products soon and a scanning facility using a mobile phone application is useful to consumers in China, to check if any food product is unsafe for consumption. "Customers can scan a product they are about to buy to find out if it is contaminated, and will receive an alert on their mobile phone when they scan the barcode of the product," Tan told reporters here Monday.

Firefly Inks Codeshare Partnership With MAB

KUALA LUMPUR -- Firefly Airlines has inked a codeshare partnership with Malaysia Airlines Bhd (MAB), beginning with three destinations on the airline's route network from Kuala Lumpur International Airport (KLIA). In a statement, Firefly said the partnership would take effect from Dec 22, 2015, and would allow customers to book routes to Kota Kinabalu, Kuching and Penang via any Firely ticket booking platforms. "We have no doubts that the offering of the ability to book flights to East Malaysia will be a boom to our loyal customers. "With the launch of these initial routes, Firefly will gradually increase the number of codeshare routes with MAB in 2016," said Firely Chief Executive Officer Ignatius Ong here Monday.

AmBank Organises Back To School Charity Programme

KUALA LUMPUR -- AmBank Group through its sports club, Kelab AmBank Group (KAG), has organised a 'Back To School Charity Programme' for four charity homes in Klang Valley. The charity programme is the group's platform for its Corporate Social Responsibility (CSR) initiatives and is focused on reaching out to the community. "On Nov 30, we took 110 children from Rumah Kebajikan Nur Hati, House of Joy, City Revival Children's Home and Praise Emmanuel Children's Home on a shopping spree. "We brought the children, aged three to 16 years old, to Mydin Wholesale Hypermarket where we bought for them school necessities and clothing," said Ambank in a statement here Tuesday.

Nokia Appoints Bouverot Head Of Asia South

KUALA LUMPUR -- Nokia has appointed Nicholas Bouverot, currently Head of Japan at Alcatel-Lucent, as Head of Asia South, as part of the planned combination of Nokia and Alcatel-Lucent. In a statement here Tuesday, Nokia said, Bouverot will manage and oversee the combined company's customer operations across Asia South which included Bangladesh, Brunei, Malaysia, Maldives, Philippines, Singapore and Sri Lanka. "Bouverot will implement the execution of strategy and enhance the business relationship with customers, supported by the strategic focus on innovation and quality," it said.

Pos Malaysia Launches Sabah Train Stamp Collection

KUALA LUMPUR -- Pos Malaysia Bhd will be releasing 430,000 new stamps on Dec 28 featuring four renowned trains in Sabah -- the Hitachi Diesel Hydraulic Locomotive, Railbus, Diesel Multiple Unit (DMC) and Vulcan Steam Locomotive. Of the total, 200,000 stamps are of the Hitachi locomotive (60 sen), followed by 100,000 stamps each of Railbus (70 sen) and DMC (80 sen), and 30,000 Vulcan locomotive (RM5) stamps. Head of Stamp and Philately Unit Diyana Lean Abdullah said the postal service provider expects the stamp collection to be sold out immediately just like the previous collection on traditional clothes. "Although the philatelic products are categorised under the retail segment, their contribution to group revenue is very small," she said.

Auto Sector Must Ramp Up Competitiveness Amid Soft Demand

By Azizul Ahmad

MARKET LEADER...Perodua president Datuk Aminar Rashid Salleh is confident of achieving target sales. fotoBERNAMA

KUALA LUMPUR (Bernama) – The auto industry that somewhat skidded this year on weak consumer sentiment and the ringgit, needs to gear up for a more challenging open market as a result of various trade agreements still on the table.

It was certainly a bumpy ride for the industry, with Total Industry Volume (TIV) for the first nine months of this year dropping by 1.4 per cent or 6,934 units to 485,388 units, compared to the same period last year.

Sales were lower from April to June 2015 on implementation of the Goods and Services Tax (GST), with most auto companies reportedly struggling to clear inventories in the face of weak consumer sentiment and tighter loan approvals that dampened sales.

The four-wheel drive (4WD or 4x4) and sports utility vehicle (SUV) segment was the year's savior for the auto sector and helped the industry cruise ahead into 2016 with a dramatic increase in TIV.

Data from the Malaysian Automotive Association (MAA) showed that although the TIV for the first nine months of this year had eased, the 4WD/SUV segment showed a dramatic increase of 72.8 per cent or 17,371 units.

AGGRESSIVE MARKETING

Aggressive marketing efforts by the respective motor companies could be a key reason for the segment's dramatic performance against the backdrop of an overall cautious market scenario, said the MAA.

Meantime, the TIV in October rebounded 9.1 per cent month-on-month and 2.9 per cent year-on-year by 55,700 units. But, with an accumulative volume of only 541,000 units, it is likely that the industry's target of 670,000 will be missed.

The top market share leader in the passenger car category in October was still maintained by Perodua with its 35 per cent dominance, followed by Honda (17 per cent), Proton (16 per cent), and Toyota (13 per cent).

Perodua president Datuk Aminar Rashid Salleh said the company was confident of achieving its sales target of 208,000 units this year, continuing to be the most preferred automobile brand in Malaysia for the 10th consecutive year.

On research and development, Proton in the final quarter of 2015, had claimed that its focus on hybrid and electric vehicles (EV) had enabled the national carmaker to develop an ordinary car with an electric motor that could travel 313 km per charge and this record has not been achieved by other similar carmakers.

CHALLENGING OUTLOOK

The project is still in its prototype stage and Proton is unwilling to disclose more, but according to people familiar with the matter, an EV or hybrid vehicle on a Preve or Iriz model chassis could be officially introduced by end-2016 or early 2017.

As for 2016, the outlook is still challenging for the automotive sector with stiff competition, while the unfavourable exchange rate will continue to have a large impact on the cost of imported materials that will subsequently squeeze the profit margins of auto companies with a lower localisation rate.

Worse still, a few companies have already announced a rise in prices effective 2016, including Toyota and Lexus, at an indicative 4-16 per cent increase, Honda by 2-3 per cent and Mitsubishi (2-7 per cent).

Proton is also mulling a price increase from January 2016 but has not specified the quantum.

On a positive note for consumers, the impact of various trade agreements that Malaysia is part of - including the Trans-Pacific Partnership Agreement (TPPA) - are expected to bring out the competitiveness of industry players in the future. This will benefit buyers.

Besides the price of crude oil which is expected to stay at low levels and translate to lower pump prices, consumers can look forward to a further drop in car and motorcycle prices in the coming years due to the impact of trade agreements, as open market policies promote competitiveness leading to improved pricing.

For instance, if the TPPA is signed, import duties on completely built-up units from the United States will be set at zero.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA: KL Shares To Continue Upward Momentum

By Zarul Effendi Razali

KUALA LUMPUR -- Bursa Malaysia is likely to continue its upward momentum next week, with bargain hunting expected to push up the local index. Affin Hwang Investment Bank Vice-President/Head of Retail Research Datuk Dr Nazri Khan Adam Khan said investors are expected to begin their pre-new year shopping in the last week of 2015.

“December and January are usually the seasonal buying months for stock market investors. With the oil prices starting to rebound, we expect some early buying for next year,” he told Bernama.

He said he expects the local bourse to trade at between 1,660 and 1,680 points next week.

The sentiment would also be supported by the US Federal Reserve’s decision to finally increase its interest rates, which has resolved uncertainty among investors, giving them a clearer investment direction.

“Also, investors are eagerly awaiting the China stimulus package early in January, which is expected to be in a positive way,” he added.

The world’s second-largest economy recently concluded its annual planning meeting, pledging to be more proactive and flexible in using fiscal and monetary policy to keep growth in a “proper range”. Back home, Nazri said the movement of the ringgit moving forward and the Trans-Pacific Partnership (TPP) are expected to be the key drivers for the FBM KLCI’s performance.

“The ringgit should go up as commodity prices rebound,” he added.

The market was closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays.

On a weekly basis, the key benchmark FTSE Bursa Malaysia (FBM KLCI) finished at 1,663.30, up 19.4 points from last week’s 1,643.90.

Weekly turnover decreased to 5.08 billion units valued at RM4.78 billion from 8.38 billion units valued at RM9.70 billion recorded last week.

Main market volume eased to 3.39 billion units worth RM4.41 billion versus 5.29 billion units worth RM8.78 billion.

FOREX: Ringgit To Trade Higher Next Week

KUALA LUMPUR -- The ringgit will likely trade higher against the greenback next week on expectations of higher prices of commodities after the Brent crude oil price edged up from its 11-year lows on Wednesday.

A dealer said commodity prices were due for a bounce soon given the unexpected decline in US inventories, indicating potential for exports in an oil market which suffered from oversupply.

Brent crude oil, the global benchmark, rose 39 cents to US$36.50 a barrel on Wednesday while the US West Texas Intermediate crude oil futures was up by 33 cents at US$36.47 per barrel.

"The higher oil price will give breathing space for producing countries such as Malaysia and ease the pressure on its shrinking oil and gas revenue," he added.

Furthermore, he said, an interest rate hike by the Federal Reserve, which finally took place last week (Dec 16), had lifted one major uncertainty factor in the market.

For the holiday-shortened week, the ringgit depreciated to 4.3070/3136 against the greenback on Wednesday from 4.2870/2940 recorded last Friday.

It also fell against the Singapore dollar to 3.0609/0660 from 3.0344/0400 and declined to 3.5589/5647 from 3.5342/5414.

The ringgit went down against the euro to 4.7024/7100 from 4.6415/6495 but strengthened against the British pound to 6.3890/3997 from 6.4039/4161.

The local market was closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.

Local Money Market To Remain Stable Next Week

KUALA LUMPUR -- The Malaysian money market is expected to remain stable next week on Bank Negara Malaysia's (BNM) intervention to manage surplus liquidity.

The central bank is expected to continue the intervention with daily tenders to mop up excess funds from the market.

For the holiday-shortened week, BNM intervened daily to absorb excess funds by conducting conventional money market, Commodity Murabahah Programme, Qard and repo tenders.

The local market was closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.

On Wednesday, the central bank's action helped reduce the market's total liquidity surplus to RM38.48 billion in the conventional system and RM8.98 billion in Islamic funds.

The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates were pegged at 3.30 per cent, 3.35 per cent and 3.39 per cent respectively.

Meanwhile, the benchmark three-month interbank rate stood at 3.84 per cent.

KLCI Futures To Trade Higher Next Week

By Zarul Effendi Razali

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected to continue their upward momentum next week, tracking the bulllish outlook in the underlying cash market.

Affin Hwang Investment Bank Vice-President/Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the movement of the ringgit moving forward and the Trans-Pacific Partnership (TPP) are expected to be the key driver for the FBM KLCI's performance.

"The ringgit should go up as commodity prices rebound," he told Bernama.

On a week-to-week basis, December 2015 and January 2016 rose 22 points each to 1,664 and 1,661 respectively, March 2016 added 21 points to

1,644.50 and June 2016 gained 19 points to 1,626.

Weekly turnover slipped to 34,041 lots from 48,685 lots last Friday while open interest improved to 78,716 contracts from 58,062 contracts previously. The market was closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays.

CPO Futures To Rally Next Week

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts are expected to continue their rally next week despite the decline in crude oil prices, said Interband Group Senior Palm Oil Trader Jim Teh.

Teh added that the commodity's price is projected to be traded at between RM2,190 and RM2,280 per tonne next week, even though trading would be quieter with the year-end leave.

"Most of the international palm oil traders will be absent from the market as they will be away on holiday," he said, noting that the traders are happy with the current price level.

He also pointed out that the positive price movement would continue until early next year, given that the CPO production is declining on seasonal factors.

CPO prices have reached their highest in almost 18 months, supported by the low production data from a regional palm oil association.

"However, the current inventory level is still high at 2.09 million tonnes, and we hope physical buyers will come forward to buy the stock," he added.

For the short trading week just ended, the CPO futures contracts were traded mostly higher.

On a weekly basis, January 2016 gained RM55 to RM2,294 per tonne, February 2016 went up RM91 to RM2,421 per tonne, March 2016 rose RM85 to RM2,487 per tonne, April 2016 jumped RM86 to RM2,534 per tonne, and May 2016 increased RM92 to RM2,556 per tonne.

Weekly turnover increased to 627,935 lots from last Friday's 223,893 lots while open interest stayed at 227,286 contracts.

On the physical market, January South increased RM120 to RM2,290 per tonne.

Rubber Mart To Trade Cautiously Next Week

KUALA LUMPUR -- The Malaysian rubber market is expected to trade in a cautious mode next week, influenced by the ringgit's movement as well as mixed sentiments on the regional market.

A dealer said the Tokyo Commodity Exchange (TOCOM) was closed on Wednesday for the Emperor's birthday, while the commodity's price on the Shanghai Futures Exchange was seen retreating after the recent rebound.

"The TOCOM futures, which set the tone for tyre rubber prices in Southeast Asia, could also turn quieter next week as traders have started taking the year-end leave," she added.

On a Friday to Wednesday basis, the local market traded mixed throughout the holiday-shortened week, with the Malaysian Rubber Board's noon price for tyre-grade SMR 20 increasing nine sen to 498.5 sen a kg, while latex-in-bulk declined 6.5 sen to 353.5 sen a kg.

The 5 pm unofficial closing price for SMR 20 added six sen to 499.5 sen a kg, while latex-in-bulk was six sen lower at 353 sen a kg.

The market was closed on Thursday and Friday for public holidays and will reopen on Monday.

KLIBOR Futures To Remain Untraded Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives will likely remain untraded next week.

For the holiday-shortened week, the market was untraded.

Settlement prices for January 2016, February 2016, March 2016 and April 2016 were pegged at 96.18, 96.17, 96.16 and 96.13 respectively.
Open interest was lower at 120 contracts from 500 contracts last week.

The underlying three-month KLIBOR edged up to 3.84 per cent on Wednesday from 3.83 per cent recorded last Friday.

Bursa Malaysia and its derivatives were closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.

KLTM To Trade Between US$14,500 And US$14,600 Next Week

By Niam Seet Wei

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) will likely trade at between US$14,500 and US$14,600 per tonne next week, traders said.

The market is anticipated to be mainly supported by European buyers, a trader told Bernama.

For the holiday-shortened week, the metal was traded at between US$14,550 and US$14,660 per tonne, mainly influenced by the performance on the LME.

Japanese, European and local players accounted for the week's turnover of 214 tonnes compared with 310 tonnes last week.

The premium between the KLTM and the LME on Wednesday narrowed to US$115 per tonne from US$225 per tonne last Friday.

The market was closed on Thursday and Friday, and will reopen on Monday.

Gold Futures To Consolidate Next Week

By Niam Seet Wei

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are likely to continue trading in consolidation range next week.

"Any sign of the United States economy improving is expected to jitter the gold price," Phillip Futures Sdn Bhd Dealer Leo Goh Boon Hao told Bernama.

Hao said he remained bearish on the long-term outlook for the precious metal's price.

For the just-ended holiday-shortened trading week, December 2015 and January 2016 were 62 ticks higher at RM148.60 a gramme and RM148.75 a gramme respectively.

February 2016 and March 2016 increased 64 ticks each to RM148.85 a gramme and RM149.10 a gramme respectively.

Weekly turnover totalled 282 lots worth RM4.2 million versus last week's 338 lots worth RM4.97 million.

Open interest on Wednesday went down to 1,279 contracts from 1,401 contracts last Friday.

The local market was closed on Thursday and Friday for the Maulidur Rasul and Christmas holidays respectively.