MALAYSIAeBiz
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This Week's Highlight : Twelve Nations Including Malaysia Seal Landmark TPPA Trade Deal

SEALED...Minister of International Trade and Industry Datuk Seri Mustapa Mohamed signed the landmark TPPA trade pact in Auckland Thursday. New Zealand Prime Minister John Key (right) witnessed the signing. Pic Courtesy of MITI.

AUCKLAND -- Twelve countries including Malaysia finally signed the ambitious Trans-Pacific Partnership Agreement here Thursday which is set to expand markets, reduce tariffs and promote freer trade. International Trade and Industry Minister Datuk Seri Mustapa Mohamed signed the comprehensive 21st century pact pact for Malaysia that represents nearly 40 per cent of global gross domestic product worth US$30 trillion. The 12 countries are New Zealand, Australia, Chile, Mexico, Japan, Peru, Canada, Vietnam, United States, Singapore, Brunei and Malaysia.

This Week's Top Stories

MONDAY

Recalibrated Budget 2016 A Proactive, Transparent Move

KUALA LUMPUR– The recalibrated Budget 2016 announced by Prime Minister Datuk Seri Najib Tun Razak last week is a proactive and transparent move. Mohd Hassan Ahmad, Section Head, Fiscal and Economics Division, Finance Ministry said Monday, with the uncertain global economy coupled with falling oil prices, the government was transparent in announcing to the rakyat what is happening currently and the meaures taken to ensure the economy continues to expand.

TUESDAY

Budget Review If Oil Prices Drop Below US$25 - Husni

KUALA LUMPUR -- The government may conduct another revision of the 2016 Budget if oil prices were to fall below US$25 per barrel. Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah said Tuesday,the government could not deceive itself and must always be realistic in determining national expenditure.

WEDNESDAY

Malaysian Economy Keeps Growing Through ETP Initiatives

KUALA LUMPUR -- Malaysia's gross domestic product (GDP) grew from RM528 billion in 2009 to RM877 billion in 2015 through various initiatives under the Economic Transformation Programme (ETP). Under Prime Minister and Finance Minister Datuk Seri Najib Tun Razak's leadership, the economy expanded from 1.9 per cent in 2009 to 6.0 per cent in 2014 amid global economic slowdown and other challenges. The Ministry of Finance (MoF), in a statement Wednesday, took FinanceAsia e-magazine to task for its article titled "Najib Razak: Asia's Worst Finance Minister 2016."

THURSDAY

TPPA Promises Greater Market Access For Businesses - Mustapa

From Mohd Iswandi Kasan Anuar

AUCKLAND -- Businesses in Malaysia, including small and medium scale enterprises, are looking forward to greater market access opportunities under the just-signed Trans-Pacific Partnership Agreement, Minister of International and Industry Datuk Seri Mustapa Mohamed said here Thursday. He said the textile, electrical and electronics, palm oil and rubberindustries were also among sectors that were keen to exploit opportunities arising from an expanded market and lower tariffs under the new pact.

FRIDAY

TPPA: Msia's Total Trade To Surpass RM2 Trillion Soon

KUALA LUMPUR -- Malaysia's total trade is expected to exceed the RM2 trillion mark soon following the signing of the Trans-Pacific Partnership Agreement (TPPA). Second International Trade and Industry Minister Datuk Seri Ong Ka Chuan said the immediate benefits of signing the TPPA would be evident from the influx of investors to use Malaysia as one of their trade and investment platform.

SMEbrief

Medini Iskandar Continues To Draw Asian Investors

ISKANDAR PUTERI -- Medini Iskandar Malaysia Sdn Bhd (MIMSB) continues to attract Asian investors to develop commercial projects in the zone. Managing Director and Chief Executive Officer Datuk Khairil Anwar Ahmad, said Wednesday, negotiations were currently taking place between Medini and an Asian company.

Malaysia To Promote Halal Products To TPP Countries

KUALA LUMPUR -- Malaysia is looking to expand its halal market to the Trans-Pacific Partnership (TPP) countries including Australia and New Zealand, says International Trade and Industry Minister Datuk Seri Mustapa Mohamed. "We are looking for markets in some of these (TPP) countries. For example, in the United States and Canada, where the Muslim population is growing, he told reporters after the soft launch of the World Halal Week 2016 here Tuesday.

PKNS Turns To Turnkey Contractors For Affordable Housing

SHAH ALAM -- The Selangor State Development Corporation (PKNS) has opened its tender to turnkey contractors to bid for its affordable housing development projects, a step to manage its cash flow and borrowings. General Manager Azlan Md Alifiah said Wednesday, the 'Request for Proposal' (RFP) exercise was expected in June for its upcoming 7,500 units of 'Rumah Selangorku' affordable housing, to be built over the next five to eight years.

KL Office Rental Rates To Drop 5 Pct By 2020

KUALA LUMPUR -- The office space rental rates in Kuala Lumpur (KL) are expected to decline by five per cent by 2020 due to pressure from the impending supply in the market. "Another seven to eight million sq ft of office spaces are expected to enter the market by 2020 from developments such as Tun Razak Exchange, Bandar Malaysia projects... so office rentals are likely to be under pressure," said Executive Chairman of Rahim & Co, Datuk Abdul Rahim Rahman Thursday.

Tabung Haji Plans RM820 Mln Apartment Project On TRX Land

KUALA LUMPUR -- Lembaga Tabung Haji (Tabung Haji) plans to develop residential apartments on its Tun Razak Exchange (TRX) land with a gross development value (GDV) of RM820 million. Chairman Datuk Seri Abdul Azeez Rahim said Thursday, "If we look at the land value, it has increased from the date it was purchased, from RM177.5 million to about RM250 million now."

PropUP Propertyupdate

TPPA: MITI To Help 646,000 SMEs Compete In Open Market

JASIN -- The Ministry of International Trade and Industry (MITI) will assist some 646,000 small and medium enterprises (SMEs) in the country to compete in a more open market under the Trans-Pacific Partnership Agreement (TPPA). Its Deputy Minister Datuk Ahmad Maslan said Monday, the effort would be implemented comprehensively within two years with the cooperation of all agencies under the ministry before the agreement is fully implemented.

Selangor Properties To Buy 4 Land Parcels For RM32.2 Mln

KUALA LUMPUR -- Selangor Properties Bhd (SPB) has entered into a sale and purchase agreement (SPA) with Chong Khoon Lin Sdn Bhd to acquire four adjoining parcels of freehold land in Kuala Lumpur for RM32.2 million. In a filing to Bursa Malaysia Wednesday, SPB said the land measuring 5,252.66 square metres was adjoined and contiguous to its existing 1.99-hectare land in Damansara Heights, which has been earmarked for residential development.

Ayam Kampung Farming A Lucrative Business In Terengganu

KEMAMAN -- Capitalising on the wave ayam kampung popularity, Bandar Cheneh Baharu-based Ladang Rakyat Trengganu Sdn Bhd began rearing 'ayam kampung hybrid' at its estate in March last year. Its chief executive, Mohd Damanhuri Mohd Jamli said Wednesday, the oil palm plantation company started farming 4,300 broilers, which were supplied by the Malaysian Agricultural Research and Development Institute (Mardi), in 11 cages at its plantation.

MATRADE To Boost Co-Ops' Exports Via Angkasa Tie-Up

KUALA LUMPUR -- Malaysia External Trade Corp (Matrade) aims to increase exports by local cooperatives through a two-year collaboration with the National Cooperative Movement of Malaysia (Angkasa). Matrade Chief Executive Officer Datuk Dzulkifli Mahmud said Wednesday, a working committee would be set up to facilitate trade for the co-ops, which was likely to begin in the second half of this year.

TPPA A Confidence Booster For Local Entrepreneurs - MATRADE

KUALA LUMPUR -- Malaysia's involvement in the Trans-Pacific Partnership (TPPA) is a confidence booster for local entrepreneurs to export and expand their products and services abroad. Malaysia External Trade Development Corp (Matrade) Chief Executive Officer, Dzulkifli Mahmud said Friday, the corporation would be working mainly with small and medium enterprises (SMEs) to penetrate the 11 other TPPA-member countries.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 388

Losers - 412

Not Traded - 631

Unchanged - 312

Value - 1677591394

Volume - 14901813

Bursa Malaysia Closes Higher On Investors' Expectation Of Stronger Ringgit

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Bursa Malaysia closed higher Friday on investors' expectation of a stronger ringgit, said an analyst. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI improved 5.69 points to 1,662.46 from Thursday's closing of 1,656.77. The key index opened 2.17 points easier at 1,654.6. Affin Hwang Investment Bank Vice-President and Retail Research Head, Datuk Dr Nazri Khan Adam Khan, said the rally was seen across the sectors following the ringgit's climb to five-month high as resources stocks, including oil gas and plantation, jumped. "The currency's movements remained the key to the market's action as the US dollar stayed under pressure from expectations that the Federal Reserve will be in no hurry to raise interest rates after December's increase," he told Bernama. Market breadth, however, was negative with losers outpacing gainers 412 to 388 with 312 counters unchanged, 631 counters untraded and 16 others suspended. Total volume fell to 1.49 billion shares worth RM1.67 billion from Thursday's 2.05 billion shares worth RM2.08 billion. Main Market volume fell to 1.04 billion units worth RM1.58 billion from Thursday's 1.53 billion units worth RM1.97 billion.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.1520	4.1620
EUR	4.6469	4.6598
GBP	6.0312	6.0478
100 YEN	3.5514	3.5612
SGD	2.9672	2.9754

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday on weak demand for the local note as investors remained cautious ahead of the release of the US job data later Friday, analysts said. At 5 pm, the local unit was traded at 4.1520/1620 from 4.1505/1555 against the greenback on Thursday. An analyst said the possible US Federal Reserve interest rate increase in March coupled with the depressed crude oil prices would continue to put pressure for the local note. Against other major currencies, the ringgit was traded mostly lower. It fell against the Singapore dollar to 2.9672/9754 from 2.9442/9495 on Thursday and eased against the yen to 3.5514/5612 from 3.5245/5297 Thursday. The ringgit, however, rose against the British pound to 6.0312/0478 from 6.0726/0816 but depreciated against the euro to 4.6469/6598 from 4.6199/6267 on Thursday.

Short-Term Rates End On Steady Note On BNM's Intervention

KUALA LUMPUR -- Short-term interbank rates ended steady Friday on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM33.58 billion from RM37.49 billion earlier while in the Islamic system, it eased to RM7.70 billion from RM16.21 billion previously. In the morning, BNM called for four tenders -- a conventional money market tenders, an Islamic range maturity auction Qard tender, a commodity murabahah programme and a repo tender. The central bank conducted a late conventional money market tender for RM30 billion and a Qard money market tender for RM7 billion, 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.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives ended untraded Friday. At the close, February 2016, March 2016, April 2016 and June 2016 remained pegged at 96.28, 96.27, 96.26 and 96.27, respectively. Open interest totalled 120 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.78 per cent.

KLCI Futures Close Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives ended higher Friday in line with the stronger cash market. February 2016 added 2.5 points to 1,652.5, March 2016 gained 3.5 points to 1,646.5, June 2016 improved three points to 1,627 and September 2016 increased four points to 1,619. Turnover fell to 8,031 lots from 8,839 lots Thursday while open interest declined to 46,716 contracts from 47,705 contracts previously. The benchmark FBM KLCI ended the day 5.69 points higher at 1,662.46.

MBSB, DRB & Khazanah End Merger Talks

KUALA LUMPUR -- Malaysia Building Society Bhd (MBSB), DRB-HICOM Bhd and Khazanah Nasional Bhd have decided to end negotiations for the proposed merger of MBSB and Bank Muamalat Malaysia Bhd. In a filing to Bursa Malaysia, MBSB informed that the parties have not been able to reach an agreement on the terms and conditions of the proposed merger after a series of discussions and negotiations. "Accordingly, the parties have mutually agreed to end all discussions and not proceed with the proposed merger," it added.

RHB Partners Fidessa Group To Implement Strategic Trading Platform

KUALA LUMPUR -- RHB Investment Bank Bhd (RHB) has sealed a partnership with Fidessa Group plc to implement Fidessa, a strategic trading platform across Asia. Fidessa Group, a British company, is an exceptional trading, investment and information solutions provider. Fidessa is a platform that provides advanced capabilities, including algorithmic trading across all member markets, intelligent IOIs and a centralised order management system with integrated middle-office supporting RHB's growing regional business.

Cagamas Issues CMTN Of RM800 Mln

KUALA LUMPUR -- National mortgage corporation, Cagamas Bhd, has issued a RM800 million conventional medium-term notes (CMTN). In a statement here Tuesday, Cagamas said, the CMTN comprised a RM300 million one-year floating rate notes (FRN), a RM200 million two-year fixed rate and a RM300 million three-year fixed rate. It said proceeds from the issuance will be used to fund the purchase of mortgage loans from the financial system. Cagamas President/Chief Executive Officer, Chung Chee Leong, said the issuance, which was priced one week after its first issuance for the year, brought the total issuance in January alone to RM2.32 billion.

SAC Meeting Discusses Application Of Tabarru' Contract In Takaful

KUALA LUMPUR -- The Shariah Advisory Council (SAC) of Bank Negara Malaysia at its recent meeting, discussed several issues, including the application of the voluntary gift or tabarru' contract in takaful. The council said the underlying concept/principle for the takaful scheme is tabarru and ta`awun (mutual assistance) among the takaful participants. "Tabarru' in takaful is applied through contributions from the participants to the tabarru' fund which is managed by (and entrusted to) a takaful operator in the interest of takaful participants based on the agreed terms and conditions. "Financial obligation (zimmah maliyah) of the tabarru' fund is independent from the financial obligations of the takaful operator and individual takaful participant," the central bank said in a statement here Wednesday.

Contributors Can Expect 'Respectable' Dividend For 2015 – EPF

KUALA LUMPUR -- The Employees Provident Fund (EPF) will declare respectable dividend for 2015, says Deputy Chief Executive Officer, (Investment) Datuk Mohamad Nasir Ab Latif. The announcement will be made after the Chinese New Year, he told reporters here Thursday. However, he was tight-lipped on the exact quantum. The EPF declared a higher dividend of 6.75 per cent for 2014 against 6.35 per cent announced for 2013.

EPF To Launch Up To RM120 Bln Shariah Compliant Fund In Jan 2017

KUALA LUMPUR -- The Employees Provident Fund (EPF) is set to launch its pioneer fully shariah-compliant fund in January 2017 as an option for contributors interested in converting their savings to full shariah compliance status. Deputy Chief Executive Officer (Investment) Datuk Mohamad Nasir Ab Latif said the initial fund size would be between RM100 billion and RM120 billion. "The fund is going to be on a first come, first served basis as I don't think we can accommodate everyone. We are looking at less than RM120 billion. It is just an estimate," he told reporters here Thursday.

EPF Investments In Line With ESG Practices

KUALA LUMPUR -- The Employees Provident Fund (EPF) Thursday assured its contributors that its investment considerations were in line with the environmental, social and governance (ESG) practices, said Deputy Chief Executive Officer (Investment) Datuk Mohamad Nasir Ab Latif. EPF does not undertake any investment in businesses involved in activities related to gambling, adult entertainment and alcohol, he said.

Accounting Standards For Endowment, Tithe & Baitulmal Reporting To Be Formed

PUTRAJAYA -- Islamic accounting standards to streamline financial reporting for endowment, tithe and baitulmal will be formed, said Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah. He said the Accountant-General's Department Malaysia (JANM) would formulate the standards to resolve the problems faced by the state religious councils in standardising the annual financial reporting. He also witnessed the signing of agreements between JANM and Universiti Kebangsaan Malaysia, Universiti Islam Antarabangsa Malaysia and Universiti Utara Malaysia to undertake research in Islamic accounting standards, here, Thursday.

Tekun Nasional's Ar-Rahnu Allocates RM10 Mln In Financing

SHAH ALAM -- The National Entrepreneurial Group Economic Fund's (Tekun Nasional) Ar-Rahnu micro-credit scheme has allocated RM10 million in funding under the Islamic pawn-broking programme this year. Deputy Agriculture and Agro-based Industry Minister Datuk Seri Tajuddin Abdul Rahman told reporters here Thursday, the funding could be obtained at Tekun Nasional's Ar-Rahnu branch here and three other branches, which would be opened this year, namely Wangsa Maju, Kuala Lumpur; and Semenyih and Klang (Selangor).

Bursa Malaysia Pre-Tax Profit Up 2.6 Per Cent In FY15

KUALA LUMPUR -- Bursa Malaysia Bhd's pre-tax profit climbed 2.6 per cent to RM278.78 million for the financial year ended Dec 31, 2015 compared with RM271.76 million in the same period last year. Revenue rose to RM518.50 million from RM503.76 million previously. In a statement here Tuesday, Chief Executive Officer, Datuk Seri Tajuddin Atan, said despite market volatility and challenging economic conditions, the stock market operator recorded a strong financial performance.

Hong Leong Pre-Tax Profit Rises To RM163.08 Mln In Q2 2015

KUALA LUMPUR -- Hong Leong Industries Bhd's pre-tax profit for the second quarter ended Dec 31, 2015 rose to RM163.08 million from RM162.19 million in the same quarter a year ago. In a filing to Bursa Malaysia here Tuesday, Hong Leong Industries said its revenue increased to RM1.061 billion from RM1.060 billion. "The improvement in pre-tax profit for the quarter under review and the financial year-to-date compared with the corresponding quarter was mainly attributable to higher profit contribution from an associated company. "This was partly offset by higher production cost due to the weakening of the ringgit against the US dollar from our consumer product segment," it said.

F&N Q1 Pre-Tax Profit Jumps To RM171.84 Mln

KUALA LUMPUR -- Fraser & Neave Holdings Bhd's (F&N) pre-tax profit for the first quarter ended Dec 31, 2015 rose 111.5 per cent to RM171.84 million from RM81.24 million in a same quarter a year ago. Revenue increased 1.6 per cent to RM1.05 billion from RM1.04 billion, previously, it said in a filing to Bursa Malaysia. The revenue was marginally higher, mainly due to the absence of contribution from Red Bull as a result of the termination of exclusive marketing, distribution and sale of the energy drink in phases during the quarter ended Sept 30, 2015.

TA Investment Declares Income Distribution For 2 Funds

KUALA LUMPUR -- TA Investment Management Bhd (TAIM) has declared a gross income distribution of 0.50 sen per unit for the TA Asian Dividend Income Fund (TADIF) and 3.0 sen per unit for TA Dana OptiMix (TADO) for registered unitholders as at Jan 29, 2016. The fund manager noted that risk assets would continue to provide the best return payoff in the first quarter of 2016 amid concerns of the Federal Reserve further increasing interest rates in the future. "We believe that a two to three per cent interest rate hike in 2016 would be widely spread across the year," TAIM added in a statement here Wednesday. According to TAIM, a total of RM19.5 billion of foreign money invested in equities left the country in 2015, making it a whopping RM26.4 billion in the last two years.

Public Bank's Pre-Tax Profit Increases To RM6.49 Bln

KUALA LUMPUR -- Public Bank Bank Bhd's pre-tax profit for the financial year ended Dec 31, 2015 rose to RM6.49 billion from RM5.81 billion in 2014. Revenue increased to RM19.20 billion from RM16.90 billion previously, it said in a filing to Bursa Malaysia here Wednesday. Founder/Chairman, Tan Sri Dr Teh Hong Piow, said the results reflected the consistent execution of the group's organic growth strategy which continued to deliver favourable results to customers and shareholders.

Malaysia's Total Trade Up 1.2 Pct To RM1.466 Tln In 2015

KUALA LUMPUR -- Malaysia's total trade for 2015 grew 1.2 per cent to RM1.466 trillion, with exports expanding 1.9 per cent to a new high of RM779.95 billion and imports, up a marginal 0.4 per cent to RM686.65 billion. Following the better exports, the country's trade surplus registered a double-digit growth of 14.3 per cent to RM94.29 billion compared with the RM82.48 billion chalked up in 2014. This was the ninth year that trade exceeded the RM1 trillion mark and the 18th consecutive year that Malaysia had recorded a trade surplus, said Second International Trade and Industry Minister Datuk Seri Ong Ka Chuan. He said last year was challenging for the global economy with slow growth in emerging markets and developing countries while that of developed countries was modest.

Westports' FY15 Pre-Tax Profit Rises To RM650.14 Mln

KUALA LUMPUR -- Westports Holdings Bhd's pre-tax profit for the financial year ended Dec 31, 2015 (FY15) rose 12 per cent to RM650.14 million compared with RM578.78 million chalked up in 2014. The company attributed the strong performance to container volume, lower cost of fuel and administrative expenses. As for revenue, the port operator's top-line was higher at RM1.68 billion in FY15 versus RM1.56 billion registered previously, Westports said in a filing to Bursa Malaysia. The conventional throughput for FY15 was 10.23 million tonnes as Westports handled cement, break bulk items including steel billets and coils, dry bulk and project cargo.

Celcom To Increase Subscriber Base By 3 Folds With CNY Deals

KUALA LUMPUR -- Celcom Axiata Bhd aims to increase the number of new subscribers by three folds with its various attractive Chinese New Year deals. Chief of Sales and Marketing Officer Zalman Aefendy Zainal Abidin said Celcom would continue to grow despite the current challenging market environment. "One way to do it is by moving up customers up the value chain and to improve the take up of data packages by making smart phones more affordable. The other way is to attract more phone users to subscribe to Celcom's network," he told reporters here Wednesday. He said the company put in a lot of effort in the second half of last year with an intense 4G rollout to ensure the network was excellent. As of the third quarter of last year, Celcom was a leading data network provider with almost 13 million customers, nationwide.

MHB's Pre-Tax Profit For FY15 Declines To RM22.50 Mln

KUALA LUMPUR -- Malaysia Marine and Heavy Engineering Holdings Bhd's (MHB) pre-tax profit for the financial year ended Dec 31, 2015 declined to RM22.50 million from the RM119.11 million recorded in 2014. Revenue slipped to RM2.46 billion from RM2.70 billion previously, it said in a filing to Bursa Malaysia here Wednesday. In a statement, Managing Director and Chief Executive Officer Datuk Abu Fitri

Abdul Jalil said the tough operating environment in the upstream segment, is projected to persist well into 2017 as national and international oil companies continue to reduce spending on capital and operating expenditure.

MISC's Pre-Tax Profit Increases To RM2.57 Bln

KUALA LUMPUR -- MISC Bhd's pre-tax profit for financial year ended Dec 31, 2015 rose to RM2.57 billion from RM2.41 billion a year ago. Revenue increased to RM10.91 billion from RM9.30 billion previously. For the fourth quarter, its pre-tax profit fell to RM763.13 million from RM1.03 billion in the same quarter last year. Revenue improved to RM3.31 billion from RM2.29 billion previously. In a filing to Bursa Malaysia here Friday, MISC said, the better performance was contributed by improved freight rates in the petroleum business and commencement of finance lease of floating production, storage and offloading unit in the current year.

Wing Tai's Pre-Tax Profit For Q2 Advances To RM29 Mln

KUALA LUMPUR -- Wing Tai Malaysia Bhd's pre-tax profit for the second quarter ended Dec 31, 2015 advanced to RM29 million from the RM16.28 million recorded in the same quarter 2014. Revenue, however, slipped to RM76.60 million from RM83.78 million previously, the company said in a filing to Bursa Malaysia Wednesday. Property development revenue was lower, mainly due to lower revenue recognition for the Jesselton Hills Phase 2 project in the current period, which was completed in September 2015.

Chambers Of Commerce Welcome Move To Tighten Sales Of Cigarettes, Liquor

LABUAN -- Two chambers of commerce here have commended the government's over its move to strictly monitor the sales of cigarettes and liquor to avoid loss of revenue to the country. Malaysian Malay Chamber of Commerce Labuan president Datuk Yussof Mohamad said maritime enforcement should be intensified, while relevant agencies should work together in addressing the long-standing issue. "If shortage of manpower is the reason behind the lack of maritime surveillance off the duty-free island of Labuan, we should bolster the enforcement by employing more people," he told Bernama here Wednesday.

EPF To Sell Stake In British American Tobacco

KUALA LUMPUR -- The Employees Provident Fund plans to dispose its stake in British American Tobacco at the right price, its Deputy Chief Executive Officer (Investment) Datuk Mohamad Nasir Ab Latif said Thursday. The fund has a 6.7 per cent direct stake in the tobacco firm and owns 0.7 per cent via an external fund manager. "EPF has historically never invested in gambling stocks or alcohol stocks. In fact, we no longer invest in tobacco stocks. We kept what we had (invested in the past) and at the right time we will exit (from) it," he said.

Maxis FY15 Pre-Tax Profit Increases To RM2.46 Bln

KUALA LUMPUR -- Maxis Bhd's pre-tax profit for the financial year ended Dec 31, 2015 increased to RM2.46 billion from the RM2.44 billion registered in the same period a year ago. Revenue for the period also rose to RM8.6 billion versus the RM8.39 billion chalked up previously, the telco said in a filing to Bursa Malaysia here Thursday. Chief Executive Officer Morten Lundal said the group's modernised network covered nearly 90 per cent of the population, while its 4G LTE network had more than doubled to 71 per cent of population coverage. "2015 was a winning year for us, as we grew both revenue and profit, year-on-year and won market share," he added, in a statement.

Tabung Haji Announces Annual Bonus Of 5 Pct, Additional Bonus Of 3 Pct

KUALA LUMPUR -- Lembaga Tabung Haji (LTH) has announced depositor bonuses for financial year 2015, comprising an annual bonus of 5.0 per cent and an additional bonus of 3.0 per cent for depositors who have not performed the haj. Minister in the Prime Minister's Department Datuk Seri Jamil Khir Baharom said the two bonuses amounted to RM3.236 billion compared with RM3.237 billion in 2014. The bonus payment would benefit nearly 8.85 million active account holders. LTH's net profit after zakat rose to RM3.53 billion in 2015 from RM2.98 billion in 2014, an increase of 19 per cent. This is the highest ever revenue and profit recorded by LTH since its inception 52 years ago," told reporters here Thursday.

Demand For Air Travel Up 6.5 Pct In 2015 – IATA

KUALA LUMPUR -- Demand for air travel rose by 6.5 per cent in 2015 compared to 2014, said International Air Transport Association (IATA) Thursday. In a statement, IATA said this was the strongest result since the post-global financial crisis rebound in 2010 and well above the 10-year average annual growth rate of 5.5 per cent. While economic fundamentals were weaker in 2015 compared to 2014, IATA said, passenger demand was boosted by lower airfares. After adjusting for distortions caused by the rise of the US dollar, global airfares last year were approximately five per cent lower than in 2014, it said.

DiGi's Pre-Tax Profit Falls To RM2.31 Bln

KUALA LUMPUR -- DiGi.Com Bhd's pre-tax profit for the financial year ended Dec 31, 2015 decreased to RM2.31 billion from RM2.65 billion a year ago. Revenue fell RM6.91 billion from RM7.02 billion previously, it said in a filing to Bursa Malaysia here Friday. Pre-tax profit for the fourth quarter (Q4) ended Dec 31, 2015 fell to RM519.36 million from RM660.17 million. Revenue eased to RM1.72 billion from RM1.80 billon in the same quarter a year ago. DiGi said it invested an additional RM288 million in capital expenditure (capex) in Q4 2015, with a cumulative investment of RM904 million as planned to support its aggressive Fourth-generation wireless Long-Term Evolution (4G LTE) and 4G LTE-A network deployment nationwide.

Proton To Increase Prices For All Models Effective Feb 15

KUALA LUMPUR -- Proton Holdings Bhd will be undertaking an exercise which will involve a price increase for all Proton cars, effective Feb 15, 2016. This exercise would see an increase of RM312 to a maximum of RM2,021 depending on model variants, Proton said in a statement Monday. The increase is in line with the impact of the fallen ringgit as many raw materials are purchased in foreign currency. The weaker ringgit had affected the company's operation cost and the entire eco-system chain, said Proton.

Malaysian Consumer Confidence Ends 2015 Flat

KUALA LUMPUR -- Malaysian consumer confidence ended 2015 on a subdued note with the index up two points from the third quarter to 80 percentage points, according to the latest Nielsen Global Survey of Consumer Confidence and Spending Intentions. In a statement here Tuesday, Nielsen, the global performance management company said Malaysia is now ranked the 36th most confident country globally in the fourth quarter (Q4) 2015, up seven spots from the previous quarter, in its latest online survey.

Malindo Air Launches Daily Services To Hong Kong

KUALA LUMPUR -- Malindo Air has launched its 2016's second service from Kuala Lumpur to Hong Kong which will boost its presence in the robust Asian market. In a statement here Friday, Malindo Air said the daily services to Hong Kong marked its second destination in China after Sanya in Hainan Province. "The introductory fare for the new route starts from RM299 for Economy Class and RM669 for Business Class one-way all inclusive. All fares include perks such as free baggage allowance, in-flight entertainment, a meal and light refreshments," it said. Chief Executive Officer, Chandran Rama Muthy, said the airline expected an upsurge in arrivals from Hong Kong with the new service.

Global Halal Exchange Signs MoUs With 3 Partners

KUALA LUMPUR -- Global Halal Exchange, an eMarketplace for the Halal industry, has signed memoranda of understanding (MoU) with two new partners to expand its halal product offerings. The two new partners are Yakin Frozen Food Sdn Bhd, a premium chicken supplier to supply halal chicken on the platform, and Kg Seri Aman Mosque, to allow the mosque to leverage on the platform to enable the public to contribute to its wakaf-related initiatives. "Apart from that, the eMarketplace has also inked a memorandum of cooperation with the International Shariah Research Academy for Islamic Finance," Dagang NeXchange Bhd (DNeX) said in a statement here Tuesday.

Ministry Eyes Apprentice Training Programmes With Int'l Companies

KUALA LUMPUR -- The Youth and Sports Ministry is eyeing to sign five memorandum of understandings (MOUs) with various international companies for apprentice training programmes this year. Its minister, Khairy Jamaluddin, said however, the ministry's main focus for the year was to maintain and service existing agreements. "So far, we have signed 20 MoUs with foreign companies from various industries, including South Korea's Samsung," he told a press conference here Tuesday.

Axiata To Fully Subscribe To XL's Rights Issue

KUALA LUMPUR -- Axiata Group Bhd will fully subscribe to the pro rata rights entitlement under the rights issue announced by its Indonesian subsidiary, PT XL Axiata Tbk (XL). On Monday, XL announced its plans to implement a rights issue with net proceeds from the capital raising exercise going towards the repayment of the its US$500 million shareholder loans. In a statement here Tuesday, Axiata President and Group Chief Executive Officer Datuk Seri Jamaludin Ibrahim said the exercise would help XL to improve its debt to earnings before interest, taxes, depreciation and amortisation ratio. This, he said, would further strengthen XL's balance sheet and give enough room to invest for future growth.

RAVe Eyes 10-Fold Increase In Participation Of Startups

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- RAVe Ventures Sdn Bhd, a subsidiary of New Entrepreneurs Foundation (myNEF), aims to increase the participation of startup companies in its business acceleration programmes by ten-fold this year. Chief Executive Officer Rizal Alwani Mohamed Nordin said the current programmes had only reached a sub section of entrepreneurs and was not far enough. "To reach out as many as possible, our 'JomPitch' programme would be replicated throughout the year, nationwide, to attract more entrepreneurs from different locations and demographic," said Rizal. "JomPitch" sessions allow start-ups to pitch their ideas to resident mentors, of which those shortlisted will be called to attend RAVe's Ignite bootcamp and between 8 and 10 participants would be chosen to join RAVe's Accelerator programme.

S'pore Cooperation Enterprise To Help Develop Sarawak Tourism

KUCHING -- Singapore Cooperation Enterprise (SCE) is looking into opportunities to develop untapped potential in Sarawak, especially in the state's natural assets. Towards this end, the SCE signed a memorandum of understanding (MoU) with the Sarawak Land Custody and Development Authority (LCDA). SCE Asia Pacific director Kevin Chong hoped that the partnership could further promote Sarawak's nature attractions. "We (SCE, LCDA and Sarawak Ministry of Tourism) have been engaging each other for months now and we are very happy to share Singapore's experience in tourism development with the Sarawak government and Sarawak Ministry of Tourism," he told reporters here Tuesday.

Digi Confirms Spectrum Reallocation Of 900mhz & 1800mhz Bands

KUALA LUMPUR -- Digi Telecommunications Sdn Bhd has confirmed that it has been allocated 2x5MHz of 900MHz and 2x20MHz of 1800MHz spectrum for 15 years, with full implementation starting July 1, 2017. In a statement following Malaysian Communications and Multimedia Commission's (MCMC) announcement on the reallocation of spectrum earlier Tuesday, Digi said the certainty on allocation and tenure of these two bands would allow for better investment planning and optimal network design.

Asian Companies Must Embrace Fresh Wave Of Digital Change

KUALA LUMPUR -- Asian companies that have set the global pace in e-commerce retailing must embrace a fresh wave of digital change if they are to hold on to cost-conscious customers who have become more mobile. With an increasing will to purchase products online and mobile shopping's rapid growth, HSBC Malaysia said in a statement here Wednesday, the challenge now is how to enhance customer experience for a brand's most loyal followers and bring new buyers into the fold.

Boeing Delivers First 787 Dreamliner To Saudi

KUALA LUMPUR -- Boeing and Saudia, Saudi Arabia's national airline, Wednesday celebrated the triple delivery of two Boeing 787-9 Dreamliners and a 777-300ER (Extended Range). "The delivery of our first Dreamliner marks yet another exciting chapter in Saudia's long-standing relationship with Boeing that began in the early 1960s," said Saudi Arabian Airlines Director-General Saleh Nasser al-Jasser. A third Dreamliner would be delivered to Saudia within the next week. The airline ordered eight 787-9s in 2010, said Boeing in a statement.

Petronas Dagangan Open To Setting Up Units Overseas

KUALA LUMPUR -- Petronas Dagangan Bhd (PDB) remains open to any possibility of setting up more subsidiaries overseas, despite the proposed divestment of its liquefied petroleum gas businesses in Vietnam. "We never say no, neither do we say yes, as we are always open to any possibility," said Managing Director and Chief Executive Officer Mohd Ibrahimnuddin Mohd Yunus. Nevertheless, wherever the investment was made, the company had to ensure the returns were right, he told reporters here Wednesday.

Petronas Dagangan Invests RM200,000 For CNY Road Safety Campaign

KUALA LUMPUR -- Petronas Dagangan Bhd (PDB) has invested RM200,000 in its Petronas Coffee Break campaign held in conjunction with the Chinese New Year. PDB Senior General Manager for Retail Business Division Shaharuddin M Sidek said this year's campaign would be held from Feb 6 to 7 and Feb 13 to 14, 2016. "The campaign is all about road safety and not falling asleep at the wheel as this can cause road accidents. We hope the drivers will take a break and come to our 142 petrol stations taking part in the campaign and enjoy free coffee as it will keep them awake for the rest of their journey," he told reporters here Wednesday.

Proton Offers Free Safety Checks At Petronas Stations

KUALA LUMPUR -- Proton Holdings Bhd is bringing its free 30-point safety inspection closer to customers at selected Petronas stations in conjunction with the Chinese New Year. In a statement here Wednesday, Proton said this initiative was also in collaboration with Petronas for this year's Petronas' Coffee Break campaign. "The safety inspection includes checks on fluid level, battery, wiper blades, radiator cap, pedal operation, suspension system, steering linkage and ball joint system, cooling system, fuel and brake system as well as tyre pressure (including spare tyres)," it said.

MYEG Granted Courier Service Licence By MCMC

KUALA LUMPUR -- MY E.G. Services Bhd (MYEG) has been granted a courier service licence by the Malaysian Communication and Multimedia Commission (MCMC) Wednesday. In a filing to Bursa Malaysia, MYEG said the licence was for a period of three years, effective Jan 1, 2016, and subjected to yearly renewal with the MCMC. MYEG said the licence would enable MYEG to expand its E-Fulfillment Service which uses its own proprietary biometric verification technology, It is expected to contribute positively to the future earnings and net assets of MYEG and its subsidiaries.

Astro Wins English Premier League Rights For Malaysia

KUALA LUMPUR -- Astro Malaysia Holdings Bhd (Astro) has secured the Premier League (EPL) broadcast rights in Malaysia for the next three seasons from 2016/17 to 2018/19. "We are pleased to continue our association with the Premier League to provide unmatched coverage of the biggest and most exciting football league in the world for the next three years. Football fans in Malaysia will have the best front row seat to catch every match and every story of their favourite teams, as all 380 Premier League matches every season will be shown live on Astro TV in full HD and on all mobile devices via Astro on the Go (AOTG)," Astro Chief Operating Officer, Henry Tan, said in a statement here Thursday.

M'sia To Get Better Market Access, More Investments Under TPPA - Rafidah

By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- The Trans-Pacific Partnership Agreement (TPPA) will benefit several key sectors through better market access and rising investments, former international trade and industry minister Tan Sri Rafidah Aziz said. "Well done to the government. Malaysia is an open economy, and the TPPA will ensure we can enhance the targeted exports into the larger markets such as the US. "Our sovereign rights to implement development policies such as poverty eradication and economic restructuring will not, in any way, be affected. Now we must prepare ourselves to optimise the benefits of the TPPA," she told Bernama in response to the TPPA signing by 12 countries in Auckland Thursday.

MPay's Associate Receives New Five-Year CA

KUALA LUMPUR -- MSC Trustgate.com Sdn Bhd, a 29.50 per cent associate of Managepay Systems Bhd (MPay), has received a new five-year certificate authority (CA) operating licence from Malaysian Communications and Multimedia Commission (MCMC). In a filing to Bursa Malaysia here Friday, MPay said, the CA operating licence was only one of three currently authorised by MCMC in Malaysia. "With the renewed CA licence for the period up to July 24, 2020, Trustgate can continue its existing business offerings partnering Symantec and GlobalSign to issue secure socket layer certificates for web domain servers, hosting managed public key infrastructure to issue digital certificates for individual subscribers of Internet banking system and government service portal," it said.

MDeC Going Green With Electric Car By COMOS

KUALA LUMPUR -- Multimedia Development Corporation (MDeC) and Cohesive Mobility Solution (COMOS) Monday concluded a handover ceremony of an electric vehicle (EV), signifying the former commitment towards a greener future as well as support future technology to complement future Smart Cities of Cyberjaya and beyond. Under the partnership, COMOS has installed a seven-kilowatt Syntronic Charging Infrastructure Solution (SyntroCIS) developed by Syntronic Malaysia Sdn Bhd, an MSC-status company, at MDeC Headquarters along with a four-year lease of a Renault Zoe under the COMOS Electric Car Sharing Programme.

Rayani Air Starts Inaugural KL-KK Flight

KOTA KINABALU -- Rayani Air Sdn Bhd, a Shariah-compliant airline, Monday starts its inaugural Kuala Lumpur (KL)-Kota Kinabalu flight, its third route after KL-Langkawi and KL-Kota Baharu. The arrival of its Boeing 737-400 aircraft with about 70 per cent passenger capacity at about 11.10 am at the Kota Kinabalu International Airport was welcomed by Sabah Minister of Tourism, Culture and Environment Datuk Seri Masidi Manjun. Masidi in his speech said the state government welcomed the flight services by Rayani Air as it was in line with its effort to stimulate the country's domestic tourism industry.

Maxis Receives Notice Of Spectrum Reallocation

KUALA LUMPUR -- Maxis Bhd has received a notice of spectrum reallocation of 900MHz and 1800MHz bands, which would reduce the spectrum available to 2 x 10 MHz and 2 x 20 MHz respectively. In a statement here Tuesday, the communications and internet services provider said it noted the Malaysian Communications and Multimedia Commission's (MCMC) decision to convert the annual Apparatus Assignment fee to an upfront Spectrum Assignment fee with long term certainty for the spectrum. "We note that MCMC recognises that this fee needs to be seen in the perspective of the continuous high investment level the industry will need to reach national goals," it said.

Two Bands Of Spectrum To Be Assigned Among 4 Players By August - MCMC

KUALA LUMPUR -- Two bands of spectrum, namely the 900MHz and 1800 MHz, will be reallocated among four players by August this year, says Malaysian Communications and Multimedia Commission (MCMC) Chairman, Datuk Seri Dr Halim Shafie here Tuesday. He said this is in line with the government's decision to optimise the use of spectrum resources through reallocation and bidding. "The bands will be assigned for a fee, which is currently being determined, to Celcom, Digi, Maxis and U Mobile for a period of 15 years," he added.

Samsung Launches Regional MySamsung Programme

KUALA LUMPUR -- Samsung Electronics Co,. Ltd has launched its regional MySamsung programme, an ownership programme that can be accessed through a mobile application by new and current Samsung customers. The application will help them manage their devices and give easy and direct access to customer service representatives. It will also provide ownership for customers to get the most out of their devices, Samsung said in a statement here Tuesday.

MAHB Appoints Raja Azmi As Chief Financial Officer

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) has appointed Raja Azmi Raja Nazuddin as Chief Financial Officer (CFO), effective Feb 1. In a filing to Bursa Malaysia here Tuesday, MAHB said, prior to joining MAHB, Raja Azmi held the positions of Executive Director and Group Chief Financial Officer of UDA Holdings Bhd. "Raja Azmi had also served Zelan Bhd as Managing Director/Chief Executive Officer, UEM Group Bhd as Group Finance Director and Time Engineering Bhd as Executive Director," it said.

U Mobile Partners Aeon Credit For iPhone Financing

KUALA LUMPUR -- U Mobile Sdn Bhd has partnered AEON Credit Service (M) Bhd to offer U MicroCredit financing scheme for its customers buying the iPhone models. In a statement here Tuesday, U Mobile said the scheme would enable customers to buy the smartphone models through a flexible easy payment plan from AEON Credit for up to 36 months. "Customers may opt for full financing for the iPhone with interest rates as low as 1.1 per cent per month as compared with 1.5 per cent per month offered before," it said.

Samsung Malaysia Offers Special Promotions For CNY

KUALA LUMPUR -- Samsung Malaysia Electronics is offering a series of special promotions on a range of innovative digital appliances and Smart televisions for the Chinese New Year (CNY). The promotions will run until Feb 29. Director of Corporate Marketing Elaine Soh said in a statement here Wednesday, Malaysians planning to upgrade their homes for CNY need not look further as there are many great deals to choose from in Samsung's nationwide Joy of Fortune promotions.

Eastspring Investments Appoints New CEO For Islamic Fund Business

KUALA LUMPUR -- Eastspring Investments Bhd has appointed Chung Yee Wah as Chief Executive Officer (CEO) of Eastspring Al-Wara' Investments Bhd, Malaysia, effective Dec 29, 2015. He was previously the Head of Institutional Business at Eastspring Investments Bhd and as the new CEO, will be responsible for the strategy to grow the Islamic funds business at Eastspring Al-Wara' Investments Bhd. Prior to joining Eastspring, Chung was the Chief Investment Officer at Kenanga Islamic Investors, where he played a key role in setting up and overseeing all of the Shariah-compliant funds.

Mustapa, Man Of The Hour For Malaysia AT TPPA Signing

By Mohd Iswandi Kasan Anuar

LANDMARK...Twelve countries signed the ambitious Trans-Pacific Partnership Agreement in Auckland Thursday which is set to expand markets, reduce tariffs and promote freer trade. They are Malaysia, New Zealand, Australia, Chile, Mexico, Japan, Peru,Canada, Vietnam, the United States, Singapore and Brunei. Pic Courtesy of MITI

AUCKLAND (Bernama) -- International Trade and Industry Minister Datuk Seri Mustapa Mohamed, who signed the Trans-Pacific Partnership Agreement (TPPA) here Thursday, is undoubtedly the man of the hour for Malaysia. Notable is the minister's perseverance in getting the buy-in for the TPPA which culminated in Malaysia joining 11 other Pacific Rim nations in signing what is potentially the world's largest trade pact.

This has been no easy task, taking into account the vehement protests and criticisms even as late as last week when the TPPA text was debated over two days at Parliament before finally getting a majority vote for the agreement. Mustapa, 65, has worked tirelessly, displaying a high level of commitment in selling the TPPA to all sections of Malaysia through town hall sessions, seminars, interviews and news articles to convince a skeptical public. Among the stinging criticisms hurled against the government was that it was selling out the country to developed countries which in the process will, among others, trample upon Bumiputera rights.

BUMIPUTERA RIGHTS MAINTAINED

But Mustapa had always maintained in negotiations through Malaysia's TPPA Chief Negotiator Datuk J. Jayasari, that Bumiputera rights, state-owned enterprises as well as government procurement would not be compromised. Armed with a first-class honours degree in economics from the University of Melbourne and a Master's in Economic Development from Boston University, Mustapa has always been well-placed to avoid strategic miscalculation under the TPPA. Kudos should also go to his team in the Ministry of International Trade and Industry (MITI) in publicising the cost-and-benefit analyses on the voluminous trade agreement. MITI has been very transparent, with the minister consistently insisting that the government recognised that there were costs that have to be borne, but the benefits outweighed them. Five years of hard work was put to the test when the Dewan Rakyat debated the TPPA last Tuesday and Wednesday, something which Prime Minister Datuk Seri Najib Tun Razak had insisted from the very beginning to get a buy-in.

SIGH OF GREAT RELIEF

And when Parliament approved the motion on the TPPA with 127 votes for and 84 against, an elated Mustapa must have surely heaved a sigh of great relief. This was because it brought a successful closure to what could have been his most difficult and challenging task in his entire political career.

Reading the TPPA text itself is a challenge for it comprises 30 legal chapters that cover trade and trade-related issues that go beyond providing market access to goods, services and investment. It is projected to increase Malaysia's gross domestic product by US$107 billion to US$211 billion over 2018-2027. Investments are set to increase by US$136 billion to US$239 billion, driven by higher investment growth in textiles, construction and distributive trade.

Despite his quiet disposition, Mustapa, who is also Barisan Nasional Member of Parliament for Jeli, must be commended for his conscientious work, especially over the past five years in signing the TPPA for Malaysia and having done excellent national service for the country in the process.

-- BERNAMA

LIST OF MARKET REPORTS :

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

Bursa Malaysia To Trend Higher Towards 1,700 Points

KUALA LUMPUR -- Bursa Malaysia is expected to remain bullish next week with the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) index trending towards the 1,700 points level, an analyst said. Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said the improving ringgit, rising oil prices and growing conviction that the US Federal Reserve would not raise interest rate in the near-term bode well for the equity market. "Given the positive catalyst as well as improved investor sentiment, immediate support and resistance level is set at 1,650 and 1,680 points, respectively," he told Bernama.

Nazri said crude oil gained a big boost with Brent, the global crude oil benchmark, rising 2.3 per cent, week-on-week, as the dollar slipped in response to disappointing data on the US services sector, which fuelled worries that the country's manufacturing woes were spreading. "The falling dollar provided short covering fireworks that push commodity prices higher," he said. The market will be closed on Monday and Tuesday next week for Chinese New Year Celebration. On a weekly basis, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) finished 5.34 points lower at 1,662.46 this holiday-shortened week. But earlier in the week, a weaker US dollar and stronger oil prices helped the local stock market recoup losses due to an overbought correction. Weekly turnover shrank to 6.64 billion units worth RM8.11 billion from 7.51 billion units worth RM9.85 billion recorded last week. Main market volume fell to 4.66 billion shares, valued at RM7.71 billion from 5 billion shares worth RM9.36 billion registered previously. The market will be closed on Feb 7 and Feb 8 for the Chinese New Year celebration.

Ringgit To Trade Higher At 4.10 Versus US Dollar

KUALA LUMPUR -- The ringgit is likely to trade at 4.10 against the US dollar next week on expectation of higher global crude oil prices and improved risk appetite for the local note, analysts said. Crude oil futures steadied on Friday ahead of the Chinese New Year on thin trading with benchmark Brent trading briefly above US$34 per barrel. Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the announcement of the recalibrated 2016 Budget helped boost investor confidence in the local equity market. "The recalibration (Budget 2016) exercise should cheer up investors as we expect it to attract more private investments and increase foreign fund inflow to the country. "With some pro-growth measures which include reduced Employees Provident Fund contribution and continuity of projects, we reckon the recalibration will benefit selective players in the consumer and construction sectors," he told Bernama. He said the US dollar, which has lost ground following growing expectation of a slower Federal rate increase, also lent some support for the local unit.

For the week just-ended, the ringgit eased marginally to 4.1520/1620 from 4.1500/1600 against the greenback last Friday mainly due to the movement of crude oil prices. It fell against the Singapore dollar to 2.9672/9754 from 2.9143/9228 last Friday and eased against the yen to 3.5514/5612 from 3.4337/4429. The ringgit went down against the British pound to 6.0312/0478 from 5.9598/9758 and depreciated against the euro to 4.6469/6598 from 4.5206/5323 last Friday. The foreign exchange market will be closed on Feb 8-9 for the Chinese New Year celebration.

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 week just-ended, BNM intervened daily to absorb excess funds by conducting conventional money market tenders, range maturity auction money market tenders, commodity murabahah programme, Islamic range maturity auction Qard tenders and repo tenders. On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM33.58 billion from RM37.49 billion earlier while in the Islamic system, it declined to RM7.70 billion from RM16.21 billion, previously. The overnight Islamic reference rate stood at 3.21 per cent while the one-, two- and three-week rates were at 3.30 per cent, 3.35 per cent and 3.39 per cent, respectively. Meanwhile, the benchmark three-month interbank rate stood at 3.78 per cent.

KLCI Futures To Trade Higher Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is expected to trade higher next week in line with the positive outlook for the cash market, dealers said. Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said the optimism was based on technical indicators which showed that the local bourse was moving away from earlier losses. "The FBMKLCI staged a rally above the 20 and 50-day moving average and other technical indicators continue to trend higher, indicating an increase in buying momentum on the local bourse," he told Bernama.

The market will be closed on Monday and Tuesday next week for Chinese New Year celebration. For the week-just-ended, KLCI futures was mixed during this holiday-shortened week as a weakening US dollar and a rise in crude oil prices helped propel the equity market. The market was closed on Monday for a local holiday. On a week-to-week basis, February 2016 eased 7.5 points 1,652.5, March 2016 was 6.5 points lower at 1,646.5, and June 2016 declined 11 points to 1,627. Weekly turnover contracted to 34,776 lots from 125,248 lots last week while open interest shrank to 46,716 contracts from 68,586 contracts last Friday. The benchmark FBM KLCI settled at 1,662.46, down 5.34 points, from 1,667.8 recorded in the previous week.

CPO Futures Market To Be Lacklustre Next Week

By Azlee Nor Mahmud

KUALA LUMPUR -- Trading in crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to be lacklustre next week as traders take a break for the Chinese New Year. Interband Group of Companies Senior Palm Oil Trader Jim Teh said production of fresh fruit bunches will also be reduced on the back of the El Nino climatic change. Teh said growers were mostly content with the current price of CPO, as it has been on a progressive pattern, surpassing its five-year lifecycle, since 2007. "We expect prices to range between RM2,300 and RM2,350 per tonne next week," he told Bernama.

On recent developments, Malaysia and Indonesia have protested France's plan to impose a progressive tax of up to €900 (€1=RM4.61) per tonne on palm-based products that enter the country. Minister of Plantation Industries and Commodities Datuk Seri Douglas Uggah Embas said France's unreasonable tax, effective next year, was clearly intended to kill the palm oil industry. On a weekly basis, February 2016 added RM148 to RM2,497 a tonne, March 2016 rose RM112 to RM2,523 a tonne, April 2016 gained RM137 to RM2,580 a tonne and May 2016 incfreased RM130 to RM2,571 a tonne. Turnover was higher at 227,269 lots from 193,670 lots last week while open interest stood at 253,318 contracts on Friday against 237,337 contracts last week. On the physical market, February South ended the week RM200 higher at RM2,500 a tonne. The market was be closed on Monday and Tuesday for the Chinese New Year holidays.

Rubber Market To Trend Higher Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to trend higher next week on improved sentiment for the commodity following the move by Thailand, Indonesia and Malaysia agreed to implement the Agreed Export Tonnage Scheme, effective March 1, 2016 aimed at shoring up flagging natural rubber prices. The International Tripartite Rubber Council said under the scheme, the three countries, which account for 67 per cent of world rubber production, will withdraw exports of 615,000 tonnes of natural rubber for six months from March 1 to August 31, 2016. Dwindling prices have had a direct effect on the income of rubber smallholders in the three countries.

Dealers are optimistic that rubber prices would improve in the immediate term as supply will be reduced. On a Friday-to-Friday basis, the Malaysian Rubber Board's sellers' official physical price for tyre-grade SMR 20 increased 0.5 sen to 446 sen a kg while latex-in-bulk trimmed eight sen to 361 sen a kg. The unofficial closing price for tyre-grade SMR 20 increased five sen to 449.5 sen a kg while latex-in-bulk eased 6.5 sen to 361 sen a kg.

KLIBOR Futures To Remain Untraded Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives will likely remain untraded next week. For the week just-ended, the market continued its lacklustre performance. Settlement prices for February 2016, March 2016, April 2016 and June 2016 remained pegged at 96.28, 96.27, 96.26 and 96.27, respectively. Open interest was unchanged at 120 contracts. The underlying three-month KLIBOR was pegged at 3.78 per cent. Market will be closed on Feb 8-9 for the Chinese New Year celebration.

KLTM Likely To Remain Quiet Next Week

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to see quiet trading next week as Chinese investors are expected to be absent from the market due to the Chinese New Year (CNY) celebrations, a dealer told Bernama. He said prices are expected to hover between US$14,500 and US$14,950 a tonne as traders would still be in a holiday mood. “The market will be closed on Feb 8 and Feb 9, and trading will resume on Wednesday,” he said, adding that buyers and sellers may not be very active with some even on extended holidays. “This will see prices remaining lacklustre on the KLTM due to lack of support,” he said. For the week just-ended, the metal traded between US$14,550 and US$14,950 a tonne, mainly influenced by the performance of the metal on the LME. European, Korean, Japanese, Chinese, Latin American and Pakistan players accounted for the week’s turnover of 409 tonnes versus 362 tonnes last week. The market was closed on Monday for the Kuala Lumpur Federal Territory Day holiday.

Gold Futures To Trend Lower Next Week

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is likely to trend lower next week on lack of market moving news, said a dealer. Phillip Futures Sdn Bhd dealer Leo Goh Boon Hao said it would most likely remain quiet due to the absence of China, the world’s second largest gold consumer, because of the Chinese New Year celebrations. The local bourse will be closed on Feb 8 and Feb 9 and trading will resume on Wednesday.
He said the gold market would also be influenced by the ringgit’s movement next week. Meanwhile, on a Friday-to-Friday basis, February 2016 added 114 ticks to RM154.00 a gramme, March 2016 rose 115 ticks to RM154.15 a gramme, April 2016 was up 109 ticks to RM154.40 and May 2016 stood at RM154.55 a gramme. Weekly turnover totalled 100 lots worth RM1.5 million from 262 lots worth RM3.92 million traded last Friday. Open interest on Friday fell to 1,461 contracts from 1,654 contracts previously. The market was closed on Monday for the Kuala Lumpur Federal Territory Day holiday.