MALAYSIAeBiz

WEEKLY BUSINESS ROUNDUP 10-14 MARCH 2014

March 14, 2014

This Week's Highlight : Low-Cost Carriers Should Start Moving To klia2

KLIA2 Opens on May 2

A Commentary by Massita Ahmad

KUALA LUMPUR -- Low-cost carriers (LCCs) have less than two months to start shifting their operations to klia2 to avoid congestion.

The RM4 billion airport, dubbed as the world's largest purpose-built terminal for LCCs, is set to open on May 2.

Budget carriers -- Malindo Air, Cebu Pacific and AirAsia -- are among the airlines that will move their operations to klia2. AirAsia, Asia's biggest low-cost carrier, is expected to utilise 80 per cent of the klia2.

This Week's Top Stories

Monday

MAS Frankfurt Denies Rumours Of Service Termination

By Manik Mehta

BERLIN --Malaysia Airlines' Frankfurt office has denied rumours that the carrier is discontinuing its five-weekly flight service to Frankfurt following its recent announcement to stop flights to Los Angeles, saying they are "unfounded and untrue". "Frankfurt is not on the radar (of any route cutting). It is untrue and inaccurate on the part of certain elements to suggest that MAS is discontinuing the Frankfurt route," David Raj, the carrier's Frankfurt director, told BERNAMA at the International Tourism Bourse (ITB) here Monday.

Tuesday

Brahim's To Set Up JV With Saudi Co.

KUALA LUMPUR-- Brahim's Holdings Bhd has entered into a memorandum of understanding (MoU) with Dhyafat Albalad Alameen Co Ltd to establish a joint venture (JV) company in South Arabia.

Brahim's, in a filing to Bursa Malaysia Tuesday, said the JV company would be involved in developing food manufacturing, production and services in Makkah.

Wednesday

Industry On Track To Deliver Profits, Says IATA

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- The airline industry remains on track to deliver a second consecutive year of improved profitability, said International Air Transport Association (IATA) Director General and Chief Executive Officer, Tony Tyler. He said this was despite a slight downward revision to IATA's industry outlook for 2014 to an industry profit of US$18.7 billion from the previously forecast US$19.7 billion.

Thursday

MAHB Given 2 Weeks To Submit Klia2 Report

SEPANG -- The Public Accounts Committee (PAC) has given Malaysia Airports Holdings Bhd (MAHB) two weeks to submit a full report on the planning, implementation and cost of the klia2 project. "The Transport Ministry is giving its commitment and is confident that the klia2's opening date for May 2 can be achieved," PAC Chairman Datuk Nur Jazlan Mohamed told a media briefing after visiting the airport here Thursday.

Friday

Soverus Group, Johor Prince Tap Iskandar's Security Business

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Soverus Group, a leading security solutions company owned by Singaporean businessman, Peter Lim, and the son of the Johor Sultan, Tunku Abdul Rahman, have inked a memorandum of understanding (MoU) to set up a premium security business in Iskandar Malaysia. Under the MoU, the joint venture company will tap into the growing demand in Iskandar Malaysia for good and reliable private security services, including both armed and unarmed guarding. The MoU was signed by Soverus Group Chief Executive Officer Paul Lim and Tunku Abdul Rahman here Friday

SMEb[redacted]

PUNB Approves RM52 Mln Loans By February

KUALA LUMPUR -- The National Entrepreneurs Development Board (PUNB) has approved RM52 million in loans by February, says Chief Executive Officer Dzulkifli Fadzilah. The loans were approved for the Prosper Youth Scheme, wholesale, Prosper Retail, manufacturing, engineering and service schemes.

He said RM275 million was allocated this year of which the bulk or RM160 million would be used for the development of the retail and wholesale sectors. "We are giving special attention to the retail sector, automotive, hardware, telecommunications, professional and early childhood education which has the potential to grow," he said after the signing of a corporate integrity pledge between PUNB and the Malaysian Anti-Corruption Commission.

Dzulkifli said RM50 million would also be set aside to acquire properties which would then be rented out to PUNB entrepreneurs.

Najib Unveils RM200 Mln Bumiputera Business Expansion Fund

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak Monday announced a RM200 million Bumiputera Business Expansion Fund to help technology-based Bumiputera companies to expand their business to international level.

For a start, RM25 million allocated to the Bumiputera Agenda Steering Unit (Teraju) in the Prime Minister's Department, will be managed by the Malaysian Technology Development Corporation, he said.

The fund will provide flexible loans without any collateral and the repayment period is six years starting from the second year after the loan has been disbursed, Najib said after chairing the Bumiputera Economic Council meeting at Parliament House.

Najib, who is also Finance Minister also announced another seven Bumiputera companies will receive the Facilitation Fund Grant totalling close to RM20 million to implement various projects.

PropUP Propertyupdate

Matrade Targets Projects Worth RM400 Mln In Myanmar

KUALA LUMPUR -- The Malaysia External Trade Development Corp (Matrade) targets RM400 million worth of construction projects in Myanmar for Malaysian companies. In a statement Wednesday, Matrade said the projects include residential, commercial, industrial parks and mixed developments such as hotels, office buildings and shopping malls. The projects are owned by government-related agencies and private entities identified by Matrade, it said. "Malaysian firms are in the best position to contribute to the development in Myanmar due to outstanding track record in undertaking various construction and infrastructure projects globally," said Matrade.

Berjaya Philippines Buys 50 Pct Stake In London Property Firm

KUALA LUMPUR -- Berjaya Sports Toto Bhd's indirect subsidiary, Berjaya Philippines Inc, has acquired a controlling 50 per cent stake plus one share in RBW Holdings Ltd for £50,001. In a filing to Bursa Malaysia Monday, Berjaya Sports Toto said the equity stake acquisition would be funded via internal generated funds and was aimed at taking advantage of real estate opportunities in London.

REHDA Proposes Gradual Implementation of GST

PETALING JAYA -- The Real Estate and Housing Developers' Association Malaysia (REHDA) has proposed that the goods and services tax (GST) be implemented gradually as it will have an adverse impact on the affordability of housing to the people. Its Finance and Investment Committee Chairman, Datuk Ng Seing Liong, said the six per cent GST, which would be implemented from April 1, 2015, was quite high and the consumers would be burdened by it.

"The developers' margins will also be lower with the GST," he said at a media briefing on 'GST -- Impact on the Housing Industry' here Monday.

Developers And Lawyers, Not Buyers, Must Settle Bank Loans for Abandoned Projects

KUALA LUMPUR -- Instead of the buyers, housing developers and lawyers should be the first to be held responsible to settle bank loans if the housing project they involved in were abandoned. Malaysian Muslim Consumers Association (PPIM) chief activist Datuk Nadzim Johan said many house buyers were unaware that there was a term in the sale and purchase (S&P) agreement stipulating that the developer or the lawyer will be held responsible for the bank loan in the event that the housing project is incomplete or abandoned. As such, he said PPIM would continue to increase consumer awareness and take the matter to the attention of the relevant authorities.

MARKET

Scoreboard

Gainers - 210

Losers - 543

Not Traded - 547

Unchanged - 331

Value - 2076152955

Volume - 13698237

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.2780	3.2810
EUR	4.5472	4.5521
GBP	5.4471	5.4530
100 YEN	3. 2245	3.2281
SGD	2. 5878	2. 5922

Bursa Malaysia: KL Shares Close Lower

KUALA LUMPUR -- The ringgit closed weaker against the US dollar as more investors shift to “safe haven” currencies due to persistent economic uncertainties, dealers said. At 5 pm, the ringgit was quoted at 3.2780/2810 against the US dollar from 3.2720/2750 at Thursday’s close. A dealer said investors have entered the “cautious mode” after the world’s second biggest economy, China, delivered another disappointing data today, suggesting that the country’s economy may experience a further slowdown. “Investors started shifting their interests to highly-rated government bonds and dumped riskier assets, with Wall Street slumping more than one per cent,” he added. Against other major currencies, the ringgit was traded mostly lower. The local note depreciated against the yen to 3.2245/2281 from 3.1913/1954 on Thursday and was easier against the Singapore dollar at 2.5878/5922 from 2.5866/5891 yesterday. The domestic currency declined to 4.5472/5521 from 4.5644/5699 versus the euro yesterday but strengthened against the British pound to 5.4471/4530 from 5.4498/4562 on Thursday.

FOREX: Ringgit Closes Weaker Versus US Dollar As More Investors Shift To ‘Safe Haven’ CurrenciesAgainst US Dollar At Close

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KLIBOR Futures Contract Ends Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract was untraded Friday. March 2014, April 2014, May 2014 and June 2014 remained unchanged at 96.68, 96.65, 96.62 and 96.59, respectively. Open interest totalled 3,895 contracts. At the 11am fixing, the underlying three-month KLIBOR stood at 3.31 per cent.

KLCI Futures Close Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives closed lower today in tandem with the bearish underlying cash market.

Phillip Futures Sdn Bhd Dealer, Tan Sek Wei, told Bernama the futures market, which opened lower today, remained bearish due to concern over tension in Ukraine, US Federal Reserve’s decision to withdraw stimulus from economy and the disappointing economic data from China.

March 2014 fell 18 points to 1,797 and April 2014 lost 19 points to 1,795.5. June 2014 and September 2014 fell 19.5 points each to 1,789.5 and 1,789, respectively.

Turnover rose to 7,657 lots from 4,549 lots on Thursday while open interest increased to 38,857 contracts from 35,576 contracts yesterday. The underlying FBM KLCI closed 13.74 points weaker at 1,805.12.

Money Market: Short-term Rates Ends On Stable Note

KUALA LUMPUR -- Short-term interbank rates closed stable today following Bank Negara Malaysia’s intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM15.27 billion against RM19.75 billion estimated in the morning while in the Islamic system, it advanced to RM4.13 billion from RM3.74 billion earlier. in the morning, the central bank called three conventional money market tenders, one repo and two Al-Wadiah tenders. It also conducted a late conventional money market tender for RM15.3 billion and a RM2.6 billion Al-Wadiah money market tender, both for three-day money. The overnight rate stood at 2.94 per cent, while the one-, two- and three-week rates stood at 3.01 per cent, 3.04 per cent and 3.07 per cent, respectively.

Malaysian Capital Market Breaches RM2.7 Trillion

KUALA LUMPUR -- The Malaysian capital market grew by 10.5 per cent to RM2.7 trillion in 2013, with key market segments recording steady growth on the back of robust domestic fundamentals.

The Securities Commission Malaysia (SC), in conjunction with the release of its annual report Wednesday, said the bond market ended the year at RM1 trillion and maintained its position as the third-largest in Asia relative to the gross domestic product.

O&G Sees RM30 Bln In M&A, Capital Projects

KUALA LUMPUR -- Malaysia's oil & gas (O&G) sector expects to see between RM26 billion and RM30 billion in merger and acquisitions (M&A) and capital projects this year.

Deloitte Southeast Asia Mergers & Acquisitions' Tax and Energy & Resources (E&R) Leader, Steven Yap said in a statement Wednesday, more O&G players would seek growth in a challenging environment with continuing pressure to improve productivity from substantial investments in major capital projects that were yet to come on stream.

Malaysia's M&A To Retain Positive Momentum: Societe Generale

KUALA LUMPUR -- Malaysia will see a positive momentum in mergers and acquisitions (M&A) this year, Societe Generale says in its Asia Equity Compass report Monday.

It said the country has experienced a shy start in 2014, but as the most competitive Asean market, it will see a positive momentum similar to last year.

Maybank Singapore To Offer FAST Service

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Maybank Singapore customers will enjoy greater speed and convenience when sending and receiving money electronically with other participating banks here through Fast and Secure Transfers (FAST).

In a statement here Monday, its Head of Virtual Banking & Payments, Community Financial Services, Cynthia Liaw, said the bank has seen the shift towards an increasingly paperless society and a cashless one was the next phase in that development.

Islamic Banking Poised For 25 Pct Market Share

KUALA LUMPUR -- Islamic banking is expected to achieve a market share of more than 25 per cent in terms of banking assets this year, said Standard Chartered Saadiq Bhd Chief Executive Officer/Global Head for Islamic Consumer Banking Wasim Saifi Tuesday.

"With the continuous double-digit growth momentum, and with the regulatory framework that Bank Negara has put in place, the target for Islamic assets is to make up 40 per cent of Malaysia's total financial market by 2020," he said after the launch of Saadiq's branded Islamic banking windows which would promote Standard Chartered's Islamic product and services.

Etiqa Makes Foray Into Takaful Investment-linked Segment

KUALA LUMPUR --Etiqa Takaful Bhd is targeting 3,500 participants to sign up for its latest Takaful-linked investment plan, Elite Takafulink, by this year.

Chief Executive Officer Ahmad Rizlan Azman said in a statement Monday, the introduction of the plan, which provides participants a combination of protection and the opportunity to accumulate wealth, marks the company's foray into the Takaful investment-linked market.

Cradle Fund To Collaborate With Regional Venture Capitalists

KUALA LUMPUR -- Cradle Fund Sdn Bhd plans to cooperate with regional venture capital (VC) organisations to invest in local start-ups to help them attain commercialisation in regional markets.

"We are going to start co-investing with some of the regional VC organisations and will be doing matchings if they want to fund start-ups based on one-to-one basis," its Chief Executive Officer Nazrin Hassan said at a media briefing Tuesday.

SC Views Strong Leadership In Positioning M'sian Capital Market

KUALA LUMPUR -- The Securities Commission of Malaysia (SC) views its strong leadership at the multi-regulatory International Organisation of Securities Commissions (IOSCO) as critical in positioning the Malaysian capital market.

SC, in its latest annual report Wednesday, also viewed its leadership position in IOSCO as critical in shaping the development of global regulatory standards and best practices for the capital market.

SC: Financial Journalists Should Be Fair, Accurate, Responsible

KUALA LUMPUR -- Dissemination of information by financial journalists must be done in a fair, accurate and responsible manner, says the Security Commission (SC) in its 2013 annual report.

The SC was referring to a regulatory settlement entered into with a Malaysian media editor on October 2013, over news published on an online news portal on Aug 10, 2012.

"The price sensitivity of the subject matter of the article, coupled with the recklessness with which the article was written, without any verification with the SC, had created unwarranted and steep fluctuations to the involved company," it

BANKRAKYAT

Bank Rakyat Declares 15 pct Dividend

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR --- Bank Rakyat, the largest Islamic cooperative movement in Malaysia, has declared a total cash dividend of 15 per cent, amounting to RM446 million, for the financial year ended Dec 31, 2013. The bank recorded a profit before tax and zakat (tithe) of RM2.13 billion, unchanged from the previous year, Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hasan Malek said when announcing the bank's financial results Thursday. The bank contributed two per cent or RM42.51 million of its profits before tax and zakat to the Co-operative Education Trust Fund and one per cent or RM21.25 million, to the Co-operative Development Provident Fund.

Higher Bonus Seen For Malaysian Employees This Year

KUALA LUMPUR --- Malaysian employees can expect to receive bigger bonuses this year, according to a survey by online recruitment company, JobStreet.com. In a statement Thursday, JobStreet.com said at least 30 per cent of the firms surveyed said they would give out higher bonuses due to improved business performance.

Business Tourists Expected To Generate RM20.3 Bln Receipts

By Zairina Zainudin

KUALA LUMPUR -- Handal Resources Bhd's pre-tax profit rose to RM6.473 million for the financial year ended Dec 31, 2013 from the RM4.164 million recorded in 2012. The company recorded full year revenue of RM99.899 million, marking a 2.4 per cent rise from the RM97.580 million recorded previously, the company said in a statement Monday.

Malaysian Investors Optimistic Of The Economy: Poll

KUALA LUMPUR -- Many Malaysian investors are optimistic about the local economy and expect Asia to offer the best equity and fixed-income returns this year and over the next 10 years, says a global poll by Franklin Templeton. In terms of equity, 37 per cent of the 501 Malaysian respondents expect Asia (ex-Malaysia) while 22 per cent think Malaysia will deliver the best equity returns this year, according to the 2014 Global Investor Sentiment Survey by the global investment management organisation.

RAM Forecasts Malaysia's GDP At 5.1 Pct

KUALA LUMPUR -- RAM Rating Services Bhd expects the domestic economy to expand 5.1 per cent this year despite the headwinds in the wake of the US Federal Reserve's quantitative-easing (QE) programme and the constraint in household spending brought on by cost hikes. "The domestic market would welcome about RM90 billion to RM95 billion of bond issues in 2014 despite QE-induced spike in yields and based on the pipeline of rated bonds," it said in a statement Thursday.

Manufacturing Sales Up 12.3 Pct In January

KUALA LUMPUR, --- Manufacturing sales in January 2014 rose 12.3 per cent to RM56.1 billion from RM50 billion reported in the same month last year, the Statistics Department said.

In its latest monthly data released Thursday, it said sales value had increased by 1.8 per cent or RM1 billion compared with the preceding month.

Malaysia's IPI Up 3.7 Pct In January

KUALA LUMPUR -- Malaysia's Industrial Production Index (IPI) grew by 3.7 per cent in January 2014 compared with the same month a year ago, the Statistics Department said Thursday.

The increase was contributed by growth in the manufacturing, mining and electricity indices by 4.7 per cent, 1.5 per cent and 0.2 per cent, respectively.

Berjaya Auto Posts RM43.54 Mln Q3 Pre-Tax Profit

KUALA LUMPUR --Berjaya Auto Bhd's (BAuto) pre-tax profit for the third quarter ended Jan 31, 2014 rose to RM43.54 million from RM8.03 million recorded in the same quarter last year. Revenue surged to RM343.03 million, from RM224.56 million recorded previously, the company said in a filing to Bursa Malaysia.

Feb Palm Oil Stocks Down 14.25 Pct

KUALA LUMPUR -- Palm oil stocks fell 14.25 per cent to 1.65 million tonnes in February 2014 from 1.93 million tonnes in January 2014, said the Malaysian Palm Oil Board (MPOB).

In a statement here Monday, MPOB said crude palm oil (CPO) stocks declined 13.62 per cent to 925,594 tonnes last month while processed palm oil fell 15.02 per cent to 733,888 tonnes.

Sime Darby Port Unit in RM536M JV in China

KUALA LUMPUR – Weifang Sime Darby Port Co Ltd has signed a shareholders' agreement with Weifang Port Co Ltd and Shandong Hi-speed Transport & Logistics Investment Co Ltd to form a joint venture (JV) company known as Weifang Port Services Co Ltd. Weifang Sime Darby Port Co Ltd is a 99 per cent-owned indirect subsidiary of Sime Darby Bhd. In a filing to Bursa Malaysia Tuesday, Sime Darby said that the JV, with a registered capital of RMB1 billion (RM536 million), will handle the construction, management and maintenance of the sea channel, anchorage and other port infrastructure in the Weifang Central Port region.

TIH Plans To Buy 49 Pct Share In Thai Co

KUALA LUMPUR -- Tune Ins Holdings Bhd (TIH) intends to invest in 49 per cent stake in non-life insurance company in Thailand, Osotspa Insurance Public Co Ltd (OSI). In a filing to Bursa Malaysia Monday, TIH said the exercise of obtaining 14.7 million ordinary shares, or 49 per cent of OSI's issued and paid-up capital, would be subjected to approval from Thailand's Office of Insurance Commission.

Japanese Co Keen To Buy Stake In Kian Joo

KUALA LUMPUR -- Kian Joo Can Factory Bhd has received a non-binding letter of interest from Toyota Tsusho Corp (TTC) to purchase its 51 interest. In a filing to Bursa Malaysia, Kian Joo said the letter was not tantamount to an offer as it stated it was non-binding.

Maxis Offers Customers Free Access To Digital Directory

KUALA LUMPUR -- Maxis Bhd is offering its customers free access to its digital directory service which has 175,000 business listings in over 2,500 categories.
The offer, launched in partnership with FINDIT Malaysia, included access to location maps and driving directions, via mobile phones, said Maxis Head of Digital Services, Kugan Thirunavakarasu said at the FINDIT Media Experiential Event here Tuesday.

Destini Acquires Samudra Oil For RM80 Mln

KUALA LUMPUR -- Destini Bhd has acquired Samudra Oil Services Sdn Bhd, a wholly-owned subsidiary of Kejuruteraan Samudra Timur Bhd, for RM80 million. The acquisition will be fully satisfied via the issuance of 228.6 million Destini Shares at 35 sen per share.
The acquisition is expected to be completed by month-end after Kejuruteraan Samudra shareholders approved the purchase at an extraordinary general meeting, the company said in a statement.

Belgium Industry Body Seeks Furniture From ASEAN

By Harizah Hanim Mohamed and S. Joan Santani

KUALA LUMPUR -- The Belgian Furniture Manufacturers Association (Fedustria) says it is considering buying furniture from Asean countries amid rising labour costs in China. Bernard Deheegher, director of the association's export promotion division BelgoFurn, which represents 90 per cent of Belgian furniture industry players, told Bernama Tuesday, they are looking to buy furniture from Malaysia, Indonesia, Vietnam and Singapore.

Merge Energy Awarded Water Treatment Project In Pekan

KUALA LUMPUR -- Merge Energy Bhd via its subsidiary, Mewah Kota Sdn Bhd, has been awarded a water treatment project by the East Coast Economic Region Development Council in Pekan, Pahang. In a filing to Bursa, the company said the tender was for the proposed construction and completion of Ganchong water treatment works, main distribution pipeline, booster pump stations and associated works.

Rahman Hydraulic Buys 80 Pct of SL Tin

KUALA LUMPUR -- Rahman Hydraulic Tin Sdn Bhd, a subsidiary of Malaysia Smelting Corporation Bhd (MSC) had today entered into a share sale agreement and shareholder's agreement to acquire 80 per cent equityin SL Tin Sdn Bhd. In a filing to Bursa, MSC said with the acquisition, the company will own 4 0,000 ordinary share of RM1.00 each in SL Tin with a purchase consideration of RM50,000.

Sri Lankans Overwhelmed by Malaysia's Theme Parks

By M. Saraswathi

NEW DELHI --Legoland theme park and Genting Resorts World were among the participants in a travel market organised by Tourism Malaysia that received tremendous response from travel agencies in Sri Lanka. "We must thank The Lego Movie as it has attracted almost half of the 70 per cent of the agents I met here", Legoland Manager for Tours and Travel Owen Tan told Bernama.

South Korea Seeks Malaysia's Halal Expertise

By Nurul Hanis Izmir

KUALA LUMPUR-- South Korea is taking steps to upgrade its level of understanding about halal products, said Korean Halal Association Managing Director, Kim Jin Woo Wednesday. in Woo said this was not only in preparation towards receiving Muslim athletes at the upcoming 2018 Winter Olympics, but also due to the country being among the famous holiday destinations for Muslims. "We were hoping that come 2018, 50 per cent of Koreans would know the concept of halal," he told Bernama in a working trip to Malaysia. He also said that currently, the number of Muslim Koreans stood at 130,000 versus the total populations of 50 million and the number keep on increasing.

IRIS To Fortify Global Presence In ID Sector

By Azlee Nor Mahmud

KUALA LUMPUR -- IRIS Corp Bhd, the inventor of the global e-Passport and Malaysian smart card identification document MyKad, plans to fortify its global presence and boost its reputation as an innovative Malaysian company. Its Chief Executive Officer for the trusted identification division, Datuk Hamdan Mohd Hassan, said many people are not aware that IRIS is the inventor of the e-Passport and MyKad. "IRIS, which is in the trusted identification document business in 27 countries, has been in the frontline for multi-application smartcards and many Malaysians don't realise themselves that we are even the inventor of the auto-gate at the airport," he told Bernama recently.

Malaysia's Ultra Wealthy Forecast To Rise 33 Pct

KUALA LUMPUR --- Knight Frank, a leading independent global property consultancy, has forecast that Malaysia's ultra-wealthy population will increase by 33 per cent in the next decade. The ultra wealthy include ultra high-net worth individuals with US$30 million or more in assets excluding their main residence, as well as centra-millionaires and billionaires, its Managing Director for Malaysia, Sarkunan Subramaniam said after the launch of its 2014 Wealth Report here.

Precious Metals Industry Players Want GST Exemption

By Azizul Ahmad

KUALA LUMPUR -- Precious metals industry players want the government to exempt goods and services (GST) tax for investment in the metals as they are alternative forms of investment tools similar to stocks and bond. Physical gold would no longer be a viable tool for investment and as a hedge against inflation and foreign exchange fluctuations if the GST were to be imposed, said Public Gold Group Executive Chairman, Datuk Louis Ng at the end of a half-day forum on 'GST on Investment Precious Metal' here Wednesday.

Boustead Secures RM108 Mln Murphy Sarawak Oil Contract

KUALA LUMPUR -- Boustead Penang Shipyard Sdn Bhd has secured an RM108 million contract from Murphy Sarawak Oil Co Ltd for the fabrication of offshore Belum topsides.

The unit, under Boustead Heavy Industries (BHIC) Corporation Bhd, said in a statement Friday, the project was for the provision of engineering, procurement, construction and commissioning of offshore topsides for Block SK309 Belum Satellite-A Platform, in phase two of the Sarawak Gas Development Project.

The contract is targeted for completion by June 2015.

BHPetrol To Open 150 More Stations

KUALA LUMPUR -- BHPetrol, the petrol retail subsidiary of Boustead Holdings Bhd, plans to open another 150 stations in the next three years from its present 350 kiosks. Boustead Holdings Deputy Chairman and Group Managing Director Tan Sri Lodin Wok Kamaruddin said since the company took over the business from British Petroleum (BP) and rebranded it as BHPetrol in 2005, the stations had done very well to emerge as the third most popular brand.

http://images.bernama.com/foto/shopping/

MIGHT, Mauritian Authorities To Set Up Collaboration Centre

From Ahmad Fuad Yahya

PORT LOUIS -- Malaysia and Mauritius have agreed, in principle, that the Malaysia Industry-Government Group for High Technology (MIGHT) and the Mauritian authorities sign a memorandum of understanding (MoU) to set up the MIGHT Malaysia-Mauritius Collaboration Centre. International Trade and Industry Minister, Datuk Seri Mustapa Mohamed told Malaysian journalists here Wednesday, the draft MoU was now with the Mauritian government and would be signed soon.

WIEF Forum To Boost Malaysia's Expert -Sharing Efforts

By Nurul Hanis Izmir

KUALA LUMPUR -- The WIEF Foundation's annual World Islamic Economic Forum (WIEF), which is now in its 10th year bringing together the Muslim nations and communities, will boost the country's efforts to lend its expertise to help others. "Malaysia has a lot of experts in the field of halal industry such as Islamic banking and finance, halal food and halal certification which can benefit the country to become a champion by assisting other countries," the foundation's Secretary-General, Tan Sri Ahmad Fuzi Abdul Razak, told Bernama here Monday.

KL Conference To Gather Islamic Finance Experts

SINGAPORE -- Industry experts are set to share their wide spectrum of expertise at the upcoming Kuala Lumpur Conference on Islamic Wealth Management & Financial Planning 2014 at the Grand Seasons Kuala Lumpur on March 18-19.

Among the key focus of the conference are Islamic fund management, Islamic investment, sharing the wealth using exchange instruments, risk management & takaful, Islamic estate planning, retirement planning, tax and zakat planning, its organiser, Alfalah Consulting said in a statement Monday.

KL Hosts World Audit Regulators Workshop

KUALA LUMPUR -- Over 100 regulators from 35 jurisdictions who are members of the International Forum of Independent Audit Regulators (IFIAR) are in Kuala Lumpur this week for the 8th IFIAR Inspection Workshop.

In a statement Monday, the Securities Commission Malaysia said the closed-door event is held annually to share technical skills, knowledge, practical experiences, relevant inspection findings and the identification of better practices in inspecting audit firms.

Malaysia Reaps RM638.9 Mln Sales At Gulfood

KUALA LUMPUR -- Gulfood, one of the biggest annual food and hospitality trade show in Dubai saw Malaysia's largest participation with 70 companies, including 29 companies making inroads into the market for the first time.

This year's participation generated sales of RM638.9 million and received a total of 19,856 trade enquiries throughout the five day event. Malaysian food products are well accepted and widely available in all major supermarkets in the region, Malaysia External Trade Development Corporation (Matrade) said in a statement Monday.

Matrade To Hold Exporters Forum Nationwide

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (Matrade) aims to hold a series of forums nationwide forlocal exporters to enhance their skills and knowledge.

Speaking at the Exporters Forum 2014, the first in the series, Chairman Datuk Noraini Ahmad said the forums, which replaced the annual briefing and consultation programme organised since 2004, will also be held in Johor Baharu, Penang, Kota Baharu, Kuantan, Ipoh, Sungai Petani, Seremban, Tawau and Bintulu.

Matrade has served over 11,000 Exporting Companies

KUALA LUMPUR -- Deputy Minister of International Trade and Industry, Datuk Hamim Samuri says, the Malaysia External Trade Development Corporation (Matrade) has served more than 11,000 exporting companies and will continue to support exporters' expansion plans by helping them establish relevant business connections and develop their capabilities.

As an agency promoting overseas growth, Matrade will intensify efforts to go international, and this year it plans to have 147 trade promotions to 46 markets overseas, with the main focus in Asean, he said in his opening speech at the Exporters Forum 2014 Tuesday.

SGX To Launch Options On China A50 Futures In Q3

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- The Singapore Exchange (SGX) aims to launch SGX FTSE China A50 Index options in the third quarter of this year to cater to the risk management needs of global investors,

and in response to supportive industry feedback.
In a statement, SGX said subject to final regulatory approval, the new contract would be listed as options on the SGX FTSE China A50 Index futures (SGX China A50 futures).

FGVB Delivers 1st PME Consignment To Kuantan

KUALA LUMPUR --Felda Global Ventures Biotechnologies Sdn Bhd (FGVB) has delivered its first 48 metric tonnes (MT) of palm methyl ester (PME) under the B5 programme to a client at the Kuantan Fuel Terminal.
In a statement Thursday, the Felda Global Ventures Holdings Bhd (FGV) unit also said that it had sent another 48 MT to a fuel terminal in Terengganu, adding that previously the B5 biodiesel was sold only in the Central and Southern regions.

Automechanika Expects To Draw Over 6,000 Visitors

KUALA LUMPUR, -- Six thousand trade visitors from Asean
are expected to attend the three-day Automechanika Kuala Lumpur, a leading regional trade fair for the automotive industry.
Supported by the Malaysia Automotive Institute (MAI), the ninth edition of
the auto fair from March 19, 2015, will be jointly organised by Messe Frankfurt (Hong Kong) and the Malaysian External Trade Development Corporation.

APM 2014 To Discuss Maritime Industry's Challenges

By Joan Santani Santanasamy

KUALA LUMPUR -- Challenges faced by the offshore, shipbuilding and green shipping sectors and a growing Asia will be discussed at the Asia-Pacific Maritime 2014 (APM 2014) from March 19-21.
Maritime Institute of Malaysia Senior Fellow, Nazery Khalid, said over 15,000 visitors from 60 countries are expected to attend the event at Singapore's Marina Bay Sands Expo and Convention Centre.
The event, themed 'Repositioning for Growth in the Asia-Pacific Region', will see the participation of 1,500 international maritime companies from 53 countries compared with 1,300 in its 12th series in 2012, he told Bernama here Thursday.

klia2 Opens On May 2 - Hishammuddin

KUALA LUMPUR --The Transport Ministry is confident the Kuala Lumpur International Airport 2 (KLIA2) will be opened this May 2 as scheduled, Acting Transport Minister Datuk Seri Hishammuddin Tun Hussein said. Claims by certain quarters that 65 per cent of the terminal failed during inspection, was untrue, he said in a written reply in the Dewan Rakyat Thursday.

Boeing, SpiceJet Announce Order For 42 737 MAX 8s

By Saraswathi Muniappan

NEW DELHI -- Boeing and SpiceJet Wednesday announced an order for 42 737 MAX 8s at India Aviation 2014.
The order, previously listed as unidentified on the Boeing Orders & Deliveries website, is valued at US$4.4 billion at list prices, the Sun Group's Chief Financial Officer, S.L. Narayanan, said in a statement Wednesday.

Pestech Starts US$86.1 Mln Engineering Works In Cambodia

KUALA LUMPUR -- Pestech International Bhd's subsidiary, Pestech (Cambodia) Ltd, has executed an agreement for US$86.1 million with Cambodia's Alex Corp Co Ltd for engineering works in that country.
The project involves designing, engineering, manufacturing, installation, testing and commissioning for the 230 kilovolt (KV) West Phnom Penh-Sihanoukville Transmission Line and 230/115/22 KV sub-station extension.
It is expected to start in three months from the date of signing and scheduled for completion in 32 months, Pestech International said in a filing to Bursa Malaysia Monday.

Construction of Kidex Skyway To Begin Next Year

KUALA LUMPUR --- Kidex Sdn Bhd, the developer of the 14.9 kilometre Kinrara Damansara Skyway (KIDEX Skyway), is expected to begin construction of the RM2.42 billion project early next year.

Chief Executive Officer Datuk Mohd Nor Idrus told reporters Thursday, the company was now awaiting approval from the Federal government approval, expected at year-end.

Petronas Wins JEC Europe Innovation Award For Technology

KUALA LUMPUR --- Petronas has emerged the winner in the oil and gas category of the JEC Europe 2014 Innovation Awards for its breakthrough technology, the PROASSURETM, a composite clamp for pipeline repair.
The composite clamp is jointly developed by Petronas Research Sdn Bhd, the research arm of Petronas, and the Cooperative Research Centre for Advanced Composite Structures of Australia, Petronas said in a statement Thursday.

MAS Will Ride The Rough Weather – Analysts

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE – Aviation industry analysts are confident Malaysian Airline System Bhd (MAS), which is in the spotlight following the missing Flight MH370 incident, will be able to ride the rough weather given its good safety record.

The International Air Transport Association (IATA)'s Director-General and Chief Executive Officer, Tony Tyler says it does not expect a reduction in the growth of passenger traffic for MAS following the incident.

"It is important to note that air travel remains an extremely safe industry. Everybody works together with high priority to ensure safety.

"As far as MAS is concerned, it has a good safety record. It had a fatal accident nearly 20 years ago, involving a Fokker 50," he said in question-and-answer session via teleconferencing from Geneva Wednesday.

Tyler said the national carrier has its IATA Operational Safety Audit registered in 2006, the benchmark for global safety management in airlines.

"This incident is very rare and when it happened it is absolute tragedy for all concerned."

"I think the confidence in the operating integrity of MAS should not be prejudiced, we should not draw any conclusion at all until we have been able to identify the cause of this tragedy," he said.

The search for the MAS aircraft entered its seventh day Friday. The Beijing-bound plane with 239 people on board went missing en route from Kuala Lumpur to Beijing after taking off from KLIA at 12.41 am Saturday, March 8. MAS flight MH370 disappeared from the Department of Civil Aviation's radar at 1.30 am Saturday.

AMP Capital Investors Head of Investment Strategy and Chief Economist, Dr Shane Oliver said the incident will not have a long-lasting impact on the airline's growth prospects.

He noted that such events are invariably negative for airlines in the short term given the investigations and negative publicity.

"But if Malaysia Airlines has done the right thing in terms of safety and/or corrects any problems quickly, then I doubt there will be any long-lasting impact on its growth prospects," he told Bernama.

The Malaysian national flag carrier has been in the red in 10 out of the last 12 quarters. For the financial year ended 2013, MAS registered a net loss of RM1.17 billion compared to RM432.58 million in the previous year, due to higher depreciation and finance charges, coupled with unrealised foreign exchange loss and high jet fuel cost.

But its track record for safety speaks for itself.

An aviation expert from Singapore, Dr S Sarkunanathan, said it is highly unusual to lose a flight without any indication of it experiencing difficulties, given the sophisticated equipment on the Boeing 777-200, which is considered to be one of the safest planes of its peers.

"MAS has the edge on safety and hospitality," he said. MAS' last major incident was in 1995, when 34 people died after a plane crashed in Tawau, Sabah, due to bad weather.

The airline's number of passengers rose 28.5 per cent to 17.2 million last year, with seat load factor improving to 93.5 per cent.

According to MAS website, the airline operates 15 Boeing 777-200, which can fly a range of 12,779km and up to 18 hours.

With a seating capacity of 282, the aircraft runs on Rolls Royce Trent 892 engines and with a cruising speed of 897km per hour.

LIST OF MARKET REPORTS :

Bursa: KL Shares Close Lower On Selling Pressure

By Amanina Mohamad Yusof

KUALA LUMPUR -- Share prices on Bursa Malaysia closed lower Friday on persistent selling pressures ahead of the weekend amid lack of positive market leads, dealers said. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) index declined 13.74 points to close at its lowest point for the day at 1,805.12. Market breadth remained bearish with losers outpacing gainers by 543 to 210, with 331 counters unchanged, 547 untraded and 26 others were suspended.

Volume fell to 1.37 billion shares worth RM2.08 billion from 1.70 billion shares worth RM2.15 billion Thurday. Inter-Pacific Research Sdn Bhd Head of Research, Pong Teng Siew, said the local bourse mirrored the bearish performances of other Asian markets, which were hurt by a weak sentiment. "Most investors stayed away from the market and were not aggressively buying as before because they could not identify worthy stocks to invest in. "The weak leads from China and US also affected investor confidence," he told Bernama here Friday. The Finance Index declined 94.21 points to 16,288.32, Plantation Index lost 40.83 points to 8,885.53 and the Industrial Index fell 20.71 points to 3,148.51. The FBM Emas dropped 93.94 points to 12,511.99, FBMT100 decreased 93 points to 12,179.89, FBM 70 declined 106.16 points to 13,752.45 and the FBM Ace fell 5.5 points to 6,632.89.

Among actives, Tiger Synergy-WA and KNM-WA were flat at seven sen and 20.5 sen, respectively, while Malaysia Airlines rose half a sen to 24 sen.
Of the heavyweights, Maybank lost one sen to RM9.50, Tenaga Nasional fell two sen to RM11.92 and CIMB eased nine sen to RM7. The main market volume fell to 1.06 billion units valued at RM1.95 billion from 1.28 billion units valued at RM1.98 billion on Thursday. Turnover on the ACE market declined to 278.05 million shares worth RM118.07 million from 393.47 million shares worth RM166.03 million Thursday. Warrants increased to 22.56 million units valued at RM2.86 million from 22.21 million units valued at RM2.19 million previously. Consumer products accounted for 127.81 million shares traded on the Main Market, industrial products 198.4 million, construction 47.14 million, trade and services 381.36 million, technology 40.65 million, infrastructure 24.61 million, SPAC 44.38 million, finance 49.42 million, hotels 228,200, properties 122.32 million, plantations 19.4 million, mining 27,000, REITs 8.43 million and closed/fund 32,000.

Forex: Ringgit Ends Weaker As Investors Shift To "Save Haven"

KUALA LUMPUR -- The ringgit closed weaker against

the US dollar as more investors shift to "safe haven" currencies due to persistent economic uncertainties, dealers said.
At 5 pm, the ringgit was quoted at 3.2780/2810 against the US dollar from 3.2720/2750 at Thursday's close. A dealer said investors have entered the "cautious mode" after the world's second biggest economy, China, delivered another disappointing data Friday, suggesting that the country's economy may experience a further slowdown.

"Investors started shifting their interests to highly-rated government bonds and dumped riskier assets, with Wall Street slumping more than one per cent," he added. Against other major currencies, the ringgit was traded mostly lower. The local note depreciated against the yen to 3.2245/2281 from 3.1913/1954 on Thursday and was easier against the Singapore dollar at 2.5878/5922 from 2.5866/5891 Thursday. The domestic currency declined to 4.5472/5521 from 4.5644/5699 versus the euro Thursday but strengthened against the British pound to 5.4471/4530 from 5.4498/4562 Thursday.

Money Market: Short-Term Rates End On Stable Note

KUALA LUMPUR -- Short-term interbank rates closed stable Friday following Bank Negara Malaysia's intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM15.27 billion against RM19.75 billion estimated in the morning while in the Islamic system, it advanced to RM4.13 billion from RM3.74 billion earlier. In the morning, the central bank called three conventional money market tenders, one repo and two Al-Wadiah tenders.

It also conducted a late conventional money market tender for RM15.3 billion and a RM2.6 billion Al-Wadiah money market tender, both for three-day money. The overnight rate stood at 2.94 per cent, while the one-, two- and three-week rates stood at 3.01 per cent, 3.04 per cent and 3.07 per cent, respectively.

Tin Prices To Hover Around US$23,000 Next Week

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Tin prices on the Kuala Lumpur Tin Market (KLTM) are expected to hover around the US$23,000 per tonne level next week, supported by overseas demand and tight supply, a dealer said. He said demand from European and Japanese traders would help sustain the metal's price amid sellers' reluctance to sell below the US$23,000 level.

The dealer said tight supply globally would further help support tin prices to trade above the US$23,000 level. Currently, he said, total global tin stocks amount to 8,510 tonnes, with 58 per cent or 5,000 tonnes in Johor, 2,210 tonnes in Port Klang, 1,160 tonnes in Singapore, 110 tonnes in Baltimore, USA and 30 tonnes in Gwangyang, South Korea. For the week just ended, the metal's price finished US$300 lower at US$22,950 per tonne, compared with US$23,250 last week, with trading dominated by European, Japanese and local buyers.

The weekly turnover declined to 150 lots from 167 lots last week. The premium between the KLTM and LME widened to US$430 per tonne from US$330 per tonne previously.

KLCI Futures Close Lower

By Amanina Mohamad Yusof

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives closed lower Friday in tandem with the bearish underlying cash market. Phillip Futures Sdn Bhd Dealer, Tan Sek Wei, told Bernama the futures market, which opened lower Friday, remained bearish due to concern over tension in Ukraine, US Federal Reserve's decision to withdraw stimulus from economy and the disappointing economic data from China.

March 2014 fell 18 points to 1,797 and April 2014 lost 19 points to 1,795.5. June 2014 and September 2014 fell 19.5 points each to 1,789.5 and 1,789, respectively. Turnover rose to 7,657 lots from 4,549 lots on Thursday while open interest increased to 38,857 contracts from 35,576 contracts Thursday. The underlying FBM KLCI closed 13.74 points weaker at 1,805.12.

Gold Futures Expected To Trend Higher On Ukraine Unease

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to trend higher next week as geopolitical unease in Eastern Europe continue to turn investors' interest to the precious metal as a safe haven asset, a dealer said.

"Although the recent rally in gold prices and slowdown in China's economy may reduce demand for gold, we remain bullish on gold due to the tension between Russia and the western economies on Ukraine," Phillip Futures Sdn Bhd Dealer Lim Eng Wee told BERNAMA. He said uncertainty in Eastern Europe has continued as Russia launched new

military exercises near its border with Ukraine yesterday, showing no signs of backing down on plans to annex its neighbour's Crimea region despite a stronger-than-expected drive for sanctions from the European Union and the United States. The dealer said the continuous uncertainty in Eastern Europe further adds concerns over the recovery of the European region.

On a Friday-to-Friday basis, March 2014 rose RM3.10 or 62 ticks to RM144.65 a gramme and April 2014, May 2014 and June 2014 added RM2.90 or 58 ticks each to RM144.80. Total volume rose to 1,394 lots worth RM19.99 million from 1,173 lots worth RM16.61 million last week, while open interest fell to 1,253 contracts from 1,317 contracts previously. For the week just ended, physical gold closed at RM139.91 a gramme, up RM3.43 from RM136.48 last week.

CPO Futures Seen Trading Between RM2,700 And RM2,800 Next Week

By Siti Radziah Hamzah

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are likely to trade between RM2,700 and RM2,900 per tonne next week after being bullish for two weeks.Interband Group of Companies Senior Palm Oil Trader, Jim Teh, told BERNAMA in terms of prices, next week would see a cooling-off period and market players would take the opportunity to speculate after building momentum for the past two weeks.

"The positive outlook by experts at the international Palm and Lauric Oils Conference and Exhibition (POC 2014), which commenced last Monday to Wednesday is great and resulted in a 17-month high on March

5, but next week will undoubtedly be a cooling-off period," Teh said. During the palm oil conference, key industry experts like Dorab Mistry and James Fry said that BMD CPO prices may reach RM3,000 per tonne by June.

On a Friday-to-Friday basis, March 2014 increased by RM65 to RM2,890 a tonne, April 2014 gained RM84 to RM2,889 a tonne, May 2014 rose RM86 to RM2,886 a tonne, June 2014 rose RM87 to RM2,869, July 2014 improved RM85 to RM2,841 a tonne and August 2014 increased RM63 to RM2,819 a tonne.

Weekly turnover fell to 163,532 lots from the 214,190 lots last week, while open interest decreased to 209,702 contracts from 218,804 contracts previously.On the physical market, March South ended RM80 higher at RM2,910 per tonne.

KLIBOR Futures Expected To Remain Quiet Next Week

By Zarul Effendi Razali

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are expected to be quiet next week in the absence of fresh directions, a dealer said.

He said interbank rates in the cash market would remain flat after Bank Negara Malaysia left the overnight policy rate unchanged. "The market has been quiet for some time, awaiting potential market-moving events," he said.

For the week just ended, the contracts were not traded throughout the week and open interest remained unchanged at 3,895 contracts. March 2014, April 2014, May 2014 and June 2014 were pegged at 96.68, 96.65, 96.62 and 96.59 respectively. The underlying three-month KLIBOR remained unchanged from last Friday at 3.31 per cent.

Rubber Market Likely To Ease On Technical Correction

By Siti Radziah Hamzah

KUALA LUMPUR -- The Malaysian rubber market is likely to ease on technical correction next week after advances recorded this week, said a dealer. The dealer said the market is expected to track developments overseas, particularly in China.

This week, the rubber prices rose on a tight supply situation as supply was interrupted due to the wintering season. The dealer said the local market would also likely move in tandem with the Tokyo Commodity Exchange and the Shanghai Futures Exchange.

On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 gained 11.5 sen to 639 sen a kg, while latex-in-bulk increased nine sen to 493.5 sen a kg. The unofficial closing price for tyre-grade SMR 20 surged 21.5 sen to 639 sen a kg, while latex-in-bulk rose 10 sen to 495 sen a kg.

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