BERNAMA
MALAYSIAeBiz
WEEKLY BUSINESS ROUNDUP 22 - 26 FEB 2016
Feb 26, 2016

This Week's Highlight : PM Outlines Six Strategies To Drive Exports

STRATEGISE...Prime Minister Datuk Seri Najib Tun Razak chairing the National Export Council meeting at Perdana Putra building in Putrajaya Thursday. Pic: Harry Salzman fotoBERNAMA

PUTRAJAYA -- A special focus will be put on the adoption of e-commerce by small and medium enterprises (SMEs) to drive the country's exports, says Prime Minister Datuk Seri Najib Tun Razak. The measure, one of six strategies agreed to at the National Export Council (NEC) meeting here Thursday, will include the introduction of the eTRADE programme by the Malaysia External Trade Development Corporation (MATRADE) under the Digital Malaysia initiative and coordinated by the Multimedia Development Corporation (MDeC).

This Week's Top Stories

Monday

Najib Launches National Policy On Biological Diversity

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak Monday launched the revised National Policy on Biological Diversity to guide biodiversity management over the next 10 years from 2016. The policy emphasised the need for continued conservation, sustainable utilisation and the sharing of benefits from biodiversity in a fair and equitable manner, he said.

Tuesday

Fitch Ratings Affirms Malaysia At 'A-' With Stable Outlooks

KUALA LUMPUR -- Fitch Ratings has affirmed Malaysia's Long-Term Foreign- and Local-Currency Issuer Default Ratings (IDRs) at 'A-' and 'A', respectively, with stable outlooks. The stable outlooks reflect Fitch's assessment that the upside and downside risks to the ratings are broadly balanced, the ratings agency said in a statement Tuesday.

Wednesday

Govt Committed To Spurring Economic Growth

KUALA LUMPUR --Datuk Seri Najib Tun Razak's presence at three economic programmes Wednesday reflects the government's commitment and seriousness in spurring the country's economic growth amid challenging global economic conditions. The prime minister began his working day with the official opening of the new Ministry of International Trade and Industry's (MITI) building before meeting young Bumiputera entrepreneurs. He later visited the Malaysia International Trade and Exhibition Centre (MITEC), which was developed by Naza TTDI Sdn Bhd.

Thursday

TPPA Not A Magic Lamp To Value Ringgit - Mustapa

PUTRAJAYA -- The Trans-Pacific Partnership Agreement (TPPA) is not a magic lamp that could determine the value of the ringgit in the international market. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said Thursday, the fluctuation of the local unit was influenced by several factors, including slumping crude oil prices, China's slowing economy as well as perception on how these factors had affected the economy.

Friday

Govt Focuses On Tourism To Boost Revenue - Najib

KUALA LUMPUR -- The government will develop the country's tourism sector to enhance economic growth and increase national revenue this year, said Prime Minister Datuk Seri Najib Tun Razak Friday. Najib, who is also the finance minister, said it was necessary for Malaysia to seek other sources of revenue to meet the shortfall of over RM30 billion from oil revenue following the fall in world crude oil prices.

SMEbrief

Grab IBS-Based Opportunities, CIDB Urges SMEs

KUALA LUMPUR -- The Construction Industry Development Board (CIDB) has urged small and medium enterprises (SMEs) to venture into Industrialised Building System (IBS)-related businesses, saying this would also help to increase the number of affordable houses nationwide. With more SMEs involved in the making of IBS components, the nation's IBS industry would be more competitive and more contractors would adopt IBS in their housing projects, CIDB Senior General Manager Datuk Ir. Elias Ismail said Monday.

MITI Wants More Bumiputera SMEs In Johor

JOHOR BAHRU -- The Ministry of International Trade and Industry (MITI) wants to see the establishment of more Bumiputera small and medium enterprises (SME) in the state. Deputy International Trade and Industry Minister Datuk Ahmad Maslan said Monday, out of the 68,874 SMEs registered in Johore, only 25 per cent were Bumiputera-owned companies.

SMEs Ready To Capitalise On TPP - SME Corp

KUALA LUMPUR -- Malaysia's small and medium enterprises (SMEs) are ready to capitalise on the Trans-Pacific Partnership (TPP) when the trade pact comes to force in 2018. SME Corporation Malaysia chief executive officer Datuk Hafsah Hashim said Wednesday, the SMEs were already in the competition mode since the ASEAN Free Trade Area (AFTA) came into effect in 2010.

More Bumi Companies Should Join MIHAS 2016 - MATRADE

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) wants more Bumiputera companies to exhibit their products at next months's Malaysia International Halal Showcase (MIHAS), the world's largest halal trade event."MIHAS 2016 will highlight the enormous potential in the global halal market and support small and medium enterprises (SMEs) to expand into new frontiers," said MATRADE Chief Executive Officer Datuk Dzulkifli Mahmud Wednesday, adding that 108 Bumiputera SMEs took part in MIHAS 2015.

Tekun Labuan To Disburse RM2 Mln Loans To Small Entrepreneurs

By Jailani Hassan

LABUAN -- The National Entrepreneurial Group Economic Fund (Tekun Nasional) Labuan aims to disburse up to RM2 million in loans to cottage industry entrepreneurs this year. Since January, the agency has given out a total of RM300,000 to small-time entrepreneurs in Labuan, Tekun Labuan manager Mohammad Fadley Madir said Wednesday.

PropUP Propertyupdate

SUTL Enterprise, UEM Sunrise To Develop Puteri Harbour Marinas

From Nor Baizura Basri

SINGAPORE -- UEM Sunrise Bhd is partnering SUTL Enterprise Ltd to develop Puteri Harbour marinas with a total investment of about S$66.6 million (about RM199.18 million). UEM Sunrise Managing Director/Chief Executive Officer Anwar Syahrin Abdul Ajib said Monday, this joint venture would enhance the value proposition for Puteri Harbour.

Kwasa Land Seals Devt Pact With AZRB Unit

KUALA LUMPUR -- Kwasa Land Sdn Bhd Monday inked a development rights agreement with Ahmad Zaki Resources Bhd's (AZRB) unit, AZ Land & Properties Sdn Bhd. The agreement is for the development of the "R3-4" segment in the iconic township of Kwasa Damansara in Sungei Buloh, Selangor, said to have a gross development value of RM257 million. Kwasa Land Sdn Bhd, the master developer of the township, is a unit of the Employees Provident Fund.

Impression Melaka To Reap RM5.4 Bln GDV

KUALA LUMPUR -- Property developer Yong Tai Bhd expects a gross development value (GDV) of RM5.4 billion for its Impression Melaka project which includes the Impression Theatre and Impression City. Executive Director Boo Kuang Loon said Tuesday, the project would boost the group's total GDV close to RM6 billion.

Fiamma To Develop RM500 Mln Property Projects

KUALA LUMPUR -- Electrical home appliances distributor, Fiamma Holdings Bhd, plans to launch three new property projects this year in the Klang Valley and Johor, with a total gross development value of close to RM500 million. Chief Executive Director and Group Managing Director Lim Choo Hong said Tuesday, in the pipeline were two high-rise property projects, dubbed the 'East Parc@ Menjalara in Bandar Menjalara and 'Vida Heights' in Johor Baharu with a total gross development value of about RM300 million and RM120 million, respectively.

Mitrajaya Awarded PPA1M Project In Putrajaya

KUALA LUMPUR -- Mitrajaya Holdings Bhd's wholly-owned subsidiary, Pembinaan Mitrajaya Sdn Bhd, has accepted an award from Putrajaya Homes Sdn Bhd to construct and complete the 1Malaysia Civil Servants Housing Project (PPA1M) for RM157.32 million. In its filing to Bursa Malaysia Tuesday, Mitrajaya said 800 apartments to be built would be inclusive of two blocks of multi-level car parks and common facilities in Precint 17, Putrajaya.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 335

Losers - 492

Not Traded - 602

Unchanged - 342

Value - 1947366527

Volume - 1687526

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.2010	4.2070
EUR	4.6417	4.6500
GBP	5.8747	5.8856
100 YEN	3.7236	3. 7299
SGD	2.9996	2.9056

Source: Bank Negara Malaysia

BURSA Ends Higher On Improved Oil Price, Bluechip Support

KUALA LUMPUR -- Bursa Malaysia closed higher Friday, reversing two straight days of losses on the back of improved oil prices and buying support for selected blue chips. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) closed 5.28 points firmer at 1,663.44 points from 1,658.16 points Thursday. It opened 6.65 points higher at 1,664.84 points. CIMB led the rise in the composite index with 3.197 points, which saw the stock soar 20 sen to RM4.47 with 21.88 million shares exchanging hands. A dealer said oil prices turned steadier as Saudi Arabia, Qatar, Venezuela and Russia sought to coordinate output. "That turnaround helped establish a positive tone and short relief for global stocks despite a steep decline in Shanghai stocks. "We note that big moves for Chinese stocks no longer had the same impact on global sentiment as they might have had before," the dealer added. There were 335 gainers and 492 decliners, while 342 counters were unchanged, 602 counters untraded and 58 others suspended. Volume was marginally higher at 1.69 billion shares, worth RM1.95 billion, from 1.65 billion shares, worth RM1.86 billion, traded on Thursday. Main Market volume rose to 1.01 billion units, valued at RM1.85 billion, from Thursday's 982.69 million units worth RM1.75 billion.

FOREX: Ringgit Closes Higher Against Greenback

KUALA LUMPUR -- The ringgit closed higher against the US dollar Friday, supported by a slight increase in crude oil prices. At 5 pm, the local unit was traded at 4.2010/2070 against the greenback compared with 4.2160/2230 Thursday. The benchmark Brent crude oil price rose to US$35.44 per barrel from US$34.73 per barrel. A dealer said emerging currencies were expected to stay bearish for quite some time in view of sluggish global economic condition, particularly that of China. The local note was traded mostly higher against other major currencies. It improved against the Singapore dollar to 2.9996/9056 from 3.0022/0078 Thursday and rose against the yen to 3.7236/7299 from 3.7613/7678. The ringgit appreciated vis-a-vis the euro to 4.6417/6500 from 4.6448/6542, but depreciated against the British pound to 5.8747/8856 from 5.8742/8848.

Money-Market: Short-Term Rates End Steady On BNM's Intervention

KUALA LUMPUR -- Short-term inter-bank 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 was reduced to RM33.82 billion from RM41.37 billion earlier, while in the Islamic system, it eased to RM8.64 billion from RM10.77 billion. In the morning, BNM called for four tenders of a conventional money market, a Qard tender, a repo tender and commodity murabahah programme. The central bank conducted a late conventional money market tender for RM34 billion and a Qard money market tender for RM6.0 billion, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent, while the one-week, two and three-week rates were pegged at 3.30 per cent, 3.35 per cent and 3.39 per cent, respectively.

KLIBOR Futures Close Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives was untraded Friday. March 2016, April 2016, May 2016 and June 2016 remained pegged at 96.27, 96.26, 96.27 and 96.27, respectively. Open interest totalled 120 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.74 per cent.

KLCI Futures Close Marginally Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives finished marginally higher Friday, tracking the cue from the underlying cash market. Spot month February 2016 was five points better at 1,665, March 2016 gained three points to 1,662, June 2016 added 2.5 points to 1,651.5, and September 2016 rose four points 1,644. Turnover shrank to 17,428 lots from 29,687 lots on Thursday while open interest narrowed to 65,922 contracts from 73,834 contracts Thursday. The benchmark FBM KLCI finished 5.28 points higher at 1,663.44.

Life Insurance Coverage Grows 6.2 Pct To RM1.24 Tln

KUALA LUMPUR -- The life insurance industry recorded a 6.2 per cent growth in insurance coverage amounting to RM1.24 trillion in 2015 compared to RM1.17 trillion in 2014. The Life Insurance Association of Malaysia (LIAM) said as a whole, the life insurance industry provided protection to 12.5 million lives in 2015, an increase of 129,015 when compared with 2014. The sum assured per capita in 2015 also recorded an increase to RM39,929 from RM38,075 previously, it said in a statement here Monday.

Full Info On Shariah-Compliant Fund Out In 2nd Half - CEO

KUALA LUMPUR -- The Employees Provident Fund (EPF) will disseminate information of its pioneer shariah-compliant fund to contributors in the second half of 2016. Chief Executive Officer Datuk Shahril Ridza Ridzuan said here Monday, the EPF would provide full information on the new fund in July or August. "I don't want to pre-empt that portion of it but for those who are interested, there will be a full media release and frequently asked questions on how the new fund is going to work," he said.

Bank Negara Reserves At RM410.2 Bln As At Feb 15

KUALA LUMPUR -- Bank Negara Malaysia's international reserves amounted to RM410.2 billion (US$95.6 billion) as at Feb 15, 2016. The reserves position is sufficient to finance 8.2 months of retained imports and is 1.2 times the short-term external debt, the central bank said in a statement here Monday.

Eastspring Investments Launches 5th Close-Ended Global Bond Fund

KUALA LUMPUR -- Eastspring Investments Bhd has launched the Eastspring Investments Target Income Fund 5, the fifth in a series of closed-ended global bond fund. The fund is a five-year close-ended bond fund which aims to provide potential regular income distribution of 5.75 per cent per annum on investment amount less the Goods and Services Tax with relatively lower volatility compared to equities. The targeted payout is derived from coupon income from bonds, it said in a statement here Monday.

M'sia Banks Expected To Stay Resilient - S&P's

By Massita Ahmad

SINGAPORE -- Malaysian banks are unlikely to get much reprieve from the difficult operating conditions this year, said Standard & Poor's Ratings Services (S&P's) Monday. Slower economic growth exacerbated by weaker demand in China and sliding commodity prices has damped business and consumer sentiments, the rating firm said. However, S&P's believes the banking sector in Malaysia will remain resilient. "Bank ratings will continue to be supported by sound capital levels, and healthy funding and liquidity profiles.

HLB Expects Single Digit Loans Growth For FY16

KUALA LUMPUR -- Hong Leong Bank Bhd (HLB) expects a loans growth of between seven and eight per cent for the financial year ending June 30, 2016 (FY16), said Group Managing Director/ Chief Executive Officer Domenic Fuda. In the first half of the financial year ended December 31, 2015, the bank's gross loans and financing rose 9.9 per cent, year-on-year, to RM117.9 billion from RM113.4 billion, recorded previously.

The loans growth was mainly driven by higher returns from the small and medium enterprise segment and unsecured personal loans, he told a press conference here Tuesday.

KL IOSCO Regional Hub To Be Operational By Year-End

KUALA LUMPUR -- The Kuala Lumpur International Organisation of Securities Commissions (IOSCO)'s regional hub is expected to be operational by year-end, said the Securities Commission. IOSCO, the global body of capital market regulators, approved the establishment of its first ever-regional office here in Kuala Lumpur. "IOSCO's membership regulates more than 95 per cent of the world's capital markets worth approximately US$140 trillion, in more than 115 jurisdictions," the commission said in a statement here Tuesday.

BPMB Appoints New Head Of Business & Investment Banking

KUALA LUMPUR -- Bank Pembangunan Malaysia Bhd (BPMB) has announced the appointment of Zainul Hashim as its executive vice-president/head of business and investment effective Feb 19, 2016. In his new role, Zainul will oversee the activities of the business banking, investment banking and group treasury divisions, the bank said in a statement here Wednesday.

AXA AFFIN Hopes To Secure 5,000 Policyholders For Cancer Care Plan

By Nurhafizah Ghazali

KUALA LUMPUR -- AXA AFFIN Life Insurance Bhd, a joint venture between AFFIN Holdings Bhd and AXA Group, hopes to register 5,000 policyholders for its newly launched cancer care insurance plans. AXA AFFIN Life Chief Executive Officer Loke Kah Meng said here Thursday, an estimated premium in excess of more than RM10 million was expected to be earned by the company from these policy holders. "Due to the tough condition nowadays, people may buy more protection plans and buy less savings plan," he said.

January Vehicle Sales Decline To 44,591 Units

KUALA LUMPUR -- Total vehicle sales in January 2016 dropped to 44,591 units from the 50,602 units recorded in the same month last year, the Malaysian Automotive Association (MAA) said here Monday. The sales volume for the month was 20.5 per cent or 11,501 units lower than December 2015 due to heavy discounting and offers by car companies, which led to higher sales recorded for the month. "The continuation of more stringent hire purchase loan approval also influenced market performance in January 2016," MAA said in a statement.

Alliance Financial's Q3 Net Profit Rises To RM135.6 Mln

KUALA LUMPUR -- Alliance Financial Group Bhd's net profit after tax for the third quarter ended December 31, 2015 rose to RM135.6 million from RM126.4 million recorded in the same quarter of 2014. In a filing to Bursa Malaysia here Monday, Alliance Financial said in the same quarter revenue increased to RM361.2 million from RM350.0 million recorded previously. The group said the net interest income for the third quarter grew to RM215.8 million from RM213.5 million registered in the corresponding period.

Airlines To Fly 3.6 Bln Passengers & Deliver US$36 Bln In Profits This Year

KUALA LUMPUR -- Lower oil prices and efficiency gains across the board are set to see airlines delivering US$36 billion in profits and carrying 3.6 billion passengers globally this year. Airlines are also starting to provide a normal return to their investors at the aggregate level, International Air Transport Association (IATA) Director General and Chief Executive Officer Tony Tyler said Monday. Such improvements in the industry are crucial as investors are needed to fund the industry's expansion, he said at a media roundtable in Hong Kong.

MRCB Posts Pre-Tax Profit Of RM370.1 Mln

KUALA LUMPUR -- Malaysian Resources Corporation Bhd (MRCB) posted a pre-tax profit of RM370.1 million for the financial year ended December 31, 2015, up from RM220.6 million recorded a year ago. Revenue increased to RM1.7 billion from RM1.5 billion previously. "The revenue growth and higher profit before tax was from the completion of the Q Sentral project, the sale of Platinum Sentral and contributions from on-going residential projects such as Sentral Residences and 9 Seputeh," MRCB said here Monday.

Amway FY2015 Pre-Tax Profit Falls To RM89.32 Mln

KUALA LUMPUR -- Amway (Malaysia) Holdings Bhd's pre-tax profit fell to RM89.32 million for the financial year ended Dec 31, 2015 from RM134.62 million in the 2014 financial year. Revenue, however, surged to RM1.02 billion from RM855.8 million. In a filing to Bursa Malaysia here Monday, Amway attributed the weaker profit to higher import costs primarily caused by the weaker ringgit and increase in transfer price, product mix and higher sales incentive provisions.

Cycle & Carriage FY15 Pre-Tax Profit Jumps To RM68.53 Mln

KUALA LUMPUR -- Cycle & Carriage Bintang Bhd's pre-tax profit jumped to RM68.53 million for the financial year ended Dec 31, 2015 from RM15.53 million for the 2014 financial year. Revenue surged to RM1.58 billion from RM922.46 million. In a filing to Bursa Malaysia here Monday, the Mercedes-Benz authorised dealer attributed the higher revenue to an increase in unit sales and a favourable sales mix weighted towards higher-priced vehicles, particularly hybrid models.

MSM's Dubai Office To Contribute 30 Pct To FY16 Net Profit

From Zarul Effendi Razali

DUBAI -- MSM Malaysia Holdings Bhd, Malaysia's leading refined sugar producer, expects its newly launched office in Dubai, MSM Trading International DMCC (MSM Dubai), to contribute about 30 per cent to its net profit for the financial year ending Dec 31, 2016. President and Group Chief Executive Officer Datuk Sheikh Awab Sheikh Abod said here Tuesday, the new office will source raw and refined sugar for MSM Prai and MSM Perlis for the Malaysian and export markets. MSM Dubai has also been targeted to trade its own raw sugar volume of up to 200,000 metric tonnes and sell refined sugar volume of up to 250,000 metric tonnes.

Nestle's Pre-Tax Profit Rises To RM727.71 Mln For FY15

KUALA LUMPUR -- Nestle (Malaysia) Bhd's pre-tax profit rose to RM727.71 million for the financial year ended Dec 31, 2015 from RM701.19 million recorded in 2014. Revenue was also higher at RM4.84 billion from RM4.81 billion. For the fourth quarter alone, pre-tax profit increased to RM118.68 million, from RM117.5 million registered in the corresponding quarter, on the back of a stronger revenue of RM1.2 billion. In a filing to Bursa Malaysia here Tuesday, Nestle said both the domestic and export business contributed to the strong top line performance due to effective and promotional activities.

Muslim World Biz 2016 To Generate RM900 Mln In Business Transaction

KUALA LUMPUR -- The seventh Muslim World BIZ 2016, to be held in October, is expected to generate business transactions of about RM900 million, said Chairman of Muslim World Biz Muhammad Raja Talib Raja Mohamad here Tuesday. He said many countries were enquiring about the event and to date, 12 per cent of the targeted 40 countries have confirmed their participation for this year's event," he said.

MMC Corp's Pre-Tax Profit For FY15 Jumps To RM1.96 Bln

KUALA LUMPUR -- MMC Corp Bhd's pre-tax profit for the financial year ended Dec 31, 2015 jumped to RM1.96 billion from RM885.61 million in the previous year. Revenue fell 42.3 per cent to RM5.05 billion from RM8.77 billion previously. In a filing to Bursa Malaysia here Tuesday, the company said the decrease in revenue was mainly due to deconsolidation of Malakoff's results upon completion of its initial public offering listing on May 15, 2015. The drop was also contributed by the absence of substantial sale of land in respect of the overall development of the Senai Airport City, lower work progress from the Klang Valley Mass Rapid Transit Sungai Buloh-Kajang and completion of Electrified Double-Track project in November 2014, MMC said.

CCMD Posts Higher FY15 Pre-Tax Profit Of RM49.76 Mln

KUALA LUMPUR -- Malaysia's largest pharmaceutical manufacturer, CCM Duopharma Biotech Bhd (CCMD) reported a higher pre-tax profit of RM49.76 million for the financial year ended Dec 31, 2015 (FY 2015) compared with RM46.51 million recorded in 2014. Revenue soared to RM270.68 million, up 53 per cent, from RM176.96 million registered previously, it said in a statement here Tuesday. CCMD, which reported its first full year financial results following the acquisition of six pharmaceutical units from Chemical Company of Malaysia Bhd (CCM), said increased demand from government hospitals via tender business contributed to the encouraging boost in revenue for the group.

Dutch Lady's FY15 Pre-Tax Profit Improves To RM188.74 Mln

KUALA LUMPUR -- Dutch Lady Milk Industries Bhd registered a higher pre-tax of RM188.74 million for the financial year ended Dec 31, 2015, from RM148.42 million posted in the previous year largely attributed to favorable raw material prices. Revenue was slightly higher at RM1.001 billion compared with RM1.0 billion registered previously. In a filing to Bursa Malaysia here Tuesday, Dutch Lady said the company registered a marginal sales growth of 0.2 per cent versus the preceding year.

IGB Posts Higher FY2015 Pre-Tax Profit At RM427 Mln

KUALA LUMPUR -- IGB Corporation Bhd reported a higher pre-tax profit of RM427 million for the financial year ended Dec 31, 2015 compared with RM422 million recorded in 2014. Revenue eased to RM1.167 billion from RM1.173 billion registered previously, it said in filing to Bursa Malaysia here Tuesday. The group said with the continued uncertainty in the global as well as local economy, it expected 2016 to be a challenging year, However, it is cautiously optimistic that the group performance would remain satisfactory.

Petronas Chemicals 2015 Pre-Tax Profit Rises To RM3.83 Bln

KUALA LUMPUR -- Petronas Chemicals Group Bhd chalked up RM3.83 billion in pre-tax profit for its financial year ended in 2015 as compared with RM3.55 billion registered in 2014. Revenue for the year ended Dec 31, 2015 stood at RM13.53 billion, down seven per cent as compared with RM14.59 billion due to lower average product prices, offset by the impact of favourable exchange rate movement and higher sales volumes, it said in a filing to the Stock Exchange here Tuesday. During the year, the Group also recognised an impairment loss of RM262 million on assets relating to its butane-MTBE chain.

Pos Malaysia's Q3 Pre-Tax Profit Declines To RM29.60 Mln

KUALA LUMPUR -- Pos Malaysia Bhd's pre-tax profit declined to RM29.60 million in the third quarter ended Dec 31, 2015 versus RM65.55 million a year earlier. The company attributed the decline to higher transportation costs for transhipment business and recognition of expired postal order in the preceding year corresponding quarter. However, its revenue increased to RM494.63 million from RM358.05 million previously, it said in a filing to Bursa Malaysia Tuesday.

Bonus Payout Crucial In Retaining Employees - Survey

KUALA LUMPUR -- Bonuses play a critical role in ensuring employees remain with the company, according to findings of a survey carried out by JobStreet.com. It showed a significant 75 per cent out of 3,858 employees, who participated in the survey, indicated bonus scheme as one of the primary reasons to stay put although there was a chance for them to leave for better paying positions. However, only 37 per cent of employers in the survey said bonus was a major factor in making employees stay with the companies, it

Work Needed To Grow Intra-Trade, Investments In Muslim World - Johari

KUALA LUMPUR -- Much work needs to be done in order to further grow intra-trade and investments in the Muslim world as almost 40 per cent of the 57 Organisation of Islamic Cooperation (OIC) countries are categorised as among the least developed countries, says the Deputy Finance Minister. Datuk Johari Abdul Ghani said here Tuesday, programmes such as Muslim World BIZ could play a significant role in providing opportunities to foster trade and investment.

Majority Of M'sians Trust And Respect BNM – Zeti

KUALA LUMPUR -- A majority of Malaysians trust and respect Bank Negara Malaysia, says Governor Tan Sri Dr Zeti Akthar Aziz. "Malaysians look to us to maintain this degree of stability in our country in very challenging times. "The fact is we never had disruptions in credit flow and this is important. "Businesses are not deprived of credit activities unlike in other places where credit flow is disrupted and liquidity is not provided in a satisfactory manner," she told reporters here Tuesday.

Modest Premium-Class Traffic Growth In Near Term - IATA

KUALA LUMPUR -- Premium-class traffic for the airline industry will likely continue to grow at a modest rate in the near term due to lack of demand, the International Air Transport Association (IATA) said. In a statement here Tuesday, IATA said premium traffic volumes grew by an estimated 3.7 per cent in 2015 with much of the growth seen early in 2015 as the upward trend eased over the latter months of the year.

Global Fund Managers Have High Interest In M'sia

KUALA LUMPUR -- Global fund managers have a high level of interest in Malaysia given the massive growth opportunities and developed infrastructure of its equities market. Maybank Kim Eng Group Chief Executive Officer (CEO) John Chong said sentiments amongst global fund managers were positive towards Malaysia as the market had been relatively resilient in comparison to regional peers. A joint statement by Maybank Kim Eng and Bursa Malaysia said Prime Minister Datuk Seri Najib Tun Razak led the Invest Malaysia 2016 Conversation in San Francisco on Feb 17 involving 16 global fund managers with total assets under management of over US$7 trillion, hosted by Bursa Malaysia and Maybank Kim Eng.

Boeing Launches Next-Gen 737 Boeing Converted Freighter

KUALA LUMPUR -- Boeing Wednesday launched the Next-Generation 737-800 Boeing Converted Freighter (BCF) with orders and commitments for up to 55 conversions from seven customers. "The Next-Generation 737 provides exceptional value to express freight carriers through its superior payload, range, reliability and efficiency," said Stan Deal, Senior Vice-President, Commercial Aviation Services, Boeing Commercial Airplanes. "While the recovery of the global cargo market has been slow, we see demand for freighters, such as the 737-800BCF, that will carry express cargo on domestic routes," Deal said in a statement here Wednesday.

Tune Talk Unveils Revolutionary 'Tune Talk 8G'

KUALA LUMPUR -- Tune Talk, one of the largest Mobile Virtual Network Operator in ASEAN, has announced a revolutionary service that will unify any and all emerging spectrums to create a singular point-to-point broadband connectivity OTA (Over the Air) with absolutely zero expenditure on infrastructure. The announcement was made along with the unveiling of the 'Tune Talk 8G' device at the SWAG Booth at the four-day Mobile World Congress 2016 in Barcelona which ends Thursday.

Robert Kuok Retains Top Spot On 2016 Forbes M'sia Rich List

SINGAPORE -- Robert Kuok occupies the top spot on the 2016 Forbes Malaysia Rich List for the 11th straight year with a net worth of US$10 billion. The 92-year old founder of the Kuok Group is still Malaysia's richest, despite the pummelling of many Malaysian fortunes over the past year. The second richest Malaysian is telecoms mogul Ananda Krishnan, whose wealth dropped US$2.3 billion to US$7.4 billion. Tan Sri Quek Leng Chan retains his No 3 position, despite his net worth declining US$300 million from a year ago to US$5.3 billion.

Boeing Names Caret As Defense, Space & Security President & CEO

KUALA LUMPUR -- The Boeing board of directors has elected Leanne Caret as president and chief executive officer (CEO) of the company's Defence, Space & Security business effective March 1. She will succeed Chris Chadwick, who has announced his retirement from the company, Boeing said in a statement Thursday. Caret, 49, a 28-year company veteran, currently leads that unit's Global Services & Support business, which has about 13,000 employees in 295 locations around the world. With US$9 billion in revenue, it is the US Department of Defence's largest performance-based logistics contractor, and an industry leader in providing sustainment services for a diverse range of military products and systems.

M'sian Businesses Urged To Explore Algeria's Services Sector

KUALA LUMPUR -- Malaysian businesses need to explore new opportunities in Algeria, especially in the services, ranging from information and communication technology (ICT), construction, and energy and power generation. Malaysia External Trade Development Corporation (MATRADE) chief executive officer Datuk Dzulkifli Mahmud said here Thursday with ample expertise, capability and capacity, Malaysian businesses were in good stead to provide a wide range of services to Algeria.

Japan Eyes Halal Cosmetics Market

By Syed Iylia Hariz Al-Qadri Syed Izman

KUALA LUMPUR -- The Japanese cosmetics industry is keen to enter the halal markets in Muslim countries, says the Japan Cosmetic Industry Association. Its director of internal division Tetsuya Kambe said although demand for cosmetics products in Muslim countries is growing, the biggest challenge is to obtain halal certification especially for some of the ingredients used in the products. The association also sees cooperation with Malaysia as a good platform to venture into the halal market as the country is considered a global hub for the production and trade of halal goods and services, he said here Thursday.

PM Launches Sabah & Sarawak Biomass Industry Devt Plan

PUTRAJAYA -- Prime Minister Datuk Seri Najib Tun Razak Thursday launched the Sabah and Sarawak Biomass Industry Development Plan, which he described as a major milestone in Malaysia's bid to become South East Asia's premier biomass processing hub. "In order to be a contender as the premier biomass processing hub in South East Asia, Sabah and Sarawak would have to play an instrumental role," he said, pointing out that combined, the two states account for more than 50 per cent of biomass resources in Malaysia.

Msia-Algeria Bilateral Trade To Grow By US$100 Mln

KUALA LUMPUR -- The National Chamber of Commerce and Industry of Malaysia (NCCIM) is optimistic bilateral trade between Malaysia-Algeria would increase by US$100 million this year from US$305.68 million registered in 2015. Secretary-General Datuk Seri Syed Hussien Al-Habshee said here Thursday, the optimism was based on the continuous demand and supply for certain products and services especially in the food and beverage and manufacturing industry.

MRT: Sungai Buloh-Kajang Line To Begin Operations By End-2016

KUALA LUMPUR -- The first phase of the Mass Rapid Transit's (MRT) Sungai Buloh-Kajang line (SBK) between Sungai Buloh and Semantan is expected to begin operations by the end of this year. "We are looking forward to the opening of Phase 1 at the end of this year," SBK Line Project Director Marcus Karakashian said Friday. He said track work on the gateway has been completed and an actual electric train is being tested along the Kwasa Sentral and Surian station stretch.

Bank Rakyat To Sustain World's Best Syariah Compliant Co-op Bank Status

PETALING JAYA -- Bank Rakyat, an Islamic cooperative bank, will continue to position itself as the world's top syariah-compliant cooperative bank, says Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hamzah Zainuddin. He said here Friday, globally the bank was ranked 270th out of 1,000 banks, but 12th among cooperative banks.

TM Partners Vuclip To Launch 'Viu'

KUALA LUMPUR -- Telekom Malaysia Bhd (TM) is partnering with Vuclip, a media company of PCCW Ltd, to launch 'Viu', an over-the-top (OTT) video-on-demand service with Asian content. TM Executive Vice President, New Media, Jeremy Kung said here Monday, 'Viu', available from mid-March this year, will offer the best content including in Korean, Bahasa Malaysia, Chinese, Tamil, Hindi and Indonesian. "The content will be made free for the first three months for all TM's customers either Streamyx or Unifi and accessible via mobile phones, tablets and desktop by downloading the 'Viu' application on Google Play," he said.

IFN Awards Honour The Best In Islamic Financial Industry

KUALA LUMPUR -- The Islamic Finance News (IFN) Awards held here Monday night honoured the best in the Islamic financial industry and for their outstanding achievements in 2015. The awards were awarded by the world's leading Islamic finance news provider, the Islamic Finance News (IFN), which is the flagship publication of financial media company REDmoney Group. "Tonight's ceremony witnessed 32 awards presented from four categories namely the IFN Deals of The Year, IFN Best Banks, IFN Service Providers and IFN Public Investors Award. "Organised by Islamic Finance Events, which is part of the REDMoney Group, it saw 250 world Islamic finance leaders gathered for the event," IFN said in a statement here Monday.

Bursa Malaysia Appoints Kuok Wee Kiat As New Director

KUALA LUMPUR -- Bursa Malaysia Bhd has appointed Kuok Wee Kiat as a new Director to the Board of Directors of its subsidiaries, Bursa Malaysia Securities Bhd and its clearing house, Bursa Malaysia Securities Clearing Sdn Bhd. The appointment took effect Monday. Kuok has over 22 years of experience in the securities industry. He is currently a Director of Inter-Pacific Securities Sdn Bhd and a member of the Appeals Committee of Bursa Malaysia.

Philips Malaysia To Open 4th Store In JB By June 2016

GEORGE TOWN -- Philips Malaysia Sdn Bhd is expected to open its fourth store in Johor Baharu by the first half of 2016 in the quest to strengthen its market presence. Its Country Manager, Muhammad Ali Jaleel said here Tuesday, the Johor Baharu Philips Brand Store, currently under construction, is expected to be ready by June 2016. He said Philips Malaysia planned to open up to 10 stores in Malaysia until 2018 and the progress was on track following the opening of its third store in Bayan Lepas near here.

ASB Breaks Ground For New Campus

KUALA LUMPUR -- The Asia School of Business (ASB), in collaboration with MIT Sloan School of Management, has reached another milestone with the commencement of the construction of its own campus in Bukit Perdana here. Since its inception in 2015, ASB is housed at Sasana Kijang, which is Bank Negara Malaysia's (BNM) centre of excellence in knowledge and learning. The dedicated campus represents an important step in positioning ASB as a premier institution in business management education in shaping the next generation of leaders in the region and emerging economies.

New Mercedes-Benz E-Series To Be Launched By End 2016

GEORGETOWN -- Cycle & Carriage Bintang Bhd (CCB), the largest dealer of Mercedes-Benz motor vehicles in Malaysia, will launch a new E-Class series by year-end. Chief Executive Officer Datuk Wong Kin Foo said here Tuesday the new E-Class series would boost company's sales. Despite of the current economic situation, the company was confident of delivering favourable results with the right products and strategies which met customers' expectation.

Samsung Gear 360 Camera To Be Available Starting Q2 2016

KUALA LUMPUR -- Samsung Electronics Co. Ltd is unveiling the new Samsung Gear 360, a 360 degree camera that allow consumers to create, view and share their experience through video and still image. Samsung, in a statement here Tuesday, said Gear 360 is equipped with dual fisheye lenses, both have 15 megapixel image sensors, giving users the ability to capture high resolution 360-degree video that also supports 30 megapixels still images. Samsung Electronics president of mobile communication business DJ Koh said here Tuesday, Samsung would continue to push the boundaries of the mobile experience to extend beyond the smartphone.

Chevening-CIMB ASEAN Scholarships For Master's Degree Unveiled

KUALA LUMPUR -- CIMB Group has signed a Memorandum of Understanding (MoU) with UK's Foreign and Commonwealth Office (FCO) to establish the Chevening-CIMB ASEAN Scholarships. Recipients of the Chevening-CIMB ASEAN Scholarships will pursue a one-year Master's degree programme at prestigious university partners of Chevening in the UK. In a statement here Tuesday, CIMB Group said through this partnership, it would sponsor five students from the ASEAN region. "The scholarships will go towards the costs of the one-year programme in a range of academic disciplines, including business, communications, financial regulation, Islamic finance, sustainable development, cyber security as well as trade and investment," it said.

EPF's Diversified Investment Strategy Key Element Of Good Returns

KUALA LUMPUR (Bernama) -- The Employee Provident Fund (EPF)'s 6.4 per cent dividend, declared for last year, has been described as very good returns amid the tough investment condition, thanks to its diversified investment strategy and asset allocations.

The year 2015 saw the global stock market index (MSCI World) drop 4.3 per cent, global bond index slip 2.7 per cent, FBM KLCI shed 3.9 per cent and the Ringgit depreciate 18.6 per cent against the US Dollar.

"The dividend (by EPF) is well over the 2.1 per cent average inflation rate and 3.3 per cent average 12-month fixed deposit rate in 2015," Group President and Chief Executive Officer of Maybank Datuk Abdul Farid Alias said.

The EPF last Saturday declared a dividend rate of 6.40 per cent for 2015 with a total payout amounting to RM38.24 billion. The payout amount required for every one per cent dividend rate for the year was RM5.98 billion, which was 10.13 per cent higher, compared with RM5.43 billion in 2014, it said in a statement.

The increase was in tandem with the growth in EPF's investment assets, which stood at RM684.53 billion as at Dec 31, 2015, while gross income grew 13.18 per cent to RM44.23 billion compared with RM39.08 billion in 2014.

PRUDENT INVESTMENT MANAGEMENT

Prime Minister Datuk Seri Najib Tun Razak congratulated the EPF for declaring a high dividend rate of 6.40 per cent for 2015 despite the economic challenges. He wanted EPF to continue efforts to provide the best returns to all its contributors.

"Congratulations EPF for declaring the high 6.40 per cent dividend for 2015 despite facing economic challenges. Continue efforts to give good returns to contributors," he said in his tweet Sunday.

REVISED... Prime Minister Datuk Seri Najib Tun Razak announced a 3 per cent cut in workers' EPF contribution effective March under the government's Budget 2016 recalibration.
Pic: Harry Salzman fotoBERNAMA

CIMB Group Chief Executive, Tengku Datuk Seri Zafrul Aziz described the EPF's 6.4 per cent dividend for 2015 as a commendable achievement.

He said that it was an indication of good and prudent investment management as global markets faced multiple headwinds. Group President and Chief Executive Officer of Maybank Datuk Abdul Farid Alias described the dividend as very good returns amid the tough investment condition, thanks to its diversified investment strategy and asset allocations.

EPF's SECOND HIGHEST

The year 2015 saw the global stock market index (MSCI World) drop 4.3 per cent, global bond index slip 2.7 per cent, FBM KLCI shed 3.9 per cent and the Ringgit depreciate 18.6 per cent against the US Dollar.
"The dividend (by EPF) is well over the 2.1 per cent average inflation rate and 3.3 per cent average 12-month fixed deposit rate in 2015," he said.

Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said the 6.4 per cent dividend rate was very good in the context of the prevailing global economic challenges.

The former Maybank chief said the dividend was EPF's second highest after the 6.75 per cent given the preceding year, and was among the highest compared to large foreign funds.

"The 6.4 per cent was really very good, and as someone with deposits in the EPF I wish to say thank you (to the EPF's management) as I can can use the money.

"I wish to congratulate the EPF's management, as it is not easy to get a 6.4 per cent return from a fund of (about) RM680 billion," he told reporters after his keynote address at the Symposium on Operationalising the 2030 Agenda for Sustainable Development at the Putrajaya International Convention Centre here Tuesday.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA To Trade Higher On Improved Ringgit, Oil Prices

By Zairina Zainudin

KUALA LUMPUR -- Bursa Malaysia is expected to continue its upward momentum into next week, driven by an improved ringgit and rising crude oil prices, said Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan.

He said the potential for stimulus measures by foreign Central Banks and the absence of any US Federal Reserve interest rate hike would also influence the local bourse next week.

"Despite a big drop on the China's Shanghai Stock Market and 'Britain Exit European Union' (BREXIT) fears, we expect the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) to remain steady and trend higher.

"With the underlying trend of a strengthening ringgit and crude oil prices, we sense a good buy investment strategy now, especially on emerging trading interest in plantation and oil and gas stocks," he told Bernama.

The ringgit closed higher at 4.2010/2070 against the US dollar on Friday, from the 4.2160/2230 registered on Thursday.

On a weekly basis, the FBM KLCI finished 11.44 points lower at1,663.44, mostly weighed on by the movement of crude oil prices.

The index reversed its losses recorded on Wednesday and Thursday in ending the week marginally higher, as oil prices recovered from an early weakness with markets looking towards a meeting of the major producers next month.

The key Brent Crude settled at US$35.29 a barrel, up 2.6 per cent, while the US West Texas Intermediate was 2.8 per cent higher at US$33.05.

It was a volatile week for oil prices as comments from various Organisation of the Petroleum Exporting Countries (OPEC) officials fuelled market speculation that oil producers would not respect the agreement to freeze output as proposed by Saudi Arabia and Russia.

Weekly turnover was marginally higher at 8.39 billion units worth RM8.76 billion from 8.36 billion units worth RM8.76 billion last week.

Main market volume slipped to 5.39 billion shares valued at RM8.25 billion from 5.82 billion shares valued at RM8.28 billion.

Ringgit To Strengthen Further Next Week

KUALA LUMPUR -- The ringgit is expected to strengthen further next week on expectations of higher global crude oil prices and improved risk appetite for the local note, dealers said.

"The higher oil prices will give breathing space for producer countries such as Malaysia and ease pressure on shrinking oil and gas revenue," said a dealer.

Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said both the ringgit and crude oil prices are trending upward, which bodes well for local market sentiment.

"Oil prices have recovered from an early weakness as markets look towards a meeting of major producers next month.

"It has however, been a volatile week for oil prices as comments from officials of various Organisation of the Petroleum Exporting Countries fuelled market speculation that oil producers will not respect an agreement to freeze output as proposed by Saudi Arabia and Russia," he added.

The benchmark Brent Crude settled at US$35.29 a barrel, up 2.6 per cent while, US West Texas Intermediate was 2.8 per cent higher at US$33.05. Nazri said the local note is expected to strengthen to a week's high of 4.1910 against the greenback.

Meanwhile, UOB Malaysia economist Julia Goh said the ringgit deserved a far stronger level on a fair value basis, but external factors which included a possible hike in US interest rates and moderate growth in China, will pressure the local note.

"We have revised our outlook for the ringgit to between 4.10 and 4.40 against the US dollar for the near-term.

"However, if at any point, the ringgit breaks below 4.09, it could strengthen further below 4.05, but again, it is a caution, depending on the external risks factors," she added.

For the week just ended, the ringgit firmed to 4.2010/2070 from 4.2030/2100 versus the greenback last Friday, mainly due to the movement of crude oil prices.

The local unit fell against the Singapore dollar to 2.9996/9056 from 2.9893/9947 last Friday and weakened versus the yen to 3.7236/7299 from 3.7168/7240.

However, the ringgit rose against the euro to 4.6417/6500 from 4.6662/6748 and appreciated against the British pound to 5.8747/8856 from 6.0225/2342.

Money Market To Remain Stable Next Week

KUALA LUMPUR -- The Malaysian money market is expected to remain stable next week as Bank Negara Malaysia (BNM) continues to intervene to manage surplus liquidity.

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

For the week just-ended, BNM intervened to absorb excess funds by conducting conventional money market tenders, a range maturity auction, a commodity murabahah programme, Qard, repo and reverse repo tenders.

On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM33.82 billion from RM41.37 billion earlier, while in the Islamic system, it shrank to RM8.64 billion from RM10.77 billion.

The overnight rate was at 3.21 per cent while the one-week, 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 3.74 per cent.

FBM KLCI Futures To Trade Higher Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures on Bursa Malaysia Derivatives are likely to trade higher next week, tracking the positive cash market, dealers said.

A dealer said crude oil prices which are expected to continue on a recovery mode, coupled with an improved ringgit, stimulus measures of foreign Central Banks and improved Wall Street performance, would also drive the local market.

On a week-to-week basis, February 2016 fell 11.5 points to 1,665 and March 2016 lost nine points to 1,662.
However, June 2016 gained 3.5 points to 1,651.5 and September 2016 rose 4.5 points to 1,644.

Weekly turnover surged to 99,477 lots from 44,835 lots last week, while open interest widened to 65,922 contracts from 46,320 contracts.

The benchmark FBM KLCI settled at 1,663.44, down 11.44 points, from the 1,674.88 recorded last week.

CPO Futures To Trade Rangebound Next Week

KUALA LUMPUR -- The crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to see rangebound trading of between RM2,400 and RM2,500 per tonne next week.

Interband Group of Companies Senior Palm Oil Trader Jim Teh said the current CPO price level was at a satisfying level and had helped local plantation companies generate better income.

“If we look at the annual reports of several plantation companies, including Kuala Lumpur Kepong and IOI Corporation, they’re making a good profit.

“Amid the challenges in the gloomy global economy, CPO producers are now surviving and the current situation is actually aiding them,” he added.

Asked about production, Teh said in Peninsular Malaysia, it had positive momentum, but Sabah and Sarawak were affected by the current dry weather. For the week-just-ended, CPO was traded mixed.

On a weekly basis, March 2016 shed RM60 to RM2,462, April 2016 fell RM48 to RM2,518, May 2016 decreased RM43 to RM2,543 and June 2016 was RM40 lower at RM2,536 a tonne.

Turnover for the week just ended was higher at 249,225 lots from 228,579 lots last week, while open interest expanded to 263,917 contracts from 236,566 contracts. On the physical market, March South slipped RM40 to RM2,480 a tonne from last week’s RM2,520 a tonne.

Rubber Market To Trend Higher Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to trend higher next week on improved demand for the commodity.

A dealer said the steady market next week is the result of buyers continuing to take advantage of the commodity’s low price.

For the week just-ended, the local rubber market continued its uptrend in taking cue from the Tokyo Commodity Exchange (TOCOM) which saw a firmer rubber price.

On a Friday-to-Friday basis, the Malaysian Rubber Board’s sellers’ official physical price for tyre-grade SMR 20 increased 15.5 sen to 469 sen a kg, while latex-in-bulk rose 24 sen to 367.5 sen a kg.
The unofficial closing price for tyre-grade SMR 20 gained 18.5 sen to 471.5 sen a kg, while latex-in-bulk improved 25 sen to 368.50 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 March 2016, April 2016, May 2016 and June 2016 remained pegged at 96.27, 96.26, 96.27 and 96.27 respectively.
Open interest was unchanged at 120 contracts.
The underlying three-month KLIBOR was pegged at 3.74 per cent.

KLTM To Trade Between US$16,000 - US$16,200 Next Week

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely trade in a narrow range of between US$16,000 and US$16,200 per tonne next week, traders said.

“We anticipate the tin price to increase slightly next week, as China had earlier announced it would slash tin production this year. Indonesia also decided earler this year to shut down its offshore tin mining operations,” a trader told Bernama.

He said these factors had stirred fears among traders that a limited supply of tin would spur demand for the metal.

For the week just-ended, tin was traded between US$15,770 and US$16,030 per tonne, mainly influenced by the performance of the metal on the London Metal Exchange (LME).

European, Japanese, Pakistani and Latin American traders accounted for the turnover of 244 tonnes for the week just ended compared with 381 tonnes previously.

The price differential between the KLTM and the LME on Friday was at a premium of US$125 a tonne against a discount of US$30 per tonne last week.

Gold Futures To Trend Higher Next Week

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are likely to trend higher next week.

It will be driven by several factors such as the global fall in share prices, oil prices dropping to a multi-year low as well as speculation over the US Federal Reserve raising interest rates.

“The market remains worried over the global slowdown,” Phillip Futures Sdn Bhd dealer, Ong Su Ling told Bernama.

Traders, she said, would continue to closely monitor the global economic growth and economic data for more clues.

“The significant data to be watched next week includes the United States’ ISM Manufacturing report, ADP Employment Change report, non-farm payroll report and China’s Caixin Manufacturing Purchasing Managers’ Index (PMI) report,” she added.

On a Friday-to-Friday basis, February 2016 added 12 ticks to RM166.35 a gramme, March 2016 rose 11 ticks to RM166.35 a gramme, April 2016 was up 16 ticks to RM166.95 and May 2016 increased 14 ticks to RM167.15 a gramme.

Weekly turnover totalled 1,630 lots worth RM27.3 million from 375 lots worth RM6.21 million traded last Friday.

Open interest on Friday fell to 890 contracts from 1,651 contracts previously.