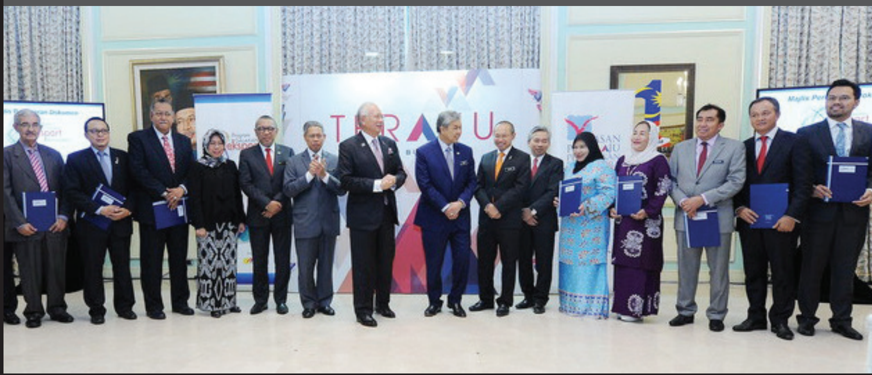
MALAYSIAeBiz
BERNAMA WEEKLY BUSINESS ROUNDUP 18 - 22 APRIL 2016

April 22, 2016

This Week's Highlight : 93 KPIs For 23 Ministries To Empower Bumiputera Economy



ONE FOR THE ALBUM...Prime Minister Datuk Seri Najib Tun Razak and Deputy Prime Minister, Datuk Seri Dr Ahmad Zahid Hamidi in a group photograph with Malay association and chamber representatives under the Bumiputera Export Promotion Programme after the exchange of documents ceremony at Perdana Putra in Putrajaya Thursday.

PUTRAJAYA -- Ninety-three key performance indicators (KPIs) to empower the Bumiputera economy have been set for 25 ministries, including the Prime Minister's Department this year, Prime Minister Datuk Seri Najib Tun Razak said. The KPIs, which were recommended by the Bumiputera Economic Council, established higher impacts, as well as being more outcome-based with higher targets placed than that of last year, he said after chairing the Bumiputera Economic Council meeting at Perdana Putra here Thursday.

This Week's Top Stories

MONDAY

Nazir On Leave To Allow Fund Transfer Review

KUALA LUMPUR -- CIMB Group Chairman, Datuk Seri Nazir Razak, will be on leave of absence beginning Monday pending an internal review of US$7 million which he helped distribute ahead of the 13th General Election. Speaking to reporters, he said, the internal review, which started on April 5, was expected to be concluded in several weeks.

TUESDAY

Malaysia Airlines CEO Mueller Steps Down

KUALA LUMPUR -- Malaysia Airlines Bhd (MAB) Chief Executive Officer (CEO) and Managing Director Christoph Mueller will leave in September 2016, but intends to remain as its Non-Executive Director. Mueller joined the Board of Malaysia Airlines System Bhd as a non-executive director Jan 1, 2015 and became CEO-designate of MAB on March 1, 2015. He succeeded Ahmad Jauhari Yahya as managing director and CEO of MAS on May 1, 2015, said MAB in a statement Tuesday.

WEDNESDAY

12.65 Mln Hold 208.4 Billion Units Of PNB Unit Trusts

TAPAH -- A total of 12.65 million Malaysians or 42 per cent of the population currently hold 208.4 billion units of Permodalan Nasional Bhd (PNB)'s unit trusts, says Chairman Tun Ahmad Sarji Abdul Hamid. "We have managed to raise RM268 billion in funds and hold equities in 200 companies from various sectors," he said at the launch of the 17th Malaysian Unit Trust Week by Prime Minister Datuk Seri Najib Tun Razak, here Wednesday.

THURSDAY

Malaysia Poised To Develop ASEAN's Power Sector

By Azman Ujang

KUALA LUMPUR -- The recent RM9.83 billion acquisition of Edra Power Holdings Sdn Bhd (Edra) -- itself the largest single foreign investment in Malaysia -- by China General Nuclear Power Corporation (CGN) puts Malaysia in a strong position to develop Asean's power sector, Edra President and Executive Director Datuk Mark Ling said Thursday. He told Bernama that Edra, backed by CGN's capitalisation of US$60 billion, was now able to link through the Trans-Asean grids from the Philippines to Sabah, down to Sarawak and Sumatera.

FRIDAY

Govt Targets Another 20 MNCs For Principal Hub

KUALA LUMPUR -- The government aims to bring in another 20 multinational companies (MNCs) to establish their principal hub in Malaysia this year following investments totalling RM7.31 billion derived from 12 MNCs to date. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said Friday, the 12 MNCs were in involved in the aerospace, electrical & electronic (E&E), food & beverage (F&B), engineering and resource-based industries.

Attachments area

SMEbrief

SMIDEX 2016 To Generate RM430 Million Sales

By Zairina Zainudin

KUALA LUMPUR -- SME Corp Malaysia expects its annual showcase, SMIDEX 2016, to generate between RM425 million and RM430 million in potential sales from business-matching sessions, Chief Executive Officer, Datuk Hafsah Hashim told Bernama, she is optimistic the target is achievable and would beat the all-time high of RM418 million secured during the previous SMIDEX.

SMEs To Contribute 41 Pct To GDP Via E-Commerce

IPOH -- The small and medium enterprise (SME) sector is expected to contribute 41 per cent to the country's gross domestic product (GDP) through e-Commerce by 2020. Telekom Malaysia Bhd (TM) Executive Vice-President, Consumer and SME Imri Mokhtar said Tuesday, the target could be achieved as almost 90 per cent of SMEs were using the Internet to expand and market their products.

Defence Industries Focus On Empowering SMEs

KUALA LUMPUR -- The focus of the development of the defence industry is to empower Small and Medium Enterprises (SMEs) through their safety and security products, says Defence Minister Datuk Seri Hishammuddin Tun Hussein. He said the initiative was evident with the involvement of SMEs in the 2016 Defence Services Asia (DSA) exhibition and conference, organised for four days ending Thursday.

SME Bank Approves RM3.8 Mln To 11 Micro Enterprises

KUALA LUMPUR -- SME Bank has approved RM3.8 million, as of March 31, 2016, to help 11 eligible micro enterprises under its Small Business Financing Programme (SBF). With an fund allocation of RM100 million, SBF offers working capital to micro enterprises to develop their business and increase product marketability, SME Bank said in a statement Thursday.

400 SMEs To Benefit From Bumiputera Export Promotion Programme

PUTRAJAYA -- A total of 400 Bumiputera small and medium enterprises (SMEs) will be groomed to become exporters by 2020 under Bumiputera Export Promotion Programme, says Prime Minister Datuk Seri Najib Tun Razak. The government remained committed to ensuring a continued capacity building among Bumiputera entrepreneurs and manufacturers so that they could compete abroad, Najib, who is also Finance Minister said after chairing the Bumiputera Economic Council meeting here Thursday.

PropUP Property*update*

Prasarana To Develop 7 Projects Worth RM4 Bln

KUALA LUMPUR -- Prasarana Malaysia Bhd plans to develop seven property projects here and Selangor with a gross development value (GDV) of RM4 billion in the next four years. Chairman Tan Sri Ismail Adam said Tuesday, this was in line with the company's mission to increase non-fare revenue contribution to 50 per cent by 2020.

36 Pct Of Malaysians Prefer Buying New House - PropertyGuru

KUALA LUMPUR -- Up to 36 per cent of Malaysians prefer buying a new house compared with 17 per cent who will opt for the secondary market, online property portal PropertyGuru.com's latest research findings shows. Its Malaysia Country Manager, Sheldon Fernandez told a media briefing here Tuesday, one of the key reasons, included sales packages from property developers, especially for middle income or younger buyers.

Affordable Houses To Dominate 2016 Property Mart

PUTRAJAYA -- Affordably priced houses are expected to dominate new property launches this year based on last year's performance, says Deputy Finance Minister Datuk Chua Tee Yong. Last year, residential units priced RM500,000 and below accounted for more than 50 per cent of houses launched, he said when launching the 2015 Property Market Report here Tuesday.

Landasan Bayu, LGM Sign Pact For RM1.33 Bln Project

KUALA LUMPUR -- Landasan Bayu Sdn Bhd has signed a joint development agreement (JDV) with Malaysian Rubber Board (LGM) to undertake a mixed commercial development project worth RM1.33 billion in gross development value (GDV). In a filing to Bursa Malaysia Wednesday, Crest Builder Holdings Bhd (CBHB), which owns 51 per cent of Landasan Bayu, said the project, which comprised retail, premium residential and office lots, will be located on 1.92 hectares in Jalan Ampang here.

JCorp To Manage Pengerang Development

JOHOR BAHARU -- Johor Corporation (JCorp) has been appointed as the management authority of Pengerang to ensure the success of its oil and gas hub project. Johor Menteri Besar Datuk Seri Mohamed Khaled Nordin said Thursday, the decision to appoint JCorp was based on its experience in developing Pasir Gudang as an industrial area and a port.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 378

Losers - 396

Not Traded - 561

Unchanged - 388

Value - 1650679172

Volume - 16390761

BURSA Malaysia Ends Lower Tracking Regional Bourses

KUALA LUMPUR -- Bursa Malaysia, which remained in negative territory the whole day, ended easier tracking the bearish performance of regional bourses. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) ended 3.51 points lower at 1,717.96 from Thursday's of 1,721.47. After opening 1.81 points weaker at 1,719.66, the benchmark index fluctuated between 1,715.18 and 1,720.08 throughout the day. Market breadth was slightly negative with losers outpacing gainers 396 to 378 with 388 counters unchanged, 561 counters untraded and eight others suspended. Total volume decreased to 1.63 billion shares worth RM1.65 billion from 1.99 billion shares worth RM1.95 billion recorded Thursday.

A dealer said buying sentiment in regional bourses, including Bursa Malaysia, was dampened as traders took cues from the overnight decline on Wall Street, which suffered its first loss in four sessions. Main Market turnover fell to 1.21 billion units worth RM1.57 billion from 1.47 billion units worth RM1.87 billion recorded Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.8940	3.8000
EUR	4.3893	4.3969
GBP	5.5852	5.5957
100 YEN	3.5281	3.5342
SGD	2.8838	2.8904

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday tracking the general weaknesses in regional currencies against the greenback ahead of US Federal Reserve's two-day policy meeting on April 26 and 27. "The policy meeting likely address the next interest rate increase in June," he said. At 5 pm, the local note stood at 3.8940/8000 against the US dollar from 3.8810/8900 on Thursday.

The ringgit also eased against the Singapore dollar to 2.8838/8904 from Thursday's 2.8812/8898 and depreciated against the yen to 3.5281/5342 from 3.5349/5447 Thursday. It declined against the euro to 4.3893/3969 from 4.3820/3938 Thursday and fell against the British pound to 5.5852/5957 from 5.5545/5689 on Thursday.

Money-Market: Short-Term Rates Close Stable

KUALA LUMPUR -- Short-term inter-bank rates ended stable Friday on Bank Negara Malaysia (BNM)'s intervention to reduce the liquidity surplus in the financial system. The liquidity surplus in the conventional system eased to RM25.522 billion from RM31.046 billion earlier, while in the Islamic system, it fell to RM5.778 billion from RM12.812 billion this morning. BNM called for five tenders comprising a repo tender, a Islamic range maturity auction, a commodity murabahah programme tender and two conventional money market tenders. The central bank also conducted a late conventional money market tender for RM25.0 billion and a Qard money market tender for RM5.7 billion, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates were pegged at 3.30 per cent, 3.35 per cent and 3.39 per cent, respectively.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives was untraded Friday. May 2016 stood at 96.32, while June 2016, July 2016 and September 2016 were pegged at 96.35 each. Open interest was nil. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.70 per cent.

KLCI Futures End Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives ended lower Friday, tracking the weak performance of the underlying cash market. Spot contract April 2016 lost three points to 1,719.5, May 2016 shed 4.5 points to 1,710.5, June 2016 fell 3.5 points to 1,705 and September 2016 was unchanged at 1,693.5. Turnover was lower at 5,729 lots from to 9,342 lots while open interest decreased to 42,496 contracts from 45,460 contracts. The benchmark FBM KLCI closed 3.51 points easier at 1,717.96.

Visa & AIBIM On The Lookout For FinTech Startups

KUALA LUMPUR -- Visa Inc and the Association of Islamic Banking Institutions Malaysia (AIBIM) has partnered to launch the ASEAN FinTech (financial technology) Challenge. The challenge, held in conjunction with the Global Islamic Finance Forum 2016 (GIFF) from May 10-12, is aimed to bring the best and most innovative FinTech startups. A joint statement by Visa and AIBIM here Monday, said teams would have the opportunity to present their ideas to over 500 GIFF delegates from all over the world.

Maybank Opens Branch In Shenzhen

KUALA LUMPUR -- Malayan Banking Bhd (Maybank) has opened a branch in Shenzhen, its fifth in Greater China, to leverage on the strong trade and investment flows between ASEAN and the region. In a statement here Monday, Maybank said the branch is at AVIC Centre on the main street of Futian District. The district hosted the headquarters of over half the financial enterprises in Shenzhen accounting for 39.1 per cent of the local gross domestic product (GDP), it said.

CIMB Open To Partnership In Stock Broking Business - Group CEO

KUALA LUMPUR -- CIMB Group Holdings Bhd is not exiting the stock broking business despite the challenging external environment, instead it is open to form partnership to strengthen the business. Group Chief Executive Officer Tengku Datuk Seri Zafrul Aziz Tengku Abdul Aziz said here Monday, some parties had expressed interest to form a partnership with the group in the stockbroking business. "We are open to this partnership initiative as it is a part driven by challenging environment, and incumbents have to strive to win market share and achieve market of scale," he said.

Choose Credit Card Wisely, Says BSN

KUALA LUMPUR -- Credit cards are often associated with debt, but, according to Bank Simpanan Nasional (BSN), a person can maximise the returns on a credit card, hence save money, if he or she has the know-how. In a statement here Wednesday, BSN shared several tips on how consumers could save money via credit card by choosing the right card as the number one tip. "Be sure to compare the fundamentals such as interest rates, fees, rewards, eligibility and any requirements for minimum spending. "All these will be critical in determining which card you should get," it said.

Labuan IBFC Launches ASEAN Roadshow

KUALA LUMPUR -- Labuan International Business and Financial Centre (Labuan IBFC), Asia Pacific's midshore international business and financial centre, launched a series of roadshow across ASEAN with a masterclass in Jakarta Wednesday. "The Labuan IBFC ASEAN Roadshow 2016 would visit key countries in ASEAN and, for the first time, include events and closed door briefings in Cambodia, Laos, Vietnam and Myanmar," Labuan IBFC said in a statement here Wednesday. Chief Executive Officer Danial Mah Abdullah said the company's approach to the roadshow this year was targetted at business owners in the region looking to internationalise or even regionalise their business.

Public Bank's Q1 Pre-Tax Profit Rises To RM1.65 Bln

KUALA LUMPUR -- Public Bank Bhd's pre-tax profit for the first quarter (Q1) ended March 31, 2016 rose by 10.9 per cent to RM1.65 billion from RM1.49 billion in the same quarter last year. Its revenue increased to RM5.04 billion from RM4.60 billion previously, it said in a filing to Bursa Malaysia here Wednesday. Public Bank said the higher pre-tax profit was driven by the healthy growth in loans and customer deposits coupled with sustained strong asset quality. The revenue increase was due to higher net interest income, higher income from Islamic banking business and non-interest income, it said. The bank said gross loans grew by 9.5 per cent to RM277.2 billion compared with RM253.1 billion previously, driven by the growth in property and passenger vehicle financing and lending to small and medium enterprises.

Individuals Counselled By AKPK Settle RM407.9 Mln In Debts Since 2006

By Ahmad Erwan Othman

TAPAH -- The Credit Counselling and Debt Management Agency (AKPK) has assisted 9,938 individuals in settling their debts amounting to RM407.9 million since 2006. Chief Executive Officer Azaddin Ngah Tasir said here Thursday, the individuals who were mostly bankrupt, settled their dues with the help of AKPK which was established in April 2006.

Takaful Ikhlas Targets To Sell 2,000 Policies During Unit Trust Week

TAPAH -- Takaful Ikhlas Bhd (Takaful Ikhlas) has set a target to sign up 2,000 policies with a premium income of RM3 million during the nine-day Malaysian Unit Trust Week (MSAM) 2016. Senior Vice-President, Chief Commercial Officer, Family, Wan Rosli Shaharuddin Wan Yaacob said here Thursday, the set target was 100 per cent higher than the target achieved in the previous year's event held in Sibu, Sarawak. He was optimistic 2,000 policies can be signed up as visitors from Perlis, Kedah, Penang and Kuala Lumpur were expected to patronise this year's event held at the Tapah Mini Stadium.

DSA 2016 To Generate RM100 Mln Sales From Business Matching

By Zairina Zainudin

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) expects business-to-business (b2b) matching sessions at the 15th Defence Services Asia 2016 to generate RM100 million in potential sales. Director (Transport, Defence and MRO) Md Silmi Abd Rahman said here Monday, 300 meetings have been arranged over the next three days to promote Malaysian defence industry players to export their products and services overseas. “For a start, we are looking at RM100 million sales from arranged meeting only, and that does not include the walk-in-meetings,” he said.

M’sian Companies Provide Systems For Cold Room In Vietnam

PETALING JAYA -- Two Malaysian companies have signed deals, worth RM66 million, with Vietnam’s largest seafood processing and export group, Hung Voung Corp Ltd, to provide systems for its largest cold room facility in Ho Chi Minh City, Vietnam. Its President, Duong Ngoc Minh said here Monday, work on the US$50 million facility began two months ago and was scheduled for completion in the first quarter of 2017.

Affin Holdings Aims To Grow Fee-Based Income At Banking Unit To 30 Pct

KUALA LUMPUR -- Affin Holdings Bhd, which operates Affin Bank Bhd, is aiming to increase the bank’s fee-based income to 30 per cent from the current 25 per cent by 2017. Affin Holdings Group Chief Executive Officer Kamarul Ariffin Mohd Jamil said here Monday, the bank’s fee income was mostly derived from underwriting and loan syndication as well as foreign exchange. “Taking into account the economic challenges of last year and this year, we hope to achieve the target with completion of the group’s internal restructuring and transformation,” he said.

Aladdin Group Aims For US$2.3 Trillion Turnover Globally Within Three Years

KUALA LUMPUR -- Malaysia-based e-commerce company Aladdin Group of Companies targets a turnover of US$2.3 trillion globally within the next three years, driven by the encouraging halal marketplace and e-commerce industry. Its co-founder, Datuk Dr Sheikh Muszaphar Shukor said here Monday, the launch of the company’s international e-platform Aladdinstreet.com.my would provide its partner merchants a platform to access the global premium halal e-marketplace to expand their business even further. “We have allocated US$100 million for advertising and promotions to support our branding efforts globally, including Malaysia over the next three years with the objective of attracting 60 million unique monthly visits from quality consumers worldwide,” he said.

MISC Expects To Maintain US Dollar Profitability

KUALA LUMPUR -- MISC Bhd expects to maintain or even show some growth in its US dollar profitability despite the stronger ringgit outlook this year, said its President/Chief Executive Officer, Yee Yang Chien. He said the group’s actual income and profit were denominated in US dollars while its ringgit profitability would depend on the movements of the local currency against the greenback, and this was hard to predict. The group had in 2015 recorded a 6.5 per cent increase in pre-tax profit to RM2.57 billion while revenue grew by 17.3 per cent to RM10.61 billion.

Syarikat Takaful Pre-Tax Profit Eases To RM58.16 Mln

KUALA LUMPUR -- Syarikat Takaful (M) Bhd’s pre-tax profit for the first quarter ended March 31, 2016 fell to RM58.16 million from RM62.22 million in the same quarter last year. Revenue, however, rose to RM633.24 million from RM562.46 million previously, it said in a filing to Bursa Malaysia Tuesday. Takaful Malaysia said the higher revenue was due to higher sales generated by both family and general takaful businesses.

Hong Leong Industries Q3 Pre-Tax Profit Rises To RM245.85 Mln

KUALA LUMPUR -- Hong Leong Industries Bhd’s pre-tax profit for the third quarter (Q3) ended March 31, 2016 rose to RM245.85 million from RM230.45 million in the same period a year ago. Revenue increased slightly to RM1.62 billion from RM1.61 billion previously, the company said in a filing to Bursa Malaysia Tuesday. “The improvement in pre-tax profit for the financial year to-date as compared with the corresponding period of the last financial year was mainly attributable to higher profit contribution from an associated company,” it said.

Petronas Dagangan Expects Bitumen Sales To Increase By 3 Pct

KUALA LUMPUR -- Petronas Dagangan Bhd (PDB) expects bitumen sales to increase by three per cent this year due to higher demand. The growth was in tandem with the demand growth of three per cent projected for the local industry for 2016, said Managing Director/Chief Executive Officer Mohd Ibrahimnuddin Yunus here Wednesday. “The strong sales performance was supported by the high supply of bitumen in the industry last year due to the number of ongoing construction works and road developments in the country,” he said.

M'sia Wants To Share Experience On Effective Policies, Programmes - Husni

KUALA LUMPUR -- Malaysia is willing to share its expertise with other countries to rebalance the world between developing and developed countries, for the common benefit of mankind. Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah said here Monday, this was following Malaysia's effectiveness in implementing its strategies and programmes due to an efficient team in developing and mapping out the plans. "Malaysia has a five-year plan, whereas many countries only have year-by-year planning. "More significantly, Malaysia is planning beyond 2020. With the success implementation of all government policies and upliftment of income level, the government was able to rationalise its subsidy by introducing the Managed Float Fuel Pricing Mechanism," he said.

MyCC Clears Megasteel Of Infringement Of Competition Act

KUALA LUMPUR -- The Malaysia Competition Commission (MyCC) has found that there is no infringement of the Competition Act 2010 by Megasteel Sdn Bhd. In a statement here Monday, the MyCC said it had initiated an investigation in October 2012 upon receipt of a complaint relating to the alleged abuse of dominant position by Megasteel, an infringement of Section 10(1) of the Competition Act 2010. "After deliberating on the written and oral representations submitted by Megasteel, the MyCC has conducted further analysis and came to the conclusion that Megasteel neither abuse its dominant position nor practice margin squeeze in the relevant markets," it said.

Govt Strengthening Textile Industry Ahead Of TPP

KUALA LUMPUR -- The government is strengthening the textiles industry with various capacity building programmes ahead of the Trans-Pacific Partnership Agreement (TPPA) which will be implemented in 2018. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said here Tuesday, among the initiatives taken included training programmes and improving the standards of small and medium enterprises (SMEs) involved in the textiles industry.

MOSTI Targeting 16 More BioNexus-Status Companies By Year-End

KUALA LUMPUR -- The Ministry of Science, Technology and Innovation (MOSTI) targets another 16 local and foreign bio-based companies from the current 267 to achieve the BioNexus status by year-end. The BioNexus status is accorded to bio-based companies that have been successful in the biotechnology field. Science, Technology and Innovation Minister Datuk Seri Madius Tangau said here Tuesday, BioNexus-status companies invested RM3.1 billion as in the third quarter of 2015 from RM2.91 billion in the same period in 2014.

M'sia Calls On World Bank To Help Displaced Refugees By Generating Economic Activities

KUALA LUMPUR -- Malaysia, together with ASEAN, has called on the World Bank to do more to help displaced refugees by generating economic activities and jobs in communities now grappling with what is surely an escalating humanitarian crisis. In making the call, Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah said here Tuesday, there was a need for the bank to come out with long-lasting solutions to help host communities and countries manage demographic and macroeconomic shocks of displaced people. The "root cause needs to be addressed and the World Bank must work with United Nations agencies on this matter," he said.

M'sia Set 15-Gold Medals Target At 11th ASEAN Skills Competition

KUALA LUMPUR -- Malaysia have targeted 15 gold medals at the 11th ASEAN Skills Competition (ASC) to be held in Serdang from Sept 23 to 28, this year. Human Resources Minister Datuk Seri Richard Riot Jaem said here Tuesday, the target was based on Malaysia's performance at the 10th ASC in Vietnam where nine gold medals were won. "I am confident we can achieve the target. Hopefully we will also be the overall champion," he said. At the ceremony Ahmad Zahid flagged off six ASC 2016 promotional cars sponsored by Proton and presented certificates of appreciation to 20 programme sponsors.

AirAsia X To Increase Operational Capacity By Up To 15 Pct This Year

KUALA LUMPUR -- Long-haul low-cost airline, AirAsia X (AAX), aims to increase operational capacity by 10 per cent to 15 per cent this year, driven by increased flight frequency to Australia and introduction of new destinations. Chief Executive Officer Benyamin Ismail said here Wednesday, three new destinations would be introduced this year in addition to the newly launched Auckland destination. "Two of the new destinations will be in China," he said.

M'sia To Create More High Impact Jobs On UK Business Growth

By Azizul Ahmad

KUALA LUMPUR -- Malaysia will potentially create more high impact jobs as British prime contractors are offering global products, while business are growing very fast, said United Kingdom Minister of State for Defence Procurement, Philip Dunne. Because of the strength of the Malaysian education system, schools and universities were well equipped to produce graduates who can undertake more high impact jobs in the future, he told Bernama Wednesday. “Companies like BAE Systems and Airbus are offering global products. “Much of the intellectual capital is being developed here in Malaysia. It can be exported to other countries in the region, including back to the UK,” he said.

Govt Successfully Prices US$1.5 Bln Sukuk

KUALA LUMPUR -- The government, via its special-purpose entity, Malaysia Sukuk Global Bhd, has successfully priced its US$1.5 billion benchmark sukuk, which was oversubscribed by 4.2 times. In a statement here Thursday, the Finance Ministry said, the sukuk, Global Trust Certificates (the Wakala Global Sukuk), was divided into US$1 billion 10-year tranche and US$500 million 30-year tranche at 3.179 per cent and 4.08 per cent respectively. “The deal attracted an aggregate interest of over US$6.3 billion from a combined investor base of over 195 accounts,” it said.

M’sian Inc To Reduce Import, Export Gap In Services Sector

KUALA LUMPUR -- The formation of Malaysian Incorporated Services Bhd (Malaysian Inc) to focus, target, secure projects and penetrate markets in different countries can reduce the deficit gap in Malaysia’s services sector. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said here Thursday, Malaysia’s trade in the services sector recorded deficit since 2010. “Last year, we saw a gap of about RM20 billion between exports and imports in the services sector. Exports amounted to RM135.66 billion while imports totalled RM156.14 billion in 2015,” he said.

MyASEAN Internship Doubles Number Of Participating Companies

KUALA LUMPUR -- More companies are coming forward to take part in the MyASEAN Internship programme this year with the number doubled to 23 since its debut last year. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said here Thursday, 100 high-achieving ASEAN students, including Malaysians would be placed in the companies to develop a clear understanding of the regional grouping and its aspirations. He said as ASEAN transformed itself into a single regional bloc to wield significant political, diplomatic and economic power, the programme enabled the interns to grasp the opportunities and benefits derived from the regional economic integration.

EPF Members Can Now Make Housing, Education Withdrawals Via Online

KUALA LUMPUR -- The Employees Provident Fund (EPF) has extended its e-Pengeluaran online facility to include education withdrawals, allowing members to submit their application online to withdraw from their EPF savings. The education withdrawal facility is the latest and second addition to e-Pengeluaran after housing withdrawals, which has been further enhanced with increased number of participating financial institutions.

ASC 2016 Attracts Local, International Sponsors

By Jenny Imanina Lanong

KUALA LUMPUR -- The 11th ASEAN Skills Competition (ASC), which will be hosted by Malaysia in September, has received sponsorships from various local and international companies such as Bermaz Motor, YL Didactic Sdn Bhd and The Lincoln Electric Co (Asia Pacific) Pte Ltd, which are keen on exposing youths to their latest technology. The ASC 2016, which will be from Sept 23 to 28 at the Malaysian Agro Exposition Park Serdang, is a collaboration between several ministries including the Human Resource, Works, Education and Youth and Sport.

MAHB Expects KLIA Passenger Volume To Go Up With Inaugural Shaheen Air’s Flight

SEPANG -- Malaysia Airports Holdings Bhd (MAHB) expects a boost in passenger volume with the inaugural landing of Shaheen Air, a private Pakistani carrier, at the KL International Airport (KLIA) here Friday. The Airbus A330-200 aircraft landed at KLIA at 10am, with 265 passengers, including Malaysia’s High Commissioner to Pakistan, Datuk Dr Hasrul Sani Mujtabar. More than 100 passengers left Kuala Lumpur for Karachi on the return trip. MAHB Chief Operating Officer, Datuk Abd Hamid Mohd Ali, said MAHB expected passenger traffic at KLIA this year to grow by 2.5 to three per cent with potential expansion for up to 50 million passengers.

MATRADE Lines Up 70 INSP Business Meetings During Semicon 2016

KUALA LUMPUR -- More than 70 business meetings have been lined up by the Malaysia External Trade Development Corp (MATRADE) for the International Sourcing Programme (INSP) in conjunction with the Semicon Southeast Asia 2016 at SPICE Arena, Bayan Lepas, Penang on April 26. Matrade Electrical & Electronics and ICT Unit Director Abu Bakar Koyakutty said here Monday, the participation in the INSP, formally known as the Incoming Buying Mission, would allow local companies to meet potential trading partners from various countries.

DSA Is A Getaway Into Asian Market – Int'l Security Firm

KUALA LUMPUR -- The Defence Services Asia Exhibition and Conference (DSA) has become a platform for international security firms to penetrate Asian market and beyond. In a statement here Monday, Brazilian Defence and Security Industry Association (ABIMDE) said the Asian market offered great perspectives for expanding the Brazilian firms abroad. "Having Brazilian companies at the DSA is crucial for us to show how we can provide valued-added products and services of the highest quality," said Executive Vice-President Admiral Carlos Afonso Pierantoni.

24 Deals Worth RM2.9 Bln Signed At DSA 2016

KUALA LUMPUR -- Twenty-four contracts and agreements, worth RM2.9 billion, were signed on the second day of the 15th Defence Services Asia (DSA) Exhibition and Conference. The signing of 10 contracts, four letters of acceptance (LoA), three letters of intent (LoI) and letter of instruction, as well as, seven memorandum of understanding (MoUs) were witnessed by Defence Minister Datuk Seri Hishammuddin Tun Hussein. "In times of uncertainty like now, we should be proud that we have signed contracts worth RM2.9 billion. "This is commendable and the government is still on the right path," he told reporters here Tuesday.

MATRADE Aims To Have 300 Booths For Intrade 2016

KUALA LUMPUR -- Malaysia External Trade Development Corp (MATRADE) aims to have 300 booths for its fashion and lifestyle exhibition, Intrade 2016 from Nov 2-5, 2016, which would also feature the Malaysia Fashion Week (MFW). MATRADE's Chief Executive Officer, who is also MFW Chairman, Datuk Dzulkifli Mahmud, said here Tuesday, the MFW would be driven by young designers from local universities, Muslimah fashion designers and Malaysians in general. "The 2015 edition attracted over 200 fashion buyers from China, South Korea, Japan, Vietnam, United Arab Emirates, Philippines, Thailand and India as well as visitors from over 50 countries," he said.

Shell Unveils New Shell Rimula Oil

PETALING JAYA -- The just-launched fully synthetic Shell Rimula R6 LM 10W-40 oil, compatible for use in heavy-duty diesel engines (HDDE), is expected to be a hit in the Malaysian market. Shell Lubricants Malaysia & Singapore General Manager Leslie Ng said here Wednesday, the Shell Rimula R6 LM was the latest innovation gas-to-liquid technology by Shell for high performance and extended oil-drain capabilities in the latest low emission engines. "Priced at RM572.60 for 20 litres, the new Rimula R6 LM will offer 53 per cent better protection against engine wear and 45 per cent lower oil consumption with its dynamic protection plus technology," he said.

TNB Remaco Wins Frost & Sullivan Best Practices Award

KUALA LUMPUR -- Tenaga National Bhd's repair and maintenance arm, TNB Repair and Maintenance Sdn Bhd (TNB Remaco), bagged the Frost & Sullivan Best Practices Award for the fifth consecutive year. "TNB Remaco was dubbed the 'Power Plant Service Provider Of The Year' by Frost & Sullivan in recognition of its powerful brand name, legacy of market leadership and constantly evolving service portfolio," TNB said in a statement here Wednesday.

Council Awards To Recognise Outstanding Businesses, Entrepreneurs

KUALA LUMPUR -- The ASEAN Business Advisory Council Malaysia (ASEAN-BAC Malaysia) is organising the 7th ASEAN Business Awards Malaysia (ABAM) to recognise outstanding businesses and entrepreneurs. In a statement here Thursday, ASEAN-BAC Malaysia said Prime Minister Datuk Seri Najib Tun Razak will be the guest of honour at the gala dinner on May 31 at Grand Hyatt Hotel here.

Enrich Members Now Able To Earn, Redeem Miles On Emirates

KUALA LUMPUR -- Malaysia Airlines Wednesday announced that its Enrich loyalty programme members are now able to earn and redeem miles while travelling on Emirates. Malaysia Airlines Head of Enrich and Loyalty, Khairul Nisa Ismail, said here Thursday, the latest offering, under its next phase of agreement with Emirates, would enable members to obtain Enrich Miles to more than 90 destinations to Europe, the Americas, South Africa and others.

AirAsia X Partners MY ecolodge To Offer Travel Packages To Japan

KUALA LUMPUR -- AirAsia X has partnered with MY ecolodge to offer special 'Niseko Super Summer Saver' all-inclusive travel packages from as low as RM3,900 from June to October 2016. The Niseko Super Summer Saver is a special group tour package for a minimum of 10 guests per group inclusive of return flights to Sapporo from Kuala Lumpur and accommodation at MY ecolodge. MY ecolodge is a reputable boutique travellers' lodge managed by Fairlane Hospitality and was newly opened in Niseko, Hokkaido in December 2015. In a statement here Thursday, AirAsia X said the offer was for five days, four nights stay in the Niseko region of Hokkaido per guest.

Mueller's Exit Must Not Derail MAB's Turnaround Plan

By Farhana Poniman

KUALA LUMPUR (Bernama) -- Christoph Mueller's decision to leave Malaysia Airlines Bhd (MAB) before his three-year contract as chief executive officer ends, comes as a surprise, but his departure must not derail the national carrier's turnaround plan and quest to chalk up profitability eventually. Understandably, the airline fraternity was taken aback by this piece of news as his entrance into the national carrier from Ireland's Aer Lingus last year, sparked hopes for the revival of MAB into a profitable entity. Mueller managed to set the right foundation in his short stint so far with the airline and in the process maintained his track record of turning around ailing airlines.

Among his achievements with Malaysia Airlines included capacity reduction for unprofitable routes and a code-sharing partnership with Emirates. It was also during his watch that the national airline reported a profit in February this year, the first positive monthly result in years.

STERLING LEGACY

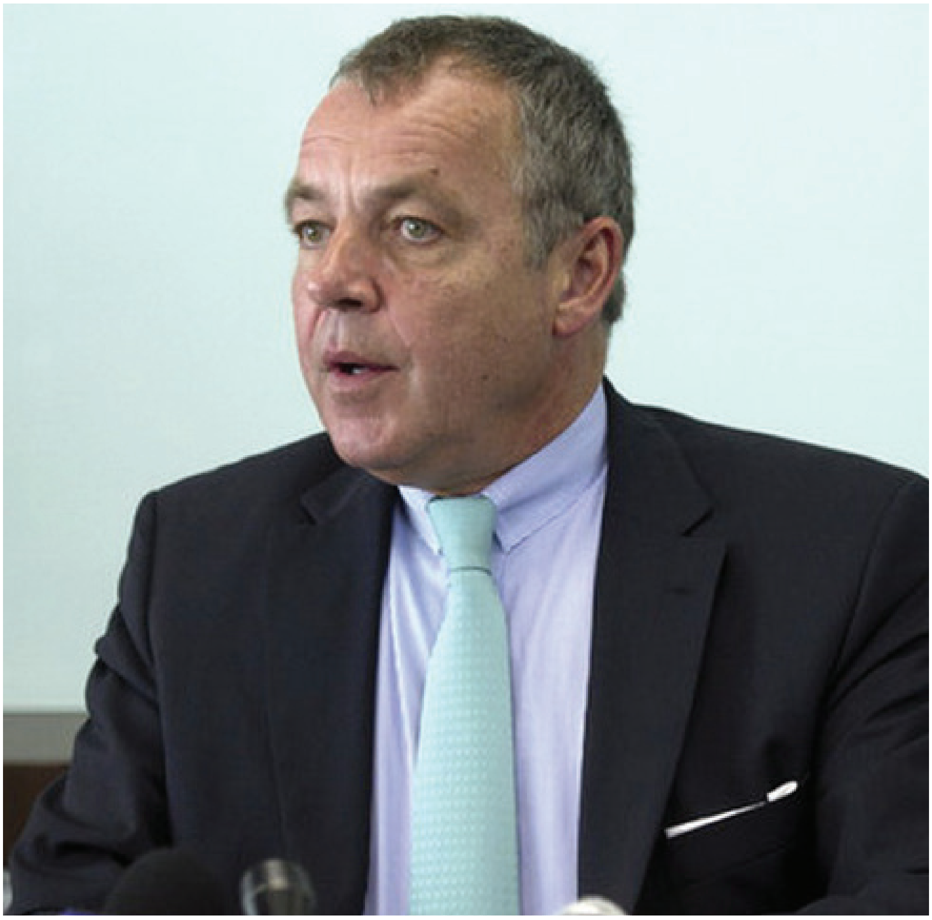
He is leaving behind a sterling legacy having notched up many successes in such a short time since his appointment on May 1, 2015. He would serve out his six-month notice period until September. An analyst said Mueller's decision to leave ahead of his three-year contract would not send a good message to the public, given that he is someone with that much calibre.

"Everyone had high hopes when he joined. He steered the airline in the right direction and made tough decisions with route rationalisation and staff reduction. "If the management continues with what he has left them, we believe the airline will stand a chance to become profitable," he told Bernama. "Shame, he was a good guy," remarked AirAsia Group Chief Executive Officer Tan Sri Tony Fernandes who also expressed disappointment when he heard the news.

SHOW MUST GO ON

Firefly Chief Executive Officer Ignatius Ong feels that the show must go on for MAB as the building blocks have been put in place. "The management team would see to the turnaround plan being carried out," said Ong, who helms low-cost carrier Firefly, a subsidiary of MAB. Meanwhile, based on its statement Tuesday, the national airline was actively searching for a new chief executive officer, internally and externally, for potential candidates. It also appointed Chief Operations Officer Peter Bellew, the former Ryanair Flight Operations Director, as Executive Director on the board with immediate effect. Mueller attributed personal circumstances to his early departure. "I am looking forward to continuing this exciting task for another six months in my executive position. "I am confident that the company is now on the right track to succeed in its next phase of growth under a new CEO. I remain fully committed to do everything possible to facilitate the continuing turnaround of Malaysia Airlines," he added.

-- BERNAMA



CALLING IT A DAY.. Malaysia Airlines CEO Christoph Mueller quits in September ahead of his 3-year contract. Pic: Syed Muhammad Zahid fotoBERNAMA

MALAYSIAeBiz
April 23, 2016
Market Outlook

LIST OF MARKET REPORTS :

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

BURSA Malaysia Will Likely Be Lower

By Farhana Poniman

KUALA LUMPUR -- Bursa Malaysia will likely be lower next week as unfavourable external factors are expected to affect buying sentiment. A dealer said the local market would be clouded by cautious sentiment ahead of the Federal Open Market Committee meeting scheduled from April 26-27, 2016. "Given the uncertainty ahead of the meeting, we expect this to dampen buying sentiment," he said. On the technical front, Kenanga Research Head of Research, Chan Ken Yew, said the FTSE Bursa Malaysia KLCI (FBM KLCI) would likely remain range-bound next week, so long as it was still capped below the 1,727-1,730 resistance. "As indicators have weakened, we do not rule out further correction towards 1,700-1,710 in the near term," he told Bernama. Main market volume rose to 6.37 billion shares valued at RM8.89 billion from 5.61 billion shares valued at RM8.21 billion previously.

FOREX: Ringgit To Trade Between 3.80 And 3.90 Against US$

KUALA LUMPUR -- The ringgit will likely trade at between 3.80 and 3.90 against the US dollar next week on a cautious tone ahead of two policy meetings next week, dealers said. The US Federal Reserve (Fed) will hold its two-day meeting from Tuesday next week while Bank of Japan policymakers, which are likely to consider further easing, will meet on Wednesday and Thursday. "The market participants will likely gauge the Fed's signal on next interest rate increase. If that (interest rate increase) materialises at this meeting, it would affect regional currencies, including the ringgit," he said. The dealer said the ringgit would also likely track the oil market movements next week. The local unit was traded mostly lower this week on lack of fresh leads. On Friday, the local note ended higher against the greenback at 3.8940/8000 compared with 3.9000/0100 last week. However, the ringgit fell against the Singapore dollar to 2.8838/8904 from last Friday's 2.8683/8773. It strengthened against the yen to 3.5281/5342 from 3.5656/5757 previously. It fell against the British pound to 5.5852/5957 from last Friday's 5.5232/5381 and increased against the euro at 4.3893/3969 from 4.3930/4046 previously.

Money Market To Stay Stable

KUALA LUMPUR -- The Malaysian money market is likely to remain stable next week with Bank Negara Malaysia (BNM) continuing to intervene to manage surplus liquidity. The central bank is expected to conduct daily tenders to reduce excess liquidity from the financial market. For the week just-ended, BNM intervened on a daily basis to absorb excess funds by conducting several tenders -- conventional money market, Qard, repo and and Commodity Murabahah Programmes.

On Friday, the central bank's action helped reduce the market's liquidity surplus in conventional system to RM25.522 billion from RM31.046 billion earlier. The market liquidity in the Islamic system fell to RM5.778 billion from RM12.812 billion previously. The overnight rate remained at 3.21 per cent while the one-, two- and three-week rates were at 3.30 per cent, 3.35 per cent and 3.39 per cent, respectively throughout the week. Meanwhile, the benchmark three-month interbank rate remained unchanged as last Friday's 3.70 per cent.

KLCI Futures Expected To Be Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected to be lower next week, in line with the underlying cash market. A dealer said the FBM KLCI would likely trade lower in cautious sentiment ahead of the Federal Open Market Committee meeting from April 26-27, 2016. "Given the uncertainty ahead of the meeting, we expect this to dampen buying sentiment," he said. For the week just-ended, the benchmark FBM KLCI was mostly on a downtrend and the FBM KLCI futures had taken the cue from its performance. Comparing Friday to Friday, the spot month April 2016 fell 2.5 points to 1,719.50, May 2016 was 6.5 points lower at 1,710.5, June 2016 lost eight points to 1,705 and September 2016 shed 5.5 points to 1,693.5. Weekly turnover surged to 33,277 lots from 26,008 lots last week while open interest rose to 42,496 contracts from 37,978 contracts previously. The benchmark FBM KLCI settled at 1,717.96, down 3.51 points from 1,727.99 last Friday.

CPO Futures Market Likely To See Cautious Trading

By S. Joan Santani

KUALA LUMPUR -- Crude palm oil (CPO) futures market is expected to see cautious trading next week with prices ranging between RM2,600 and RM2,700 a tonne, a dealer said. Interband Group of Companies Senior Palm Oil Trader, Jim Teh, said this is because the demand is expected to slow down as West Asia, India and Pakistan have already stocked up palm oil ahead of Ramadan. "The palm oil production in Indonesia and Malaysia are expected to drop this year following hot and dry weather led by the El Nino weather pattern," he told Bernama.

For the week just-ended, palm oil fell for the first time in five days on poor exports and weak soya oil market. Malaysia's palm oil export products for April 1-20 perked 0.9 per cent to 724,169 tonnes from 717,670 tonnes shipped during the same period last month, according to cargo surveyor, Societe Generale

De Surveillance. May 2016 and June 2016 fell RM50 each to RM2,677 and RM2,693 a tonne, respectively, while July 2016 eased RM49 to RM2,690 a tonne and August 2016 decreased RM46 to RM2,669 a tonne. Turnover fell to 239,608 lots from last week's 246,253 lots while open interest decreased to 294,837 contracts from 323,814 contracts previously. On the physical market, April South depreciated RM60 to RM2,690 a tonne.

Rubber Market To Continue Uptrend

KUALA LUMPUR -- The Malaysian rubber market is likely to continue its uptrend next week on better demand for the commodity and steady oil price, dealers said. "The steady market will be due to the buyers continuing to take advantage of the commodity's low price," a dealer said. For the week just-ended, the local rubber market continued its uptrend, taking the cue from the Tokyo Commodity Exchange which saw a firmer rubber price coupled with steady oil price and higher-than-expected Chinese industrial production and investment data in March.

On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 jumped 26 sen to 611 sen a kg while latex-in-bulk gained 16.5 sen to 490.50 sen a kg. The 5 pm unofficial closing price for SMR 20 appreciated 26 sen to 603 sen a kg while latex-in-bulk expanded 16 sen to 489.0 sen a kg.

KLIBOR Futures Likely To Remain Quiet

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are expected to remain quiet next week on lack of catalysts. For the week just-ended, no contract was traded throughout the week and open interest remained nil. On a Friday-to-Friday basis, new spot month May 2016, June 2016 and September 2016 remained at 96.32, 96.35 and 96.35 respectively. April 2016 was ended at 96.30 while new month, July 2016, stood at 96.35. The underlying three-month KLIBOR was unchanged at last Friday's 3.70 per cent.

KLTM Trend Expected To Remain Cautious

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is expected to remain cautious next week to await new leads, dealers said. A dealer said the prices are expected to move within the current levels in the absence of direction. "The KLTM tin price will continue to move in tandem with the performance of the London Metal Exchange (LME)," he told Bernama. On a Friday-to-Friday basis, the tin price on the KLTM rose by US$125 to US$17,225 per tonne from US$17,100 previously. For the week just-ended, the KLTM closed mostly unchanged, moving between US$17,100 and US$17,225 a tonne as traders adopted a wait-and-see attitude to see clearer signs on the LME trend. Turnover, however, increased to 301 lots from 226 lots last week, with trading dominated by the Japanese, European, Chinese, South Korean, Latin American, Hong Kong and local buyers. The price differential between the KLTM and LME widened to a discount of us$250 a tonne from US$50 a tonne last Friday.

Gold Futures Likely To Trend Lower
By Niam Seet Wei

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are likely to trend lower next week, dented by stronger ringgit and tracking the movements of the crude oil prices, a dealer said. "We expect the local gold prices to likely remain under pressure by the strong ringgit, depending on the global oil movements," Phillip Futures Sdn Bhd dealer Viola Yong told Bernama. However, she said, the market is also anticipating the US Federal Reserve's rate increase this year which will lead to a stronger US dollar and subsequently pressure the gold prices.

On a Friday-to-Friday basis, April 2016 added 38 ticks to RM156.40 a gramme, May 2016 increased 40 ticks to RM157.30 a gramme. June 2016 rose 37 ticks to RM157.50 a gramme while July 2016 advanced 46 ticks to RM157.30 a gramme. Weekly turnover fell to 34 lots worth RM532,520 from 151 lots worth RMRM2.28 million last Friday. Open interest on Friday fell to 531 contracts from 566 contracts previously.