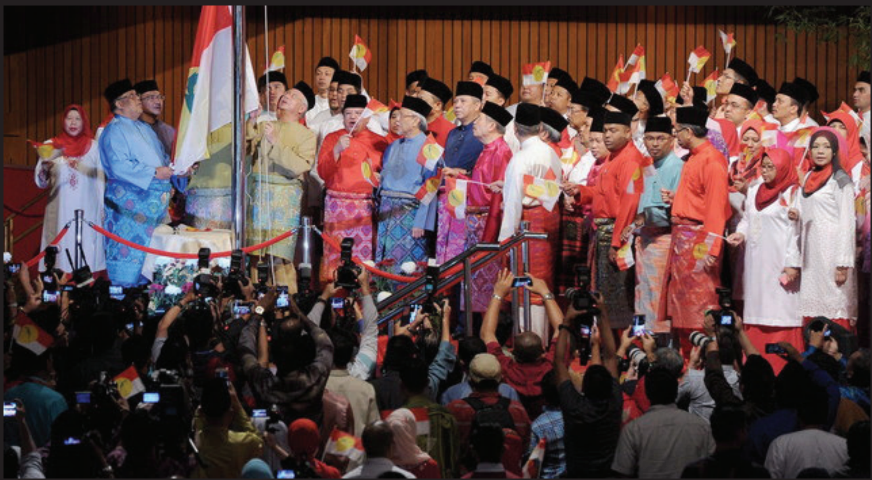
BERNAMA MALAYSIAeBiz
WEEKLY BUSINESS ROUNDUP 9 - 13 MAY 2016

May 13, 2016

This Week's Highlight :



UMNO's STRENGTHS...Prime Minister Datuk Seri Najib Tun Razak raising the party flag Sang Saka Bangsa in conjunction with the 70th UMNO anniversary celebration at the PWTC Thursday. Pix: Hafizie Shabudin fotoBERNAMA

KUALA LUMPUR -- United, national and loyalty - are the three foundations of strength which have enabled UMNO, the sacred party of the Malays established on May 11, 1946, to become the world's most successful political party so far, according to its president Datuk Seri Najib Tun Razak.
"The word 'united' in the name is the first key of our success. And the second key is when we broke the walls of parochialism...when we no longer struggle in small groups, but instead we made it a national struggle, said Najib, who is also the prime minister at the 70th UMNO anniversary celebration at the Putra World Trade Centre here Thursday.

This Week's Top Stories

Monday

One Holding Co For AirAsia In ASEAN Possible - Fernandes

SEPANG -- AirAsia Group has a long-term plan to consolidate its operations in ASEAN under one roof, says Chief Executive Officer Tan Sri Tony Fernandes. The move was to establish a holding company, as well as, make the 10 member-state region more connected and "smaller" in the future, he told reporters after the AirAsia Bhd's extraordinary general meeting here Monday.

Tuesday

1MDB Faced Problems Due To Failure To Issue IPO - Najib

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak said a failed initial public offering (IPO) exercise, as a result of being "attacked", was the main reason why 1Malaysia Development Bhd (1MDB) encountered problems. He said 1MDB used the debt funding approach to operate its business, which required an IPO to be undertaken in the shortest possible time.

Wednesday

Govt Will Honour All Debt Obligations - BNM Governor

KUALA LUMPUR -- Bank Negara Malaysia Governor Datuk Muhammad Ibrahim expressed confidence that the government will honour all its debt obligations. He said this in response to the deadline for 1Malaysia Development Bhd (1MDB) to make a coupon payment on a US$1.75 billion bond, due Wednesday. Muhammad also said with the resolution of 1MDB, it would improve market sentiment.

Thursday

Herbal-Based Food, Beverage Exports To Reach RM400 Mln Annually

KUALA LUMPUR -- The export value of Malaysia's herbal-based food and beverages is expected to reach between RM300 million and RM400 million a year, driven by the increasing popularity of herbal and natural products among consumers. "Currently, our herbal industry growth rate is estimated at 15 per cent yearly and projected to worth RM29 billion by 2020," MATRADE Chief Executive Officer Datuk Dzulkifli Mahmud said after the soft launch of the 10th Herbal Asia Trade Fair 2016 here Thursday.

Friday

Malaysia's Economy Expands 4.2 Pct Q1

KUALA LUMPUR -- Malaysia's economy expanded by 4.2 per cent in the first quarter of this year, moderating slightly against the 4.5 per cent recorded in the preceeding quarter, on the back of cautious spending by the private sector and external shocks to the economy.Despite the slowest quarterly growth since the third quarter of 2009, the country is on track to achieve its Gross Domestic Product (GDP) growth target of 4-4.5 per cent this year, Bank Negara Malaysia Governor Datuk Muhammad Ibrahim said after announcing the first quarter GDP results here Friday.

SMEbrief

Govt Targets 30 Pct SME Products In Hypermarts 2020

KUALA LUMPUR -- The government wants hypermarkets and supermarkets in the country to ensure that 30 per cent of their inventories should comprise goods manufactured by small and medium enterprises (SMEs) by 2020. Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hamzah Zainuddin said Monday, these outlets only managed to put 15 per cent of SME products on their shelves last year.

SME Week: SME Corp Terengganu Targets RM5.6 Mln Sales

KUALA TERENGGANU -- SME Corporation Malaysia (SME Corp) Terengganu is aiming for sales of RM5.6 million through business matching sessions in conjunction with the state-level Small Medium Enterprises (SME) Industry Week 2016 here from May 19. Director Muhammad Ibrahim said the sessions will focus on halal food and personal grooming products, apart from cosmetics and textiles. It involves more than 30 companies identified as potential suppliers to supermarkets in Malaysia.

Musa Optmistic Sabah SMEs Will Continue To Grow

KOTA KINABALU -- The number of small and medium enterprises (SMEs) in Sabah, over the past five years, grew 65 per cent to 40,884 as at end-Dec 2014, said Chief Minister Datuk Seri Musa Aman. “We want to see Sabah SMEs grow by at least four per cent annually,” he said at the launch of Telekom Malaysia Bhd’s ‘SME BizFest 2016 Seminar’ here Wednesday.

100 Entrepreneurs To Participate In Perak Carnival

IPOH -- One hundred entrepreneurs will participate in the ‘Karnival Moh Niaga!’ in conjunction with the Perak state-level Small and Medium Enterprises (SME) Week 2016, to be held at the Bagan Serai Mini Stadium in Kerian from May 20 to 22. State Entrepreneur Development and Cooperatives, Consumer Affairs, Non-Governmental Organisations and Civil Society Committee Chairman Datuk Samsuddin Abu Hassan said Thursday, the carnival was expected to attract some 5,000 people from surrounding areas.

Kopi Belalang Enters Indonesian Market

From Azeman Ariffin

JAKARTA -- Classic Worldwide International Group (CWIG), maker of Malaysian coffee brand Pak Belalang, is venturing into the Indonesia market this Saturday, targeting monthly sales of RM100 million. CWGI Chief Executive Officer and Founder Datuk Seri Dr Rozaini Hassan said Thursday, the company had invested RM4 million to open a factory and office in Tangerang and Jakarta, with production expected to begin in two months.

PropUP Propertyupdate

RM50 Million Upgrade For Oakwood Hotel & Residences KL

KUALA LUMPUR -- Plenitude Bhd has invested RM50 million for the renovation and upgrading of Oakwood Hotel & Residences Kuala Lumpur, previously known as Nomad Sucasa All Suites Hotel, Executive Chairman Elsie Chua said Monday. The Oakwood Hotel & Residence Kuala Lumpur is a mixed-used project consisting of two towers, the 198-unit Sucasa Corporate Apartments and the 252-unit Nomad Sucasa All Suites Hotel, both of which have been in operation since the early 1990s.

Kuantan Earmarked As Msia’s Renowned Port City

KUALA LUMPUR -- The East Coast Economic Region Development Council (ECERDC) and the Pahang government has resolved to turn Kuantan into Malaysia’s renowned port city. In a statement Tuesday, ECERDC said while Kuantan is poised to be the main gateway to ASEAN and Asia-Pacific, Kuantan Port is being expanded into a deep-water port and set to handle 52 million freight weight tonnes of bulk and container cargo.

Iskandar Waterfront To Raise Cash By Private Placement

KUALA LUMPUR -- Iskandar Waterfront City Bhd plans to undertake a private placement of its shares to raise funds for the group’s property development and construction activities. In a filing to Bursa Malaysia Tuesday, Iskandar Waterfront said the exercise would entail the issuance of up to 66.972 million shares, representing up to 10 per cent of the company’s enlarged issued and paid-up share capital.

JCorp To Finalise IIBD Masterplan By End-May

JOHOR BAHARU -- Johor Corporation (JCorp), which is in the midst of finalising the Ibrahim International Business District (IIBD) masterplan, hopes to conclude it by the end of the month, says President and Chief Executive, Datuk Kamaruzzaman Abu Kassim. “We can say that the necessary input has been obtained from the relevant stakeholders and the groundwork on the first catalyst of the project, which is the Coronation Square, has already started,” he said after launching the Let’s Co-create IIBD campaign here Thursday.

Tiara Hotel Labuan Reaps Good Sales At MATTA Fair

By Jailani Hassan

LABUAN -- Tiara Hotel Labuan, winner of the World Luxury Hotel Awards 2013 and Hospitality Asia Platinum Awards (HAPA) Flavours of Asia 2013-2015, recorded good sales figures at the just-concluded Malaysian Association of Tour and Travel Agents (MATTA) Fair 2016 in Kota Kinabalu, Sabah. “More than 70 per cent of our vouchers were snapped up, and this has given us confidence in the up-trend of the current tourism industry,” Hotel Division Manager Yatie Yussof told Bernama here Friday.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 272

Losers - 607

Not Traded - 492

Unchanged - 339

Value - 2806342493

Volume - 18253357

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.0210	4.0280
EUR	4.5642	4.5738
GBP	5.7963	5.8080
100 YEN	3.6988	3.7063
SGD	2.9331	2.9391

Source: Bank Negara Malaysia

BURSA Malaysia Ends Lower On Profit-Taking

KUALA LUMPUR -- Bursa Malaysia ended lower Friday on profit-taking activities as investors looked to square off their positions ahead of the weekend and in line with the sentiment on regional bourses. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) moved between 1,645.14 and 1,618.93 throughout the day, before settling 20.72 points weaker at 1,628.26 from Thursday's close of 1,648.98. Losers led gainers 607 to 272 with 339 counters unchanged, 492 untraded and 12 others were suspended. Volume decreased to 1.82 billion shares, worth RM2.80 billion, from Thursday's 2.05 billion shares valued at RM1.81 billion. Earlier, Bank Negara Malaysia (BNM) said the Malaysian economy grew 4.2 per cent in the first quarter of this year, exceeding market expectation of 4.0 per cent, from 4.5 per cent recorded in the preceding quarter. Despite the slowest quarter growth since the third quarter of 2009, BNM Governor Datuk Muhammad Ibrahim said the country was on track to achieve its Gross Domestic Product (GDP) target of between 4.0 and 4.5 per cent this year. Main Market turnover was higher at 1.13 billion units, valued at RM2.66 billion, from Thursday's 1.06 billion units valued at RM1.59 billion.

FOREX: Ringgit Ends Marginally Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed marginally lower against the rejuvenated US dollar which attracted demand towards the close, dealers said. At 5 pm, the local unit was quoted at 4.0210/0280 against the greenback from Thursday's 4.0200/0270. The ringgit hit an intra-day low of 4.0370 in the morning but losses were capped after the market digested the first quarter Gross Domestic Product (GDP) growth of 4.2 per cent released at noon. The GDP growth was beyond market expectation of 4.0 per cent. The US Federal Reserve is scheduled to hold an open market policy meeting next month where it is expected to raise interest rates. However, the market is turning jittery in anticipation of the impending hike which may weigh heavily on the local currency. The local unit closed mixed to higher against other currencies. It firmed up against the Singapore dollar to 2.9331/9391 from Thursday's close of 2.9349/9405, rose against the British pound to 5.7963/8080 from 5.8017/8142 and strengthened against the euro to 4.5642/5738 from 4.5852/5948. The ringgit, however, softened against the yen to 3.6988/7063 from Thursday's close of 3.6894/6969.

Money-Market: Short-Term Rates End Stable

KUALA LUMPUR -- Short-term interbank rates ended stable Friday on Bank Negara Malaysia's (BNM) intervention to reduce the liquidity surplus in the financial system. The liquidity surplus in the conventional system eased to RM26.04 billion from RM32.58 billion earlier, while in the Islamic system, it fell to RM3.48 billion from RM10.39 billion. BNM had earlier called for a conventional Islamic Range Maturity Auction and a Qard Islamic Range Maturity Auction tender, and a Commodity Murabahah Programme, as well as a repo tender. The central bank also conducted a conventional money market tender for RM25.0 billion and a Qard money market tender for RM3.5 billion, both for three-day money. Meanwhile, the overnight Islamic reference rate stood at 3.20 per cent, while the one-week, two and three-week rates were pegged at 3.31 per cent, 3.35 per cent and 3.40 per cent respectively.

KLIBOR Futures End The Week Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended the day untraded. At the close Friday, spot month May 2016 stood at 96.32 while June 2016, July 2016 and September 2016 were each pegged at 96.35. Open interest was nil. At the 11am fixing, the underlying three-month KLIBOR stood at 3.67 per cent.

KLCI Futures End Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives ended lower Friday in tandem with the weaker underlying cash market. Spot contract month May 2016 and June 2016 each declined 22.50 points to 1,621.00 and 1,617.00 respectively, September 2016 eased 21.50 points to 1,605.50, and December 2016 slipped 15.00 points to 1,598.00. Turnover increased 12,880 lots from 7,319 lots on Thursday, while open interest improved to 52,054 contracts from 45,649 contracts. The benchmark FBM KLCI closed 20.72 points lower at 1,628.26.

BNM Issues Commemorative Coins To Mark Sabah Foundation's 50th Anniversary

KUALA LUMPUR -- Bank Negara Malaysia (BNM) has issued commemorative coins in conjunction with the 50th Anniversary of the Sabah Foundation or Yayasan Sabah. The Sabah Foundation was founded by the late Tun Datu Mustapha Datu Harun on May 10, 1966. In a statement here Monday, the central bank said the main objective of launching it was to enhance the socio-economic standing of all Malaysians in Sabah, especially those in rural areas, through various education and economic development programmes.

Bank Rakyat Aims To Increase Customer Base In 2016 By 30 Pct

KUALA LUMPUR -- Malaysia's largest cooperative bank, Bank Rakyat, aims to increase its customer base by 30 per cent this year via its partnership with Takaful Ikhlas Bhd. The bank has currently about six million customers. Chairman Tan Sri Abdul Aziz Zainal said here Monday, under the cooperation, Bank Rakyat would promote Takaful Ikhlas products and in return, the takaful operator is marketing the bank's financial products.

M'sian Islamic Banks Show Greater Growth Stability From Indonesian Counterparts

KUALA LUMPUR -- Islamic banks in Malaysia show greater growth stability and better asset quality compared with its Indonesian counterparts, despite the similar macroeconomic headwinds faced by both systems, Moody's Investors Service said here Monday. In its recently-released report, Moody's noted that banks in Malaysia and Indonesia were recording slower growth in

Islamic financing, reflecting the broader slowdown in their respective economies.

Sukuk Issuance Expected To Increase In 2016 - IFSB

KUALA LUMPUR -- The Islamic Financial Services Board (IFSB) sees a potential for an increase of sukuk funding in 2016 in line with regulatory reforms in the industry such as Basel III and Guidance Note 6 (GN-6). Its Secretary-General, Jaseem Ahmed said here Tuesday, Islamic capital markets had been subjected to volatility related to rising internationalisation of Islamic finance, but did not appear to be reasons for a disruption in its long-term outlook.

We Have No Connection With KAPB Operations - Bank Rakyat

KUALA LUMPUR -- Malaysia's largest Islamic cooperative bank, Bank Rakyat, Tuesday clarified that it has no connection with Koperasi Amanah Pelaburan Bhd (KAPB). In a statement here Tuesday, Bank Rakyat said as a banking institution, it had carried out strategic collaboration with various parties in order to provide value-added services to its members and clients. "In the case of KAPB, Bank Rakyat only served as its agent to handle the registration of KAPB's members through our branches," it said.

BNM Actively Engaging With Fintech Firms, Says Governor

KUALA LUMPUR -- Bank Negara Malaysia has been actively engaging with financial technology (fintech) firms to better understand their activities and provide guidance on the regulations that may apply to them. Newly-appointed Governor Datuk Muhammad Ibrahim said here Wednesday, rather than looking at the fintech revolution as unwelcoming, financial institutions ought to embrace it as an opportunity.

World Bank To Leverage On Regional Office In M'sia

KUALA LUMPUR -- The World Bank Group will leverage on the setting up of its regional office in Malaysia to learn how the country has managed to ensure its people had access to financial services. Director, Finance & Markets Global Practice, Sebastian Molineus said here Wednesday, global data showed that 92 per cent of Malaysians had access to financial services and this was a remarkable achievement compared with other countries in the region.

MATRADE Increases Sales Target For China-ASEAN Expo

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is increasing its sales target for the 13th China-ASEAN Expo (CAEXPO) given the strong purchasing power of Chinese consumers and the number of Malaysian exhibitors which had grown to 200 from 150 last year. Project Director, Malaysia Pavilion, Ong Yew Chee said here Monday, Malaysia recorded tremendous performance at CAEXPO 2015 with 27 per cent growth in sales to RM214.61 million versus RM168.57 million raked in the previous year.

AirAsia's Load Factor For Q1 Increases To 86 Pct

KUALA LUMPUR -- Low-cost carrier, AirAsia Bhd, has recorded a higher load factor of 86 per cent in the first quarter of this year, up 9.0 percentage points against the same period last year. "The number of passengers carried increased 17 per cent, year-on-year, (YoY) to 13.9 million, well ahead of the 6.0 per cent increase in capacity," it said in a statement here Monday.

Petronas Gas Pre-Tax Profit Increase To RM578.72 Mln In Q1

KUALA LUMPUR -- Petronas Gas Bhd's pre-tax profit rose to RM578.72 million in the first quarter ended March 31, 2016 from RM571.29 million registered in the same period last year. Revenue increased to RM1.13 billion from RM1.10 billion previously. In a filing to Bursa Malaysia Monday, Petronas Gas said the revenue was primarily contributed by higher gas processing revenue in line with higher performance based structure income and higher regasification revenue attributed to higher storage fees.

MSM Confident Of Sustainable Growth, New CEO To Be Appointed Soon

KUALA LUMPUR -- Malaysia's largest refined sugar producer, MSM Malaysia Holdings Bhd (MSM), is well positioned to achieve sustainable growth in the future, says Director Datuk Zakaria Arshad here Tuesday. The outlook for MSM is very bright and its business as usual as the former Group Chief Executive Officer Datuk Sheikh Awab Sheikh Abod had laid the strategies and built a strong team. Sheikh Awab, 56, who passed away on April 14, 2016, had helmed the biggest sugar producing company in the country since Jan 1, 2014 and was integral to the stellar performance of MSM in the past two years.

MAHB: April 2016 Passenger Movements Up 4.1 Pct To 9.3 Mln

KUALA LUMPUR -- Passenger movements at airports under Malaysia Airports Holdings Bhd (MAHB), including Istanbul Sabiha Gokcen International Airport (SGIA), grew 4.1 per cent year-on-year to 9.3 million in April 2016. In a filing to Bursa Malaysia here Tuesday, MAHB said international traffic jumped 3.1 per cent to 4.1 million passengers while domestic traffic increased 4.8 per cent to 5.2 million passengers.

MBSB Posts Lower Q1 Pre-Tax Profit Of RM39.1 Mln

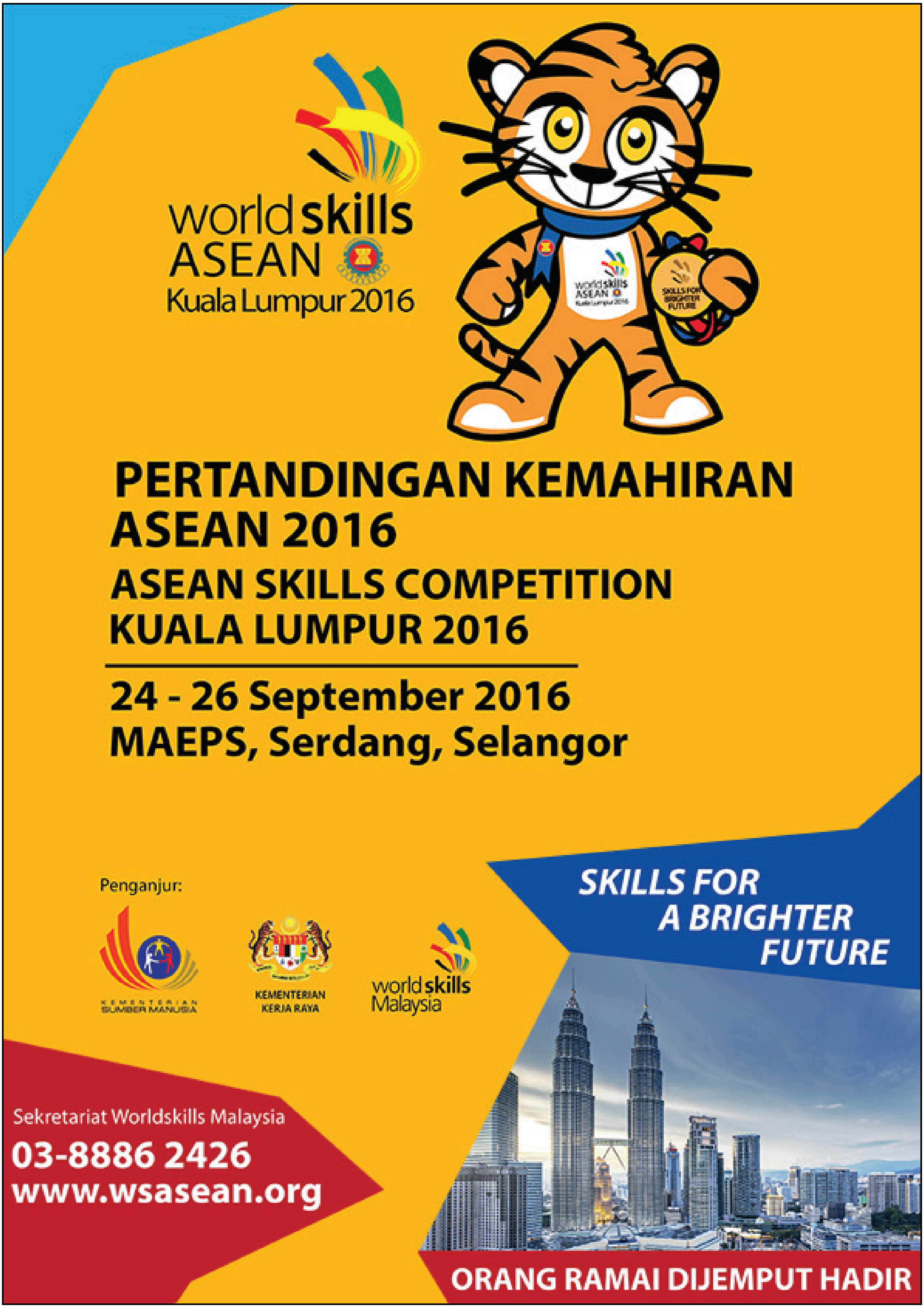
KUALA LUMPUR -- Malaysia Building Society Bhd (MBSB) registered a lower pre-tax profit of RM39.1 million for the first quarter ended March 31, 2016 from RM157.65 million reported in the corresponding period in 2015. However, revenue was higher at RM812.62 million against RM690.6 million registered previously, MBSB said in a filing to Bursa Malaysia here Wednesday.

BIMB Q1 Pre-Tax Profit Declines To RM212.52 Mln

KUALA LUMPUR -- BIMB Holdings Bhd's pre-tax profit dipped to RM212.52 million for the first quarter ended March 31, 2016 against RM220.29 million recorded in the corresponding period a year ago. Revenue, however, increased to RM896.79 million from RM809.08 million. In a filing to Bursa Malaysia here Wednesday, the company said the improved performance was mainly attributed to growth in business activities.

Gas Malaysia's Q1 Pre-Tax Profit Jumps To RM39.67 Mln

KUALA LUMPUR -- Gas Malaysia Bhd's pre-tax profit for the first quarter ended March 31, 2016 improved to RM39.67 million from RM37.84 million chalked up in the same period a year ago. Revenue also increased by 26.2 per cent to RM961.04 million in the period under review from RM761.58 million chalked up previously. "The better performance is due to higher volume of gas sold and the upward revision of natural gas tariffs," it said in a filing to Bursa Malaysia here Wednesday.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M'sian Fruits, Agro Products Promotion Unlocks Huge Potential In Finland
From Sharifah Pirdaus Syed Ali

HELSINKI -- Malaysian exotic fruits and agro-industry products have a huge market potential in Finland following an overwhelming response received from customers and purchasers during their promotional activity. Organised by the Malaysian Agriculture Representative Office in the Hague (PPP The Hague) in the Netherlands, the promotion was held at an outlet of the K-Citymarket, the biggest hypermarket chain here on May 6 and 7.

UTP Saves RM15 Mln Via Collaboration With Celcom
KUALA LUMPUR -- Universiti Teknologi Petronas will save RM15 million within five years via its strategic collaboration with Celcom Axiata Bhd to offer data connectivity services to its students. UTP Vice-Chancellor Datuk Dr Ir Abdul Rahim Hashim said here Monday, under the collaboration, Celcom has developed wireless infrastructure in the university's vicinity in Tronoh, Perak. "The infrastructure was developed at zero cost of implementation by Celcom," he said.

Malaysia Airlines Revamping Meals To Improve Customer Service
KUALA LUMPUR -- Malaysia Airlines Bhd is revamping its economy class meals on short and long-haul flights in efforts to improve customer service as part of its overall transformation process. Chief Commercial Officer Paul Simmons said here Monday, the new menu, which would see an overall improvement in ingredients used, would also see the protein size doubled and bigger portions plus better overall presentation of the meals.

EPF Eyes More Infrastructure Assets, Not Discounting Duke Highway
KUALA LUMPUR -- The Employees Provident Fund Board (EPF) is eyeing more infrastructure assets, going forward, and it is not discounting the possibility of acquiring an equity interest in the Duta-Ulu Kelang Expressway (Duke) highway concession. EPF Chief Executive Officer Datuk Shahril Ridza Ridzuan said here Tuesday, it had been aggressively looking at infrastructure assets with the right risk returns and strong cash flow.

M'sian Firms Urged To Form Consortium To Tap Into India, Sri Lanka Mart
By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is urging Malaysian companies to form a consortium to bid for projects in the fast growing economies of India and Sri Lanka. MATRADE Senior Director Strategic Planning Division Wan Latiff Wan Musa said here Wednesday the chances of winning a tender would be higher with a team offering complete resources.

Malaysia Exports Over 1 Mln Cubic Meters Of Tropical Timber In 2015
KUALA LUMPUR -- Malaysia exported more than one million cubic meters of certified tropical timber to 49 destinations all over Asia Pacific, Middle East, Europe, South Africa, United States and Canada in 2015. Of the total, an estimated 868,332 cubic meters or 82.93 per cent were exported to Europe with five per cent of the total volume exported to Germany. The Malaysian Timber Certification Council (MTCC) recently mounted a working visit to Germany, among others, to promote the offtake of quality, certified tropical timber from Malaysia.

M'sia, China Identify 12 Sectors For Potential Cooperation
By Samantha Tan Chiew Ting

BEIJING -- China and Malaysia have identified 12 potential industries for cooperation, said Guo Jianmin, Planning and Communication Division Director of International Cooperation Centre (ICC), National Development and Reform Commission (NDRC). He said besides port and industrial parks, there are several other potential sectors for cooperation between China and Malaysia, including manufacturing and service industries.

Qatar Airways Boosts Service From Kuala Lumpur To Doha
KUALA LUMPUR -- Qatar Airways will increase its weekly frequency from 21 to 24 flights from Kuala Lumpur to Doha from July 2 to Aug 30, 2016. In a statement here Wednesday, the airline said the increased number of flights will coincide with the Hari Raya season, giving Malaysian holidaymakers who want to travel in luxury and comfort the chance to discover new destinations.

MRT Corp To Award RM10 Bln SSP Line Contracts In 6 Months
KUALA LUMPUR -- Mass Rapid Transit Corporation Sdn Bhd (MRT Corp) expects to award the MRT Sungai Buloh-Serdang Putrajaya (SSP) Line contracts worth RM10 billion within six months, Chief Executive Officer Datuk Seri Shahril

Mokhtar said here Wednesday. Of the contracts, two civil works packages and two system packages cumulatively valued at between RM2.5 billion and RM3 billion will be announced in two weeks' time, he said.

MASkargo To Fly A330-200F To Zhengzhou

KUALA LUMPUR -- MASkargo will fly its Airbus A330-200F to Zhengzhou, China effective from May 18. Offering a 60-tonne capacity, the freighter will fly on Wednesdays and Sundays with additional scheduled trucking network service to selected destinations from Zhengzhou. The morning flight departs at 8.01 am on both days and will arrive in Zhengzhou at 1.40 pm local time.

TGV Cinemas Expanding 'Family Friendly' Beyond Klang Valley

KUALA LUMPUR -- Exhibitor and multiplex cinema operator TGV Cinemas Sdn Bhd is expanding its 'Family Friendly' cinema concept to five locations beyond the Klang Valley. It here Thursday said starting May 14 (this Saturday), the new child-friendly sessions will be available in Tebrau, Kulaijaya and Bukit Indah in Johor, Mesra Mall in Kemasik, Terengganu and Seremban 2 in Negeri Sembilan.

Terengganu Draws Investments Of RM27.2 Bln As At April

KUALA LUMPUR -- Terengganu has attracted investments amounting to RM27.2 billion from 2007 to April this year as a result of the East Coast Economic Region Development Council's (ECERDC) holistic development programmes. In a statement here Thursday, ECERDC said this, in turn, created over 30,074 jobs in the state, bridging the socio-economic gap between the ECER and the rest of Peninsular Malaysia.

FGV To Venture Into Aerospace & Aviation Logistics Industry

KUALA LUMPUR -- Felda Global Ventures Holdings Bhd (FGV), through its unit, Felda Transport Services Sdn Bhd (FTSSB), plans to explore opportunities in the aerospace and aviation logistics industry in the quest to achieve sustainable growth. Group President and Chief Executive Officer Datuk Zakaria Arshad said here Thursday the memorandum of understanding (MoU) between FTSSB and MARA Liner Sdn Bhd (MLSB), a wholly-owned subsidiary of Majlis Amanah Rakyat (MARA), was the first step towards the endeavour.

redONE Offers RM100 Million Benefits To Teachers

By Sajad Hussein

KUALA LUMPUR -- The award winning redONE Network Sdn Bhd, Malaysia's first postpaid Mobile Virtual Network Operator (MVNO), is offering RM100 million worth of benefits to the 500,000 teachers in the country. "These benefits are in recognition of the teachers' contribution to nation building," said Chief Executive Officer Ameen A. Abdullah. He told Bernama here the company had put together a special plan exclusively for teachers which would give them two free lines each for a year.

YTL Corp Incorporates New Subsidiary In Indonesia

KUALA LUMPUR -- YTL Corporation Bhd's (YTL Corp) indirect wholly-owned subsidiary, YTL Construction International (Cayman) Ltd, has incorporated a 67 per cent owned subsidiary in Indonesia, known as PT YTL Construction Makmur (YTLCM). In a filing to Bursa Malaysia Thursday, YTL Corp said the new subsidiary would be principally involved in civil engineering works, construction and power plant installation.

MAHB Launches Airport Wifi AT KLIA, Klia2

SEPANG -- Malaysia Airports Holdings Bhd (MAHB) Thursday launched Airport WiFi service with two main features -- free access and premium access -- at the Kuala Lumpur International Airport (KLIA) and klia2 here. Managing Director Datuk Badlisham Ghazali said the service is part of more than 40 initiatives identified under the Total Airport Experience (TAE), a strategic pillar under MAHB's recently launched five-year business plan Runway to Success 2020.

BNM Establishes Financial Markets Committee To Broaden Industry Engagement

KUALA LUMPUR -- Bank Negara Malaysia has established a Financial Markets Committee in an effort to further develop the country's financial markets, said Governor Datuk Muhammad Ibrahim. "The committee's main objective is to broaden the industry's engagement and focus on reviewing and formulating comprehensive strategies for the wholesale financial markets to meet the diverse and complex demands of a more developed and internationally integrated economy," the newly-appointed governor told reporters here Friday.

GSIAC To Discuss Well-Being Of M'sians In New World Economy

KUALA LUMPUR -- The Global Science and Innovation Advisory Council (GSIAC) will meet in London on May 17 to discuss the well-being of Malaysians in the new world economy, as well as, jobs and wealth generation. In a statement, GSIAC Malaysia said the meeting would be under the chairmanship of Prime Minister Datuk Seri Najib Tun Razak, and he would also deliver the GSIAC Distinguished Lecture themed, "Global Competitiveness, Malaysia's Aspiration".

AmInvest Named M'sia's Best Pension Fund Manager For 3rd Year In Row

KUALA LUMPUR -- AmInvest has been named Malaysia's 'Best Pension Fund Manager' and 'Best Institutional House' for the third consecutive year by Asia Asset Management at its 2015 Best of the Best Awards recently. "These acknowledgements for the third year in a row are a testament of AmInvest's commitment to excellence, and the affirmation and trust of its clients and investors in AmInvest capabilities to grow their investments," AmInvest Chief Executive Officer Datin Maznah Mahbob said in a statement here Monday.

IFSB To Jointly Organise Conference On Islamic Finance In Turkey

KUALA LUMPUR -- The World Bank Group (WBG), the Islamic Financial Services Board (IFSB) and Turkey's Undersecretariat of Treasury are jointly organising a conference on "Realising the Value Proposition of the Takaful Industry for a Stable and Inclusive Financial System" on May 30-31, 2016 in Istanbul, Turkey. This conference aims to provide a platform for global practitioners and stakeholders in the Takaful (Islamic insurance) industry to discuss selected emerging issues, IFSB said in a statement here Monday.

TM Partners Hurricane Electric For High-Speed IP Broadband Services

KUALA LUMPUR -- Telekom Malaysia Bhd (TM) has signed a strategic partnership agreement with California-based Hurricane Electric (HE) to deliver high-speed internet broadband services to the emerging markets of Asia. "Under the agreement, TM will leverage on its ownership in multiple Asia-Pacific submarine cable systems which link the major regional hubs to new and growing markets in Asia, while HE will empower TM with significantly enhanced global Internet Protocol (IP) reach," said TM and HE in a joint statement here Tuesday.

Malaysia Airlines Announces Partnership With Farah Khan To Redesign Uniforms

KUALA LUMPUR -- Malaysia Airlines Bhd (MAB) has announced a strategic partnership with fashion brand Farah Khan to reenergise the design aesthetic of the national carrier's iconic kebaya and other uniforms. Through the partnership, the fashion brand creative director, Datuk Seri Farah Khan will design the full range of uniforms of various departments of the airline, including its flight deck, cabin crew, airport and engineering outfits.

RHB First Financial Institution Lifts ISO/IEC Certification

KUALA LUMPUR -- RHB Banking Group (RHB)'s Group Technology Services becomes the first financial institution in Malaysia and Singapore to be awarded the ISO/IEC 20000-1:2011 Certification. RHB Group Managing Director Datuk Khairussaleh Ramli said here Tuesday the certification was a testament to RHB's capabilities and capacity to manage and operate in today's highly complex information technology (IT)-driven business environment.

Celcom Axiata Appoints MYEG As Direct Channel Partner

KUALA LUMPUR -- Celcom Axiata Bhd and MyEG Services Bhd (MYEG) have mutually agreed, with immediate effect, to terminate a memorandum of understanding (MOU), signed in September 2013, as it had transited to a business arrangement. Under the arrangement, MYEG was appointed Celcom's direct channel partner on Jan 22, 2016 to promote, market and distribute products and services to end-users. As such, the MOU would no longer subsist, the telecommunication company said in a statement to Bursa Malaysia.

FIM Is The Right Platform To Attract Youths Into Franchise Sector

By Kamaliza Kamaruddin

KUALA TERENGGANU -- The Franchise International Malaysia (FIM) exhibition and conference is the right platform to attract youths, especially graduates, to venture into the franchise sector, says the Malaysian Franchise Association (MFA). Research and Education Committee Chairman Associate Prof Dr Azmawani Abdul Rahman said here Wednesday FIM would expose them to the 'ins and outs' of the industry, as well as, its potential.

FIM 2016 A Platform For Entrepreneurs To Go Into Franchise Business

By Nor Azlina Sani

KUALA LUMPUR -- The just concluded Franchise International Malaysia (FIM) Exhibition and Conference has enabled young entrepreneurs eyeing to venture into the franchise business to learn from successful franchisors. Organised by the Malaysian Franchise Association (MFA), the three-day FIM, which ended on Sunday, attracted 76 franchise brands, including from Australia, South Korea, Singapore and Taiwan. Among home-grown franchisors taking part in the event were KopieSatu, Marrybrown and Coolblog.

First Mercedes-Benz City Service Launched In KL

KUALA LUMPUR -- Mercedes-Benz Malaysia, together with its authorised dealer Hap Seng Star (HSS) has launched its first Mercedes-Benz City Service in Kuala Lumpur Thursday at a total investment of RM7 million. The facility is a full-fledged sales, service and spare parts (3S) Autohaus which can accommodate six showroom vehicles, 18 work bays and is operated by a 45-strong team. It enables the service of more than 50 vehicles daily and up to 1,100 vehicles monthly.

Bumiputera Economic Empowerment Remains On UMNO's Agenda

PUTRAJAYA (Bernama) -- Since its establishment in 1946, the empowerment of Bumiputera economy remains on UMNO's agenda to ensure a better future for the community, said Datuk Seri Najib Tun Razak.

The prime minister said this was proven through the poverty eradication efforts undertaken by the government headed by Barisan Nasional (BN) and UMNO since so long, as well as the introduction of policies to create a middle class comprising professionals.

In fact, he said the establishment of various institutions such as Mara, UiTM and Tekun, were among the results of UMNO's aspiration to empower the Bumiputera economy.

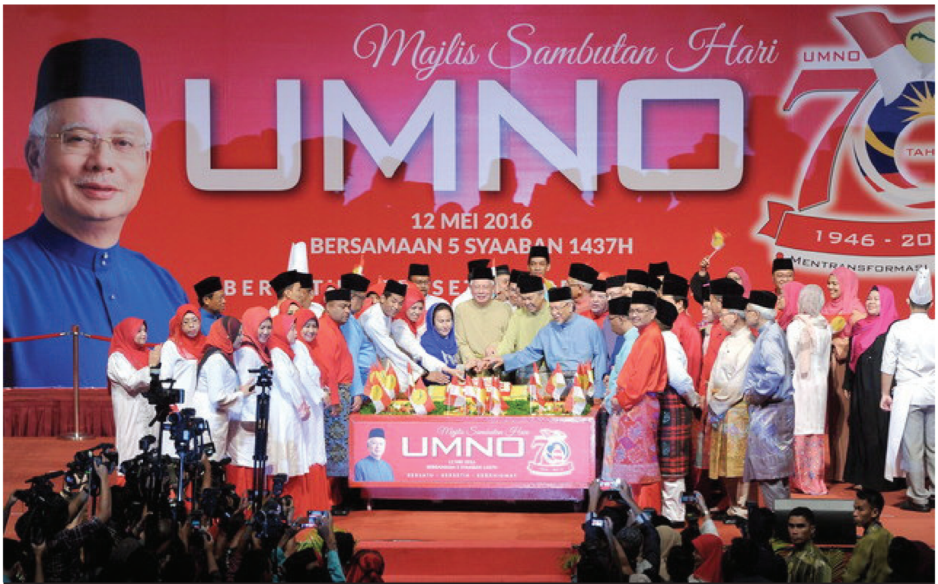
"I think many have been achieved. Without UMNO's struggles, it will not be possible for us to see the Malays achieving a better and comfortable position in economy.

"We have always strived to do that because, for me, the survival of political power must be backed by economic power," said Najib, who is also UMNO's president when interviewed in conjunction with UMNO's 70th anniversary at his office recently.

The interview was conducted at the Prime Minister's Office by Prof Dr Azizul Halim Yahya, Dean of the Faculty of Communication and Media Studies, Universiti Teknologi Mara.

CARVE OUT & COMPETE

Citing the latest example, the prime minister drew attention that the government had announced the 'Carve Out & Compete' policy, in which at least 40 to 50 per cent of contract values, vendors or business opportunities in any big projects would be given Bumiputera companies.



SYMBOLIC...Prime Minister Datuk Seri Najib Tun Razak (middle) together with UMNO leaders during the yellow rice cutting ceremony in conjunction with UMNO's 70th anniversary celebration at Putra World Trade Centre (PWTC) Thursday. Pix: Hafizie Shabudin fotoBERNAMA

Asked until when the Bumiputera would continue to be assisted, Najib said the government did not fix a finishing line on the matter.

Explaining further, he said the related policies could be reviewed when the nation's wealth could be fairly distributed to all communities in the country.
"Perhaps at that time, the Malays will be very confident, and no longer need any special policies to help them. Maybe at that time, the policies we practise can be dissolved or reviewed to be more open.

"But what is most important is that we must reach the level of national wealth.... because the Malays and the Bumiputeras, they number more than 60 per cent. But they only claim 30 per cent. Not 60 per cent but only 30 per cent. Which means that the Malays are very considerate and fair in whatever they are fighting for," the prime minister said.

SMEARED BY FOREIGN MEDIA

During the interview, the prime minister was also asked on the effect of the global economic recession including the fall of commodity prices such as oil on Malaysia to the extent the nation's image was also smeared by foreign media.

He said Malaysia was capable of tackling the challenges and, in fact, had taken prompt action by modifying the 2016 Budget.

The move, he said had made the market and rating agencies confident of the country's capabilities in tackling the economic challenges arising from external factors and were beyond Malaysia's control.

"Which is why, in January, I tabled the Budget Recalibration 2016 when the price of oil fell drastically from US$110 a barrel to merely over US$30.

"What we can do is to make some modification, adaptation or adjustment to the domestic policies which take into account the external factors which have changed drastically," he added.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA MALAYSIA

Bursa Malaysia To Remain Bearish Next Week
By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- Bursa Malaysia is expected to remain bearish next week with the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) index trending towards the 1,600-point level, an analyst said.

Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said the markets in the region would move in a downtrend position on expectations that the United States might increase its interest rates.

“Investors in the whole region will be eyeing the upcoming US Federal Open Market Committee (FOMC) meeting on June 14 and 15.

“Also, in tandem with the recent technical correction on oil prices and the ringgit against the US dollar, investor sentiment would likely turn more cautious,” he told Bernama.

On a weekly basis, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) fell by 21.10 points to 1,628.26 from 1,649.36 last week.

The FBM Emas Index lost 113.46 points to 11,401.87, the FBMT100 Index reduced 117.76 points to 11,090.22 and the FBM Emas Shariah Index was 150.77 points lower at 11,905.78.

On a sectoral basis, the Finance Index dropped 179.60 points to 14,305.03, the Plantation Index eased 95.96 points to 7,455.46 and the Industrial Index slid 106.24 points to 3,030.49.

Weekly turnover increased to 8.86 billion units worth RM10.10 billion from 6.36 billion units valued at RM7.31 billion last Friday.

Main market volume rose to 5.46 billion units worth RM9.43 billion from 4.31 billion units valued at RM6.9 billion.

Warrant turnover improved to 824.67 million units worth RM107.92 million from 656.79 million units valued at RM92.20 million.

The ACE market perked to 2.56 billion shares worth RM557.54 million from 1.38 billion shares valued at RM256.26 million.

Ringgit To Trade At 4.00-4.05 Versus US Dollar
KUALA LUMPUR -- The ringgit is likely to be range-bound, trading at between the 4.00 to 4.05 levels against the US dollar, with the bias towards a downtrend next week, said a dealer.

He said the local note could be under renewed pressure against the greenback with the US Federal Reserve expected to raise interest rates at next month’s Federal Open Market Committee meeting.

“The market could turn jittery in anticipation of the impending hike which may weigh heavily on the local currency.

“It is also likely to continue mirroring Brent crude oil movements,” he said.

He added concerns over 1Malaysia Development Bhd’s debt obligations were relaxed following a report that Bank Negara Governor Datuk Muhammad Ibrahim affirmed that the government would honour all its obligations related to the entity.

“The local unit could find support from better risk appetite amid improved market sentiment following such positive remarks on the issue confronting the state strategic investment fund,” he said.

For the week just ended, the ringgit was traded in the range of 3.9940 to 4.0600.

The local unit ended at 4.0210/0280 on Friday against the greenback from 4.0000/0080 in the previous week.It however ended mixed to higher against other currencies.

It firmed up against the Singapore dollar to 2.9331/9391 from last Friday's 2.9440/9501 and rose against the yen to 3.6988/7063 from 3.7404/7489 previously.

It strengthened against the the euro to 4.5642/5738 from 4.5684/5791 last Friday, but softened against the British pound to 5.7963/8080 from 5.7948/7080 previously.

Short-Term Money Rates To Stay Stable

By Azizul Ahmad

KUALA LUMPUR -- Short-term interest rates are expected to remain stable next week with Bank Negara Malaysia (BNM) continuing to intervene to stabilise the money market.

Short-tenured interbank rates would remain stable with the central bank expected to continue the intervention with daily tenders to mop up excess funds in the market, a money dealer said.

“The central bank would likely continue to conduct conventional and Islamic instruments.

“This will include conventional money market tenders, repo tenders,range-maturity auctions both conventional and Islamic, and commodity murabahah programme money market tenders, to mop up the excess liquidity,” she told Bernama.

Meanwhile, when announcing the Gross Domestic Product (GDP) data for the first quarter on Friday, BNM said that at the Overnight Policy Rate (OPR) prevailing rate of 3.25 per cent, Malaysia's monetary conditions remain supportive of economic activity.

For the week just ended, BNM had intervened daily to flush the system of surplus funds.

On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM26.04 billion in the conventional system and RM3.48 billion in Islamic funds.

The overnight Islamic reference rate stood at 3.20 per cent while the one-,two- and three-week rates stood at 3.31 per cent, 3.35 per cent and 3.40 per cent respectively throughout the week.

On a week-to-week basis, the benchmark three-month KLIBOR inched down to 3.67 per cent from last week's 3.68 per cent.

KLCI Futures To Trade Lower Next Week

By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected trade lower next week.

Affin Hwang Investment Bank Vice-President and Retail Research Head Datuk Dr Nazri Khan Adam Khan said this is in line with an anticipated regional fall following expectations of a US Federal Reserve interest rate increase.

“Investors in the whole region would likely turn cautious as they will be eyeing the upcoming US Federal Open Market Committee (FOMC) meeting on June 14 and 15,” he told Bernama.

For the week just ended, the futures market was volatile on profit-taking coupled with the softer ringgit against the US dollar and global market weakness.

On a week-to-week basis, spot contract month May 2016 and June 2016 each fell 20.00 points to 1,621.00 and 1,617.00 respectively, September 2016 eased 22.50 points to 1,605.50 while December 2016 declined 21.00 points to 1,598.00.

Turnover for the week increased to 47,941 lots from 39,286 lots last week while open interest improved to 52,054 contracts from 42,874 contracts previously. The benchmark FBM KLCI settled at 1,628.26, down 20.72 points from 1,649.36 last Friday.

CPO Futures To Range Between RM2,600 And RM2,700

By S. Joan Santani

KUALA LUMPUR -- Crude palm oil (CPO) futures prices are expected to range between RM2,600 and RM2,700 on speculative play next week and on anticipation of higher demand due to the weaker ringgit against the US dollar.

Interband Group of Companies Senior Palm Oil Trader, Jim Teh, said the weakening ringgit versus the greenback would be an advantage for the global market to purchase the vegetable oil at lower prices.

“This could also help improve palm oil exports as with the approaching Ramadan festive season, we would see higher demand for palm oil for cooking,” he told Bernama.

Teh said demand for palm oil from consumers in India and the Middle East usually picks up a month ahead of the Muslim holy month of Ramadan.

The country's palm oil shipments for the first 10 days of May increased by 21 per cent to 391,222 tonnes against a month ago.

For the week just ended, CPO futures traded higher on the weakening ringgit coupled with the floundering crude oil prices.

May 2016 eased RM5 to RM2,635 a tonne, June 2016 went down RM33 to RM2,604 a tonne, July 2016 fell RM41 to RM2,587 a tonne while August 2016 was RM45 lower at RM2,560 a tonne.

Turnover rose to 260,278 lots from 234,724 lots last Friday while open interest increased to 334,333 contracts from 323,495 contracts previously.

On the physical market, April South rose RM30 to RM2,670 a tonne.

Rubber Market Likely To Rebound Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to rebound next week over tight supply due to the rainy season in most rubber producing countries, a dealer said.

He said the lingering impact of the ongoing rainy season is hindering rubber tappers from tapping rubber trees while the weather is seen as curbing production.

"Against this backdrop, it is very possible to see rubber prices shoring up as there will be a decline in rubber production in the next few months due to this erratic weather," said the dealer.

The rubber market will also track the ringgit's movement and crude oil prices next week which would continue to weigh on market sentiment.

For the week just ended, the local market swung between gains and losses before ending the week lower, driven by the ringgit's strength and floundering crude oil prices.

On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 declined 10 sen to 561.50 sen a kg while latex-in-bulk slipped 12.5 sen to 495.50 sen a kg.

The 5 pm unofficial closing price for SMR 20 fell 14.50 sen to 561.50 sen a kg while latex-in-bulk declined 7.0 sen to 500 sen a kg.

KLIBOR Futures To Remain Quiet Next Week

By Azizul Ahmad

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are expected to remain quiet next week amid a lack of trading direction.

A dealer said interbank rates in the cash market would remain flat after Bank Negara Malaysia (BNM) left the overnight policy rate (OPR) unchanged.

BNM, when announcing the Gross Domestic Product (GDP) data for the first quarter on Friday, said that at the OPR prevailing rate of 3.25 per cent, Malaysia's monetary conditions remain supportive of economic activity.

"The market has been quiet for some time, awaiting potential market-moving events.

"The US Federal Reserve is expected to raise interest rates at next month's Federal Open Market Committee meeting, then only we might see if it will influence local interest rates," he told Bernama.

For the week just ended, the market was untraded throughout and open interest remained nil.

On a Friday-to-Friday basis, spot month May 2016 remained at 96.32 while June 2016, July 2016 and September 2016 all remained at 96.35.

Meanwhile, the underlying three-month KLIBOR was lower at 3.67 per cent from last Friday's 3.68 per cent.

KLTM To Rebound To US$17,000 Level Next Week

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is expected to rebound towards the US$17,000 a tonne level next week on bargain hunting but gains will likely be capped by cautious sentiment.

A dealer said strong global demand would likely push the KLTM price higher next week towards US$17,000 a tonne, especially after it fell significantly to US$16,700 a tonne on Friday compared with US$17,350 a tonne the previous week.

On a Friday-to-Friday basis, the tin price on the London Metal Exchange (LME) also declined to US$16,700 a tonne from US$17,375 a tonne.

"We expect the low price to be attractive to dealers, leading to higher demand, prompting the tin price to go higher.

"However, gains will be capped by concerns over the economy of China, the commodity's top consumer, especially after it announced plans to hold back on more stimulus measures," he added.

Weekly turnover rose to 234 tonnes from 167 tonnes last week, supported by demand from Europe, China, South Korea, Japan, Pakistan and Latin America.

The price differential between the KLTM and the LME was at a premium of US$180 a tonne on Friday from a discount of US$25 a tonne recorded the previous week.

Gold Futures To Trend Higher Next Week
By Farhana Poniman

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives will likely trend higher next week, tracking the performance of Commodity Exchange (Comex) gold futures, due to waning expectations of a rate hike by the Federal Reserve in the second quarter.

Phillip Futures Sdn Bhd Dealer Ong Su Ling said the uncertainty of the US Federal Reserve on the rate decision would continue to weaken the ringgit and increase demand for the precious metal from foreign buyers.

"Furthermore, Malaysia's disappointing current account data will likely put more pressure on the ringgit next week," he told Bernama.

Meanwhile, ForexTime Ltd Research Analyst Lukman Otunuga said gold prices were placed on a chaotic roller coaster ride this week, although the yellow metal remained fundamentally bullish.

"With expectations fading over the Fed raising US rates in the second quarter, Comex gold prices could surge towards US$1,305 an ounce," he said in a note.

On a Friday-to-Friday basis, June 2016 added two ticks to RM165.10 a gramme while May 2016, July 2016 and August 2016 rose eight ticks to RM165.55, RM166 and RM165.50 a gramme respectively.

Weekly turnover declined to 51 lots valued at RM842,000 from 82 lots valued at RM1.35 million recorded last week.

Open interest on Friday widened to 506 contracts from 473 contracts previously.