MALAYSIAeBiz
BERNAMA WEEKLY BUSINESS ROUNDUP 7-11 APRIL 2014

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This Week's Highlight :
A-G Report: 109 Recommendations To Plug Weaknesses

KUALA LUMPUR – Public Accounts Committee (PAC) Chairman, Datuk Nur Jazlan Mohamed showing a copy of the First Series of the Auditor-General's Report 2013 to the media at Parliament House Monday.

KUALA LUMPUR – A total of 109 recommendations have been made to correct the weaknesses highlighted in the Auditor-General's Report 2013, which was tabled in Parliament Monday. Auditor-General Tan Sri Ambrin Buang said among the weaknesses observed were improper payment, work not adhering to specifications, unreasonable delays, unreasonable price, management of contracts, weaknesses in revenue management and weaknesses in management of government assets.

This Week's Top Stories

Monday

Muhyiddin To Promote Malaysia As Investment, Education Destination

From Leslean Arshad

DUBAI -- Deputy Prime Minister Tan Sri Muhyiddin Yassin will enhance Malaysia's profile and international prospects as an investment and education destination of choice at two key events during his five-day working visit from April 7-12 to the United Arab Emirates (UAE). Muhyiddin, who arrives here Monday to begin his visit, is slated to attend a high-profile investment annual forum, Annual Investment Meeting (AIM) 2014, and Gulf Education and Training Exhibition (GETEX) 2014, which is touted as the most comprehensive forum for education, corporate training and career development in the Middle East.

Tuesday

Malaysia Redoubles Efforts Toward High-Income Status

From Leslean Arshad

DUBAI -- Malaysia is taking the necessary measures in redoubling its efforts to attract investment, drive productivity and innovation in its pursuit to be a high-income nation, Malaysian Deputy Prime Minister Tan Sri Muhyiddin Yassin told a premier investment forum here Tuesday. Addressing the Annual Investment Meeting (AIM) 2014 here, he said the Malaysian government had emphasised a paradigm shift in its policies and mapped out its approach through detailed and comprehensive long-term reforms.

Wednesday

Najib: Need To Improve Diversity In Listed Firms' Top Management

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak said greater efforts are needed to improve inclusiveness and diversity in top management of listed companies. He said based on a recent survey of listed companies by TalentCorp, the overall diversity was commendable on gender, age and ethnicity fronts, with 38 per cent representation of women, 67 per cent aged 40 years old and below and an ethnic composition mirroring the national population with 66 per cent of the workforce being Bumiputera.

Thursday

Aroma Integrated Complex To Make Gebeng Petrochemical Centre

KUANTAN -- The RM1.5 billion integrated aroma ingredients complex, to be built within the existing BASF Petronas Chemicals site here, will make the Gebeng Industrial Park the main centre for high grade petrochemicals production in Asia Pacific. Speaking at the ground-breaking ceremony Thursday, Prime Minister Datuk Seri Najib Tun Razak said when the integrated complex is completed in 2016, it was envisaged to lure more investors to set up supporting industries and in the process create more employment opportunities.

Friday

IATA Wants Govts To Ratify Changes To Tokyo Convention

KUALA LUMPUR -- The International Air Transport Association (IATA) has called on governments to ratify important changes to the Tokyo Convention 1963 which were agreed to at a diplomatic conference in Montreal last week. The Tokyo Convention provides the legal framework for dealing with passengers whose unruly or disruptive behaviour leads to physical assault or poses a threat to the safety of a flight, said Director-General and CEO, Tony Tyler in a statement Friday.

SMEbrief

HHLE Targets International Market Year-End

By Ibrahim Abu Bakar

SETIU -- H.H. Laris Enterprise (HHLE), manufacturer and distributor of local sauces, aims to penetrate the Southeast Asian market for its products by year-end. The company plans to step up production to 300,000 bottles of ketchup, chilli sauce, oyster sauce, soy sauce and fruit dipping sauce compared with 250,000 bottles produced last year, its manager, Hasmah Hassan told Bernama Wednesday.

Govt, HDC Mull New Incentives For SMEs In Halal Sector

KUALA LUMPUR -- The government is cooperating with the Halal Industry Development Corporation (HDC) to develop new incentives for small and medium enterprises (SMEs) to facilitate their business in the halal industry, said Deputy International Trade and Industry Minister Datuk Hamim Samuri. The incentives, to be introduced soon, would be in the form of assistance in terms of financing from the government and training programmes prepared by HDC, he said after a media tour at the World Halal Conference 2014 here Thursday.

CGC To Provide RM400 Mln Financing For SMEs

KUALA LUMPUR -- The Credit Guarantee Corp (M) Bhd (CGC) is expected to provide about RM400 million to small and medium enterprises (SMEs) this year under a wholesale guarantee for unsecured business financing. The guarantee will help mitigate risks, improve lending capacity and augur well for the development of unsecured SMEs financing business in the country, said President and Chief Executive Officer Datuk Wan Azhar Wan Ahmad here Thursday. CGC and OCBC Al-Amin Bank Bhd Thursday inked the country's first SME wholesale guarantee, marking a milestone in the development of Malaysia's unsecured business financing efforts.

SDC's Committed Investments Reach RM127 Billion In 2013

By Nur Adika Bujang

KOTA KINABALU -- Committed investments in the Sabah Development Corridor (SDC) reached RM127 billion as at Dec 31, 2013 of which RM25 billion has been realised, Yang Dipertua Negeri Sabah Tun Juhar Mahiruddin said Thursday. The Sabah Economic Development and Investment Authority is focusing on attracting investments in high value-added activities and promoting small and medium enterprises (SME), besides identifying new sources to boost the state's economy, he said at the opening of the Sabah State Legislative Assembly here.

LED Segment To Bolster Malaysia's E&E Sector

By Manik Mehta

FRANKFURT -- The just-concluded six-day Light & Building trade fair here underscored the fact that the LED (light emitting diodes) segment is the key mantra to bolster the electronics sector as this segment will determine and dominate the industry.SME Corp chief executive officer Datuk Hafsah Hashim told Bernama Monday, the LED segment has become a vital organ of the E&E sector, and is poised to grow at an impressive rate in the future.

PropUP Propertyupdate

Sime Darby's Elimina City Residential Units Snapped Up

KUALA LUMPUR -- Sime Darby Property Bhd has successfully launched its City of Elimina residential homes project in the Guthrie Corridor. In a statement Monday, Sime Darby Property said all the 182 units of freehold 24 ft x 29 ft double-storey link houes were snapped up within a day.

CapitaLand To Manage Gurney Plaza

KUALA LUMPUR -- CapitaMalls Malaysia Trust (CMMT) has appointed CapitaLand Retail Malaysia Sdn Bhd (CRMSB) as project manager for its asset enhancement initiative (AEI) works at Gurney Plaza, Penang, at a fee of three per cent of the final contract sum. In a filing to Bursa Malaysia Monday, CMMT said the estimated amount for the AEI works was RM12.3 million.

Property Showcase Expects 20 Pct Sales Rise

CYBERJAYA -- The Cyberjaya Premier Property Showcase 2014 (CPPS), which is expected to receive an overwhelming public response, expects total sales to increase by 20 per cent compare with over RM50 million last year. The third consecutive year showcase, led by Setia Haruman Sdn Bhd, the master developer of Cyberjaya, aims to cater to demand from homeowners and investors on the properties in Cyberjaya, said Setia Haruman Head of Sales & Marketing Liew Yeon Keong at a media briefing here Tuesday.

PHB On The Look-Out For Suitable Properties – CEO

KUALA LUMPUR -- Pelaburan Hartanah Bhd (PHB) continues to be on the look-out for suitable properties for possible injection into Amanah Hartanah Bumiputera (AHB) and to further increase the fund size, says Managing Director and Chief Executive Officer Datuk Kamalul Arifin Othman. "We are also pleased to announce that our very own Menara 1 Sentrum, a 27-storey office building under the Lot G development in KL Sentral, was completed at the end of last year," he said in a statement. PHB and Maybank Asset Management Sdn Bhd (Maybank AM) Wednesday declared a 3.30 sen interim income distribution per unit for AHB Unit Trust Fund for the six months ended March 31, 2014.

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BURSA MALAYSIA

Scoreboard
Gainers - 312
Losers - 522
Not Traded - 482
Unchanged - 301
Value - 1968843321
Volume - 22200931

BURSA: KL Shares End Lower Ahead of Weekend

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- Share prices on Bursa Malaysia closed lower Friday, pressured by pre-weekend selling and in line with regional markets. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was 10.77 points lower at 1,848.75. The loser-to-gainer ratio was 522 to 312, while 301 counters were unchanged, 482 untraded and 14 others suspended. Turnover rose to 2.22 billion shares valued at RM1.97 billion from 2.08 billion shares worth RM2.32 billion Thursday. Investor sentiment has been dampened by sell-off on Wall Street overnight and worries over the slower growth in China.

"Skittish sentiment triggered a broad-based sell-off except in properties," a dealer said. An analyst said the local property and technology stocks have become the strongest market leaders since April. "That is usually a good sign for the rest of the stock market," Affin Investment Bank, Vice President and Head of Retail Research, Dr Nazri Khan told Bernama. He said economically-sensitive property stocks were vital ingredients in a healthy stock market advance.

On the scoreboard, the Industrial Index fell 5.96 points to 3,202.45, the Plantation Index slipped 6.60 points to 8,988.78 and the Finance Index lost 71.83 points at 16,866.05. The FBM Emas Index dipped 48.02 points to 12,856.53, FBMT100 Index slipped 47.86 points to 12,499.55, FBM 70 dropped 60.21 points to 14,109 and the FBM Ace declined 18.54 points to 6,766.22. The Main Market volume rose to 1.79 billion units valued at RM1.85 billion from 1.67 billion units worth RM2.21 billion on Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.2370	3. 2390
EUR	4.4935	4.4976
GBP	5.4252	5.4301
100 YEN	3.1819	3.1845
SGD	2.5933	2.5962

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday as positive US jobs data enabled the greenback to gain traction, dealers said. At 5pm, the local unit was quoted at 3.2370/2390 against the greenback compared with Thursday's 3.2215/2245. A dealer said demand for the US dollar rose since morning after US jobs data was released Thursday. The US employment data indicated that the number of US citizens who were unemployed had declined and this has increased investors' positive sentiments on the greenback.

The local unit depreciated against the Singapore dollar to 2.5933/5962 from 2.5807/5850 on Thursday and fell against the euro to 4.4935/4976 from 4.4650/4698 Thursday. It fell against the British pound to 5.4252/4301 from 5.4025/4078 previously and eased against the yen to 3.1819/1845 from 3.1708/1740 on Thursday.

Money Market: Short-Term Rates Close Stable On BNM Intervention

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. The surplus in the conventional system fell to RM19.139 billion from RM26.203 billion in the morning, while in the Islamic system, the excess fell to RM806.3 million from RM4.035 billion.

In the morning, BNM called for three tenders of one conventional, one repo and one Al-Wadiah. The central bank also conducted a conventional money market tender for RM19.2 billion and a RM800 million Al-Wadiah money market tender, both for three-day money.The overnight rate stood at 2.94 per cent, while the one week, two and three week rates stood at 3.02 per cent, 3.07 per cent and 3.09 per cent, respectively.

KLIBOR Futures Close Lower

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract closed lower Friday with one contract month traded.September 2014 decreased five ticks to 96.45 with 20 lots traded. April 2014, May 2014 and June 2014 all stood at 96.64, 96.61 and 96.60, respectively. Open interest amounted to 3,000 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.34 per cent.

KLCI Futures End Lower

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI Futures (FKLI) contracts on Bursa Malaysia Derivatives ended lower today due to selling pressure in the cash market. Phillip Futures Sdn Bhd Dealer, Thomas Yew Jia-Jong, said Asian markets tumbled in tandem with the overnight rout on Wall Street, in particular Japan's Nikkei which posted its biggest weekly fall in three years.

The FKLI spot month contract opened lower at 1,846.5 and traded within a tight range at between 1,851 and 1,846 throughout the session, he told Bernama. At close, spot month April 2014 fell seven points to 1,848, May 2014 eased eight points to 1,842, June 2014 slipped seven points to 1,841 and September 2014 shed five points to 1,839. Turnover declined to 3,450 lots from yesterday's 4,716 lots while open interest decreased to 32,530 contracts from 33,333 contracts. The benchmark FTSE Bursa Malaysia KLCI fell 6.86 points to 1,852.66 after hovering between 1,848.19 and 1,854.89.

PAC To Summon 5 Ministries To Explain Findings

KUALA LUMPUR -- The Public Accounts Committee (PAC) will summon five ministries to explain findings in Series 1 of the Auditor General's Report 2013, the Dewan Rakyat heard Monday. Its chairman, Datuk Nur Jazlan Mohamed said they are the Ministry of Agriculture and Agro-Based Industry, the Ministry of Health, the Ministry of Works, the Ministry of Home Affairs and the Ministry of Education.

AirAsia To Give Clarification To PAC On April 28

KUALA LUMPUR -- AirAsia will give clarification to the Public Accounts Committee (PAC) on April 28 with regard to the issue on KL International Airport 2 (KLIA2), according to PAC Chairman Datuk Nur Jazlan Mohamed. He said the clarification from AirAsia was necessary to seek information from the company so that the report prepared by the PAC would be more fair. "When Malaysia Airports Holdings Berhad (MAHB) gave clarification to PAC on April 1, the name of AirAsia was frequently mentioned," he said at a media conference after the meeting to table the First Series of the Auditor-General's Report 2013 at Parliament House, here Monday.

Report: RM2.58 Mln Hospital Equipment "Assets Not Found"

KUALA LUMPUR -- A total of 482 equipment worth RM2.58 million at Hospital Tengku Ampuan Rahimah (HTAR), Klang and Hospital Tunku Fauziah (HTF), Kangar, are categorised as 'assets not found' (V4L) or equipment not on location. According to the Auditor-General's Report 2013, as of Aug 31, 2013, a total of RM9,346 fees were still paid for 26 equipment categorised as V4L and the balance of 419 equipment could not be confirmed regarding their fee status, while the fees for equipment under the same status at the HTF had been stopped.

Report: Royal Perak Golf Club Does Not Have Audit Committee

IPOH -- Royal Perak Golf Club (RPGC), a fully-owned subsidiary company of State Secretary Incorporated (SSI), has not set up an Audit and Inspection Committee. According to the First Series of the 2013 Auditor-General's Report, the Internal Audit Unit (UAD) of the State Secretary's Office also did not audit the company.

Report: PIDM Should Tighten Procurement Process

KUALA LUMPUR -- The Malaysia Deposit Insurance Corporation (PIDM) should provide tighter procurement planning to ensure efficient implementation of its projects, said the Auditor General's office. In its First Series of the Auditor General's Report 2013 for federal statutory bodies, it said its audits conducted from May to August 2013 found four Supplemental Letters issued to amend the scope of works and to extend the completion date had raised the original project cost of RM2.34 million by 99.6 per cent.

Report: Manpower Shortage Results In RM1.39 Mln Overtime

KUALA LUMPUR -- Lack of permanent manpower at 1Malaysia Clinic (K1M) has resulted in the payment of overtime of RM1.39 million between 2011 and 2013.According to the First Series of the 2013 Auditor-General's Report tabled in the Dewan Rakyat here Monday, the overtime payment for staff of K1M was RM579,320 last year, RM631,280 in 2012 and RM179,754 in 2011.

Report: Alor Setar Road Repair Costs Reach RM74.33 Mln

KUALA LUMPUR -- The Alor Setar-Kuala Nerang-Durian Burung Road repair and upgrading works, which originally cost RM246.20 million, took three years more than the original contract schedule for completion, due to poor monitoring and planning.According to the Auditor-General's Report, Series 1, 2013 which was tabled in Parliament Monday, the delay caused the overall project cost to increase by RM74.33 million, to RM354.33 million.

Report: Four Firms Fail To Pay PPR Rent Revenue On Time

JOHOR BAHARU -- Four companies appointed to manage and collect the People's Housing Project (PPR) rents failed to repay the revenue on time to the Johor government, said the First Series of the 2013 Auditor-General's Report. The report, which was tabled at the Dewan Rakyat Monday, said the delay in paying the revenue of between two and 22 months resulted in the Johor government incurring huge losses due to rising rent arrears. "The companies owed PPR rent revenue arrears totalling RM3.57 million from 2011 until April 2013 to the state government," the report said.

Report: Kuantan Court Construction Delay Ups Cost By RM19.56 Mln

KUALA LUMPUR -- The National Audit Department found that the construction of the Kuantan new court complex was delayed for 560 days and the cost increased by RM19.56 million due to poor planning in design and scope of works. According to the Auditor-General's Report 2013 Series 1, the original value of the contract agreed upon by the government was RM157.34 million with a contract period of 546 days (78 weeks) from July 8, 2009 to Jan 4, 2011.

Govt To Act Against Defaulters Cited By A-G's Report

PUTRAJAYA -- Action to be taken against ministries, agencies and departments cited for weaknesses by the Auditor General's Report 2013 will be announced soon.Chief Secretary to the Government, Tan Sri Dr Ali Hamsa said a statement would be released soon, stating the number of officers involved. "Such cases of weaknesses have been reduced. I have told the secretaries-general and heads of departments to try and reduce them," he said at a press conference, here Wednesday.

Report: EPF Property Investment Returns Exceed Expectations

KUALA LUMPUR -- The returns of the Employees Provident Fund (EPF) property investment in 2013 have exceeded the target, said the first series of the Auditor-General Report 2013. The report findings, tabled at the Parliament Monday, said that EPF received gross investment income of RM1.14 billion for investment in property and infrastructure last year compared to annual target of RM930 million, which is an achievement of 122.5 per cent, in line with the increase in property and infrastructure investment.

Report: 102 Firms Receive RM1.69 Bln Green Technology Loans

KUALA LUMPUR --As of last July, only 102 companies were given loans worth RM1.69 billion under the Green Technology Financing Scheme (GTFS).According to the Auditor General's First Series Report 2013, the number covers only 38.1 per cent of the 268 companies with green technology costs of RM4.8 billion and having received the Green Certification.

Report: PIJ Plantations Should Increase FFB Output

JOHOR BAHARU --PIJ Plantation & Agriculture Sdn Bhd (PPASB) should produce fresh fruit bunches (FFB) according to set targets in a move to ensure the earnings of parent companies are not jeopardised. PPASB, a 100 per cent-owned subsidiary of PIJ Holdings Sdn Bhd, is a wholly-owned by the Johor Islam Corporation.The first series of the Auditor-General Report 2013, tabled in Parliament Monday, said PPASB's out palm output had declined as five plantations had failed to produce the target FFB every year between 2011 and 2013.

Report: MTDC's 2012 Income Drops To RM2.5 Mln

KUALA LUMPUR -- Malaysia Technology Development Corporation Sdn Bhd (MTDC) recorded a drop in income of RM2.5 million (12.1 per cent) for 2012 compared to 2011. According to the 2013 Auditor General's First Series Report released Monday, MTDC's gross profit margin from 2010 to 2012 was between 13.3 and 39.9 per cent.

Report: MSNS Incurs Accumulated Loss Of RM0.43 Mln

SHAH ALAM -- The 2013 Auditor General's First Series Report revealed that the financial performance of MSNS Holdings Sdn Bhd (MSNSH), a wholly-owned subsidiary of Menteri Besar Selangor (Incorporated) (MBI) is not satisfactory as it incurred an accumulated loss of RM0.43 million, despite achieving a pre-tax profit of RM48,828 in 2012.According to MSNSH's audited financial statement for 2013 fiscal year, the company, which manages the assets of MBI, recorded current liabilities exceeding current assets amounting to RM2.35 million.

Report: FITEC Should Undertake Study Before Undertaking Project

KUALA LUMPUR -- F.I.T. Centre Sdn Bhd (FITEC), a wholly-owned unit of Majlis Amanah Rakyat (MARA), must undertake a feasibility study before any decision is made regarding a business prospect. According to the 2013 Auditor-General 1st Series Report, which was tabled in Parliament Monday, the feasibility study was proposed to ensure the business prospect was competitive and would bring in profit to the company.

Report: Cradle Fund Records Profits For 3 Consecutive Years

KUALA LUMPUR -- Cradle Fund Sdn Bhd, a unit under the Minister of Finance Incorporated, recorded pre-tax profits of RM1.22 million in 2010, RM1.62 million in 2011 and RM1.93 million last year. As at Dec 31, 2012, Cradle Fund's retained earnings stood at RM5.61 million which were derived from interest and dividend income received from investments in unit trusts, said the first series of the Auditor-General Report 2013.

A-G Satisfied With KKIP, Sedco's Financial Performance

KOTA KINABALU -- The Auditor General's First Series Report 2013 has found the financial performance, management and governance activities of the Kota Kinabalu Industrial Park (KKIP) and the Sabah Economic Development Corporation (Sedco) as being on the whole, good. The report stated that KKIP, managed by K.K.I.P Sdn Bhd and audited from June to Sept 2013, has achieved an accumulated profit of RM29.11 million up to 2012.

BNM's International Reserves Reach RM424.6 Bln March 31

KUALA LUMPUR -- Bank Negara Malaysia's international reserves amounted to RM424.6 billion or equivalent to US$130.2 billion as at March 31, 2014.In a statement Monday, the central bank said the reserves level has taken into account the quarterly adjustment for foreign exchange revaluation changes.The reserves position was sufficient to finance 9.2 months of retained imports and was 3.3 times the short-term external debt, it added.

Agriculture Poised For 7 Pct Growth

KUALA LUMPUR -- The Ministry of Agriculture and Agro-based Industries is optimistic the sector's contribution to the country's gross domestic product (GDP) will increase to seven per cent this year from 6.7 per cent last year. Its Minister, Datuk Seri Ismail Sabri Yaakob told reporters Monday, in order to enhance its contribution, the government would focus on areas that would reap high returns.

MIFF Records Higher Sales Of US$892 Mln

KUALA LUMPUR -- The Malaysian International Furniture Fair (MIFF), held during March 4-8, extended another solid year with estimated sales of US$892 million against US$854 million raked in last year. This year's show recorded a six per cent jump in the number of visitors to 19,472 including 6,171 international buyers from 141 countries and regions, said the show organiser, UBM Malaysia, in a statement Monday.

Asean 3 Auto Aftermarket Positioned For Higher Growth

KUALA LUMPUR -- The automotive aftermarket parts sector in Asean 3 (Indonesia, Thailand and Malaysia) is expected to grow at a compound annual growth rate (CAGR) of 12.9 per cent from 2010-2018, says a research firm. The boom in vehicle sales in Asean will drive the strong sales of parts that include wipers, clutches, compressors, filters and brakes, Frost & Sullivan said in a statement Tuesday.

Tourism Industry Contributes RM51.5 Bln To GNI

PETALING JAYA -- The tourism sector contributed RM51.5 billion to the Gross National Income (GNI) last year, says Tourism and Culture Minister Datuk Seri Mohamed Nazri Abdul Aziz. He said the sector was the sixth largest contributor to the Malaysian economy and the second largest foreign-exchange earner after manufactured goods. The industry's performance exceeded expectations last year with tourist receipts amounting to RM65.44 billion against the target of RM65 billion, he said when launching SummerNats Malaysia 2014 here Tuesday.

Maybank Targets 9-11 Pct Growth In Islamic Financing

KUALA LUMPUR -- Maybank Islamic Bhd is aiming to achieve 9-11 per cent growth in its Islamic financing portfolio this year, said Chief Executive Officer Muzaffar Hisham. He said the target was driven by the corporate, small and medium enterprises (SMEs) and retail segments, he told reporters after launching the "Save and Drive" campaign for SMEs here Wednesday.

Feb Manufacturing Sales Up 16.1 Pct To RM53.5 Bln

KUALA LUMPUR -- The sales value for the manufacturing sector in February 2014 rose by 16.1 per cent (RM7.4 billion) to RM53.5 billion from RM46.1 billion reported a year ago. On month-on-month basis, sales value, however, decreased by 3.9 per cent (RM2.1 billion) compared with preceding month of RM55.6 billion, said the Department of Statistics Malaysia in its Monthly Manufacturing Statistics here Thursday.

EPF Net Contributions After Withdrawals Reach RM15.23 Bln

KUALA LUMPUR -- The Employees Provident Fund (EPF) said its total annual contributions stood at RM50.58 billion, exceeding the total annual amount withdrawn of RM35.35 billion, resulting in net inflows of RM15.23 billion as at December 2013. Age 55 withdrawals topped other types of withdrawals at RM13.23 billion, an 8.5 per cent increase from RM12.19 billion recorded in the previous year. Withdrawal for investments under the EPF Members' Investment Scheme (EPF-MIS) was second highest at RM7.85 billion, said Chairman Tan Sri Samsudin Osman in EPF's Annual Report released Thursday.

Najib Proposes "Friendship Bridge" To Boost M'sia-S'pore Ties

PUTRAJAYA -- Prime Minister Datuk Seri Najib Razak said Monday he has proposed a "Friendship Bridge" to improve road connectivity and to serve as the symbol of growing friendship between Malaysia and Singapore.

The proposal was a long-term initiative that called for discussions on many aspects as well as detailed studies that had to be conducted together by the two countries, he told a joint press conference with Singapore Prime Minister Lee Hsien Loong here.

High-Speed Rail Link To Complete By 2020

PUTRAJAYA -- Malaysia and Singapore prime ministers have reiterated that the proposed High-Speed Rail Link between the republic and Kuala Lumpur will be completed as scheduled in 2020.

Speaking to reporters Monday, Prime Minister Datuk Seri Najib Tun Razak said both governments were mindful of the fact that the project was ambitious and both governments were working hard towards meeting the deadline.

MIDA Machinery Delegation In Germany To Court Investments

By Manik Mehta

FRANKFURT -- A delegation from the Malaysia Investment Development Authority (MIDA) arrived here Monday on a two-week tour of Germany, Switzerland and Italy, to court investors to invest in Malaysia's machinery and equipment sector. "As Malaysia moves up the technological value chain, the country's machinery and equipment (M&E) will also move away from lower-value activities to higher value products and services, "MIDA Director for Machinery and Equipment and Advanced Engineering Division, Faridah Abdullah told Bernama.

Sime Darby Sells PD Power To Malakoff For RM300 Mln

KUALA LUMPUR -- Sime Darby Bhd is selling its Malaysian power business under Port Dickson Power Bhd (PDP) to Malakoff Corporation Bhd for RM300 million, cash. The disposal, following a strategic review of its businesses, was in line with the group's long-term strategy to be a leader in plantations, industrial equipment, motors, property and energy, and utilities, President and Group Chief Executive Tan Sri Mohd Bakke Salleh said in a statement Monday.

Petronas Launches Hull Of First Floating LNG Facility

KUALA LUMPUR -- Petronas has launched the hull of its first floating liquefied natural gas (PFLNG 1) facility at Daewoo Shipbuilding & Marine Engineering (DSME) shipyard in Okpo, South Korea. Scheduled for completion in the fourth quarter of 2015, the facility, with a 365-metre-long hull, will be the world's first floating LNG facility in operation, Vice-President and Venture Director of LNG Projects (Domestic), Gas & Power Business Datuk Abdullah Karim said in a statement Monday.

Saudi's Flynas Picks KLIA As Flight Hub

KUALA LUMPUR -- Saudi Arabia airline Flynas has picked the Kuala Lumpur International Airport (KLIA) as its flight destination hub, flying three times a week.The airline has also forged a partnership with a local company, My Rezqi Sdn Bhd, as its flight ticket agent in this region, said My Rezqi CEO, Wan Mokhter Ab Latiff in a statement Monday.

Seacera Unit Bags RM20.33 Mln Road Upgrading Contract

KUALA LUMPUR -- Seacera Group Bhd's subsidiary, SPAZ Sdn Bhd, has been granted a RM20.33 million contract from the Public Works Department for completion of outstanding work related to the upgrading of the Pasir Puteh/Gong Kulim/Tok Bali Road, in Pasir Puteh (Kelantan). Seacera, in a filing to Bursa Malaysia Monday said the project is expected to start on April 17, and completed by Oct 16.

Pintaras Subsidiary Gets LOA For RM71 Mln Works

KUALA LUMPUR -- Pintaras Jaya Bhd's wholly-owned unit, Pintaras Geotechnics Sdn Bhd, has received a letter of acceptance from Enchanting Heights Sdn Bhd to undertake piling and pile cap works for a proposed mixed development in Kuala Lumpur for RM71 million. Pintaras Jaya, in a filing to Bursa Malaysia Monday said the works were expected to commence next month and would be completed in 16 months.

Digistar Clinches RM22.3 Mln Deal From Iskandar Studios

KUALA LUMPUR -- Digistar Corporation Bhd's wholly-owned unit, Digistar Holdings Sdn Bhd (DHSB) has secured a purchase order (PO) from Iskandar Malaysia Studios Sdn Bhd (IMSSB) to supply equipment for post-production facilities worth RM22.3 million at Pinewood Iskandar Malaysia Studios, Johor Baharu. In a filing to Bursa Malaysia Monday, Digistar said the PO was not recurring or renewable in nature and the delivery period was five months.

Maybank Islamic Issues Tier 2 Capital Subordinated Sukuk Murabahah

KUALA LUMPUR -- Maybank Islamic Bhd has issued its maiden Basel III-compliant Tier 2 Capital Subordinated Sukuk Murabahah of RM1.5 billion pursuant to a subordinated Sukuk Murabahah programme of up to RM10 billion in nominal value established in March 2014. "Proceeds raised from the subordinated sukuk Murabahah can be used to augment the business of the bank thus positioning Maybank Islamic for stronger growth domestically and regionally," Maybank Islamic Chief Executive Officer Muzaffar Hisyam said in a statement Tuesday.

Bumiputera Firm To Bullet Proof 120 Cars

KUALA LUMPUR -- Bumiputera company, IMS Magna Armoring Malaysia Sdn Bhd, is targeting to bullet proof 120 big cubic centimetre (CC) cars a year, says Chairman Datuk Md Jali Lateh. The company, a subsidiary of IMS Motor Sport Group, started the bullet-proof business in September last year following demand from private owners and government agencies, he said after unveiling the first bullet proof BMW X6 here Tuesday.

Islamic Banking Forecast At 25 Pct of Banking Sector

KUALA LUMPUR -- RAM Ratings projected Islamic banking assets will represent 25 per cent of the Malaysian banking sector by 2017, says its Chief Executive Officer Foo Su Yin. In a statement Wednesday, RAM said the various initiatives implemented by Bank Negara Malaysia and the emphasis on the Malaysia International Islamic Financial Centre have been propelling the Islamic banking sector.

HDC Eyes RM1.5 Bln Investments In Halal Sector

KUALA LUMPUR -- Halal Industry Development Corporation (HDC) is eyeing investments worth RM1.5 billion in the local halal sector this year, said Chief Executive Officer Datuk Seri Jamil Bidin. To date, total investments in the sector amounted to RM14 billion including RM8 billion for the setting up of halal parks, he told reporters after the opening of the World Halal Week 2014 by International Trade and Industry Minister Datuk Seri Mustapa Mohamed Wednesday.

Halal Vaccines To Be Ready In 3 Years

KUALA LUMPUR -- Three halal vaccines being produced by a Saudi corporation in collaboration with the Halal Industry Development Corporation (HDC) here, are expected to be ready in three years. "We are finding ways to convert the vaccines to make it halal and hope to complete it as soon as possible," HDC Chief Executive Officer Datuk Seri Jamil Bidin told reporters here Wednesday.

AirAsia Says Will Move When Everything Ok

KUALA LUMPUR -- Low-cost airline, AirAsia will be shifting its operation to the new terminal, Kuala Lumpur International Airport 2 (klia2), AirAsia Executive Chairman Datuk Kamarudin Meranun said. "I can confirm that we will move when everything is ok. Let's not deliberate on that," he told reporters when met on the sidelines of Talent Corporation's Diversity and Inclusion session here Wednesday.

Bursa, SC Must Play Role As Monitoring Body

KUALA LUMPUR -- The government has proposed that Bursa Malaysia Bhd and the Securities Commission Malaysia (SC) play the role as monitoring body in the implementation of diversity policy in leadership and top management for private companies. Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said Wednesday, the move was needed to encourage more private companies to practise this policy in helping the government's effort to attract more professionals to return to Malaysia.

Services Sector Forecast At 60 Pct Of GDP By 2020

KUALA LUMPUR -- The services sector is expected to contribute 60 per cent to the Gross Domestic Product (GDP) by 2020, making it a major contributor to Malaysia's economy, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed. "We have less than six years to achieve this. We need to do something radical to invigorate the services sector," he told reporters here after the Malaysia Services Development Council 1/2014 meeting here Thursday.

Analysts Raise GDP Forecast For Q1

KUALA LUMPUR -- Analysts have raised Malaysia's Gross Domestic Product (GDP) growth forecast for the first quarter of 2014 on the back of higher-than-expected growth in the Industrial Production Index (IPI). Alliance Research in its note Thursday upped its forecast to 5.2 per cent to 5.5 per cent from the previous estimate of 5.0 per cent, given the strong growth in trade and industrial activity figures. RHB Research also expected real GDP growth to expand at a faster pace of 5.2 per cent year-on-year in the first quarter of 2014.

Goods And Services Tax Bill 2014 Passed

KUALA LUMPUR --- The Dewan Rakyat Monday passed the Goods and Services Tax (GST) Bill 2014. The bill was passed through a head count twice with the opposition giving only 81 votes and the government, 118 votes in the first round. In the second voting, the opposition maintained with 81 votes while the government gave 119 votes. Earlier, when winding up the debate on the bill, Deputy Finance Minister Datuk Ahmad Maslan said the GST would have positive implications on the value of exports and Gross Domestic Product.

RAM Joins Gulf Bond & Sukuk Association

KUALA LUMPUR -- RAM Ratings said in a statement Monday, it had been accepted as an associate member of the Dubai-based Gulf Bond. GBSA, an organisation that speaks for the Gulf Cooperation Council (GCC) region's bond industry, sets standards and strengthens the region's voice in the global arena.

Econpile Gets Nod For Main Market Listing

KUALA LUMPUR -- Econpile Holdings Bhd, a leading piling and foundation specialist in Malaysia, has obtained approval from the Securities Commission to proceed with its listing on the main market of Bursa Malaysia Securities Bhd. Econpile Holdings Executive Director and Chief Executive Officer Raymond Pang said Monday, the group has become one of the leading players in the piling and foundation sector in Malaysia.

Sabah Credit Launches RM1.5 Billion Sukuk Programme

KUALA LUMPUR -- Sabah Credit Corporation (SCC) launched its RM1.5 billion Sukuk Musharakah Programme Monday, in line with growing demand for Islamic financing in the country. AmInvestment Bank is the sole principal advisor and lead arranger for the Sukuk Musharakah Programme which comprises a seven-year RM750 million Islamic Commercial Papers Programme and a 20-year RM1.5 billion Islamic Medium Term Notes Programme, subject to a joint-limit of RM1.5 billion, said SCC and AmBank in a joint statement.

Boustead Expects To Raise RM1 Bln Via Plantation Listing

PETALING JAYA -- Boustead Holdings Bhd expects to raise up to RM1 billion by mid-June via the proposed listing of its wholly-owned subsidiary, Boustead Plantations Bhd, said Deputy Chairman/Group Managing Director Tan Sri Lodin Wok Kamaruddin. "I believe the listing will benefit shareholders. The timing is also quite right for us as the price of crude palm oil (CPO) continues to improve. At the moment, the CPO price stands at RM2,675 per tonne. But the price is dynamic, depending on several factors," he told reporters after the company's EGM here Monday.

Petronas Sponsors RM300,000 For MPI-Petronas Journalism Award 2013

KUALA LUMPUR --Petronas is sponsoring RM300,000 for the MPI-Petronas Journalism Award 2013" on April 18. Deputy Prime Minister Tan Sri Muhyiddin Yassin will present the awards. A mock cheque for the sponsorship was presented by Petronas Group, Strategic Communication, External Communication General Manager, Mohammad Suhaimy Kamaruddin to Malaysian Press Institute (MPI) Chief Executive Officer, Datuk Chamil Wariya at a ceremony in Kuala Lumpur Tuesday.

Malindo Air Takes Delivery Of ATR72-600

KUALA LUMPUR -- Malindo Air took delivery of its sixth ATR72-600 aircraft at the Sultan Abdul Aziz Shah Airport in Subang Monday night. The new aircraft is the sixth order of ATR72-600 that the airline expects this year, with another two more expected to be delivered by next month, the hybrid airline said in a statement Tuesday.

Two-Day World Halal Conference Ends Successfully

By Farhana Poniman & Nurul Hanis Izmir

KUALA LUMPUR -- The two-day World Halal Conference (WHC) 2014, which ended Thursday, has successfully achieved its goal of addressing the global food security crisis, as well as, introducing a new topic on halal vaccines. The WHC 2014 themed 'Global Food Security: The Halal Perspective', held in conjunction with the four-day World Halal Week, reflects upon the need to harness global efforts to work towards a common cause, Halal Industry Development Corporation (HDC) Chief Executive Officer Datuk Seri Jamil Bidin said.

A-G's Report Highlights Need To Improve Good Governance

By Salbiah Said

The First Series of the Auditor-General's Report 2013, tabled in the Dewan Rakyat Monday, comes amid the national sadness over the fate of MAS flight MH370. Analysts said, the report is laudable as it enables Parliament and especially the public to scrupulously scrutinise the Auditor-General's findings. It is the first time the report is presented to Parliament in three separate parts, three times a year.

KUALA LUMPUR – Public Accounts Committee (PAC) chairman, Datuk Nur Jazlan Mohamed (centre) and Auditor-General (A-G), Tan Sri Ambrin Buang (right) looking at the 2013 A-G Report tabled in Parliament Monday. Also present is PAC deputy chairman, Dr Tan Seng Giaw.

However, what is disheartening, they noted, is the latest report highlighted the financial management and weaknesses and consequent waste of public funds, which continue to persist. "This is happening despite the Auditor-General's previous exhortations, to improve our standards of good governance," said renowned economist and chairman of Asian Strategy and Leadership Institute (ASLI) Centre for Public Policy Studies, Tan Sri Ramon Navaratnam. He said the Public Accounts Committee (PAC) under Datuk Nur Jazlan Mohamed has taken the right initiative to summon five major ministries to explain why they defaulted and what they will do to rectify the weakness.

Millions of Ringgit Wasted

"But obviously this is not good enough. Millions upon millions of ringgit, and taxes have been wasted and many political and public officials seem to be getting away scot free. I well recall that as former senior Civil Servants, we used to be scared stiff to attend PAC meetings. We would rectify the problems and, make sure they did not recur or our heads would roll," said Navaratnam, who has served as Deputy Secretary-General of the Finance Ministry.

Navaratnam said the Auditor-General has to his credit now made 109 new recommendations for improvement in financial management. "But the rakyat will ask what will be done with them? Will these recommendations be ignored and will mismanagement and financial wastage continue regardless?" he asked.The Auditor-General's Report also showed the declining standards and practice of good governance of the public service, said Navaratnam.

Severe Punishment For Wasting Public Funds

"As a former Secretary General, I used to personally chair the Ministry's internal Audit Committee, to ensure the A-G's recommendations and advice are thoroughly followed up and monitored constantly. That has to be done with even greater commitment these days. Civil servants who do not give financial discipline due diligence and priority, should be severely penalised for wasting public funds that could have been used instead to alleviate poverty," he said.

Navaratnam also highlighted the need for the public, including the press, to have major roles to ensure better and higher standards of good governance. The A-G's report contains observations from 17 programmes of 14 federal ministries and departments and the management of two government companies.

Auditor-General Tan Sri Ambrin Buang said among the weaknesses observed were improper payment, work not adhering to specifications, unreasonable delays, unreasonable price, management of contracts, weaknesses in revenue management and weaknesses in management of Government assets.

Relevant Department Heads Informed Beforehand

The report said that some of the weaknesses were due to negligence when complying with the government's rules, programmes and scopes not being planned and identified properly. Relevant heads of departments were informed beforehand of the issues highlighted in the report for verification purposes. This year, the relevant ministers were also informed of the issues reported.

The A-G's report evaluated whether government activities had been managed efficiently, economically and in accordance with their stated objectives.

The audit encompassed various activities such as procurement, contract administration, asset management, construction, infrastructure, maintenance, education, health, human capital, revenue management, socio-economic upgrading programmes and environment.

EPF Receives Clean Bill Of Health

On the positive side, the Employees Provident Fund (EPF) received a clean bill of health for its property investment in 2013, which exceeded the target. The EPF gross investment income of RM1.14 billion for investment in property and infrastructure last year compared to annual target of RM930 million, which is an achievement of 122.5 per cent, in line with the increase in property and infrastructure investment.

On petroleum earnings, the report said the federal government collected RM37.56 billion in petroleum income taxes in the first 11 months of 2013, aided by higher collection from the downstream sector, which contributed RM11.18 billion, up from RM10.99 billion in 2012 and RM9.40 billion in 2011. The report shows the defaulters' complacent and indifferent attitude as well as declining standards and practice of good governance in the public service, analysts said.

A-G's Report Must Be Taken More Seriously

As Navaratnam aptly said, civil servants who do not give financial discipline due diligence and priority, should be severely penalised for wasting public funds that could have been used instead to alleviate poverty.

"It is clear that we cannot continue to fail. We have to take the Auditor-General's professional and honest report much more seriously. Otherwise, we will continue to deteriorate in good governance and get more bad governance."

All these must be put in place if Malaysia aims to achieve its Vision 2020 goals. "We should therefore take more urgent and strong initiatives to get back on track and to move forward with greater commitment and purpose, to fulfill our national dreams."

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA: KL Shares Likely To Be Stable Next Week

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- Share prices on Bursa Malaysia are expected to stabilise and rally moderately higher next week amid positive external sentiment and the recovering ringgit, which broke the 3.25 barrier against the US dollar for the first time this year. More accommodative stance from the US Federal Reserve and prospects for a boost in Chinese stimulus should lift the market, Affin Investment Bank, Vice President and Head of Retail Research, Dr Nazri Khan said.

"We can see trading momentum shifting to lower liners and small-cap stocks on rotational plays such as Iris, Insas, Tebrau, Daya, Gadang and Symphony," he told Bernama. Technically, Nazri said the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was expected to trade at its target levels of 1,860 and 1,880, while support is seen at the 1,840 and 1,820 levels.

For the week just ended, the market tone was softer due to positive pullback after a strong showing over the last three weeks. Stocks in focus included SapuraKencana Petroleum, which slipped three sen to RM4.35 after its second largest shareholder, Seadrill Ltd, sold 230 million shares in the company.

AirAsia rose one sen to RM2.31 after signing a brand licence agreement with Thai AirAsia X Co Ltd to enable the use of AirAsia X's brand name, trademark and logo in Thailand. On a week-to-week basis, the FBM KLCI fell 3.95 points to 1,852.66. The Finance Index dropped 169.97 points to 16,866.05 but the Industrial Index rose 32.76 points to 3,202.45 and the Plantation Index increased 115 points to 8,988.78.

The FBM Emas Index climbed 13.75 points to 12,856.53, the FBMT100 Index improved 7.8 points to 12,499.55, the FBM 70 rose 142.91 points to 14,109.08 but the FBM Ace lost 16.56 points to 6,766.22. Weekly turnover rose to 10.53 billion shares worth RM11.03 billion from last Friday's 10.44 billion shares valued at RM12.7 billion. Main market volume increased to 8.37 billion shares valued at RM10.4 billion from 7.66 billion shares worth RM11.97 billion last week.

Warrant turnover decreased to 171.75 million units worth RM31.35 million from 250 million units valued at RM66.3 million previously. The ACE market volume declined to 1.97 billion shares valued at RM582.1 million from 2.52 billion shares worth RM660.85 million recorded last week.

FOREX: Ringgit Likely To Trade Lower Next Week

By Azlee Nor Mahmud

KUALA LUMPUR -- The ringgit is likely to trade lower against the US dollar next week as the greenback was expected to strengthen due to external factors, said a dealer. Hong Leong Bank Senior Manager for Bond and Economic Research Choong Yin Pheng told Bernama, the ringgit was expected to trade between 3.24 and 3.28 to the US dollar as it recovered from its recent downtrend, and would see reduced buying momentum.

The United States released a string of data this week, including minutes from the Federal Reserve's latest policy meeting and employment data on Wednesday and Thursday respectively, which had impacted global currencies. "Market players will also closely monitor China's first quarter gross domestic product (GDP) figures next week, putting the market into a cautious mode," a dealer said.

For the week just-ended, the ringgit was traded higher against the greenback at 3.2370/2390 from 3.2785/2805 last Friday. RHB Research Institute said the local unit was expected to depreciate between 3.25 and 3.35 to the US dollar in the near-term due to the reversal of short-term capital, but was likely to strengthen to 3.15 by end-2014 once capital flows stabilise.

"Nevertheless, given that the current account of the balance of payments will likely remain in surplus in 2014, it provides some cushion to the ringgit," the research house said in a note recently. Against other major currencies, the ringgit depreciated marginally against the Singapore dollar at 2.5933/5962 from 2.5929/5947 last Friday and weakened against the yen at 3.1819/1845 from 3.1557/1592 previously.

It strengthened against the British pound to 5.4252/4301 from 5.4397/4443 but eased against the euro to 4.4935/4976 from 4.4932/4969 last Friday.

Money Market: Short-Term Rates To Remain Stable Next Week

KUALA LUMPUR -- Short-term rates are expected to remain steady next week as Bank Negara Malaysia (BNM) continues to intervene to siphon excess funds from the interbank system, dealers said. The central bank is expected to call for several money market tenders, including conventional, Islamic, Commodity Murabahah programme, range maturity auctions and repo tenders, daily.

For the week just-ended, BNM intervened daily to absorb surplus funds.The liquidity surplus in the conventional system amounted to RM19.139 billion while the excess in the Islamic system stood at RM806.3 million. The overnight rate pegged at 2.94 per cent, while the one-week, two-week and three-week rates stood at 3.02 per cent, 3.07 per cent and 3.09 per cent, respectively.

Rubber Market To Be Range-bound Next Week

By Azizul Ahmad

KUALA LUMPUR -- The Malaysian rubber market is expected to be range-bound next week on the back of current firmer trend of the ringgit against the US dollar.On the local front, export data released by the Malaysian Statistics Department boosted positive sentiment for the commodity. Malaysia's natural rubber exports in February rose 12,945 tonnes or 21 per cent to 74,452 tonnes compared with the same month last year.It was exported mainly to China (56.3 per cent), the department said.

A local trader told Bernama that rubber prices in the local market were expected to be pressured by weak economic data from China next week."A weaker-than-expected China's gross domestic product (GDP) due for release on April 16 will prompt fears over demand in top buyer China, the world's second-largest economy," he said. Additionally, the local market would likely move in tandem with the Tokyo Commodity Exchange (TOCOM), he added.For the week just-ended, the market was traded amid bearish sentiment on strong local currency against the greenback.

On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 at noon declined 16 sen to 581 sen a kg while latex-in-bulk decreased 11 sen to 483 sen a kg.The 5pm-closing price for tyre-grade SMR 20 fell 20 sen to 577 sen a kg while latex-in-bulk dipped 12.5 sen to 481 sen a kg.

KLIBOR Futures Market Expected To Be Subdued

KUALA LUMPUR -- Trading in the three-month Kuala Lumpur Interbank Offered Rates (KLIBOR) futures contract on Bursa Malaysia Derivatives is expected to maintain its subdued momentum next week amid lack of interest, dealers said. During the week, the contract was only traded on Friday with a turnover of 20 lots. Open interest rose to 3,000 contracts from 2,980 contracts recorded last week.

On a week-to-week basis, April 2014, May 2014, June 2014 and September 2014 stood at 96.64, 96.61 and 96.60 and 96.45, respectively. The underlying three-month KLIBOR ended higher at 3.34 per cent from 3.33 per cent last Friday.

KLTM: Tin Price To Hover Around US$23,300 Next Week

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is expected to hover between US$23,300 to US$23,400 per tonne next week on sustained demand mainly from European and Japanese traders, a dealer said. He said the price would sustain at current levels as the price was deemed favourable for both buyers and sellers. "In addition, tin stocks on the London Metal Exchange (LME) is still at a two-year low and this will continue to support the price at this level," he added.

For the week just-ended, the metal finished US$280 better at US$23,300 per tonne against US$23,020 a tonne registered last Friday, with trading dominated by European, Japanese and local buyers. Turnover rose to 194 lots from last week's 157 lots. The premium between the KLTM and the LME widened to US$310 a tonne from US$230 a tonne last Friday.

Gold Futures Expected To Move Higher Next Week

By Amanina Mohamad Yusof

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to trade higher next week on renewed buying support for the precious metals, dealers said. Phillip Futures Sdn Bhd dealer Thomas Yew Jia-Jong said weaker equities in the US market would lend support for gold prices. "In addition, tensions in Ukraine as well as minutes from the US Federal Reserve's latest policy meeting, which indicated that the interest rates would not be increased soon, also provide additional boost for gold prices," he told Bernama.

On a Friday-to-Friday basis, April 2014 rose RM1.50 sen or 30 ticks to RM138.00 a gramme, while May 2014, June 2014 and July 2014 added RM1.60 or 32 ticks each to RM138.30, RM138.55 and RM138.90 a gramme, respectively. Total volume rose to 4,398 lots worth RM59.92 million, compared with 3,210 lots valued at RM43.76 million traded last week. Open interest on Friday stood at 2,587 contracts versus 1,977 contracts previously.

CPO Futures Likely To Rebound Next Week

By Azizul Ahmad

KUALA LUMPUR -- Crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to rebound next week amid firmer sentiment for the commodity. Local research houses said the CPO prices might not face pressure from the higher palm oil production. “The extra supply will be absorbed by Indonesia’s biodiesel mandate, while the weak exports situation is temporary as the bumper soybean harvest from South America should only last until end-May,” said Kenanga Research.

The research firm reiterated its positive view on CPO prices in the mid to long term due to sustainable demand seen from Indonesia’s biodiesel industry and stable food demand. The Malaysian Palm Oil Board (MPOB) said the country’s palm oil inventory rose six per cent to 1.69 million tonnes at end-March, which was higher than consensus, and this triggered selling pressures on CPO futures prices for the week just ended. RHB Research also expressed optimism that the increase in Malaysia’s palm oil inventory would not be sustainable.

It believed that the higher March production, which benefited from a spillover from February, would not be repeated in April. Exports should pick up again due to the recent pullback in palm oil prices and a wider discount for soybean oil, it said. Interband Group of Companies Senior Palm Oil Trader Jim Teh told Bernama he was bearish on local CPO futures.

However, he said, export demand was expected to recover as overseas buyers re-stock ahead of the Muslim fasting month of Ramadan and Eid celebration, whereby demand may kick in as early as May. Chartwise, RHB Research technical analyst said the downside pressure is seen as intact for April 2014 contract if the price stayed below RM2,650.

He said buying support would gain further traction should the RM2,620 level be breached.“A close above RM2,650 should be enough to confirm the return of buying support,” he added. Active month CPO contracts traded sideways for the week just ended, with roll-over activities starting since the middle of the week.On a Friday-to-Friday basis, April 2014 lost RM45 to close at RM2,660 a tonne, May 2014 slipped RM37 to RM2,641, June 2014 shed RM43 to RM2,615 while July 2014 dipped RM49 to close at RM2,597 per tonne.

Weekly turnover eased to 175,667 lots from 231,906 lots last week while open interest rose to 222,970 contracts from 220,667 contracts previously. On the physical market, April South eased RM20 lower at RM2,690 per tonne.

KLCI Futures To Trade Lower Next Week

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI Futures (FKLI) contracts on Bursa Malaysia Derivatives will continue to be influenced by the cash market next week. “The FTSE Bursa Malaysia could see another round of correction next week,” Phillip Futures Sdn Bhd dealer Thomas Yew Jia-Jong told Bernama.

For the week just-ended, the spot month contract was traded lower in anticipation of selling pressure in the stock market. On a Friday-to-Friday basis, spot month April 2014 fell 8.5 points to 1,848, May 2014 slipped 8.5 points to 1,842, June 2014 declined 5.5 points to 1,841.5 and September lost 5.5 points to 1,839.

Turnover for the week fell to 26,519 lots from 61,333 lots last week while open interest declined to 32,530 contracts from 34,866 contracts. The underlying FTSE Bursa Malaysia KLCI fell 3.95 points to 1,852.66.