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This Week's Highlight :
PM Wants Feedback From MRT Commuters

MRT LAUNCH...Prime Minister Datuk Seri Najib Tun Razak launched the first phase of the Mass Rapid Transit (MRT) service from Sungai Buloh-Kajang (SBK) on Dec 15. The route of the first phase involves 12 stations between Sungai Buloh and Semantan over a distance of 21km and started operations on Dec 16. fotoBERNAMA by Azman Firdaus

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak urged commuters who have used the recently launched first phase of the Mass Rapid Transit (MRT) service from Sungai Buloh-Kajang (SBK) to share their experiences and give their feedback. "It is already 10 days since the MRT started operating. How is it? Those who have taken a ride can give their feedback at @MRTMalaysia or their views or recommendation," said Najib in his Facebook posting Monday night.

This Week's Top Stories

MONDAY

Insurance Industry Writes New Chapter In Transformation Journey

By Niam Seet Wei

KUALA LUMPUR -- Malaysia's insurance industry wrote itself a new chapter in its transformation journey with the introduction of the first phase of liberalisation of motor and fire insurance tariffs on July 1. The detariffication exercise was finally put into action after discussions between industry players and Bank Negara Malaysia (BNM) was initiated in 2013. The General Insurance Association of Malaysia (PIAM) said progress would be reviewed in 2019 before full liberalisation.

TUESDAY

Tough Year For Banking Sector Amidst Global Turbulence

By Zairina Zainudin

KUALA LUMPUR -- Other than seeing a change of guard at the top, it was a rather tough year for the banking sector in 2016 for having to face the brunt of the global financial uncertainty with a dwindling loan growth. After the doldrums, the sector is expected to pick up momentum in the second half of next year with a recovery in, among others, oil prices as well as a clear direction on US policies especially on its interest rates.

WEDNESDAY

ICT Sector Displays Splendid Performance In 2016

By Rosemarie Khoo Mohd Sani

KUALA LUMPUR -- The information and communications technology (ICT) sector displayed a splendid performance in 2016 with advancements in digital inclusivity, e-commerce and Big Data Analytics (BDA). Of significance, the year also saw the appointment of Ali Baba Group founder, Jack Ma, as the country's digital economy adviser to the government by Prime Minister Datuk Seri Najib Razak in November 2016.

THURSDAY

Dim 2016 Growth Fails To Light Up Power Sector

By Azlee Nor Mahmud

KUALA LUMPUR -- The lack of catalyst coupled with deteriorating demand in the power sector led to its sub par growth of four per cent for this year. An analyst at Hong Leong Investment Bank's (HLIB) research division Daniel Wong told Bernama, "A dampening factor for demand...as prices go up, demand for power goes down, except if there is an intervention or a boost from the government to assist the industry."

FRIDAY

Surprise 2016 Showing Of Healthy Corporate Dealings

By Mohd Iswandi Kasan Anuar

KUALA LUMPUR -- The Malaysian corporate sector continued with its healthy transactions and dealings in 2016 despite being occasionally scrutinised by a spate of bad news and depressing sentiment on the back of global happenings. Statistics show a bounce in deal activity with merger and acquisition (M&A), venture capital (VC) and private equity (PE) deals as well as initial public offerings valued at US$15.6 billion compared to US$9.7 billion for 2015 (US$1.00=RM4.48).

SMEbrief

DPIM To Develop Export-Ready Members In 3 Years

KUALA LUMPUR -- The Malaysian Islamic Trade Council (DPIM) aims to develop over 100 export-ready companies among its members in three years, via a strategic cooperation with the Malaysia External Trade Development Corporation (MATRADE).

"The initiative to export products and services should come from the members while DPIM and MATRADE will provide assistance in terms of incentives and facilitation," DPIM President Tan Sri Muhammad Ali Hashim said after the DPIM Business Talk with MATRADE chief executive officer Datuk Dzulkifli Mahmud Wednesday. Meanwhile, Dzulkifli said DPIM members had huge capability and potential to export especially in sectors such as services, healthcare, medical tourism, and engineering services. He also hoped DPIM would be able to play a more important role in the future to lead its members, particularly the small and medium enterprises (SMEs) towards success and contribute more to the country.

Agrobazaar Continues Promoting Agro-Based Products In Singapore

By Massita Ahmad

SINGAPORE -- Agrobazaar, an entity owned by the Federal Agricultural Marketing Authority (FAMA), continues to serve as a sales and promotion centre in Singapore for agro-based industry products from all Malaysian states. It was recently a venue for the launch of the Perak Plate and Visit Perak Year 2017 Promotion in Singapore by Perak Menteri Besar Datuk Seri Dr Zambry Abd Kadir. It was recently a venue for the launch of the Perak Plate and Visit Perak Year 2017 Promotion in Singapore by Perak Menteri Besar Datuk Seri Dr Zambry Abd Kadir. For this year alone, Agrobazaar has been the venue for three other states namely Sarawak, Melaka and Terengganu in promoting their respective agro-based products.

"Agrobazaar will be a good opportunity for Perak businesses to enter the Singaporean market with their products," said Dr Zambry during the launch.

This project, undertaken by Malaysia's Ministry of Agriculture and Agro-Based Industry, aims to provide a more permanent platform to promote and share Malaysian fruits and agro-food products amongst Singaporeans and their visitors.

PropUP Propertyupdate

Oakwood KL To Woo Business, Leisure Travellers

By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- Situated in the heart of the capital's central business district, Oakwood Hotel & Residence Kuala Lumpur (Oakwood KL) is vying for regional and local transient business travellers for extended, as well as short stays. Its Sales and Marketing Director, Kenny Goh said the dual hotel and residence projected an average occupancy rate of 70 per cent in line with similar properties in the city centre.

Malaysia - Safe Haven For Property Investments

By Massita Ahmad

SINGAPORE -- Malaysia can maintain its reputation as one of Asia's safe havens for property investments, given its strong economic growth and transparency, says REA Group Ltd, a global online real estate advertising company headquartered in Melbourne. In an interview with Bernama, its Group Chief Economist, Nerida Conisbee said investors generally considered and wanted 'three things' when investing in a country - strong economic growth, low political risk and high levels of transparency.

Scientex Acquires 49 Hectares Of Land In Kulai

KUALA LUMPUR -- Property developer and packaging manufacturer Scientex Bhd has acquired two parcels of land totalling 49 hectares in Kulai, Johor for RM123.6 million, boosting its land bank to 271 hectares. In a statement Wednesday, the company said the land, situated in Senai along the North-South Expressway and Senai Highway, is approximately 15 to 20 minutes away from its existing townships -- Taman Scientex Senai and Taman Pulai Mutiara.

Knight Frank Forecast Higher Commercial Property Sales

KUALA LUMPUR -- Knight Frank Malaysia Sdn Bhd expects the 2017 commercial property market to see more sales activity with vendors having more realistic expectations and purchasers looking for bargains. Managing Director Sarkunan Subramaniam said Friday, transactions of commercial and investment properties are anticipated to be priced between 10 per cent to 20 per cent below their perceived market value with realistic and increased yields.

KIP Reit To Be Listed Feb 6

KUALA LUMPUR -- KIP Real Estate Investment Trust (REIT), which focuses on hybrid community-centric retail centres, is expected to be the the first REIT to be listed on the Main Market of Bursa Malaysia on Feb 6, 2017. Lim Han Gie, Chief Executive Officer of KIP REIT Management Sdn Bhd, the manager of KIP REIT, said Friday, the trust fund's initial public offering (IPO) is expected to raise gross proceeds of RM232.2 million.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 404

Losers - 362

Not Traded - 635

Unchanged - 349

Value - 1761766202

Volume - 14535249

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.4845	4.4875
EUR	4.7482	4.7523
GBP	5.5213	5.5259
100 YEN	3.8375	3.8411
SGD	3.1043	3.1085

Source: Bank Negara Malaysia

Bursa Malaysia Ends Higher On Buying In Heavyweights

By Siti Radziah Hamzah

KUALA LUMPUR -- Bursa Malaysia ended the year on a high note, boosted by buying momentum in heavyweights led by Maybank and Axiata. The benchmark FTSE Bursa Malaysia (FBM KLCI) rose 3.80 points to finish at an intraday high of 1,641.73, after touching an intraday low of 1,630.03 earlier. The index opened 0.48 of-a-point lower at 1,637.45. Maybank jumped 22 sen to RM8.20 and Axiata surged 15 sen to RM4.72.

Inter-Pacific Securities Sdn Bhd Head of Research Pong Teng Siew said last minute buying interest in index-linked companies had pushed the FBM KLCI to end higher for the year. "We have seen movements in stocks like Maybank, Petronas Dagangan and KLCC that pushed the benchmark index into positive territory," he told Bernama.

On the broader market, gainers outpaced losers 404 to 362, with 349 counters unchanged, 635 untraded and 43 suspended. Volume decreased to 1.453 billion shares worth RM1.761 billion from Thursday's 1.77 billion shares worth RM1.40 billion. Meanwhile, Bursa Malaysia announced the change in the name of Tanjung Offshore Bhd with old stock short name of "TGOFFS" to T7 Global Bhd with new stock short name of "T7GLOBAL". Main Market turnover fell to 1.120 billion units worth RM1.711 billion against 1.37 billion units worth RM1.34 billion on Thursday.

Ringgit Ends Lower Against US Dollar

KUALA LUMPUR -- The ringgit ended at its lowest point against the US dollar on the last trading day this year as demand shifted towards the greenback on expectations of higher US interest rates next year. At 6 pm, the local unit was traded at 4.4845/4875 against the US dollar from 4.4830/4860 on Thursday. A dealer said the ringgit continued its downtrend Friday, although it was more of a 'period of adjustment' to uncertainties revolving around US President-elect Donald Trump's economic policy when he is sworn in on Jan 20.

"We believe the ringgit will eventually stabilise considering Malaysia's strong fundamentals, coupled with Bank Negara Malaysia's measures to reduce volatility in the local currency," he added. Against other major currencies, the ringgit was traded mostly lower. The local note rose against the yen to 3.8375/8411 from 3.8527/8563 recorded on Thursday. It depreciated against the Singapore dollar to 3.1043/1085 from 3.0945/0972 recorded Thursday, lower against the British pound to 5.5213/5259 from 5.4966/5007 previously and weakened against the euro to 4.7482/7523 from 4.6928/6964.

BNM Intervention Helps Short-Term Rates Close Stable

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia (BNM) intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM31.669 billion from RM38.19 billion, while in the Islamic system it declined to RM11.002 billion from RM13.2 billion. The central bank conducted a RM31.7 billion conventional money market tender and a RM11 billion Qard tender, both for four-day money.

Earlier, BNM conducted a range maturity auction money market tenders, three Islamic range maturity auction Qard tenders, a reverse repo tender. The overnight Islamic reference rate stood at 2.95 per cent, while the one-, two- and three-week rates stood at 3.02 per cent, 3.07 per cent and 3.11 per cent, respectively.

KLIBOR Futures Close Untraded On Last Trading Day

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives closed untraded on the last trading day this year. Spot month January 2017, February 2017 remained pegged at 96.55 while June 2017 was unchanged at 96.50.

Both volume and open interest remained nil. Throughout the year, KLIBOR futures contracts were only traded on Sept 21 and Oct 17. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.41 per cent.

KLCI Futures End Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract on Bursa Malaysia Derivatives ended lower today despite the firmer underlying cash market. December 2016 declined 6.5 points to 1,632.0, January 2017 fell 4.5 points to 1,635.50, March 2017 was down 2.5 points to 1,637.0 and June 2017 eased 3.5 points to 1,630.5.

Turnover was slightly lower at 9,670 lots from Thursday's 9,684 lots and open interest fell to 39,529 contracts from 43,074 contracts Thursday. The underlying benchmark FBM KLCI finished 3.80 points higher at 1,641.73.

AmBank's Y-O-Y Retail Spending Boosted By 14 Pct

KUALA LUMPUR -- The "Caltex: Fill, Swipe & Win" campaign has boosted AmBank's year-on-year retail spending by 14 per cent and garnered a 35 per cent increase in AmBank card spend at Caltex stations. The campaign, from June 1-Sept 30 this year, is a joint marketing collaboration between AmBank Group and Caltex to reward AmBank credit and debit cardholders. AmBank (M) Bhd Retail Banking Managing Director Jade Lee said it rewarded cardholders in the form of cash back on their daily petrol use at Caltex. "We believe in rewarding our customers and are delighted to share this joyous occasion with the winners," she said in a statement here Tuesday.

BNM Reminds Financial Institutions To Observe FSA Reporting Obligations

KUALA LUMPUR -- Bank Negara Malaysia (BNM) is reminding all financial institutions to observe reporting obligations imposed under the Financial Services Act 2013 (FSA) particularly on the requirement to promptly notify the central bank of any significant findings. In a statement here Tuesday, BNM said it has initiated enforcement actions under the FSA against a financial institution for failure to promptly notify BNM of a significant audit finding in relation to its dealers' misconduct involving the fixing of the USD/MYR exchange rate. "The finding indicates that there were communications with traders from other foreign financial institutions which included inappropriate references to the fixing rate submission process," it said.

Malaysians Working Abroad Eligible To Contribute To EPF

By Siti Radzeah Rahmat

BANGI -- Malaysians working abroad are eligible to make contributions to the Employees Provident Fund (EPF) via the 1Malaysia Retirement Savings Scheme (SP1M). Johor EPF branch Retirement Advisory Service (RAS) officer, Faizal Abu Al-Ashari said those below 55 years-old can register as EPF members to make savings until they reach retirement age. "This also refutes the perception that Malaysians working abroad are not eligible to make savings with EPF. Actually, they can still save with the EPF. "The SP1M was introduced to encourage the self-employed and those without fixed income to contribute voluntarily based on their capability. This include Malaysians working abroad," he told Bernama here Tuesday.

Onshore FX Market Records Higher Daily Average Volume In Dec

KUALA LUMPUR -- The liquidity on the onshore foreign exchange (FX) market recorded a higher daily average volume of US$9 billion (US$1 = RM4.48) across all FX transactions this month, comparable to the average of US$8 billion from January to November, said Bank Negara Malaysia's (BNM) Financial Markets Committee (FMC). "Against the backdrop of a stronger US dollar and continued uncertainties, the ringgit's intra-day movement averages around 90 points compared to 228 points in November and a high of 600 points (measured through difference between the highest and lowest exchange rate in the interbank market during the day). "FX flows comprise supply and demand from all major participants, including the exporters/importers, portfolio-related and direct investments," the FMC said in a statement here Wednesday.

Muslim EPF Contributors Should Understand Importance Of Making Nominations

KUALA LUMPUR -- Muslim contributors to the Employees Provident Fund (EPF) were Wednesday reminded to take due consideration in making nominations to avoid problems at a later date. The Association of Islamic Finance and Wealth Malaysia (AIFiWM) president Rohani Mohd Shahir told Bernama recently, Muslim contributors should update their nomination from time to time, especially after they get married to ensure their dependents do not face difficulties after their death.

OCBC, Great Eastern Introduce Life Insurance Coverage For Credit Cardholders

KUALA LUMPUR -- OCBC Bank (Malaysia) Bhd and Great Eastern Life Assurance (Malaysia) Bhd have teamed up to introduce the country's first life insurance protection reward scheme for credit cardholders. In a statement here Thursday, OCBC Bank said all Great Eastern Life Assurance policyholders were eligible to apply for the card. It said the revamped OCBC-Great Eastern Credit Card offered a distinct RM100,000 insurance protection benefit against death or total permanent disability, replacing the existing rebates plan.

BNM Issues Enhanced KLIBOR Rate Setting Policy Document

KUALA LUMPUR -- Bank Negara Malaysia (BNM) recently issued the enhanced standards on KLIBOR Rate Setting Policy Document that outlines the phasing out of the nine-month KLIBOR rate effective Jan, 1 2018. In a statement here Thursday, BNM said the policy document incorporated measures to further strengthen the integrity of the KLIBOR reference rate. These measures were being introduced following a review of the KLIBOR rate fixing process and cover broadly the areas of governance, oversight, accountability, and transparency, it said.

i-Rakyat Provides Tabung Haji Services Online

KUALA LUMPUR -- Bank Rakyat's customers can now enjoy Tabung Haji services online by logging on to its i-Rakyat internet banking at www.irakyat.com.my. In a statement here Thursday, Bank Rakyat said the services would make it easier for its customers to manage their haj pilgrimage arrangement without the need to visit Tabung Haji and the bank's branches. "Among the facilities offered are checking Tabung Haji account balance, haj registration, haj registration status, transfers of funds from i-Bank Rakyat savings account into Tabung Haji account," it said.

UOB Malaysia Aims To Increase Local Credit, Debit Cards Base By 13 Pct

KUALA LUMPUR -- United Overseas Bank (UOB) Bhd aims to grow its local credit and debit cards base by 13 per cent. It is also seeking to improve total billings by 14 per cent in the next four years. "To match the travel expectations of the affluent in Malaysia, we have embarked on regional partnerships with strategic travel related brands to strengthen our offers to these customers. "These partnerships continue to enhance our suite of offerings as we increase market share in this segment," said Managing Director and Country Head of Personal Financial Services, Ronnie Lim in a statement here Tuesday.

Eastspring Investments Declares Income Distribution For 3 Funds

KUALA LUMPUR -- Eastspring Investments Bhd Tuesday announced a gross income distribution for three of its existing funds. In a statement, Eastspring said the funds are Eastspring Investments Small-cap Fund, Eastspring Investments Balanced Fund and Eastspring Investments Bond Fund.

Mitrajaya Unit Accepts Civil Works Contract Worth RM183.43 Mln

KUALA LUMPUR -- Mitrajaya Holdings Bhd's unit, Pembinaan Mitrajaya Sdn Bhd, has accepted a civil works contract from West Coast Expressway Sdn Bhd worth RM183.43 million. In a filing to Bursa Malaysia Tuesday, Mitrajaya said the award was for the construction and completion of civil works for Section 2 of the West Coast Expressway from South Klang Valley Expressway interchange to Shah Alam Expressway interchange. "The contract is for the duration of 30 months commencing from the date of possession, which will be advised in due course, and is expected to contribute positively to the group's future earnings," it said.

SelProp Pre-Tax Profit Falls To RM98.76 Mln

KUALA LUMPUR -- Selangor Properties Bhd's (SelProp) pre-tax profit for the financial year ended Oct 31, 2016 fell to RM98.76 million from RM629.01 million in the same period of 2015. Revenue, however, rose to RM121.82 million from RM99.49 million previously, it said in a filing to Bursa Malaysia Tuesday. For the fourth quarter ended Oct 31, 2016, the pre-tax profit fell to RM84.11 million from RM514.74 million in the same period in 2015. Revenue increased to RM35.35 million from RM27.48 million previously. SelProp attributed this to higher occupancy coupled with higher rental rates achieved for the quarter.

EG Industries Exploring Other Options To Enhance Financial Position

KUALA LUMPUR -- EG Industries Bhd is not limiting itself to the issuance of right shares and private placement to improve its financial position. In a filing to Bursa Malaysia here Tuesday, the consumer electronics product maker denied a news report that it was planning to implement a rights issue or private share placement to improve its financials to be on a par with its peers. "The board is exploring various options to attain its objective, including but not limited to our corporate exercises," the company said. "The board will make the appropriate announcement upon reaching its decision," it added.

Aims To See Double-Digit Revenue Growth

KUALA LUMPUR -- South-East Asia's leading carrier-neutral data services provider, AIMS Group of Companies, expects to register a double-digit revenue growth in 2016. In a statement here Wednesday, Group Chief Executive Officer Chiew Kok Hin, said the space for its data centre expanded by 10,000 sq ft this year and utilised up to 90 per cent. Chiew said demand for data storage would be on the rise as the government was moving towards transforming Kuala Lumpur into a smarter city.

Econpile Unit, CCCC Bag RM389 Mln Contract From Gabungan Strategik

KUALA LUMPUR -- Econpile Holdings Bhd's wholly-owned subsidiary, Econpile (M) Sdn Bhd (EMSB), and China Communications Construction Company (M) Sdn Bhd (CCCC) have received a letter of award from Gabungan Strategik Sdn Bhd to undertake construction works worth RM389.07 million. In a filing to Bursa Malaysia here Wednesday, Econpile said the contract entailed the execution and completion of the foundation, substructures and other ancillary works for the Sungai Besi-Ulu Kelang Elevated Expressway (SUKE) -- Package SUKE-CA3.

Customs Expects To Collect Additional RM3 Billion In GST Next Year

JOHOR BAHRU -- The Royal Malaysian Customs Department expected an additional collection of RM3 billion in Goods and Services Tax (GST) next year through the Customs Blue Ocean Strategy Operations (Ops CBOS) approach which focuses more on informed compliance. Customs Deputy Director-General (Enforcement and Compliance) Datuk T.Subromaniam told reporters here Wednesday, the target was based on the additional RM1 billion collected within four months after the Ops CBOS was implemented last September.

Pembangunan Pertanian Melaka

Posts RM1.8 Mln Profit

JASIN -- Pembangunan Pertanian Melaka Sdn Bhd posted a profit of RM1.8 million for the January to November 2016 period, up from RM800,000 in the same period last year, Deputy Chairman Datuk Hasan Rahman told reporters here Thursday. He attributed the higher profit for the state government subsidiary to the resolution of the flash flood problem, that had dragged down profits earlier, with the help of the federal and state governments. "If the problem does not persist next year, the company is expected to record a higher profit," he said.

Growth In Global Rubber Glove Demand To Maintain At 8-10 Pct In 2017

KUALA LUMPUR -- The growth in global demand for rubber gloves is expected to be maintained at around eight to 10 per cent in 2017, says the Malaysian Rubber Glove Manufacturers Association (MARGMA). In a statement here Thursday, MARGMA said it expects the total export revenue of rubber gloves for 2017 to be at RM15.2 billion, while the projected total export revenue for 2016 to be at RM14.3 billion. President Denis Low Jau Foo said the January-September 216 statistics indicated that the total export revenue for rubber gloves to reach RM13.8 billion.

Kim Loong's Q3 Pre-Tax Profit Falls To RM37.33 Mln

KUALA LUMPUR -- Kim Loong Resources Bhd's pre-tax profit for the third quarter ended Oct 31, 2016 declined to RM37.33 million from RM37.61 million in the same period last year. Revenue, however, rose to RM248.10 million from RM209.12 million previously. In a filing to Bursa Malaysia here Thursday, Kim Loong said, the positive performance was due to higher profit contributed by better fresh fruit bunches (FFB) prices despite lower production. "The average FFB prices were about 48 per cent and 29 per cent higher for the current quarter and year-to-date respectively compared to the corresponding periods last year," it said.

BCorp's Q2 Pre-Tax Profit Surges To RM408.49 Mln

KUALA LUMPUR -- Berjaya Corp Bhd's (BCorp) pre-tax profit for the second quarter (Q2) ended Oct 31, 2016 rose to RM408.49 million from RM288.94 million in the same period last year. Revenue increased to RM2.46 billion from RM2.26 billion previously. In a filing to Bursa Malaysia here Thursday, BCorp said, the higher pre-tax profit was mainly due to contributions from its property investment and development business segment. "This was driven by the sale of residential properties at the recently-opened Four Seasons Hotel Kyoto in Japan as well as higher profit recognition from a property project in China which is nearing completion," it said.

Huawei Is Top Asian Private Company By Revenue For 2015

KUALA LUMPUR -- The top Asian private company by revenue in 2015, was Huawei Investment & Holding Co Ltd. New York-based PrivCo in a statement here Friday said the others in tow were, Suning Holdings Group Co Ltd, Shandong Weiqiao Pioneering Group, Amer International Group Co Ltd and Charoen Pokphand Group respectively. PrivCo is a leading provider of private company financial data and business research and the findings are from the recent release of the "The PrivCo Asia 50: Ranking the Largest Private Companies in Asia by Revenue Report". PrivCo has exclusive financial data on over 900,000 private companies worldwide.

Agriculture Sector Contributes 8.9 Pct To GDP In 2015

KUALA LUMPUR -- The agriculture sector contributed 8.9 per cent or RM94.1 billion to Malaysia's gross domestic product (GDP) in 2015, down from 9.2 per cent in 2014, the Department of Statistics (DoS) said. It said oil palm was a major contributor at 46.9 per cent, followed by other agricultural products (17.7 per cent), livestock (10.7 per cent), fishing (10.7 per cent), rubber (7.2 per cent), and forestry and logging (6.9 per cent). "For the crops sub-sector, padi production improved 16.6 per cent year-on-year (y-o-y) to 473,000 tonnes in 2015, with the planted area expanded seven per cent to 730,000 hectares," it said in a statement here Friday. The DoS said the production of kenaf (dried stem) surged 56.6 per cent y-o-y to 4,000 tonnes in 2015, while natural rubber increased eight per cent to 53,500 tonnes, and oil palm fresh fruit bunches edged up 2.4 per cent to 2.27 million tonnes.

Serba Dinamik To Enlarge Market Cap To RM2 Bln, Raise RM600 Mln Proceeds From IPO

KUALA LUMPUR -- Serba Dinamik Holdings Bhd is expected to enlarge its market capitalisation to RM2 billion upon its listing on the Main Market of Bursa Malaysia Bhd on Feb 8, 2017. Group Managing Director/Group Chief Executive Officer, Datuk Mohd Karim Abdullah, said the company was expected to raise close to RM600 million from its initial public offering (IPO) involving up to 389.4 million shares at an issue price of RM1.50 each. "Out of the RM600 million proceeds, about RM407 million will go to the company while the remaining will go to the existing shareholders," he told reporters after the launch of the company's prospectus here, Friday.

Broad Money (M3) Growth Moderates At 2.9 Pct Nov

KUALA LUMPUR -- Broad money or M3 growth moderated to 2.9 per cent in November, compared to a growth of 3.2 per cent in October. In a statement, Bank Negara Malaysia (BNM) said Friday, the expansion in M3 was driven mainly by the continued extension of credit to the private sector by the banking system.

Maxis To Acquire Remaining 25 Pct Stake In AWT For RM15.83 Mln

KUALA LUMPUR -- Maxis Bhd has signed a share purchase agreement with MBNS Multimedia Technologies Sdn Bhd (MMT) to acquire the remaining 25 per cent non-controlling interest in Advanced Wireless Technologies Sdn Bhd (AWT) for RM15.83 million. In a filing to Bursa Malaysia Tuesday, Maxis said, as part of the agreement, it would also purchase goods and services totalling RM3 million from MMT. AWT wholly-owns UMTS (M) Sdn Bhd, a holder of a 2,100 megahertz (MHz) spectrum assignment from Malaysian Communications and Multimedia Commission for 15 years expiring on April 1, 2018.

FGV Says Investors Need To Assess Its Performance Over Time

KUALA LUMPUR -- Felda Global Ventures Holdings Bhd (FGV) has asked its major investors to assess its business performance over a long period of time, its Group President and Chief Executive Officer, Datuk Zakaria Arshad said. Acknowledging paper losses incurred by all FGV's major investors, he said as a plantation company, direct factors such as weather had affected its performance, hence dampening investor sentiment. "What is important, we need to see that FGV's fundamentals are still strong and they should be taken into consideration in justifying investments," he said in a statement here Tuesday in response to the losses incurred by FGV's shareholders. Since its listing in 2012, FGV has never failed to declare dividends to all its shareholders in the face of challenging situations.

Konsortium Asia Petrohub Has Yet To Receive Consent On Name Use

ALOR SETAR -- Konsortium Asia Petrohub has not yet received the consent of the Sultan of Kedah, Sultan Abdul Halim Mu'adzam Shah on using the ruler's name for its giant refinery project to be built in Yan. Comptroller of the Kedah royal household/principal private secretary to the Kedah Sultan, Datuk Bijaya Indera Datuk Paduka Syed Unan Mashri Syed Abdullah said the company also had yet to receive approval from the state government to implement the project worth US$20 billion (RM89.41 billion), which was expected to be operational in three years. "I've been instructed to inform that the news on the project being spread in the national print media using the name of Sultan Abdul Halim Mu'adzam Shah is misleading and untrue," he said in a statement to Bernama, here, Tuesday.

Natural Gas Tariff Revision For Non-Power Sector From Jan 1, 2017

KUALA LUMPUR -- Gas Malaysia Bhd has received the approval from the government to effect the revision of natural gas tariff for the non-power sector in Peninsular Malaysia from Jan 1 next year to Dec 31, 2019 in line with the Incentive Based Regulation (IBR) framework. In a filing to Bursa Malaysia here Wednesday, the company said the IBR framework set the base tariff for a regulatory period of three years from January next year and allowed changes in gas costs to be passed through via Gas Cost Pass Through (GCPT) mechanism every six months.

2017 Inflation Rate Manageable, Say Economists

By Niam Seet Wei and Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- The nation's 2017 expected inflation rate of between 2.5 and 2.8 per cent as measured by the Consumer Price Index (CPI), is modest and manageable, say economists. MIDF Investment Chief Economist, Dr Kamaruddin Mohd Nor, said the inflation rate, expected to be higher next year, has averaged 3.63 per cent from 1973 to 2016. "It hit an all-time high of 23.90 per cent in March 1974 and a record low of -2.40 per cent in July of 2009," he told Bernama.

Felda's EHP Acquisition Vital For Its Progress In Palm Oil Sector

KUALA LUMPUR -- The Federal Land Development Authority's (FELDA) decision to acquire a stake in Indonesia's PT Eagle High Plantation Tbk (EHP) is vital to its progress as it has reached a stage where it needs to reinvent itself after six decades in the industry. FELDA Deputy Director-General (Management) Muzzammil Mohd Nor told Bernama in an interview here Thursday, failing to do this would mean FELDA would remain stagnant, while others in the global palm oil sector were moving forward. Expounding the rationale behind the transformative deal, Muzzammil said the deal was strategically too important to pass up as it would make FELDA one of the biggest global palm oil plantation companies.

OCK Vietnam Fulfils Conditions For SEATH

KUALA LUMPUR -- OCK Vietnam Towers Pte Ltd (OCK Vietnam) has fulfilled the conditions precedent under the share sale and purchase agreement for 100 per cent equity interest in Southeast Asia Telecommunications Holdings Pte Ltd (SEATH). OCK Vietnam is an indirect 60 per cent-owned unit of OCK Group Bhd and 40 per cent owned by CapAsia Telecommunications Ltd (CTL). In a filing to Bursa Malaysia here Thursday, OCK Group, a telecommunications networkcservice provider, said the transaction of 100 per cent equity interest in SEATHcwas expected to be completed by mid-January 2017.

Fees For MRT 1 Project RM750 Mln, Says MMC Gamuda
KUALA LUMPUR -- MMC Gamuda KVMRT (PDP) Sdn Bhd has clarified that its fees as the project delivery partner (PDP) for the Mass Rapid Transit 1 (MRT 1) project were estimated at RM750 million. It said the amount stated by PKR Vice-President, Rafizi Ramli, of RM7 billion was not true. In a statement here Thursday, MMC Gamuda said, besides the RM21 billion construction cost, there were other associated costs -- fees for engineering consultancy, quantity surveyors, system integration works, site investigations, topographical survey, overheads, contingencies and PDP fees.

Big Blue Taxi Implements E-Ticketing System From Jan 1
KUALA LUMPUR -- Starting Jan 1, Big Blue Taxi Facilities Sdn Bhd will implement the electronic ticketing (Big Blue e-Ticketing) to all taxi drivers under the company's supervision. Its adviser, Datuk Shamsubahrin Ismail told reporters here Thursday, this is to protect passengers from being cheated by unscrupulous taxi drivers by taking a longer route to impose high meter charges. Through this system, all drivers under the company will no longer use metered charges, but passengers will be charged according to the rates fixed with no hidden charges.

LADA Eyes Social Media As Vehicle To Enhance CSR
LANGKAWI -- Langkawi Development Authority (LADA) will use the social media extensively as a vehicle to fulfill its corporate social responsibility (CSR) next year. It's chief executive officer Datuk Azizan Noordin said the social media would be one of the avenues used by LADA to expand the impact of its CSR and ensure it reached more people. "The social media opens up another opportunity for us to improve our CSR especially in raising the achievement of education in Langkawi," he told reporters here Thursday.

KPDNKK, MOH, MOSTI To Regulate Use Of E-Cigarette, Vape
PUTRAJAYA -- The Ministry of Domestic Trade, Cooperatives and Consumerism (KPDNKK) is one of three ministries which have been tasked by the government to regulate the use of electronic cigarette and vape. The Cabinet meeting Wednesday also gave tasks to two other ministries, the Ministry of Health (MOH) and the Ministry of Science, Technology and Innovation (MOSTI), said KPDNKK in a statement here Thursday.

Customs Dept Records 6,379 Cases Of False Declaration This Year
BUTTERWORTH -- The Royal Malaysian Customs Department has recorded 6,379 false declarations of goods at ports nationwide, involving RM633 million in taxes this year. Its director-general, Datuk Seri Khazali Ahmad told reporters here Thursday the false declarations were detected via the mandatory full use of the 100 per cent scanning machines on all containers entering and leaving the nation's major ports. He said the upgrading of scanning machines at the ports nationwide also facilitated work to curb the proliferation of unhealthy activities including national revenue leakage and the entry of banned and unlicensed items.

LKIM & Phuket FMO Cooperate To Boost M'sia -Thailand Fisheries
KUALA LUMPUR -- The Malaysian Fisheries Development Authority (LKIM) will work with Phuket Fish Marketing Organisation (FMO) of Thailand to develop the fisheries sectors of both countries. LKIM chairman Datuk Seri Dr Irmohizam Ibrahim said this was because Phuket was one of the best fish landing centres in South East Asia, especially tuna. "Malaysia is pleased if Thailand can share information in tuna processing and turn LKIM complexes into those in Thailand which are used to export fisheries products, especially tuna to Japan and the United States," he said in a statement here Thursday.

Rapid KL's New Generation Trains Enhance Ridership By 30 Per Cent
KUALA LUMPUR -- Sophisticated and chic. This description pretty much sums up the new generation trains of the Rapid KL Light Rail Transit (LRT) for the Kelana Jaya Line which can increase its passenger capacity by 30 per cent. The driverless four-car trains, known as the Kuala Lumpur Additional Vehicle (KLAV), with modern design began its operations Thursday. These trains can each carry 800 passengers at any one time compared to the existing two-car trains with a capacity of only 472 people. Rapid Rail Sdn Bhd chief executive officer, Datuk Ir Zohari Sulaiman said a total of 14 KLAV trains of the new Bombardier Innovia Metro 300 model would be operating in stages to replace the existing two-car trains by mid-2017.

Malaysia To Sustain Foreign Interest In Bond Market
By Harizah Hanim Mohamed

KUALA LUMPUR -- The positive interest rate differential (IRD) offered by Malaysia will continue to attract foreign investors, hence, sustain their interest in the local bond market. And this would simultaneously offset the downward pressure on the ringgit, said Professor of Economics, Sunway University Business School, Dr Yeah Kim Leng. Malaysia's overnight policy rate stands at 3.0 per cent and even as the US interest rate has been revised upwards by 0.25 percentage point to a range of 0.5 and 0.75 per cent, the IDR remains attractive for the local market.

Former TV Alhijrah CEO Receives Ketengah's Maulidur Rasul Special Award

DUNGUN -- Former chief executive officer of TV Alhijrah, Datuk Che Wan Alias Che Wan Abdullah, was named the recipient of the Development Authority of Terengganu Tengah (Ketengah) Maulidur Rasul Special Award Monday. Ketengah general manager Omar Ismail said the award was given to Che Wan Alias for his deeds and contributions to the people in the Ketengah region.

Kuantan Flour Mills Ink MoU With Lotus Essential

KUALA LUMPUR -- Kuantan Flour Mills Bhd (KFM) has signed a memorandum of understanding (MoU) with Lotus Essential Sdn Bhd as part of the former's proposal to restructure its debt and reconstruct its business. In a filing to Bursa Malaysia, the flour producer said it has proposed, among others, to carry out an equity fund raising exercise via a rights issue and special issue of its shares. It has also planned to cooperate and collaborate with Lotus in carrying out flour milling activities, as well as, trading of flour and food related products.

IDOTTV, IS.NET To Provide IoT Solutions

KUALA LUMPUR -- IDOTTV Sdn Bhd, a unit of Sedania Innovator Bhd, has signed a strategic partnership agreement with Iscada Net Sdn Bhd (IS.NET) to provide Internet of Things (IoT) solutions for five years beginning Dec 21, 2016. IDOTTV and IS.NET will collaborate to undertake the provision of iSNET Fire Safety Portal under the Automatic Fire Control System (Sistem Pengawasan Kebakaran Automatik) agreement for the Fire and Rescue Department Malaysia (FRDM), Sedania said in a filing to Bursa Malaysia Tuesday. "This partnership is catered to design solutions for IoT and also supply devices to allow instant connectivity between designated buildings and FRDM. "This is consistent with IDOTTV's corporate objective to maximise profit, increase shareholders' value and improve business sustainability," it said.

Motorists Using MEX To Enjoy 10 Pct Discount On New Year's Day - MESB

PUTRAJAYA -- Highway concessionaire Maju Expressway Sdn Bhd (MESB) will offer motorists a toll discount of 10 per cent in conjunction with the 2017 New Year holiday for motorists using the Maju highway (MEX). The MESB is a statement here Tuesday said the 10 per cent discount applies to all classes of vehicles using the Maju Highway (MEX) from midnight of New Year's eve to 11.59pm on New Year's Day. "More than 100,000 users are expected to benefit from the discount offered," said the statement.

10,000 Visitors To Attend 'Visit Beautiful Terengganu' Launch On Saturday

KUALA TERENGGANU -- About 10,000 visitors are expected to attend the launch of Visit Beautiful Terengganu 2017 on Saturday which will be officiated by the Sultan of Terengganu, Sultan Mizan Zainal Abidin. State Tourism and Culture Committee deputy chairman Wan Abdul Hakim Wan Mokhtar said various activities will be held throughout the launch from Saturday to Monday. "There'll be a promotion of tourism products in eight districts featuring unique characteristics such as the 'Warrior Trail', 'Terengganu Peranakan Trail', 'Ulama Trail' and 'Penyu Menangis Trail'," he told reporters here Tuesday.

Super Seven Opens Fifth Outlet In De Centrum Mall

KUALA LUMPUR -- Super Seven Cash & Carry Sdn Bhd opens its fifth outlet in De Centrum Mall, Kajang here Wednesday. In a statement Wednesday, the mall's developer, Protasco Bhd, said being the anchor tenant, the supermarket chain would occupy about 38,000 sq ft of space. Protasco Executive Vice Chairman/Group Managing Director, Datuk Seri Chong Ket Pen, said the opening of Super Seven would be of convenience to the community of De Centrum City and the areas surrounding Kajang.

Extended Public Transport Services For New Year Celebrations

KUALA LUMPUR -- In conjunction with the 2017 New Year celebrations, the operational time for the Light Rail Transit (LRT) system, Mass Rapid Transit (MRT), RapidKL bus and KL Monorail at selected stations will be extended this Saturday. Head of Communications and Strategic Marketing for the Prasarana Group, Lim Jin Aun said in a statement here Wednesday, this was to meet the needs of people who wished to join in the festivities, besides avoiding traffic congestion in the nearby areas. Services at the Masjid Jamek and KLCC LRT stations on the Kelana Jaya line as well as the Masjid Jamek LRT station on the Ampang and Sri Petaling lines will be extended to 2am. As for the KL Monorail line, services at the Bukit Nanas station will be extended to 2am and at the Hang Tuah station to 12.30am.

RM20 Incentive To Open SSPN-i Account For Newborn Babies In Melaka

MELAKA -- The Melaka State Education Trust Fund (TAPEM) will provide RM20 as incentive to open a National Education Savings Scheme (SSPN-i) account for newborn babies in the state from Jan 1, next year. TAPEM general manager Mustafa Musa told reporters here Thursday, the incentive involving a RM500,000 provision was aimed at encouraging the public to save in the scheme from a young age.

Honda To Cease Airbag Replacements At 3 Hubs

KUALA LUMPUR -- Honda Malaysia Sdn Bhd (Honda Malaysia) has announced that operations at three Honda Service Central Hubs (Perai, Petaling Jaya and Johor Baharu) for the Takata front airbag inflator replacement will cease Saturday. To make the replacement process more convenient for its customers, Honda Malaysia will introduce the Mobile Caravan, which will be going nationwide to provide on-the-spot replacements seven days a week, it said in a statement here Friday.

Malaysia's Economy Stays Resilient In 2016

By Christine Lim May Yu

RESILIENT...Bank Negara Governor Datuk Muhammad Ibrahim (2nd, right) announcing Malaysia's economic growth of 4.3 per cent for the third quarter of 2016 at Bank Negara Malaysia on Nov 11. Also present his deputies Datuk Nor Shamsiah Mohd Yunus (2nd, left) and Dr. Sukudhew Singh (right) --fotoBERNAMA by Mohd Huzaini Daud

KUALA LUMPUR -- The Malaysian economy remained resilient in the eye of the storm to maintain at least four per cent growth for the first three quarters of 2016 in spite of a challenging global environment. There are reasons to cheer as the country had weathered the dark clouds and maintained its economic momentum when other developed nations recorded lower growth rates of below one per cent with the risk of facing recession.

US president-elect, Donald Trump, was said to be impressed with Malaysia's third-quarter 2016 performance of 4.3 per cent, as the economy perked for the first time after six consecutive quarters of slowing growth. The continued expansion in the private sector spending and support from net exports have bolstered the country's economy in the third quarter. At the same time, the government efforts to boost consumption spending as well as the joint collaboration of Bank Negara Malaysia (BNM) and the Financial Markets Committee (FMC) in introducing measures to enhance liquidity of the foreign exchange (forex) market, have provided stability and sustained growth momentum.

CONSUMER SPENDING

ForexTime's Vice-President of Corporate Development and Market Research, Jameel Ahmad, said the Malaysian economy could grow by over four per cent next year as the economy relied a great deal on consumer spending to reduce headwinds from the cut in global trade. "One bright spot is that the Malaysian economy is still expanding at a far stronger pace than the developed world.

This is in spite of volatility and weakness in the ringgit due to heavy US dollar buying demand that has impacted all global currencies in recent months," he told Bernama in an email response on the performance of the Malaysian economy. Jameel said the rebound in oil price could also spur Malaysia's economic growth and help the ringgit as well as other emerging markets' currencies to regain momentum after a pressured past 18 months. Oil price rebounded to its highest levels since the middle of last year, with the benchmark Brent crude trading at the US$50 level after the Organisation of Petroleum Exporting Countries agreed at a meeting on Nov 30, 2016 to cut output for the first time since 2008, from 33.8 million barrels per day (bpd) to 32.5 million bpd.

STRATEGIC TARGETS

In the Budget 2017 announcement, Prime Minister Datuk Seri Najib Tun Razak has outlined strategic targets and measures to diversify government's sources of revenue, particularly in reducing dependency on oil and gas sector-related revenue from 41.3 per cent in 2009 to 14.6 per cent in 2016. The government is also expected to achieve the fiscal deficit target in 2017 accounting for three per cent of the gross domestic product (GDP) from 3.1 per cent this year. Najib expressed confidence that the country's economy would achieve growth of between four per cent and 4.5 per cent in 2016 and between four and five per cent in 2017. Jameel said for the GDP to rebound to levels seen in 2014 and 2015, at five to six per cent, Malaysian consumer spending would have to pick up.

"This is, however, difficult if rising inflation presents challenges to the cost of living and reduced disposable income. "The problem with a weaker currency is generally more expensive import costs, which lead to increased inflation. "With so many currencies getting hit by the US dollar, Malaysia will not be alone in facing renewed inflation risks," he said.

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December 31, 2016

Market Outlook

LIST OF MARKET REPORTS :

Bursa Malaysia Expected To Trend Higher Next Week

By Siti Radziah Hamzah

KUALA LUMPUR -- Bursa Malaysia is likely to trend higher towards the 1,650-point level next week to usher in 2017 amid further recovery in the crude oil market, said a dealer. The dealer expected oil and gas stocks to be in focus if the crude oil market sustained its upward momentum next week and helped lift the benchmark index.

However, the dealer anticipated weak trading earlier in the week due to the absence of fresh leads and the end of window-dressing period before recovering towards the end of the week. The market would also continue to gauge the Wall Street performance for further clues, added the dealer. Meanwhile, Affin Hwang Investment Bank Vice-President/Head of Retail Research, Datuk Dr Nazri Khan Adam Khan, said the US President-elect Donald Trump's inauguration was expected to boost US stocks, which subsequently would provide a fillip to Asian stocks. He added that the market would be monitoring Trump's policy statements as he takes office on Jan 20. "The FTSE Bursa Malaysia KLCI's (FBM KLCI) support level is seen between 1,600 and 1,620 while the resistance level is between 1,650 and 1,680 for next week," he told Bernama.

On the week just-ended, the local bourse was traded mostly higher on window-dressing. Bursa Malaysia will be closed on Monday in lieu of the New Year holiday which falls on Sunday. Weekly turnover eased to 5.723 billion units worth RM5.637 billion from 5.80 billion units worth RM6.62 billion registered last Friday. Main market volume rose to 4.370 billion shares valued at RM5.444 billion from 4.04 billion shares valued at RM6.32 billion last week.

FOREX: Ringgit To Stay Under Pressure On Us Interest Rate Rise

KUALA LUMPUR -- The ringgit, which ended the year on a bearish note, will likely continue its downtrend next week, as investor sentiment is dampened by expectations of higher US interest rates next year. A dealer said strong US economic data which showed US consumer confidence rose to the highest in more than 15 years in December would encourage the Federal Reserve to be more aggressive in its monetary policy. Furthermore, he said the ringgit was also pressured by heightened uncertainty over the economic policies of

US president-elect Donald Trump, who will be taking office on Jan 20. "Concerns over Trump's trade policies are also putting a lot of pressure on the currencies of export-dependent countries in Asia, including the ringgit. "However, we believe the ringgit will eventually stabilise and strengthen considering Malaysia's strong fundamentals, coupled with Bank Negara Malaysia's measures to reduce volatility in the local currency," he added. For the week just-ended, the ringgit was traded at 4.4845/4875, its lowest level against the US dollar since the 1997/98 Asian financial crisis, compared with 4.4725/4755 recorded last Friday.

The ringgit fell against the Singapore dollar to 3.1043/1085 from 3.0934/0959 last Friday and slid to 3.8375/8411 versus the yen from 3.8112/8145 last week. Against the British pound, it declined to 5.5213/5259 from 5.4904/4946 previously and weakened to 4.7482/7523 against the euro from 4.6751/6800 last Friday.

Money-Market: Short- Term Rates Likely To Be Steady

KUALA LUMPUR -- Short-term rates are likely to be steady next week with Bank Negara Malaysia expected to offer tenders to absorb excess funds from the system. For the week just-ended, the overnight rate was quoted at 2.95 per cent while the one-, two- and three-week rates were at 3.02 per cent, 3.07 and 3.10 per cent, respectively. The central bank intervened on a daily basis to mop up surplus liquidity by conducting conventional money market, reverse repo, repo, and range maturity auction money market tenders. It also conducted Qard tenders, Qard Islamic range maturity auction tenders and a commodity Murabahah programme tender.

The total liquidity surplus for the week just-ended was higher at RM31.67 billion in conventional operations against RM27.19 billion last Friday. Islamic funds edged up to RM11.00 billion from RM7.00 billion previously. The benchmark three-month interbank rate was unchanged at 3.41 per cent from last week.

KLCI Futures Seen Trading Firmer Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract is expected to trend firmer in the first week of 2017 next week, tracking the movement of the cash market. During the week just-ended, the FBM KLCI futures were mostly traded higher before closing the year lower on Friday.

On a Friday-to-Friday basis, December 2016 increased 20 points to 1,632.00, January 2017 rose 16.5 points to 1,635.5, March 2017 went up 13 points to 1,637.00 and June 2017 added 9.5 points to 1,630.0. Turnover for the week jumped to 72,183 lots from 37,687 lots last week and open interest eased to 39,529 contracts from 48,110 contracts previously. The benchmark FBM KLCI ended the week 24.58 points higher at 1,641.73 from 1,617.15 last Friday.

CPO Futures To See Cautious Trading

By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- Crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to see cautious trading next week with prices ranging between RM3,100 and RM3,250 a tonne, a dealer said. Interband Group of Companies Senior Trader Jim Teh said the market was likely to be quiet as traders were expected to stay on the sidelines amid the shortened trading week, as well as the possible weakness in external markets during the holidays.

The local market will be closed on Monday in lieu of the New Year holiday which falls on Sunday. "The soybean oil price movement will also be one of the main indicators as the CPO movement depends on the global markets. "The local market will track closely the global vegetable oils market, especially soybean oil," he told Bernama. For the week just-ended, the CPO prices were mostly higher, mainly influenced by the movement of soybean oil prices, changes in the benchmark Dalian Commodity Exchange and a weaker ringgit. On a Friday-to-Friday basis, January 2017 rose RM68 to RM3,218 a tonne,

February 2017 gained RM78 to RM3,156, March 2017 improved RM49 to RM3,109 a tonne while April 2017 added RM41 to RM3,060 a tonne. Weekly turnover increased to 159,746 lots from 159,071 lots last Friday while open interest widened to 240,892 contracts from 224,807 contracts previously. On the physical market, January South remain unchanged at RM3,250 a tonne.

Rubber Market Likely To Perform Better

KUALA LUMPUR -- The Malaysian rubber market is likely to trend higher next week as a weaker ringgit versus the US dollar will make the commodity more attractive to foreign buyers, a dealer said. He said the lower currency had made the commodity more appealing and created renewed demand from buyers. "In addition, the rubber market also depends on the movement of crude oil prices. "If crude oil prices were to continue improving next week, this will certainly lend a support to the rubber prices as well," he added.

Meanwhile, the local market will be closed on Monday in lieu of the New Year holiday which falls on Sunday. For the week just-ended, trading was mixed mainly dampened by the volatility in other commodities prices such as crude oil and soybean, as well as the weaker ringgit. On a Friday-to-Friday basis, the Malaysian Rubber Board's noon price for SMR 20 added 7.5 sen to 871.0 sen a kg and latex-in-bulk rose 1.5 sen to 645.5 sen a kg. The 5 pm unofficial closing price for SMR 20 gained 12 sen to 884 sen a kg, while latex-in-bulk increased 0.5 sen to 645.0 sen a kg.

KLIBOR Futures To Remain Quiet

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia

Derivatives will likely remain quiet next week. For the week just-ended, the market was untraded, with open interest remaining at nil. On a Friday-to-Friday basis, the settlement price for untraded spot month January 2017, February 2017 and March 2017 were all down to 96.55 from 96.58 last week while newly introduced contract month, June 2017, stood at 96.50. Throughout the year, KLIBOR futures contract were only traded on Sept 21 and Oct 17. The underlying three-month KLIBOR on the cash market remained at 3.41 per cent on Friday.

KLTM Likely To Trend Higher Next Week

By Azlee Nor Mahmud

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to be on an upward trajectory next week on strong demand, with the metal's price trading between US$21,000 and US$21,300 per tonne, a dealer said. The dealer told Bernama that after subdued momentum for the week leading up to the Christmas and New Year holidays, the KLTM was on course for a further rebound, moving parallel to the benchmark London Metal Exchange (LME).

However, a technical correction was expected to set in to prevent prices from moving too high, he added. On Friday, the tin price closed at US$20,950 a tonne, up by US$150 from last Friday's close of US$20,800 a tonne. Throughout the week, the tin price on the local market was mostly unchanged due to the shortened trading week. On the LME, the tin price rose US$135 to close at US$21,075 a tonne from US$20,940 a tonne last Friday. Volume on the KLTM declined to 137 tonnes this week from 230 tonnes the week before with the bulk of trade during the week coming from Japan, China, South Korea, Pakistan and the United Kingdom. The price differential between the KLTM and LME narrowed to a discount of US$125 a tonne against a premium of US$140 a tonne last Friday.

Gold Futures Expected To Be Higher

By Farhana Poniman

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives, which ended the week on a bullish note, will likely continue its uptrend next week. Phillip Futures Sdn Bhd Dealer Chua Zheng Liang said the local gold market had been riding on the weakening ringgit, which presents foreign buyers with an opportunity to purchase the ringgit-denominated precious metal at a cheaper price. "However, traders have to be aware of the possibility of a technical correction, which might occur due to profit-taking," he told Bernama.

On a Friday-to-Friday basis, spot month December 2016 added 61 ticks to RM167.15 a gramme, January 2017 rose 58 ticks to RM167 a gramme while February 2017 and March 2017 improved 60 ticks each to RM167.90 and RM168.70 a gramme, respectively. Weekly turnover advanced to 49 lots worth RM747,000 from 10 lots worth RM165,825 recorded last week. Open interest on Friday was higher at 288 contracts from 259 contracts previously.