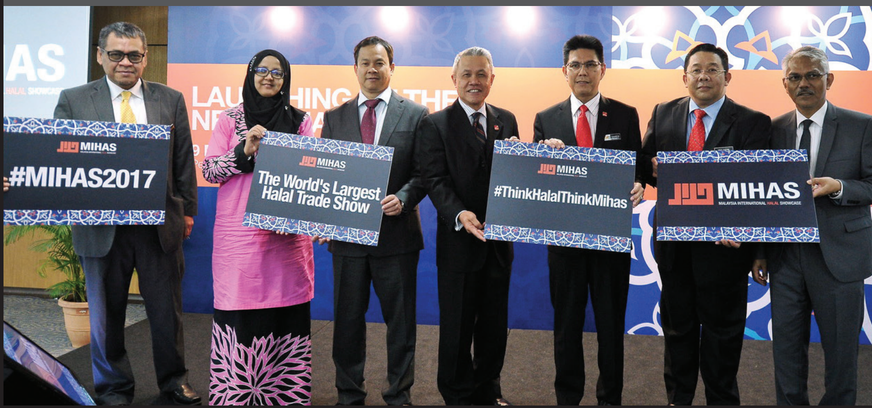
MALAYSIAeBiz
BERNAMA WEEKLY BUSINESS ROUNDUP 13 - 17 MARCH 2017
Edition 156
March 17, 2017

This Week's Highlight :
MATRADE Targets 150 International Buyers At MIHAS 2017



Matrade Director of Food, Biotech and Halal Unit, Mohd Aminuddin Sham Tajudin (left), Matrade CEO Dr Mohd Shahreen Zainooreen Madros (third, right), HDC CEO Kamil Daniel (third, left) and Jakim Halal Hub Director Datuk Dr Sirajuddin Suhaimee (second, right).

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is eyeing 150 buyers for the International Sourcing Programme (INSP), a business matching programme, during the forthcoming Malaysia International Halal Showcase (Mihas 2017). Director of Food, Biotech and Halal Unit, Mohd Aminuddin Sham Tajudin said MATRADE would arrange for about 1,500 business matching meetings, a day before Mihas. New buyers this year would originate, among others, from Maldives, Jordan, Mauritius, Tanzania, Nepal and Lesotho, he added.

This Week's Top Stories

MONDAY

BNM, MACC, LHDN To Combat Financial Crimes

KUALA LUMPUR -- Bank Negara Malaysia (BNM), the Malaysian Anti-Corruption Commission (MACC) and the Inland Revenue Board of Malaysia (LHDN) will join forces to combat financial crimes and strengthen the country's financial system. "The tri-partite effort would also able to increase the national revenue and build a country that is free from corruption and abuse of power," BNM Governor, MACC Chief Commissioner and LHDN CEO said in a joint-statement here today. The collaboration would allow the exchange of information on investigation and reinforce the sharing of best practices between the three agencies.

TUESDAY

Special Task Force On BNM's Forex Losses To Wrap Up Probe In 3 Months

KUALA LUMPUR -- The Special Task Force probing into BNM's forex losses in the 1990s aims to complete its investigation and present its findings to the Cabinet in three months' time. This would include a recommendation on whether a Royal Commission of Inquiry should be formed to investigate the claims in greater detail, its Chairman, Tan Sri Mohd Sidek Hassan said in a statement today. The Task Force would also submit recommendations to the government on further action, including the establishment of a Royal Commission of Inquiry, if necessary, based on the results of the investigation.

WEDNESDAY

Rising Export To Japan Due To Halal Demand

JOHOR BAHRU -- There is an increasing trend in the export of Malaysia's halal products to Japan over the years, due to the rising awareness of halal products and services, as well as, increasing Muslim travellers to the country. "Over the past three years, we saw an increasing trend in the export of halal products," MATRADE Chairman Datuk Dr Noraini Ahmad said. Among the top four halal products exported to Japan were halal ingredients, food and beverages, palm oil derivatives and, cosmetics and personal care. Noraini said apart from these products, there were also opportunities in halal pharmaceuticals, which was the strength of Malaysian companies.

THURSDAY

MARA To Assist 3,500 Entrepreneurs In 2017

KUALA LUMPUR -- The Ministry of Rural and Regional Development will focus on implementation of the MARA entrepreneurs development programme to assist some 3,500 existing and future entrepreneurs for this year. Its Minister, Datuk Seri Ismail Sabri Yaakob said thist includes expertise training, financing, food truck programmes, halal hubs and mobilepreneur segments. "Entrepreneur development is most important in developing any nation. It becomes the core to innovation and transformation to a more creative era and high income economy," he said in his speech at the MARA Entrepreneurs Awards (AURA) here today.

FRIDAY

LIMA 2017 To See Strong British Participation

KUALA LUMPUR -- The LIMA Exhibition 2017 will see the participation of a range of world leading British technologies, as the United Kingdom would be sending a strong delegation to the event. The delegation will comprise the Head of the Department of International Trade's Defence and Security Organisation, Stephen Phipson; Air Officer Commanding 1 Group Royal Air Force, Air Vice-Marshal, Gerry Mayhew; and Rear Admiral Alex Burton, the Commander of UK Maritime Forces, said the UK Department for International Trade Defence and Security Organisation in a statement today.

SMEbrief

e-Commerce Strategic Roadmap To Boost SME Capacity, Competitiveness - Mustapa

KUALA LUMPUR -- The National e-Commerce Strategic Roadmap (NeSR), drafted by the National eCommerce Council (NeCC), focuses on efforts to build up capacity and competitiveness of small and medium enterprises (SMEs), the Ministry of International Trade and Industry (MITI) said. Its Minister, Datuk Seri Mustapa Mohamed told Dewan Rakyat Tuesday, MITI would also give attention towards efforts to improve e-commerce promotion and marketing among SMEs and to set up eBusiness Resources, a one-stop centre, for SMEs.

Sirim's InnoPack Programme Sees 264 SMEs Receiving Guidance

KUALA LUMPUR -- Sirim Bhd guided 264 small medium enterprises (SMEs) under the Innovation Packaging (InnoPack) programme last year and advised 1,399 entrepreneurs on packaging and security design under the Sirim standard. On Wednesday, 70 entrepreneurs at the Malaysia External Trade Development Corporation's (Matrade) Integrated Centre for Export (ICE) were given a briefing on export opportunities. President and Chief Executive Datuk Dr Zainal Abidin Mohd Yusof told reporters Wednesday, the entrepreneurs are among the SMEs that joined the InnoPack programme with ready products identified for the export market.

TM To Launch Mobile Packages For SMEs In April

KUALA LUMPUR -- Telekom Malaysia Bhd (TM) is expected to officially launch mobile solution packages for small and medium enterprise (SMEs) through its digital mobility services provider, webe, on April 11. Executive Vice President Imri Mokhtar told reporters Wednesday, the product packages are currently going through the final stages of preparation, but SMEs can still register their interest with TM.

e-Commerce Adoption Rate Among SMEs To Grow To 50 Pct By 2020

KUALA LUMPUR -- E-commerce adoption among small and medium enterprises (SMEs) is expected to grow to 50 per cent by 2020 from 32 per cent in 2016, driven by the sector's increasing interest in online business. SME Corp Malaysia Chief Executive Officer Datuk Hafsah Hashim told a press conference Wednesday, SMEs were expected to be the main growth driver in the e-commerce industry, moving forward.

PropUP Propertyupdate

Rea Group Appoints Ruiz CEO Of Rea Group Asia

KUALA LUMPUR -- Rea Group has appointed Henry Ruiz Interim Chief Executive Officer (CEO) of Rea Group Asia, with immediate effect. In a statement Monday, Rea Group said, Ruiz, currently the group's Chief Digital Officer, would oversee its Asian businesses, including iProperty Group across South-East Asia and Chinese property site myfun.com.

Jengka Green Set To Change Bandar Tun Razak's Landscape

MARAN -- The Jengka Green project, which is taking shape in Bandar Tun Razak near here is set to change the landscape of the Federal Land Development Authority (Felda)'s plantation town. The RM330 million project, comprising apartments, a hotel, business spaces and shop lots, is being developed by Persada Semangat Sdn Bhd. Persada Semangat Chairman Datuk Seri Othman Mohamed told reporters Monday, the project, which started in October last year, was expected to be completed in 2020.

St. Regis Hotel, LICC Langkawi Tourism Game Changers - MOF

KUALA LUMPUR -- St. Regis Hotel and the Langkawi International Convention Centre (LICC) have become game changers to the tourism industry in Langkawi, the Dewan Rakyat was told Tuesday. The Ministry of Finance (MoF) said both pilot status projects were completed in 2015 and aimed at making Langkawi as a high-income tourist destination via the development of integrated coastal areas.

Eco World Sales Hit RM955 Mln In 1st 4 Months Of 2017

SEMENYIH -- Eco World Development Group Bhd's sales hit RM955 million in the first four months of the current financial year ending Oct 31, 2017, up 57 per cent, versus RM607.8 million recorded in the same period last year. President/Chief Executive Officer Datuk Chang Khim Wah told reporters Thursday, RM797 million was contributed by projects in the Klang Valley while the remaining RM158 million came from projects in Iskandar Malaysia and Penang.

TSR, Terusan Sign Mou To Develop 30.75 Ha In Langkawi

KUALA LUMPUR -- TSR Capital Bhd has signed a memorandum of understanding (MOU) with Terusan Al-Maju Sdn Bhd to develop 30.75 hectares in Langkawi, Kedah, into a high-end mixed property development. In a statement Thursday, TSR said, both parties agreed to share the assets and liabilities, development costs, profit and loss and the rights and responsibilities in the proposed project, in accordance to 60 per cent (Terusan) and 40 per cent (TSR).

MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 590
Losers - 369
Not Traded - 404
Unchanged - 359
Value - 5036550506
Volume - 49816280

Bursa Malaysia Closes Higher On Consistent Buying

By Nurul Hanis Izmir

KUALA LUMPUR -- Bursa Malaysia closed higher Friday on consistent buying in local counters, namely construction, technology and finance, a dealer said. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) gained 8.06 points to close at 1,745.20 from Thursday's close of 1,737.14.

The index opened 5.24 points higher at 1,742.38 and moved between 1,739.65 and 1,752.10 throughout the day. On the broader market, gainers outpaced losers 590 to 369, with 359 counters unchanged, 404 untraded and 27 others suspended. Volume rose to 4.98 billion units worth RM5.04 billion from 3.41 billion units valued at RM3.62 billion. Maybank Investment Bank remiser Jeffry Azizi said the volume and value recorded Friday was an all-time high for Bursa Malaysia, driven mainly by the recent 25 points interest rate hike by the US Federal Reserve.

"The new rate hike, the second time since December 2016, has shown that the US economy is improving and foreign investors are confident over buying more assets in emerging countries, including in Malaysia. "Since January this year, we have seen more than RM2 billion in funds flow into the country," he told Bernama. Meanwhile, another dealer said higher oil prices had also provided support to the local bourse. "Prices edged upward following a report that the US inventory had declined," he added. Main Market turnover rose to 3.96 billion units worth RM4.9 billion from 3.41 billion units worth RM3.62 billion Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.4340	4.4370
EUR	4.7767	4.7818
GBP	5.4933	5.4983
100 YEN	3.9156	3.9196
SGD	3.1638	3.1682

Source: Bank Negara Malaysia

FOREX: Ringgit Extends Gain To Close Higher Against Greenback

KUALA LUMPUR --The ringgit extended gains to close marginally higher against the US dollar Friday. At 6 pm, the local unit stood at 4.4340/4370 against the greenback compared with 4.4350/4390 on Thursday. A dealer said the greenback continued its downtrend on indication by the US Federal Reserve (Fed) of fewer interest rate hikes, resulting in more investors shifting their interest to emerging currencies, including the ringgit. The ringgit, meanwhile, traded lower against other major currencies.

It weakened against the Singapore dollar to 3.1638/1682 from 3.1586/1630 on Thursday and versus the yen, fell to 3.9156/9196 from 3.9099/9145. The ringgit eased against the euro to 4.7767/7818 from 4.7499/7546 and against the British pound, slid to 5.4933/4983 from 5.4320/4387.

Money-Market: Short-Term Rates End Stable On BNM's 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 liquidity surplus in the conventional system fell to RM30.18 billion from RM36.46 billion in the morning, while in the Islamic system, it eased to RM7.46 billion from RM10.94 billion previously. Earlier, BNM conducted one range maturity auction and one Islamic range maturity auction Qard tender.

The central bank also conducted a RM30.2 billion conventional and RM7.4 billion Qard money market tenders, both for three-day money. 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, 3.06 per cent and 3.11 per cent, respectively.

KLCI Futures Contract Ends Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives ended higher Friday in tandem with the steadier underlying cash market. Spot month March 2017 and April 2017 rose 12.50 points each to 1,755.5 and 1,756.5, respectively, while June 2017 increased 10.5 points to 1,749.5 and Sept 2017 was eight points better at 1,746. Turnover narrowed to 8,355 lots from 9,858 lots on Thursday. Open interest decreased to 40,586 contracts from 40,616 contracts, Thursday. The underlying benchmark FBM KLCI finished 8.06 points stronger at 1,745.20.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended untraded Friday. Spot month April 2017, May 2017, June 2017 and September 2017 were pegged at 96.53, 96.52, 96.50 and 96.46, respectively. Volume and open interest were both nil. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.43 per cent.

Bank Rakyat Denies News Report On Takeover

KUALA LUMPUR -- Bank Rakyat has denied a news report titled, "Bank Rakyat a takeover target", published by a local daily Monday. "The report is incorrect and there are no such plans," it said in a statement here. Bank Rakyat, the biggest cooperative bank in Malaysia, is now in the midst of launching a marketing campaign to promote its products and services to members and customers for this year's Ramadan and Aidilfitri.

Al Rajhi Appoints Janek Jayasekara As New CFO

KUALA LUMPUR -- Al Rajhi Bank Malaysia (ARBM), a wholly owned subsidiary of the world's largest Islamic bank, Al Rajhi Bank, Kingdom of Saudi Arabia (KSA), has appointed Janek Jayasekara as Chief Financial Officer (CFO), effective March 1, 2017. Janek succeeded Adel Abalkhail who returned to ARB KSA to assume the position of Deputy Group Chief Financial Officer (CFO), said Al Rajhi in a statement Tuesday.

Malaysia's Net Bond Issuance To Reach RM80 Bln This Year

KUALA LUMPUR -- Malaysia's net bond issuance is expected to reach RM80 billion this year, according to the Financial Markets Committee (FMC). In a statement Tuesday, Bank Negara Malaysia (BNM) said the size of Malaysia's bond market relative to Gross Domestic Product (GDP) remained the largest in Southeast Asia and the third largest in Asia.

Corporate Bond Market RM8 Bln In Jan-March 2017

KUALA LUMPUR -- The corporate bond market was conducive to issuers for the Jan-March 2017 period, with RM8 billion raised and a number of corporate issuers in the pipeline to access the market this year, the Financial Markets Committee (FMC) says. In a statement Tuesday, Bank Negara Malaysia (BNM) said corporate issuers had stayed away from the bond market towards the end of last year due to the uncertainty surrounding the overall financial market, however, corporate bond yields have since stabilised.

Malakoff's Unit Issues RM800 Mln Sukuk Wakalah

KUALA LUMPUR -- Malakoff Corp Bhd's unit Tanjung Bin Energy Sdn Bhd (TBE) has issued a RM800 million Sukuk Wakalah. In a filing to Bursa Malaysia Wednesday, Malakoff said proceeds from the Sukuk Wakalah would be utilised for the redemption of the outstanding junior term-loan facility in an aggregate amount of RM1.29 billion pursuant to a turnkey contract.

MNRB Executes RM320 Mln Credit Facility Agreement

KUALA LUMPUR -- MNRB Holdings Bhd Wednesday executed a RM320 million revolving credit facility agreement with AmBank (M) Bhd to refinance its existing RM320 million borrowings. In a filing to Bursa Malaysia, MNRB said the borrowings comprised a RM200 million Islamic Commodity Murabaha Financing and RM120 million Sukuk Mudharabah.

MoF Inc Not Taking Over 1MDB Debts - Johari

PUTRAJAYA -- The Minister of Finance Incorporated (MoF Inc.) will not be taking over 1Malaysia Development Bhd (1MDB) debts, said Second Finance Minister Datuk Seri Johari Abdul Ghani in a statement Thursday in response to Petaling Jaya Utara Member of Parliament Tony Pua's remarks on 1MDB. He said the Public Accounts Committee (PAC) Report had made clear that the debts that would remain on the balance sheet of 1MDB were RM5 billion sukuk, US$3.0 billion bond and US$3.5 billion International Petroleum Investment Co (IPIC) bond.

CRS Compliance For New Customers Of Financial Institutions From July 1

KUALA LUMPUR -- New onboarding customers of Malaysian Financial Institutions need to provide a self-certification form on their resident status to comply with Common Reporting Standards (CRS)effective July 1, 2017. Deloitte Tax Services Sdn Bhd's Executive Director Chee Pei Pei told reporters Thursday financial institution have been given until June 2018 to do due diligence and identify existing account holders, either entities or individuals, for their tax residence status.

Approval Rate For Housing Loans At 73.8 Pct Last Year - ABM

KUALA LUMPUR -- The approval rate for housing loans by Malaysian banks stood at 73.8 per cent last year, the Association of Banks in Malaysia (ABM) said in a statement Friday. It said the rate took into account housing loans approved by banks and accepted by the borrowers, as well as those approved, but subsequently cancelled. "Banks also generally do not include applications with incomplete documents when calculating the approval/rejection rate," it said.

Bank Rakyat To Offer Money Transfer Service To Indonesia

KUALA LUMPUR -- Bank Rakyat is expected to offer money transfer service to Indonesia in the second quarter of this year. In a statement Friday, the largest Islamic cooperative bank in Malaysia, said it was awaiting the approval from authorities, including Bank Negara Malaysia. "This service is through Bank Rakyat Indonesia's remittance system, also known as 'BRIfast'," the bank said.

JF Tech Returns To The Black

KUALA LUMPUR -- JF Technology Bhd (JF Tech) returned to the black, chalking up an unaudited pre-tax profit of RM1.49 million, for the second quarter (Q2) ended Dec 31, 2016 against a pre-tax lost of RM294,000 posted in the same quarter last year. Revenue rose to RM5.65 million from RM4.69 million previously. In a statement Monday, the leading designer and manufacturer of high performance test contacting solutions, attributed the better performance, during the quarter under review, to an increase in export sales and strengthening US dollar against the local note.

Manufacturing Sales Up 10.7 Pct Y-O-Y To RM61.2 Bln In Jan

KUALA LUMPUR -- The sales value of the manufacturing sector in January 2017 increased 10.7 per cent or RM5.9 billion to RM61.2 billion from the RM55.3 billion reported a year ago. In a statement Monday, the Department of Statistics said total employees engaged in the sector in January 2017 rose 1.4 per cent or 14,193 persons to 1.044 million, compared with 1.030 million in January 2016.

SunCon Secures RM212.3 Mln Contracts From Mass Rapid Transit

KUALA LUMPUR -- Sunway Construction Group Bhd's (SunCon) subsidiary, Sunway Construction Sdn Bhd, has secured a RM212.3 million contract from Mass Rapid Transit Corporation Sdn Bhd to construct elevated stations at Damansara Damai, Sri Damansara West and Sri Damansara East. In a filing to Bursa Malaysia Monday, the group said the project was expected to be completed on Sept 30, 2020, and contribute positively to the group's earnings for the financial year ending Dec 31, 2017.

BioNexus Firms' Revenue To Grow 20 Pct By 2020

KUALA LUMPUR -- Bioeconomy Development Corp expects revenues of BioNexus-status companies to jump 20 per cent by 2020. Its Chairman, Tan Sri Zakri Abdul Hamid said the companies recorded over RM1.18 billion in revenue until the third quarter of 2016 from RM1.1 billion in the corresponding period of 2015. "The corporation aims to increase the number of BioNexus companies to over 300 companies this year," he said at the launch of the Bioeconomy Day Tuesday.

First East Coast Mercedes Service Centre Targets To Sell 160 Units

KOTA BHARU -- The first Mercedes service centre here, Mofaz Exotic Car Sdn Bhd, targets to sell 160 units of the luxury car in Kelantan and Terengganu this year. Executive Director Ferhan Fauzy told reporters Tuesday, the luxury car dealer was optimistic of reaching the target through the opening of the first service centre and showroom for Mercedes here, wholly-owned by Mofaz, to cater to both states.

Petronas Records Lower Pre-Tax Profit Of RM33.7 Bln For FY16

KUALA LUMPUR -- Petronas delivered a pre-tax profit of RM33.7 billion for the financial year ended Dec 31, 2016, down eight per cent from RM36.7 billion recorded in 2015. The group's revenue for the year dipped 17 per cent to RM204.9 billion from RM247.7 billion recorded in 2015, President and Group Chief Executive Officer Datuk Wan Zulkiflee Wan Ariffin told reporters Tuesday.

Invest Selangor Eyes Over RM6 Bln Investments In Manufacturing Sector

By Sharifah Pirdaus Syed Ali

PETALING JAYA -- Invest Selangor Bhd has raised its investment target in the manufacturing sector to more than RM6 billion this year, said Chief Executive Officer Datuk Hasan Azhari Idris. He told Bernama Tuesday, the agency surpassed its target of RM6 billion in investments in the manufacturing sector last year, securing RM7.88 billion in investments although it was slightly lower than that of 2015 at RM7.9 billion.

Malaysian Franchise Programme Generates RM133 Mln In Potential Investments

KUALA LUMPUR -- The Malaysia Goes Global Franchise programme has generated about RM133 million in potential investments through 295 franchisees last year, the Dewan Rakyat was told Tuesday. Deputy Domestic Trade, Co-operatives and Consumerism Minister Datuk Henry Sum Agong said the potential investments were part of the ministry's success in helping local home-grown franchises penetrate the overseas market.

Timber Exports To See Moderate Growth This Year

BANGI -- The country's timber exports are expected to see moderate growth of between RM22 billion and RM23 billion this year following the withdrawal of the US from the Trans-Pacific Partnership Agreement (TPPA). Director-General of Malaysian

Timber Industry Board (MTIB), Datuk Dr Jalaluddin Harun told reporters Thursday, currently the country's key timber export destinations were Japan, US and the European Union.

Hai-O Confident Of Being Able To Sustain Double-Digit Growth This Year

KUALA LUMPUR -- Hai-O Entreprise Bhd is confident of being able to sustain double-digit growth momentum for financial year ending April 30, 2017 on the back of good financial performance in the past quarters. Group Managing Director, Tan Keng Kang told reporters Wednesday, this would be driven by the multi-level marketing (MLM) segment, which grew by about 60 per cent and contributed over 70 per cent of the company's revenue.

Digistar To Invest RM40 Mln To Expand Security System Services Overseas

KUALA LUMPUR -- Digistar Corp Bhd will invest RM40 million to expand its newly-developed and comprehensive security system and services, Panther Mobile, overseas. Group Chief Executive Officer, Mejar (K) Datuk Wira Lee Wah Chong, said in a filing to Bursa Malaysia Wednesday, he was optimistic of the demand for security services as safety concerns had been rising in Malaysia and neighbouring countries.

TSR Capital Bags RM120 Mln Contract From ECERDC

KUALA LUMPUR -- TSR Capital Bhd's unit, TSR Bina Sdn Bhd, has secured a RM120 million contract from the East Coast Economic Region Development Council (ECERDC) to build the KPC Port Link Road project in Pahang. The group, in a filing to Bursa Malaysia Wednesday, said construction would take 130 weeks commencing from the date of site possession.

XOX Mobile Eyes Two Mln Subscribers This Year

By Siti Shafiah Ariffin

SUBANG -- XOX Mobile, Malaysia's first mobile virtual network operator, targets to attract two million subscribers this year. XOX Bhd Group Chief Executive Officer, Ng Kok Heng told Bernama Wednesday, currently, there were 1.7 million and the collaboration with Universal Music Malaysia today would help achieve the target.

MDEC Records New Investments Of RM16.3 Bln In 2016

KUALA LUMPUR -- Malaysia Digital Economy Corporation (MDEC) recorded new investments totalling RM16.3 billion last year, up from the RM4.57 billion in 2015. Chief Executive Officer Datuk Yasmin Mahmood told a media briefing Thursday, of this sum, RM6.43 billion was from new investors, for a record-breaking second consecutive year.

Lafarge Aims To Complete Supply Contract Deal For Forest City This Year

KUALA LUMPUR -- Malaysia's largest cement producer by capacity, Lafarge Cement Sdn Bhd, aims to complete its supply contract deal with Country Garden Pacific View Sdn, Bhd for the Forest City project, by the first half of this year. Lafarge Executive Director and Chief Financial Officer Michael Lim told reporters Thursday, both companies were currently in the midst of discussions for the potential contract.

Sime Darby Rubbishes Report On Auto Unit Merger

KUALA LUMPUR -- Sime Darby Bhd has rubbished a local newspaper report titled, "Sime Darby Motors and UMW Holding Merger on The Table". "This report is incorrect. It is untrue that a merger of the automotive businesses of the two companies is on the cards," it said in a statement Monday.

Coca-Cola Malaysia To Invest RM500 Mln To Scale Up Nilai Plant

NILAI -- Coca-cola Malaysia will invest RM500 million to expand the size and production capacity of its current plant at Bandar Enstek, near here. Chief Executive Officer of Bottling Investment Group Singapore -Malaysia-Brunei, Stephen Lusk told reporters Monday, construction on another 4.047 hectares, adjacent to the 12.545 hectares of the current plant, is expected to begin in the first quarter of this year and be fully operational in 2020.

Govt Allocates RM3 Mln To Boost Social Economy

KUALA LUMPUR -- A RM3 million Social Outcome Fund (SOF) aims to boost financing and creativity in delivering social services in the country. Minister in the Prime Minister's Department, Datuk Seri Nancy Shukri, launched the fund at the Social Economy and Investment Conference (SEIC) 2017 here Monday.

China To Invest RM3 Bln For Kuala Kedah Terminal

ALOR SETAR -- China is looking to build a RM3 billion Kedah Integrated Fishery Terminal (KIFT) in Kuala Kedah for landing and processing of tuna fish. The project, said Kedah Executive Councillor for Industry and Investment, Domestic Trade, Consumer Affairs and Cooperative, and Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT)) Monday, Datuk Dr Ku Abdul Rahman Ku Ismail, has obtained the approval from the National Physical Planning Council last year.

Malaysia Welcomes More German Investments In Smart Manufacturing

KUALA LUMPUR -- Recognising the importance of Smart Manufacturing or Industry 4.0 technologies, the Ministry of International Trade and Industry (MITI) and the Malaysian Investment Development Authority are aggressively leveraging on the presence of German investors in Malaysia that already have a strong foothold and capabilities in that area. Germany has pioneered the concept of Industry 4.0 in Europe, and started to set down new standards around it, said MITI minister Datuk Seri Mustapa Mohamed at a dialogue with members of the Malaysian-German Chamber of Commerce and Industry (MGCC), held on Monday.

GreenTech Malaysia To Fully Use RM3.5 Bln To Fund 290 Projects

BANGI -- The Malaysian Green Technology Corp (GreenTech Malaysia) expects to fully use the RM3.5 billion Green Technology Financing Scheme (GTFS) by this year. Its Group Chief Executive, Ir Ahmad Hadri Haris, said at a media briefing Tuesday, this was in line with the increase in implementation of green projects to 290 with the support of 28 financial institutions.

Consumer Goods Produced In Sarawak Enjoy Strong Demand - CM

KUCHING -- Consumer goods produced in Sarawak enjoyed strong demand as they are not just being marketed locally but also exported to neighbouring countries. Sarawak Chief Minister, Datuk Amar Abang Johari Openg told reporters Tuesday, the state government encouraged cross-border trade among members of Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMB-EAGA), an initiative launched in 1994.

Air Cargo Industry Needs To Accelerate Modernisation - IATA

KUALA LUMPUR -- The air cargo industry needs to accelerate modernisation and focus on delivering high-quality service, says the International Air Transport Association (IATA). Director-General and Chief Executive Officer Alexandre De Juniac said Tuesday, complicated and convoluted paper-based processes were still being used in air cargo now.

Petronas In Stronger Position This Year

KUALA LUMPUR -- National oil corporation, Petroliam Nasional Bhd (Petronas), is in a stronger position heading into 2017, after the transformation undertaken last year ensured its sustainability and future resilience. Petronas President/ Chief Executive Officer, Datuk Wan Zulkiflee Wan Ariffin told reporters Tuesday, with the key prerequisites in place to transform the company and with the anticipated recovery in the market, Petronas was well-positioned to face future challenges.

Petronas Committed To RM13 Bln Dividend Payout To Govt In FY17

KUALA LUMPUR -- Petronas is confident of paying a dividend of RM13 billion to the government for the financial year ending Dec 31, 2017. President and Group Chief Executive Officer Datuk Wan Zulkiflee Wan Ariffin told reporters Tuesday, the amount was decided based on the group's performance in 2016.

Malaysia Strongly Opposes EU Parliament Resolution On Palm Oil

PUTRAJAYA -- Malaysia, as a palm oil producer, strongly opposes a proposed European Union (EU) Parliament resolution on the commodity, Plantation Industries and Commodities Minister, Datuk Seri Mah Siew Keong told a news conference Wednesday. He said the resolution, scheduled to be tabled in April, among others, stresses the need for a single certification that would guarantee only sustainably produced palm oil enters the EU market.

MAHB Launches KUL VIP Access

SEPANG -- Malaysia Airports Holdings Bhd (MAHB) has rolled out the KUL VIP Access for departing and arriving international passengers at the Kuala Lumpur International Airport (KLIA) and Kuala Lumpur International Airport 2 (klia2) for an exclusive end-to-gate service. MAHB Managing Director Datuk Badlisham Ghazali told reporters Wednesday, the KUL VIP Access, which was provided through the airport-airline collaboration, served as the umbrella brand promoting and combining existing services offered, and marketing them under one service.

MyEG And Philippines-Based IPCVI Establish J-Venture Corp

KUALA LUMPUR -- MyEG Services Bhd and Philippines-based I-Pay Commerce Ventures Inc (IPCVI) have entered into a joint-venture agreement to establish a joint-venture corporation (JVC) in the Philippines. The JVC is for the purpose of engaging in the business of development and implementation of electronic government services projects and provision of other electronic government related services, it said in a filing to Bursa Malaysia Wednesday.

XOX Mobile Eyes Two Mln Subscribers This Year

By Siti Shafiah Ariffin

SUBANG -- XOX Mobile, Malaysia's first mobile virtual network operator, targets to attract two million subscribers this year. XOX Bhd Group Chief Executive Officer, Ng Kok Heng told Bernama Wednesday, currently, there were 1.7 million and the collaboration with Universal Music Malaysia today would help achieve the target.

Drop In GST Complaints Reflects Improved Understanding Of Implementation

KUALA LUMPUR -- The reduction in the number of complaints received by the government in respect of the Goods and Services Tax (GST) implementation is proof that people now have a better level of understanding of it. The Finance Ministry said in a written reply in Parliament Thursday from April to December 2016, there were 840 complaints received compared to 6,823 for the same period of 2015.

MATRADE Aspires To Increase Number Of Women Entrepreneurs By 2020

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) hopes to increase the number of women exporters by 10 per cent by 2020 through several initiatives including the Women Exporters Development Programme and eTRADE. Chairman Datuk Dr Noraini Ahmad told reporters Thursday, women exporters accounted for only 14 per cent of the 19,000 Malaysian companies registered with MATRADE as of March 2017.

TPM To Allocate RM1 Mln For Technopreneur Fund

KUALA LUMPUR -- Technology Park Malaysia Corp Sdn Bhd (TPM) will allocate RM1 million for the newly-introduced TPM Technopreneur Facilitation Fund (TFF). Its Chairman, Datuk Ahmad Fauzi Zahari told Bernama Friday, the fund will offer easy loan of up to RM50,000 to small and medium enterprises (SMEs) at three per cent interest per annum. "The fund is an initiative by TPM to help local entrepreneurs with potentials to grow," he said.

Euronet, Infinitium Incorporate Online Technology In Indian Financial Services

KUALA LUMPUR -- Global e-payment provider Euronet Services India Pvt Ltd and Infinitium Holdings Pvt Ltd are collaborating to incorporate online technology innovation within India's financial services and retail sector. Under the collaboration, Euronet will leverage Infinitium's differentiated technology for online authentication and authorisation together with its knowledge of the Indian market, it said in a statement Monday.

iflix Launches Service In Myanmar

KUALA LUMPUR -- Internet tv service provider, iflix, has launched in Myanmar, solidifying its dominance over the Asian region. Country Manager for iflix Myanmar Adeana Greenlee said in a statement Monday, the company aims to redefine consumers in the country enjoy via entertainment with groundbreaking features and a seamless mobile streaming experience.

ASEAN-India Biztech Expo, Conference To Strengthen ASEAN, India Relations

KUALA LUMPUR -- The ASEAN India Business Council (AIBC) is organising the ASEAN India Biztech Expo and Conference 2017 on May 24-25 featuring a 'Digitise Expo' concept. Themed, 'Bridging Borders Through Business', the two-day event, held for the first time in Kuala Lumpur, aimed to strengthen existing trade cooperation between ASEAN and the Indian business community, it said in a statement Monday.

Malindo To Commence Flights To Brisbane On March 31

KUALA LUMPUR -- Malindo Air will commence flights to Brisbane, Australia from March 31. In a statement Monday, the airline said the daily service marked its second foray into Australia after Perth, and bookings are now open. It said promotional fares for one-way on the Brisbane route starts from RM1,049 for economy class and RM2,369 for business class.

Teh Gets 'Medal For The Development Of Vietnam Banking Industry'

KUALA LUMPUR -- Tan Sri Dr Teh Hong Piow, Founder and Chairman of Public Bank Bhd (PBB), has been awarded the 'Medal for the Development of Vietnam Banking Industry'. In a statement Tuesday, PBB said, Teh was the first foreign banker in Vietnam to be awarded this medal. Teh said he was truly honoured to be bestowed with this medal.

UEM Group Partners Microsoft Malaysia To Increase Efficiency, Reduce Cost

KUALA LUMPUR -- Engineering-based infrastructure and services group, UEM Group Bhd, has inked a Memorandum of Understanding (MoU) with Microsoft Malaysia to increase efficiency, productivity and reduce facilities management cost. UEM Group Managing Director/ Chief Executive Officer Datuk Izzaddin Idris told reporters Tuesday, under the three-year agreement, Microsoft would provide digital advisory to support UEM and its subsidiaries on digital initiatives.

Lenovo Launches Legion Laptop To Enhance Gaming Experience

KUALA LUMPUR -- Lenovo Tuesday launched the Legion Y720 and Legion Y520 laptop series, specially designed to support gaming experience. Lenovo Central Asia Pacific Country General Manager of Malaysia and Singapore Khoo Hung Chuan said the Legion was well-designed, powerful and a portable plug-play device with do-it-yourself flexibility.

MAS Offers Discounts Of Up To 45 Pct At MATTA Fair

KUALA LUMPUR -- Malaysia Airlines Bhd will offer discounts of up to 45 per cent for the business and economy classes at this year's Malaysian Association of Tour and Travel Agents (MATTA) fair. In a statement Wednesday, its Chief Commercial Officer, Arved von zur Muehlen, said for customers' convenience, deals would be made available a day before the two-day fair starting on March 17, 2017.

Scomi, Synergy Generated Form Renewable Energy JV Company

KUALA LUMPUR -- Scomi Group Bhd has entered into a joint venture (JV) agreement with Synergy Generated Sdn Bhd to form a JV company to bid for engineering, procurement and construction contracts in the renewable energy sector, particularly for solar photovoltaic farms. In a statement Wednesday, Scomi said the JV company would also offer operation and maintenance services for solar projects.

DBKL Appoints Ekovest's Unit As Contractor For Blue River Project

KUALA LUMPUR -- Ekovest Bhd's wholly-owned subsidiary, EkoRiver Construction Sdn Bhd, has been appointed the design and build contractor for the Blue River Project by the Kuala Lumpur City Hall (DBKL). In a filing to Bursa Malaysia Wednesday, Ekovest said the project would be located in the vicinity of the River of Life Precinct 7–Masjid Jamek Kuala Lumpur zone.

Mondelez Teams Up With HDC To Conduct Managing Halal Integrity Programme

KUALA LUMPUR -- Mondelēz Malaysia (Mondelēz), part of the global snacking powerhouse Mondelēz International, has teamed up with the Halal Industry Development Corp (HDC) to hold the first Managing Halal Integrity programme for small and medium enterprises (SMEs) in Malaysia. Mondelēz Malaysia Head of Corporate and Government Affairs Raja Zalina Raja Safran in a statement Thursday stressed the importance of industry partnerships and the help of larger corporations in elevating halal (permissible in Islam) as an enabler to spur the growth of SMEs.

Malaysia To Host Global Offset And Countertrade Conference

KUALA LUMPUR -- Kuala Lumpur will host the Global Offset and Countertrade Association Asia-Pacific Conference 2017 (GOCA APAC 2017) from March 26 to 29 to promote trade and commerce among companies and their foreign customers through a greater understanding of countertrade and offset. Technology Depository Agency Bhd (TDA) Chief Executive Officer Datuk Zailani Safari said Friday, Malaysia was chosen as the host based on its achievement in implementing the Industrial Collaboration Programme (ICP).

MIDA Teams Up With Singapore Agency To Introduce Skill Development Programme

The first batch of 24 TVET instructors will start their MIDA-ITEES training session from March 20-31, MIDA Chief Execuitve Officer Datuk Azman Mahmud said.

The Malaysian Investment Development Authority (MIDA) and Singapore's ITE Education Services (ITEES) today launched a skill development programme.

The programme will also equip technical and vocational education and training (TVET) trainers with the necessary knowledge and skills to improve the local youth competency and employment needs.

The 'Train The Trainer' (TTT) Programme, which would benefit some of 100 TVET master trainers from seven institutions in Johor, is funded by Temasek Foundation International with a total cost of S$203,939 (RM644,231).

The institutions involved in the programme are Johor Skills Development Centre, Sultan Ibrahim Polytechinic, Advanced Technology Training Centre Batu Pahat, Higher National Youth Training Institute Pagoh, Industrial Training Institute Pasir Gudang, Institut Kemahiran MARA Johor Bahru and Institut Latihan Perindustrian Tangkak Johor.

MIDA Chief Executive Officer, Datuk Azman Mahmud, said the first training session would have 24 trainers and would start from March 20-31, 2017.

"The trainers will be exposed to the use of computer-aided design and computer-aided manufacturing (CAD/CAM) programming and operation of computerised numerical control (CNC) multi-axis turning/miling machines at the Institute of Technila Education (ITE) Colllege Central in Singapore.

"Upon the completion, they will return to Johor and impart their knowledge to another 70 trainers through a series of post-training sharing workshops," he said at the signing of the collaboration agreement at the Johor Skills Development Centre here today.

He said both parties would also evaluate the training after completion before considering to expand it further to other parts of Malaysia.

"We believe the upskilling programme will raise the technical competency of other TVET personnel in Johor, as well as can be used as a positive benchmark for similar initiatives in other technical competencies," he said.

ITEES Chief Executive Officer-designate, Bruce Poh, said Malaysia and Singapore enjoyed very close ties hence "it is natural that we have this collaboration which will see the development of a core group of master trainers to further advance the TVET."

"Why are we focusing on there areas? Governments and organisations all over the world have shown compelling interest and commitment to grow TVET so as to meet the needs and challenges of the evolving workplaces and the global market and at the same time, addressing youth employment needs.

"Indeed, TVET is a key pillar of the social and economic development of a country and by transforming the TVET in a country, we are in fact tranforming lives to enable our youth to gain meaningful employment and uplift their standard of living," he said.

-- BERNAMA

LIST OF MARKET REPORTS :

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

Bursa Malaysia Likely To Be On Upside Next Week

By Nurul Hanis Izmir

KUALA LUMPUR -- Bursa Malaysia is likely to be more on the upside next week, supported by factors, including the less hawkish US Federal Reserve (Fed) tone, a slight boost in global risk-taking sentiment, stronger commodity prices, and strengthening of the ringgit, an analyst said. He said the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) was expected to move beyond the 1,750-level.

"FBMKLCI should maintain its bullishness into higher territory as equity bulls take relief from the Dutch election outcome and remained largely unfazed by imminent hikes in the Fed interest rates," he said.

On a similar note, Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the investment bank believed there would be more upside next week as investors digested monetary policy decisions undertaken by the Bank of Japan, the People's Bank of China and the Fed.

"While the People's Bank of China raised its short-term interest rate by 10 basis point, the Bank of Japan held monetary policy steady and maintained a positive view on the economy, suggesting a stronger regional trade in the near future. "On the domestic front, the local market should get a positive catalyst from International Trade and Industry Minister Datuk Seri Mustapa Mohamed's forecast that Malaysia's e-commerce would surpass the 11 per cent compound annual growth rate by 2020, driven by small and medium enterprises," he told Bernama.

The country's e-commerce industry is expected to be worth RM114 billion by 2020 or 6.4 per cent of gross domestic product (GDP) from RM68 billion, representing 5.9 per cent of GDP in 2015. Weekly turnover expanded to 19.39 billion units worth RM17.22 billion from 16.23 billion units worth RM13.66 billion last week. Main Market volume widened to 15.10 billion shares valued at RM16.53 billion versus 10.3 billion shares valued at RM13.04 billion.

FOREX: Ringgit To Extend Recovery Against US Dollar

By Zarul Effendi Razali

KUALA LUMPUR -- The ringgit is likely to extend its recovery against the US dollar next week, as market sentiment has shifted more towards emerging market currencies, dealers said. Affin Hwang Investment Bank Vice-President/Head of Retail Research Datuk Dr Nazri Khan Adam Khan said the ringgit was expected to strengthen in the medium term after the US dollar retreated.

"Ringgit should test the RM4.30/US Dollar threshold on slower expectations of further US Federal Reserve rate hike in June, while Bank Negara Malaysia is likely to step in at any further weakness, especially if ringgit trend towards the RM4.50/US dollar psychological barrier. "Bank

Negara has so far shown commitment to defending the ringgit against exchange rate volatility via open market operations," he told Bernama.

Nazri said that the local currency should also get support from stable oil prices with Brent crude settling at US$51.74 a barrel, while metal prices strengthened as the dollar dipped, with gold edged up one per cent at US$1,226 an ounce and copper rose 0.7 per cent to US$5,908 a tonne.

The ringgit has begun its recovery phase this week, benefiting from the uncertainty over the US interest rate outlook for this year. Despite having decided to increase the interest rate by 25 basis-point after the two-day Fed meeting on Wednesday, the Fed failed to give a hawkish message on its projections of three rate increases in 2017. Most investors have indicated that there would be no pick-up in the pace of the US monetary tightening this year. For the week just ended, the ringgit moved between 4.4480 and 4.4340 against the US dollar.

On a Friday-to-Friday basis, the ringgit traded higher at 4.4340/4370 against the greenback from 4.4490/4540. Against other major currencies, the local note finished mostly higher. The ringgit depreciated versus the Singapore dollar to 3.1638/1682 from 3.1384/1424 last week and weakened against the yen to 3.9156/9196 from 3.8566/8620. Against the British pound, it slipped to 5.4933/4983 from 5.4167/4241, but declined against the euro at 4.7767/7818 from 4.7217/7275.

Money-Market: Interbank Rates To Remain Steady On BNM's Intervention

KUALA LUMPUR -- Short-term interbank rates are expected to remain steady next week with Bank Negara Malaysia (BNM) continuing to intervene to stabilise the local money market. The central bank said the liquidity in Malaysia's banking system remained sufficient, with financial institutions continuing to operate with strong capital and liquidity buffers.

The growth of private sector financing is also consistent with the pace of economic activity. For the week just ended, BNM intervened daily to flush the system of surplus funds by conducting conventional, Qard, repo and range maturity auction tenders. On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM30.18 billion in the conventional system and RM7.46 billion in Islamic funds.

With the OPR remaining unchanged, rates were holding steady with the benchmark three-month interbank rate standing at 3.43 per cent. Meanwhile, the overnight Islamic reference rate stood at 2.95 per cent and the one-, two- and three-week rates stood at 3.02 per cent, 3.06 per cent and 3.11 per cent, respectively.

KLCI Futures To Consolidate Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts are expected to maintain last week's bullish momentum next week, tracking the performance of the underlying cash market, a dealer said. He said the bullish price action was likely to gear the underlying index further up, testing its immediate resistance level of 1,750 next week and probably even further at 1,760 level.

"Most daily oscillators are pointing up, suggesting a new round of bullish momentum and more upside space," he said. Throughout last week, the futures contracts saw mostly higher trading in tandem with the cash market. On a Friday-to-Friday basis, March 2017 gained 30 points to 1,755.5, April 2017 rose 31 points to 1,756.5, June 2017 was up 26.5 points to 1,749.5, and

September 2017 added 27.5 points to 1,746. Turnover for the week rose to 34,915 lots from 28,307 lots last Friday. Open interest improved to 40,586 contracts versus 35,729 contracts. The benchmark FBM KLCI ended the week 27.62 points stronger at 1,745.20 from 1,717.58 last Friday.

CPO Prices To Continue Uptrend Next Week

KUALA LUMPUR -- Crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to trade higher next week, anticipating higher exports for the coming months. Phillip Futures Sdn Bhd Derivative Dealer David Ng said stronger exports in the coming weeks, ahead of the Ramadan fasting month, might lend further support to the market.

“We expect prices to remain range-bound between RM2,750 per tonne and RM2,850 per tonne,” he told Bernama.

During the week, the CPO market traded mostly higher, driven by positive export data released by cargo surveyor Intertek Testing Services coupled with anticipations of lower palm oil production and weakening ringgit. Meanwhile, Malaysia reduced the export tax on CPO to 7.5 per cent in April from eight per cent in March.

On a Friday-to-Friday basis, spot month April 2017 rose RM118 to RM2,966 a tonne, May 2017 increased RM102 to RM2,873 a tonne, June 2017 gained RM81 to RM2,803 a tonne, and July 2017 hiked RM68 to RM2,745 a tonne. Weekly turnover was higher at 303,520 lots from 206,504 lots last Friday, while open interest declined to 233,529 contracts from 236,938 contracts. On the physical market, April South rose RM40 at RM3,040 a tonne from the previous week.

Rubber Mart To Continue Range-Bound Trading

KUALA LUMPUR -- The Malaysian rubber market is likely to continue to trade range-bound next week as the weather heads into the wintering season, curbing rubber production. “The fundamentals, however, remain intact and sustainable,” said a dealer, adding that tyre-grade SMR 20 was expected to move between 880 sen and 900 sen per kg.

For the week just ended, the market was traded mixed, driven by the volatility of the ringgit and backed by the performance of the Tokyo Commodity Exchange (TOCOM), that normally played a key role in influencing the Malaysian market. On a Friday-to-Friday basis, the Malaysian Rubber Board’s noon price for SMR 20 rose five sen to 889 sen per kg, while latex-in-bulk fell 34.5 sen to 725 sen per kg.

KLIBOR Futures To Remain Quiet Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives will likely remain quiet next week. A dealer said with the Overnight Policy Rate remaining unchanged, local rates were holding steady with the benchmark three-month interbank rate at 3.43 per cent.

“The KLIBOR futures will likely remain quiet next week as investors await more market catalysts to give it direction,” he said. For the week just ended, volume was nil and open interest at 50 contracts.

On a Friday-to-Friday basis, March 2017 remained pegged at 96.55, April 2017 stayed at 96.53, May 2017 was unchanged at 96.52, and June 2017 stood at 96.50.

KLTM To Trade Between US$19,900 And US$20,200 Per Tonne

By Niam Seet Wei

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to see a higher trading next week with prices moving between US$19,900 and US$20,200 a tonne, a dealer said. He said the local tin price was expected to remain intact due to strong foreign demand, especially from the Far East countries.

"The KLTM would extend its upward momentum until the beginning of next week. "However, a technical correction is also likely to occur later next week and drag down the price of the metal on the local market," he told Bernama.

The dealer also said the KLTM would continue to be heavily influenced by the tin price on the London Metal Exchange (LME). For the week just ended, tin surged US$800 to US$20,050 per tonne compared with US$19,250 per tonne last Friday.

It was mainly supported by buyers from China, South Korea, Japan, Taiwan and European countries. Weekly turnover advanced to 195 lots from 156 lots last week, while the price differential between the KLTM and the LME was at a discount of US$110 a tonne against a discount of US$25 a tonne last Friday

Gold Futures To Trade Higher Next Week

By Zarul Effendi Razali

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is expected to trade higher next week on bullish outlook in the global market. The gold market is also expected to follow the movement of the ringgit, which is expected to continue the upward momentum next week due to bearish outlook on the US interest rates.

Phillip Futures Sdn Bhd Dealer Viola Wong said the ringgit strengthened against the US dollar at 4.4340 on Friday as investors returned to emerging currencies on indication by the US Federal Reserve of fewer interest rate hikes this year. Market players are taking clues from the U.S. Industrial Production and leading index data tonight," she told Bernama.

The Fed raised interest rates by 25 basis-point during its meeting this week, a move that was expected by most investors. However, it failed to give a hawkish message on the projection of interest rates this year, resulting in traders shifting interest towards emerging currencies.

For the week just ended, the market was traded in a cautious mode as investors were concerned over the outcome of the Fed meeting. It was traded lower on the first three days of the week before picking up on Thursday after the Fed concluded its two-day meeting on Friday. The Fed comments on the interest rate projection for 2017 have sparked demand in the gold market.

On a Friday-to-Friday basis, March 2017 rose 49 ticks to RM174.95 a gramme, while April 2017 May 2017 and June 2017 gained 52 ticks each to RM174.60, RM175.60 and RM175.80 a gramme, respectively.

Turnover for the week rose to 24 lots worth RM434,900 from 21 lots worth RM363,600 last week. Open interest on Friday was lower at 332 contracts from the 335 contracts recorded previously.