BERNAMA
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This Week's Highlight : M'sia-US Firms Sign US$2 Bln Commercial Deals

US$2 BILLION DEAL…US President Barack Obama speaking at the MoU signing ceremony between Malaysian and American companies here Monday. Looking on is Prime Minister Datuk Seri Najib Tun Razak.

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak and US President Barack Obama Monday witnessed the signing of US$2 billion worth of commercial deals between Malaysian and American companies in the aviation, biotechnology and insurance sectors. The first memorandum of understanding (MoU) was between GE Aviation and AirAsia X for 80E1 engines to power AirAsia X's 25 new Airbus A330-300 aircraft worth more than US$1.5 billion. The second MoU was for Sime Darby to take a 30 per cent stake worth US$30 million in San Diego-based biotech company Verdezyne. The third MoU was for a partnership between Ambank and Metlife, which invested nearly US$250 million to buy shares in AmLife and AmTakaful.

This Week's Top Stories

Monday

Govt To Enact National Aviation Policy – Muhyiddin

BANTING -- The government will enact the National Aviation Policy to accelerate the aviation industry's growth, Deputy Prime Minister Tan Sri Muhyiddin Yassin said Monday. He said the policy would recommend measures to be taken to enhance the aviation ecosystem and the industry's service network, among them upgrading the existing air traffic management system. The policy will also propose upgrading of several airports in the country, he said at the handing over of a Boeing 737-400 aircraft owned by Malaysia Airlines (MAS) to the Education Ministry at the Banting Polytechnic.

Tuesday

Malaysia Secures RM2.9 Bln Housing Project In Bangladesh

KUALA LUMPUR -- Malaysia has secured a RM2.9 billion housing project comprising 12,000 apartment units in Bangladesh. Special Envoy to India and South Asia, Datuk Seri Utama S. Samy Vellu, received the Provisional Letter of Award for the project from Bangladesh Housing and Public Works Minister Mosharraf Hossain in Dhaka Tuesday. The project will be implemented by a Malaysian consortium of Gemilang Land Development Sdn Bhd and ALM Builders Sdn Bhd under a Government-to-Government cooperation between Putrajaya and Dhaka.

Wednesday

Malaysian Islamic Capital Mart Now Worth RM1.5 Trillion

KUALA LUMPUR -- The Malaysian Islamic capital market (ICM) which grew by 8.8 per cent in 2013 is now worth RM1.5 trillion and continues to be an integral component of the local capital market. The Islamic capital market now accounts for 56 per cent of the overall Malaysian capital market, said the Securities Commission Deputy Chief Executive, Datuk Dr Nik Ramlah Mahmood at the BNP Paribas – INCEIF Centre for Islamic Wealth Management Symposium here Wednesday.

Thursday

GST Secures Country's Future With More Robust Yields - Najib

JITRA -- Datuk Seri Najib Tun Razak said on Thursday the Goods and Services tax (GST) system that will be implemented from April next year is able to secure the country's future with more robust yields.
"If we think rationally...we understand that every government policy is for the people's benefit. Don't expect results in one or two days, you sow the seeds today, you expect the fruit tomorrow," the prime minister said when officiating the Civil Service Labour Day celebration 2014 at Wawasan Hall here.

Friday

klia2 Takes Off

SEPANG -- The Kuala Lumpur International Airport 2 (klia2), the world's largest purpose-built low-cost terminal for low cost carriers officially commenced operations Friday with the arrival of Malindo Air Flight OD1027 from Kota Kinabalu at 12.05am. Earlier at 10.20pm Thursday, the check-in process began and proceeded without any hitches The first passenger to check in, Gemma Camarinta, 39, who was travelling to her hometown in Bohol, Philippines said she was happy and excited to be part of the historical event.

SMEbrief

Quality Ideas, Quality People To Develop Entrepreneur Community

PUTRAJAYA -- Prime Minister Datuk Seri Najib Tun Razak says the entrepreneur community must be developed based on "quality ideas, quality people" and not "whom you know." "It is not whom or who you know but what you should know.

It's not who, but know-how and know what," he said at the introduction of 13 winners of the grant for the Bumiputera New Entrepreneurs' Start-Up Scheme (SUPERB) under the Bumiputera Agenda Steering Unit (TERAJU) in the Prime Minister's Department Tuesday.

Malaysian SMEs Urged To Work With Swedish Companies

SHAH ALAM -- Small and medium enterprises (SMEs) in Malaysia have been encouraged to work closely with Swedish companies, especially in the field of innovation. Business Sweden Market Unit Manager for Malaysia, Singapore and the Philippines, Carl Malmqvist told reporters here Tuesday, Swedish companies are doing very well in any sectors such as telecommunications, urban transport and green technology.

Pikom: 75 Pct Businesses Accept New GST System

KUALA LUMPUR --The National ICT Association of Malaysia's (Pikom) Goods and Services Tax (GST) survey revealed that 75 per cent of local businesses accepted the new GST system as a better form of indirect tax compared to the current Sales and Service Tax (SST) model.

Chairman Cheah Kok Hoong said in a statement Tuesday, the survey also indicated that organisations had some basic knowledge about the GST system, including the zero-rated supply, exported goods exemption, non-compliance regulation, penalties and more.

SMEs Urged To Improve Products To Compete Globally

By Harizah Hanim Mohamed

KUALA LUMPUR -- Courier service provider, ABX Express (M) Sdn Bhd has urged the small and medium enterprises (SMEs) to improve their products in order to compete in the global market.

Its Country Manager Ali Noordin told Bernama Wednesday, the entrepreneurs must elevate themselves to the global standard level and utilise technology to move their businesses forward.

PropUP Propertyupdate

Success Circle To Complete RM300 Mln Resort End-2015

KUALA TERENGGANU -- Success Circle Sdn Bhd, a leading private investment company based in Kuala Lumpur, aims to complete its RM300 million five-star international luxury resort by the end of December next year. The Movenpick Hotels and Resorts project, undertaken via Success Diar Sdn Bhd, a joint venture between Success Circle and Qatari Diar Asia Pacific Ltd, is sited on a 18.2-hectare land in Chendering, said Success Circle Group Managing Director Datuk Awalan Abdul Aziz Monday.

Khazanah To Acquire Philippines Property Developer for RM215 Mln

KUALA LUMPUR -- Khazanah Nasional Bhd will be making its foray into the Philippines via the acquisition of about eight per cent in property developer, 8990 Holdings Inc, for about RM215 million. In a statement here Tuesday, Khazanah said its special purpose vehicle, Pasir Salak Investments Ltd had signed a cornerstone investment agreement for the upcoming share offering of 8990 Holdings, which is listed on the Philippines Stock Exchange.

Malaysia First Choice For International Property - Survey

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Malaysia remains the first choice for international investment, despite the country's own cooling measures, including restrictions on properties below RM1 million and higher Real Property Gains Tax (RPGT). According to iProperty Asia Property Market Sentiment Report H1 2014 (APMSR) released Tuesday, respondents continue to view the Iskandar Regional Development Authority positively, with 79 per cent (up 9 per cent), agreeing that Iskandar has been promoted well.

Resorts World Kijal To Upgrade 119 Room, Restaurants

KEMAMAN -- Resorts World Kijal (RWK), a five-star hotel near Kijal here, will upgrade a total of 119 rooms and its Kampung Meraga Beris Restaurant under a refurbishment exercise this year to meet customers' preferences. RWK general manager Noorazzudin Omar said Wednesday, the rooms would adopt a contemporary concept while the restaurant would be upgraded to a more modern concept but would maintain the 'kampung' features.

Naza TTDI To Build RM2.5 Bln Lifestyle Business Hub

KUALA LUMPUR -- Naza TTDI Sdn Bhd, the property arm of NAZA Group, intends to build a landmark business lifestyle hub with an expected gross development value of RM2.5 billion in Section 13, Shah Alam, Selangor. The 15.7018-hectare TTDI Gateway is targeted for completion by 2020, the company said in a statement here Monday.

Tune Hotel klia2 Opens On May 9

KUALA LUMPUR -- After five years providing high quality yet affordable accommodation to guests at KLIA's Low Cost Carrier Terminal (LCCT) here, the Tune Hotel KLIA-LCCT will close down effective May 9, giving way to the brand new, 400-room Tune Hotel klia2 that will open on the same day. "We are extremely excited with this new hotel. To us and all our guests, the new Tune Hotel klia2 is as highly anticipated as the klia2 airport itself. It is set to be the largest in the Tune Hotels platform and will be our flagship property," said Group Chief Executive of Tune Hotels Mark Lankester in a statement Thursday.

BURSA MALAYSIA

Scoreboard
Gainers - 355
Losers - 422
Not Traded - 510
Unchanged - 330
Value - 1516911443
Volume - 11521554

BURSA: Share Prices Close Lower

KUALA LUMPUR -- Share prices on Bursa Malaysia closed Friday lower as the Wall Street's weak overnight performance muted investors' sentiment, with the FTSE Bursa Malaysia KLCI (FBM KLCI) 2.44 points easier. The benchmark index ended at 1,869.08 points after hovering between 1,866.05 points and 1,871.69 points throughout the day. A dealer said Bursa Malaysia's weaker performance was in line with most Southeast Asian markets. "The borderline growth in China's manufacturing activity also curbed investor appetite for further risk and prompted profit-taking," the dealer said. Kenanga Research, however, said mixed readings from the key indicators were still suggesting that the local benchmark is in a state of consolidation. "Thus, we are holding a cautiously optimistic view for now. Immediate overhead resistance is capped at 1,882 points while the downside buying support is pegged at 1,858 points," it said in a note.

Market breadth was negative as losers led gainers 422 to 355 while 330 counters were unchanged, 510 untraded and 14 others were suspended. Turnover was lower at 1.15 billion shares worth RM1.51 billion from 1.5 billion shares worth RM2.5 billion recorded on Wednesday. The local market was closed Thursday for the Labour Day holiday. Main Market volume was lower at 892.37 million units worth RM1.45 billion from Wednesday's 1.06 billion units worth RM2.42 billion.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.2650	3.2670
EUR	4.5259	4.5290
GBP	5.5136	5.5173
100 YEN	3.1857	3.1892
SGD	2.6062	2.5082

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday, as currency traders stayed on the sidelines ahead of the US jobs report, dealers said. At 5 pm, the local currency was quoted at 3.2650/2670 against the greenback from Wednesday's 3.2645/2665 close.

The dealers said currency traders are awaiting for the April non-farm payrolls data which was expected to show a positive result on the labour market. The ringgit was also traded lower against a basket of major currencies. The local note depreciated against the Singapore dollar to 2.6062/5082 from 2.5983/5015 on Wednesday and fell against the euro to 4.5259/5290 from 4.5031/5071 two days ago. Against the British pound, the domestic currency fell sharply lower to 5.5136/5173 from 5.4873/4923 Wednesday, while the ringgit eased against the yen to 3.1857/1892 from 3.1846/1871 two days ago.

MONEY MARKET: Short-Term Rates Close Stable On BNM Intervention

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia (BNM)'s intervention to absorb excess liquidity from the financial system. The surplus in the conventional system fell to RM24.255 billion from RM43.050 billion estimated in the morning, while in the Islamic system, it plunged to RM1.739 billion from the RM12.424 billion estimated earlier. In the morning, the central bank called for a range maturity auction programme, two repo tenders, Commodity Murabahah Programme and a Al-Wadiah tender. The bank also conducted a conventional money market tender for RM24.3 billion and a RM1.7 billion Al-Wadiah money market tender, both for three-day money. The overnight rate stood at 2.94 per cent while the one-week, two and three-week rates stood at 3.02 per cent, 3.07 per cent and 3.10 per cent respectively.

KLIBOR Futures Close Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts closed untraded Friday. May 2014, June 2014, July 2014 and September 2014 were pegged at 96.61, 96.60, 96.52 and 96.44, respectively. Open interest amounted to 3,080 contracts. At the 11am fixing, the underlying three-month KLIBOR stood at 3.38 per cent.

KLCI Futures End Mostly Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures (FKLI) contract on Bursa Malaysia Derivatives closed mostly lower Friday, in line with the cash market. Phillip Futures Sdn Bhd dealer Tan Sek Wei said although the futures market traded range-bound Friday, it crept up slightly higher towards the end of the session. Speaking to Bernama, he said investors' attention would now be shifted towards the US payrolls report, later Friday, for more clues on the market direction. May 2014 lost 2.0 points to 1,865.5 points, June 2014 added 2.0 points to 1,865.5 points, September 2014 erased 5.0 points to 1,857 points and December 2014 was flat at 1,857 points. Turnover fell to 4,136 lots from Wednesday's 12,441 lots while open interest narrowed to 33,694 contracts from 45,993 contracts recorded two days ago. The local market was closed Thursday for the Labour Day holiday. The benchmark index ended at 1,869.08 points, 2.44 points easier, after hovering between 1,866.05 points and 1,871.69 points throughout the day.

Maybank Ageas Expects Premium To Rise To RM5.4 Bln

KUALA LUMPUR -- Maybank Ageas Holdings Bhd, the parent company of Etiqa Insurance Bhd and Etiqa Takaful Bhd, expects its total premium this year to grow to RM5.4 billion following new market and business expansion, said Maybank Ageas Chief Executive Officer Kamaludin Ahmad. This compares to the combined gross premium of its life insurance, general insurance, family Takaful and general Takaful businesses of RM4.8 billion registered last year, Kamaludin told a media briefing here Monday.

Muhyiddin Launches PMB Tijari

PUTRAJAYA -- Deputy Prime Minister Tan Sri Muhyiddin Yassin Tuesday launched PMB Tijari Bhd, the new subsidiary of Pelaburan MARA Bhd. With a RM100 million capital injection, PMB Tijari will primarily focus its business in the commercial sector of the Islamic financial services. Muhyiddin also witnessed the signing of the shareholders' agreement of PMB Tijari with the Islamic Corporation for the Development of the Private Sector (ICD), a subsidiary of Jeddah-based Islamic Development Bank (IDB).

World Bank Gives Thumbs Up To Malaysia's Subsidy Rationalisation

KUALA LUMPUR -- Malaysia's shift to targeted subsidies with its subsidy rationalisation plans and upcoming implementation of the Goods and Services Tax (GST), is a good policy that will benefit those who really need them, said World Bank Country Director Ulrich Zachau. "What Malaysia is doing in terms of reducing untargeted subsidies and moving towards the improvement of targeted subsidies, is a good policy, said Ulrich, who is based in Bangkok and oversees Malaysia, Thailand, Cambodia, Myanmar and Laos markets," he told reporters after attending a World Bank seminar here Tuesday.

Gibraltar BSN Life To Leverage On BSN Customers

KUALA LUMPUR -- Gibraltar BSN Life Bhd, previously known as Uni Asia Life Assurance Bhd, will leverage on Bank Simpanan Nasional's (BSN) eight million customers, its Chief Executive Officer Vincent Kwo Shih Kang said. This is in accordance with the 30 per cent BSN and 70 per cent stake by American-based Prudential Financial Inc (PFI) through its Prudential Insurance Co of America (PICA), he told reporters at the Gibraltar BSN Life launch here Tuesday.

Maybank Indonesia's Loan Grows 27 Pct Q1

KUALA LUMPUR -- Maybank's Indonesian subsidiary, PT Bank Internasional Indonesia Tbk (BII) saw its loan grow by 27 per cent to 101.3 trillion Indonesian rupiah (100 rupiah = RM0.03) for the first quarter ended March 31, 2014 despite the challenging market conditions and adverse trend in the overall industry growth. BII is one of the largest banks in Indonesia with 422 branches. BII President Director Taswin Zakaria said in a statement Tuesday: "We started the new financial year with respectable performance in line with the industry expectation.

Maybank Expects Debit Card Billings To Reach RM7 Bln

KUALA LUMPUR -- Maybank expects its debit card billings to rise by 20 per cent to RM7 billion this year from RM5.7 billion last year, boosted by its first new Maybank Visa Platinum Debit card. Head of Regional Cards and Wealth B. Ravintharan said in a statement Wednesday, the new card aims to tap into the growing acceptance by Maybank cardholders in performing debit transactions.

MBSB To Cut NPL Ratio To 2 Pct In 2 Years

KUALA LUMPUR -- Malaysia Building Society Bhd (MBSB) aims to reduce non-performing loans (NPLs) ratio to two per cent in the next two years from the current 5-5.5 per cent. MBSB President and Chief Executive Officer Datuk Ahmad Zaini Othman told a media briefing Wednesday, the target would be made possible by putting in place a stronger risk management framework and compliance framework which would be able to reduce the overall NPLs to the industry level which currently stands about two per cent.

Broad Money Grows 5.9 Pct In March

KUALA LUMPUR -- Broad Money (M3) grew by 5.9 per cent in March driven by credit extended to the private sector by the banking system, said Bank Negara Malaysia (BNM). BNM in a statement Wednesday said although credit extended to the private sector by the banking system expanded at a moderate pace, it remained as the main driver of M3 expansion.

Ambank, Metlife Complete Strategic Partnership

KUALA LUMPUR -- AMMB Holdings Bhd's unit, AMAB Holdings Sdn Bhd and MetLife, Inc.'s unit, MetLife International Holdings, Inc. Wednesday announced the completion of their strategic partnership. AMMB Holdings obtained regulatory approvals on April 1 and the stock purchase agreement was inked on April 28 in the presence of Prime Minister Datuk Seri Najib Tun Razak and the United States President Barack Obama.

RHB Research Maintains "Overweight" Call On Banks

KUALA LUMPUR -- RHB Research has maintained its "overweight" ratings on the bank sector as applications and approvals for March improved to RM78 billion and RM36 billion year-over-year with loan demand from businesses showing robust growth. This suggests that the loan growth system would remain healthy ahead, keeping the asset quality system stable, which would help keep loan provisioning levels in check, the research house said in a note Friday.

Husni To Lead Delegation To ADB Meeting In Kazakhstan

KUALA LUMPUR -- Minister of Finance II Datuk Seri Ahmad Husni Hanadzlah will lead the Malaysian delegation to the 17th ASEAN Finance Ministers' and Central Bank Governors' Meeting (AFMGM+3) and the 47th Asian Development Bank (ADB) Annual Meeting on May 2-5 in Astana, Kazakhstan. The 17th AFMGM+3 will discuss the progress of regional economic cooperation, as well as exchange views on global and regional economic prospects and challenges, the finance ministry said in a statement here Thursday.

Sasbadi Holdings Aims 15-30 Pct Revenue Rise

By Nor Hayati Endan and Norafiqah Jamil

KUALA LUMPUR -- Sasbadi Holdings Sdn Bhd, a book and teaching aid publisher, is aiming for revenue increase of between 15 to 20 per cent this year based on its competitive advantage. Managing Director Law King Hui told Bernama Monday, the company recorded a revenue of RM78 million last year with sales of close to 12 million books.

Tambun Indah's Net Profit Doubles In Q1

KUALA LUMPUR -- Mainland Penang property developer, Tambun Indah Land Bhd, saw its net profit more than double to RM25.3 million in the first quarter ended March 31, 2014, compared with the same period a year ago. Revenue jumped 43 per cent to RM112 million during the period under review, versus RM78.3 million registered in the corresponding period, the company said in a statement Monday.

Ekuinas To Accelerate Investment To RM600-RM650 Mln

KUALA LUMPUR -- Ekuiti Nasional Bhd (Ekuinas), a government-linked private equity firm, targets to accelerate its investment rate to around RM600 million to RM650 million annually. Minister in the Prime Minister's Department, Datuk Seri Abdul Wahid Omar, when announcing Ekuinas' 2013 results Monday, said the firm undertook nine direct and outsourced investments with committed capital totalling RM246.8 million in its fourth year of operation since 2009.

Nationwide Expects 10 Pct Rise In Revenue, Profits

SHAH ALAM --Nationwide Express Courier Services Bhd (Nationwide Express), is confident its newly launched Pharmaceutical Dedicated Delivery (PDD) solution will help increase the company's revenue and profits by at least 10 per cent. Speaking after the launch of the PDD solution Monday, Managing Director Rozilawati Basir said the company invested about RM5 million to acquire 14 chilled vehicles of variable sizes.

Malaysia's GNI Per Capital Target Of US$15,000 Achievable

KUALA LUMPUR --Malaysia's gross national income (GNI) per capita could rise to US$15,000 as early as 2018, said Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah. "We are progressing well in our Economic Transformation Programme and based on latest estimates, the GNI per capita target of US$15,000 or RM48,000 can be achieved earlier than our target of 2020," he said, before the launch of Bursa Malaysia's new community portal, the Bursa Market Place, here Monday.

Volkswagen Aims To Sell 3,300 Units Jetta This Year

PETALING JAYA -- Volkswagen Group Malaysia, a unit of Volkswagen AG, targets to sell 3,300 units of its newly-launched locally assembled Jetta this year. Speaking after the launch here Monday, Volkswagen Malaysia Strategy and Planning Director Robert McAllister said the company expected the model to contribute 15 per cent to its overall car sales target of 23,000 units this year.

Astro Expects 300,000 Downloads For World Cup Application

By Azlee Nor Mahmud

PETALING JAYA -- Astro (M) Holdings Bhd, the official broadcaster of the 2014 FIFA World Cup Brazil, anticipates 300,000 downloads solely for its Astro Go 2014 FIFA World Cup application by the public. Astro Head of Sports Lee Choong Khay told Bernama at the Astro World Cup briefing here Tuesday, the downloads would equally come from users that utilise Apple App store and Google Play, on which the app would be available beginning June 4, 2014.

Eversendai Bags RM172 Mln Contracts In MidEast, India

KUALA LUMPUR -- Eversendai Corporation Bhd, through its Middle East and India subsidiaries, has secured contracts worth RM172.2 million for structural steel projects. In a filing to Bursa Malaysia Tuesday, Chairman and Group Managing Director Tan Sri AK Nathan said the procurement of these contracts proved that Eversendai remained a strong player in the industry.

Mykris Secures RM5.2 Mln Contract From Courts

KUALA LUMPUR -- MyKris Ltd, a Tier-1 Malaysian Internet Content and Services Provider (ICSP), has secured a RM5.2 million contract to provide secure Internet and Intranet services for Courts (M) Sdn Bhd. The three-year contract with Courts would see MyKRIS providing WAN Network Management services for all 74 nationwide Courts branches, thus expanding MyKRIS's presence in Malaysia via its vast customer sites, the company said in a statement Tuesday.

Hock Seng Gets RM73.725 Mln Infrastructure Job

KUALA LUMPUR -- Hock Seng Lee Bhd (HSL) Tuesday announced that it has entered into an agreement with Samado Sdn Bhd for the construction of an infrastructure project worth RM73.725 million, at the Samalaju Industrial Park, Bintulu, Sarawak. In a statement to Bursa Malaysia, HSL said the job scope included pilling, earthworks, drainage, pavement, sewerage station system and related mechanical and electrical works.

Westports Targets 5-10 Pct Growth In Container Handling

KUALA LUMPUR -- Westports Holdings Bhd is optimistic of achieving between five and 10 per cent growth this year in container handling, underpinned by terminal expansion and a robust global trading environment, Chief Executive Officer Ruben Emir Gnanalingam said. Construction of container Terminal 7 was on track and scheduled to be fully operational this year, increasing the port's capacity to 11 million twenty-foot equivalent units (TEUs) from 9.5 million TEUs in 2013, he told reporters after the company's maiden annual general meeting Wednesday following its listing on Bursa Malaysia last year.

Texchem Expects Positive FY14, Driven By Restaurant Division

GEORGE TOWN -- Texchem Resources Bhd expects a positive financial year ending 2014 driven by its business segments especially the restaurant division, Group Executive Chairman Tan Sri Fumihiko Konishi said. The restaurant division, which operates the Sushi King chain, would be the key growth driver for Texchem, contributing 20 per cent to the group's profit, he said after the company's annual general meeting here Wednesday.

ABX Eyes 20 Pct Revenue Growth This Year

By Harizah Hanim Mohamed

KUALA LUMPUR -- ABX Express (M) Sdn Bhd, a courier service company, is confident of recording a 20 per cent rise in revenue this year from about RM55 million last year. Country Manager Ali Noordin told Bernama Wednesday, the higher target was underpinned by the parcel segment which received overwhelming response from online business and purchasing.

Lynas Expects 20 Pct Increase In April Production

KUALA LUMPUR -- Lynas Corp Ltd expects production of rare earth oxide (REO) from the Lynas Advanced Material Plant to increase by 20 per cent to 700 tonnes in April. It said Wednesday, the management was confident of achieving the targeted production run rate of 11,000 tonnes per annum of REO during the June 2014 quarter.

Touch 'n Go Expects 5 Mln New Users This Year

MELAKA -- Touch 'n Go Sdn Bhd (TNGSB) expects five million new users of its Touch 'n Go (TnG) smartcard this year, chief executive officer Abdul Karim Md Lassim said Thursday. "TnG has an average of about 2.5 million new users a year and so far, about 13 million people in the country have a TnG card, with seven million of them active users," he said after the signing of a Memorandum of Understanding (MoU) between TNGSB and Melaka ICT Holdings Sdn Bhd (MITCH) here.

ANZ Bank's Half-Year Profit At A$3.5 Bln

By Neville D'Cruz

MELBOURNE -- ANZ Bank, which has a significant stake in Malaysia's AmBank Group, has posted another record half-year profit. The bank's preferred measure -- the cash profit -- rose 11 per cent to A$3.5 billion in the six months to the end of March, beating the consensus forecast from analysts of about A$3.4 billion. ANZ chief executive Mike Smith, as quoted by ABC News Thursday, described the figures as a good set of results.

M'sia Eyes 10 Pct Rise In Trade With Kazakhstan

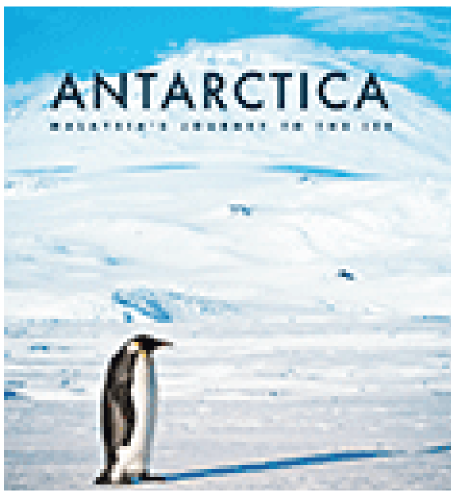
KUALA LUMPUR -- Malaysia aims to increase its total trade with Kazakhstan by 10 per cent this year from US$57.84 million in 2013 via a strategic partnership, said Malaysia External Trade Development Corporation (Matrade). Malaysia's exports to the Central Asian Republic last year stood at US$55.12 million and total imports at US$2.72 million, with total trade between the two countries in 2013 growing 6.2 per cent over the previous year, Matrade Deputy Chief Executive Officer Datuk Dzulkifli Mahmud told reporters here Friday.

Westports Posts RM131.6 Mln Pre-Tax Profit Q1

KUALA LUMPUR -- Westports Holdings Bhd recorded a profit before tax of RM131.6 million for the first quarter, up 25 per cent year-on-year, thanks to an increase in container throughput and savings of the management fee from its termination of management services agreement. Its operational revenue jumped 11.4 per cent year-on-year to RM348.3 million, underpinned by a strong growth in container throughput, the port operator said in a filing to Bursa Malaysia Friday.

Rajang Port Authority Net Profit Rises To RM7.1 Mln

SIBU -- It has been a remarkable year for the Rajang Port Authority (RPA) here in 2013. Despite registering a decrease in total throughput and container handling, it posted a net profit of RM7.1 million. Its chairman, Vincent Goh Chung Siong said in a statement Friday, the net profit was higher than the RM5 million recorded in 2012.



IATA Proposes Balanced Service Charge At KLIA, klia2

KUALA LUMPUR -- The International Air Transport Association (IATA) hopes the Malaysian government will implement a balanced passenger service charge (PSC) at the Kuala Lumpur International Airport (KLIA) and the spanking new klia2. IATA Regional Vice President for Asia Pacific Conrad Clifford said Monday, the trade association for global airline industry had proposed for the PSC at KLIA and klia2 to be balanced at the RM44 and RM45 level.

More China Companies Eyeing Investments In Kedah

ALOR SETAR -- Menteri Besar Kedah Datuk Seri Mukhriz Tun Dr Mahathir Monday said that a substantial number of big companies in China are keen to invest in Kedah. "Lately we can see increased interest to invest in Kedah among big companies in China. This is a very interesting development," he told reporters after the Kedah State Legislative Assembly here Monday.

Proton To Review Export Strategy -Mustapa

KUALA LUMPUR -- Proton Holdings Bhd will review its export strategy in order to create a lasting overseas market for its models, says International Trade and Industry Minister Datuk Seri Mustapa Mohamed. "Although running at a loss, Proton will continue to export its models to create future markets," he told the Dewan Rakyat here Monday.

Thailand Offers Opportunities For M'sian Auto Parts Manufacturers

By Minggu Simon Lhasa

BANGKOK -- Thailand's automotive market offers many opportunities for auto parts and accessories manufacturers, Malaysia External Trade Corporation (Matrade) Trade Commissioner Niqman Rafaee M. Sahar said. He told Bernama, despite the drop in car sales at the start of the year, Thailand, as a regional automotive hub, still offers a lot of opportunities for the 19 Malaysian companies participating at the Thailand Auto Parts & Accessories 2014 (TAPA 2014) exhibition which began here Monday.

Nexgram To Purchase RM28.6 Mln Sensorlink Shares

KUALA LUMPUR -- Nexgram Holdings Bhd Monday entered into a Memorandum of Understanding with Sensorlink Holdings Sdn Bhd to purchase a 70 per cent equity worth RM28.6 million in the latter. In a filing to Bursa Monday, Nexgram said the share sale was through Sensorlink's shareholders, Aw Mun Kong with 49 per cent, Ow Mee Eng (14 per cent) and Wong Kee Yew (seven per cent).

MITI Proposes Special Parliamentarian Committee On TPPA

KUALA LUMPUR -- The International Trade and Industry Ministry Monday proposed that a special committee on the Trans-Pacific Partnership Agreement (TPPA) comprising parliamentarians, be established in order for fellow colleagues in the Dewan Negara to be briefed on the latest developments. The bipartisan caucus would enable parliamentarians from both the ruling party and the opposition to give their views and suggestions on the TPPA, its Minister, Datuk Seri Mustapa Mohamed said in winding up the debate on the Royal address at the Dewan Negara.

MSC Eyes Central Africa, Myanmar To Strengthen Mining Ops

GEORGE TOWN -- Malaysia Smelting Corporation Bhd (MSC) is looking at expanding its operations in Central Africa and Myanmar following its exit from Indonesia. Speaking after the company's annual general meeting here Tuesday, Chief Executive Officer Chua Cheong Yong said the company was looking at the Democratic Republic of Congo (DR Congo) and Rwanda of Central Africa as the mining industries there were rich with natural resources.

US Biotech Company To Produce Dodecanedioic Acid In Malaysia

CAREY ISLAND --Verdezyne Inc, a US-based biotech company, is set to build a plant in Malaysia, producing the world's first type of Dodecanedioic Acid (DDDA) derived from renewable feedstocks. Chief Executive Officer Dr E. William Radany told a media briefing here Tuesday, the production of this green chemicals, which are based on sustainable alternatives, would help reduce global dependence on crude oil.

Petronas Unit Launches Wastewater Treatment Facility

KUALA LUMPUR --Petronas Chemicals Fertilizer Kedah Sdn Bhd (PCFK), a unit of Petronas Chemicals Group Bhd (PCG), has launched its pilot effluent treatment facility at its existing plant in Gurun, Kedah. Known as a reed bed facility, it is an artificial wetland that involves reed plants and bioremediation technique to filter and treat wastewater from PCFK's plant before being processed further and discharged to the river or stream, PCFK said in a statement Tuesday.

UMW O&G On Track To Be Regional Industry Player

By Nurul Hanis Izmir

SINGAPORE -- UMW Oil & Gas Corporation Bhd is on track to become a regional oil and gas industry player following the delivery of its latest jack-up drilling rig, the UMW Naga 5, which it purchased from Keppel FELS, said its President, Rohaizad Darus. Singaporean company Keppel FELS is a subsidiary of Keppel Offshore & Marine Ltd (Keppel O&M), a wholly-owned company of Keppel Corporation Ltd, and designs, builds and repairs high-performance mobile offshore rigs. "With the additional US$223 million UMW NAGA 5, the company is on its way towards becoming a regional player. It is part of our overall goal to become a global oil and gas company," he told a media conference in conjunction with the delivery of the NAGA 5 here Tuesday.

Petronas Secures 4th LNG Buyer For Canadian Project
KUALA LUMPUR -- Petronas unit, Progress Energy Canada Ltd and Pacific Northwest LNG have signed transaction agreements with China Petrochemical Corporation (SINOPEC) for the Canadian LNG project. In a statement here Tuesday, Petronas said SINOPEC is now the fourth partner in a consortium of LNG buyers which PETRONAS is bringing to the British Columbia LNG export project.

Malaysia's Economy To Grow Fastest Among ASEAN-5
KUALA LUMPUR -- Malaysia stands out among the Asean-5, as it is the only economy that will likely experience faster growth in 2014, says the RHB Research Institute. Asean-5 comprises Indonesia, Malaysia, the Philippines, Singapore and Thailand. Malaysia's real gross domestic product (GDP) is to expand at a faster rate of 5.4 per cent this year, after moderating to +4.7 per cent last year, RHB Research Institute said in the economic outlook report here Wednesday.

S'pore Unemployment Remains Low Despite Rising Slightly Q1
By Tengku Noor Shamsiah Tengku Abdullah
SINGAPORE -- Unemployment remained low, despite rising slightly in the first quarter of 2014, while layoffs declined after rising in the preceding quarter. These are the key findings from the "Employment Situation, First Quarter 2014" report released by the Ministry of Manpower's Research and Statistics Department Wednesday. Preliminary estimates showed that the seasonally adjusted unemployment rate rose to 2.1 per cent in March 2014 from 1.8 per cent in December 2013.

Int'l O&G Consortiums Keen To Invest In PIPC
JOHOR BAHARU -- Several international oil and gas consortiums have shown deep interest to invest in the Pengerang Integrated Petroleum Complex (PIPC) project, said Johor Petroleum Development Corporation Bhd (JPDC). JPDC chief executive Mohd Yazid Jaafar told a media briefing Wednesday, the corporation is in the midst of pitching several potential investors to be part of the multi-billion oil and gas project.

Mahathir: Proton Could Be Crippled Without Protective Measures
KUALA LUMPUR -- Proton Holdings Bhd (Proton) could be crippled if steps are not taken to protect the local automotive industry in the same way the United States does for its soya bean sector, said former prime minister Tun Dr Mahathir Mohamad Wednesday. "They (the foreign companies) can sell the cars in Malaysia, even at a loss, as profits can be made elsewhere. Malaysia is still small and there needs to be protection for our local automotive industry," he said. He was asked to comment on a statement by Minister of International Trade and Industry Datuk Seri Mustapa Mohamed in the Dewan Negara on Monday that Proton was facing a slight setback in respect of the export of its models overseas.

Application For Photovoltaic Solar Quota
PUTRAJAYA -- Applications for this year's feed-in-tariff photovoltaic solar quota for Peninsular Malaysia, Sabah and Labuan will open on Friday with several improvements. Sustainable Energy Development Authority Malaysia (SEDA Malaysia) chief executive Datin Badriah Abd Malek said after a media briefing Wednesday, besides manually, an online system called "e-FiT" with New Queue System has also been introduced this year.

ExxonMobil Installs Tapis R Offshore Platform
KUALA LUMPUR -- ExxonMobil Exploration and Production Malaysia Inc, an ExxonMobil subsidiary, Wednesday announced the successful installation of the Tapis R topsides offshore platform. Under the country's Economic Transformation Programme, ExxonMobil and joint-venture partner, Petronas Carigali Sdn Bhd are investing approximately RM10 billion in new oil and gas assets to help ensure reliable and sustainable energy supplies for Malaysia, it said in a statement.

PPI For March Up 3.6 Pct
KUALA LUMPUR -- Malaysia's domestic Producer Price Index (PPI) for March rose 3.6 per cent to 129.6 from 125.1 in the same month last year, the Statistics Department said Wednesday. Month-on-month, the domestic PPI increased 0.2 per cent from 129.4 in February due to an increase in the PPI for local production by 0.1 per cent and a fall in the import price index by 0.1 per cent.

1MDB Funds Being Utilised For Devt Projects
KUALA LUMPUR -- 1MDB has earmarked the funds it has raised to develop and acquire specific assets for 1MDB Group. Portions of the overseas funds have gradually made its way back to be reinvested in 1MDB's energy and real estate projects as well as to meet financial obligations, the Malaysian-government-owned development company said in a statement Thursday.

Econpile Inks Underwriting Pact With RHB IB

KUALA LUMPUR -- Econpile Holdings Bhd has signed an underwriting agreement with RHB Investment Bank Bhd (RHB IB) for its initial public offering (IPO) exercise. Econpile plans to spend RM15 million in capital expenditure (CAPEX) mainly for the acquisition of high-technology machinery, its Executive Director and Group Chief Executive Officer Raymond Pang said in a statement Monday.

Eastspring Investments Declares Unit Split For Dana al-Ilham

KUALA LUMPUR -- Eastspring Investments Bhd has announced a 1:1 unit split for existing unit holders of the Eastspring Investments Dana al-Ilham. In a statement Monday, the asset management company said the 1:1 unit split would lower the price of the fund's Net Asset Value per unit approximately by half, making it more affordable for investors.

Petronas Chemicals To Build 22 Reed Bed Facilities

GURUN -- Petronas Chemicals Group Berhad (PCG) has allocated RM132 million to build the Reed Bed Facility in all its 22 chemical processing subsidiaries in the next six years. "Each biology treatment project would cost RM6 million," said Petronas Chemical President and Chief Executive Officer Datuk Dr Abd Hapiz Abdullah at the launch of the first Reed Bed Facility at Petronas Chemicals Fertiliser Kedah Sdn Bhd (PCFK) in Gurun Monday.

Bursa Malaysia Unveils Community Online Portal

KUALA LUMPUR -- Bursa Malaysia Bhd has launched "BURSAMKTPLC" (Bursa Market place), a community online portal at www.bursamarketplace.com to further grow retail participation in the local bourse. The portal provides big data, analytics, research and expert advice on the Malaysian market for everybody, Bursa Malaysia Chief Executive Officer Datuk Tajuddin Atan said at the launch Monday.

Aerospace Blueprint To Generate New Entry Point Projects

KUALA LUMPUR -- The Malaysian Industry-Government Group for High Technology (MIGHT) Monday organised a workshop with key stakeholders for the development of the Malaysian Aerospace Industry Blueprint 2015-2030. In a statement, MIGHT said participants of the workshop included leaders in the aerospace industry, regulatory agencies, education and training providers as well as related government agencies.

TNB Signs MoU With Trilliant On Smart Grid

KUALA LUMPUR -- Tenaga Nasional Bhd (TNB) has signed a Memorandum of Understanding (MoU) with US-based Trilliant on a smart grid technical exchange collaboration. TNB President and Chief Executive Officer Datuk Seri Ir Azman bin Mohd said in a statement Tuesday, he was delighted to have the technical exchange collaboration with Trilliant.

Mitsui Outlet Park KLIA Opens Early Next Year

SEPANG -- Malaysia's new factory outlet park, the Mitsui Outlet Park KLIA, will start operations early next year, said Malaysia Airports Holdings Bhd (MAHB) Chairman Tan Sri Dr Wan Abdul Aziz Wan Abdullah. The park, the largest factory outlet shopping mall in Southeast Asia with 25,000 sq. m. of commercial area, hosts 140 outlets offering luxury products, fashion accessories, sporting and outdoor goods, a Japanese specialty store, entertainment centre as well as an amusement park, he said at the ground breaking here Tuesday.

Matrade To Lead 20 M'sian Companies To OTC 2014

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (Matrade) will lead 20 Malaysian oil and gas (O&G) companies to the Offshore Technology Conference (OTC) 2014 in Houston, United States (US). More than 150 business and one-to-one meetings have been scheduled between the Malaysian companies and the major O&G players during the four-day event beginning May 5, it said in a statement Wednesday.

Puncak Niaga Secures RM97 Mln Govt Contract

KUALA LUMPUR -- Puncak Niaga Holdings Bhd has signed a contract worth RM97 million with the government for a project in Sarawak. The 24-month Sarikei water treatment plant upgrading contract is for the construction, completion, testing and commissioning of 30 million litres of water per day at Bayong Water Treatment Plant, it said in a filing to Bursa Malaysia Wednesday.

RM5 Bln Businesses For Bumiputera Economic Empowerment

KUALA LUMPUR -- New business opportunities worth RM5 billion will potentially be created for the Bumiputera community this year under the Bumiputera Economic Empowerment, says the Putrajaya Committee on Government-Linked Companies (GLC) High Performance (PCG) Secretariat. This would be achieved through the implementation of Bumiputera-related key performance indicators (KPIs) and game-changing initiatives (GCIs), said a statement from the secretariat Wednesday.

Proton Appoints New CEO

SHAH ALAM -- Datuk Abdul Harith Abdullah was Wednesday named the new chief executive officer of Proton Holdings Bhd, the national carmaker. DRB-Hicom Group Managing Director Tan Sri Mohd Khamil Jamil announced here, the appointment took effect on April 15. "I'm already in office for the past two months and the announcement of my promotion makes it official," Abdul Harith, who was previously the DRB-Hicom Defence Technologies Sdn Bhd (DEFTECH) chief executive officer, told reporters.

MAHB Announces Official Website, Twitter Account

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) has announced that its official website is www.malaysiaairports.com.my and its official twitter account is @MY_Airports. The public and media are advised to refer to these official channels for any information on Malaysia Airports, KLIA or klia2, it said in a statement here Thursday.

klia2 To Spur Spillover Business Benefits

By Azlina Aziz

klia2 TAKES OFF… The Kuala Lumpur International Airport 2 (klia2) officially commenced operations Friday with the arrival of Malindo Air Flight OD1027 from Kota Kinabalu at 12.05am.

KUALA LUMPUR -- A wide array of business activities are set to reap the spillover benefits when klia2 -- the world's largest purpose-built terminal for low-cost carriers, begins operations Friday in what will surely be a momentous occasion for the nation in the spirit of "Malaysia Boleh." Besides being the culmination of a long-awaited infrastructure development after numerous hiccups, klia2 signals the country's readiness to tackle the anticipated explosive growth in low-cost travel regionally and globally.

One of the largest privately funded projects, with the capacity to serve up to 45 million passengers annually, klia2 would undeniably also help boost growth and employment in transport, tourism, travel, food, accommodation and a host of other supporting sectors.

Kudos must go to Malaysia Airports Holdings Bhd (MAHB) for its perseverance in finally completing the airport despite much-criticised delays and almost running battles with low-cost carrier AirAsia Bhd over issues related to klia2. Ultimately, good sense seemed to have prevailed with the AirAsia Group agreeing to move and operate from klia2, also dubbed as the new hybrid airport by May 9. That's when the old low-cost carrier terminal (LCCT) would cease operations.

Undoubtedly, Prime Minister Datuk Seri Najib Tun Razak's timely intervention seemed to have loosened the deadlock between AirAsia and the airport's operator, MAHB. Although there are still "a few outstanding commercial issues," AirAsia has decided to move, saying it will not hold back its operations. AirAsia Executive Chairman, Datuk Kamarudin Meranun, was quoted as saying AirAsia had made the necessary preparations to move into klia2, in line with the Operational Readiness and Transfer (ORAT) specifications, such as airside and operations trials.

"With Malaysia Airports Holdings' assistance and support, we would be able to comply with the ORAT requirements to facilitate our move," he said.

There is no denying that AirAsia has a lot to gain from operating from what is surely the world's largest purpose-built low-cost terminal. Roughly half the size of the nearby Kuala Lumpur International Airport (KLIA), klia2 would be a boost for AirAsia's continuing expansion. It would be klia2's anchor tenant with a take-up rate accounting for more than 80 per cent of the passenger traffic utilising the new airport.

The klia2 is also expected to set the stage for the further development of the country's aviation industry. The government's decision to enlist the expertise of the International Civil Aviation Organisation (ICAO) to further evaluate the long-term safety of klia2 is a step in the right direction. By inviting a specialised agency of the United Nations body, AirAsia can rest assured that ICAO would ensure safety of air navigation and klia2's orderly growth. By definition, ICAO adopts standards and recommended practices concerning air navigation, its infrastructure, flight inspection, prevention of unlawful interference, and facilitation of border-crossing procedures for international civil aviation.

And on April 24, Acting Transport Minister Datuk Seri Hishammuddin Tun Hussein announced that ICAO has certified that klia2 has met its safety standards. On the same note, vowing that safety is the utmost priority for klia2, a Certificate of Completion and Compliance (CCC) from UEMC-Bina Puri JV, the main terminal building contractor, has been obtained on April 17. The issuance of the CCC not only certifies the safety of the project but is also the go-ahead for all relevant authorities to occupy the terminal building including airlines that can start operating from the new hybrid airport. The CCC must comply with the Fire and Rescue Department, Sepang Municipal Council and Indah Water Konsortium Sdn Bhd specifications.

MAHB has been conducting mock runs of the ORAT, which are trials to stimulate functionality and operational aspects, since early February. The final ORAT took place on April 30. Besides AirAsia, other airlines set to operate from klia2 include Malindo Air, Cebu Pacific Air, Tiger Airways Singapore, Lion Air and Indonesia's Mandala Airlines, but who knows, more might come in later with the terminal set on par with international standard.

Passengers will be able to enjoy a hassle-free travelling experience, as klia2 will provide multi-modal transportation facilities such as Express Rail Link, buses and taxis, and act as a transportation hub, not only for the convenience of passengers but also for the surrounding communities.

BERNAMA
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May 3, 2014

Market Outlook

LIST OF MARKET REPORTS :

BURSA: FBM KLCI To Trend Towards 1,900 Pts Next Week

By Farhana Poniman

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) is expected to trend higher towards the psychological level of 1,900 points next week. Affin Investment Bank Vice-President/Head of Retail Research Dr Nazri Khan said local optimism will be driven by European Central Bank and Bank Of Japan's aggressive fiscal stimulus as well as encouraging US economic data.

"Global stocks are steady after the Federal Reserve continued to reduce its monthly bond buying by a mild amount and this indicates the economy is improving at a modest pace," he told Bernama. Turning to the local market, he said the fact that the benchmark index has broken from the narrow 1,850-1,870 range indicated stronger bulls ahead. "We expect domestic buying momentum to increase riding on Bursa Malaysia's resilient and defensive appeal, more rotation play towards large capital stocks and more external funds inflow following the extra liquidity from Japan and Europe," he said. Nazri noted the strong leadership by economically-sensitive counters, such as finance, plantation and services as well as gains from larger capital stocks indicated new inflow of funds and healthy momentum in the near-term.

He added that the long- and medium-term trend for the index remained firmly up as long as it stayed above the 1,800 points level. On a week-to-week basis, the FBM KLCI ended 8.1 points better on Friday at 1,869.08 against 1,860.98 recorded the previous Friday. The local market was closed on Thursday for the Labour Day holiday. The holiday-shortened week saw weekly turnover drop to 7.32 billion shares worth RM6.96 billion from last week's 11.4 billion shares worth RM10.78 billion.

Main market volume decreased to 5.22 billion shares valued at RM7.55 billion from 8.66 billion shares valued at RM10.17 billion recorded last Friday.

FOREX: Ringgit Likely To Trade Lower Next Week

KUALA LUMPUR -- The ringgit is likely to trade lower against the US dollar next week due to lack of commercial demand, said a dealer. The latest outcome of the Federal Open Market Committee meeting indicated that growth in economic activity had picked up recently, hence the support for the greenback.

For this holiday-shortened week, the ringgit ended higher at 3.2650/2670 against the greenback from 3.2690/2710 last Friday. Against other major currencies, the ringgit depreciated against the Singapore dollar to 2.6062/5082 from 2.5994/5018 last Friday and rose against the yen to 3.1857/1892 from 3.1974/1009 previously. It eased against the British pound to 5.5136/5173 from 5.4949/4989 and fell against the euro to 4.5259/5290 from 4.5223/4258 last Friday.

MONEY MARKET: Short-Term Rates Likely To Remain Stable Next Week

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

For the week just-ended, BNM intervened daily to absorb surplus funds. The liquidity surplus in the conventional system amounted to RM24.255 billion while the excess in the Islamic system stood at RM1.739 billion. The overnight rate remained pegged at 2.94 per cent, while the one-week, two-week and three-week rates stood at 3.02 per cent, 3.07 per cent and 3.10 per cent respectively.

FBM KLCI Futures To Remain Firm Next Week

By Farhana Poniman

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract on Bursa Malaysia Derivatives is likely to trade firmer next week, tracking the anticipated stronger underlying performance of the cash market. Affin Investment Bank Vice-President/Head of Retail Research Dr Nazri Khan said local optimism would be driven by European Central Bank and Bank of Japan's aggressive fiscal stimulus as well as encouraging US economic data.

"The fact that the benchmark index has broken from the narrow 1,850-1,870 range indicated stronger bulls ahead. "We expect domestic buying momentum to increase on Bursa Malaysia's resilient and defensive appeal. "More rotation play is expected towards large capital stocks and external funds inflow following the extra liquidity from Japan and Europe," he told Bernama.

For the week just ended, the benchmark index stood at 1,869.08 points, down 2.44 points from the previous week. May 2014 lost 2.0 points to 1,865.5 points, June 2014 added 2.0 points to 1,865.5 points, September 2014 erased 5.0 points to 1,857 points and December 2014 was flat at 1,857 points. The local market was closed on Thursday for the Labour Day holiday. Turnover for this holiday-shortened week rose to 58,840 lots from last week's 44,096 lots while open interest fell to 33,694 contracts from 60,030 contracts last Friday.

CPO Futures: Ramadhan Demand To Lift CPO Futures Next Week

By Zairina Zainudin

KUALA LUMPUR -- High demand for palm oil ahead of the Ramadhan season will lift interest for the crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives next week.

Interband Group of Companies Senior Palm Oil Trader Jim Teh said demand for the commodity would mainly come from Middle East countries. He expected the commodity to fetch between RM2,650 and RM2,700 a tonne next week - a level still lucrative to planters.

Meanwhile, Phillip Futures Sdn Bhd, Derivative Specialist David Ng said trading would be volatile as investors follow the downtrend in soyoil prices on the Chicago Board of Trade. Soyoil prices plunged recently due to market anticipation of higher production from South America coupled with the cancellation of vegetable oil imports from China following its weak economy.

"Demand for Ramadhan will help mitigate the downtrend and this will lead to mixed market sentiment. The Malaysian Palm Oil Board is expected to release its production data for April on May 12 which will provide a clear indication of the market's outlook," Ng told Bernama. The market expects production to be up by six per cent and inventories to hover between 1.74 million and 1.78 million tonnes for April. Against this backdrop, the CPO price is anticipated to trade between RM2,570 and RM2,630 a tonne next week.

On a Friday-to-Friday basis, May 2014 decreased RM45 to RM2,660 per tonne, June 2014 lost RM61 to RM2,615 per tonne, while both July 2014 and August 2014 fell RM68 each to RM2,592 and RM2,582 per tonne respectively. Weekly turnover rose to 135,503 lots from 134,193 lots last week while open interest widened to 225,335 contracts from 204,787 contracts previously. On the physical market, May South eased RM20 to RM2,680 per tonne. The local market was closed on Thursday for the Labour Day holiday.

Rubber Market To Trade Mixed Next Week

By Zairina Zainuddin

KUALA LUMPUR -- The Malaysian rubber market is expected to trade mixed next week with prices hovering around current levels, a dealer said. The easier market sentiment was expected to be in tandem with the Tokyo Commodity Exchange (TOCOM) which influences the trend on the local market. However, the ringgit's depreciation would mitigate the losses as it would spur demand among foreign buyers.

For this holiday-shortened week, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 at noon ended 7.5 sen higher at 559.5 sen a kg while latex-in-bulk added one sen to 452 sen a kg. The 5 pm closing price for tyre-grade SMR 20 rose 7.5 sen to 559.5 sen a kg while latex-in-bulk increased 4.5 sen to 454.5 sen a kg. The local market was closed on Thursday for the Labour Day holiday.

KLIBOR Futures Expected To Be Lacklustre Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is expected to remain lacklustre next week in the absence of fresh leads, dealers said. During the week, the market only traded on Wednesday with a turnover of 200 lots. Open interest rose to 3,080 contracts from 3,010 contracts recorded last Friday. On a week-to-week basis, May 2014, June 2014, July 2014 and September 2014 stood at 96.61, 96.60, 96.52 and 96.44 respectively.

The underlying three-month KLIBOR ended higher at 3.38 per cent from 3.37 per cent last Friday.

KLTM: Tin Prices To Hover Around US$23,000 Next Week

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is expected to hover around US$23,000 per tonne next week due to weak demand, said a dealer. He said buying support from European and Japanese traders was expected to be cautious following the release of unfavourable economic data from the United States and China this week which affected all metals including tin.

For the week just-ended, local tin moved between US$22,895 and US$23,680 per tonne, mostly influenced by the trend on the London Metal Exchange (LME). Weekly turnover declined to 103 lots from 162 lots last week with European, Japanese and local buyers dominating trade.

The price differential between the KLTM and LME widened to a premium of US$450 per tonne from US$275 per tonne last Friday.

Gold Futures Expected To Trade Lower Next Week

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is likely to remain bearish next week on growing optimism over the US economy, dealers said. Phillip Futures Sdn Bhd Dealer Thomas Yew Jia-Jong said the optimism over the US economic growth would hurt the precious metal's safe-haven appeal. He said gold futures would also remain under pressure as the US economy had shifted investors' risk appetite from safe haven assets to riskier assets like equities.

On a Friday-to-Friday basis, May 2014 fell RM1.85 or 37 ticks to RM134.90 a gramme, June 2014 lost RM1.60 or 32 ticks to RM135.35 a gramme, July 2014 and August 2014 declined RM1.45 or 29 ticks each to RM135.55 and RM135.65 a gramme respectively.

Total volume fell to 3,641 lots worth RM55 million compared with 3,996 lots valued at RM54.04 million traded last week.

Open interest on Friday stood at 3,621 contracts versus 2,032 contracts previously.