MALAYSIAeBiz
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WEEKLY BUSINESS ROUNDUP 19-23 MAY 2014

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This Week's Highlight : M'sia Expects TPP Completion On Own Terms Year-End - Najib

BILATERAL TALKS...Prime Minister Datuk Seri Najib Tun Razak having a bilateral meeting with his counterpart Shinzo Abe at the Japanese premier's office in conjunction with the 20th Nikkei International Conference on the Future of Asia "Rising Asia: Messages for the Next 20 years" in Tokyo Wednesday.

From Azlina Aziz

TOKYO -- Prime Minister Datuk Seri Najib Tun Razak said Malaysia looks forward to the completion of the Trans-Pacific Partnership (TPP) possibly by year-end on terms acceptable to the country. "We will try because earlier the target was to complete it by the end of last year but at the East Asia Summit in Bali, I said it was not possible, the TPP cannot became a reality, as such we are hoping to reach an agreement by the end of this year," he said.Najib was speaking to reporters after his keynote speech presented at the Nikkei 20th International Conference on the Future of Asia "Rising Asia: Messages for the Next 20 Years," here Thursday.

This Week's Top Stories

Monday

Najib: 6.2 Pct Growth Is Excellent

From Massita Ahmad

ABU DHABI -- Prime Minister Datuk Seri Najib Tun Razak has described Malaysia's 6.2 per cent Gross Domestic Product (GDP) growth in the first quarter of the year as 'very excellent'. "It surpassed the figure that has been projected by experts (economists)," he told Malaysian journalists after witnessing the signing of a memorandum of understanding between Felda and Lulu Group International here Monday.

Tuesday

No Bonds Issued For MAS, Says EPF

KUALA LUMPUR -- The Employees Provident Fund (EPF) has clarified that it has never issued or subscribed for bonds to finance Malaysia Airlines (MAS) as reported by the media. "The EPF Act 1991 does not allow us to issue any bonds," it said in a statement Tuesday. The EPF also said the last form of financing that it provided for the national airline was in 1994, which had been fully paid in 2004. It was reported last week that the EPF had been feeding money into MAS as it was facing financial difficulties due to the missing Flight MH370.

Wednesday

Dr Mahathir Appointed Proton & Group Lotus Chairman

KUALA LUMPUR -- Proton Holdings Bhd announced Wednesday, it has appointed former Prime Minister Tun Dr Mahathir Mohamad as its chairman effective May 16, 2014. He has also been named chairman of Proton's subsidiary, Group Lotus plc (Lotus). Dr Mahathir will assume the position from Tan Sri Mohd Khamil Jamil who is stepping down as the executive chairman, but remains on the board of directors of the company.

Thursday

Malaysia Is 12th In Global Competitiveness Ranking

KUALA LUMPUR -- Malaysia's ranking improved three notches to 12th, among 60 countries, in the World Competitiveness Yearbook 2014, its best performance in four years, says International Trade and Industry Minister Datuk Seri Mustapa Mohamed. The jump is a testimony of growing confidence in the government's various initiatives to transform the economy into that of a high-income nation by 2020, he said. Last year, Malaysia was ranked 15th by the Swiss-based Institute for Management Development.

Friday

Proton In Talks With Japanese Car Makers On Future Collaborations

From Nor Hamzeela Hambali

TOKYO -- Proton Holdings Bhd, the national carmaker, is negotiating with several Japanese car manufacturers on the prospects of future collaborations, Proton Chairman Tun Dr Mahathir Mohamad said Friday. However, any strategic collaboration was unlikely to include Mitsubishi, one of the leading Japanese car makers, said the former prime minister.

SMEbrief

MITI Targets 800 Contracts At SME Business Sessions

KUALA LUMPUR -- The Ministry of International Trade and Industry (MITI) has projected 800 new contracts to be signed during the 1,500 business matching sessions at the two-day SME (Small and Medium Enterprise) Smart Partnership programme starting from Monday. Its Deputy Minister Datuk Hamim Samuri said among the sectors that were involved in the business matching sessions were shipping, electrical, furniture and communications.

Western Union Launches Business Payments Unit

KUALA LUMPUR -- The Western Union company has expanded its services in Malaysia with the launch of its dedicated business payments unit, Western Union Business Solutions, paving the way for faster global trade for Malaysian small and medium enterprises (SMEs). Western Union will now provide corporate businesses, particularly SMEs, with international payment and foreign exchange products to improve their cash flow and boost their ability to compete overseas, the company said in a statement Tuesday.

100 SMEs Expected To Receive National Mark Certification

KUALA LUMPUR -- SME Corp Malaysia is on track to achieve a total of 100 companies certified with the National Mark of Malaysian Brand, a certification that depicts quality, excellence and distinction of products and services by local firms, by year-end, Chief Executive Officer Datuk Hafsah Hashim said. As of April this year, another seven companies had received their certification, bringing to 92 the total number of companies that had been certified with the mark since its inception in 2009, she told reporters at SME Corp's Branding Seminar 2015 here Wednesday.

TM Expects SMEs To Contribute 20 Pct To Revenue

GEORGE TOWN -- Telekom Malaysia Bhd (TM) expects small and medium enterprises (SMEs) to contribute 20 per cent to total group revenue, the same as last year, Executive Vice President Azizi A. Hadi said. According to SME Corp data, there are over 645,000 active SMEs throughout Malaysia and 516,000 are TM subscribers as at January this year, he told reporters after opening the TM SME Bizfest 2014 here Thursday.

MDV Allocates RM1.45 Billion This Year For Tech Sector

KUALA LUMPUR -- Malaysia Debt Ventures Bhd (MDV), the nation's leading technology financier, is allocating RM1.45 billion in financing for all technology sectors this year.In a statement Wednesday, it said MDV has disbursed over RM7.0 billion worth of financing to 600 technology start-ups, with more than 70 per cent of the approvals to small and medium enterprises (SMEs).

PropUP

Property update

Sunsuria To Acquire Stake In Sunsuria Devt Subsidiaries

KUALA LUMPUR -- Sunsuria Bhd has entered into a heads of agreement with Sunsuria Development Sdn Bhd to acquire between 81 per cent and 100 per cent stake in the latter's three subsidiaries. Sunsuria Executive Chairman Datuk Ter Leong Yap said in a statement Monday, once the deals are concluded, it would present the company with a total anticipated gross development value of more than RM10 billion and 161.874 hectares of landbank.

KAJ Devt To Build RM11 Mln Boutique Hotel

MELAKA -- KAJ Development Sdn Bhd has invested RM11 million in a five-star boutique hotel at Jalan Kampung Pantai near the Melaka River here. Its chief executive Datuk Michelle Ong said Hotel River Cruise comprised 31 rooms equipped with luxury interior decoration using the art deco concept. The four-storey building was renovated but maintained the original architecture which was built in the 1930s, she told reporters after the launch of the hotel by Melaka Yang Dipertua Negeri Tun Mohd Khalil Yaacob here Monday.

ETI Tech Secures RM70 Mln Tulangis Maju Contract

KUALA LUMPUR -- ETI Tech (M) Sdn Bhd has been awarded a RM70 million contract by Tulangis Maju Sdn Bhd to carry out project management works for 500 units of apartments at Kampung Kilat, in Alor Setar, Kedah, under the People's Housing Programme. ETI Tech (M) is a wholly-owned subsidiary of ETI Tech Corp Bhd In a filing to Bursa Malaysia Wednesday, ETI Tech Corp said the contract is expected to commence upon site possession which is anticipated in May 2014 with a construction period of 36 months.

Palm Springs To Develop Water Theme Park In PD

PORT DICKSON -- Palm Springs Development Sdn Bhd (PSD), a subsidiary of listed developer Tanco Holdings Bhd (Tanco), will develop a water theme park and serviced suites resort on a 9.2 hectare land within the 162 hectare Palm Springs Resort City (PSRC) near here. The total gross development value of the water theme project was estimated at RM600 million which would comprise a water theme park, serviced suites and a 250-room hotel with convention facilities for 2,000 people, Group Managing Director Datuk Seri Tony Tan said after a ground breaking ceremony for the project by Menteri Besar Datuk Seri Mohamad Hasan Monday.

Titijaya Unit To Buy Penang Land For RM126 Mln

KUALA LUMPUR -- Newly-listed property developer Titijaya Land Bhd's wholly-owned unit, City Meridian Development Sdn Bhd has entered into a conditional sales and purchase agreement to acquire 8.25 hectares of land in Penang from Titijaya Group Sdn Bhd for RM126 million. Titijaya Land chief operating officer Lim Poh Yit said in a statement Wednesday, the proposed acquisition is the company's first venture outside the Klang Valley.

MARKET

Scoreboard
Gainers - 296
Losers - 492
Not Traded - 514
Unchanged - 324
Value - 1885696681
Volume - 15701545

BURSA: KL Shares End Lower On Profit-Taking

KUALA LUMPUR -- Share prices on Bursa Malaysia ended lower Friday on profit taking ahead of the weekend.

The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) finished at 1,869.22, down 5.9 points, after fluctuating between 1,866.34 and 1,878.54 throughout the day. A dealer said the market performance in the last few days indicated that the index would possibly trade lower with a sideways bias in the next few days.

"The analysis of overall daily market action revealed that buying power was weaker than selling pressure," he added. Decliners outpaced advancers 492 to 296, with 324 counters unchanged, 514 untraded and 27 others suspended. Volume decreased to 1.57 billion shares worth RM1.88 billion from 1.8 billion shares worth RM2.23 billion recorded Thursday.

On the scoreboard, the Finance Index fell 43.11 points to 17,078.19, the Plantation Index slipped 99.14 points to 9,215.24 and the Industrial Index eased 0.18 point to 3,196.99.

The FBM Emas Index was 34.1 points lower at 12,923.95, the FBMT100 Index depreciated 33.76 points to 12,574.26, the FBM 70 shed 14.45 points to 14,049.04 and the Ace Index lost 26.44 points to 6,598.67. Main Market volume declined to 1.25 billion units worth RM1.81 billion from 1.47 billion units worth RM2.16 billion.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.2105	3. 2135
EUR	4.3721	4.3768
GBP	5.4087	5.4147
100 YEN	3.1540	3.1573
SGD	5.4087	2.4147

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Slightly Higher

KUALA LUMPUR -- The ringgit closed slightly higher against the US dollar Friday, a dealer said.

At 5 pm, the ringgit was quoted at 3.2105/2135 against the greenback from Thursday's 3.2115/2135. "Although the local unit closed higher Friday, traders were anticipating the greenback to rebound following news by the US Federal Reserve to continue scaling its bond-purchase stimulus," she said.

However, Malaysia's central bank's decision to tighten monetary policy helped boost the ringgit, she added. Against other major currencies, the ringgit was traded higher. It soared against the euro to 4.3721/3768 from 4.3944/3991 and jumped to 5.4087/4147 from 5.4192/4252 versus the British pound. Against the yen, the domestic currency improved to 3.1540/1573 from 3.1616/1652 and strengthened to 2.5608/5653 from 2.5659/5683 versus the Singapore dollar.

Money Market: Short-Term Rates To Remain Stable On BNM Intervention

KUALA LUMPUR -- Short-term interbank rates are expected to remain stable Friday on Bank Negara intervention to absorb excess liquidity from the financial system.

The central bank estimated Friday's surplus at RM21.654 billion in the conventional system and RM4.220 billion in Islamic funds. Bank Negara will call for three conventional money market tenders comprising RM1 billion for seven days and RM500 million each for 14 days and 28 days, respectively.

The central bank will also call for three Al-Wadiah tenders, RM650 million for seven days, RM1.2 billion for 14 days and RM500 million for 28 days. At 4 pm, the central bank will conduct up to RM19.7 billion in conventional overnight tenders and a RM1.9 billion Al-Wadiah overnight tender.

KLIBOR Futures Close Higher

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives closed higher Friday with one contract month traded.

June 2014 stood at 96.55 with 2,520 lots traded. July 2014, August 2014 and September 2014 remained pegged at 96.44, 96.39 and 96.34, respectively.Open interest amounted to 7,260 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.43 per cent.

KLCI Futures Contract Close Lower

By Farhana Poniman

KUALA LUMPUR --The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives closed lower Friday in line with the downtrend in the underlying cash market.

Phillip Futures Sdn Bhd Dealer Thomas Yew Jia-Jong said the benchmark index fell Friday on profit taking, led by IOI Corp, SapuraKencana and CIMB, despite positive regional market performance.

"The futures market started higher Friday, tracking the marginal rise in overnight US market, before retreating on weaker cash market performance.

"Overall, the FKLI had a weekly loss due to profit taking by institutional funds following the record high of 1,887.07 points recorded on May 19," he told Bernama.

At the close, May 2014 and December 2014 fell 5.5 points each to 1,868.5 points and 1,863 points, respectively, June 2014 eased 6.0 points to 1,868 points and September 2014 erased 6.5 points to 1,863 points.

Turnover narrowed to 5,033 lots from Thursday's 6,120 lots while open interest widened to 38,553 contracts from 36,806 contracts. The benchmark index finished 5.9 points lower at 1,869.22 points.

Govt Optimistic Of 4.5-5.5 Pct GDP This Year

KUALA LUMPUR -- The government is optimistic of achieving its initial forecast gross domestic product (GDP) growth this year of between 4.5 and 5.5 per cent, Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said. "We are also in the midst of developing the 11th Malaysia Plan, for the years from 2016 to 2020, in the hope that it will help boost our economic landscape and complement GDP growth, and we are looking ahead beyond 2020," he told reporters at the "Beyond GDP: Transitioning into Sustainability" forum here Monday.

Pahang To Implement "Plug N Pay" Via CIMB

KUALA LUMPUR -- The Pahang state government has entered into a collaboration with CIMB Bank to implement the use of "Plug n Pay" services as an alternative payment method in making payments and improve the state's efficiency in collecting fees. In a statement Monday, CIMB said "Plug n Pay" is Malaysia's first chip-based mobile point-of-sale solution that offered organisations of any size an affordable yet secure way to manage electronic payments using their smartphones and tablets.

SIDC Trains 400 Grads For Islamic Capital Market

KUALA LUMPUR -- The Securities Industry Development Corporation (SIDC) has produced 400 entry-level professionals for the high-growth Islamic capital market (ICM) sector with the recent graduation of 38 Islamic Capital Market Graduate Training Scheme (ICMGTS) participants from the programme's tenth intake. The ICMGTS is one of SIDC's many successful talent development programmes to support the growth of the Malaysian capital market industry, SIDC Chief Executive Officer Azman Hisham Che Doi said at the graduation ceremony here recently.

Cradle, Golden Gate Ventures To Bridge Funding Gap

KUALA LUMPUR -- Early stage ecosystem influencer, Cradle Fund Sdn Bhd (Cradle), has joined forces with Singapore-based seed fund provider, Golden Gate Ventures Pte Ltd (GGV), to co-invest in Malaysian early-stage technology companies to fund their global expansion. "This means that every amount GGV provides in funding, Cradle will fund an equal amount into selected technology start-ups without taking any equity in the invested company, said Cradle Fund Chief Executive Officer Nazrin Hassan in a statement Monday.

MAMSB Bullish On Prospects of Malaysia's Money Services

KUALA LUMPUR -- The prospects of the money services business (MSB) in the country is set to remain bullish this year on strong tourism dollars. The value of money changing hands was expected to hit RM60 billion in 2014, up from last year's RM55 billion, said the President of the Malaysian Association of Money Services Business (MAMSB), Ramasamy Veeran told reporters Monday on the sidelines of the Regional Conference on MSB, hosted by Bank Negara Malaysia (BNM) in partnership with the World Bank and MAMSB.

Asia Must Have Spirit Of Cooperation To Succeed – Zeti

KUALA LUMPUR -- Asia needs to persist with the spirit of cooperation and collaboration to succeed in the second chapter marking the dawn of the Asian Century, Bank Negara Malaysia Governor Tan Sri Dr Zeti Akhtar Aziz said. A strong commitment to cooperation and a clear focus on enhancing Asia's long-term potential is key to the bridge between Asia today and the continent in the new Asian century, she said at the launch of the Asian Banker Summit 2014 here Wednesday.

OPR Announcement After July Monetary Meeting – Zeti

KUALA LUMPUR -- Any adjustment related to the overnight policy rate (OPR) will probably be announced after the monetary policy committee meeting in July, Bank Negara Malaysia (BNM) Governor Tan Sri Dr Zeti Akhtar Aziz said. "Any adjustment on the OPR will be based on the outlook for inflation, outlook for growth and risk to growth and any other risks arising from financial imbalances that may be destabilising," she said after the launch of the Asian Banker Summit 2014 here Wednesday.

PBLT Prices Sixth Sukuk Series Of RM1.58 Bln

KUALA LUMPUR -- Pembinaan BLT Sdn Bhd (PBLT) has successfully priced its sixth Sukuk series of RM1.58 billion under a programme, established by its wholly-owned subsidiary, AmanSukuk Bhd. PBLT's Managing Director and Chief Executive Officer, Mohammed Redza Mohd Yusof said in a statement Thursday, the company was very pleased with the strong demand from investors despite the volatile market conditions.

BNM Reserves At RM427.6 Bln As Of May 15

KUALA LUMPUR -- Bank Negara Malaysia's international reserves stood at RM427.6 billion (equivalent to US$131.1 billion) as of May 15, 2014. In a statement Thursday, the central bank said the reserves' position was sufficient to finance 9.2 months of retained imports and was 1.3 times the short-term external debt.

MEASAT To Garner RM437.72 Mln Revenue Year-End

CYBERJAYA -- MEASAT Satellite Systems Sdn Bhd expects to record a higher revenue of US$136 million (RM437.72 million) from its entire fleet of six satellites including the latest communications satellite, MEASAT-3b by year-end, Chief Executive Officer Paul Brown-Kenyon said. Last year, the company chalked up US$99 million (RM319.18 million) revenue from its five existing satellites, namely MEASAT-2, MEASAT-3 and MEASAT-3a, MEASAT 5 and Africasat-1a, he told reporters on a media familiarisation trip to the MEASAT Teleport and Broadcast Centre here Monday.

Affin Q1 PBT Falls To RM185.8 Mln

KUALA LUMPUR -- Affin Holdings Bhd's pre-tax profit (PBT) for the first quarter ended March 31, 2014 declined to RM185.8 million from RM203.5 million in the same period last year. Affin Holdings in a statement Monday, the lower pre-tax profit was mainly due to higher overhead expenses and share of losses in jointly controlled entities despite an increase in Islamic banking income and share of results in associate.

UMWOG Q1 PBT Rises To RM58.3 Mln

KUALA LUMPUR -- Newly listed UMW Oil and Gas Corp Bhd's (UMWOG) pre-tax profit (PBT) for the first quarter ended March 31, 2014 rose to RM58.3 million. Revenue also rose to RM195.6 million. The higher pre-tax profit and revenue was attributed to the drilling service segment, UMWOG said in a filing to Bursa Malaysia Monday in its first initial result after listing.

AMMB Records RM2.45 Bln PBT FY13

KUALA LUMPUR -- AMMB Holdings Bhd recorded a higher pre-tax profit (PBT) of RM2.45 billion for the financial year ended March 31, 2014, against RM2.14 billion recorded in 2012. Revenue surged to RM9.61 billion during the period under review versus RM8.71 billion previously, while earnings grew 10 per cent to RM1.78 billion, supported by good income growth and acquisitions, it said in a filing to Bursa Malaysia Tuesday.

Berjaya Assets Q3 PBT Jumps To RM34.5 Mln

KUALA LUMPUR -- Berjaya Assets Bhd's pre-tax profit (PBT) for the third quarter ended March 31, 2014 jumped to RM34.5 million from RM6.7 million recorded in the same period last year. Berjaya Assets in a statement Tuesday attributed the better performance mainly to higher gain registered on disposal of investment properties and higher profit contribution from Berjaya Times Square Sdn Bhd, arising from higher rental and jetty operation income.

YTL Turns In RM674.06 Mln PBT Q3

KUALA LUMPUR -- YTL Corporation Bhd's pre-tax profit (PBT) for the third quarter ended March 31, 2014, rose to RM674.06 million from RM541.37 million recorded in the same period last year. In a statement Tuesday, Group Managing Director Tan Sri Francis Yeoh Sock Ping said the higher profit was due primarily to the better performance of the cement, property development and investment and hotel divisions, offsetting the decline in construction and utilities divisions.

EPF Electronic Services Post Strong Growth

KUALA LUMPUR -- The number of Employees Provident Fund (EPF) members using the online 'i-Akaun' to check their accounts rose to 1.43 million in first quarter 2014, up 42.73 per cent from one million in the same period last year. "The online facility can also be accessed via our recently launched 'EPF i-Akaun' mobile app, which has received tremendous response from our members as they can now check their EPF account while on the go," EPF Chief Executive Officer Datuk Shahril Ridza Ridzuan said in a statement Wednesday.

HLB Turns In RM500 Mln Net Profit Q3

KUALA LUMPUR -- Hong Leong Bank Bhd (HLB)'s net profit for the third quarter ended March 31, 2014 (Q3FY14) rose by 10.1 per cent to RM500 million from RM454 million in the same quarter last year. For the first nine months period (9MFY14), net profit grew by 8.7 per cent to RM1.57 billion from RM1.44 billion in the same period in 2013, while revenue rose to RM3.032 billion from RM3.031 billion previously, it said in a statement Wednesday.

MSM Posts RM72.06 Mln PBT Q1

KUALA LUMPUR -- MSM Malaysia Holdings Bhd's pre-tax profit (PBT) for the first quarter ended March 31, 2014, fell to RM72.06 million from RM82.84 million registered in the same period a year ago. Revenue decreased to RM498.26 million from RM514.96 million previously, due to lower domestic and export sales despite an increase in industry sales as compared to the same quarter last year, it said in a statement Wednesday.

Matrix Posts RM53.96 Mln PBT Q1

KUALA LUMPUR -- Matrix Concepts Holdings Bhd posted a lower pre-tax profit (PBT) of RM53.96 million for the first quarter ended March 31, 2014 from RM61.48 million during the same period last year. Revenue also decreased to RM134.70 million during the review-period from RM155.59 million previously. In a filing to Bursa Malaysia Wednesday, the property developer said the lower revenue was due to the group's development project, Hijayu 1A, which was yet to reach a particular stage of completion whereby revenue could be recognised.

Hua Yang Registers RM112.4 Mln PBT

KUALA LUMPUR -- Hua Yang Bhd posted a pre-tax profit of RM112.4 million for the financial year ended March 31, 2014, up from RM95.3 million registered a year ago. Revenue rose to RM509.9 million for the same period from RM408.7 million chalked up previously, it said in a filing to Bursa Malaysia Wednesday.

KLK Q2 PBT Surges To RM424.4 Mln
KUALA LUMPUR -- Kuala Lumpur Kepong Bhd (KLK)'s pre-tax profit (PBT) for the second quarter ended March 31, 2014, surged 49.2 per cent to RM424.4 million from RM284.6 million in the same quarter last year. Its revenue rose 31.2 per cent to RM2.934 billion for the period from RM2.236 billion previously, KLK said in a filing to Bursa Malaysia Wednesday.

Batu Kawan Q2 PBT Rises To RM450.81 Mln
KUALA LUMPUR -- Batu Kawan Bhd posted a pre-tax profit of RM450.81 million for the second quarter ended March 31, 2014, up from RM301.34 million in the same quarter a year ago. The higher pre-tax profit was due to higher plantations and manufacturing profits which benefited from higher selling prices, it said in a filing to Bursa Malaysia Wednesday.

PPB'S PBT Slumps To RM173.7 Mln
KUALA LUMPUR -- PPB Group Bhd's pre-tax profit for the first quarter ended March 31, 2014 slumped to RM173.7 million from RM256.31 million in the same period last year. Revenue, however, rose to RM883.185 million from RM763.846 million, mainly attributed to higher revenue from the flour, feed milling and grains trading segment, it said in a filing to Bursa Malaysia Wednesday.

Mega First PBT Increases To RM31.657 Mln Q1
KUALA LUMPUR -- Mega First Corporation Bhd, which builds, owns and operates power plants, chalked up a pre-tax profit of RM31.657 million for the first quarter ended March 31, 2014 from RM30.428 million recorded in the same period last year. In a filing to Bursa Malaysia Wednesday, Mega First said the group's better results were due to core operating divisions which posted higher contribution.

SLDB Disburses RM3.6 Mln Dividends
By Emin Madi

KOTA KINABALU -- The Sabah Land Development Board (SLDB) has disbursed RM3.6 million in its latest dividend payout to its participants and settlers throughout Sabah, SLDB Chairman Datuk Abdul Rahim Ismail said. "The agency under the new management team has implemented several proactive measures to consolidate SLDB's business performance through productivity maximisation and cost efficiency," he told Bernama Wednesday.

TH Travel Targets RM3 Mln Sales From Eastern Region
KOTA BAHARU -- Tabung Haji (TH) Travel and Services Sdn Bhd is aiming for sales of RM3 million this year from its tourism, umrah and haj packages in the eastern region covering Kelantan, Terengganu and Pahang. Eastern region manager Ahmad Zawawee Mohd Nor told Bernama Wednesday, last year, the sales value was RM1.2 million.

M'sia's Advertising Industry Grows At 5-6 Pct
KUALA LUMPUR -- The advertising industry in Malaysia is growing at five to six per cent on average year-on-year, says Media Specialists Association (MSA). Among all, digital advertising is developing at the fastest pace of 25-35 per cent every year, followed by pay TV, which has 55 per cent penetration rate among Malaysian homes, the association said in a statement Wednesday.

Oil Palm Industry To Contribute RM200 Bln To Exports By 2020
SANDAKAN -- The oil palm industry will continue to be important to the Malaysian and Sabah economies, as the industry is projected to contribute an estimated RM200 billion to Malaysia's export value by 2020, about three times the current value, Chief Minister Datuk Seri Musa Aman said. This is expected to be achieved by way of replacing aging oil palm trees with higher yielding oil palm fruits, improving the oil extraction rate, mechanisation in plantations to raise productivity and the promotion of downstream value-added products, he said at the opening of the 5th Palmex Malaysia here Wednesday.

Metaltech 2014 Eyes RM1 Bln Sales This Year
KUALA LUMPUR -- The organisers of Metaltech 2014, Trade Link ITE Sdn Bhd, targets to achieve on-the-spot sales of RM250 million and projected some RM1 billion in follow-up sales for the rest of the year. Its Chairman Datuk Zainal Abidin Ahmad said Thursday, the four-day, annual machine tool, metalworking and manufacturing showcase, highlighted some 3,000 of the latest technologies from nine specialised profiles and provide suppliers and buyers with sales and networking opportunities.

IRB Targets RM140.15 Bln Tax Collection In 2014
TELUK INTAN -- The Inland Revenue Board (IRB) aims to collect RM140.15 billion in taxes this year, up from RM128.9 billion last year, said Deputy Finance Minister Datuk Ahmad Maslan. The target is achievable as RM41.5 billion has already been collected as at April 30, he told reporters after visiting the Teluk Intan IRB branch here Thursday.

Felda Facilitates Settlers' Exports To The Middle East

From Massita Ahmad

ABU DHABI --- The Federal Land Development Authority (Felda) will push its 'Economic Powerhouse' transformation plan with a concrete approach, exploring wider opportunities for its non-farm activities. The establishment of a new unit known as the Enterprises International Business Unit (EIBU) will be a catalyst for Felda entrepreneurs to export their products to the Middle East, Felda Director-General Datuk Faizoull Ahmad said in his 2014 message. Speaking to Bernama Monday, Deputy Director General, Corporate Services Hanapi Suhada said seven Felda Best frozen food products are already being sold at Lulu Hypermarkets starting this month.

Malaysia Pushes For Better Access For Specific Sectors

From Nor Baizura Basri

SINGAPORE -- Malaysia is pushing for better offers in terms of market access in specific sectors in the Trans-Pacific Partnership (TPP) negotiations as discussion zeroes in on market access at the ministerial meeting which kicked off Monday. "We are getting what we have asked but there are some specific areas that we would like to ask from, for example, Japan, Mexico, where we are asking better offers (but) offer here means faster rate of duty elimination," International Trade and Industry Minister Datuk Seri Mustapa Mohamed told Malaysian reporters here.

Felda-Lulu Hypermarket Tie-Up Benefits Society – Najib

From Massita Ahmad

ABU DHABI -- Prime Minister Datuk Seri Najib Tun Razak says he believes the collaboration between Felda and Lulu Group International to set up a unique concept of Halal hypermarkets in Malaysia will benefit both organisations as well as society at large. Najib, who is also the Finance Minister Monday witnessed the signing of a memorandum of understanding (MoU) between Felda and Lulu Group which will see the latter opening up its first Halal hypermarket in Malaysia by 2016.

M'sia-S'pore Ties On Strong Footing – President Tan

By Tengku Noor Shamsiah Tengku Abdulllah

SINGAPORE --- Singapore President Dr Tony Tan Keng Yam says Malaysia and Singapore remain among each other's top trading partners. "Cooperation in the area will continue to deepen, especially with our cooperation in Iskandar Malaysia," he said in his address at the state banquet at the Istana Monday evening. Singapore is Malaysia's largest investor in Iskandar Malaysia.

Felda Ready To Meet Demand From Lulu Hypermarket - Isa

From Massita Ahmad

ABU DHABI -- The Federal Land Development Authority (Felda) is ready to meet the expected high demand from Lulu hypermarkets for its Felda Best products, says Chairman Tan Sri Mohd Isa Samad. Felda will supply Lulu Group International, which owns 20 Lulu hypermarkets in the United Arab Emirates (UAE) and plans to open 10 hypermarkets in Malaysia, the first of which is set to open in 2016, he said after the signing of a memorandum of understanding between Felda and Lulu Group here Monday.

S'pore Economy Expands 4.9 Pct Q1

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- The Ministry of Trade and Industry (MTI) said Singapore's economy grew by 4.9 per cent on a year-on-year basis in the first quarter, similar to the rate of growth achieved in the previous quarter, and is maintaining the republic's gross domestic product growth forecast in 2014 of 2.0 to 4.0 per cent. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy grew by 2.3 per cent, moderating from the 6.9 per cent growth in the preceding quarter, it said in a statement Tuesday.

No Discussions On New Electricity Tariff Hike-Mahdzir

KUALA LUMPUR --The statement by Prime Minister Datuk Seri Najib Tun Razak last week on the government's justification to allow an increase in electricity tariff does not mean there will be a hike in electricity tariff, said Datuk Seri Mahdzir Khalid. "At present, there's no discussions on plans to further increase the electricity tariff in the future," the Energy, Green Technology and Water Deputy Minister told reporters after launching Southeast Asia's Electricity Distribution Conference here Tuesday.

Two Mazda Suppliers Keen To Invest In NCER

From Nor Hamzeela Hambali

HIROSHIMA -- Two Mazda vendors have expressed interest to i nvest in the Northern Corridor Economic Region (NCER), said Northern Corridor Implementation Authority (NCIA) Chief Executive Datuk Redza Rafiq. The NCIA is currently in discussions with two first-tier vendors for Mazda -- Delta Kogyo Co Ltd, supplier of car seats and shifters for Mazda 6, and Hirotec Corporation, supplier of exhausts for the same model -- in Hiroshima, said Redza after attending a briefing at Delta Kyodo Co here Tuesday.

Japan, US Compromise For TPP Members To Move Forward

From Nor Baizura Basri

SINGAPORE -- The recognition and acknowledgement by Japan and the United States over sensitive issues in regard to market access in the Trans-Pacific Partnership (TPP) talks, has provided some motivation for other participating countries to move forward. Minister of International Trade and Industry Datuk Seri Mustapa Mohamed told Malaysian reporters Tuesday, with both parties having managed to have an understanding, it has no longer become a stumbling block for the other 10 countries to proceed with their talks.

Malaysia Seeks Another Height In Economic Ties With China

From Nor Baizura Basri

SINGAPORE -- Malaysia is seeking another height in Malaysia-China economic relations with the visit of Prime Minister Datuk Seri Najib Tun Razak to the mainland, end of this month, in conjunction with the 40th anniversary celebration of bilateral diplomatic relations with China. While China is Malaysia's single largest trading partner and largest trading partner among Asean member countries, there is still room for both countries to tap Chinese investments into Malaysia, International Trade and Industry Minister Datuk Seri Mustapa Mohamed said after attending the Trans-Pacific Partnership Ministerial Meeting which ended here Wednesday.

Growing Rich Vs Poor Gap A Pressing Issue – Najib

From Azlina Aziz

TOKYO -- Prime Minister Datuk Seri Najib Tun Razak Thursday cautioned that over the past few years, the growing gap between rich and poor in developed economies, has become a pressing policy issue. "A little inequality encourages individuals to work hard and innovate. But an unequal system creates hollow economies, where wealth and opportunity are kept for the few, at the expense of the many," he said at the prestigious Nikkei 20th International Conference on the Future of Asia "Rising Asia: Messages for the Next 20 Years" here.

Look East Policy's 2nd Wave To Boost M'sian Economy - Najib

From Azlina Aziz

TOKYO -- Malaysia's move to strengthen the second wave of the Look East Policy which focuses on high technology and highly skilled workers, will help the country's economy move up the value chain and on to high-income status, said Prime Minister Datuk Seri Najib Tun Razak. "Things were different back then. Asia is rising, but the truly explosive growth is still to come," said Najib in his keynote address at the prestigious Nikkei 20th International Conference on The Future Asia, "Rising Asia: Messages For the Next 20 Years", held here Thursday.

Kazakhstan Sees Meaningful Ties With Malaysia

From Christine Lim

ASTANA (KAZAKHSTAN) -- Kazakhstan is looking forward to further develop meaningful relations with Malaysia in the political and economic fields. Minister of Foreign Affairs of the Republic of Kazakhstan Erlan Idrissov told a media briefing Thursday, Kazakhstan identified Malaysia as a model country in development and has already established good and friendly relations with Malaysia.

Tun Mahathir's Appointment Will Further Strengthen Proton - Najib

From Azlina Aziz

TOKYO -- The appointment of former prime minister Tun Dr Mahathir Mohamad as Chairman of Proton Holdings Bhd will further strengthen the national car manufacturer, says Datuk Seri Najib Razak. "I believe Tun's appointment will certainly strengthen Proton, given's his determination and high commitment to see the national car company succeed, he said after delivering a keynote speech at the Nikkei 20th International Conference on the Future of Asia here Thursday.

Kedah Attracts RM4 Bln Investments Jan-March – MB

From Nor Hamzeela Hambali

TOKYO -- Kedah received RM4 billion in investments in the manufacturing sector between January and March 2014, said Menteri Besar Datuk Seri Mukhriz Mahathir. "In 2013, the state attracted investments in the manufacturing sector worth more than RM2.5 million. This figure is five times more than what the state attracted in 2012," said Mukhriz in his speech at a "Seminar on Investment and Trade Opportunities in Kedah" here Friday.

Asia Must Come To Terms With Greater Economic Integration -Najib

From Ahmad Fuad Yahya

ASTANA (KAZAKHSTAN) -- Prime Minister Datuk Seri Najib Tun Abdul Razak said Asia must come to terms with greater economic integration to help increase the power of middle nations and raise the living standards for all in the era of globalisation. Simultaneously, he said Asian citizens must also be given greater equity and greater equality in order for the region to prosper truly. Delivering his keynote address at the 7th Astana Economic Forum and the 2nd World Anti-Crisis Conference here Friday, the prime minister said the two imperatives were critical for Asean, Asia and beyond.

SapuraKencana - Asia's Best Managed In Natural Resources

KUALA LUMPUR -- SapuraKencana Petroleum Bhd was voted Asia's Overall Best Managed Company in Natural Resources for 2014 in a poll conducted by FinanceAsia, an international financial publication. The award is the first recognition received by the oil and gas services and solutions provider, led by President and Group Chief Executive Officer Tan Sri Shahril Shamsuddin. "SapuraKencana Petroleum was also named among the top 10 firms in Malaysia for Best Corporate Governance," the company said in a statement Monday.

Faber Medi-Serve Bags RM1.03 Bln Contract

KUALA LUMPUR -- Faber Medi-Serve Sdn Bhd (FMS), a wholly-owned subsidiary of Faber Group Bhd, has entered into an Asset Management Services (AMS) agreement with Konsortium Prohawk Sdn Bhd (KPSB) to set up a Women and Children's Hospital (WACH) worth RM1.03 billion over a period of 27 years.

The 12-storey hospital comprising 600 beds, is located within the vicinity of Hospital Kuala Lumpur, said Faber Group in a statement Monday.

Negeri Sembilan To Rebrand Port Dickson

PORT DICKSON -- Negeri Sembilan Menteri Besar Datuk Seri Mohamad Hasan said the state government wants to rebrand Port Dickson and give it a new image. "We will also ask for one more new highway from KLIA to Port Dickson stretching 21 kilometres," he said. He was speaking at the ground-breaking ceremony for a resort with water theme park called 'Splash Park' and serviced apartments by Tanco Holdings Bhd and its subsidiary Palm Springs Development Sdn Bhd at Palm Springs Resort City here Monday.

Golden Agro To Sell 70 Pct Of Plantation Scheme

KUALA LUMPUR -- Golden Agro Plantation (Mukah) Bhd expects to complete the sale of its 70 per cent interest in the Golden Agro Growers Scheme (GAGS) for public subscription by 2016, said Chief Executive Officer Datuk Allan Lim Kim Huat. "We are now aggressively marketing the sale of the plots and we would urge local investors to take the opportunity to invest in the plantation industry as it is a solid asset," he said after announcing the company's successful completion of phase 1, which is ahead of schedule.

Petronas-Yayasan Sabah Power Plant Begins Operations

KOTA KINABALU -- Petronas Gas Bhd (PGB)'s subsidiary Kimanis Power Sdn Bhd (KPSB) began commercial operations of the first 100 MW block of its Kimanis Power Plant (KPP) in Kimanis on May 16. The KPP, one of several petroleum and energy related projects developed by the Petronas Group in Sabah, is expected to contribute significantly to the reliability and security of power supply in the state, said KPSB in a statement Thursday.

Star Gets New Chairman, Announces RM21 Mln Profit

KUALA LUMPUR -- Star Publications Bhd has announced the appointment of Datuk Fu Ah Kiow as its new chairman Fu, who was appointed independent non-executive director in February, was a deputy minister in several ministries prior to his retirement from politics in 2008. He replaced Tan Sri Dr Fong Chan Onn, who announced his retirement, at the company's annual general meeting Wednesday. Meanwhile, Star Publications announced a profit before taxation of RM21.65 million and profit after taxation of RM15.46 million for its first quarter 2014 (Q1 2014) results.

Wan Azhar Re-Elected As ADFIAP Chairman

KUALA LUMPUR --The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) has re-elected Datuk Wan Azhar Wan Ahmad as its new Chairman for a two-year term at ADFIAP's 37th Annual Meeting held in Moscow recently. Wan Azhar, currently President and Chief Executive Officer of The Credit Guarantee Corporation Malaysia Bhd (CGC) said in a statement Wednesday, he would continue to share Malaysia's experience and expertise in Islamic financing to complement the country's efforts to strengthen its economic and Islamic financial connectivity with the rest of the world.

Boeing 737 MAX Surpasses Milestone 2,000 Orders

SINGAPORE -- Boeing celebrated a milestone achievement Wednesday on the 737 MAX programme, in surpassing the 2000th order for the super-efficient single-aisle airplane. With the addition of 30 orders from unidentified customers this week, the 737 MAX now has a total of 2,010 orders from 39 customers worldwide, valued at US$209 billion at list prices, it said in a statement.

AmInvestment Eyes RM40 Bln In AUM By Year-End

KUALA LUMPUR -- AmInvestment Bank Bhd expects its Assets under Management (AUM) to grow by 20 per cent to above RM40 billion by December 2014 driven by superior performance, more investors and distributors as well as innovative products.As at April 30, its AUM stood at RM37.5 billion.The company's AUM annualised growth is about 22 per cent, Retail and Retirement Funds Director Ng Chze How told a briefing on the global property market outlook Thursday.

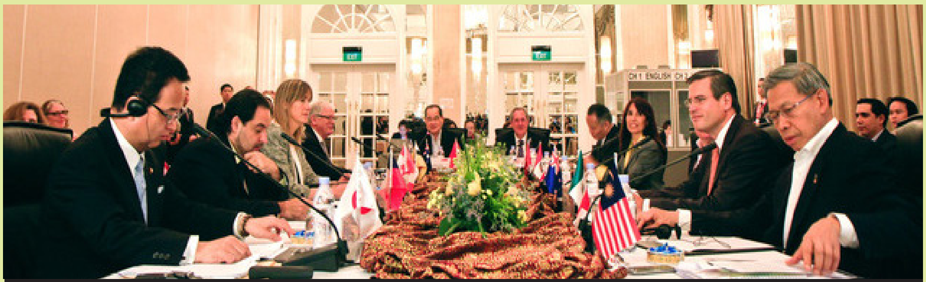
Sepang Aircraft Engineering To Expand Hangar Capacity

By Siti Radziah Hamzah

SEPANG -- Independent aircraft maintenance, repair and overhaul (MRO) service provider, Sepang Aircraft Engineering Sdn Bhd, plans to expand its hangar capacity to accommodate additional aircraft for MRO services. The company would invest RM55 million to undertake the expansion exercise, in the next two months, and when completed by mid-next year, the hangar would be able to handle between 16 and 17 aircraft, Director Datuk Syed Budriz Putra told reporters here Thursday.

Big Hurdles Cleared, Paving Way For Further TPP Talks

A News Analysis By Nor Baizura Basri



TRADE TALKS…Minister of International Trade and Industry Datuk Seri Mustapa Mohamed (right) having talks with trade ministers from 12 nations in the Trans-Pacific Partnership (TPP) grouping in Singapore Monday.

SINGAPORE -- Although no new deadline has been set for the conclusion of the Trans-Pacific Partnership (TPP) talks here, trade ministers agree that the "stumbling block" has finally been removed. This new development has certainly created a pathway for all the TPP countries to resume their talks without concerns over Japan-United States disagreement on issues with regards to market access. At the two-day TPP Ministerial meeting which ended here Tuesday, all eyes have been on these two economic power houses as to whether they can finally arrive at a decision without opposing each other too much. The visit by US President Barack Obama to Japan last month has certainly kicked off some momentum for negotiators of these two countries to resume talks. "We have continued our consultations and that progress allowed us to chart a pathway forward. It's a milestone. It allowed us to enter a new phase of negotiation," said US Ambassador Michael Froman on the last day of the TPP ministerial meeting here.

Fogs Clearing Up

A team of negotiators on agriculture will visit Washington next week to discuss further details, he added, indicating that both parties have finally put a stop to their disagreement. Japan and the US have been at loggerheads in regards to market access for automotive and agriculture products. Japan's Economic and Fiscal Policy Minister Akira Amari described the just-ended meeting as "fogs clearing up compared to the past". Amari said sensitivities held by respective countries must be minimal but at the same time, they must have some space for tolerance. It is understandable that the other 10 countries are concerned as these two economic powerhouses command 80 per cent of the total Gross Domestic Product of the 12 countries in the TPP grouping.

Their differences could be the biggest hurdle in completing the TPP negotiations especially on market access. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said with Japan and the United States deciding to move forward this time, the "positivity" has some kind of influence over negotiating countries to resume their talks. He admitted there was pragmatism and flexibility among the countries participating especially in regards to some issues which they believe were cultural and historical in nature as well as sensitive.

Long Journey For Negotiators

Asked whether the four years of negotiations seemed like a long journey for these negotiators, Mustapa said it was indeed a long journey, with TPP mirroring the World Trade Organisation (WTO). "You must remember that TPP is no different from the Doha Round (WTO) as we have to look at the complexity and the comprehensiveness of the issues," he said adding that TPP has broader and more complex issues compared to the Doha Round. "(And) if you look at participants (TPP), it is actually a mirror of WTO members. You have the most advanced countries and then you have less advanced countries," he said adding that even a simple free trade agreement between Malaysia and Turkey even took four years to complete. "TPP covers 21st century issues, a very ambitious agreement. We are talking about future trade rules so it is quite understandable that it is taking some time," Mustapa said. In Tokyo Thursday, Prime Minister Datuk Seri Najib Tun Razak said Malaysia looked forward to the conclusion of the TPP possibly by year-end on terms acceptable to the country. However, if the year-end date cannot be met, Malaysia would continue with the negotiations as the deadline was not important but the contents of the TPP agreement. While negotiating, the prime minister said Malaysia would hold to these two main objectives -- expanding trade and market access in terms of economic and investment growth as well as to uphold the country's sovereignty based on current principles. Najib even directed Malaysian negotiators to work on a "TPP agreement that is on our terms".

Explore Some Pathways

On another note, Mustapa said the next move for Malaysia would be to explore some areas which included state-owned enterprises, government procurement, labour, intellectual property rights and environment. He said there was a need to provide flexibility to other negotiating countries per their request but at the same time taking national interest into consideration. "Over the next few weeks, we are going to explore some pathways where we can make some considerations to their requests, and, of course, we would need to engage with the various stakeholders in Malaysia," said the trade minister. Canadian Chief Negotiator Kirsten Hillman, however, said the TPP negotiations should not focus on these two countries and reminded that it was a 12-country negotiation to begin with. "We are here within a plurilateral negotiation so ultimately what has to happen is all of us must come together with a negotiated outcome that is useful, constructive, promoting job growth and economic prosperity in our countries as a group," she added. At the end of the day, these countries must work on the issues while at the same time, not compromise with each other's sovereignty and also protect the interest of the public. Whatever the outcome of this TPP negotiation, the issues surrounding it must be further deliberated and discussed, although it may take some time, to get a favourable outcome for the best interest of the people. The decision by the trade ministers to set up a committee to coordinate outreach and engagements with stakeholders at this meeting, including media and public, is obviously a right decision. The committee would study the practices of the countries and also help decide the timing for the release of the text (the TPP agreement) for the stakeholders of the respective countries. Disbursement of text at the right time and the right way could further influence the level of public acceptance towards charting the future of free trade area. The next TPP meeting between chief negotiators is expected in July.

-- BERNAMA

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MALAYSIAeBiz
Market Outlook
May 24, 2014

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

BURSA To Rebound On Favourable External Factors

By Farhana Poniman

KUALA LUMPUR -- The local bourse is expected to rebound next week due to favourable external factors, said Affin Investment Bank.

Vice-President/Head of Retail Research Dr Nazri Khan said global equity markets should benefit from a relatively dovish tone from the minutes of the Federal Open Market Committee meeting with prospects for easy monetary policy to remain intact for the foreseeable future.

"Signs of global monetary easing paved the way for global equities to edge higher, with underlying support coming from the latest signals from the US Federal Reserve that it was in no hurry to start raising interest rates," he told Bernama.

Nazri expects a positive response to the mega listing of 7-Eleven Malaysia Holdings Bhd and Boustead Plantations Bhd in late May and June, respectively, to provide the local catalyst to the domestic bourse.

Stock-wise, he said traders should accumulate World Cup-linked blue chip stocks which would do well as the event approached, such as TM, Axiata, Digi, Astro, Dutch Lady, Gtronic, MPI, Unisem, IJMPlant and KMLoong.

On the technical front, he said the FBM KLCI closed above the 20-day and 50-day moving average, indicating the trend was still on the upside. However, momentum studies were trending lower suggesting an ongoing pullback.

"We believe this is a temporary correction and a healthy pullback to the 6.2 per cent gain made since early February this year," he said.Nazri said the next area of upside is the all-time-high near the 1,890 points and ultimately the 1,900 points strong psychological resistance.

From the market breadth perspective, he said there was a slight negative distribution with weekly decliners beating advancers by a moderate four to three on a slightly heavier average daily trade of two billion shares worth RM2.1 billion.

During the trading week, the FBM KLCI hit a fresh all-time high of 1,887.07 points and an intra-day high of 1,889.47 points on Monday.

Weekly turnover expanded to 9.6 billion shares worth RM10.5 billion from last week's 6.71 billion shares worth RM8.66 billion.

Main market volume rose to 7.42 billion shares valued at RM10.03 billion from 5.32 billion shares worth RM8.29 billion recorded last week.

FOREX: Ringgit To Trend Higher Vs US Dollar

By Nurul Hanis Izmir

KUALA LUMPUR -- The ringgit is likely to trend higher next week against the US dollar supported by favourable external and local factors, dealers said.

"As the external markets turned more risk-friendly, we note that the ringgit has hovered onto the strong foot.

"The local currency was up 4.5 per cent against the greenback since February 2014, leaving it on track for its strongest finish in more than six months," said Vice-President/Head of Retail Research, Affin Investment Bank, Dr Nazri Khan.

The ringgit, including other emerging currencies, benefited from the Federal Open Market Committee meeting, which decided that prospects for easy monetary policy would remain intact for the foreseeable future.

Meanwhile, at home, Malaysia's encouraging Gross Domestic Product (GDP) data released by Bank Negara helped strengthen the local unit. "The GDP figures boosted the market and gained investors' confidence," another dealer said.

Last Friday, the central bank announced that Malaysia's GDP grew 6.2 per cent in the first quarter versus 4.2 per cent recorded in the same period last year anchored by domestic demand and a turnaround in net exports.

For the week just-ended, the ringgit closed higher at 3.2105/2135 versus 3.2325/2355 last Friday.

Against other major currencies, the ringgit was firmer against the Singapore dollar at 2.5608/5653 from 2.5810/5853 previously, improved against the yen to 3.1540/1573 from 3.1822/1858 last Friday.

It was up against the British pound to 5.4087/4147 from last Friday's 5.4309/4376 but weakened to 4.3721/3768 from 4.4340/4391 versus the euro.

Money Market: Short-Term Rates To Remain Steady

KUALA LUMPUR -- Short-term rates are likely to be steady next week as Bank Negara Malaysia is expected to offer tenders to absorb excess funds from the money market system, dealers said.

For the week just-ended, the overnight rate was quoted at 2.95 per cent while the one-, two- and three-week rates were pegged at 3.03 per cent, 3.07 per cent and 3.10 per cent respectively.

During the week, the central bank intervened on a daily basis to mop up surplus liquidity by conducting conventional, range maturity auction, repo and Al-Wadiah tenders.

It also carried out late borrowings to further reduce excess funds.

The borrowings reduced the system's total liquidity surplus for the week just-ended to RM17.554 billion in conventional operations and RM749.30 million in Islamic funds.

The underlying three-month interbank rate was unchanged at 3.43 per cent.

KLCI Futures To Perform Better Next Week

By Farhana Poniman

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is expected to perform better next week in line with the firmer underlying cash market and favourable external factors.

Affin Investment Bank Vice-President/Head of Retail Research Dr Nazri Khan said among the favourable external factors were the lower US initial jobless claims, higher US home sales and the five-month high in Chinese manufacturing Purchasing Managers' Index.

"Signs of a global monetary easing paved the way for global equities to edge higher, with underlying support coming from the latest signals from the US Federal Reserve that it was in no hurry to start raising interest rates," he told Bernama.

For the week just ended, the benchmark FBM KLCI finished the week at 1,869.22, down 14.12 points from the previous week.

May 2014 erased 12 points to 1,868.5 points, June 2014 shed 11.5 points to 1,868 points while September 2014 and December 2014 slipped 9.0 points and 8.0 points respectively to 1,863 points.

Turnover for the week rose to 22,478 lots from last week's 18,361 lots while open interest widened to 38,553 contracts from 33,429 contracts recorded last Friday.

CPO Futures To Trade Higher On Speculative Buying

KUALA LUMPUR -- Crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is likely be trade between RM2,500 and RM2,600 per tonne on speculative buying.

Interband Group of Companies Senior Palm Oil Trader Jim Teh said next week's market could undergo a technical correction in cautious trading on uncertainties surrounding the market.

He said exports were expected to remain strong following the Ramadhan fasting month although the slow demand from China may cap gains.

Production of fresh fruit bunch was also expected to increase in May and June as the weather in these two months were most suitable for production.

For the week just-ended, the futures market was mainly bearish on the back of a stronger ringgit and weaker soybean oil market.

On a Friday-to-Friday basis, June 2014 decreased RM88 to RM2,541 per tonne, July 2014 lost RM67 to RM2,525 per tonne, August 2014 fell RM63 to RM2,517 per tonne while September 2014 slipped RM60 to RM2,582 per tonne.

Weekly turnover rose to 171,620 lots from 117,248 lots last week while open interest narrowed to 208,997 contracts from 214,777 contracts last Friday.

On the physical market, June South eased RM20 to RM2,550 per tonne.

Rubber Market Outlook Remains Uncertain Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- The outlook for the Malaysian rubber market looks uncertain next week given the ongoing political developments in Thailand.

The market is expected to adopt a wait-and-see position especially in the aftermath of the coup in Thailand, the world's largest natural rubber producer.

"If the new government decides to offload 200,000 tonnes of rubber from its stockpile, rubber prices will nosedive. This will hurt the market even more," a dealer told Bernama.

Meanwhile, the International Rubber Study Group has projected that global natural rubber supply would outstrip demand by 241,000 tonnes in 2014, down from a surplus of 384,000 tonnes recorded last year.

For the week-just-ended, rubber prices moved like a 'yo-yo' following the uncertainties in the market.

On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 at noon edged up 1.5 sen to 545 sen a kg while latex-in-bulk gained 6.5 sen to 462.5 sen a kg.

The 5 pm closing price for tyre-grade SMR 20 added four sen to 543 sen a kg while latex-in-bulk improved 6.5 sen to 462 sen a kg.

KLIBOR Futures To Trade Higher On Positive Sentiments

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is expected to trade higher next week given the cash market's positive outlook, a dealer said.

For the week just-ended, KLIBOR futures contract was actively traded.

Turnover rose sharply to 2,520 lots against nil last week while open interest more-than-doubled to 7,260 contracts.

On a Friday-to-Friday basis, June 2014, July 2014, August 2014 and September 2014 remained pegged at 96.55, 96.44, 96.39 and 96.34, respectively. The underlying three-month KLIBOR stood at 3.43 per cent versus 3.40 last Friday.

KLTM: Foreign Consumer Demand To Boost Tin Market

KUALA LUMPUR -- Consumer demand from Japan and Europe is expected to provide a boost to the Kuala Lumpur Tin Market (KLTM) next week.

A local tin trader said demand from overseas coupled with anticipated favourable economic data from China and Europe would support prices above the US$23,300 per tonne level. The local tin market is also expected to respond to movements on the London Metal Exchange (LME), the global trendsetter for metal price.

For the week just-ended, the metal finished US$105 lower at US$23,295 per tonne compared with US$23,400 last Friday, with trading dominated by Japanese, European and local buyers.

Weekly turnover decreased to 145 lots from 194 lots recorded last week.

The premium between the KLTM and the LME widened to US$510 per tonne from US$460 per tonne last Friday.

Gold Futures Outlook Uncertain Next Week

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives looks uncertain for next week despite optimism that the precious metal could break-out in the near-term, a dealer said.

Phillip Futures Sdn Bhd Dealer Azim Faris Ab Rahim said gold prices were expected to break-out soon as the market had consolidated for quite some time.

On a Friday-to-Friday basis, spot month May 2014 improved two ticks to RM134.25 a gramme, while June 2014, July 2014 and August 2014 gained six ticks each to close at RM134.70 a gramme, RM134.95 a gramme and RM135.05 a gramme respectively.

Total volume rose to 1,718 lots valued at RM23.94 million from 1,436 lots valued at RM19.38 million in the previous week. Open interest on Friday stood at 2,710 contracts versus 3,261 contracts recorded previously.