This Week's Highlight :
Muhyiddin Calls For Strategic Action Plans On M'sia's Engagement With China

M'SIA-CHINA TIES...Deputy Prime Minister Tan Sri Muhyiddin Yassin delivering his speech at the 6th World Chinese Economic Forum held on Thursday in Chongqing, China. --fotoBERNAMA

CHONGQING (China) -- Kuala Lumpur needs to draw up strategic action plans on its engagement with China so as to tap the full benefit from the cooperation, said Malaysian Deputy Prime Minister Tan Sri Muhyiddin Yassin. He said the plans must consist of short-term action and long-term action for five years on efforts that needed to be taken towards achieving targets. "This must be carried out with well-planned action and follow-up action," he told Malaysian journalists here Friday after concluding his six-day official visit to China that covered visits to Beijing, Shanghai and Chongqing since Sunday.

This Week's Top Stories

Monday

Current Level Of Oil Prices Favourable To M'sia's Economy - Zeti

KUALA LUMPUR -- The current level of oil price is favourable to the country's economy as it brings down the costs to businesses and consumers as well as less inflationary, Bank Negara Governor Tan Sri Dr Zeti Akhtar Aziz said.

She said consumers would have more funds for discretionary expenditure and increase consumption demand on other things that spur growth. "Therefore, we and the region are able to remain on a sustainable growth path," she said in a special talk on Asean Economic Community and Globalisation organised by Asean Business Club, here Monday.

Tuesday

SME Partners To Get Subsidy At 2 Pct Interest Rate - Najib

PUTRAJAYA -- Prime Minister Datuk Seri Najib Tun Razak said Tuesday subsidies at two per cent interest rate will be given under the SME Investment Partner (SIP) programme of the SME Masterplan.

Najib, who is also Finance Minister, said the subsidies are necessary because of the high costs involved and to enhance early stage financing for SMEs. "Because the subsidies involve sukuk bonds, the costs will be quite high, and in the meeting just now we decided that the government would give out the subsides at an interest rate of two per cent to identified SME Partners," he told reporters here Tuesday.

Wednesday

M'sia & Bangladesh Bilateral Ties To Scale Greater Heights

PUTRAJAYA -- Bilateral relations between Malaysia and Bangladesh is set to scale greater heights with several agreements signed in four areas of cooperation. The four areas of cooperation cover visa waiver for official and diplomatic passport holders, two memorandums of understanding (MoUs) in the field of culture and tourism, as well as, the protocol to facilitate employment of Bangladeshi workers in Sarawak. Prime Minister Datuk Seri Najib Tun Razak and Bangladesh Prime Minister Sheikh Hasina, who is on three-day official visit to Malaysia, witnessed the signing of the MoUs at Perdana Putra here Wednesday.

Thursday

China, Asean Must Work Even More Closely - Muhyiddin

From Jamaluddin Muhammad

CHONGQING (China) -- China and Asean must work even more closely to ensure stability in regional finance, economics and politics, said Tan Sri Muhyiddin Yassin. The deputy prime minister said the move was important in order to fully unleash the potentials of both economies. "Diplomatic negotiations should be the default first-choice response towards resolving potential disagreements and further simplification of trade between both sides, he said in his keynote address at the Sixth World Chinese Economic Forum (WCEF), here Thursday.

Friday

RON97 Supply Nationwide Expected To Return To Normal Next Week

KUALA LUMPUR -- The government expects the supply of RON97 nationwide to return to normal next week, says Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hasan Malek. He said there was a supply shortage of RON97 following a sudden surge in demand after the decline in crude oil prices since Dec 1. However, he assured that the shortage was only temporary. The reduction in the pricing of RON 97 petrol has seen an increase in demand for it, which has resulted in supplies running low, he told reporters here Friday.

SMEbrief

Local SMEs Should Explore Opportunities At G-Fair KL

KUALA LUMPUR -- Malaysian Small and Medium Enterprises (SMEs) should grab business opportunities at the ongoing G-Fair, the largest Korean products sourcing fair. Minister in the Prime Minister Department Datuk Dr Wee Ka Siong said the two-day G-Fair (G stands for Gyeonggi province), which showcased South Korean products from a wide range of industries, offered a venue for SMEs to explore new businesses to enter the South Korean market. "Malaysians are receptive to South Korea's innovation and this provides the opening for our SMEs to explore more business opportunities," Wee told reporters here Tuesday after opening the fair organised by the Gyeongg Business Centre Kuala Lumpur.

Local SMEs Urged To Strengthen Cooperation With Taiwan SMEs

KUALA LUMPUR -- Malaysian Small and Medium Enterprises (SMEs) have been urged to explore and strengthen cooperation with their Taiwan counterparts in advanced manufacturing technology. Minister in the Prime Minister's Department Datuk Dr Wee Ka Siong said local SMEs, including those owned by non-Chinese, should learn from Taiwan SMEs' success stories. "Taiwan SMEs remain a strong contributor to their country's Gross Domestic Product (GDP) at 68 per cent while Malaysian SMEs presently contribute 33.1 per cent to our GDP," he told reporters here Tuesday.

PUNB, Bank Muamalat Sign MOU To Support SME Devt

SHAH ALAM -- Perbadanan Usahawan Nasional Bhd (PUNB) has teamed up with Bank Muamalat to set up a scheme to provide financial guarantee to develop Small and Medium Entreprises (SMEs). PUNB Chief Executive Officer, Datuk Dzulkifli Fadzilah, said under the strategic tie-up more credit would be made available for SMEs. "This year, we targeted RM290 million to support the entrepreneur development and under this tie-up, we have RM30 million as the initial allocation for Bank Muamalat to disburse to the SMEs," he told reporters here Tuesday.

M'sia Must Continue To Tap Entrepreneurial Spirit To Compete

KUALA LUMPUR -- Malaysia must continue to tap the entrepreneurial spirit and ability of its people to stay ahead of the competition as the world economic environment is challenging, says International Trade and Industry Datuk Seri Mustapa Mohamed. He said the establishment of Asean Economic Community next year will see greater economic integration that provide greater opportunity to expand footprint and participate in one of the most dynamic regions in the world. "As a nation, we have to continuously strive to re-invent and improve to enjoy further growth," he told reporters here Thursday night.

PropUP Propertyupdate

Homesign To Develop RM2.5 Bln GDV Project In KK

By Harizah Hanim Mohamed

KOTA KINABALU -- Property developer Homesign Network Sdn Bhd is embarking on a 2.428 hectare mixed-use development in Kota Kinabalu with a total gross development value of RM2.5 billion. The Skycity project is a joint venture between Homesign and KKTP Sdn Bhd, a company which undertakes rehabilitation and completion of abandoned housing projects in Sabah. Founder cum Managing Director Lee Chee Kiang said construction works for the first phase of the redevelopment of Karamunsing, near Kota Kinabalu, are expected to commence after Chinese New Year celebrations next year, he told Bernama here Monday.

Demand For Talent In Property & Construction Heats Up

KUALA LUMPUR -- Demand for skilled construction talent is expected to increase by 4.5 per cent per annum over the next four years following the government's Economic Transformation Programme. Spring Professional Malaysia Country Manager Jeff Bonnin said jobs such as construction managers, site managers and site engineers were the most sought after in the job market. "The increase in demand was in sync with the country's construction spending with the majority of the candidate market centred in Kuala Lumpur, although much of the demand for talent is in Johor Baharu and East Malaysia," he told reporters here Tuesday.

M'sian Consortium May Get To Develop Apartment Project In Dhaka

By Nik Nurfaqih Nik Wil

KUALA LUMPUR -- A Malaysian consortium may soon receive the green light from the Bangladesh Government to finance and construct an 8,400-unit apartment project worth RM2.4 billion in Dhaka. The Special Envoy for Infrastructure to India and South Asia, Datuk Seri S. Samy Vellu said visiting Bangladesh Prime Minister Sheikh Hasina had in principle given a positive reaction to this project during a meeting here Tuesday. "During a meeting with her (Sheikh Hasina), she showed a positive response to the project," he told Bernama here.

Lagenda Prima Project Achieves 60 Pct Take-Up Rate

KOTA BAHARU -- The Prima Lagenda apartment project by Sara-Timur Urban Development Sdn Bhd here has achieved a take-up rate of over 60 per cent, said Executive Chairman Datuk Mohamad Zawawi Ismail. He attributed the good response to the landscaped surroundings, covered parking, 24-hour security and easy access to shops and businesses. The company has also made an allocation for pedestrian connectivity with Lagenda Park, Che Siti Village and the local mosque, he told reporters here Wednesday.

MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 459
Losers - 330
Not Traded - 619
Unchanged - 308
Value - 1808691958
Volume - 14025230

BURSA: KL Shares Close Higher On Buying In Blue Chips, CI Up 3.68 Pts

KUALA LUMPUR -- Share prices on Bursa Malaysia ended on a higher note Friday lifted by buying in blue chips and selected heavyweights, dealers said. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) stood at 1,749.37, up 3.68 points, after opening 3.28 points lower at 1,743.4. The benchmark index moved between 1,740.56 and 1,755.94 throughout the day. The buying in blue chips and selected heavyweights was led by Petronas Dagangan, but, TNB was the biggest contributor to the rise in the composite index with 4.943 points.

TNB's shares increased 50 sen to RM13.60 with 12,458,500 lots changing hands. The shares of Petronas Dagangan rose 80 sen to RM16.80 with 820,900 lots traded. The dealers said investor fears may be slowly subsiding and market recovery from Monday's performance decline is probably on its way. The FBM Emas Index increased 32.84 points to 12,048.37, with the FBMT100 Index rising 29.35 points to 11,765, and the FBM 70 garnering 50.6 points to 13,136.9.

The FBM Ace increased 85.57 points to 5,997.62 and the FBM Emas Syariah Index improved 49.78 points to 12,473.63. On a sectoral basis, the Finance Index perked 27.09 points to 15,569.79, the Industrial Index decreased 19.92 points to 3,188.86, and the Plantation Index fell 67.07 points to 8,032.02. Market breadth was positive as gainers trounced losers 459 to 330, while 308 counters were unchanged, 620 untraded and 11 others suspended. Total volume slipped to 1.402 billion units worth RM1.81 billion from 1.88 billion units worth RM2.26 billion on Thursday. Of the heavyweights, Maybank, Axiata, QL Resources, Asian Pac and MNC Wireless were all flat at RM8.89, RM6.79, RM3.26, 24 sen and 24.5 sen, respectively. Main Market volume decreased to 969.03 million units worth RM1.67 billion from 1.45 billion units worth RM2.16 billion on Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.4695	3.4725
EUR	4.2921	4.2969
GBP	5.4325	5.4376
100 YEN	2.8848	2.8882
SGD	2.6348	2.6391

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Lower Against US Dollar

KUALA LUMPUR -- The ringgit extended its losses against the US dollar Friday in tandem with most emerging Asian currencies on the back of a firmer greenback ahead of the US nonfarm payrolls report to be released later Friday, dealers said. At 5pm, the ringgit was quoted at 3.4695/4725 against 3.4450/4470 Thursday. A dealer said the strong jobs data reflected the positive momentum of the US economy and reinforced expectations of an interest rate hike by the Federal Reserve, boosting demand for the greenback and keeping Asian currencies under pressure.

She told Bernama that Malaysia's lower than expected trade surplus for October had also triggered the sell-off of the ringgit by offshore funds and added to the pressure on the ringgit. Malaysia's trade surplus for the month narrowed to RM1.19 billion versus RM9.3 billion in September and forecasts of RM8.9 billion. The ringgit was also traded lower against other major currencies. It was down against the Singapore dollar at 2.6348/6391 from 2.6222/6241 and decreased against the yen to 2.8848/8882 from 2.8730/8749 Thursday. The local unit also slid against the British pound to 5.4325/4376 from 5.4014/4056 and dropped against the euro to 4.2921/2969 from 4.2436/2470 on Thursday.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts closed untraded Friday. December 2014, January 2015, February 2015 and March 2015 were at 96.18, 96.14, 96.15 and 96.17 respectively. Open interest totalled 2,970 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.84 per cent.

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

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia's (BNM) intervention to mop up excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM18.50 billion from the RM23.89 billion estimated in the morning, while in the Islamic system, it dropped to RM4.40 billion from RM10.73 billion. In the morning, the central bank called for five tenders -- two money market, one Islamic range maturity auction, one repo and one Commodity Murabahah Programme.

BNM also conducted a late conventional money market tender for RM18.5 billion and a RM4.4 billion Al-Wadiah money market tender, both for three-day money. The overnight Islamic reference rate stood at 3.22 per cent, while the one-, two- and three-week rates stood at 3.27 per cent, 3.31 per cent and 3.35 per cent, respectively.

KLCI Futures Contracts End Higher

By Azlee Nor Mahmud

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives closed higher Friday lifted by buying in blue chips and selected heavyweights. Phillip Futures Sdn Bhd dealer Lim Eng Wee told Bernama, the FBM KLCI rose for the first time in four days to close 3.68 points higher at 1,749.37, led by gains in Petronas Dagangan and Tenaga Nasional. "The Malaysian ringgit fell to the lowest level in five-years on disappointing trade data and plunge in crude oil prices," he added.

December 2014 and March 2015 increased 3.5 points each 1,748.5 and 1,748, respectively and January 2015 improved three points to 1,750. Turnover was up 10,194 lots from Thursday's 7,137 lots, while open interest widened to 34,564 contracts from 30,688 contracts previously. The underlying FBM KLCI ended 3.68 points higher at 1,749.37.

Asean Banking Integration Framework In Final Stages Of Devt - Zeti

KUALA LUMPUR -- The Asean Banking Integration Framework, which will enable greater presence by Asean financial institutions to operate in the region, is now in its final stages of development, says Bank Negara Malaysia Governor Tan Sri Dr Zeti Akhtar Aziz. She said businesses would stand to gain by having improved access to a larger and a more secure source of financing for cross-border trade and investment activities. "Headway has also been made in developing the capital markets in the region and to move towards greater financial integration of the markets," she said in a special talk on Asean Economic Community and Globalisation organised by the Asean Business Club here Monday.

CIMB Confident Merger Will Go Through "With Or Without EPF"

KUALA LUMPUR -- The proposed mega bank merger involving CIMB Group Holdings Bhd, RHB Capital Bhd and Malaysia Building Society Bhd will go through with or without the participation of the Employees Provident Fund (EPF). CIMB Group Chairman Datuk Seri Nazir Razak said he was very confident that the parties could secure the shareholders' endorsement when the business plan was presented at the shareholders meeting. "We think we will get it through with or without EPF," he told reporters here Monday.

CIMB Can Play Active Role In AEC - PM

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak says he believes CIMB Group, the biggest Asia Pacific-based investment bank, can play an active role in the development of the Asean Economic Community (AEC). He said CIMB is one of the greatest success stories in Malaysia's corporate history and also a significant employer in the country. "I hope other Malaysian businesses will draw aspiration from CIMB's story, that they too will not settle for being a 'jaguh kampung' (village hero), but aspire to become regional champions, carrying the flag into new markets," " he said at the launch of Menara CIMB here Monday.

M'sia Money Brokers Association Choose Bloomberg's FX Technology Platform

KUALA LUMPUR -- The Malaysia Money Brokers Association, which comprises six licensed money brokers in Malaysia, have chosen Bloomberg as its primary platform for the dissemination of foreign exchange (FX) rates. Under the arrangement, live Malaysian Ringgit FX spot and forward prices quoted by the brokers would be made available on the Bloomberg Professional service starting Tuesday, said Bloomberg in a statement here Tuesday.

Fairfax To Acquire MCIS General Insurance Business

KUALA LUMPUR -- Fairfax Financial Holdings Ltd (Fairfax), through its wholly-owned subsidiary, the Pacific Insurance Bhd, had entered into a business transfer agreement with MCIS Insurance Bhd (MCIS) and Koperasi MCIS Bhd to acquire their general insurance business. In a statement here Tuesday, Fairfax said Pacific Insurance has been granted approval by Bank Negara Malaysia for the acquisition which was subject to customary closing conditions including court approval.

Japan ODA Yen Loan Scheme Benefits M'sia's High-Impact Projects

KUALA LUMPUR -- Malaysia has benefited much under the Japan Official Development Assistance (ODA) Yen Loan scheme with a number of high-impact projects successfully completed. Among the notable projects are the construction of the Kuala Lumpur International Airport (KLIA), the ongoing Pahang-Selangor Raw Water Transfer project and the Malaysia-Japan International Institute of Technology (MJIIT), Deputy Director General (Policy) of Economic Planning Unit (EPU) Datuk Nik Azman Nik Abdul Majid told reporters here Tuesday.

2015 May Be Turning Point For Banks' Profitability - Deloitte

KUALA LUMPUR -- The banking industry in 2015 is set to focus on moving past 'short-termism' to focus on improving the fundamentals of their businesses in the resolute pursuit of profitability. This is despite the new challenges and greater competition that they will face, says the 2015 Banking Outlook: Boosting Profitability Amidst New Challenges report, by the Deloitte Centre for Financial Services. In a statement here Wednesday, Deloitte said banks need to improve their balance sheet management as it became more necessary and complex, while addressing the rising interest rate environment.

Takaful Ikhlas Optimistic Gross Contributions To Hit RM800 Mln

KUALA LUMPUR -- Takaful Ikhlas Bhd is confident the gross contributions for its financial year ending March 31, 2015 (FY15) will hit RM800 million, up from RM772 million in FY14, driven by its newly launched and final quarter awareness programmes. President and Chief Executive Officer, Ab Latiff Abu Bakar said the full-year target was achievable as the company had already secured RM400 million in gross contributions in the first six months of FY15. "We are having a strong agency support, and with the awareness campaign, we expect more sign up towards the end of FY15," he told reporters here Wednesday.

Bursa M'sia Derivatives Launches Enhanced 5-Year Bond Futures

KUALA LUMPUR -- Bursa Malaysia Derivatives (BMD) has successfully launched the enhanced five-year Malaysian bond futures product, or better known as FMG5, on Dec 1, 2014. In a statement here Wednesday, Bursa Malaysia Bhd Chief Executive Officer, Datuk Tajuddin Atan, said the enhancements were intended to improve the appeal of the product. "The widened duration will allow us to provide greater diversification in the contract basket which we were not able to before," he said.

MAHB's RM1 Bln Perpetual Subordinated Sukuk Gets Overwhelming Response

KUALA LUMPUR -- Malaysia Airport Holdings Bhd's (MAHB) RM1billion Perpetual Non-call 10-year Subordinated Sukuk has received overwhelming market response. The sukuk was based on the Islamic principle of Musharakah, it said in a statement here Thursday. MAHB said the Subordinated Sukuk Programme, together with its Senior Sukuk Programme, has a combined aggregate nominal value of up to RM2.5 billion.

Economic Fundamentals Still Strong - Ahmad Maslan

KUALA LUMPUR -- The economic fundamentals of the country are still strong and the depreciation of the ringgit, which is determined by market forces, will not significantly affect the country's economy. Deputy Finance Minister, Datuk Ahmad Maslan, said the country's expected exports for 2014 were RM762.8 billion and imports RM677.2 billion, which would record a trade surplus of RM85.6 billion. "During this period of excessive volatility, Bank Negara Malaysia will always monitor the foreign exchange market for the ringgit," he said in a statement here Thursday.

MTC Mission To MENA Mart Clinches Deals Worth RM6 Mln

KUALA LUMPUR -- The Malaysian Timber Council's (MTC) marketing mission to Qatar, Oman and Kuwait to boost timber exports to the dynamic Middle East and North African (MENA) market, has secured about RM6 million worth of export orders. In a statement here Monday, MTC said the mission, which involved 12 local companies, has led to a massive surge in construction activity and demand for quality hardwood products. MTC director for trade promotion and development, Dr Eric Ng, said the mission was able to highlight positive demand for Malaysian timber products and build strong bilateral trade ties with key market leaders in the Middle East.

KLIA Records Double-Digit Growth In Traffic Movements

SEPANG -- The Kuala Lumpur International Airport (KLIA) currently serves 70 million passengers a year and in the last ten years has recorded double-digit growth in traffic movements. Malaysia Airports Holdings Bhd's (MAHB) Senior General Manager, Khair Mirza, he told reporters here Tuesday, the company has mapped out initiatives which would be deployed within the next three years to revolutionise connectivity, enhance check-in processes and develop mobile applications (apps) for total airport experience.

HLISB Eyes RM100 Mln In Transaction Value From Remit Service

KUALA LUMPUR -- Hong Leong Islamic Bank Bhd (HLISB) is targeting RM100 million in transaction value from its newly-launched product, Express Remit. Express Remit is a remittance service aimed at the Indonesian community in Malaysia, particularly workers and expatriates, wanting to transfer cash on a fast, safe and easy platform to their families. Chief Executive Officer, Raja Teh Maimunah, said here Wednesday, the service provided a hassle-free delivery of money with only one-time registration with the bank.

KLIA, klia2 Handle 40 Mln Passengers As Of October

KUALA LUMPUR -- The total passenger traffic movements for both Kuala Lumpur International Airport's (KLIA) and klia2 were 40 million as of Oct 31, 2014. In a statement here Wednesday, Malaysia Airports Holdings Bhd (MAHB) said the figures for KLIA Main Terminal Building stood at 20.5 million passengers and klia2 19.5 million. "KLIA has the capacity to handle 25 million passenger movements per annum, while klia2 can handle 45 million passenger movements," it said.

Glomac Q2 Pre-Tax Profit Falls To RM21 Mln

KUALA LUMPUR -- Glomac Bhd's pre-tax profit for the second quarter ended Oct 31, 2014 dropped to RM21 million from RM49 million in the same quarter last year. In a filing to Bursa Malaysia here Wednesday, Glomac said its revenue slipped to RM86.3 million from RM155.8 million previously. "We expect our sales momentum to pick up in the second half of financial year 2015, where we have targeted RM824 million for new project launches," it said. Glomac said it has projects in the pipeline with an estimated gross development value of over RM7.0 billion for future launch.

Exclusive Master Sees 5-10 Pct Annual Revenue Growth

GEORGE TOWN -- Exclusive Master (M) Sdn Bhd, a leading equipment automation design solutions provider, expects between five per cent and 10 per cent growth yearly in sales revenue. The home-grown company said sales revenue will be driven by growing demand for automation in the semiconductor, electronics manufacturing services, oil and gas, food and beverage as well as automotive sectors. Managing Director KC Cheah told reporters here Thursday, the company expects sales revenue to hit RM15 million next year with its new 11,000 sq ft plant, which is expected to produce 35 machines next year from the current capacity of between 25 and 30 machines.

MVE Expects Better Revenue From Choke Valve Supply

KUALA LUMPUR -- MVE Technologies Sdn Bhd (MVE), a company under the Petronas Vendor Development Programme (VDP), expects better revenue next year from the supply of choke valves for upstream and downstream oil and gas (O&G) operations. Chief Executive Officer Zullkarnain Jamri said the company had received orders for the supply of choke valves from Petronas Carigali Sdn Bhd and Turkemenistan. Last year the company chalked up revenue of RM40 million from the supply of choke valves to Turkmenistan, he told reporters here Thursday.

Bosch Eyes Greater Market Presence In Malaysia

KUALA LUMPUR-- Bosch, Europe's leading household appliance brand, targets to increase its market presence in Malaysia by introducing the finest German technology in household appliances to consumers. The technology was showcased at the official launch of the Bosch Experience Centre at Publika Shopping Gallery, which offers the latest Bosch household products ranging from large appliances to smaller kitchen utensils. The company is looking to expand its distribution channels in the upcoming year, as well as investing more focus on the key market segments for the brand, BSH Home Appliances Malaysia Chief Executive Officer Gary Ong told reporters here Thursday.

Chinese Diaspora Contributes 60 Pct To China's Foreign Investment

From Christine Lim May Yu

CHONGQING (China) -- Overseas Chinese are the bonds of economic cooperation between their host countries and China, contributing 60 per cent to total foreign investment to China. Vice President of China, Li Yuanchao said well known overseas Chinese enterprises and brands like Parkson, Shangri-La and Charoen Pokphand Group were households names in China. "Overseas Chinese businesses are a barometer for world economic development and changes," he said in his address at the opening ceremony of the Sixth World Chinese Economic Forum (WCEF) here Thursday.

Gamuda Hopes To Divest Splash To Selangor Govt For RM2.8 Bln

SHAH ALAM -- Gamuda Bhd hopes to divest its water asset, Syarikat Pengeluar Air Sungai Selangor Holdings Bhd (Splash), to the Selangor state government for a book value of at least RM2.8 billion. Group Managing Director Datuk Lin Yun Ling said the expectation was made based on the outcome of six other state water consolidation exercises, which were successfully completed at book value. "Very few people expect Selangor to be different. We do not want to divest at a loss," he told reporters at Gamuda's annual and extraordinary general meetings here Thursday.

Healthy Forecast For Telco Industry In 2015

KUALA LUMPUR -- The telecommunication industry is forecast to be healthy and expected to enjoy 4.8 per cent overall revenue growth, next year. AllianceDBS Research said the growth in data, amid stable competition among the top three players, TM, Axiata and DiGi is expected to help boost the growth. "There is also the positive impact from the pass-through of the service tax to pre-paid subscribers when the Goods and Services Tax is implemented in April 2015. "We assume a three per cent effective increase in pre-paid revenue for the mobile players, leading to two to five per cent upgrades in financial year 2015 and financial year 2016 earnings," the research house said in a note here Thursday.

IATA: China, India See Strongest Domestic Travel Demand

By M.Saraswathi

NEW DELHI -- China and India posted the strongest growth in domestic travel demand by 10 per cent and 16.3 per cent, respectively, in the month of October, said the International Air Transport Association (IATA). It said China's domestic demand rose 10 per cent in October compared with year ago, a solid result in view of indicators suggesting that the economy was starting to slow. "Although India's domestic travel demand for October was a considerable slowdown compared with September year-over-year growth of 26.4 per cent, it was still a strong result," said the association which represents some 250 airlines comprising 84 per cent of global air traffic.

Bank Rakyat Records RM1.65 Bln Q3 PBT & Zakat

KUALA LUMPUR -- Malaysia's biggest Islamic cooperative bank, Bank Rakyat, recorded a higher profit before tax (PBT) and zakat of RM1.65 billion for the third quarter ended Sept 30, 2014, from RM1.63 billion registered in the corresponding quarter last year. Net profit rose 7.5 per cent to RM1.47 billion, for the quarter under review against RM1.36 billion recorded in the previous quarter last year. Managing Director Datuk Mustafha Abd Razak said income from financing remained the major contributor to the bank's profit, supported by income from treasury and recovery activities. He said higher profits were also due to lower finance expenses and provisioning as compared with the previous year.

Air Travel Outlook Remains Positive - IATA

KUALA LUMPUR -- The outlook for air travel remains largely positive, with improvements in Asia-Pacific and the United States offsetting weaknesses in the Eurozone and China, said the International Air Transport Association (IATA). Director-General and Chief Executive Officer, Tony Tyler said the fall in oil prices, if sustained, could also provide a much-needed operating cushion for industry players. "This weekend marks International Civil Aviation Day and next month will begin the second century of commercial aviation. These are fitting moments to pause and reflect upon the reliance of the global economy on connectivity," he said in a statement here Friday.

M'sia Posts Trade Surplus Of RM62.83 Bln For Jan-Oct 2014

KUALA LUMPUR -- Malaysia recorded a trade surplus of RM62.83 billion for the first 10 months of 2014, with total trade expanding 6.6 per cent to RM1.21 trillion from the corresponding period in 2013, said the Ministry of International Trade and Industry (MITI) Malaysia's exports grew by 7.3 per cent to RM634.75 billion while imports rose by 5.9 per cent to RM571.92 billion. The three main categories of imports by end use were intermediate goods valued at RM343.38 billion or 60 per cent of total imports; capital goods worth RM78.64 billion or 13.7 per cent of total imports; and consumption goods valued at RM41.69 billion or 7.3 per cent of total imports. Meanwhile, the growth in exports was supported by major markets namely, Asean, the European Union (EU), Hong Kong, India, Australia, the United States (US), Taiwan and Japan with all sectors registering growth, said MITI in a statement here Friday.

IGEM 2014 Generates RM2 Bln Worth Of Business Deals

KUALA LUMPUR -- The 5th International Greentech and Eco Products Exhibition and Conference (IGEM) held here recently garnered close to RM2 billion worth of business deals, further solidifying its position as the region's largest green technology platform. Malaysian Green Technology Corporation (GreenTech Malaysia) Chief Executive Officer Ahmad Hadri Haris said as the world's battle with climate change intensified, green technology was establishing itself as the critical catalyst for change in economies worldwide. "To thrive in the climate change era, businesses must evolve not only to save cost and reduce their impact on the environment, but also to meet the demands of increasingly discerning green conscious and knowledgeable consumers," he said in a statement here Friday.

Cheaper Jet Fuel Prices For Lower Air Fares - Tony Fernandes

KUALA LUMPUR -- Jet fuel prices which currently stand at US$85 a barrel, will not only reduce the operating cost of airline companies, but also help them lower air fares to create more demand. AirAsia Group Chief Executive Officer Tan Sri Tony Fernandes said he believed the group's operating cost will decline quite dramatically, and was very optimistic of a strong profit performance by AirAsia X next year. "Our cost will go down, some will be passed on to consumers. So, it is really a good time to be in the airline industry and accelerate income growth," he told reporters here Monday.

M'sia, Thailand To Strengthen Cooperation In Rubber, Trade

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak said Malaysia and Thailand will discuss further cooperation to stabilise natural rubber prices. He said it was important for Malaysia, Thailand and Indonesia to continue working together to support the work of the International Tripartite Rubber Council (ITRC) to shore up the commodity's price. "Both countries also agreed to include Vietnam in the process, as well as, to explore ways and means to increase the natural rubber usage in other new products," Najib told reporters after hosting a luncheon in honour of visiting Thai Prime Minister Gen Prayut Chan-o-cha at Seri Perdana here Monday.

M'sia, Indonesia Sign MOU To Extend ICT Sector Collaboration

From Azizul Ahmad

JAKARTA -- Multimedia Development Corp (MDeC) and Indonesia's Badan Pengkajian dan Penerapan Teknologi (BPPT) Monday signed a memorandum of understanding (MOU) to collaborate in the information and communications technology (ICT) sector. The MOU is an extension of the collaboration that was inked between both parties on Dec 8, 2011. MDeC Chief Executive Officer, Datuk Yasmin Mahmood, said both countries would use ICT to benefit the rakyat of both countries. "I hope in the short term, this government-to-government (g-to-g) platform will entice our private sector to find ways to collaborate with their counterparts in Indonesia," she said.

Govt Confident Of Hitting Fiscal Deficit Target With Subsidy Scrap

PETALING JAYA -- The government remains confident of achieving its fiscal deficit target of 3.5 per cent of Gross Domestic Product (GDP) for this year following the removal of fuel subsidies for RON95 petrol and diesel, said Second Finance Minister Datuk Seri Ahmad Husni Mohamad Hanadzlah. "We have to look at the overall financial position in terms of revenue contribution from tax and oil and gas that we received," he told reporters after opening the National Economic Outlook Conference (NEOC) here Tuesday.

Green Technology Masterplan Out Next Year

KUALA LUMPUR -- The Malaysian Green Technology Corporation (MGTC) is currently drafting a green technology masterplan for the Ministry of Energy, Green Technology and Water. The masterplan, to be implemented early next year, will detail guidelines and direction for companies to reduce carbon intensity by 40 per cent by 2020. "The masterplan required government and private companies to work together and reach the 40 per cent target in energy, transport, building, waste and water," said MGTC Chief Financial Officer Woon Foo Wen on the sidelines of the International Conference on Green Procurement and Eco-Labelling here Tuesday.

MIER Sees Mixed Economic Outlook Amid Crude Oil Price Fall

PETALING JAYA -- The Malaysian economic outlook will likely be mixed due to the fall in the crude oil prices, said the Malaysian Institute of Economic Research (MIER). The think tank's Executive Director Professor Emeritus Dr Zakariah Abdul Rashid said as Malaysia relies quite significantly on the oil and gas industry, the impact on the country will be both positive and negative. "We are a net exporter of crude oil and gas and at the same time a net importer of petroleum products, so we will see from these two (upstream and downstream of the oil and gas industry) that the impact on the economy will be rather mixed: positive and negative," he told reporters on the sidelines of the National Economic Outlook Conference (NEOC) Tuesday.

Muhyiddin Touts M'sia's Advantages To Potential Chinese Investors

From Jamaluddin Muhammad

BEIJING -- Malaysia's conducive business climate, proven track record and Chairmanship of Asean next year, are among factors highlighted by Deputy Prime Minister Tan Sri Muhyiddin Yassin to further lure China's trade and investment players to the country. He noted that Malaysia is among the first group of countries to have approved settlement of trade in the renminbi through the proposed setting up of a yuan - as the currency is also called - clearing bank recently. "The move to facilitate and reduce the cost of doing business is a tremendous boost for the private sector," he said, during a roundtable meeting with Malaysia and China's captains of industry here on Tuesday night.

MATRADE Mission To Christchurch To Boost Building Materials Export

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is leading a mission of 11 Malaysian companies to Christchurch, New Zealand, to promote the country as a premier supplier of high value building materials, products and services. The five-day mission, beginning Dec 1, will also provide opportunities for mission members to reconnect with existing customers and attract new customers in the Oceania market. The promotion agency, in a statement here Wednesday, said among the products to be featured included civil engineering works, steel fabrication, aluminium doors & windows, wooden flooring, wire mesh fencing products, LED Lighting, autoclaved aerated concrete, bed frames & sofas, wooden furniture, cabinets and racks, office furniture, and solutions to indoor air, as well as, cleaning services for residential or commercial projects.

Businesses Face Problems With Daily Fluctuations In Fuel Price

KUALA LUMPUR -- With the free-floating mechanism causing the pump price of fuel to fluctuate daily, industrial and business players would face problems in pricing their products, said Deputy Finance Minister Datuk Chua Tee Yong. The government recently announced that the retail price of RON95 petrol and diesel would follow the managed float system from Dec 1, using an automated pricing mechanism formula. “We need to have a gradual change to see how it fits the current context and the market’s reaction to it,” he told a press conference here Wednesday.

Labuan Operators See Higher Operating Costs

By Jailani Hasan

LABUAN -- The operating costs for ferry and commercial fleet operators in the duty-free island are expected to increase by two to three per cent with the expected increase in diesel fuel prices. This is expected to have a domino effect. Besides increasing the prices to cover the higher overhead costs, some service providers might impose fuel surcharge. Labuan Ferry Corp chairman, Peter Kong, told Bernama here Wednesday, for the ferry industry, which is highly-competitive and offers low margin, the problems might go beyond higher operating costs and ticket price increases.

Maersk Line To Improve Services From Mid-Jan 2015

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Maersk Line’s East-West Network, which connects key ports in Asia to Europe and North America, will see a major product upgrade from mid-January 2015. In a statement here Wednesday, Maersk Line said the customers would enjoy extended coverage, increased frequency and schedule reliability. “The new network is a result of the 10-year vessel sharing between Maersk Line and Mediterranean Shipping Company S.A.,” it said.

M’sia Remains Key Investor In Sri Lanka

From Noor Farhana Norain

COLOMBO -- Malaysia remains the key investor in Sri Lanka, registering foreign investments of US$1.27 billion since 2005. Malaysian High Commissioner to Sri Lanka, Azmi Zainuddin said among the main sectors ventured into by Malaysian investors were telecommunications, construction (infrastructure), banking and finance, as well as tourism. In telecommunications, Axiata is Malaysia’s single largest investor in Sri Lanka, which builds the ‘Dialog’ brand for its telecommunications services here, he said in a joint interview with Bernama and Radio Televisyen Malaysia (RTM) at the Malaysian High Commission here.

SoftBank Corp To Invest US$250 Mln In MyTeksi

KUALA LUMPUR -- SoftBank Corp is investing US$250 million in MyTeksi (Grabtaxi outside Malaysia), Southeast Asia’s largest taxi booking mobile application. In a statement here Thursday, Nikesh Arora, Vice Chairman of SoftBank Corp and Chief Executive Officer (CEO) of Softbank Internet and Media Inc., said in two short years, Myteksi had become the dominant player in the region’s taxi booking mobile app industry. MyTeksi Founder and Group CEO Anthony Tan said the company was excited to end a stellar year of growth with the record funding from SoftBank.

U Mobile To Be On Par With Competitors By End-2015

KUALA LUMPUR -- U Mobile Sdn Bhd expects to be on par with other local telecommunication players in terms of network capacity and coverage with the roll-out of an additional 2,000 network sites, slated for completion by end-2015. Chief Executive Officer, Wong Heang Tuck, said the company had set aside an investment of RM1.5 billion for this expansion, comprising 1,000 3G and 1,000 4G long-term evolution (LTE) sites. U Mobile Thursday inked a three-year partnership with information and communications technology solution providers, ZTE Corporation and Huawei Technologies, for the roll-out of the new sites.

More Companies To Invest In Hybrid Cloud Solution

KUALA LUMPUR -- Malaysian companies will be investing in hybrid cloud solution rather than private or public cloud, as they believe it gives them an edge over competitors. Avanade, a business technology solutions and managed services provider, said various businesses in the country are looking to invest in hybrid cloud next year, enabling them to focus on their growth. In a statement here Thursday, Avanade Asean Senior Vice President/General Manager, Kevin Wo, said in a survey conducted in October this year, 45 representatives from different industries agreed that hybrid cloud offered a strategic value to their businesses.

MAS Shares To Be Suspended From Dec 15

KUALA LUMPUR -- The trading of Malaysia Airlines System Bhd’s (MAS) shares on the Main Market of Bursa Malaysia will be suspended with effect from Dec 15, 2014 at 9am, three clear days prior to the entitlement date for its selective capital reduction and repayment exercise (SCR). Accordingly, the last day for trading of MAS shares prior to the suspension would be on Friday, Dec 12. “Under the SCR, the ordinary shareholders of MAS, other than Khazanah Nasional Bhd, whose names appear on the company’s record of depositors as at 5pm on Dec 19 shall be entitled to receive a cash amount of 27 sen for each MAS share,” it said in a filing to Bursa Malaysia here Thursday.

MAS' A330 Equipped With Apps On iPad

KUALA LUMPUR -- All Malaysia Airlines' (MAS) A330 fleet flight decks are now equipped with Apple's iPad Air facility with electronic navigation charts from Lufthansa Systems and integrated Airbus Flysmart application. In a statement here Monday, the airline said the move paved the way for a paperless cockpit solution, with the streamlined processes helping increase operational efficiency and enhance safety of flight operations. It said the interactive electronic information contains all required routes and airports, presented in a convenient manner for pilots, from take-off to landing.

53 M'sian Hotels Win Gold Circle Awards 2014

KUALA LUMPUR -- Agoda.com, one of Asia's leading hotel booking sites and part of Nasdaq-listed Priceline Group, has picked 53 Malaysia hotels as winners of its 2014 Gold Circle Awards. In a statement here Monday, Agoda.com said out of over 500,000 properties listed on Agoda.com, 1,025 had been recognised with the Gold Circle Awards 2014, from which 53 were Malaysian hotels. The number marked a steady increase from last year's 35, it said.

mApp Multimedia To Develop Micro App For WeChat

KUALA LUMPUR -- mApp Multimedia Sdn Bhd, a local app developer, has signed a memorandum of understanding (MoU) with China's e-commerce services giant, Hang Zhou Yuker Web-Technologies Co. Ltd, for WeChat micro application (app) development. As an authorised WeChat contracted app developer for Hang Zhou Yuker Web-Technologies, mApp Multimedia will be able to develop highly engaging and interactive micro applications that will run within the WeChat platform.

QSR Brands Win Big At The Yum! Regional Champs Challenge 2014

KUALA LUMPUR -- QSR Brands (M) Holdings Sdn Bhd (QSR), a franchisee of KFC restaurants and Pizza Hut in Malaysia, won big at the Yum!Brands,Inc (Yum!) Regional Champ Challenge (RCC) 2014. In a statement here Wednesday the company said KFC Malaysia bagged eight awards, while Pizza Hut Malaysia brought home six, in the event held on Nov 19 in Kota Kinabalu, with Malaysia as the host. "KFC Malaysia took home eight awards out of the 10 competed categories, namely, the Fastest Cook, Most Customers Served, Most Accurate Orders, Best Cashier, Best Cook, Best Manager, Customer Mania, as well as the CHAMPS Cheer," it added.

MAS Partners With Agoda.com To Reward Enrich Members

KUALA LUMPUR -- Malaysia Airlines (MAS) frequent flyer and loyalty programme, Enrich, has formed an agreement with Agoda.com to bring greater options, discounts and rewards to members, enabling them to save up to 75 per cent on hotel accommodations and earn Enrich Miles for hotel stay. Agoda.com is Asia's leading accommodations booking sites and part of Nasdaq-listed Priceline Group. As a launch promotion, Enrich members worldwide will earn double Enrich Miles for every US$1 spent on their accomodation bookings through www.agoda.com/malaysiaairlines in December 2014, MAS said in a statement here Wednesday.

Maybank Kim Eng Inks MoU With Taiwan's Cathay Securities

KUALA LUMPR -- Maybank Kim Eng Group's Asean clients will benefit from good investment opportunities in Taiwan as the group has signed a memorandum of understanding with Cathay Securities Corporation. Cathay Securities is part of Cathay Financial Holding Co, the largest financial group in Taiwan. In a statement here Wednesday, Maybank Kim Eng Chief Executive Officer John Chong said the partnership will expand Maybank Kim Eng's and Cathay Securities' equity brokerage footprints and provide their clients access to new markets.

AirAsia X Launches Multi-City Booking

KUALA LUMPUR -- Long-haul budget airline AirAsia X has launched a multi-city flight booking option to ensure easy bookings for those planning to fly across its networks starting Thursday. In a statement here, the airline said guests can book a minimum of two flights and a maximum of six flights in a single transaction. "Depending on the choice of destinations and fare types, guests can book multiple flights for the same trip, and book Business Class and Premium Flex fares for point-to-point and flythru journeys," it said.

BNM Takes Cognisance Of Affin Hwang Investment Bank's Name Change

KUALA LUMPUR -- Affin Hwang Investment Bank Bhd announces that Bank Negara Malaysia has taken cognisance of the change of its name from HwangDBS Investment Bank Bhd to Affin Hwang Investment Bank Bhd effective Sept 18, 2014. However, clients and partners of the group should note that all dealings and transactions, including contractual, legal documents and payments, should be made in the legal names of the operating entities, it said in a statement here Thursday.

Lexus Launches New Showroom At Melaka Autocity

MELAKA -- Lexus Malaysia Thursday launched its eighth outlet in the country at the Melaka Autocity, Ayer Keroh, here. President of UMW Toyota Motor Sdn Bhd Datuk Ismet Suki said the opening of the new showroom and service centre marks the company's commitment to the historic state. "We are aiming for sales of 150 cars next year in Melaka. Lexus Malaysia has invested close to RM100 million for expansion and the new outlet is the third launched this year after Ipoh and Kuching," he said in his speech at the opening ceremony here.

Bank Rakyat Strengthens Further, Opens New Main Branch

KUALA LUMPUR -- Bank Rakyat, the largest cooperative bank in Malaysia, continues to strengthen its market position and competitiveness with the opening of its new main branch at the Bank Rakyat Twin Towers in Jalan Travers here. The branch was officiated by the Domestic Trade, Cooperatives and Consumerism Minister, Datuk Seri Hasan Malek, Friday. With the opening of the new outlet, Bank Rakyat now has a total of 146 branches.

Ali-Baba Businesses Undermining NEP

By Mohd Azhar Ibrahim

Left to right : Senator Tan Sri Dato Abdul Rahim Abdul Rahman, Gua Musang Member of Parliament, Tengku Razaleigh Hamzah, (MACC) Commissioner Tan Sri Abu Kassim Mohamed and MTEM's Chief Executive Officer Nizam Mahshar.

The Malay Economic Action Council (MTEM) held a forum titled *'Barah Ali Baba di Bumi Merdeka'* at the Islamic Science, Technology and Civilisation Centre (ISTAC), recently. The event also saw the launch a book of the same title published by MTEM.

Gua Musang Member of Parliament, Tengku Razaleigh Hamzah; Malaysian Anti-Corruption Commission (MACC) Commissioner Tan Sri Abu Kassim Mohamed; Senator Tan Sri Dato Abdul Rahim Abdul Rahman; MTEM Chief Executive Officer Nizam Mahshar; and KPMG consultant, Muazzam Mohamed talked on the *Ali-Baba* or rent-seeking syndrome involving bumiputra business enterprises, particularly those in the construction sector.

It is an open secret that after winning government contracts, many Bumiputra contractors appropriate a portion of the contract sum for themselves and sub-contract their projects wholesale.

The subcontractors would then cut corners and bribe their way through to complete the work. In turn this either leads to shoddy workmanship or abandoned projects that would inevitably require additional government funding to complete.

Panel members aired their misgivings on the success of the New Economic Policy (NEP) if this unhealthy practice is not curbed.

In his keynote address, Tengku Razaleigh said the phenomenon of bumiputra contractors winning government contracts through know-who rather than know-how, and then outsourcing their works for short-term gain, has beleaguered the government for a long time.

"The *Ali-Baba* syndrome exists when there is corruption or abuse of power by those entrusted with implementing government policies.

Inferior quality, poor workmanship, cost overrun and delay in completion, have not only caused consumer dissatisfaction; they leave a bad impression on bumiputera entrepreneurs," Tengku Razaleigh said.

Senator Tan Sri Dato Abdul Rahim Abdul Rahman who foundered of one of Malaysia's largest real estate consultancy firms, urged for an effective mechanism to monitor bumiputra contractors.

Throughout his years in the real estate industry, Abdul Rahim could not help but notice that corruption is particularly rampant in the licencing agencies.

Meanwhile, MTEM Chief Executive Officer Nizam Mahshar called for a thorough audit to verify the bumiputra status of any Malay company bidding for a government project.

"Doing business the *Ali-Baba* way is a form of economic sabotage. Malay businessmen who indulge in rent-seeking are actually undermining the government's effort," Nizam who noted that many bumiputra entrepreneurs succumb to immediate gratification instead of ploughing back profits into their businesses, said.

KPMG Malaysia consultant, Muazzam Mohamed revealed that the company's survey on 'Fraud, Bribery and Corruption' among public-listed companies revealed that 71 percent of the respondents believed bribery - either in the form of cash, expensive gifts or entertainment - is essential in winning or retaining business.

Coming from people who sit as chief financial officer, chief operating officer, financial controller, and internal audit head, such sentiment does not augurs well for both Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP).

Corruption increases the cost of doing business by a whopping 25 percent. This extraneous burden is passed down to consumers at the end of the supply chain. Yet rent-seeking does not constitutes corruption as defined under the MACC Act. An *Ali-Baba* business deal is not illegal. Not yet.

Against this backdrop, MACC Chief Commissioner, Tan Sri Abu Kassim urged corporate bodies and business entities to sign a Corporate Integrity Pledge (CIP) with the MACC. By signing the CIP the company is effectively saying it has a zero-tolerance stance to corruption and will support MACC's corruption prevention initiatives to create a highly principled and ethical business environment.Thus far 472 public and private companies including non-government organisations have signed the CIP.

It is high time to criminalise rent-seeking. The MACC has submitted a proposal calling for the creation of a public register to show who the company owners are. This will make it hard for venal and corrupt officials to hide behind proxies, Abu Kassim said.

LIST OF MARKET REPORTS :

BURSA: KL Shares To Have Milder Upside Next Week

By Azlee Nor Mahmud

KUALA LUMPUR -- Share prices on Bursa Malaysia are likely to have a milder upside next week, tracking hopes of growing fiscal stimulus. Affin Hwang Investment Bank Vice-President and Head of Retail Research, Datuk Dr Nazri Khan Adam Khan said growing fiscal stimulus in countries such as Europe, Japan and China would affect the market.

"Positive global economic data and upside swings in Wall Street and Asian regional indices would also have an indirect correlation with the local market," he told Bernama. Nazri said further strength above 1,770 resistance would open the charts up for a larger rally toward 1,800 while a break down below 1,730 will suggest more setbacks towards 1,700 levels. Meanwhile, Inter-Pacific Research Sdn Bhd Research Head Pong Teng Siew said share prices on Bursa Malaysia were likely to trade between an overhead resistance level of 1,778 and a downside support level of 1,702. He said local funds were impatient to begin their window dressing for the year-end. "These local funds will not have it easy, as a spectacular ending is desired," he said. Pong said such a state is difficult to obtain as the macro backdrop has darkened and sentiment has been hurt by October's discouraging trade balance figures. Trade surplus shrunk from RM9.3 billion in September to RM1.9 billion in October.

"This is a substantial-sharp drop and the weakening of the ringgit which was quoted at 3.4695/4725 at 5 pm on Friday, does not facilitate the year-end performance," Pong added. Weekly turnover increased to 9.76 billion shares, worth RM11.16 billion, from 9.49 billion shares, worth RM9.20 billion, registered last week. Main market volume rose to 7.07 billion units, valued at RM10.52 billion, from 6.64 billion units, valued at RM8.53 billion, previously.

FOREX: Ringgit Likely To Remain Bearish Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- The ringgit is likely to remain bearish against the US dollar next week, driven by cheaper crude oil prices coupled with the lower-than-expected trade surplus recorded for October. Hong

Leong Bank Senior Manager for Bond and Economic Research Choong Yin Pheng said Malaysia's economic growth would be impacted by the drop as it was a net oil exporter. Choong told Bernama, Malaysia's lower trade surplus for October was contributed by a 3.1 per cent decline in exports partly due to lower shipment of petroleum products and palm oil. She added, the firmer US dollar and several other economic data were indicative of continued growth momentum for the US economy and this was expected to pressure the ringgit and most Asian emerging currencies downwards. For the week just-ended, the ringgit declined sharply against the US dollar to 3.4695/4725 from last Friday's 3.3810/3840.

It weakened against the Singapore dollar to 2.6348/6391 from 2.5932/5963 on Friday, slid against the yen to 2.8848/8882 from 2.5932/5963, and depreciated against the British pound to 5.4325/4376 from 5.3075/2125 last Friday. It also fell against the euro to 4.2921/2969 from 4.2053/1100 previously.

Money Market: Short-Term Rates Likely To Remain Stable

KUALA LUMPUR -- Short-term rates are expected to remain stable next week on Bank Negara Malaysia's (BNM) intervention in the money market to absorb surplus liquidity, a dealer said. The dealer said the central bank was expected to continue to call for money market tenders of conventional and Islamic, including commodity murabahah programme, range maturity auctions and repo tenders, on a daily basis.

For the week just-ended, BNM intervened daily to flush the system of surplus. On a weekly basis, the liquidity surplus in the conventional system increased to RM18.50 billion from RM15.47 billion last Friday while the excess in the Islamic system fell to RM4.40 billion from RM6.12 billion. The overnight Islamic reference rate stood at 3.22 per cent while the one-week, two and three-week rates stood at 3.27 per cent, 3.31 per cent and 3.35 per cent, respectively. The benchmark three-month KLIBOR inched up to 3.84 per cent from last week's 3.78 per cent.

KLCI Futures Likely To Recover Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is expected to rebound next week, dealers said. They said share prices on Bursa Malaysia were likely to have a milder upside next week, tracking more bargain hunting rebound and growing fiscal stimulus hopes in countries such as Europe, Japan and China.

On a Friday-to-Friday basis, December 2014 and June 2015 declined 68 points each to 1,748.5 and 1,749.5, respectively, while January 2015 and March 2015 ended the week at 1,750 and 1,748, respectively. Turnover for the week stood at 52,361 lots from 73,896 lots recorded last week while open interest rose to 167,358 contracts from 39,671 contracts last week. For the week just-ended, the benchmark FBM KLCI ended 3.68 points higher at 1,749.37.

CPO Futures To Trade Cautiously Next Week

By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- Crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to see cautious trading next week amid the weaker global market sentiment, a dealer said. Interband Group of Companies Senior Palm Oil Trader Jim Teh said trading was expected to be volatile against a backdrop of declining crude oil prices coupled with a weakening ringgit. “The unstable global economy is also expected to see the market become cautious. “Physical CPO will likely move between RM2,000 and RM2,100 a tonne for the week,” he told Bernama. On a Friday-to-Friday basis, December 2014 declined RM12 to RM2,135 a tonne, January 2015 fell RM4 to RM2,170 a tonne, February 2015 remain unchanged at RM2,172 a tonne and March 2015 slipped RM1 to RM2,175 a tonne. Weekly turnover rose to 247,160 lots from 204,080 lots last week while open interest narrowed to 234,601 contracts from 256,209 contracts, previously. On the physical market, December South fell RM10 to RM2,180 per tonne.

Rubber Market To Trade Mixed Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to trade mixed next week, tracking the trend in crude oil prices, a dealer said. The downtrend on the Tokyo Commodity Exchange and a weaker yen is also expected to weigh on sentiment. On a Friday-to-Friday basis, the Malaysian Rubber Board’s official physical price for tyre-grade SMR 20 gained 1.5 sen to 503.5 sen a kg and latex-in-bulk fell 19.5 sen to 359.5 sen a kg. The unofficial closing price for tyre-grade SMR 20 decreased four sen to 498.00 sen a kg and latex-in-bulk slipped 17.5 sen to 358.5 sen a kg.

KLIBOR Futures Likely To See Little Change Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives was expected to see little change next week amid stable interest rates, a dealer said. During the week, the KLIBOR futures market was untraded.

Open interest was unchanged from last week’s 2,970 contracts. On a Friday-to-Friday basis, December 2014, January 2015, February 2015 and March 2015 stood at 96.18, 96.14, 96.15 and 96.17, respectively. The underlying three-month KLIBOR inched up to 3.84 per cent from last week’s 3.82 per cent.

Foreign Demand Likely To Boost KLTM Next Week

By Azizul Ahmad

KUALA LUMPUR -- Demand from Europe and Japan is expected to boost tin price on the Kuala Lumpur Tin Market (KLTM) next week. A local tin trader said the metal was expected to remain well bid next week with prices expected to move between US$23,300 and US$23,400 per tonne. "Expect a well-bid and range-bound trading on the KLTM, unless there is a surprise fluctuation on the London Metal Exchange (LME), amid changes in global market sentiment," he told Bernama.

For the week just-ended, the metal finished US$80 higher at US$20,330 per tonne, compared with US$20,250 last Friday, with trading dominated by Japanese, European and local buyers. Weekly turnover decreased slightly to 259 lots from 302 lots recorded last week. Meanwhile, the premium between the KLTM and the London Metal Exchange narrowed to US$275 per tonne from US$318 per tonne last Friday.

Gold Futures Likely To Turn Bearish Next Week

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives could turn bearish next week if the US dollar continues its upbeat momentum. Phillip Futures Sdn Bhd Dealer Lim Eng Wee said gold prices would come under pressure given the economic recovery in the US, citing the positive US payroll data released on Friday. The US labour department's diffusion index, which measures the breadth of industries expanding their payrolls, climbed to 69.7 per cent in November, the highest level seen since Jan 1998.

"Stronger dollar will curb demand for the bullion as a protection of wealth," he told Bernama. Chartwise, Lim opined 136 as a strong resistance level for spot month contract and 135 as the strong support level. Another trader said market was thinly traded towards the end of last week, a signal that buyers were turning cautious. "Some profit taking on long positions was observed while others started selling on rally, especially when the spot month approached the 135.90 level," he said, that prices could head south next week." The local gold futures market was firm last week, tracking the performance of the US Commodity Exchange gold futures.

On a Friday-to-Friday basis, spot month December 2014, January 2015 and February 2015 all rose 132 ticks to RM135.45 a gramme, RM135.70 a gramme and RM136.00 a gramme, respectively. March 2015 settled at RM136.40 a gramme on Friday, while distant month October 2015 garnered 140 ticks to RM138 a gramme. Total volume for the week rose to 814 lots, worth RM10.76 million, from 652 lots, worth RM8.85 million, transacted last week. Open interest on Friday dwindled to 1,768 contracts from 2,148 contracts previously.