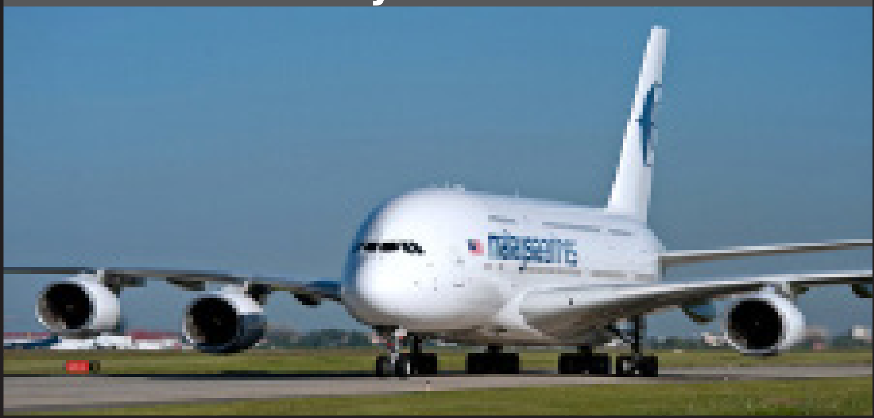
MALAYSIAeBiz
WEEKLY BUSINESS ROUNDUP 25 AUGUST - 29 AUGUST 2014

AUGUST 29, 2014

This Week's Highlight :
Khazanah Unveils RM6 Bln Recovery Plan For Malaysia Airlines



UNVEILED…The Cabinet and the board of Malaysia Airlines have given the green light for a recovery plan by Khazanah Nasional Bhd, aimed at creating a leaner and more efficient entity. -- fotoBERNAMA

KUALA LUMPUR -- Khazanah Nasional Bhd has unveiled a RM6 billion recovery plan for Malaysia Airlines (MAS) which will see the ailing national carrier inject greater efficiency by cutting its staff size comprising almost 20,000 by 30 per cent and refocusing on profitable regional routes rather than loss-making long-haul destinations. Under a 12-point plan announced by Khazanah's Managing Director, Tan Sri Azman Mokhtar, the current MAS entity would come under 'Oldco' or old company while the new restructured entity would come under 'Newco' (new company) effective July 1, 2015. "The plan, worked on for over six months, is incumbent upon Khazanah, which now holds 69.3 per cent of MAS, owning 100 per cent of the airline following its move to buy the remaining equity from minority shareholders at 27 sen a share which is deemed as reasonable in the market," he told a press briefing here Friday.

This Week's Top Stories

Monday

MIER: GDP 5.5-6 Pct For 2014 Achievable

KUALA LUMPUR -- Malaysia can achieve an economic growth forecast of between 5.5 and 6.0 per cent for this year, said Malaysian Institute of Economic Research (MIER) Chairman Tan Sri Dr Sulaiman Mahbob Monday. "The country did very well in the first half of the year with a Gross Domestic Product (GDP) growth 6.3 per cent based on good domestic demand and robust export sector. We hope the trend will continue in the second half of the year," he said on the sidelines of the Corporate Board Leadership Symposium 2014.

Tuesday

Capital Mart Set To Transform Malaysian Economy

KUALA LUMPUR -- The capital market will take on a more significant role in financing economic growth, with the aim of transforming Malaysia into a strong and vibrant economy that will function as a strategic regional hub, said Prime Minister Datuk Seri Najib Tun Razak Tuesday. A well-functioning capital market was the cornerstone of the government's Economic Transformation Programme to raise the country's gross national income per capita to US$15,000 (RM47,380) by 2020 in order to achieve a high-income nation status, he said when launching the Securities Commission's book, "Capital Market Development in Malaysia: Growth, Competitiveness and Resilience".

Wednesday

Malaysian, Japanese Companies To Produce Animated Series

From Mohamed Letfee Ahmad

TOKYO -- A multimedia super corridor (MSC) status company, Creatvtoon Studios Sdn Bhd (Creatvtoon) and renowned Japanese content provider P.I.C.S. Co Ltd (P.I.C.S.) have teamed up to cooperate towards producing an animation series. A memorandum of understanding (MoU) to this effect was signed here Wednesday by P.I.C.S president/chief executive officer Shinichiro Nakaso and the founder/director of Creatvtoon, Ayie Ibrahim. "I hope this cooperation will be the foundation for Creatvtoon, as a Malaysian animation producer, to expand its market to the international stage," Ayie told Bernama.

Thursday

EPF: RM1.81 Bln Withdrawn Under Flexible Age Facility

KUALA LUMPUR -- A total of RM1.81 billion were withdrawn under the Flexible Age 55 Withdrawal facility in the second quarter this year against RM1.77 billion in the same quarter last year, says the Employees Provident Fund (EPF). In a statement Thuursday, EPF said the rise in the number of members opting for the facility was in tandem with the decrease in Lump Sum Withdrawal to 46,485 from 48,927 in the second quarter last year. The Flexible Age 55 Withdrawal facility also recorded a 23.97 per cent rise, with 59,379 applications approved in the second quarter from 47,897 in the same period in 2013, it said.

Friday

Najib Introduces NCII To Help Companies Become Innovative

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak Friday introduced the National Corporate Innovation Index (NCII) as a measurement tool to help stimulate and drive innovation among large companies in Malaysia. "It aims to institutionalise innovation and governance within corporations and help identify mechanisms for corporations to engage in innovation activities that will ensure their long-term sustainability," Najib said in his welcoming address at the "Innovating Malaysia Conference 2014" at the Kuala Lumpur Convention Centre, here Friday.

SMEbrief

Women Entrepreneurs Must Not Get Complacent – Rosmah Mansor

From Zalina Maizan Ngah

PADANG (West Sumatra) -- Women entrepreneurs in Malaysia and Indonesia must not get complacent and strive to stay in their comfort zone, Prime Minister's wife Datin Seri Rosmah Mansor said. Instead, they should strive to build their own business empires and make optimal use of their strengths to remain competitive in the rapidly developing and ever-challenging world, she said. Rosmah said in the world without border and global market, women entrepreneurs should intensify their efforts to build their business networks. "We are aware that Malaysia and Indonesia had established traditional trade relation between West Sumatra and Malaysia. I'm in the opinion that the relation should no longer be based on traditional trade. Let us make a more pragmatic and profitable move so that a more official trade relation will be established between the two countries," she said at the launch of a business network between women entrepreneurs of Malaysia and Indonesia here Tuesday.

Starting With A Salary Of RM10, Suhaimi Now A Successful Entrepreneur

By Tuan Azam Tuan Johan

KUALA TERENGGANU -- Starting out with a meagre salary of RM10 per day, he is now a successful businessman and the managing director of two well known textile companies in Terengganu, Desa Murni Batik Sdn Bhd and Desa Murni Batik Holdings. Suhaimi Embong, 44, from Pulau Rusa here started off in the textile business at the age of 18, after completing his Sijil Pelajaran Malaysia (SPM) examination. "When Desa Murni was established in 1974 by my father Embong Su, 70, in Pulau Rusa with a capital of RM4,000, I was among his 30 employees paid a daily wage of RM10. After taking over Desa Murni from my father in 2005, the business expanded with the opening of an outlet in Kuala Berang town in 2006", he said to Bernama here Tuesday. Suhaimi noted that since then, Desa Murni has emerged as the biggest supplier of batik and silk material in Terengganu, and now has 12 outlets other than the one in Kuala Terengganu. The outlets among others are located in Kemaman, Kota Baharu in Kelantan, Temerloh in Pahang, and Shah Alam and Wangsa Walk in the Klang Valley.

Between 2,000 And 3,000 SMEs To Register Daily For GST

KUALA LUMPUR -- The Royal Malaysian Customs Department expects between 2,000 and 3,000 small and medium enterprises (SMEs) to register daily for the Goods and Services Tax (GST) beginning next week. Its Director of GST, Datuk Subromaniam Tholasy, said to date, the agency had received 20,625 applications from SMEs. The services sector made up a majority of the applications, he told reporters on the sidelines of a GST seminar for accountants here Thursday. "The services-based industries, especially those which come under the ambit of the Sales Tax and Service Tax net are coming forward (to get registered). Many companies feel that they can get themselves prepared with the support of the government which would like to hand-hold them, provide training and assistance," said Subromaniam.

PropUP — Property update

PKNS To Focus On Township Development

KUALA LUMPUR -- The Selangor State Development Corp (PKNS) will continue to focus on township development in the state, given the tremendous demand for such projects and the changing lifestyle of the community. General Manager Azlan Md Alifiah said township project would offer affordability for Malaysians to own a house given the rising house prices. "Properties in the Klang Valley is going to be very expensive due to the increasing land costs. Comparatively, sub-urban project is less expensive in terms of land cost and people can have more greater work-life balances with bigger houses, landed properties, and more importantly is the quality of life," he said this to reporters on the sidelines of the 17th National Housing and Property Summit 2014, organised by Asian Strategy and Leadership Institute, here Tuesday.

Hua Yang Confident Of Sustaining Sales Momentum For FY 2015

KUALA LUMPUR -- Hua Yang Bhd, property developer in the affordable housing market, is confident of sustaining its sales momentum for its financial year ending March 31, 2015 with the launch of new projects with gross development value (GDV) of RM1.1 billion. Its Chief Executive Officer, Ho Wen Yen, said the company would focus on four key regions -- Klang Valley, Negeri Sembilan, Johor and Perak -- to launch its projects. "With innovative packages planned for the future, the company intends to continue to focus on the affordable housing segment and consolidate our position as one of the leading property brands in the market," he told a media briefing after the company's annual general meeting here Wednesday.

Local Demand For High-End Condos Expected To Weaken

By Zairina Zainudin

PETALING JAYA -- Local demand for high-end condominiums is expected to weaken within the next 12 months, primarily in the Kuala Lumpur City Centre (KLCC) area, with more developers anticipated to tap foreign markets. Jones Lang Wootton Executive Director Malathi Thevendren said the projection is based on the mismatch in the level of pricing by developers with local affordability. "Supply, coming in, must match the demand level as there are not many people who can actually afford to buy the high-end condominiums," she told Bernama on the sidelines of the 17th National Housing and Property Summit 2014 here Wednesday.

TA Global Unit To Buy Trump Hotel For RM293.71 Mln

KUALA LUMPUR -- TA Global Bhd's unit, Maxfine International Ltd, is proposing to acquire the Trump International Hotel and Tower in Canada for RM293.71 million, cash. In a filing to Bursa Malaysia here Thursday, the company said the purchase consideration would be funded by external borrowings and internally-generated funds. "The purposed acquisition is expected to bring synergy to the group and further enhance its hospitality in major cities around the world," it said.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers	251
Losers	660
Not Traded	456
Unchanged	262
Value	2856979825
Volume	32275471

BURSA: KL Shares Close Lower Amid Signs Of Short-Term Downturn

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Share prices on Bursa Malaysia closed lower Friday as equity market sentiment showed a short-term downturn, following weakness in Europe and growing geopolitical risks in Ukraine, a dealer said.

At the close, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) shed 9.57 points to 1,866.11, its lowest level of the day. The market barometer moved between 1,866.11 and 1,879.53 throughout the day.

Affin Investment Bank Vice-President and Head of Retail Research Dr Nazri Khan Adam Khan said the FBM KLCI retreated from its 1,880 resistance level which is the 50-day moving average.

"Although trading volume remains respectable at 3.22 billion shares worth RM2.85 billion, we note that most of the actively traded stocks are over-extended small cap heroes which have led the market over the weeks," he told Bernama.

Losers outpaced gainers 660 to 251 while 262 counters remain unchanged, 456 untraded and 28 others suspended.

Total volume rose to 3.22 billion shares worth RM2.85 billion from 3.01 billion shares worth RM2.2 billion on Thursday.

The Main Market volume increased to 2.22 billion units worth RM2.62 billion from 1.89 billion units worth RM1.98 billion Thursday.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.1510	3. 1530
EUR	4.1527	4. 1560
GBP	5.2300	5. 2337
100 YEN	3.0324	3.0349
SGD	2.5256	2. 5277

Source: Bank Negara Malaysia

FOREX: Ringgit Ends Lower Against US Dollar

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday as investors continued with their interests on the greenback, dealers said. At 5pm, the ringgit was quoted at 3.1510/1530 against the greenback from 3.1490/1510 on Thursday.

A dealer said the ringgit continued its decline for two straight days closing lower against the dollar. "The US dollar's strength is still ongoing following encouraging US data released recently," he said.

Meanwhile, the local unit was traded mixed against other major currencies. The ringgit increased against the yen to 3.0324/0349 from Thursday's 3.0346/0371 and rose against the euro to 4.1527/1560 from 4.1583/1622 previously.

Against the British pound, it depreciated to 5.2300/2337 from 5.2261/2297 on Thursday and fell against the Singapore dollar to 2.5256/5277 from 2.5240/5259 previously.

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

KUALA LUMPUR -- Short-term interbank rates closed steady Friday following Bank Negara Malaysia's intervention to absorb surplus liquidity from the financial system.

The liquidity surplus in the conventional system fell to RM16.046 billion from RM31.809 billion estimated in the morning while in the Islamic system, it decreased to RM5.745 billion from RM9.828 billion earlier in the day.

In the morning, the central bank called for eight tenders of one range maturity auction money market tender, three repo tenders, two Al-Wadiah tenders, and two Commodity Murabahah Programme tenders. Bank Negara Malaysia also conducted a conventional money market tender for RM16 billion and a RM3.8 billion Al-Wadiah money market tender, both for four days money.

The overnight rate stood at 3.22 per cent while the one-, two- and three-week rates stood at 3.26 per cent, 3.30 per cent and 3.33 per cent respectively.

KLIBOR Futures Contracts End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts ended untraded Friday.

September 2014, October 2014, November 2014 and December 2014 all remained pegged at 96.30, 96.25, 96.23 and 96.24 respectively.

Open interest amounted to 3,110 contracts.

At 11 am fixing, the underlying three-month KLIBOR stood at 3.71 per cent.

KLCI Futures Close Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia (FBM) KLCI futures contracts on Bursa Malaysia Derivatives closed lower Friday, tracking the weaker cash market, dealers said.

Spot month August 2014 declined two points to 1,871, September 2014 eased seven points to 1,864, December 2014 lost five points to 1,867 and March 2014 shed 5.5 points to 1,864.

Turnover increased to 13,081 lots from 9,094 lots on Thursday while open interest declined to 41,603 contracts from 45,990 contracts previously.

The FBM KLCI erased 9.57 points to settle at 1,866.11.

AmBank Spends RM3 Mln Yearly On CSR

KUANTAN -- AmBank Group spends between RM3 million and RM4 million yearly on corporate social responsibility (CSR) throughout the country, said its Senior General Manager, Group Corporate Communications and Marketing Syed Anuar Syed Ali. This does not include a yearly allocation of RM1 million under the AmKasih programme since 2009, he told reporters at the AmBank's Aidilfitri charity event in Cherating here Monday.

AMMB Holdings Unit To Dispose of AmFraser Securities

KUALA LUMPUR -- AMMB Holdings Bhd's Singapore-based unit, AmFraser International Pte Ltd, has entered into a sale and purchase agreement with KGI Asia (Holdings) Pte Ltd to dispose of its 100 per cent-owned stockbroking subsidiary, AmFraser Securities Pte Ltd. KGI Asia (Holdings) Pte Ltd is a Taiwan-based stockbroking company. The proposed disposal involves the sale of 57.527 million ordinary shares in AmFraser for an indicative cash consideration of about S$38 million (RM96 million), the company said in a filing to Bursa Malaysia Monday.

RHB Group Launches New Branch In Lao PDR

KUALA LUMPUR -- RHB Bank Lao Ltd, a member of the RHB Banking Group, has expanded its coverage with the opening of a branch Monday in Vientiane, Lao People's Democratic Republic. The opening of the new branch signified the group's continuous commitment to contribute towards the South East Asia financial services industry, said RHB in a statement.

Greater Collaboration Vital To Internationalise Islamic Finance

KUALA LUMPUR -- Collaboration between Islamic finance market players must be strengthened further in the effort to ensure continuous growth of the industry, especially in the international arena, said Kamarul Ariffin Mohd Jamil, Chief Executive Officer of Affin Islamic Bank Bhd. "A lot of effort has been taken by regulators and players so far in growing the Islamic finance industry and in providing competitive and sustainable offerings, whether for the traditional or non-traditional markets," he said in a statement Wednesday.

Bank Rakyat Eyes 10 Pct Credit Card-I Growth

KUALA LUMPUR -- Bank Rakyat targets to achieve 10 per cent growth for its Credit Card-i segment this year, said president/managing director, Datuk Mustafha Abd Razak. "We believe the economic growth will be better this year. "This will help us record encouraging growth, especially in the Credit Card-i segment this year," he said at the launch of the Gold Credit Card-i here Thursday.

Agrobank Approves RM100 Mln Funding For Sarawak

KUCHING -- Agrobank achieved a very encouraging achievement in Sarawak by approving over RM100 million in funding in the first seven months of this year, said its President and Chief Executive Officer, Datuk Wan Mohd Fadzmi Wan Othman. As a bank tasked with financing the agricultural sector, he said Agrobank has registered growing number of customers in Sarawak in tandem with increased agricultural, farming and fishing activities. Capitalising on 44 years of experience, Agrobank plays an important role in providing agricultural financing, contributing 10.2 per cent or RM3.6 billion of RM31.7 billion of the total agricultural loans in 2013, he said in a statement in conjunction with his visit to Sarawak Thursday.

SC Launches Sustainable & Responsible Investment Sukuk Framework

KUALA LUMPUR -- The Securities Commission Malaysia (SC) has launched the Sustainable and Responsible Investment (SRI) Sukuk framework to facilitate the financing of sustainable and responsible investment initiatives. In a statement Thursday, the SC said the launch of the framework was in line with the initiative set out under its Capital Market Masterplan Two to promote socially responsible financing and investment. "With the shifts in investor demographics, there are growing concerns over environmental and social impact of business and greater demand for stronger governance and ethics from businesses," it said.

Mother Of All Restructurings To Be Unveiled Friday

KUALA LUMPUR -- Khazanah Nasional Bhd will unveil, Friday, its plan for the wholesale overhaul of ailing Malaysia Airlines (MAS) which analysts have rightly billed as the 'Mother of Restructurings'. Corporate Malaysia has gone through restructurings of all shapes and sizes in the past but the sheer massiveness of this latest one will make all of them pale into insignificance but analysts are quick to point out that although the bottomline is to save MAS, it won't be a "save MAS at all costs". Zakie Ahmad Shariff, Director of FA Securities Sdn Bhd, said:" Everybody must come to their senses. Khazanah is the only 'white knight' to come riding to save MAS. But Khazanah being the custodian of the people's fund does not have a bottomless pit to draw from." What this means is that everyone in the MAS eco-system must put in their own effort to make this a successful overhaul and not leave it to Khazanah alone. Sources close to Khazanah told Bernama the plan should be seen as a "national compact" or contract of sorts involving Khazanah, the MAS leadership, employees and unions, vendors, suppliers and partners and the people, backed by political will at the highest level with the assurance coming from Prime Minister Datuk Seri Najib Razak.

Maybank On Lookout For Acquisitions

KUALA LUMPUR -- Malayan Banking Bhd (Maybank) is always on the lookout for acquisitions as its priority was to improve shareholders' value, said Chief Executive Officer and President Datuk Abdul Farid Alias. "We are at a size where we are significant to any Malaysian customer, whether consumer, corporate or commercial. We don't need to acquire another bank for example, just to have a bigger size of total assets," he told a press conference Thursday.

Hong Leong Industries Records RM61.2 Mln PBT Q4
KUALA LUMPUR -- Hong Leong Industries Bhd's pre-tax profit (PBT) increased to RM61.342 million for the fourth quarter ended June 30, 2014 from RM58.690 million in the same quarter a year ago. Revenue rose to RM536.321 million during the quarter under review from RM535.847 million previously, it said in a filing to Bursa Malaysia Monday.

FGV Q2 PBT Falls To RM322.361 Mln
KUALA LUMPUR -- Felda Global Ventures Holdings Bhd's (FGV) pre-tax profit fell to RM322.361 million for the second quarter ended June 30, 2014 from RM530.448 million in the corresponding period last year. Revenue, however, rose to RM4.083 billion during the quarter under review from RM2.991 billion previously, it said in a filing to Bursa Malaysia Monday.

KWAP Records 12.6 Pct Growth
KUALA LUMPUR -- The Retirement Fund Inc's (KWAP) fund size increased by 12.61 per cent or RM11.19 billion to RM99.92 billion in 2013 from RM88.73 billion in 2012, riding the wave of vigorous domestic economic recovery. The rise in asset size was also contributed by an impressive income performance and consistent contributions by the federal government, statutory bodies, local authorities, and agencies, said Deputy Finance Minister Datuk Ahmad Maslan in a statement Monday. He said as at the end of December 2013, KWAP registered gross investment income of RM6.66 billion, 15.83 per cent higher than the preceding year of RM5.75 billion.

Kulim's Q2 PBT Jumps To RM218.23 Mln
KUALA LUMPUR -- Kulim (Malaysia) Bhd's pre-tax profit surged to RM218.23 million for the second quarter ended June 30, 2014 from RM33.47 million recorded in the same quarter last year. Revenue rose to RM817.48 million during the period under review from RM792.29 million previously, the company said in a filing to Bursa Malaysia Monday. The better results was due to higher fresh fruit bunch and crude palm oil production.

Boustead's PBT Rises To RM109.9 Mln Q2
KUALA LUMPUR -- Boustead Holdings Bhd's pre-tax profit increased to RM109.9 million for the second quarter ended June 30, 2014 from RM93.1 million in the corresponding period last year. Revenue rose to RM2.6 billion during the period under review from RM2.4 billion previously, it said in a filing to Bursa Malaysia Monday.

UEM Sunrise Q2 PBT Dips To RM91.23 Mln
KUALA LUMPUR -- UEM Sunrise Bhd chalked up a lower pre-tax profit of RM91.23 million for the second quarter ended June 30, 2014 from RM136.84 million registered in the same quarter last year. Revenue also declined to RM447.64 million, during the period under review, from RM475.93 million previously, due to lower property development revenue, said the company in a filing to Bursa Malaysia Monday.

United Plantations Q2 PBT Falls To RM63.02 Mln
KUALA LUMPUR -- United Plantations Bhd's pre-tax profit for the second quarter ended June 30, 2014 fell to RM63.02 million from RM75.58 million in the corresponding period last year. Revenue, however, rose to RM247.82 million from RM241.81 million previously, it said in a filing to Bursa Malaysia Monday.

Dutch Lady Q2 PBT Down To RM32.8 Mln
KUALA LUMPUR -- Dutch Lady Milk Industries Bhd's pre-tax profit for the second quarter ended June 30, 2014 declined to RM32.8 million from RM46.77 million in the corresponding period last year. Revenue, however, rose to RM268.23 million from RM249.71 million previously, the company said in a filing to Bursa Malaysia Tuesday.

Sarawak Oil Palm Q2 PBT Rises To RM48.41 Mln
KUALA LUMPUR -- Sarawak Oil Palm Bhd's pre-tax profit for the second quarter ended June 30, 2014 surged to RM48.41 million from RM4.65 million in the corresponding period last year. Revenue rose to RM655.35 million from RM313.99 million previously. In a filing to Bursa Malaysia Tuesday, the company said the better performance was attributed to improved palm products realised prices, increased palm product sales, and increased fresh fruit bunch production from plantation estates.

Faber's Q2 PBT Falls To RM13.67 Mln
KUALA LUMPUR -- Faber Group Bhd's pre-tax profit for the second quarter ended June 30, 2014 declined to RM13.67 million from RM13.99 in the same quarter last year. Revenue rose to RM164.49 million from RM159.61 million, the company said in a filing to Bursa Malaysia Tuesday.

Brahim's Q2 PBT Declines To RM6.44 Mln
KUALA LUMPUR -- Brahim's Holdings Bhd pre-tax profit for the second quarter ended June 30, 2014 declined to RM6.44 million from RM15.18 million in the corresponding period last year. The group's revenue for the quarter eased to RM92.33 million compared with RM98.24 million previously, it said in a filing to Bursa Malaysia Tuesday.

RHB Capital Q2 PBT Rises To RM739.1 Mln
KUALA LUMPUR -- RHB Capital Bhd's pre-tax profit for the second quarter ended June 30, 2014 rose to RM739.1 million from RM553.6 million in the same period last year. Revenue also increased to RM2.452 billion from RM2.339 billion previously.

In a statement Wednesday, RHB Capital said the increase in pre-tax profit of 16 per cent on quarter-on-quarter basis was due to a large write back of impairment on other assets amounting to RM112 million in the second quarter.

Axiata Q2 PBT Falls To RM511.8 Mln

KUALA LUMPUR -- Axiata Group Bhd's pre-tax profit fell to RM511.8 million in the second quarter ended June 30, 2014 from RM972.7 million a year ago, due to acquisition costs and foreign exchange losses. The lower profit was caused by forex losses amid weakening Indonesian rupiah, as well as the planned acquisition of PT Axis Telekom Indonesia, President and Group Chief Executive Officer, Datuk Seri Jamaludin Ibrahim told a press conference Wednesday.

Telekom Posts RM589 Mln PBT 1st Half 2014

PETALING JAYA -- Telekom Malaysia Bhd's (TM) pre-tax profit for the first half ended June 30, 2014 rose to RM589 million compared to the RM471.4 million in the same period of last year. "Revenue also grew eight per cent to RM5.44 billion from RM5.04 billion, driven by positive growth in the Internet and other telecommunications service revenue," Group Chief Executive Officer Tan Sri Zamzamzairani Mohd Isa told a media briefing Wednesday.

APM Holdings Registers RM37.69 Mln Pre-Tax Loss Q2

KUALA LUMPUR -- APM Automotive Holdings Bhd reported a pre-tax loss of RM37.69 million for the second quarter ended June 30, 2014 against a pre-tax profit of RM48.99 million in the corresponding period last year. Revenue rose to RM340.00 million from RM338.28 million a year ago, driven by improved sales from operations outside Malaysia, the company said in a filing to Bursa Malaysia Wednesday.

Freight Management Posts Pre-Tax Profit of RM30.83 Mln

KUALA LUMPUR -- Freight Management Holdings Bhd's pre-tax profit for the financial year ended June 30, 2014 rose slightly to RM30.83 million from RM30.22 million in the corresponding period last year. The company's revenue surpassed the RM400 million mark for the first time, registering RM403.3 million compared with RM364.81 million previously, it said in a filing to Bursa Malaysia Wednesday.

DRB-Hicom's Q1 PBT Rises RM185 Mln

KUALA LUMPUR -- DRB-HICOM Bhd's pre-tax profit for the first quarter ended June 30, 2014 increased to RM185 million from RM96.2 million in the same period last year. Revenue rose to RM3.72 billion from RM3.05 billion previously, the company said in a statement Thursday. "The increases in pre-tax profit and revenue were mainly due to stronger performance in the car and defence and services sectors, as well as continued improvements in operating efficiencies and cost containment," it said.

MAS Q2 Pre-Tax Loss Widens To RM302.62 Mln

KUALA LUMPUR -- Malaysia Airlines' (MAS) pre-tax loss for the second quarter ended June 30, 2014 widened to RM302.62 million from RM165.89 million in the same quarter last year. In a filing to Bursa Malaysia Thursday, MAS said its revenue declined five per cent to RM3.59 billion from RM3.78 billion previously as a result of lower yield and seat factor following the MH370 tragedy. For the first half ended June 30, 2014, its pre-tax loss widened to RM741.77 million from RM444.34 million in the same period last year. Its revenue slipped to RM7.19 billion from RM7.32 billion previously. In a statement, MAS said the disappearance of its flight MH370 in March 2014 continued to impact its second-quarter financial results. Group chief executive officer, Ahmad Jauhari Yahya, said the MAS team has put in much hard work and effort to regain market confidence and rebuild sales. "Tragically, just as we were beginning to see signs of recovery in all regions, we were dealt the blow of MH17," he said.

YTL Power PBT Falls To RM1.11 Bln

KUALA LUMPUR -- YTL Power International Bhd's pre-tax profit for financial year ended June 30, 2014 fell to RM1.11 billion from RM1.31 billion in the same period last year. Its revenue eased to RM14.39 billion from RM15.83 billion previously, it said in a filing to Bursa Malaysia Thursday.

Eversendai Posts Lower Q2 Revenue, PBT

KUALA LUMPUR -- Eversendai Corporation Bhd posts a lower revenue of RM222.54 million for the second quarter ended June 30, 2014 compared with RM247.5 million in the corresponding period last year. Pre-tax profit dropped to RM6.78 million from RM16.62 million previously, it said in a statement Thursday.

IHH Healthcare's Q2 PBT Rises To RM343.32 Mln

KUALA LUMPUR -- IHH Healthcare Bhd's pre-tax profit for the second quarter ended June 30, 2014 surged to RM343.32 million from RM208.14 million in the corresponding period last year. Revenue rose 11 per cent to RM1.87 billion from RM1.68 billion previously, the company said in a filing to Bursa Malaysia Thursday.

Good Corporate Governance Requires Serious Effort From All Parties - MSWG

KUALA LUMPUR -- Good corporate governance requires serious effort on everyone's part - not just the regulators, but also the auditors, board and management themselves, said Minority Shareholder Watchdog Group (MSWG) chairman Tan Sri Dr Sulaiman Mahbob. "In today's dynamic business world, all parties play an important role in safeguarding the integrity of the financial reporting system which has not surprisingly been thrust into the limelight. Frameworks, rules and codes are already in place, and what is needed now is for the boards and market players to implement the substance and 'walk the talk' on governance, integrity and transparency," he said in his key note address during the Corporate Board Leadership Symposium 2014 here Monday.

Biotechcorp To Drive Initiatives To Strengthen Rural Bioeconomy In Johor

JOHOR BAHARU -- Malaysian Biotechnology Corp Sdn Bhd (BiotechCorp) has announced four key initiatives under the Bioeconomy Community Development Programme at Bio Johor 2014 Conference & Exhibition here Monday. The collaboration proposals were signed by BiotechCorp, Johor Biotechnology and Biodiversity Corp (J-Biotech) and Koperasi Pemuafakatan Kota Tinggi involving four bio-based companies on Bioeconomy Community Development projects. The companies are PureCircle Sdn Bhd (to develop stevia plantation); The Holstein Milk Co Sdn Bhd (to develop dairy farm); BioAlpha (Johor Herbal) Sdn Bhd (to develop herbs farm); and, Flora Hive Enterprise Sdn Bhd (to develop honeybee farm).

M'sian Product, Cultural Fair In Qingdao Draws 500,000 Visitors

By Niam Seet Wei

BEIJING -- A 10-day Malaysian Product and Cultural Fair in Qingdao city in China's eastern Shandong Province has successfully attracted some 500,000 local visitors. The event, held from August 6-15, aimed at delivering better experience of Malaysian culture, products and services to the people there, the Malaysia External Trade Development Corporation (Matrade) said in a statement here Monday.

Hino Motors Eyes Increase In Market Share To 40 Pct

SEREMBAN -- Hino Motors Manufacturing (M) Sdn Bhd aims to increase its market share in the commercial vehicle segment from 37 per cent currently to 40 per cent soon, said managing director, Nobuyuki Tanaka. He said growing customer demand, aggressive marketing promotion and establishment of Customer Total Support Centre would help the company achieve its target. "We are the market leader in commercial vehicle market in Malaysia for the fourth consecutive years," he told reporters after Negeri Sembilan Mentri Besar, Datuk Seri Mohamad Hasan, officiated the opening of the factory in Sendayan here Tuesday.

Rescue Plan For MAS Requires Trust Of Employees & Union

KUALA LUMPUR -- The proposed rescue plan for Malaysia Airlines, which will be announced by Khazanah Nasional Bhd end of this month, cannot realise its objectives without the loyalty and trust of employees and union, says an academician. Deputy Director Institute of Tun Dr Mahathir Mohamad's Thoughts at Universiti Utara Malaysia Dr Ahmad Zaharuddin Sani Ahmad Sabri said what needed to be done now was for all quarters, irrespective of their hierarchy, to jointly shoulder the responsibility of turning around MAS into the premier national carrier. "If the employees are not able to fulfill the management's mission and vision, than MAS will not make any headway, the same can be said of MAS' current ailing position. Now that a new policy and mission is in place, employees must remain loyal and trust in the management's ability to achieve the desired objectives," he told Bernama here Tuesday.

Discuss MAS Restructuring Plan Away From Media Glare – Musa Hitam

KUALA LUMPUR -- The proposed restructuring of Malaysia Airlines (MAS) must be conducted strictly in a business manner with the workers issue being settled amicably, former Deputy Prime Minister Tun Musa Hitam said. "Do not take it public," he said, adding that from his experience it would be messy to deal with the issue related to workers, publicly. Speaking to reporters after attending a briefing on the upcoming 10th World Islamic Economic Forum, here Tuesday, Musa said the MAS Employees Union should be involved in the restructuring plan, but any negotiation should be held away from the media glare.

Idris Jala Reiterates He's Not Taking Over As MAS CEO

KUALA LUMPUR -- Minister in the Prime Minister's Department Datuk Seri Idris Jala Tuesday reiterated he's not taking over as the new Malaysia Airlines' (MAS) Chief Executive Officer. Idris headed the national airline between 2005 and 2009 before helming the Performance Management and Delivery Unit (Pemandu), which oversees the government's economic transformation programmes. "I'm continuing in my present role, and I'm not going there (MAS), as far as I am concerned my job is to head Pemandu," he said when asked by reporters on his next move after attending the second Business Leaders Dialogue here Tuesday.

Four Key Staff Of MRT Project Resign

KUALA LUMPUR -- The Project Delivery Partner (PDP) for the Klang Valley Mass Rapid Transit for the Sungai Buloh-Kajang Line (SBK Line) has announced the resignation of four key staff who worked on the project. MMC-Gamuda Bhd, in a statement here Tuesday, said Project Director for PDP (SBK Line) Ian Thoms has decided that he will not seek an extension for his contract of service. In addition, three senior personnel of PDP, namely Project Manager Ismail Hassan, Senior Resident Engineer of Supervision Consultant, AECOM, David Douglas, and Resident Engineer of Supervision Consultant, AECOM, Norrizan Ismail, have also resigned from their positions.

Mah Sing Seeks Clarification On Seremban Land Status

KUALA LUMPUR -- Mah Sing Group Bhd's wholly-owned subsidiary, Grand Prestige Development Sdn Bhd, is seeking clarification from the vendors and concurrently evaluating its options regarding a piece of prime freehold land located in Rantau, Seremban. In a filing to Bursa Malaysia here Tuesday, the group said it will decide on its next course of action and make the necessary announcements, where applicable. According to the announcement on Aug 11, Grand Prestige's solicitors conducted a land search on the land in question on Aug 15 and discovered, a caveat had been lodged on Aug 8, 2014.

Majestic To Acquire 49 Pct Stake In Crystal Property For RM65.6 Mln

KUALA LUMPUR -- Majestic Path Sdn Bhd has signed a sale and purchase agreement with Immortal Group Co Ltd to acquire 49 per cent stake in Crystal Property Asia Co Ltd for RM65.6 million cash. Majestic Path is wholly-owned unit of Pacific Land Sdn Bhd, which in turn, is a wholly-owned subsidiary of IGB Corp Bhd. In a filing to Bursa Malaysia Wednesday, IGB said Majestic Path has also signed a joint-venture agreement with Immortal and Theekharoj Piamphongsarn for purchase and subsequent development of the land and their mutual rights and obligations as shareholders of Crystal Property in the proportion of 51-49 per cent. "Malaysia is doing very well in these areas. We would like to see its technology being implemented in Romania as well, specifically in infrastructure and in energy sectors," she told a press conference here Wednesday in conjunction with Romania's 45 years celebration of good diplomatic relations with Malaysia.

Johor Govt Backs Inter-City Rail Transit Project

KUALA LUMPUR -- Malaysia Steel Works (KL) Bhd (Masteel) has received the Johor state government support on the state's proposed first inter-city rail transit infrastructure. In a filing to Bursa Malaysia here Wednesday, the company said it would proceed to seek the necessary approvals from the relevant state and federal government agencies. On Jan 19, 2011, Masteel announced that it had entered into a heads of joint venture agreement with KUB Malaysia Bhd to pursue the rail transit network project in the Iskandar Development Region.

Utusan Melayu Explores New Fund-Raising Proposal

KUALA LUMPUR -- Utusan Melayu (Malaysia) Bhd is exploring a new fund-raising mechanism after aborting its earlier proposal. In a filing to Bursa Malaysia here Wednesday, the company said it has decided to abort an earlier proposal after due and careful consideration and revaluation. "The board will continue to explore other fund-raising proposals to address the capital requirements of the group," it said.

M'sian Animation Producer Forges Cooperation With Japanese Toy Firm

From Mohd Letfee Ahmad

TOKYO -- Animonsta Studios Sdn Bhd, the producer of animation series BoBoiBoy, has forged a collaboration with Japan's premier toy manufacturer, Tomy Company Ltd, to produce an animation series based on toy vehicle character manufactured by the company. According to Animonsta Managing Director, Nizam Razak, the company would come out with the story line and produced the series while Tomy would produce the toy vehicle product range. Besides that, Animosta is also discussing with Tomy to produce a product range based on its new animation series, Galaksi BoBoiBoy, which is a rebranding of the BoBoiBoy series. "The new series will focus on adventure theme and will consist of 104 episodes," said Nizam here after the signing of a memorandum of understanding with Tomy here Thursday, which was represented by its President and Chief Executive Officer Kantaro Tomiyama.

M'sia Eyes Deeper Ties With Ankara As Turkey Instals New President

From Abdul Muin Majid

ANKARA -- Malaysia is eyeing deeper depths in bilateral ties across wider sectors with Turkey as this nation of over 80 million people installed a new president on Thursday. In stating this, Malaysian Deputy Prime Minister Tan Sri Muhyiddin Yassin expressed hope that the inauguration of Recep Tayyip Erdogan as Turkey's 12th president, whom he described as a close friend of Malaysia, would expedite this process. Speaking to Malaysian media here Thursday, he drew attention to the fact that previous dialogues between Kuala Lumpur and Ankara, which began diplomatic ties in 1964, had in fact touched on the need to bring bilateral relations to greater heights, with an eye on enhanced trade and investment ties.

Johor Remains Choice Destination For Local, Foreign Investors

JOHOR BAHARU -- Johor continues to be the destination choice for local and foreign investors with industrial investment totalling RM14.9 billion for January to May period this year. Johor Menteri Besar Datuk Seri Mohamed Khaled Nordin here Thursday, said the statistics had shown that Johor is a state with very high potential and able to become an economic hub in the country.

Northport's Latest Port Facility To Be Fully Operational By Nov

PORT KLANG -- Upgrading work on Northport Bhd's Wharf 16 is 56 per cent complete and is on track to be fully operational by November this year, said NCB Holdings Bhd chairman, Tun Ahmad Sarji. He said Wharf 16 was one of Northport's latest multi-purpose port facility which was undergoing upgrading work since March this year. "The major components of Wharf 16 upgrading works comprise the installation of a new 100 ft crane rail beam, upgrading of marine fenders and construction of new tower lights which involve a total investment of RM25.6 million," Ahmad Sarji said at the NCB's Corporate Leadership Update media briefing here, Monday.

Asean Framework For CIS Cross-Border Offering Now Operational In M'sia

KUALA LUMPUR -- The Asean Framework for cross-border offering of collective investment schemes (CIS) is now operational in Malaysia, Singapore and Thailand. The framework allows fund managers operating in a member jurisdiction to offer CIS, such as unit trust funds, constituted and authorised in that jurisdiction to retail investors in other member jurisdictions under a streamlined authorisation process. "Within this framework, qualified fund managers in Malaysia now have an opportunity to offer their products directly to investors in Singapore and Thailand, said Securities Commission Malaysia (SC) in a statement here Monday.

Bursa M'sia To Boost Financial Literacy Rate Among Youth

KUALA LUMPUR -- Bursa Malaysia Bhd is organising programmes to grow financial literacy among the youth, while creating an investing culture among them, with an eye on their future participation as traders. Speaking to reporters on the sidelines of the Fantasy Football Trader Challenge prize giving ceremony here Monday, Bursa Malaysia Bhd Chief Executive Officer Datuk Tajuddin Atan said the local bourse is committed to attracting and educating youths to participate in trading and investing activities.

Eversendai Unit Secures RM113 Mln Contract In Qatar

KUALA LUMPUR -- Eversendai Corp Bhd, through its unit in Qatar, Eversendai Engineering Qatar WLL, has secured the Khalifa Olympic Stadium contract worth RM113 million. In a filing to Bursa Malaysia here Monday, the provider of specialist engineering and construction services said it would be entrusted with the total renovation. "The scope comprises re-engineering and dismantling of the existing lighting arch and ancillary steel structures, engineering, supply, fabrication and construction of steel structures," it said.

National Biotech Talent Development Centre To Be Set Up In Johor

JOHOR BAHARU -- The National Biotechnology Talent Development Centre will be set up in Johor to address competency gaps in human capital requirement for the biotechnology industry. Established through collaboration between the Malaysian Biotechnology Corporation's (BiotechCorp) Industry Centre of Excellence for Biotechnology, Johor Biotechnology and Biodiversity Corporation (J-Biotech), and Universiti Malaysia Pahang, the centre is set to begin operation early next year. Speaking to reporters after opening the Johor Bio Conference & Exhibition 2014 here Monday, Johor Menteri Besar Datuk Seri Mohamed Khaled Nordin said the centre would help produce competent human capital for the biotechnology industry and woo foreign companies to invest in the sector in the state.

Nafas' Farm Produce Marketing Centre To Open In Nov

PETALING JAYA -- The National Farmers' Organisation's (Nafas) central collection and distribution centre of farm produce in Kota Damansara here is expected to start operation in November. Speaking to reporters at the signing of an agreement between Nafas and Agrobank here Monday, Agriculture and Agro-Based Industry Minister Datuk Seri Ismail Sabri Yaakob said the three-storey building, built at the cost of RM58 million, would also house Nafas' marketing office.

Kuala Lumpur Is Recognised As A World Energy City

KUALA LUMPUR -- Kuala Lumpur has been recognised as a World Energy City by the World Energy Cities Partnership (WECP). The recognition was bestowed upon Kuala Lumpur by WECP at its Annual General Meeting in Stavanger on last Saturday. WECP President and Mayor of Norway's city of Stavanger, Christine Sagen Helgo said in a statement here Monday, she saw Kuala Lumpur, as an integral city in the Asia Pacific, contributing to the regional economy, while expected to play a major role in the continuous development of the energy sector.

Boeing, BOC Aviation Announce Order For 82 Airplanes

KUALA LUMPUR -- Boeing has announced an order by BOC Aviation for 50 737 MAX 8s, 30 Next-Generation 737-800s and two 777-300ERs (Extended Range) valued at US$8.8 billion at list prices. BOC Aviation, formerly, Singapore Aircraft Leasing Enterprise, is a company fully-owned by Bank of China and is engaged in commercial aircraft sales and leasing. In a statement here Tuesday, the company said the order is the largest in BOC Aviation's 20-year history and part of the Singapore-based leasing company's efforts to grow its portfolio of fuel-efficient airplanes.

Travel Ban Only Applies To Those Ignoring Their Dues - Chua

KUALA LUMPUR -- Deputy Finance Minister Datuk Chua Tee Yong Tuesday refuted a local media report which said tax evaders owing as little as RM200 are being barred from leaving the country. He clarified that the travel ban only applies to those purposely ignoring their dues. "This is part and parcel of the Inland Revenue Board's (IRB) process to recover taxes. Don't panic. The ban is for those with long-standing dues. They don't talk to the IRB on their repayment schemes and totally ignore warning notices," Chua told a press conference this in conjunction with a Goods and Services Tax seminar organised by an accounting firm, UHY, here Tuesday.

FAMA's Historic Agrobazaar Opens In Singapore

By Tengku Noor Shamsiah Tengku Abdullah

LAUNCHED...Singaporean Prime Minister Lee Hsien Loong (left) receives a painting, of him eating durians with his Malaysian counterpart Datuk Seri Najib Tun Razak, from Najib (centre) as they launch Malaysia's Agrobazaar in Singapore, which sells Malaysian agriculture food products. -- fotoBERNAMA

SINGAPORE -- Prime Minister Datuk Seri Najib Tun Razak's idea to launch Malaysia's agrobazaar in the international market became a reality with the inaugural launch in its closest neighbour, Singapore Wednesday.

The idea was mooted by Najib when tabling the 2014 Budget, with Singapore hosting the first Malaysian agrobazaar overseas.

Najib and his Singaporean counterpart, Lee Hsien Loong marked a historic milestone when they jointly launched the agrobazaar, an initiative driven by the Agriculture and Agro-based Ministry's marketing agency, FAMA.

In his speech at the official launch of the Agrobazaar Malaysia in Singapore (ABMS), Najib said the project was also a testament to the strong and enduring relationship between Malaysia and Singapore. The Malaysian premier said the bazaar aimed to bring the best of Malaysian produce to some of the most discerning consumers in Asia.

"Given the superb quality of our fresh fruits, and the high calibre of Singapore's eateries, I am sure it will be a lasting success.

For outsiders, he said: "Our fruits are some of South East Asia's most iconic attractions. "Yes, we have historic cities, idyllic beaches, and world-famous temples. But our rambutan, mangosteeen - and above all, durian - really pull the crowds.

There is something about durian, in particular, which captivates visitors to South East Asia.

"Mostly, they laugh at the 'no-durian' stickers in our hotels, and recoil from the roadside stall selling D24 (a type of durian). "But some form a lifelong love affair with the 'king of fruits' - which must be difficult if you live in New Zealand or Alaska."

Najib said: "We may ocassionally differ on terminology, but Singaporeans and Malaysians taste with one tongue.

"That explains why a fifth of our agro-food products - worth more than a billion US dollars - are exported to Singapore annually.

"And with the kind of co-operation we see here at the agrobazaar, I am sure those numbers will continue to rise." According to FAMA, the ABMS at Sultan Gate will serve as a one-stop centre for consumers to buy halal products from Malaysia.

It will also provide a more permanent platform to promote and share Malaysian fruits and agro-based food products among Singaporeans and international visitors. As a model hub for Malaysian products, the agrobazaar is viable and can be further expanded to other countries.

ABMS is based on the Fruit, Grocery, Restaurant (Fru-ce-rant) concept which focuses on premium tropical fruits and fruit-based products, sale of agro-based products and food and beverage (F&B) services, especially tropical fruit-based products.

It serves to bring more produce direct from Malaysian farms to ensure that farmers and small and medium enterprises benefit from market expansion, especially tropical fruits and fruit-based products.

Singapore has been picked as FAMA's agrobazaar foray into the international market, given that it is the primary market for Malaysian agro-food products. Lee said he was happy that Najib had chosen Singapore to launch the first overseas branch of this unique Malaysian initiative.

"We look forward to further deepening interactions between our peoples in the coming years," he added.

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA: Bursa Malaysia To Consolidate Next Week

By Mohd Khairi Idham Amran

KUALA LUMPUR -- Bursa Malaysia is expected to consolidate next week in the absence of local leads, smaller cap stocks breather, overextended broad market rally, concerns over sluggish growth in Europe and renewed Ukraine-Russia tension.

Affin Investment Bank Vice-President and Head of Retail Research Dr Nazri Khan Adam Khan said escalating concerns over the situation in Ukraine has reintroduced a short-term element of risk aversion into the market.

“Equity market sentiment is showing a short-term downturn, following weakness in Europe and growing geopolitical risks out of Ukraine,” he told Bernama.

However, he said from a fundamental stand point, positive fundamentals remained intact with an accommodative central bank monetary policy, huge international reserves, steady ringgit and relatively tame inflation should provide limited downside risk.

“Overall, we expect short-term weakness over the holiday shorten session, but beyond that we believe there are positive factors to inspire more round of accumulation over the medium-term.

“We are pegging the immediate support at the psychological 1,860 and 1,840 (20-day and 200-day moving average) level while immediate resistance stands at 1,890 (50-day moving average) and 1,900, which is near the all-time record high,” he said.

He added that the local index was holding a respectable 5.8 per cent gain since early February.

Overseas, he said European stocks took a bigger hit, reflecting concerns about the region’s much greater exposure to Russia.

He said major European stock indices were lower across the board with an added drag coming from lacklustre corporate earnings and ideas that the European Central Bank could hold off on further easing measures at next week’s meeting.

Weekly turnover fell to 15.18 billion shares, valued at RM11.57 billion, from 22.67 billion shares, worth RM13.40 billion, recorded last week.

Main market volume decreased to 10.92 billion units, worth RM10.67 billion from last week’s 18.39 billion units, worth RM12.64 billion.

FOREX: Ringgit Likely To Trade Within 3.13 - 3.17 Against US Dollar

By Azlee Nor Mahmud

KUALA LUMPUR -- The ringgit is likely to trade between 3.13 and 3.17 against the US dollar next week, driven by external developments.

Forex Trader Eddie Koay said the ringgit would undergo short-covering next week as Bank Negara Malaysia was capping the ringgit to sustain its strength and resilience against other major currencies.

"The external environment will provide a guide to next week's market direction," he told Bernama.

On Friday, the ringgit rose to 3.1510/1530 per US dollar against 3.1600/1620 last Friday.

It also ended the week higher against other major currencies.

The local unit appreciated against the Singapore dollar to 2.5256/5277 from 2.5318/5343 last week and strengthened against the British pound to 5.2300/2337 from 5.2418/2461.

The ringgit was up against the euro at 4.1527/1560 from 4.1974/1004 last Friday and edged up against the yen to 3.0324/0349 from 3.0452/0486 previously.

Money Market: Short-Term Rates Likely To Remain Stable Next Week

KUALA LUMPUR -- Short-term rates are expected to remain stable next week as Bank Negara Malaysia (BNM) continues to intervene to stabilise the financial market, dealers said.

The central bank is expected to call for tenders to absorb excess funds from the system.

For the week, the overnight Islamic reference rate stood at 3.22 per cent, while the one-, two- and three-week rates stood at 3.26 per cent, 3.30 per cent, and 3.33 per cent respectively.

BNM intervened on a daily basis to mop up excess funds by conducting tenders, including conventional, repo, range maturity auction, Commodity Murabahah Programme and Al-Wadiah tenders.

It also called for late tenders to reduce the surplus and offered repo tenders on a daily basis.

Total liquidity surplus in conventional operations this week amounted to RM16.046 billion while excess in the Islamic system stood at RM5.745 billion.

KLCI Futures Likely To Retreat Next Week

By Mohd Khairi Idham Amran

KUALA LUMPUR -- The FTSE Bursa Malaysia (FBM) KLCI futures contract (FKLI) on Bursa Malaysia Derivatives is likely to retreat next week after trading near the overbought level.

Affin Investment Bank Vice-President and Head of Retail Research Dr Nazri Khan Adam Khan said various indicators have been trending higher and remained close to the overbought levels which support a potential technical retreat near major resistance levels.

"We are pegging the immediate support at the psychological 1,860 and 1,840 level while immediate resistance stands at 1,890 and 1,900, which is near the all-time record high," he told Bernama.

On a Friday-to-Friday basis, August 2014 rose five points to 1,871, September 2014 added two points to 1,864, December 2014 gained 2.5 points to 1,867 while March 2015 improved one point to 1,864.

Turnover for the week jumped to 75,366 lots from 22,292 lots last week while open interest widened to 41,603 contracts from 30,950 contracts previously.

CPO Futures To Continue Downtrend Next Week

By Nurul Hanis Izmir

KUALA LUMPUR -- Crude Palm Oil (CPO) futures contract on Bursa Malaysia Derivatives is likely to continue its downtrend momentum next week, said Interband Group of Companies Senior Palm Oil Trader Jim Teh said.

He said not only palm oil, but other commodities were right now having some difficulties in terms of high inventory level.

“Every five years, the global inventory for oil including soybean oil, corn oil and palm oil will increase due to overproduction.

“However, as stocks keep increasing, the price for CPO will continue to drop, which could be a good sign for exports,” he told Bernama.

Teh said as CPO prices for next week would trade between RM1,800 and RM1,900, that would attract more physical buyers and this would boost Malaysia’s export figures for August onwards.

Cargo Surveyor Intertek Testing Services reported a lower export data for August 1-25 which fell 15.3 per cent to 986,931 tonnes from 1.17 million tonnes registered in the same period a month ago.

On a Friday-to-Friday basis, spot month September 2014 slid RM84 to RM1,937 per tonne, October 2014 lost RM64 to RM1,929 per tonne, November 2014 fell RM70 to RM1,929 per tonne while December 2014 dipped RM57 to RM1,966 per tonne. Weekly turnover rose to 283,968 lots from 202,821 lots last week while open interest increased to 316,694 contracts from 294,549 contracts previously.

On the physical market, April South ended RM50 lower at RM1,980 per tonne.

Rubber Mart Likely To Continue Weak Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to continue its downtrend next week, tracking the bearish outlook on the Tokyo Commodity Exchange (TOCOM), dealers said.

They said TOCOM rubber futures are expected to remain weak, following volatile Japanese equities and a stronger yen.

“Traders remain cautious over economic growth uncertainties in the world’s leading economies,” a dealer said, adding that rubber prices for SMR 20 might head towards 400 sen per kg.

On a Friday-to-Friday basis, the Malaysian Rubber Board’s sellers official physical price for tyre-grade SMR 20 lost 12 sen to 509 sen per kg while latex-in-bulk decreased seven sen to 410.5 sen per kg.

The unofficial sellers’ closing price for tyre-grade SMR 20 fell 1.5 sen to 508 sen per kg and latex-in-bulk declined six sen to 411 sen per kg.

KLIBOR Futures To Remain Quiet Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives is likely to remain quiet next week.

For the week just-ended, the market was only traded on Monday and Tuesday.

September 2014, October 2014, November 2014 and December 2014 settled the week at 96.30, 96.25, 96.23 and 96.24 respectively.

Open interest was lower at 3,110 contracts from last week's 3,390 contracts.

The underlying three-month KLIBOR inched up to 3.71 per cent from last week's 3.66 per cent.

Tin Market To Be Lower Next Week

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to be lower next week on the back of slower demand in line with other commodities, dealers said.

Most dealers said the price was expected to hover near a seven-month low of US$22,000 per tonne.

"At this price many sellers are not keen to do business, hoping the price will move higher," one of the dealers said.

In view of the current situation, European and local buyers might dominate trade while their Japanese counterparts may remain on the sidelines in the absence of fresh leads.

The dealer said most buyers especially Japanese would take the cue from the London Metal Exchange (LME) which usually influenced the global trend for tin.

The KLTM ended at US$21,960 a tonne on Friday, down US$290, from its level a week ago.

Total turnover decreased to 201 tonnes from 277 tonnes last week.

On the LME, tin fell by US$405 to close at US$21,800.

The premium, based on a formula that includes freight, insurance and other financial costs, stood at US$565 on Friday, down US$115 a tonne, from US$450 at the end of last week.

Gold Futures To Remain Weak Next Week

KUALA LUMPUR -- Trading in gold futures contract on Bursa Malaysia Derivatives is expected to remain weak next week, said Phillip Futures Sdn Bhd dealer Azim Faris Ab Rahim.

He said all commodities and metal were facing some difficulties, however, the geopolitical tensions will limit losses.

On a Friday-to-Friday basis, August 2014 rose two ticks to RM130.30 a gramme, September 2014 added three ticks to RM130.70 a gramme, October 2014 gained four ticks to RM130.95 a gramme while November 2014 increased seven ticks to RM131.40 a gramme.

Volume increased to 1,988 lots, worth RM26.02 million, from 1,959 lots, valued at RM26.41 million transacted last week.

Open interest on Friday stood at 6,159 contracts compared with 5,384 contracts previously.