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This Week's Highlight :
2015 Economic Growth To Be Driven By Private Sector

KEY DRIVER…"Investment is increasingly being driven by capital spending by the non-energy-related private sector and public enterprises. The lower inflation outlook and the positive labour market conditions will also continue to support household spending during the year," – Bank Negara Governor. -- fotoBERNAMA

KUALA LUMPUR -- The country's economic growth in 2015 will continue to be driven by private sector-led domestic demand with some support from expansion in exports, said Bank Negara Malaysia (BNM). Its Governor Tan Sri Dr Zeti Akhtar Aziz said growth is expected to be sustained by broad-based expansion in the services, manufacturing and construction sectors that now account for more than two-thirds of the economy.

This Week's Top Stories

MONDAY

Transport Ministry To Study Interim Report On MH370

KUALA LUMPUR -- The Transport Ministry will study the interim report on the disappearance of Malaysia Airlines (MAS) Flight MH370 on March 8 last year. Its minister, Datuk Seri Liow Tiong Lai, said action would be taken if there were found to be any weaknesses, including human negligence, on the disappearance of the aircraft. "I have asked my ministry to undertake an immediate review and make an analysis of the factual information that accompanied the interim statement. We are very strict. If there is an indication of any weaknesses, we will take immediate action,"' he told reporters here Monday.

TUESDAY

Good Regulatory Practice Vital For AEC - Mustapa

KUALA LUMPUR -- The Malaysian government has made Good Regulatory Practice (GRP) a key priority for the ASEAN Economic Community to reflect the importance of having regional regulatory convergence. In a statement here Tuesday, Minister of International Trade and Industry Datuk Seri Mustapa Mohamed said improving efficiency of policy and regulatory processes would enhance productivity among ASEAN member states. "This will substantially reduce the regulatory burden on businesses by improving the quality of existing regulations and ensuring the quality of new regulations. The implementation of GRP is systemic, involving both top-down and bottom-up engagement, with an emphasis on transparency and accountability through public consultation and engagement with stakeholders and parties that will be affected by the changes, or introduction, of regulations and policies," he said.

WEDNESDAY

BNM: Headline Inflation To Be Lower At 2-3 Pct In 2015

KUALA LUMPUR -- Headline inflation is projected to be lower at between 2.0 per cent and 3.0 per cent in 2015, compared with 3.2 per cent last year, mainly due to lower energy and food prices. In its 2014 Annual Report, Bank Negara Malaysia (BNM) said lower global oil prices which are expected to average at US$51 per barrel, would lead to lower domestic fuel prices and offset the impact of the Goods and Services Tax (GST). BNM also said inflationary impact would be contained as basic necessities such as fresh food and utilities would be zero-rated or exempted from the GST, hence reducing the extent of overall price increases. Furthermore, some items, such as clothing and electrical appliances, were already subject to the same or higher tax rates under the Sales and Services Tax.

THURSDAY

M'sia's External Debt Manageable - Finance Ministry

KUALA LUMPUR -- The federal government's external debt position is manageable and puts the country in the moderately indebted category, says the Finance Ministry. At end-2014, the Federal government's domestic and offshore debts totalled RM582.8 billion or 54.5 per cent of Gross Domestic Product, the ministry said in a statement here Thursday. Of the total debt, 97.1 per cent or RM566.1 billion constituted domestic debt while the remaining RM16.8 billion or 2.9 per cent was in offshore loans, it said. It said the government is committed to ensuring the Federal government's debt does not exceed 55 per cent of GDP. In line with international debt reporting requirements according to International Monetary Fund (IMF) conventions, Malaysia's external debt situation under the new definition now comprises offshore borrowings by the Federal government, public enterprises and the private sector, as well as holdings of debt securities, deposits and trade credits denominated in ringgit by non-residents.

FRIDAY

Najib To Consider U Thein's Request For More Flights

PUTRAJAYA -- Prime Minister Datuk Seri Najib Tun Razak has agreed to consider Myanmar President U Thein Sein's request for additional flights from Kuala Lumpur to Yangon and Mandalay. Foreign Minister Datuk Seri Anifah Aman said Najib has agreed to seriously look into the request and ask Malaysian Airlines or AirAsia to look at the possibility. However, he said, it was a business decision to be made by the airlines. "Currently, AirAsia only flies up to Yangon. They (Thein and Najib) are talking about flying from Kuala Lumpur to Yangon and Mandalay, where the airline also can pick up passengers from Yangon to Mandalay," he told reporters after the delegation meeting attended by both leaders and several ministers here Friday.

SMEbrief

MARA Melaka Allocates About RM39 Mln To Help 678 Entrepreneurs

MELAKA -- Majlis Amanah Rakyat (MARA) Melaka has allocated about RM39 million for four business financing plans to 678 entrepreneurs this year, its director, Fazli Rizal Ismail said. Of the funding, about RM33 million would be for 460 entrepreneurs under the Express Contract Financing Scheme, about RM4 million for Easy Financing Scheme distributed to 130 entrepreneurs, about RM800,000 for 80 entrepreneurs under Programme PUTRA and about RM500,000 for eight entrepreneurs under Technical Entrepreneurs Programme, he said. "We expect the allocations to encourage entrepreneurs with potentials in Melaka to venture into business sectors," Fazli Rizal told a media briefing here Monday.

11street Unveils 'Seller Zone' For Small And Medium Business

KUALA LUMPUR -- 11street, an online marketplace, Wednesday unveiled the first education centre and support facility in Malaysia called 'Seller Zone' to cater to the e-commerce operations of small and medium businesses. 11street Chief Executive Officer Hoseok Kim said the company can guide SMBs from setting up their online store to managing businesses to sell more. Saying that it was a timely initiative to elevate the country's e-commerce market to a new maturity level, he added that establishing 'Seller Zone' in Malaysia was the natural thing to do. "We can deliver and transfer knowledge, expertise and know-how to help SMBs go online," he said after the centre's launch here Wednesday. Located at Menara Nu, KL Sentral, the centre is built for e-commerce business coaching, training and development programmes.

AMIC Wants SMEs To Become Key Aircraft Component Producers And Suppliers

By Norsyafawati Ab Wahab

PUTRAJAYA -- Aerospace Malaysia Innovation Centre (AMIC) will provide the necessary platform for small and medium industries (SMEs) to become key commercial aircraft component producers and suppliers. "The aerospace industry here need to prepare themselves in the areas of technology and expertise like major international players, namely Boeing and Airbus which are targeting the Asia-Pacific region. "There is a huge demand for commercial aircraft by 2030," AMIC Chief Executive Officer Shamsul Kamar Abu Samah told Bernama. He said at present, SME involvement in manufacturing was not directly linked to aircraft engine technology as they lacked the expertise and technology.

PropUP — Property update

Benalec Units Dispose Of Land Parcels For RM128.91 Mln

KUALA LUMPUR -- Benalec Sdn Bhd's (BSB) wholly-owned subsidiaries, Strategic Land Sdn Bhd and Heritage Land Realty Sdn Bhd, have entered into three separate Sale and Purchase Agreements to dispose of nine parcels of reclaimed leasehold land for RM128.907 million in Melaka Tengah district, Melaka. The 28.51 hectares of land are located in Pantai Klebang, Benalec Holdings Bhd said in a filing to Bursa Malaysia here Monday. BSB is a wholly-owned subsidiary of Benalec Holdings. "This is in line with the group's business model to dispose of the reclaimed land received from reclamation projects in Melaka which involve settlement in kind for cash in a timely manner either through disposals or joint ventures. The integrated marine construction services provider also noted that the disposal represented an avenue to raise funds to repay its outstanding debts, finance ongoing and future reclamation projects as well as to meet working capital requirements.

Illegal Agents Take More Than 3 Pct In Transaction Fee - MIEA

By Nurul Hanis Izmir and Zairina Zainudin

KUALA LUMPUR -- Illegal real estate agents take more than three per cent in transaction fee, said Malaysia Institute of Estate Agents (MIEA) president, Siva Shanker. Siva said those buying properties from the non-registered real estate agents would end up paying more than what they were supposed to. "For example, when a client wishes to sell his property for RM1 million, the legal real estate agents will inform him of the actual value. If it is RM1.1 million and the standard fee of three per cent fee will be RM33,000. "Illegal real estate agents will not tell the owners the actual property value and would take more than the standard fee," he told Bernama recently. He said based on the reports gathered by MIEA, there were up to 30,000 illegal real estate agents compared to the 16,000 legal agents.

Growing Japanese Interest Seen In Iskandar M'sia - UMLand

NUSAJAYA -- There has been a steady increase in Japanese interest in Iskandar Malaysia properties due to the conducive environment and proximity to Singapore, a property developer said Tuesday. United Malayan Land Bhd (UMLand) Group Chief Executive Officer Datuk Charlie Chia Lui Meng said the group's projects here, for example, has been receiving a lot of interest from the Japanese which subsequently translated into sales. Citing the landed properties in Sapphire 8, Bandar Seri Alam, he said 75 units had been sold to the Japanese. "From our purchase profile, they (Japanese) are actually young tenants. They are going to bring their family here. Most probably because of better environment and is closer to Singapore," he said to reporters when commenting on the trend in property purchases in Johor, here Tuesday.

MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 372
Losers - 471
Not Traded - 616
Unchanged - 308
Value - 1823211277
Volume - 29628273

BURSA: KL Shares Close Lower

KUALA LUMPUR -- The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) settled the day lower on lack of catalysts to drive the market. At 5 pm, the key index finished at 1,781.75, down 5.12 points after fluctuating between 1,781.75 and 1,789.36 throughout the day. Market breadth was negative as losers outpaced gainers by 471 to 372 with 308 counters unchanged, 616 untraded and 10 others suspended. Total volume was slightly higher at 2.96 billion shares worth RM1.82 billion from 2.94 billion shares worth RM2.18 billion on Thursday. Main Market volume decreased to 1.37 billion units worth RM1.55 billion from 1.43 billion units worth RM1.87 billion on Thursday.

FOREX: Ringgit Ends The Week Slightly Higher

KUALA LUMPUR -- The ringgit ended the week slightly higher against the US dollar on mild demand for the local note following weak US data. At 5pm, the local currency ended at 3.6840/6870 against the greenback from 3.6890/6920 on Thursday. A dealer said investors' appetite

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.6840	3.6870
EUR	3.9117	3.9156
GBP	5.4807	5.4874
100 YEN	3.0343	3.0373
SGD	2.6584	2.6623

Source: Bank Negara Malaysia

shifted away from the greenback after release of the weaker-than-expected US retail sales. However, some traders remained on the sidelines due to declining Brent crude oil prices as this could hurt Malaysia's current account surplus. "However, some traders feel that the impact will not be too severe, given Malaysia's waning reliance on the oil and gas sector," he added. Meanwhile, the ringgit was traded mostly higher against other major currencies. Against the Singapore dollar, the local note rose to 2.6584/6623 from 2.6697/6723 Thursday and appreciated to 3.0343/0373 from 3.0440/0477 previously. The ringgit increased to 5.4807/4874 against the British pound from 5.5232/5291 on Thursday but fell to 3.9117/9156 from 3.9089/9124 Thursday.

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

KUALA LUMPUR -- Short-term interbank rates ended stable Friday on Bank Negara Malaysia's (BNM) intervention to reduce excess liquidity in the financial system. The liquidity surplus in the conventional system eased to RM22.77 billion from the RM24.22 billion estimated earlier, while in the Islamic system, it fell to RM2.55 billion from RM6.23 billion. In the morning, BNM called for four tenders -- one conventional money market, one repo and two Al-Wadiah. The central bank also conducted a late conventional money market tender for RM22 billion and a RM2.5 billion Al-Wadiah money market tender, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates stood at 3.28 per cent, 3.32 per cent and 3.36 per cent, respectively.

KLIBOR Futures Contracts End The Week Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives ended the week untraded. At the close, March 2015, April 2015 and May 2015 were pegged at 96.24 while June 2015 remained at 96.26. Open interest amounted to 1,450 contracts. At 11 am fixing, the underlying three-month KLIBOR stood at 3.77 per cent.

KLCI Futures Contracts End Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives closed lower Friday in tandem with the weaker cash market. Spot month March 2015 and April 2015 declined 10 points to 1,772 and 1,771 respectively. June 2015 fell 8.5 points to 1,770 and September 2015 declined 11 points to 1,766.5. Turnover rose to 6,438 lots from 6,005 lots Thursday while open interest appreciated to 45,005 contracts from 44,079 contracts on Thursday. The benchmark FBM KLCI ended 5.12 points easier at 1,781.75.

PIDM Revises DPS Framework For Enhanced Assessment Of Banks' Risk Profiles

KUALA LUMPUR -- The Malaysia Deposit Insurance Corporation (PIDM) has revised the guidelines on the Differential Premium Systems (DPS) framework for the Deposit Insurance System. The DPS framework is a risk-based system to provide financial incentives for member banks to achieve sound risk management as well as ensure fairness among member banks, it said in a statement here Monday. The revised DPS framework, effective from assessment year 2015, will supersede the last enhancement in 2011. Implemented in 2008, the DPS provides a framework for imposing premiums on member banks at differential rates. PIDM Executive General Manager Rafiz Azuan Abdullah said the better the risk profile of the member bank, the lower the premium rate will be.

2015 A Challenging Year To Replicate Last Year's Bonus - TH

KUALA LUMPUR -- Lembaga Tabung Haji expects 2015 to be a challenging year to replicate the payment of last year's depositors' bonus of 6.25 per cent and an additional two per cent haj bonus. Deputy Group Managing Director/Chief Executive Officer, Datuk Johan Abdullah, said many factors contributed to the challenging environment, among them, the flooding at the end of last year, weakening of ringgit and oil price decline. "It's too early to tell (depositors' bonus projection) currently. If you are aware of the market outlook, business is challenging," he told reporters here Monday. Johan said Tabung Haji would continue to focus on local core businesses -- Islamic banking, plantation and properties.

MasterCard, INCEIF To Provide Scholarship For Female Talent In Islamic Finance

KUALA LUMPUR -- MasterCard and the International Centre for Education in Islamic Finance (INCEIF) will collaborate to provide scholarship to two female students each year to pursue INCEIF Master's programmes for Islamic Finance. The scholarship is aimed at boosting the pipeline of female talent in the Islamic finance sector. Under the three-year agreement, the students, who pursue Masters in Islamic Finance Practice and Masters in Islamic Finance, would be awarded scholarships based on academic records, financial need and contribution to the community. INCEIF and MasterCard said, in a joint statement here Monday, that the collaboration was timely given the increasing demand for Islamic financial products and growing importance of Islamic finance, especially in Southeast Asia.

CIMB Expects IPO Market To Remain Flat This Year

KUALA LUMPUR -- CIMB Holdings Bhd expects the initial public offering (IPO) market to be flat this year following the soft economic environment and lack of fresh leads. Group Chief Executive, Tengku Datuk Zafrul Tengku Abdul Aziz, said the group, however, would continue to monitor the progress of the capital market throughout this year and maintain its cautious outlook. "The market is weak, the same as last year, and we will continue to monitor its development. It's still early and the market moves very fast. We don't know how many IPOs that we looking out (this year)," he told reporters after announcing the new sport ambassador for the group here Monday. Last year, there were 15 IPOs -- 12 for the Main Market and three for the ACE Market.

CIMB, Morgans Enter Alliance Partnership In Australia

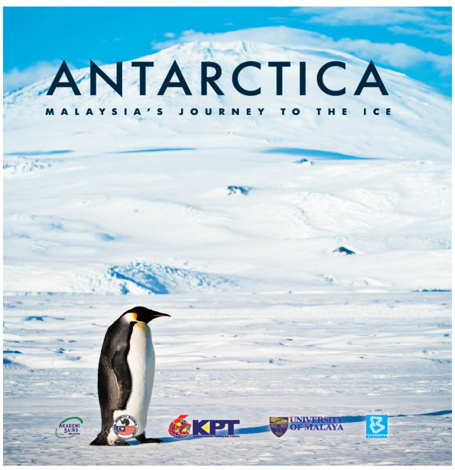
KUALA LUMPUR -- CIMB Investment Bank Bhd and Morgans Financial Ltd have entered into an agreement to extend their alliance partnership in Australia. Under the agreement CIMB will appoint Morgans as exclusive execution agent for all its inbound trade into the Australian market. Morgans, on the other hand, will expand its coverage of Australian Stock Exchange-listed companies with differentiated and focused large cap research offerings. CIMB Group Chief Executive Tengku Datuk Zafrul Tengku Abdul Aziz said CIMB's investment banking franchise would be enhanced while its ability to serve the bank's clients would be maintained with the alliance. "Morgans will also leverage CIMB's deep knowledge and market leadership in Asia to grow their business in this important region. We look forward to working closely with Morgans to strengthen both our businesses," Zafrul said in a statement here Wednesday.

Financial Intermediation Process Supportive Of Financing Needs Of Economy

KUALA LUMPUR -- The financial intermediation process has remained supportive of the financing needs of the economy. New financing extended by the banking system to the private sector grew by 13.3 per cent last year, says Bank Negara Malaysia (BNM) in its Annual Report 2014 released here Wednesday. The central bank said over 70 per cent of loans disbursed were channelled to businesses, of which 30.4 per cent were extended to Small and Medium Enterprises (SMEs). Despite greater volatility in the financial markets, orderly conditions continued to support corporate fund raising activity. Greater collaboration between BNM, the financial industry, businesses and relevant government agencies helped address the issues that constrained bank financing to businesses in new growth industries. In the insurance and takaful sectors, reforms to promote competition, address pricing distortions and improve value to policyholders continued to be a priority.

Policy Flexibility To Strengthen Domestic Resilience

KUALA LUMPUR -- The policy flexibility to strengthen domestic buffers and resilience to tolerate larger and more volatile capital flows have become important, says Bank Negara Malaysia (BNM). "Policy flexibility, including the ability to use micro- and macro prudential tools, has been important in managing the risks associated with such capital flows," it said in its 2014 Annual Report released Wednesday. These measures are vital to ensure that such capital flow volatility and the corresponding fluctuations in the domestic financial markets and exchange rates do not spill over into the real economy, it said. BNM said strong domestic fundamentals, greater exchange rate flexibility, adequate levels of international reserves, deeper and more diversified financial markets and a strong banking system were crucial to Malaysia's resilience. The central bank said uneven growth and divergence in monetary policies across major economies and uncertain oil prices would cause shifts in global liquidity flows and heightened volatility in financial markets and currencies.



LPI Capital Expects Satisfactory Performance In FY15

KUALA LUMPUR -- Investment holding company, LPI Capital Bhd, is confident of sailing through the challenging financial year 2015 (FY15) and post another satisfactory performance. Its chairman, Tan Sri Teh Hong Piow, said LPI registered sterling results in FY14 and the board was confident of registering further improvement in the performance for FY15. "The group will work to further strengthen resilience capacity, implement innovative action plans and improve efficiency and productivity. With our robust business plan and strong risk management culture, the group is confident of sailing through these challenging times with another satisfactory performance for FY15," he said at LPI's 54th annual general meeting here Monday. For financial year ended Dec 31, 2014, LPI's pre-tax profit surged by 33.1 per cent to RM341.9 million from RM256.8 million in 2013. Revenue grew by four per cent to RM1.17 billion from RM1.12 billion previously.

G.L.E Targets RM2.5 Mln Sales This Year

By Nur Fazlizai Ali @ Omar

KUALA TERENGGANU -- G.L.E Centre Enterprise, well known for its Super Jantan coffee pre-mix, is targeting increased sales of about RM2.5 million this year, against RM2 million last year, given the overwhelming response for its coffee pre-mix products. Managing Director Zulkifli Mohd Harun said the company's Super Jantan pre-mix coffee began penetrating the Indonesian market early this year and plans were afoot to further expand its business in that country. "Besides Super Jantan, other products such as Cocoa Collagen, Kopi Bujang, Cappucino and goat's milk enjoy robust demand in Makassar. We intend to spread our wings in Indonesia by year-end," he told Bernama Monday. Meanwhile, Mohd Zulkifli said 115 stockists have been appointed, nationwide, and another 200 would be appointed this year to increase sales.

HLISB's Net Profit Rises 9.1 Pct In 1st Half

KUALA LUMPUR -- Hong Leong Islamic Bank Bhd (HLISB)'s net profit for the first half year ended Dec 31, 2014 rose 9.1 per cent to RM114 million compared to the corresponding period last year. "The growth in earnings for the first half year was driven by the expansion in financing businesses and improved asset quality," its Managing Director and Chief Executive Officer Raja Teh Maimunah Raja Abdul Aziz said. In a statement here Monday, she said HLISB's deposits and liquidity continued to be another main support factor for the bank with customer deposits sustaining at RM17.1 billion. "We will continue to strengthen our existing businesses while looking to improve our foothold in the markets as well as accelerate the development of our digital, transactional banking initiatives and non-financing income streams," she said.

BAuto Pre-Tax Profit Rises To RM223.7 Mln

KUALA LUMPUR -- Berjaya Auto Bhd's (BAuto) pre-tax profit for the nine months ended Jan 31, 2015 rose to RM223.7 million from RM117.2 million in the same period last year. Its revenue rose to RM1.4 billion from RM1.1 billion previously, it said in a statement here Monday. "The better results were due to higher sales volume of Mazda vehicles," it said.

Palm Oil Stocks, Exports & Output Continued Downtrend In Feb

KUALA LUMPUR -- Malaysia's palm oil stocks, exports and production continued to decline in February 2015 from a month ago, according to the Malaysian Palm Oil Board (MPOB). In a statement here Tuesday, MPOB said during the month, total palm oil stocks decreased 1.53 per cent to 1.74 million tonnes, from 1.77 million tonnes in January 2015. Of that, crude palm oil (CPO) accounted for 950,283 tonnes and processed palm oil 792,819 tonnes, it said. MPOB said the CPO output in February contracted 3.37 per cent to 1.12 million tonnes from 1.16 million tonnes the previous month. It said palm kernel production was 4.34 per cent lower at 279,309 tonnes, crude palm kernel oil output fell 21.08 per cent to 115,040 tonnes and palm kernel cake production trimmed 20.17 per cent to 129,288 tonnes. Meanwhile, palm oil exports declined 18.44 per cent to 971,640 tonnes and oleochemicals slipped 2.68 per cent to 218,571 tonnes, it said.

Ford Delivers Best-Ever Performance In M'sia In Feb

KUALA LUMPUR -- Ford Tuesday announced its best-ever performance in Malaysia in February, with overall retail sales jumping 66 per cent year-on-year (y-o-y) to 1,249 units, led by continued strength in demand for the class-defining Ranger pickup truck. "Our award-winning Ranger continues to lead the charge across our whole line up," said Ford Motor Company's Managing Director, Malaysia and Asia Pacific Emerging Markets, David Westerman, in a statement here Tuesday. He said the Ranger truck continued to expand as retail sales surged 104 per cent y-o-y to 966 units. Meanwhile, among other models, the Fiesta delivered sales of 129 units in February and EcoSport contributed

Airport Passenger Movements Up 1.9 Pct In Feb 2015 - MAHB

KUALA LUMPUR -- Passenger movements for airports under Malaysia

Airports Holdings Bhd (MAHB) grew by 1.9 per cent to 8.2 million in February 2015 from 8.1 million in February 2014. In a statement Tuesday, MAHB said domestic movements recorded 4.5 million passengers, an increase of 5.0 per cent, while international movements registered 3.7 million passenger traffic, a decrease of 1.6 per cent over the same period. "This is an improvement from last month's traffic performance that saw a marginal drop in year-on-year growth on both the domestic and international sectors," it said. MAHB said air passenger traffic over the past 12 months increased 1.2 per cent to 82.95 million compared to the previous 81.99 million. While the contraction in international movements was largely at KLIA and klia2, MAHB said airports that registered positive growth included Penang, Kota Baharu, Alor Setar, Kuala Terengganu, Subang, Melaka, Sibu, Kuantan, Limbang and Ipoh. "The positive passenger and aircraft traffic performance was mainly contributed by Malaysia's domestic sector.

Sunsuria Sees Higher GDV Of RM11 Bln Via Acquisition

KUALA LUMPUR -- Sunsuria Bhd expects to raise its total Gross Development Value (GDV) to RM11 billion from RM300 million following its plans to acquire stakes in three real estate companies. Sunsuria Bhd has entered into several agreements with its executive chairman Datuk Ter Leong Yap, Sunsuria said in a statement here Tuesday. The three companies are involved with on-going and upcoming developments in strategic locations within the Klang Valley and Johor, which in turn would benefit Sunsuria, after taking into account Sunsuria's effective interests in the projects arising from the proposals. "This will translate into an effective GDV of about RM4.5 billion for our future income stream," Sunsuria said. The collective proposals, which are expected to be completed by the second quarter of 2015, will expand the company's existing land bank from 1.906 ha. to about 180.085 ha.

iGEM 2015 To Draw 60,000 Visitors

KUALA LUMPUR -- The number of visitors is expected to more than triple to 60,000 for the four-day International Greentech and Eco Products Exhibition and Conference (iGEM) 2015, beginning Sept 12. Deputy Minister of Energy, Green Technology and Water Datuk Seri Mahdzir Khalid said 400 local companies are expected to participate in the iGEM 2015 compared with 350 companies last year. "For this year, we are anticipating a total of 600 exhibitors from more than 20 countries compared with only 20,000 visitors from 20 countries last year. We hope all ASEAN member countries can participate in iGEM 2015 as Malaysia will host the ASEAN Summit. So far, five countries have confirmed their participation. To further promote iGEM 2015, we will also hold exhibitions and conduct working visits to several countries in Asia including Australia and China," Mahdzir told reporters here Wednesday.

M'sia's IPI Up 7.0 Pct In Jan 2015

KUALA LUMPUR -- Malaysia's Industrial Production Index (IPI) grew 7.0 per cent in January 2015 compared with the same month a year ago. "The increase was due to the positive growth in all indices of manufacturing (6.5 per cent), mining (8.3 per cent) and electricity (6.3 per cent)," the Statistics Department said Thursday. On a month-on-month basis, in seasonally adjusted terms, the IPI in January 2015 decreased by 1.0 per cent due to the decrease in the indices for manufacturing (1.2 per cent) and mining (0.4 per cent). The department said manufacturing output continued to grow by 6.5 per cent in January 2015 contributed by electrical and electronics products (10.3 per cent); petroleum, chemical, rubber and plastic products (5.3 per cent); and non-metallic mineral products, basic metal and fabricated metal products (11.6 per cent). Output of the mining sector increased by 8.3 per cent, year-on-year, while electricity output recorded an increase of 6.3 per cent, year-on-year. Meanwhile, in a separate statement, the department said the sales value of the manufacturing sector in January 2015 rose 2.7 per cent, year-on-year, to RM57.1 billion, contributed by 68 of 138 industries surveyed.

Petronas Earnings To Improve In 2016 - Moody's

KUALA LUMPUR -- Moody's Investors Service expects Petronas' earnings to improve in 2016 in tandem with anticipated higher oil prices. In a note, the credit rating agency said it expected oil prices to be higher at US$65 per barrel next year versus US$55 per barrel this year. "Our earnings expectations are based on the assumption that Petronas will increase its production by a marginal amount over the next two years," it said. Moody's said the national oil and gas company would remain well-positioned at its current rating level of "A1 Stable", largely supported by its strong liquidity. "Petronas has low leverage, a substantial cash balance and manageable debt maturities whereby as of Dec 31,2014, its cash and cash equivalents amounted to RM136.2 billion compared with a total balance sheet debt of RM36.8 billion. Petronas' financial metrics are still stronger due to its higher profitability stemming from a lower cost of production and its conservative financial profile," it said.

Good Corporate Governance Can Help Companies Avoid Conflict Of Interest

KUALA LUMPUR -- Datuk Dr Chin Yew Sin, a member of the Malaysian Anti-Corruption Commission's (MACC) Consultancy and Corruption Prevention Panel, says strict adherence to good corporate governance by companies can prevent some of the wrongdoings in corporate deals that smack of conflict of interest. He believed that many listed companies encountered such problems when the behaviour of certain major shareholders came to the fore. "By right, when you adhere to proper corporate governance on each deal that comes in, the chances of (questionable) issues arising is lessened. Proper corporate governance means the board has had thorough discussions together with recommendations from an independent accountant or advisor who had studied the feasibility of the project," he told Bernama Monday.

MyCC To Continuously Hold Sessions On Competition Act 2010

KUALA LUMPUR -- The Malaysia Competition Commission (MyCC) will continuously organise sessions that can assist and encourage the business community, in particular, to comply with the Competition Act 2010 (CA 2010). Monday, it organised a get-together session, called 'Sembang-Sembang bersama MyCC', targeted at the business and consumer associations to improve understanding of CA 2010. "This platform is used to describe a major role of MyCC which is to protect the competitive process to benefit the traders, consumers and the economy," said Chief Executive Officer, Dr Mohd Khalid Bin Abdul Samad. This allows a monopolistic market especially to have more competitors to stabilise or reduce prices by increasing supply, he said in statement here Monday. The half-day programme was attended by representatives from businesses and consumer associations.

Brahim's: Proposed Acquisition Of The Chicken Rice Shop Still Under Negotiation

KUALA LUMPUR -- The proposal to acquire The Chicken Rice Shop 'may or may not materialise' as it is still under 'negotiation', said Brahim's Holdings Bhd. In response to article reported by a business weekly on 'Brahim's to buy The Chicken Rice Shop?', Brahim's said its board of directors always strove to create and increase the shareholders' value. "However, at this juncture, the terms and conditions of the proposed acquisition have yet to be agreed upon. "Once the terms and conditions have been agreed and an agreement has been executed for the proposed acquisition, Brahim's shall make an immediate announcement," it said in a filing to Bursa Malaysia Monday. It was reported that Brahim's was currently in talks to acquire a local food-and-beverage business, TCRS Restaurants Sdn Bhd, the owner and operator of The Chicken Rice Shop, Sweet Chat and Dubu-Dubu here.

Boeing Looking To Forge Partnerships With Industrial Players In M'sia

By Farhana Poniman & Massita Ahmad

KUALA LUMPUR -- The Boeing Company, which again will have a big presence at the upcoming Langkawi International Maritime and Aerospace (LIMA) Exhibition, is committed to being in Malaysia for the long-haul by teaming up with industrial partners to bring about mutually beneficial outcomes. Vice-President, F/A18E/F International Sales, Global Strike, Defense, Space and Security, Howard Berry, said the aircraft manufacturer was aware that merely offering a capable and affordable product was no longer adequate. "We recognise the advantages of doing business in Malaysia and this is why sales in the Multi-Role Combat Aircraft (MRCA) programme here are that more exciting for us. The Malaysian industry will benefit by getting the technology, job creations, interactions with major corporations and become part of the Boeing supply chain," he told Bernama in an interview recently.

M'sia Takes Delivery Of Its 1st Airbus A400M

KUALA LUMPUR -- Airbus Defence and Space has formally delivered the first of four Airbus A400M military transports ordered by the Royal Malaysian Air Force (RMAF). The handover also marks the first delivery of an A400M to an export customer outside the original launch nations. The aircraft was accepted at the A400M Final Assembly Line in Seville, Spain, on March 9 by Chief of Malaysian Defence Force General Tan Sri Dr Zulkifeli. It was witnessed by Deputy Secretary-General of the Ministry of Finance, Datuk Nozirah and Deputy Secretary-General of the Ministry of Defence, Datuk Dr Rothiah who signed the transfer ot title on behalf of the Ministry of Defence. "The A400M will give the RMAF the most advanced heavy transport capability in the region and enable us to undertake an extraordinary range of military and humanitarian operations," RMAF Chief General Datuk Sri Roslan Bin Saad was quoted as saying in an Airbus statement here Tuesday.

MyCC Tells Professional Bodies To Dismantle Scale Of Fees

KUALA LUMPUR -- The Malaysia Competition Commission (MyCC) has issued letters to four professional bodies requiring them to dismantle their scale of fees in order to uphold the spirit of competition law. MyCC was of the view that scales of fees fixed by professional bodies were contrary to the provision of Competition Act 2010 (CA 2010). It said the Malaysian Institute of Arbitrators (MIArb) had already dismantled their scale of fees. "Setting of fees by professional bodies who are not empowered by any law to do so was an infringement under CA 2010" MyCC Chief Executive Officer Dr Mohd Khalid Abdul Samad said in a statement here Tuesday. He said the dismantling of anti-competitive regulatory restrictions in the respective sectors would result in consumers benefiting from competitive prices and better-quality of services. The Competition Act 2010 came into force on Jan 1, 2012 and all parties concerned should have, by now, complied with the provision of the Act.

Take Creative Steps To Absorb GST Cost, Firms Urged

KUALA LUMPUR -- Deputy Finance Minister Datuk Ahmad Maslan has urged local businesses to take creative steps to absorb the cost of the Goods and Services Tax (GST), which takes into effect next month, including by giving rebates and discounts. Speaking to reporters after opening the Malaysia Conference on Innovation and Entrepreneurship Education here Tuesday, he said such measures, if properly implemented, could generate long-term profits for the companies. Earlier in his speech, Ahmad said a local telecommunications firm has already absorbed the GST cost in its prepaid cards, which will probably be sold at below market rate. He also cited a food company selling pizzas that reportedly will lower the prices of all its food products after the implementation of the GST. "In an oligopoly, other companies selling the same products would have to follow suit, otherwise they could face losses," he said.

ATS' Unit Secures FIA From SEDA To Supply 425KW Of Renewable Energy

KUALA LUMPUR -- AT Engineering Solution Sdn Bhd (ATES), a unit of AT Systematization Bhd (ATS), has secured the Feed-in Approval (FiA) from Sustainable Energy Development Authority Malaysia (SEDA) to supply an equivalent or less than 425 kilowatts (kW) of renewable energy. In a filing to Bursa Malaysia Tuesday, ATS said ATES was expected to sign an agreement with Tenaga Nasional Bhd (TNB) for the sale and delivery of renewable energy by ATES to TNB for a concession period of 21 years. "SEDA has set a fixed rate-tariff of 69.77 sen/kWh and additional bonus rate-tariff ranging from 5 sen/kWh to 17.22 sen/kWh at which ATES can sell electricity to TNB during the concession period. We will construct a 425kW solar power plant on our existing factory site located in Bayan Lepas Industrial Park Phase IV, Penang by December 2015," ATS said.

SEDA To Manage Net Energy Metering, Utility Scale Solar

KUALA LUMPUR -- The Sustainable Energy Development Authority (SEDA) Malaysia will manage the net energy metering and utility scale solar once these frameworks have been approved. Deputy Minister of Energy, Green Technology and Water Datuk Seri Mahdzir Khalid said SEDA would work with the ministry, the Energy Commission, utility companies, the solar photovoltaic (PV) industry and other relevant agencies to develop the frameworks. "These frameworks are important drivers to continue promoting solar PV growth in the energy mix," Mahdzir said in a statement here Tuesday.

Services, Manufacturing Sectors Key Drivers For 2015's Growth - BNM

KUALA LUMPUR -- The Malaysian economy is projected to grow by between 4.5 and 5.5 per cent with the services and manufacturing sectors remaining the key drivers of overall growth, says Bank Negara Malaysia (BNM). Malaysia's strong underlying fundamentals would act as a buffer to mitigate the impact of risky external developments such as a sharper-than-expected slowdown in China, which posed downside risk to global growth and trade. Last year, the Malaysian economy expanded six per cent lifted by private domestic demand and improvement in external trade development. In 2015, the services and manufacturing sectors is forecast to grow, albeit, slower by 5.6 per cent and 4.9 per cent, respectively, compared with 6.3 per cent and 6.2 per cent, respectively, recorded last year.

Corporate Leverage Of M'sian Firms Below Global Financial Crisis Level

KUALA LUMPUR -- Corporate leverage of Malaysian firms remained below the level prior to the global financial crisis, in contrast to other emerging economies, says Bank Negara Malaysia (BNM). It said strong and relatively stable corporate earnings over the past years have allowed firms to sustainably increase debt levels to fund growing capital expenditure and investments. "This has been supported by improved debt servicing capacity observed at the aggregate and individual firm levels," the central bank said in its 2014 Financial Stability and Payment Systems Report. In an article entitled "Malaysian Corporate Leverage and its Systemic Implications", it said the share of Malaysian corporate debt that represented potential "vulnerable debt" based on the individual borrowing firm's leverage and financial indicators was low in comparison to regional peers. More leveraged firms generally registered higher return on asset (ROA) and interest coverage ratios (ICR), while supported by stable cash balances.

Ringgit Is 'Significantly Undervalued' At Current 3.70 - Zeti

KUALA LUMPUR -- The Malaysian ringgit, which briefly touched 3.70 to the US dollar this morning, is "significantly undervalued" and does not reflect Malaysia's current fundamentals which are still strong, said Bank Negara Malaysia Governor, Tan Sri Dr Zeti Akhtar Aziz. She said Malaysia had important economic fundamentals that support a stronger currency. "We have our own internal assessment for undervaluation and overvaluation. "At this stage we would just say that the current rate (US$/RM) as 'significantly undervalued'. "Our exporters might not be pleased that I am saying this because they are benefiting from the depreciated currency. Zeti said this in a press conference in conjunction with the release of the central bank's 2014 Annual Report here Wednesday. "We believe that given that we are one of the stronger growing economies in the region, we have important fundamentals that would support a stronger currency," said Zeti.

M'sia Establishes World's First ASEAN-Focused Travel Channel

KUALA LUMPUR -- Malaysia has established the world's first ASEAN-focused travel channel, GOASEAN. The announcement on GOASEAN was made last Sunday at the ITB Berlin 2015 (Internationale Tourismus-Börse Berlin), the world's largest tourism trade fair. The channel is aimed at showcasing the region's varied natural attractions and cultural exoticism to leisure seekers and tourism investors alike, said GOASEAN Sdn Bhd in a statement here Monday. ASEAN will have a combined Gross Domestic Product of US$3 trillion by 2017 with a consumer market of 650 million by 2020. Sixty per cent of its growing population is below 35 years and expected to achieve middle class status by 2030.

PNB Improves Services, Opens New Branches In Limbang, Lahad Datu

KUALA LUMPUR -- Permodalan Nasional Bhd's wholly-owned subsidiary, Amanah Saham Nasional Bhd (ASNB), has opened branch offices in Limbang, Sarawak, and Lahad Datu in Sabah to improve its service quality to customers. In line with the openings, the public and unit holders in these two areas no longer need to travel to ASNB branches in Tawau or Miri to perform non-cash transactions such as renewal of ASNB book accounts. "Limbang branch is our sixth branch opened in Sarawak while Lahad Datu was the fifth to be established in Sabah," PND said in a statement here Monday.

Catcha To Launch Internet TV Platform iflix In SE ASIA

KUALA LUMPUR -- Catcha Group will this year launch its new Video on Demand platform iflix in key Southeast Asian markets including Malaysia, Thailand, the Philippines, Indonesia and Vietnam. The company says the revolutionary Internet TV platform will provide an entirely new and legitimate way for the region's Internet users to enjoy their favourite films and television shows. "The service will provide access to more than 10,000 hours of top-tier United States, Asian regional, and local market content. Each subscription will allow a user to access the content on five devices, as well as download content to their mobile, tablet and computer," the group said in a statement here Monday. It said by adopting a mobile-oriented business model, iflix is directly targeting a booming market opportunity, with the number of Southeast Asian smartphone users and households with fixed line broadband likely to grow in excess of 240 million and 55 million respectively by 2018

Kenanga Growth Bags Two 'Best Performing Equity Malaysia Fund' Awards

KUALA LUMPUR -- Kenanga Investors Bhd has won the 'Best Performing Equity Malaysia Fund' award for the five-year and 10-year categories for its Kenanga Growth Fund at The Lipper Fund Awards 2015 (Malaysia). The Lipper Fund awards are part of the Thomson Reuters Awards for Excellence, a global family of awards that celebrate exceptional performance throughout the professional investment community. In a statement here Monday, K&N Kenanga Holdings Bhd, group Managing Director, Datuk Chay Wai Leong, said the Kenanga Growth Fund delivered total return of 148.95 per cent (five years) and 324.83 per cent (10 years) as at end-2014. "These wins demonstrate the fund management team's commitment to deliver not only impressive returns but consistent investment performance for our clients, year on year," Chay said.

M'sian Firms Urged To Take Part In ASEAN Business Forum 2015

KUALA LUMPUR -- Malaysian companies keen to leverage on the ASEAN Economic Community (AEC) are urged to take part in the ASEAN Business Forum 2015 (ABF 2015) on March 12, 2015 at Menara MATRADE, Kuala Lumpur. ABF 2015 is an initiative by the Malaysia External Trade Development Corporation (MATRADE) and Ministry of International Trade and Industry (MITI). The forum offers high-powered talks and consultation sessions that will be divided into two sessions, MATRADE said in a statement here Monday. The morning session will feature panellists from ASEAN business councils and associations where participants can expect discussions on market entry and its challenges, sector growth as well as trade prospects in the region. The afternoon session will focus on a smaller group of exporters where participants get to learn about various topics such as MATRADE's 2015 programmes and new services, as well as updates on the AEC. There will also be a talk by ASEAN Business Advisory Council (BAC) Secretary General Syed Nabil Aljefri on business opportunities in ASEAN and market briefings by MATRADE's Trade Commissioners based in ASEAN countries.

AirAsia Expands Connectivity To India, Indonesia With 3 New Routes

KUALA LUMPUR -- AirAsia Tuesday announced three new routes, namely, to Visakhapatnam in India, as well as, Pontianak and Medan in Indonesia. In a statement here Tuesday, the low-cost airline said the thrice-weekly Kuala Lumpur–Visakhapatnam direct flights would commence on May 7. The Kuala Lumpur–Pontianak and Johor Bahru–Medan flights would commence on March 27 with twice weekly flights. Head of Commercial, Spencer Lee said as Visakhapatnam was an up and rising destination for trade and tourism, AirAsia is confident that the move is timely. "We will also be the first airline to fly direct to Pontianak from Kuala Lumpur. As a truly Asean airline, we are proud to announce the recommencement of the Johor Baharu–Medan direct flight, which will provide enhanced connectivity for customers," he added.

Be Accustomed To Fluctuations In Fuel Prices, Consumers Told

By Erda Khursyiah Basir

KUALA LUMPUR -- Consumers have to get used to the fluctuating fuel price environment as market prices are being dictated by the managed float system, introduced by the government last December to determine the monthly retail prices of fuel. Under the managed float system, the retail prices of fuel are fixed by the government, in line with the global crude oil price and currency exchange rate. This system is among the government's initiatives to rationalise its fuel subsidy and ensure that its subsidies reached the target groups. But the public appear to be confused over the workings of the managed float system as many complaints arose when fuel prices were hiked on March 1.

BETTER GET USED TO IT

Islamic Consumers Association of Malaysia Chief Activist Datuk Nadzim Johan said blaming the government for the recent rise in fuel prices reflected the immaturity of the complainants who, he said, failed to realise that fuel prices fluctuated in tandem with the global crude oil prices. "Fuel prices are now tied to the open market prices and that's how the system works. We can't control oil prices and this shouldn't be made into an issue... it's time consumers grew up and stopped depending on the government for everything. "As consumers, we should understand and make an effort to get used to such a situation (fluctuating fuel prices). The public have become used to the subsidies handed by the government, and they only know how to complain. They should change their attitude," he told Bernama. On Feb 28, the Ministry of Domestic Trade, Cooperatives and Consumerism announced that the pump prices of petrol and diesel would rise by 25 sen a litre, starting March 1. The retail prices for RON95 petrol is now RM1.95 a litre; RON97 RM2.25; and diesel RM1.95. The managed float system to fix the retail prices of RON95 petrol and diesel was implemented on Dec 1, and that of RON97 back in July 2010. Previously, the retail prices of petroleum products were determined through the Automatic Price Mechanism, which had been in place since 1983. Following the implementation of the managed float system, on Dec 1 last year, the retail price for RON97 dropped nine sen to RM2.46 a litre and RON95 went down four sen to RM2.26, while diesel rose three sen to RM2.23. On Jan 1, the retail prices for RON95 and RON97 dropped 35 sen to RM1.91 and RM2.11 per litre respectively. The retail price for diesel fell 30 sen to RM1.93 a litre.

The downtrend continued on Feb 1, with RON95 shedding another 21 sen to RM1.70 per litre; RON97 11 sen to RM2; and diesel 23 sen to RM1.70.

CHANGING PERCEPTION

Nadzim called on consumers to change their perceptions and stop blaming the government whenever the prices of oil and goods went up. Besides adapting themselves to the fluctuating nature of fuel prices, he advised consumers to be enterprising and come up with ideas that could generate extra income for them. "When oil prices go up, try not to travel and only spend your money on essentials. "And if you think your income is low, then try to be more productive and enterprising and generate other sources of income. This way, you'll not be affected by the rise in oil prices," he said.

NO EFFECT ON PRICES OF GOODS

Prof Dr Mohamad Hanapi Mohamad, a lecturer in international business management at Universiti Utara Malaysia, said a couple of factors contributed to the sense of uneasiness people felt each time fuel prices changed, although they were aware that fuel prices were subject to the managed float system. "First, when prices went down, as was the case over the last two months, it didn't have any effect on the prices of goods and services. It must be understood that those in the middle- and low-income groups mainly spend on food, rental, transport and utilities. "Even when fuel prices dropped, there was no change in their expenditure, maybe because some of the input materials (used by the manufacturers) were imported and their prices were affected by the currency exchange rate. This has caused uneasiness among the consumers," he said. The second factor, he explained, was closely interlinked with consumer buying power. In a weak buying power scenario, it made little difference if fuel prices dropped, he pointed out.

MANAGED FLOAT SYSTEM

On the impact of the managed float system on manufacturers and petrol dealers, Mohamed Hanapi said it had created an environment of uncertainty for them. "Small businesses don't have the capacity to buy more stock when fuel prices go down because it involves capital and, furthermore, they need the space to store the oil. Large manufacturers need to come up with an investment strategy to enable them to purchase largest quantities of oil when prices are low. "All of them need to have new skills and knowledge simply because the fluctuating oil price environment has given rise to uncertainties," he said.

LIST OF MARKET REPORTS :

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

BURSA: FBM KLCI To Stabilise At 1,780 Support Level Next Week

By Siti Radziah Hamzah

KUALA LUMPUR -- The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) is likely to stabilise at the 1,780 support level and trade firmer next week, spurred by positive local and external economic environment. Affin Hwang Investment Bank vice-president and head of retail research Datuk Dr Nazri Khan Adam Khan said strong showing of Wall Street and Asian indices on several factors, including the US dollar retreat and broad commodities strength, would influence the local market movements next week.

He said major economic reports, including the recently released Bank Negara Annual Report 2014, were set to power Bursa Malaysia's sentiments in the near term. "Overall, given positive external front and continuous central bank easy money policies, we feel that the FBM KLCI is likely to see a positive U-turn soon, hence any weakness should be a good buying opportunity," he told Bernama. The local market was traded mostly lower during the week just ended due to lack of market-moving news. Weekly turnover increased to 13.09 billion units worth RM10.43 billion from 11.34 billion units worth RM11 billion last week. Main market volume weakened to 6.04 billion valued at RM9.11 billion from 6.29 billion shares valued at RM10.15 billion previously.

FOREX: Ringgit To Gain Momentum As Dollar Retreats

By Farhana Poniman

KUALA LUMPUR -- The ringgit will likely gain momentum next week as the US dollar retreats its gains, following the release of a weaker-than-expected US retail sales data. Affin Hwang Investment Bank head of retail research and vice-president Datuk Dr Nazri Khan said the weak retail sales data would prompt further speculations over the outlook of the Federal Reserve's policy. "The unfavourable retail sales data can potentially refrain the Federal Reserve from increasing its interest rates," he told Bernama. A dealer said while market sentiment on the global oil price remained bearish, some traders viewed that this would not severely affect Malaysia, given its waning reliance on the oil and gas sector.

For the week just ended, the ringgit touched its six-year low on Wednesday at the 3.7 level against the greenback, but subsequently firmed up to the 3.6 level after Bank Negara

Malaysia governor Tan Sri Dr Zeti Akhtar Aziz said it was "significantly undervalued" at that trading level. On a Friday-to-Friday basis, the ringgit depreciated to 3.6840/6870 against the US dollar from 3.6515/6545 previously. However, it appreciated to 2.6584/6623 against the Singapore dollar from 2.6655/6681 last week and rose to 3.0343/0373 against the yen from 3.0401/0436 last Friday. Against the British pound, the ringgit strengthened to 5.4807/4874 from 5.5550/5603 and was traded significantly higher against the euro to 3.9117/9156 from 4.0148/0192.

Money-Market: Short-term Rates Expected 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 central bank would likely continue to call for money market tenders on a daily basis. For the week just-ended, BNM intervened daily by conducting conventional, Al-Wadiah, repo, and commodity murabahah programme tenders to reduce excess liquidity in the system. The tenders were conducted for between seven and 45 days.

The overnight rate for the week stood at 3.21 per cent, while the one-, two- and three-week rates stood at 3.28 per cent, 3.32 per cent and 3.36 per cent, respectively. The benchmark three-month KLIBOR inched down to 3.77 per cent. On Friday, the liquidity surplus in the conventional system stood at RM22.77 billion, while in the Islamic system, it amounted to RM2.55 billion. Following this, the central bank issued a late conventional money market tender for RM22 billion and a RM2.5 billion Al-Wadiah money market tender, both for three-day money.

KLCI Futures To Trade Higher Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are likely to move in tandem with the cash market's movements next week. An analyst said the local stock market is likely to stabilise next week, spurred by local and external factors, including broad commodities strength. On a Friday-to-Friday basis, contract month March 2015 declined 28 points to 1,772, April 2015 and September 2015 slipped 25.5 points each to 1,771 and 1,766.5, respectively, while June 2015 shed 27 points to 1,770.

Turnover for the week rose to 37,496 lots from 30,552 lots last week while open interest widened to 45,005 contracts from 42,865 contracts previously. For the week just-ended, the benchmark FBM KLCI shed 5.12 points to 1,781.75 from 1,806.96 on Friday. FBM KLCI shed 5.12 points to 1,781.75 from 1,806.96 on Friday.

CPO Futures To Trade Cautiously Next Week

By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are expected to see cautious trading, amid a weaker global market sentiment. Interband Group of Companies senior palm oil trader Jim Teh said the trading is also expected to track trends in crude oil prices and ringgit movement. "The market will also likely see profit-taking amid speculative plays as it will be compared to soybean oil and crude oil prices.

"Physical CPO will likely move between RM2,200 and RM2,230 a tonne next week," he told Bernama. On a Friday-to-Friday basis, March 2015 declined RM42 to RM2,270 per tonne, April 2015 decreased RM44 to RM2,247 per tonne, May 2015 dampened RM40 to RM2,248 per tonne, and June 2015 lower RM33 to RM2,236 per tonne. Weekly turnover rose to 229,837 lots from 211,813 lots last week, while open interest decreased to 217,051 contracts from 240,441 contracts previously. On the physical market, March South lowered RM60 to RM2,270 per tonne from last week's RM2,330 per tonne.

Rubber To Trade Mixed Next Week

By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- The Malaysian rubber market is likely to trade mixed next week, tracking the trend in crude oil prices and ringgit movement, a dealer said. "However, the market could either be positive or negative, depending on the supply of raw materials due to the wintering session that has started," he told Bernama. He said the sentiment could be positive following a report that China would buy 200,000 tonnes of rubber from Thailand. The market could also be affected by a report that the Singapore Exchange Ltd (SGX) has agreed to join a regional rubber exchange that would bring together the main producing countries, thus enabling easier hedging of various rubber grades, he added.

The SGX held a meeting last month with the International Tripartite Rubber Council (ITRC), an industry body comprising Thailand, Indonesia and Malaysia, which together produce 70 per cent of the world's rubber. For the week just ended, the local market was mostly traded on a quiet note and influenced by the movement of the ringgit and the benchmark Tokyo Commodity Exchange. On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 was three sen higher at 515 sen a kg, while latex-in-bulk added 9.5 sen to 419.5. The unofficial closing price for tyre-grade SMR 20 improved 7.5 sen to 516 sen a kg, while latex-in-bulk rose 10 sen to 421 sen a kg.

KLIBOR Futures Likely To See Little Change Next Week

KUALA LUMPUR --- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia

Derivatives are likely to remain lacklustre next week. For the week just ended, the KLIBOR futures market was untraded. Open interest ended the week unchanged at 1,450 contracts. On a Friday-to-Friday basis, March 2015, April 2015, May 2015 were all pegged at 96.24, while June 2015 stood at 96.26. The underlying three-month KLIBOR inched down 0.01 per cent to 3.77 per cent.

Tin Price To Sustain At Current Level Next Week

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is expected to sustain at the current level of between US$17,000 and US$18,000 per tonne, dampened by the weak outlook for metals. A dealer said the global economy volatility derailed by low oil prices is weighing on copper which is the benchmark of metals, thus affecting other metals, including tin. "However, overseas demand would support tin prices amid sellers' reluctance to sell when the price is low," he said. He said that the market would also follow the movement of tin price on the London Metal Exchange (LME), the trendsetter of global metal price.

For the week just-ended, the KLTM went as high as US$18,100 on Tuesday before retreating and ended the week at US$17,330 on lack of demand amid weakening tin prices on the LME. European, Japanese and local traders accounted for the week's turnover of 240 tonnes against last week's 259 tonnes. The premium between the KLTM and the LME on Friday widened to US$435 a tonne from US$250 a tonne previously.

Gold Futures To Trade Downtrend Next Week

By Nurul Hanis Izmir

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to trade downtrend next week due to lower demand. A dealer said the precious metal would likely to trade downward following expectations of the first rate hike by the US Federal Reserve. "Traders anticipate that the Fed would increase its interest rate soon amid improvement in the job market, followed by a stronger dollar.

"The interest rate hike would reduce the appeal on the precious metal as an investment and would dampen the market," he told Bernama. For the week just ended, the local market was traded mostly lower, weighed by the US economic recovery and concerns over the US increasing its interest rate. On a Friday-to-Friday basis, March 2015 lost 58 ticks to RM137.60 a gramme, while April 2015, May 2015 and June 2015 dropped 56 ticks each to RM138.05, RM138.90 and RM138.90.

Volume for the week rose to 1,789 lots worth RM24.69 million from 1,543 lots worth RM21.86 million last week. Open interest was slightly lower at 2,660 contracts from 3,430 contracts registered last Friday.