This Week's Highlight : Najib Refutes Claims Of 1MDB's RM42 Bln Loss

Prime Minister Datuk Seri Najib Tun Razak

KUALA LUMPUR -- Claims about the loss of RM42 billion in 1Malaysia Development Bhd's (1MDB) balance sheet appear to be a deliberate twisting of the facts, said Datuk Seri Najib Tun Razak. In his latest postings on his website NajibRazak.com Wednesday, the Prime Minister said the company has not made a loss of that amount, adding the RM42 billion was the company's total debt, far lower than its RM51 billion assets as audited and confirmed by Deloitte.

This Week's Top Stories

MONDAY

MAS To Focus On Media Range Routes

From D. Arul Rajoo

TOKYO -- The new Malaysia Airlines (MAS) is expected to become a very important transit hub airline for the region, cutting on long-haul flights to the west and focusing more on regional medium routes. Transport Minister Datuk Seri Liow Tiong Lai said here Monday, MAS would have strong advantage as passengers flying to Kuala Lumpur could use it as a transit point to fly to Australia, China, India and South East Asia countries like Indonesia and Thailand.

TUESDAY

Najib Urges Japan To Partner Malaysia In Islamic Finance

From Arul Rajoo Durar Raj

TOKYO) -- Prime Minister Datuk Seri Najib Tun Razak Tuesday urged Japan to partner Malaysia in engaging in Islamic finance-related activities and tap the huge global market. With Japanese industrial expertise and technology, and Malaysia's technical expertise in Islamic finance, there was an opportunity to establish a formidable alliance, he said at the World Islamic Economic Forum Roundtable, jointly hosted by the World Islamic Economic Forum (WIEF) and the Alliance Forum Foundation.

WEDNESDAY

1MDB'S Audited Assets Worth RM51.4 Bln

KUALA LUMPUR -- The total worth of 1Malaysia Development Bhd (1MDB) audited assets for the financial year ended March 31, 2014 was RM51.4 billion, the Dewan Rakyat was told Wednesday. The assets comprised current assets worth RM19.5 billion and non-current assets valued at RM31.9 billion, according to a written reply from the Finance Minister to a question from Wong Chen (PKR-Kelana Jaya).

THURSDAY

Malaysia Ranked World's 14th Most Competitive

KUALA LUMPUR -- Malaysia has retained its ranking among the top 15 competitive nations, coming in 14th in the latest World Competitiveness Yearbook 2015 (WCY) by the Swiss-based Institute for Management Development (IMD). Though a decline from 12th spot last year, the country had improved its score to 84.11 from 82.09 achieved last year, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed in a statement Thursday.

FRIDAY

1MDB Gets US$1 Bln Payment From IPIC

KUALA LUMPUR -- 1Malaysia Development Bhd (1MDB) has entered into a binding agreement with the International Petroleum Investment Company (IPIC) and its unit, Aabar Investments (Aabar), involving a payment of US$1 billion which will be used to repay loans. Second Finance Minister Datuk Seri Ahmad Husni Hanadzlah said Friday, as part of the agreement, IPIC would pay US$1 billion, on or before June 4, 2015, which would be used to repay a US$975 million (RM3.5 billion) loan, in advance of its due date, to a syndicate of international bank lenders.

SMEbrief

Roadshow Targets SMEs To Adopt E-Payment Services

BUTTERWORTH -- The National e-Payment Roadshow is aimed at creating greater awareness among small and medium enterprises (SMEs) including micro businesses, to adopt e-payment services, says Bank Negara Malaysia (BNM). "Malaysians can safely leverage on the debit card for making and receiving payments amid the large base of 44 million chip-based debit cards for a population of 30 million, said Director of Payment Systems Policy Department Tan Nyat Chuan Tuesday.

ASEAN Strategic Action Plan For SMEs Ready By Nov

KUALA LUMPUR -- The ASEAN Strategic Action Plan for Small and Medium Enterprises (SMEs) will be ready by November following submission to leaders of the regional bloc at the ASEAN Summit, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed Tuesday. "We have been working on this for the past year. It is almost done. The next milestone is getting approval at the August meeting of the ASEAN Economic Ministers in Kuala Lumpur," he said after the launch of the ASEAN SME Showcase and Conference 2015 (ASSC 2015) here Tuesday.

Credit Growth Remains Strong - Zeti

KUALA LUMPUR -- Credit growth in Malaysia remains strong, expanding at the rate of nine per cent, Bank Negara Malaysia Governor Tan Sri Dr Zeti Akhtar Aziz said Wednesday. Banks should highlight how Small and Medium Enterprises (SMEs) could be eligible for funding and not just reject them, she told reporters after giving a luncheon address at the ASEAN SME Conference here Thursday.

ASEAN Businesses Need ASEAN Strategy, Says Zeti

KUALA LUMPUR -- While the future for ASEAN looks promising, ASEAN businesses, including small and medium enterprises (SMEs), need to consider and explore an ASEAN strategy, said Bank Negara Malaysia Governor Tan Sri Dr Zeti Akhtar Aziz Wednesday. She said ASEAN businesses should also view the region as an increasingly integrated market and having such regional or international perspectives may prove to be a game changer for SMEs, paving a path towards sustained growth, increased job creation and higher innovation capacity.

PropUP Property*update*

No Tightening Policy For First Time Buyers Of Affordable Homes

KUALA LUMPUR -- Bank Negara Malaysia (BNM) on Tuesday clarified that there is no tightening policy for first time buyers of affordable homes. "The tightening requirement is for the third purchase of residential properties to avoid the risk of over-leveraging and an over-indebted situation in the country," Governor Tan Sri Dr Zeti Akhtar Aziz told reporters at the release of the Labuan Financial Services Authority (FSA) Annual Report 2014 here.

Bina Puri Makes First Foray Into Iskandar Malaysia

KUALA LUMPUR -- The property division of Bina Puri Holdings Bhd will form a joint venture to carry out a residential project in LakeHill Resort City, with a gross development value (GDV) of RM204 million. LakeHill Resort City is a flagship development in the Iskandar Malaysia economic corridor. Bina Puri Properties Sdn Bhd is the developer while LakeHill Resort Development, the landowner, is entitled to payment of the land cost of RM21.26 million and 20 per cent of the project profit.

Nexgram, MCC Overseas To Develop RM1.5 Bln Projects

KUALA LUMPUR -- Nexgram Holdings Bhd's property arm Nexgram Land Sdn Bhd has signed a Memorandum of Understanding (MoU) with MCC Overseas (M) Sdn Bhd to develop two projects in Cyberjaya and Putrajaya worth about RM1.5 billion. In a statement Tuesday, Nexgram Land said it has engaged MCC Overseas as a contractor for the two projects with construction works expected to take off as early as the third quarter of this year.

Genting Premium Outlets Set To Rise In Iconic Genting Highlands

KUALA LUMPUR -- After the success of the Johor Premium Outlets (JPO), Genting Group and its partner, Simon Property Group, will build a RM200 million premium outlet in Genting Highlands. Set to further position Malaysia as a global shopping haven in the region, the 600,000 square feet Genting Premium Outlets (GPO), the world's first outlet atop a hill, will house 150 designer and brand name stores.

Felcra Expects ROI From Menara Project In 3 Years

KUALA LUMPUR -- Felcra Bhd, through its subsidiary, Felcra Properties Sdn Bhd, expects to recoup return on investment (ROI) from the Menara Felcra project within three years. Its chairman Datuk Bung Moktar Radin said Thursday, the construction of Menara Felcra, comprising a 35-storey office tower, a 43-storey service apartment and a commercial centre, with a gross development value (GDV) of RM850 million, would begin in August.

BURSA MALAYSIA

Scoreboard
Gainers - 370
Losers - 424
Not Traded - 719
Unchanged - 310
Value - 3693682994
Volume - 22345505

BURSA: KL Shares End Week On Bearish Note

KUALA LUMPUR -- Shares on Bursa Malaysia ended the week on a bearish note Friday with the benchmark index 8.04 points lower, as losses in heavyweights continue weighing on it. At 5 pm, the FTSE Bursa Malaysia KLCI (FBM KLCI) stood at 1,747.52 after hovering between 1,746.06 and 1,755.82 throughout the day. Losers outpaced gainers by 424 to 370, while 310 counters were unchanged, 719 untraded and 27 others suspended. Total volume rose to 2.23 billion units worth RM3.69 billion from 1.61 billion units worth RM1.9 billion Thursday. Leading the top losers list, British American Tobacco lost 95 sen to RM62, Public Bank shed 46 sen to RM18.50, and Kuala Lumpur Kepong depreciated 30 sen to RM20.70. Kenanga Research said investor sentiment remained sluggish due to an upcoming sovereign rating review and weakening of the ringgit over the week. “Key indicators still show no signs of revival as they remain in their respective oversold regions,” the research firm said in a note. Main Market volume increased to 1.41 billion shares worth RM3.48 billion from 875.59 million shares worth RM1.69 billion Thursday.

FOREX: Ringgit Closes Lower Against Greenback

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	3.6660	3.6690
EUR	4.0172	4.0212
GBP	5.6009	5.6073
100 YEN	2.9603	2.9634
SGD	2.7182	2.7222

Source: Bank Negara Malaysia

KUALA LUMPUR -- The ringgit closed lower against the US dollar Friday on lack of demand, amid greenback buying interest, and lower crude oil prices. At 5 pm, the local unit was lower at 3.6660/6690 from 3.6400/5430 on Thursday. Forex Time Chief Market Analyst Jameel Ahmad said US Federal Reserve Chairman Janet Yellen’s comment on the central bank’s commitment to raise interest rates this year reignited buying interest for the greenback and removed doubts as to whether the hike would be put on hold. “We currently expect September to be the time for a rate rise, but the ‘at some point this year’ remark provides flexibility for these interest rate expectations to be pushed back to December,” he said. He added that the timely combination between US dollar interest and downside pressures from weakening crude oil prices have hurt currencies linked to commodity prices including the ringgit. The ringgit was traded lower against other major currencies. It depreciated against the Singapore dollar to 2.7182/7222 from 2.6983/6007 on Thursday and fell against the yen to 2.9603/9634 from 2.9381/9417. The local currency traded lower against the British pound at 5.6009/6073 from 5.5808/6876 Thursday and eased against the euro to 4.0172/0212 from 3.9822/0865.

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

KUALA LUMPUR -- Short-term interbank rates closed steady Friday on Bank Negara Malaysia’s (BNM) intervention to mop up surplus liquidity in the financial system. The liquidity surplus in the conventional system eased to RM25.57 billion from RM27.21 billion earlier, while in the Islamic system, it fell to RM4.79 billion from RM12.27 billion. In the morning, BNM called for two conventional money market tenders, a repo, an Al-Wadiah and a Commodity Murabahah Programme. The central bank also conducted a late conventional money market tender for RM24.7 billion and a RM4.8 billion Al-Wadiah tender, both for three-day money. The overnight Islamic reference rate stood at 3.21 per cent, while the one-week, two and three-week rates stood at 3.27 per cent, 3.32 per cent and 3.35 per cent, respectively.

KLIBOR Futures Close Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended untraded Friday. June 2015, July 2015, August 2015 and September 2015 were pegged at 96.32, 96.36, 96.38 and 96.39, respectively. Open interest amounted to 902 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.69 per cent.

KLCI Futures Contracts End Mostly Lower

By Farhana Poniman

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts closed mostly lower Friday, tracking the bearish performance of the benchmark index. Phillip Futures Sdn Bhd dealer Thomas Yew Jia-Jong said the index closed negative in the final moments of the market as a bearish mood continued to dominate investor sentiment. “The bearish sentiment was mainly caused by heightening political uncertainty and the country’s outlook. “The FBM KLCI ended the week in the red, settling 8.04 points lower at 1,747.52 at the close,” he told Bernama. On the futures market, May 2015 rose 2.5 points to 1,753.5, June 2015 and December 2015 declined 7.0 points each to 1,740 and 1,738 respectively, and September 2015 was 6.5 points lower at 1,738.5. Turnover was lower at 10,778 lots from the 15,095 lots recorded Thursday, while open interest declined to 41,453 contracts from 42,292 contracts.

Malaysia Needs 60,000 Accountants By 2020

SHAH ALAM -- Malaysia needs to double its accountants to 60,000 in an effort to support its transformation into a developed nation by 2020, Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said Monday. "There are currently about 30,000 accountancy professionals in Malaysia, of which 28 per cent are registered chartered accountants," he told reporters after witnessing the exchange of two memoranda of understanding (MoU) at the Universiti Teknologi MARA (UiTM) campus here.

EPF I-Akaun Usage Increases 100 Pct

KUALA LUMPUR -- The usage of i-Akaun, an online facility to check Employees Provident Fund (EPF) savings, has increased to over 100 per cent in the first quarter ended March 31. The EPF said Monday, the number of members logging into the service surged 102.65 per cent to 2.91 million from 1.43 million in the corresponding period last year.

BNM Strives To Create Disabled-Friendly Financial System

KUALA LUMPUR -- Bank Negara Malaysia (BNM) is striving to create an inclusive and disabled-friendly financial system to ensure every level of society can have access to financial services in the country. In an effort to realise the aspiration, BNM assistant governor Abu Hassan Alshari Yahaya said Tuesday, issues and challenges faced by people with disabilities (OKU), especially access to financial products and services had to be addressed.

Moody's Maintains 'Stable Outlook' For M'sian Banking

KUALA LUMPUR -- Moody's Investors Service has maintained its 'stable outlook' for the Malaysian banking system over the next 12-18 months. In a statement Tuesday, Moody said it has maintained a stable outlook on this system since May 2013. Moody's Vice President and Senior Analyst Simon Chen said, the key drivers of its stable outlook are the banks' strong capital and stable funding levels, and expectation of a continued high degree of government support.

Book On Islamic Capital Markets Launched

KUALA LUMPUR -- The expanding role of Islamic capital market across the globe saw the timely launch of the 'Islamic Capital Markets: Principles and Practices', a joint publication by the International Shari'ah Research Academy for Islamic Finance (ISRA) and Securities Commission (SC). In a statement Tuesday, both ISRA and SC said the textbook served as a vital source of reference on the key principles underlying the Islamic capital market operations and its practices.

London Forging Closer Ties With KL In Islamic Finance

KUALA LUMPUR -- London is forging closer ties with Kuala Lumpur in the area of Islamic finance in an effort to serve global trade and investment, the Lord Mayor of the City of London said. Alderman Alan Yarrow, who is leading a two-day business delegation to Kuala Lumpur ending Tuesday, said the main goal of his visit was to build partnership between the UK and Malaysia.

Al Rajhi Bank Launches New Medical Plan

KUALA LUMPUR -- Al Rajhi Bank has launched a new medical plan, i-Medic, offering affordable and comprehensive medical and hospitalisation coverage. The new product is in partnership with AIA PUBLIC Takaful Bhd. "i-Medic will enable Al Rajhi Bank to strengthen its bancatakaful products offering and create an opportunity to expand its retail portfolio through new innovative financial solutions," said acting Chief Executive Officer, Selamat Hj Sirat in a statement here Tuesday.

CIMB Offers Global SMA Platforms To High-Net Individuals

KUALA LUMPUR -- CIMB Private Banking has appointed UOB Asset Management (Malaysia), in partnership with BNY Mellon Managed Investments, to introduce Malaysia's first global Separately Managed Accounts (SMA) to high-net-worth individuals. In a statement Thursday, CIMB Private Banking said SMA would provide investors access to investment strategies from leading global asset managers.

Ways To Enhance Proportionality In Financial Practice Outlined

KUALA LUMPUR -- Decision makers need to further coordinate efforts in order to develop and propagate more widely frameworks for measuring the impact of regulation on financial inclusion, Bank Negara Malaysia Deputy Governor Datuk Muhammad Ibrahim said. "Such frameworks should be able to objectively assess, based on well-defined and consistently applied measures, how regulation either increases or reduces barriers to financial inclusion," he said Thursday.

CGC Offers Assistance To Banco Central De Timor-Leste

KUALA LUMPUR -- Credit Guarantee Corporation Malaysia Bhd (CGC) is collaborating with Banco Central de Timor-Leste (BCTL) for the development of credit guarantee and financing schemes for Small and Medium Enterprises (SMEs) in Timor-Leste. Towards this end, both parties Friday signed a memorandum of understanding (MoU), said CGC said in a statement. CGC will also assist with the establishment of a credit guarantee institution or unit to manage the guarantee scheme for BCTL.

Malaysia's International Investment Position At RM1.2 Bln

KUALA LUMPUR -- The net liabilities position of Malaysia's international investment stood at RM1.2 billion at the end of the first quarter, an improvement of RM11.9 billion, from RM13.1 billion registered at the end of last year. The Statistics Department said the financial assets' position accumulated to RM1.49 billion compared with RM1.45 billion recorded last year. In a statement Friday, it said total liabilities recorded RM1.49 billion as against RM1.46 billion in 2014.

Takaful Malaysia Posts RM62.2 Mln Profit Q1

KUALA LUMPUR -- Syarikat Takaful Malaysia Bhd's profit before zakat and taxation for the first quarter (Q1) ended March 31, 2015 rose 39.1 per cent to RM62.2 million from RM44.7 million registered in the same quarter last year. "The higher profit is attributable to higher wakalah fee income and lower expense reserves," it said in a filing to Bursa Malaysia here Monday. Revenue increased to RM562.4 million from RM432.0 million previously. On the current year's prospects, the company said it will continue to reward customers with a 15 per cent Cash Back for General Takaful products and establish a strong foothold in the local insurance and takaful arena as the preferred choice for insurance.

Kulim's Pre-Tax Profit For Q1 Rises To RM24.58 Mln

KUALA LUMPUR -- Kulim (Malaysia) Bhd's pre-tax profit rose to RM24.58 million for the first quarter ended March 31, 2015 from the RM20.2 million recorded in the same quarter last year. However, revenue decreased 2.91 per cent to RM268.17 million during the period under review, from RM276.2 million previously. In a filing to Bursa Malaysia here Monday, the company said the oil palm sector recorded a lower profit for the first quarter, due to lower average price of crude palm oil from Malaysia's plantation segment. Meanwhile, the group's other businesses like intrapreneur ventures and oil and gas support services, saw an increase in their pre-tax profit by 25.42 per cent and 110.03 per cent respectively.

E&O's Pre-Tax Profit For FY15 Rises To RM202.44 Mln

KUALA LUMPUR -- Eastern & Oriental Bhd's (E&O) pre-tax profit rose to RM202.44 million in the financial year ended March 31, 2015 from RM167.17 million registered a year ago. In a filing to Bursa Malaysia here Monday, the company said this was due to higher gains from investments and others segments, following the disposal of wholly-owned subsidiary Patsawan Properties Sdn Bhd, and higher share of results of joint ventures. However, the property development company's revenue declined to RM449.50 million from RM497.14 million previously. On the current year's prospects, E&O anticipates the property market to recover and grow over the medium to long term as the company would roll out new projects across the Kuala Lumpur city centre, Iskandar Malaysia, Penang and London.

Boustead's Pre-Tax Profit Dips To RM69.5 Mln In Q1

KUALA LUMPUR -- Boustead Holdings Bhd's pre-tax profit dropped to RM69.5 million in the first quarter (Q1) ended March 31, 2015, from RM133.3 million in the same quarter last year. In a filing to Bursa Malaysia here Monday, it said revenue fell to RM1.89 billion from RM2.5 billion previously. The company said going forward, it expects 2015 to be a challenging year, in light of the global economic uncertainties and challenging market conditions. "On the domestic front, prospects remain positive as the Malaysian economy is well supported by the underlying strong economic fundamentals, sound financial system, accommodative monetary policy and implementation of various government initiatives," it added.

BIMB Holdings Posts Higher Earnings In Q1

KUALA LUMPUR -- BIMB Holdings Bhd posted a higher profit before tithe and taxation (PBZT) of RM220.3 million in the first quarter ended March 31, 2015, a 13.3 per cent increase compared with the same period last year. The bank's revenue rose to RM809.1 million from RM726.9 million previously. In a filing to Bursa Malaysia here Tuesday, BIMB said its net financing grew 20.8 per cent year-on-year to RM30.1 billion as at March 31, 2015. For Bank Islam Group, its PBZT increased four per cent to RM173.7 million during the reviewed quarter compared with the previous corresponding period, mainly attributed by growth in business activities.

FGV Q1 Profit Falls Sharply, Lower CPO Prices

KUALA LUMPUR -- Felda Global Ventures Holdings Bhd's profit before tax and zakat for the first quarter ended March 31, 2015 fell 80.9 per cent to RM51.17 million from RM268.01 million in the same quarter in 2014. Revenue decreased to RM2.96 billion from RM3.73 billion previously, said Chief Financial Officer Ahmad Tifli Mohd Talha. "Our first quarter results were affected by the anticipated low production of fresh fruit bunches and downtrend in crude palm oil (CPO) prices which are also affecting most plantation-based companies," he said. Speaking at a media briefing here Tuesday, Ahmad Tifli said CPO prices dropped 12 per cent to RM2,279 per tonne from RM2,584 per tonne in the first quarter of 2014.

IJM Corp's FY15 Pre-Tax Profit Decreases To RM1.02 Bln

KUALA LUMPUR -- IJM Corp Bhd's pre-tax profit for the financial year ended March 31, 2015 slipped 28 per cent to RM1.02 billion compared with RM1.42 billion in the previous financial year. Revenue declined 9.3 per cent to RM5.45 billion from RM6.01 billion previously, the company said in a statement here Tuesday. The lower pre-tax profit was largely due to the preceding year's results, including a number of significant one-off recognitions attributable to its infrastructure and property divisions while the lower revenue was mainly due to lower contribution from the construction division. Ignoring these non-recurring transactions and unrealised forex fluctuations, IJM said its core pre-tax profit saw a mild decrease of 6.1 per cent to RM1.03 billion compared with RM1.10 billion in the previous year.

UMW's Pre-Tax Profit Fall To RM320 Mln In Q1

KUALA LUMPUR -- UMW Holdings Bhd's pre-tax profit fell to RM320 million in the first quarter ended March 31, 2015 from the RM479.4 million registered in the same period last year. The company recorded revenue of RM3.24 billion from RM3.58 billion previously, dragged down by lower contribution from the automotive as well as manufacturing and engineering segments. Net profit fell 29.9 per cent year-on-year to RM165.22 million as opposed to RM235.5 million registered in the previous year's corresponding quarter. The automotive segment, the group's biggest earnings contributor, recorded lower revenue of RM2 billion for the quarter from RM2.65 billion, as its Toyota core vehicle models faced stiff competition from other players in the market.

Malakoff's Pre-Tax Profit Soars To RM175.53 Mln In Q1

KUALA LUMPUR -- Malakoff Corporation Bhd's pre-tax profit for the first quarter ended March 31, 2015 soared to RM175.53 million from RM44.57 million in the same quarter last year. Revenue improved to RM1.35 billion versus RM1.24 billion previously, mainly due to higher capacity factor registered by Tanjung Bin Power Plant and the consolidation of Port Dickson Power's profits following the completion of its acquisition in April 2014. Basic earnings per share stood at 2.90 sen against 0.07 sen. "Moving forward, we remain focused on delivering growth that are earnings accretive to group performance, adding value to our shareholders," the independent power producer said in a filing to Bursa Malaysia here Wednesday.

TH Plantations Q1 Profit Falls To RM320,000 From 12.01 Mln

KUALA LUMPUR -- TH PLantations Bhd's pre-tax profit fell to RM320,000 for its first quarter ended March 31, 2015 from RM12.01 million in the same quarter last year. Revenue dropped to RM82.3 million from RM124.24 million previously. "The prolonged dry weather in the first half of last year and the adverse wet weather at the end of 2014 have brought upon deeper effects on production than initially expected," Chief Executive Officer and Executive Director Datuk Zainal Azwar Zainal Aminuddin said. In addition, commodity prices continued to remain subdued, further impacting the overall earnings of the Group, he said in a statement here Wednesday.

AirAsia X Q1 Pre-Tax Loss Rises To RM117.28 Mln

KUALA LUMPUR -- AirAsia X Bhd posted a pre-tax loss of RM117.28 million for the first quarter (Q1) ended March 31, 2015, compared with a pre-tax loss of RM48.13 million previously. Revenue, however, rose 3.5 per cent to RM775.37 million from RM749.48 million previously, the company said in a filing to Bursa Malaysia here Wednesday. "The strong revenue was driven by charters and wet leases, operating lease income and cargo," it said. Operator expenses for the quarter under review decreased one per cent year-on-year (y-o-y) in Q1 2015 to RM776 million from RM786 million in Q1 2014, mainly due to a 32 per cent y-o-y drop in jet fuel cost from RM401 million to RM274 million in Q1 2015, attributed to lower fuel prices, the company said.

DRB-Hicom's Pre-Tax Profit For FY 2015 Declines To RM502.21 Mln

KUALA LUMPUR -- DRB-Hicom Bhd's pre-tax profit for the financial year ended March 31, 2015 declined to RM502.21 million compared with RM801.74 million last year. Revenue slipped to RM13.69 billion from RM14.20 billion previously, the company said in a filing to Bursa Malaysia here Thursday. In a statement, DRB said the group's performance for the financial year was reinforced by increased contribution from the defence, aero-structure, logistics and solid waste management sectors. "In view of the prevailing uncertainties in the global economy, the group will continue to intensify its marketing efforts to expand and sustain its revenue streams, while remaining vigilant on costs and risk management. This includes more aggressive introduction of new models for all marques marketed by the group as well as launches of new property development projects in the Klang Valley and Iskandar Region," it said.

Litrak FY15 Pre-Tax Profit Rises To RM186.955 Mln

KUALA LUMPUR -- Lingkaran Trans Kota Holdings Bhd's (Litrak) pre-tax profit improved to RM186.955 million in the financial year ended March 31, 2015 from RM171.730 million chalked up a year ago. Revenue increased to RM380.733 million from RM373.932 million in the same period, the company said in a filing to Bursa Malaysia here Thursday. "The increase in profit before taxation for the current financial year is mainly attributable to higher revenue and lower finance cost recorded in Litrak and share of profit in Sprint Group," it said. The highway operator attributed the higher revenue to the higher traffic volume recorded in the current financial year-to-date.

AirAsia Returns To Black In Q1 FY15

KUALA LUMPUR -- AirAsia Bhd returned to the black in the first quarter ended March 31, 2015 (FY2015) with a profit after tax of RM149.33 million, RM577.8 million higher compared to the RM428.5 million loss after tax posted in the preceding quarter ended Dec 31, 2014. Revenue stood at RM1.3 billion on the back of 5.5 million passengers carried and 75 per cent load factor in the first quarter of 2015. "During challenging times such as the one we faced, maintaining a disciplined cost structure proved to be an effective strategy yet again," AirAsia Bhd Chief Executive Officer (CEO) Aireen Omar said in a statement here Thursday.

PIDM Records RM374.7 Mln Revenue In 2014

KUALA LUMPUR -- Perbadanan Insurans Deposit Malaysia (PIDM) recorded a total revenue of RM374.7 million in 2014, comprising RM311 million in premiums and RM63.7 million in investment income. Operating expenditure, which stood at RM83.9 million, was RM17.1 million or 17 per cent below budget, the statutory body said in reviewing its operations for the financial year ended Dec 31, 2014. As a result, PIDM said net surplus for the year totalled RM290.8 million compared with a budget of RM261 million. PIDM is a statutory body mandated by Parliament to protect financial consumers, and it administers six separate funds under the Deposit Insurance System (DIS) and, the Takaful and Insurance Benefits Protection System (TIPS) which is a safety net for depositors and policy owners.

MMHE To Expand To Downstream And Onshore Segments
KUALA LUMPUR -- Malaysia Marine and Heavy Engineering Holdings Bhd (MMHE) will be expanding to the downstream and onshore segments this year, given the more competitive environment in the global oil and gas industry amid the plunge in oil prices. Managing Director and Chief Executive Officer Abu Fitri Abd Jalil said diversification is needed now as market players are hungry for projects in order to remain sustainable and profitable. "We are not on the losing side in the upstream and offshore segments but since we have the capabilities, we are also going to focus on the downstream and onshore segments. There is a sizeable job market in Malaysia, even onshore," he told reporters here Monday.

FGV To Supply Premier Oil Palm Seeds To Mindanao
KUALA LUMPUR -- Felda Global Ventures Holdings Bhd (FGV) subsidiary Felda Agriculture Services Sdn Bhd (FASSB) has ventured into the Philippine market to supply its premier oil palm seeds to planters in Mindanao. FASSB signed a Memorandum of Collaboration with the Philippines' Bali Oil Palm Produce Corporation (BOPPC) recently to explore the possibility of collaborating in agriculture-related products and services, said FGV in a statement here Monday. Under the collaboration, which will be a springboard for Mindanao to become one of the major world-class palm oil exporters together with FGV and other top world producers, FASSB is committed to delivering the first oil palm seeds to the Philippine Coconut Authority (PCA) and BOPPC this year.

Economic Upturn In Asian Countries Still Fragile - GECS
KUALA LUMPUR -- The economic upturn in Asian countries is still fragile, according to the regular global survey of finance professionals. The Global Economic Conditions Survey (GECS) showed while Asian finance professionals were more confident and forecast improved orders, they were less positive about investments in employment. The GECS was jointly carried out by the Association of Chartered Certified Accountants (ACCA) and Institute of Management Accountants (IMA). "Asian responses showed continued improvement in the first quarter 2015, although the pace of improvement slowed slightly. Asia Pacific capital expenditure responses improved year-on-year, while South East Asia saw a quarter-on-quarter improvement in available investment capital," said Malaysia ACCA head, David Chin said in a statement here Monday.

TM Forms Consortium For M'sia-Cambodia-Thailand Submarine Cable System
KUALA LUMPUR -- Telekom Malaysia Bhd (TM) has sealed an agreement with Symphony Communication of Thailand and Telcotech of Cambodia, to form a consortium for the establishment of the Malaysia – Cambodia – Thailand (MCT) submarine cable system. The latest intra-regional submarine cable system which spans about 1,300 km is expected to be ready for commercial traffic by end-2016. It also provides further access to Indochina countries like Laos, Myanmar and Vietnam via terrestrial links, TM said in a statement here Monday. Upon completion, international telcos from various regions that have an interest in Indochina, can utilise the MCT cable system. Indochina operators that ride on MCT will be able to access Malaysia as well as other Asean countries.

Customs Expects 75,480 GST Return Statements By May 31
KUALA LUMPUR -- The Royal Malaysian Customs Department (JKDM) expects to receive Goods and Services Tax (GST) return statements from 75,480 GST-registered companies by May 31. Director General Datuk Seri Khazali Ahmad reminded traders who have not done so to submit their statements from Tuesday until May 31, when all Customs offices will be open from 8am to 6pm daily including on Saturday and Sunday. In a statement here Monday, he said the reminder complies with Section 41(1) of the Goods and Services Act 2014. Khazali said businesses with annual taxable income exceeding RM5 million must submit their GST return statement monthly.

Japan Wants To See Shinkansen Run On M'sian Land
From Arul Rajoo Durar Raj

TOKYO -- Japan has made it clear that it wants to see the country's proud Shinkansen bullet train technology used in the planned high speed rail project between Kuala Lumpur and Singapore. Prime Minister Shinzo Abe made known his intention during the bilateral meeting with the Malaysian delegation led by his counterpart Datuk Seri Najib Tun Razak here Monday. "I hope to see the Shinkansen running on Malaysian land," he said at joint press conference with Najib after the meeting at the Prime Minister's Office. Najib said they spent a lot of time discussing the high speed rail project to be undertaken by both the Malaysian and Singapore governments. "We realised the significance and importance attached to the project by Japan," Najib said.

Petronas' Bukit Tua Field In Indonesia Comes On Stream
KUALA LUMPUR -- Petronas reached a significant milestone in its upstream operations in Indonesia as its Bukit Tua field came on stream on May 17. Located in the Ketapang block about 110 km offshore East Java, the field is expected to produce 3,700 barrels of oil per day (bopd) and two million standard cubic feet of gas per day (mmscfd) in its initial production stage. General Manager and Country Chairman of Indonesia Operations Hazli Sham Kassim said in a statement here Tuesday: "We are proud that the Bukit Tua field has come on stream and this is Petronas' biggest upstream project in Indonesia, so far. This project is an integrated development of other supporting facilities, namely the Ratu Nusantara Floating Production, Storage and Offloading facility, a 110 km subsea pipeline and a 4.7 hectare (11.6 acre)

onshore receiving facility (ORF)." Upon ramping up the field, the production will increase gradually before reaching its peak production capacity of 20,000 bopd of oil and 50 mmscfd of gas.

Four Professional Bodies Dismantle Scale Of Fees - MyCC

KUALA LUMPUR -- The Malaysia Competition Commission (MyCC) has confirmed that the four professional bodies that were issued with directives to dismantle their scale of fees have done so. They are The Malaysian Institute of Arbitrators, the Malaysian Institute of Architects, the Malaysian Dental Association, and the Institute of Landscape Architects Malaysia, MyCC said in a statement here Tuesday. "These professional bodies have all implemented the requirements set by the MyCC to confirm that they have dismantled their scale of fees. They have also announced that their scale of fees have been dismantled and are no longer applicable in order to comply with the Competition Act 2010," it added. It is generally accepted by most competition authorities around the world that the setting of fees by professional bodies which are to be followed by their members could contravene competition law.

Felcra Looks To Plant 'Harum Manis' Mango In Perlis

KUALA LUMPUR -- Felcra Bhd, in a bid to unlock its land bank value, is looking to plant mango of the high quality "Harum Manis" variety at a 100-hectare site in Perlis. Chairman Datuk Bung Mokhtar Radin told reporters here Tuesday, the group had allocated about RM5 million for the project which is expected to start within this year. "The Harum Manis mango variety has good market potential and is in high demand locally and overseas. It can command up to RM40 a kilogramme locally and around US$25 overseas," he added. He said Felcra was now in the midst of discussions with Universiti Malaysia Perlis (UniMap) on using the latter's technology which enables mango trees to fruit all-year-round. This is opposed to the very short fruiting season currently.

M'sian Online Shoppers To Increase - Reblex Business Group

By Nor Awaina Arbee Ahmad Rejal Arbee

KUALA LUMPUR -- Reblex Business Group Sdn Bhd, an organiser of business conferences, sees the number of Malaysian online shoppers increasing over the next five years. President Felex Tan said online shoppers are expected to make up 50 per cent of the population within this period. "Currently, only 30 per cent of the population shops online, with the likelihood of retail shoppers being transformed to the former in time. On some sites, it is safe to say that business is booming as the number of shoppers grows," he told Bernama after launching the 5th Asia E-commerce Conference 2015 here, Wednesday. He said the online industry is also growing steadily in Malaysia and Southeast Asia.

Matrade Eyes More E-Marketplaces Collaboration For eTRADE

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (Matrade) is eyeing collaboration with other established international e-marketplaces like eBay, Taobao and Amazon.com to provide options that can help local companies under the eTRADE programme. Deputy Chief Executive Officer Datuk Dzulkifli Mahmud said Matrade is already in talks with these business-to-business companies. "We also looking at other platforms as well, which can benefit Malaysian companies, especially small and medium enterprises (SMEs). They (other e-marketplaces) may have strength in certain markets, so we can look at this matter seriously," he told reporters here Wednesday.

M'sia Exports Durians Worth RM1.7 Mln To China From Jan-March 2015

From Rohani Ibrahim

XIAMEN (CHINA) -- Malaysia exported durian's worth US$1.7 million (RM 6.12 million) to China from January to March this year. Of this figure, US$700,000 (RM2.52 million) in exports were to Xiamen, the capital of Fujian province. Agriculture and Agro-Based Industry Minister Datuk Seri Ismail Sabri Yaakob said Malaysia hoped, agriculture trade with China can be leveraged through the establishment of the Food and Agro Council For Export (FACE), under his ministry in 2013. "Malaysia is serious in meeting the demand for durians in China," he said in his speech at the launch of durian-based products here by Duria Manufacturing Sdn Bhd here Friday. The products launched Friday include frozen durian, durian pancakes, frozen durian Musang King, durian mooncake, durian crispy role, durian ice-cream and durian spring role.

Proton's Electric Car Still At Prototype Stage

KUALA LUMPUR -- The development of Proton's electric car was still in the prototype stage and required several validation tests, the Dewan Rakyat was told here Thursday. Deputy Energy, Green Technology and Water Minister Datuk Seri Mahdzir Khalid said the prototype was currently undergoing several intensive tests to ensure quality and safety features. "The vehicle's performance also met international standards. The tests also took into account the needs of customers and the electric car can be produced at a reasonable price," he said in reply to Dr Che Rosli Che Mat (PAS-Hulu Langat) here Thursday. Mahdzir said Proton faced challenges that were usually experienced by original equipment manufacturers in developing new technology such as high-investment costs and longer research duration.

Cheong Appointed CEO Of Sunway Int'l Hotels & Resorts

KUALA LUMPUR -- Sunway Group has appointed Albert Cheong as Chief Executive Officer (CEO) of Sunway International Hotels & Resorts, effective May 18, 2015. In a statement here Monday, Sunway Group said that Cheong first joined Sunway's Hospitality Division in January last year as Group General Manager of the brand's flagship property, Sunway Resort Hotel & Spa in Kuala Lumpur. He brings with him more than 30 years of experience in the hospitality industry and will assume the dual role of overseeing and managing the portfolio of properties under Sunway Hotels & Resorts as CEO.

AmMetLife Takaful Appoints Mohamad Salihuddin As CEO

KUALA LUMPUR -- AmMetLife Takaful Bhd has received an approval from Bank Negara Malaysia (BNM) to appoint Mohamad Salihuddin Ahmad as its Chief Executive Officer effective May 14, 2015. Mohamad Salihuddin will be responsible in executing a transformation strategy to achieve profitable growth, accelerate shareholder return, as well as, ensuring the operational effectiveness of AmMetLife Takaful business in Malaysia. "We are confident that his extensive experience in the industry will help us enhance our Takaful value proposition to customers by meeting their needs with relevant and innovative syariah-compliant solutions, while expanding our market share in the takaful business in Malaysia," AmBank Group and AmMetLife Takaful Bhd chairman Tan Sri Azman Hashim said in a statement here Tuesday.

FIATA World Congress Cements M'sia's Position As Regional Distribution Hub

KUALA LUMPUR -- The hosting of the International Federation of Forwarders Association (FIATA) World Congress 2017 will further cement Malaysia's position as a hub for regional distribution centres (RDCs) and preferred international procurement centres (IPCs). Malaysia Convention and Exhibition Bureau (MyCEB) chief executive officer Zulkefli Sharif said with world-class ports and tax incentives for logistics services, the event would reaffirm Malaysia's position as a logistics hub at the crossroads of Asia. "We are confident the Congress in 2017 will add to FIATA's already distinguished achievements and provide an added veneer to local industry players who stand to benefit significantly from playing host to their international counterparts," he said in a statement here Tuesday. He said the congress would also turn a spotlight on Malaysia's Port Klang and Port of Tanjung Pelepas, 13th and 20th respectively in the World Container Ports 2013 ranking.

ShareInvestor To Hold Invest Fair Malaysia 2015

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- ShareInvestor Malaysia will organise INVEST Fair Malaysia 2015 (IFMY 2015) at the Mid Valley Exhibition Centre in Kuala Lumpur on June 20-21. Themed "WINVESTMENT - Winning Ways To Invest", IFMY 2015 provides a one-stop platform for retail investors to acquire useful knowledge and tools. Managing Director Andrew Chan said: "In line with Bursa Malaysia's call for capital market stakeholders to work together to bolster retail participation, INVEST Fair Malaysia is an ideal platform for Malaysians from all walks of life to learn more about investing and discover opportunities that are present today." IFMY 2015 will showcase over 20 exhibitors, ranging from financial institutions to investment companies.

Maybank Wins Top Asia Recruitment Award

KUALA LUMPUR -- Maybank won the Grand Winner Award for Best In House Corporate Recruitment at the Asia Recruitment Awards 2015 for Malaysia. In a statement here Tuesday, Maybank said it captured six out of the 22 award categories. Maybank garnered gold for Best Employer Brand Development, Best Regional Recruitment Programme and Best Recruitment Innovation and silver in the Best Graduate Recruitment Programme, Best Use of Digital media and Best Candidate Experience categories. "The recognition we have received demonstrates that our people framework, policies and initiatives are on par with global practices," said Group Chief Human Capital Officer Nora Abd Manaf in the statement.

TM, U Mobile Seals Deal On Network Connectivity

KUALA LUMPUR -- Telekom Malaysia Bhd (TM) will provide network connectivity to U Mobile Sdn Bhd, with immediate effect. Global and Wholesale Executive Vice-President Rozaimy Rahman said the TM would utilise its Next Generation Backhaul (NGBH) services for nine years. "This is in line with our aspiration to become the preferred partner in fulfilling end-to-end ICT and connectivity requirements," he said. Rozaimy also said TM would provide fibre mobile backhaul connectivity of up to 1Gps per site that would cover the central, southern, eastern and northern regions of Malaysia. TM NGBH is a fiberised point-to-point backhaul connectivity network specifically to support 4G Long Term Evolution rollout.

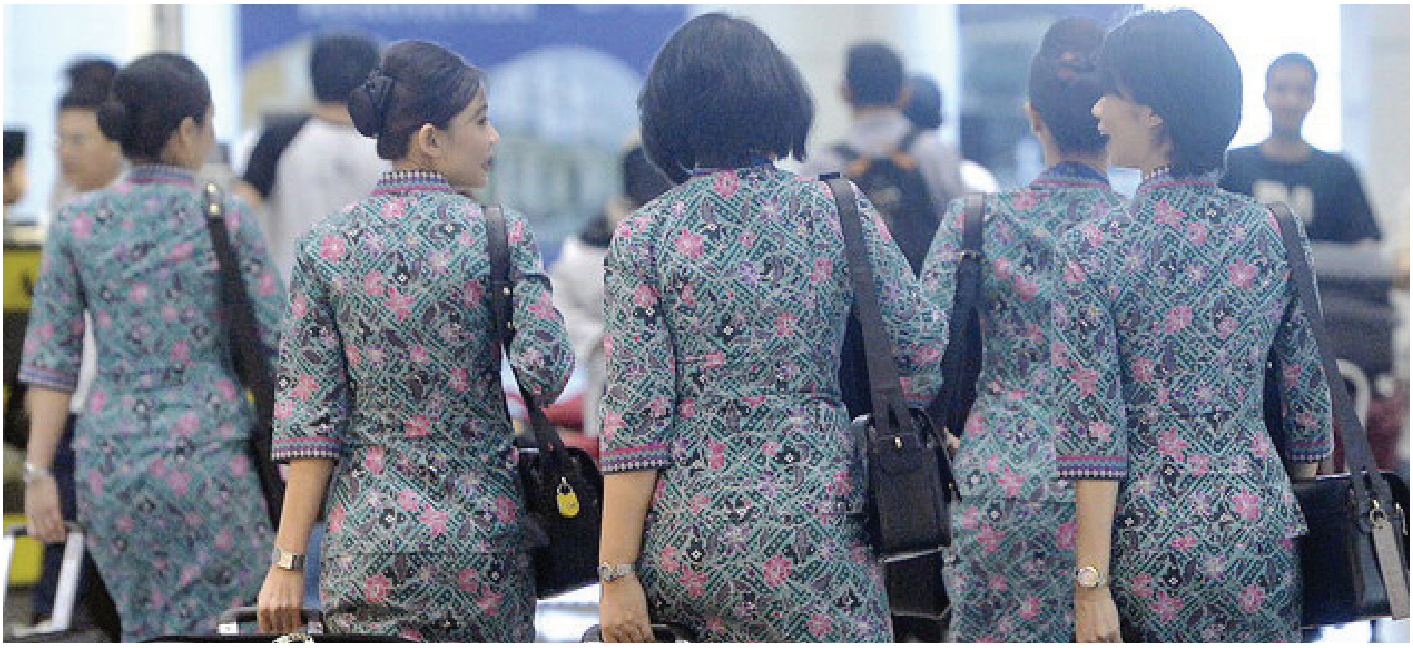
China's ASEAN Halal Centre Uses Marditech Expertise

From Rohani Ibrahim

CHENGDU (CHINA) -- Agriculture and Agro-Based Minister Datuk Seri Ismail Sabri Yaakob Wednesday launched the Suining ASEAN Halal Technology and Trade Centre (SAHTTC) at Suining, 150 km from Chengdu, the capital city of Sichuan Province. The centre will be operated by Madi Longji Qingzhen (MLQ) Certification and Technical Services (Suining) Co Ltd, a joint venture between two Malaysian companies -- MADI Longji Qingzhen (MLQ) System International Sdn Bhd and MB Longji Holdings Sdn Bhd. The MLQ Halal Certification process will strictly follow the Malaysian Standard Guideline (MS 1500 2009) with a technical team comprising Halal specialists from Marditech Corporation Sdn Bhd, a wholly-owned subsidiary of the Malaysia Agricultural Research and Development Institute (MARDI).

Trying Time For MAS Employees

By Rosmalis Anuar



UNCERTAINTY...MAS stewardesses carrying out their duties as usual despite facing uncertainty.--fotoBERNAMA

SEPANG (Bernama) -- Malaysia Airlines (MAS) employees including flight crew are carrying out their duties as usual Wednesday despite facing the uncertainty of future employment with the airline. An air stewardess met at Kuala Lumpur International Airport (KLIA) here before starting her duty in an international flight said she had put up a bold front at work undeterred by her uncertain future. "I am leaving it to God, will take it one day at a time," she said and declined to be identified. According to her, many of her flight crew colleagues were disenchanted over the uncertain future following a retrenchment exercise by MAS under a restructuring of the national airlines. "Letters will be sent to the house by post, so for us at work today, we do not know if the letter has arrived. For the time being, we leave it to the decision of the management," she told Bernama here.

NORMAL OPERATION

An observation by Bernama also found MAS' operation proceeding as normal. An MAS air steward said he and his friends were unsure of the compensation involved under the retrenchment. "We are nervous over so many things that have not been confirmed," he said when met before leaving for duty on an international flight and declined to be identified. It was reported the services of 20,000 Malaysia Airlines employees will be terminated but two thirds would be reemployed by the new airline company in a move to launch the migration of existing MAS operation to a new company, MAS Bhd starting Sept 1. A MAS employee at the check-in counter said she was confused with the procedure of the termination.

IN STAGES

"Some said there will be two letters (termination and reemployment) but some said the offer letters will be distributed in stages until September. We are worried," said the employee who has been working for MAS for six years and declined to be identified. For loyal MAS passenger, Dr. Hassan Abu Bakar, the retrenchment exercise especially the frontline staff and critical operation employees such as flight crew need not be carried out. "I feel the operation section is not a problem in MAS. I can see the crew members are working as usual and for me, MAS service is still among the best. I will support MAS 100 per cent," he said. Nonetheless, he hoped the restructuring implemented by MAS would bring back the glory of the airlines which is a pride of the nation. Another passenger, Peter Bray, 76, of New Zealand said he had patronised MAS service more than 20 times and was always satisfied with the service provided.

DILEMMA

"I have been reading the newspaper about the restructuring and a lot of people (MAS employees) don't know whether they got to keep their job. If I have been in that position I will be very very worried. "I hope the restructuring exercise would work out very well because I fly with MAS quite often and it will be a shame to see them go under," he said. Meanwhile in KUALA LUMPUR, a taxi company Wednesday offered employment opportunities as executive taxi drivers for Malaysia Airlines (MAS) employees who had been retrenched. Premium Big Blue founder, Datuk Shamsubahrin Ismail said the service which operates at Kuala Lumpur City Centre (KLCC) was prepared to recruit between 500 to 800 MAS employees regardless of their ranks to assist them find a living. "We welcome them to apply especially those under MAS. Come, and we will assist you with training and so on," he told a media conference here.

-- BERNAMA

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

FBM KLCI's Downtrend A Buying Opportunity For Quality Bluechips

By Farhana Poniman

KUALA LUMPUR -- The current downtrend in the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI), which is expected to average 1,730 points next week, presents a good buying opportunity for quality bluechips. "I recommend investors to buy construction and technology stocks as they are major benefactors of the recently announced Eleventh Malaysia Plan," said Affin Hwang Investment Bank vice-president and head of retail research, Datuk Dr Nazri Khan. Commenting on the FBM KLCI's performance, he said despite the setback, Malaysia's fundamentals remained strong with low inflation and a commendable 6.0 per cent credit growth.

"Furthermore, for the past two months, the Goods and Services Tax revenue collected amounted to RM2.5 billion. This should ease the pressure on our sovereign rating," he added. Nazri told Bernama that for the whole month of May, the FBM KLCI had shed 83 points or 4.5 per cent, due to the weakening ringgit, the global oil price slump as well as political uncertainty revolving around the 1Malaysia Development Bhd. On the external front, investor sentiment were negatively impacted following an announcement by the Federal Reserve on a possible interest rate hike this year as well as the current messy situation in Greece.

Meanwhile, on a Friday-to-Friday basis, the benchmark FBM KLCI shed 39.98 points to 1,747.52 from 1,787.5. Weekly turnover declined to 9.07 billion units worth RM11.63 billion from 10.26 billion units worth RM9.94 billion previously. Main market volume decreased to 5.19 billion units worth RM10.53 billion from 6.62 billion units worth RM8.97 billion last week.

FOREX: Ringgit To Ease Against Greenback Next Week

KUALA LUMPUR -- The ringgit is expected to ease against the US dollar next week on renewed interest for the currency, coupled with expectations that the Federal Reserve (Fed) would increase interest rates this year. Forex Time Chief Market Analyst Jameel Ahmad said the timely combination of the greenback appetite and bearish pressure on the price of West Texas Intermediate (WTI) oil are spelling bad news for those currencies linked to commodity prices. "The Canadian dollar, Australian dollar, New Zealand Dollar, Russian Ruble, Mexican Peso and Malaysian Ringgit are all hurting at present," he added. Jameel said, whether the ringgit can consolidate or at least begin to recover from recent losses, would depend on both the dollar's momentum taking a pause and selling pressure in WTI Oil, coming to an end. "Unfortunately for the ringgit, a pause in the greenback momentum will not be enough to prevent its weakness from continuing as the fall in the price of WTI is also adding downside pressures," he added.

Chair Janet Yellen reignited buying interest after reiterating the Fed's commitment to raising rates "at some point this year". He doubted the Fed might hold back until 2016. "What I found interesting from her remarks is that she still refused to offer any potential timeframe for a rate increase," he said.

Jameel expects September to be the time for a rate rise, but the "at some point this year" remark, provides flexibility for interest rate expectations to be pushed back to December.
On a weekly basis, the ringgit traded lower against the US dollar at 3.6660/6690 from last Friday's 3.5835/5865. The local note, however, ended the week mixed against other major currencies. It declined against the Singapore dollar to 2.7182/7222 from 2.6936/6972 last Friday and appreciated against the yen to 2.9603/9634 from 2.9665/9697 from last week. The local currency rose against the British pound to 5.6009/6073 from 5.6103/6172 and eased against the euro to 4.0172/0212 from 4.0017/0061 last Friday.

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

KUALA LUMPUR -- Short-term interest rates are likely to remain stable next week as Bank Negara Malaysia (BNM) continues its intervention to mop up excess liquidity. The central bank is expected to call for conventional, Islamic and repo tenders on a daily basis. For the week just-ended, BNM intervened daily by conducting conventional, Al-Wadiah, repo, reverse repo tender, and Commodity Murabahah programme tenders to reduce excess liquidity in the system. The overnight, one-week, two and three-week rates ranged between 3.21 per cent and 3.35 per cent. On Friday, the central bank called for late tenders by offering a conventional tender of RM24.7 billion of three-day money and an Al-Wadiah tender for RM4.8 billion of three-day money.

Total surplus in the conventional system this week was reduced to RM25.57 billion while RM4.79 billion remained in Islamic funds. The underlying three-month interbank rate stood at 3.69 per cent.

KLCI Futures Expected To Be On Downtrend

By Farhana Poniman

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contract (FKLI) on Bursa Malaysia Derivatives is likely to trend lower next week, mirroring the performance of the cash market. Affin Hwang Investment Bank vice-president and head of retail research Datuk Dr Nazri Khan said the benchmark FBM KLCI, which ended the week 8.04 points easier at 1,747.52 on Friday, is expected to average lower at 1,730 points. "For the whole month of May, the benchmark index shed 83 points or 4.5 per cent due to the weakening ringgit, the global oil price slump as well as political uncertainty revolving around the 1Malaysia the external front, investor sentiment was negatively affected following an announcement by the Federal Reserve of a possible interest rate hike this year as well as the current messy situation in Greece," he told Bernama. For the week just ended, the futures market was on a downtrend due to weaker buying support. On a Friday-to-Friday basis, spot month May 2015 shed 24 points to 1,753.5, June 2015 lost 38 points to 1,740, while September 2015 and December 2015 slid 36.5 points each to 1,738.5 and 1,738, respectively. Turnover for the week soared to 97,354 lots from 33,303 lots last week, while open interest rose to 41,453 contracts from 39,361 contracts previously.

Demand For Ramadan To Lift CPO Futures Higher

By Zairina Zainudin

KUALA LUMPUR -- The crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to trade higher next week boosted by strong demand ahead of the fasting month of Ramadan. Interband Group of Companies senior palm oil trader Jim Teh expects the price to range between RM2,100 and RM2,200 a tonne for the week. "We anticipate strong demand from the Middle East countries, China, India and Pakistan.

"This is a normal trend, whereby buyers will purchase in bulk a month before Hari Raya Puasa (Eid Al-Fitr) and this will reduce the stock level," he told Bernama. On a weekly basis, June 2015 rose RM38 to RM2,170 a tonne, July 2015 improved RM77 to RM2,215 a tonne, while August 2015 and September 2015 surged RM81 each to RM2,216 and RM2,220 a tonne respectively. Weekly turnover slipped to 176,335 lots from 181,695 last week, while open interest narrowed to 200,166 contracts from 204,844 contracts previously. On the physical market, June South gained RM50 to RM2,200 a tonne.

Rubber Market To Extend Rally Next Week

KUALA LUMPUR -- The Malaysian rubber market is expected to extend its rally to next week on continued buying momentum and positive sentiment, a dealer said. The ringgit's performance would be key to demand from foreign buyers next week. "The weakening ringgit last week attracted much interest in terms of shipment and should the ringgit depreciate further, the trend is likely to continue," the dealer said. The rubber market is also likely to be influenced by regional futures markets, namely the Tokyo Commodity Exchange and Shanghai Futures Exchange.

On a Friday-to-Friday basis, the Malaysian Rubber Board's sellers official physical price for tyre-grade SMR 20 was 42 sen firmer at 579 sen per kg, while latex-in-bulk rose 19.5 sen to 487 sen per kg. The unofficial sellers' closing price for tyre-grade SMR 20 surged 45 sen to 585 sen per kg and latex-in-bulk improved 20.5 sen to 489 sen per kg.

KLIBOR Futures Likely To Stay Lacklustre 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 902 contracts. On a Friday-to-Friday basis, June 2015, July 2015, August 2015 and September 2015 stood at 96.32, 96.36, 96.38 and 96.39 respectively. The underlying three-month KLIBOR stood at 3.69 per cent.

KLTM To Hover Around US$15,500-US$15,600 Next Week

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is expected to hover around US$15,500 to US$15,600 per tonne next week, supported by consumer buying. A dealer said the local tin market would continue to meet demand from European and Japanese traders. It is also expected to respond to movements on the London Metal Exchange (LME), the global trendsetter for metal prices, he added. For the week just-ended, the KLTM price moved between US$15,550 and US$15,830 a tonne, while turnover was lower at 255 tonnes from 261 tonnes last week. The price differential between the KLTM and LME narrowed to a premium of US$325 a tonne from US$345 a tonne last Friday.

Gold Futures Likely To Be Bearish Next Week

KUALA LUMPUR -- The gold futures contracts on Bursa Malaysia Derivatives are expected to see bearish movement next week with traders hoping in turn for higher prices. Phillip Futures Sdn Bhd dealer Ong Su Ling said a stronger US dollar will continue to harm the gold price. She said some significant US data to be released next week which includes that for manufacturing, factory orders, employment change, trade balance and a change in the non-farm payrolls data, is likely to affect the gold market. “Traders will also keep an eye on the progress of Greece’s long-running debt talks,” Lim told Bernama. The local market traded mostly higher for the week just ended.

On a Friday-to-Friday basis, May 2015 rose 12 ticks to RM140.35 a gramme, June 2015 and July 2015 added six ticks each to RM140.40 and RM140.80 a gramme respectively, while August 2015 increased nine ticks to RM141.30 a gramme. Volume for the week fell to 222 lots worth RM3.1 million from 402 lots worth RM5.69 million previously. Open interest was lower at 2,235 contracts from 3,193 contracts last Friday. On the physical front, the gold price was higher at RM135.68 per gramme from RM135.12 per gramme last week.