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This Week's Highlight : BNM Says No To Ringgit Peg, Capital Controls

Bank Negara Governor Tan Sri Dr Zeti Akhtar Aziz--fotoBERNAMA

KUALA LUMPUR -- Bank Negara Malaysia (BNM) will not peg the ringgit or introduce capital controls to curtail the depreciation of the local currency which is now hovering at about 3.99 to the dollar, its Governor Tan Sri Dr Zeti Akhtar Aziz said. Malaysia's economy continued to be solid and there were many positive developments that are happening, she told reporters after announcing the country's 4.9 per cent gross domestic product growth for the second quarter here Thursday.

This Week's Top Stories

MONDAY

MAHB Wants To Integrate KKIA Ops Under One Roof

KOTA KINABALU -- Malaysia Airport Holdings Bhd (MAHB) says it wants to integrate all operations at the Kota Kinabalu International Airport (KKIA) under one roof to ensure effciency and customer comfort. MAHB Senior General Manager Operation Services, Datuk Azmi Murad, said all airline operations at KKIA Terminal 1 must be integrated as it has complete facilities and can handle a large number of passengers.

TUESDAY

47th ASEAN Economic Meet To Finalise AEC Formation

KUALA LUMPUR -- The 47th ASEAN Economic Meeting, to be held here from Aug 22 to Aug 25, will put the finishing touches to the formal establishment of the ASEAN Economic Community (AEC) by year-end. Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed, said the meeting will discuss the implementation of the AEC measures, especially the completion of commitments agreed under the AEC 2015 Blueprint.

WEDNESDAY

Ringgit Weakness Is Temporary - Experts

By Siti Radziah Hamzah

KUALA LUMPUR -- The current weakness of the ringgit, mainly attributed to external factors including the soft commodity prices and a slowdown in China's economy, is temporary, say experts. Inter-Pacific Research Sdn Bhd Head of Research Pong Teng Siew said Wednesday, Malaysia was very dependent on commodities including crude oil and the sharp decline in prices would eventually have an impact on the government's revenue, thus pushing investors to take a cautious stance.

THURSDAY

Q2 GDP Reflects M'sian Economy In Good Shape

KUALA LUMPUR -- The stable and moderate gross domestic product (GDP) growth of 4.9 per cent for the second quarter of 2015 indicates Malaysia's economy is in good shape, Datuk Seri Najib Tun Razak said. "Despite some people painting a negative picture of the country's economic conditions, the Bank Negara Malaysia (BNM) report Thursday shows the real situation," the prime minister said in his latest Facebook post. Najib, who is also finance minister, said Malaysia's economic growth for the second quarter should be compared with that of other Asian and developed countries.

FRIDAY

Govt To Tackle Problems Which Resulted In Weakening Ringgit

KUALA LUMPUR -- Prime Minister Datuk Seri Najib Tun Razak has given an assurance the government will do its best to resolve the problems which have resulted in the weakening of the ringgit with the purpose of stabilising the country's economy. Writing on his blog, www.najibrazak.com, Najib, who is also Finance Minister, said Malaysia was recently shocked by the fall of the ringgit against the US dollar and listed several factors as the causes for the decline.

SMEbrief

SMES Can Raise Capital Via Crowdfunding From September

PUTRAJAYA -- Beginning September, small and medium enterprises (SMEs), can raise capital using the crowdfunding platform. Individuals can invest from RM500 to RM5,000, said the Secretariat for the Advancement of Malaysian Entrepreneurs (Same) chief executive officer, Neil Foo.

CGC Launches Website In Mandarin, Tamil

KUALA LUMPUR -- Credit Guarantee Corp Bhd (CGC) has added Mandarin and Tamil languages to its website to give a better understanding of its services to a wider range of customers. Marketing and Sales Senior Vice President Wong Keet Loong said Monday, the introduction of the two additional languages were expected to attract more small and medium enterprises (SMEs) to use its services.

SME Corp Gets 7,442 Applications For TUBE 2.0

BANGI -- SME Corporation Malaysia (SME Corp) received 7,442 applications from July 1 to 31 for the 500 places in the Tunas Usahawan Belia Bumiputera 2.0 (TUBE 2.0) programme. Chief Executive Officer Datuk Hafsah Hashim said Tuesday, the programme is expected to begin this November at 10 training camps nationwide.

Govt To Take Steps To Defend Ringgit - Mustapa

KUALA LUMPUR -- The government will take steps to defend the ringgit and overcome its impact on small medium enterprises (SMEs). Minister of International Trade and Industry Datuk Seri Mustapa Mohamed said Thursday, the move is also to assist local entrepreneurs, particularly Bumiputeras, affected by the uncertain global economy.

Bumi Entrepreneurs Told To Seize Opportunities Provided By Govt

KUCHING -- Bumiputera entrepreneurs should seize the opportunities provided by the government, said Perbadanan Usahawan Nasional Bhd (PUNB) Chairman, Senator Tan Sri Mohd Ali Rustam. "The number of Bumi entrepreneurs in Sarawak is much lower than in other states. They must come forward so that they can receive financial assistance and advice to enchance their businesses," he said at the presentation of the RM5.1 million in loans to 14 Sarawak Bumi entrepreneurs here Friday.

PropUP — Property*update*

Affin Bank Acquires Land In TRX For HQ

KUALA LUMPUR -- Affin Bank Bhd has acquired a 0.51-hectare land in the Tun Razak Exchange (TRX) from KLIFD Sdn Bhd for RM255 million, said Group Chief Executive Officer, Kamarul Ariffin Mohd Jamil Monday. He said the development would have a gross floor area of 823,439 sq ft and it would house the company's new 35-storey headquarters after being 'homeless' for 40 years.

Global Oriental Unit To Sell Land For RM43.30 Mln

KUALA LUMPUR -- Global Oriental Bhd's (GOB) wholly-owned unit, Pertanian Taman Equine Sdn Bhd, will dispose of 7.70 hectares of leasehold land in Mukim Petaling, Selangor, to Kemaris Residences Bhd Bhd for RM43.30 million. In a filing to Bursa Malaysia Tuesday, GOB said the disposal was based on a willing buyer, willing seller basis.

I-Park @ Senai Airport City Set For Launch

JOHOR BAHARU -– The next extension of the i-Park brand, known as i-Park @ Senai Airport City, is expected to be launched by the second quarter of 2016, said AME Development Sdn Bhd Managing Director Kelvin Lee Thursday. Lee said the integrated industrial park would be built in three phases on 189.04 acres (76.5 hectares) of land.

Tropicana Q2 PBT Falls To RM25.97 Mln

KUALA LUMPUR -- Tropicana Corporation Bhd's pre-tax profit for the second quarter (Q2) ended June 30, 2015, fell to RM25.97 million from RM110.96 million in the same period last year. Revenue rose to RM312.34 million from RM301.48 million previously, driven by higher revenue recognition across key projects within the Klang Valley, the property developer said in a filing to Bursa Malaysia Thursday.

IRDA Plans New Theme Parks In Iskandar Malaysia

JOHOR BAHARU -- The Iskandar Regional Development Authority (IRDA) has been in talks with several operators to realise its vision of bringing to Iskandar Malaysia at least five international theme parks within the next five years.

Chief Executive Datuk Ismail Ibrahim said Friday, the talks were between parties from Australia, Indonesia, Japan, and Europe as well as North America.

Mah Sing Rescinds Acquisition Of Seremban Land

KUALA LUMPUR -- Mah Sing Bhd's wholly-owned subsidiary, Grand Prestige Development Sdn Bhd, today rescinded its proposed acquisition of a piece of prime freehold land located in Rantau, Seremban for RM359.56 million. In a filing to Bursa Malaysia Friday, Mah Sing said the sales and purchase agreement is void due to, among others, misrepresentation and/or breach of terms and conditions by the vendors and/or events that are unlawful have occurred.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 148

Losers - 782

Not Traded - 621

Unchanged - 249

Value - 2195843322

Volume - 20095344

BURSA: Bursa Malaysia Ends Week On Subdued Note

KUALA LUMPUR -- Bursa Malaysia, which closed in the red Friday, ended the week on a subdued note on the back of volatility in the Chinese yuan, falling oil prices and softer ringgit, dealers said. At 5 pm, the FTSE Bursa Malaysia KLCI (FBM KLCI) fell 24.80 points to close at 1,596.82, after fluctuating between 1,590.57 and 1,626.90 throughout the day. A dealer said China's devaluation of the yuan continued to impact regional markets as well as currencies. He said coupled with the fall in commodity prices, the local bourse failed to defend its crucial psychological level of 1,600 points, prompting it to slide further. Losers trounced gainers by 782 to 148 while 249 counters were unchanged, 621 untraded and 12 others suspended. Total volume rose to 2.01 billion units valued at RM2.20 billion from 1.86 billion units valued at RM2.21 billion on Thursday. Main Market volume fell to 1.09 billion units worth RM1.99 billion against Thursday's 1.13 million units worth RM2.05 billion.

FOREX: Ringgit Ends 1.68 Pct Lower To The Greenback

KUALA LUMPUR -- The ringgit closed 1.68 per cent lower to the US dollar Friday, on a sell-off ahead of the weekend, a dealer said. At 5 pm, the ringgit was quoted at 4.0750/0800 against the greenback from 4.0080/0130 Thursday. Intraday, the ringgit hit the 4.15 level to the dollar for the first time since the Asian financial crisis 17 years ago. A dealer said investors wanted to be in a square ringgit position on lower risk appetite for the currency. "China's central bank appears to have stopped the pace of the yuan's devaluation today. But, continuous volatility in commodity prices, uncertainty in the US Federal Reserve policy and domestic political woes, could continue pressuring the ringgit next week," he added. He said data to monitor next week is the July consumer price index (CPI) and foreign reserves for the period ending Aug 14. The ringgit also traded lower against a basket of major currencies Friday. It declined further against the Singapore dollar at 2.9037/9087 from 2.8725/8765 on Thursday and traded lower against the yen at 3.2784/2837 from 3.2172/2215. The local unit fell against the pound sterling to 6.3603/3693 from 6.2561/2655 and weakened against the euro at 4.5424/5496 from 4.4561/4625.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.0750	4.0800
EUR	4.5424	4.5496
GBP	6.3603	6.3693
100 YEN	3.2784	3.2837
SGD	2.9037	2.9087

Source: Bank Negara Malaysia

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

KUALA LUMPUR -- Short-term interbank rates closed stable today on Bank Negara Malaysia's (BNM) intervention to absorb surplus liquidity from the financial system. The liquidity surplus in the conventional system fell to RM30.68 billion from RM35.80 billion earlier while in the Islamic system, it dropped to RM5.43 billion from RM8.92 billion. In the morning, BNM called for four tenders - one conventional, one repo, one Qard, and one Commodity Murabahah Programme. The central bank also conducted a late conventional money market tender for RM29.3 billion and a RM5.4 billion Qard 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 3.27 per cent, 3.32 per cent and 3.36 per cent, respectively.

KLIBOR Futures Close Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives closed untraded Friday. August 2015, September 2015, October 2015 and December 2015 was unchanged at close at 96.29, 96.30, 96.30 and 96.30, respectively. Open interest stood at 964 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.69 per cent.

KLCI Futures Close Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives closed lower Friday on selling pressure in line with the weaker performance on the cash market. Spot month August 2015 lost 36 points to 1,582.5, September 2015 slipped 36.5 points to 1,570, December 2015 fell 37.5 points to 1,553 and March 2016 dropped 42 points to 1,543. Turnover increased to 14,658 lots from 11,566 lots on Thursday while open interest improved to 60,656 contracts from 59,166 contracts previously. The benchmark FBM KLCI ended 24.80 points lower at 1,596.82.

Sunday Banking Soon At Bank Islam - MD

KUALA LUMPUR -- Bank Islam Malaysia Bhd will introduce Sunday banking operations at selected branches soon, said Managing Director Datuk Seri Zukri Samat. "The Sunday banking will be at branches in housing estates such as Bukit Jelutong and Denai Alam in Selangor, as we have ready customers there," he said here Tuesday. The bank has a network of 143 branches nationwide. It is planning to have seven new branches in line with the aim of having a network of 150 by end-2015.

Islamic Funding For Green Technology Projects - Bank Islam

KUALA LUMPUR -- Shariah-based funding is available now to support viable green technology projects, says Bank Islam Malaysia Bhd Managing Director Datuk Seri Zukri Samat. He said the bank would use every opportunity to promote Shariah-based financial products and services for project financing transactions, in line with the government's aim of establishing Malaysia as a leader in Islamic finance. "In the pipeline, there are a couple of hydropower projects proposed to us and we are looking into them," he told reporters here Tuesday.

Ringgit Not In Freefall State - RHB Research

KUALA LUMPUR -- The ringgit has not entered a freefall state and its impact on the economy will likely be manageable, said RHB Research. In a note here Tuesday, the research firm said despite the weakness, the country's foreign exchange (forex) reserves were still sufficient to finance 7.6 months of retained imports as of end-July 2015. It added that the level was still considered high by international standard of three to four months of retained imports and compared with the 2.6 months to 4.3 months registered during the 1997-98 period.

MDV, Bank Islam Sign RM121.44 Mln Syndicated Financing Facility

KUALA LUMPUR, Aug 11 (Bernama) -- Malaysia Debt Ventures Bhd (MDV) has signed a RM121.44 million syndicated Islamic financing facility with Bank Islam Malaysia Bhd to finance Kerian Energy Sdn Bhd's construction of a 14-megawatt mini hydropower plant in Sungai Kerian, Perak. In a statement here Tuesday, Managing Director/Chief Executive Officer, Datuk Md Zubir, said MDV's contribution to the syndication was RM60.72 million. "We also bring our expertise and experience of having financed 14 renewable energy projects," he said.

Seven EPF Members Convicted Of Fraudulent Withdrawals

KUALA LUMPUR -- Seven Employees Provident Fund (EPF) members were convicted of fraudulent withdrawals by the court in the second quarter of 2015. EPF Deputy Chief Executive Officer (Operations) Datuk Mohd Naim Daruwish said they were charged under Section 59 of the EPF Act 1991 and fined a total of RM10,000. He said in a statement here Wednesday, the offenders were imposed a fine of between RM500 and RM3,000 and ordered to repay the entire amount illegally withdrawn.

Sunway Gets US$125 Mln Term Loan Facility From HSBC Bank

KUALA LUMPUR -- Sunway Bhd, via its wholly-owned unit, Sunway Treasury Sdn Bhd, has secured a US$125 million term loan facility from HSBC Bank Malaysia Bhd. In a filing to Bursa Malaysia here Wednesday, Sunway said the faciliy was to finance Sunway's Commodity Murabahah Financing-i Facility of US$105 million plus its capital expenditure and working capital requirements. Sunway Treasury has an authorised and paid-up share capital of RM5 million and RM2,500,002 respectively. The principal activity of Sunway Treasury is provision of financial services within the group.

Ringgit Depreciates 1.8 Pct Against US$ In Q2

KUALA LUMPUR -- The ringgit depreciated by 1.8 per cent against the US dollar in the second quarter (Q2) of this year and was also down against all regional currencies, except the baht. "The ringgit and other regional currencies continued to be driven by shifts in investor sentiment and portfolio investments throughout the second quarter," said Bank Negara Governor, Tan Sri Zeti Akhtar Aziz when announcing the Q2 gross domestic product (GDP) growth here Thursday. She said the local unit depreciated between 0.1 per cent and 3.9 per cent against all regional currencies, but strengthened by 2.0 per cent against the baht.

Financial System Resilience Intact In Q2 Despite Volatility

KUALA LUMPUR -- The financial system resilience remained intact in the second quarter (Q2) despite persistent volatility in the global and domestic financial markets. Bank Negara Malaysia (BNM) Governor Tan Sri Dr Zeti Akhtar Aziz said the domestic financial markets continued to function in an orderly manner during the quarter. "Combined with continued ample domestic liquidity and institutional soundness, financial intermediation activities continued to function efficiently to support the financial and financing needs of the domestic economy," she said in announcing the Q2 gross domestic product (GDP) growth here Thursday.

PIAM Revises Premium Growth Downwards To 3-4 Pct

KUALA LUMPUR -- The General Insurance Association of Malaysia (PIAM) has revised growth for the sector's gross written premiums to three to four per cent for 2015 from 5.5 per cent to 6.5 per cent previously. This was due to the anticipated weakening of the ringgit against the US dollar, cautious economic outlook, as well as moderation in consumer spending following the Goods and Services Tax (GST) implementation. PIAM Chairman Chua Seck Guan told reporters here Thursday, the motor insurance sector which accounted for almost half (45.1 per cent) of the business market share, recorded a slow growth of 2.1 per cent in the first half of 2015 compared with 8.3 per cent in the same period last year.

BNM's Int'l Reserves At RM379.4 Bln As At July 15

KUALA LUMPUR -- Bank Negara Malaysia's (BNM) international reserves amounted to RM379.4 billion (equivalent to US$100.5 billion) as at July 15, 2015. The reserves position is sufficient to finance 7.9 months of retained imports and is 1.1 times the short-term external debt, the central bank said in a statement here Thursday. The main components of the international reserves were foreign currency reserves (US$92.0 billion), International Monetary Fund reserves position (US$0.8 billion), Special Drawing Rights (US$1.8 billion), gold (US$1.4 billion) and other reserve assets (US$4.5 billion).

Malaysia's IPI Up 4.3 Pct In June 2015

KUALA LUMPUR -- The Industrial Production Index (IPI) increased 4.3 per cent in June 2015 compared with the corresponding month a year ago, the Statistics Department said. In a statement here Monday, the department said the expansion in June 2015 was supported by positive growth in manufacturing (4.9 per cent) and mining (4.0 per cent), while the electricity index decreased 2.3 per cent. The IPI in May 2015 remained unchanged at 4.5 per cent year-on-year. In seasonally adjusted terms, the IPI in June 2015 grew 0.1 per cent month-on-month due to the increase in the manufacturing index (2.5 per cent).

Malaysia's Distributive Trade Sector Up 5 Pct In Q2

KUALA LUMPUR -- Malaysia's distributive trade sector increased by five per cent in the second quarter of 2015 (Q2), driven by positive trading in its sub-sectors. The retail trade sub-sector grew by 7.2 per cent, followed by wholesale trade (4.0 per cent) and motor vehicles (3.1 per cent), the Statistics Department said in a statement here Monday.

Matrix Concepts Posts Lower Pre-Tax Profit In Q2

KUALA LUMPUR -- Property developer, Matrix Concepts Holdings Bhd recorded a lower pre-tax profit of RM41.35 million in the second quarter ended June 30, 2015 from RM58.55 million in the same period last year. In a filing to Bursa Malaysia here Monday, the group said revenue for the quarter fell to RM120.44 million from RM163.75 million a year earlier.

Scomi Bags RM140 Mln Worth Of Marine Contracts

KUALA LUMPUR -- Scomi Energy Services Bhd's Marine Services has secured contracts worth more than RM140 million in the last four months from within the region, it announced here Monday. The contracts are for the transportation of coal and provision of offshore vessel services to clients in Indonesia, Malaysia and Thailand.

M'sian Business Angel Network Eyes RM10 Mln Fund

KUALA LUMPUR -- The Malaysian Business Angel Network (MBAN), a trade association for angel investors, targets to garner RM10 million through the 'Angels in the City' programme within a year. The programme, a collaboration between MBAN and London Business Angels (LBA), targets high net worth individuals with an annual income of at least RM180,000. "Currently we have 100 registered angels, comprising 95 locals and five foreigners, and we hope to get 150," MBAN President Dr V. Sivapalan told reporters here Monday.

MAHB Records 10 Mln Passenger Movements In July

KUALA LUMPUR -- The Malaysia Airport Holdings Bhd (MAHB) system of airports, including the Istanbul Sabiha Gokcen International Airport (SGIA), handled a record 10 million passenger movements with a double-digit increase of 16.7 per cent compared to July 2014. In a statement here Monday, MAHB said domestic traffic recorded 5.6 million passengers with 22.2 per cent growth while international traffic recorded 4.4 million passengers with a 10.4 per cent increase year-on-year (yoy) compared with the same period a year ago.

Malaysia's GDP To Grow 4.6 Pct - RHB Research

KUALA LUMPUR -- RHB Research expects Malaysia's real gross domestic product (GDP) growth to move at a slower pace of 4.6 per cent in the second quarter of 2015, from 5.6 per cent recorded in the first quarter of 2015. In a note here Tuesday, the research house said industrial production growth moderated slightly to 4.3 per cent in June from 4.5 per cent in May but was stronger compared with four per cent in April. "This was mainly reflected in a decline in the electricity output and a slowdown in mining production, but was partly mitigated by a pick-up in manufacturing output, on the back of a resurgence in manufactured exports led by the electronics sector," it said.

Airline Shares Rise In July, Outperform Broader Market

KUALA LUMPUR -- Shares of airline companies rose four cent in July this year compared with the preceding month, buoyed by falling oil prices and strong second quarter financial results. The International Air Transport Association (IATA) said in a statement here Tuesday, initial financial results showed a huge improvement in profits in all major regions, particularly in the United States (US). "The increase was driven by north American airlines', where consolidation and lower fuel costs resulted in a boost to profitability. "Airlines in the Asia Pacific and Europe are also showing gains from a year ago, supported by cost cutting measures as well as fuel cost pressure," it added.

Matrade Generates RM119.53 Mln Exports Sales From Sourcing Visits

KUALA LUMPUR -- Three recent sourcing visits organised by the Malaysia External Trade Development Corporation (Matrade) for Malaysian companies with international buyers have generated RM119.53 million worth of export sales. The three international buyers were the Home Retails Group from the United Kingdom, Boots Retail Thailand and SN Wide Reach Marketing from the Philippines, said Matrade in a statement here Tuesday. The Home Retail Group is the United Kingdom's leading home and general merchandise retailer with 1,100 stores and 50,000 product lines.

Pensonic Eyes Sales Of 100,000 Units Of Fonebud Essential Plus

KUALA LUMPUR -- Pensonic Group expects to garner sales of 100,000 units of its newly launched product Fonebud Essential Plus by the financial year ending May 31, 2016, bouyed by the demand in the mobile phone accessories market. Smartphone owners are reported to spend almost US$56 on accessories per device, and according to Allied Business Intelligence Research, smartphone accessories revenue is estimated to increase to US$38 billion by 2017. Chief Executive Officer Dixon Chew told reporters here Tuesday that since its pre-order launch on social media in April this year, more than 5,000 units have been sold in just two months.

Shell Refining Q2 Pre-Tax Profit Rises To RM322 Mln

KUALA LUMPUR -- The Shell Refining Co Bhd posted a pre-tax profit of RM322.20 million for the second quarter ended June 30, 2015 compared with a loss of RM34.66 million in the previous corresponding quarter. Revenue, however, slipped to RM3 billion from RM4 billion previously, the company said in a filing to Bursa Malaysia. Shell Refining said its improved profitability for the year was due to stronger refining margins and stockholding gains as a result of weak crude oil prices and short-term product availability. In a statement here Tuesday, Shell Refining managing director Amir Bakar said its team continued to focus on strong operational performance and product quality, which put them in a good position to capitalise on the current business environment.

Sunway REIT's Pre-Tax Profit Rises To RM547 Mln

KUALA LUMPUR -- Sunway Real Estate Investment Trust's (Sunway REIT) pre-tax profit for the financial year ended June 30, 2015 rose to RM547.34 million from RM411.12 in the same period last year. Revenue increased to RM453.45 million from RM427.78 million previously. Sunway REIT, in a statement here Tuesday, said the commendable growth was achieved on the back of a double-digit growth from its retail segment. "The retail segment remains as the growth impetus for Sunway REIT despite the increasingly challenging operating environment with a double-digit growth in revenue and net property income (NPI)," it said.

Mitrajaya's Q2 Pre-Tax Profit Rises 70 Pct To RM31.21 Mln

KUALA LUMPUR -- Mitrajaya Holdings Bhd's pre-tax profit for the second quarter ended June 30, 2015 rose 70 per cent to RM31.21 million from RM18.36 million in the same quarter last year. In a filing to Bursa Malaysia here Tuesday, the group said it revenue increased 80.5 per cent to RM243.21 million from RM134.72 million previously. "The increase in the group's revenue and profit before tax was a result of higher contribution from construction and South Africa's investment," it said.

AirAsia X Eyes Profitable 2nd Half After Sluggish Q2

KUALA LUMPUR -- AirAsia X Bhd is confident of growing its passenger load factor to 80 per cent in the second half this year (2H15) from 60 per cent currently as most of its initiatives for growth kicked in during this period, said Chief Executive Officer Benyamin Ismail. In the second quarter, the long-haul affiliate airline's passenger traffic dropped by 20 per cent to 810,944 passengers compared with the same period last year. "When I came in, a lot of things were not done within AirAsia X. We didn't spend on marketing, coupled with the QZ incident and changes in our team. So now I am confident that 2H15 would be a profitable half," he told reporters here Wednesday.

Takaful Malaysia Q2 Pre-Tax Profit Falls To RM49.80 Mln

KUALA LUMPUR -- Syarikat Takaful Malaysia Bhd's pre-tax profit for the second quarter ended June 30, 2015 fell to RM49.80 million from RM55.62 million in the same period a year ago. Its revenue, revenue, however, increased to RM433.53 million from RM424.81 million previously. "The increase is mainly attributed to higher sales generated by the general Takaful business and higher net investment income," the insurance provider said in a filing to Bursa Malaysia here Wednesday.

Nestle Pre-Tax Profit Rises To RM403.8 Mln In 1st Half

KUALA LUMPUR -- Nestlé (Malaysia) Bhd registered a pre-tax profit of RM403.81 million for its first half year ended June 30, 2015, up from RM393.87 million in the corresponding period last year. Revenue stood at RM2.42 billion compared to RM2.54 billion previously, according to its filing to Bursa Malaysia here Wednesday. In a separate statement, Nestle said turnover for the period was impacted due to the lower sales in the second quarter following the GST implementation, which led to a marginal drop of 2.0 per cent in domestic sales.

Bioeconomy Sector To Contribute RM48 Bln To GNI By 2020

KUALA LUMPUR -- Malaysia's bioeconomy sector is expected to contribute about RM48 billion to the country's gross national income (GNI) and create 170,000 high-quality jobs by 2020. Science, Technology and Innovation Minister, Datuk Wilfred Madius Tangau told reporters here Thursday the sector was also expected to attract RM50 billion investments. "The Bioeconomy Transformation Programme (BTP), launched in 2012, has 46 trigger projects up to August this year and is expected to generate a GNI of RM5.87 billion by 2020.

Media Prima's Q2 Pre-Tax Profit Increases To RM57 Mln

KUALA LUMPUR, Aug 13 (Bernama) -- Media Prima Bhd's pre-tax profit for the second quarter ended June 30, 2015 rose to RM57.33 million from RM48.98 million in the same period last year. Revenue, however, declined to RM365.81 million from RM388.58 million previously. In a filing to Bursa Malaysia here Thursday, Media Prima said the higher profit was due to better business sentiment in June for Ramadhan and Raya festivities. The better performance was also contributed by lower staff and operating costs, it said.

Gas Malaysia Q2 Pre-Tax Profit Slips To RM43.57 Mln

KUALA LUMPUR -- Gas Malaysia Bhd's pre-tax profit for the second quarter (Q2) ended June 30, 2015, fell to RM43.57 million from RM63.31 million in the same period last year. Revenue rose to RM795.01 million from RM677.99 million previously, due to higher volume of gas sold and upward revision of natural gas tariff, the company said in a filing to Bursa Malaysia here Thursday. "The board anticipates the increase in gas volume and number of customers to sustain in the 2015 financial year. The group's profitability for the financial year ending Dec 31, 2015, is expected to be in tandem with the level that will reflect the prevailing tariff setting mechanism framework," it said.

Investors Who Adopt Right Investment Strategies May Still Profit

KUALA LUMPUR -- There are still trading windows and investors who adopt the right investment strategies may still profit from the current market despite the uncertainties. "In light of the current market condition, investors must remain defensive in the near term and invest based on selected themes," Maybank Investment Bank Bhd (Maybank IB) said in a statement here Monday.

Companies Urged To State Nanotech Elements On Product Labels

ALOR SETAR -- Companies that manufacture products using nanotechnology elements need to state it on the labels of their products in an effort to broaden the use of the technology in the country. Science, Technology and Innovation Ministry (Mosti) Secretary-General Datuk Seri Noorul Ainur Mohd Nur told reporters here Monday, there were companies that refused to state the information on their product labels.

FMM Urges Factory Owners To Adopt 'Green Building' Practices

SHAH ALAM -- The Federation of Malaysian Manufacturers (FMM) has called on its members to adopt 'green building' practices in their daily operations in a move to create a more environmental-friendly sustainable nation. FMM Environmental Management Committee Chairman, Datuk Mizanur Rahman Ghani, said the federation, which has about 2,000 members currently, wanted to educate members on the need to incorporate green elements in their buildings to conserve the environment. "Adopting green building practices can enhance efficiency and productivity. If you an exporter and have green credentials, it will enhance your brand image," he told reporters here Monday.

All Airline Companies Must Move To KKIA Terminal 1

KUALA LUMPUR -- All airline companies operating at Kota Kinabalu International Airport (KKIA) Terminal 2 must move to Terminal 1 of the airport in the near future to accommodate more passengers, both domestic and international. Deputy Transport Minister Datuk Abdul Aziz Kaprawi told reporters here Tuesday, all airline companies including AirAsia Bhd which wanted to continue operating at Terminal 2 had been given a directive to move to Terminal 1 on Aug 1.

Solutions But Not In AirAsia's Favour – MAHB

By Zairina Zainudin and Nurul Hanis Izmir

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) has outlined several possible options with respect to AirAsia Bhd's complaints about the Kuala Lumpur International Airport 2 (klia2) which might not be in the latter's favour, said Managing Director, Datuk Badlisham Ghazali. "The solutions we have outlined and are implementing started with the resurfacing. We've added the concrete slabs and are now using the polyurethane compound at bay Q17, but the settlement has to be treated in progressively. "If you (AirAsia) want a one-time solution, we do not have it because it means closing down the airport," he told Bernama here Teusday, adding that doing it would be a hassle for the passengers.

Exporters Mull Forex Hedge As Ringgit Hits 4.0

By Azizul Ahmad

KUALA LUMPUR -- Calls for a more robust ringgit hedge for exporters have emerged as the local note breached the psychological level of 4.0 against the US dollar Wednesday. Corporate dealers at local banks have started urging Malaysian exporters to consider hedging the current level of the ringgit, which is said to be the best level for exports, against the greenback. Malaysian exporters who obtain their revenue in US dollars have enjoyed good profits due to the strengthening greenback, but as the ringgit's depreciation could be temporary, hedging it to maintain the best level of exports is recommended, said a dealer who wished to remain anonymous.

Softer Ringgit Makes M'sia Attractive To Foreign Franchises

KUALA LUMPUR -- The weakness of the ringgit against other currencies makes Malaysia an attractive destination for foreign franchises to expand their businesses here due to the cheaper costs. Perbadanan Nasional Bhd (PNS) Managing Director, Datuk Syed Kamarulzaman Syed Zainol Khodki Shahabudin, said the challenge now was to pick the right business to bring in which was suitable with the country's environment. "We have to choose businesses from industries that can help elevate our economy. That's important," he told reporters here Wednesday.

Construction Of MRT Reaches 65.4 Pct

KUALA LUMPUR -- The construction of Mass Rapid Transit (MRT) project has reached 65.4 per cent, said Mass Rapid Transit Corporation Sdn Bhd Chief Executive Officer Datuk Seri Shahril Mokhtar. He said the construction of the line from Sungai Buloh to Jalan Semantan was expected to be completed by the end of next year, while the line from Jalan Semantan to Kajang by July 2017. "The project is progressing very well. Overall, progress has reached about 65.4 per cent," he told reporters here Wednesday.

Zeti To Serve Full Term

KUALA LUMPUR -- Bank Negara Malaysia (BNM) Governor Tan Sri Dr Zeti Akhtar Aziz Thursday quashed rumours that she was resigning due to health reasons and stated would serve her full term. "I don't have medical issues," said the 68-year old, whose current five-year term ends on April 30, next year. She added that she had been told by her doctor that her heart was very strong with arteries very clean and could not find anything wrong.

Matrade To Organise Power Talk For Indian Businesses

KUALA LUMPUR -- All Indian business enterprises which are in the export business or ready to export their goods and services are encouraged to attend the Indian Business Community (IBC) Power Talk here on Aug 19, 2015. In a statement here Thursday, the Malaysia External Trade Development Corporation (Matrade) said the capacity building programme aimed to deepen export awareness and knowledge among Malaysia's Indian business community apart from networking with other business players. It will feature diverse topics such as Matrade's roles and function in assisting exporters and the potential in online exports via e-marketplace, experience sharing session by successful Indian-owned companies, trade clinic and business consultation session.

Fateh Iskandar To Succeed Johan As Media Prima Chairman

KUALA LUMPUR -- Media Prima Bhd has re-designated Datuk Seri Fateh Iskandar Mohamed Mansor as its chairman, effective Sept 1, 2015, succeeding Tan Sri Johan Jaafar, who will resign on Aug 31, 2015. In a filing to Bursa Malaysia here Thursday, Media Prima said Fateh Iskandar is currently the group managing director and chief executive officer of Glomac Bhd. In a separate filing, the media conglomerate said it has appointed Raja Zaharaton Raja Zainal Abidin as its new independent and non-executive director. She currently sits on the board of Big Tree Outdoor Sdn Bhd and Primeworks Studios Sdn Bhd, both wholly-owned units of Media Prima.

LGM To Commercialise Ekoprena Tyres In 2 Years

KUALA LUMPUR – Malaysian Rubber Board (LGM) plans to commercialise its eco-friendly retread tyre, Ekoprena, in two years' time. Its chairman Datuk Ahmad Hamzah said the tyre which uses expoxidised natural rubber would be suitable for vehicles as it has lower rolling resistance that enhances fuel efficiency and improves wet grip for safety. "The production cost of this tyre, which uses green materials and natural renewable resources, is only about one-third of the synthetic rubber tyres produced using petroleum source. At same time, we hope that with the enhanced usage of NR for this product, it would help the smallholders to gain better income in the future," he told reporters here Friday.

South Korea, Jakim To Cooperate In Halal Food Production

By Syed Iylia Hariz Al-Qadri Syed Izman

KUALA LUMPUR -- South Korea is looking forward to cooperate with the Department of Islamic Development Malaysia (Jakim) to venture into producing more South Korean halal food products to expand its market in Muslim countries. South Korean Ambassador to Malaysia, Cho Byungjae, said being the global hub for halal food industry, Malaysia was the ideal platform to spearhead South Korea's vision to expand its halal food market. He told Bernama here Friday, South Korea had projected an exponential growth in the halal industry considering that the global halal market stood at US$1.088 trillion in 2012, and this was expected to increase further in the future.

Petronas Says Can't Meet Dividend Commitments

KUALA LUMPUR -- Petroliam Nasional Bhd (Petronas) says it cannot meet dividend commitments due to the low crude oil prices that have strained the national oil company's financial performance. "I do not expect our cash flow from operations this year to meet our capital expenditure and dividend commitments, this means that we will have to persevere through with more austerity measures and will have to draw on our cash reserves," Petronas President and Group Chief Executive Officer Datuk Wan Zulkiflee Wan Ariffin said here Friday. For the second quarter ended June 30, 2015, the company posted a pre-tax profit of RM14.61 billion, 47 per cent lower as compared with RM28.06 billion in the same quarter last year, he announced at a press conference here.

Petronas Braces For Challenging Times As Q2 Profit Slips 47 Pct

KUALA LUMPUR -- Petroliam Nasional Bhd (Petronas) is bracing for challenging times ahead with its pre-tax profit in the second quarter dented by 47 per cent and with no reprieve from the low oil prices seen in the near future. For the second quarter ended June 30, 2015, it posted a pre-tax profit of RM14.61 billion compared with RM28.06 billion in the same quarter last year. Petronas' prudent cash management practices had provided sufficient financial reserves to weather the effects of the low oil price. "However, Petronas is bracing itself for more challenges ahead as low oil prices persist," Petronas President/ Group Chief Executive Officer, Datuk Wan Zulkiflee Wan Ariffin, said at a press conference here Friday. Revenue decreased by 28 per cent to RM61.30 billion from RM85.36 billion due to lower average realised prices recorded across all products.

Tune Hotel Adds Tune Hotel Liverpool To UK Stable

KUALA LUMPUR -- Tune Hotel will officially open its latest addition in the United Kingdom, the Tune Hotel Liverpool, on Aug 21. In a statement here Friday, it said Tune Hotel Liverpool is located in Castle Street and offers a range of double and twin rooms for the most savvy of travellers. "Tune Hotels' promise is to offer great value rooms with high-quality basics, including excellent beds, powerful showers, a central location, clean environment and 24-hour security," Tun Hotel added. Tune Hotel Liverpool is a near to Liverpool's iconic Cavern Club, the banks of the River Mersey, and a quick 12-minute drive to both the Goodison Park and Anfield stadiums.

TPM Confident Of Maintaining Revenue Of RM100 Mln In 2015

KUALA LUMPUR -- Technology Park Malaysia Corporation Sdn Bhd (TPM) is confident of maintaining a turnover of about RM100 million this year despite the challenging economic conditions and weakening ringgit. Its President and Chief Executive Officer, Datuk Mohd Azman Shahidin told reporters here Friday, so far 98 technology companies were renting TPM offices and some of them were affected by the sliding ringgit. He said TPM would be focusing on property development to cater for high-tech companies in the second half of this year.

Proton Unveils New Variant Of Saga

KUALA LUMPUR -- Proton Holdings Bhd Friday unveiled a new variant of Saga, called the Saga Plus, as a replacement to the existing variant Saga SV. In a statement here Friday, Proton said the Saga Plus has five additional features at no extra charge and will make the car even better value for money. Proton said with Saga Plus, it will streamline the Saga variant by discontinuing the Executive and SE variants. "The Saga Plus features five exterior changes -- fitted with 14-inch alloy rims, a full body kit, spoiler, rear garnish body colour and a 'Plus' grade mark," it said.

Angkasa Appointed Marketing Consultant For RM1 Bln Projects

KOTA BAHARU -- Angkatan Koperasi Kebangsaan Malaysia Bhd (Angkasa) has been appointed as a marketing consultant for three real estate projects worth RM1 billion which would be developed by United Flagship Development Sdn Bhd here. Its president told reporters here Monday, Datuk Abdul Fattah Abdullah said the first phase of the projects entailed the construction of 757 units of industrial and business premises costing RM445 million on a 50.59-hectare site in Seribong here which would be completed at the end of 2018.

TNB & Opower To Provide Customer Engagement Programme

KUALA LUMPUR -- Tenaga Nasional Bhd (TNB) is partnering with NYSE-listed Opower to provide a pilot customer engagement programme that will help customers manage their energy use and save money on their monthly electricity bills. With the partnership, TNB will be the first utility company in Southeast Asia to unveil a programme of this kind. "The 'Home Energy Report' (HER) pilot programme will initially serve 200,000 households in the Klang Valley, Melaka and Negeri Sembilan and customers will get personalised free HER and access to a new online portal," TNB said in a statement here Tuesday.

UMW Appoints Badrul President/ Group CEO

KUALA LUMPUR -- UMW Holdings Bhd has appointed Badrul Feisal Abdul Rahim as president/group chief executive officer with effect from Oct 1. In a filing to Bursa Malaysia here Tuesday, UMW said he will replace Datuk Syed Hisham Syed Wazir who will be retiring on Sept 30. "The board is confident the new president/group CEO will continue to take UMW to greater heights," it said. Badrul is currently UMW Group chief operating officer.

AirAsia Appoints David Foster As Global Brand Ambassador

KUALA LUMPUR -- Low-cost carrier AirAsia Bhd Wednesday announced the appointment of 16-time Grammy award winner David Foster as the new global brand ambassador for its premium product range. Group Chief Executive Officer Tan Sri Tony Fernandes said the collaboration would create a new market for the airline as it continues to evolve from being just a low-cost carrier to a true value carrier with the best product proposition. "This partnership with David for our Premium Flex and Premium Flatbed to start, will bolster both products to another level," he told reporters here Wednesday.

MyEG Capital To Upgrade Car X

KUALA LUMPUR -- My EG Services Bhd's unit, MYEG Capital Sdn Bhd, has signed a shareholders' agreement with its shareholders for the purposes of establishing the business, future business expansion and development and overall management of Car X Services Sdn Bhd. Car X operates and manages car classifieds web portal and other value-added services from the portal. In a filing to Bursa Malaysia here Wednesday, My EG Services said among the shareholders in the agreement were Bridge Barn Media Sdn Bhd and Car X.

Nissan Opens 4S Centre In Glenmarie

SHAH ALAM -- Edaran Tan Chong Motor Sdn Bhd (ETCM) has launched its flagship 4S (sales, services, spare parts and spray painting) Centre with a built-up area of 165,318 square feet in Glenmarie here. Developed with an investment of RM20 million, the centre has 28 sales professionals and displays 15 Nissan models. ETCM Executive Director Datuk Dr Ang Bon Beng told reporters here Wednesday, for the past 12 months, the company had been upgrading its network and facilities to cater to the needs of Nissan owners nationwide.

AirAsia To Fly KL-Goa Route From Aug 27

KUALA LUMPUR -- AirAsia Bhd is to commence thrice weekly flights between Kuala Lumpur to Goa from Aug 27. This is the second route to India launched by the budget airline this year after the Kuala Lumpur–Visakhapatnam sector in March. "Looking forward to our Kuala Lumpur-Goa first flight on Aug 27," Group Chief Executive Officer, Tan Sri Tony Fernandes tweeted. He also announced two free seats for the best tweet with the hashtag, #airasiagoa. Goa is an Indian state located on the West Coast of India and stretching along the Arabian Sea.

BMW Unveils New BMW 640i Gran Coupe In Malaysia

KUALA LUMPUR -- BMW Group Malaysia has unveiled the new BMW 640i Gran Coupe, the latest interpretation of the first four-door coupe in the history of the brand. Managing Director and Chief Executive Officer Alan Harris said in the automotive world, the BMW Group are specialists when it comes to creating premium sports coupes, with its tradition of building luxurious yet performance-based two-door coupes. "With the new BMW 6 Series Gran Coupe, we were able to build on this expertise to create a very appealing sporty and luxurious four-door coupe which sets a new benchmark in an all-new automotive segment," he said in a statement here Wednesday.

Ewein, Consortium Zenith To Develop 'Wellness City Of Dreams'

KUALA LUMPUR -- Ewein Bhd's 60 per cent-owned unit, Ewein Zenith Sdn Bhd, will jointly develop "Wellness City of Dreams", a wellness resort in Penang, with Consortium Zenith BUCG Sdn Bhd. In a statement to Bursa Malaysia here Thursday, Ewein Bhd said both companies signed a memorandum of understanding (MOU) for the joint development on 20.23-hectare freehold land in Bandar Tanjung Pinang. Ewein Zenith was conferred by the Ministry of Domestic Trade, Co-Operatives and Consumerism as a champion for Entry Point Project 10 under the Economic Transformation Programme to develop the wellness resort.

MAS Offers Customers Bargain Travel Deals

KUALA LUMPUR -- Malaysia Airlines (MAS) is offering customers irresistible travel deals in conjunction with the Malaysia International Travel Mart (MITM), beginning Friday until Aug 17, 2015. In a statement here Friday, MAS said travellers could enjoy great bargains on its domestic and international routes for immediate travel until Mar 31, 2016. The deals could be viewed via website www.malaysiaairlines.com, it said. The national carrier would also be joining 60 exhibitors in the MITM, held at the Mid Valley Exhibition Centre.

1MDB Expects To Resolve Debts Within Six Months

KUALA LUMPUR -- 1Malaysia Development Bhd (1MDB) President and Group Executive Director Arul Kanda says the company expects to resolve its debts within four to six months. He said 1MDB was on track to meet its strategic development objectives and did not encounter problems in wooing investors, but was saddled by political accusations and allegations. Here is the full transcript of TV3's Norzie Pak Wan Chek and Izwan Azir Salih's conversation with Arul on the 'Soal Jawab' programme Wednesday night:

QUESTION: Let's talk briefly on 1MDB's core businesses as to the general public it is a company bogged down by debts. Briefly tell us about 1MDB background.

ANSWER: It is rather difficult to give a brief story as it is actually a lengthy one, but I will try. It originates from the Terengganu Investment Authority (TIA) that was established as a sovereign wealth fund, so a government fund, but it was changed because it was then only for the state of Terengganu, so when Datuk Seri Najib (Tun Razak) became the prime minister, a decision was made to convert TIA to 1MDB. So with the change, the strategic direction of the company converted to a strategic development company. This means the company delves into projects in the interest of the country to become catalysts, create new way hybrids for the private and government sectors, and also to bring in foreign direct investment.

RM1 MILLION INJECTED

So, that's the first chapter. Secondly, 1MDB model from the beginning was to develop projects through loans. Why? Why use debts? At that time, when we used loans to buy assets such as land or cash-generating power stations, so the debt burden could be borne. And the government then injected RM1 million into the company, so that other government funds can be used to build schools, hospitals and so on. So the model can be leveraged and we can use government funds for other things.

But when we implemented projects by taking loans, what is important is the execution. It meant that the 1MDB's plan was to carry out an IPO for the power generation company and secondly, to implement a master plan to develop its lands and break them into parcels for sale as well as to build infrastructure, for an example the Tun Razak Exchange. 1MDB will spend RM3 billion to upgrade Jalan Tun Razak to build infrastructure and direct connections to the highways - MEX, Smart and so on. So all these activities were the responsibility shouldered and carried out by 1MDB. That was the 1MDB's plan from the beginning. But after several years, various allegations were hurled against it, the critics and so on definitely complicated plans to run the IPO or sometimes even to sell land was difficult.

That's where the mismatch was, an imbalance between incoming cash flow, the cash required to pay the debts. At that time, the government decided to implement a strategic review and after that a rationalisation plan to correct the situation as the original proposal could not be fully implemented. So we need to handle the matter through the rationalisation plan.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA MALAYSIA

BURSA Likely To Extend Downward Momentum Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- Bursa Malaysia is expected to extend its downward momentum next week, in line with regional peers on the back of multi-year low Asian currencies, China-Japan currency war and the impending US rate hike.

Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan said that local stocks had finally breached the crucial 1,600-point psychological level and is now set to trend lower. The FTSE Bursa Malaysia KLCI (FBM KLCI) is expected to continue its downtrend towards the next major support levels of 1,570, 1,530 and 1,500, he told Bernama.

This is mainly due to China's yuan volatility, the softer ringgit, fall in commodities prices and the growing signs for interest rates hike by the US Federal Reserve. China in a surprise move had devalued its currency on Tuesday last week by almost two per cent and the yuan continued to depreciate in the following days. Nazri Khan said calmer conditions prevailed in the global markets after the People's Bank of China sought to sooth some of the anxieties sparked by the rapid depreciation of the yuan.

"Despite that, we expect more negative reactions as the currency war escalates between China and Japan and the impending interest rate hike in the US early next month," he said. Last week, Bursa Malaysia closed mostly lower except on Thursday following the announcement of Malaysia's encouraging gross domestic product (GDP) growth for the second quarter, which provided a fillip for the bourse.

Nazri Khan said considering the GDP growth of 4.9 per cent, Bank Negara's reiteration that it would not peg the ringgit and or introduce capital controls would sooth investors sentiment and help support the market.

On a weekly basis, the benchmark FTSE Bursa Malaysia KLCI finished at 1,596, down 85.83 points on extensive selling. Weekly turnover rose to 10.26 billion units worth RM10.76 billion from last week's 7.38 billion units worth RM7.99 billion.

Ringgit Expected To Trade Cautiously Next Week

KUALA LUMPUR -- The ringgit is likely to experience cautious trading next week, amid the uncertain global sentiment, said a trader.

"Emerging Asian currencies are expected to continue to be affected by external factors such as the performance of global crude oil and uncertainty on the policy direction in major economies particularly the United States on the Federal Reserve's interest rate decision and China with the yuan devaluation.

"Issues confronting state sovereign fund 1Malaysia

Development Bhd and domestic political woes are other challenges facing the ringgit," he said.

The data to monitor next week were the July consumer price index and foreign reserves for the period ending Aug 14, he said.

Players might continue to trade for long dollar and short ringgit next week with no immediate target level. Technically, the market might retest the 4.15 level while 4.00 remains the key support," he added.

For the week just ended, the ringgit traded 1,530 basis points lower against the US dollar at 4.0750/0800 from 3.9220/9250 recorded last Friday.

The ringgit hit an intraday level of 4.15 to the dollar on Friday last week for the first time since the Asian financial crisis 17 years ago.

The local unit also declined further against the Singapore dollar at 2.9037/9087 from 2.8291/8317 last Friday and weakened against the yen to 3.2784/2837 from 3.1429/1458 previously.

It depreciated against the pound sterling to 6.3603/3693 from 6.0881/0943 last week and was easier against the euro at 4.5424/5496 from 4.2836/2885 previously.

Local Money Market To Remain Steady Next Week

KUALA LUMPUR -- The Malaysian money market is likely to remain steady next week with more stabilised rates as Bank Negara Malaysia (BNM) is expected to continue to manage excess liquidity.

The liquidity would come mostly from money market maturities but BNM was expected to continue its intervention with daily tenders to mop up excess funds, said a dealer. For the week just-ended, BNM intervened daily to flush the system of surplus funds by conducting conventional, Commodity Murabahah Programme, Qard, range-maturity auction and repo tenders.

On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM30.68 billion in the conventional system and RM5.43 billion in Islamic funds.

The overnight Islamic reference rate stood at 3.21 per cent while the one-, two- and three-week rates stood at 3.27 per cent, 3.32 per cent and 3.36 per cent, respectively.

Meanwhile, the benchmark three-month interbank rate stood at 3.69 per cent.

KLCI Futures Expected To Trend Lower Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives are expected to trend lower next week.

Affin Hwang Investment Bank Vice-President and Head of Retail Research Datuk Dr Nazri Khan Adam Khan told Bernama the benchmark index failed to stage a rebound rally last week to reclaim its position above the crucial 1,600-point psychological level, which indicated more downside ahead.

"We generally see a corrective bargain-hunting bounce instead of market reversal as trading volume and market breadth remain negative.

"This is confirmed by all key moving averages and stochastic indicator which remain in the selling zone and suggest more consolidation ahead," he said.

Nazri Khan said intermarket analysis also suggested a weak catalyst with key commodities such as oil and gold and anchor sectors such as finance, service and technology remaining in downtrend mode.

Investors remain pessimistic over the market direction with the key momentum indicators still relatively flattish, suggesting weak buying interest.

For the week just-ended, the FKLI was mostly lower weighed by the weaker cash market amid adverse external sentiment which saw the futures market trading in range of between 1,543 and 1,641.5.

On week-to-week basis, August 2015 declined 16.5 points to 1,582.5, September 2015 eased 41 points to 1,570, December 2015 decreased 40.5 points to 1,553 while March 2016 fell 100.9 points to 1,543.

Turnover for the week rose to 70,697 lots from 42,856 lots, while open interest increased to 60,658 contracts from 56,901 contracts previously.

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CPO Futures To Trade Between RM1,960 And RM2,040

By Harizah Hanim Mohamed

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are likely to trade softer next week, with prices ranging between RM1,960 and RM2,040 a tonne.

Interband Group of Companies senior palm oil trader, Jim Teh, said the high CPO inventory level reported by the Malaysian Palm Oil Board (MPOB) on Monday would continue to weigh on the commodity's price.

"Total palm oil stocks in July 2015 increased to 2.27 million tonnes, however, demand for the commodity, especially from Indonesia and Malaysia are weak," he added. He also noted that the weaker performance of Southeast Asia's stock markets, coupled with the downtrend in crude oil prices had contributed to the fragile
market sentiment. "It is safe to say that we are going through a mild recession, as the other commodities also recorded slower performance, amid weaker currencies," he told Bernama.

On a weekly basis, August 2015 was down RM45 to RM1,986 a tonne, September 2015 fell RM34 to RM2,004, October 2015 slipped RM15 to RM2,027 and November decreased RM8 to RM2,047 a tonne.

Turnover for the week was higher at 250,172 lots compared with 204,578 lots last week, while the open interest climbed to 262,679 contracts from 232,200 contracts.

On the physical market, August South ended the week at RM2,000 per tonne.

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Rubber Market To Trade Cautiously Next Week

KUALA LUMPUR -- The Malaysian rubber market is likely to trade cautiously next week due to the weakening ringgit and downtrend in prices of crude oil and other commodities, a dealer said.

He also noted that market was closely monitoring the performance of the yuan as China is the top rubber consumer as well as being the world's second largest economy.

"Stronger US retail sales that rebounded in July have lifted sentiment in the market, however, due to the prevailing factors, the market could either betrading in a positive or negative direction," he added. On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 was 19 sen higher at 536 sen a kg, while latex-in-bulk inched up one sen to 416.5.

The unofficial closing price for tyre-grade SMR 20 improved 19 sen to 538 sen a kg, while latex-in-bulk rose three sen to 418 sen a kg.

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KLIBOR Futures To Stay At Current Level

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are likely to hover around current levels next week.

The contracts were untraded for the week just ended with open interest remaining at 944 contracts.

August 2015, September 2015, October 2015 and December 2015 remained unchanged at 96.29, 96.30, 96.30 and 96.30, respectively.

The underlying three-month KLIBOR was pegged at 3.69 per cent.

Tin Price Likely To Weaken Further Next Week

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is likely to weaken further next week due to negative sentiment, a dealer said.

He said the uncertainty in the global economy had put downward pressure on the commodities and metals market including tin.

"Other metals like copper are also trending downwards," the dealer said, adding that the weakening ringgit, which breached the 4.00 level against the US dollar, also affected the tin price.

The dealer said the local tin price was likely to hover between US$15,000 per tonne and US$15,100 per tonne next week, supported by the European traders, Japanese and locals.

On Friday, the KLTM tin price closed lower in sync with the metal's performance on the London Metal Exchange. On a Friday-to-Friday basis, the KLTM tin price finished at US$15,100 per tonne from US$15,450 per tonne last Friday.

Total turnover on the KLTM increased to 264 tonnes from last week's 221 tonnes, with trading dominated by Japanese, European and local traders. The price differential between the KLTM and LME widened to a premium of US$405 per tonne from US$255 per tonne previously.

Gold Futures Likely To Strengthen Further Next Week

By Nurul Hanis Izmir

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are likely to improve further next week on the back of the uncertain global economy and financial market, dealers said.

They said this uncertainty would lift buying interest for the precious metal, which is considered as a safe-haven during hard times.

"On the technical front, Bursa gold spot contract broke above the 200-day moving average, indicating a bullish signal," Phillip Futures Sdn Bhd dealer Leo Goh Boon Hao told Bernama.

He said that for the week-just-ended, the gold prices were traded higher, boosted by China's yuan devaluation. "We believe once investors have fully digested the yuan devaluation and refocus on the US Federal Reserve's rate hike, then gold prices will fall again," he added.

On a Friday-to-Friday basis, August 2015 rose 166 ticks to RM146.85, September 2015 gained 177 ticks to RM147.80, October 2015 soared 181 ticks to RM148.40 while November 2015 was 175 ticks higher to RM149.60 a gramme.

Volume for the week rose to 1,822 lots worth RM26.19 million from 917 lots worth RM12.75 million last week.

Open interest was higher at 2,009 contracts from 1,907 contracts last Friday.