BERNAMA
MALAYSIAeBiz
WEEKLY BUSINESS ROUNDUP SEPTEMBER 21 - 25, 2015

September 25, 2015

This Week's Highlight :
M'sia Not Experiencing Capital Flight - Zeti

LIGHTER MOMENT... Bank Negara Governor Tan Sri Dr Zeti Akhtar Aziz (third right) at the BNM-OMFIF KL in conjunction with the 19th ASEAN Finance Ministers Meeting at the KL Convention Centre on March 20. -- Pic: Iskandar FotoBERNAMA

KUALA LUMPUR -- Malaysia is not experiencing capital flight but continues to receive foreign direct investments (FDIs), Bank Negara Malaysia Governor Tan Sri Dr Zeti Akhtar Aziz said. She said instead the capital outflow was largely due to domestic and government-linked companies investing offshore to diversify their investments. "Malaysia is a perfect centre (for FDIs) and this is manifested if you look at the balance of payments," she said during a session at the Malaysia's Economic Update 2015 Forum here Monday.

This Week's Top Stories

MONDAY

M'sia's Fiscal Deficit Enters Safe Zone - Idris

KUALA LUMPUR -- The country's fiscal deficit has entered the 'safe zone' as fiscal reforms have helped the government trim its deficit in the past five years. Performance Management and Delivery Unit Chief Executive Officer Datuk Seri Idris Jala said Monday, the safe zone for countries is when public debt is below 75 per cent of gross domestic product (GDP) while the deficit is at four per cent of GDP or below.

TUESDAY

BNM Int Reserves Total RM360.1 Bln At Sept 15

KUALA LUMPUR -- Bank Negara Malaysia (BNM) Tuesday announced that its international reserves amounted to RM360.1 billion as at Sept 15, 2015. In a statement, the central bank said the reserves position was sufficient to finance 7.3 months of retained imports and was 1.1 times the short-term external debt.

WEDNESDAY

MIDA In Talks On RM50 Bln Investments

JOHOR BAHARU -- Malaysia is in talks with several companies on investments totalling RM50 billion, Malaysian Investment Development Authority (MIDA) Chief Executive Officer Datuk Azman Mahmud said Wednesday. "We have a significant number of investments in the pipeline and we hope the talks can be completed soon," he told reporters after a groundbreaking ceremony for the RM362 million Taiwan-based Eternal Materials Co Ltd's factory at Tanjung Langsat industrial complex here.

THURSDAY

Malaysian-Born Agent To Woo Asian Property Investors

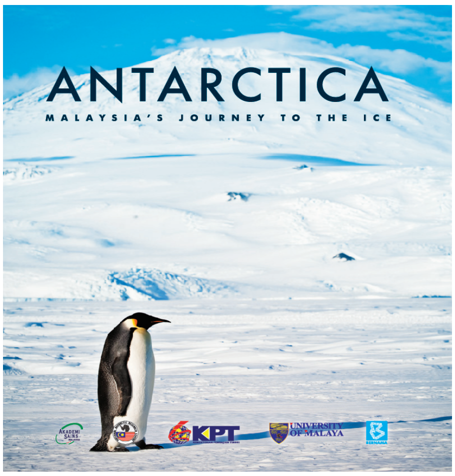
By Neville DCruz

MELBOURNE – Real estate agency, Knight Frank, has tasked Malaysian-born Dominic Ong to capture the growing investment demand for Australian commercial property from Asia, particularly China. According to The Australian, Ong has been involved in commercial sales worth A$1 billion (A$1=RM3.10) in the past year, with many buyers of investment and development sites being wealthy individuals.

FRIDAY

'Unsubstantiated' Comment To Link Us With Govt's CDS - 1MDB

KUALA LUMPUR -- 1Malaysia Development Bhd (1MDB) Friday said it is 'unsubstantiated commentary' to link the company to the wide spreads on the government's credit default swaps (CDS). "It is important to highlight that CDS are a derivative financial instruments, whose values are determined by traders, through demand and supply, and do not necessarily reflect economic facts or fundamentals," it said in a statement here.



SMEbrief

CGC Raises Loan Volume Target To RM3.6 Bln

PETALING JAYA -- Credit Guarantee Corporation (M) Bhd (CGC) has raised its loan volume target this year to RM3.6 billion from RM3.0 billion announced earlier. Deputy Finance Minister Datuk Chua Tee Yong said Monday, the corporation had already surpassed RM2.5 billion worth of loans approved as of today and will continue its role in providing collateral of guarantees to Small and Medium Enterprises (SMEs) in obtaining credit facilities.

Matrade Expects 4-5 Pct Rise In Lifestyle Products' Exports

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (Matrade) expects the exports of lifestyle products to improve between four and five per cent this year, said its Director Lifestyle Section Abu Bakar Yusof said Tuesday. He said this was achievable as Malaysian lifestyle brands have been accepted worldwide since 2011 while export figures grew up to 10 per cent annually.

Young Internet Entrepreneur Symposium Draws 2,200

KUALA LUMPUR -- Some 2,200 youths attended the Young Internet Entrepreneur Symposium 2015 at the Malaysia External Trade Development Corporation (Matrade) here Tuesday. The inaugural event, organised by the Federal Territories Ministry and Malaysian Internet Entrepreneurs Association (PUIM), aims to help Bumiputera youths venture into potentially lucrative online businesses, ministry Secretary General Datuk Seri Adnan Md Ikshan told reporters after the launch.

Halal Ingredients Asia 2015 Set For Industry Boost

KUALA LUMPUR -- Halal Ingredients Asia 2015, touted as Asia's first event platform for halal food and personal care ingredients industry, opened its doors on Monday. Halal Development Corp (HDC) Chief Executive Officer, Datuk Seri Jamil Bidin, said Tuesday, the three-day event would focus on several components to give a whole new perspective and opportunities via a conference, exhibition and business-to-business (B2B) networking.

M'sia's F&B Players Aim Expansion Into Aussie Mart

KUALA LUMPUR -- The Malaysian food & beverage (F&B) sector strives to expand into the high-value Australian market as reflected from the participation of 18 Malaysian exhibitors at the Fine Food Australia 2015. Malaysian Trade Commissioner in Melbourne Noor Hayati Abu Noh said Wednesday, the Malaysia External Trade Development Corporation (Matrade) is leveraging on the event to highlight the strength of the Malaysian F&B sector, especially on innovative products that meet Australia's food industry trends and standards.

PropUP — Property*update*

1MDB Launches Pulau Indah Land Sale Process

KUALA LUMPUR -- 1Malaysia Development Bhd (1MDB) has started the land sale tender process for its 128.7 hectares in Pulau Indah, Selangor. In a statement Monday, 1MDB said it has appointed Savills (M) as advisor and prepared a detailed information memorandum for distribution. "Suitably qualified potential purchasers are invited to register their expressions of interest with Savills (M) for this tender process," it said.

Protasco To Build Premium Residential For RM342 Mln

KUALA LUMPUR -- Protasco Bhd plans to build a premium residential development called Rimbawan Residences @ De Centrum with a gross development value (GDV) of RM342 million. The project is in its RM10 billion new township called 'De Centrum City' in Kuala Lumpur's growing southern corridor and is expected to be completed at the end of 2018, it said in a statement Tuesday.

Eco World Acquires Kuala Selangor Land For RM1.18 Bln Cash

KUALA LUMPUR -- Eco World Development Group Bhd is acquiring approximately 880 hectares of leasehold land in Ijok, Kuala Selangor for RM1.18 billion cash. The land are located approximately 45 kilometres (km) from Kuala Lumpur city centre, 40km from Petaling Jaya city centre and 18km from Sungai Buloh town centre, it said in a statement Tuesday.

FIMA Corp Eyes Higher Plantation Earnings

KUALA LUMPUR -- FIMA Corporation Bhd aims to grow its plantation segment's contribution to the group's bottomline to 50 per cent in the next five years from 40 per cent at present, its Group Managing Director Roslan Hamir said. "Currently, we have 6,500 hectares (ha) of planted land in Indonesia and close to 2,800ha plantable land in Malaysia, of which 200ha have already been planted," he told reporters after the group's annual general meeting here Tuesday.

Y&G Buys Johor Land For RM30.96 Mln

KUALA LUMPUR -- Y&G Corporation Bhd's wholly-owned indirect subsidiary, Melia Aktif Sdn Bhd (MASB) has entered into a sale and purchase agreement to acquire two freehold land parcels in Pontian, Johor totalling 23.39 hectares (ha) for RM30.964 million. Under the proposed land acquisition, the company will buy a 12.677ha plot for RM16.783 million while the second parcel measuring 10.712ha will cost RM14.181 million, Y&G said in a filing to Bursa Malaysia Wednesday.

MARKET

BURSA MALAYSIA

Scoreboard
Gainers - 355
Losers - 381
Not Traded - 778
Unchanged - 319
Value - 1949439164
Volume - 16616814

BURSA: Bargain Hunting Lifts KL Shares Marginally Higher

KUALA LUMPUR -- Bursa Malaysia ended the day marginally higher prompted by bargain hunting activities with consumer-linked stocks leading the top gainers list. At 5 pm, the benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) ended 1.84 points better at 1,615.01, after moving between 1,603.02 and 1,617.44 throughout the day. However, market breadth was slightly negative with losers outpacing gainers 381 to 355 while 319 counters were unchanged, 779 untraded and 19 others were suspended. Volume decreased to 1.66 billion shares valued at RM1.94 billion from 1.77 billion shares valued at RM2.12 billion recorded on Wednesday. The market was closed on Thursday for the HariRaya Aidiladha celebration. The FBMT100 Index improved 10.58 points to 10,877.39 and the FBM Emas Shariah Index climbed 42.46 points to 11,828.64. Main Market volume fell to 949.51 million, worth RM1.74 billion from 1.01 billion units worth RM1.93 billion recorded on Wednesday.

FOREX: Ringgit Ends 0.81 Pct Lower Vs Greenback

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.3800	4.9000
EUR	4.8784	4.8900
GBP	6.6699	6.6868
100 YEN	3.6180	3.6269
SGD	3.0758	3.0835

Source: Bank Negara Malaysia

KUALA LUMPUR -- The ringgit closed 0.81 per cent lower to the US dollar today on a sell-off ahead of the weekend, a dealer said. At 5 pm, the ringgit was quoted at 4.3800/9000 against the greenback from 4.3450/3480 on Wednesday. The local unit reached the weakest intraday level of 4.3900 to the dollar for the first time since the Asian financial crisis 17 years ago. The market was closed Thursday for the Aidiladha holiday. A dealer said investors wanted to be in a square ringgit position on lower risk appetite for the currency.

"It was thinly traded Friday as many players are extending their holiday until the weekend. It shot up just above the 4.38 level to trigger some stop-loss orders," he said. Another trader said the local note was still under pressure from lack of domestic leads and weaker crude oil prices which had dented global risk appetite. "The anticipation of the Federal Reserve interest rate increase, further devaluation of China's yuan over a sustained worries about the Chinese economy could contribute to another round of ringgit selling," the trader added.

The ringgit was also traded lower against its major peers. It fell further against the Singapore dollar to 3.0758/0835 from 3.0549/0575 on Wednesday, and was traded lower against the yen at 3.6180/6269 from 3.6151/6185 previously. The local note eased against the euro to 4.8784/8900 from 4.8299/8341 on Wednesday, and declined against pound sterling to 6.6699/6868 from 6.6622/6690 previously.

Money-Market: Short-Term Interbank Rates End Stable

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia's (BNM) intervention to absorb surplus liquidity from the financial system. The liquidity surplus in the conventional system fell to RM28.93 billion from RM40.99 billion earlier while in the Islamic system, it eased to RM6.86 billion from RM10.49 billion. In the morning, BNM called for four tenders -- one conventional money market, a repo, one Qard and one Commodity Murabahah Programme. The central bank also conducted a late conventional money market tender for RM29 billion and a RM6.5 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 were at 3.28 per cent, 3.32 per cent and 3.36 per cent respectively.

KLIBOR Futures End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives ended the week untraded. October 2015, November 2015, December 2015 and March 2016 ended at 96.22, 96.22, 96.18 and 96.15 respectively. Open interest stood at 620 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.74 per cent.

KLCI Futures Close Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives finished higher Friday. September 2015 increased 6.0 points to 1,612.5, October 2015 rose 6.5 points to 1,599.5, December 2015 added 9.0 points to 1,580.5 and March 2016 appreciated 8.0 points to 1,562.
Turnover was higher at 48,171 lots from 22,616 lots on Wednesday while open interest increased to 98,909 contracts from 68,302 contracts. The benchmark FBM KLCI finished 1.84 points better at 1,615.01.

Amendments To Securities Laws Come Into Force - SC

KUALA LUMPUR -- The Securities Commission Malaysia (SC) Tuesday announced the coming into force of the Capital Markets and Services (Amendment) Act 2015 (CMSA) and Securities Commission (Amendment) Act 2015 (SCMA) on Sept 15. The amendments to securities laws were made to facilitate innovative fundraising structures, enhance investor protection, clarify responsibilities of issuers and advisers and expand the scope of SC's supervisory powers, it said in a statement here.

AKPK Expects 800 People To Exit Debt Mgmt Programme

KUALA LUMPUR -- The Credit Counselling and Debt Management Agency (AKPK) expects about 800 people to exit its debt management programme by year-end, its Chief Executive Officer, Azaddin Ngah Tasir said Tuesday. The programme assists borrowers to work out budgets that will help them meet their loan obligations and living expenses, thus minimising non-performing loans and foreclosure of houses.

Cagamas Advances Into International Sukuk Market

KUALA LUMPUR -- National mortgage corporation, Cagamas Bhd, has entered the international sukuk market with its maiden Singapore dollar-denominated Sukuk Exchangeable Medium-Term Notes (EMTN) issuance under Cagamas US$2.5 billion Multi-currency Sukuk Programme. In a statement Tuesday, the company said the S$162.75 million one-year sukuk was issued through its wholly-owned unit, Cagamas Global Sukuk Bhd, and would be fully and unconditionally guaranteed by Cagamas.

RM20 Bln Injected Into Bourse Timely - AmInvest

KUALA LUMPUR -- The RM20 billion injected into the stock market through ValueCap Sdn Bhd is timely and a good move by the government to prop up the activities of the capital market. AmInvest Chief Investment Officer Equities Andrew Wong Yoke Leong told reporters here Tuesday the measure would be effective following lower foreigner weightage in the equity market, which currently stood at approximately 21 per cent.

Alliance Bank's 3 Programmes To Raise RM4 Bln

KUALA LUMPUR -- Alliance Financial Group Bhd's (AFG)wholly-owned subsidiary, Alliance Bank Malaysia Bhd (Alliance Bank), has announced the establishment of three separate programmes, namely senior medium term notes, subordinated medium term notes and commercial papers programme. The objective of the senior medium term notes programme of RM1.5 billion is to enable the bank to tap the capital markets over the next 30 years depending on its funding requirements, AFG said in a statement here Tuesday.

AmBank Deposit For Gold Contest Reward Winners

KUALA LUMPUR -- Madam Dahniar, a 44-years old housewife from Perak has won the Grand Prize of 1.8kg pure gold in the AmBank Deposit for Gold Contest with Patrick Lee winning second prize of 800g pure gold and Sakvindagi Singh winning the third prize of 300g pure gold. "I am very happy and excited to win the Grand Prize of 1.8kg pure gold. First, I thought it was a prank call but I checked with the branch and they confirmed I was the winner. I plan to use my prize winnings for my three children's education and also to buy insurance from AmBank," said Dahniar, who has been banking with AmBank since 2002 at the prize presentation ceremony Wednesday.

CIMB, Petronas Commemorate 7th Year Partnership

KUALA LUMPUR -- CIMB Bank Berhad (CIMB Bank) and Petronas Dagangan Berhad (PDB), the domestic retail arm of the national oil corporation, announced Thursday that they have commemorated their seventh year partnership with the relaunch of CIMB Petronas MasterCard. Speaking at the relaunch, CIMB Group CEO Tengku Datuk Zafrul Aziz said, "CIMB Petronas MasterCard has proven to be very popular with customers, and through the years, we have acquired more than 100,000 customers."

AmBank Eyes 60,000 Retail Banking Accounts By 2016

KUALA LUMPUR -- AmBank (M) Bhd is eyeing 60,000 new accounts under its retail banking segment before its financial year ending March 31, 2016, double the initial target of 30,000 new accounts. "However due to encouraging response we are aiming to double the target and it would be contributed by savings accounts, debit cards and credit card accounts," retail banking acting head Anthony Chin told reporters after the official launch of AmBank's new TRUE debit MasterCard and TRUE Visa credit card Friday.

TSYS Signs Payments Pact With Premier Bank

COLUMBUS (US) & DHAKA (Bangladesh) -- TSYS announced Friday that The Premier Bank Limited (Premier Bank), a leading commercial bank in Bangladesh, has signed an agreement to upgrade to PRIME 4, the latest version of TSYS' PRIME payment solutions platform. "Our main focus at Premier Bank is on how much value we can bring to our clients' lives in terms of innovation by continually developing our range of products and services," said Premier Bank vice chairman M. Imran Iqbal in a statement.

Boustead Unit Secures RM4.8 Mln Contract

KUALA LUMPUR -- Boustead Heavy Industries Bhd's unit, Boustead Penang Shipyard Sdn Bhd (BP Shipyard), has secured a RM4.8 million contract from Trans Resources Corp Sdn Bhd. In a filing to Bursa Malaysia here Monday, Boustead said its unit has received the executed formal contract from Trans Resources to formalise the appointment of BP Shipyard as the technical assistance and coordination services provider in the frame of the main contract entered into between DCNS S.A (France) and Trans Resources relating to the design, construction/adaptation of certain infrastructures of the Royal Malaysian Navy Kota Kinabalu Naval base.

Matrade Mission Reaps RM73.08 Mln Negotiated Sales, Partnership

KUALA LUMPUR -- A specialised information and communications technology (ICT) mission to Yangon, Myanmar has registered a promising RM73.08 million worth of negotiated sales and partnership value, the Malaysia External Trade Development Corp (Matrade) said. "The mission, from Sept 8-11, saw the participation of 15 local companies leveraging on the many green field opportunities in Myanmar's ICT sector," it said in a statement here Monday.

Berjaya Land Q1 Profit Declines To RM102.12 Mln

KUALA LUMPUR -- Berjaya Land Bhd's pre-tax profit declined to RM102.12 million for the first quarter ended July 31, 2015 from RM132.37 million in the same period a year ago. However, revenue was higher at RM1.51 billion from RM1.41 billion previously. In a filing to Bursa Malaysia here Monday, the company said the decrease in pre-tax profit was due to Berjaya Sports Toto Bhd's (BToto) principal subsidiary, Sports Toto Malaysia Sdn Bhd's higher prize payout coupled with the absorption of the Goods and Services Tax.

APFT Bags RM32.80 Mln Project

KUALA LUMPUR -- APFT Bhd's unit, PT Technic (M) Sdn Bhd, has signed an agreement with Flexsys Chemical Sdn Bhd on Sept 12 for work associated to the Kuantan 2nd Crystex (K2C) project worth RM32.80 million. In a filing to Bursa Malaysia Tuesday, APFT said under the agreement, it was required to furnish all labour, supervision, equipment, materials, services and all items necessary to supply, fabricate and erect the structural steel and mechanical equipment installation plus related works.

Malaysia Rakes In RM214.61 Mln Sales At CAEXPO

From Siti Zafirah Mohd Kamal

NANNING (China) -- Malaysia raked in RM214.61 million in sales at the 12th China-ASEAN Expo (CAEXPO) 2015, exceeding the initial target of RM185 million, said Project Director of Malaysia Pavilion CAEXPO, Ong Yew Chee. "The purchasing power and trading are still active in China despite the country's slowdown," he said at the end of the four-day expo Tuesday.

DRB-HICOM To Sell 300 Units Of Tata Vehicles

KUALA LUMPUR -- DRB-HICOM Commercial Vehicles Sdn Bhd (DHCV), a wholly-owned unit of DRB-HICOM Bhd, targets to sell 300 units of three new Tata vehicle models by the financial year ending March 31, 2016 (FY2016). DRB-HICOM Head of Operations, Automotive Distribution and Manufacturing, Datuk Hisham Othman, told reporters here Tuesday, the new models are the Tata Xenon pick-up, Tata Ultra 512 and Tata Prima launched in January 2015.

Iris Sees Better Performance In FY16

KUALA LUMPUR -- Iris Corp Bhd anticipates a better performance for its 2016 financial year (FY16), driven by its trusted identification division, waste-to-energy incineration plant in Phuket, Thailand and property development segment. Its Group Managing Director and Chief Executive Officer, Datuk Tan Say Jim told reporters here Tuesday, the trusted identification division had submitted proposals in two countries.

Selangor Properties Posts RM46.34 Mln Profit Q3

KUALA LUMPUR -- Selangor Properties Bhd's pre-tax profit rose to RM46.34 million for the third quarter ended July 31, 2015 from RM9.66 million in the same period of last year, contributed mainly by foreign exchange gains from its investment holding division. In a filing to Bursa Malaysia Wednesday, the company said revenue increased to RM24.76 million from RM23.59 million.

TPG Expects Continued Organic Growth

By Neville D'Cruz

MELBOURNE -- TPG, Australia's second biggest fixed-line Internet provider established by Malaysian David Teoh, expected continued organic growth in the year ahead. "However, as only a few weeks have elapsed since the acquisition of iiNet, it is not yet possible to forecast the likely financial results for the combined group for the year ahead and therefore no specific guidance is yet provided for financial year 2016," said Teoh, who is TPG Executive Chairman Wednesday.

Passenger Travel In July Up 6.8 Pct

KUALA LUMPUR -- Passenger travel on international markets in July increased 6.8 per cent, compared with the same month last year, reflecting an upward bias due to the timing of Ramadan. International Air Transport Association (IATA) said Wednesday, travel classes reflected the impact of Ramadan which fell only partly in July this year but took place mostly in July 2014.

Heitech Accepts RM38.35 Mln Govt Contract

KUALA LUMPUR -- Heitech Padu Bhd has accepted a letter of award (LOA), worth RM38.35 million, from the Ministry of Home Affairs to maintain equipment and software computer system for the Immigration Department. In a filing to Bursa Malaysia Wednesday, Heitech said the duration of the LoA is for three years, commencing from Sept 16, 2015 to Sept 15, 2018.

S'pore Achieves 90 Pct OnTime Filing - IRAS

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE -- Singapore continues to achieve a high level of voluntary compliance with on-time filing and on-time payment rates of 90 per cent on average across all tax types, according to the Inland Revenue Authority of Singapore (IRAS). In its Annual Report 2014/15, IRAS said Wednesday tax arrears also remained low at 0.81 per cent of total net tax assessed, adding Singapore's simple and robust tax system has provided certainty for taxpayers.

Pestech Secures RM134.4 Mln TNB Project

KUALA LUMPUR -- Pestech International Bhd's unit, Pestech Sdn Bhd, has received a letter of acceptance (LA) from Tenaga Nasional Bhd (TNB) for the construction of the 500/275 kilovolt (kV) Yong Peng East (2x1050 MVA) backbone main intake sub-station for RM134.4 million. In a filing to Bursa Malaysia Friday, Pestech said "The project will enable the national grid 500kv backbone connectivity from Yong Peng East, Johor to Lenggeng, Negeri Sembilan and further access to Ayer Itam in Perak.

Ringgit Breaches 4.38, Triggers Stop-Loss Orders

KUALA LUMPUR -- The ringgit breached the 4.38 level against the US dollar triggering stop-loss orders in the thin market here Friday. Dealers attributed the surge to buying orders that were executed (above the 4.38 level) in order to square some speculative positions built up earlier. "Some players went short (sell position) on the dollar versus the ringgit recently with stop orders placed above the 3.8 level to minimise losses," said a dealer.

Eastspring Declares 3.64 Sen Income Distribution For Dana Dinamik

KUALA LUMPUR -- Eastspring Investments Bhd Friday announced an annual gross income distribution of 3.64 sen for Eastspring Investments Dana Dinamik. In a statement, Eastspring Investments said all unit holders who have maintained their unit holdings in the fund as at Sept 23, 2015 will be entitled to the income distribution.

Weaker Ringgit Helps Attract Investors From China

KUALA LUMPUR -- The weakening ringgit will benefit entrepreneurs from China who are investing in Malaysia, says the Malaysia-China Chamber of Commerce. "With the depreciation of the local note, Chinese companies could reap the benefits by investing in Malaysia as it is cheaper and this country offers growing prosperity," President Datuk Bong Hon Liong told reporters on the sidelines of the LED Business Summit here Friday.

Spore's August Manufacturing Output Down 7 Pct

SINGAPORE -- Singapore's manufacturing output declined seven per cent, year-on-year, in August, the Economic Development Board (EDB) announced Friday. Excluding biomedical manufacturing, output declined 8.1 per cent. On a seasonally adjusted month-on-month basis, the manufacturing output decreased 3.7 per cent.

Matrade Urges Msian Cos To Explore China's 2nd-Tier Marts

From Siti Zafirah Mohd Kamal

NANNING -- Malaysian companies need to explore and expand into China's second-tier markets by capitalising on their growing purchasing power, MATRADE Trade Commissioner in Guangzhou P. Suresh Kumar said Friday. He said second-tier cities such as Nanning, Foshan, Zhuhai, Nanjing and Tienjing were good areas for Malaysian companies to enhance visibility in the ever competitive markets in China.

Harness Energy Sees M'sia As Potential Regional Training Hub

KUALA LUMPUR -- Australia-based upstream oil and gas training specialist Harness Energy sees Malaysia's potential as its regional training hub. Chief Executive Officer Michael O'Reilly said Monday, the company, which has just set up its office in the country, would be investing US$1.5 million (US$1=RM4.24) until the middle of next year to build its capabilities, including bringing in a US$1 million drilling simulator chair.

Port Of Tanjung Pelepas Hits 800,000 TEUs

JOHOR BAHARU -- The Port of Tanjung Pelepas (PTP) hasstrengthened its position as the country's busiest container port after hitting an all–time high of 800,000 twenty-foot equivalent units (TEUs) last month. The Malaysia's biggest single port operator, in a statement here Monday, said the latest record firmly placed PTP on the road to achieve the total container throughput target of 9.2 million TEUs this year.

MATRADE, CIDB Organise Business-Matching Sessions For Malaysian Companies

KUALA LUMPUR -- Malaysia External Trade Development Corp (MATRADE) and the Construction Industry Development Board (CIDB) recently organised business-matching sessions for 48 Malaysian companies. In a statement here Tuesday, MATRADE said the sessions were held in conjunction with the International Construction Week (ICW), which was part of MATRADE's key trade-promotion activities under the Incoming Buying Mission programme.

Terminator Megastar Schwarzenegger To Speak On Transformation

KUALA LUMPUR -- Terminator megastar Arnold Schwarzenegger, who immortalised the catchpharse "I'll be back" in the sci-fi action blockbuster series, will have more to say when he speaks in Kuala Lumpur on transformation next month. Schwarzenegger, who was also California Governor, will join other speakers including former Olympic Champion Carl Lewis at the inaugural Global Transformation Forum 2015 to be held here on Oct 21-23.

Call On M'sian, Thai Companies To Co-Produce Auto Parts

KUALA LUMPUR -- Malaysian car parts makers should collaborate with their Thai counterparts to enable them to buy heavy machines and co-produce high-quality parts for developed markets. Thai Sub-contracting Promotion Association President Somkiat Chupukcharoen told reporters here Tuesday, as auto parts manufacturers from both countries were using similar production line technology, such collaboration should be pursued to reducemanufacturing and operation costs.

KSH To Open RM100 Mln Hospital

KUANTAN -- The Kuantan Specialist Hospital (KSH), a subsidiary of KPJ Healthcare Bhd, will open a RM100 million hospital to upgrade its services to meet the demand for healthcare services in the country. Its General Manager, Muhammad Badri Hussin told reporters here Tuesday, the 11-floor hospital in Tanjung Lumpur would be the 26th under the group.

Phase 1 Of New Port Klang Tariff Takes Effect Nov 1

KUALA LUMPUR -- Phase one of the revised container tariff at Port Klang will take effect on Nov 1, 2015 instead of Oct 1, 2015, Westports Holdings Bhd said. The implementation date was delayed twice this year -- to Sept 1 and Oct 1. In a filing to Bursa Malaysia here Tuesday, the port operator said it has received a letter from the Port Klang Authority notifying about the date changes.

Petronas Spends RM500 Mln On Talent Management

KUALA LUMPUR -- Petroliam Nasional Bhd (Petronas) spent about RM500 million on talent management as well as on leadership training and competency building across its 51,000 employees last year. President and Chief Executive Officer Datuk Wan Zulkiflee Wan Ariffin told reporters here, Tuesday, apart from making a hefty investment to nurture talents, the company also spent a lot of time looking at succession plan and employee development needs.

Hotel Jen To Make Its Presence On Tourism-Booming Sabah

KOTA KINABALU -- Sabah's growing tourism industry has attracted Hotel Jen to make its presence felt here by building a new hotel. Shangri-La Hotels and Resorts President/Chief Executive Officer, Greg Dogan, said Tuesday, the hotel would be "fresh, friendly and fuss-free" to cater to independently-minded business and leisure travellers.

JAKS JV Secures US$1.402 Bln Funding For Vietnam Power Plant

KUALA LUMPUR -- JAKS Resources Bhd has inked financial agreements with its joint-venture partner China Power Engineering Consulting Group Co Ltd (CPECC) and the principal financiers valued at US$1.402 billion for a coal-fired thermal power plant project (IPP project) in Vietnam. In a statement Tuesday, JAKS said the agreements are part of the funding requirement for the construction of the US$1.87 billion 25-year Build-Operate-Transfer (BOT) 2x600MW IPP project at Phuc Commune, Kinh Mon District in Hai Duong Province.

No Financial Aid For ValueCap - Panel

KUALA LUMPUR -- The government does not provide financial assistance to ValueCap Sdn Bhd, said the Special Economic Committee (SEC). In a statement Tuesday, the SEC said ValueCap has the mandate to raise up to RM20 billion from its shareholders and financial institutions.

SIIA To Host 8th ASEAN And Asia Forum Oct 1

By Tengku Noor Shamsiah Tengku Abdullah

SINGAPORE, -- The Singapore Institute of International Affairs (SIIA) will host the 8th ASEAN and Asia Forum (AAF) on Oct 1 here to discuss key issues and future trends facing the region and continent. Themed "Shaking up Asia: An Eye on the Future of Business in the Region", the SIIA's flagship forum will draw on the latest insights from regional thought leaders of both the public and private sectors, it said Tuesday.

Delivery Unit Heads To Meet At Global Transformation Forum

KUALA LUMPUR -- Leaders of delivery units and subject matter experts from three countries will be meeting to share their perspectives on operationalising transformational initiatives and programmes at the inaugural Global Transformation Forum 2015. Attendees will include Sir Michael Barber, former head of Tony Blair's Prime Minister's Delivery Unit in the United Kingdom; Omari Issa, Chief Executive Officer of the President's Delivery Bureau of Tanzania; and Idris Jala, Chief Executive of Performance Management and Delivery Unit (Pemandu) in the Prime Minister's Department.

Toyo Signs Consultancy Services Pact

KUALA LUMPUR -- Toyo Ink Group Bhd (TIGB) has entered into a consultancy services agreement with Phu My Vinh Consulting Investment and Trading Service Company Ltd (PMV) on the proposed coal-fired thermal power plant project in Vietnam, valued at US$35 million. In a filing to Bursa Malaysia Wednesday, TIGB said the agreement was to advice the group on research and support the negotiation on the built-operate-transfer contract, power purchase agreement and land leases agreement pertaining to the power plant.

MAA Disposes Domayne Bond For RM30.15 Mln

KUALA LUMPUR -- MAA Group Bhd has disposed of its RM33.5 million nominal value Domayne bond over-the-counter secondary market for RM30.15 million. In a filing to Bursa Malaysia Wednesday, MAA said the disposal represented a good opportunity to realise its available-for-sale investment and register a gain on disposal of RM9 million based on the amortised cost of the bond as at June 30, 2015.

Stop Speculative Play By Investor Clubs - HBA

KUALA LUMPUR -- The government should act proactively against self-proclaimed property experts known as 'investor clubs' who are manipulating the housing market through en bloc purchases, says the National House Buyers Association (HBA). "They buy en bloc, up to 50 per cent or 60 per cent of the units, with discounts of up to 25 per cent -- which is a lot -- and they pass it on to the members and they then make money from there," Secretary-General Chang Kim Loong said at a forum themed 'Does Greater Prosperity Come With Less Housing Affordability?' near here Wednesday.

AEC Integration Tops Vietnam CEO Forum

HO CHI MINH CITY -- The formation of an ASEAN Economic Community (AEC) by the end of this year caught interests from business executives participating in the Vietnam CEO Forum 2015, here, Thursday, Vietnam News Agency (VNA) reported. This year's CEO Forum updated businesses on integration opportunities and challenges and helped them learn from the experience of domestic and foreign firms during the process.

Melaka Can Be Vital Port In China's Maritime Silk Road

By Fadzli Ramli

MELAKA -- Melaka could be an important port in China's plan to develop a 21st century Maritime Silk Road following the good existing relations between Melaka and Guangdong province, said Datuk Seri Idris Haron. "History has shown that Melaka was an important port of call in the first Maritime Silk Road trade, even Admiral Zheng He sailed the route seven times and stopped five times in Melaka," he told Bernama here Friday.

Matrade Holds 137 Business Meetings At IGEM 2015

KUALA LUMPUR -- A total of 137 business meetings were held between foreign buyers and Malaysian companies with potential sales of RM65.45 million recorded during a recent incoming buying mission (IBM). The mission was organised by the Malaysia External Trade Development Corporation (MATRADE) and the Energy, Green Technology and Water Ministry, in conjunction with the 6th International Greentech and Eco Products Exhibition and Conference (IGEM) 2015, said MATRADE in a statement Friday.

MPOB's RM100 Mln Palm Oil Replanting Incentive Scheme Oct

KUALA LUMPUR -- The Malaysian Palm Oil Board (MPOB) will implement a RM100 million palm oil replanting incentive scheme beginning Oct 1, 2015. In a statement Friday, Plantation Industries and Commodities Minister Datuk Seri Douglas Amar Uggah Embas said the scheme targetted the replanting of 83,000 hectares of unproductive and old palms.

Proton To Offer Attractive Car Ownership At Alami Carnival

KUALA LUMPUR -- As an extension to its 30th Anniversary this year, Proton Holdings Bhd will hold a carnival for Malaysians to feel and experience its vehicles. To be held for two days, beginning Oct 3, in Shah Alam centre, the Alami Proton Carnival 2015 would provide customers attractive ownership packages which include special rebates on selected cars, fast approval for hire-purchase financing and high trade-in value for used cars.

Govt Ends Anti-Dumping Probe On CRSS Imports

KUALA LUMPUR -- Based on paragraph 23(2)(b) of the Countervailing and Anti-Dumping Duties Act 1993, the Malaysian government has decided to terminate its investigation into the importation of cold rolled stainless steel (CRSS). "We found that there is no material injury on the domestic industry in Malaysia producing the like product that can be reasonably linked to the importation of CRSS in coils, sheets or any other form with a thickness of not more than 6.5 millimetres and width of not more than 1,600 millimetres classified under the Harmonised System Code," the Ministry of International Trade and Industry (MITI) said in a statement Friday.

Make Orchids Sabah's Main Tourism Attraction - Masidi

KOTA KINABALU -- Sabah Tourism, Culture and Environment Minister Datuk Seri Masidi Manjun wants the orchid species to become a main attraction of the state's tourism sector. He said Friday, Sabah has about 54 per cent of the orchid plants collection found on Borneo Island with 870 orchid species endemic to Kinabalu Park, making it the world's most extensive area with the flora species.

Moody's Withdraws Ratings On Hong Leong For Business Reasons

SINGAPORE -- Moody's Investors Service has withdrawn Hong Leong Financial Group Bhd's Baa1 long-term local and foreign currency issuer ratings. In a statement Friday, Moody's said the withdrawal of the credit ratings was made for its own business reasons. It said at the time of the withdrawal the company's long-term issuer ratings carried a positive outlook.

Malindo Flies 3 Times Weekly To Amritsar From Oct 25

KUALA LUMPUR -- Malaysia's first hybrid airline, Malindo Air, will start three times weekly direct flights from here to Punjab's capital, Amritsar, from Oct 25. In a statement here Monday, its Chief Executive Officer, Chandran Rama Muthy, said the five-hour 20-minute flight, using Boeing 737-900ER aircraft, would signify the airline's furthest destination from main hub in KL.

Maxis, Oneplus To Launch OnePlus 2 Smartphones

KUALA LUMPUR -- Maxis Bhd and OnePlus, a Chinese start-up company that makes Android smartphones, will launch the OnePlus 2 phones in Malaysia exclusively for Maxis customers. Maxis is the exclusive carrier of the OnePlus 2. In a statement here Monday, Maxis said OnePlus 2 will be available via Maxis Online Store from Tuesday to those who had received a special invite to buy the smartphone.

Celcom Axiata To Introduce Three Products By Year-End

KUALA LUMPUR -- Celcom Axiata Bhd will introduce three products by year-end and aggressively promote its Xpax Magic SIM to strengthen its presence in the market, particularly the youth segment. "The new products might be from postpaid, prepaid and content segments. It really depends on the customer's appetite. However, for now, we see growth in the heavy Internet user segment," said its Chief Marketing Officer, Zalman Zainal, here Monday.

Moslim Othman Appointed MBSB's Independent Non-Exec Director

KUALA LUMPUR -- Malaysia Building Society Bhd (MBSB) has appointed Moslim Othman as its independent non-executive director. In a statement here Monday, the company said Moslim, 60, is a registered engineer with the Board of Engineers Malaysia and a member of the Institution of Engineers Malaysia. Moslim began his career as a civil engineer with the Public Works Department (PWD) in 1978.

Jetro Organising Japan Food Pavilion At FHM2015

KUALA LUMPUR -- The Japan External Trade Organisation (Jetro) is organising the Japan Food Pavilion at the International Exhibition on Food, Drinks, Hotel, Restaurant & Foodservice Equipment Supplies & Related Technology 2015 (FHM 2015) to be held on Sept 29-Oct 2. The pavilion, in Hall 8 of the Kuala Lumpur Convention Centre, will introduce and market premium, high-quality and delicious Japanese food to Malaysia, Jetro said in a statement here Tuesday.

Anyi Ngau Appointed MTIB Chairman

KUALA LUMPUR -- Member of Parliament for the Baram constituency in Sarawak, Anyi Ngau, has been appointed chairman of the Malaysian Timber Industry Board (MTIB, effective Oct 1, 2015. Anyi was appointed for a one-year term, which would end on Sept 30, 2016, by the Minister of Plantation Industries and Commodities Datuk Amar Douglas Uggah Embas.

MCE Inks MoU With GMI

KUALA LUMPUR -- Multi-Code Electronics Bhd (MCE) Tuesday announced that it has entered into a Memorandum of Understanding (MoU) with PT Garuda Multi Investama (GMI) to set forth a framework for the consultation and exchange of information and technology. In a statement to Bursa here Tuesday, MCE said the cooperation in the current stage will focus on the development, production, marketing and supply of MCE's existing range of products for automobile manufacturers located in Indonesia.

FGV Exits Dow Jones Islamic Market Index

KUALA LUMPUR -- Felda Global Ventures Holdings Bhd (FGV) is no longer listed on the Dow Jones Islamic Market Malaysia Titans 25 Index. In a statement Wednesday, FGV said it, however, would remain listed on the Main Board of Bursa Malaysia.

Bursa Derivatives Wins Aisa's 'Best Emerging Exchange' Award

KUALA LUMPUR -- Bursa Malaysia Derivatives (BMD) Bhd bagged the 'Best Emerging Exchange of the Year" for Futures & Options World (FOW) Awards for Asia. The event was held in Singapopre on Sept 23, 2015. In a statement Friday, Bursa Malaysia said the award followed the recognition granted by the US Commodity Futures Trading Commission (CFTC) that Bursa Malaysia possessed the attributes of an organised exchange and adopted comparable practices for market integrity and customer protection.

Holstein Milk Co Wins 'Outstanding Dairy Farm' Award

JOHOR BAHARU -- The Holstein Milk Co Sdn Bhd has won the 'Outstanding Dairy Farm' Award at the 8th Malaysian Livestock Industry Awards 2015 held in Kuala Lumpur Convention Centre on Sept 21. The Holstein Milk Co is the anchor company for East Coast Economic Regional Development Council's (ECERDC) Muadzman Shah Cattle Research & Innovation Centre (MSCRIC) in Pahang, ECERDC Chief Executive Officer, Datuk Seri Jebasingam Issace John said in a statement Friday.

Eze Software Group Gets Innovation Recognition In HFM Asia Award

BOSTON -- Eze Software Group, a premier provider of global investment technology, has been named "Best Technology Provider – Innovation" in HFM Asia Hedge Fund Services Awards 2015. The award was announced at a ceremony held on Sept. 21 in Hong Kong. The awards recognise and reward hedge fund service providers that have demonstrated exceptional customer service and innovative product development over the last 12 months. Entries are judged by a panel of industry experts, it said in a statement Friday.

GPA Units To Cease Manufacturing Ops

KUALA LUMPUR -- GPA Holdings Bhd's units, GP Autobat Sdn Bhd, GPA Plastic Industries Sdn Bhd and GPA Technologies Sdn Bhd, will cease their respective manufacturing operations in the fourth quarter of 2015. In a filing to Bursa Malaysia Friday, GPA said the manufacturing operations of the units had sustained losses for the past few years consecutively.

The 100-Day Journey To ASEAN Community

By Saraswathi Muniappan

CULTURAL INTEGRATION... Graceful dancers in beautiful ASEAN traditional costumes perform during the Gala Dinner for the 47th ASEAN Economic Ministers' Meeting and Related Meetings on Aug 24. -- Pic: Faisal Jaafar fotoBERNAMA

KUALA LUMPUR -– Malaysia remains undeterred in galvanising regional efforts towards forging closer political, economic and socio-cultural linkages and realising the ASEAN Community in exactly 100 days. As the current Chair of ASEAN, Malaysia is going full steam ahead to achieve what is surely a grandiose plan towards regional community building despite challenges, including global economic uncertainties and foreign exchange volatilities.

The final leg, therefore, could be challenging for the transformation of the 10-member grouping amid these challenges but the good news is that member states reinforced their commitments during the earlier summit in April and ministerial meetings which Malaysia chaired. They have resolved to create a single market and bring the region's 650 million populace much closer and making ASEAN more secure and peaceful. Among the various initiatives, the economic pillar seems to gain the greatest traction with the much-talked-about ASEAN Economic Community (AEC) having achieved 91.5 per cent compliance out of about 506 measures.

MUCH TO BE DONE

But Malaysia, along with its nine fellow members, acknowledge that there remains much work that needs to be done, especially in areas relating to the movements of goods. The clear message is for ASEAN's economic potentials to be exploited fully as in terms of trade and investment, the regional grouping has made tremendous progress in forging the ASEAN Free Trade Area and eliminating tariffs on most goods.

Intra-ASEAN trade had expanded to US$608 billion to-date from mere US$86 million in 1992. As for intra-ASEAN foreign direct investment (FDI), it continued to grow and accounted for an increasing share of the total FDI inflows to the region, reaching 17.9 per cent, or US$24.4 billion, in 2014 as compared with 11.3 per cent in 2007. Total FDI inflows to the region in 2014 were the highest to-date at US$136.2 billion, amounting to 160 per cent of the pre-crisis level inflows in 2007 when the AEC Blueprint was first adopted.

CRUCIAL MATTERS

Elsewhere, ASEAN officials are working around the clock to push crucial measures relating to the liberalisation of the transportation, services and ASEAN Single Window –- the latter aimed at expediting Customs clearance. Besides the economic pillar, the Political-Security Community aimed at coordinating regional security policies both traditional and non-traditional is in progress as they deal with issues as and when they arise.

The ASEAN Socio-Cultural Community, meanwhile, is focused on achieving greater unity among the nations and peoples of ASEAN by forging a common identity and building a caring and sharing society. Realising fully the three pillars of ASEAN Community is, however, not an end goal itself but rather is "work in progress." What is important here is that Malaysia's chairmanship in 2015 will stand out as a key milestone, particularly in getting members to reinforce their commitment towards a common goal despite the current challenges.

-- 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

BURSA MALAYSIA

BURSA: FBM KLCI Likely To Consolidate Next Week

By Farhana Poniman

KUALA LUMPUR -- Bursa Malaysia is expected to be in consolidation mode next week, with the FTSE Bursa Malaysia KLCI (FBM KLCI) trading between 1,570 and 1,650 points, says Kenanga Research.

Head of Research Chan Ken Yew said with the possibility of an immediate uptrend broken given the weak buying momentum, the index would likely consolidate next week.

"On a technical perspective, any rebound will likely be capped below the 1,650 level and there is a possibility for the FBM KLCI to retest the previous support level of 1,570," he told Bernama.

Meanwhile, in a note on Friday, Kenanga Research said China's poor factory activity data further aggravated fears over a slowdown in global economic outlook, sending regional markets, including Bursa Malaysia, into the red.

During the four-day trading week, the FBM KLCI was on a downtrend before perking up on Friday due to bargain hunting activities.

Bursa Malaysia and its derivatives were closed on Thursday for the Hari Raya Aidiladha public holiday.

On a weekly basis, the key benchmark FBM KLCI finished at 1,615.44, or 54.44 points weaker than last Friday.

Weekly turnover decreased to 7.02 billion units worth RM7.89 billion from 8.76 billion units worth RM10.39 billion last week.

Main market volume fell to 3.86 billion units worth RM6.97 billion from 5.25 billion units worth RM9.60 billion last Friday.

Ringgit Seen Trading At 4.36-4.43 Next Week

By Azizul Ahmad

KUALA LUMPUR -- The ringgit is likely to trade within a wide range of between 4.36 and 4.43 against the US dollar next week amid extended weakness in risk sentiment.

A local currency trader said the broad dollar strength was anticipated as players were still placing odds on a US Federal Reserve (Fed) rate hike this year on the table.

"We will see broad greenback strength up to December due to the Fed factor, and coupled with sustained worries about China's economy, the uncertainties in emerging market currencies including the ringgit may persist," he told

Bernama. He added the local note, which was also under pressure from lack of domestic leads, has started entering an oversold phase and thus could hover around a tighter range next week.

The ringgit was traded at a year-low of 4.3950 in line with broad US dollar strength across currency pairs last week.

The last time it passed such a level was during the Asian financial crisis 17 years ago.

For the week just ended, the ringgit declined 4.2 per cent against the greenback to 4.3800/9000 from 4.2030/2110 last Friday.

It also ended the week lower against other major currencies.

The local unit fell further against the Singapore dollar to 3.0758/0835 from 3.0211/0273 last Friday and depreciated against the yen to 3.6180/6269 from 3.5242/5315 last week.

It was also traded lower against the pound sterling at 6.6699/6868 from 6.5697/5831 last week, and eased against the euro to 4.8784/8900 from 4.8112/8208 last Friday.

Money-Market: Interbank Rates To Remain Steady On BNM Intervention

KUALA LUMPUR -- Short-term interbank rates are expected to remain stable next week as Bank Negara Malaysia (BNM) is expected to intervene to stabilise the local money market.

The central bank is expected to continue the intervention with daily tenders to mop up excess funds in the market, said a dealer.

For the week just ended, BNM intervened daily to flush the system of surplus funds by conducting conventional, Qard, repo, range maturity auction and commodity murabahah programme tenders. On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM28.93 billion in the conventional system and RM6.86 billion in Islamic funds.

The Overnight Policy Rate (OPR) remained at 3.25 per cent, while the overnight Islamic reference rate stood at 3.21 per cent and the one-, two- and three-week rates stood at 3.28 per cent, 3.32 per cent and 3.36 per cent respectively.

Meanwhile, the benchmark three-month interbank rate stood at 3.74 per cent.

KLCI Futures Likely To Trade Lower Next Week

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives will likely trade lower next week on weak buying sentiment.

A dealer said buying sentiment would be hit by the bearish global growth outlook, given China's poor factory reading, continuous weakening of the ringgit and lack of fresh catalysts.

"The support areas are the 1,568, 1,595 and 1,600 levels," he added.

During the week just ended, KLCI futures were on a downtrend before perking up on Friday.

On a week-to-week basis, September 2015 and October 2015 fell 50.5 points each to 1,612.5 and 1,599.5 respectively, December 2015 decreased 54.5 points to 1,580.5 and March 2016 was 55 points lower at 1,562.

Turnover for the four-day trading week improved to 96,125 lots from 48,659 lots last week while open interest increased to 98,909 contracts from 55,074 contracts.

Bursa Malaysia and its derivatives were closed on Thursday for the Hari Raya Aidiladha holiday.

CPO Futures To See Technical Correction Next Week

By Harizah Hanim Mohamed

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are expected to see a technical correction next week driven by currency fluctuations, said Interband Group of Companies Senior Palm Oil Trader Jim Teh.

CPO futures prices are expected to hover between RM1,930 and RM1,980 per tonne next week, he noted.

“The prices are expected to help reduce the inventory level as the CPO inventories in August were up 10 per cent month-on-month to 2.494 million,” he told Bernama.

Asked about El Nino’s impact, he said the weather has no impact on CPO prices as it is merely market speculation.

“I don’t think it is relevant to the current CPO prices as during the night, it rains heavily,” he added.

On a weekly basis, October 2015 rose RM225 to RM2,259, November 2015 went up RM229 to RM2,304, December 2015 advanced RM239 to RM2,342 and January 2016 improved RM232 to RM2,372 a tonne.

Weekly turnover narrowed to 210,369 lots from 217,639 lots last week while open interest declined to 236,907 contracts from 248,345 contracts previously.

On the physical market, October South rose RM190 to RM2,2150 a tonne.

Indonesia’s Forest Fires To Boost Rubber Market

By Harizah Hanim Mohamed

KUALA LUMPUR -- Concerns over regional supply due to forest fires in Indonesia could boost positive sentiment in the Malaysian rubber market next week, a dealer said.

“There will be a correction in the prices, and the prices next week will be heavily influenced by the on-going forest fires in Sumatra and Kalimantan as these two locations are known as major rubber plantation areas,” he said when contacted here.

Although the current scenario predicts lower rubber production, this would help lift positive sentiment in the market, especially when the commodity’s prices are relatively low, he added.

He also noted that the demand for the commodity would increase as traders are worried of a supply shortage.

Regionally, rubber prices on the benchmark Tokyo Commodity Exchange rose on Friday, helped by bargain-hunting after a more than three per cent drop previously.

On a Friday-to-Friday basis, the Malaysian Rubber Board’s sellers’ official physical price for tyre-grade SMR 20 rose 18.5 sen to 547 sen per kg while latex-in-bulk slipped three sen to 411.5 sen per kg.

The unofficial sellers’ closing price for tyre-grade SMR 20 increased 23.5 sen to 546.5 sen per kg while latex-in-bulk was unchanged at 413 sen per kg.

KLIBOR Futures To Stay At Current Level Next Week

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 620 contracts.

October 2015, November 2015, December 2015 and March 2016 remained unchanged at 96.22, 96.22, 96.18 and 96.15, respectively.

The underlying three-month KLIBOR was pegged at 3.74 per cent.

Upward Trend Expected On KLTM Next Week

KUALA LUMPUR -- Tin price on the Kuala Lumpur Tin Market (KLTM) is expected to be on the uptrend next week with the metal hovering around US$15,000 per tonne supported by consumer demand from Japan and Europe.

A dealer said the uptrend in copper prices, the benchmark for most metals, was also expected to impact tin prices.

“Once the London Metal Exchange (LME) resumes trading on Monday, we will be able to see a clearer direction for tin,” he told Bernama.
For the just-ended holiday shortened week, the KLTM was mostly lower trading between US$14,870 and US$15,170 a tonne, mostly influenced by the LME.

The market was closed on Thursday for the Hari Raya Aidiladha celebration.

Japanese, European and local traders accounted for this week’s turnover of 152 tonnes against last week’s 215 tonnes.

The premium between the KLTM and LME on Friday narrowed to US$100 a tonne from US$275 a tonne previously.

Gold Futures To Trend Upwards On Weakening Ringgit

KUALA LUMPUR -- Gold futures contract on Bursa Malaysia Derivatives is expected to continue its upward momentum if the local currency continues to weaken, said Phillip Futures Sdn Bhd Dealer Leo Goh Boon Hao.

He said the gold futures was, however, expected to see some profit taking on technical adjustment. “If there is a price gap between today’s (Friday) closing and the next opening price, prices will decline to retrace and cover the gap.

“However, it will also depend on the ringgit’s movement against the US dollar. If the ringgit continues to weaken, gold prices will go up and vice versa,” Goh told Bernama.

On a Friday-to-Friday basis, September 2015, October 2015, November 2015 and December 2015 jumped 147 ticks each to RM161.60, RM162.05, RM162.15 and RM162.10 a gramme, respectively.

Volume for the holiday-shortened week rose to 641 lots, worth RM10.12 million, from 531 lots worth RM8.08 million, recorded last week.

The market was closed on Thursday for the Hari Raya Aidiladha celebration.

Open interest was higher at 1,274 contracts verus 1,030 contracts last week.