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WEEKLY BUSINESS ROUNDUP JANUARY 18 - 22 2016

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This Week's Highlight :
Four Companies Investing RM1.3 Bln In Northern Corridor

EXCHANGE...Prime Minister Datuk Seri Najib Tun Razak witnessing the exchange of documents between NCIA Chief Executive Datuk Redza Rafiz (right) and Perlis Farmers Organisation Board Director Shaidan Nordin at the Perdana Putra Building in Putrajaya Thursday. Also present were Menteri Besar Perlis, Datuk Seri Azlan Man (second right). Pic: Harry Salzman-- fotoBERNAMA

PUTRAJAYA -- Four companies with a total investment of RM1.3 billion will set up new initiatives and innovation facilities in the Northern Corridor Economic Region (Northern Corridor). The four parties are Great Realty Sdn Bhd, Duria Manufacturing Sdn Bhd, Perlis Farmers Organisation Board and Tandop Hotel Sdn Bhd. The exchange of documents between the Northern Corridor Implementation Authority (NCIA), the body responsible for establishing directions, policies and strategies of the Northern Corridor, and the four parties was witnessed by Prime Minister Datuk Seri Najib Tun Razak here Thursday.

This Week's Top Stories

MONDAY

TPP: 26 State, Federal Laws Need To Be Amended

PUTRAJAYA -- Twenty-six state and federal laws and regulations related to the Trans-Pacific Partnership (TPP) need to be amended in two years' time. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said Monday, the amendments could only be done after the signing of the trade pact by Putrajaya is approved by Parliament after debate on Jan 26 and 27 and the Senate on Jan 28.

TUESDAY

Budget Recalibration Must Be Market-Friendly - Wahid

KUALA LUMPUR -- The recalibration of Budget 2016 must be positive, market-friendly and meet the rakyat's expectations, said Minister in the Prime Minister's Department, Datuk Seri Abdul Wahid Omar Tuesday. He said the management of the fiscal and monetary policies should enhance the government's revenue, optimise development and operating expenditures, among others.

WEDNESDAY

Firms Can Participate In TPPA Member Nations' Tenders

KUALA LUMPUR -- Malaysian companies can participate in government procurement and tenders of all Trans-Pacific Partnership Agreement (TPPA) member countries once the trade pact is sealed. "Once we sign it, the 11 other governments are obliged to open their markets for us and this is where our local companies can benefit from them. We will also have to open our market to them," Malaysia's Chief Negotiator for the TPPA, Datuk J. Jayasiri, said Wednesday.

THURSDAY

NCIA Council Approves 16 Deliverables With People In Mind

PUTRAJAYA -- A total of 16 deliverables have been approved for the Northern Corridor Economic Region (NCER) this year in the strive to ensure that the people would benefit from their development. They were agreed upon at the 15th Northern Corridor Implementation Authority (NCIA) Council meeting chaired by Prime Minister Datuk Seri Najib Tun Razak here Thursday.

FRIDAY

Budget Recalibration Will Not Affect People's Social Net

KUALA LUMPUR -- The recalibration of the Budget 2016 will not in any way impact the social safety net for the people, says Deputy Finance Minister, Datuk Johari Abdul Ghani. "Targeted subsidies such as the 1Malaysia People's Aid (BR1M) and that for education, will not be stopped," he said after officiating the opening of the Bukit Bintang City Centre (BBCC) sales gallery here Friday.

LIFESTYLE & YOUTH BERNAMA

SMEbrief

SMEs Urged To Use E-Commerce Platform To Boost Exports

KUALA LUMPUR -- Small and Medium (SMEs) enterprises are urged to use the e-commerce platform to strengthen their exports. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said Monday, local SMEs have to leverage various existing initiatives such as e-Payment, MYCyberSALE, e-Usahawan and eTRADE channels to boost their export options.

TPP: PUNB Entrepreneurs To Gain Wider Access To Region

TAIPING -- Perbadanan Usahawan Nasional Bhd (PUNB) has urged entrepreneurs under its schemes not to fear the Trans-Pacific Partnership (TPP) as it would give them the opportunity to explore the global market, especially ASEAN. Its chairman, Tan Sri Mohd Ali Rustam said Tuesday, ASEAN is a wide market for local entrepreneurs to venture into and the opportunity would not erode if Malaysia were to join the TPP.

More Bumiputera Manufacturers Will Be Export-Ready With TPPA

KUALA LUMPUR -- The Bumiputera Manufacturers and Services Industry Association of Malaysia (PPIPBM) is confident an additional 30 per cent of its 2,000 strong members will be export-ready if Malaysia signs the Trans Pacific Partnership Agreement. President Nurammar Abu Bakar said Tuesday, right now 40 per cent of its members were export-ready and this would pave the way for companies to widen their scope abroad.

Agrobank Introduces Micro Financing Programme For Disabled

PUTRAJAYA -- Agrobank Tuesday launched a micro financing programme, Agro Bakti, specifically to aid entrepreneurs with physical disabilities to undertake or expand their businesses that are agriculture-based or agro-based industries. The programme, with an initial funding of RM5 million, was launched by Minister of Agriculture and Agro-Based Industry Datuk Seri Ahmad Shabery Cheek and Women,Family and Community Development Minister Datuk Seri Rohani Abdul Karim here.

MATRADE Assisting SMEs Via E-Commerce

KUALA LUMPUR -- Malaysia External Trade Development Corporation (MATRADE) is embarking on an export push for young entrepreneurs running small and medium enterprises (SMEs) through the e-commerce platform. Its Chief Executive Officer, Datuk Dzulkifli Mahmud said Wednesday, many young entrepreneurs had utilised the e-commerce platform to boost their business performance.

PropUP Propertyupdate

Media Prima, CJ To Undertake Home Shopping Business

KUALA LUMPUR -- Media Prima Bhd's unit, Sistem Televisyen Malaysia Bhd (STMB), has signed a joint-venture agreement with CJ O Shopping Co Ltd (CJ O) to set up a JV company to undertake home shopping business. "CJ O is principally engaged in the business of home shopping and is a company duly incorporated under the laws of South Korea on Dec 16, 1994 and was listed on the Korean Securities Dealers Automated Quotations on Nov 23, 1999," Media Prima said in a filing with Bursa Malaysia Monday.

Acoustech To Dispose Port Klang Land For RM11 Mln

KUALA LUMPUR -- Acoustech Bhd's unit, Formosa Prosonic Technics Sdn Bhd, has signed a sale and purchase agreement with Full Sprint Sdn Bhd (FS) to dispose of a piece of leasehold land in Port Klang for RM11 million. In a filing with Bursa Malaysia Monday, the company said the land and the buildings constructed would undergo a tenancy agreement with FS for the rental of the property upon completion of the proposed disposal.

Top Industry Players To Partake In First Property Fair

KUALA LUMPUR -- Over 40 of the most reputable and prestigious property developers and real estate advisers would be taking part in the first Home & Property Investment Fair for 2016, from Jan 22-24, at the Mid Valley Exhibition Centre. Top industry players such as Mah Sing Group, Tropicana Corporation Bhd, Land and General Bhd, Hatten Group Sdn Bhd, Sunsuria Bhd, Selangor Economic Development Corporation, UDA Holdings Bhd, Mayland and Ekovest, will be among the companies participating int he fair, said iProperty.com in a statement Tuesday.

Property Mart Expected To Face Challenging Environment

KUALA LUMPUR -- The property market is expected to face a challenging environment this year with growth likely to be at a moderate pace, said Organising Chairman of the 9th Malaysian Property Summit 2016, James Wong Kwong Onn Wednesday. However, he said, there would be no recession and property bubble this year. "There is oversupply and borrowers are also finding it tough to get more loans. The global economy is not looking too good and including the domestic factors, they will impact the property market.

Felda's Melaka Township Project To Be Completed In 14 Years

KUALA LUMPUR -- The development of the Federal Land Development Authority (Felda) and Encorp Bhd's RM3.2 billion integrated township project in Melaka will be carried out in three phases and completed in 14 years. Felda and Encorp Chairman Tan Sri Mohd Isa Abdul Samad said Wednesday, the project's initial gross development value was RM4.9 billion but it depreciated given the weak property market.

MARKET

BURSA MALAYSIA

Scoreboard

Gainers - 712

Losers - 217

Not Traded - 543

Unchanged - 280

Value - 1795908126

Volume - 19325993

BURSA: Share Prices Extend Rally To Close Higher

By S. Joan Santani

KUALA LUMPUR -- Bursa Malaysia extended its rally to end higher Friday, buoyed by the rebound in the oil prices and positive sentiment on Malaysia's economy, dealers said. The benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) rose 24.29 points to close at 1,625.21 against Thursday's close of 1,600.92 points. The index opened higher at 1,609.40 points and moved between 1,609.40 and 1,626.49 throughout the day. Market breadth was positive with gainers overwhelming losers by 712 to 217 while 280 counters were unchanged, 543 untraded and 21 suspended. Total volume eased to 1.93 billion shares worth RM1.80 billion from 2.52 billion shares worth RM2.12 billion Thursday. A dealer said the local and regional markets were lifted by the recovery in the oil prices, which had hit 12-year lows earlier in the week. "The oil prices had managed to recover some of the past days' heavy losses," he said.

Brent crude was up 98 US cents at US$30.23 per barrel, while US crude was 85 US cents higher at US$30.38 per barrel. The local market was also encouraged by banking stocks, which were some of the best performers, following Bank Negara Malaysia's (BNM) move to cut statutory reserve requirements to improve liquidity in the financial system. BNM also maintained its overnight policy rate at 3.25 per cent. Meanwhile, Affin Hwang Investment Bank Vice-President and Retail Research Head, Datuk Dr Nazri Khan Adam Khan, said despite the short-term rebound, the local bourse will trend lower on lingering concerns over the slowdown in China, weaker global growth outlook and depressing crude oil prices. "Sector-wise, however, we see ample play on technology stocks which benefit strongly from the weaker ringgit and falling oil price," he told Bernama. Main Market volume eased to 1.10 billion units worth RM1.64 billion from Thursday's 1.52 billion units worth RM1.91 billion.

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
USD	4.2950	4.2040
EUR	4.6566	4.6673
GBP	6.1238	6.1384
100 YEN	3.6309	3.6388
SGD	3.0073	3.0157

Source: Bank Negara Malaysia

FOREX: Ringgit Closes Higher Against US Dollar

KUALA LUMPUR -- The ringgit extended Thursday's gains to close at a near three-week high against the US dollar Friday, tracking bullish momentum in emerging Asian currencies, dealers said. At 5 pm, the local unit strengthened to 4.2950/2040 from 4.3780/3870 against the greenback on Thursday. A dealer said that more investors eschewed the safe-haven investment as speculation on monetary easing by other major central banks rises. Besides the extended rebound in oil prices, the local unit was also supported by growing hopes of further monetary stimulus from Europe and Japan, the dealer said. On the local front, another dealer said Bank Negara Malaysia's decision to raise liquidity in the banking system also helped strengthen the local note as there were renewed buying interest in the stock and bond markets. The ringgit also traded higher against other major currencies. It rose against the Singapore dollar to 3.0073/0157 from 3.0426/0506 on Thursday, and went up against the yen to 3.6309/6388 from 3.7460/7550 Thursday. It appreciated against the British pound to 6.1238/1384 from 6.2014/2151 and strengthened against the euro to 4.6566/6673 from 4.7711/7823 previously. The market will be closed on Monday for Thaipusam holiday.

Short-Term Rates End Steady Note On BNM's Intervention

KUALA LUMPUR -- Short-term inter-bank rates ended steady Friday on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM33.48 billion from RM39.55 billion, earlier, while in the Islamic system, it declined to RM8.43 billion from RM12 billion. In the morning, BNM called for four tenders -- a conventional money market tender, a Qard tender, a commodity murabahah programme and a repo tender. The central bank conducted a late conventional money market tender for RM25 billion and a Qard for RM7 billion, both for four-days. The market will be closed on Monday due to Thaipusam holiday. The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates were pegged at 3.30 per cent, 3.35 per cent and 3.40 per cent, respectively.

KLIBOR Futures Contracts End Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives ended untraded Friday. At the close, February 2016, March 2016, April 2016 and June 2016 remained pegged at 96.21, 96.20, 96.19 and 96.17, respectively. Open interest totalled 120 contracts. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.81 per cent.

KLCI Futures Close Higher

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives closed higher Friday. January 2016 increased 29.50 points to 1,599, February 2016 recovered 29 points to 1,591.50, March 2016 rose 29 points to 1,585 and June 2016 added 23 points to 1,575.50. Turnover reduced to 12,819 lots from 14,537 lots on Thursday, while open interest fell to 63,312 contracts from 65,589 contracts previously. At 5 pm, the FBM KLCI was 24.29 points higher at 1,625.21.

CIMB Bank S'pore Eyes RM3 Bln In Annual Card Billings

SINGAPORE -- CIMB Bank Singapore is targeting to register S$1 billion (S$1=RM3.06) or about RM3 billion in annual card billings and acquire a further 270,000 customers in the next three years. The bank expects to achieve the target with its latest strategy of granting 10 per cent cash rebates on selected spend categories and 0 per cent administrative fee for overseas and online transactions for its Visa Signature and Platinum MasterCard Cardmembers. "We are confident of expanding the relationship with our existing customers as well as reaching out to new ones," Head of Credit Cards & Personal Financing Srihari G. Sikhakollu said in a statement here Monday.

No More Job Cuts In M'sia, Indonesia This Year - CIMB Group

KUALA LUMPUR -- CIMB Group will not undertake any more job cuts in Malaysia and Indonesia in 2016 after last year's mutual separation scheme exercise. CIMB Group Chief Executive Tengku Datuk Seri Zafrul Aziz told reporters here Monday, the bank was now focused on improving productivity and meeting its business agenda. "We have done the mutual separation scheme and we are not planning to do it anymore here or in Indonesia," he said.

BNM Has No Objection To Time Extension For Merger Talks

KUALA LUMPUR -- Bank Negara Malaysia (BNM) has no objection to Malaysia Building Society Bhd's (MBSB) application for time extension until Feb 2, 2016 to conclude its negotiations with DRB-Hicom Bhd and Khazanah Nasional Bhd for the proposed merger between MBSB and Bank Muamalat Malaysia Bhd. In a filing to Bursa Malaysia here Monday, MBSB and DRB-Hicom said further announcements would be made as and when there were material developments pertaining to the proposed merger.

Tailor Financial System To Suit Local Users - Economist

KUALA LUMPUR -- Malaysia's financial system should be tailored according to the needs of users here, instead of following what is being done in advanced economies, a leading British economist. Prof John Kay, who is a visiting professor of economics from the London School of Economics, said the financial system must understand and develop a model that suits the needs of customers. "A lot of what has happened in terms of increased complexity and the detailed regulation in the West for the last 30 years has resulted in something undesirable. "That is a route to not follow," he told reporters here Tuesday.

Exim Bank Launches Special Edition Book On Exporting & Int'l Trade

KUALA LUMPUR -- Export-Import Bank of Malaysia (Exim Bank) has published a special edition book on exporting and international trade to commemorate its 20th anniversary celebration. The book, written by AB Teoh, is limited to 9,000 copies and was launched by Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed at the inaugural Export Day 2016 held Tuesday. "As part of our corporate social responsibility initiative, the bank will distribute the book free of charge to exporters and would-be exporters that attend its business seminars and talks around the country," Exim Bank said.

No Budget Cut For Microfinance Activities

KUALA LUMPUR -- There will be no budget cut for micro-financing activities in the recalibrated Budget 2016 to be presented on Jan 28, Ministry of Finance Under-Secretary for Strategic Investment Division Datuk Ahmad Badri Mohd Zahir said. "We are in the midst of recalibrating the budget. We are probably not going to cut anything (for micro financing)," he told reporters here Wednesday. He said the government has allocated more than RM200 million to support micro-financing activities in 2015 through various agencies including TEKUN Nasional and Amanah Ikhtiar Malaysia.

Bank Rakyat Aims For 100,000 Downloads For TouchStyle V2 App

KUALA LUMPUR -- Bank Rakyat is aiming for over 100,000 smartphone downloads for TouchStyle V2, the latest version of a financial management application, introduced Wednesday. The bank said the new version of the application would help users obtain information on the latest products and services with a single touch and without having to queue up at Bank Rakyat counters. "First time users will be directed to a viewing page and given a tutorial on its usage and functions," the bank said in a statement here Tuesday.

OCBC Al-Amin Donates RM30,000 To 3 Sandakan-Based Bodies

SANDAKAN -- OCBC Al-Amin Bank Bhd (OCBC Al-Amin) donated RM10,000 to each of three local organisations in conjunction with the opening of its Sandakan branch on Tuesday. OCBC Bank (Malaysia) Bhd Corporate Communications Manager Eleanor Danker in a statement here Tuesday said the donations to the Sandakan Rotary Club, Montfort Youth Training Centre and Sandakan Chinese Chamber of Commerce will be used for charity work among children, OCBC's main corporate social responsibility focus.

Tightening Of Loans In O&G Sector, A Precautionary Measure – BSN

KUALA LUMPUR -- Bank Simpanan Nasional (BSN) has confirmed it was tightening loans approval and credit products to personnel in the oil and gas sector. A memorandum to that effect was circulated by the management as a specific precautionary measure recently. In a statement here Thursday, BSN said the move was part of its standard procedure to consistently review developments in the financial and economic sectors that may have an impact on its business. "This includes taking note of industries facing challenges, such as the situation experienced by the oil and gas industry currently," it said when commenting on news reports that the bank was tightening rules on approvals of new loans and credit products to those employed in this sector.

BNM's Int'l Reserves Stand At RM408.5 Bln As At Jan 15

KUALA LUMPUR -- Bank Negara Malaysia (BNM) Friday announced that its international reserves stood at RM408.5 billion, or equivalent to US$95.1 billion, as at Jan 15, 2016. "The reserves position is sufficient to finance 8.5 months of retained imports and is 1.1 times the short-term external debt," the central bank said in a statement here Friday.

PBSNB Declares Income Distributions For Al-Ifrah, ASBSN

KUALA LUMPUR -- Permodalan BSN Bhd (PBSNB) has declared an income distribution of 0.8 sen, or a total of RM1.93 million, for BSN Dana Dividen Al-Ifrah (Al-Ifrah) for financial year ending Dec 31, 2015. In a statement here Monday, the wholly-owned unit of Bank Simpanan Nasional also declared an income distribution of 0.9 sen, or a total of RM2.54 million, for Amanah Saham BSN (ASBSN).

Sarawak Targets RM8 Bln-RM10 Bln In Timber Product Exports

KUCHING -- The Sarawak Timber Industry Development Corporation (Pusaka) aims to increase the state's exports of timber products to between RM8 billion and RM10 billion a year, Second Resource Planning and Environment Minister Datuk Amar Awang Tengah Ali Hassan told reporters here Monday. He said long-term strategies would be formulated to explore new value-added products in the timber industry, including wooing foreign investors in the production of wood pellets.

Axis-REIT Q4 Pre-Tax Profit Drops To RM16.95 Mln

KUALA LUMPUR -- The pre-tax profit of Axis Real Estate Investment Trust (Axis-REIT) decreased to RM16.95 million in the fourth quarter ended Dec 31, 2015 from RM26.08 million in the same quarter last year. In a filing to Bursa Malaysia here Monday, Axis-REIT said revenue rose to RM40 million from RM35.03 million previously. In view of the current satisfactory performance, the management was optimistic that the company would be able to maintain its current performance for the coming quarter and the rest of the financial year ended Dec 31, 2016.

MPIC Optimistic Over Outlook For Palm Oil

KUALA LUMPUR -- The Ministry of Plantation Industries and Commodities (MPIC) is optimistic over the outlook for the Malaysian palm oil industry, saying measures to reduce the crude palm oil (CPO) stockpile has started to show success. Datuk Amar Douglas Uggah Embas, the minister, told reporters here Monday, Malaysia's CPO stock level showed a reduction from 2.9 million tonnes to 2.6 million tonnes last month. "This is a good indication that the country has been able to reduce the stockpile following the two programmes implemented by the MPIC. "The measures involve an increase in the use of B7 biodiesel and towards the higher blend B10 programme, as well as replanting scheme incentive. Both have shown results," he said.

Perodua Eyes Sales Of 216,000 Units In 2016

KUALA LUMPUR -- Perusahaan Otomobil Kedua Sdn Bhd (Perodua) achieved a milestone in 2015 with over 213,300 vehicles sold, backed by the strong demand for its Axia, Myvi and Alza models. In a statement here Tuesday, Perodua said, it aimed to sell 216,000 sales in 2016. Its President, Datuk Aminar Rashid Salleh, said consumers had decided to buy a more affordable alternative such as the Axia, which accounted for 99,700 units, or 46.7 per cent, of Perodua's entire sales for 2015.

CPI Up 2.7 Pct In Dec 2015

KUALA LUMPUR -- The Consumer Price Index (CPI) for December 2015 rose 2.7 per cent to 114.8 compared with 111.8 in the same month last year, the Statistics Department said. The department said the higher CPI was led by increases in the indices for alcoholic beverages and tobacco group (+22.8 per cent); restaurants & hotels (+4.7 per cent); health (4.6 per cent); food & non-alcoholic beverages (+4.6 per cent); and furnishings, household equipment & routine household maintenance (+4.2 per cent). "These five groups of goods and services (weight: 41.1) contributed 90.2 per cent to the increase in the CPI for the month of December 2015," it said in a statement here Wednesday.

Fututech Eyes Up To RM600 Mln Worth Of Construction Projects

KUALA LUMPUR -- Construction and property development company, Fututech Bhd, is aiming to secure construction projects worth between RM500 and RM600 million for this year, Executive Chairman Datuk Tee Eng Ho said. The company had tendered for RM1.17 billion worth of projects by developers such as SP Setia and Eco World, he said. "We're confident of securing the target construction projects since we've solid partnership of over 14 years with these property companies," he told reporters here Wednesday.

Hua Yang's Pre-Tax Profit Declines To RM40 Mln

KUALA LUMPUR -- Hua Yang Bhd's pre-tax profit for the third quarter ended Dec 31, 2015 declined to RM40 million from RM43.2 million a year earlier. Revenue slipped to RM154.97 million from RM155.5 million previously. Chief Executive Officer Ho Wen Yan said the projects in the Klang Valley were the largest contributors to the total revenue, making up 47 per cent, followed by that of Johor (30 per cent), and Perak (21 per cent) and Negeri Sembilan (two per cent). "Total unbilled sales at the end of the quarter under review stood at RM530.5 million," he said in a statement here Wednesday.

SCGM To Gain More Revenue Through KTC's Tie-Up

KUALA LUMPUR -- Leading thermo-vacuum formed plastic packaging manufacturer SCGM Bhd aims to increase the revenue contribution from Sabah, Sarawak and Brunei to 15 per cent over the next three years. "Currently our Sabah and Sarawak markets make up less than three per cent of SCGM's group revenue in the financial year ended April 30, 2015," said Managing Director Datuk Seri Lee Hock Chai here Thursday. "We are confident of achieving the target especially with our collaboration with KTC Consolidated," he said.

EcoFirst Posts Higher Q2 Pre-Tax Of RM12.91 Mln

KUALA LUMPUR -- EcoFirst Consolidated Bhd posted a higher pre-tax profit of RM12.91 million for the second quarter ended Nov 30, 2015 from RM121,000 in the same period a year ago. Revenue jumped to RM23.63 million versus RM5.35 million, mainly derived from its Upper East@Tiger Lane project, contributing 75 per cent of the group's revenue. "As expected, Upper East will be the major contributor for financial year 2016 and is currently the strength of EcoFirst, bringing in 75 per cent of the group's revenue. "We foresee further significant contributions from this project in the second half of 2016 as well," Group Chief Executive Officer and Managing Director Datuk Tiong Kwing Hee said in a statement here Thursday.

Medical Devices Industry To Post Double-Digit Growth - MATRADE

NIBONG TEBAL -- The medical devices industry is expected to remain stable and achieve double-digit growth this year, despite the increasingly challenging conditions in the global economy. Malaysia External Trade Development Corporation (MATRADE) Chief Executive Officer Datuk Dzulkifli Mahmud said from January to November last year, exports of medical devices rose by 13.6 per cent to RM14.1 billion. "In 2014, within the same period, revenue from the export of medical devices was RM12 billion, so it has increased," he told reporters here Thursday.

Mercedes-Benz Commercial Vehicle Sales Hit 2,623 Units In 2015

KUALA LUMPUR -- Mercedes-Benz Malaysia (MBM) posted sales of 2,623 commercial vehicles in 2015, a 5.5 per cent increase from 2014. In 2015, the producer of Mercedes-Benz Commercial Vehicles and FUSO trucks delivered to customers 193 units and 2,430 units respectively, it said in a statement here Thursday. "In doing so, MBM has effectively increased its market share in Malaysia for both the European and Asian truck segments," it said. MBM Commercial Vehicles Vice-President Albert Yee said the company has increased sales, market share, launched a new truck series and achieved significant milestones at its Pekan production plant in Pahang.

Alliance Bank Eyes 10,000 Sign-Ups For New Business Credit Card

KUALA LUMPUR -- Alliance Bank Malaysia Bhd aims to sign up 10,000 local companies for its newly launched Visa Infinite Business Credit Card by year-end. Executive Vice President/ Head of Group Transaction and SME Banking, Victor Khor, said the bank will initially target its existing small and medium enterprise (SME) customer base. "We are optimistic of achieving the target of 10,000 sign-ups this year as we currently have about 85,000 SMEs as our customers. "The product features fit the SMEs well in managing their expenses," said Khor after the card's launch here Thursday. Khor said on average an active spender company will spend RM50,000 to RM60,000 each month and assign five supplementary cards to their employees. The bank launched Visa Infinite for individual customers in 2012 while the card launched Thursday, designed for business customers, is the first of its kind in Southeast Asia, he said.

KLCC Q4 Pre-Tax Profit Rises To RM849.59 Mln

KUALA LUMPUR -- KLCC Property Holdings Bhd's (KLCCP) pre-tax profit for the fourth quarter ended Dec 31, 2015 rose to RM849.59 million from RM601.39 million in the same quarter last year. Revenue increased to RM347.14 million from RM347 million in the same period a year ago, it said in a filing with Bursa Malaysia here Thursday. For the financial year ended Dec 31, 2015, pre-tax profit rose to RM1.52 billion from RM1.28 billion. Its revenue declined to RM1.34 billion from RM1.35 billion previously. KLCCP said revenue from office rentals was down due to the closure of City Point Kompleks Dayabumi for redevelopment, while revenue from retail increased due to higher rental rates. Management services recorded higher revenue while revenue from hotel operations declined, it said.

Used Clothing Bundle Merchant Aims To Open 100 Outlets In Near Future

By Ani Awang

TAIPING -- FF Mercu Niaga, a company involved in the distribution and export of used bundle clothing from Japan, plans to open 100 more outlets throughput Malaysia in the near future. Company director Fuzi Zainal,38, said there has been good response to the used clothing market, particularly for branded attire. In contrast to Malaysia, many developed countries looked at the industry, as a major sector. "Used clothing in Malaysia is limited, compared to the advanced countries, as demand there is very high," he told Bernama here recently. Elaborating further, Fuzi said he planned to market the used clothing in a number of countries with large populations as Indonesia, Cambodia, Thailand and China, apart from exploring the local landscape, including Sabah.

PTP Breaks 18,000 TEUs Record Load Milestone

KUALA LUMPUR -- Pelabuhan Tanjung Pelepas Sdn Bhd (PTP) has become the first Malaysian port to successfully handled over 18,000 twenty-foot equivalent units (TEUs) in a single berthing by a vessel. In a statement here Friday, PTP, a subsidiary of MMC Corp Bhd, said the milestone was accomplished on Jan 13, 2016 when Matz Maersk, one of the vessels on the 2M network service, left the port with the record load of 18,034 TEUs. PTP Chairman and MMC Group Managing Director, Datuk Seri Che Khalib Mohamad Noh, said the achievement was a testament to the port's commitment in providing the best in class service for its customers. "We will continue to build and strengthen our performance as well as to provide the best service to meet the demand of our customers and stakeholders," he said.

Proton Unveils RM600 Mln Engine R&D Programme

SHAH ALAM -- Proton Holdings Bhd Monday unveiled its RM600 million research and development programme of its latest powertrain, the global standard "turbo gasoline direct injection (TGDI)" engine, under a tri-partite collaboration with Ricardo plc and Lotus Group. Its Chairman, Tun Dr Mahathir Mohamad, symbolically officiated the first firing test on the engine which was made via a live telecast from Ricardo's facilities in Shoreham by the Sea, England, with the company's engineers who had been working on the project. The development programme is led by Proton Project Manager, Chief Technical Officer, Abdul Rashid Musa.

M'sia At 4th Spot In World Emerging Market Logistics Ranking

SINGAPORE -- Malaysia's drive to develop a world-class infrastructure and transport network propelled it to the fourth spot in a closely watched annual ranking of the world's 45 leading emerging markets. Malaysia surged past Saudi Arabia (5), Brazil (6) and Indonesia (7), according to 2016 Agility Emerging Markets Logistics Index. The index ranks emerging markets based on their size, business conditions, infrastructure and other factors that make them attractive to logistics providers, freight forwarders, shipping lines, air cargo carriers and distributors. "Malaysia has shown a sustained commitment to economic diversification and to its drive to develop and upgrade its infrastructure. It is going to lead the way as ASEAN countries of Southeast Asia continue to work toward economic integration," said Chris Price, Chief Executive Officer, Asia-Pacific for Agility Global Integrated Logistics here Tuesday.

Ringgit To Stabilise This Year On Positive Sentiment - MIDF

KUALA LUMPUR -- The ringgit is expected to stabilise between 4.10 and 4.15 against the US dollar this year as sentiment towards the local note has changed positively, says MIDF Amanah Investment Bank Bhd Head of Research Zulkifli Hamzah. He said sentiment for the ringgit has recovered, judging from the currency's appreciation on Monday despite crude oil prices falling as low as US$27.67 per barrel, its lowest since 2003. "Oil price has tumbled to below US$30 per barrel, where previously, if that happens, the ringgit would definitely collapse (but it didn't). "The ringgit is no longer seen as a sick currency. Its volatility has come down and correlation with oil prices has become unpredictable," he said in his presentation at Export Day 2016 here, Tuesday.

M'sia Scores High In CR Reporting Rate - KPMG

KUALA LUMPUR -- Malaysia is among four countries in the developing world with a high Corporate Responsibility (CR) reporting rate, according to KPMG Managing Partner in Malaysia, Datuk Johan Idris. The others are India, Indonesia and South Africa, he said in a statement issue by KPMG here Tuesday. "The research showed that more than half (56 per cent) of the 4,500 companies had standard business practices to include CR information in the annual financial reports," it said.

MAHB Handles 150,000 Passengers At 12 STOL Ports In S'wak Yearly

BARIO -- Malaysia Airports Holdings Bhd (MHSB) handles over 150,000 passengers at 12 Short Take-Off and Landing (STOL) ports throughout Sarawak yearly. Its Managing Director, Datuk Badlisham Ghazali told reporters here Tuesday, Sarawak has the most number of STOL ports in the country due to its rough geographical terrain. He said there were 18 STOL ports located in Sabah, Sarawak and three islands off Peninsular Malaysia which were operated by MAHB and they helped facilitate people in remote areas in their daily affairs.

CIC Provides Link For M'sian Halal Products To Enter China

KUALA LUMPUR -- CIC Group of Companies is now providing a trade bridge for Malaysian Halal products to enter the Chinese market following its partnership agreement with China-based Lanzhou Longma Ecommerce Technologies Co Ltd. CIC Group Marketing Director Baryusamzlino Abdul Jabar told Bernama that the group's subsidiary, China Inspection Consultancy (M) Sdn Bhd, has been given a mandate from China Certification & Inspection Group Beijing Co Ltd (CCIC) to carry out retail food labelling, inspection and testing consultation services in Malaysia and Southeast Asia.

90 Pct Of MSC-Status Firms Still At Start-Up Level - MDeC

KUALA LUMPUR -- About 90 per cent of 3,000 Multimedia Super Corridor (MSC) status companies are still trapped at the start-up level after two decades of its existence, the Multimedia Development Corporation (MDeC) revealed. "They have not been able to break away from there," MDeC Chief Executive Officer Datuk Yasmin Mahmood told reporters here Tuesday. MSC Malaysia status is a recognition by the government, through the MDeC, for ICT and ICT-facilitated businesses that develop or use multimedia technologies to produce and enhance their products and services.

Khazanah Part Of RM700 Mln Deal In China's WeLab

KUALA LUMPUR -- Khazanah Nasional Bhd, the government's sovereign wealth fund, has invested in WeLab, one of China's largest mobile lending and credit analytics platform in a US$160 million (RM700 million) Series B fund raising exercise. In a statement here Wednesday, Khazanah said it led a consortium of investors which included, among others, ING Bank and Guangdong Financial Technology Group. This is Khazanah's first investment in China's financial technology sector, which would allow the fund to gain exposure to the country's growing consumer loan market that is currently not met by traditional banking services.

Talks On Eagle High Stake Buy To Conclude By March – FGV

KUALA LUMPUR -- The negotiation

for the acquisition of PT Eagle High Plantations Tbk is expected to be concluded by March, said Felda Global Ventures Holdings Bhd (FGV) Chairman Tan Sri Mohd Isa Abdul Samad. When asked on the latest update for the deal, he said: "We are still looking for a new business model, negotiation is still on and hopefully this will all be settled by March." It was reported that FGV will buy a 37 per cent stake in Eagle High from Indonesia-based PT Rajawali Corpora. Isa was speaking at a press conference after witnessing the signing of a memorandum of agreement between Felda Director-General Datuk Hanapi Suhada and Encorp Executive Committee Chairman Datuk Zakaria Nordin.

TPPA: A Boon To The Textile Industry

KUALA LUMPUR -- The Malaysian Textile Manufacturers Association (MTMA) expects the Trans-Pacific Partnership Agreement (TPPA) to bring a new lease of life to the textile & apparel industry in Malaysia, said President Datuk Seri Tan Thian Poh. "Based on the cost-benefit analysis carried out by the Institute of Strategic and International Studies Malaysia and Price Waterhouse & Coopers, the textile and apparel industry is expected to be the biggest gainer from the TPPA," he told reporters here Wednesday.

AirAsia Continues Climate Change Awareness Initiative With #GREEN24

KUALA LUMPUR -- Low-cost airline AirAsia is continuing its climate change awareness initiative with its #GREEN24 Challenge to promote sustainable actions that make a tangible difference to the environment. Throughout the 24-hour period from Jan 29 to 30, offices across the AirAsia group will be organising various activities with their respective communities. As part of the initiative, the public are invited to organise community projects on Jan 29-30 (visit airasia.com/green24 for details), with 24 AirAsia return flights to a destination of their choice up for grabs for winners of the best projects.

TPPA To Give M'sia Bigger Platform To Grow High-End Products - MIDA

KUALA LUMPUR -- The Trans-Pacific Partnership Agreement (TPPA) will give Malaysia a larger platform for growing high-end products via greater market access. Malaysian Investment Development Authority (MIDA) Deputy Chief Executive Officer Datuk N Rajendran said the trade deal was one of the attractive incentives that Malaysia could offer to draw more foreign and domestic investments. "The trade deal will enable companies to gain even more as reductions in tariff and non-tariff border barriers can trigger much larger cost savings and efficiency gains. "In addition, simplifying and harmonising across various countries' regulations in product safety, transport and other areas will enhance the durability and predictability of global supply networks," he said here Wednesday.

Turkish Company To Shift Production Facility To M'sia By Year-End

KUALA LUMPUR -- Turkish integrated chemical manufacturing company, Evyap Holdings AS, plans to shift its manufacturing facility from Turkey to Malaysia by year-end. Its Malaysian subsidiary, Evyap Sabun Malaysia Sdn Bhd, Vice President Dr Martin Rudolph told reporters here Wednesday, the existing plant in Tanjung Langsat, Johor, would absorb the production capacity from Turkey. The Johor facility, which commenced operation in 2014, has the capacity to produce 350,000 tonnes of chemical products annually such as soap (150,000 tonnes a year), fatty acids (175,000 tonnes a year) and glycerin (25,000 tonnes).

Central Sugars Refinery Benefiting From Low Raw Sugar Price

PETALING JAYA -- Central Sugars Refinery Sdn Bhd (CSR) has benefited from the drop in global raw sugar price, which fell to US$0.14 cents per pound in 2015 from US$0.17 a pound in 2014. Chief Executive Officer Abdul Karim Md Lassim told reporters here Wednesday, the company spent RM750 million to import raw sugar last year compared with RM860 million in 2014. The global raw sugar price stood at US$0.15 cents per pound Wednesday. He however said the weakening ringgit had caused the company to suffer foreign exchange losses of about RM24 million last year. The increase in natural gas price last year had also negatively affect the margin of sugar production, he said.

BNM To Reduce SRR To 3.5 Pct, Effective Feb 1

KUALA LUMPUR -- Bank Negara Malaysia (BNM) will reduce the statutory reserve requirement (SRR) of banking institutions to 3.5 per cent from 4.0 per cent, effective February 1. BNM said the reduction was part of a comprehensive effort by the central bank to ensure sufficient liquidity in the domestic financial system and to support the orderly functioning of the domestic financial markets. "Since early 2015, BNM had relied on its monetary operations, including the reverse repo facility, to provide liquidity to the banking system as net external outflows reduced the amount of liquidity in the system," it said in a statement here Thursday.

M'sia Airlines Offers Up To 50 Pct Discount For Enrich Members

KUALA LUMPUR -- Malaysia Airlines' loyalty programme, Enrich, is offering its members worldwide eight days of flight redemptions of 30-50 per cent off on selected Malaysia Airlines destinations including Seoul, Osaka and Tokyo. The redemption period is between Jan 25 and Feb 1, 2016 and valid for travel between Feb 18 and May 31, 2016, the airline said in a statement here Friday. "Enrich members need only pay for the airport taxes and any applicable surcharges for these promotional redemptions (subject to terms and conditions)," it said. Its Head of Loyalty Khairul Nisa Ismail said the airline is offering redemption discounts of 50 per cent for its top eight destinations, including Bangalore, Beijing, Darwin, Dhaka, Hyderabad, Kathmandu and Shanghai.

Khatijah Ibrahim Plans To Open Restaurant Outlet In LA

MELAKA -- Well-known singer, Datuk Khatijah Ibrahim, who owns Khatijah's Kitchen Sdn Bhd, plans to expand her restaurant business to Los Angeles, United States, soon. Speaking to reporters here Monday, she said discussions was now on-going with relevant authorities in Los Angeles to facilitate the opening of her first overseas outlet. "We have been offered to open Khatijah's Kitchen in Los Angeles and this is a good opportunity to expand outside the country," she said.

DNEX Signs MoU To Tap Renewable Energy Mart In The Region

KUALA LUMPUR -- Dagang NeXchange Bhd (DNeX), through its subsidiary, Forward Energy Sdn Bhd (FESB), signed a Memorandum of Understanding (MoU) with three companies to tap the increasingly emerging renewable energy market in the region. The three companies are Hong Kong-based China Everbright International Ltd, Broadgate Engineering (M) Sdn Bhd and China-based HydroChina International Engineering Co Ltd. Under the MoU, the parties will collaborate and cooperate specifically in submitting business proposals for Waste-to-Energy technology projects in Malaysia and regional markets, it said in a statement here Monday.

Prasarana Unveils First Driverless Innovia Metro Trainset

PORT KLANG -- The first of 14 driverless Innovia metro trainsets will commence operations by the middle of this year on the Kelana Jaya LRT Line, Prasarana Malaysia Bhd President and Group Chief Executive Officer Datuk Azmi Abdul Aziz said. He said the new Bombardier Innovia Metro 300 trainset was expected to increase capacity and improve the quality of public transportation in Kuala Lumpur. "The new train is expected to provide better frequency and lesser waiting time in stations, thus reducing headway not longer than 2.8 minutes," he told reporters here Monday.

Huawei Opens AP Contact Centre In M'sia

KUALA LUMPUR -- Information and communications technology (ICT) provider Huawei Technologies has selected Malaysia to house its Asia Pacific Contact Centre, which will be extending its support services to customers across 12 main markets in the Asia Pacific region. Huawei South Pacific Chief Marketing Officer Henry Hsu said the centre will allow the company to provide better services to its smartphone users in the region. "Apart from that, Malaysia is one of the main markets after China and its encouraging investment policies and strategic location make it the best choice for us to base our Asia Pacific Contact Centre here," he added in a statement here Monday.

'Time Together' In Puteri Habour Promotes Family Bonding

JOHOR BAHARU -- Themed Attractions Resorts & Hotels Sdn Bhd has launched a new initiative that helps promote family bonding dubbed 'Time Together' in Puteri Harbour. Its Group Managing Director & Chief Executive Officer, Tunku Datuk Ahmad Burhanuddin told reporters here Monday, the initiative was one of the ways to bring a family closer during a vacation by doing activities together. "This initiative can help address issues faced by families in this fast-moving digital age. "It delivers a destination equipped with luxurious but affordable waterfront dining outlets, attractions and events where families can build and strengthen bonds through quality time together," he said.

Amcham M'sia Appoints Siobhan Das As New Exec Director

KUALA LUMPUR -- The American Chamber of Commerce Malaysia (Amcham) has appointed Siobhan M. Das as its new Executive Director effective Jan 15, 2016. In a statement here Wednesday, Amcham said in this role Das will lead Amcham's efforts to promote the interests of over 1,000 members in Malaysia and the region by facilitating networking opportunities, advocating on issues that impact members and providing critical business insights. Amcham said Das brings with her over 20 years of international experience in management services, communication and marketing, having been Director of Committees (Industry) for Amcham Shanghai for five years in Shanghai.

Johor MB Leads Trade & Investment Mission To Japan

From Lucia Terey John

TOKYO -- Johor Menteri Besar Datuk Seri Mohamed Khaled Nordin is leading a trade and investment mission to Japan for four days beginning today in an effort to draw more foreign investors to participate in the development of downstream oil and gas industry as well as halal hub in Johor. The trade delegation also includes State Religious Committee Chairman Abd Mutalip Abd Rahim; State Religious Council Adviser Datuk Noh Gadut; Johor Corporation (JCorp) President and Chief Executive Officer (CEO) Datuk Kamaruzzaman Abu Kassim; and State Financial Officer and Economic Planning Unit Director Salehuddin Hassan. The others are Johor Petroleum Development Corporation (JPDC) CEO Mohd Yazid Jaafar, J-Biotech CEO Wan Amir-Jeffery Wan Abdul Majid and Dialog Group Bhd Executive Chairman Tan Sri Dr Ngau Boon Keat.

Mustapa To Attend 2016 WEF In Davos

KUALA LUMPUR -- International Trade and Industry Minister Datuk Seri Mustapa Mohamed will attend the four-day World Economic Forum (WEF) Annual Meeting 2016 in Davos, Switzerland, beginning Wednesday. Themed, "Mastering the Fourth Industrial Revolution", participants at the annually summit will address the technology revolution and highlight the opportunities it presents and how it impacts government, industry and society. In a statement here Wednesday, the ministry said Mustapa would participate in several speaking sessions together with a number of high-profile and prominent public, private and industry leaders.

MTCC Secures Award From PEFC

KUALA LUMPUR -- The Malaysian Timber Certification Council (MTCC) has received an award from the Programme for the Endorsement for Forest Certification (PEFC) for the third highest increase in the number of certified companies through Chain of Custody (CoC) certification in 2015. The award was received during the PEFC General Assembly held recently, MTCC said in a statement here Wednesday. Its Chief Executive Officer Yong Teng Koon said last year, MTCC registered 59 new CoC certificate holders representing a 21 per cent increase as compared to 2014.

TPPA Could Attract Over US$100 Bln Investment By 2027

KUALA LUMPUR (Bernama) -- Malaysia is expected to receive an additional investment of over US$100 billion (RM440 billion) by 2027 with the implementation of the Trans-Pacific Partnership Agreement (TPPA), said International Trade and Industry Minister Datuk Seri Mustapa Mohamed.

He said the projected investment figure is from a study by consultancy firm PricewaterhouseCoopers on the trade pact's benefits for Malaysia.

"We asked PricewaterhouseCoopers to do a study. The findings show that in 2027, the additional investment could be over US$100 billion with the TPPA in place," he said at a media conference after a briefing on the TPPA's benefits here Sunday.

Mustapa said many of the earlier allegations against the TPPA have been found to be false and not based on facts. "Some of the accusations against and concerns over the TPPA made before the full text of the TPPA was released on Nov 5 last year were based on hearsay.
After the text came out, however, many quarters have begun to express satisfaction," he said.

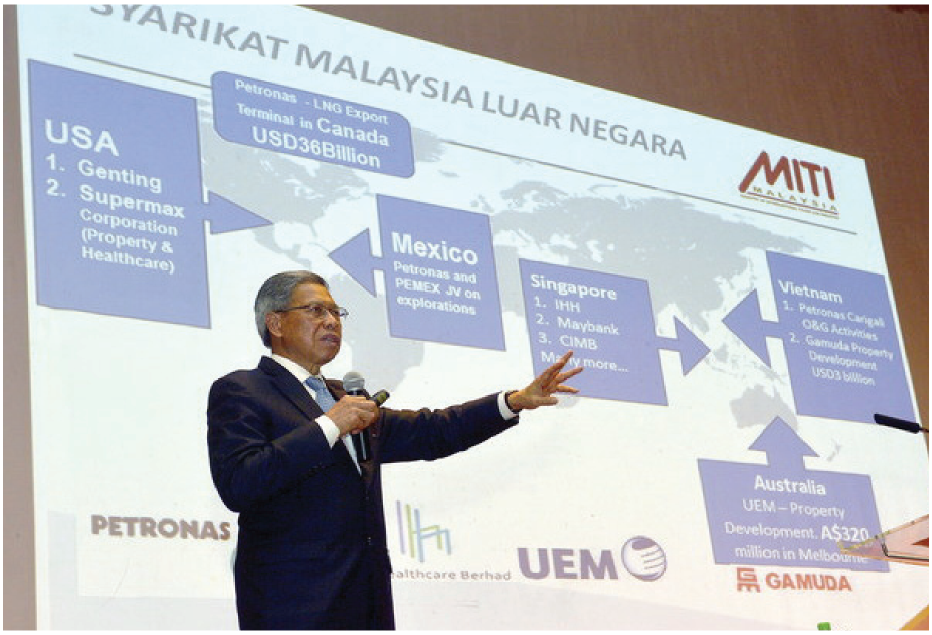
FOREIGN INVESTMENTS HIT RM600 BILLION

Mustapa said investment inflows and outflows are not new for Malaysia as the country has long been open about the matter.

"We were a small nation before, but now our investments abroad have hit RM600 billion compared to RM500 billion in foreign investment inflows (as of the third quarter of 2015).

"We have resilience, Malaysian companies are successful abroad, and we have the capability. But those making the allegations are implying that foreign investments are a new thing, and that we don't have investments overseas," he said. The minister said critics of the TPPA should be fair and refer to the facts in the text rather than basing their claims on incorrect information.

Mustapa said Malaysia benefits a lot from globalisation and the open economy but at the same time is prepared to address the problems brought about by the open economy.



BRIEFING...Minister of International Trade and Industry Datuk Seri Mustapa Mohamed briefing civil servants on the Trans-Pacific Partnership Agreement (TPPA) in Putrajaya Monday. Pic: Harry Salzman

BRIEFINGS, DIALOGUES

On the plan by some quarters to hold anti-TPPA protests on Jan 23 at Dataran Merdeka here, Mustapa said although the country's democracy allows them to do so, they will not have strong grounds for it as the government has been holding briefings and dialogues with various quarters, including the opposition.

Malaysia and 11 other countries -- Australia, Brunei, Canada, Chile, Japan, Singapore, Mexico, New Zealand, Peru, the United States and Vietnam -- concluded the TPPA negotiations on Oct 5 last year. A special three-day session on Malaysia's participation in the TPPA will be held at the Dewan Rakyat and Dewan Negara from Jan 26.

The contents of the TPPA as well as findings of the two cost-benefit analyses will be tabled in Parliament. The TPPA needs Parliament's approval before it can be ratified.

A review may be carried out after three years if the TPPA is found not to benefit the country, and Malaysia could pull out of the trade deal with a six-month written notice.

-- BERNAMA

LIST OF MARKET REPORTS :

BURSA: FBM KLCI To Trend Lower Next Week

KUALA LUMPUR -- The key benchmark FTSE Bursa Malaysia KLCI (FBM KLCI) is expected to trend lower next week, battered by a confluence of negative events. Affin Hwang Investment Bank vice-president and retail research head Datuk Dr Nazri Khan Adam Khan said rising concerns over China, global economic growth prospects, sliding commodity prices and questions over whether global central banks were willing to act as a backstop.

"The global equity rout should continue, after the local and global market stocks officially entered into bear market territory as oil prices slid to new lows and investors fled for the safety of high-rated government bonds," he said. Nazri said fear rippled through global markets, taking the world market more than 20 per cent below their 2015 highs, the common definition of a bear market and compounding equities worst start to a year on record. "Concerns over global market capital outflows and currency depreciation fuelled the sell-off at the start of January, but those concerns have snowballed into a wider reappraisal of the global economy and the ability and willingness of central banks to support markets. "The turmoil has sharply muted expectations for when and how aggressively the US Federal Reserve will now be able to raise rates this year," he added. Many market watchers continued to have a wait-and-see approach, given that Prime Minister Datuk Seri Najib Tun Razak will present the recalibrated Budget 2016 on Jan 28, due to the further slide in the crude oil price. It was reported that the government would announce the new estimate of the average oil price that the budget would be based on. For the week just ended, local and regional markets were badly hit by crude oil price which fell to a 12-year low on Wednesday and before it rebounded to settle higher on Friday. Brent crude was up 98 cents at US$30.23 per barrel, while US crude was 85 cents higher at US$30.38 per barrel. Crude oil concerns persisted as Iran's international oil sanctions were lifted recently, flooding the oversupplied oil markets with more crude than the world needs at the moment.

The local bourse was swinging between positive and negative before it clawed back higher on Friday, encouraged by banking stocks, which were some of the best performers, following Bank Negara Malaysia's (BNM) move to cut statutory reserve requirements to improve liquidity in the financial system. BNM also maintained its overnight policy rate at 3.25 per cent. On a weekly basis, the FBM KLCI fell 3.34 points to 1,625.21 from 1,628.55 last Friday. Weekly turnover advanced to 11.12 billion units valued at RM9.65 billion from 9.51 billion units worth RM9.8 billion last week. Main market volume fell to 6.59 billion shares valued at RM7.03 billion shares worth 6.22 billion shares worth RM9.04 billion.

FOREX: Ringgit To Extend Upward Momentum Next Week

KUALA LUMPUR -- The ringgit is expected to extend upward momentum next week, riding on bullish sentiments on the local and regional markets, analysts said. An analyst said that the Bank Negara Malaysia's move to maintain its Overnight Policy Rate (OPR) at 3.25 per cent is expected to further boost investors' appetite for the local unit. "The global oil price, which has extended its gains for the past two trading days, is also expected to benefit the ringgit next week, as well as the currencies of other emerging oil producing countries," he said. The central bank also cuts the statutory reserve requirement (SRR) by 50 basis points to 3.50 per cent from four per cent, effective Feb 1, 2016.

BNM said the cut was to ensure sufficient liquidity in the domestic financial system and to support the orderly function of the domestic financial market. On the global front, he said that rising speculation of monetary easing by other major central banks may hint more investors to shun safe-haven currencies. For the week just ended, the ringgit rose to the 4.29 level against the US dollar on Friday, lifting the currency to a near three-week high.

On a weekly basis, the local unit appreciated further against the greenback to 4.2950/2040 from last Friday's 4.3965/3035. It went up against the Singapore dollar to 3.0073/0157 from 3.0483/0544 last Friday and improved against the yen to 3.6309/6388 from 3.7458/7524 previously. The ringgit was better against the euro to 4.6566/6673 from 4.7917/7011 and ended higher against the British pound to 6.1238/1384 from 6.3121/3230.

Money Market To Stay Stable Next Week

KUALA LUMPUR -- The Malaysian money market is likely to remain stable next week on expectations of continued intervention by Bank Negara Malaysia (BNM) to manage excess liquidity. The central bank is expected to continue the intervention with daily tenders to mop up excess funds from the market, a dealer said. For the week just ended, BNM intervened daily to absorb the system of surplus funds by conducting conventional money market tenders, Commodity Murabahah Programmes, Qard tenders, range maturity auction money market tenders, an Islamic range maturity auction Qard tender, reverse repo tenders and repo tenders. On Friday, the central bank's action helped reduce the market's total liquidity surplus to RM33.48 billion from RM39.55 billion earlier, while in the Islamic system, it went down to RM8.43 billion from RM12 billion. The overnight Islamic reference rate stood at 3.21 per cent, while the one-, two- and three-week rates stood at 3.30 per cent, 3.35 per cent and 3.40 per cent respectively. Meanwhile, the benchmark three-month interbank rate stood at 3.81 per cent.

FBM KLCI Futures To Trade Lower Next Week

By Joan S. Santanasamy

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts on Bursa Malaysia Derivatives are expected to trade lower next week, tracking the anticipated bearish movement of the underlying cash market. Affin Hwang Investment Bank vice-president and retail research head Datuk Dr Nazri Khan Adam Khan said the negative outlook would likely continue as the market was clouded by negative factors. "Despite the short-term rebound, we reiterate our views that the FBM KLCI futures will trend lower on lingering concerns over the slowdown in China, weakening global growth outlook and depressing crude oil prices," he told Bernama. On a week-to-week basis, January 2016 fell 16 points to 1,599, February 2016 declined 16 points to 1,591.50, March 2016 was 15.5 points lower at 1,585.5, and June 2016 lost 12.5 points to 1,575.50. Weekly turnover advanced to 56,028 lots from 44,453 lots last week while open interest increased to 63,312 contracts from 54,540 contracts. On Friday, the benchmark FBM KLCI settled at 1,625.21, down 3.34 points from 1,628.55 recorded last week.

CPO Futures To Trade Higher On Output Concern

By Zairina Zainudin

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts are likely to trade firmer next week on short-covering coupled with the anticipation of low production. A dealer said the long Thaipusam weekend in the local market would generate mild participation from traders next week. She said Malaysia's oil palm production is expected to decline on the back of dry weather caused by El-Nino. For the week just ended, the CPO futures contracts were traded mixed, mainly influenced by softer crude oil prices and weaker-than-expected export figures from cargo surveyors. Intertek Testing Services reported that Malaysia's palm oil exports during Jan 1-20 period fell 8.5 per cent month-on-month, while Societe Generale de Surveillance registered a 10.5 per cent drop in offtake. The weak reports were attributed to low demand from China due to its slowing economy and increased consumption of soyabean oil. Normally, huge demand for the commodity is expected from China, the world's largest CPO consumer, ahead of the Chinese New Year festival next month. On a weekly basis, February 2016 rose RM33 to RM2,382 per tonne, March 2016 increased RM23 to RM2,435 per tonne, and April 2016 chalked up RM48 to RM2,460 per tonne. Newly-introduced month, May 2016 ended the week at RM2,463. Weekly turnover was marginally higher at 251,765 lots from 251,751 lots last week, while open interest narrowed to 254,993 contracts from 277,863 contracts previously. On the physical market, January South was RM30 higher at RM2,340 per tonne from last Friday. The local market will be closed on Monday for the Thaipusam celebration.

Positive Sentiment To Push Rubber Prices Next Week

By Zairina Zainudin

KUALA LUMPUR -- Regional positive sentiment is set to continue to drive up prices on the Malaysian rubber market next week, said a dealer. Initiatives taken by Thailand government to help shore up rubber prices by buying rubber from its farmers will balance supply and demand in the market. "This would also influence natural rubber prices on other regional markets," the dealer told Bernama. Last week, the Malaysian Cabinet allocated RM648 million to buy 100,000 tonnes of unsmoked rubber sheets from farmers. The government will pay RM5.407 for each kg of rubber sheets, much higher than the market price of RM4.445 per kg, for the benefit of 850,000 farmers.

The dealer, however, said demand from China is expected to remain low next week given the country's slow pace of growth. China is the world's largest consumer of rubber to cater mainly to its automobile and tyre industries. On a Friday-to-Friday basis, the Malaysian Rubber Board's sellers' official physical price for tyre-grade SMR 20 rose nine sen to 479.5 sen a kg, while latex-in-bulk chalked up 34.5 sen to 376 sen a kg. The unofficial closing price for tyre-grade SMR 20 increased 12.5 sen to 479 sen a kg, while latex-in-bulk advanced 34 sen to 378 sen a kg.

KLIBOR Futures To Remain Untraded Next Week

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives will likely remain untraded next week. For the week just-ended, the market was untraded. Settlement prices for February 2016, March 2016, April 2016, and June 2016 were pegged at 96.21, 96.20, 96.19, and 96.17 respectively. Open interest on Friday was unchanged at 120 contracts from that of last week. The underlying three-month KLIBOR was pegged at 3.81 per cent.

KLTM To Trade Between US$13,620-US$13,800 Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) will likely trade between US$13,620 and US$13,800 a tonne next week. The tin price is expected to continue the uptrend momentum for the first two trading days and might slide later as traders are expected to take a "wait-and-see" stance on the movement of the tin price on the London Metal Exchange (LME), a dealer said. "Traders will look for cues from the performance of the tin and copper prices on the LME. The positive movements for the metals on the LME would help trigger demand on the KLTM," he told Bernama. For the week just ended, the metal was traded between US$13,250 and US$13,620 a tonne, mainly influenced by the performance on the LME and other issues affecting the Asian market. Japanese, South Korean, Chinese, Latin American and local players accounted for the week's turnover of 361 tonnes compared with 282 tonnes last week. The discounts between the KLTM and LME narrowed to US$15 a tonne against US$50 a tonne last Friday.

Gold Futures Likely To Stay Bearish Next Week

By Sharifah Pirdaus Syed Ali

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are likely to remain bearish next week amid rising expectations of monetary stimulus by major central banks, a dealer said. Phillip Futures Sdn Bhd dealer Ler Wee Liang said there were growing hopes of further monetary stimulus from Europe and Japan to address the turmoil on the equities market which did not augur well with the safe-haven metal. With the equities market set to remain strong and oil price continuing to edge higher, gold is like to be under pressure, he said.

"The ringgit strengthened on Friday and if it remains strong next week, gold would be less attractive," he told Bernama. He said slow physical demand from major consumers, namely China and India, were also one of the factors contributing to the bearish sentiment. On a Friday-to-Friday basis, January 2016 and February 2016 declined 50 ticks each to RM151.05 and RM151 a gramme, respectively, March 2016 fell 53 ticks to RM151.2 a gramme and April 2016 slipped 54 ticks to RM151.55 a gramme. Weekly turnover totalled 503 lots worth RM7.34 million versus last week's 288 lots worth RM4.46 million. Open interest on Friday rose to 1,596 contracts from 1,325 contracts last Friday.