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Governor says they will strengthen the banking system

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There is no mystery about a Girard-Perregaux, simply more than two centuries of craftsmanship and a perpetual commitment to perfection.

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DR M LIKENS PROTON STAKE SALE TO 'LOSING A CHILD'

However, Mustapa hails deal as the start of a new era for the carmaker. Supriya Surendran has the story on **Page 4**.

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BUSINESS DEVELOPMENT

Senior Manager Elizabeth Lay

BNM to unveil new measures

Governor says they will strengthen the banking system

KUALA LUMPUR: Bank Negara Malaysia (BNM) will introduce three regulatory measures to strengthen the foundations for a strong and resilient banking system in the next seven months which include employment reference check.

Governor Datuk Seri Muhammad Ibrahim said the central bank would implement a mandatory employment reference check for financial industry employees which is aimed at removing employee information asymmetries during job transitions.

"We will share with the industry proposed revisions to the outsourcing policy to improve the governance and supervision of financial institutions, especially involving cross-border arrangements," he said.

Speaking at the Asian Strategy and Leadership Institute's 21st Malaysian Banking Summit here yesterday, he said the revisions also aim to better support the development of domestic expertise and capacity in core functions of the banking industry.

Muhammad said a shared se-

curity operations centre for the financial industry (Finsoc) will also be established in coordination with the industry to support the continuous and proactive monitoring of cyber threats.

"Finally, by 2018, we hope to operationalise an industry-wide implementation of e-KYC (Know Your Customer) for the on-boarding of customers," he said.

In another development, he said the banking sector, which has been a central pillar of strength for the Malaysian economy, could play a more positive role by engaging positively in conversations on economic and financial issues confronting the country.

He said: "Bankers have the equivalent of a box seat to provide an informed view on developments in the economy and financial system. Rather than being onlookers, the banking industry should weigh in on domestic economic discourse."

Muhammad said the bankers' perspectives from sectoral issues to macro trends would provide ad-

ditional viewpoints and enrich assessments by the public and financial community, and help address gaps between reality and perception that have too often dominated public conversation.

He said bankers should be proactively offering solutions to some of the pressing economic and financial issues facing the country, as a positive voice for socioeconomic change could help instil greater public trust in the role of the banking sector in nation building.

Muhammad pointed out that a current issue that had disproportionately drawn attention to banks was the affordable housing issue and the sizeable surplus in commercial property.

"We should explore ways to moderate the lending bias towards real estate," he said, adding that banks should be providing more financing to new productive investments that [are] essential to support economic transformation with more innovative product offerings to meet the demands of the new economy. — *Bernama*

IJM Corp reports big rise in 4Q profit

BY ANETTE APPADURAY

KUALA LUMPUR: IJM Corp Bhd's net profit for the fourth financial quarter ended March 31, 2017 (4QFY17) jumped more than five times to RM236 million from RM44.23 million a year earlier.

This followed improved earnings at the group's construction, property development, manufacturing and quarrying, and plantation divisions, the construction group said in a filing with the stock exchange yesterday.

Quarterly revenue swelled 43.03% to RM1.67 billion from RM1.17 billion in 4QFY16.

For the full financial year, net profit declined 17.61% to RM653.77 million, from RM793.59 million in FY16.

The group said this was mainly because the FY16 figure included one-off gains from the disposal of a 74% equity interest in Jaipur-Mahua Tollway Pvt Ltd and a 70% stake in Swarna Tollway Pvt Ltd, both in India.

Full-year revenue grew 18.27% to RM6.07 billion from RM5.13 billion in FY16.

The group has proposed a second interim dividend of 4.5 sen per share, payable on July 21.

Moving forward, the group said it expects a satisfactory per-

formance for the coming financial year.

"The property market is expected to remain challenging given weaker consumer sentiment coupled with continued stringent mortgage approval and incoming supply of completed properties," it said.

"Nonetheless, with unbilled sales of about RM1.7 billion, the group's property development division is expected to maintain its performance in the coming financial year," it added.

IJM's share price closed one sen or 0.29% higher at RM3.50 yesterday, giving it a market capitalisation of RM12.66 billion.

Perwaja to be delisted on May 30 after failing in appeal

BY ADELA MEGAN WILLY

KUALA LUMPUR: Perwaja Holdings Bhd has failed in its appeal against its delisting on Bursa Malaysia, and will consequently be delisted on May 30.

The group initially announced on April 20 that it would be delisted on May 4 after failing to submit its regularisation plan within the stipulated time frame and subsequently had its request for time

extension for submission rejected by Bursa Malaysia.

But on April 28, Perwaja submitted an appeal against the delisting, prompting Bursa Malaysia to defer the delisting pending a decision on the appeal.

The loss-making steel manufacturer, which slipped into the Practice Note 17 status in November 2013, had been on the Main Market of the stock exchange for almost nine years.

Upon its delisting, the company will continue to exist but as an unlisted entity, Perwaja said.

"The company is still able to continue its operations and business and proceed with its corporate restructuring and its shareholders can still be rewarded by the company's performance," it said. "However, the shareholders will be holding shares which are no longer quoted and traded on Bursa Securities."

IN BRIEF

Najib: Govt to build 77 sewage treatment plants by 2040

KUALA LUMPUR: The government aims to build 77 sewage treatment plants nationwide by 2040 under the National Sewerage Catchment Strategy with an estimated allocation of RM52 billion. Prime Minister Datuk Seri Najib Razak said 46 regional sewage treatment plants had been built so far to preserve the quality of water sources in the country. He said Malaysia is lucky to have many sources of water, with 150 rivers that had been identified as the main sources of raw water. But with the global climate change and the decline in the quality of river water, Malaysia is now facing a shortage of raw water, Najib said when opening the Pantai 2 Sewage Treatment Plant and Pantai Eco Park here yesterday. — *Bernama*

Trump shames Nato leaders on defence spending

BRUSSELS: US President Donald Trump hectoring Nato leaders to pay their "fair share" on defence to help counter the terrorist threat, in a public shaming that risked souring a ceremony intended to mark the alliance's unity. Citing this week's attack in the English city of Manchester, Trump told fellow alliance leaders including German Chancellor Angela Merkel that Nato should focus its efforts on combating terrorism. Yet of the 28 member nations, 23 "are still not paying what they should be paying," he said at an event in Brussels yesterday to mark the opening of Nato's new headquarters. — *Bloomberg*

Pact to speed up bitcoin drives it to record high

LONDON: Bitcoin's seemingly unstoppable rally has just been given new impetus. The cryptocurrency extended its surge by 10% to a record-high US\$2,690 (RM11,486) yesterday, bringing gains this year to 182%, after an agreement to upgrade the speed of processing transactions. Before the pact, the digital currency faced a swelling backlog of transactions due to a cap on the amount of data the bitcoin blockchain can process. Disagreements over the right solution had fuelled fears the digital asset would be split into two. — *Bloomberg*

S&P, Nasdaq open at record highs

NEW YORK: The S&P 500 and Nasdaq Composite opened at record highs yesterday after minutes of the US Federal Reserve's latest meeting showed policymakers expected the economy to pick up momentum and that they would raise interest rates soon. The Dow Jones Industrial Average rose 50.69 points, or 0.24%, to 21,063.11 and the S&P 500 gained 4.45 points, or 0.18%, to 2,408.84. The Nasdaq Composite added 19.02 points, or 0.31%, to 6,182.04. — *Reuters*



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Dr M likens Proton stake sale to 'losing a child'

But Mustapa hails deal as start of a new era for the carmaker

BY SUPRIYA SURENDRAN

KUALA LUMPUR: Former prime minister Tun Dr Mahathir Mohamad has likened the sale of a 49.9% stake in Proton Holdings Bhd to a Chinese company to "losing a child".

"They say Proton is my brainchild. Now, the child of my brain has been sold," said Dr Mahathir, who is considered the father of Proton.

"I am a sissy. I cry even if Malaysians are dry-eyed. My child is lost. And soon my country," he wrote in a blog post on chedet.cc yesterday.

According to Dr Mahathir, the sale of the stake to China's Zhejiang Geely Holding Group Co Ltd meant that Proton can no longer be the national car of Malaysia.

"I am sure Proton will do well. It will be a commercial success ... sold all over the world. The Proton name will be everywhere.

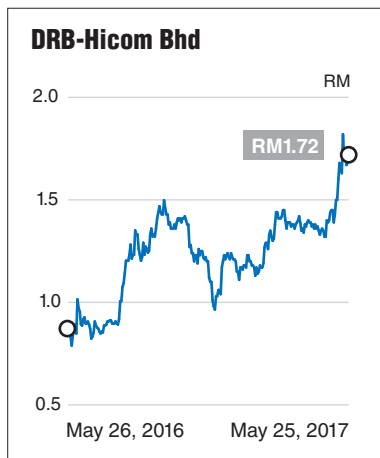
"But I cannot be proud of its success. I cannot be proud of the success of something that does not belong to me or my country. Maybe other Malaysians will, but not me," he said.

Dr Mahathir, who is known for his sharp wit, displayed somewhat a sombre tone in his post, which he entitled "Proton".

"I will die soon. I am already beyond [the] average age. And as I slip into my final years, or months or days, I will watch as our beloved country is sold to foreigners to settle the trillion ringgit that we owe.

"We will have to sell more and more of our country. What are our assets? Our land, of course! That was what we did in the past. We sold chunks of our country. We lost the land we sold. That is what we are doing now. And that will be what we will have to do — or forfeit our country, like we forfeit Proton," he said.

International Trade and Indus-



try Minister Datuk Seri Mustapa Mohamed had a more positive take on the stake sale — he called it the beginning of a new era for the national carmaker.

"The partnership with Geely will mark the beginning of a new era for Proton. It is still a long road ahead, but I believe this is a step in the right direction," he said in a statement.

Mustapa said the business decision made by DRB-Hicom Bhd, which owns Proton, was one that took into account the interests of the company and its 10,000 employees, as well as another 50,000 workers in its supply chain.

"Geely will be able to provide a lot of boosts to Proton's sale performance and bottom line. I am sure this is a development long awaited by 350 parts and components manufacturers, as well as support and services-related vendors in the Proton ecosystem," he said.

The minister said Geely has a proven track record and is one of the top Chinese automotive companies. Its sales in China grew 50% last year to 766,000 vehicles.

"Its acquisition of Volvo in 2010 has been a success. Volvo recorded sales of 540,000 vehicles last year,

an increase of over 200,000 units than the amount sold in 2009, prior to the acquisition," he added.

On the acquisition of Lotus by Geely, Mustapa said this will remove one of the challenges facing Proton, as the British sports car maker has been struggling financially.

"The total exit of Lotus from Proton will also remove one of the main challenges facing Proton in about a decade," he said.

Mustapa said he hopes the deal will enable Proton to have access to existing markets of the Chinese carmaker, especially in China as well as right-hand drive markets in Southeast Asia.

"The partnership will also allow Proton to tap into Geely's technology and research and development facilities, including a range of platforms and power trains.

"More importantly, it could also fully realise the potential of Proton's production plants in Tanjung Malim and Shah Alam, which have a combined capacity of 380,000 units. In the last few years, Proton has only been operating at 40% of its full capacity," he said.

Analysts were also positive on prospects for DRB-Hicom with the Proton-Geely deal.

RHB Research called it a win-win situation, noting that Geely brings a "strong suite of production expertise, best practices and ready-made models to be leveraged on in the short term, including an effective distribution and aftersales business model". RHB Research has a "buy" call on DRB-Hicom, with a target price (TP) of RM2.77.

HLIB Research, meanwhile, views the partnership positively, saying it would relieve the burden on DRB-Hicom and allow the group to refocus its resources on other strategic businesses. HLIB Research has a "buy" call on the stock, with a TP of RM2.58.

MAHB eyes RM500m airport facilities management jobs

BY SULHI AZMAN

KUALA LUMPUR: Malaysia Airports Holdings Bhd (MAHB) says it is tendering for some RM500 million worth of bids to manage airport facilities in the Middle East as it seeks to build a balanced portfolio of investments beyond the country — from equity acquisitions to management contracts.

Its managing director Datuk Badlisham Ghazali said the tendering process, done via wholly-owned unit Malaysia Airports Consultancy Services Sdn Bhd and its affiliates, is also part of the airport operator's strategy to expand its expertise to providing ancillary facilities.

"Some of the bids are still in the preliminary process and will be tendered out accordingly," Badlisham told reporters after MAHB's annual general meeting yesterday.

Through its subsidiary, MAHB has secured a three-year extension of its contract to manage facilities at Hamad International Airport in Qatar, which is valued at 163.9 million riyal (RM192.5 million) and expires in June 2019.

MAHB, the fourth-largest airport operator in the world by passenger movement, made its maiden overseas venture in 1995, with two airports in Cambodia: Siem Reap International Airport and Phnom Penh International Airport.

Badlisham expects MAHB to record a 6.5% growth in passenger traffic for the financial year ending Dec 31, 2017 (FY17), compared with a 6.1% growth in FY16, as it maintains its operating capital expenditure at around RM300 million to RM400 million.

"Our passenger traffic growth is tracking the economic growth in general, but it has always outperformed them," he said, noting that the higher growth expectation is on the back of increasing collaboration with tourism agencies to promote intra-Asian travel.

At the same time, Badlisham also said MAHB's top priority for FY17 is to turn around its airport in Turkey — Istanbul Sabiha Gokcen International Airport — which reported a core net loss of RM56.7 million in FY16, against

It is tendering for bids to manage airport facilities in the Middle East as it seeks to build a balanced portfolio of investments beyond the country.

a pre-tax profit of RM29.9 million in FY15.

In its 2016 annual report, MAHB has set a target for the Turkish airport to post earnings before interest, taxes, depreciation and amortisation of €172.8 million (about RM800 million), driven by growth in passenger traffic.

"Our guidance is that the Turkish airport will not be posting worse results this year, [compared with] last year," he said.

"Going into summer, we saw stronger traffic growth in Turkey, recording an average of 4.8% in March and April this year. And with Russia opening up its market to Turkey, that's already a good news for economics and trade," he added.

On whether MAHB plans to monetise its 11% stake in Rajiv Gandhi International Airport in Hyderabad, Badlisham said: "It is always a consideration as we look to increase shareholder value."

On MAHB's strategy for international expansion, Badlisham said the group will continue to be "very prudent" in future acquisition of stakes in airport firms.

He also noted that valuations of airport-related acquisition deals have become more realistic as countries are starting to become more aware of the success in privatising airport operators.

"What we have seen is that the countries' airport operators have become more prudent. They are not asking for too much, which will push up valuations," he said.

Badlisham noted that certain countries are structuring the deals based on the concept of a "basket of airports".

MAHB's share price fell 16 sen or 1.83% to RM8.60 yesterday, with a market capitalisation of RM14.27 billion.

Ann Joo, Yinson, 21 others added to SC's syariah-compliant list

BY SUPRIYA SURENDRAN

KUALA LUMPUR: The Securities Commission Malaysia (SC) has released an updated list of syariah-compliant securities approved by its Shariah Advisory Council (SAC).

In a statement, the SC said that the updated list, which takes effect today, features a total of 676 syariah-compliant securities which constitute 75% of the 901 listed se-

curities on Bursa Malaysia.

The list includes 23 newly classified syariah-compliant securities and excludes 13 from the previous list issued in November 2016.

The 23 new syariah-compliant securities are Aemulus Holdings Bhd, Amtel Holdings Bhd, Ann Joo Resources Bhd, Asia Media Group Bhd, Cabnet Holdings Bhd, Can-One Bhd, Daiman Development Bhd, Eversafe Rubber Bhd, Found-Pac Group Bhd, GFM Services Bhd,

Hibiscus Petroleum Bhd, HLT Global Bhd, Imaspro Corp Bhd, Leweko Resources Bhd, MUI Properties Bhd, Pan Malaysia Holdings Bhd, Perdana Petroleum Bhd, Seal Incorporated Bhd, Stone Master Corp Bhd, Sunway Construction Group Bhd, Vsolar Group Bhd and Yinson Holdings Bhd.

Serba Dinamik Holdings Bhd was also part of the list as the stock had been classified as syariah-compliant at its initial public offering

stage. Serba Dinamik was listed in February this year.

The 13 securities which were excluded from the syariah-compliant list were APB Resources Bhd, GD Express Carrier Bhd, Golden Land Bhd, Jerasia Capital Bhd, Kim Teck Cheong Consolidated Bhd, Lion Diversified Holdings Bhd, NetX Holdings Bhd, PA Resources Bhd, PLB Engineering Bhd, Plenitude Bhd, Prolexus Bhd, Rexit Bhd and YFG Bhd.

The SAC adopts a two-tier quantitative approach, which applies the business activity benchmarks and the financial ratio benchmarks, in determining the syariah status of the listed securities.

Hence, the securities will be classified as syariah-compliant if their business activities and financial ratios are within these benchmarks.

The syariah-compliant list is updated twice a year, in May and in November.

Positive start to Maybank's 2017

The bank reports a 19.3% increase in first-quarter net profit

BY SURIN MURUGIAH

KUALA LUMPUR: Malayan Banking Bhd (Maybank), the country's largest bank by assets, started the year on a positive note, reporting a 19.3% rise in first-quarter net profit as it booked more loans and benefitted from an improved net interest margin (NIM), as well as substantially lower net impairment losses. Net profit rose to RM1.7 billion or 16.73 sen a share in the three months ended March 31, 2017 (1QFY17) from RM1.43 billion or 14.64 sen a share a year ago. Quarterly revenue grew to RM11.28 billion in 1QFY17 from RM11.18 billion in 1QFY16.

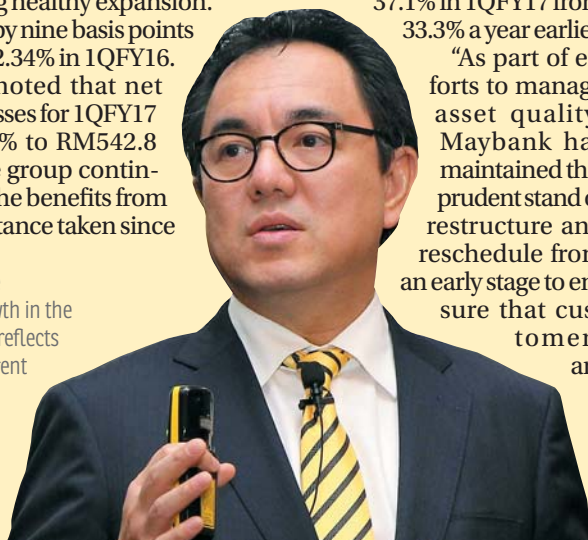
Net operating income for 1QFY17 came in 3% higher at RM5.55 billion compared with a year earlier — boosted by a 21.4% rise from Islamic banking, 18.3% from insurance and takaful, and 9% from community financial services. "This was attributable to a strong 8.6% increase in net fund-based income to RM4.12 billion in 1QFY17 from RM3.79 billion in 1QFY16.

It was, however, partly offset by a decline in net fee-based income to RM1.44 billion from RM1.6 billion, arising mainly from unrealised losses on derivatives which are marked-to-market," Maybank said in a statement yesterday.

The bank saw gross loans rise 10.1% year-on-year, with financing from both the community financial services and global banking segments showing healthy expansion. NIM also rose by nine basis points to 2.43% from 2.34% in 1QFY16.

Maybank noted that net impairment losses for 1QFY17 dropped 38.2% to RM542.8 million, as the group continued to realise the benefits from the proactive stance taken since

Abdul Farid: The continuous growth in the group's top line reflects Maybank's inherent resilience and ability to grow as a result of its diversified operations.



early last year to restructure and reschedule the credit facilities of customers impacted by the challenging economic environment.

The group registered a 4.5% rise in deposits to RM513.4 billion on the back of a 7.1% increase in international operations and a 2.8% increase from Malaysian operations. This helped lift the group's current account and savings account ratio to 37.1% in 1QFY17 from 33.3% a year earlier.

"As part of efforts to manage asset quality, Maybank has maintained this prudent stand of restructure and reschedule from an early stage to ensure that customers are

sufficiently supported to weather any continuing adverse changes in the market in 2017.

"Given this approach, the group registered a slight uptick in its gross impaired loans ratio to 2.4% in the first quarter of 2017, from 2.28% in December 2016," it added.

Notwithstanding this, the group maintained a healthy liquidity coverage ratio of 134%, well above the 80% minimum requirement set by Bank Negara Malaysia.

Maybank group president and chief executive officer Datuk Abdul Farid Alias said the continuous growth in the group's top line reflects Maybank's inherent resilience and ability to grow as a result of its diversified operations.

"While we aim to build up our growth momentum in the coming quarters, we will, nevertheless, continue to be watchful over further impact to our clients from changes in the operating environment, and actively support them in managing their risks.

"At the same time, our focus will remain on enhancing staff produc-

tivity, managing costs efficiently, and strengthening our liquidity and capital position to sustain our performance in the future," he added.

In a filing with Bursa Malaysia yesterday, Maybank said it expects its performance for the financial year ending Dec 31, 2017 (FY17) to be satisfactory given the ongoing challenging global environment.

The group has set two headline key performance indicators of return on equity of 10% to 11% and group loan growth of 6% to 7% for FY17.

"Key strategic priorities for 2017 would be to strengthen our revenue drivers by focusing on pockets of opportunities across the various segments in consumer and corporate lending, and capturing regional opportunities through our Maybank Kim Eng, Etiqa and Maybank Islamic franchises.

"We will leverage on our multichannel digital capabilities, expand product segments, increase productivity, and drive regional cross-selling synergies, while keeping customer needs at the forefront," it added.

AirAsia sees 2017 results surpassing 2016 despite lower 1Q earnings

BY AHMAD NAQIB IDRIS

KUALA LUMPUR: AirAsia Bhd, Asia's largest budget airline, saw net profit drop 29.8% to RM615.81 million or 18.4 sen a share in the first quarter ended March 31, 2017 (1QFY17) from RM877.79 million or 31.5 sen a share a year ago, mainly due to higher fuel costs as average fuel price rose 20% to US\$67 (RM286.18) per barrel in 1QFY17 from US\$56 per barrel in 1QFY16 and a strong US dollar.

Staff costs also went up sharply by 27% year-on-year to RM363.5 million in 1QFY17, mainly due to a revised staff remuneration package that was introduced in 4QFY16. As a result, total net operating profits fell to RM267.1 million in 1QFY17 from RM337.7 million in 1QFY16. However, the airline remains positive about its prospects in 2017 and is optimistic that the 2017 results may surpass that of 2016, it said in a filing with Bursa Malaysia yesterday.

For the remaining quarters of 2017, AirAsia said it remains optimistic as it continues to observe strong demand across most sectors coupled with a favourable fuel price and foreign exchange environment. It is projecting to achieve an average forecast load factor of 91% in 2QFY17 based on the existing forward booking trend. "The strong demand is expected to derive from the festive Hari Raya season, in conjunction with the midterm school holidays in India, as well as the expanded South Korea and China network from the

Philippines," it added.

AirAsia's quarterly revenue jumped 31% to RM2.23 billion in 1QFY17 from RM1.7 billion in 1QFY16 due to the consolidation of Indonesia AirAsia (IAA) and Philippines AirAsia (PAA) Group during the current quarter under review. AirAsia said the improved quarterly revenue growth was also derived from a 6% increase in total passengers carried on an additional 1% growth in seat capacity, as well as a strong seat load factor of 89% in 1QFY17 compared with 85% in 1QFY16. Despite of a slight reduction in the average fare of 2%, overall revenue per available seat kilometre improved 3% to 14.91 sen in 1QFY17 from 14.42 sen in 1QFY16. Its cost of available seat kilometre (CASK), however, rose 14% to 13.61 sen in 1QFY17 from 11.97 sen in 1QFY16, while non-fuel CASK increased 9% to 8.6 sen from 7.87 sen.

In a separate statement yesterday, AirAsia group chief executive officer Tan Sri Tony Fernandes said following the completion of the capital injection exercise in January, the airline's net gearing ratio stood at 1.22 times at the end of 1QFY17 compared with 1.33 times at the end of 4QFY16. "With the start of consolidated accounts combining our Malaysia, Indonesia and Philippine units, we are taking a major step to being recognised as one airline, not many. AirAsia as OneAirAsia, sharing a single cost structure, brings immense benefits in terms of economies of scale and building a dominant po-

sition in the markets we operate in. We hope to include Thai AirAsia in our consolidated accounts beginning the second quarter," he said.

He said the airline will add 29 new planes this year through a combination of finance and operating lease, bringing the total fleet to 201 aircraft by end-2017. "This is the most number of aircraft we have added in four years, demonstrating our confidence in the competitive environment in Asia.

"In March this year, we signed a joint venture in Vietnam and later another in China in early May. Adding these two countries will give us air operator certificates in a total of eight Asian countries, and with that, unrivalled connectivity within the region," he also said.

The airline is also expected to achieve 10% further savings by end-2017 as it moves towards regional consolidation and streamlining group operations across the board. It also plans to grow its ancillary target per passenger from RM50 to RM60 this year.

"In generating returns for our shareholders, we hope to monetise our non-core assets and distribute a special dividend every two years. We are currently in final negotiations and will materialise the sale of Asia Aviation Capital, our leasing arm, very soon. We continue to work toward the listing of PAA and IAA and our training centre — AirAsia Aviation Centre of Excellence," said Fernandes.

No merger plan with AAX, says AirAsia

BY CHESTER TAY

KUALA LUMPUR: AirAsia Bhd has dismissed a recent media report suggesting it is in talks to merge with its long-haul, low-cost affiliate AirAsia X Bhd (AAX).

AirAsia group chief executive officer Tan Sri Tony Fernandes said the matter was never brought to its board of directors and management for deliberation, and the airline continues to hold the view that both the short- and long-haul operations should be kept separated.

"AirAsia's position is very clear. The board has never discussed this [matter] and there is no merger at all," he told reporters after the airline's annual general meeting yesterday. "The whole purpose of setting up AAX as a separate company was because we believed it should be separated, and 10 years on we still believe that it should be separated. The short-haul business is very different from the long-haul business. So for AirAsia, we can categorically say that there is no plan for a merger [with AAX]," said Fernandes.

Last week, AirAsia executive chairman Datuk Kamarudin Meranun was reported as saying by a business weekly that AirAsia and AAX could see a possible merger as such an idea had been floated in the past. Kamarudin yesterday clarified that "it is too premature to talk about it yet" and that AAX should remain focused on improv-

ing its profitability. "At AirAsia, everything is possible. But I made it very clear that we should focus on AAX's profitability strength first, and that the [merger] issue has never been discussed at the board [level]," he said.

On AirAsia's China venture, Fernandes said it represents the first stage of establishing an airline there. "It is the first stage and we are very proud and excited about it. There are many stages; we've been through that in India. There should be something by the end of this year. I can't talk for the other airlines, but all over the world, airlines have been lobbying against us, but we still did it," he said. On May 15, AirAsia signed a memorandum of understanding with China Everbright Group and the Henan Government Working Group to establish a low-cost carrier in China. The parties plan to incorporate AirAsia China in Henan's capital city Zhengzhou, which is intended to be the headquarters of the Chinese budget airline.

On the performance of AAX, which saw its net profit for the first quarter ended March 31, 2017 (1QFY17) plunge 94.2% year-on-year, Fernandes said the airline is expected to perform even better as early as 3QFY17. Fernandes is also confident that AAX's upcoming new route to Hawaii in the US will be profitable, allaying concerns that the low fares may not be sufficient to cover its cost.

UMW expects 'challenging year ahead' for auto sales

Group is under increasing pressure to find buyer for 16 non-listed O&G assets

BY SAMANTHA HO

SHAH ALAM: Although automotive sales in the first quarter "surpassed initial targets for the year", UMW Holdings Bhd still expects a challenging year ahead.

"There is some recovery, but it will still be a challenging year," UMW group chief executive officer Badrul Feisal Abdul Rahim told reporters after the group's annual general meeting yesterday.

However, the group maintained its 2017 sales targets for Toyota and Perodua, which currently sit at 70,000 units and 202,000 units respectively, with four facelifts to its Toyota and Lexus models scheduled for the second half of the year.

Badrul Feisal elaborated on the need for UMW's new RM1.8 billion plant in the Bukit Raja Industrial Estate in Klang, Selangor, slated for completion in 2019, to grow its auto division, particularly for the assembly of Toyota cars.

The 165.56-acre (67ha) plant, which will have a full capacity of

100,000 units, is expected to raise UMW's competitiveness by producing new completely knocked-down, high-value energy-efficient-vehicle passenger cars.

On the subject of China-based Zhejiang Geely Holding Group Co Ltd's purchase of a 49.9% stake in Proton Holdings Bhd, he said Proton has always been a "good competitor" and expects an increase in competition from Geely's entry into the local market.

The auto division is UMW's biggest revenue generator, raking in RM87.1 million or 67.15% of its RM129.7 million profit before tax (PBT) in the first quarter ended March 31,

Badrul Feisal says Proton has always been a 'good competitor' and expects an increase in competition from Geely's entry into the local market. Photo by Patrick Goh



2017 (1QFY17). It recorded a 40.8% increase in revenue to RM2.19 billion in the quarter and a 5.2% PBT improvement.

Badrul Feisal said UMW is facing increasing pressure to find a buyer for its 16 non-listed oil and gas (O&G) assets, as it refocuses its growth trajectory on three core sectors.

"The timeline is very tight. Any delay is due to finding the right price," he said, adding that the group is "very active in talking to potential buyers" and hopes to "strike one or two [deals] in the next two months".

All of UMW's non-listed O&G assets are located overseas, and potential buyers are also international parties, Badrul Feisal said.

"Our KPI (key performance indicator) is to do away with as many [of these O&G assets] as possible in 2017," he said, adding that the group is hopeful

that it can strike a few deals over the next two months.

The group's O&G segment's pre-tax loss widened to RM104.9 million in 1QFY17, compared with RM68.4 million in 1QFY16, on lower revenue.

He added that the demerger of associate UMW Oil & Gas Corp Bhd (UMW-OG) is expected to "crystallise" by late July this year, following which the group should see a "better half of 2017".

The proposed demerger of UMW-OG from UMW and the sale of its non-listed O&G assets are expected to bring down its gearing to 0.54 times from 0.92 times currently, Badrul Feisal added.

Meanwhile, the group's production of fan cases for Rolls-Royce plc's aero engines under its manufacturing division is expected to contribute a single-digit percentage of its FY17 revenue. The production line is set to be fully operational from October onwards and to break even in 2019, with full contribution by 2021.

Depreciation, finance costs weigh on Axiata 1Q profit

BY AHMAD NAQIB IDRIS

KUALA LUMPUR: Axiata Group Bhd's net profit declined 35% to RM239.02 million for the first quarter ended March 31, 2017 (1QFY17), from RM368.26 million in 1QFY16, due to higher depreciation and amortisation charges, finance costs and share of losses from associates.

The fall in profit was despite a 17% growth in revenue to RM5.88 billion from RM5.01 billion a year earlier, which was driven by higher contribution from its operations in Nepal and Bangladesh.

In a filing with Bursa Malaysia, the group said its Malaysian operations saw lower contribution, due to lower value-added services revenue, SMS revenue and voice revenue.

However, this was partly mitigat-

ed by growth of the data business, with data revenue accounting for about 40% of total revenue.

Operating costs in Malaysia increased amid higher rentals and maintenance costs as well as business licence fees, which went up in tandem with an increased number of network sites year-on-year.

In Indonesia, Axiata saw a marginal increase in revenue due to foreign exchange translation impact, but added that revenue from the region was 6.2% lower at constant currency, due to lower SMS and voice revenue, while operating costs rose.

For the South Asian markets, the group said its operations continued to deliver strong performance despite regulatory challenges, mainly contributed by higher data revenue.

However, share of results of as-

sociates and joint ventures plunged into the red, due to a share of loss of RM25.4 million from India, impacted by a new entrant in the market.

"The first-quarter performance showed some encouraging signs and saw the group pare down RM1.6 billion of loans including its US dollar-exposed debts to strengthen its balance sheet," said Axiata chairman Tan Sri Azman Mokhtar in a statement.

President and group chief executive officer Tan Sri Jamaludin Ibrahim was also encouraged by the quarterly performance despite a challenging year, adding that the turnaround of Celcom is progressing on track and showing some stabilisation.

"XL's new strategy, after some challenges last year, is coming together well, especially in the data leadership of the XL brand and

better results in geographical areas outside Java.

"However, at both companies, there are still lots more required. Our investments in data are being monetised with data revenue at Celcom, XL and Smart accounting for 40% to 50% of total service revenue," he said.

Going forward, Jamaludin said the group remains prudent in managing its finances amid rising capital expenditure, heightened competition and tax and regulatory challenges.

"This is to ensure that our investments for growth, data leadership and ambition to become a digital company stay on track. For 2017, the group continues in its commitment to be the clear No 1 in 4G and data leadership in selected key markets as well as [a] lead in the digital space," he said.

SC sues seven individuals for insider trading involving Worldwide shares

BY SURIN MURUGIAH

KUALA LUMPUR: The Securities Commission Malaysia (SC) has filed a civil suit in the Kuala Lumpur High Court against seven individuals for insider trading involving shares in Worldwide Holdings Bhd, a company previously listed on Bursa Malaysia.

In a statement yesterday, the SC alleged that Datin Paduka Low Siew

Moi, Tan Cheng Teik, Liaw Huat Hin, Hoi Main Seng, Chua Keng Hong, Datuk Ter Leong Yap and Ter Leong Hing were involved in insider trading of Worldwide shares between 2006 and 2007.

In the suit filed on May 18, the SC claimed that Low had communicated material non-public information, namely the proposed privatisation of Worldwide, which was undertaken by Perbadanan Kema-

juan Negeri Selangor (PKNS), to Tan, Liaw, Hoi, Chua and Leong Yap. Leong Yap is also chairman of Sunsuria Bhd.

The move, it said, was in breach of Section 89E(3)(a) of the Securities Industry Act 1983 (SIA). At the time, Low was the deputy general manager of PKNS and a director of Worldwide.

The SC also alleged Leong Yap and Tan further communicated the said information to Leong

Hing, Hoi and Liaw.

In turn, Tan, Chua, Hoi, Liaw and Leong Hing breached Section 89E(2) (a) of the SIA when they bought Worldwide shares while in possession of the material non-public information.

The SC is seeking a disgorgement of three times the profits earned by the defendants from the insider trading, and a civil penalty of RM1 million each.

PPB 1Q earnings up 45.5% on Wilmar, consumer products contributions

BY SANGEETHA AMARTHALINGAM

KUALA LUMPUR: PPB Group Bhd saw net profit rise 45.5% to RM358.27 million or 30.22 sen a share in the first quarter ended March 31, 2017 (1QFY17), from RM246.24 million or 20.77 sen a share a year ago, mainly contributed by associate Wilmar International Ltd and improved performance of its consumer products segment.

Quarterly revenue, however, fell 8% to RM1.03 billion in 1QFY17, from RM1.12 billion in 1QFY16, due to lower contribution from most of the group's segments except for the consumer products segment.

In a filing with Bursa Malaysia yesterday, PPB said Wilmar contributed higher profits of RM296 million in 1QFY17, compared with RM181 million in 1QFY16, mainly attributed to good performance of its oil-seeds and grains, tropical oils and higher contribution from associates, as well as gains on investment securities.

PPB also noted that its consumer products segment's profit of RM13 million was significantly higher compared with the corresponding period last year, mainly due to a gain of RM8 million from the sale of a land and building.

"Excluding the [RM8 million] gain, 1QFY17 segment profit was RM4.9 million compared with RM2.6 million a year ago, mainly attributable to improved results of the bakery operation," it added.

On prospects for FY17, PPB said the performance of its main business segments is expected to be satisfactory, noting that Wilmar's performance will continue to contribute substantially to the group's overall financial results.

"Despite intense competition in both the domestic and overseas flour markets, the group is confident of maintaining its established market position in the grains and agribusiness segment, with new capacities at the existing flour mills in Pasir Gudang, Johor, and Ba Ria-Vung Tau, Vietnam, scheduled to come on stream this year.

"The consumer products segment is also expected to perform satisfactorily, leveraging on its strong distribution channels and the range of products offered," said PPB.

As for the performance of the film exhibition and distribution segment, it will be supported by opening of new cinemas in Malaysia and Vietnam, coupled with a stronger line-up of movies this year, it added.

Meanwhile, the group is planning to launch a mixed development project in Taman Megah, Petaling Jaya, later this year.

Eversendai confident of achieving record revenue in FY17

Group is well on track to meet its RM2b target

BY AHMAD NAQIB IDRIS

KUALA LUMPUR: Eversendai Corp Bhd is well on track to meet its RM2 billion revenue target for the financial year ending Dec 31, 2017 (FY17). By hitting the target, Eversendai will achieve record revenue in FY17, after plunging into the red the year before.

Eversendai group chairman and managing director Tan Sri A K Nathan said the group has secured RM1.36 billion of contracts year to date, and will be securing more in the later part of the year.

"Our order book is about RM3.2 billion right now and there will be a few more contracts that we are going to secure over the next few months. We expect to showcase profits quarter by quarter going forward.

"We are close to achieving what we have targeted and we might even exceed the target. FY17 will be a far better year and it will be greater than what we have achieved since the inception of the company; it will be a record performance," he said at a press conference yesterday, held in conjunction with its annual general meeting.

Currently, the group is tendering for RM13 billion in contracts for its construction segment and another RM12 billion for the oil & gas (O&G) business.

In FY16, the group posted a net



Nathan says the group has secured RM1.36 billion of contracts year to date, and will be securing more in the later part of the year.

pared to its net loss of RM50.42 million in 1QFY16. However, revenue declined 10% to RM395.97 million from RM440.73 million.

The group's structural steel and construction division makes up about 87% of its total order book, while the balance is made up of its O&G-related projects.

Nathan said prospects are bright for the construction business going forward, considering the huge opportunities still available in the Middle Eastern region — its traditional stronghold — as well as in India.

He pointed out that India is currently upgrading its building codes, requiring the use of composite structures in high-rise buildings, presenting more opportunities for the group to expand its footprint in the country.

Eversendai is also exploring new markets, with the group hoping to secure jobs in the UK and Australia in the future.

"We are exploring new markets, including the UK and Australia. We are hoping to secure one contract in the UK this year, related to steel structure works.

"However, venturing into Australia will take some time as we are still assessing the market. I don't think we will secure any contracts in Australia this year, only potentially from next year," said Nathan.

loss of RM243.3 million against its net profit of RM222.3 million a year earlier, due to unrealised foreign exchange loss, allowance for doubtful debts and provision for foreseeable losses.

"We had a bad year last year. We declared losses and had written off a lot of items which we thought could be an issue going forward. However, not all that has been written off last year is gone, as we will be able to recover a fair amount of money," said Nathan.

Eversendai has seen a turnaround in operations in 1QFY17, reporting a net profit of RM15.26 million com-

Matrix Concepts well on track to achieve RM1b sales target

BY SYAHIRAH SYED JAAFAR

KUALA LUMPUR: Matrix Concepts Holdings Bhd is well on track to achieve its RM1 billion sales target for the current financial year, having sold RM450 million worth of properties in less than two months.

"We targeted sales of RM1 billion this year. So that means we need to achieve RM250 million every quarter. As of last week we have touched close to RM450 million," said managing director and chief executive officer Datuk Lee Tian Hock.

"So by the end of the first quarter, we are confident that we will achieve what is targeted for two quarters," he told reporters yesterday.

The property developer had also targeted RM1 billion in sales for the previous financial year ended March 31, 2017 (FY17).

The group recently reported a 28.9% increase for FY17 net profit to RM187.8 million, compared with RM145.7 million for FY16, on increased sales of its residential properties in Negeri Sembilan and Johor. Revenue rose 31.2% to RM780.4 million from RM594.6 million.

Lee said Matrix Concepts has lined up about RM1.5 billion worth of launches, adding that historically the take-up rate is 80%.

The group's current land bank is close to 2,000 acres (809ha), located in Seremban, Negeri Sembilan and Kluang, Johor and "small pockets" of Kuala Lumpur.

Lee said the group has a few launches lined up in the Klang Valley, but declined to give details ex-

cept to say that the first launch will take place this year, or by the second quarter of 2018 depending on the market's performance.

Lee was speaking after the launch of Matrix Concepts' sukuk programme comprising Islamic commercial papers (ICP programme) and Islamic medium term notes (IMTN programme) with a combined limit of up to RM250 million.

The ICP programme will have a tenure of up to one year, while the IMTN programme will have a tenure of up to seven years.

The proceeds raised from the sukuk programme will be used by Matrix Concepts for syariah-compliant purposes, which include the financing of the group's future investments, working capital requirements, capital expenditure and other general purposes.

"The sukuk wakalah programme marks the group's first foray into the domestic Islamic capital market and further reaffirms our commitment in promoting syariah-compliant financing in the country," said Matrix Concepts chairman Datuk Mohamad Haslah Mohamad Amin.

Given the uncertainty faced in the market today, Mohamad Haslah said the landmark financing serves as a "war chest" and will be used as a standby fund to support the group's business growth plans and strategies moving forward.

Mohamad Haslah added that he feels Matrix's growth has not climaxed yet and only expects to see a growing trend by 2020.

EPF 1Q member contributions grow 2.97% year-on-year

BY SUPRIYA SURENDRAN

KUALA LUMPUR: The Employees Provident Fund (EPF) said total contributions it received for the first quarter ended March 31, 2017 grew 2.97% year-on-year (y-o-y) to RM17.36 billion from RM16.86 billion, bringing its total accumulated members' contributions to RM708.14 billion.

It said total EPF members grew 1.54% y-o-y to 14.91 million in 1Q17, from 14.69 million, of which 6.92 million or 46.4%, were active members.

It also shared that the quarter incorporated, for the first time, the number of applications approved for its Age 60 Withdrawal scheme, also known as the "Akaun Emas".

Implemented on Jan 1 this year, the scheme registered 46,656 with-

drawals in 1Q17, of which 17,929 were approved for lump sum withdrawals, with 28,627 for flexible withdrawals, said EPF.

In a statement yesterday, EPF chief executive officer Datuk Shahril Ridza Ridzuan said Akaun Emas was introduced as a second retirement nest egg for members working beyond age 55.

"Like the Age 55 Withdrawal, the Age 60 Withdrawal also allows members to make lump sum or flexi withdrawals, although we advise members to choose the latter as the balance of savings will continue to earn dividends," he said.

All new contributions received after age 55 will be automatically parked under Akaun Emas and can only be withdrawn when members reach age 60. There is no change to the current Age 55 Withdrawal.

Meanwhile, approved applications for Age 55 Flexible Withdrawal fell 38.61% to 55,925 in 1Q17 from 91,099 in 1Q16, with the amount withdrawn declining 27.25% to RM2.2 billion from RM3.03 billion.

Approved Age 55 Lump Sum Withdrawal also fell 18.86% y-o-y to 49,371 in 1Q17 from 60,844, though withdrawal amounts fell only a marginal 1.49% to RM3.3 billion from RM3.35 billion.

Among the reasons for fund withdrawals across age group were performing the haj, with education seeing the biggest y-o-y jump.

Registration for Simpanan Shariah is ongoing, and members who wish to register for Simpanan Shariah beginning Jan 1, 2018 may do so until Dec 24 this year, it added.



(From left) Tay, Bank Negara Malaysia governor Datuk Muhammad Ibrahim and MyClear managing director Peter Schiesser at the awards event.

Public Bank bags four Malaysian e-Payments Excellence Awards 2017

BY ANETTE APPADURAY

KUALA LUMPUR: Public Bank Bhd clinched four awards at the recent Malaysian e-Payments Excellence Awards 2017 (MEEA) for its contribution to the growth of e-payments in the country.

Public Bank was named the Best e-Payment Bank, an inaugural award to recognise the bank that has pushed forward the e-payment agenda in all aspects including usage, acceptance, growth, reliability and customer experience.

"According to Malaysian Electronic Clearing Corp Sdn Bhd (MyClear), this top accolade of the Malaysian ePayments [Excellence] Awards 2017 is only given to the bank that displayed strength, growth, outstanding initiative and consistency across all e-Payment

products," said Public Bank in a statement yesterday. The MEEA is organised annually by MyClear, a wholly-owned subsidiary of Bank Negara Malaysia.

The other three awards won by Public Bank were the Best MyDebit Bank award, the Outstanding Contribution to Financial Process Exchange award and the Outstanding Contribution to MyDebit award.

"Public Bank will continue to put in all efforts to boost the country's migration to electronic payments by introducing more e-payment initiatives and enhancing its digital banking platform to improve customer experience. It will also explore new fintech (financial technology) collaboration initiatives," said Public Bank managing director and chief executive officer Tan Sri Tay Ah Lek in the statement.

MBM Resources eyes auto parts unit profitability

The end-FY17 target is premised on improvement in efficiency of alloy wheel plant ops

BY ANETTE APPADURAY

KUALA LUMPUR: MBM Resources Bhd hopes to turn its loss-making automotive parts manufacturing division profitable by the end of the current financial year ending Dec 31, 2017 (FY17), by improving the efficiency of its alloy wheel plant operations.

According to the auto retailer and parts manufacturer's president and chief executive officer Nor Hadi Daud, losses incurred at OMI Alloy (M) Sdn Bhd's alloy wheel plant in Rawang, Selangor, have put a drag on the auto parts manufacturing division's performance.

Despite higher revenue and production in the first quarter ended March 31, 2017 (1QFY17), the segment's pre-tax loss widened by 40% to RM6.28 million in 1QFY17, from RM4.49 million in 1QFY16, primarily due to losses incurred at the alloy wheel plant.

"Our auto parts manufacturing losses were mainly driven by [losses incurred at] our alloy plant operations, which currently have a high rejection rate [of alloys]," he told reporters after MBM Resources' annual general meeting yesterday.

Nor Hadi said one of the ways the group is addressing the issue is by reducing the rejection rate

of its alloy products at the alloy wheel plant by half, from almost 40% in 1QFY17.

He added that it is targeting to further lower the rejection rate to 10% over the next six months in order to improve cost management of the plant.

"Reducing the rejection rate of our alloys is not something that can be done overnight, particularly when reducing the percentage closer to 10%, but we target [for] this to be done over the next six months," Nor Hadi added.

Nor Hadi noted that reducing the rejection rate of alloys is not the only way to curb the segment's

losses, adding that it is also important to have the requisite volume of alloys, as well as the necessary technical expertise required, in order to improve the overall efficiency of output at the plant.

"We would also need to bring in a higher volume [of alloys] by working with [parties or manufacturers] who can provide us with both the appropriate volume of alloys needed as well as the technical assistance necessary to [increase the efficiency of our plant]," he said.

MBM Resources shares closed up one sen or 0.41% at RM2.43 yesterday, giving it a market capitalisation of RM938.13 million.

IWCity sees positive prospects despite setback in Bandar Malaysia

KUALA LUMPUR: Iskandar Waterfront City Bhd (IWCity) said it is positive on prospects ahead for the group amid a challenging economic backdrop.

"IWCity has attractive tracts of waterfront land with developments that are progressing well. A prime example of this is our joint venture with Greenland Group to develop 128 acres (51.8ha) of prime waterfront land in Johor fronting Singapore," IWCity chairman Datuk Ayub Mion said in a statement yesterday.

"The sales gallery was launched [at] end-2016, and the first retail units will be launched soon," he added.

Apart from this, Ayub pointed out that IWCity on May 5 entered into a merger agreement with its holding company, Iskandar Waterfront Holdings Sdn Bhd (IWH).

Subject to shareholder approval and all other regulatory approvals, this will see IWH consolidating the group's land bank and assuming the listing status of IWCity, to establish one of the largest listed strategic master property developers on Bursa Malaysia.

The group suffered a setback recently after TRX City Sdn Bhd, a wholly-owned subsidiary of the finance ministry, decided to scrap the share sale agreement of a 60% stake in Bandar Malaysia Sdn Bhd to a 60:40 consortium between IWH and China Railway Engineering Corp (M) Sdn Bhd. The Bandar Malaysia project was considered the crown jewel of the IWH-IWCity merger exercise.

Earlier yesterday, all nine resolutions tabled in IWCity's annual general meeting in Johor were passed by shareholders.

IWCity shares ended the day two sen or 1.14% lower at RM1.73 yesterday, bringing a market capitalisation of RM1.46 billion. The stock has been trading in a 52-week range of 79 sen to RM3.29.

Soft Space raises US\$5m from Japan's transcosmos

KUALA LUMPUR: Soft Space Sdn Bhd, a local fintech (financial technology) company, has raised US\$5 million (RM21.35 million) from Japan's e-commerce firm transcosmos inc to form a capital and business affiliation that will transform the digital payment industry for traditional businesses in Malaysia and Southeast Asia.

In a joint statement yesterday, Soft Space and transcosmos said the partnership introduces an omnichannel customer relationship management (CRM) solution that helps take clients' digital engagements to a whole new level by delivering appealing advertisements and loyalty marketing programmes that can directly send tailored discount coupons to customers' smartphones that leverage both offline and online data.

Merchants can also leverage the chatbot services within the solution to further engage their customers, they added.

Soft Space and transcosmos pointed to research by Frost & Sullivan which noted that Southeast Asia is one of the world's fastest-growing regions for e-commerce revenues — estimated to exceed US\$25 billion by 2020.

"We are elated at this new partnership. Adding Soft Space's mobile payment solutions to our existing DEC (digital marketing, e-commerce and contact centre) solutions will further increase the value of our digital transformation services for our clients, especially in the Asean market where we cannot ignore consumers' shopping behaviour in bricks-and-mortar stores," said transcosmos

president and chief operating officer Masataka Okuda.

"We seek to contribute to clients' business expansion by offering our CRM services, capitalising on offline data, in addition to online data, through implementing mobile payment solutions offered by Soft Space, a company which has a dominant presence in the Asean region," he added.

"Alibaba Group recently announced the launch of the world's first Digital Free Trade Zone outside China in Malaysia. We believe that this would be a catalyst for the next wave of e-commerce growth," said Soft Space chief strategy officer Chris Leong.

"As payment is [an] integral part of any commerce, this part-

nership will position both companies to be the leading players in the region to help businesses transform digitally in all aspect of the business, and to monetise the trend of e-commerce for bricks-and-mortar businesses in the region," Leong added.

Soft Space is a pioneer digital payment company in Asean that provides innovative payment solutions, focusing on mobile payments that include its flagship mobile point-of-sales solution. transcosmos, meanwhile, provides a one-stop digital communication, omnichannel marketing and e-commerce solution with multiple customer engagement features integrated with transcosmos' "DECode", a unique data management platform service suite.

Inta Bina jumps 32% on Bursa debut, targets affordable housing market



(From left) Inta Bina executive director Chau Yik Mun, senior independent non-executive director Yap Yoon Kong, chairman Lim Pang Kiam, deputy managing director Teo Hock Choon, M&A Securities Sdn Bhd MD of corporate finance Datuk Bill Tan and Paul Lim at the listing ceremony of Inta Bina on the ACE Market in Kuala Lumpur yesterday.

KUALA LUMPUR: Construction firm Inta Bina Group Bhd, which is planning to get a foothold in the affordable housing segment, made a strong debut on the ACE Market of Bursa Malaysia yesterday with its share price jumping as much as 32% to 33 sen.

At market close, the counterparty compared some of its gains to settle at 30.5 sen, still up 22% or 5.5 sen from its initial public offering (IPO) price of 25 sen per share. It was the second most active stock on the local exchange yesterday, with 126.42 million shares traded.

In a statement, Inta Bina managing director (MD) Paul Lim Ooi Joo said the affordable housing segment has growth potential and is receiving favourable attention from the government, as it gains traction

in the local property market.

So, the group will take a more "active approach" in tendering for affordable housing projects in the Klang Valley from private housing developers under both federal and state affordable housing schemes.

"Our strategy to construct affordable housing projects efficiently is through the usage of aluminium system formwork. Aluminium system formwork is suitable for mass construction of buildings with repetitive design. As such, our proposed acquisition of the additional aluminium system formwork can support our plan to penetrate into the affordable housing segment," said Lim.

Inta Bina's IPO raised RM26.76 million from the public issue of 107.05 million new shares at an

issue price of 25 sen per share. As part of its listing exercise, the company's existing shareholders also made an offer for sale of 26.76 million shares to selected investors by way of private placement.

From the proceeds, it intends to spend RM5 million (18.68%) for capital expenditure to purchase various machinery and equipment, and to replace old ones; RM9 million (33.63%) to repay bank borrowings; RM9.56 million (35.73%) for general working capital to finance its day-to-day operations; and the balance RM3.2 million (11.96%) to be used to defray its listing expenses.

Based on its enlarged share capital of 535.26 million shares and its last traded price yesterday, it has a market capitalisation of RM163.25 million.



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HENGYUAN REFINING CO BHD (+ve)

SHARES in Hengyuan Refining Co Bhd (fundamental: 1.4/3, valuation: 1.5/3), previously known as Shell Refining Co (Federation of Malaya) Bhd, triggered our momentum algorithm yesterday for the third time this month.

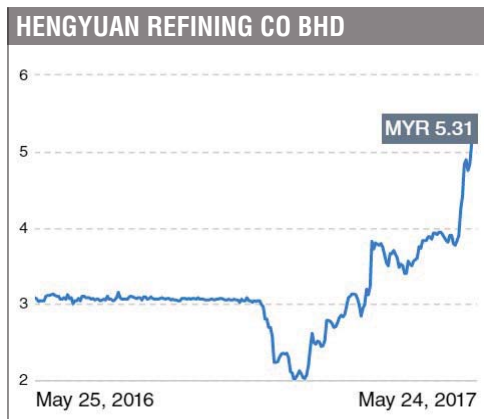
The counter climbed 9.23% or 49 sen to its one-year high of RM5.80, making it the second-largest gainer on Bursa Malaysia yesterday. It saw 4.97 million shares traded, compared with its 200-day average volume of 609,396.5 shares.

Yesterday, it was reported that the group

will be upgrading its refinery facilities to comply with local product quality and environmental requirements by the third quarter of 2018.

The group also announced a near tripling in net profit to RM264.33 million from RM101.65 million on an improved gross profit margin, while quarterly revenue jumped 56% to RM2.9 billion from RM1.9 billion.

The stock is currently trading at 1.58 times its net book value and is at a trailing 12-month price-earnings ratio of 4.75 times.



Valuation score*	1.50
Fundamental score**	1.40
TTM P/E (x)	4.75
TTM PEG (x)	(1.01)
P/NAV (x)	1.58
TTM Dividend yield (%)	-
Market capitalisation (mil)	1,593.00
Shares outstanding (ex-treasury) mil	300.00
Beta	0.43
12-month price range	2.00-5.31

*Valuation score - Composite measure of historical return & valuation
 **Fundamental score - Composite measure of balance sheet strength & profitability
 Note: A score of 3.0 is the best to have and 0.0 is the worst to have

INSAS BHD (+ve)

SHARES in Insas Bhd (fundamental: 2.6/3, valuation: 2.4/3) closed up 6.5 sen or 7.03% at a one-year high of 99 sen yesterday, and was the 12th-most actively traded stock on the local exchange.

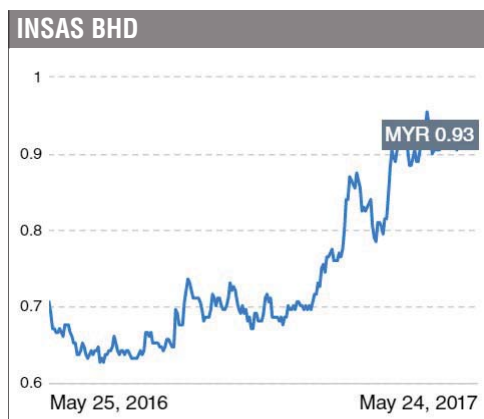
The counter saw 39.03 million shares traded, compared with a 200-day average trading volume of 1.33 million shares.

On Tuesday, the group reported that its net profit for the third quarter of financial year 2017 more than tripled to RM66.2 million from RM18.58 million a year ago,

due to higher trading activities in its investment and trading division.

Revenue was up 34.44% at RM113.84 from RM84.67 million, as its financial services division recorded higher contributions from its stockbroking and structured finance units, coupled with a gain on fair value changes for financial assets.

The stock is currently trading at 0.43 times its net book value and has a trailing 12-month price-earnings ratio of 4.55 times.



Valuation score*	2.40
Fundamental score**	2.60
TTM P/E (x)	4.55
TTM PEG (x)	0.07
P/NAV (x)	0.43
TTM Dividend yield (%)	1.08
Market capitalisation (mil)	613.28
Shares outstanding (ex-treasury) mil	663.01
Beta	1.42
12-month price range	0.63-0.96

*Valuation score - Composite measure of historical return & valuation
 **Fundamental score - Composite measure of balance sheet strength & profitability
 Note: A score of 3.0 is the best to have and 0.0 is the worst to have

WING TAI MALAYSIA BHD (+ve)

SHARES in Wing Tai Malaysia Bhd (fundamental: 0.5/3, valuation: 1.4/3) triggered our momentum algorithm yesterday for the first time this year.

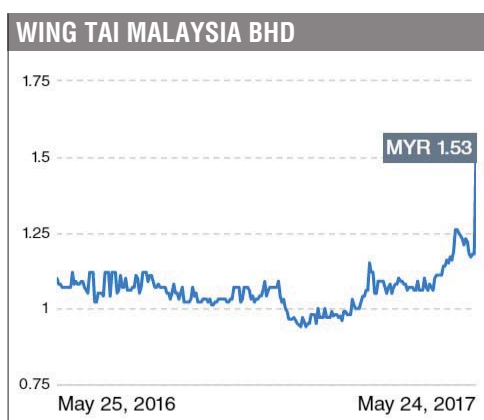
The counter skyrocketed on news of a takeover offer from parent company Wing Tai Holdings Ltd, closing 25 sen or 16.34% higher at RM1.78 yesterday.

On Tuesday, its shares hit limit-up after jumping 29.66% to RM1.53, after Wing Tai announced that it intended to take the com-

pany private at RM1.80 per share.

A total of 6.67 million shares were traded, compared with its 200-day average volume of 69,171 shares.

The property and retail company returned to the black in the third quarter ended March 31, 2017, booking a net profit of RM12.26 million and revenue of RM84.62 million, which was up 35% year-on-year. It currently trades at 0.56 times its book value.



Valuation score*	1.40
Fundamental score**	0.50
TTM P/E (x)	57.70
TTM PEG (x)	(0.93)
P/NAV (x)	0.65
TTM Dividend yield (%)	1.69
Market capitalisation (mil)	846.05
Shares outstanding (ex-treasury) mil	475.31
Beta	0.84
12-month price range	0.94-1.78

*Valuation score - Composite measure of historical return & valuation
 **Fundamental score - Composite measure of balance sheet strength & profitability
 Note: A score of 3.0 is the best to have and 0.0 is the worst to have

PROPERTY

Evergrande's long path to debt redemption

BY NISHA GOPALAN

HONG KONG: Having a net debt-to-equity ratio of 237% does not sound too crash hot, but it is progress in Morgan Stanley's books.

The New York-based investment bank initiated coverage of China Evergrande Group on Tuesday, with an overweight recommendation amid expectations the developer can bring that metric down from 432% at the end of 2016 by using money from strategic investors to redeem its perpetual capital securities.

Some of the funds that Evergrande is using to pay back its perpetual debentures have come from selling a stake of about 13% in Hengda Real Estate Group Co, a vehicle that houses Evergrande's property assets and that it plans to list in Shenzhen via a reverse merger. Morgan Stanley estimates the recent stake sale plus another introduction of strategic investors will net between 60 billion yuan (RM37.37 billion) and 70 billion yuan in total.

Redeeming the notes makes sense, considering Evergrande used 60% of its post-tax earnings last year to pay the interest on them. And shareholders are applauding, sending stock in the Guangzhou-based group up 17% on Wednesday in Hong Kong and a further 4.6% yesterday to HK\$12.20 (RM6.69), exceeding Morgan Stanley's HK\$12 price target.

It is bad news for investors who were shorting the company, but good news for Evergrande's plans to achieve a higher

valuation for Hengda. Regulators, wary of the large number of Chinese firms that have delisted overseas to call a local bourse home, now insist valuations domestically match those abroad.

But it does not mean the world's most indebted developer is out of the woods just yet.

Bondholders are taking a distinctly dimmer view of the situation for one. While purchasers of the company's 8.25% notes due 2022, sold at par in March, are sitting on a 4.9% return, the yield to next month's call on Evergrande's US\$1.5 billion (RM6.4 billion) of 2018 bonds has soared to 19.4%.

The sovereign downgrade by Moody's Investors Service on Wednesday will also dent the appeal of Chinese corporate securities.

The other big challenge Evergrande faces is homebuyer demand.

Among real estate companies in China, Evergrande has been one of the most aggressive acquirers of land, using proceeds from its perpetual capital securities. If Beijing's cooling measures begin to bite harder, Evergrande may find itself sitting on plenty of property with scant interest from customers.

A mainland listing would be a useful piggy bank to tap should that happen. However, it still needs approval from the Shenzhen Real Estate Board and the China Securities Regulatory Commission.

Morgan Stanley may be cautiously optimistic, but many risks remain. — *Bloomberg*

UK needs to build more homes, loosen planning controls — specialists

BY JONATHAN CABLE

LONDON: Britain's next government should loosen planning regulations and encourage more housebuilding to tame price rises and make home ownership more affordable, nearly all the specialists polled by *Reuters* said, as a dearth of supply, influx of foreign investors and booming buy-to-let market have sent house prices skyrocketing over the past two decades, putting home ownership beyond the means of many.

"What governments have failed to do is to tackle capacity in the housebuilding industry and the planning sector," said Anthony Lee, joint head of residential consulting at BNP Paribas Real Estate UK.

"This is a critical issue that is impacting on the ability of developers to deliver more housing to meet pressing demand."

Britain will hold a national election on June 8. Prime Minister Theresa May's ruling Conservatives are predicted to win by a landslide ahead of tough Brexit talks.

May pledged last week to provide funding to local councils in Britain to build more homes, a move which could significantly boost the amount of government-backed social housing for the first time in decades.

The Conservative Party has promised to build 1.5 million homes by the end of 2022 while cracking down on rising ground rents and increasing security for good tenants by encouraging landlords to offer longer tenancies as standard.

Jeremy Corbyn's opposition Labour Party has also pledged to embark on a building spree. But despite previous concerted government efforts to boost housebuilding, there has so far been little success in taming roaring prices. Britain's biggest builder Barratt said earlier this month it would build fewer properties in London next year.

"The next UK government should prioritise policymaking with small- and medium-sized housebuilders in mind, ensuring that they are encouraged, backed and incentivised to enter the housing market and help put more new homes on UK streets at affordable prices," said Hugo Davies at LendInvest.

However, home ownership is the bedrock of consumer wealth in Britain, and those already on the property ladder would likely be reluctant to see values fall.

"It remains difficult to see why from a political point of view any government will deliberately initiate policy to slow house price growth," said Marcus Dewsnap at Informa Global Markets.

With any reforms likely to take time to bear fruit, house prices will continue their climb. Nationally, prices are forecast to rise 2.1% this year, and 2% in 2018 and 2019, the poll of 30 specialists found.

In the capital, they will hold steady this year and next as many foreign investors who have snapped up London properties remain spooked about the outcome of the Brexit talks. — *Reuters*

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Uzma 1QFY17 performance within expectations

Uzma Bhd
(May 25, RM1.73)

Upgrade to buy with an increased target price (TP) of RM2.03: Uzma Bhd's first quarter ended March 31, 2017 (1QFY17) core net profit came in at RM7.5 million, accounting for 18.5% of our forecast and 18.3% of consensus. It is deemed within expectations as we expect a much stronger performance in the second half of financial 2017 (2HFY17).

Year-on-year, core net profit surged 43.5% in 1QFY17 driven by better profitability from the services division contributed by the D18 project on higher earnings before interest and tax (Ebit) margin, and lower tax rate due to allowances from the Malaysian Investment Development Authority.

Quarter-on-quarter, core net profit posted a 76.2% jump, mainly driven by higher margin achieved in the services division (due to the D18 contribution), and higher tax incentive.

However, it was partially offset by weaker chemical top line and Ebit due to non-extension of certain contracts executed in 4QFY16.

Looking forward, the group is expected to post stronger profit for its services segment in 2HFY17 as its new contracts secured earlier this year would start contributing, spanning two to three years.

Uzma Bhd

FYE DEC (RM MIL)	2016A	2017E	2018F	2019F
Turnover	475	575	588	617
Ebitda	79	84	99	105
Pre-tax profit	52	60	72	76
Rpt net profit	23	40	48	51
Norm net profit	47	40	48	51
Rpt EPS (sen)	8.7	14.1	17.0	17.9
Norm EPS (sen)	17.8	14.1	17.0	17.9
PER (x)	10.1	12.7	10.6	10.1
BV (RM)	1.5	1.5	1.7	1.9
P/BV (x)	1.2	1.2	1.1	1.0
Net gearing (%)	85.1	67.9	56.0	46.2
ROE (%)	11.77	9.18	9.91	9.47
ROA (%)	5.55	4.71	5.51	5.68

Source: HLIB

The current order book of the group is estimated to be at RM2 billion, implying 3.5 times order book cover ratio. While it appears to be significant, actual core earnings of the group are dependent on the final work orders issued during the contract tenure as it is based on call up from the clients.

For its trading division, performance is expected to be subdued in 2017 due to tepid demand for oilfield chemicals while pricing in the industry has become more competitive.

Risks include delays in contract

disbursement and execution risk while we maintain the forecast.

For Uzma, 2017 is a year to look forward to with full-year contribution expected from D18 coupled with anticipated improvement in services division backed by its huge order book.

Therefore, we upgrade Uzma to a "buy" with TP raised to RM2.03 from RM1.70 based on an unchanged 12 times price earnings ratio as we roll forward our valuation to FY18. — *Hong Leong Investment Bank Research, May 25*

TRC Synergy's job flows expected to be good

TRC Synergy Bhd
(May 25, 69 sen)

Upgrade to outperform with a higher target price (TP) of 82 sen: TRC Synergy Bhd started the new financial year strongly with its first quarter ended March 31, 2017 net profit of RM12.1 million (increase circa nine times year-on-year, up 31.5% quarter-on-quarter), driven primarily by revision of project margin for some of its completed projects that have resulted in higher gross margins and foreign exchange (forex) gains.

The results would have been better if not for the write-down of its energy division, which we believe is related to its refinery project in Brunei. After adjusting for forex gains and the write-down for its refinery project, its core 1QFY17 net profit is estimated to be about RM12.6 million, constituting 51% of our full-year estimates.

With the new contact win secured recently from MRT Corp Sdn Bhd, the group's outstanding order book is estimated to be at RM1.8 billion, ensuring earnings visibility for the next two to three years.

Going forward, we believe the group is still eyeing projects which include LRT3 and Pan Borneo Sabah highway. We understand that

the LRT3 tender results should be out in the next one to two months, and believe that TRC Synergy has a good chance to secure at least one package, given its track record in LRT projects. Therefore, job flows for the group is still expected to be good.

The long-awaited Ara Daman-sara property project is now believed to be at the last stages of finalisation, which consists of service apartments, a hotel, office block and retail mall.

The first launch is expected this year, with gross development value (GDV) estimated at RM1 billion. We understand that the first phase is estimated to be about RM300 million. As such, we adjust our gross margin assumptions slightly higher and revise our financial year ending Dec 31, 2017 (FY17 to FY19) higher by 52%/40%/39% respectively.

Correspondingly, we also revise our TP higher to 82 sen (from 59 sen previously) with a higher multiple of about 11 times (from about 10 times previously) which is still below the sector average mean of about 13 times. TRC Synergy is now upgraded to "outperform" from "trading buy". — *PublicInvest Research, May 25*

TRC Synergy Bhd

FYE DEC (RM MIL)	2015A	2016A	2017F	2018F	2019F	CAGR (%)
Revenue	770.4	742.1	823.9	852.8	922.0	4.6
Operating profit	37.8	31.2	56.3	62.5	61.6	13.0
Pre-tax profit	38.4	34.8	48.2	48.5	54.0	8.9
Net profit	30.7	29.9	36.6	36.9	41.0	7.5
EPS (sen)	6.4	6.2	7.6	7.7	8.5	7.5
PER (x)	11.1	11.4	9.3	9.2	8.3	
DPS (sen)	1.0	1.0	1.0	1.0	1.0	
Dividend yield (%)	1.4	1.4	1.4	1.4	1.4	

Sources: Company, PublicInvest Research estimates

Parkson's new measures will take time to bear fruit

Parkson Holdings Bhd
(May 25, 61.5 sen)

Maintain sell rating with a target price (TP) of 51 sen: Parkson Holdings Bhd recorded a slight 0.4% year-on-year (y-o-y) drop in its nine months ended March 31, 2017 (9MFY17) revenue to RM2.9 billion, while revenue from the Malaysian and Indonesia operations increased 8.2% and 7.4% y-o-y respectively.

Stripping out exceptional items (mostly second quarter ended Dec 31, 2017 [2QFY17]'s impairment loss on intangible assets of RM308 million and a gain of RM802 million from the disposal of the entire equity interest in Beijing Huadesheng Property Management Co Ltd, a wholly-owned People's Republic of China subsidiary of Parkson's 54.67% owned subsidiary, Parkson Retail Group Ltd [PRGL]), Parkson recorded a 9MFY17 core net loss of RM273.8 million which was worse than the 9MFY16 core net loss of RM71.2 million.

This came largely below our and consensus expectations and is the seventh quarter loss for Parkson.

In 3QFY17, Malaysia, Vietnam,

Parkson Holdings Bhd

FYE DEC (RM MIL)	2015	2016	2017E	2018E	2019E
Revenue	3,739.2	3,884.1	3,993.1	4,228.5	4,466.0
Ebitda	489.6	214.3	0.0	465.1	513.6
Pre-tax profit	56.4	(89.7)	(304.9)	112.2	144.4
Net profit	46.6	(95.7)	(222.8)	66.6	76.0
EPS (sen)	4.3	(8.8)	(20.4)	6.1	7.0
PER (x)	15.0	(7.3)	(3.1)	10.5	9.2
Core net profit	85.8	(152.6)	(222.8)	66.6	76.0
Core EPS (sen)	7.9	(14.0)	(20.4)	6.1	7.0
Core EPS growth (%)	(37.9)	nm	46.0	nm	14.1
Core PER (x)	8.1	(4.6)	(3.1)	10.5	9.2
Net DPS (sen)	0.0	0.0	(4.0)	2.0	2.0
Dividend yield (%)	0.0	0.0	(6.3)	3.1	3.1
EV/Ebitda (x)	0.5	6.4	nm	4.2	3.3
Chg in EPS (%)			nm	-18.7	-17.6
Affin/Consensus (x)			nm	1.0	0.9

Sources: Company, Affin Hwang estimates

Myanmar, and Indonesia recorded earnings before interest and tax (Ebit) losses due to challenging environments such as weak consumer sentiment and an increasingly crowded retail scene.

For 9MFY17, the same store sales growth was negative across the board (China: -3%, Malaysia:

-1%, Vietnam: -13.4%, Indonesia: -5.8%, Myanmar: -26.4%).

Nonetheless, China recorded an operating profit of RM20.6 million this quarter after three quarters of losses due to management's cost control efforts.

The group has actively taken measures to revamp existing stores



and upgrade existing brands such as the Korean-themed floors in Fahrenheit 88, Malaysia, and the opening of a Korean-themed outlet in China.

It is also developing an e-commerce platform for the Chinese market. However, we believe these measures will take some time to bear fruit and operations in the group's key markets will remain challenging in the near term.

We estimate a net loss of

RM222.8 million (from a profit of RM30.4 million) for FY17 and cut to FY18 to FY19 earnings by 18%-19%.

We maintain our "sell" call with an unchanged revised net asset value (RNAV)-based TP of 51 sen as we roll forward our valuation to 2018. Key upside risks include a sharp rebound in regional consumer discretionary spending and lower-than-expected operating costs. — *Affin Hwang Investment Bank, May 25*

Good start and on track seen for CIMB

CIMB Group Holdings Bhd (May 25, RM6.32)

Upgrade to market perform with a higher target price of RM6.30: CIMB Group Holdings Bhd's core net profit of RM1.18 billion (+17% year-on-year [y-o-y]) was in line with 29% and 27% of our and consensus estimates respectively. Improvement was across the board with fee-based income — the driver — rebounding 37.0% y-o-y, while fund-based income and Islamic banking income were slower at 11% and 8.3% respectively. Net interest margin improved by five basis points (bps) due to improvements from PT Bank CIMB Niaga Tbk (Niaga) as Malaysia was relatively flat. Operating expenditure (opex) was up by 7.4% due to personnel costs, but cost-to-income ratio deteriorated by 4.7 percentage points (ppts) to 52.7% (versus industry's 46.3%) as top-line revenue outpaced opex.

Loans (exceeded expectations) grew at 12.1% y-o-y driven by mortgage (13.9% y-o-y) and working capital (17.7% y-o-y). Excluding foreign exchange fluctuations, loans growth was registered at 6.8% y-o-y. On a geographical basis, loans were driven by domestic demand at 11.8% y-o-y (versus domestic industry's 6% y-o-y) with Singapore at 1.6% y-o-y, but Indonesia and Thailand fell by 0.3% and 0.4% y-o-y respectively (all in local currency growth).

A sluggish economy dragged down CIMB Thai's loans growth while Niaga is currently not benefiting from Indonesia's infrastructure spending. Deposits were stronger than a year ago at 11% y-o-y, with current account savings

CIMB Group Holdings Bhd

FYE DEC (RM MIL)	2016A	2017E	2018E
Net interest income	9,826	10,383	11,015
Islamic banking inc.	1,704	1,676	1,771
Non-interest income	4,386	4,763	4,864
Total income	15,916	16,823	17,650
PBT	4,735	5,659	6,216
Net profit (NP)	3,266	4,074	4,475
Consensus NP	-	4,321	4,820
Earnings revision (%)	-	0.0%	5.3%
EPS (sen)	37.6	45.3	48.3
EPS growth (%)	12.5	20.4	6.6
DPS (sen)	20.0	23.9	19.9
BV/Share (RM)	5.2	5.5	5.5
NTA/share (RM)	4.0	4.3	4.3
ROE (%)	7.5	8.6	8.9
PER (x)	16.3	13.5	12.7
Price/NTA (x)	1.5	1.4	1.4
PBV (x)	1.2	1.1	1.1
Dividend yield (%)	3.3	3.9	3.2

Source: Kenanga Research

account (Casa) ratio improving by 12.5% y-o-y, prompting higher Casa ratio by 40bps to 36.1%. Deposits were driven by domestic, growing at 13.1% (versus domestic industry's 3.2% y-o-y), Indonesia (1.9% y-o-y) and Thailand (15.3% y-o-y) but Singapore fell by 2.5% y-o-y. As loans outpaced deposits, loan-to-deposit ratio surged by 90bps to 92.3%. Asset quality was mixed as gross impaired loans surged by 3bps to 3.1% but impairment allowances fell by 12.3%, prompting a reduction in credit charge by 10bps to 0.54% attributed to earlier-than-expected write-backs.

We are encouraged by the strong loans growth (exceeding the target with domestic loans growing stronger than industry) and optimistic about the group achieving its target on the back of strong capital market activities, improved loans and the absence of high provisions seen in financial year 2016 (FY16).

Our forecast earnings estimate for FY17 is maintained as reported earnings are within expectations thus far, but that for FY18 revised upwards by 5% to RM4.47 billion due to the full impact of the China Galaxy Securities Co Ltd venture. — *Kenanga Investment Research, May 25*

Proton-Geely tie-up jump-starting a turnaround?

Automotive sector

Maintain neutral: In the first deal, DRB-Hicom Bhd is to sell a 49.9% stake in Proton Holdings Bhd (net of carved out, non-automotive units) to Zhejiang Geely Holding Group Co Ltd for: i) RM170 million cash; and ii) payment in kind via the granting of rights to manufacture and distribute Geely's Boyue model (a C-segment sports utility vehicle [SUV] and one of Geely's best-selling models launched in March 2016) for right-hand drive (RHD) Southeast Asian markets (key RHD markets in Asean include Thailand, Indonesia and Singapore). DRB-Hicom's management is still in the midst of valuing the rights to the Boyue model. In the second deal, Proton is to sell 100% stake in Lotus to: i) Geely at a consideration of £51 million (RM284 million) for a 51% stake; and ii) Etika Automotive Sdn Bhd, a company ultimately owned by Tan Sri Syed Mokhtar al-Bukhary at a consideration of £49 million for the remaining 49% stake. Altogether, Proton will attain cash proceeds of RM557 million from the sale of Lotus. The sale of Lotus is conditional upon the sale of stake in Proton to Geely.

The "Proton Holdings" referred to in the transaction will carve out existing noncore automotive related businesses, stamping and certain component units; and will comprise mainly Proton Shah Alam, Proton Tanjung Malim, related sales and after-sales companies of Proton as well as overseas units in Indonesia, the UK, Thailand, Australia and China.

On top of this, key conditions involved in the deal are: i) relocation of the Shah Alam facilities to Tanjung Malim within six years and the cost to be borne by Proton; ii) DRB-Hicom to bear the costs of rehabilitation of the Shah Alam land; and iii) Geely to grant rights to Proton to rebadge, manufacture, sell, market and distribute identified Geely models in Malaysia for five years, with the intention to expand this to other Southeast Asian

countries. DRB-Hicom will retain management control over Proton, but production is expected to be jointly managed with Geely.

Proton will receive cash injections totalling RM1.8 billion in the immediate term from: a) a research and development (R&D) grant of RM1.1 billion from the government for previous R&D undertaken (Proton has been receiving R&D grants from the government since at least the 2009 National Automotive Policy); and b) the sale of Lotus will give Proton an additional RM557 million cash boost to support near-term working capital or R&D.

Operationally, the initial phase of five years will see immediate product expansion as Proton will rebadge identified Geely models to be manufactured and sold in Malaysia (with plans to expand this to Southeast Asia). This should help Proton plug the gap in cash flows, and help it to generate cash to plough into R&D of new models for the next cycle beyond the five years for the rebadged models. Geely has a number of sedan models within the A, B, C and D segments under the Emgrand, Vision and GC9 line-up — generates sales of 12,000 to 25,000 units per month for Geely.

Geely's Boyue SUV model in RHD Southeast Asian markets should also drive meaningful volumes for Proton given its current absence in the SUV segment and should drive better cash flow generation. The Boyue is one of Geely's best-selling models currently accounting for 22% (or about 20,000 per month) of Geely's sales in the four months of financial year 2017. The model was only recently launched in March 2016. A key risk is market acceptance of the Geely models which hardly had any presence in this region prior to the tie-up with Proton.

In this first phase, however, plans look very much Southeast Asia-centric and is mostly about expanding Geely's presence here. — *MIDF Research, May 25*

Hap Seng Plantations sees strong harvest in 1Q

Hap Seng Plantations Holdings Bhd (May 25, RM2.61)

Maintain add with an unchanged target price (TP) of RM2.89: Hap Seng Plantations Holdings Bhd's first quarter of financial year 2017 (1QFY17) core net profit grew 105% year-on-year (y-o-y) to RM34 million due to higher selling prices for crude palm oil (CPO) and palm kernel (PK) as well as stronger output. We consider 1QFY17 core net profit to be in line with our and market expectations as it made up 28% of our and 25% of Bloomberg consensus full-year forecasts. We project weaker earnings in future quarters, mainly due to lower CPO prices. As expected, no dividend was declared in 1QFY17.

The average CPO selling price that the company achieved in 1QFY17 rose 38% y-o-y and 12% quarter-on-quarter to RM3,268 per tonne, which is ahead of Sabah's average CPO price of RM3,114 per tonne. We believe that the higher



A filicop of Hap Seng headquarters in Kuala Lumpur. The higher ASP for palm products, together with the higher output, contributed to the group's strong net profit.

CPO price could be partly due to the premium pricing achieved for its certified sustainable palm oil. Average PK prices achieved rose 62% y-o-y and 11% q-o-q to RM3,282 per tonne in 1QFY17, mainly due to tight PK and coconut oil supplies.

Fresh fruit bunch (FFB) output rose 7.2% y-o-y in 1QFY17, as FFB yields at its estates recover from the El Nino effect. This was lower than Sabah state's (where all of its estates are located) achievement of a 15% jump in output. This was because Hap Seng Plantations' estates were less impacted by the El Nino impact

in 2016. The higher average selling price (ASP) for palm products, together with the higher output, contributed to the group's strong net profit growth for 1QFY17.

The group revealed that palm oil prices declined in April and recovered slightly in early May. However, sentiment in the palm oil market remain subdued due to weak soy oil prices and expectations of higher production. The group expects demand for palm oil to remain strong in the near term, supported by demand during the fasting month, and expects this to lend support to palm oil prices.

Hap Seng Plantations Holdings Bhd

FYE DEC (RM MIL)	2015A	2016A	2017F	2018F	2019F
Revenue	434.9	503.4	519.1	562.4	582.5
Operating Ebitda	148.0	195.9	200.5	230.8	241.6
Net profit	96.4	124.1	122.9	144.5	151.7
Core EPS (RM)	0.12	0.16	0.15	0.18	0.19
Core EPS growth (%)	(28.5)	28.7	(1.0)	17.6	5.0
FD core P/E (x)	21.65	16.82	16.99	14.45	13.76
DPS (RM)	0.08	0.08	0.10	0.12	0.13
Dividend yield (%)	3.07	2.87	3.83	4.60	4.98
EV/Ebitda (x)	12.91	9.83	9.34	8.03	7.60
P/FCFE (x)	43.67	95.24	19.48	15.88	15.04
Net gearing (%)	(9.0)	(7.9)	(10.3)	(11.0)	(11.5)
P/BV (x)	1.05	1.02	1.00	0.97	0.95
ROE (%)	4.91	6.17	5.94	6.82	6.99
CIMB/consensus EPS (x)			0.89	1.04	1.04

Sources: Company data, CIMB forecasts

We maintain our earnings forecasts and TP of RM2.89, still based on 16 times price-earnings ratio (historical average). We keep our "add" call due to its undervalued plantation assets and attractive dividend yields. At the current share price, the

implied enterprise value per hectare for its estates is only RM56,000, below the market price of RM70,000 to RM80,000 for Sabah estates. Key downside risks are lower-than-expected FFB output and ASP for palm products. — *CIMB Research, May 24*

Regional terror attacks linked to killing of IS leader

DPM urges people to place their full confidence in police, agencies

KUALA LUMPUR: The latest terrorist attacks in several districts in Thailand, Jakarta in Indonesia and clashes in Mindanao, the Philippines, are related to the killing of the Southeast Asian Islamic State (IS) coordinator Mohammad Wanndy Mohamed Jedi in Syria in March, said Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi.

He said this was the finding of the study carried out by the intelligence agency which also found the existence of the "Katibah Nusantara" network by the IS for those who became terrorists in this region.

"What happened in Southern Thailand, Jakarta and Mindanao was that the intelligence agency found there was a link to the killing of [Moham-

mad] Wanndy, who was previously a Katibah Nusantara coordinator.

"We in Malaysia should not feel comfortable with this situation," he told journalists after launching the "Open Data Big Splash" programme at Universiti Malaya yesterday.

Thus, he said, the police via the anti-terrorism unit had always boosted its level of preparedness to prevent terrorism acts at its highest level, especially as the country was making preparations to host the Southeast Asian Games and Asean Para Games in August and September.

Ahmad Zahid, who is also the home minister, urged people to place their full confidence in the police and other enforcement agencies on this issue.

"Bombings can occur at any

time, anywhere in the world and Malaysia is not excluded, and [possibly] will experience such an incident if the people are not careful and only leave it to the enforcement agencies to be prepared," he said.

He added that cooperation between the government's enforcement agencies with the foreign agencies such as Aseanapol was also being boosted to track down and monitor the movements of the terrorists.

Thailand has experienced several series of bombings with the latest incident at the Bangkok Hospital on Monday which injured 20 people, while East Jakarta was on Wednesday shaken by a bomb attack which killed three police officers. — *Bernama*

Selangor Sultan consents to PAS exco members remaining with state govt

SHAH ALAM: The Sultan of Selangor Sultan Sharafuddin Idris Shah has consented to Menteri Besar Datuk Seri Mohamed Azmin Ali's wish for the three state executive councillors (exco) from PAS to remain with the state's administration until the next general election.

Sultan Sharafuddin's private secretary, Datuk Mohamad Munir Bani, said the decision was made

after the Sultan of Selangor considered all aspects, especially with regard to stability of the state's administration in the interest of the people.

"The sultan also would like that the current state exco (executive council) line-up be maintained for the sake of the people and the state's continued development.

"His Royal Highness also takes into consideration the mandate

given by the people to the current state government to continue ruling to ensure harmony and development so as to achieve prosperity for the people in Selangor," he said in a statement yesterday.

The Selangor state government comprises equal numbers of executive councillors from the ruling three-party coalition, that is, three each from PKR, DAP and PAS. — *Bernama*

S'pore files written observation to revise 2008 judgement

SINGAPORE: Singapore has filed with the International Court of Justice (ICJ) its written observation on the admissibility of Malaysia's application to revise the 2008 judgement of the case concerning sovereignty over Pedra Branca, Middle Rocks and South Ledge.

In a statement yesterday, Singapore's ministry of foreign affairs said Singapore's written observation, which was filed on Wednesday, was a comprehensive rebuttal to Malaysia's application.

"Singapore is confident of our case and our legal team. The next step is for the parties to present their oral arguments after the ICJ has fixed the schedule for the oral proceedings," said the ministry.

On Feb 2, Malaysia filed an application for revision of the ICJ's judgement of May 23, 2008 over

Pedra Branca, Middle Rocks and South Ledge.

In its filing, Malaysia cited three documents recently declassified by the UK to support the application.

The documents are the internal correspondence of the Singapore colonial authorities in 1958, an incident report filed in 1958 by a British naval officer, and an annotated map of naval operations from the 1960s.

In its judgement, the ICJ in The Hague, the Netherlands, had ruled that sovereignty over Pedra Branca belonged to Singapore, sovereignty over Middle Rocks belonged to Malaysia, and sovereignty over South Ledge belonged to the state in the territorial waters of which it was located. — *Bernama*

Zahid: Govt's education for all agenda is not a political tactic

BAGAN DATUK: The government's education for all agenda is not a political tactic, but an initiative implemented for the sake of all citizens regardless of their political belief or race, says Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi.

He said the assistance and allocation provided by the government in the field of education were not for buying votes, but a token of appreciation for teachers' deeds and contributions.

"I never politicise the education agenda. Everything I do, I do it sincerely because education is close to my heart.

"Ever since I became Umno Youth chief [for Bagan Datuk] in 1982, various contributions have been granted to students who excel in their examinations and this tradition continues until today.

"Those contributions are aimed at celebrating students' success, not to win their votes. They are not

even qualified to vote yet," he said.

Ahmad Zahid, who is also member of parliament for Bagan Datuk and Hilir Perak Teachers' Day 2017 celebration yesterday, which was attended by more than 500 teachers at Sekolah Menengah Sains Bagan Datuk here.

At the event, former teacher Chan Chai Hok and former principal Ardani Mohd Yunus were named the recipients of the "Tokoh Guru" award for their outstanding performance in teaching and leadership, respectively.

The deputy prime minister said education should be placed at the highest position and that teachers should be respected at all levels of society.

"Hence, Teachers' Day is not just a nostalgic event that is celebrated once a year, but should be celebrated every day in appreciation of the teachers and their contributions to the society," he added. — *Bernama*

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One Belt, One Road initiative needs broad focus

Devamany: Wider aspects of development should be included

KUALA LUMPUR: The One Belt, One Road (Obor) initiative should not only focus on global infrastructure and trade development, but also include the wider aspects of development, says Deputy Minister in the Prime Minister's Department Datuk Seri SK Devamany.

He said this includes identifying and developing projects which help advance maritime-related industries that are strongly underpinned by elements of sustainable development.

"I believe maritime infrastructure and port development go hand in hand with efforts to ensure the ocean ecosystems are well preserved," he said in his keynote address at the International Conference on Belt and Road Initiative here yesterday.

Devamany hoped China and Malaysia would identify and develop commercial arrangements

This includes identifying and developing projects which help advance maritime-related industries.

under Obor, and also ensure the preservation and better management of the health of oceans.

The two-day conference themed "Expanding Cooperation and Addressing Gaps" will serve as a platform for international and local experts to analyse Obor's policy, visions and strategic goals from the Chinese, Southeast Asian and European perspectives.

Also present were Maritime Institute of Malaysia (Mima) chair-

man Tan Sri Ahmad Ramli Mohd Nor and director-general Datuk Chin Yoon Chin.

Earlier in his speech, Ahmad Ramli said there are challenges in achieving the desired objectives from Obor, including those on the geopolitical situation, but added that it is important to secure a win-win outcome and adopt a holistic approach towards them.

"Mima and our international partner, China Institute of International and Strategic Studies, for this conference will examine the various issues and opportunities involved as a means to move forward, and how regional countries can reap the benefits of this initiative.

"The final outcome hopefully would guide China and its Obor partners to address gaps and explore opportunities to promote mutual benefits," he said. — *Bernama*

Islamic business school on track for global accreditation

KUALA LUMPUR: The International Centre for Education in Islamic Finance (Inceif), which builds human capital for the global Islamic finance industry, expects to qualify for accreditation by the Association to Advance Collegiate Schools of Business (AACSB), the most renowned accreditation association of business schools, by next year.

This follows a recent two-day visit to the Inceif campus by AACSB mentor Professor Andrew Griffiths, the institute said in a media statement.

An AACSB mentor is appointed when an institution's eligibility application is accepted, and is selected from a pool of deans or heads of school who are well versed in the AACSB standards, the institute said. It is a voluntary role.

Griffiths is the executive dean

of the Faculty of Business, Economics and Law at the University of Queensland.

Inceif, which was set up by Bank Negara Malaysia in 2005 to develop human capital and leadership for the global Islamic finance industry, hopes that with the accreditation, Inceif will move a step closer to being the global reference point for Islamic finance, and join other AACSB-accredited business schools like Harvard Business School, The Wharton School and London Business School.

Since 2015, Inceif's research has been ranked first in Malaysia among the higher education institutions in the Research Papers in Economics (Repec) rankings.

As of 2016, Inceif was the only institution to have the research of five professors recognised by

Repec. Inceif ranked 40th in Asia as a university.

Within the financial economics and finance department category defined by Repec, Inceif is ranked 30th in the world. For Inceif, this is an outstanding achievement as it is ranked higher than even some of the 16 faculties of prestigious institutions such as the London School of Economics and the Henley Business School of the University of Reading, the statement said.

Apart from its academic programmes, which are Masters in Islamic Finance Practice, MSc in Islamic Finance and PhD in Islamic Finance, Inceif also offers customised executive training programmes and industry-focused applied research in line with its vision to be the knowledge and thought leader in Islamic finance.

Umno veterans want recognition, propose own wing

JOHOR BARU: Umno Veterans Club members want to continue contributing their services to the party and plan to apply for their own wing, similar to Wanita, Youth and Puteri.

Its national secretary Datuk Mustapha Yaakub said by establishing a specific wing for veterans, their presence would be given due recognition as the group comprises 800,000 members of the 3.4 million Umno members nationwide.

"The existence of these veterans is not stated in the party constitu-

tion, and some look at Umno veterans as an illegal entity.

"Hence, what we are asking today is for the party constitution to be amended to enable the setting up of a wing for veterans," he told *Bernama* here recently.

According to him, there should not be any doubt over the presence of veterans because they were Umno leaders who held important positions in the party in the past.

"We have former exco members, former ministers, former menteri besar [and] former deputy minis-

ters, but we are not here to hold positions in Umno. We just want to help because of our love for the party," explained Mustapha.

He said the veterans are also preparing programmes to help strengthen Umno to face the next general election.

"As we are not young anymore, most of the programmes we are organising are more age-appropriate, such as charity work centred in mosques and surau, besides visiting the homes of senior citizens." — *Bernama*

Cambodian domestic workers to arrive after Aidilfitri

PUTRAJAYA: The first batch of Cambodian domestic workers will arrive in Malaysia after Hari Raya Aidilfitri following the lifting of the ban imposed since 2011, said Human Resources Minister Datuk Seri Richard Riot Jaem (*pic*).

The minister said the decision was reached "on the spot" during his meeting with his Cambodian counterpart in Phnom Penh recently.

"We reached an agreement in getting Cambodian domestic workers here as soon as possible," he told a press conference after launching the Guidelines and Tips for Employers of Foreign Domestic Helpers here yesterday.

In 2011, the Cambodian government banned its citizens from working as domestic workers in Malaysia. The decision was made after incidents of beating of Cambodian maids by their Malaysian employers were reported.

Richard Riot said a joint technical committee, comprising senior officials from Malaysia's human resources ministry and the Cambodian labour and vocational training ministry, was set up to finalise the terms and conditions in bringing in Cambodian domestic workers.

"The number [of domestic workers coming to Malaysia] depends. The joint technical committee will sort it out," he said.

Richard Riot said Cambodian domestic workers would undergo at least one month of training, including learning Malaysian culture and basic Bahasa Melayu and English, before coming to Malaysia.

"I visited one of the centres in Cambodia. The centres will train

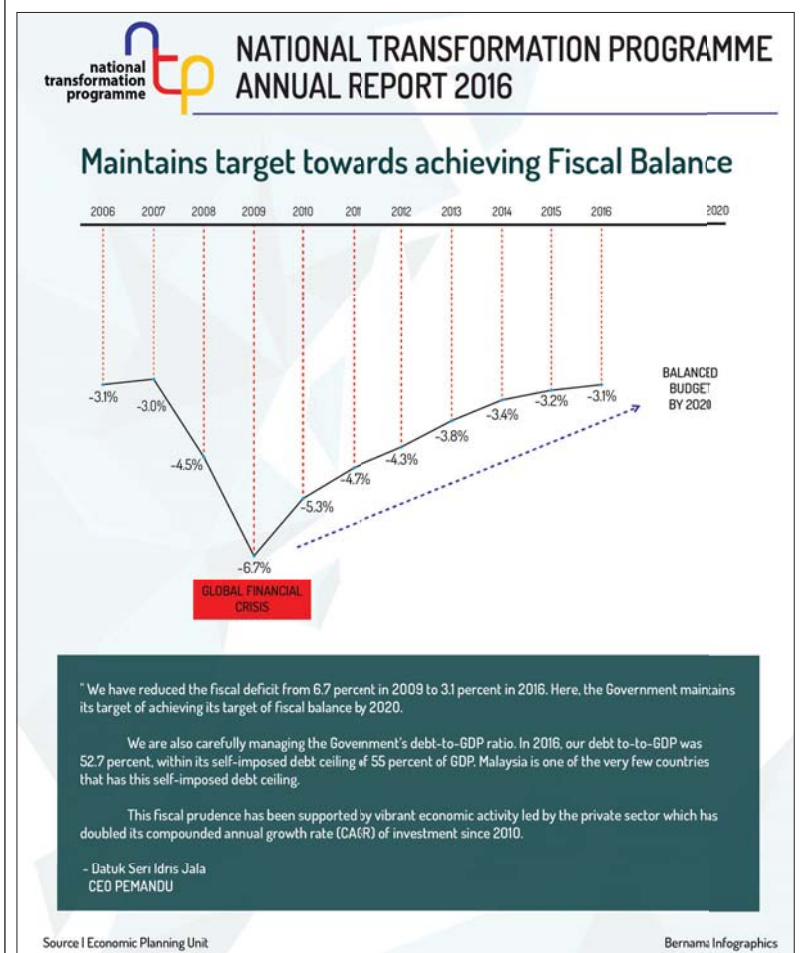


them not only in daily household chores, but also simple Bahasa Melayu and English [as well as] our culture, especially in Muslim families. This is to avoid culture shock when they arrive," he said.

Malaysian Association of Employment Agencies president Datuk Raja Zulkepley Dahalan welcomed the decision reached by the Malaysian and Cambodian governments on the matter.

"I hope to see more foreign domestic workers coming to Malaysia with the lifting of the ban. We badly need them, but we don't have the supply as the salary here is low," he said when met by reporters.

"It is not easy to get domestic workers from Cambodia to come here as they prefer to work in countries like Japan, Hong Kong and Singapore, where the salaries offered are high, up to US\$400 (RM1,708), while in Malaysia, it is up to about US\$230," he added. — *Bernama*



Recovery in high-end condo seen

Those in the industry are optimistic due to diminishing inventory and a pickup in transactions

BY CECILIA CHOW

Even on a weekday afternoon, real estate agents are ubiquitous at Gramercy Park: waiting for their clients at the basement carpark; touring the 170,000 sq ft manicured grounds, which include a 50m pool and clubhouse; or viewing the new show suites at the South Tower with prospective buyers. The 174-unit freehold, luxury condominium, developed by listed property giant City Developments (CDL), was completed last year. Located on Grange Road, Gramercy Park is a twin-tower development with 87 units each in the North and South Towers.

CDL released Phase 1 of Gramercy Park a year ago. As at May 15, 73 units of the North Tower, or 84%, were sold. A second phase of 20 units in the South Tower was released at end-March, and 19 units have been snapped up so far. Average sale prices at Gramercy Park have risen from over S\$2,600 (RM8,034) psf in Phase 1 to over S\$2,800 psf in Phase 2, according to CDL.

Early-bird pricing for the South Tower (Phase 2) starts from S\$3.4 million for a two-bedroom-plus-study unit to S\$5.1 million for a three-bedroom unit and S\$6.8 million for a four-bedroom unit. The deferred payment scheme (DPS) is said to be available for only “a limited number of units”.

A tweak in time

Is the pickup in sales at Gramercy Park symptomatic of a wider recovery in the Core Central Region (CCR)? Samuel Eyo, managing director of Singapore Christie’s International Real Estate, believes so. “There are certainly signs of a recovery in the high-end condo segment, especially since March,” he says.

Eyo attributes the pickup in transactions partly to the government’s tweaking of the property cooling measures, which cut the seller’s stamp duty period from four years to three, and reduced the rate to 4% to 12% for those who sell within the first to third years of completion. The total debt servicing ratio (TDSR) framework will also no longer apply for mortgage equity loans in cases where the loan-to-value ratio is 50% or less.

“With those tweaks, buyers are hopeful that more measures will be unwound,” notes Eyo. “Those who have been sitting on the sidelines and waiting for the right opportunity have also decided to take the plunge.”

Sales figures in the first four months of 2017 bear him out. Based on URA Realis data, there were 1,084 transactions in CCR from January to April this year, says Ong Teck Hui, JLL Singapore’s national director of research and consultancy. This is 35% higher than



The show suite of a 2,562 sq ft, four-bedroom unit at the South Tower of Gramercy Park.

the 802 units transacted over the same four-month period in 2016, “which reflects a significant increase”, he adds.

Incentive schemes for buyers

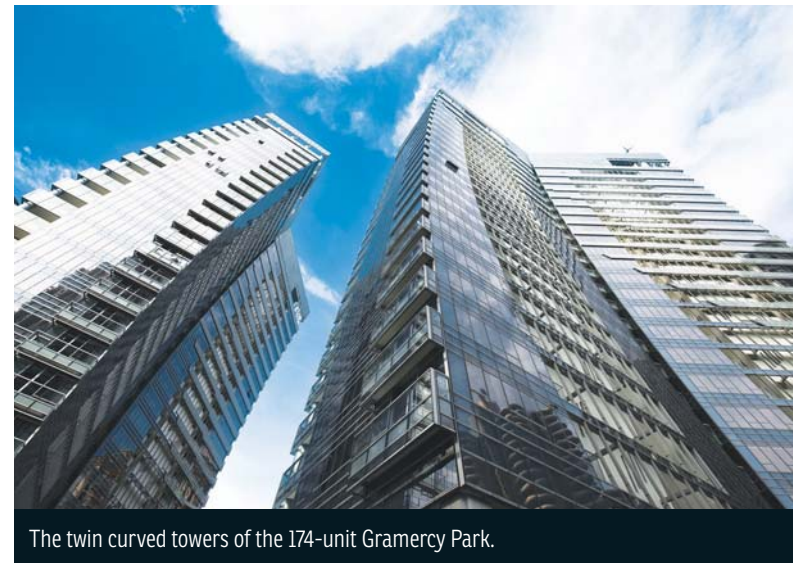
To entice buyers, more developers — especially those who are up against an additional buyer’s stamp duty (ABSD) or a Qualifying Certificate (QC) deadline — are rolling out DPS, some form of ABSD reimbursement or even direct discounts. For instance, Singapore-listed United Industrial Corp’s (UIC) Pollen & Bleu boutique high-end condo on Farrer Drive has seen a significant pickup in sales over the past two months. As at May 15, only 12 units were available for sale in the eight-storey, 99-year leasehold condo in prime District 10. In contrast, a year ago, only 12 units were sold in the 106-unit project, according to URA data (see table on Page 17).

The recent strong sales at Pollen & Bleu is partly attributed to the developer’s offer of a cash rebate on ABSD of up to 18%. The remaining units at the project include 1,163 sq ft, two-bedroom-plus-study lofts priced from S\$2.05 million (S\$1,445 psf); a 2,099 sq ft, three-bedroom-plus-family duplex penthouse with a S\$4 million price tag; and a 2,831 sq ft, four-bedroom-plus-family penthouse that costs S\$5.25 million. These are listed prices prior to the 18% cash rebate.

Although DPS is available for Pollen & Bleu, most buyers have opted for the normal progressive scheme, according to a UIC spokesperson. The project affords views of the Holland Road Good Class Bungalow estate and Singapore Bo-



Eyo: With those tweaks [by the government], buyers are hopeful that more measures will be unwound.



The twin curved towers of the 174-unit Gramercy Park.

tanic Gardens from the fourth floor, which is where facilities such as the swimming pool and residents’ lounge are located. The project obtained Temporary Occupation Permit (TOP) at end-2016.

UIC has just over a month (until June 27) to sell the remaining 12 units at Pollen & Bleu. This is because the developer was awarded the 99-year leasehold site on Farrer Drive on June 27, 2012.

Penalty for unsold units

The ABSD for developers buying residential development sites was 10% when it was introduced in January 2011, and hiked to 15% in January 2013. This means developers have to build and sell all units within five years of being awarded a development site in order to qualify for the clawback on the ABSD, which is based on the land cost.

UIC’s other boutique high-end condo is the 109-unit Mon Jervois

on Jervois Road. The developer said in its 1Q2017 results that it had paid S\$14.8 million in ABSD in February. The regulations require the developer to sell all the units in Mon Jervois by the Feb 8 deadline.

As at May 15, there were still 27 unsold units in Mon Jervois. UIC is offering buyers a 15% ABSD cash rebate, which was introduced on April 5. From May 12, it is also offering an interior design and furnishing package for selected units.

However, it looks like prices at Mon Jervois have also crept up. Two transactions in May were for a 614 sq ft one-bedder that was sold for S\$1.38 million (S\$2,256 psf) and a 1,001 sq ft two-bedder that fetched S\$2.22 million (S\$2,220 psf). The prices of S\$2,220 to S\$2,256 psf were higher than those of units sold in the first four months of the year, which ranged from S\$1,752 to S\$2,041 psf, based on caveats lodged with URA Realis.

‘Promotional prices’

At Leedon Residence, Singapore-listed GuocoLand sold 55 of the remaining 95 units in the first four months of 2017. This means only 40 units are still available in the 381-unit freehold condo at Leedon Heights.

To meet the QC conditions, GuocoLand has to sell all the units in the development within two years of TOP, that is, by June 15, 2017. Failing to do so will mean incurring extension charges of 8% to 24% for the first to third years, prorated according to the proportion of unsold units.

Units sold at Leedon Residence over the past month ranged from S\$2.35 million (S\$2,250 psf) for a 1,044 sq ft, two-bedroom unit to S\$10.2 million (S\$2,168 psf) for a 4,704 sq ft, five-bedroom unit. GuocoLand has also offered DPS

CONTINUES NEXT PAGE

Increase in interest in high-end condo segment

FROM PREVIOUS PAGE

and special promotional prices for selected units.

For instance, a 5,694 sq ft, five-bedroom penthouse fully furnished by interior design and furniture company Saporiti Italia is on the market for S\$11.1 million, including all the furnishings, which are in excess of S\$1 million. This is a “promotional price,” according to a marketing agent, as the initial price tag was S\$13.7 million.

Meanwhile, another penthouse — a 3,764 sq ft, four-bedroom unit — also carries a promotional price tag of S\$6.8 million (S\$1,815 psf). The original price tag was S\$7.6 million (S\$2,020 psf).

Unsold inventory reduced

Judging from the recent sales at Gramercy Park, Leedon Residence and Pollen & Bleu, it is clear that developers’ unsold inventory has dropped, says Christie’s Eyo. This was confirmed by JLL Research’s Ong, who says the number of unsold units in CCR was around 5,500 in 1Q2017, down from 8,600 two years ago.

At Wheelock Properties’ luxury condo, Ardmore Three, the developer offered a 15% discount and an additional 15% ABSD assistance package from April last year. And last month, it also gave buyers the option of DPS of up to 24 months. The 84-unit, freehold luxury condo was completed and obtained TOP in December 2015.

Currently, fewer than 20 units are available for sale. Under the requirements of the QC, Wheelock will have to sell all the remaining units by year-end if it wants to avoid paying extension charges.

Prices at Ardmore Three have been rising steadily. Even after a 15% discount, high-floor units at the development — above the 20th floor in the 36-storey tower — have fetched prices above S\$3,400 psf, according to caveats lodged with URA Realis. In March, a 1,776 sq ft, three-bedroom unit on the 35th floor was sold for S\$7.48 million, or S\$4,212 psf, the highest psf price achieved in the luxury condo so far.

Singapore-listed developer OUE was the first to roll out a DPS for a completed project when it relaunched its 462-unit OUE Twin Peaks last April. The 99-year leasehold twin-tower development, which has 231 units in each tower, was completed in February 2015. Currently, it has only 20 unsold units, says Dominic Lee, PropNex Realty’s associate branch district director.

Prices at OUE Twin Peaks have also increased, with many of the high-floor units sold for more than S\$3,000 psf, says Lee. For instance, in early May, there were seven transactions for one-bedroom units on the 23rd to the 29th floors. Three of the transactions were those of 549 sq ft units sold between S\$1.56 million (S\$2,837 psf) and S\$1.62 million (S\$2,945 psf). The other units were sold at S\$1.66 million (S\$3,035 psf) to S\$1.86 million (S\$3,260 psf), based on caveats lodged with URA Realis.

To meet the conditions of the QC, OUE had to sell all the units by February this year to avoid paying extension charges. In its 1Q2017 fi-



Pollen & Bleu has a bridge on the roof terrace and the fourth floor to link all the blocks within the development

nanical results, the developer said it had incurred an increase of S\$13 million in administrative expenses, “partially due to transaction costs incurred on the transfer of 22 OUE Twin Peaks units from development properties to investment properties, which will be held for capital appreciation.”

‘Renewed confidence in high-end segment’

Even projects that are not affected by ABSD or QC penalties are chalking up relatively healthy sales, says Joseph Tan, CBRE executive director of residential services. For instance, the 366-unit Corals at Keppel Bay is not subject to QC or ABSD charges. The 99-year leasehold waterfront condo, designed by world-renowned architect Daniel Libeskind, was completed last year. As at end-April, 245 out of 300 units released were sold, with the latest median price at S\$1,848 psf, according to URA data.

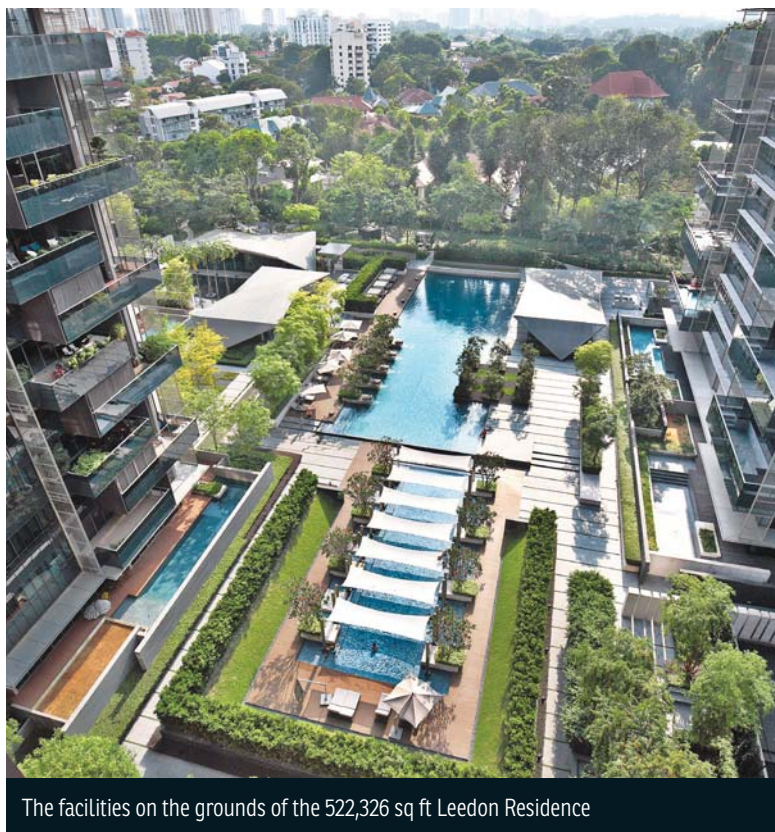
“There is renewed confidence in the high-end segment, and people are starting to come back,” says CBRE’s Tan. “Buyers are recognising that there isn’t that much new supply of high-end condos in the prime districts and that stock is diminishing.” According to Christie’s Eyo, there has been an increase in interest in the high-end condo segment from Singapore citizens and permanent residents, as well as foreign buyers.

However, the percentage of foreign buyers in CCR in 1Q2017 was 15%, while in 1Q2016, it was 17%, according to JLL’s Ong. “As the bulk of buying in CCR is investment-motivated, the ABSD would still be a major factor affecting foreigners,” he says.

Limited pipeline of new launches

The pipeline of high-end projects to be launched in CCR is limited, says Christie’s Eyo. GuocoLand has announced that it will be launching its 450-unit Martin Modern at the corner of Martin Place and River Valley Close in 2H017.

CDL intends to launch New Futura, its exclusive 124-unit freehold



The facilities on the grounds of the 522,326 sq ft Leedon Residence

Diminishing inventory of unsold units in selected condominiums in the Core Central Region

PROJECT NAME	TOTAL NO OF UNITS	NO OF UNITS SOLD (END-APRIL 2016)	NO OF UNITS SOLD (END-APRIL 2017)	AVAILABLE UNITS ^a
Ardmore Three	84	22	65	19
Cairnhill Nine	268	177*	251	17
Gramercy Park	174	0 [^]	92	82
Leedon Residence	381	223	341	40
Mon Jervois	109	48	92	27
OUE Twin Peaks	462	80	440	20
Pollen & Bleu	106	12	94	12

^aFigure as at end-March 2016

[^]Not launched yet

[#]As at May 15, 2017

Source: The Edge Property, developers, URA data

luxury condo, in 2H2017. The New Futura project is located on the site of the old Futura tower on Leonie Hill Road in District 9.

Singapore-listed Bukit Sembawang Estates has yet to launch Paterson Collection, which obtained TOP in October 2015. Construction is underway at its still-un-

named 250-unit condo project at St Thomas Walk (site of the former Airview Towers).

YTL Land, the property arm of Malaysia-listed conglomerate YTL Corp, has also not rolled out its luxury project, the 77-unit 3 Orchard-by-the-Park on Orchard Boulevard. Meanwhile, Far East Organiza-

tion has three projects in prime District 9: the newly completed 231-unit Scotts Tower on Scotts Road, the 40-unit Skyline @ Orchard Boulevard on Angullia Park and the former Ferra project on Leonie Hill.

Likewise, Tong Eng Group is holding on to its two completed boutique developments on Balmoral Road — the 40-unit Three on Balmoral and the 76-unit Goodwood Grand. Both are freehold projects.

“Private developers who are not subject to QC, such as Far East Organization, SC Global Developments and Tong Eng Group, are holding on to their freehold projects in the prime districts,” notes Christie’s Eyo. “They recognise that such freehold sites are not easy to come by these days.”

At The Marq on Paterson Hill, the most recent transaction was that of a 6,232 sq ft, four-bedroom unit on the 13th floor of The Signature Tower, where all the units are of this size and come with a 15m lap pool. The unit was sold for S\$21.8 million (S\$3,498 psf), according to a caveat lodged with URA Realis on April 12. The price was S\$4.6 million lower than the purchase price of S\$26.44 million (S\$4,242 psf) paid by the original buyer a decade ago.

SC Global has remained firm on its selling prices at the 66-unit The Marq on Paterson Hill. A record price of S\$6,840 psf was achieved in November 2011, when a 3,003 sq ft, four-bedroom unit on the 20th floor of The Premier Tower was sold for S\$20.54 million. SC Global has yet to launch its 34-unit ultra-luxurious Sculptura at Ardmore project, even though the development is already completed.

Are prices bottoming?

Early this month, Lum Chang Group paid S\$65 million for One Tree Hill Gardens. The collective sale site, with a three-storey residential development containing just six maisonettes and seven apartments, has a freehold land area of 39,063 sq ft. The S\$65 million price tag translates into a land rate of S\$1,664 psf, according to Ian Loh, Knight Frank executive director and head of investment and capital markets, who brokered the sale.

Under the Master Plan 2014, the site is zoned for redevelopment into a landed residential project comprising two-storey semi-detached houses. “One Tree Hill Gardens is the first successful collective sale of 2017,” says Loh. “This is the only sizeable landed redevelopment site [close to] Orchard Road.”

The URA non-landed price index for CCR has been hovering between +0.3% and -1.9% over the past five quarters (from 1Q2016 to 1Q2017). JLL’s Ong reckons it is an indication that the index is bottoming. “The median price of non-landed homes in CCR has been trending up in the last two quarters, and stood at S\$1,899 psf in 1Q2017,” he says.

JLL’s capital value data on the prime district segments has also recorded a mild turnaround. “We foresee that sentiment will remain positive, sustaining buying interest and leading to a price recovery,” adds Ong. — *The Edge Singapore*

Caveat emptor

The benefits of weak expansion have accrued to the rich

BY
MOHAMED A EL-ERIAN



Sadly — and unnecessarily — the persistent and prolonged failure to deliver higher and more inclusive growth has become a defining characteristic of the last decade in advanced economies. The harmful effects have extended well beyond economics and finance to include worrisome institutional, political and social consequences.

Indeed, we are seeing some of these factors play out this week in the heated debate over President Donald Trump's first budget. Without higher and more inclusive growth, the proposal is a fiscal non-starter, an institutional detractor, politically infeasible and socially destructive. Yet too much of the ongoing work on growth seems to fail to internalise fully the five main lessons from too many years of disappointments. As such, the analysis risks being either unnecessarily fatalistic or harmfully unrealistic.

For the last 10 years, the advanced world has been stuck in a troubling low growth equilibrium — sub-2% annually. Making matters worse, the vast majority of the benefits of this already too low growth have accrued to the rich, which is worsening an alarming trifecta of income and wealth disparities and inequality.

This unusual period has taught us the first important lesson — that advanced economies face not just

cyclical headwinds, but also meaningful structural and secular ones. Moreover, in the absence of a sense of crisis, the required policy response is hampered by the difficulties that liberal democracies with short election cycles encounter when pursuing structural reforms.

The second lesson is that it can take an agonisingly long period for policymakers and academics — along with an overwhelming accumulation of on-the-ground evidence — to change mindsets, models and operating approaches. Most damaging in this regard is resistance to the notion that, with the quest for high inclusive growth extending well beyond cyclical considerations to also include structural and secular factors, advanced economies could — and should — derive important lessons from the experience of developed countries.

Third, it turns out that low and insufficiently inclusive growth entails a range of unpleasant consequences:

- Economically, it results not just in forgone growth today, but also downward pressure on future potential and, therefore, future prosperity.

- Institutionally, it fuels an erosion of trust and a loss of faith in “expert opinion,” while also augmenting the pressure on the very few entities (in this case, central banks) that are able to respond, albeit using imperfect tools.

- Financially, the resulting policy experimentation — such as ultra-low and, in Europe, negative interest rates, and large balance-sheet operations — buys time, but does little to deal

with the structural bottlenecks. Meanwhile, their prolonged use, and the resource misallocations that result, risk longer-term collateral damage and unintended consequences.

- Socially, a growing number of people feel a mix of disillusionment, marginalisation, alienation and anger.

- The politics of anger start influencing electorates, encouraging single-issue voting and an anti-establishment sentiment that upends traditional political structures.

Fourth, it turns out that the consequences are not just national, but also regional and global.

Low and insufficiently inclusive growth places considerable pressures on regional and global economic and financial constructs, with growing risk of fragmentation, as more participants lose trust in the implicit contracts that underpin them.

This does not just concern Brexit and, more generally, the challenges facing both the European Union and the eurozone. It is also about an international order that gives enormous privileges to the advanced countries (the core) in exchange for the expectation of responsible management.

The core gets to issue the world's reserve currencies (thereby exchanging bits of paper for goods and services produced by others), receives other countries' outsourced savings, and has de facto veto power in multilateral institutions. But the other side of this equation — the expectation of responsible management — has been shaken by a global financial crisis that originated in the core, recurrent European crises.

What is required need not be a policy 'big bang;' a small bang would suffice.

With no combination of smaller advanced countries and the developed world both able and willing to replace the malfunctioning global construct, the inclination is to build pipes that both bypass and lessen exposure to the core. You can see this playing out in China with the proliferation of bilateral payments agreements, the formation of the Asian Infrastructure Investment Bank and the New Development Bank, and the ambitious One Belt, One Road initiative.

The hope is that these efforts will end up reinforcing a revitalised global order. The risk is that they will fragment it.

Fifth, and perhaps most surprisingly, financial markets have become extremely comfortable brushing off all this unusual fluidity and uncertainty. This is made possible by the availability of ample liquidity and is underpinned by three beliefs that have proven remunerative on a recurrent basis: that growth, while low, is relatively stable and, therefore, predictable; that central banks will remain both able and willing to repress bouts of instability; and that the large side-lined liquidity, including the cash held on corporate balance sheets, will eventually

find its way into the marketplace.

When combined, the main consequences of these factors are to make the low-level growth equilibrium increasingly fragile and unstable over time; to take to excess the decoupling of financial markets (and risk taking) from the real economy.

The faster all this is internalised by policymakers and academics, the quicker the realisation that growth fatalism is not just the wrong answer, but is dangerous, too. This is not to say that advanced economies do not face major challenges on account of demographics and technological issues, to cite just two. They do. But an important part of the recent growth shortfall is a self-inflicted wound that we can now better analyse, understand and solve. And the need to do so is getting more and more urgent.

The longer the advanced economies delay in delivering higher and more inclusive growth, the greater the risk that their futures will include costly recessions, unsettling financial instability and even messier politics. Fortunately, as detailed in previous columns, what is holding us back is no longer an economic engineering problem. The four main elements of the solution are gaining greater acceptance. Adding to the good news is that what is required need not be a policy “big bang;” a small bang would suffice.

More than ever, the basic issue is political implementation. And the advanced world's political class is running out of time to step up to their economic governance responsibilities. — *Bloomberg*

The next financial crisis could be in forex

BY EDWARD HADAS



FOR centuries, cross-border trade has come with a currency problem. The expansion of globalisation has not made it any less pressing. The dilemma identified by the economist Robert Triffin is a powerful — and alarmingly current — reminder that a worldwide foreign exchange crisis is only one big mood change away.

The Scottish philosopher and economist David Hume identified the fundamental issue in 1752. While the sum of global exports always equals global imports, countries can run persistent trade deficits. In Hume's time, the deficit country shipped gold to pay for overseas goods. Today, creditors have to accept large quantities of deficit countries' currency.

Hume thought the free market would correct these imbalances, through what we now call currency devaluations. Exports would rise, imports would fall, and the gold would return. But it turns out that the economic patterns which lead to trade

deficits are remarkably stubborn. They persist as long as importers can find a way to pay for their lifestyles.

When the gold runs out or the lenders finally give up, default is almost unavoidable. Usually, such national financial failures cause only small ripples in the world economy. But that is not always the case. As Triffin pointed out in 1960 the effects would be much more serious if creditors lose faith in the global reserve currency — the unit which is readily accepted for trade and commonly used for savings pretty much everywhere.

A flight from a reserve currency would throw the global trading system into disarray. As in Triffin's day, the currency in question is the US dollar. As the Belgian-American economist understood, the dollar will remain solid until the day of reckoning. Foreigners will be willing to accumulate more greenbacks because holdings of the global reserve currency help trade run smoothly. So they are more than happy to finance America's trade deficit.

But the more the US spreads dollars around the world, the more likely holders are to question Amer-

ica's creditworthiness. Economists named the simultaneous desire for dollars and the danger involved in holding them the Triffin dilemma. Valéry Giscard d'Estaing, then the French finance minister, called it America's “exorbitant privilege.”

The US has exercised its privilege abundantly ever since. The net US international investment position — basically the market value of dollars invested from America minus the value of dollars lent to it — first turned negative in 1988. After some gyrations, a firm trend has set in. By 2016, the deficit had reached around 11% of global gross domestic product (GDP).

That is an awful lot of dollar value at risk. But the development is not surprising. Cross-border trade has increased from 17% of world GDP in 1960 to 45% today, according to the World Bank. The first horn of the Triffin dilemma explains that this growth leads to more expatriate dollars. The other horn points out that a currency crisis now would be very disruptive.

Suppose some American irresponsibility or arrogance exhausts the patience of the Chinese govern-

ment, prompting it to sell some of its vast stock of dollar-denominated assets. Others would follow, rushing to currencies still perceived as relatively safe. That creates political discontent in countries such as Japan and Switzerland. Capital controls would come and cross-border trade would go.

Meanwhile, the US Federal Reserve would probably raise interest rates to defend the dollar. Leveraged investors would be forced to sell, creating market mayhem. Big banks could topple over. Though they are better capitalised than a decade ago, they still rely extensively on the ready global availability of supposedly risk-free US government debt.

No one wants that sort of meltdown, especially as there is currently no credible alternative to the dollar. Decades of debate about a possible global currency has produced nothing useful. China's push to internationalise the yuan has recently gone into reverse.

Fortunately, there has been a strong global political-economic consensus to prevent a meltdown. Witness the coordinated and relatively fast response of global central

banks, politicians and regulators to the 2008 financial crisis.

The unity of that global quasi-government is fraying, though. Central bankers have tested politicians' patience with years of ultra-low rates. And global politics are troubled. President Donald Trump does not generally behave like a believer in cross-border solidarity. The eurozone has become more inward looking. China has become larger but also more nationalistic. Japan has become smaller.

Ultimately, all profound financial problems must have political solutions, because only governments have enough authority to allocate damage and restore confidence. This explains why cross-border financial problems are especially hard to solve — there is no international government to intervene.

The US dollar's reserve status has withstood numerous shocks and a succession of profligate presidents. If the Triffin dilemma turns into a crisis, though, everyone will wonder why the dollar was allowed to underpin the global economy in a political near-vacuum. — *Reuters*

Moon draws ire of small businesses

BY JOYCE LEE & HYUNJOO JIN

SEOUL: Small businesses in South Korea fear their profits could be cut to the bone and some could be forced to close if the country's new president pushes ahead with plans to raise minimum wages, restrict contract staff numbers and reduce working hours.

Since his election earlier this month, President Moon Jae-in has made boosting job prospects for young South Koreans a signature policy, while also protecting workers' rights. With that in mind, he has also targeted reform of South Korea's giant family-run conglomerates, or chaebols, to make them less dominant and help smaller firms become engines of growth in Asia's fourth-largest economy.

But many businessmen fear that instead of generating jobs, smaller businesses will be crippled by the higher cost of hiring and paying workers if Moon's labour reforms are implemented.

Moon has pledged to raise the minimum wage by 55% to 10,000 won (RM38.21) per hour by the end of his five-year term. At the same time, he wants to lower the maximum working week to 52 hours, bringing it down from the current cap of 68 hours, in a move that he says would help create 500,000 private sector jobs. Small businessmen, however, say Moon has got it wrong, and there will be less work as profit margins suffer.

Kim Moon-sik, the president of Korea Oil Stations Association, warned that the proposals, as they stand, would backfire if they are applied to firms regardless of size. "Instead of creating jobs, the changes could make it harder to maintain the jobs that exist now," he said. — Reuters

Singapore sees growth exceeding 2% in 2017

Main risks flagged by govt are trade protectionism, China downturn

BY MELISSA CHEOK

SINGAPORE: Singapore's government gave an upbeat outlook on the economy, saying it will probably expand more than 2% this year as exports continue to strengthen.

The trade and industry ministry (MTI) maintained its gross domestic product (GDP) growth forecast for 2017 at 1% to 3%, but said the economy will likely grow faster than the 2% expansion in 2016, barring any downside risks.

In a revised estimate of first-quarter data, the ministry said GDP declined an annualised 1.3% from the previous three months, an improvement on its projection last month of a 1.9% contraction. The median esti-

mate in a Bloomberg survey of 10 economists was for a 0.9% contraction. Compared with a year earlier, GDP rose 2.7% in the first quarter, in line with the median estimate of 17 economists.

Singapore's economy is rebounding on the back of a recovery in export demand, led by China. That is helping to underpin manufacturing, primarily of electronics, though domestic-focused industries, such as retail and construction, remain under pressure. The main risks to the outlook flagged by the government are rising trade protectionism and a downturn in China amid measures to curb debt.

International Enterprise Singapore yesterday raised its estimate for export growth for this

year to 4% to 6%, up from zero to 2% previously. The Monetary Authority of Singapore (MAS), the nation's central bank, last month kept its growth forecast unchanged at 1% to 3% for this year, saying the momentum in the economy "remains intact" because of the stronger export performance.

The data "is a good start but it could have been the peak in terms of momentum for 2017", said Edward Lee, regional head of research at Standard Chartered plc in Singapore. "The central bank is quite comfortable keeping things where they are", but if growth continues to outperform, the MAS may consider bringing forward "slight normalisation of monetary policy". — Bloomberg

IMF approves Mongolia bailout package

BY TERENCE EDWARDS

ULAANBAATAR: The International Monetary Fund (IMF) said yesterday it approved a total financial package worth around US\$5.5 billion (RM23.49 billion) to help support cash-strapped Mongolia's efforts to diversify its small and resource-dependent economy.

The IMF has provided a three-year financial arrangement of about US\$434.3 million to support Mongolia's economic reform programme, with other financial

partners such as the Asian Development Bank, the World Bank, Japan and South Korea also providing backup.

Mongolia grew at a double-digit annual rate over 2011 to 2013 as foreign investors rushed in to take advantage of its vast untapped mineral deposits. But clashes with investors, government overspending and declining commodity export revenues slowed growth to 1% last year and tipped the country into an economic crisis.

"This is one of the biggest programmes in IMF history in terms

of countries' GDPs (gross domestic products)," said Neil Saker, IMF's Mongolia representative, at a press briefing in Ulaanbaatar. "The absolutely critical objective is to break the boom-bust cycle seen in Mongolia in the last 15 years."

Mongolian Finance Minister Battogtokh Choijilsuren said the package was designed to stabilise the economy, impose fiscal discipline and boost competitiveness, adding that Mongolia would aim to bring its budget deficit to under 2% of its GDP by 2021, down from 17% now. — Reuters

Mega funding is back for start-ups in Asia, except for the little guy

BY TIM CULPAN

TAIPEI: More money is flowing into Asia's start-up sector, which should be a good thing. Not since the third quarter of 2015 has funding of venture capital-backed companies (VCs) in the region been so high, despite the number of deals falling from a year earlier, according to a report from CB Insights.

But look closely, and you'll notice that proportionately less of that is going to the youngest in the field. Instead, funding rounds have increased in size. Those early-stage start-ups that are attracting capital are getting smaller investments, while the more mature companies are getting larger amounts.

While billion-dollar funding rounds tend to attract the most headlines, anything over US\$50 million (RM213.5 million) is a big deal and the number of these jumped to 34 in the first quarter.

Early Rounds Shrink

Share of funding deals for the earliest stages of startup development is falling



It is easy to think that with all this money flowing, VCs are aggressively betting on new companies in Asia. But the conclusion from this data is that, flush with cash, investors are putting their money into companies

that already have momentum and some kind of track record. They're not increasing their bets on young, untried companies.

If such a trend continues then not enough early-stage start-ups

will make it to the more advanced phases of growth, and that will give investors fewer late-stage deals to put their money into. So come on VCs, take a punt on the little guy. — Bloomberg

IN BRIEF

Moody's downgrades Hong Kong to Aa2 after China ratings cut

HONG KONG: Moody's Investors Service downgraded Hong Kong's local and foreign currency issuer ratings just hours after it cut China's credit ratings for the first time in nearly 30 years. The US ratings agency downgraded Hong Kong's rating to Aa2 from Aa1 and said credit trends in China will continue to have a significant impact on Hong Kong's credit profile due to close economic, financial and political ties with the mainland. Moody's changed Hong Kong's outlook to stable from negative, denoting that the risks to the city's rating are balanced. The move came late on Wednesday and was widely expected after Moody's downgraded China. The Hong Kong government criticised the move, saying the Chinese-ruled city was well equipped to deal with any challenges. — Reuters

New Zealand expects to spend bigger 2017 surplus on infrastructure

WELLINGTON: New Zealand expects to post a bigger-than-forecast budget surplus in 2017 and plans to invest the extra cash in infrastructure to fuel the growing economy, Finance Minister Steven Joyce said yesterday. The government predicted a NZ\$1.62 billion (RM4.87 billion) surplus in the year to June versus its prior forecast for a NZ\$473 million surplus in the December half-year economic and fiscal update. "These surpluses are significant, but they will be needed to meet the cost of the very large new capital investment the government has committed to," said Joyce while presenting the annual budget. — Reuters

Harley-Davidson plans factory in Thailand

BANGKOK: Motorcycle maker Harley-Davidson Inc said yesterday it will build a plant in Thailand to serve the growing Southeast Asian market. The company did not give a figure for the planned investment in Thailand's Rayong province, southeast of Bangkok. Katie Whitmore, Harley-Davidson public relations manager, said the company had its best results in Asia-Pacific in 2016. The Thailand facility "will allow us to be more responsive and competitive in the Asean region and China", she said. — Reuters

GM to cut jobs in int'l HQ in Singapore — source

SINGAPORE: General Motors Co (GM) will slash headcount in its international headquarters in Singapore as part of its efforts to reduce exposure to unprofitable and unpromising markets. GM International — which oversees markets such as India, Southeast Asia, and South Korea, among others — will reduce its staff to about 50 from 180 by the year end, according to a person with knowledge of the matter. — Reuters

US Fed: New rate hike likely coming 'soon'

Weak growth, however, could delay next rate rise until after June

BY HEATHER SCOTT

WASHINGTON: US central bankers say it will "soon" be time to raise the key lending rate again, according to minutes from the last Federal Reserve (Fed) meeting released on Wednesday.

Monetary policymakers say they may wait, however, to see if weak growth recorded earlier this year was only temporary, which seems to open the possibility that the next rate increase could be delayed until after June.

Fed officials said planned spend-

ing by President Donald Trump's administration could boost the economy more than currently forecast, although the details and timing of the projects "remain highly uncertain."

Markets have become concerned, however, over perceived missteps by the Trump administration as US officials probe his campaign team's possible collusion with Russia in last year's elections — investigations they fear could derail planned tax cuts and deregulation measures.

Some central bankers also "expressed concerns" over the administration's plans to ease bank

regulations, which "could increase risks to financial stability", according to the minutes.

At the May 2-3 meeting, the Fed's policy-setting Federal Open Market Committee voted unanimously to keep the federal funds rate in a range of 0.75%-1%, just as most analysts had expected, and downplayed the tepid gross domestic product growth in the first quarter as mostly due to "transitory factors".

Assuming the economy continues to perform as expected, with continued job and wage growth leading to a rebound in consumer

spending and business investment, "most participants judged ... it would soon be appropriate" to raise rates again, the minutes stated.

The central bank raised rates in March and December, amid a wave of optimism in the early days of Trump's term, with his promises of tax cuts, deregulation and big infrastructure spending.

Most analysts expect two more rate increases this year, likely at the next meeting slated for June 13-14, and again in September. However, the minutes surprisingly cast some doubt on that schedule. — AFP

Lenovo profit tops estimates as PC market levels off

BY GAO YUAN

BEIJING: Lenovo Group Ltd's quarterly profit fell less than expected after the global personal computer market eked out growth for the first time since 2012.

The world's second-largest PC maker reported a 41% slide in net income to US\$107 million (RM456.89 million) in the three months ended March. That compares with the US\$97.9 million average of analysts' estimates compiled by *Bloomberg*. Revenue increased 5% to US\$9.6 billion, compared with the US\$9.65 billion projected.

Lenovo narrowly lost its top position in global PCs to HP Inc in the quarter but managed to increase market share as industry shipments grew 0.6%, the first time they've risen since early 2012. Lenovo's biggest rival posted better-than-expected revenue growth on Wednesday as the market stabilised.

Overall demand, however, remains depressed. — *Bloomberg*

'Trump budget cut bid would make it impossible for UN'

BY MICHELLE NICHOLS

NEW YORK: US President Donald Trump's bid to slash funding for the UN would make it "impossible" for it to continue its essential work, a UN spokesman said on Wednesday, adding that the organisation was ready to discuss reform with Washington.

The Trump proposal cuts about a third from US diplomacy and aid budgets, or nearly US\$19 billion (RM81.13 billion). This includes cutting some US\$1 billion from a UN peacekeeping funding and a steep cut to funding for international organisations.

The US is the biggest UN contributor, paying 22% of the US\$5.4 billion core budget and 28.5% of the US\$7.9 billion peacekeeping budget. These assessed contributions are agreed by the 193-member UN General Assembly.

"The figures presented would simply make it impossible for the



US Secretary of State Rex Tillerson (left) greeting Guterres at UN headquarters in New York City, New York, US on April 28. The Trump proposal cuts about a third from US diplomacy and aid budgets, or nearly US\$19 billion. Photo by Reuters

UN to continue all of its essential work advancing peace, development, human rights and humanitarian assistance," Stéphane Dujarric, spokesman for secretary-general Antonio Guterres, said in a statement.

Congress sets the federal government budget, and Republicans who control both houses and Democrats

have said they do not support such drastic cuts.

Trump has said the US share of the UN budgets was "unfair." The US is reviewing each of the 16 UN peacekeeping missions as the annual mandates come up for renewal by the Security Council in a bid to cut costs and push the world body to reform. — *Reuters*

Glencore food binge could leave investors hungry

BY ANDY CRITCHLOW

LONDON: Glencore has fought hard for a lean balance sheet. Now it has one; it can keep things simple and give more money to shareholders, or binge on an acquisition. A merger approach to US agricultural trader Bunge suggests chief executive Ivan Glasenberg favours the latter, somewhat riskier course of action. Such boldness could leave investors going hungry.

Bunge was lukewarm about the Swiss trading and mining group's desire for a "consensual business combination" on Tuesday. Nonetheless, the US company's shares

closed up almost 17%, giving the company a market capitalisation of US\$11.5 billion (RM49.10 billion). Add in US\$3.8 billion of net debt, and it means a cash bid would cost at least US\$15.3 billion. It could cost even more: Glasenberg has previously shown a reluctance to back down too readily.

Bunge ticks a strategic box. Its agribusiness, which includes grains, oil seeds and sugar, would give Glencore more exposure to a low-margin but low-risk sector that is strongly pegged to global population growth. But more covetable are its physical silos and mills. Those become more valuable in periods

when crop supplies are in abundance, as they are now.

The financial thinking is a bit fuzzy. On one hand, Glencore's agricultural business, which would do the deal, is a joint venture held alongside two Canadian pension funds — so its debts don't figure on the parent's balance sheet. On the other hand, it's unlikely Glencore Agriculture could buy something so big without help. Glencore would have to stump up cash, or see its 50% stake diluted.

And it's not clear that would be worth it. Bunge is estimated to make US\$1.4 billion of operating profit in 2018. Tax that at its 26% rate, and the

return on investment would be just 7%. Glencore could juice that up with cost savings: were it to cut half of Bunge's selling and administration costs of around US\$1.4 billion, that return would rise to 10%. That said, cutting costs — insofar as it means axing jobs — isn't exactly a popular trade in the US right now.

So Glencore may be better off holding onto its money — and maybe even refraining from big shareholder payouts. Commodities prices have stalled and doubts over China's economic growth still linger. Glasenberg might be wise to keep his resources safe in their silo. — *Reuters*

IN BRIEF

Serious injuries at Tesla plant double industry average — report

DETROIT: The rate of serious injuries at a Tesla factory in California is double the industry average, a worker advocacy group said on Wednesday in a report calling for better workplace protections. Total injuries at the plant are a third higher than the industry average, the report said. In a recent interview with *the Guardian* newspaper, Tesla CEO Elon Musk acknowledged that employees at his company have been "having a hard time, working long hours, and on hard jobs." But he insisted: "This is not some situation where we are just greedy capitalists who decided to skimp on safety in order to have more profits and dividends and that kind of thing." Meanwhile, the company is under significant financial duress, as losses rose 40% during the first quarter. — *AFP*

New Ford CEO eligible for US\$13.4m in annual compensation

WASHINGTON: Ford Motor Co said on Wednesday that new chief executive officer (CEO) James Hackett is eligible for at least US\$13.4 million (RM57.21 million) in total annual compensation. Hackett, 62, was named to replace Mark Fields on Monday. Hackett will earn a US\$1.8 million annual salary, US\$7 million in stock-based compensation and pocket a US\$1 million bonus. Ford replaced Fields amid investor unease about the US automaker's slumping stock price and its ability to counter threats from long-time rivals and Silicon Valley. — *Reuters*

Brazilian ride-hailing company raises US\$100m from SoftBank

SAN FRANCISCO: Brazilian ride-hailing start-up 99 raised US\$100 million (RM427 million) from SoftBank Group Corp to help it compete with Uber Technologies Inc in Latin America's largest economy. For Uber, the investment isn't a good sign. SoftBank has been pouring money into various ride-hailing companies not named Uber, including US\$5 billion for China's Didi Chuxing this year. And Latin America has been one of the regions for Uber where margins are the highest. — *Bloomberg*

Software update can fix Fiat Chrysler's US diesel issue

WASHINGTON: Fiat Chrysler Automobiles NV believes a software update can address US regulators' contention that its diesel vehicles are producing excess emissions, a lawyer for the company said at a court hearing on Wednesday. The lawyer admitted no wrongdoing by the Italian-American automaker, however. Robert Giuffra, a lawyer for Fiat Chrysler, said at a hearing in San Francisco that regulators' concerns could be resolved with new software without a need for any new hardware. — *Reuters*

Indonesia launches raid as Jakarta attacks linked to Islamic State

BY AGUSTINUS BEO DA COSTA & GAYATRI SUROYO

JAKARTA: Indonesia's antiterrorism unit raided the home of a suspected suicide bomber yesterday as authorities linked attacks that killed three police officers at a Jakarta bus station a day earlier to the Islamic State (IS) militant group.

Six police officers and six civilians were also wounded in the twin blasts set off five minutes apart by two attackers in the Kampung Melayu area of the Indonesian capital late on Wednesday, police said.

The attack was the deadliest in Indonesia since January 2016, when eight people were killed, four of them attackers, after suicide bomb-

ers and gunmen attacked the capital. "We must continue to keep calm [and] keep cool. Because ... we Muslims are preparing to enter the month of Ramadan for fasting," President Joko Widodo said in a statement.

Authorities in the world's biggest Muslim-majority nation are increasingly worried about a surge

in radicalism, driven in part by a new generation of militants inspired by IS.

It was "highly likely" an IS-linked group was behind Wednesday's attack, National Police spokesman Awi Setyono said. "There's a link, but we're still studying whether it's an international network," Setyono said. — Reuters

Taiwan war games simulate China invasion

PENGHU'ERCUN: Taiwan forces simulated an invasion by China yesterday as part of live-fire war games against a backdrop of rising tensions with Beijing.

The annual drills are Taiwan's biggest military exercise and mocked up a scenario in which Chinese troops launched an amphibious assault.

They took place on the outlying Penghu Islands, which sit in the strait that separates Taiwan from China.

The defence ministry has warned of a rising military threat from China, which still sees self-ruling Taiwan as part of its territory to be reunified, by force if necessary.

Taiwan's military is boosting its firepower to counteract the risk, including launching its first-ever home-grown submarine project and building a new generation of jet trainers.

President Tsai Ing-wen presided over the drills and emphasised the importance of building up Taiwan's indigenous defence industry.

"When Taiwan shows its determination to take the road of defensive autonomy, it is putting on a display to the world of our determination to protect our home and land," she said at a military base in Penghu after overseeing the exercise.

As part of the drills, attack helicopters fired missiles and jet fighters including eight F-16s dropped bombs in the waters south of the archipelago to repel the enemy.

Rocket artillery and tanks also fired rounds as far as 18m from the coast. The live-fire was not in the direction of China.

The defence ministry has said there is a growing risk of invasion from Chinese forces as relations with Beijing-sceptic Tsai deteriorate.

China does not trust her traditionally pro-independence Democratic Progressive Party and has cut off all official communication with Taipei.

Beijing has also sought to isolate the island diplomatically as Tsai refuses to acknowledge both sides belong to "one China" — unlike her China-friendly predecessor Ma Ying-jeou. — AFP

'UK stops sharing Manchester bombing information with US'

Its police say leaks to media are hindering their investigation

BY ANDY BRUCE & KYLIE MACLELLAN

MANCHESTER/LONDON: British police have stopped sharing information on the suicide bombing in Manchester with the US, a British counterterrorism source told Reuters yesterday after police said leaks to US media risked hindering their investigation.

Police are hunting for a possible bomb maker after the 22-year-old attacker, British-born Salman Abedi, detonated a sophisticated device at a concert venue packed with children on Monday night, killing 22 people and injuring 64.

A reported suspicious package in Manchester which British army

bomb disposal experts investigated had been deemed safe, police said yesterday, adding that a cordon had been removed.

"There was a cordon in Hulme, not Trafford as previously suggested, relating to a possible suspicious package," the Greater Manchester Police said in a statement.

"This has now been deemed safe and the cordon has been removed."

The decision to stop sharing police information with US agencies was an extraordinary step as Britain sees the US as its closest ally on security and intelligence.

"This is until such time as we have assurances that no further

unauthorised disclosures will occur," said the counterterrorism source, who spoke on condition of anonymity.

The official threat level was raised after the Manchester attack to "critical", its highest level, meaning a further attack could be imminent. Troops have been deployed to free up police officers for patrols and investigations.

After a series of police raids in and around Manchester, a total of eight people are in custody in connection with the suicide bombing.

Abedi's father and younger brother were arrested in Tripoli in Libya, where the family originally come from. — Reuters

China says US warship entered its waters 'without permission'

BY BEN DOOLEY & YANAN WANG

BEIJING: China yesterday accused the US of trespassing after an American warship sailed near a reef claimed by Beijing in the South China Sea, the first such operation by President Donald Trump's administration in the disputed waterway.

The row comes during a period of warming relations between the countries with Trump saying that Washington had dialed down pressure on Beijing over other issues in hopes of encouraging their cooperation on North Korea.

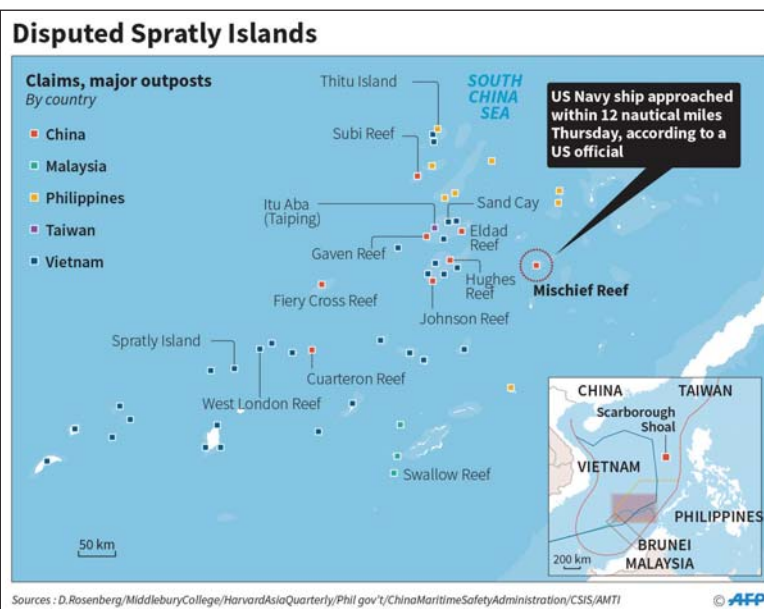
The guided-missile destroyer *USS Dewey* entered the area "without permission from the Chinese government", foreign ministry spokesman Lu Kang told reporters at a regular press briefing, adding that the ship had "trespassed in the waters near the relevant islands and reefs".

"The relevant action taken by the US vessel undermines China's sovereignty and security interests, and is very likely to cause unex-

pected sea and air accidents," he said, urging Washington to stop "provocative actions".

The *USS Dewey* sailed less than 12 nautical miles from Mischief Reef — part of the Spratly Islands — yes-

terday morning local time, a US official said earlier, the first freedom of navigation operation under Trump. The UN says nations can establish the breadth of their territorial sea up to a limit of 12 nautical miles. — AFP



IN BRIEF

South Korea 'Rasputin' daughter abandons appeal for extradition

STOCKHOLM: The daughter of the woman at the centre of a corruption scandal that led to the impeachment of South Korea's ousted president has cancelled her appeal against extradition, a Danish court said on Wednesday. Chung Yoo-ra, the 20-year-old daughter of the woman dubbed South Korea's "Rasputin", is one of the figures in the influence-peddling scandal that sparked huge street protests demanding the removal of former president Park Geun-hye. "Decision to extradite Korean Ms Chung is now final," the court announced on Twitter. "She has cancelled [her] appeal to [the] High Court." An extradition date has not been set, the court said. — AFP

Philippine troops bomb militants in Marawi

MARAWI: Philippine security forces bombed southern city Marawi yesterday as they battled militants who were holding hostages and reported to have murdered at least 11 civilians. Authorities said ending the crisis was proving extremely hard because, although there were only 30 to 40 remaining gunmen, the militants were moving nimbly through homes, had planted bombs in the streets and were holding hostages. Intense gunfighting could be heard constantly throughout the day, according to an AFP reporter in the city, and the military said it had dropped bombs on residential neighbourhoods. — AFP

Pizza for Manchester, from Boston with love

NEW YORK: It was a small gesture that kept a fabled Boston newspaper fed during difficult times, one it thought frazzled reporters in Manchester would appreciate too. So they sent pizzas across the Atlantic. Editors at *The Boston Globe* came up with the idea the day after a suicide bomber killed 22 people and wounded dozens more at a concert at the city thousands of miles away in northern England. "We decided it would be nice to do something for the people of the *Manchester Evening News*," says Emily Procknal, community relations manager at *The Boston Globe*. — AFP

France set to extend state of emergency

PARIS: President Emmanuel Macron wants a sixth extension of France's state of emergency since the Paris attacks of November 2015, his prime minister said on Wednesday, adding that the terror threat "remains very high". The new president, elected on May 7, also wants legislation to bolster the powers of the security forces, Prime Minister Edouard Philippe said. "France and the United Kingdom are fighting the same enemy," Philippe added after a meeting of his defence council. — AFP

WEEKEND

by numbers

26.05.17 to 28.05.17

Your quick guide to rest and relaxation. By Shalini Yeap

3 MUSIC PERFORMANCES TO GROOVE TO

Dasha Logan

Singer/songwriter Dasha Logan takes the stage at Le Noir tomorrow night. Spend your Saturday night being serenaded by the homegrown songstress from 10.30pm onwards at the bar situated at Unit H-G-07, The Hive, TREC, Jalan Tun Razak, Kuala Lumpur. Admission is free and you can also enjoy the various happy hour promos while there. Visit www.facebook.com/LeNoirKL or call (03) 2110 4331 for more information.



KAEL

Head to Alexis Ampang for dinner and stay to catch a performance by Malaysian recording artist KAEL (formerly known as Michael Leaner). Recognised for his soulful tone of voice, he will be sharing the stage with local band The Gangster Squad today and tomorrow. You can expect to be entertained with a selection well-known ballads and groovy R&B numbers by the singer. The show begins at 10pm at Alexis Bistro Ampang, Great Eastern Mall, 303 Jalan Ampang, Kuala Lumpur. Visit www.alexis.com.my or call (03) 4260 2288 for reservations, dress code and more.

Ashley Chan

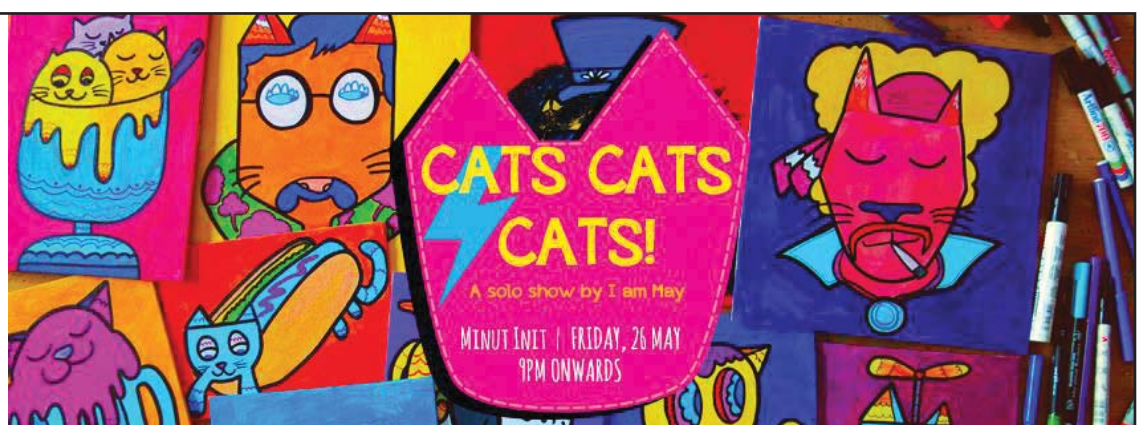
Ashley Chan debuts her collection of smooth electronic R&B tunes at Bobo KL tonight. Chan is known for being the lead vocalist for local pop-punk outfit An Honest Mistake and then the voice of Capital Wave, which exposed audiences to alternative music and gave local Malaysian artists a platform. Unwind after a long week to Chan performing alongside Lor Phaik Sim (keys) and Ng Kae Vin (percussion) at 9.30pm today and tomorrow at 65-1 Jalan Bangkung Bangsar, Kuala Lumpur. There is a cover charge of either RM50 or RM 35 (on a minimum spend of RM100 per person). Call (03) 2092 5002 for more details.



1 ART EXHIBITION TO VISIT

Cats Cats Cats

Cat lovers are bound to enjoy full-time freelance artist, illustrator, designer and art teacher I am May's first solo exhibition, *Cats Cats Cats*. Here, she will showcase her artworks about cats in various ways including some cat puns as well as elements of pop culture. Big and bold colours play a huge role in her artworks, reflecting her personality and how she deals with everyday life. Even if you're not a cat lover, you can enjoy the show, on at Minut Init Art Social at 29A & B, Jalan SS21/37, Damansara Utama, Petaling Jaya, between 1pm and 1am. Call (03) 7499 5895 for more details.



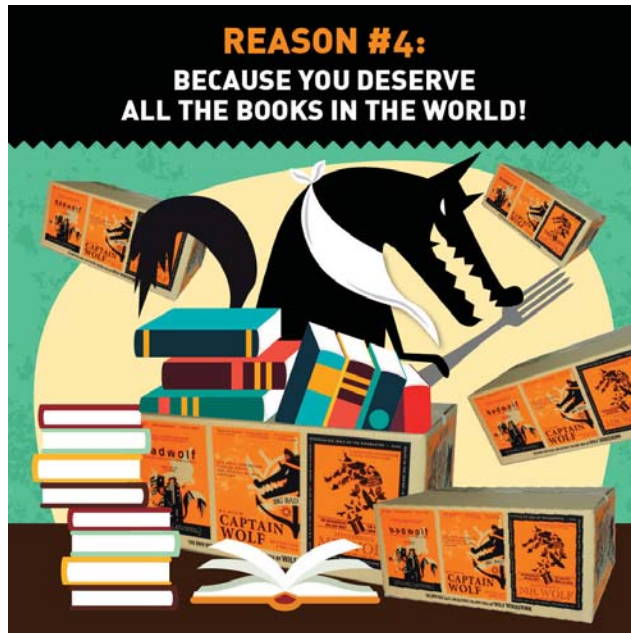
1 NEW BREW TO SAMPLE

Anchor Smooth Draught

There's nothing quite like a cold beer on a hot day and given our tropical climate, there is no time like the present to try Anchor's latest variant, the Anchor Smooth Draught. Available in a bottle, this beer was passionately crafted by the local brewing team resulting in a refreshing bottle of lager filled with a smooth blend of aromatic hops brewed to perfection. The new addition carries all the characteristics of a draught beer, which is great for those who crave the refreshing taste of Anchor beer on tap but in a convenient form. The Anchor Smooth Draught is now available in coffee shops, Chinese restaurants, food courts, supermarkets, hypermarkets and convenient stores nationwide.



2 PLACES TO GO FOR RETAIL THERAPY

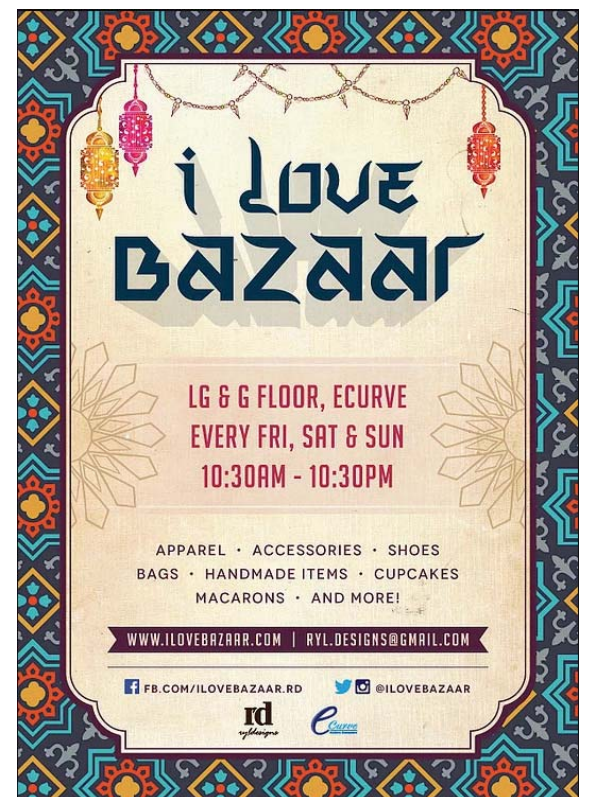


Big Bad Wolf Box Sales

Feed your book cravings at the Big Bad Wolf Box Sales that begins today. The all-you-can-read book buffet is the place to be if you're a book lover and reading enthusiast. With just four simple steps, a box filled with books could be all yours! All you have to do is pick a box of choice and pay for it, (small box for RM79.90, big box for RM99.9 and Family Tapau Pack of one small and one big box for RM160) fill it with books, close it flat and check out. Happening from 11am to 10pm at Hall A, Malaysia International Exhibition & Convention Centre, Jalan Dulang Mines Resort City, Seri Kembangan. Visit www.facebook.com/bbwbooks or www.bigbadwolfbooks.com for more details.

I Love Bazaar

If you enjoy the delightful surprise of an interesting flea market find, spend some time at the I Love Bazaar in eCurve this weekend. The bazaar that will take place at the lower ground and ground floor levels of eCurve at 2A Jalan PJU 7/3, Mutiara Damansara, Petaling Jaya, you can expect booths offering apparel, accessories, shoes, bags, handmade items, cupcakes, macarons and more. Visit www.ilovebazaar.com or call Adeline at (016) 996 6280 for more information, including details on booth rental rates.



2 WAYS TO INDULGE IN THE PERFORMING ARTS

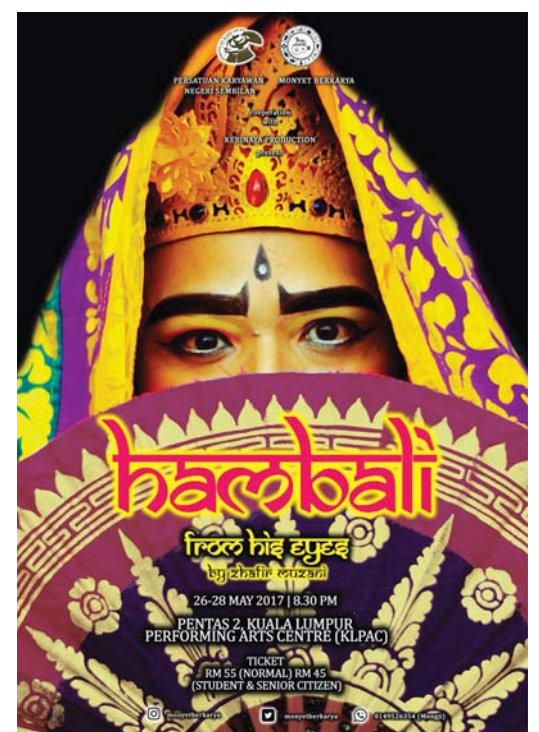
Dvitva

The Temple of Fine Arts' latest Odissi showcase is titled *Dvitva* — a repertoire of dance pieces presented against the backdrop of the duality that exists in the world. An age-old concept that makes man interesting and the world that much more fascinating, duality and opposites exist in many cultures. From the masculine and feminine, to the classic battle between good and evil to light and dark, black and white, yin and yang and positive and negative charges. *Dvitva* is performed by a 50-member cast comprising both senior dance students and beginners. Catch it at 7pm tomorrow and Sunday at Shantanand Auditorium, Temple of Fine Arts, 116 Jalan Berhala, Brickfields, Kuala Lumpur. Admission is by donation. Call (03) 2274 3709 for more information.



Hambali From His Eyes

Follow the story of a young man's journey to fulfil his dream of becoming a professional Balinese dancer presented by Karyawan Negeri Sembilan and Monyet Berkarya. Based on an award-winning short film in 2015 and performed by an award-winning dancer Zhafir Muzani, *Hambali From His Eyes* promises a breathtaking, interactive dance performance that will transport the audience to Bali, Indonesia. Tickets for the 9pm shows that begin today and run until Sunday are priced at RM55 or RM45 (concession) and are available via www.ticketpro.com.my. To catch the performance, make your way to The Kuala Lumpur Performing Arts Centre, Sentul Park, Jalan Strachan, off Jalan Sultan Azlan Shah, Kuala Lumpur. Visit www.klpac.org or call (03) for more details.



Mourinho restores Red Devils' winning feeling

Manchester United shares rise after Champions League spot guaranteed

BY TOM WILLIAMS & JOE EASTON

STOCKHOLM/LONDON: Judgment was reserved until the final game of his maiden campaign, but in guiding his club to Europa League glory Jose Mourinho has restored the winning feeling at Manchester United.

There was little sparkling football at Old Trafford this season and despite a 25-game unbeaten run, Mourinho could do no better than a sixth-place finish in the Premier League.

Yet by leading United to victory in the League Cup and Europa League, and with the latter success yielding a Champions League place, he has brought back some of the swagger that vanished when Alex Ferguson retired in 2013.

Mourinho, who described his first United campaign as "my most difficult season as a manager", has appeared tetchy and grouchy in recent weeks, a glum, unsmiling figure constantly at war with the world.

But he seemed reborn when the final whistle sounded at Stockholm's Friends Arena following United's 2-0 victory over Ajax in Wednesday's Europa League final.

A broad smile on his face, he gambolled on the pitch with his son, was thrown into the air by his coaching staff and made some typically provocative gestures.

On a poignant night in Stockholm, coloured by vivid thoughts of Monday's fatal terror attack in Manchester, United's supporters sang tributes to their grieving city, but also to their manager.

Meanwhile, according to a report by *Bloomberg*, shares in Manchester United plc rose on Wednesday as the club's Europa League final victory against AFC Ajax in Stockholm guaranteed a place in Europe's elite Champions League next season. Television revenue from qualification alone is expected to be around US\$40 million (RM170.8 million) to US\$50



Mourinho (extreme right) and Manchester United's players celebrating with the trophy after winning the Uefa Europa League final match against Ajax Amsterdam at the Friends Arena in Stockholm, Sweden on Wednesday. Photo by AFP

million, and teams in the league will also enjoy increased leverage with sponsors, analysts had said ahead of the fixture.

Bloomberg added that United shares closed up 2.7% in New York, as the club led 2-0 with around 35 minutes still to play. — *AFP/Bloomberg*

IN BRIEF

China tightens clampdown ahead of football transfer window

SHANGHAI: The Chinese Football Association (CFA) has stepped up its fight against spiralling big-money deals for foreign players by announcing prohibitive new curbs, less than a month before the next transfer window opens. The CFA said loss-making clubs that pay a transfer fee for a new player must invest an equivalent amount in a government-run fund set up to cultivate Chinese youth players and promote football for "the public good". The CFA also said that starting in the 2018 season, clubs will be required to field an equivalent number of foreign players and under-23 Chinese players in each game. — *AFP*

Agassi 'good for Djokovic and tennis', says Murray

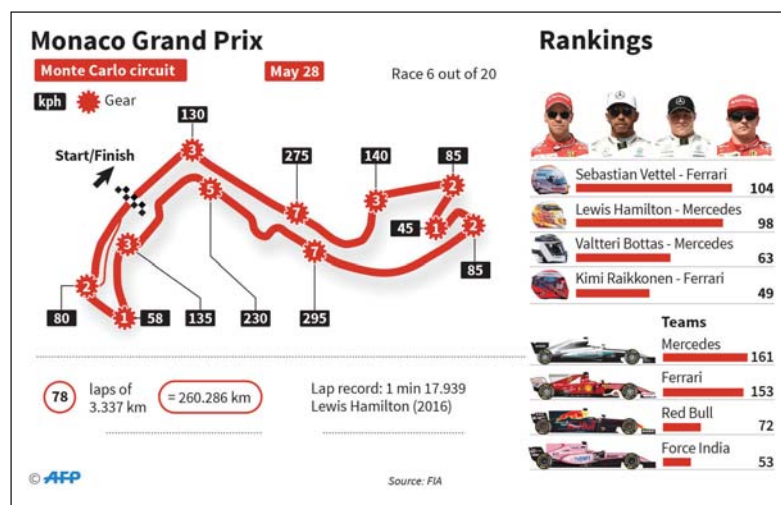
PARIS: World No 1 Andy Murray admitted on Wednesday he was surprised by Novak Djokovic's appointment of Andre Agassi as coach at the French Open, but believed it would be "good for Novak and good for tennis". Djokovic named US legend Agassi as his new coach on Sunday just minutes after losing the Rome Masters final to Alexander Zverev. "To be helped by Andre, it's definitely a positive thing for Novak and it's good for tennis. When the great players of tennis stay in the sport, it creates lots of interest," Murray told *AFP* as he performed promotional duties for sponsor Under Armour in Paris on Wednesday. — *AFP*

Tiger Woods has not 'felt this good in years'

MIAMI: Former world No 1 Tiger Woods said on Wednesday he was feeling better than he had for years and the 14-time major winner remains committed to playing professional golf again. In a blog posting through his Twitter feed, Woods spoke for the first time about his April 20 fusion surgery, his fourth back operation since 2010 and one that cut short his 2017 campaign. "It has been just over a month since I underwent fusion surgery on my back and it is hard to express how much better I feel," Woods said. "It was instant nerve relief. I haven't felt this good in years." — *AFP*

AS Monaco swoops for Tielemans in '€25m deal'

MONACO: Highly regarded Belgian midfielder Youri Tielemans was signed by French champion AS Monaco on Wednesday on a five-year deal reported to be worth €25 million (RM120 million). The 20-year-old Tielemans, who has three caps for Belgium, played 139 times for Anderlecht in the Belgian league while also featured in 36 European games. His deal with Monaco will keep him at the Stade Louis II until June 2022. — *AFP*



Vettel looks to end Ferrari's 16-year Monaco wait

BY TIM COLLINGS

MONTE CARLO: Championship leader Sebastian Vettel will this weekend seek to increase his advantage and inflict a demoralising blow to his rivals by securing Ferrari's first win at the Monaco Grand Prix since 2001.

The four-time champion leads Lewis Hamilton of Mercedes by six points after five of this season's 20 races, but heads into the classic 78-lap contest on the unforgiving streets of the Mediterranean principality knowing a victory could prove decisive in their tight title fight.

He knows also that there is some concern at Mercedes that their car, with a much longer wheelbase, could struggle to match Ferrari's

agility on the famous tight and twisting track where Hamilton, who loves the challenge, won last year.

The three-time champion will be seeking his third Monaco win after triumphing also in 2008 while Vettel, who won for Red Bull in 2011, is chasing his second win and, learning of Mercedes' worries, will fancy his chances.

"At the moment, Ferrari has certain advantages there," said Mercedes team chairman Niki Lauda.

"We will have our problems with our longest wheelbase through the tight corners. It will be even worse than in Singapore."

Despite winning every race in Monte Carlo since 2013, Mercedes appears to be truly afraid that it will start with a disadvantage. — *AFP*

Ariya, Ryu charge after top spot at LPGA Volvik with Ko off

CHICAGO: Defending champion Ariya Jutanugarn (*pic*) of Thailand and South Korea's Ryu So-yeon take aim at the world No 1 ranking as well as victory at this week's LPGA Volvik Championship.

Both players could overtake top-ranked Lydia Ko of New Zealand, who is taking a break until mid-June, at the second-year event at Travis Pointe Country Club in Ann Arbor, Michigan.

South Korean-born Ko, who has topped the rankings for 83 consecutive weeks since October 2015, will take three weeks off before returning at the LPGA Meijer Classic from June 15 to 18.

That opens the door for second-ranked Ryu, who has 11 consecutive top-10 finishes and the longest active cuts made streak at 63 events, or world No 3 Ariya, a 21-year-old from Bangkok who won five titles last year and has eight top-nine showings in 11 starts this year. Three of those were runner-up efforts but none of them victories.

It will be Ariya's second week in a row defending a title. She shared 18th last week at Kingsmill but said trying to repeat doesn't make her nervous.

"Not really," she said. "I got a little bit excited like before the

first round, but after I played first few holes I feel OK; I feel comfortable to play," Ariya said. Ariya won without using a driver last year and she doesn't plan to change that strategy this week.

"I just feel more confident if I hit three-wood and I've been working with my driver," Ariya said. "One day if I have really full commitment with my driver I'm going to use it."

Ariya won last year's LPGA Player of the Year, season money title and the season-long points crown, duplicating the sweep Ko managed in 2015.

The Thai star, who won last year at Ann Arbor by five strokes, spent 35 consecutive weeks ranked second before Ryu overtook her last month. They traded the spot back and forth and Ryu has now owned it for seven weeks this season.

Winning this event last year made Ariya the first LPGA player to win her first three career titles in consecutive events and the first LPGA player since Park In-bee in 2013 to win three in a row.

Both Ariya and Ryu have eight top-10 efforts this season to lead the LPGA.

American Lexi Thompson, who won last week at Kingsmill, will try to win back-to-back titles for the first time in her career. She shared sixth last year at Travis Pointe. — *AFP*



Bursa Malaysia

Sectorial Movement

INDICES	CLOSE	+/-	%CHG	INDICES	CLOSE	+/-	%CHG
KLSE COMPOSITE	1,773.96	2.95	0.17	TECHNOLOGY	34.18	-0.03	-0.09
KLSE INDUSTRIAL	3,282.76	10.00	0.31	FTSE BURSA 100	12,317.64	21.88	0.18
CONSUMER PRODUCT	628.58	-0.17	-0.03	FTSE BURSA MID 70	15,218.26	32.27	0.21
INDUSTRIAL PRODUCT	157.05	-0.45	-0.29	FTSE BURSA SMALL CAP	17,757.04	-78.38	-0.44
CONSTRUCTION	341.52	-0.23	-0.07	FTSE BURSA FLEDGLING	19,858.77	-113.68	-0.57
TRADE & SERVICES	236.93	-0.26	-0.11	FTSE BURSA EMAS	12,692.17	17.61	0.14
KLSE FINANCIAL	16,501.16	132.32	0.81	FTSE BUR M'SIA ACE	6,531.90	-23.82	-0.36
KLSE PROPERTY	1,317.20	-1.28	-0.10	FTSE BUR EMAS SHARIAH	12,940.97	-48.36	-0.37
KLSE PLANTATION	8,060.02	6.19	0.08	FTSE BUR HURAH SHARIAH	14,197.54	-57.09	-0.40
KLSE MINING	494.45	-8.10	-1.61				

Bursa Malaysia Main Market

YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	COUNTER	CLOSING (RM)	+/- (RM)	VOL ('000)	VWAP* (RM)	PE# (X)	DY (%)	MKT CAP (MIL)
4.80	0.575	0.50	0.575	7120	ACOSTEC	0.585	0.010	559	0.583	208.93	4.27	104.0
0.959	3.588	4.700	4.700	7090	AHEALTH	4.700	0.030	21.7	4.700	15.63	2.45	550.6
20.100	11.624	19.580	19.500	2658	AJI	19.560	-0.020	12.5	19.529	26.37	1.73	1,189.2
0.380	0.210	0.380	0.370	7051	AMTEK	0.380	0.020	9.1	0.378	—	—	19.0
6.007	4.970	5.010	5.000	6432	APOLLO	5.000	UNCH	4	5.003	23.74	6.00	400.0
1.200	0.890	—	—	7722	ASIABRN	0.925	—	—	—	—	—	73.2
4.161	3.230	3.360	3.350	7129	ASIAFLE	3.350	-0.010	17	3.354	11.33	2.09	652.4
53.156	39.606	45.400	44.600	4162	BAT	45.340	0.340	93.7	45.076	19.48	4.79	12,945.9
0.120	0.035	0.100	0.095	7243	BIOOSMO	0.095	-0.005	643	0.096	—	—	68.7
0.740	0.536	0.660	0.650	9288	BONIA	0.655	UNCH	349.3	0.656	19.04	1.91	552.9
3.110	1.514	3.000	2.940	7174	CAB	2.970	-0.010	604.8	2.956	13.42	0.34	552.9
0.554	0.465	0.490	0.485	7154	CAELY	0.485	-0.005	131.5	0.487	9.68	2.06	38.8
0.382	0.280	0.300	0.300	7128	CAMRES	0.300	UNCH	129.2	0.300	26.55	3.33	59.0
14.980	12.272	14.760	14.680	2836	CARLSBG	14.700	-0.040	32.9	14.728	21.46	4.90	4,494.5
1.050	0.530	1.010	0.955	7035	CKK	0.960	-0.030	2308.7	0.987	13.68	2.08	302.7
2.430	1.900	2.390	2.330	7148	CMDMBIO	2.330	-0.010	94.8	2.338	22.75	2.79	650.0
1.620	1.025	1.490	1.450	9423	CHEEVAH	1.450	-0.080	50.8	1.460	8.02	2.41	61.0
2.700	2.250	—	—	2828	CHLDG	2.420	—	—	—	17.35	2.07	392.0
0.050	0.020	—	—	5188	CNOUHUA	0.040	—	—	—	—	—	26.9
2.000	1.745	2.780	2.740	7205	COCOLND	2.740	-0.010	169.4	2.757	14.31	5.66	626.9
1.960	1.235	1.880	1.850	7202	COCENIC	1.850	-0.020	69.2	1.854	16.77	5.95	222.9
0.105	0.055	0.080	0.075	5214	CSL	0.080	0.005	767.1	0.075	5.16	—	99.4
0.060	0.035	0.040	0.035	7179	DBE	0.035	UNCH	7233.1	0.035	35.00	—	44.9
0.954	0.752	0.930	0.910	7119	DEGEM	0.910	-0.020	8	0.922	11.67	2.47	121.9
62.795	51.869	58.240	57.700	3026	DLADY	58.000	-0.400	7.6	58.037	25.23	1.72	3,712.0
0.115	0.070	0.105	0.100	7198	DPS	0.105	UNCH	185.8	0.100	—	—	61.7
0.120	0.020	0.090	0.085	7182	EKA	0.085	UNCH	752.5	0.086	—	—	26.5
0.360	0.140	0.285	0.275	9091	EMICO	0.275	UNCH	1167.4	0.278	16.47	—	26.4
2.046	1.400	1.530	1.460	7149	ENGAH	1.480	-0.010	10.4	1.528	35.92	4.05	104.7
0.270	0.195	0.230	0.225	7208	EURO	0.225	UNCH	450.3	0.225	15.96	—	54.7
0.850	0.630	—	—	7094	EUROSP	0.740	—	—	—	—	—	32.9
26.335	21.887	—	—	3689	F&N	25.000	—	—	24.26	2.30	2.30	9,169.5
0.865	0.600	0.755	0.745	9776	FARBES	0.755	-0.005	114	0.750	3.86	—	46.1
1.205	0.815	0.885	0.865	2755	FCW	0.880	UNCH	19.4	0.880	72.73	1.70	220.0
0.974	0.620	0.815	0.790	8605	FFHB	0.805	0.005	426.5	0.799	14.77	1.24	87.7
0.955	0.655	0.915	0.905	9172	FPI	0.910	0.005	100.7	0.910	16.67	6.59	225.1
2.010	0.535	1.880	1.820	7184	G3	1.880	UNCH	56.6	1.845	—	—	258.5
1.246	0.854	1.060	1.040	5102	GCB	1.050	UNCH	251.8	1.049	11.78	1.43	504.2
3.020	2.350	3.010	3.000	5606	GOLDIS	3.000	UNCH	34.9	3.000	11.05	0.67	1,834.1
0.110	0.010	—	—	5187	HGBLOB	0.065	—	—	—	—	—	30.4
18.840	13.834	18.800	18.660	3255	HEIM	18.700	0.040	38	18.709	20.81	6.15	5,649.2
10.140	7.460	10.060	9.940	3301	HINDER	9.950	-0.110	31.9	9.986	11.08	3.52	3,262.6
0.109	0.808	0.940	0.930	5160	HOMERIZ	0.935	-0.010	311.9	0.935	10.33	4.28	280.5
0.405	0.240	0.340	0.335	7213	HOVID	0.335	-0.010	3575.9	0.336	16.34	2.99	274.9
1.305	1.113	1.270	1.260	5024	HUPSENG	1.260	0.010	498.6	1.266	21.28	3.17	1,008.0
0.630	0.450	0.490	0.490	8478	HWATAI	0.490	UNCH	20	0.490	98.00	—	36.7
4.020	1.785	3.950	3.820	5107	IQQGROUP	3.900	-0.060	58.2	3.887	12.75	2.82	343.3
1.513	0.868	1.330	1.320	7152	JAYCORP	1.320	-0.010	117.5	1.320	9.26	7.58	181.2
0.740	0.505	0.710	0.680	8931	JERASIA	0.690	UNCH	137.2	0.689	9.70	—	56.6
2.618	1.960	2.230	2.200	5247	KAREX	2.230	UNCH	1,383.8	2.213	56.03	0.90	2,235.3
4.850	2.947	4.660	4.640	7216	KAWAN	4.640	-0.050	33	4.649	33.82	0.54	1,251.1
0.260	0.040	0.180	0.175	8303	KFM	0.175	UNCH	64.4	0.175	—	—	11.9
0.920	0.711	0.805	0.785	6203	KHEESAN	0.795	UNCH	64.2	0.794	16.00	1.26	82.7
2.700	1.827	2.420	2.420	7062	KHIND	2.420	-0.010	59.7	2.420	9.91	4.13	96.9
1.720	0.985	1.700	1.620	0002	KOTRA	1.620	-0.080	41.5	1.669	16.10	1.23	215.7
0.140	0.035	0.140	0.125	5172	KSTAR	0.130	UNCH	17905	0.132	—	—	38.1
6.000	4.509	5.460	5.420	7006	LATITUD	5.460	-0.020	41.1	5.430	7.45	2.20	530.8
0.950	0.785	0.920	0.925	9385	LAYHONG	0.920	UNCH	346.2	0.929	—	—	566.1
0.390	0.270	0.355	0.340	8079	LESK	0.350	0.005	931.3	0.351	11.22	2.86	58.7
3.416	2.360	3.240	3.200	7089	LIHEN	3.230	-0.010	226.5	3.213	7.83	4.95	581.4
0.820	0.710	0.795	0.785	7126	LONBISC	0.785	0.005	709.3	0.792	8.47	—	146.4
1.890	1.212	1.820	1.750	7085	LTKM	1.760	-0.020	289.7	1.775	22.06	1.70	229.0
5.890	3.722	5.600	5.450	7087	MAGNI	5.600	0.040	68.2	5.523	9.07	2.50	911.3
0.045	0.015	0.030	0.025	5189	MAXWELL	0.030	0.005	370	0.030	—	—	12.0
1.300	1.000	1.120	1.120	5886	MBG	1.120	-0.080	5	1.120	26.11	2.68	68.1
2.240	1.183	2.240	2.160	3662	MFLLOUR	2.200	0.030	2276.4	2.201	14.98	2.95	1,210.6
1.000	0.800	0.875	0.875	7935	MILUX	0.875	-0.025	20	0.875	—	—	47.6
5.005	4.371	4.460	4.420	5202	MSM	4.420	-0.040	6.2	4.427	25.73	3.17	3,107.2
0.035	0.030	—	—	5150	MSPORTS	0.035	—	—	—	—	—	21.2
1.850	1.200	1.680	1.640	3921	MWE	1.650	-0.020	198.7	1.661	2.90	1.21	382.1
82.800	72.682	81.500	81.300	4707	NESTLE	81.400	-0.100	232.2	81.398	29.51	3.32	19,088.3
4.280	2.629	4.150	4.150	7060	NHFATT	4.150	UNCH	1.7	4.150	10.40	2.65	311.9
0.130	0.070	0.100	0.095	7139	NICE	0.100	UNCH	153	0.099	28.57	—	33.3
0.315	0.250	0.260	0.250	7215	NHNSIN	0.250	-0.010	1300.9	0.252	—	—	59.6
0.907	0.781	0.865	0.865	5066	NTPM	0.865	UNCH	120	0.865	19.22	2.77	971.6
0.753	0.345	0.630	0.615	7071	OCR	0.625	0.005	811.2	0.625	—	—	150.4
0.250	0.040	0.160	0.155	7071PA	OCR-PA	0.160	UNCH	6413.7	0.157	—	—	105.7
2.502	1.361	1.650	1.650</									

YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	COUNTER	CLOSING (RM)	+/- (RM)	VOL ('000)	VWAP* (RM)	PE# (X)	DY (%)	MKT CAP (MIL)	YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	COUNTER	CLOSING (RM)	+/- (RM)	VOL ('000)	VWAP* (RM)	PE# (X)	DY (%)	MKT CAP (MIL)	
7.980	4.880	7.090	7.030	9822	SAM	7.040	-0.040	146.8	7.055	19.32	2.13	886.3	1.000	0.759	0.900	0.900	5081	EIG	0.900	UNCH	0.7	0.900	13.31	2.50	213.5	
1.015	0.841	0.990	0.980	7811	SAPIND	0.985	UNCH	120	0.982	11.68	6.09	71.7	2.110	1.067	2.090	1.940	5208	EITA	1.940	-0.130	551.5	1.990	11.55	2.06	252.2	
1.454	1.010	1.170	1.150	5170	SCABLE	1.170	0.020	624.6	1.165	19.12	2.56	370.9	1.520	1.100	1.490	1.450	5056	ENGTEX	1.480	-0.020	1087.9	1.465	7.61	0.51	507.7	
4.350	2.683	4.270	4.220	7247	SCGM	4.270	-0.010	10.2	4.246	26.34	1.87	620.0	0.653	0.370	0.570	0.565	6939	FIAMMA	0.565	UNCH	16	0.565	11.53	2.65	299.5	
0.770	0.520	0.680	0.680	9237	SCIB	0.680	UNCH	22	0.680	31.48	—	50.0	0.440	0.380	0.420	0.410	9318	FITTERS	0.410	-0.005	1348.1	0.416	—	1.46	197.0	
8.990	5.921	8.550	8.500	4731	SCIENTX	8.510	-0.040	53.3	8.526	19.03	1.88	4,115.1	1.490	1.100	1.390	1.360	7210	FREIGHT	1.390	-0.030	9.7	1.374	11.96	3.60	258.7	
0.345	0.250	—	—	7239	SCNWOLF	0.315	—	—	—	—	—	27.6	0.300	0.125	0.275	0.260	0128	FRONTKN	0.265	0.005	22140.7	0.267	10.52	—	279.2	
0.525	0.135	0.300	0.300	7366	SCOMIEN	0.300	UNCH	28	0.300	—	—	102.6	0.290	0.150	0.190	0.190	9377	FSBM	0.190	-0.010	40	0.190	—	—	26.8	
1.660	0.660	1.370	1.320	7073	SEACOR	1.330	-0.030	3356.4	1.342	69.27	2.26	327.3	3.096	2.130	2.950	2.920	5209	GASMSIA	2.940	0.010	533.3	2.934	22.53	4.37	3,775.0	
0.250	0.140	0.175	0.170	5145	SEALINK	0.175	0.005	172.1	0.170	—	—	87.5	3.280	1.491	3.000	2.900	0078	GDEX	2.920	-0.060	1669.5	2.946	105.04	0.34	4,070.6	
0.750	0.250	0.710	0.675	5163	SEB	0.690	-0.020	243.8	0.694	—	—	55.2	6.380	4.092	6.380	5.980	4715	GENM	6.200	0.250	9936.3	6.181	12.18	1.48	36,815.9	
0.930	0.395	0.845	0.790	5181	SIGGAS	0.845	0.070	3396.4	0.814	—	—	158.4	10.000	7.494	9.990	9.800	3182	GENTING	9.990	0.070	4547.3	9.943	17.32	0.60	37,720.1	
1.040	0.550	—	—	7115	SKBSHUT	1.040	—	—	—	35.06	1.42	158.4	4.450	1.264	4.070	4.020	3204	GKENT	4.060	0.020	399.8	4.038	15.04	1.92	1,524.6	
1.440	1.083	1.320	1.300	7155	SKPRES	1.300	-0.010	624.6	1.306	16.23	2.69	1,595.4	0.555	0.300	0.520	0.510	7676	GUNUNG	0.510	-0.010	121.6	0.511	—	—	120.4	
3.021	1.949	2.520	2.520	7248	SLP	2.520	0.020	5	2.520	24.51	—	623.3	3.980	1.617	3.960	3.830	7666	HAIQ	3.930	0.050	1036.3	3.924	21.85	2.72	1,173.7	
0.740	0.585	—	—	7132	SMISCOR	0.670	—	—	—	—	—	30.0	0.335	0.200	0.295	0.275	7253	HANDAL	0.275	UNCH	707.1	0.283	—	—	44.0	
1.780	0.884	1.750	1.690	5665	SSTEEL	1.730	-0.020	565.6	1.723	—	—	741.8	9.420	7.311	9.160	8.950	3034	HAPSENG	9.140	0.190	807.3	9.095	21.31	3.83	22,755.7	
0.360	0.065	0.260	0.245	7143	STONE	0.260	UNCH	94.1	0.253	—	—	23.4	1.121	0.755	0.800	0.770	2062	HARBOR	0.780	-0.090	2482.9	0.781	9.39	2.56	312.3	
1.550	1.340	1.400	1.360	6904	SUBUR	1.400	0.040	7.2	1.374	—	—	292.6	4.240	2.860	4.200	4.120	5008	HARISON	4.150	UNCH	42.7	4.136	13.82	6.02	284.2	
4.320	2.135	4.150	4.010	7207	SUCCESS	4.150	0.010	12	4.127	13.13	1.20	509.2	0.150	0.050	0.060	0.055	7013	HUBLINE	0.060	0.005	8451	0.055	—	—	48.4	
3.700	1.866	3.680	3.600	7235	SUPERLN	3.630	-0.050	90.6	3.634	13.69	3.03	290.4	0.480	0.280	0.290	0.280	5255	ICON	0.280	-0.010	3437	0.284	—	—	329.6	
2.642	1.886	2.100	2.060	7106	SUPERMX	2.060	-0.040	603.7	2.087	23.62	2.91	1,401.1	6.730	5.680	5.790	5.680	5225	IHH	5.710	-0.020	7300.6	5.740	55.49	0.53	47,029.0	
4.270	3.365	3.610	3.580	5012	TAANN	3.600	0.020	490.1	3.596	10.50	3.36	1,601.4	0.920	0.725	0.820	0.810	5614	ILB	0.810	-0.010	27.5	0.818	23.96	3.09	158.0	
0.450	0.321	0.440	0.435	4022	TADMAX	0.435	UNCH	597	0.435	—	—	223.7	1.000	0.740	—	—	5673	IPMUDA	0.760	—	—	—	—	—	3.95	55.1
0.415	0.235	0.370	0.355	5149	TAS	0.370	0.010	142	0.359	—	—	66.6	2.190	1.340	1.890	1.870	0058	JCBNEXT	1.870	-0.020	5.5	1.883	23.03	1.07	261.8	
14.658	12.135	12.900	12.900	4448	TASEK	12.900	UNCH	5.3	12.900	50.23	9.30	1,594.7	0.310	0.230	0.290	0.290	8923	JANKUN	0.290	UNCH	22.5	0.290	—	—	48.4	
14.449	13.540	—	—	4448P	TASEK-PA	13.540	—	—	—	—	—	4.5	0.430	0.295	—	—	8672	KAMDAR	0.370	—	—	—	44.58	—	73.3	
0.290	0.090	0.210	0.200	5178	TATGIAP	0.200	-0.015	393.3	0.207	—	—	31.0	0.380	0.180	0.265	0.235	5079	KBAS	0.235	-0.025	186.3	0.257	—	—	29.6	
0.890	0.290	0.890	0.840	7097	TAWIN	0.860	0.025	2542.7	0.865	—	—	55.3	1.950	1.690	1.930	1.900	6491	KFIMA	1.930	0.030	282.7	1.917	8.92	4.66	544.7	
2.920	1.020	2.000	2.000	7439	TECGUAN	2.000	-0.010	4	2.000	6.69	—	80.2	0.750	0.236	0.675	0.655	0151	KGB	0.670	0.015	1085.4	0.665	16.83	1.49	153.8	
0.580	0.285	0.545	0.500	6378	TEKALA	0.545	0.040	1082.8	0.530	—	—	83.4	1.680	1.020	—	—	5035	KNUSFOR	1.250	—	—	—	—	—	1.60	124.6
4.870	2.943	4.420	4.360	7034	TGUAN	4.390	0.010	82.8	4.377	7.99	2.73	553.6	4.300	3.822	4.180	4.160	5878	KPJ	4.170	UNCH	1615.9	4.170	30.66	1.68	4,442.7	
2.250	1.517	2.140	2.120	7374	TIENWAH	2.120	-0.020	98	2.125	5.35	5.66	306.9	1.740	0.923	1.500	1.470	5843	KPS	1.480	UNCH	79.3	1.483	7.57	4.22	738.5	
0.800	0.560	0.705	0.705	7854	TIMWELL	0.705	UNCH	2	0.705	352.50	—	62.8	0.590	0.485	0.550	0.525	9121	KPCSCB	0.540	-0.010	106.1	0.538	9.85	—	79.8	
2.650	1.505	2.560	2.530	7285	TOMYPAK	2.530	-0.030	294.3	2.545	16.86	3.16	421.2	0.225	0.115	0.170	0.165	4847	KTB	0.165	UNCH	795	0.165	—	—	66.5	
3.800	1.812	3.700	3.670	5010	TONGHER	3.670	UNCH	127.2	3.690	10.73	8.17	577.8	0.640	0.305	0.595	0.585	6874	KUB	0.590	-0.005	2648.6	0.591	14.18	1.69	328.3	
5.590	4.130	5.590	5.450	7113	TOYLOV	5.500	-0.080	2332.5	5.489	24.25	2.64	6,907.0	0.380	0.255	0.285	0.285	7170	LFECORP	0.285	-0.010	165	0.285	25.91	—	51.7	
0.850	0.495	0.810	0.810	7173	TOYOINK	0.810	0.055	2	0.810	31.40	—	86.7	0.695	0.420	0.615	0.605	8486	LIONFIB	0.605	-0.015	99	0.610	—	—	140.1	
0.260	0.145	0.200	0.200	4359	TURIYA	0.200	-0.005	205.9	0.200	—	—	45.7	1.870	1.334	1.750	1.730	5143	LUXCHEM	1.750	0.020	97.9	1.738	9.52	4.00	488.6	
1.890	1.439	1.870	1.850	7100	UCHITEC	1.850	-0.010	547.1	1.860	13.71	7.03	820.8	2.421	1.800	1.830	1.800	3859	MAGNUM	1.810	UNCH	3901.9	1.812	17.01	7.18	2,602.3	
6.712	3.310	4.560	4.520	7133	ULICORP	4.540	-0.020	182.2	4.541	21.19	2.64	659.2	1.700	1.104	1.200	1.180	5264	MALAKOF	1.200	UNCH	1985	1.195	16.19	5.83	6,000.0	
1.425	1.064	—	—	7227	UMSNGB	1.250	—	—	—	9.92	—	100.0	0.185	0.145	0.165	0.160	3514	MARCO	0.165	-0.005	476.8	0.165	10.00	3.03	174.0	
1.700	1.000	1.500	1.450	4995	VERSATL	1.450	-0.040	753.4	1.475	—	—	170.1	6.600	5.203	6.470	6.400	6012	MAXIS	6.450	UNCH	2725.5	6.442	24.24	3.10	48,442.6	
2.100	1.124	1.990	1.940	6963	VS	1.970	-0.010	3952.6	1.961	23.23	2.20	2,361.8	0.955	0.675	0.740	0.730	5077	MAYBULK	0.730	-0.010	408.5	0.733				

BURSA MALAYSIA MAIN MARKET . ACE MARKET

YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	COUNTER	CLOSING (RM)	+/- (RM)	VOL ('000)	VWAP* (RM)	PE# (X)	DY (%)	MKT CAP (MIL)
PROPERTIES												
0.888	0.740	0.825	0.820	1007	AMPROP	0.820	UNCH	24.4	0.822	44.32	3.66	497.3
1.850	0.975	1.780	1.720	5959	A&M	1.720	0.040	597.1	1.758	32.89	—	627.9
0.448	0.345	0.400	0.400	1007PA	AMPROP-PA	0.400	UNCH	11.1	0.400	—	5.00	116.4
0.230	0.145	0.185	0.180	4057	ASIAPAC	0.185	UNCH	1064.1	0.185	3.13	—	183.6
0.550	0.415	0.470	0.465	6604	BCB	0.470	UNCH	30	0.468	8.61	—	193.3
0.665	0.440	—	—	9814	BERTAM	0.490	—	—	—	—	—	101.3
1.400	0.710	1.400	1.360	3239	BJASSET	1.400	0.020	737.8	1.382	—	0.71	1,607.3
1.500	0.980	1.300	1.300	5738	CHHB	1.300	-0.010	110	1.300	—	—	358.4
1.740	1.394	1.670	1.640	6718	CHESNDO	1.650	UNCH	46.3	1.649	6.56	3.03	462.8
1.730	1.201	1.680	1.650	5049	CVIEW	1.660	-0.010	58	1.668	6.13	9.04	166.0
2.376	2.073	2.280	2.260	5355	DAIMAN	2.280	0.020	12	2.262	18.98	2.19	483.8
1.040	0.505	0.700	0.660	3484	DBHD	0.685	0.010	200.1	0.685	—	—	211.9
2.130	1.400	1.860	1.840	3417	E&O	1.840	-0.010	393.6	1.845	26.44	1.09	2,438.6
0.320	0.240	0.295	0.285	3557	ECOFIRS	0.295	0.005	270.2	0.289	27.83	—	236.9
1.680	1.200	1.610	1.580	8206	ECOWLD	1.590	-0.010	3175.3	1.594	18.19	—	4,681.5
0.920	0.570	0.795	0.780	6076	ENCORP	0.785	-0.020	175	0.781	7.70	—	218.7
3.000	1.825	2.890	2.750	8613	ENRA	2.890	0.140	26	2.823	22.63	1.04	393.6
1.240	0.710	1.090	1.030	6815	EUPE	1.040	0.010	266.8	1.037	—	—	133.1
0.640	0.485	0.570	0.565	6041	FARLIM	0.570	-0.005	44.5	0.566	6.39	3.51	80.0
0.787	0.666	0.710	0.700	5020	GLOMAC	0.700	-0.005	205.5	0.704	3.83	5.00	509.5
0.535	0.370	0.470	0.465	9962	GMUTUAL	0.470	UNCH	109.8	0.466	7.61	4.26	176.5
0.493	0.290	0.395	0.385	1147	GOB	0.390	0.015	4722.7	0.391	—	1.28	177.3
1.450	1.110	1.230	1.200	1503	GUOCO	1.200	-0.030	560.3	1.214	3.90	1.67	840.6
0.475	0.370	—	—	7010	HOOVER	0.450	—	—	—	—	—	18.0
1.407	1.031	1.080	1.080	5062	HUAYANG	1.080	UNCH	143.1	1.080	6.26	1.85	380.2
0.670	0.472	0.630	0.620	4251	IBHD	0.625	-0.005	367.1	0.621	9.51	2.08	628.3
1.050	0.840	0.860	0.860	5084	IBRACO	0.860	0.010	0.5	0.860	15.75	4.07	426.9
2.990	2.217	2.960	2.950	1597	IGB	2.950	UNCH	440.8	2.952	10.89	3.39	4,026.2
2.379	1.850	2.120	2.080	5249	IOIPG	2.100	UNCH	2319.1	2.106	10.16	3.54	11,603.0
0.620	0.395	0.480	0.470	5175	IVORY	0.470	-0.005	617.4	0.474	16.26	—	230.3
3.290	0.785	1.820	1.710	1589	IWICITY	1.730	-0.020	19209.3	1.762	—	—	1,447.0
0.176	0.105	0.115	0.110	6769	JKGLAND	0.115	UNCH	5523.9	0.115	13.22	2.00	261.6
0.085	0.040	0.075	0.065	3115	KBUNAI	0.075	UNCH	1082.4	0.070	150.00	—	433.2
1.000	0.820	0.950	0.940	7323	KEN	0.940	UNCH	98.8	0.940	6.08	2.66	180.2
1.330	0.995	1.210	1.200	5038	KSL	1.200	-0.010	329	1.205	3.90	—	1,245.0
0.312	0.213	0.245	0.235	3174	L&G	0.235	-0.010	19289	0.238	3.54	6.77	688.3
1.368	1.110	1.330	1.280	8494	LBICAP	1.280	-0.010	11	1.285	4.15	5.47	101.1
2.120	1.471	2.050	2.030	5789	LBS	2.040	-0.010	114.8	2.038	13.96	1.96	1,359.6
0.395	0.220	0.380	0.360	3573	LIENHOE	0.360	-0.005	639.3	0.368	—	—	130.2
1.690	0.897	1.520	1.500	7617	MAGNA	1.500	-0.020	64.2	1.509	2.03	4.00	502.1
1.700	1.340	1.530	1.500	8583	MAHSING	1.520	-0.020	2956.1	1.521	11.28	4.28	3,662.3
1.940	0.551	1.550	1.500	6181	MALTON	1.500	-0.020	3498.1	1.519	17.63	1.67	782.0
2.870	2.250	2.800	2.750	5236	MATRIX	2.750	-0.050	608	2.778	8.33	5.00	1,580.8
1.880	1.000	1.830	1.790	7189	MBWORLD	1.790	0.020	165.6	1.807	7.69	—	171.1
1.220	0.750	0.940	0.935	5182	MCT	0.940	UNCH	51.7	0.938	17.25	—	1,254.7
0.535	0.440	0.460	0.440	5040	MEDIAINC	0.460	0.005	592	0.449	—	—	226.6
1.070	0.880	1.010	0.980	1694	MENANG	0.995	0.010	1524.4	0.996	8.09	—	265.8
0.020	0.250	0.330	0.325	8141	MJPERAK	0.325	-0.010	42.1	0.330	87.84	6.58	83.5
2.614	1.898	2.580	2.550	6114	MKL	2.550	-0.030	434.3	2.562	6.00	2.65	1,412.7
0.360	0.270	0.295	0.290	8893	MKLAND	0.290	UNCH	589.4	0.291	20.00	10.34	350.1
0.220	0.085	0.130	0.130	6548	MPCORP	0.130	UNCH	3	0.130	—	—	37.4
1.800	1.020	1.480	1.430	1651	MRCB	1.460	UNCH	8234.8	1.460	11.19	1.71	3,183.0
1.080	0.610	—	—	9539	MUH	0.800	—	—	—	—	—	45.1
0.365	0.230	0.325	0.315	3913	MUIPROP	0.325	UNCH	815	0.321	22.41	—	248.3
2.030	1.350	1.400	1.390	5073	NAIM	1.400	-0.010	182.4	1.400	451.61	—	350.0
3.216	2.420	2.430	2.430	5827	OIB	2.430	UNCH	1.6	2.430	11.64	3.29	352.0
1.660	1.346	1.630	1.610	5053	OSK	1.630	0.010	260.2	1.618	9.13	4.60	2,286.7
1.910	1.263	1.900	1.890	1724	PARAMON	1.890	-0.020	171.5	1.900	10.84	4.50	801.9
0.650	0.365	0.615	0.605	6912	PASDEC	0.610	-0.010	211	0.613	—	—	125.6
1.750	1.540	1.690	1.660	5075	PLENITU	1.690	0.010	190.7	1.674	13.35	2.66	644.8
0.365	0.225	0.355	0.335	2208	PTGGIN	0.340	UNCH	422.3	0.347	6.49	—	117.7
1.270	0.900	1.110	1.080	4596	SAPRES	1.080	-0.030	102.2	1.084	1.80	2.78	150.8
0.820	0.665	0.755	0.720	5207	SBCORP	0.735	-0.050	761.9	0.733	—	0.63	172.6
0.968	0.785	0.920	0.910	2224	SDRED	0.910	-0.005	60.8	0.913	25.63	2.75	387.8
0.540	0.370	0.470	0.450	4286	SEAL	0.460	-0.010	154	0.461	—	—	111.8
3.026	2.820	2.900	2.870	6017	SHL	2.900	0.050	2.4	2.873	9.28	6.90	702.2
0.295	0.130	0.265	0.260	4375	SMI	0.260	-0.005	299.5	0.263	18.31	—	54.6
1.000	0.690	0.870	0.845	5213	SNTORIA	0.870	0.020	234	0.859	12.70	2.30	425.5
5.190	4.211	5.080	5.000	1783	SPB	5.080	0.030	9.2	5.032	13.69	2.36	1,745.6
4.500	2.755	3.810	3.750	8664	SPSETIA	3.800	UNCH	5952	3.797	5.54	4.39	10,846.5
1.520	0.815	1.440	1.360	3743	SUNSURIA	1.390	-0.020	765.9	1.401	19.69	—	1,110.4
3.680	2.756	3.640	3.580	5211	SUNWAY	3.600	-0.030	4177.9	3.598	12.28	2.48	7,464.5
1.070	0.625	1.030	0.990	1538	SYMLIFE	1.000	-0.040	1594.1	1.001	10.06	2.00	310.0
0.395	0.215	0.360	0.350	5158	TAGB	0.360	0.005	1612.6	0.355	12.16	1.11	1,915.8
7.220	6.020	7.000	7.000	2305	TAPHS	7.000	UNCH	1	7.000	26.25	0.71	524.0
0.060	0.035	0.040	0.040	2259	TALAMT	0.040	UNCH	880	0.040	—	—	168.8
1.547	1.259	1.510	1.480	5191	TAMBUN	1.490	-0.010	1452.3	1.500	5.64	6.04	644.2
0.140	0.055	0.115	0.115	2429	TANCO	0.115	UNCH	564.1	0.115	—	—	76.1
0.315	0.170	0.270	0.265	7889	THRIVEN	0.265	-0.005	152.2	0.265	—	—	99.8
0.085	0.040	0.075	0.070	7079	TIGER	0.070	UNCH	7142.8	0.070	—	—	99.6
1.930	1.390	1.640	1.590	5239	TITIJAY	1.620	0.010	1975.3	1.606	8.67	0.31	653.4
1.044	0.937	0.970	0.965	5401	TROP	0.970	UNCH	415.6	0.969	12.56	4.59	1,421.8
1.360	0.995	1.290	1.260	5148	UEMS	1.280	0.010	3493.5	1.272	30.12	1.25	5,807.9
2.770	2.046	2.640	2.610	5200	UOADEV	2.620	-0.020	1670.1	2.623	6.66	5.73	4,277.1
1.790	0.935	1.790	1.780	2976	WINGTM	1.780	0.250	6673.2	1.782	57.79	1.69	867.4
1.770	0											

Bursa Malaysia Equity Derivatives

Main Market & Ace Market Warrants

YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	WARRANTS	CLOSE (RM)	+/- (RM)	VOL ('000)	PARENT PRICE	EXE PRICE	PR'M (%)	EXPIRY DATE
0.200	0.030	0.060	0.045	5238C1	AAX-C1	0.050	-0.010	27023.9	0.425	0.350	5.88	10/07/2017
0.095	0.005	0.005	0.005	5238C2	AAX-C2	0.005	Unch	60	0.425	0.500	18.82	31/05/2017
0.175	0.080	0.095	0.095	5238C3	AAX-C3	0.095	-0.065	216.5	0.425	0.385	12.94	28/08/2017
0.185	0.080	0.105	0.085	5238C6	AAX-C6	0.090	-0.010	2420.3	0.425	0.380	10.59	16/08/2017
0.165	0.075	0.105	0.085	5238C7	AAX-C7	0.085	-0.015	3984.2	0.425	0.430	21.18	31/10/2017
0.150	0.030	0.055	0.030	5238CY	AAX-CY	0.035	-0.015	3109.3	0.425	0.400	2.35	06/06/2017
0.320	0.160	0.245	0.220	5238WA	AAX-WA	0.230	-0.005	27691.7	0.425	0.460	62.35	08/06/2020
0.120	0.035	0.100	0.095	7146WA	AEM-WA	0.095	-0.005	1183.2	0.175	0.250	97.14	17/12/2019
0.165	0.045	0.060	0.055	6599CH	AEON-CH	0.060	-0.005	610	2.380	2.520	12.18	18/09/2017
0.455	0.110	0.330	0.310	5139CB	AEONCR-CB	0.320	-0.015	740.8	19.08	16.50	3.25	16/10/2017
0.465	0.080	0.405	0.380	5185CU	AFFIN-CU	0.405	0.050	350	2.900	2.300	0.26	06/06/2017
0.810	0.130	0.755	0.755	5185CV	AFFIN-CV	0.755	0.055	13	2.900	2.150	0.17	31/07/2017
0.315	0.125	0.290	0.285	5185CW	AFFIN-CW	0.290	0.030	874.5	2.900	2.400	2.76	31/07/2017
0.190	0.140	0.150	0.145	2488CS	AFG-CS	0.150	0.010	1719.7	4.220	4.200	10.19	16/10/2017
0.155	0.050	0.135	0.115	7315WB	AHB-WB	0.120	-0.015	2189.8	0.255	0.200	25.49	28/08/2019
0.190	0.015	0.040	0.015	509941	AIRASIAC41	0.035	0.020	3960.9	3.130	3.300	8.79	06/06/2017
0.215	0.035	0.085	0.050	509945	AIRASIAC45	0.085	0.050	210	3.130	2.900	0.80	31/05/2017
0.335	0.110	0.200	0.190	509946	AIRASIAC46	0.200	0.045	437	3.130	2.500	-0.96	31/05/2017
0.330	0.070	0.230	0.185	509947	AIRASIAC47	0.230	0.040	5949.8	3.130	2.600	5.11	31/10/2017
0.190	0.080	0.120	0.100	509948	AIRASIAC48	0.120	0.030	1241.1	3.130	3.000	9.27	16/08/2017
0.460	0.185	0.355	0.320	509949	AIRASIAC49	0.355	0.040	374.3	3.130	2.150	2.72	31/07/2017
0.210	0.120	0.145	0.125	509950	AIRASIAC50	0.145	0.005	150	3.130	2.850	14.22	29/12/2017
0.370	0.205	0.260	0.250	509951	AIRASIAC51	0.260	0.055	145	3.130	2.600	7.99	31/10/2017
0.235	0.115	0.155	0.130	509952	AIRASIAC52	0.150	0.030	1495.8	3.130	2.200	16.61	31/10/2017
0.200	0.090	0.145	0.110	509953	AIRASIAC53	0.135	0.025	1306.2	3.130	3.200	15.18	31/01/2018
0.180	0.080	0.115	0.080	509954	AIRASIAC54	0.105	0.020	44459.9	3.130	3.600	24.07	31/10/2017
0.130	0.055	0.100	0.080	509955	AIRASIAC55	0.085	-0.015	1680.4	3.130	2.600	-8.79	31/10/2017
0.350	0.125	0.335	0.300	5014CR	AIRPORT-CR	0.300	-0.020	25.1	8.600	7.450	4.07	29/09/2017
0.430	0.130	0.400	0.355	5014CS	AIRPORT-CS	0.355	-0.035	470.8	8.600	7.350	4.04	31/01/2021
0.420	0.160	0.340	0.330	7609WA	AJIYA-WA	0.340	-0.005	1386.7	0.830	0.920	51.81	28/08/2021
0.610	0.085	0.540	0.455	1015CX	AMBANK-CX	0.455	Unch	1148.8	5.290	4.150	-0.05	29/09/2017
0.440	0.305	0.350	0.330	1015CY	AMBANK-CY	0.330	-0.035	320	5.290	5.000	10.11	31/10/2017
0.100	0.060	0.085	0.065	1015CZ	AMBANK-CZ	0.070	0.005	1069.1	5.290	6.000	20.70	30/11/2017
0.045	0.005	0.020	0.015	0159WA	AMEDIA-WA	0.015	Unch	85	0.120	1.100	829.17	02/01/2018
0.315	0.140	0.260	0.225	6556CC	ANNJOO-CC	0.235	-0.015	1681.1	3.190	2.800	13.56	31/10/2017
0.270	0.160	0.215	0.185	6556CD	ANNJOO-CD	0.185	-0.025	4628.7	3.190	3.000	14.34	08/12/2017
0.275	0.040	0.110	0.095	9342WA	ANZO-WA	0.105	Unch	874	0.230	0.250	54.35	19/11/2019
0.265	0.045	0.110	0.100	9342WB	ANZO-WB	0.100	-0.010	193.6	0.230	0.250	52.17	25/08/2023
0.035	0.015	0.015	0.015	5194WA	APPT-WA	0.015	Unch	5	0.040	0.400	937.5	13/07/2017
0.335	0.065	0.270	0.260	0119WA	APPASIA-WA	0.260	-0.065	608	0.380	0.130	2.63	23/12/2024
0.085	0.015	0.015	0.015	521022	ARMADA-C22	0.015	-0.005	958	0.780	0.750	-0.96	31/05/2017
0.255	0.100	0.200	0.200	521024	ARMADA-C24	0.200	Unch	100	0.780	0.600	2.56	30/11/2017
0.100	0.065	0.065	0.065	521026	ARMADA-C26	0.065	Unch	230	0.780	0.880	21.99	31/10/2017
0.100	0.075	0.075	0.075	521027	ARMADA-C27	0.075	Unch	50	0.780	0.835	16.67	31/01/2018
0.350	0.060	0.105	0.100	0068WB	ASDION-WB	0.105	0.005	1426	0.300	0.500	101.67	24/03/2017
0.035	0.015	0.030	0.030	0150WA	ASIABIO-WA	0.030	Unch	3171.3	0.060	0.100	116.67	19/04/2024
0.170	0.055	0.130	0.125	0105WA	ASIAPLY-WA	0.125	-0.005	374.3	0.235	0.100	-4.26	13/12/2020
0.210	0.095	0.105	0.095	6399C1	ASTRO-C1	0.095	-0.020	250	2.630	2.600	6.08	30/11/2017
0.035	0.010	0.020	0.020	0072WA	AT-WA	0.020	-0.005	350	0.045	0.090	144.44	28/01/2019
0.040	0.020	0.035	0.035	0072WB	AT-WB	0.035	Unch	120	0.045	0.030	44.44	17/10/2019
0.120	0.070	0.070	0.070	688818	AXIATA-C18	0.070	-0.015	50	4.980	5.150	11.14	18/09/2017
0.730	0.210	0.665	0.620	7078WA	AZRB-WA	0.620	0.015	1350.9	1.130	0.700	19.47	13/05/2024
0.170	0.115	0.125	0.115	7241WA	BHS-WA	0.120	-0.005	1211.3	0.380	0.600	89.47	18/10/2020
0.450	0.260	0.400	0.395	5258WA	BIMB-WA	0.395	-0.005	807.5	4.500	4.720	13.67	04/12/2023
0.155	0.070	0.120	0.115	6998WA	BINTA-WA	0.115	-0.010	599.3	0.230	0.200	36.96	15/06/2020
0.230	0.095	0.190	0.185	0179WA	BIHOLDG-WA	0.185	Unch	2713.6	0.260	0.220	55.77	05/01/2022
0.400	0.080	0.330	0.300	3239WA	BJASSET-WA	0.315	-0.010	1203.9	1.400	1.000	-6.07	16/03/2018
0.160	0.060	0.115	0.110	3395WB	BJCORP-WB	0.115	0.005	294.9	0.355	1.000	214.08	22/04/2022
0.175	0.050	0.130	0.125	3395WC	BJCORP-WC	0.130	-0.005	733.3	0.355	1.000	218.31	29/05/2026
0.370	0.035	0.270	0.265	7187WA	BKON-WA	0.265	-0.005	457.2	0.405	0.200	14.81	07/07/2023
0.091	0.041	0.055	0.055	7036WB	BORNOIL-WB	0.055	Unch	820	0.130	0.100	19.23	28/02/2018
0.081	0.055	0.060	0.055	7036WC	BORNOIL-WC	0.060	0.005	1384.1	0.130	0.100	23.08	08/11/2025
0.120	0.060	0.075	0.070	9938WB	BRIGHT-WB	0.070	-0.005	237.4	0.335	0.920	16.67	12/01/2019
0.055	0.045	0.045	0.045	2771CL	BTTEAD-CL	0.045	-0.005	30	2.610	3.000	19.25	30/11/2017
0.135	0.040	0.090	0.085	7188WA	BTM-WA	0.090	Unch	50	0.290	0.400	35.76	20/12/2019
0.235	0.080	0.185	0.160	7188WB	BTM-WB	0.185	Unch	56.1	0.290	0.200	32.76	23/10/2024
0.360	0.060	0.340	0.315	181811	BURSA-C11	0.335	Unch	900.9	10.64	8.900	-0.61	30/11/2017
2.550	0.950	2.350	2.300	7174WA	CAB-WA	2.300	-0.040	565	2.970	0.550	-4.04	08/02/2020
0.160	0.080	0.115	0.110	7076CD	CBIP-CD	0.110	0.005	584	2.140	2.200	3.74	18/08/2017
0.090	0.050	0.080	0.070	7076CE	CBIP-CE	0.080	0.010	884.2	2.140	2.300	13.08	16/10/2017
0.470	0.290	0.450	0.435	7076WA	CBIP-WA	0.445	0.010	251.1	2.140	2.400	32.94	06/11/2019
0.150	0.015	0.060	0.050	5195WA	CENSOF-WA	0.055	-0.005	1059.6	0.375	0.460	37.33	18/07/2017
0.220	0.045	0.185	0.175	5195WB	CENSOF-WB	0.175	-0.005	1786.1	0.375	0.460	69.33	07/10/2019
0.240	0.070	0.240	0.200	102314	CIMB-C14	0.235	0.030	1714	6.320	5.000	1.42	10/07/2017
0.400	0.110	0.400	0.390	102317	CIMB-C17	0.395	0.125	60	6.320	4.750	0.16	31/05/2017
0.395	0.115	0.395	0.370	102318	CIMB-C18	0.390	0.030	85	6.320	4.800	0.63	16/08/2017
0.290	0.135	0.290	0.245	102320	CIMB-C20	0.285	0.040	973	6.320	5.500	5.06	29/09/2017
0.230	0.100	0.230	0.195	102321	CIMB-C21	0.215	0.030	2370.2	6.320	6.200	10.01	31/10/2017
0.250	0.150	0.250	0.215	102322	CIMB-C22	0.240	0.030	953	6.320	5.700	5.38	24/11/2017
0.200	0.040	0.190	0.190	0102WA	CONNECT-WA	0.190	Unch	379.3	0.310	0.100	-6.45	17/09/2021
0.200	0.035	0.190	0.190	0102WB	CONNECT-WB	0.190	Unch	180.6	0.310	0.100	-6.45	07/06/2021
0.250	0.025	0.165	0.155	0051WA	CUSCAPI-WA	0.155	-0.010	1760.9	0.265	0.270	60.38	24/04/2018
0.035	0.005	0.020	0.015	7179WB	DBE-WB	0.020	Unch	829	0.035	0.050	100.00	22/01/2022
0.030	0.005	0.015	0.015	0152WA	DGB-WA	0.015	Unch	1385	0.050	0.110	150.00	22/04/2018
0.095	0.075	0.080	0.080	727714	DIALOG-C14	0.080	Unch	40	1.910	2.000	13.09	31/10/2017
0.180	0.140	0.160	0.140	727717	DIALOG-C17	0.160	0.005	154.3	1.910	1.900	7.85	31/01/2018
0.085	0.075	0.085	0.085	694718	DIGI-C18	0.085	0.010	30	3.030	4.900		

Japan — Nikkei rises as strong yen trend pauses; SoftBank surges

TOKYO: Japanese stocks rose yesterday as the strong yen trend paused, while a surge in index heavyweights such as SoftBank supported sentiment.

But gains were limited as the US dollar-yen stayed in a narrow range after the US Federal Reserve dialled down on some of the more hawkish policy expectations in the market.

The Nikkei Share Average ended 0.36% or 70.15 points higher at 19,813.13, and the broader Topix gained 0.2% to 1,578.42.

Information technology conglomerate SoftBank gained 3.78% to hit a near two-week high of ¥8,894 and contributed to a hefty 31 positive points to the Nikkei after *Bloomberg* reported that the company had built a US\$4 billion stake in Nvidia.

“Commodity trading advisers are seen buying Nikkei futures as US dollar-yen has recovered from its lows earlier,” said Chihiro Ohta, general manager at investment research at SMBC Nikko Securities.

Yesterday’s gainers were domestic-demand sensitive sectors, with the utility sector rising 1.9%, the real estate sector adding 0.75% and the land transport sector gaining 0.82%.

Chubu Electric Power Co gained 1.9%, Mitsubishi Estate Co advanced 1.11% and East Japan Railway Co added 0.52%.

Underperforming the market were

financial stocks, after US bond yields fell. Banks and insurers lost ground. Sumitomo Mitsui Financial Group shed 0.59%, Mizuho Financial Group declined 0.86% and Dai-ichi Life Holdings dropped 0.27%.

Japanese government bonds (JGB) slipped yesterday, with the yield curve steepening as superlong bonds sold off after an uninspiring 40-year auction.

The 10-year cash JGB yield added half a basis point to 0.05%, while 10-year JGB futures edged up 0.02 point to finish at 150.56.

The 30-year JGB yield and the 40-year yield rose 1.5 basis points each to 0.815% and 1.035% respectively.

The Ministry of Finance offered ¥500 billion of 40-year JGBs with a 0.9% coupon, up from 0.4% at the previous sale to reflect market levels. It produced a highest yield of 0.965%.

The sale drew bids of 2.87 times the amount offered, down from the previous sale’s bid-to-cover ratio of 2.95 times, indicating somewhat weaker demand for the bonds.

Bank of Japan board member Makoto Sakurai, among the strongest proponents of aggressive monetary easing on the central bank’s policy board, yesterday ruled out the chance of any imminent hike in its bond yield target, stressing the need to maintain its massive stimulus programme to prop up inflation and fend off overseas economic risks.

US —S&P 500 hits record high close following Fed minutes

NEW YORK: US stocks ended up slightly on Wednesday, with the S&P 500 Index hitting a record high close, after minutes of the US Federal Reserve’s (Fed) latest meeting showed policymakers view a rate hike coming soon.

But, according to the May 2 to May 3 meeting minutes, they also agreed they should hold off on raising interest rates until they knew a recent US economic slowdown was temporary.

Stocks were volatile following the minutes’ release, but eventually added to small earlier gains. The S&P Financial Index, which fell right after the minutes came out, rebounded to end down just 0.04%. Banks tend to benefit from higher borrowing rates.

“Absent a material slowdown in the economy, Fed officials, acknowledging support from strengthening global growth, appear poised to stay on track toward interest rate normalisation,” said Quincy Krosby, chief market strategist at Prudential Financial, based in Newark, New Jersey.

The Dow Jones Industrial Average was up 74.51 points or 0.36% to 21,012.42; the S&P 500 gained 5.97 points or 0.25% to 2,404.39; and the Nasdaq Composite added 24.31 points or 0.4% to 6,163.02.

It was also a fifth straight day of gains for the S&P 500.

Following the Fed minutes’ release, traders scaled back bets on two more rate increases by the end of 2017.

Federal funds futures implied traders saw about a 46% chance the US central bank would raise rates twice more by year-end, down from roughly 50% late on Tuesday, according to CME Group’s FedWatch programme.

Fed policymakers also discussed at length the reasons for the first-quarter slowdown. While recent economic data has been mixed, with signs of a dip in consumer sentiment and spending, the job market continues to strengthen.

“One thing that struck me a bit was that they registered confidence in the consumer was pretty healthy, and that’s significant,” said Michael Purves, chief global strategist at Weeden & Co.

Among the day’s gainers, Intuit jumped 6.7% after the tax-preparation software maker posted a profit topped estimates and also raised its revenue forecast.

The retail sector issued more results that disappointed.

Lowe’s dropped 3% after the home improvement chain reported a lower-than-expected profit and comparable sales.

Jewellery retailer Tiffany sank 8.7% after posting a surprise drop in comparable sales.

Signet Jewelers, which reports yesterday, was down 7.2%. The two were the biggest losers on the S&P. — *Reuters*



Bursa Malaysia Equity Derivatives

Main Market & Ace Market Warrants

YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	WARRANTS	CLOSE (RM)	+/- (RM)	VOL ('000)	PARENT PRICE	EXE PRICE	PR/M (%)	EXPIRY DATE
2.600	0.617	2.340	2.250	8869WC	PMETAL-WC	2.270	-0.030	438.3	2.660	0.390	0.00	22/08/2019
1.050	0.615	0.840	0.825	7088WB	POHUAT-WB	0.830	-0.005	274.1	1.830	1.000	0.00	21/10/2020
0.455	0.110	0.330	0.290	4634C3	POS-C3	0.325	0.005	736.9	5.170	4.000	2.51	30/08/2017
0.435	0.170	0.325	0.290	4634C6	POS-C6	0.320	-0.110	738	5.170	4.000	2.13	18/08/2017
0.285	0.160	0.190	0.160	4634C8	POS-C8	0.185	-0.005	3056.2	5.170	5.100	12.96	31/10/2017
0.370	0.140	0.270	0.240	4634C9	POS-C9	0.255	-0.010	4568.8	5.170	4.900	16.97	16/10/2017
0.640	0.188	0.540	0.505	7168WA	PRG-WA	0.510	0.005	572	0.885	0.375	0.00	06/07/2019
0.710	0.405	0.690	0.685	8966WA	PRLEXUS-WA	0.685	Unch	498.8	1.660	1.200	13.55	14/06/2021
0.145	0.040	0.120	0.115	7145WA	PSIPTK-WA	0.115	Unch	1620.9	0.190	0.100	13.16	16/11/2019
0.140	0.020	0.105	0.090	0007WA	PUC-WA	0.100	0.005	16926.2	0.155	0.100	29.03	25/12/2024
0.145	0.015	0.105	0.090	0007WB	PUC-WB	0.100	0.010	45814.3	0.155	0.100	29.03	15/02/2019
0.695	0.215	0.265	0.260	6807WB	PUNCAK-WB	0.265	0.005	1.3	0.970	1.000	30.41	20/07/2018
0.380	0.215	0.370	0.365	7134WA	PWF-WA	0.365	Unch	82	0.865	0.620	13.87	20/07/2021
0.170	0.020	0.140	0.135	5256WA	REACH-WA	0.135	Unch	3824	0.555	0.750	59.46	12/08/2022
0.150	0.030	0.105	0.095	1066CW	RHBBANK-WC	0.095	0.015	279	5.400	5.000	-0.37	31/05/2017
0.155	0.095	0.135	0.115	1066CY	RHBBANK-CY	0.125	-0.005	321.7	5.400	5.250	8.80	28/11/2017
0.125	0.115	0.120	0.120	1066CZ	RHBBANK-CZ	0.120	0.005	200	5.400	5.500	10.74	07/12/2017
0.090	0.060	0.075	0.075	5270WA	RSENA-WA	0.075	Unch	640.1	0.450	0.500	27.78	01/12/2023
0.040	0.015	0.025	0.020	0133WC	SANICHI-WC	0.025	Unch	2037.2	0.075	0.210	213.33	24/09/2019
0.050	0.020	0.035	0.035	0133WD	SANICHI-WD	0.035	Unch	1122.5	0.075	0.100	80.00	21/07/2019
0.025	0.005	0.015	0.015	0109WB	SCHBUILD-WB	0.015	Unch	444	0.055	0.050	18.18	06/11/2019
0.185	0.055	0.160	0.155	0161WA	SCB-WA	0.160	-0.005	2962.2	0.250	0.100	4.00	04/12/2021
0.190	0.055	0.165	0.155	0028WA	SCOPE-WA	0.165	Unch	174.5	0.275	0.150	14.55	17/07/2020
0.785	0.160	0.645	0.590	7073WB	SEACERA-WB	0.605	-0.020	759.9	1.330	1.000	20.68	29/05/2019
0.170	0.060	0.065	0.060	5250CF	SEM-CF	0.060	-0.005	249	1.400	1.550	19.29	28/11/2017
0.245	0.105	0.105	0.105	521834	SENERGYC34	0.105	Unch	30	1.930	1.800	4.15	13/07/2017
0.245	0.100	0.145	0.145	521835	SENERGYC35	0.145	0.010	20	1.930	1.650	0.52	15/06/2017
0.165	0.070	0.090	0.090	521837	SENERGYC37	0.090	0.005	50	1.930	1.850	7.51	31/07/2017
0.270	0.140	0.205	0.195	521838	SENERGYC38	0.205	0.015	141.1	1.930	1.650	6.74	30/11/2017
0.220	0.120	0.120	0.120	521839	SENERGYC39	0.120	-0.010	50	1.930	1.850	9.53	31/07/2017
0.145	0.085	0.090	0.090	521841	SENERGYC41	0.090	Unch	200	1.930	2.050	17.88	29/09/2017
0.075	0.055	0.060	0.055	521844	SENERGYC44	0.060	0.005	938.2	1.930	2.350	29.53	31/10/2017
0.215	0.070	0.155	0.140	0055WA	SERSOL-WA	0.140	-0.010	740	0.195	0.180	64.10	18/04/2021
0.205	0.055	0.195	0.180	7165WA	SGB-WA	0.180	-0.015	694.5	0.765	0.600	1.96	07/04/2021
0.375	0.210	0.300	0.295	7246WA	SIGN-WA	0.300	Unch	366	1.020	0.970	24.51	21/04/2021
0.190	0.120	0.120	0.120	419714	SIME-C14	0.120	-0.005	107	9.300	9.000	3.23	29/12/2017
0.770	0.470	0.640	0.620	7155WA	SKPRES-WA	0.625	-0.025	484.6	1.300	0.650	-1.92	27/06/2017
0.115	0.025	0.050	0.045	0117WA	SMRT-WA	0.050	Unch	395	0.225	0.180	2.22	01/08/2017
0.540	0.135	0.300	0.300	5213WA	SNTORIA-WA	0.300	0.030	16	0.870	0.600	3.45	15/04/2019
0.285	0.100	0.245	0.245	0093WA	SOLUTN-WA	0.245	Unch	381	0.335	0.200	32.84	04/07/2021
0.210	0.115	0.160	0.150	8664CV	SPSETIA-CV	0.155	-0.005	1093.5	3.800	3.400	5.79	31/10/2017
0.400	0.135	0.270	0.255	8664CW	SPSETIA-WC	0.265	-0.020	751.4	3.800	3.400	-0.07	29/12/2017
0.300	0.085	0.235	0.225	8664CX	SPSETIA-CX	0.235	Unch	250.8	3.800	4.000	20.72	31/10/2017
0.140	0.035	0.090	0.085	0129WA	SRIDGE-WA	0.090	0.005	274.1	0.205	0.180	31.71	24/02/2023
0.075	0.025	0.035	0.035	1201WA	SUMATEC-WA	0.035	-0.005	287.7	0.060	0.320	491.67	03/03/2021
0.060	0.020	0.025	0.025	1201WB	SUMATEC-WB	0.025	-0.005	216.5	0.060	0.175	233.33	13/11/2018
0.240	0.130	0.240	0.240	5263CI	SUNCON-CI	0.240	0.050	200	2.070	1.650	2.90	16/08/2017
0.145	0.130	0.145	0.145	5263CJ	SUNCON-CJ	0.145	Unch	200	2.070	1.840	6.40	31/10/2017
0.385	0.145	0.325	0.300	3743WA	SUNSURIA-WA	0.305	0.005	597.6	1.390	1.500	29.86	22/07/2020
0.325	0.100	0.260	0.260	0148WA	SUNZEN-WA	0.260	Unch	0.5	0.395	0.100	-8.86	14/04/2019
0.235	0.060	0.195	0.185	0148WB	SUNZEN-WB	0.190	Unch	1574.8	0.395	0.250	11.39	25/02/2021
0.135	0.015	0.025	0.025	710621	SUPERMX-C21	0.025	Unch	290	2.060	2.300	14.08	13/07/2017
0.080	0.035	0.065	0.060	710622	SUPERMX-C26	0.060	-0.005	374	2.060	2.200	15.53	31/10/2017
0.155	0.060	0.140	0.130	710627	SUPERMX-C27	0.130	-0.010	40	2.060	2.000	9.71	31/01/2018
0.220	0.155	0.180	0.175	7082WB	SYF-WB	0.175	Unch	313.5	0.580	0.700	50.86	11/11/2019
0.365	0.125	0.325	0.290	1538WB	SYKALIFE-WB	0.300	-0.025	653	1.000	1.100	40.00	11/11/2020
0.070	0.030	0.035	0.035	6139CB	TAKAFUL-CB	0.035	Unch	120	4.040	4.250	5.52	22/08/2017
0.205	0.050	0.080	0.075	8524CA	TALIWRK-CA	0.080	Unch	640.1	1.520	1.600	13.16	29/09/2017
0.330	0.170	0.240	0.240	8524WB	TALIWRK-WB	0.240	Unch	23.5	1.520	1.700	27.62	11/11/2018
0.130	0.055	0.095	0.090	0132WA	TDEX-WA	0.090	-0.005	180	0.160	0.110	25.00	21/09/2018
1.160	0.385	0.410	0.400	7200WA	TEKSENG-WA	0.405	-0.005	112.9	0.605	0.250	8.26	29/01/2020

YEAR HIGH	YEAR LOW	DAY HIGH	DAY LOW	CODE	WARRANTS	CLOSE (RM)	+/- (RM)	VOL ('000)	PARENT PRICE	EXE PRICE	PR/M (%)	EXPIRY DATE
0.115	0.095	0.095	0.095	534736	TENAGA-C36	0.095	Unch	15	13.820	13.000	4.38	30/11/2017
0.490	0.260	0.350	0.350	7252WA	TEOSENG-WA	0.350	-0.045	5	1.070	1.350	58.88	29/01/2020
3.560	1.720	2.850	2.830	7034WA	TGUAN-WA	2.850	Unch	11.5	4.390	1.500	-0.91	09/10/2019
0.105	0.055	0.085	0.085	7889WB	THRIVEN-WB	0.085	Unch	170	0.265	0.640	173.58	05/10/2020
0.025	0.005	0.015	0.015									

Insider moves (Filings on May 24, 2017)

Insider Moves show what substantial shareholders are doing with their stakes, which could be a signal of their views on the company's outlook.

COMPANY	SHARES ACQUIRED (DISPOSED)	DIRECTOR/SUBSTANTIAL SHAREHOLDER	SHARES HELD AFTER CHANGE	TRANSACTION DATE
AEON CO. (M)	(1,131,100)	ABERDEEN ASSET MANAGEMENT PLC AND ITS SUBSIDIARIES	273,328,900	22/5
AIRASIA	(3,158,100)	EMPLOYEES PROVIDENT FUND BOARD	173,058,949	19/5
AXIATA GROUP	1,910,800	EMPLOYEES PROVIDENT FUND BOARD	1,371,134,095	18/5
BERMAZ AUTO	(1,922,900)	EMPLOYEES PROVIDENT FUND BOARD	143,395,423	19/5
CAHYA MATA SARAWAK	(4,046,800)	DATO SRI MAHMUD ABU BEKIR TAIB	56,239,655	22 & 23/5
CAPITALAND (M) MALL TRUST	3,000,000	EMPLOYEES PROVIDENT FUND BOARD	167,514,100	19/5
CHIN HIN GROUP	(2,300,000)	DIVINE INVENTIONS	286,232,800	23/5
DIALOG GROUP	(5,681,854)	EMPLOYEES PROVIDENT FUND BOARD	629,201,450	19/5
DIALOG GROUP	(3,369,100)	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	382,353,540	22/5
DIGI.COM	(3,996,100)	EMPLOYEES PROVIDENT FUND BOARD	1,018,840,472	19/5
EASTERN & ORIENTAL	63,000,000	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	95,012,209	19/5
GAMUDA	(2,000,000)	EMPLOYEES PROVIDENT FUND BOARD	269,862,305	19/5
HONG LEONG BANK	1,001,900	EMPLOYEES PROVIDENT FUND BOARD	263,108,621	19/5
HUBLINE	22,000,000	HENG YONG KANG @ WANG YONG KANG	57,500,000	26/5
HUBLINE	12,000,000	KOH BOON POH	53,369,980	12/5
IGB REAL ESTATE INVESTMENT TRUST	(1,827,500)	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	233,828,100	22/5
IGB REAL ESTATE INVESTMENT TRUST	1,785,400	EMPLOYEES PROVIDENT FUND BOARD	220,589,013	19/5
IHH HEALTHCARE	(2,114,900)	EMPLOYEES PROVIDENT FUND BOARD	804,115,510	18/5
IJM CORPORATION	3,610,900	EMPLOYEES PROVIDENT FUND BOARD	527,662,458	19/5
INARI AMERTRON	1,917,100	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	154,311,350	22/5
IOI CORPORATION	2,250,600	EMPLOYEES PROVIDENT FUND BOARD	595,580,273	19/5
LII HEN INDUSTRIES	(1,000,000)	KOON YEW YIN	11,460,700	22/5
LUSTER INDUSTRIES	(1,500,000)	WEE SONG HE, WILSON	142,551,220	23/5
MAH SING GROUP	(1,950,000)	EMPLOYEES PROVIDENT FUND BOARD	221,020,661	22/5
MALAKOFF CORPORATION	1,147,100	EMPLOYEES PROVIDENT FUND BOARD	589,018,533	18/5
MALAYAN BANKING	(15,882,900)	EMPLOYEES PROVIDENT FUND BOARD	1,272,850,472	19/5
NTPM HOLDINGS	(2,378,000)	TEOH TEIK LIN	101,734,900	19/5
PLASTRADE TECHNOLOGY	16,489,900	TEE YEN CHONG	16,489,900	15/5
POS MALAYSIA	1,005,000	EMPLOYEES PROVIDENT FUND BOARD	65,555,236	19/5
PUBLIC BANK	(930,600)	EMPLOYEES PROVIDENT FUND BOARD	531,313,500	19/5
S P SETIA	(4,961,600)	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	265,904,593	22/5
SAPURA ENERGY	(5,506,000)	EMPLOYEES PROVIDENT FUND BOARD	651,690,344	19/5
SIME DARBY	3,024,000	AMANAHRAYA TRUSTEES - SKIM AMANAH SAHAM BUMIPUTERA	2,761,395,076	19/5
SIME DARBY	(2,936,800)	EMPLOYEES PROVIDENT FUND BOARD	675,847,666	18/5
SUNWAY REAL ESTATE INVESTMENT TRUST	1,000,000	EMPLOYEES PROVIDENT FUND BOARD	371,714,100	19/5
TA GLOBAL	1,272,800	DATUK TIAH THEE KIAN	465,880,938	24/5
TENAGA NASIONAL	2,177,900	EMPLOYEES PROVIDENT FUND BOARD	768,214,242	18/5
TENAGA NASIONAL	3,500,000	AMANAHRAYA TRUSTEES - SKIM AMANAH SAHAM BUMIPUTERA	362,286,000	22/5
TOP GLOVE CORPORATION	(1,255,200)	EMPLOYEES PROVIDENT FUND BOARD	120,288,246	19/5
WCT HOLDINGS	1,093,800	EMPLOYEES PROVIDENT FUND BOARD	102,641,655	19/5
YINSON HOLDINGS	(1,628,800)	EMPLOYEES PROVIDENT FUND BOARD	133,845,300	19/5

While every effort is made to ensure accuracy, the information presented is not an exhaustive list and is not an official record of shareholder filings. Direct and indirect share are combined due to space constraints. Readers who are interested should check the official filings filed with Bursa Malaysia. Note: * denotes Ace Market

Trading themes

Trade deals explained: TPP, RCEP and FTAAP

TPP: Trans-Pacific Partnership

Initially, 12 Pacific Rim nations excluding China were part of this trade agreement, which has been signed but awaits ratification from the members. The pact was led by the U.S. with former President Barack Obama championing it, but President Donald Trump has since formally withdrawn the U.S. from the agreement.



RCEP: Regional Comprehensive Economic Partnership

16 nations in the Asia-Pacific are included in this China-backed proposed agreement. The RCEP is seen as a rival to the TPP and now the front-runner for new free trade deals in the region.



FTAAP: Free Trade Area of the Asia-Pacific

The deal involves the 21 Pacific Rim nations that are part of the Asia-Pacific Economic Cooperation (APEC), a forum created in 1989 to promote free trade in the Asia Pacific. Part of the deal's agenda is to build and develop on existing trade frameworks in the region.



Sources: Asia-Pacific Economic Cooperation; United States Trade Representative; Reuters

J. Wang, 17/05/2017

REUTERS

Local events to watch out for today

- Seminar on Asean Economic Community at Menara MITI, Jalan Sultan Haji Ahmad Shah, Kompleks Kerajaan, Kuala Lumpur at 9am.
- China Railway Construction Corp topping out ceremony of Four Seasons Place Kuala Lumpur at Four Seasons Place Kuala Lumpur Construction Site (near Suria Kuala Lumpur Convention Centre Isetan) Kuala Lumpur at 9.30am.
- Schneider Electric will introduce the EcoStruxure™ platform, which helps customers implement large-scale, robust and integrated IoT-enabled solutions at Ritz-Carlton, Jalan Imbi, Kuala Lumpur at 10am.
- Launch of Yayasan Hasanah's (the impact-based foundation of Khazanah Nasional Bhd) 2016 Annual Report at Mercu UEM, Jalan Stesen Sentral 5, Kuala Lumpur from 10am to noon.
- The "Drive Home A BMW 7 Series" campaign contest by RHB Bank, with acting head, group retail banking of RHB Banking Group Nazri Othman at the prize-giving ceremony at Auto Bavaria Kuala Lumpur, Jalan Tun Razak, Kuala Lumpur at 10.30am.
- Grand opening ceremony of Exni Railway Malaysia, first Spanish Railway Company to establish a manufacturing facility in Malaysia at Kuala Lumpur Convention Centre, Jalan Pinang, Kuala Lumpur from 2pm to 4.30pm.

Stocks closest to year high

STOCK	HIGH (RM)	LOW (RM)	CLOSE (RM)	VOLUME ('000)
CIMB	6.430	6.170	6.320	33316.3
CIMB-C18	0.395	0.370	0.390	85
WINGTM	1.790	1.780	1.780	6673.2
INSAS	1.020	0.960	0.990	39034.3
HENGYUAN	6.300	5.600	5.800	4974.3
TOPGLOV	5.590	5.450	5.500	2332.5
TOPGLOV-C17	0.150	0.130	0.130	551.6
AYS	0.605	0.565	0.575	9714.8
MBSB	1.330	1.290	1.300	9338.4
INSAS-WB	0.390	0.340	0.375	49629.2

This table shows stocks that are trading near their year high. This could suggest a build-up in buying momentum, or the possibility that profit-taking activities could set in later.

Stocks closest to year low

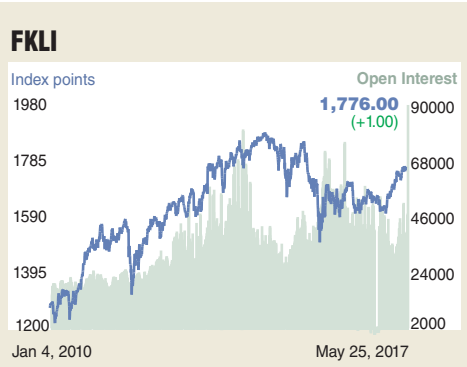
STOCK	HIGH (RM)	LOW (RM)	CLOSE (RM)	VOLUME ('000)
UMWOG	0.590	0.580	0.590	2130.3
DRBHCOMC35	0.155	0.140	0.140	70
WPRTS-CQ	0.010	0.010	0.010	290
IHH	5.790	5.680	5.710	7300.6
POS-C8	0.190	0.160	0.185	3056.2
FGV-C25	0.035	0.030	0.035	496.7
E&O-C10	0.055	0.055	0.055	15
MRCB-C12	0.140	0.125	0.140	130
PARKSON	0.625	0.605	0.615	3365.1
HSI-H2I	1.010	0.955	0.955	63.1

This table shows stocks that are trading near their year low. This could suggest a build-up in selling momentum, or the possibility that bargain hunting could set in later.

Foreign exchange rates

	NZ	EURO	US	SWISS	BRIT	CANADA	BRUNEI	S'PORE	AUST	M'SIA	CHINA	BANGL'H	DENM'K	UAE	INA	INDIA	JAPAN	NORWAY	PHIL	QATAR	SAUDI	SWEDEN	THAI	HK
NZ \$		0.627	0.703	0.684	0.543	0.945	0.973	0.974	0.942	3.0097	4.828	56.734	4.665	2.583	9.359	45.441	78.576	5.854	35.058	2.560	2.637	6.100	24.056	5.479
EURO	1.595		1.122	1.090	0.865	1.507	1.552	1.553	1.502	4.8004	7.701	90.490	7.441	4.119	14.927	72.477	125.327	9.337	55.917	4.084	4.206	9.729	38.369	8.738
US \$	1.422	0.892		0.972	0.772	1.343	1.384	1.384	1.339	4.2800	6.866	80.680	6.634	3.673	13.308	64.620	111.741	8.325	49.855	3.641	3.750	8.675	34.210	7.791
SWISS FR	1.463	0.917	1.029		0.794	1.382	1.424	1.424	1.378	4.4024	7.062	82.987	6.824	3.778	13.689	66.468	114.936	8.563	51.281	3.745	3.858	8.923	35.188	8.014
STERLING £	1.843	1.155	1.296	1.260		1.741	1.794	1.794	1.736	5.5465	8.898	104.554	8.598	4.759	17.247	83.742	144.806	10.789	64.608	4.719	4.860	11.241	44.333	10.096
CANADA \$	1.059	0.664	0.744	0.724	0.574		1.030	1.031	0.997	3.1859	5.111	60.056	4.938	2.734	9.906	48.101	83.176	6.197	37.111	2.710	2.792	6.457	25.465	5.799
BRUNEI \$	1.028	0.644	0.723	0.702	0.558	0.971		1.000	0.968	3.0925	4.961	58.295	4.794	2.654	9.616	46.691	80.738	6.015	36.023	2.631	2.710	6.268	24.718	5.629
SINGAPORE \$	1.027	0.644	0.722	0.702	0.557	0.970	1.000		0.967	3.0916	4.960	58.278	4.792	2.653	9.613	46.678	80.714	6.014	36.012	2.630	2.709	6.266	24.711	5.628
AUSTRALIA \$	1.062	0.666	0.747	0.726	0.576	1.003	1.033	1.034		3.1959	5.127	60.244	4.954	2.742	9.938	48.252	83.437	6.216	37.227	2.719	2.800	6.477	25.545	5.817
MALAYSIA RM	0.332	0.208	0.234	0.227	0.180	0.314	0.323	0.323	0.313	1.0000	1.604	18.851	1.550	0.858	3.109	15.098	26.108	1.945	11.648	0.851	0.876	2.027	7.993	1.820
100 CHINESE RMB	20.712	12.986	14.564	14.160	11.239	19.566	20.157	20.163	19.505	62.3360		1.175	96.627	53.490	193.831	941.162	1,627	121.253	726.112	53.032	54.621	126.340	498.250	113.470
100 BANGLAD'H TAKA	1.763	1.105	1.239	1.205	0.956	1.665	1.715	1.716	1.660	5.3049	8.510		8.223	4.552	16.495	80.095	138.498	10.319	61.793	4.513	4.648	10.752	42.402	9.657
100 DANISH KRONER	21.435	13.439	15.073	14.654	11.631	20.249	20.861	20.867	20.186	64.5120	103.49	1.216		55.357	200.597	974.02	1,684	125.49	751.46	54.88	56.53	130.75	515.64	117.43
100 UAE DIRHAM	38.721	24.277	27.229	26.472	21.011	36.580	37.684	37.695	36.465	116.5387	186.95	2,197	180.65		362,372	1,760	3,043	226.68	1,357	99.14	102.12	236.20	931.49	212.14
1000 INA RUPIAH	0.107	0.067	0.075	0.073	0.058	0.101	0.104	0.104	0.101	0.3216	0.516	6.062	0.499	0.276		4.856	8.396	0.626	3.746	0.274	0.282	0.652	2.571	0.585
100 INDIA RUPEE	2.201	1.380	1.548	1.504	1.194	2.079	2.142	2.142	2.072	6.6233	10.625	124.853	10.267	5.683	20.595		172.919	12.883	77.151	5.635	5.804	13.424	52.940	12.056
100 JAPAN YEN	1.273	0.798	0.895	0.870	0.691	1.202	1.239	1.239	1.199	3.8303	6.145	72.203	5.937	3.287	11.910	57.831		7.450	44.617	3.259	3.356	7.763	30.615	6.972
100 NORWEGIAN KRONER	17.081	10.710	12.012	11.678	9.269	16.137	16.624	16.629	16.086	51.4100	82.472	969	79.691	44.114	159,857	776.199	1,342		598.842	43.737	45.047	104.195	410.918	93.582
100 PHILIPPINE PESO	2.852	1.788	2.006	1.950	1.548	2.695	2.776	2.777	2.686	8.5849	13.772	161.830	13.307	7.367	26,694	129.617	224.131	16.699		7.304	7.522	17.399	68.619	15.627
100 QATAR RIYAL	39.055	24.486	27.463	26.70																				

Index futures



FBM KLCI futures end higher with better cash market

The FBM KLCI futures contracts on Bursa Malaysia Derivatives ended higher yesterday in tandem with the underlying physical market. The underlying benchmark FBM KLCI finished 2.95 points higher at 1,773.96.

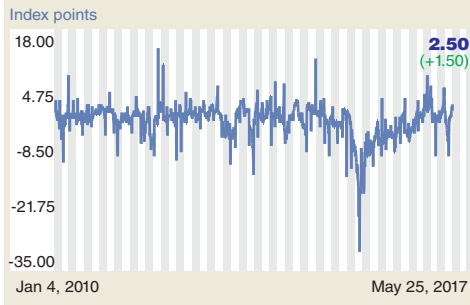
May 2017 added one point to 1,776; June 2017 rose 2.5 points to 1,778.5; September 2017 edged up 0.5 of-a-point to 1,773.5; and December 2017 gained 1.5 points to 1,772.5.

Turnover surged to 18,574 lots from 6,372 lots recorded on Wednesday, while open interest widened to 62,558 contracts from 42,866 contracts.

Southeast Asian stock markets, except Vietnam, closed higher yesterday tracking gains in the broader Asia region after the US Federal Reserve signalled a cautious approach to future rate increases.

Singapore shares rose for a third straight

Long Rolls - KLCI futures



FBM KLCI futures

INDEX AND FUTURES					
CONTRACT	LAST	CHANGE	VOLUME	OPEN INTEREST	CHANGE IN OPEN INTEREST
FBMKLCI	1,773.96	2.95	132.4M		
MAY 17	1,776.00	1.00	10,635	46,661	188
JUN 17	1,778.50	2.50	7,828	15,431	2,240
SEP 17	1,773.50	0.50	55	289	-11
DEC 17	1,772.50	1.50	56	177	-3
TOTAL			18,574	62,558	2,414

FUTURES ROLL OVER			
	BID	OFFER	CLOSE
MAY/JUN	3.0	2.0	2.5

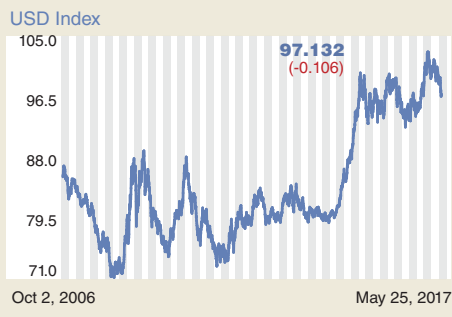
FUTURES FAIR VALUE				
CONTRACT	DAYS TO EXPIRY	KLIBOR	DIVIDEND	FAIR VALUE
MAY 17	7	0.93	2.17	-1.24
JUN 17	37	5.55	5.53	0.02
ROLL'S FAIR				1.27



session before ending flat, while the Philippines index finished 0.4% higher, boosted by telecoms and real estate stocks. — Agencies

Money market

US Dollar



US dollar on the defensive after Fed minutes

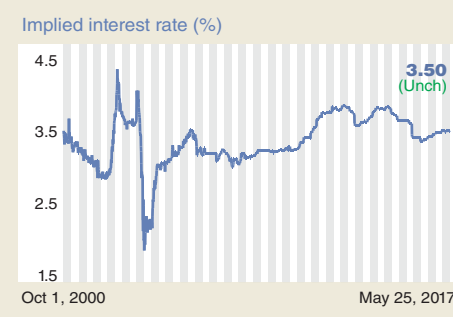
The US dollar was on the defensive yesterday after the US Federal Reserve (Fed) dialled down on some of the more hawkish policy expectations in the market, while the euro edged back up towards a 6½-month high.

Fed policymakers agreed they should hold off on raising interest rates until they see evidence that a recent economic slowdown was transitory, the minutes from their last policy meeting showed on Wednesday.

The minutes were seen to indicate heightened Fed caution towards interest rate hikes and took the wind out of an earlier bounce by the US dollar, which had been plagued recently by US political concerns centered on President Donald Trump.

The US dollar index against a basket of major currencies was down 0.3% at 97.132. — Reuters

Klibor



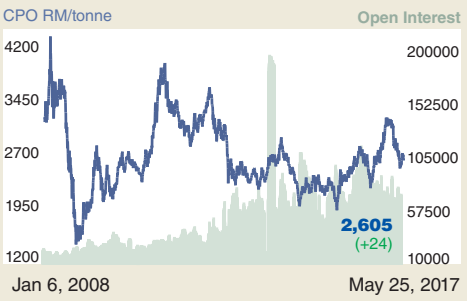
Klibor

MONTH	SETTLEMENT PRICE	CHANGE	VOLUME	OPEN INTEREST
JUN7	96.53	—	—	—
JUL7	96.51	—	—	—
AUG7	96.50	—	—	—
SEP7	96.49	—	—	—
DEC7	96.44	—	—	—
MAR8	96.44	—	—	—
JUN8	96.44	—	—	—
SEP8	96.44	—	—	—
DEC8	96.44	—	—	—
MAR9	96.44	—	—	—
JUN9	96.44	—	—	—
SEP9	96.44	—	—	—
DEC9	96.44	—	—	—
MAR0	96.44	—	—	—
JUN0	96.44	—	—	—
SEP0	96.44	—	—	—
DEC0	96.44	—	—	—
MAR1	96.44	—	—	—
JUN1	96.44	—	—	—
SEP1	96.44	—	—	—
DEC1	96.44	—	—	—
MAR2	96.44	—	—	—
TOTAL			0	0

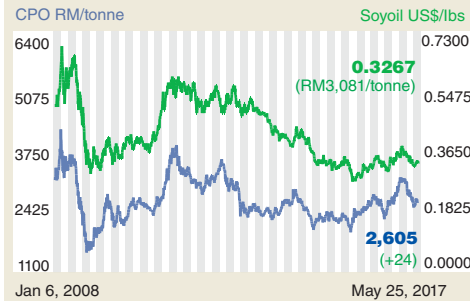
Commodities

CPO prices react to various factors including soyoil prices, weather conditions and stockpiles. Open interest shows either increasing or decreasing market participation.

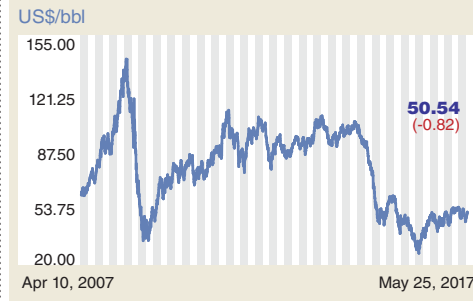
CPO & Open Interest



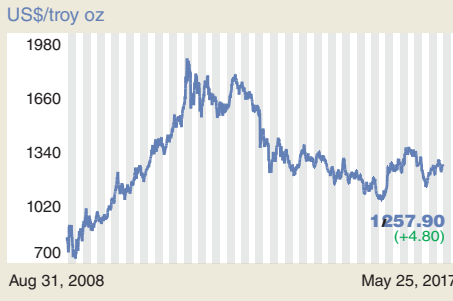
CPO vs Soyoil



Crude Oil



Gold



Palm rebounds from 3-week low on stronger export data

Malaysian palm oil futures moved off three-week lows yesterday to trade about 1% higher for their first gain in three sessions after cargo surveyor data showed stronger export demand in May.

The benchmark palm oil contract for August delivery on Bursa Malaysia Derivatives was up 1% or RM24 at RM2,605 a tonne by the close, having touched its lowest since May 5 at RM2,566.

However, it has shed more than 1% so far this week, heading for its sharpest weekly drop since mid-April.

Traded volumes stood at 38,576 lots of 25 tonnes each yesterday evening.

“Palm oil prices were supported by stronger export data,” a trader said, adding that forecasts of slowing production growth were another price-supporting factor.

Cargo surveyor Intertek Testing Services said that May 1 to May 25 palm oil shipments from Malaysia, the world’s second-largest producer, rose 16.2% compared with the same period last month, supported by stronger demand from India.

Another cargo surveyor, Societe Generale de Surveillance, reported a 12.9% gain for the same period.

Traders forecast rising demand for the full month of May, when major palm oil consumers such as India, Pakistan and the Middle East ramp up consumption ahead of Ramadan. — Reuters

CPO futures

CONTRACT	LAST	CHANGE	VOLUME	OPEN INTEREST	CHANGE IN OPEN INTEREST
JUN-17	2,874	13	315	7,239	-196
JUL-17	2,720	21	3,372	24,086	-1,766
AUG-17	2,605	24	20,006	65,855	-178
SEP-17	2,528	18	5,976	43,723	381
OCT-17	2,494	9	3,152	12,140	-391

CPO FUTURES INDICATIVE ROLL-OVER		CPO/SOYOIL FUTURES BASIS (USD)	
JUN/JUL	154	CURRENT	-74.29
JUN/AUG	269	3 MONTHS AVERAGE	-96.51
JUN/SEP	346	6 MONTHS AVERAGE	-90.50
JUL/AUG	115		

SGS & ITS EXPORT ESTIMATES (TONNES)				
SHIPMENT DAYS	MAR'17	APR'17	MAY'17	
1 - 10TH DAYS	250/254	312/307	359/347	
1 - 15TH DAYS	507/492	573/567	613/618	
1 - 20TH DAYS	686/711	719/705	853/847	
1 - 25TH DAYS	903/907	891/866	1,007/1,007	
FULL MONTH	1,089/1,076	1,135/1,126	—/—	

MALAYSIAN PALM OIL BOARD				
	JAN'17	FEB'16	MAR'17	APR'17
PRODUCTION	1,277	1,258	1,464	1,548
EXPORT	1,282	1,107	1,554	1,283
STOCKS	1,540	1,459	1,266	1,600

MPOB Palm oil physical

(IN RM/TON)	MAY'17	JUN'17	JUL'17
CPO DELD	2,835.00	2,800.00	NO TRADE
PK EX-MILL	2,243.50	NO TRADE	NO TRADE
CPKO DELD	4,835.50	4,823.50	NO TRADE
RBD P.OIL FOB	NO TRADE	NO TRADE	NO TRADE
RBD P.OLEIN FOB	NO TRADE	NO TRADE	NO TRADE
RBD P. STEARIN FOB	NO TRADE	NO TRADE	NO TRADE

MPOB FFB REF PRICE (MILL GATE PRICE)				
REGION	GRADE A OER (RM/TON)	GRADE B OER(RM/TON)	GRADE C OER (RM/TON)	
NORTH	20.00% 612	19.00% 585	18.00% 557	
SOUTH	20.00% 625	19.00% 596	18.00% 568	
CENTRAL	20.00% 614	19.00% 586	18.00% 558	
EAST COAST	20.00% 613	19.00% 586	18.00% 558	
SABAH	22.00% 600	21.00% 574	20.00% 549	
SARAWAK	22.00% 608	21.00% 582	20.00% 556	

Oil falls as Opec prepares to extend output cuts

Oil prices fell yesterday as Opec ministers met to decide how long to extend oil production cuts in an attempt to drain a global glut that has depressed markets for almost three years.

One Opec delegate at the meeting in Vienna said the group of 14 oil producers had agreed to extend cuts in production by nine months to March 2018.

Brent crude oil dropped as much as US\$1.24 a barrel to a low of US\$52.72 before regaining some ground to trade 72 US cents lower at US\$53.24. US light crude oil was 82 US cents lower at US\$50.54.

Both benchmarks were still up about 15% from May lows.

The Opec and other producers, including Russia, had been widely expected to agree to extend a cut in oil supplies of 1.8 million barrels per day until the end of the first quarter of 2018. — Reuters

Centrifuged Latex



Commodities

AGRICULTURE	UNIT	EXCHANGE	LAST PRICE	CHANGE
CRUDE PALM OIL	RM/TON	MDEX	2,605	24
RUBBER	SEN/KG	MRB	631.00	-13.00
CORN	USC/BSH	CBOT	372.50	1.25
SOYBEANS	USC/BSH	CBOT	950.50	2.25
WHEAT	USC/BSH	CBOT	433.75	1.25
LIVE CATTLE	USC/IBS	CME	119.93	-1.4 0
COCOA	US\$/TON	NYBOT	1,933	25
COFFEE	USC/IBS	NYBOT	131.15	0.20
SUGAR	USC/IBS	NYBOT	15.87	-0.07
COTTON	USC/IBS	NYC	73.02	-0.06

METAL & PRECIOUS METALS				
TIN	US\$/TON	KLTM	20,430	80
COPPER	USC/IBS	CMX	2,5805	-0.0030
GOLD	US\$/TROY OZ	CMX	1,257.90	4.80
PLATINUM	US\$/TROY OZ	NYMEX	953.30	6.00
PALLADIUM	US\$/TROY OZ	NYMEX	762.95	1.75
SILVER	USC/TROY OZ	CMX	17.15	0.07
ALUMINIUM	RMB/TON	SHF	22,260	-120
ZINC	RMB/TON	SHF	14,070	50

ENERGY				
LIGHT CRUDE OIL	US\$/BBL	NYMEX	50.54	-0.82
HEATING OIL	USC/GAL	NYMEX	1,6001	-0.0107
NATURAL GAS	US\$/MMBTU	NYMEX	3.302	0.002
BRENT CRUDE	US\$/BBL	ICE	53.24	-0.72
GAS OIL	US\$/TON	ICE	475.75	-4.50

Rubber - M'sia SMR 20

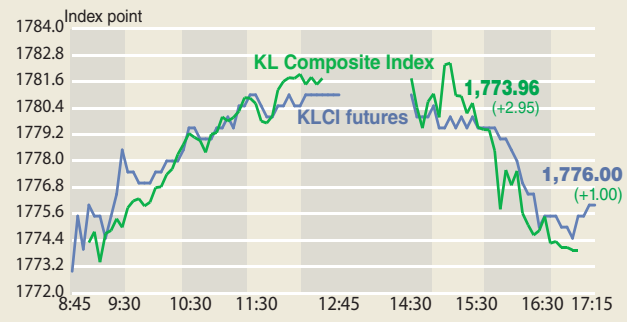


RESEARCH: TAI TS [tai@bizedge.com]; SUGUMARAN [sagu@bizedge.com]

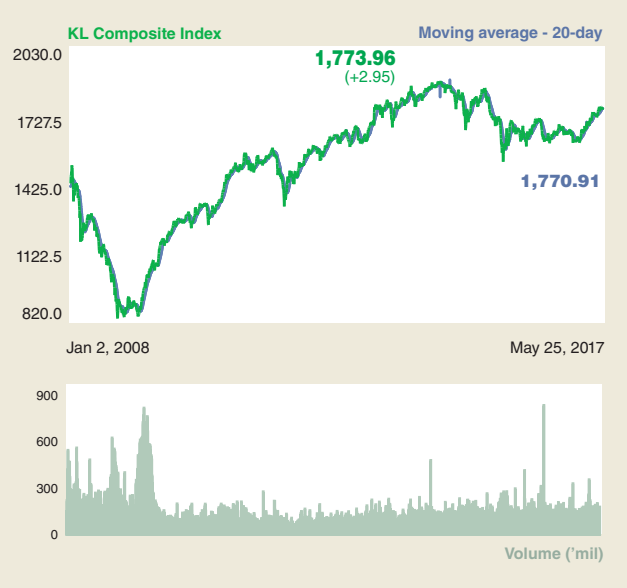
KLCI 1,773.96 ▲ 2.95 **FBM ACE 6,531.90 ▼ 23.82** **FTSTI 3,234.37 ▲ 3.13** **NIKKEI 19,813.13 ▲ 70.15** **HANG SENG 25,630.78 ▲ 202.28** **DOW JONES 21,012.42 ▲ 74.51**



FBM KLCI & KLCI futures intraday



Daily FBM KLCI



FBM KLCI futures

CONTRACT	SETTLEMENT	CHANGE	HIGH	LOW
MAY 17	1,776.00	1.00	1,781.50	1,773.00
JUN 17	1,778.50	2.50	1,783.00	1,774.50
SEP 17	1,773.50	0.50	1,779.00	1,773.00

FBM KLCI sensitivity*

	KLCI POINTS	CHANGE (RM)	CLOSE (RM)	VOLUME ('000)
CIMB GROUP	2.84	0.190	6.320	33316.5
GENTING MALAYSIA	2.45	0.250	6.200	9936.3
HONG LEONG FINANCE	0.83	0.440	16.700	229.6
HAP SENG CONSOLIDATED	0.78	0.190	9.140	807.3
MAYBANK	0.51	0.030	9.390	38056.4
GENTING	0.44	0.070	9.990	4547.3
IOI CORPORATION	0.43	0.040	4.570	1498.4
WESTPORTS HOLDINGS	-0.17	-0.030	3.720	1971.9
K.LUMPUR KEPONG	-0.18	-0.100	24.700	1006.4
YTL CORPORATION	-0.18	-0.010	1.510	2388.6
PETRONAS DAGANG	-0.20	-0.120	24.260	720.3
SIME DARBY	-0.22	-0.020	9.300	10877.3
IHH HEALTHCARE	-0.27	-0.020	5.710	7300.6
TELEKOM MALAYSIA	-0.31	-0.050	6.400	6773.2
PETRONAS CHEMICAL	-0.53	-0.040	7.390	6776.2
AXIATA GROUP	-3.41	-0.230	4.980	8695.5
SUB-TOTAL	2.82			
OTHERS	0.13			
GRAND TOTAL	2.95			

* How stock price changes affected the index on the previous trading day

That brain of mine is something more than merely mortal, as time will show. — Ada Lovelace

UNUSUAL MARKET ACTIVITIES

STOCK	VOLUME ('000)	CHANGE (%)	CHANGE (RM)	CLOSE (RM)	HIGH (RM)	LOW (RM)
PUC	69,826	3.33	0.005	0.155	0.160	0.145
INSAS-WB	49,629	19.05	0.060	0.375	0.390	0.340
PUC-WB	45,814	11.11	0.010	0.100	0.105	0.090
AIRASIAC54	44,460	23.53	0.020	0.105	0.115	0.080
INSAS	39,034	7.03	0.065	0.990	1.020	0.960
DRBHCOMC33	36,535	3.57	0.005	0.145	0.190	0.145
PUC-WA	16,926	5.26	0.005	0.100	0.105	0.090
HWGB	16,097	-7.69	-0.005	0.060	0.060	0.055
PDZ	11,654	0.00	0.000	0.060	0.060	0.055
PUC-LA	11,166	11.11	0.010	0.100	0.100	0.090
HSI-H99	9,327	-13.10	-0.055	0.365	0.395	0.360
HWGB-WD	8,429	0.00	0.000	0.030	0.030	0.025
ASB	8,283	-8.11	-0.015	0.170	0.180	0.165
TIGER-WB	8,149	0.00	0.000	0.015	0.015	0.015
DAYANG	8,086	0.91	0.010	1.110	1.120	1.000
TDM	7,733	1.47	0.010	0.690	0.705	0.675

Table above is from Reuters Volume break 3x 5-day average volume, meaning the total number of shares traded for a particular counter on the previous trading day is more than triple the average volume for the last 5 trading days. The table captures the build-up of interest in these companies and is thus a gauge of market expectations for these counters.

FBM KLCI rises with Asian markets on US Fed cue

KUALA LUMPUR: The FBM KLCI rose 2.95 points or 0.2% to 1,773.96 points with Asian shares after the overnight uptick in US equities. World shares rose after the US Federal Reserve (Fed) indicated it may postpone interest rate hikes until policymakers get a clearer picture on the economy.

Slower US interest rate hikes bode well for Asian markets like Malaysia in anticipation of foreign demand for Asian assets, which yield higher returns.

At Bursa, the FBM KLCI pared gains at 5pm after reaching its intraday high at 1,782.54 points.

Etiqa Insurance & Takaful research head Chris Eng said the FBM KLCI pared gains due to spillover effects from the selldown in European stock markets.

"The (Malaysian share market) selldown is not really localised; it coincides with the selldown in European markets, at around 3.55pm today (yesterday)," Eng said.

Reuters reported that European shares opened higher, but quickly dipped into negative territory. The pan-European STOXX 600 Index was last down 0.3%, led lower by resources companies after a 4% drop in iron ore on China's Dalian Commodity Exchange.

Eng told theedgemarkets.com that investor sentiment might have been subdued by the sudden selldown in European markets, prompting more selling later in the day despite an overall encouraging financial results by companies, such as index-linked Malayan Banking Bhd.

— by Adam Aziz

World equity indices

	CLOSE	CHANGE		CLOSE	CHANGE
DOW JONES	21,012.42	74.51	INDONESIA	5,703.43	-27.18
S&P 500	2,404.39	5.97	JAPAN	19,813.13	70.15
NASDAQ 100	5,730.30	26.96	KOREA	2,342.93	25.59
FTSE 100	7,514.90	29.61	PHILIPPINES	7,871.65	33.83
AUSTRALIA	5,789.63	20.65	SINGAPORE	3,234.37	3.13
CHINA	3,107.83	43.76	TAIWAN	10,108.49	64.07
HONG KONG	25,630.78	202.28	THAILAND	1,569.41	3.26
INDIA	30,750.03	448.39	VIETNAM	741.91	-0.83

Market movers

Daily top 20 active stocks

	TURNOVER ('000)	CHANGE (RM)	CHANGE (%)	PRICE (RM)	PE RATIO	DIVIDEND YIELD (%)
AAX	174,238.4	-0.025	-5.56	0.425	45.92	0.00
INTA	126,423.2	0.055	22.00	0.305	—	0.00
DRBHCOM	70,695.1	0.040	2.38	1.720	—	1.19
PUC	69,826.3	0.005	3.33	0.155	55.56	0.00
BORNOIL	65,427.0	0.005	4.00	0.130	11.90	0.00
ASIABIO	50,761.6	UNCH	UNCH	0.060	—	0.00
INSAS-WB	49,629.2	0.060	19.05	0.375	—	0.00
PUC-WB	45,814.3	0.010	11.11	0.100	—	0.00
AIRASIAC54	44,459.9	0.020	23.53	0.105	—	0.00
DNEX	43,492.7	0.010	1.69	0.600	4.18	0.85
AIRASIA	39,812.7	0.190	6.46	3.130	3.99	4.08
INSAS	39,034.3	0.065	7.03	0.990	3.36	1.08
MAYBANK	38,056.4	0.030	0.32	9.390	13.85	5.56
DRBHCOMC33	36,535.4	0.005	3.57	0.145	—	0.00
DNEX-WD	34,844.6	0.005	1.61	0.315	—	0.00
CIMB	33,316.5	0.190	3.10	6.320	14.96	3.26
AAX-WA	27,691.7	-0.005	-2.13	0.230	—	0.00
GLOTEC	27,165.0	UNCH	UNCH	0.060	—	0.00
AAX-C1	27,023.9	-0.010	-16.67	0.050	—	0.00
NETX	26,209.1	-0.010	-13.33	0.065	—	0.00

Top gainers and losers (ranked by RM)

▲ UP	CLOSE	CHANGE (RM)	▼ DOWN	CLOSE	CHANGE (RM)
DIN045801028	101.500	1.200	DLADY	58.000	-0.400
HENGYUAN	5.800	0.490	DKSH	4.920	-0.290
HLFG	16.700	0.440	AXIATA	4.980	-0.230
BAT	45.340	0.340	DIN042300721	101.000	-0.200
KESM	13.640	0.260	AIRPORT	8.600	-0.160
WINGTM	1.780	0.250	HSI-H2L	1.200	-0.150
GENM	6.200	0.250	MPI	12.860	-0.140
HSI-C1C	1.120	0.245	EITA	1.940	-0.130
UTDPLT	28.300	0.200	PETDAG	24.260	-0.120
LAFMSIA	5.300	0.200	LEWEKO	0.305	-0.120
CIMB	6.320	0.190	HLIND	9.950	-0.110
HAPSENG	9.140	0.190	POS-C6	0.320	-0.110

Top gainers and losers (ranked by percentage)

▲ UP	CLOSE	CHANGE (%)	▼ DOWN	CLOSE	CHANGE (%)
AIRASIAC45	0.085	142.86	AAX-C4	0.095	-40.62
AIRASIAC41	0.035	133.33	FBMKLCI-H2T	0.015	-40.00
KAREX-CR	0.015	50.00	TUNEPRO-CI	0.010	-33.33
CIMB-C17	0.395	46.30	WPRTS-CQ	0.010	-33.33
GENM-C19	0.295	34.09	MAHSING-C7	0.010	-33.33
AIRASIAC48	0.120	33.33	LEWEKO-WB	0.200	-31.03
AIRASIAC46	0.200	29.03	AAX-CY	0.035	-30.00
HSI-C1C	1.120	28.00	LEWEKO	0.305	-28.24
AIRASIAC51	0.260	26.83	HSI-H93	0.110	-26.67
SUNCON-CI	0.240	26.32	POS-C6	0.320	-25.58
AIRASIAC52	0.150	25.00	ARMADA-C22	0.015	-25.00
EKA-WA	0.025	25.00	UMWOG-C17	0.060	-25.00

Top gainers and losers - warrants (ranked by percentage)

▲ UP	CLOSE	CHANGE (%)	▼ DOWN	CLOSE	CHANGE (%)
AIRASIAC45	0.085	142.86	AAX-C4	0.095	-40.62
AIRASIAC41	0.035	133.33	FBMKLCI-H2T	0.015	-40.00
KAREX-CR	0.015	50.00	TUNEPRO-CI	0.010	-33.33
CIMB-C17	0.395	46.30	WPRTS-CQ	0.010	-33.33
GENM-C19	0.295	34.09	MAHSING-C7	0.010	-33.33
AIRASIAC48	0.120	33.33	LEWEKO-WB	0.200	-31.03
AIRASIAC46	0.200	29.03	AAX-CY	0.035	-30.00
HSI-C1C	1.120	28.00	LEWEKO	0.305	-28.24
AIRASIAC51	0.260	26.83	HSI-H93	0.110	-26.67
SUNCON-CI	0.240	26.32	POS-C6	0.320	-25.58
EKA-WA	0.025	25.00	ARMADA-C22	0.015	-25.00
AIRASIAC52	0.150	25.00	UMWOG-C17	0.060	-25.00
			WCT-C1	0.090	-25.00

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DUTAMAS



TEP3 FEATURE
Time for Dutamas to get out of Mont'Kiara's shadow



TEP6 FEATURE
Turning deficit to surplus

TEP7 FEATURE
Happy even though you're old



UNUSUAL 'MULTI-UNIT' HOMES

Looking for a single property to fit your family and your children's families? There are some rare residential properties that may meet your needs. See Pages 4 and 5.



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28 Dutamas units to be handed over next month

BTHomestead Development Sdn Bhd celebrated the completion of its 28 Dutamas condominium project in KL last weekend. Already 80% sold, the developer targets to achieve a 90% take-up rate in the next few months.

Located on a 3.125-acre freehold site along Jalan Dutamas Raya, the condominium was open for sales in 2014. It has a GDV of RM210 million and is expected to be handed over next month.

The development consists of two 23-storey blocks with 250 units. The built-ups for the normal units range from 1,253 sq ft to 1,719 sq ft, while the sizes of the penthouses range from 1,855 sq ft and 2,590 sq ft. Prices range from RM688,000 to RM1.6 million.

"Hopefully we can reach 90% take-up rate in the next two to three months. We are taking a conservative approach because of the financing issues faced by buyers, although we have received very good response," BTHomestead Development director and general manager G B Tan said.

UMLand to launch Opal 2 cluster and semi-dee homes in Bandar Seri Alam in August

United Malayan Land Bhd (UMLand) is looking to launch Opal 2 in its Bandar Seri Alam township in Pasir Gudang, Johor in August. It has a GDV of about RM66.42 million.

According to Seri Alam Properties Sdn Bhd executive director Freddie Lee, the 6.45-acre freehold project



Tower B of Quarza Residence at KL East to be launched early 2018

Sime Darby Property is planning to launch the second tower of Quarza Residence at its KL East integrated development early next year.

Sime Darby Property's KL East head of township Mohd Shahreza Maswan told TheEdgeProperty.com that there will be a total of 254 serviced apartment units with three unit sizes — 650 sq ft, 850 sq ft and 865 sq ft. Indicative prices are from RM900 psf. The gross development value (GDV) of Tower B is estimated at RM200 million.

"We are targeting young families. We are also looking at investors. Some of our facilities include a futsal court, a multipurpose hall, a 50m wading pool and a roof-top garden," said Shahreza after a media tour of KL East on May 23.

KL East is a 153-acre fully integrated residential,



lifestyle and commercial enclave in the eastern part of Kuala Lumpur. KL East stands out in the area with its grand backdrop of the world's longest quartz ridge.

Tower A of Quarza Residence was launched in May last year and is 60% taken up. Both Tower A and Tower B are scheduled for completion by end-2019.

will comprise 82 double-storey cluster and semi-detached homes. Seri Alam Properties is a subsidiary of UMLand.

The cluster homes in Opal 2 will have built-ups starting from 2,228 sq ft on land sizes of 32 ft x 70 ft and 36 ft x 70 ft. The semi-dee units are on a land size of 32 ft x 80 ft each. Prices start from RM788,000. "We are targeting upgraders who are currently living in double-storey terraced homes and apartments, young couples, families with children, investors, lecturers and doctors [who are working in Bandar Seri Alam]," he told TheEdgeProperty.com.

The project is the second phase of the Opal Residenz. In the first phase known as The Opal, there were 84 double-storey cluster homes and eight semi-dee homes. All non-bumiputera lots have been sold.

UOA to launch three new projects with combined GDV of RM700 mil

Property developer UOA Development Bhd will be launching three new pro-

jects in the Klang Valley in the second half of this year with a total GDV of about RM700 million, according to the group's senior manager Yap Kang Beng. One of the projects, he said, will be UOA's first venture into the affordable housing segment. The project will be located in Selayang, Yap told reporters after UOA's annual general meeting on May 22.

"The GDV for the affordable housing project will be between RM90 million and RM100 million, so it will be a smaller project," Yap said, adding that the units will cost below RM500,000 each.

"We are also developing a commercial centre in Taman Desa consisting of two office tower blocks called the Desa Commercial Centre," he said. The GDV for the project will be about RM300 million.

The third project will be in Bandar Tun Razak, which will also have a GDV of RM300 million.

IOI Properties' 3Q net profit down 54.8% due to buyer's stamp duty in Singapore

IOI Properties Group Bhd saw its net profit fall 54.8% to RM121.14 million in the third financial quarter ended March 31, 2017 (3QFY2017) from RM267.96 million a year ago, mainly due to a one-off additional buyer's stamp duty (ABSD) with interest of RM163.9 million incurred for the Triling project in Singapore during the current quarter under review.

Stripping out the ABSD and the fair value gain on investment properties of RM7.4 million, the group's operating profit was RM125 million — 58% higher than 3QFY2016. Quarterly revenue for 3QFY2017 grew 39.2% y-o-y to RM895.82 million from RM643.55 million, derived from its three main business segments of property development, property investment, and leisure and hospitality.

In a filing with Bursa Malaysia on March 23, the developer said the property development segment recorded a 44% y-o-y increase in revenue to RM777.2 million in 3QFY2017, while operating profit fell 46% to RM132.1 million, mainly due to the ABSD.



LAUNCHES + EVENTS



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PRIMA open house

Date: May 27 and 28 (Sat and Sun)
Time: 9am to 4pm
Venue: PRIMA Sales Gallery, Ground Floor, Block F, No 2, Jalan PJU 1A/7A, Oasis Square, Ara Damansara, Petaling Jaya, Selangor
Contact: (03) 7962 4374
Perbadanan PRIMA Malaysia invites all to its open house, showcasing two PRIMA projects — PRIMA @ Alam Damai and PRIMA @ Bandar Bukit Mahkota. Interested buyers are encouraged to bring along personal and bank documents for application and pre-verification.

Sejati Residences and Greenwood roadshow

Date: May 22 to June 4 (Mon to Sun)

Time: 10am to 10pm
Venue: D'Pulze Shopping Centre, Persiaran Multimedia, Cyberjaya, Selangor
Contact: (03) 5123 6022
Paramount Property is showcasing Sejati Residences and Greenwood for two weeks in Cyberjaya. Sejati Residences comprises semi-dees and superlink homes located in Cyberjaya, while Greenwood is a township offering high-rise and landed homes, shophouses, commercial and green spaces located in Salak Perdana, Sepang.

Mutiara Residence Parents' Day celebration

Date: May 28 (Sun)
Time: 10am to 4pm
Venue: Mutiara Residence, Klang, Selangor (GPS Coordinates:

3.081319, 101.444539)
Contact: 1300 22 9898
Titijaya Land Bhd welcomes all to join in a Parent's Day celebration at its project Mutiara Residence, a superlink homes project in Meru, Klang. With the purchase of RM1 coupons, you will get to enjoy carnival games. There will also be a family cooking class, delicious food and more. All proceeds will be donated to Love & Care to provide meals for the needy. Admission is free.



Opening of The Clio Residences show unit

Date: May 27 and 28 (Sat and Sun)
Time: 10am to 5pm
Venue: IOI Galleria @ IOI Resort City, Putrajaya, Selangor
Contact: (03) 8947 8899
The show unit of The Clio Residences by IOI Properties Group Bhd will be open for public viewing this weekend. The freehold serviced apartment project is located 900m away from IOI City Mall, Putrajaya. RSVP for viewing is encouraged.



Time for Dutamas to get out of Mont'Kiara's shadow

BY SHAWN NG

KUALA LUMPUR: It is time more investors recognise the potential of the Dutamas area in Kuala Lumpur. The area, which is often overshadowed by its more popular neighbour Mont'Kiara, has in fact seen its non-landed residential properties perform better than Mont'Kiara in recent times, according to TheEdgeProperty.com's analysis of transaction data in these areas.

"Dutamas has always been like a little sister of Mont'Kiara, but now is the time for the little sister to grow up and make itself known

to everyone," said TheEdgeProperty.com research manager Aisyah Che Mahzan in her talk on the topic "How is the Mont'Kiara-Dutamas property market faring?" at an event to celebrate the completion of BTHomestead Group's 28 Dutamas project on May 21.

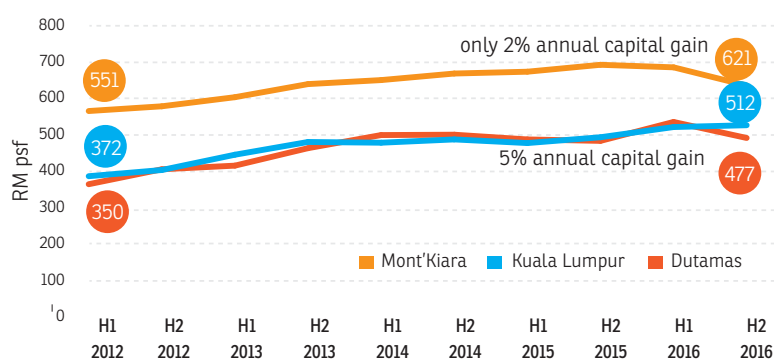
She pointed out that non-landed residential properties in Dutamas have been delivering better capital gains compared to Mont'Kiara in the period from 2012 to 2016.

The average transaction price psf of the non-landed residential properties in Dutamas has been trending upward from 2012 to 2016. It stood at RM477 psf in

SOURCE: TheEdgeProperty.com

Dutamas price growth in tandem with KL price growth

Average transaction price per sq ft (2012 - 2016)



Aisyah shares insights on Dutamas at the event on May 21.



2H2016, which was 36.29% higher than RM350 psf in 1H2012. In comparison, similar properties in Mont'Kiara have an average transaction price of RM621 psf as of 2H2016.

The non-landed housing market in Dutamas offers an attractive entry price at an average RM477 psf, she said. In addition, she noted that prices of these properties have increased an average of 5% per year in the past five years, higher than the 2% average annual capital gain in Mont'Kiara. "So Dutamas is actually doing better than Mont'Kiara," she said.

Furthermore, the non-landed residential properties in Dutamas are able to offer an average indicative rental yield of 7.5% in 2H2016, which is higher than 5.8% in Mont'Kiara and 7% in the entire KL.

The number of transactions, however, was only 155 in 2016, much lower than the volume re-

corded in the previous years — 331 in 2012, 343 in 2013, 292 in 2014 and 225 in 2015. This is due to the economic downturn and cautious approach by developers and consumers, she said.

Aisyah noted that Dutamas shares the same perks as Mont'Kiara including its strategic location, medium to high-end community and mature neighbourhood.

Dutamas is close to many amenities and it is easy for residents in the area to travel in and out of KL. The area is connected to major roads and highways such as the North-South Expressway, Penchala Link, Dutta-Ulu Klang Expressway (DUKE), Jalan Kuching, Jalan Tuanku Abdul Halim and SPRINT Highway.

The amenities within 2km radius of the area include 16 schools, such as Garden International School, Mont'Kiara International School, Lycee Français de Kuala Lumpur, Taylor's College and SJK (C) Kai Chee.

"There are four malls in the vi-

city — Publika Shopping Gallery, 1 Mont'Kiara, Plaza Mont'Kiara and Plaza Damas (Hartamas Shopping Centre), as well as two transport hubs, namely the Segambut KTM station and Hentian Duta Bus Terminal. There are also many clinics and a hospital in the area.

"Dutamas and Mont'Kiara share the same perks, but you do not have to spend the amount of money that you would have to spend in Mont'Kiara [due to the lower entry cost]," she added.

Looking ahead, there will be more amenities and infrastructure projects that are poised to enhance the liveability and growth of the Mont'Kiara-Dutamas area including the Malaysia International Trade and Exhibition Centre, the five-acre Metropolis Park, World International School, two retail malls and the proposed MRT Line 3 station in KL Metropolis, as well as a proposed direct link to DUKE and the New Klang Valley Expressway.

Matrix Concepts on track with RM1 bil sales target for FY2018

BY LUM KA KAY

KUALA LUMPUR: Matrix Concepts Holdings Bhd is on track to achieve its sales target of RM1 billion for its 2018 financial year ending March 31.

"We target sales of RM1 billion this year, meaning that each quarter we have to achieve an average of RM250 million sales. But as of last week, we have touched close to RM450 million before the end of the first quarter," said its group managing director and CEO Datuk Lee Tian Hock.

"And I'm very confident that by the end of this month, we would have achieved our target for the first two quarters [of our financial year]," said Lee.

"This year, we have lined up about RM1.5 billion worth of launches. So I think even though we have set a sales target of RM1 billion, it is not beyond our reach to achieve RM1.2 billion sales instead," he told reporters after a signing ceremony between Matrix Concepts and Maybank Investment Bank Bhd (Maybank IB) yesterday.

Matrix Concepts signed the agreement in relation to the establishment of Islamic Commercial Papers and/or Islamic Medium Term Notes (sukuk) programme with a combined programme limit of up to RM250 million in nominal value.

The inaugural sukuk offering is expected to be launched with the first issuance taking place as early as June this year. Proceeds raised may be used for shariah-compliant purposes comprising, among others, the financing of Matrix Concepts future investments, working capital requirements, capital expenditure and other general corporate purposes.

"This is a very momentous occasion because it is the first time we are entering the debt market since our listing in 2013. This sukuk programme will definitely create a war-chest for us to move forward in terms of landbanking.

"There has been a lot of uncertainty in the market but we are confident in our operations. This is a very positive development



(From left) Matrix Concepts director Datuk Logendran K. Narayanasamy, deputy group managing director and chief operating officer Ho Kong Soon, Lee, Mohamad Haslah, Maybank IB chief executive officer Datuk John Chong, Maybank IB managing director for client coverage Kevin Davies, Maybank IB regional head of debt for capital markets Michael Oh-Lau and Maybank IB regional head for investment banking and advisory on debt markets Caroline Teoh.

in terms of the financing structure for Matrix Concepts," said its chairman Datuk Mohamad Haslah Mohamad Amin.

"Our market capitalisation when

we went public in 2013 was about RM600 million, and as of today, the figure has grown to RM1.5 billion," he added.

Mohamad Haslah expected

growth to continue up to at least 2020. Matrix Concept's landbank stands at about 2,000 acres across Malaysia.

The developer is planning to launch residential projects in the Klang Valley in the near future, depending on the market situation.

"We have 100% take-up rate in a few hours for our property launches in Seremban. It's a question of buyers wanting value, so it's how we create our product. There's always demand for housing," said Mohamad Haslah.

Lee concurred, saying the demand for housing is always there, depending on the location and affordability.

"We are always delivering affordable homes, which are not short on demand. We are very confident with our landed properties because we know that our products are within the affordable range," Lee said.

As of last week, the developer's total unbilled sales stands at RM1.1 billion.



Homes within a home

BY TAN AI LENG



Yes, residential units seem to be getting smaller, reflecting the shrinking size of the family unit. But if you think the family should stay together even after your children are married and have their own families, you may be looking for a sizeable property that offers enough space for each extended family to set up their own home within the home.

TheEdgeProperty.com found a handful of listings on the portal that could be right up your alley as the properties listed offer several “units” within the property with single ownership. These properties could also be suitable for an investor looking to rent out the extra space.

Although rare, among such “en-bloc sales” in Kuala Lumpur was the Cempenai Parc Residence in up-market Damansara Heights, which was concluded in 2011 with a price tag of RM23 million.

Other similar sales in the past include the Chek Tan Terrace Condominium in Datuk Keramat, which was sold in 2009 at RM22.5 million and Villa Putra Putri in Taman U-Thant with a land area of 220,000 sq ft, which fetched RM30 million.

These type of properties usually have large built-ups and larger-than-usual land sizes for a single residential landed property. Hence, if the building is considerably old and located in a prime area, the land value precedes the building itself and could be ideal for redevelopment.

Laurelcap Sdn Bhd’s director Stanley Toh tells TheEdgeProperty.com that when a building has reached the end of its economic lifespan, what the buyers pay for is mainly the land portion. The buyers, usually property developers or investors, often eye the potential value of the land more than the building on it.

“As the density of an area grows, the development planning will also need to change. In addition, when a building has reached its economic life span, redevelopment can take place,” he says.

Maxland Real Estate Agency

senior negotiator Frankie Tham says it is a natural progression for property developers to purchase land with existing buildings to be redeveloped due to land scarcity. (see sidebar) “If developers wish to build in prime city locations, where raw vacant land is scarce, acquiring old properties sited on large tracts of land would be viable options for them,” he adds.

Besides property developers, other property investors may also acquire the property to tap on future value appreciation of the prime site. These unique properties that offer multi-“units” within a unit may also appeal to entrepreneurs or small business operators who could refurbish the property for businesses such as cafes, showrooms or boutique hotels.

Available for sale

Among such residential properties that mimic stratified properties was one listed for sale on TheEdgeProperty.com and sold recently. The 3-storey building known as Bekay Court is located on a 65,046 sq ft site at Lorong Enau, KL. It has been on the market since 2015. According to a real estate agent, the more-than 20-year-old property owned by an individual comprises 27 walk-up “apartment” units. It was sold to an investor from China early this year for RM43 million.

Currently still available for sale is another property with eight units located in Ampang Hilir on a land area of 18,000 sq ft that is asking for RM20 million.

Another listing featured is a 7-unit apartment-like property located near KL city centre, which is asking for RM18 million. The owner had initially built the property with the intention of having all his children stay with their parents but his children ended up deciding to stay elsewhere.

The “apartment” comes with European imported fittings. According to agent L K Ong from Reapfield Properties Sdn Bhd, the bank valuation for this apartment is just slightly below the asking price.

He says the property has the potential to be turned into offices or a nursing home. However, the



Some developers are looking at acquiring old properties to redevelop due to land scarcity. — Tham



When the property has reached the end of its economic lifespan, redevelopment will take place. — Toh

potential seems to have escaped many as he has not received many enquiries on it.

If you prefer bungalows or landed properties, real estate agent Yvonne Chong from Tech Realtors Properties Sdn Bhd says she is currently selling a “6-linked bungalows in one” residential property located in Bukit Tunku or Kenny Hills. She says the owner had also originally planned to have all his children stay in the linked bungalows but realised later that his children had different plans.

“These are brand new bungalows designed in Balinese style. Things just did not turn out as planned so

Opportunity in redevelopment

Maxland Real Estate Agency senior negotiator Frankie Tham notes numerous established and ongoing projects by property developers and investors (local and foreign) on prime land in Kuala Lumpur’s Golden Triangle resulted from acquisitions of land with existing old buildings on them.

One example is The Intermark mixed commercial development which was formerly the Empire office tower, City Square shopping mall, Crown Princess Hotel and Plaza Ampang.

Some school land has also been acquired and turned into luxury residential developments, such as St Mary’s School land where the St Mary Residences by E&O Bhd (in joint venture with Lion Group) now stands.

“In Petaling Jaya, the older industrial areas have seen some new redevelopment projects. For instance, the former Jaya Supermarket shopping mall at Section 14 has been redeveloped as the new Jaya Shopping Centre and the industrial area of Section 13 has seen new commercial devel-

opments, such as Jaya One, Jaya 33, Plaza 33 and Centrestage PJ.

“Over at Damansara Jaya, there is the redevelopment of the old Atria shopping centre into a mixed commercial development with Atria Shopping Gallery and SoFo suites,” he adds.

There are some future developments worth taking note of including the Lai Meng School land located along Jalan Ampang, which was acquired by Magna Prima Bhd and has been approved for a mixed commercial development.

While some redevelop, others refurbish the property. One example was Wisma Shun Li in Old Klang Road in KL. The mixed development has been turned into high-end serviced apartments after Bukit Kiara Properties Sdn Bhd bought over the building and redeveloped it into VERVE Suites KL South.

“It all boils down to the pricing, as there must be room for the new owner to sell at a higher price, or to renovate the units and sell it at a profit,” says Tham.

the couple ended up putting the six-in-one bungalow on the market,” she explains. However, she points out that this is not a fire sale as the owner is in no hurry to cash out, but is looking for a suitable buyer who appreciates such an unusual property.

The linked bungalows are located on a 34,018 sq ft leasehold site with a total gross built-up area of 25,520 sq ft or 4,253 sq ft for each unit. The 6-linked bungalows now carry a price tag of RM25 million.

In Taman Seputeh, there is a three-storey residence designed like a four-unit apartment that can house four families. According to the agent who is handling the sale

of this property, the owner had faced a similar predicament as he had bought the old building, refurbished it and invited his family members to stay together but the plan did not materialise.

Waiting for suitable buyers

Although there are some good deals in the current market, Laurelcap’s Toh says there are no fire sales yet.

For buyers, Toh says they may want to consider the investment potential of such “multi-unit in one” properties for rental yield or the future capital appreciation of its land value.

SOURCE: TheEdgeProperty.com | GRAPHICS: NURUL AIDA MOHD NOOR

Things to consider before buying

- Pricing
- Location
- Building condition
- Planning permission
- Remaining tenure for leasehold
- Possible restrictions on refurbishments
- Cost of maintenance
- Potential rental yield

"Several-in-one" residential properties listed on TheEdgeProperty.com (as of end-April 2017)

Listings	Price (RM mil)	Location	Tenure	Total built-up (sq ft)
1. Six linked bungalows	23	Bukit Tunku, Kuala Lumpur	Leasehold	25,520
2. Money Tree Residences (11-unit "apartment")	23	Ukay Heights, Ampang Jaya	Freehold	20,000
3. One 7-unit "apartment"	18	Kuala Lumpur city centre	Freehold	26,888
4. One 4-unit "apartment"	8	Taman Seputeh, Kuala Lumpur	Freehold	12,000

What can they be used for?

- Hotel
- Office
- Show gallery
- Retail services
- Education institutions
- Entertainment hubs



Suitable for which buyer?

- Individual or corporate investors
- Property developers
- Private equity
- Pension funds
- REITS
- Business owners, such as hoteliers



LOW YEN YEING | TheEdgeProperty.com



Bekay Court was said to be sold to a buyer from China early this year.



Money Tree Residences, an 11-unit "apartment" property is now looking for buyers.

Nevertheless, he believes most buyers would redevelop the asset in order to churn some returns on their investment in a shorter term.

"For individuals with resources and who knows how to manage such properties, they could consider buying for rental returns."

Things to look out for

When buying such buildings especially when they are old, besides price and location, Toh advises one to also check the building condition, planning permission and the surrounding environment as well as future developments nearby.

Meanwhile, Maxland's Tham of-

fers other considerations such as the property type, the tenancy lease and rental yield if any, availability of car parks, tenure of the land and land title, the restrictions or by-laws and guidelines of the local authorities on renovations and redevelopment.

He stresses that buyers also need to gauge the cost of maintenance if they intend to repurpose the building.

"For developers, cost and redevelopment potential of the land, its feasibility to be redeveloped with higher plot ratio or conversion of land use or rezoning to achieve higher development values would be their main considerations," adds Tham.

JUST IN!

Panasonic introduces AERO series of air-cons



(From left) Panasonic Malaysia air-conditioner department head Jonathan Ang, Cheng, deputy managing director Hiroyuki Muto, and consumer marketing and customer service director Takaaki Uehara.

Panasonic Malaysia Sdn Bhd recently launched the AERO series of single-split wall-mounted air-conditioners. This follows the success of the SKY Series last year.

"After enhancing our presence in Malaysia as a leading air-conditioning specialist with the launch of SKY Series, we are introducing the new AERO series to further strengthen our position in the market. This new series will be equipped with up-to-date technologies to bring direct and indirect cooling comfort to the homes in Malaysia," said Panasonic Malaysia managing director Cheng Chee Chung at the launch event on May 3.

SKY Series features the revolutionary SKY-WING, a top flap that can better direct cool air towards the ceiling and cools the room without direct airflow (radiant cooling feature).

Inheriting the same DNA, the new AERO

series has the AEROWINGS with twin flaps enabling the delivery of cool air via both direct and indirect cooling.

When the AEROWINGS angles downward, the concentrated airflow cools down instantly at start-up. When it angles upwards, the cool air is spread out over a wider area, then "showers" down evenly across the room after reaching the set temperature (shower cooling).

The AERO series also sports a slimmer design than the 2016 models and uses the Nanoe-G Air Purification system, which is proven to remove particles as small as PM2.5.

"We will continuously innovate to meet consumers' increasing demand for highly efficient, good design and good value-for-money air-conditioners," added Cheng.

To find out more about these new air-conditioners and the latest promotions, visit <http://aircon.panasonic.com>.



Turning deficit to surplus

Poor collection of maintenance fees is one of the main headaches for most property managements. However, Endah Promenade Condominium's Management Corporation (MC) chairman Sr Siew Yee Hoong advocates: "I don't force you to pay. I motivate you to pay by creating value."

The condo development in Sri Petaling, Kuala Lumpur, comprising 386 residential units and 105 commercial units, did not start out in the black. The management was handed over to the Joint Management Body (JMB) in 2012 with a deficit of RM173,000. But within two years, Siew managed to raise maintenance fee collection to 99%. By 2016, the 30-storey development reported a surplus of RM30,000, all the while keeping the maintenance fee at RM0.21 psf.

Siew, who was also Endah Regal Condominium MC chairman from 2006 till 2016, had used his astute measures to earn Endah Regal the 13th place among the National Property Information Centre's list of Top 15 Condos in KL with rental yields of over 5% in 2015.

What makes it even more amazing is that the impressive performance was attained with a maintenance fee of just RM0.15 psf, having been increased only once from RM0.11 psf since its handover in 1998. Even at that

minimal rate, the 504-unit condo neighbouring Endah Promenade reported a surplus of RM300,000 last year!

"If you manage it well, the cost is not very high," Siew says.

Siew's financial acumen has been sharpened through his 30-year experience in the banking industry, where he served as a financial consultant in Asia, including India, China, Japan and South Korea. His last posting was in Hong Kong before he opted for early retirement at 48.

Asked on what motivates him to put in so much time and effort into this voluntary commitment, Siew asserts, "I need to protect the capital value of my investments. And to do that, you need very good property management."

In his pursuit of greater professionalism, Siew did a one-year self-study and sat for the Royal Institution of Surveyors Malaysia (RISM) Property Management and Valuation Services (PMVS)

exam in 2011. He subsequently became a member of the Royal Institution of Chartered Surveyors (RICS) UK and is now a qualified valuer and tutor who conducts regular classes for those who want to sit for the PMVS exam.

Siew is also a council member of Malaysian Institute of Professional Property Managers (MIPPM) and a committee member of the Majlis Perwakilan Penduduk Wilayah Persekutuan (MPPWP).

At 65 now, Siew acknowledges he has reached the level of self-actualisation where he seeks to serve society and contribute to community. He believes there are blessings in doing good. "Keeping active also prevents Alzheimer's," he quips.

Here, Siew shares some practical tips for property management:



If you manage it well, the cost is not very high. — Siew

1 Change the bulbs

In Endah Regal, electrical cost was reduced by changing 1,700 pieces of T8 lights to T5 lights. Monthly electricity bills dropped from RM21,000 to RM15,000. The crowning stroke was that the replacement required no upfront payment because he negotiated a unique agreement with the contractor, whereby the company would be paid RM2,400 per month for three years through the savings from the electricity bills. The agreement also covered free replacement of faulty bulbs within the three years.



within two days, with most of the loot recovered.

In another incident, a food delivery man who came back on his off-duty day to try to steal a pair of sports shoes priced more than RM1,000 was apprehended even before he managed to leave the building. With the CCTV closely monitored, there has been zero break-ins since.

4 Deal with defaulters one by one

In Endah Regal, Siew managed to raise maintenance fee collection to 100.2% from recovering arrears. A resident who owed RM130,000 was offered an instalment plan, through which he settled the full sum.

In another incident, he helped arrange a loan restructuring agreement for a widow with three children. The high capital appreciation enabled her to negotiate for a new mortgage which gave her enough cash to settle her outstanding charges of RM25,000. By then, the widow's children had grown up and started working, allowing them to service the loan.

In Endah Promenade, there were 15 major defaulters owing between RM80,000 to RM130,000, mostly of untenanted commercial lots. These defaulters have disregarded the need to pay maintenance fees because they had been granted a reduction of 21% from their purchase price which equalled three years of guaranteed rental returns promised by the developer.

Employing adroit communication skills, Siew met them one by one – negotiating, pacifying, talking reason and working out reasonable payment schedules. He also helped some of them arrange for the shop lots to be sold off and recovered the debts.

5 Rectify defects

Siew reveals he once managed a property with more than 200 defects. He and his committee worked diligently within the two-year defects liability period to ensure the developer completed the rectifications. "One of the key things is to have everything well-documented. There is no short-circuiting the process. Every defect must be



6 Investigate irregularities

Any change out of the ordinary that does not make sense must be investigated. In Endah Regal, on two separate occasions, Siew noticed a sudden jump in the common properties' water bill from RM500 to about RM2,000. Suspecting a leakage, he conducted relentless checks together with the M&E staff until they eventually discovered a punctured underground pipe.

Subterranean leakages may take months to discover but Siew stresses they must not be ignored, not only to curb wastage, but to ensure safety. "The leaks could erode its surrounding soil, causing a hollow that can lead to sudden cave-ins, endangering lives and properties. If you are not concerned, there will be consequences," he warns.

7 Repaint

Siew considers repainting as an important aspect of maintenance. During his tenures in the various developments, he has effected repainting exercises for common areas like the external facades, internal walls and car parks, using eco-friendly paint.

"Repainting increases the value by about 5%. Repainting is very important and must be planned three years in advance. The costs of repainting were between RM800,000 and RM1.1 million. This has to come from the sinking fund and we need to provide the funding three years earlier by extra funding towards the sinking fund. The paint can normally last five years but if you use quality paint, it can last up to 10 years."



2 Install CCTV

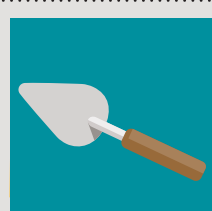
In Endah Promenade, the management was able to cut down on eight security staff after the CCTV was installed, which gives them a savings of about RM200,000 per year. Through this, the return on investment on the CCTV was gained within 20 months. In the long run, expenses can also be kept stable because wages for security guards increase much faster than the cost on CCTV upkeep.




3 Beef up security

Some of Endah Regal's units were unpropitiously occupied as money lenders' dens, narcotic labs, drug haunts, brothels and other illegal activities until Siew initiated the installation of the CCTV between 2009 and 2010. Through the CCTV monitoring, authentic evidence was recorded and reports were made to the authorities. Eradicated of vice, rentals per month surged from RM800 to RM2,200 within a couple of years.

Similarly in Endah Promenade, the security was fortified through the CCTV installation. Siew reveals there were about 12 attempts at break-ins initially, but they were all swiftly resolved through CCTV evidence. In one case, burglars who carted away a safe were nabbed




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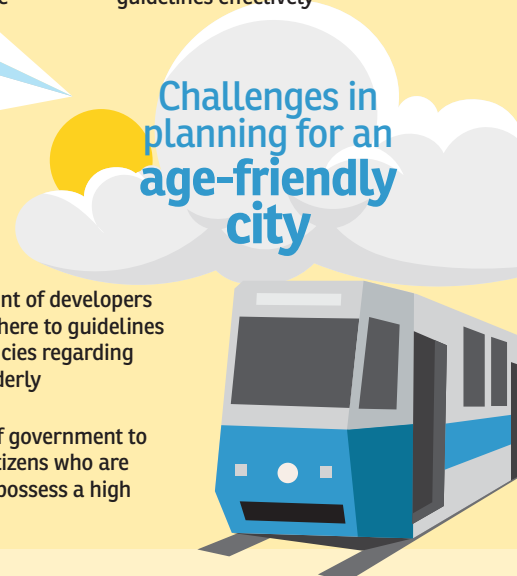


SOURCE: TheEdgeProperty.com | INFOGRAPHIC: MAISARAH ALI

Happy even though you're old



- 1 Awareness and readiness of the public to live in an elderly housing facility in the future
- 2 The capacity of local authority to fully plan and implement the guidelines effectively
- 3 Enforcement of laws, policies and action plans by all parties in planning and implementing housing for the elderly
- 4 Compliance and commitment of developers and private operators to adhere to guidelines developed by relevant agencies regarding housing facilities for the elderly
- 5 Commitment at all levels of government to create a society of senior citizens who are independent, dignified and possess a high sense of self-worth



BY RACHEL CHEW

Being kind to others is the foundation of a warm and caring society. However, how many of us actually care? Would we help an old lady cross the road? Is the road even safe enough for her to walk on? Do we build homes that meet our needs in our golden years? All these are important questions as our future happiness is at stake.

"We constantly hear people say that the city is built for all, not only for the young," says National Council of Senior Citizens Organisations Malaysia president Datuk Soon Ting Kueh. "But just take a look around Kuala Lumpur — do you think it has been planned, designed or built with the needs of senior citizens in mind?"

An age-friendly city is one where older people can move around conveniently and smoothly from one place to another, he says.

"It is more than the exercise facilities provided in the park, or the senior citizen special counter for the aged in the hospital.

"It is about the whole master plan and design of the city," says the retiree who has been living in the capital city for many years.

"In other words, an age-friendly city should have an enabling environment for the elderly."

In his eyes, Asian countries in general do not consider the old in its town or city planning. He believes this has something to do with the assumption that the elderly seldom choose to retire in the city but in the suburbs or in more quiet and laid-back places.

"It may be true of the previous generation, but for more modern retirees, many live in the city throughout their lives. They have already made the city their home. Mindsets have changed," he says. Besides, new retirees are also more independent and active.

"Many friends of my age are financially independent — they are still mobile although they walk slower, and their eyesight and hearing are weaker than before. Sometimes they need help on the street, for example to get on the bus, not because they don't know how, but they cannot reach the handle or the steps. Many facilities and amenities in our cities are not friendly enough for us to use," he says.



...an age-friendly city should have an enabling environment for the elderly
— Soon

What will make you happier in the city?

- More senior-friendly city planning
- More senior-friendly properties in the city
- Better long-term care system for the elderly



...in a large city like KL, Johor Bahru and Penang, there ought to be ample services and amenities for the older generation
— Chong

What will make you happier in the city?

- Lower cost of living
- Better public transport system
- More public amenities



To ensure that Malaysians can achieve successful ageing, our cities must adjust to and accept the fact that elderly residents have to remain active in maintaining their quality of life
— Dolbani

What will make you happier in the city?

- Good healthcare and wellness
- Good living conditions
- Financial security
- Social security

Housing and accommodation in the city are also not created with elderly residents in mind. "Aside from nursing homes, we hardly see any private housing projects that are designed to suit the old," Soon says, adding that among the basic design features that are elderly-friendly include minimal steps, non-slip tiles, and wide entrances and walkways.

An age-friendly home is a happy home

John Chong, the developer and operator of GreenAcres Retirement Village in Meru, Perak, says a person's quality of life and living should not be neglected when he or she becomes old.

"Living quality does not mean the house design itself, but is related to services and amenities. In this regard, in a large city like KL, Johor Bahru and Penang, there ought to be ample services and amenities for the older generation," Chong says.

The lack of housing projects designed specifically for seniors had motivated Chong to develop GreenAcres about three years ago.

GreenAcres is a 13-acre retirement village project that comprises

villas, low-rise apartments and an aged-care facilities block. Among the facilities provided are a restaurant, lounge area, mini cinema, karaoke room, gym, hall, games and reading room, and village shuttle service. Wellness programmes and excursion activities are also available for residents to participate in. Phase 1 is slated for completion by this year.

One important feature of a retirement village is the sense of community, says Chong. By bringing the elderly together within a retirement village, this will reduce the sense of social isolation and provide a larger circle of people for interaction, which usually leads to a greater sense of happiness.

Chong says the biggest challenge in developing an ideal city for both the young and old is to have proper planning.

"A city is built for all — no city in the world is only for the youth," he adds.

A city for all

How, then, do we make our cities more age-friendly?

The Federal Department of Town and Country Planning Peninsular

ment's guidelines towards increasing the mobility and accessibility of the people in town centres, including elements such as covered walkways, ramps, guard rails and landscaping.

To guide the process of urban development and to tackle issues such as community facilities planning, as well as the location and size of each facility, the department has also come up with the Community Facilities Planning Guidelines.

The guidelines are also aimed at providing adequate and quality facilities for sustainable living of the local population.

Moving forward

"Like it or not, we are all getting older and many factors contribute to our ability to live a happy and fulfilling life. Successful ageing also involves a healthy spirit or a sense of joy in life that transcends whatever physical limitations the old may encounter. When we talk about successful ageing, it is synonymous with strong mental health such as a positive outlook in life," he says.

"To ensure that Malaysians can achieve successful ageing, our cities must adjust to and accept the fact that elderly residents have to remain active in maintaining their quality of life. Small innovations can make a difference. For instance, an age-friendly city makes it easy to walk about, without the fear of being run over by a car, or pushed over by a young person using a mobile," Dolbani adds.

He believes Malaysia can become an age-friendly country.

"Therefore, more initiatives should take place in order to understand senior citizens' needs better so that we can effectively and inclusively build adequate facilities and provide relevant services. Town planners, urban managers, policymakers, the NGOs and public at large have to play their roles in improving the quality of life and wellbeing of the senior citizens," he shares.

Are you happy living in the city?

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