

Malaysia still global runaway sukuk leader

# Brisk growth in both capital and bond markets

**KUALA LUMPUR:** Malaysia is still the global runaway leader in the sukuk market, accounting for 68 per cent of the total global sukuk outstanding and 71 per cent market share of the sukuk issued as at end-July.

Bursa Malaysia remained the top sukuk listing destination, with 19 listed totalling RM99.6 billion (US\$31.7 billion) as at end-July, according to the 2012/2013 Economic Report released by the Finance Ministry.

Malaysia also remained among the global leaders in the Islamic finance management industry with the number of full fledged Islamic fund management companies at 18 at end-July, it said.

The net asset value of Islamic unit trust funds at end-July stood at RM33 billion (RM28 billion at end 2011) and the Islamic wholesale funds at RM14 billion (RM7 billion at end-2011).

It said at end-July, 825 Shariah-compliant securities were listed on Bursa Malaysia, representing 89 per cent of the total listed securities with a market capitalisation of RM931 billion. The report also said the Islamic banking business in the country will continue to expand, with total assets growing 20.6 per cent to RM469.5 billion as at end-July, representing 24.2 per cent of the total banking system assets (end-2011: 24.1 per cent). - Bernama

**KUALA LUMPUR:** Higher investor confidence coupled with the strong economy, raised Malaysia's propensity in raising funds from local and foreign sources, leading to brisk growth in both the capital and bond markets.

Gross funds raised in the capital market increased sharply by 46.3 per cent to RM155.5 billion in the first seven months of this year, supported mainly by infrastructure financing needs.

This is in contrast to an increase of 31.8 per cent to RM106.3 billion in the same period of last year, the Finance Ministry said in its

Economic Report 2012/2013.

The Treasury report also said gross funds raised by the public sector expanded 3.3 per cent to RM64.3 billion for the first seven months of 2012, compared to RM62.2 billion (47.6 per cent) for the same period of last year.

Gross funds raised by the private sector through private sector debt securities issuance rose significantly by 97.9 per cent to RM70.9 billion in the first seven months of 2012 compared to a 67.7 per cent increment to RM35.8 billion previously.

The positive trend was also

reflected in the equity market, with the FTSE Bursa Malaysia Composite Index (FBM KLCI), having gained 100.87 points or 6.6 per cent from the beginning of the year to end-July.

In the face of external headwinds, the ministry noted positive factors on the domestic front, including the country's strong economic fundamentals, coupled with the government's ongoing transformation initiatives lending support to the market.

In addition, positive local corporate earnings results as well as the listing of Felda Global Ventures

Holdings Bhd (FGVH) and IHH Healthcare Bhd, helped boost local market sentiment.

The FGVH listing was the second largest in the world after Facebook. IHH Healthcare was one of the largest listed private healthcare providers in the world based in terms of market capitalisation.

Mirroring the healthier growth in the domestic economy, the market continued its positive performance, as on Aug 15, the FBM KLCI registered a new high on 1,653.78 points.

It had been boosted by the stronger economic growth of 5.4 per cent

in the second quarter of this year.

On the regional front, under the aegis of the Asean Capital Market Forum, the securities regulators and stock exchanges of Malaysia, Singapore and Thailand signed a Memorandum of Understanding on the Expedited Review Framework for Secondary Listing on March 16.

The objective of the framework is to speed up the processing of secondary listing applications, to foster greater capital market integration in the region, while promoting Asean as a global fund raising destination. - Bernama

## Malaysia's ICT retailers form independent association for a better future

**KUALA LUMPUR:** While the debate continues over the performance of the newly launched iPhone 5, IT retailers in Malaysia gathered to discuss a much more important matter; their survival in a changing and evolving IT market. Over 140 IT retailers and representatives of regional IT associations from all over Malaysia attended the forum. This included Irene Sau, Chairman of Penang ICT Association (PICTA), Kevin Chan, Chairman of Ipoh IT Association and Simon Kong, Vice President of Kuching Computer Business Association. The forum was initiated and chaired by 1 Utopia Berhad Managing Director, Chin Boon Long at Federal Hotel on Thursday.

The discussion, entitled "Survival of IT Retailers" was called in response to the current challenges faced by Malaysian IT retailers over the years.

The discussion highlighted serious issues that plague IT retailers, including the steady decrease of retail price and profit margin and the ever increasing burden of operating expenses and rental cost.

The forum also saw the IT retailers' intent to form an independent association, a separate entity from PIKOM, to safeguard the interest and future of IT retailers in Malaysia. The association hopes to address the many challenges faced by IT retailers and aims to develop a vibrant and sustainable IT retail eco-system and fair marketplace in Malaysia. The idea, which was mooted by Managing Director of 1 Utopia, Chin Boon Long, received overwhelming



SOME of the IT retailers and representatives of regional IT associations from all over Malaysia at the forum.

support from over 100 IT retailers, who see the urgency of its independent formation.

The IT retailers have also signed a petition form to show their support on the solutions proposed during the forum.

The petition has garnered the support of the majority of the attendees, and is still ongoing nationwide to reach out to those who were not able to attend today's forum. So far, thirteen IT retailers from all over the country volunteered themselves to be part of the working committee for the new association.

While the increased demand for ICT related products in Malaysia has seemingly result in better business, IT retailers find themselves in an increasingly difficult situation, with many of them going out of business and facing legal actions as business dwindles and competition increases. Some IT retailers expressed their frustration and aired grievances notably low profit margins, price protection/rebate claims, stock commitments, financial liquidity, frequent trade fairs, no IT industry association and the impact of the government's recent free laptop

policy. Among the suggestions made were to increase profit margins, reduce unrealistic stock commitments set by vendors, a mutually fair and timely rebate claim system, reduction in the number of trade shows from the current 9 to 3 per year and to provide support for retailers facing financial difficulty.

Mr Ong Kian Yew, Executive Director of Pikom, who was also present said that Pikom was committed to take on the issues raised during the discussion and to table them at the coming council meet-

ing in 2 weeks' time. However, the IT retailers have united to form an independent association to champion and safeguard the survival of IT retailers in Malaysia. Formerly known as Tejari Technologies, 1Utopia (www.1utopia.com.my) has grown into a technology-based conglomerate to serve customers even better. 1Utopia aspires to be the nation's largest ICT lifestyle retailer and commit to elevating the lifestyle of its customers in every way through excellent service and optimisation of its combined Technology, Creative and Engineering pillars.

## Hino Motors, MBMR to set up plant

**KUALA LUMPUR:** Hino Motors Ltd, Japan's leader in the manufacturing of trucks and buses, has signed a joint-venture agreement with its partner, MBM Resources Bhd (MBMR), to set up its first manufacturing plant in Malaysia.

In a statement yesterday, Hino Motors said it would hold a 58 per cent stake and MBMR 42 per cent in the joint-venture company - Hino Motors Manufacturing (M) Sdn Bhd.

"The 16.9-hectare plant in Sendayan TechValley, Negeri Sembilan, is scheduled to begin construction in February 2013 for completion by early 2014.

"The plant, which involves an initial investment of RM140 million, will have an annual production capacity of approximately 10,000 units. - Bernama

# Malaysia Pavilion at WCIF draws strong interest from business community

**CHENGDU:** Following strong participation at the ninth China Asean Expo (CAEXPO) in Nanning which ended on Sept 25, 2012, the Malaysia Pavilion at the 13th Western China International Fair (WCIF) attracted more than 50,000 trade visitors.

For the first time, the Malaysia Pavilion showcased products and professional services clusters.

Ten Malaysian companies were extended the initiatives to venture into the Western China market by participating at the WCIF immediately after the CAEXPO, which saw the participation of 56 Malaysian companies from Sept 20-25, 2012.

WCIF is a national level trade exhibition held in Chengdu, the capital of Sichuan province in Southwest China.

In a statement, Malaysia External Trade Development Corporation (Matrade) said

the participation of Malaysian companies were to explore and assess the vast business opportunities in Sichuan and neighbouring provinces.

Meanwhile, 25 Malaysian service providers made up the Malaysia Services Exhibition (MSE) at the fair, which is in its seventh edition since 2008.

Higher education, franchising, construction-related and healthcare services were the main components of the MSE, besides other services such as real estate and property, printing and event management services.

"In fact, it is the first time for a foreign government to organise such specialised services exhibition in the province.

"Sichuan Provincial Department of Commerce is strongly supportive of the effort of the Malaysian government," said

Syed Mohamad Fairus, Director of Matrade Chengdu Representative Office, in the statement.

In addition to MSE, a total of 31 Malaysian companies promoting medical disposables, pharmaceuticals, healthcare, jewellery, cosmetics, scented essence oil, prepared food and beverages, tropical fruits and IT accessories participated at the WCIF 2012.

Syed Mohamad Fairus said Matrade has organised a one-day business meetings on Sept 25, which saw strong participation from local Chinese business community in Sichuan province and Chongqing Municipality with the Malaysian exhibitors.

He said the session had also attracted strong interest from other Western provinces such as Xinjiang Uygur Autonomous

Region, Yunnan and Gansu provinces and Ningxia Hui Autonomous Region.

"This is the second consecutive year that the Malaysia Pavilion has participated at the event, which is much bigger compared with the participation of 15 companies last year.

"This has shown the high interest of Malaysian companies in venturing into the green western market which is not fully explored," he added.

The Central Government has deepened its focus in developing the western region, particularly in the second phase of Go West Policy adopted since 2000.

The Malaysia Pavilion was officiated by Malaysian Ambassador to China, Datuk Iskandar Sarudin and Executive Vice Governor of Sichuan Provincial People's Government, Wei Hong. - Bernama

## Tenaga Setia Resources invests RM28.5mil in Honda 4S Centre

**PETALING JAYA:** Tenaga Setia Resources Sdn Bhd, a Honda dealership, has invested RM28.5 million to be upgraded to a full-fledged 4S Centre offering sales, service, spare parts and spray painting.

Established in 2002, Tenaga Setia Resources relocated its operations to Seksyen 51 here from Jalan 222, for the purpose of the expansion and provide an efficient service for its customers.

Its Managing Director, Yeap Swee Chuan said the new building now has a bigger area of 10,763 square metres and is equipped with 26 bays, that can accommodate up to 120 cars daily.

"The upgraded and expanded Honda 4S centre is a one-stop centre that aims to provide quality services and products," he told reporters at the official opening here yesterday.

Also present was Honda Malaysia Managing Director and Chief Executive Officer, Yoichiro Ueno.

Meanwhile, commenting on the sales of Honda hybrid cars, Ueno said since the beginning of the year to August, a total of 5,000 units had been sold in Malaysia.

Selangor and Kuala Lumpur are the biggest market for the Honda brand. - Bernama

## FDI net inflow dips in first-half of this year

**KUALA LUMPUR:** Malaysia attracted net inflow of foreign direct investment (FDI) worth RM13.6 billion in the first half of 2012, amid the external uncertainties and increased competition from emerging countries.

The amount was lower than the RM21 billion recorded in the corresponding period last year, said the Finance Ministry in its Economic Report 2012/2013 released yesterday.

The oil and gas sector accounted for the largest share of net FDI inflow accounting for 37.2 per cent followed by services (36.8 per cent) and manufacturing (23.7 per cent), the ministry said.

Total investments in the manufactur-

ing sector approved by the Malaysian Investment Development Authority amounted to RM25.8 billion during the first six months of 2012 compared to RM27.4 billion in the same period last year.

The report said for January to June this year, the Sabah Development Corridor led the nation's five economic growth corridors, attracting RM36.0 billion in committed investments with RM9.5 billion realised.

The East Coast Economic Region attracted RM11.9 billion in committed investments with RM1.0 billion realised, while Iskandar Malaysia drew RM10.7 billion in committed investments with RM3.6 billion realised. - Bernama

sarawak energy SYARIKAT SESCO BERHAD, SIBU

### INTERRUPTION OF ELECTRICITY SUPPLY

Notice is hereby given that there will be an interruption of supply to customers in the following areas on the date and time as stated below:-

Date: 29.09.2012 (Saturday)  
Time: 0800 - 1800 hours  
Purpose: Replace unarmad cable (SIB090012/Underground Cable Gangs)

#### Areas Affected (Indah 1A Sub)

- 1) Lorong Indah 1A.
- 2) Lorong Indah 1.
- 3) Lorong Indah 1B.
- 4) Lorong Indah 3.
- 5) Lorong Indah 1C.
- 6) Lorong Indah 3C.
- 7) Lorong Indah 3B And surrounding area.

Date: 29.09.2012 (Saturday)  
Time: 0830 - 1800 hours  
Purpose: 33KV O/H Line PTM Works & Vegetation Clearing (330103L33CM/FAB/DM/ERME)

#### Areas Affected

- 1) Whole of Jalan Nibong Tada.
- 2) SK. Sg. Nibong.
- 3) SK. Sg. Menyan.
- 4) SJK (C) Sing Shing.
- 5) RH. Angkah, Rh. Anjat, Rh. Umpang, RH. Unai, RH. Tuan, RH. Radin, RH. Hilary, RH. Sylvester, RH. Bernet.
- 6) Sacofa Tower.
- 7) SWB Booster Station Sub.

Date: 30.09.2012 (Sunday)  
Time: 0830 - 1800 hours  
Purpose: Replace Faulty ABI, PTM of 11KV OHL & Vegetation Clearing (330103L11CM/DM/AZ)

#### Areas Affected

- 1) Jalan Teku area.
- 2) Jalan Rantau Panjang area.
- 3) Deck Hua Factory.
- 4) Seng Huong Farm.
- 5) Hoo Kiong Farming.
- 6) Jalan Tien King area.
- 7) Jalan Trusan area.
- 8) Tien Sik Methodist Church.
- 9) Jalan Ling Siew Ting area.
- 10) Hunda Industries.
- 11) Rh. Sanyut.

Note: If weather permits, otherwise the shutdown will be postponed to a later date. Any inconvenience caused as the result of the interruption is much regretted.

REGIONAL MANAGER  
CENTRAL REGION