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MALAYSIA NEWS HIGHLIGHTS: Top Stories On Aug. 14

By Kuala Lumpur Newsroom

Nikkei Markets

KUALA LUMPUR (Aug 14) -- Here's a round-up of latest news from Malaysia so far on Monday:

*Singapore's Pacific Radiance 2Q Net Loss Narrows On Higher Fleet Utilization

Singapore offshore marine support services company, Pacific Radiance, said Monday its second-quarter net loss narrowed owing to higher overall fleet utilization and improved contribution from shipyard business. Net loss for the quarter ended Jun. 30 totaled \$8.05 million, as compared with net loss of \$57.72 million a year ago, it said in an exchange filing.

*MARKET BUZZ: Malaysia KLCI Reverses Losses To Rise 0.2%; 1775 Resistance Tipped

Malaysia's benchmark KLCI reverses early losses, now +0.2% at 1769.76. Asian shares mostly higher tracking Friday's gains in U.S. markets despite a lower-than-expected 6.4% on-year reading of China's July industrial production. Genting Malaysia leads index gainers, +2.2% at MYR5.94. In broader market, gainers outpace laggards 283-to-183; about 296 million shares changed hands so far in deals worth MYR183 million. "Sentiments might turn marginally positive after the heavy selling activities last week," says Hong Leong Investment Bank in investor note. "KLCI could be due for a technical rebound amid bargain hunting tone from the investors, but upside capped along 1,770-1,775," adds house.

*Malaysia UEM Edgenta To Sell 61.2% Stake In New Zealand Unit For NZ\$122.5 Million

Malaysian healthcare support services provider UEM Edgenta Bhd Monday said it plans to sell its 61.2% stake or 90,511,615 ordinary shares in its New Zealand-based unit Opus International Consultants Ltd. to Canada's WSP Global Inc for about NZ\$167.4 million (\$122.5 million).

*Singapore's Vallianz Holdings Fiscal 1Q Net Rises 12.5% To \$4.3 Million

Singaporean offshore-support vessel company Vallianz Holdings's fiscal first-quarter net profit attributable to shareholders rose 12.5% to \$4.3 million from \$3.87 million thanks to contributions from new long-term charters, it said in an exchange filing Monday.

*Singapore Medical Group 1H Net Profit Up To S\$4.0 Million On Health Care Revenue

Singapore Medical Group reported S\$4.0 million (\$2.9 million) first-half net profit helped by an increase in revenue from the health care sector, it said in an exchange filing Monday. Profit in the corresponding half last year was S\$633,000.

*Singapore Ezion Reports \$2.57 Million 2Q Loss, Requests Share-Trading Suspension

Singaporean offshore-energy rig and ship company Ezion Holdings on Monday requested a suspension of trading in its shares citing talks with creditors, according to an exchange filing. The company earlier reported a second-quarter net loss of \$2.57 million compared with \$8.14 million net profit in the corresponding quarter a year ago.

*Singapore Olam's 2Q Net Profit Up 28.5% As Food Segment Helps

Olam International, a major trader of agricultural commodities, Monday said net profit for the second quarter ended June rose 28.5% year-on-year to S\$147.7 million from S\$114.9 million, helped in particular by the foods category.

*MARKET BUZZ: Malaysia KLCI Likely Lower On Weak Technicals; 1750-1770 Tipped

KLCI likely to open lower on weak local technical indicators and rising global concerns; index ended down 0.6% at 1766.96 previous session. Dow Jones rebounded 0.1% on Friday, as weaker inflation data raised expectation of slower Fed hikes. Brent crude rose 0.7% to \$52.10/barrel. "Given the bearish technical indicators and escalation of North Korea and US tension, Malaysian shares expected to see

continued selling pressure today," says remisier at local brokerage. "Although local funds will support and prevent index from a sharp fall, focus will remain on global concerns in the near term," he adds. Tips index between 1750 and 1770 today.

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Top stories on Friday, Aug. 11:

***Malaysia's Asia Bioenergy Plans To Raise Up To MYR81.43 Mln Via Rights Issue With Warrants**

Asia Bioenergy Technologies, a Malaysian investment company that focuses on renewable energy business, said Friday it plans to raise up to 81.43 million ringgit (\$18.96 million) via a rights issue with warrants.

***ASIA MARKETS: Nikkei Asia300 Ends Week Lower As North Korea Woes Grip Markets**

The Nikkei Asia300 Index fell 1.7% to 1,259.16 on Friday, shedding 2.6% for the week. South Korean heavyweight Samsung Electronics lost 6.5% this week, among the biggest contributors to the losses on the gauge. Mainland lenders Industrial and Commercial Bank of China (ICBC), China Construction Bank (CCB) and Bank of China (BOC) also faltered, shedding at least 3.9% this week.

***ASIA MARKETS: Hong Kong Stocks Dragged To Weekly Loss As North Korea Tensions Rage**

Hong Kong shares snapped to their first weekly loss in five weeks, as investor sentiment in one of the region's best-performing equity markets this year succumbed to tensions between the U.S. and North Korea. The Hang Seng Index slid 2% to 26,883.51, capping a weekly loss of 2.5%, its worst in 2017.

***Malaysia's Bumi Armada Gets Contract From Russia's Lukoil Worth \$134 Million**

Bumi Armada, a Malaysian offshore oil and gas services company, said Friday it has secured a contract worth \$134 million from Russia's Lukoil for engineering, procurement, construction, and installation works.

***Pos Malaysia To Buy Two Bulk Carrier Vessels For \$32.9 Mln**

Pos Malaysia, the postal services unit of conglomerate DRB-HICOM, said Friday it plans to buy two bulk carrier vessels collectively worth \$32.90 million.

***ASIA MARKETS: Singapore Shares Post Worst Weekly Loss This Year, Malaysian Stocks Fall**

Singapore shares fell Friday to clinch their worst weekly decline in 2017 as flaring tensions between the U.S. and North Korea overshadowed upbeat economic growth data. Malaysian equities also declined for the week.

***Singapore's Chip Eng Seng To Sell Australian Freehold Property For A\$68.84 Mln**

Chip Eng Seng Corporation, a Singapore-based construction and property company, said Friday it has entered into an agreement to sell a tenanted freehold office building at Melbourne for A\$68.84 million (\$54.04 million).

***Singapore's ComfortDelGro Second Quarter Net Profit Down 6.8% On Year**

Singapore's ComfortDelGro Corporation, a transport operator, said Friday its net profit in the second quarter fell 6.8% from a year earlier, hurt by negative foreign currency translation effect. Net profit for the quarter ended Jun. 30 totaled S\$79.4 million (\$58.20 million), down from S\$85.2 million a year earlier, ComfortDelGro said in an exchange filing.

***China Weaving Materials Sees "Substantial" Net Profit Increase In First Half**

China Weaving Materials Holdings, a yarn products manufacturer, said Friday it expects 'substantial increase' in net profit for the first half of 2017.

***Malaysia's Media Chinese Expects At Least 50% Growth In Digital Ad Spending -CEO**

Malaysia's Media Chinese International, a Chinese language newspaper and magazine publisher, expects digital advertising spending to grow at least 50% this year, even as print advertising spending remains under pressure, its chief executive said Friday.

***CITIC Telecom First Half Net Profit Up 10.9% On Enterprise Business Growth**

CITIC Telecom International Holdings, the telecom unit of Chinese conglomerate CITIC, said Friday its net profit for the first half rose 10.9%, helped by growth in its enterprise solutions business and valuation gains on its investment property.

***ASIA MARKETS: Hong Kong Shares Extend Slump As Trump Gets Tougher On North Korea**

Hong Kong shares were the worst hit in Asia on Friday after U.S. President Donald Trump dialed up his warning to North Korea, leading investors to shun risk assets.

***Malaysia's MRCB-QUILL REIT 2Q Net Profit Rises 43% On-Year**

MRCB-Quill REIT, a Malaysian property trust focusing on commercial properties, said Friday its net profit rose 43% in the second quarter from a year earlier thanks to revenue from new acquisition.

***Singapore Retail Sales Up 1.9% On Year In June**

Singapore retail sales rose on a year-on-year basis in June primarily due to a rise in sale of fuel, watches and jewellery, data released by the department of statistics Friday showed.

***Malaysia's Serba Dinamik Holdings 2Q Net Profit Jumps Six Times On-Year**

Serba Dinamik Holdings, a Malaysian oil and gas services firm, said Friday its net profit surged six times in the second quarter thanks largely to higher revenue from its operation and maintenance segment.

***MARKET BUZZ: Genting Companies Down On Reportedly Losing Canadian Casino Bid**

Genting Malaysia's down 1.2% at MYR5.80, while parent Genting falls 0.1% at MYR9.69 after the group reportedly lost a bid for 22-year concession to operate gambling facilities in Canada. "Following this latest development, it implies that Genting Group would have lost the opportunity to venture into Canadian territory," says UOB Kay Hian Securities in investor note. House maintains Buy on Genting and Hold on Genting Malaysia, keeps target price at MYR11.05 and MYR5.15, respectively. "We reckon that Genting Malaysia's share price could retrace from its recent upward momentum as we head closer to the U.S. Department of Interior's due date for the Mashpee Wampanoag Tribe and the Plaintiffs to submit supporting materials and to reply to opposing submissions by Oct 17," says house.

***Malaysia's 1MDB Pays \$360 Million Of Dues Owed Abu Dhabi Fund**

Malaysia's financially strained state investment firm 1Malaysia Development Bhd, or 1MDB, said Friday it has paid \$360 million owed to Abu Dhabi's International Petroleum Investment Company.

***Singapore 2Q Non-Oil Domestic Exports Up 2.7% On Year, Slows From Pvs Quarter**

Singapore's non-oil domestic exports rose 2.7% in the second quarter from a year ago, slowing from the 15.3% expansion in the previous quarter, International Enterprise Singapore said today.

***MARKET BUZZ: Brokerages Raise Malaysia's Petronas Chemicals To Buy On Strong 2Q**

MIDF Research upgrades Petronas Chemicals Group to Buy on better-than-expected 2Q earnings, which more than doubled on-year. "As the product average selling prices are strengthening and stabilizing especially for the Olefins & Derivatives segment and as the sales volume continue to pick up, we turn optimistic on Petronas Chemicals expecting 2017 earnings to exceed MYR4 billion," says house says in investor note; ups target price to MYR8.18 from MYR7.58. Affin Hwang Investment Bank, also raises to Buy, ups target price to MYR8.00 from MYR7.70, says "while we expect further earnings weakness in 2H17, we think that this is already reflected in the stock price." Shares corrected 9% since April. Shares now down 0.3% at MYR7.01 weighed down by overall bearish sentiment in Malaysia's exchange.

***Singapore's ST Engineering 2Q Net Profit Falls 12% As Marine Sector Weighs**

Singapore Technologies Engineering said Friday that second-quarter net profit fell 12.4% to S\$111.5 million from S\$127.3 million in the year-ago period, due to a weak marine sector and its U.S. operations.

***INTERVIEW: Tomypak Expects Sales Growth To Keep Pace With Capacity Expansion-Official**

Malaysia's Tomypak Holdings expects sales growth to keep pace with capacity expansion as the flexible packaging materials maker plans to double its production capability in the next three years and forays into different packaging segments, its executive director said.

***Singapore City Developments 2Q Net Profit Falls 17.9% On Year, Names CEO-Designate**

City Developments Friday reported a 17.9% fall in net profit for the second quarter and announced a new CEO designate after Grant Kelley resigned.

***MARKET BUZZ: Malaysia KLCI Extends Losses; 1760 Support Tipped**

Malaysia's benchmark KLCI extends losses tracking overnight U.S. market, now down 0.5% at 1769.79. Asian shares mostly lower on brewing geo-political tension with North Korea at centre. Maxis down 2.3% at MYR5.65, weighing on index. In broader market, laggards outpace gainers 605-to-45; about 410 million shares changed hands so far in deals worth MYR217 million. "Sentiment is getting more bearish following retracement in Dow Jones, and we don't expect any strong reversal in KLCI today due to lack of positive triggers," says dealer at local brokerage; tips immediate support level at 1760. Adds, "We suggest investors to adopt wait-and-see approach especially for small-caps, as historically August is one of the worst performing months for small-cap index."

***Hong Kong-Listed Glencore Requests Resumption Of Share Trading**

Hong Kong-listed Glencore Plc requested Friday a resumption of trading in its shares following the release of its 2017 half-yearly results.

***Genting Hong Kong Flags Disclosable Transaction, Requests Trading Halt**

Hong Kong-listed leisure, entertainment and hospitality company Genting Hong Kong requested a share-trading halt Friday pending a disclosable-transaction announcement, according to an exchange filing.

***Singapore 2Q GDP Growth Up At 2.9% From 2.5% Estimate; FY Growth Likely 2%-3%**

The Singapore economy grew by 2.9% on a year-on-year basis in the second quarter ended June, above the 2.5% rate estimated earlier, the Ministry of Trade and Industry said Friday.

***Singapore-Listed GP Industries Makes S\$205.6 Mln Offer For GP Batteries**

Singapore-listed GP Industries has made a S\$205.6 million (\$150.9 million) cash offer for Singapore-listed GP Batteries, it said in an exchange filing Friday. It will pay S\$1.30 for each GP Batteries' share it doesn't already own. The offer price is at 61.1% and 61.5% premium over the over the six-month and 12-month volume-weighted average prices, respectively, the statement said. GP Industries said the offer was final.

***Singtel 1Q Net Profit Slips 6%, Hurt By India's Bharti Airtel**

Singapore Telecommunications reported a 6% year-on-year drop in net profit for the first quarter as contributions from India's Bharti Airtel tumbled and the company took a charge for workforce restructuring at Australian subsidiary Optus.

***MARKET BUZZ: Malaysia KLCI Likely Lower Tracking US; 1763-1783 Band Tipped**

KLCI likely to open lower tracking overnight dip in US shares; index ended little changed at 1777.17 yesterday, but market sentiment cautious with 624 laggards. Dow Jones fell 0.9% yesterday, worst one-day percentage drop since May 17 after North Korea laid out detailed plans of missile strike on US military bases in Guam. Brent crude fell 1.5% to \$51.90/barrel on OPEC report that said crude production among group's members rose in July. "Stocks should fall into a correction mode ahead of the weekend, sparked by increased nervousness amongst investors on rising geopolitical tensions in the North Korean region," says TA Securities in investor note. Tips index to trade between 1763 and 1783 for the day.

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