

HD On The Radar

BY --

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Domestic

Ministry withdraws controversial IRB bill

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The government has postponed the tabling of the controversial bill and proposed amendments to the Inland Revenue **Board** of Malaysia Act 1995 to enable it to be reviewed, after it drew criticism and questions about the purpose of an investment panel to be created and managed within the IRB.

CPI up 3.2% in May

Headline inflation moderated to 3.2% year-on-year in May from 3.4% the previous month, as the effects of subsidy rationalisation measures by the government gradually faded. Month-on-month, the Consumer Price Index (CPI) rose 0.1% in May.

Najib: Possibility of MAS closure does not arise for now

The possibility of Malaysian Airline System Bhd (MAS) ceasing **operations** does not arise for now because a decision has not been made on its direction and the financial implications on the government, said Prime Minister Datuk Seri Najib Razak. Khazanah Nasional Bhd, the airline's biggest shareholder with a 69.4% **stake**, is to undertake a due diligence assessment to identify the causes of its losses and the best possible solution.

PJD to acquire Melbourne land for A\$145m

PJ Development Holdings Bhd (PJD), through its 75%-owned subsidiary Yara **Park** City Pte Ltd, has entered into a put and call option deed with an Australian developer for the **purchase** of 2.026ha of freehold land in Southbank, Melbourne, for A\$145 **million** (RM438.8 **million**) cash.

SapuraKencana bags 2 EPCIC jobs worth RM1.34b

SapuraKencana Petroleum Bhd has bagged two engineering, procurement, construction, installation and commissioning (EPCIC) contracts worth a combined US\$415 **million** (RM1.34 **billion**), boosting the **group's** order book to RM28.7 **billion**. The contracts were awarded by Carigali-PTTEPI Operating Co Sdn Bhd and Hess Exploration and Production Malaysia BV.

Malaysia eyeing RM6.43b annual investments from **China**

Malaysia is eyeing US\$2 **billion** (RM6.43 **billion**) worth of annual investments from **China** for the next few years, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed. This was despite the recent Flight MH370 tragedy.

Gamuda to acquire 20% **stake** in Kesas

Gamuda Bhd has inked an agreement with Permodalan Nasional Bhd to acquire a 20% **stake** in Kesas Holdings Bhd for RM290 **million**. The **company** said the offer price for each share in Kesas not owned by Gamuda has also been revised to RM3.08 from RM2.97.

Brahim's in talks to sell sugar business

Brahim's Holdings Bhd is in talks with several parties to sell its sugar venture. The **company** is reassessing the viability of the business due to intense competition in the market. Through its 60%-owned subsidiary Admuda Sdn Bhd, the **group** holds the licence to produce sugar for Sabah and Sarawak. It has also configured plans to complete a RM150 **million** sugar refinery in the Demak Laut Industrial **Park** in Sarawak in 2015.

UMW allocates RM400m capex for automotive unit

UMW Holdings Bhd has allocated RM400 **million** in capital expenditure (capex) for its automotive division this year. This forms part of the **group's** RM2.7 **billion** total capex - its highest in history - for the financial year ending Dec 31, 2014.

Taliworks: Grand Saga not for **sale**

Taliworks Corp Bhd, which holds a 55% **stake** in Cheras-Kajang highway concessionaire Grand Saga Sdn Bhd, says it is not planning to sell the highway operator. As the highway is strategically connected to SILK's Kajang Traffic Dispersal Ring Road and that the toll highway has not been the core business of Taliworks, there is talk that the **company** may dispose of the toll road.

YTL Power pulls out of Project 4A

YTL Power International Bhd says it has decided not to participate in the RM3 **billion** power plant, known as Project 4A, in Pasir Gudang, Johor, under the present arrangement, to dispel any misgivings over the government's commitment to transparency and good governance.

Malaysia well placed to be bioeconomy hub

Malaysia is well positioned to be a bioeconomy hub in Asia-Pacific following the approval of over US\$4.5 **billion** (RM14.48 **billion**) in investments from US biotech firms, which have selected the country as their regional headquarters.

El Nino to stabilise CPO price to RM2600-RM2,700 per tonne

Crude palm **oil** (CPO) prices, which have softened to an average RM2,400 per tonne, are expected to stabilise to between RM2,600 and RM2,700 per tonne in the second half of this year due to the El Nino phenomenon, said Felda Global Ventures Holdings Bhd president and CEO Mohd Emir Mavani Abdullah.

Chai denies owning more than 33% of Harvest Court

Datuk Eddie Chai Woon Chet has denied that he and several other parties have more than 33% **equity** interest in Harvest Court Industries Bhd, stressing that there is no truth to the claims by the **company's** managing director and CEO Datuk Raymond Chan Boon Siew.

UMW **Oil** & Gas' overseas revenue to overtake local earnings

UMW **Oil** & Gas Bhd, which has a market capitalisation of RM8.73 **billion**, expects contributions from its overseas **operations** to overtake that of its local business and make up more than half of the **group's** revenue by year-end. This is fuelled by its mission to reach a wider geographical area. Overseas **operations** accounted for 40% of the **group's** revenue as at March 31 this year.

Sasbadi expects IPO to help fast-track growth

Sasbadi Holdings Bhd, which is involved in the publishing of education materials, expects its initial public offering (IPO) to help fast-track its growth. It is en route to a listing on the Main Market of Bursa Malaysia this year.

International

On Friday, Siemens AG and Japanese **firm** Mitsubishi Heavy Industries Ltd simplified the structure of their offer for Alstom SA and proposed to inject an additional cash contribution of €1.2 **billion** (RM5.25 **billion**), increasing their total valuation of the **company's** **energy** business by €400 **million** to €14.6 **billion**. This follows General Electric Co's revised offer.

Myanmar's Minister of Religious Affairs Hsan Hsint has been fired and Hla Maung Tin, chief minister of the country's troubled Rakhine state, has retired, state media announced Friday, as religious tensions continue to grip the country. On Thursday, it was announced that a new religious affairs advisory **group**, led by a former religious-affairs minister, has been created.

China Securities Regulatory Commission confirmed that it is investigating highly regarded Citic Securities Co analyst Zhang Mingfang, who is suspected of disclosing inside information.

Samsung Electronics is ratcheting up its investments in Vietnam as it seeks to diversify its business and dominate sales in the country, which is growing rapidly. It is planning to build a massive US\$1 **billion** home appliance plant in Ho Chi Minh City's Hi-Tech **Park**.

US president Barack Obama will be deploying military advisers and reconnaissance planes to help repel a Sunni insurgency in Iraq for a few weeks and give the country's Shiite leaders time to form a new government that can command support across sectarian lines.

PVH Corp, the owner of apparel brands Tommy Hilfiger and Calvin Klein, is said to be overpaying its CEO Emanuel Chirico, although shareholders had approved his compensation plan. Chirico received US\$18.4 **million** during the **company's** financial year ended February.

Another **Chinese oil** rig arrived in the South **China** Sea last week as Beijing and Hanoi traded accusations in an increasingly heated territorial row. The move marks a fresh escalation of the dispute, which has seen a wave of deadly anti-**Chinese** riots in Vietnam.

BlackBerry Ltd is close to announcing a deal with Amazon.com Inc that would allow the latter to offer its mobile users access to Amazon's Appstore. The **company** is hoping the move will make its products more appealing to customers and boost the **sale** of its latest smartphones.

Japan's annual exports declined for the first time in 15 months in May as shipments to Asia and US fell, threatening to hit its economy hard when domestic consumption is being crimped by a national sales tax increase.

High-end French skincare brand L'Occitane is in final negotiations to open a virtual store on Alibaba **Group** Holdings Ltd's Tmall **site**. L'Occitane plans to open the virtual store by year-end and is also in discussions with at least one other e-commerce platform in **China**.

The US' consumer price index increased a seasonally adjusted 0.4% in May from a month earlier, the fastest pace in more than a year and above economists' expectations of a 0.2% rise. Investors took this as a sign that the economy has found its footing.

Hong Kong's Chow Tai Fook Jewellery **Group** Ltd has agreed to **buy** US-based diamond jeweller, Hearts On Fire Co, for US\$150 **million** in a move to extend its high-end product range. Chow Tai Fook is the world's largest jewelry retailer by market value. Hearts On Fire was established in Boston in 1996 and sells its products in 31 countries.

Non-**oil** domestic exports (NODX) in Singapore contracted 6.6% year-on-year in May, due to a decrease in electronic and non-electronic NODX. The fall comes after a 0.9% year-on-year increase in April.

Cambodia has accused Thailand's new military rulers of fomenting an exodus of migrant workers, which it claimed had caused at least eight deaths and economic hardship for both countries. Some 188,000 Cambodians have streamed across the border since the junta warned last week that undocumented foreign workers faced arrest and deportation.

Royal Dutch Shell has launched a **sale** of most of its **stake** in Australia's Woodside Petroleum Ltd, which is valued at US\$5.7 **billion**, as it moves to focus on developing its own gas assets Down Under. The sell-down will see Shell's interest in the **company** decrease to 4.5% from 23.1%.

With help from **China's** Zhejiang Geely Holding **Group** Co, Sweden's Volvo Car Corp plans to make the republic an export hub and beat its 2014 sales target for the country by at least 13%. Volvo plans to export **Chinese**-made cars to the US and Russia late next year.

General Motors Co recalled three **million** more cars because of ignition switch issues last Monday. The motor **company's** engineers first noted the Cobalt problem more than a decade ago but the **company's** slow response has triggered investigations within the **company** and by Congress and federal agencies.

- CO** khzinv : Khazanah Nasional Berhad | masys : Malaysia Airline Systems Bhd | honfci : Hearts on Fire Company LLC
- IN** irdops : Highway Operation | ibcs : Business/Consumer Services | irailtr : Road/Rail Transport | itsp : Transportation/Shipping | i491 : Jewelry/Silverware | i75 : Airlines | i8396 : Diversified Holding Companies | iairtr : Air Transport | icnp : Consumer Goods | ifinej : Fine Jewelry | iluxgds : Luxury Goods
- RE** malay : Malaysia | austr : Australia | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | seasiaz : Southeast Asia

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