

KLCI	1,691.24 ▲ 6.23	Hang Seng	23,348.24 ▲ 219.03	Nikkei	18,976.71 ▲ 58.51	KOSPI	2,077.66 ▲ 4.50
STI	3,056.91 ▲ 14.97	SCI	3,156.98 ▲ 16.81	TSEC	9,538.01 ▲ 82.45	S&P/ASX200	5,615.58 ▼ 6.00

INTER-PACIFIC SECURITIES SDN. BHD.
A Participating Organisation of Bursa Malaysia Securities Berhad
A Trading Participant of Bursa Malaysia Derivatives Berhad

BURSA MALAYSIA TRADE STATISTICS - 06/02/2017

Participation %		Bought RM m	Sold RM m	Net RM m
64.6	Institutions	1407.2	1588.1	-180.9
19.5	Retail	439.4	464.8	-25.4
15.9	Foreign	471.0	264.7	206.3
100.0		2317.6	2317.6	0.0

Preliminary data (including trade amendments). For final data, please refer to www.bursamalaysia.com
Source: Bursa Malaysia

10 MOST ACTIVES
FEBRUARY 6, 2017

STOCK	VOL	CLSG (sen)	+/- (sen)
HIBISCS	98,720,000	54	+1
BORNOIL	71,992,800	17	+1
STERPRO	71,529,200	19	+7
SUMATEC	61,803,300	9	+0.5
DRBHCOC28	54,355,400	15.5	+2
BJCORP.WC	46,272,600	11.5	+2
IFCAMSC	40,101,600	44.5	+0.5
PERISAI	36,036,200	8	UNCH
AAX	35,548,900	42	UNCH
DRBHCOC	35,034,900	127	+8

KL MARKET SUMMARY
FEBRUARY 6, 2017

INDICES	CHANGE
FBMEMAS	11,902.31 +63.75
FBMKLCI	1,691.24 +6.23
INDUSTRIAL	3,211.14 +5.54
CONSUMER PRODUCTS	586.03 -0.03
INDUSTRIAL PRODUCTS	149.31 +1.40
CONSTRUCTION	303.72 +2.05
TRADING SERVICES	226.21 +1.51
FINANCE	14,882.35 +33.71
PROPERTIES	1,183.25 +4.65
PLANTATIONS	8,196.75 +104.10
MINING	486.34 UNCH
FBMSHA	12,450.28 +95.84
FBMACE	5,179.61 +76.42
TECHNOLOGY	25.11 +0.24

TURNOVER	VALUE
2.627 bil	RM2.317 bil

Broadly higher

BURSA Malaysia finished on a firm note yesterday on persistent buying support in selected heavyweights like Axiata Group, Petronas Chemicals Group (PChem) and Kuala Lumpur Kepong (KL Kepong).

The FBM KLCI rose 6.23 points, or 0.37%, to end at 1,691.24. On the broader market, gainers outpaced losers by 622 to 286, with 340 counters unchanged, 448 untraded and 16 suspended.

A dealer said plantation company KL Kepong rose because the natural rubber shortage and the recovery in the global economy have brightened prospects for the industry this year.

Another dealer said the stronger FBM KLCI was in sync with the performance of other regional stock markets following the unclear fiscal policy from US President Donald Trump's recent press conference.

The dealer said this has led to weaker US dollar as well as lower bond yields, which shifted investors' focus towards emerging markets.

Of the heavyweights, PChem rose 15 sen to RM7.28, Axiata gained 13 sen to RM5.08, KL Kepong added 66 sen to RM25.16 and Maybank was up 2 sen to RM8.22. Public Bank fell 2 sen to RM20.18. — Bernama

Boustead Penang Shipyard sued for RM5.54 million

PETALING JAYA: Boustead Heavy Industries Corp Bhd's wholly-owned subsidiary company, Boustead Penang Shipyard Sdn Bhd, was yesterday served with a writ of summons and statement of claim for RM5.54 million by Muara Hijau Sdn Bhd.

The writ of summons and statement of claim was filed in the

High Court of Malaya in Kuala Lumpur on Feb 2, 2017.

Under the writ of summons, Muara Hijau is claiming from Boustead Penang Shipyard a total sum of RM5.54 million, interest at 5% a year from the date of judgment until the date of full settlement and cost for the civil action, arising from an alleged breach of

contract by Boustead Penang Shipyard. The matter has been fixed for case management on Feb 16, 2017.

Boustead Penang Shipyard is currently reviewing the details of the statement of claim and in the midst of engaging solicitors to act on its behalf in this matter," Boustead Heavy said in a stock exchange filing yesterday.

KIP REIT targets 3-5% rental revenue growth

> Real estate investment trust makes lukewarm debut on Bursa Malaysia

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KUALA LUMPUR: KIP Real Estate Investment Trust (KIP REIT), whose share price went down 0.5% on the first day of trading, is targeting an annual increase of 3% to 5% in rental revenue for this year, based on its track record.

Last year, its gross rental income grew 2.65% to RM53 million from RM51.63 million in 2015.

"Our revenue comes from rental. For the last few quarters before the listing, figures were matching projections and, with that for the following quarters, we expect to match our projections," said KIP REIT Management CEO Lim Han Gie (pix).

KIP REIT shares, however, ended down half a sen at 99.5 sen on the company's

debut on Bursa Malaysia yesterday after rising 4% to an intraday high of RM1.04. A total of 18.24 million shares were traded.

KIP REIT's initial portfolio acquisitions consist of five KIP Marts in Tampoi, Kota Tinggi, Masai, Malacca and Senawang as well as a neighbourhood retail centre known as KIP Mall in Bangi.

The acquisitions will be financed with the RM234.2 million proceeds raised from its initial public offering (IPO), which saw an oversubscription rate of 5.07 times for the public portion.



According to Lim, the average occupancy rate of "matured" Kip Marts exceeds 90%, but is slightly lower at 70% for those at growing stage, being in operation for less than four years.

He said the company holds the first right of refusal to potentially acquire five KIP Marts, which are at different stages of construction, in Selangor, Negri Sembilan, Pahang and Kedah, which are in the pipeline for the next five years. Of the five properties, the KIP Mart in Kota Warisan is slated to open this year, while the rest are at different stages of construction.

Meanwhile, Lim said the company is also looking into diversifying its broad and diverse tenant base.

"We are very focused on daily goods and necessities, a lot of people relate retail to shopping, we are different breed of retailer," he noted.

KIP REIT's debt-to-asset ratio stood at 14.8% as of Sept 30, 2016, which is lower than the average ratio of 32% for Malaysian REITs. This, Lim said, gives the company room to undertake borrowings for future acquisition and asset enhancement.

Loob refutes franchisor's allegations

KUALA LUMPUR: Former Chatime master franchisee for Malaysia, Loob Holding Sdn Bhd, has refuted all allegations made by La Kaffa International Co Ltd of Taiwan last Friday.

Loob CEO Bryan Loo stressed that the allegation that "raw materials" were used "that were not part of approved recipes" may give rise to the misimpression that there was a compromise in the quality of the company's Chatime products in Malaysia.

"This is entirely untrue. This is not part of La Kaffa's contentions, at any time, in the on-going dispute between the parties," he said in a statement yesterday.

Meanwhile, Loo said any amounts alleged to be due from the company to La Kaffa, if established, will be set off against the former sums.

The master franchise agreement between La Kaffa and Loob stipulates that disputes arising from the same are to be dealt with at the Singapore International Arbitration Centre.

"The company fully respects its obligations in this regard and will say no more than is necessary about the dispute between the parties. It hopes that La Kaffa will similarly respect its obligations in this connection," said Loo.

He highlighted that the company would not commit any act to jeopardise

its investments given that a substantial amount of investments has been made to secure an aggregate 30-year tenure ending in 2041.

"We wish to assure all our customers that we will continue to innovate our products through 'product localisation' for all our brands. The Loob team has always prided itself on the fact that we had built up the business in Malaysia and we will never compromise on the quality of our products," Loo said.

He added that the company would now focus all its energy and resources on moving forward in its growth story with its 1,000-strong workforce now already serving two million customers each month.

LPI Capital fourth quarter earnings lower on absence of one-off gains

PETALING JAYA: LPI Capital Bhd's net profit for the fourth quarter ended Dec 31, 2016 (Q416) fell 20.3% to RM81.45 million from RM102.21 million, mainly due to the absence of a one-off gains of RM36.9 million on disposal of investment in quoted equities in the same period last year.

However, its revenue rose 5% to RM355.55 million from RM338.62 million in the previous year's corresponding quarter.

LPI has proposed to declare a second interim dividend of 55 sen per share amounting to RM182.6 million. Together with the first

interim dividend of 25 sen per share, the total dividend payment for FY16 of RM265.6 million is 14.3% higher than the RM232.4 million in FY15.

For the 12 months period, LPI's net profit jumped 36.2% to RM437.22 million from RM320.99 million a year ago, contributed by LPI's higher gain from realisation of equity investment as well as the solid underwriting performance of its wholly-owned insurance subsidiary Lonpac Insurance Bhd.

LPI's revenue grew 7.3% to RM1.38 billion in FY16 compared with RM1.28 billion in FY15.

In a statement yesterday, LPI

founder and chairman Tan Sri Dr Teh Hong Piow (pix) said Lonpac saw improved underwriting results for Q416 despite the slowdown in the Malaysian economy and the



implementation of the Framework on Phased Liberalisation of Motor and Fire Tariffs, which came into effect on July 1, 2016.

Underwriting profit for Q416 rose 19.9% to RM91.1 million from RM76.0 million, on the back of a 5.7% increase in earned premium to RM210.3 million from RM198.9 million in Q415.

Despite operating in a difficult environment, Lonpac continued to exercise strong underwriting discipline and saw a drop in its claim

incurred ratio from 41.0% to 38.3% and therefore boosted its underwriting profit by 17.9% to RM278.5 million in FY16 from RM236.3 million in FY15.

"On the local front, 2017 will be another challenging year and with the detarification of motor insurance, we expect to see keener competition in motor business, which may have a detrimental impact on our underwriting performance. However, with our robust capital position and strong distribution capability, we are prepared to face these challenges with cautious optimism," said Teh.