

The Malaysian Reserve

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FRIDAY, JANUARY 14, 2011
CORPORATE MALAYSIA

THE MALAYSIAN RESERVE

Share prices shoots, contribute to earnings

FROM P1 Power
the expectation for the project to be completed in 2013.

Yesterday, Suria Capital said the construction period for the plant would be around three years. In November 2008, Petronas Gas Sdn Bhd and Yayasan Sabah signed a shareholders' agreement in which Kimanis Power Sdn Bhd was established to implement the project with Pet-Gas holding 60% and Yayasan Sabah holding the rest.

The plant is expected to play an important role in the development of the Sabah oil & gas terminal as well as enhancing the state's power generating

capacity to meet growing demand for electricity in the state.

A portion of the natural gas produced from the offshore fields of Sabah will be used as feed gas to power the plant, *Bernama* reported in 2009.

Suria Capital, meanwhile, said the contract is expected to contribute positively to the earnings of SCHB Engineering for the financial year ending Dec 31, 2011.

SCHB director Datuk Dr Mohd Yaakub Johari is a director at Kimanis Power, Suria Capital said.

The company's share price closed yesterday at its highest in the last 31 months at RM2.28.

Much watched GE

FROM P1 Market stronger

Tai said the general elections will be an event that market participants both locally and internationally will watch out for but there would be a huge downside trigger for risk appetizer to Malaysia.

"I think the election and politics will be of secondary importance from a fund manager's perspective, unless the political situation deteriorates significantly to a point that a lot of the policies have been put in place for the past 12 to 18 months are going to change," he said.

On the local currency front, Tai said the Malaysian ringgit is expected to reach RM3.98 against the US dollar by end 2011.

"We do have a neutral view in the short term, which is in three to six months, but a positive view in the longer term and the reason for that

is that we have seen a stronger appreciation of the ringgit back in 2010.

"We have seen the rotation of international investment funds away from emerging markets, back to more developed markets like the US and Europe in the first couple of days in January and so from a rotation standpoint, the magnitude of appreciation for the ringgit will be relatively less compared with other Asian countries, such as the Taiwan Dollar and Korean Won," he said.

As a result, he said the ringgit is expected to perform broadly within line and not outperform, particularly in the second half due to the strong economic fundamentals.

He added that due to the high interest rates in Malaysia, Standard Chartered expects the ringgit to resume its appreciation path.

Sime Darby to launch 15 projects in 10 townships

SIME Darby Bhd, through Sime Darby Property Bhd, will be launching 15 projects across 10 townships in the first half of this year. Its head of marketing development Henri Young said the townships include Putra Heights and USJ Heights in Subang Jaya, Denai Alam (Shah Alam) and Bandar Bukit Raja (Klang).

"There is still strong demand for landed and residential properties in Malaysia," he told reporters before the launch of the Certified of Real Estate Investment Finance (CREIF) programme in Kuala Lumpur yesterday.

He highlighted that the company's previous projects

in Denai Alam, Bandar Bukit Raja and the USJ Heights townships was sold out within two months. Henri was representing Sime Darby Property managing director Datuk Tunku Putra Badlishah Tunku Annuar at the event. Also present was Malaysia Property Incorporated (MPI) chief executive officer (CEO) Kumar Tharmalingam and Asia Pacific Real Estate Association (APREA) CEO, Peter Mitchell.

As for the CREIF, Peter said the association is targeting at least 25 applications for the programme this year. In order to do so, he added, the association will be promoting the programme. — *Bernama*

Brighter outlook expected for property market

Economic recovery will see an uptrend in market value, says real estate consultancy firm

by SONIA KRISNAN

MALAYSIA'S property market is expected to be "positive" this year following the economic recovery, said real estate consultancy firm Rahim & Co Chartered Surveyors Sdn Bhd.

Its executive chairman Senator Datuk Abdul Rahim Rahman dismissed talks on the country nearing a property bubble and that projects to be implemented under the Economic Transformation Programme (ETP) would provide additional boost for the property market.

He said the market value for residential property is predicted to rise between 5% and 10% by end of 2012.

"High end property price ranging between RM5 million and RM10 million is expected to be stable while property price ranging between RM1 million and RM2 million is expected to continue to be active," he told reporters in Kuala Lumpur, yesterday.

Abdul Rahim said it is important for the government to build more affordable houses within the RM300,000 price range in Kuala Lumpur



ETP will boost market, says Abdul Rahim

for Malaysian households earning RM3,000 per month, which make up almost 70% of Malaysian wage earners.

A survey by the firm showed that average prices in the secondary market fell by 29% in the second quarter (2Q) against 2Q09, but has been on an uptrend since 3Q10, increasing by 13%.

It added that prices of new launches ranged between RM750 per sq ft and RM2,50 per sq ft.

The survey noted that new office space of 14.5 million sq ft will be completed in the next five years, of which 27 would be in the suburbs.

The office market may stabilise in the short term but

continue to be challenging in the long term, it said, adding that Kuala Lumpur is still one of the lowest in cost of office occupancy supported by well-developed infrastructure and favourable government policies.

As for the retail market, Malaysia's total sales may go up to RM227 billion in 2014 from RM137 billion in 2010, driven by low unemployment rate at 3.6%, higher disposable income of the working population and the growing tourism industry.

This year, 13 new shopping malls with 4.5 million sq ft of retail space will be opened, while older malls are expected to be re-brand-

ed or refurbished, the firm said.

"The average occupancy rate of shopping malls in KL has always been maintained at above 80%," said Abdul Rahim.

As for the industrial market, strong demand from small-medium enterprises (SMEs) has encouraged development of industrial buildings along major highways. The segment may experience more project developments in 2011 as the capital value of industrial buildings remained at above RM100psf and average rental rate remained between 70 sen psf and RM 2.05, depending on location and type of building.

PayPal to open regional customer centre

PAYPAL Inc, an online payments and money transfer service provider, has announced the opening of a regional customer support centre in Malaysia and plans to hire over 300 employees over the next three years.

PayPal, in a statement yesterday, said the new facility will offer services and support for customers across South-East Asia, as well as provide operational support for the company's global payment service.

"We chose Malaysia because of its highly-skilled, globally competitive and multi-lingual workforce, in addition to a world-class business environment and technology infrastructure," PayPal global customer service and operation senior vice president, John McCabe said.

Meanwhile, Multimedia Development Corporation

chief executive officer Datuk Badlishah Ghazali said the PayPal decision to set up a regional facility in Malaysia is a strong endorsement of the country, as a vibrant hub for the high-technology industry.

"As a Multimedia Super Corridor Malaysia-status company, PayPal is an important and strategic partner, as we move towards realising the nation's goal of becoming an innovative digital econ-

omy," he added. Based in Kuala Lumpur, PayPal's new customer support centre is currently hiring for a wide range of positions, including customer service, merchant support and other operational support roles.

The company has other customer support centres located in Shanghai, China, Arizona and Nebraska (United States), Dublin (Ireland) and Berlin (Germany). — *Bernama*

BuzzCity sees growth in mobile games download

GLOBAL mobile media company BuzzCity says there has been a growth in the download of mobile games via BlackBerry devices.

Its latest Djuzz Mobile Gaming Metrics report attributed the blossoming use to more affordable data and pre-paid packages from local telecommunication companies as well as the launch by Research In Motion (RIM),

which is the producer of BlackBerry, of its own AppWorld and support for HTML5 (WebWorks) last year.

In a statement yesterday, BuzzCity said its Dec 2010 mobile game report highlighted trends in mobile gaming over the past 11 months and analysed the traffic and usage of its mobile gaming portal Djuzz.

It said the portal delivered nearly 50 million games in less than one year of operations. Djuzz delivered more than nine million games for December alone, which was an 18% increase.

However, in January there were 120,000 unique daily visitors (up by 9% from November) with each one generating at least four downloads.

"Mobile gaming is going from strength to strength and we expect 2011 to be an exciting time for the mobile gaming community, from developers through to brands who use games to reach their audiences, while we anticipate further growth from non-traditional gaming devices such as BlackBerry," said BuzzCity's chief executive officer K. F. Lai — *Bernama*