

Investments from Asia likely to go up

Investments from Asian countries into Malaysia are expected to grow, underpinned by growth in their vibrant economies, said Malaysian Investment Development Authority. >2



EPF accepts revised offer for MISC

The Employees Provident Fund (EPF), which holds a 9.5% stake in MISC Bhd, has accepted Petrol Nasional Bhd's revised offer price of RM5.50 per share to take the company private. >3



India's growth to remain subdued

India's economic growth will remain subdued this year and any recovery will be gradual as government spending and interest rate cuts from the central bank revive domestic demand. >8

Star Friday 12 April 2013

biz.thestar.com.my

twitter.com/starbizmy

Customer Service: 1300 88 7827

Biz

INSPIRES BUSINESS

MARKET MOVEMENTS

| | | |
|-------------------|-----------|---------|
| FBM KLCI | 1,707.04 | +10.84 |
| Nikkei-225 | 13,549.16 | +261.03 |
| Hang Seng | 22,101.27 | +66.71 |
| Dow Jones (10/04) | 14,802.24 | +128.78 |
| FTSE 100 (10/04) | 6,387.37 | +74.16 |

DAILY TOP ACTIVE

| BURSA MALAYSIA | | |
|----------------|-------|----------|
| Counter | Close | Vol('00) |
| CLIQ-WA | 0.23 | 1077072 |
| CLIQ | 0.60 | 558169 |
| LBS | 1.00 | 416740 |
| Ingenco | 0.095 | 327000 |
| Maybank | 9.63 | 234141 |
| YTL | 1.65 | 180328 |

Record property price

KL penthouses reserved at RM3,026 per sq ft

By TEE LIN SAY
linsay@thestar.com.my

PETALING JAYA: A new record for property prices in the heart of Kuala Lumpur is close to being set after two penthouses of the world-class *Four Seasons Place* are reserved at a whopping RM37mil each, sources said.

This works out to a princely price of RM3,026 per sq ft based on the 11,900 per sq ft size of each penthouse, outpacing the RM2,900 per sq ft record held by *The Binjai On The Park* based on a transaction last year involving 4,000 sq ft in Tower A of the development.

However, the *Binjai* project would still hold the record for the highest absolute price transacted for a residential property at RM38mil for one of its triplex penthouses sold in 2010.

The size of that *Binjai* penthouse was, incidentally, 14,300 sq ft, giving it a price of RM2,660 per sq ft.

The buyers of the two *Four Seasons Place* penthouses had reserved the units "a few years ago", when the project was in its planning stage, the sources told *StarBiz*.

They added that when the project was launched by Prime Minister Datuk Seri Najib Tun Razak in early February, the same buyers had quickly reaffirmed their seriousness in purchasing the penthouses.

The *Four Seasons Place* is being developed by Venus Assets Sdn Bhd, with a gross development value of some RM2.8bil. It is a joint venture between tycoon Ong Beng Seng, the Sultan of Selangor, Tan Sri Syed Yusof Syed Nasir and Venus Assets director Datuk David Ban.

Venus Assets bought the prime 1.05ha site for RM90mil in 2003 from the estate of the late Khoo Teck Puat, the former major shareholder of Standard Chartered plc.

The sales office of the *Four Seasons Place* is in



High living in KL

| | Property | Price per sq ft |
|-----------------|----------------------------------|-----------------|
| New Record | Penthouse at Four Seasons Place | RM3,026 |
| Existing record | Condo unit at Binjai On The Park | RM2,900 |

the process of securing the booking and down payment for these units.

The company had yet to respond to *StarBiz*'s queries as at press time.

Situated side-by-side on the 63rd and 64th floors, the penthouses are shell units, the property lingo for units minus any developer-built fixtures.

The sources said that one of the eight duplexes in the *Four Seasons Place* had been sold at RM2,750 per sq ft at an absolute price of RM20.3mil. The remaining seven duplexes have all been reserved.

There are 65 storeys in the *Four Seasons*

New intra-day high for KL stock market

PETALING JAYA: The local bourse's benchmark FTSE Bursa Malaysia KL Composite Index (FBM KLCI), which hit an intra-day high of 1,710.35, closed 0.64% or 10.84 points higher at 1,707.04 as investor sentiment rose, bolstered by a strong showing in key regional markets.

Total turnover stood at 1.1 billion shares valued at RM2.04bil, with gainers outpacing losers 415 to 317.

Analysts said there was "strong support on the index" yesterday and that foreign funds continued to give support to the local market. Data showed foreign funds bought a net RM160.6mil of equities on Wednesday, while local institutions were net sellers at RM145.50mil and retailers net sellers at RM15.10mil.

However, analysts speculated that local funds could be picking up index-linked stocks after the FBM KLCI crossed the psychological 1,700-point level even though the data revealed otherwise. However, with the weekend coming up, profit-taking might happen today, they said.

"Buying support also came from the local funds, as they picked up selected heavyweights," a local fund manager said, adding that local funds, which had been on the sidelines, were taking fresh positions following the market run-up.

HwangDBS Vickers Research had earlier anticipated that the buoyant external backdrop, coupled with the positive momentum seen on the local bourse in recent days, would probably push Malaysian equities to greater heights ahead.

On Wednesday, when the Election Commission announced nomination day and polling day at April 20 and May 5 respectively, the KLCI closed at a record high.

"Further buying interest in heavyweights,

> TURN TO PAGE 2

> TURN TO PAGE 2

LIVE LIFE TO DISCOVER

RENAISSANCE JOHOR BAHRU HOTEL

EXPERIENCE SOMETHING WONDERFULLY NEW!

The Brand New Renaissance Johor Bahru Hotel is opening on 18th April 2013. Be the first to experience the new 5-star Renaissance Johor Bahru Hotel, call 07 381 3333 or visit jbrenaissance.com



Friday Reflections by B K SIDHU

AirAsia X making comeback to India?

But the airline has given up its landing rights when it pulled out of Mumbai and Delhi 15 months ago

ON Wednesday Tan Sri Tony Fernandes surprised many with his tweet that AirAsia X will be restarting flights to Mumbai and Delhi.

As usual he did not elaborate and left it at that.

Some of the newspapers in India carried articles based on the tweet. They could not get in touch in him to elaborate and even AirAsia X officials were not ready to comment.

The tweet said "AirAsia X will be restarting routes to India very soon. Bombay and New Delhi are around the corner."

How soon is anyone's guess.

If AirAsia X does fly it would be a U turn for the airline after it abandoned both the cities 15 months ago because flying there was too expensive. AirAsia X cited high fuel costs

and high landing and ground handling charges in India for the pull out.

That was in January last year.

AirAsia X is a sister company to AirAsia and the former began plying the routes in 2010. Then it offered an alternative because the route was dominated by Malaysia Airlines (MAS).

Over the two years that it flew to the cities, hundreds of people, who had never been to India, visited the country and they could do so because the fares were competitive.

So when the airline announced that it was pulling out, many were left disappointed. Until today, many are hoping that it will return or there will be an alternative.

Currently only MAS plies the

routes with direct daily services.

MAS has enjoyed good loads for its Delhi and Mumbai flights because it does not just carry passengers from Malaysia to India but from across the globe, especially those from India that live in North America.

This has been going on for years, although there are many more connectivity options these days to flying into India.

If indeed it is true, it will be good but the question is has AirAsia X the landing rights since it had to give them up when it pulled out of the cities.

And if it was finding it hard to sustain the operations, has it found a new way to mitigate the high the cost to want to return so soon?

Newcomer Malindo Air is also eager to fly there. The cost is still going to be high because the landing and parking charges at Delhi and Mumbai are still the same.

Malindo is waiting for its new aircraft to arrive in June and it has secured rights to fly daily to Delhi some time after June. The rights it received were said to be those surrendered by AirAsia X.

When an airline is given rights it has to begin flying within six months or else the Government takes them back.

Will there be another round of negotiations between Malaysia and India - for new allocation of landing rights that can be given to AirAsia X?

Perhaps Fernandes knows some-

thing others don't and that is why he is bullish that AirAsia X can make a comeback to Mumbai and Delhi soon. He is also starting a new airline with partners in India to be known as AirAsia India, which will be based in Chennai and will ply domestic destinations in India.

AirAsia India also has ambitions to fly international.

He is going to get the rights no matter what - it is a route worth keeping and competition is seriously needed on the sector to bring the air fares lower so that more people can fly.

● Deputy news editor B.K. Sidhu says she has vested interest in wanting more connectivity to India because she likes travelling.

Mida: Asian countries to invest more in Malaysia

KUALA LUMPUR: Investments from Asian countries into Malaysia are expected to grow, underpinned by growth in their vibrant economies, said Malaysian Investment Development Authority (Mida).

It was upbeat about the economic growth in the region and how Malaysia would benefit from these countries' decision to venture overseas.

Speaking to reporters at a briefing, Mida Shanghai director Simon Lee said investments from Asian countries were growing fast, notably the RM5bil made by Chinese companies over the past five years.

"Investors from China are coming to Malaysia in a big way," he said.

A group of businesses which formed the Aigo Entrepreneurs Alliance (AEA), had voted Malaysia as its preferred destination over Thailand, Indonesia and Singapore, he added.

"The Chinese government is encouraging private enterprises there to expand overseas. After visiting a few countries in South-East Asia, AEA members had voted Malaysia as their preferred destination due to the common language spoken here among others," he said.

The group, made up of over 50 businesses spread across China and in various industries, would visit



Good sign: Samuel (left) and Mida Houston director Sikh Shamsul-Ibrahim at the press conference. AEA has favoured Malaysia over Thailand, Indonesia and Singapore as its preferred destination.

Malaysia next week to register companies here, he said.

Chinese investors had put in RM639.5mil in 2010, RM1.19bil in 2011 and RM1.98bil in 2012 here.

Mida Seoul director Nelson Samuel said Asian countries accounted for 64% of approved foreign investments last year.

The top investors last year were South Korea, Japan, Saudi Arabia, the United States, China and Singapore.

"The outlook for South Korea is

positive. The investments they have are high-value adding, which are in line with our objective to move up the value chain," he said.

He noted that South Korean conglomerate Samsung has one of the biggest operations with other companies in the fine chemicals and renewable energy sectors here.

In 2012, 17 projects worth RM1.6bil from South Korean investors and 66 projects valued at RM2.6bil from Japanese investors

were approved.

Saudi Arabia invested in two projects worth RM2.65bil for expansion plans in petrochemical products in Sarawak last year. As for the city state, Mida Singapore director Sukumaran Kunjiraman said the Iskandar region was an obvious choice due to the proximity, space available and lower cost of operations.

"We envision these investments to increase further," he said, adding that Malaysia provided good services and incentives to lure investors with high-value adding projects to operate.

On the manufacturing front, investors invest in basic electrical and electronics, metal and machinery.

Going forward, the agency would attract foreign investors by promoting the ecosystem theme via the approach to close gaps in value chains, said foreign investment coordination division director Arham Abdul Rahman.

Mida data showed that during the January to February period, 52 new projects valued at RM4.4bil were approved while existing manufacturers have also continued to reinvest and diversify.

"This is reflected in the approval of 27 expansion/diversification projects with investment of RM801.5mil," it said.

Trading interest in plantation

> FROM PAGE 1

coupled with regional and world markets which were also on the rise, would continue to drive the local bourse," an analyst said.

M&A Securities reiterated its call for investors to take profit at current levels for re-entry at a lower level although artificial support has seen the index hold its levels.

"For a defensive strategy in the face of the general election, we advocate investors to switch from high betas like property, construction and finance stocks to low betas like consumer, plantation, oil and gas, telco, education, healthcare and rubber counters," M&A Securities maintained.

On Bursa Malaysia, plantation stocks continued to see trading interest on the back of lower palm oil stockpiles. According to official data, March palm oil inventories declined by more than expected.

The higher demand from China, coupled with a marginal increase in crude palm oil production, had brought down the inventory to 2.17 million metric tonnes (-10.9% month-on-month) in March, the lowest level in the past six months.

United Plantations Bhd, which was the top gainer, jumped 48 sen to RM27.98. IOI Corp Bhd was up 20 sen to RM4.98, adding 2.68 points to the KLCI. Sime Darby Bhd and Kuala Lumpur Kepang Bhd added 14 sen each to RM9.39 and RM21.72, respectively, pushing the index up more than two points. PPB Group Bhd rose eight sen to RM12.66.

Half of the 242 residential units of Four Seasons Place booked

> FROM PAGE 1

Place, with a "height premium" of RM25,000 to RM30,000 for every floor going up.

"Some 50% of the 242 residential units of the Four Seasons Place have been booked. They payments are coming in now, with 20% of down

payments having been collected so far. It would be open to the public for sale from the third week of April," revealed the sources.

The sources added that surprisingly, most of the buyers were well-heeled Malaysians. The smattering of foreign buyers included Japanese, Hong Kong nationals and

Taiwanese.

The Four Seasons Place in Kuala Lumpur is the first Four Seasons Place in South-East Asia. It consists of 11 storeys of hotel space, beginning from the eighth floor to the 18th floor. It also has five floors of retail outlets, three floors of serviced apartments, three floors of pri-

private carpark and four basement storeys. A 65-storey luxury hotel, residential and retail project in the vicinity of the Petronas Twin Towers in Kuala Lumpur City Centre, it will house the 231-room Four Seasons Hotel, 242 units of private residences and 300,000 sq ft of upscale retail space.

Biz

Executive Editor
ERROL OH

Associate Editor
HAFIDZ MAHPAR

Editor (Multimedia)
JOSEPH CHIN

Email: Starbiz@thestar.com.my
Tel: (03) 7967 1388
Fax: (03) 7957 0694
StarBiz, Menara Star
15 Jalan 16/11
46350 Petaling Jaya

ADVERTISING
PHUA YEN LI
ylphua@thestar.com.my
(03) 7966 8245

Editor (News)
RISEN JAYASEELAN

Acting Editor (Features)
JAGDEV SINGH SIDHU

Articles, contributions and photos accepted for publication will be paid and copyright becomes the property of Star Publications (M) Bhd.

biz/thestar.com.my

twitter.com/starbizmy