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**PETALING JAYA:** The earthquake that hit Padang, west Sumatra will not have a big impact on Malaysian companies as Padang is not a "hot spot" for Malaysian palm oil producers.

AmResearch believes the earthquake might, however, cause a short-term disruption in palm oil supply from Indonesia.

"Although palm oil may be kept for a couple of months, it was better for it to be shipped as fast as possible so that the percentage of free fatty acids - which would affect the quality of palm oil - will not increase," the research house said in a sector report yesterday.

However, it pointed out that as west Sumatra was not a major producer of Indonesia's palm oil, any short term disruption on palm oil supply from Padang would not have a significant impact on processing of crude palm oil (CPO).

A Bloomberg report quoted head of organisational affairs of Indonesian Palm Oil Association Bambang Aria Wisena as saying that palm oil shipments from Sumatra might be delayed by more than a week after access to a port was blocked and

# CPO firms in Padang unaffected

## Possible short-term disruption of supply expected

factories and roads damaged.

He also said that about 90,000 tonnes of palm oil for October delivery might be delayed.

An analyst from a local research house said: "As far as I am aware, Sime Darby Bhd, IOI Corp Bhd and Kuala Lumpur Kepong Bhd are not affected as their plantations are not located in west Sumatra."

Another analyst from a local research house said Padang was not a major planting area for Malaysian plantation companies.

"Some of the plantations of Malaysian companies are in Kalimantan and other parts of Sumatra, not in Padang," he said.

According to an industry player, none of the listed plantation companies had any oil palm estates in

Padang and the only sizeable oil palm estate there belonged to an individual.

"Among the Malaysian plantation companies, Sime Darby has the largest exposure to Indonesia.

"However, the group's oil palm estates are located mainly in Jambi (north Sumatra), Riau (central Sumatra) and Kalimantan," AmResearch said.

It said of Sime Darby's 248,883ha in Indonesia, 21% was in Jambi, 22% in Riau and 43% in Kalimantan.

As for Kuala Lumpur Kepong, its oil palm estates in Indonesia were located in Riau, Belitung Island and Kalimantan.

IOI and IJM Plantations Bhd's exposure to Indonesia was through their respective landbank in

Kalimantan.

AmResearch said Indofood Agri Resources had about 406,519ha in Indonesia, of which roughly 46% were already planted with oil palm. It had palm oil estates in north, central and south Sumatra but none in Padang.

Meanwhile, Wilmar International Ltd had about 573,405ha of plantation landbank in Indonesia, of which 39% was already planted.

"Most of its oil palm estates are located in west and central Kalimantan, and south and north Sumatra," the research house said.

It maintained its positive stance on the plantation sector and reckoned that CPO prices should find support from weaker palm oil production towards year-end.

## HSBC appoints Mukhtar Hussain as CEO

**KUALA LUMPUR:** HSBC Bank Malaysia Bhd has appointed Mukhtar Hussain deputy chairman and chief executive officer (CEO), subject to regulatory and board approvals.

In a statement yesterday, HSBC Bank said Mukhtar would succeed Irene M Dorner, who would assume a new role as president and CEO of HSBC Bank USA in early 2010.

Dorner has been in Malaysia since May 2007 and was a key driver in the continued business success of HSBC Malaysia. She was also instrumental in the launch and success of HSBC Amanah in the country.

Mukhtar has been with the HSBC group since 1982. He has held a number of senior management positions both in London and the Middle East. His most recent roles have been global chief executive officer of HSBC Amanah, the Islamic financial services division of HSBC and CEO of global banking and markets, Middle East and North Africa.

In his new position, Mukhtar will be based in Kuala Lumpur and retain his role as global CEO of HSBC Amanah.

## New chairman for Indah Water

**KUALA LUMPUR:** Indah Water Konsortium Sdn Bhd has appointed Datuk Ibrahim Mahaludin Puteh chairman, succeeding Hanifah Hassan, who retired on Aug 31.

Ibrahim holds a Bachelor of Arts (Hons) degree from Universiti Malaya and an MBA from the Manchester Business School, University of Manchester.

Ibrahim also has vast experience in the public sector. He joined the Finance Ministry in 1974 as an administrative and diplomatic service officer and has served in various divisions in the ministry.

In 2003 and 2004, he served as senior advisor to the executive director for South-East Asia at the World Bank group in Washington DC. From April 2007 to October 2008, he served as deputy secretary-general (policy) of the Treasury in the Finance Ministry.

# Star among winners of Elite Award

**PUTRAJAYA:** Maxis Communications Bhd, Star Publications (M) Bhd, Great Eastern Life Assurance (M) Bhd and Guinness Anchor Bhd are among the winners in the Elite Award category under the 5th Asia Pacific Super Excellent Brand Award.

The other winners in the same category are Shaklee Products (M) Sdn Bhd, Ikea Malaysia, Lancome Malaysia, P&G (M) Sdn Bhd, RSH (M) Sdn Bhd, Li Ning (China) Sports Goods Co Ltd and Wuliangye Group Co Ltd.

Deputy Finance Minister Datuk Wira Chor Chee Heung was the guest of honour at the awards presentation during the Asia Pacific International Brands Summit Malaysia Gala Dinner 2009, which was organised by Asia Entrepreneur Alliance (AEA).

AEA is a non-profit international business organisation with members comprising successful entrepreneurs from the Asia Pacific region.

The International Brands Award is aimed at inspiring and stimulating perseverance, value innovation and excellence in the competitive business environment both locally and globally.

Chor said the Government had taken cognisance of brand building and provided a number of incentives for Malaysian companies including small and medium enterprise (SMEs) to develop their branding.

The incentives included the Brand Promotion Grant under Malaysian Trade Development Corp that allowed for 100% reimbursable grant of up to RM1mil per brand for SMEs and 50% reimbursable grant of up to RM2mil for non-SMEs.

## Bursa to do away with 2 morning session features

**KUALA LUMPUR:** Bursa Malaysia has decided to remove two features - pre-closing and trading-at-last - from the morning session with effect from Oct 26.

Their removal would result in an additional 15 minutes of continuous trading, the exchange operator said in a statement. However, Bursa said these two features would be retained for the afternoon session.



Datuk Wira Chor Chee Heung (middle) presenting the award to Star Publications (M) Bhd circulation and audience development general manager G. Damodaram (right) and accompanied by Prof Dr Denver Tan at the awards ceremony

"It is therefore hoped that with the Government's push and incentives, Malaysian entrepreneurs will be successful in developing their own global brands in the near future," he said.

AEA president Prof Dr Denver Tan said branding was a very important aspect of improving the competitiveness of products and services.

"Developing a strong brand and managing it well will enable your business to compete effectively. Strong brands are also able to weather the challenges that arise," he said.

Tan said consumers tended to accept the flaws that arise from strong brands than those of weaker brands.

The other categories under the 5th Asia Pacific Super Excellent Brand Award were the Product Excellence Award, Service Excellence Award and Leadership Excellence Award.

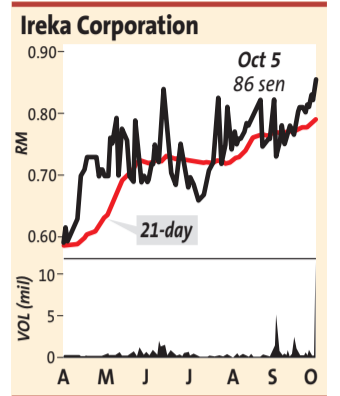
Other awards presented were the 3rd Malaysia Power Brand award and the Asia Pacific Distinguished Corporate Leader award.

Malaysia's N2N Connect Bhd won the Leadership Excellence Award.

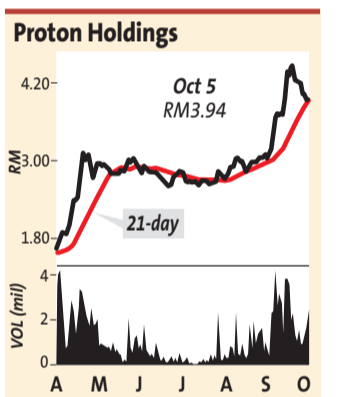
FusionExcel International Sdn Bhd chief executive officer Paul Ting, Li Ning (China) Sports Goods chairman Li Ning and Wuliangye Group chief executive officer Tang Qiao were the recipients of the Global CEO - Asia Pacific Distinguished Corporate Leader 2009 award.

# Support Line

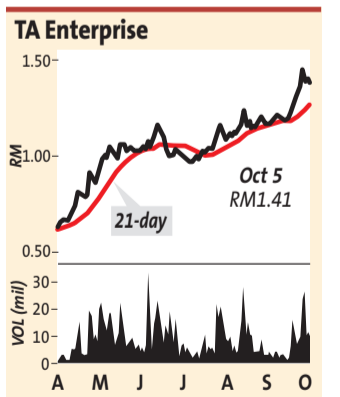
By **K.M.LEE**



**IREKA Corp** recovered to a near 12-month high of 91.5 sen during intra-day session, backed by strong trading volume yesterday. Apparently, short-term indicators are painting a promising pictogram, signifying a steadier trend ahead. If prices can overcome the relatively strong barrier of RM1.05, the next logical target would be the heavy resistance RM1.25. Initial support is envisaged at 83.5 sen.



**PROTON** retraced from the recent peak of RM4.60 on Sept 23 to a low of RM3.91 last Friday before halting amid light bargain hunting interest yesterday. Though the moving average convergence/divergence histogram is negative, prices may stage a technical rebound over the next couple of days due to grossly oversold reason. Resistance is expected at RM4.15, followed by the RM4.34 level while crucial support is pegged at RM3.90.



**AFTER** peaking out at RM1.50 late last month, TA Enterprise tripped into mild correction mode on an apparent profit-taking activity. Technically, prices may extend consolidation process in the short-term, probably range-bound with support anticipated at RM1.33 and RM1.29, which is the 14-day and 21-day simple moving average lines respectively. A break above the recent high would signal a rally continuation to the RM1.68-RM1.70 band.

● The comments above do not represent a recommendation to buy or sell.