

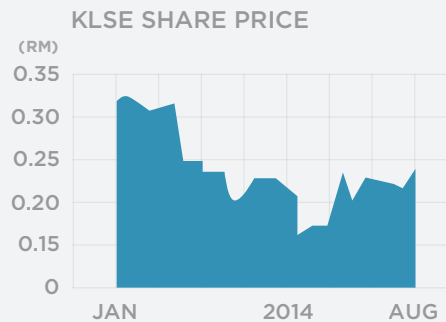
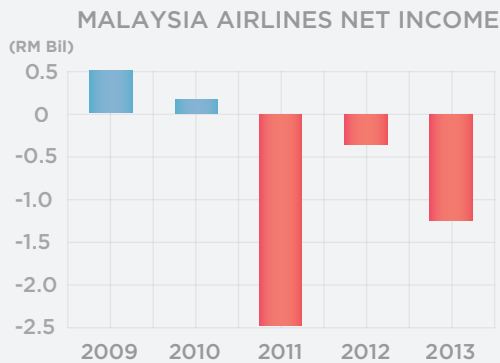
# CARI CAPTURES



## 01 MALAYSIA AIRLINES TO BE POTENTIALLY PRIVATISED



### Malaysia Airlines in Turmoil



### MAS Achievements



#### Asia's Leading Airline

World Travel Awards  
2011 and 2013

#### Skytrax Awards

World's 5-Stars Airline  
2012 and 2013  
Best Airline Signature Dish  
2012 and 2013  
World's Best Cabin Staff  
2012

#### Cellars In The Sky 2012 Awards

Best First Class Cellar  
Best First Class Red Wine  
Best First Class Sparkling (2nd)

### Past Incidents

4 DEC 1977

Flight MH653 was hijacked and crashed, killing 100

18 DEC 1983

Flight MH684 crashed at Kuala Lumpur Airport

15 SEP 1995

Flight MH2133 crashed at in Borneo, killing 34

15 MAR 2000

Flight MH85 was grounded and scrapped following a chemical leak

8 MAR 2014

Flight MH370 disappeared en route to Beijing, 239 missing

17 JUL 2014

Flight MH17 was shot down over Ukraine, killing 298

Source: Thompson Reuters Datastream

**Following two tragic disasters in four months, Khazanah, the country's sovereign wealth fund, plans to delist and restructure the airliner.**

▶ With a 69% majority shareholding in Malaysia Airlines, Khazanah plans to buy out the remaining minority shareholders with a deal valued at US\$436 million, which equates to approximately US\$0.08 per share at a 12.5% premium; following the share repurchase, Khazanah plans to delist the firm whilst implementing a comprehensive restructuring plan to be unveiled at the end of the month

▶ Khazanah said a restructuring was necessary for Malaysia Airlines to "serve its function as a critical national development entity", adding that the overhaul would involve changes to the carrier's "operations, business model, finances, human capital and regulatory environment"

▶ Currently, analysts at Khazanah have estimated a cash burn rate of US\$1.5 million a day, which would indicate that Malaysia Airlines would likely be able to continue current operations until the first and second quarter of next year without further financing

[Al-Jazeera.com](http://Al-Jazeera.com) (8 August 2014)

## 02 PHILIPPINE EXPORTS UP BY 21.3% IN JUNE



The Philippine Statistics Authority (PSA) announced that merchandise exports grew by 21.3% in June, expanding at its fastest rate for the year. PSA said this is boosted by positive performance of electronic products and seven other commodity groups namely machinery and transport equipments, bananas, mineral products, apparel and clothing accessories, wiring set and other wiring sets used in vehicles, aircrafts and ships as well as chemicals.

▶ This is the highest level since the economy started posting a continuous growth in the same period last year. It is also way faster than the 6.9%

increase in May 2014 and the 4.1% expansion in June 2013, according to Socioeconomic Planning chief Arsenio Balisacan

- ▶ PSA said the increase in export earnings were particularly driven by outbound shipments of electronic products that climbed 10.7% to US\$2.221 billion in June from US\$2.006 billion a year ago
- ▶ By country, Japan remains as top destination of Philippine exports with its 17.6% share in June. Despite this, the exports saw a slight decline of 3% from US\$985.15 million in June 2013 to US\$955.98 this year

[The Philippine Star \(August 13\)](#)

## 03 INDONESIA TO DEVELOP FIVE ECONOMIC ZONES



The Indonesian Government plans to create five special economic zones in eastern Indonesia in the near future.

- ▶ The government intends to focus on mineral, manufacturing, agricultural, and shipping activities in the region; at the same time, tourist attractions are to be further developed through the improvement of infrastructure
- ▶ The plan comes after recent data showed that Southeast Asia's top economy slipped to its slowest pace in the second quarter for almost five years, with Indonesia's GDP growing at a mere 5.12%;

in the meantime, the central bank plans to lower interest rates to boost growth have been halted as the current account deficit for the second quarter widened to a near record \$US9.1 billion, or 4.27% of GDP

- ▶ According to Armida S. Alisjahbana, head of the National Development Planning Board, "The development of these new economic centres should be supported by maximal use of their natural resources and accelerated development of infrastructure, such as ports, airports, roads and telecommunication"

[The Jakarta Post \(12 August 2014\)](#)



## 04 CAMBODIAN OPPOSITION LAWMAKERS END PARLIAMENTARY BOYCOTT, CALL FOR EFFECTIVE DIALOGUE



The opposition of Cambodia, National Rescue Party (CNRP) ended their year-long boycott of the parliament on 8 August following an agreement last month to break a political deadlock stemming from the general elections in July 2013.

- ▶ 55 lawmakers from CNRP led by Sam Rainsy took their seats in the National Assembly after agreeing to dialogue with Prime Minister Hun Sen's government to tackle the country's problems
- ▶ "It's time Cambodian politicians work together to build a dialogue

- ▶ culture in the spirit of mutual respect for the interest of peace in the country," said Rainsy in an address to the lower house of parliament
- ▶ CNRP has previously refused to recognise the election results amid accusations of vote-rigging and other malpractices by government-appointed, National Election Committee
- ▶ The party also accused Hun Sen's of being a "puppet" of neighbouring Vietnam

[Radio Free Asia \(8 August 2014\)](#)

## 05 PRESIDENT YUDHOYONO THANKS US FOR MODERNISING INDONESIAN MILITARY



Indonesian President Susilo Bambang Yudhoyono thanked the United States for its support in modernising the country's weaponry system during a visit by Republican senator John McCain

- ▶ "We thank the US Congress, especially for its military cooperation including in modernising our military weaponry system," said Yudhoyono at a welcoming ceremony in the Presidential Palace in Jakarta
- ▶ The Indonesian military had not been sufficiently modernised for almost 20 years amidst a ban in 1991 that prevented the country from purchasing weapons made in the US. The ban took effect following gross human rights violations in Santa Cruz, East Timor by the Indonesian government
- ▶ The US agreed to sell its military weapons to Indonesia recently and the list included three of 24 units of F-16 Fighting Falcon Block 52IDs used by the US National Air Force Reserves. Indonesia has also expressed interest to buy eight units of AH-64D Apache fighting helicopters from Boeing

[The Jakarta Post \(12 August 2014\)](#)

## 07 SINGAPORE'S LABOUR PRODUCTIVITY DROPS BY 1.3% IN Q2 2014



Singapore witnessed a decline in labour productivity in the second quarter of the year amidst falling productivity in sectors such as accommodation as well as food and business services. It was the first quarterly decline since the second quarter of 2013

- ▶ Finance and insurance were the only sectors that recorded productivity improvements with 1.6% growth and 1.1% growth respectively
- ▶ On the other hand, food services, business services and construction all witnessed decreases of 3.2%, 2.7% and 2% respectively
- ▶ Despite this, the country's Ministry of Trade and Industry (MTI) said the short-term productivity may reflect cyclical factors related to demand instead of underlying structural changes that are often observed over a longer time horizon
- ▶ MTI added that there are encouraging signs that attitudes towards productivity have shifted as those in the low productivity sectors such as construction, retail and food are participating in various government initiatives in this area

[Channel News Asia \(12 August 2014\)](#)

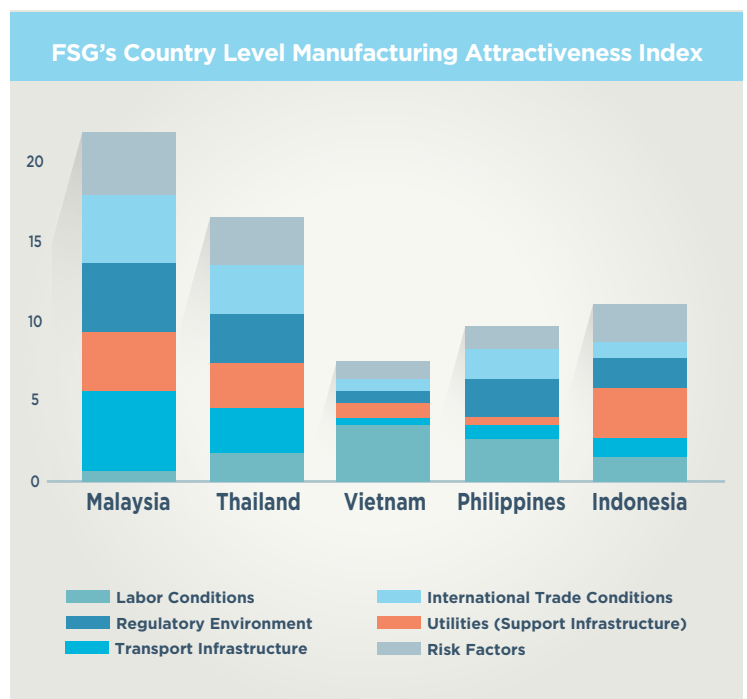
## 06 MALAYSIA DEMONSTRATES STRONG ECONOMIC GROWTH



With Malaysia's industrial production index (IPI) exceeding economic forecasts by 2%, its economy is expected to be boosted by stronger manufacturing output.

- ▶ Boosted by stronger manufacturing output, Malaysia's IPI increased by 7% in June from a year ago; the Statistics Department said that whilst the rise was contributed by the manufacturing segment, which increased by 9.1%, the mining industry also grew by 1.4% and electricity related businesses featured a 6.5% growth rate
- ▶ In response to the reporting of positive indicators, Hong Leong Investment Bank (HLIB) Research is upgrading its 2014 full-year forecast on Malaysia's gross domestic product (GDP) growth to 5.7% from its earlier estimates of 5.5%
- ▶ The research house also said it does not expect the central bank to bring the Overnight Policy Rate above its estimated neutral level of 3.50 per cent, unless incoming financial data continues to suggest strong household loans growth, with the loan-deposit growth gap remaining wide after a cumulative 50 bps hike

[The Star Online \(12 August 2014\)](#)



[frontierstrategygroup.com](#)



MYANMAR 

ECONOMY

▶ Myanmar's total population is likely to be less than the widely accepted estimate of 60 million people, according to a Central Census Commission official. Preliminary results of the first census since 1983 are expected later this month.  
[The Irrawaddy \(13 August 2014\)](#)

▶ Myanmar began this week a trial period for an online tourism visa application system that will be officially launched on 1 September. Foreign arrivals through the first seven months of this year totalled at 1,604,746 arrivals, a 43% increase compared with the same period in 2013.  
[The Irrawaddy \(13 August 2014\)](#)

▶ Myanmar is working with Standard Chartered PLC to get its first credit rating, paving the way for an eventual debut global-bond sale. A rating would help ensure that foreign investors don't see the country as "a black box," a Myanmar official said.  
[Wall Street Journal \(12 August 2014\)](#)

▶ Myanmar continues to be ranked among the worst in the world for the level of ease for small and medium-sized startup businesses. Myanmar ranks 182nd place in a list 189 countries drawn up by the International Monetary Cooperation.  
[Even Myanmar \(14 August 2014\)](#)

▶ Myanmar will receive US\$80 million loan from the ADB to upgrade the Maubin-Pyapon road in Ayeyarwady Region, which was severely damaged by Cyclone Nargis in 2008. Meanwhile, India has offered a US\$120 million loan to upgrade the Myitkina-Putao road, which has deteriorated badly because the conflict in Kachin State made maintenance work impossible.  
[Myanmar Times \(11 August 2014\)](#)

FOREIGN AFFAIRS

▶ The US Secretary of State John Kerry called on Myanmar's leaders on 10 August to move ahead with fundamental reforms amid concerns that the nation is stumbling on its path to democracy. Mr. Kerry, who was on a two-day visit for regional meetings, met with Aung San Suu Kyi who expressed her concerns for political reforms in the country still dominated by former military rulers.  
[The New York Times \(10 August 2014\)](#)

09 KHMER ROGUE LEADERS CONVICTED OF HUMAN RIGHTS CRIMES

 CAMBODIA

**Two former top leaders in Cambodia's notorious Khmer Rouge, which ruled the Southeast Asian country between 1975 and 1979, were found guilty of crimes against humanity by a specially-convened Cambodian court Thursday.**

- ▶ Nuon Chea, the former Deputy Secretary of the Communist Party of Kampuchea, and Khieu Samphan, the one-time President of Democratic Kampuchea both received life sentences and have plead not guilty, hoping to fight the verdict with appeals
- ▶ Both individuals were found guilty of Crimes against humanity, of extermination, murder, political persecution, and other inhumane acts comprising forced transfer, forced disappearances and attacks against human dignity committed within the territory of Cambodia
- ▶ The two men were senior leaders in the Khmer Rouge regime, which oversaw the deaths of approximately 1.7 million people, or about a quarter of the population; the deaths were predominately caused by forced labor, starvation and execution, as the movement ruthlessly executed its radical social engineering policies aimed at creating a purely agrarian society

[CNN.com \(9 August 2014\)](#)

Cambodia's Khmer Rouge Tribunal



Siezed control of Cambodia in 1975-1979.  
Abolished religion, schools and currency.  
Killed up to two million people.  
Starvation, overwork, torture and execution.  
380 Execution Grounds & 189 Prisons across Cambodia.



2003  
Extraordinary Chambers set up to prosecute senior leaders and those most responsible for crimes committed from 1975-1979.

Sentence : Life in Prison; no death penalty, no compensation for victims.

RECENTLY CONVICTED

**Khieu Samphan, 83**  
Regime's former head of state, public face of Khmer Rouge to outside world.  
Guilty of crimes against humanity.  
Jailed for life.



**Nuon Chea, 88**  
"Brother Number Two" to Khmer Rouge leader Pol Pot.  
Guilty of crimes against humanity.  
Jailed for life.



<b>Pol Pot, DEAD</b> Leader of Khmer Rouge Died 1998 aged 73 while under House Arrest by his rebels who turned against him	<b>Leng Sary, DEAD</b> Former foreign minister Died on Trial age 87 War crimes & genocide	<b>Leng Thirith, 82</b> Former "First Lady" Released Sept 2012 Due to mental health	<b>Kaing Guek Eav, 71</b> Former prison chief Life imprisonment for overseeing deaths of 15,000 people	<b>Ta Mok, DEAD</b> Former Military Chief Arrested 1999 but died in 2006 aged 80
--	--	--	--	--

PREVIOUS CASES

10 E-COMMERCE SCAMS FUELLING INCREASE OF CRIME RATE IN SINGAPORE

 SINGAPORE

**The Singapore Police Force (SPF) in its Mid-Year Crime Brief Report said there has been a significant increase in cyber extortion and Internet love scams in the first six months of 2014.**

▶ SPF said there were 15,219 criminal cases reported between January and June this year, compared to 15,006 cases over the same

period last year with housebreaking, theft and related crimes recorded 10-year lows

▶ However, cheating involving e-commerce rose sharply from 96 cases reported in the first six months of 2013 to 504 cases over the same period this year. Two types of scams saw significant increase in this regard. The Multiple Payment Online Purchase Scam saw a 2,223% increase, with 302 cases reported in the first half of 2014, compared with 13 cases reported in 2013. The Paypal Email Scam also reported a 775% rise to 31 cases in 2014, compared to

four cases reported last year

▶ "The latest statistics show a distinct shift to crimes being perpetrated online. The most effective way to combat this is through crime prevention," said Mr. Tan Boon Gin, the Singapore Police Force's Director of Commercial Affairs

▶ In addition to online crimes, rape also reported a hike from 49.2% year-on-year to 91 cases in 2014, while serious hurt crimes went up by 5.3% to 260 cases this year

[Channel News Asia \(14 August 2014\)](#)

Editorial Team: Sóley Ómarsdóttir, Bernard Law, Emir Edzwar, Aaron Kunaraja, Dalila Noor Haizan, Chan Hoi Cheong, Cahaya Amalina and Yee Ken Li Designer: Amira Aminuddin in collaboration with SweetMag Consultant Editor: Tunku 'Abidin Muhriz

DISCLAIMER: The news articles contained in this report are extracted and republished from various credible news sources. CIMB ASEAN Research Institute (CARI) does not make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Should any information be doubtful, readers are advised to make their own independent evaluation of such information.

