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Editorial
T: 03-7784 6688
F: 03-7785 2625
E: sunbiz@thesundaily.com

M'sia in position to become Asean tourism magnet

Country's role as chair of regional bloc in 2025 can be starting point in attracting international visitors

BY **JOHN GILBERT**
sunbiz@thesundaily.com

KUALA LUMPUR: Malaysia's role as the Asean Chair in 2025 positions the nation as a critical starting point within the regional bloc in promoting tourism.

KL Metro Group managing director Datuk Low Tak Fatt said the government has intensified efforts to diversify its tourism strategy, targeting a broader range of markets beyond traditional focus areas such as China and the Asia-Pacific.

He said Malaysia will stand out as a key destination in Asean, drawing interest from major markets such as China, India, the United States and Europe.

"The government's recent initiatives have expanded to Central Asia, including Kazakhstan, Uzbekistan, Russia, India and the Gulf region, reflecting a strategic shift to attract a wider demographic of international tourists. Within Asean, Malaysia has also seen a rise in visitors from neighbouring countries such as Indonesia, Thailand, and Vietnam, driven by improving regional economies.

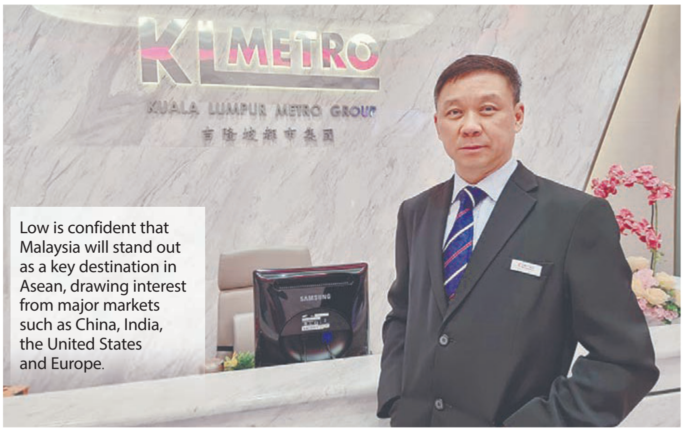
"These trends indicate sustained growth in tourist arrivals, not only in 2025 but also as Malaysia gears up for Visit Malaysia Year 2026. The government is expected to allocate significant resources to ensure the success of this campaign, solidifying the country's position as a premier destination in the region," Low told *SunBiz*.

He said the company's confidence in the current government and Malaysia's economy has driven its decision to launch two significant projects.

"Following the successful introduction of Lexus Hibiscus 2 in Port Dickson recently, we are set to launch Royal Lexis in Kuala Lumpur next year, a high-end commercial development similar to the existing Imperial Lexis, further expanding our footprint in tourism-related projects.

"Our efforts have attracted foreign buyers from 58 countries, underscoring the success of our international marketing strategy. Through strong partnerships with real estate agents across Hong Kong, Singapore, China, Taiwan, Macau, and the Middle East, we continue to build a global presence and expand Malaysia's appeal as a prime investment destination," he said.

Foreign buyers make up almost 60% while local buyers make about 40%, he added.



Low is confident that Malaysia will stand out as a key destination in Asean, drawing interest from major markets such as China, India, the United States and Europe.

Low iterated that the supply of hotels or resorts with private pools is limited, giving properties such as KL Metro Group's Lexis Hibiscus and Lexis Hibiscus 2 projects a distinct advantage.

"A luxury product, such as a room with a private pool, naturally attracts more guests, setting us apart from other resorts. The private pool is undoubtedly a key selling point, and the bold and ambitious nature of the Lexis Hibiscus projects complements this. The development of Lexis Hibiscus and the upcoming Lexis Hibiscus 2 is a daring endeavour built above the sea on massive platforms.

"The water homes are unique, with very few resorts in Malaysia or the broader region offering such accommodations. Only the Maldives and Malaysia have water homes, as other Asian countries face natural challenges like earthquakes, volcanoes, and typhoons, making water home developments unsuitable.

"With the limited supply of water homes and strong demand from tourists, these distinctive features make our resorts an attractive destination, drawing visitors from around the world," he said.

Lexis Hibiscus has been generating solid revenue over the years from sustained foreign tourist arrivals and domestic travellers, Low said.

For context, he explained that with 1,710 rooms in Lexis Hibiscus and a 60% occupancy rate, the resort will have about 1,026 rooms occupied each night. "Assuming an average of three tourists per room, this results in about 3,078 tourists per night. Over a year, this totals around 1.1 million tourist arrivals. If each tourist spends RM800, the annual revenue generated would be approximately RM876 million."

Low said Port Dickson offers a significant advantage, particularly due to its proximity to Kuala Lumpur and Malacca and its appeal to tourists.

"Over the past 20 years, we have developed strong relationships with tour agents from across the Asia Pacific region, further enhancing our strategic position," he added.

CPO futures seen bullish on weaker output, lower stocks

KUALA LUMPUR: The crude palm oil (CPO) futures contract on Bursa Malaysia Derivatives is expected to trade with a bullish bias this week due to weaker output and lower stock levels, according to palm oil trader David Ng.

Speaking to Bernama, he projected that CPO would trade between RM4,580 and RM4,750 per tonne during that period.

Meanwhile, Interband Group of Companies senior palm oil trader Jim Teh said the market is expected to remain quiet due to a holiday-shortened week ahead, with most international traders on year-end and Christmas holiday leave.

He said CPO futures are likely to trade at between RM4,400 and RM4,500 per tonne.

On a Friday-to-Friday basis, the spot-month January 2025 contract rose by RM213 to RM4,975 per tonne, February 2025 jumped by RM210 to RM4,781, and March 2025 added RM191 to RM4,624.

The April 2025 contract went up RM156 to RM4,459 per tonne, May 2025 gained RM124 to RM4,331 and June 2025 improved RM112 to RM4,253.

The physical CPO price for January South increased by RM150 to RM5,050 per tonne.

Meanwhile, the rubber market is expected to be trading range-bound with a downside bias this week as demand seems to be sluggish during the holiday season, said industry expert Denis Low.

Continuous rains in the rubber-producing regions are affecting the production of rubber and disrupting rubber-apping activities, he said.

Speaking to Bernama, Low said Thailand's rubber output in December had decreased by nearly 30% due to floods and heavy rainfall.

"With the lack of supply, the rubber market has somehow equalised itself with the lack of demand," he said.

Meanwhile, a dealer said local rubber prices will continue to track the performance of regional rubber futures markets, the ringgit's performance versus the United States dollar, and benchmark crude oil prices amid ongoing concerns about the shortage of global natural rubber (NR) stocks due to rainy weather in major NR-producing countries.

"Market operators are also keeping an eye on further cues on China's stimulus and the latest developments surrounding global geopolitical tensions and economic indicators," she added.

On a Friday-to-Friday basis, the Malaysian Rubber Board's reference price for Standard Malaysian Rubber 20 rose by 6.5 sen to 869 sen per kg while latex in bulk decreased by 22 sen to 699.5 sen per kg.

Strategic investments to drive F&N's long-term growth

PETALING JAYA: Fraser & Neave Holdings Bhd (F&N) is solidifying its position as a key player in the region with strategic investments aimed at driving long-term growth and resilience.

CEO Lim Yew Hoe said the group's focus on expanding its operational capabilities in Malaysia and Cambodia underscores its commitment to delivering value to shareholders while navigating a challenging economic landscape.

"In Malaysia, F&N has initiated several projects to bolster its production capacity and meet growing market demand.

"Among these are new manufacturing lines for carbonated beverages and drinking water in Butterworth, a sterilised milk filling and packing line in Pulau Indah, and a state-of-the-art chocolate manufacturing line in Rawang.

"These upgrades are expected to not only enhance product offerings but also improve operational efficiency," he said in the annual report filed with Bursa Malaysia.

FRASER & NEAVE HOLDINGS BHD

Lim said the development of a dairy manufacturing plant in Cambodia is progressing steadily, marking a significant step in F&N's expansion into the Indochina market.

"Once operational, the facility will enable the group to tap into Cambodia's growing demand for dairy products, further diversifying its revenue streams.

"The investments align with F&N's long-term strategy of capturing growth opportunities in Southeast Asia while addressing evolving consumer needs," he added.

Lim highlighted that these initiatives are part of a broader effort to optimise assets and strengthen the group's competitive positioning across key markets.

Despite challenges such as higher startup costs for the dairy farm and the removal of tax rebates in Thailand, he noted that F&N remains optimistic.

"The group's ability to adapt through operational efficiencies, automation and digitalisation initiatives positions it well to mitigate rising costs and sustain profitability," he said.

Lim noted that its growth strategy is the company's adoption of artificial intelligence and automation technologies under the "Future Now" initiative.

"This digital transformation aims to streamline operations across the command chain, supply chain, and value chain, fostering agility in response to market changes," he added.

F&N sustained growth in FY24 with revenue increasing by 4.9% to RM5.25 billion, driven by strong domestic sales in Malaysia and Thailand, along with exports to Cambodia.

Operating profit rose 10.4% to RM709.5 million, while profit before tax improved by 11.6%, despite higher restructuring and startup costs.

F&N food and beverages division operating in Malaysia reported a 3.5% rise in revenue to RM2.95 billion, buoyed by successful marketing campaigns and festive demand.