



Trade and Investment Mission to Saudi Arabia and Turkey, 25-28 September 2017



YB Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry will lead a Trade and Investment Mission to Saudi Arabia and Turkey from 25-28 September 2017. Covering Riyadh and Jeddah in Saudi Arabia as well as Istanbul in Turkey, this mission is one of Government's many efforts to strengthen Malaysia's economic bilateral relations with these countries.

This mission will be participated by a delegation of 30 people comprising 10 officials from MITI and agencies, as well as 20 businessmen from 12 organisations. The programme in Saudi includes

intensive discussions as follow through of many economic decisions agreed by both governments and private sector during the State Visit of King Salman bin Abdulaziz Al-Saud, Custodian of the Two Holy Mosques to Malaysia in February this year.

YB Dato' Sri Mustapa is scheduled to meet with his counterpart, the Minister of Commerce and Investment, as well as the Minister of Energy, Industry and Mineral Resources and the Minister of Economy and Planning during his visit in Riyadh. While in Turkey, the MITI Minister is scheduled to meet with Turkish Minister of Economy to discuss the expansion of scope under the Malaysia-Turkey Free Trade Agreement (MTFTA) which came into force in 2015. Apart from meeting with government officials, YB Dato' Sri Mustapa Mohamed will be engaging the local chambers of commerce and industry along with top figures from Saudi and Turkish business communities to further promote Malaysia as their ideal trade and investment partner.

In 2016, Malaysia recorded a total trade of RM13.99 billion (US\$3.37 billion) with Saudi Arabia, an increase of 27.8% from RM10.95 billion (US\$2.82 billion) in 2015. From this value, exports to Saudi decreased slightly by 1.4% to RM3.37 billion (US\$812.54million) from RM3.42 billion (US\$880.48 million) in 2015. On the other hand, imports from Saudi increased by 41.1% to RM10.62 billion (US\$2.56 billion) in 2015 from RM7.53 billion (US\$ 1.94 billion). For the period January-July 2017, total trade between Malaysia and Saudi Arabia increased by 17.0% to RM8.38 billion (US\$1.91 billion) from RM7.16 billion (US\$1.75 billion) during the corresponding period in 2016. Out of this, exports increased by 41.9% to RM2.62 billion (US\$597.7 million) and imports increased by 8.4% to RM5.76 billion (US\$1.31 billion) compared with the corresponding period in 2016.

As for Turkey, Malaysia recorded total bilateral trade at RM8.42 billion (US\$2.02 billion), an increase of 50.2% from RM5.61 billion (US\$1.43 billion) in 2015. From this amount, exports to Turkey increased by 89.0% – the highest growth recorded in Malaysian exports to any West Asian country in 2016 – to RM7.17 billion (US\$1.72 billion) from RM3.80 billion (US\$952.75 million) in 2015. On the contrary, imports decreased by 31.2% to RM1.24 billion (US\$300.36 million) from RM1.81 billion (US\$473.82 million) in 2015. For the period January-July 2017, total trade between Malaysia and Turkey increased by 64.2% to RM7.07 billion (US\$1.62 billion) from RM4.31 billion (US\$1.05 billion) during the corresponding period in 2016. Out of this, exports increased by 71.5% to RM6.09 billion (US\$1.39 billion) and imports increased by 30.1% to RM983.72 million (US\$224.67 million) compared with the corresponding period in 2016.

7th Asia-Europe Meeting (ASEM) Economic Ministers' Meeting (EMM7), 22 September 2017, Seoul, Republic of Korea



The 7th Asia Europe Meeting (ASEM) Economic Ministers Meeting (EMM7) reconvened after they last met in 2005. ASEM EMM was established as a platform dedicated to discussing relevant economic issues including trade and investment matters within the ASEM region. The Malaysian delegation to the EMM7 was led by YB Dato' Seri Ong Ka Chuan, Minister of International Trade and Industry II.

EMM7 was attended by economic and trade Ministers and representatives from 21 Asian countries and from 30 European countries, as well as the European Commission and the ASEAN Secretariat. The meeting was also participated by the World Trade Organisation (WTO), Organisation for Economic Cooperation and Development (OECD), United Nations Industrial Development Organisation (UNIDO) and the Asian Development Bank (ADB).

In his opening remarks, the Prime Minister of the Republic of Korea, Lee Nakyeon stressed that the EMM7 lays a foundation for a productive discussions at the 11th Ministerial Conference (MC11) of the World Trade Organisation (WTO) to be held in December this year in Buenos Aires, Argentina. With the theme "Reconnecting Asia-Europe: Innovative Partnership for Inclusive Prosperity", EMM7 discussed the following topics:

1. Facilitating and Promoting Trade and Investment;
2. Strengthening Economic Connectivity; and
3. Sustainable and Inclusive Growth.

Acknowledging trade as a key engine for growth, development, and job creation in ASEM economies, and the significant contribution that the open and rules-based multilateral trading system centered on the WTO has made to global prosperity and inclusiveness. At the meeting, Ministers also adopted a dedicated Ministerial Statement on supporting the multilateral trading system, including to a successful WTO MC11 and to the full implementation of the WTO Trade Facilitation Agreement (TFA). Ministers stressed in the statement their commitment to fight protectionism and reiterated their commitment to stand firm against unfair trade practices.

In discussing ASEM-wide trade and investment facilitation, the Ministers recognized the need to revitalize cross-border investment within the ASEM region and welcome discussion on dialogues in investment policy making. In this regard, the Ministers encouraged exchange of information and the sharing of best practices on policies and regulations that support a more predictable and transparent investment climate.

YB Dato' Seri Ong Ka Chuan also chaired the 2nd Plenary Session of the EMM7 with the theme Strengthening Economic Connectivity. In his opening remarks, YB Minister MITI II highlighted that e-Commerce has become increasingly vital element of the global economy. In a globalised world interconnected through ICT, eCommerce plays a key role not only in domestic and cross-border trade, but also in facilitating foreign investment through the supply of intermediary services.

E-Commerce also has significantly lowered barriers to entry and operating cost for businesses and is particularly beneficial for the Micro, Small and Medium Enterprises (MSMEs). Against this background, Ministers agreed on the importance of enhancing multilateral work on e-commerce, including by using the opportunity offered at MC11 to take the necessary steps to revitalize the work in the WTO.



EMM7 also discussed on the emerging of the 4th Industrial Revolution and its role in bringing about fundamental technological changes of which all ASEM partners could be beneficiaries with regard to creating new and better jobs, increasing productivity, and seizing growth opportunities. The Ministers also reaffirmed the Micro, Small and Medium Enterprises (MSMEs) leading role in job creation, economic growth, and prosperity in both developed and developing countries. MSMEs should make the best use of the opportunities provided by digitalisation and innovate themselves to be small, fast and strong competitors in the global arena on a level playing field.

The Ministers expressed strong support to internationalize MSMEs by fostering their participation in regional and global value chains. This could be achieved by providing better access to information, improving their access to local digital infrastructure and enabling them to reap the benefits of FTA networks. Ministers also encouraged officials in charge of MSME policies within the ASEM region to share best practices and related knowledge in the appropriate fora, including in the WTO.

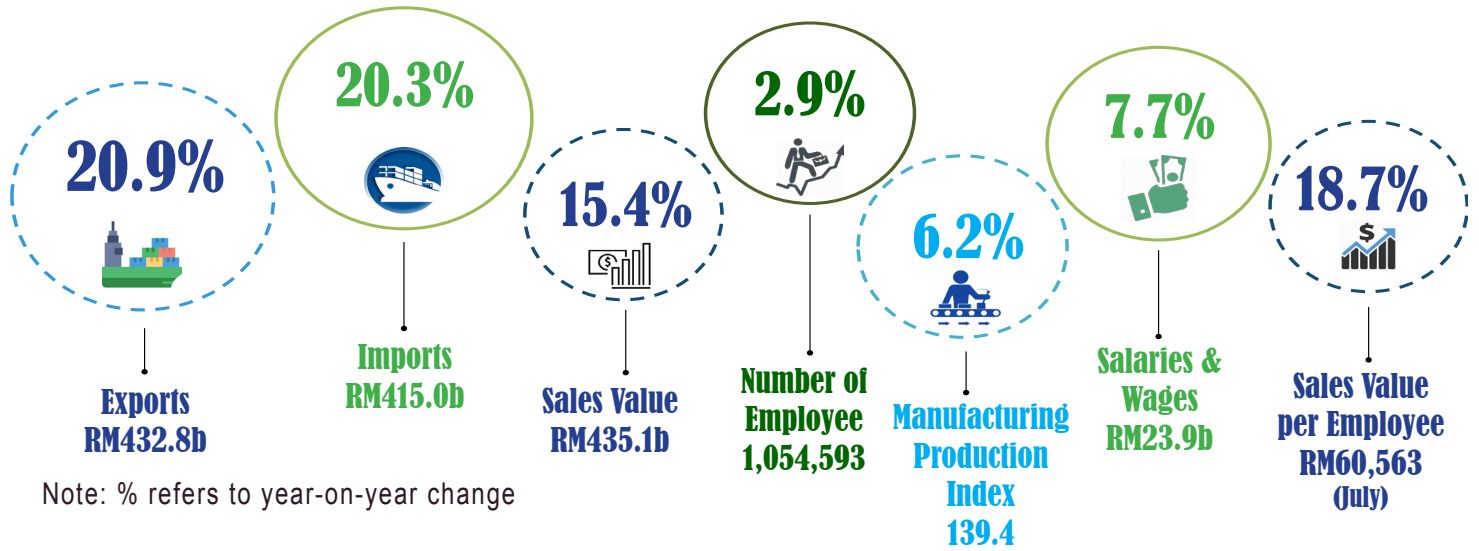
Background

ASEM was established in March 1996. Over the past 20 years, it has become the biggest cooperative forum between Asia and Europe. From 26 founding members, ASEM now has 53 partners consisting of 51 countries, the European Commission and the ASEAN Secretariat. ASEM represents 62% of the world population, 57% of the global GDP, and 68% of global trade. Its revitalization this year is particularly timely and meaningful in view of the structural changes in the world economy over the recent years, including the increased relevance of global supply chains, the rising protectionism, and the dawning of the 4th Industrial Revolution.

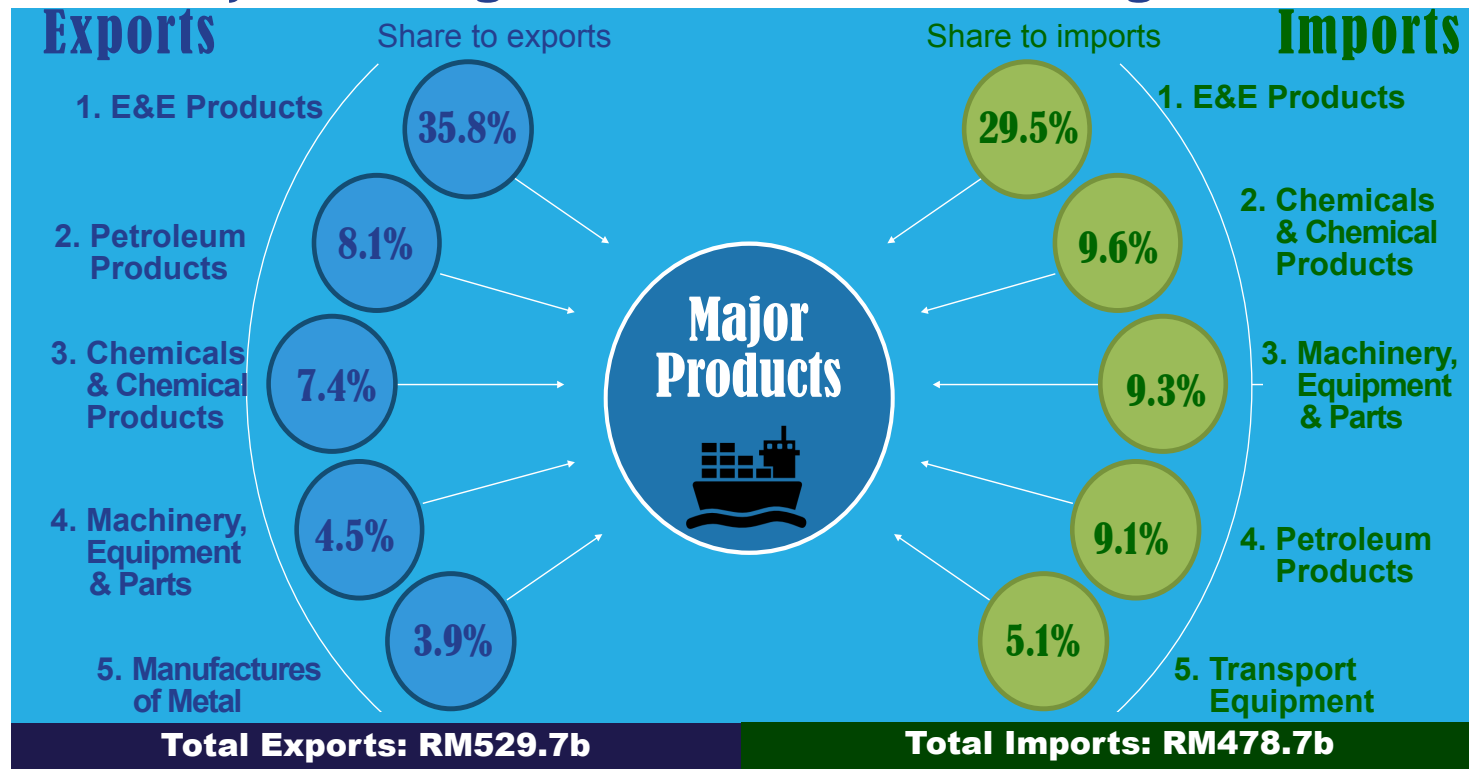
Ministry of International Trade and Industry
22 September 2017

MANUFACTURING PERFORMANCE, JANUARY - JULY 2017

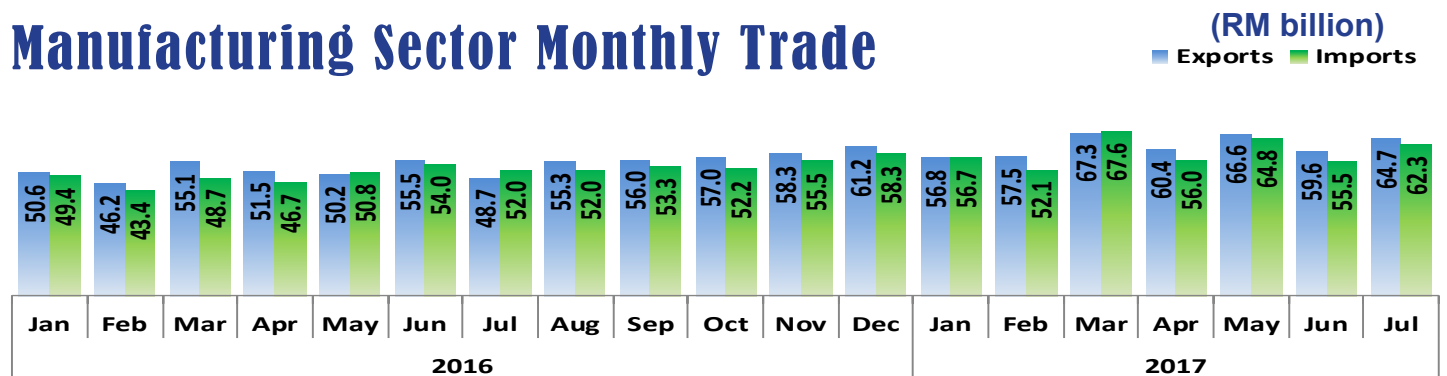
Manufacturing Indicators



Major Trading Products in Manufacturing Sector

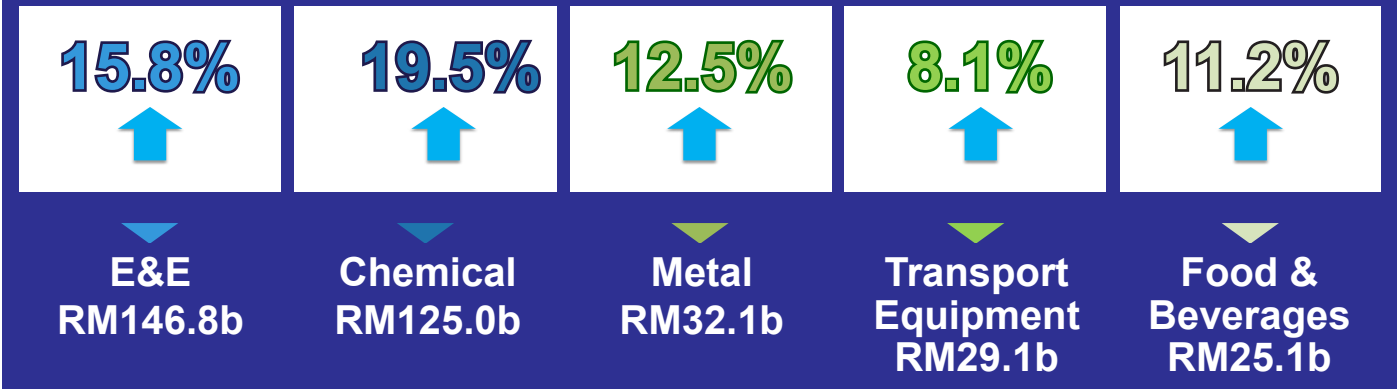


Manufacturing Sector Monthly Trade

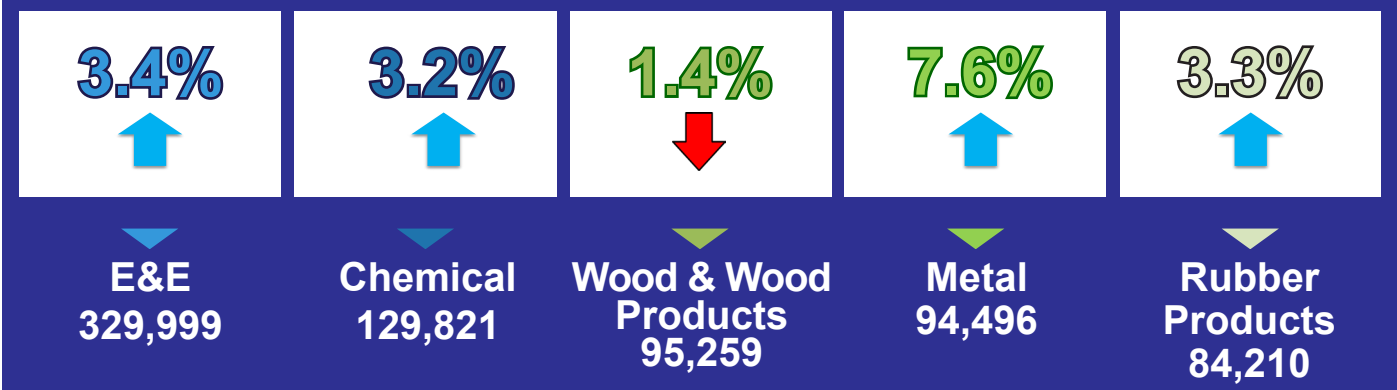


Source: Department of Statistics, Malaysia

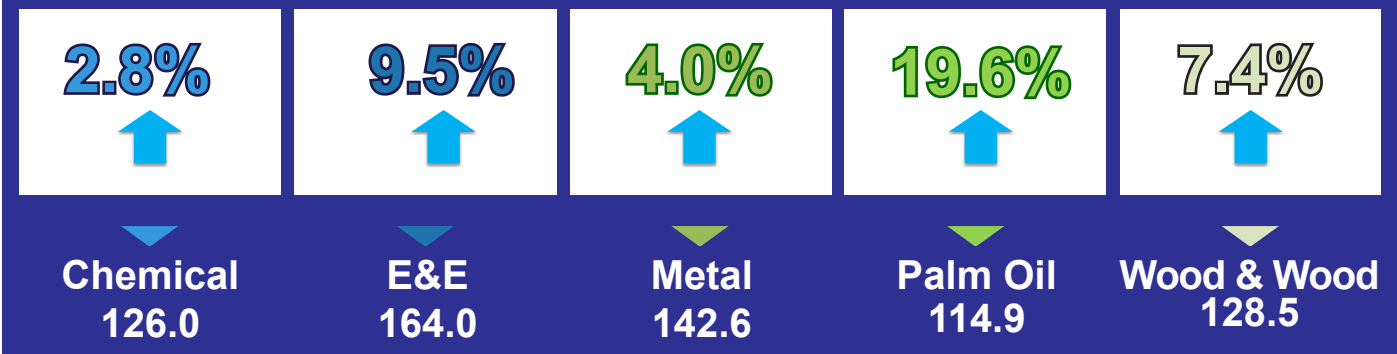
Sales by Major Industry



Employment by Major Industry



Manufacturing Production Index by Major Industry



Note: % refers to year-on-year growth

Source: Department of Statistics, Malaysia





INTERNATIONAL REPORT

Viet Nam Economic Indicators 2016



Land area: 310,070 km²



Population: 92.7 mil.



GDP (current US\$): US\$202.6 billion



Core Inflation rate: 1.8%



Global trade: US\$351.0 bil (Rank: 25)



Unemployment rate: 2.2%



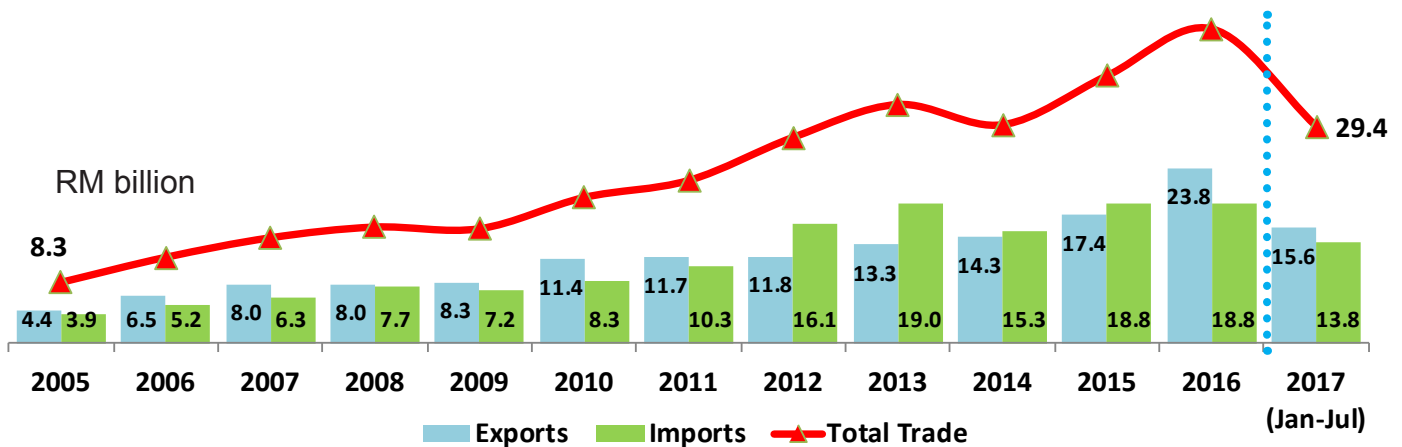
Global exports: US\$176.8 bil (Rank: 26)



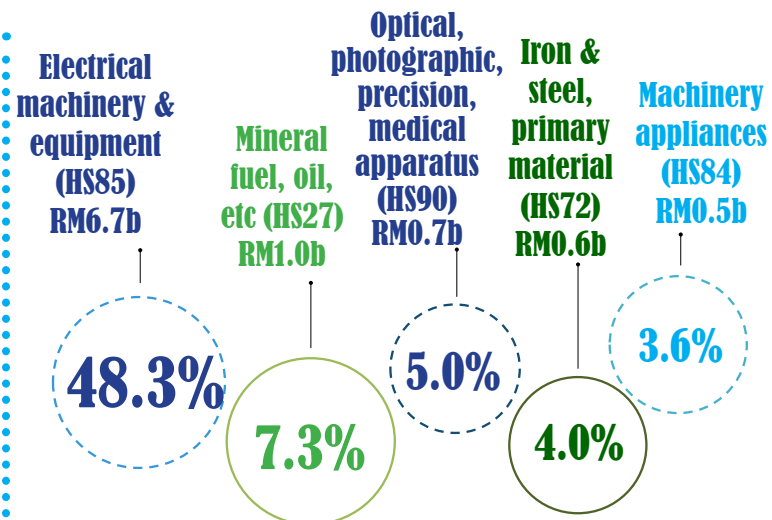
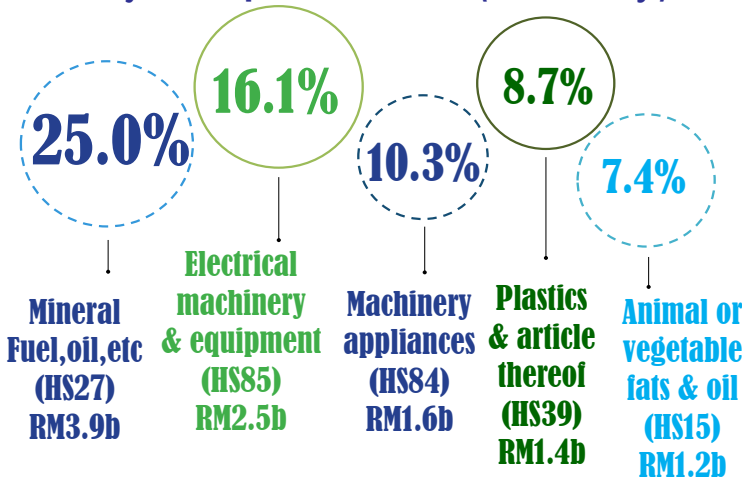
Global imports: US\$174.2 bil (Rank: 25)

Source: Worldbank, WTO and General Statistics Office of Viet Nam

Malaysia's Trade with Viet Nam, 2005 - 2017 (Jan-July)



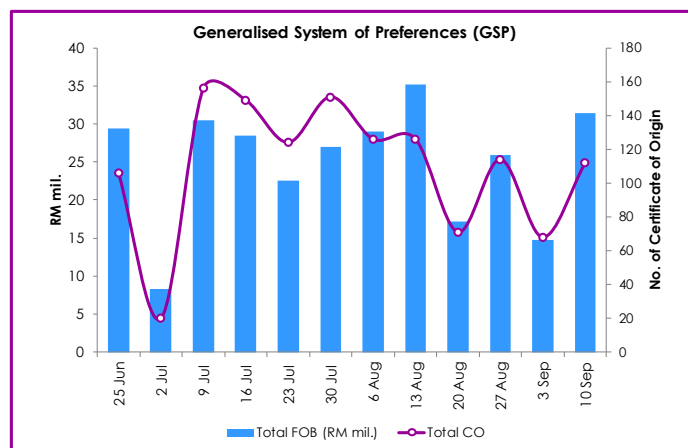
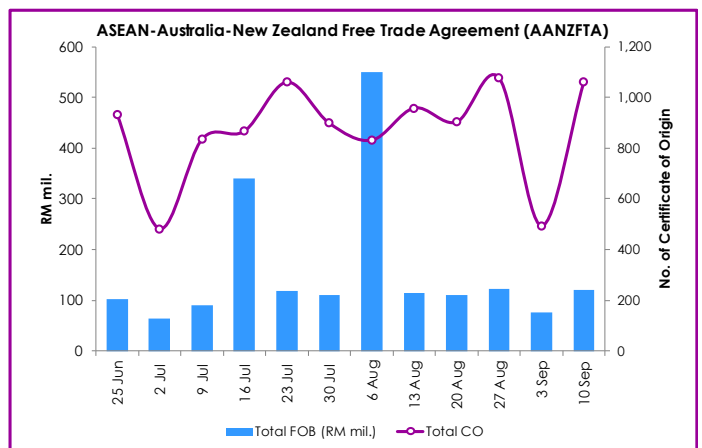
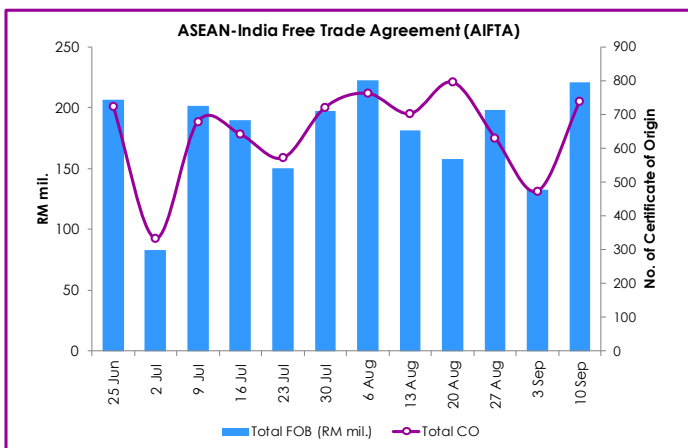
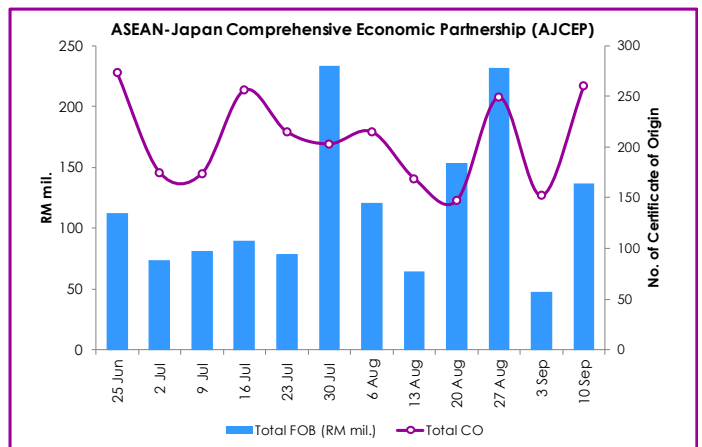
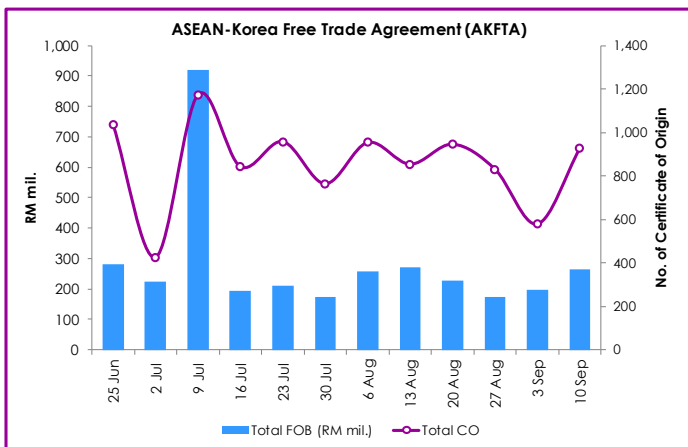
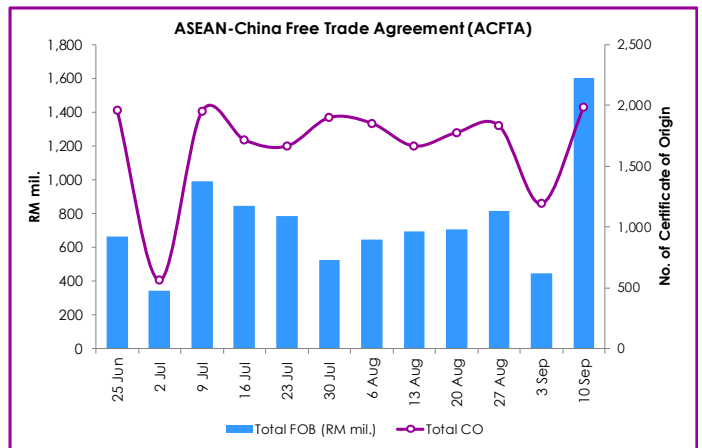
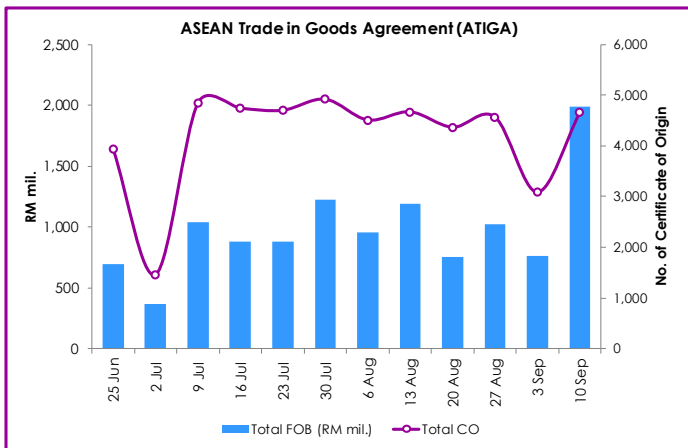
Major Exports, 2017 (Jan-July)



Major Imports, 2017 (Jan-July)

Note: % refers to share to total exports/imports
Source: Department of Statistics, Malaysia

Number and Value of Preferential Certificates of Origin (PCOs)

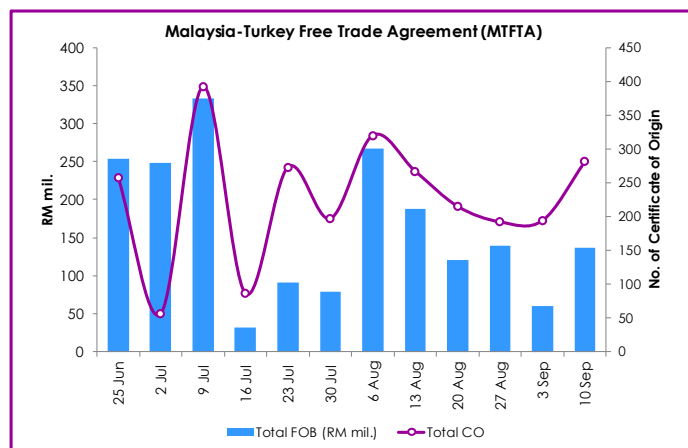
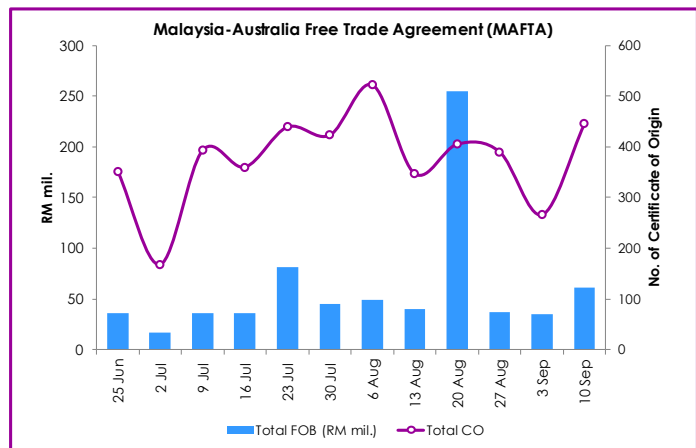
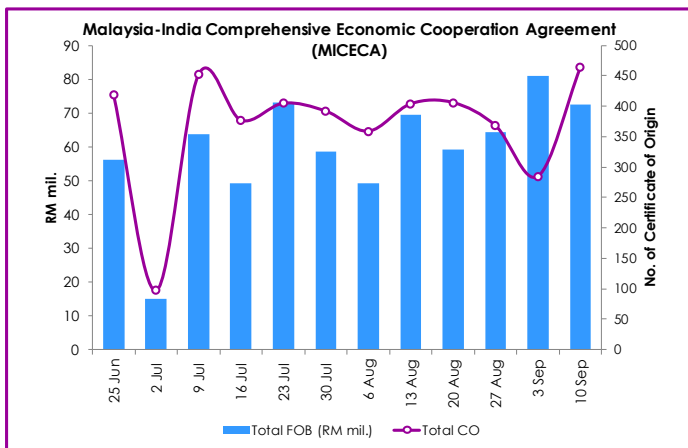
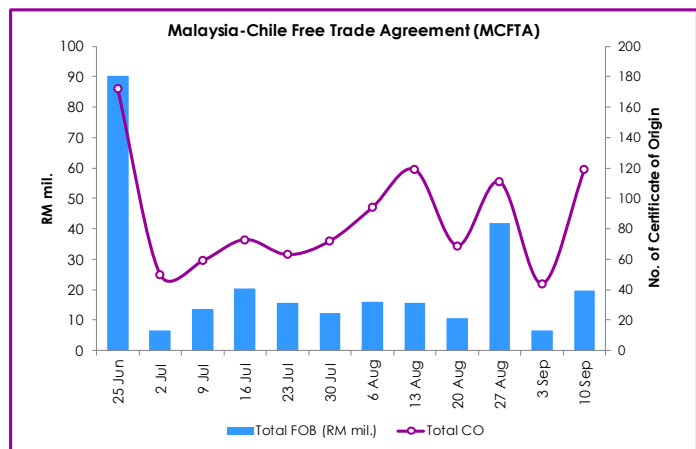
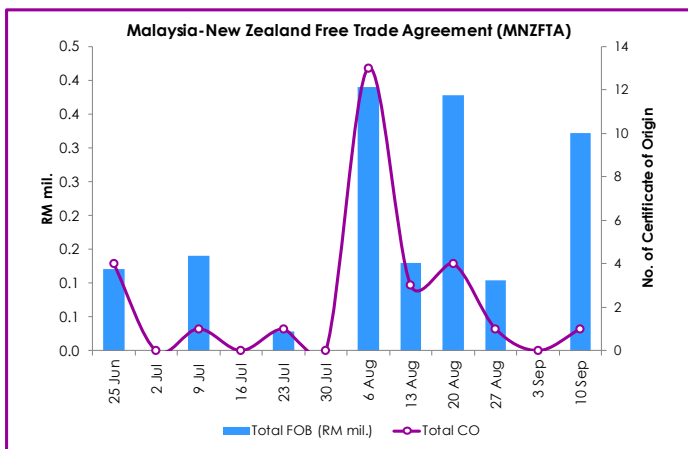
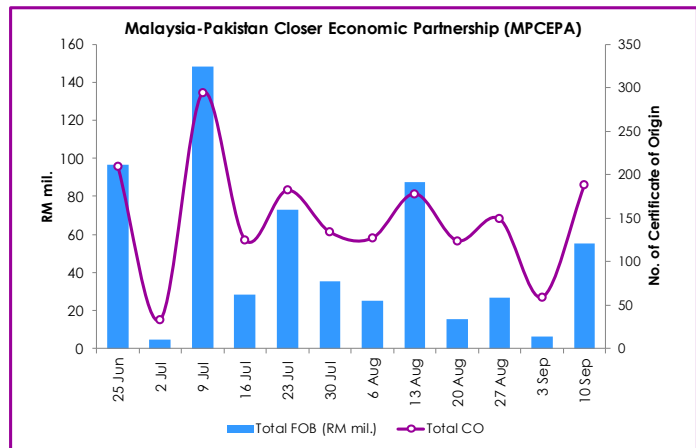
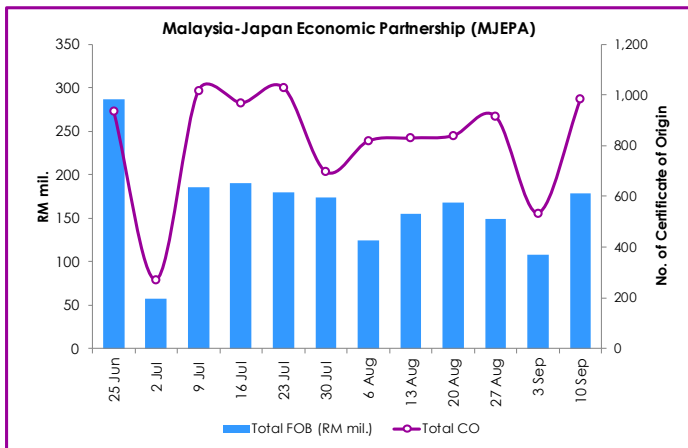


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

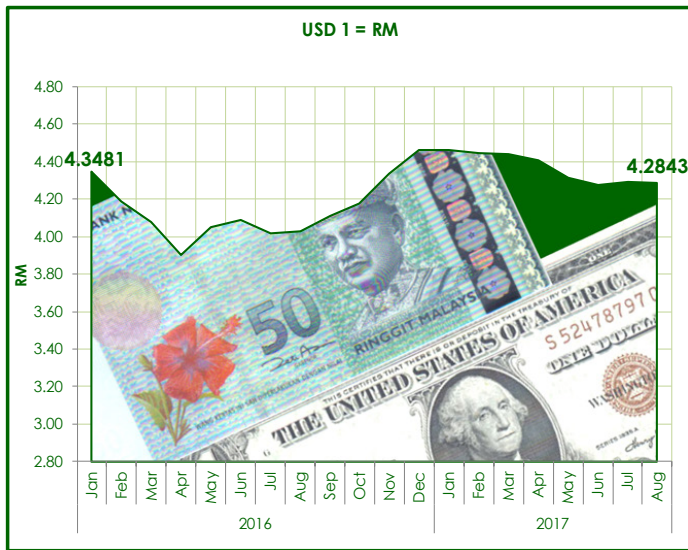
Number and Value of Preferential Certificates of Origin (PCOs)



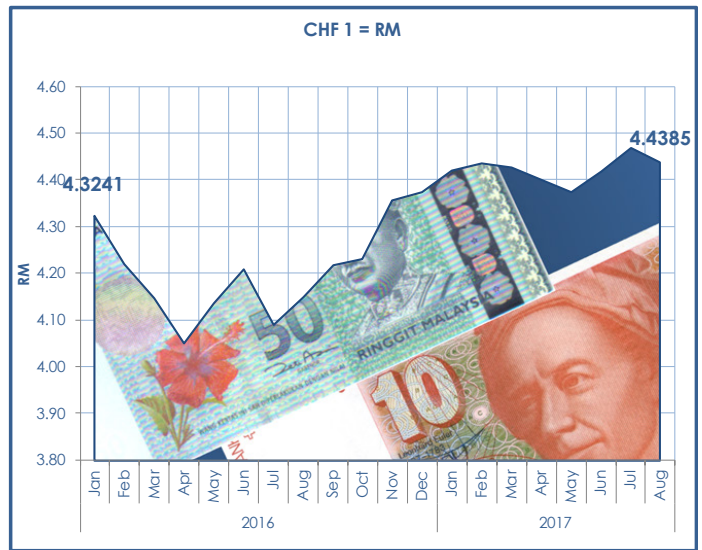
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2016 - August 2017

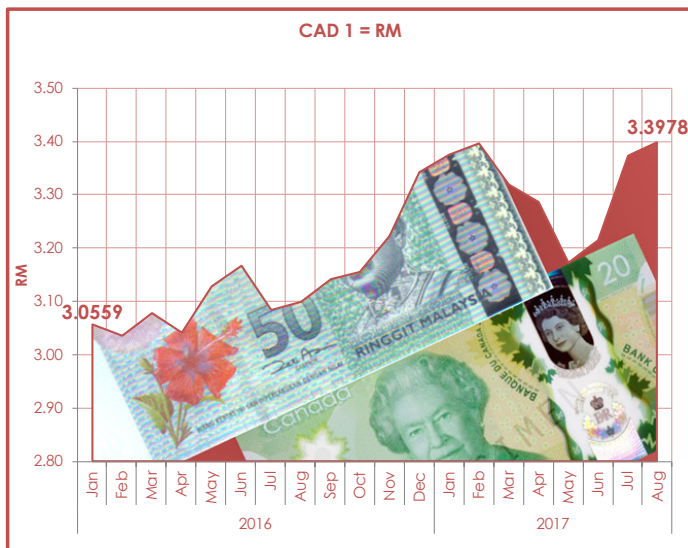
US Dollar



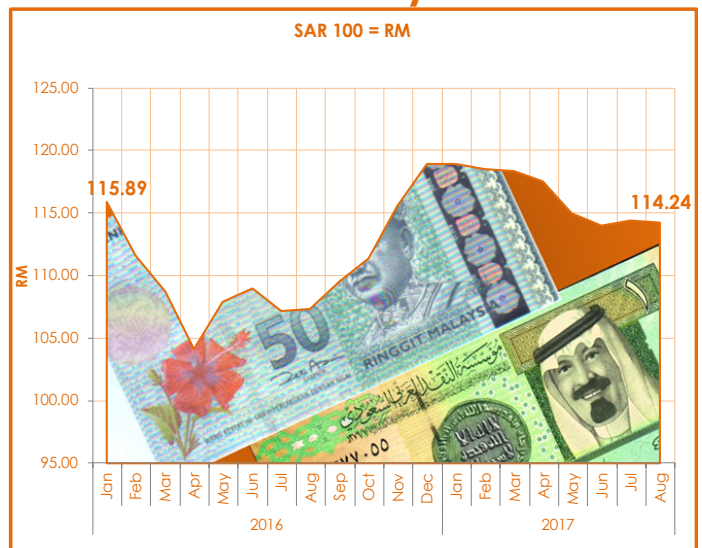
Swiss Franc



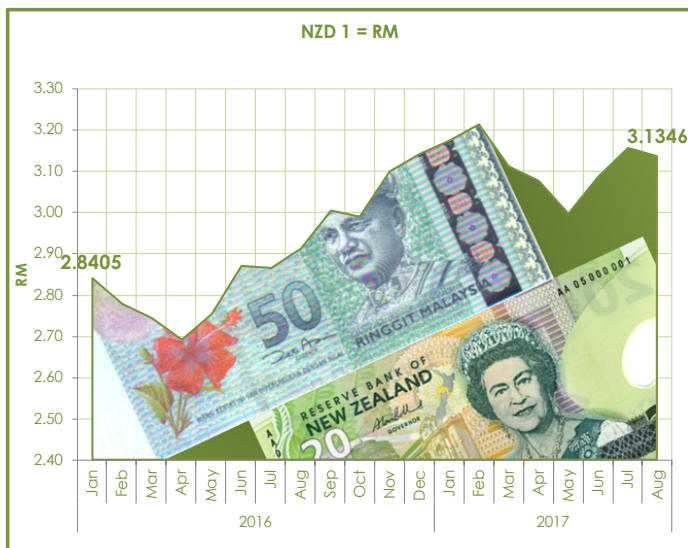
Canadian Dollar



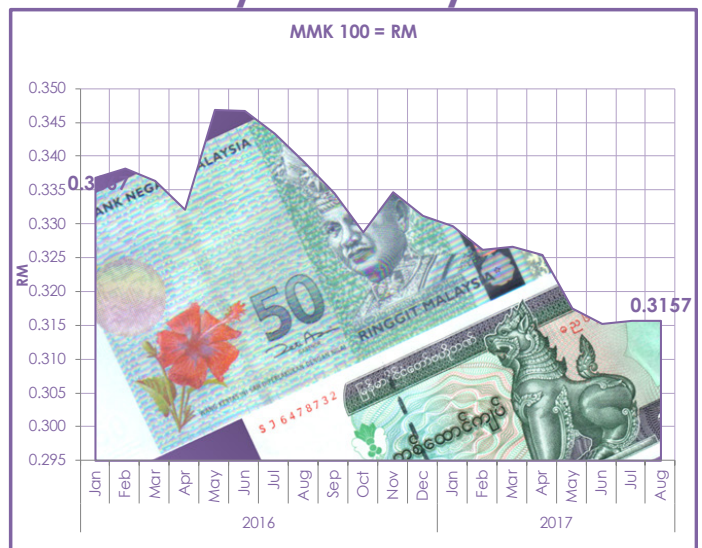
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices



CRUDE PETROLEUM (BRENT) -per bbl-

22 Sep 2017 : US\$56.9, ▲ 2.2%*
Average Priceⁱ : 2016: US\$45.3
2015: US\$53.6



CRUDE PALM OIL -per MT-

21 Sep 2017 : US\$749.5, ▲ 3.2%*
Average Priceⁱ : 2016: US\$702.2
2015: US\$616.9



SUGAR -per lbs-

22 Sep 2017 : US¢ 14.6, ▼ 3.5%*
Average Priceⁱ : 2016: US¢18.2
2015: US¢13.2

RUBBER SMR 20 -per MT-

21 Sep 2017 : US\$1,515.0, ▼ 7.3%*
Average Priceⁱ : 2016: US\$1,394.5
2015: US\$1,364.3



COCOA SMC 2 -per MT-

21 Sep 2017 : US\$1,428.2, ▲ 4.1%*
Average Priceⁱ : 2016: US\$1,609.8
2015: US\$2,077.0



COAL -per MT-

22 Sep 2017 : US\$44.1, unchanged
Average Priceⁱ : 2016: US\$45.6
2015: US\$49.9



SCRAP IRON HMS -per MT-

21 Sep 2017 : US\$370.0 (high), ▼ 2.6%*
US\$360.0 (low), ▼ 2.7%*
Average Priceⁱ : 2016: US\$243.2
2015: US\$239.6



HIGHEST and LOWEST 2016/2017

Crude Petroleum (Brent) -per bbl-



Highest

6 Jan 2017 : US\$57.1
30 Dec 2016 : US\$56.8

Lowest

23 June 2017 : US\$45.5
15 Jan 2016 : US\$28.9

Crude Palm Oil -per MT-



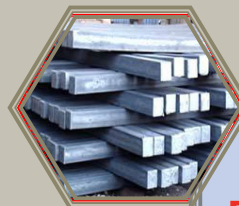
Highest

20 Jan 2017 : US\$843.0
30 Dec 2016 : US\$797.5

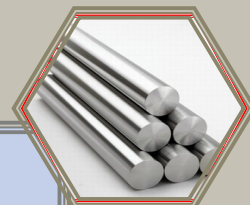
Lowest

30 June 2017 : US\$650.0
15 Jan 2016 : US\$545.5

Domestic Prices 21 Sep 2017



Billets
(per MT)
RM2,375 – RM2,400



Steel Bars
(per MT)
RM2,600 – RM2,750

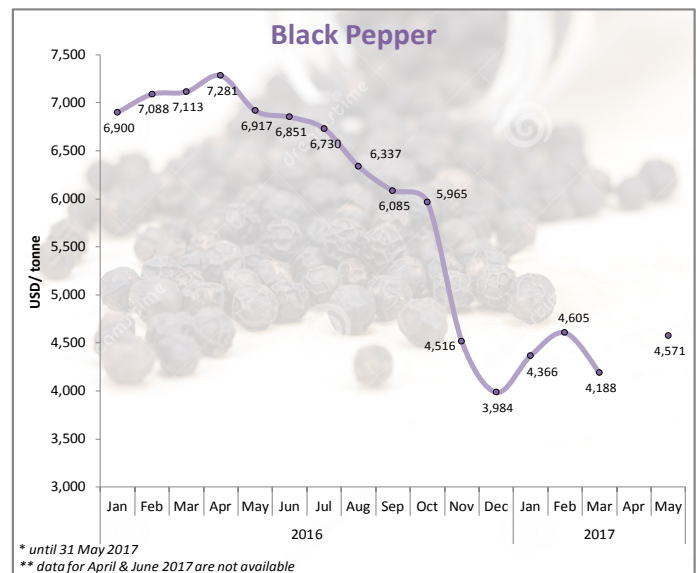
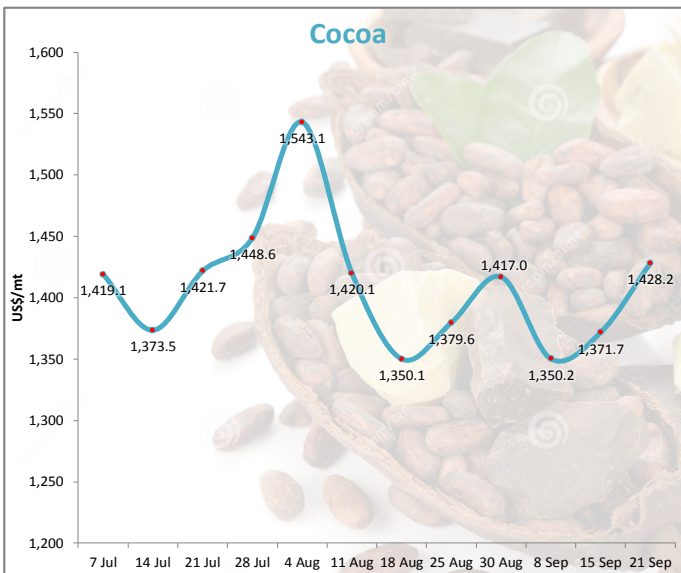
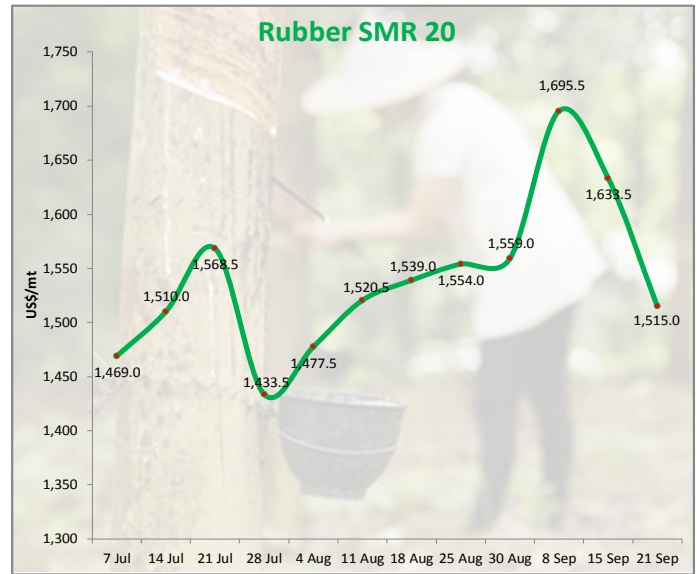
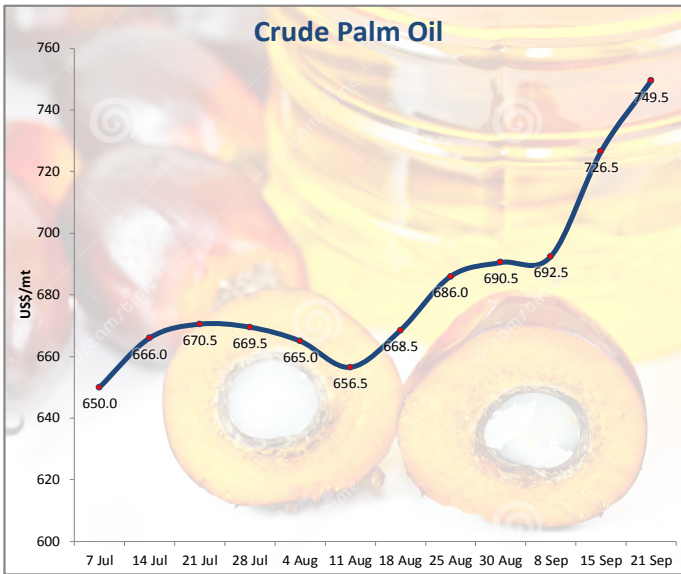
Notes: All figures have been rounded to the nearest decimal point

* Refer to % change from the previous week's price

i Average price in the year except otherwise indicated

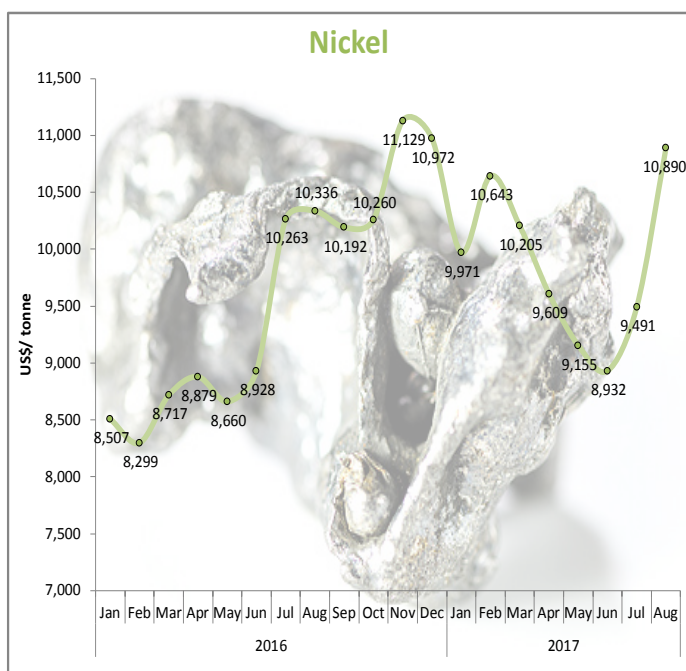
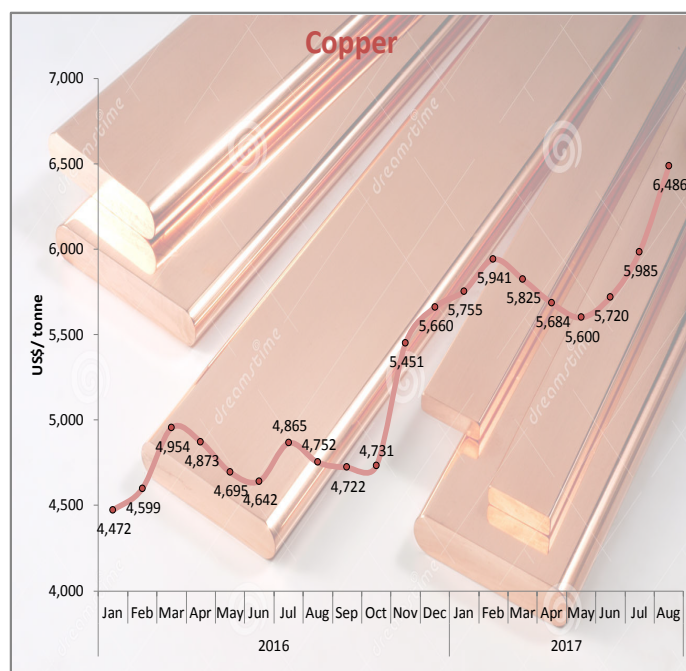
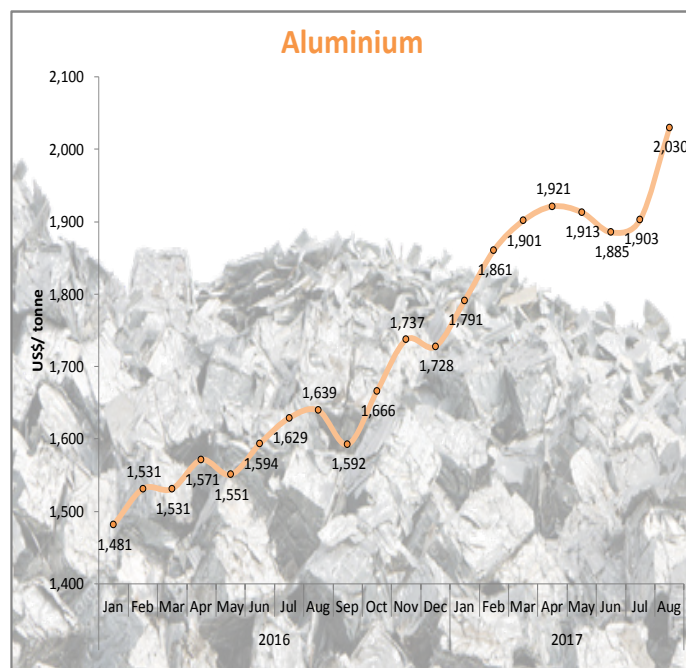
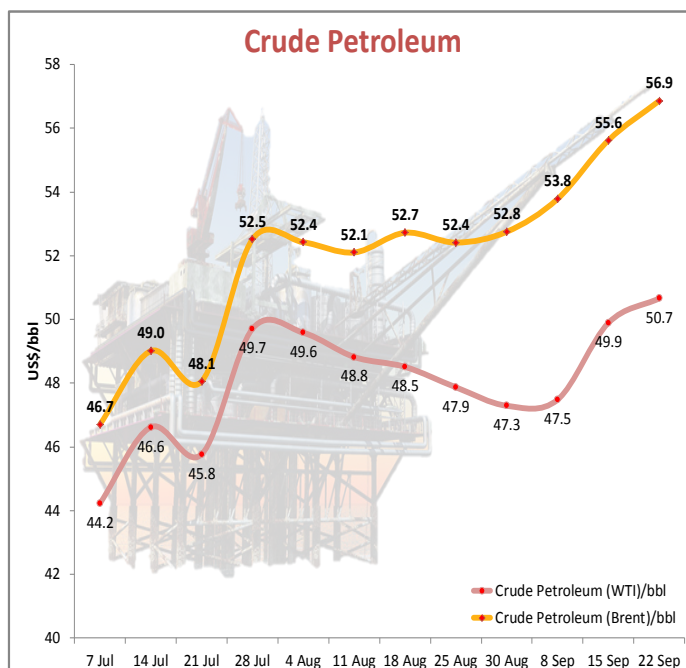
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

Commodity Price Trends



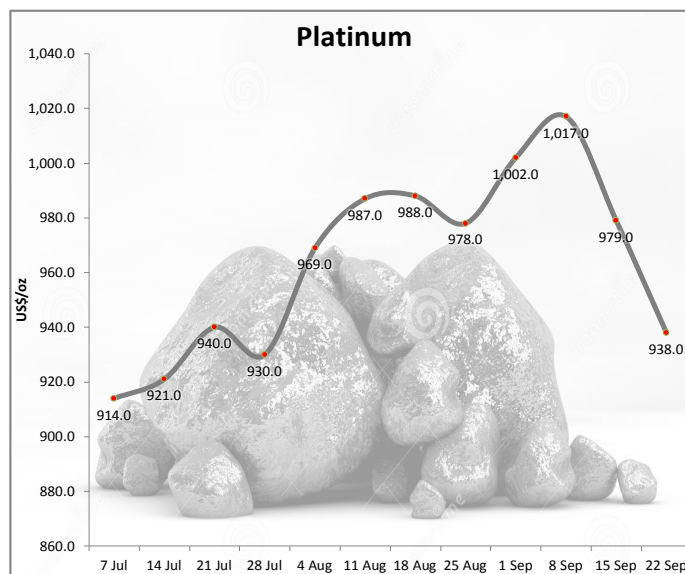
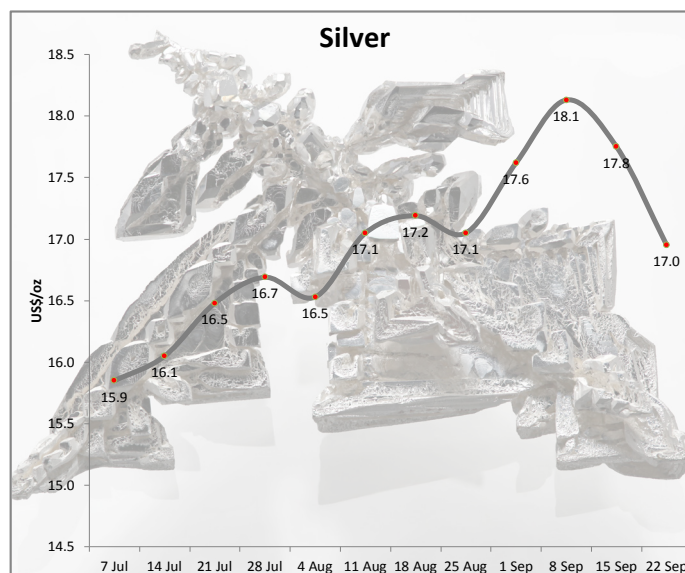
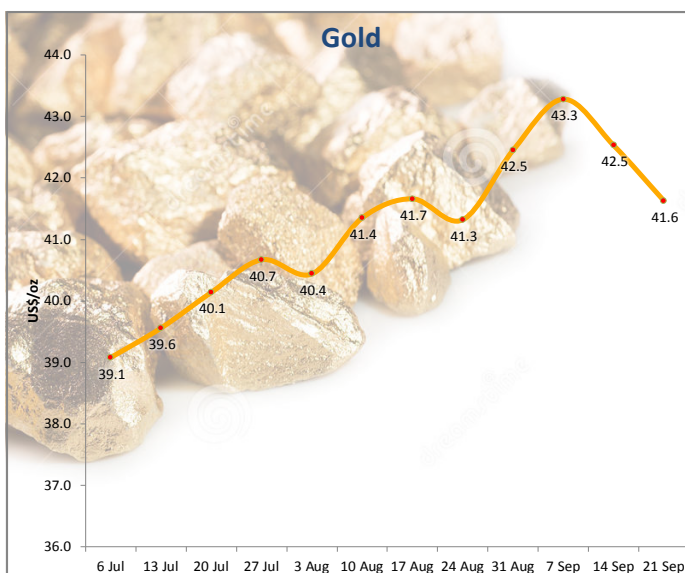
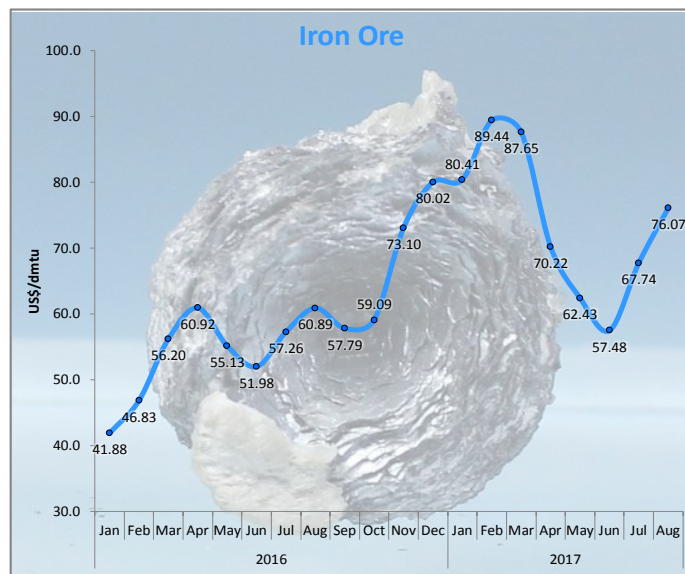
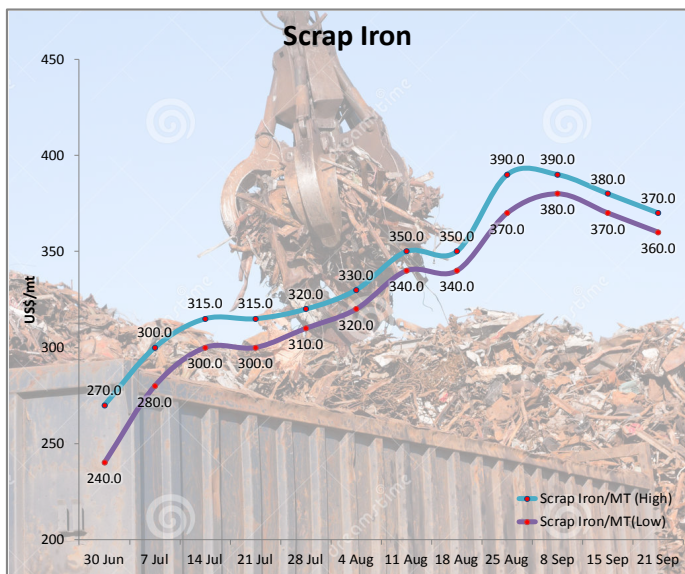
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.

MITI PROGRAMME

MITI Minister's Visit to Broadcom Limited, Pulau Pinang 19 September 2017



MITI Secretary General Visit to Spices and Seasonings Specialities Sdn Bhd., 19 September 2017



MITI PROGRAMME

MITI Minister's II Officiated the Opening of Sepang Aircraft Engineering Second Hanger, 21 September 2017



7th Asia-Europe Meeting (ASEM) Economic Ministers' Meeting (EMM7), 22 September 2017 Seoul, Republic of Korea





Glossary

of Technical Terms

MFN

Most-Favoured-Nation – Under the WTO agreements, countries cannot normally discriminate between their trading partners. Grant someone a special favour (such as a lower customs duty rate for one of their products) and you have to do the same for all other WTO members. This principle is known as most-favoured-nation (MFN) treatment. It is so important that it is the first article of the General Agreement on Tariffs and Trade (GATT), which governs trade in goods. MFN is also a priority in the General Agreement on Trade in Services (GATS) (Article 2) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) (Article 4), although in each agreement the principle is handled slightly differently. Together, those three agreements cover all three main areas of trade handled by the WTO. Some exceptions are allowed. For example, countries can set up a free trade agreement that applies only to goods traded within the group — discriminating against goods from outside. Or they can give developing countries special access to their markets. Or a country can raise barriers against products that are considered to be traded unfairly from specific countries. And in services, countries are allowed, in limited circumstances, to discriminate. But the agreements only permit these exceptions under strict conditions. In general, MFN means that every time a country lowers a trade barrier or opens up a market, it has to do so for the same goods or services from all its trading partners — whether rich or poor, weak or strong.

MICECA

Malaysia-India Comprehensive Economic Cooperation Agreement

NAC

The National Automotive Council - is chaired by YB Minister of MITI and consists of representatives from the Government and automotive industry. The role of the council is to oversee the implementation of NAP 2014 and other policy related to automotive industry.

NAICO

National Aerospace Industry Coordinating Office - coordinates, implements and monitors the Malaysian Aerospace Industry Blueprint 2030 and overall aerospace industry development programmes in Malaysia. It is the centre of excellence for the aerospace industry development in Malaysia and also promotes and facilitate the involvement and growth of Small, Medium Enterprises in the global supply chain in the aerospace industry. NAICO is also the Secretariat to the Malaysian Aerospace Council (MAC).

NAMA

Non-Agriculture Market Access - involves all products that are not covered by the Agriculture Agreement. In other words, NAMA products include all fish and fishery products, wood and forestry products, electronics, manufactures, automotive products, machinery, textiles, clothing, leather, chemical products, and mining products. Sometimes NAMA products are also called industrial goods or manufactured goods. NAMA products account for nearly 90% of export goods in the world. The WTO is trying to reduce or eliminate tariffs on NAMA goods, in particular products of export interest to developing countries, as part of the Doha Round.

NAP

National Automotive Policy -The NAP was introduced in 2006 to transform the automotive industry and integrate it into the increasingly competitive regional and global industry.

Source: <http://www.miti.gov.my/index.php/glossary>

**TO BE
CONTINUED...**

ANNOUNCEMENT

LIBERALISATION OF IMPORT LICENCE FOR IRON & STEEL PRODUCTS

Please be informed that there is an amendment to the Customs (Prohibition of Imports) Order 2017 effective **1 August 2017** (Tuesday).

All iron and steel products which are still subjected to Import Licence from MITI are listed in Appendix I.

DFTZ SME ONBOARDING WORKSHOPS

OPEN FOR REGISTRATION
MONTH OF SEPTEMBER 2017



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY



Local SMEs are invited to participate in the SME Onboarding Programme under the Digital Free Trade Zone (DFTZ) initiative. The first DFTZ SME Onboarding Workshop was held on 22 August 2017 at Menara MITI with nearly 500 companies in attendance. The next session is scheduled on 3 October 2017 (Tuesday) in Sarawak.

Local SMEs interested to participate can register directly at <http://www.mydftz.com>.

Participation in these workshops are free.

ANUGERAH KECEMERLANGAN INDUSTRI

INDUSTRY EXCELLENCE AWARD



AKI 2018 - Open to All companies
Closing Date: 31 January 2018

Congratulation...
**Malaysia 2nd place
for
9th Para ASEAN Games**

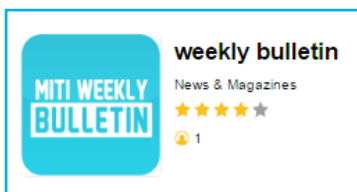


Quote of the day...

“The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it”

Theodore Roosevelt (US President, 1858-1919)

MITI Weekly Bulletin (MWB) Mobile Apps



MITI MWB APPs is now available for IOS, Android and Windows platforms. MWB APPs can be download from **Gallery of Malaysian Government Mobile APPs (GAMMA)** at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>



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