



## Malaysia continues to strengthen international trade relations with partner countries



On 10 July 2018, YB Ignatius Darell Leiking, the Minister of International Trade and Industry Malaysia had a conference call with Singapore's Minister of Trade and Industry, H.E. Chan Chun Sing and received courtesy calls from the Ambassador of the Republic of Korea (ROK), H.E. Dr. Toh Kyung Hwan; the Australian High Commissioner to Malaysia, H.E. Andrew Golezdzinowski; and the British High Commissioner to Malaysia, H.E. Vicki Treadell. This reflects the continued sound bilateral relations between these nations with Malaysia, particularly in the areas of trade and investments.

Singapore was Malaysia's 2<sup>nd</sup> largest trading partner with Malaysia-Singapore total trade in 2017 expanded by 22.2% to RM228.3 billion (USD53.2 billion). Singapore was our largest export destination with total export at USD31.6 billion or 14.5% of total exports in 2017. As of the first quarter of 2018, Singapore invested RM118.1 billion – making it the largest source of foreign direct investments (FDI), constituting 20.1% of total FDI in Malaysia.

In 2017, ROK was Malaysia's 8<sup>th</sup> largest global trading partner. Trade between Malaysia and ROK expanded by 9.2% to RM65.0 billion (USD15.1 billion) in 2017; with exports increased by 24.8% to RM28.6 billion (USD6.7 billion) and imports recorded a marginal decline of 0.6% to RM36.4 billion (USD8.5 billion). On investments, as at December 2017, 359 manufacturing projects were implemented with total investments worth RM18.5 billion (USD5.6 billion) creating 51,291 employment opportunities.

Australia was Malaysia's 12<sup>th</sup> largest trading partner in 2017. Trade increased by 23.7% to RM52.5 billion (USD12.2 billion); with exports increased by 20.8% to RM32.4 billion (USD7.5 billion) and imports increased by 28.7% to RM20.1 billion (USD4.66 billion). As at December 2017, 348 manufacturing projects were implemented with total investments of USD930.4 million (RM2.9 billion) creating 22,349 job opportunities.

The United Kingdom (UK) was Malaysia's 19<sup>th</sup> largest trading partner globally and 4<sup>th</sup> largest trading partner within the European Union (EU) In 2017. Malaysia's total trade with the UK grew by 7.1% to RM16.4 billion (USD3.8 billion), with exports increased by 10.5% and imports rose by 2.7%. The UK is the 3<sup>rd</sup> largest investor from the EU with 451 implemented manufacturing projects worth RM9.5 billion (USD2.8 billion) that enabled the creation of 37,265 work opportunities.

YB Minister took the opportunity to discuss various issues on economic and trade relations with Singapore, ROK, Australia and the UK. YB Minister welcomed investments from the respective countries in new growth areas in both the manufacturing and services sectors. MITI will work closely with the respective missions in elevating economic and trade relations. Despite Brexit, Malaysia remains confident in the UK's economy, thereby remains an important trade and investment partner for Malaysia.

YB Minister also took the opportunity to reaffirm Malaysia's position as an open economy with strong potential for investment. The Government supports the promotion of free trade that takes into consideration the different levels of development among trading nations. In terms of domestic investments, the focus will be on attracting quality investments to create high value-added jobs with less reliance on foreign labour. YB Minister also expressed the commitment of the Government to foster and enhance bilateral trade and investment relations with its trading partners.

# MALAYSIA

## Manufacturing Performance

### January-May 2018

#### Trade in Manufacturing

#### Exports

**RM266.9b**



10.4%



#### Imports

**RM239.7b**



3.1%



#### Total Trade

**RM474.3b**



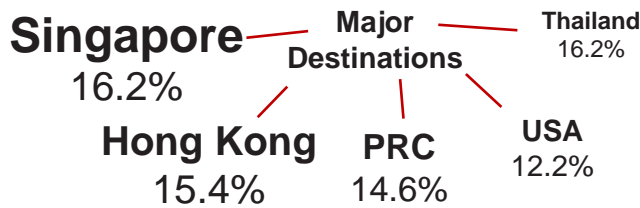
6.8%



#### Major Exports

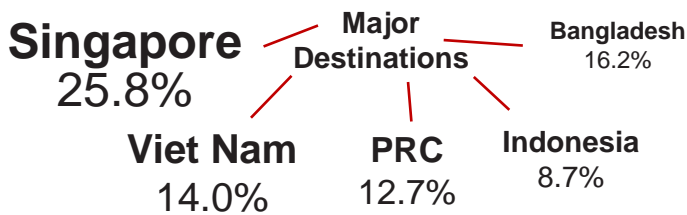
##### E&E Products

**RM149.2b (36.9%)**



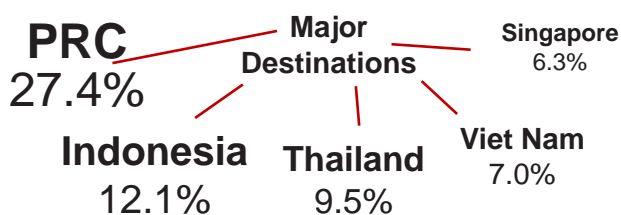
##### Petroleum Products

**RM31.9b (7.9%)**



##### Chemicals & Chemical Products

**RM22.5b (5.6%)**



#### Major Imports

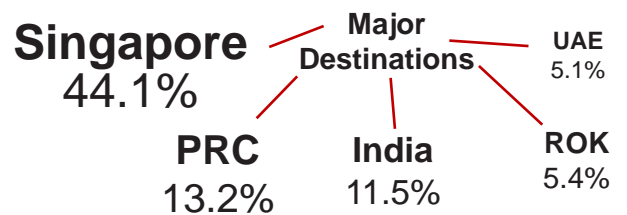
##### E&E Products

**RM103.2b (29.5%)**



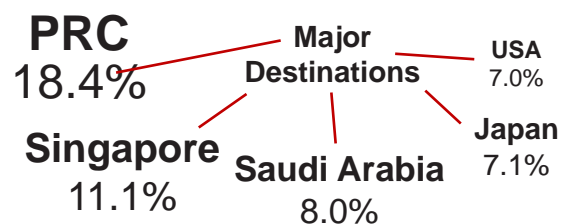
##### Petroleum Products

**RM34.0b (9.7%)**



##### Chemicals & Chemical Products

**RM32.2b (9.2%)**



Note: % is share to total

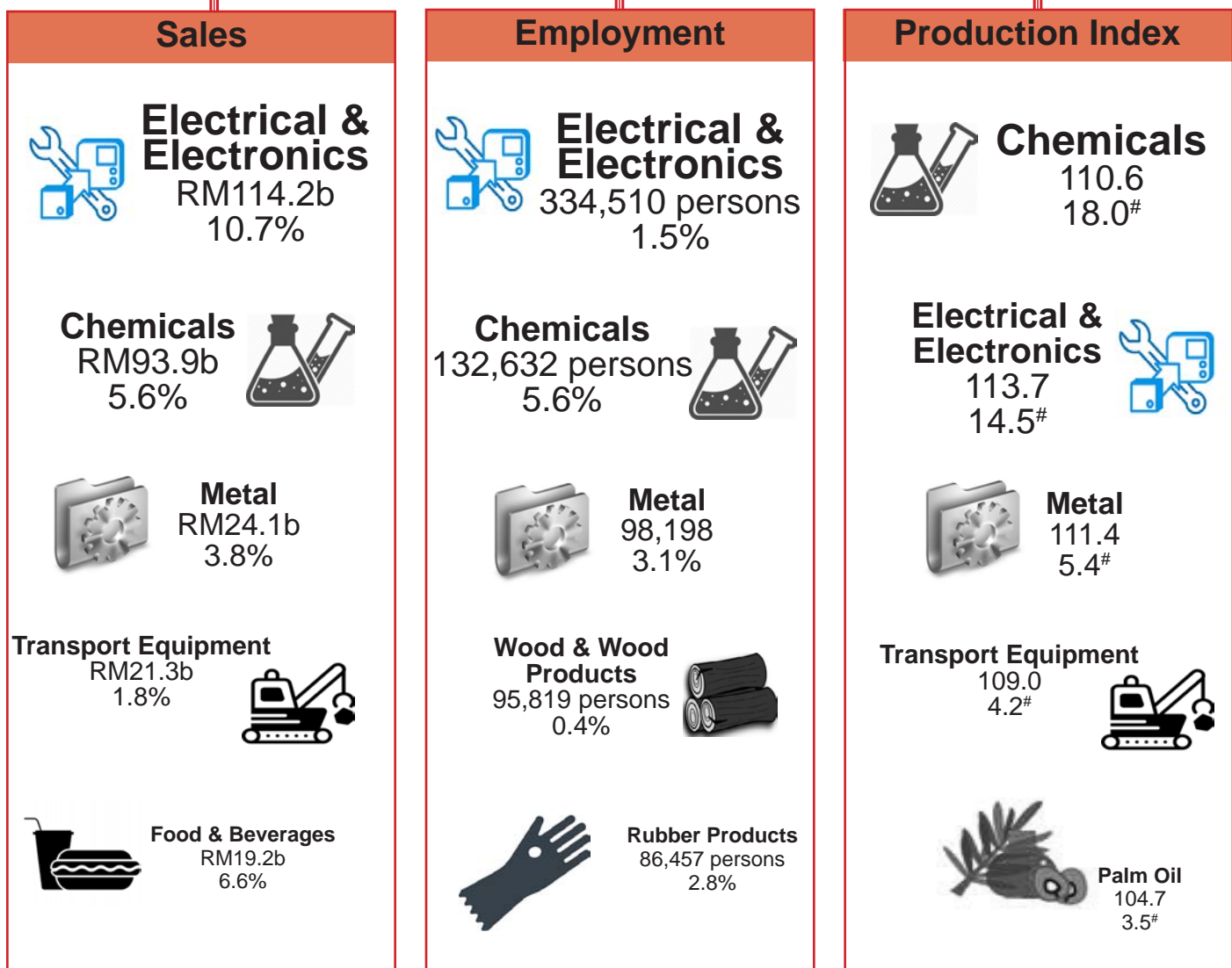
Source: Department of Statistics, Malaysia  
Compiled by MITI

# Manufacturing Performance January-May 2018

## Manufacturing Indicators



## Major Industry

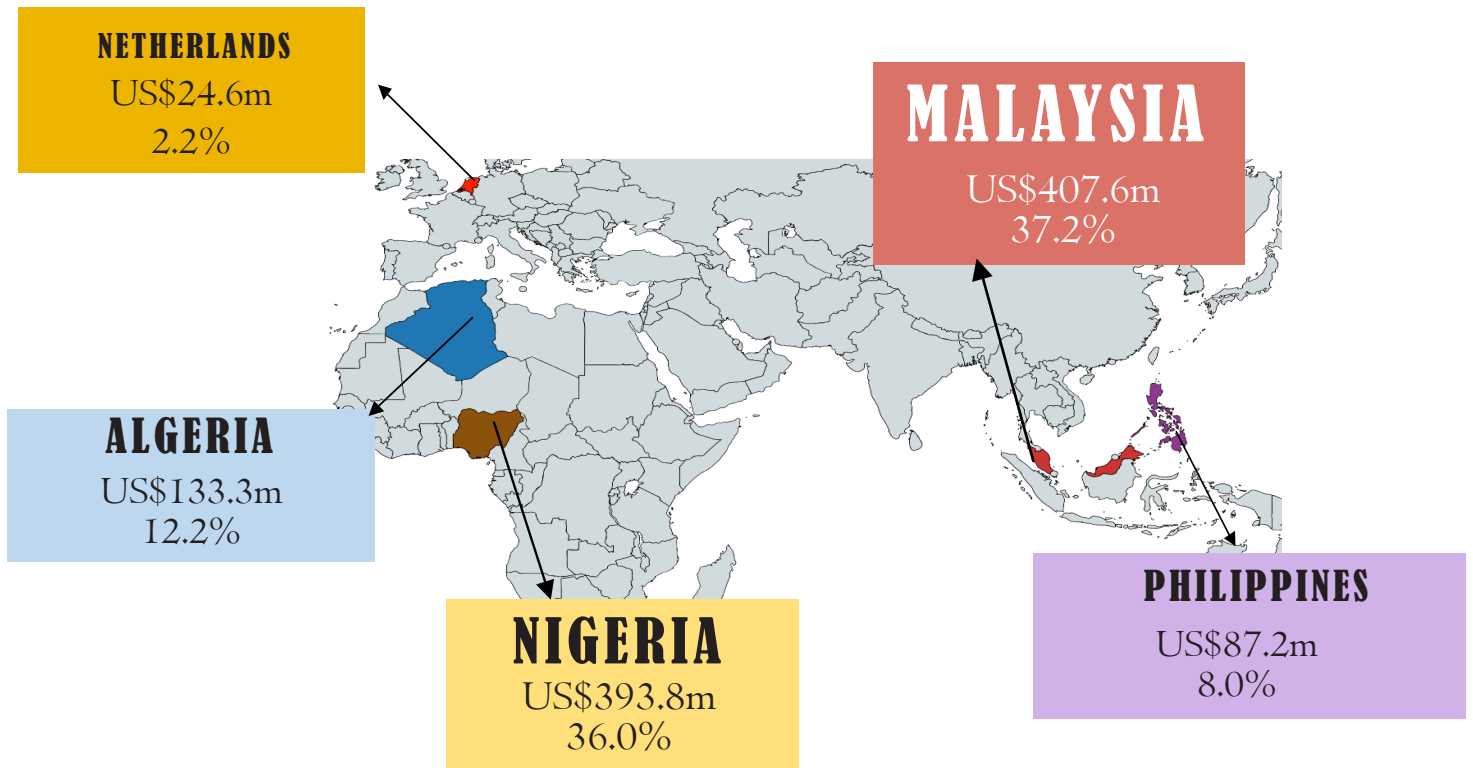


Notes: % refers to year-on-year change  
# industry weight

Source: Department of Statistics, Malaysia  
Compiled by MITI

# International Report

Malaysia was the **Largest** exporter of **Hydrocarbon In Gaseous State, n.e.s (Excluding Natural Gas)\*** in 2017

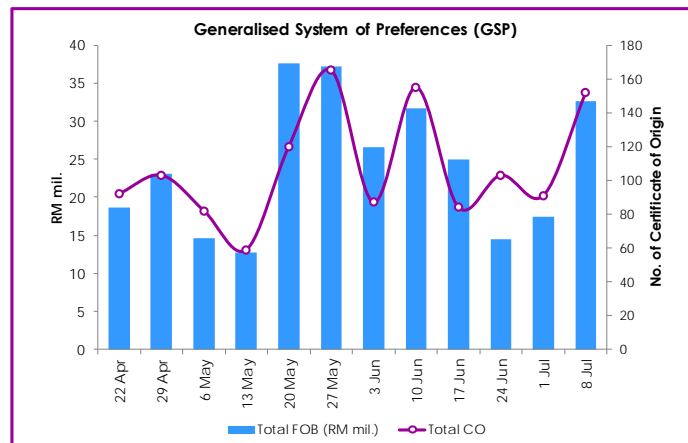
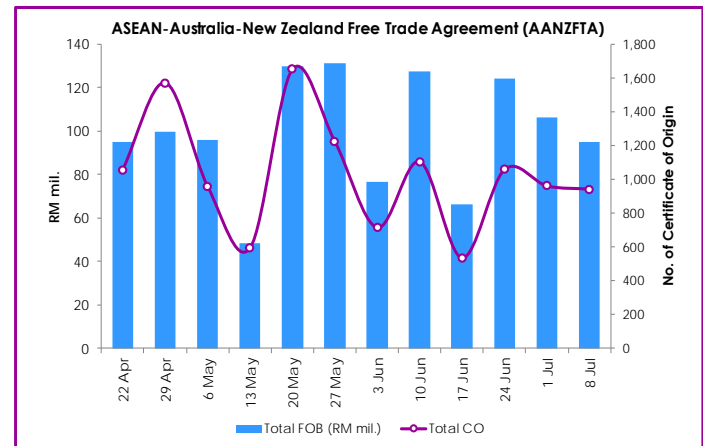
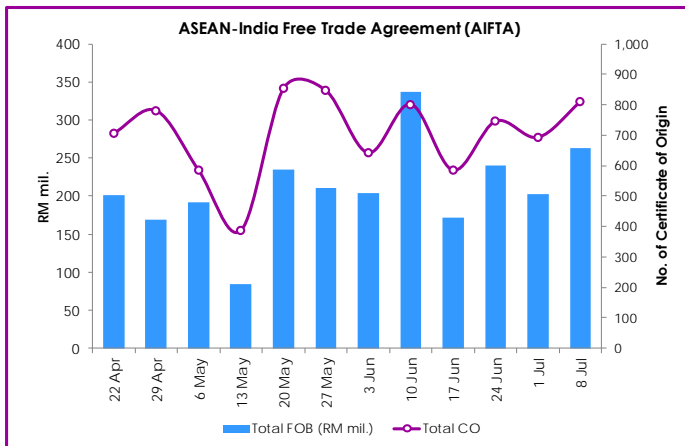
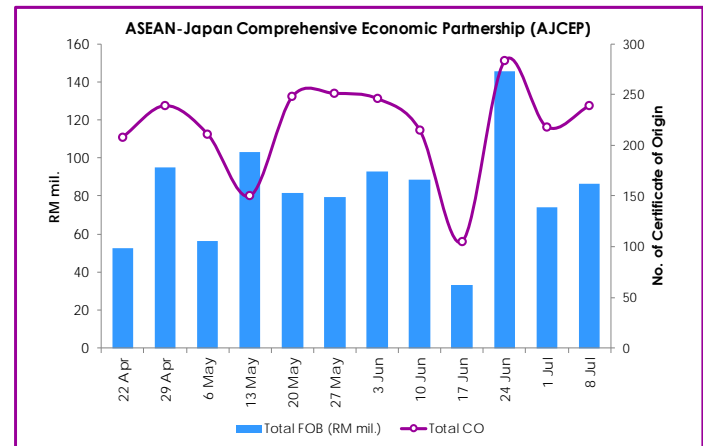
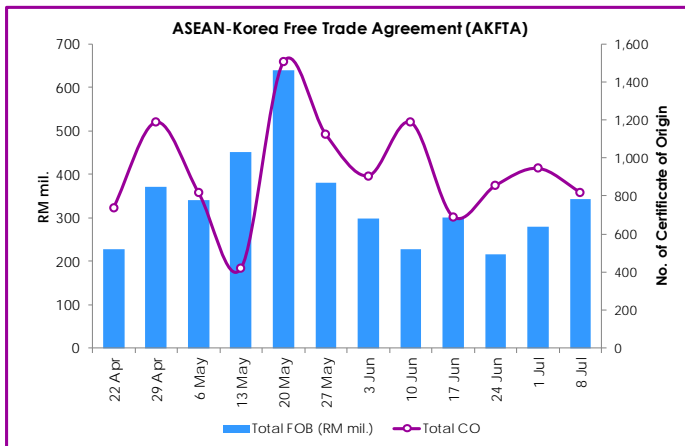
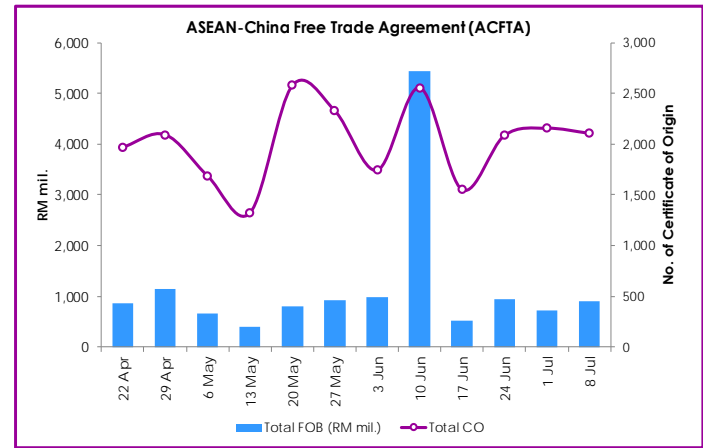
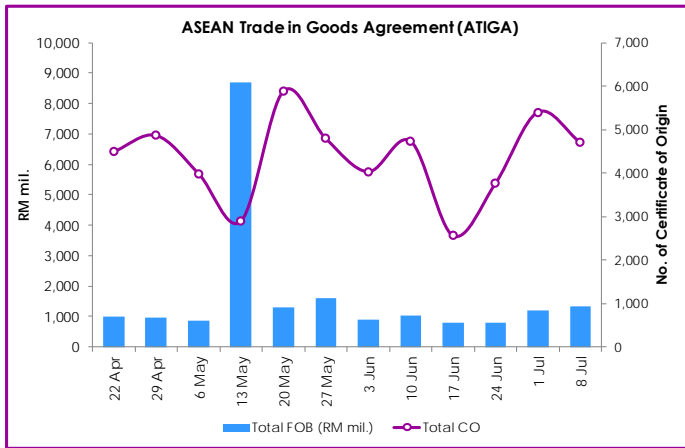


Note : Refers to HS271129

Source : <http://www.trademap.org/Index.aspx>



# Number and Value of Preferential Certificates of Origin (PCOs)

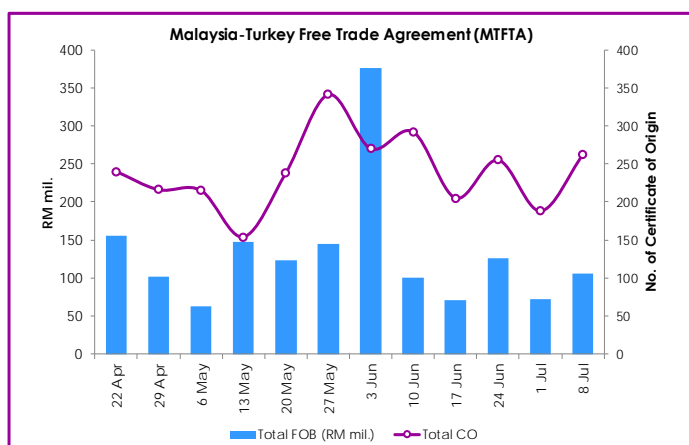
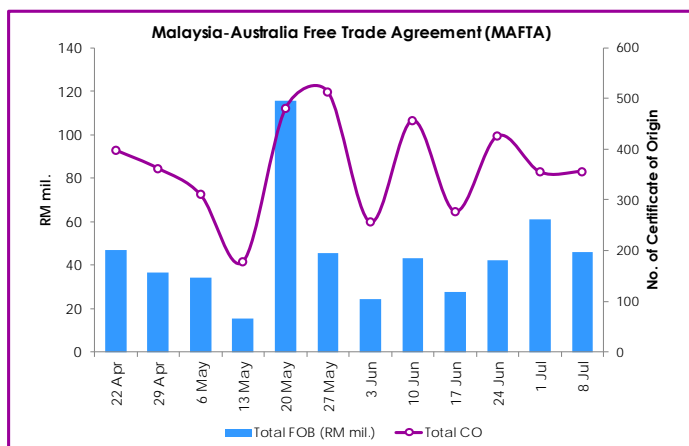
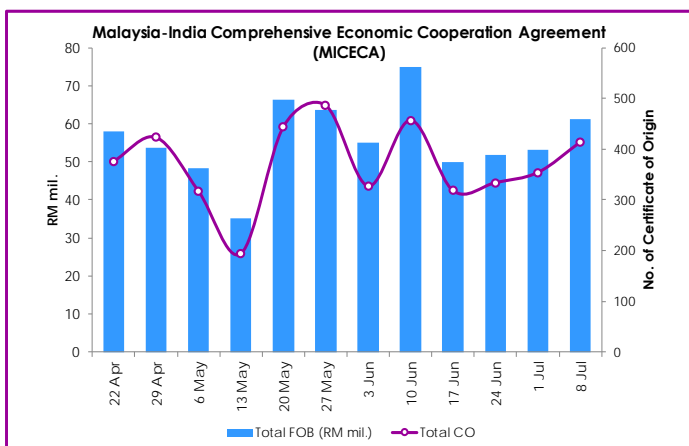
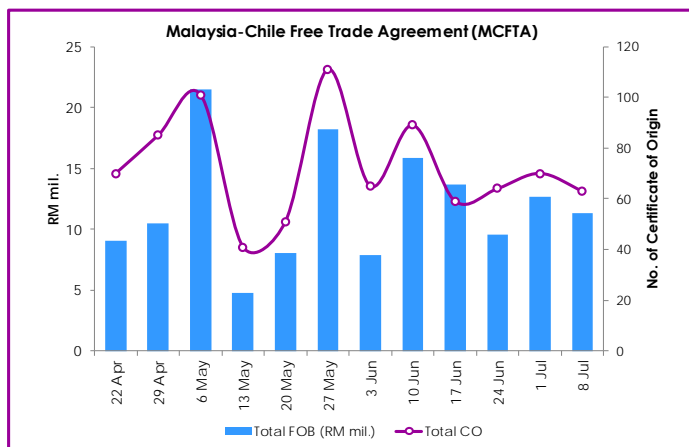
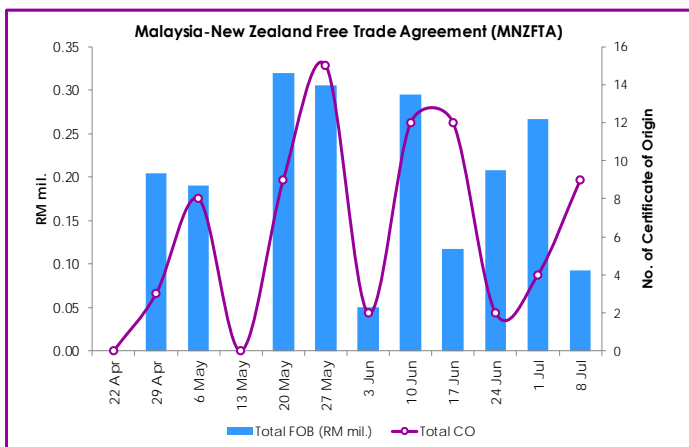
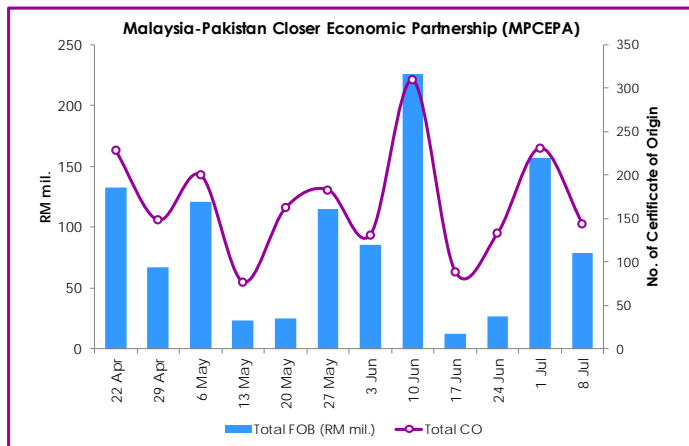
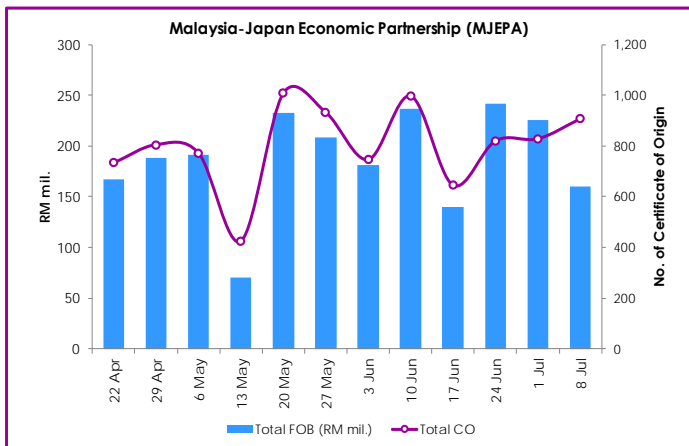


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: \*Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

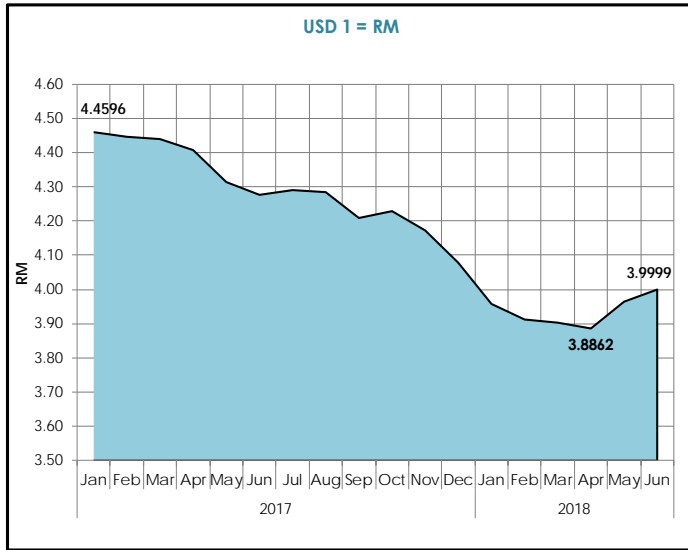
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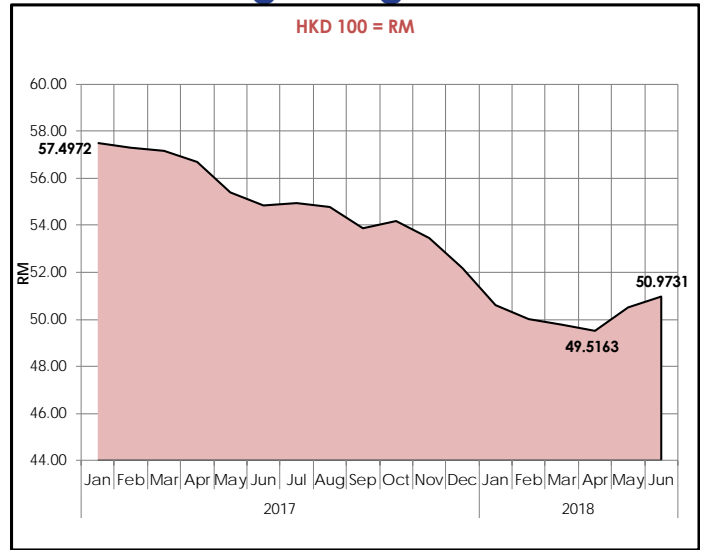
Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

# Malaysian Ringgit Exchange Rate with Selected Countries, January 2017 - June 2018

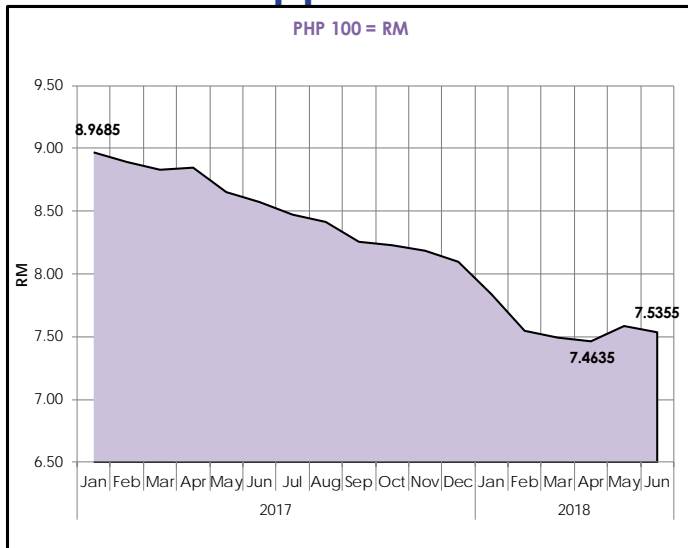
## US Dollar



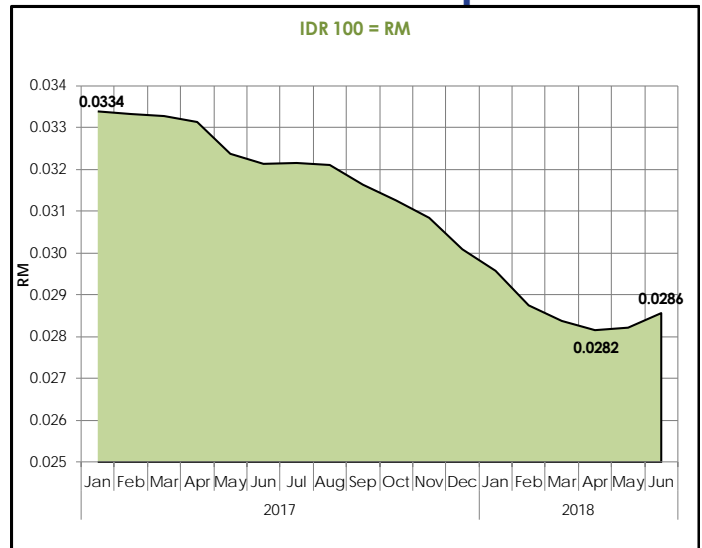
## Hong Kong Dollar



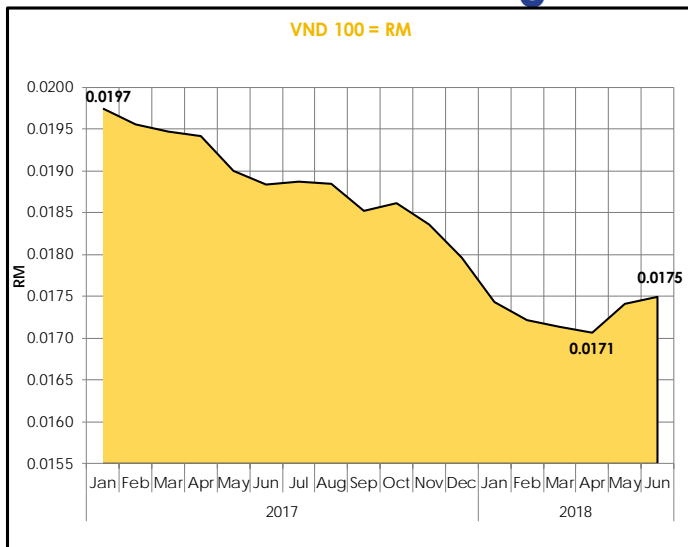
## Philippine Peso



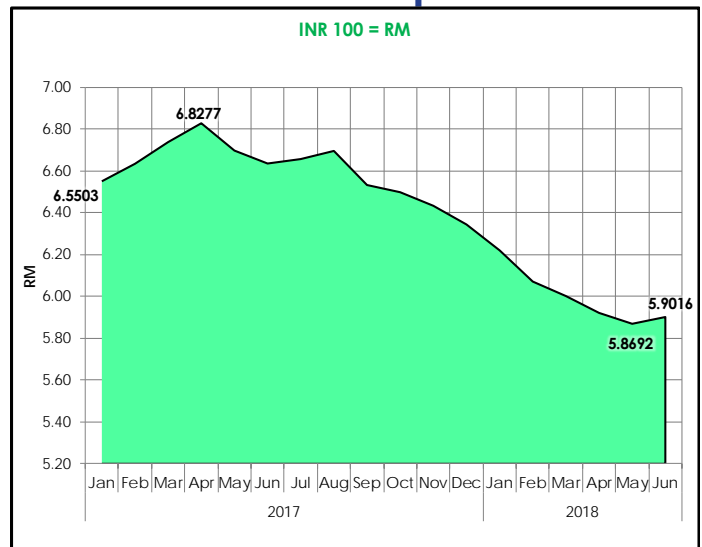
## Indonesian Rupiah



## Vietnamese Dong



## Indian Rupee



Source : Bank Negara Malaysia

# Commodity Prices



## CRUDE PETROLEUM (BRENT) -per bbl-

6 July 2018 : US\$77.1, ▼ 2.9%\*  
Average Price<sup>i</sup>: 2017: US\$55.0  
2016: US\$45.3



## CRUDE PALM OIL -per MT-

6 July 2018 : US\$610.5, ▲ 0.2%\*  
Average Price<sup>i</sup>: 2017: US\$719.7  
2016: US\$702.2



## SUGAR -per lbs-

6 July 2018 : US¢11.5, ▼ 6.0%\*  
Average Price<sup>i</sup>: 2017: US¢15.8  
2016: US¢18.2

## RUBBER SMR 20 -per MT-

6 July 2018 : US\$1,316.0, ▼ 2.8%\*  
Average Price<sup>i</sup>: 2017: US\$1,646.6  
2016: US\$1,394.5



## COCOA SMC 2 -per MT-

6 July 2018 : US\$1,612.5, ▼ 2.1%\*  
Average Price<sup>i</sup>: 2017: US\$1,439.0  
2016: US\$1,609.8



## COAL -per MT-

6 July 2018 : US\$63.8, ▲ 2.3%\*  
Average Price<sup>i</sup>: 2017: US\$57.2  
2016: US\$45.6

## SCRAP IRON HMS -per MT-

6 July 2018 : US\$390.0 (high), unchanged\*  
US\$375.0 (low), unchanged\*  
Average Price<sup>i</sup>: 2017: US\$314.5  
2016: US\$243.2



## HIGHEST and LOWEST 2017/2018

### Crude Petroleum (Brent) -per bbl-



#### Highest

29 June 2018 : US\$79.4  
29 Dec 2017 : US\$66.9

#### Lowest

9 Feb 2018 : US\$62.8  
23 June 2017 : US\$45.5

### Crude Palm Oil -per MT-



#### Highest

9 Mar 2018 : US\$691.5  
20 Jan 2017 : US\$843.0

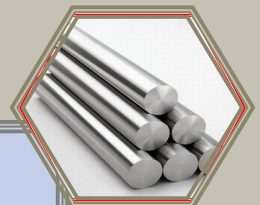
#### Lowest

29 June 2018 : US\$609.5  
30 June 2017 : US\$650.0

## Domestic Prices 6 July 2018



Billets  
(per MT)  
RM2250 - RM2,300



Steel Bars  
(per MT)  
RM2,400 - RM2,550

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

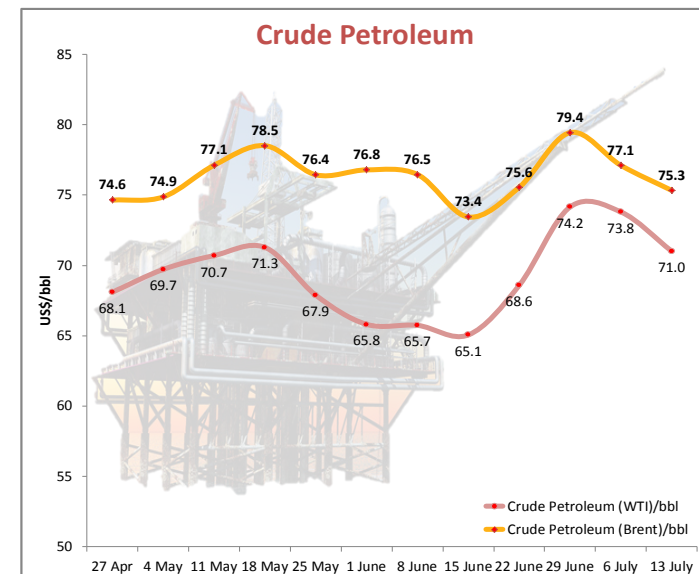
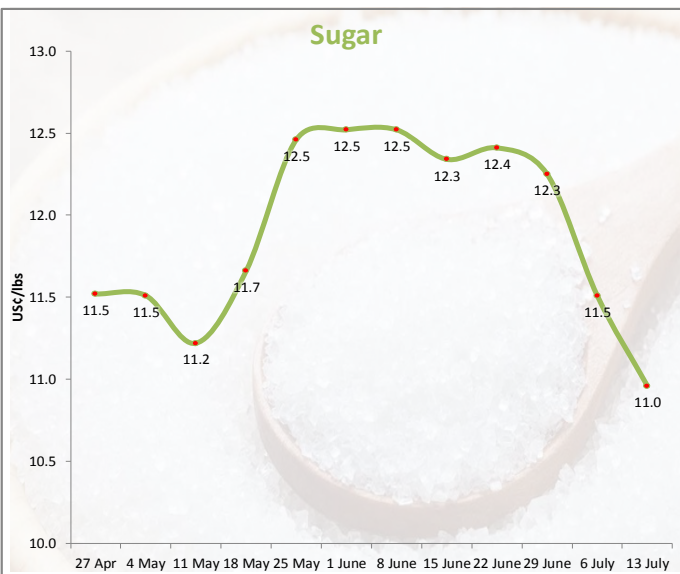
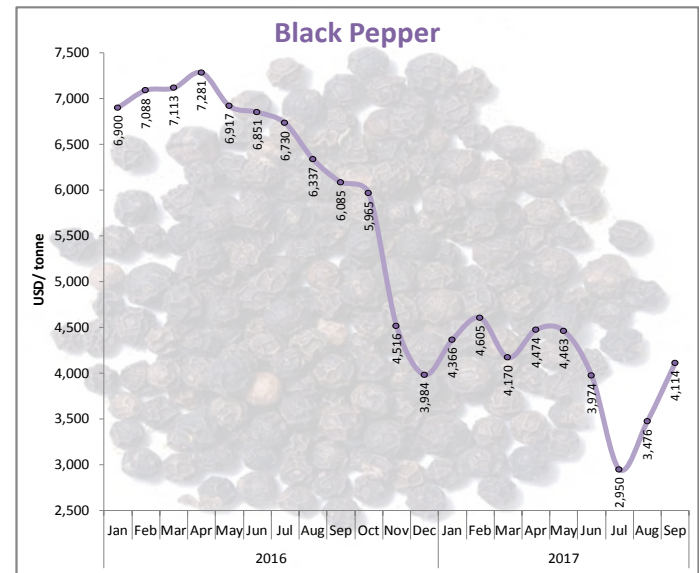
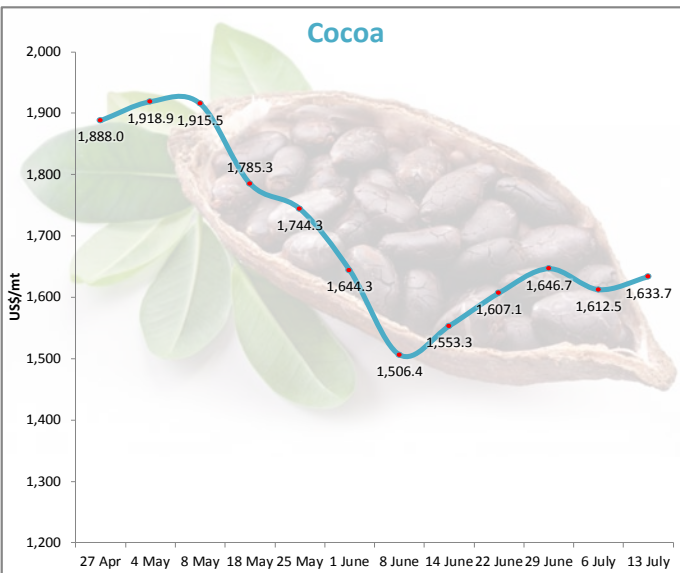
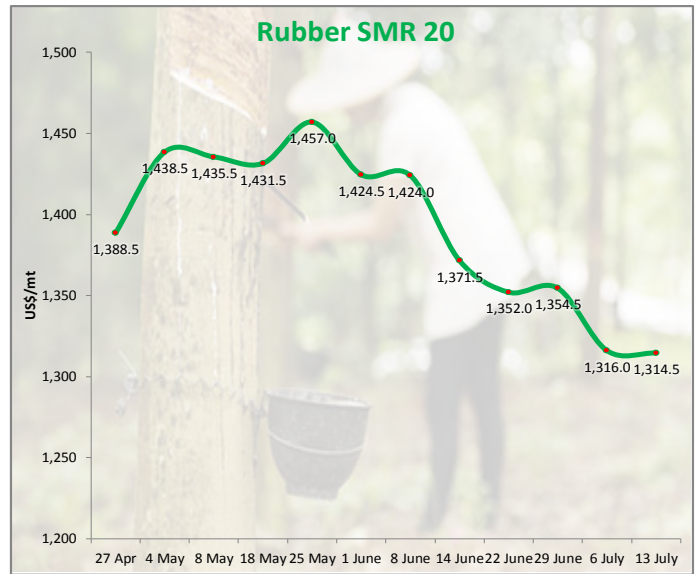
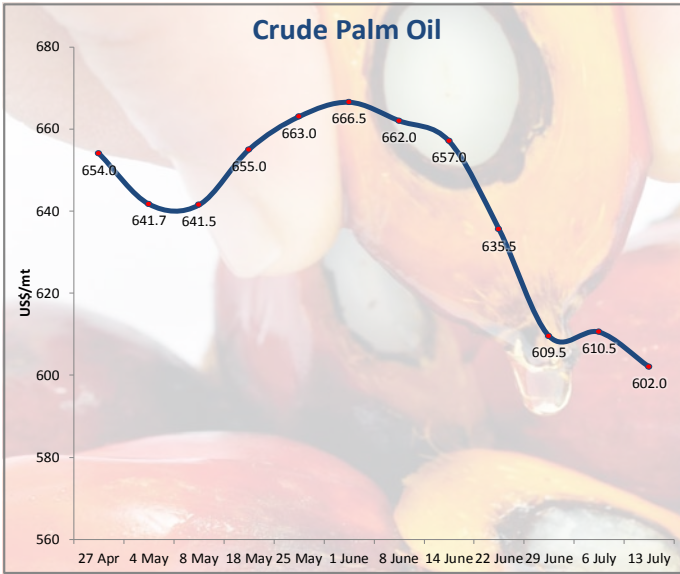
\* Refer to % change from the previous week's price

<sup>i</sup> 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, and Bloomberg.

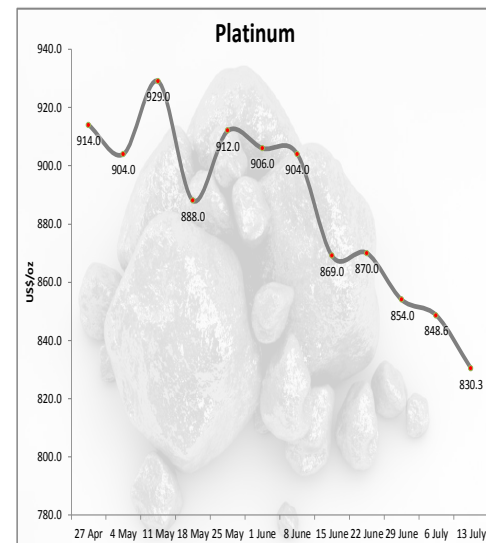
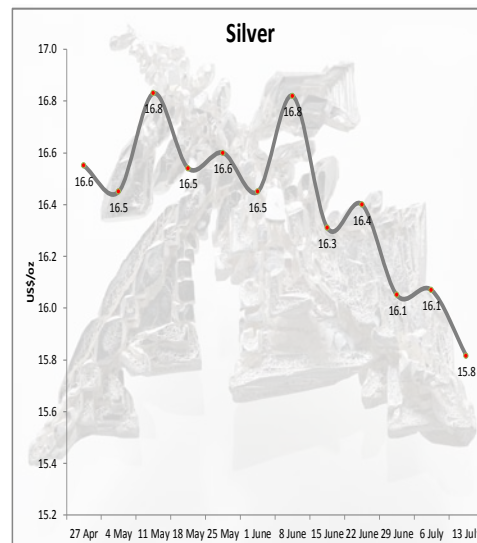
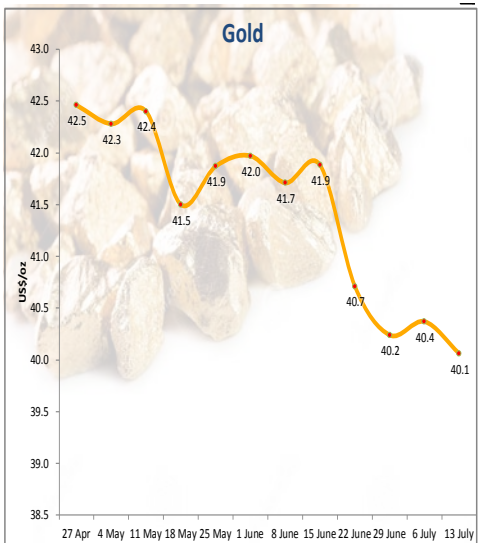
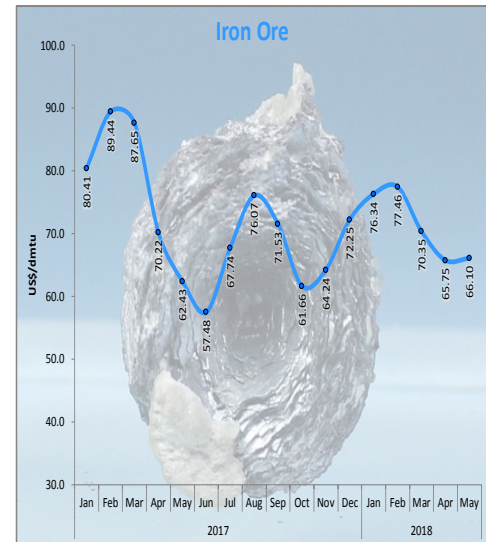
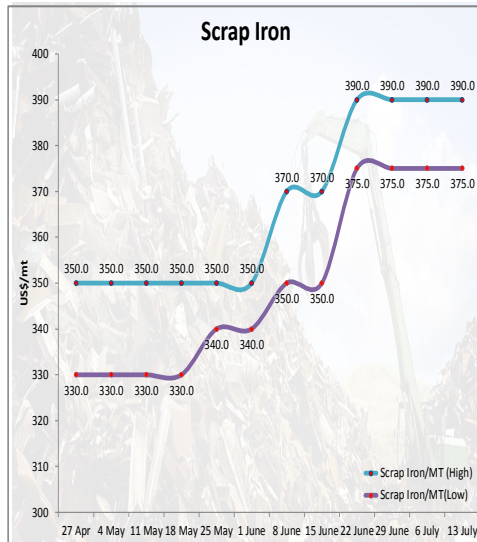
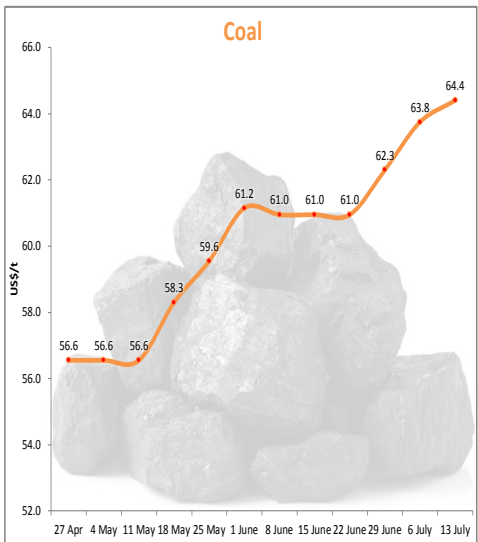
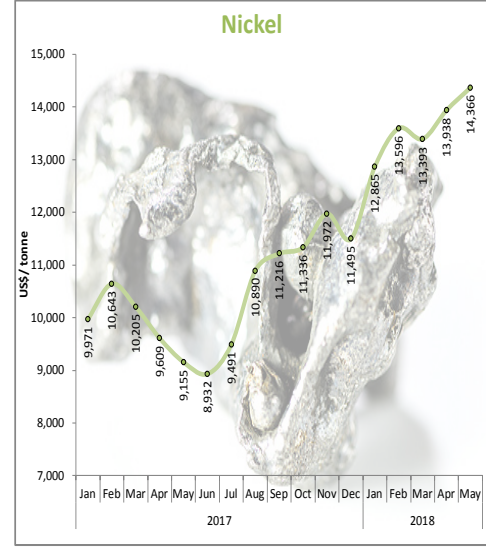
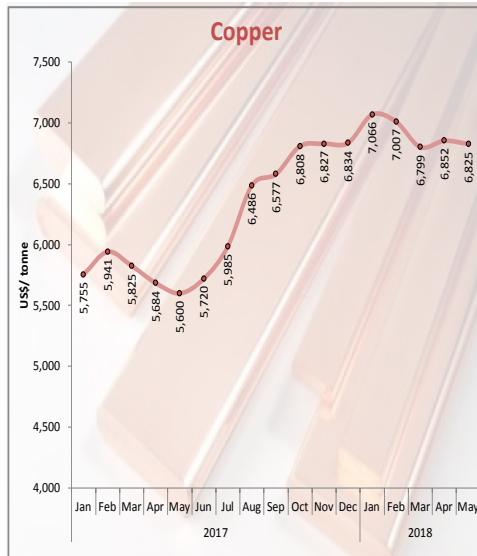
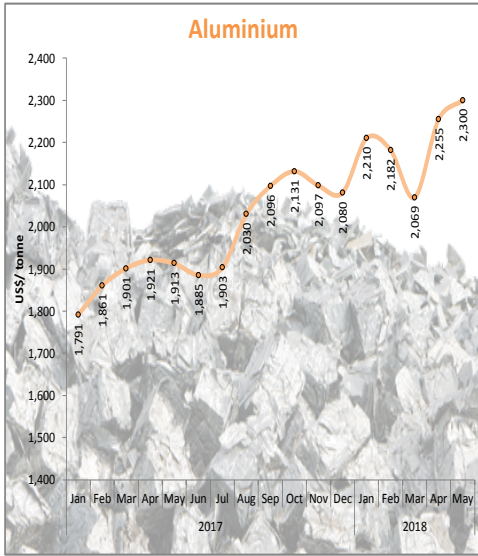


# Commodity Price Trends



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.



# Courtesy Calls by Singapore, Republic of Korea, Australia and the United Kingdom, 10 July 2018

MITI PROGRAMMES





# Courtesy Calls by Spanish Business Delegation, 11 July 2018



# Courtesy Calls by Deputy Minister of Argentina Agriculture Ministry, 12 July 2018



MITI PROGRAMMES



# Majlis Meraikan Warga MITI yang akan menunaikan Haji Bersama KSU, 11 Julai 2018

*Semoga dipermudahkan semua urusan di tanah suci...*



**MITI PROGRAMMES**



# Majlis Ramah Mesra MITI dan Agensi bersama YB Menteri, 12 Julai 2018

MITI PROGRAMMES





# Glossary

## of Technical Terms

### **MITI**

Ministry of International Trade & Industry, Malaysia

### **MJEPA**

Malaysia-Japan Economic Partnership Agreement - Malaysia and Japan established the Malaysia-Japan Economic Partnership Agreement (MJEPA) on 13 December 2005. MJEPA came into force on 13 July 2006.

### **ML**

Manufacturing License - The Industrial Coordination Act, 1975 requires person(s) engaging in any manufacturing activity with shareholders' funds of RM2.5 million and above or employing 75 or more full-time paid employees to obtain a Manufacturing Licence.

### **MMBK**

Mesyuarat Mingguan Besi Keluli – A technical committee under the Jawatankuasa Pengecualian Cukai 3 (JPC3) to evaluate import duty exemption applications for raw materials of iron and steel products.

### **MNP**

Movement of Natural Person - One of the four ways through which services can be supplied internationally. Otherwise known as “Mode 4”, it covers natural persons who are either service suppliers (such as independent professionals) or who work for a service supplier and who are present in another WTO member to supply a service.

### **MNZFTA**

Malaysia-New Zealand Free Trade Agreement - Malaysia and New Zealand commenced negotiations on the bilateral FTA in May 2005. The Malaysia-New Zealand FTA (MNZFTA) negotiations were concluded on 30 May 2009 at the 10th round of negotiations in Kuala Lumpur. The Agreement was signed by both Ministers of Trade on 26 October 2009 in Kuala Lumpur. MNZFTA entered into force on 1 August 2010.

### **Moratorium**

The moratorium on new membership, effective through 2010, was agreed between APEC Leaders in 1997 in order to give APEC a period in which to lay firm foundations for the future given the considerable number of members (21).

### **MOU**

Memorandum of Understanding - a document that records the common intent of two or more parties where the parties do not wish to assume legally binding obligations. An MOU is usually less complex and less detailed than a contract, but provides a framework and set of principles to guide the parties in undertaking a project or working arrangement.

### **MPCEPA**

Malaysia-Pakistan Closer Economic Partnership Agreement - Malaysia and Pakistan established the Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA) on 8 November 2007. MPCEPA came into force on 1 January 2008. The MPCEPA encompasses liberalisation in trade in goods and services, investment, as well as bilateral technical cooperation and capacity building in areas such as sanitary and phytosanitary measures, intellectual property protection, construction, tourism, healthcare and telecommunications.

### **MRA**

Mutual Recognition Agreement - an international agreement by which two or more countries agree to recognize one another's conformity assessments. If the products identified according to the MRA have been examined and assessed conformity before export, they will be directly imported by countries signing the agreement, instead of having to go through the examining and assessing process of the importing country. Hence, MRA is an important instrument in facilitating international trade.

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

**T** O BE CONTINUED...



# ANNOUNCEMENT

## MITI POCKET TALK

A SERIES OF SESSION FOR THE PRIVATE SECTOR

Information on the benefits of **Free Trade Agreements (FTAs)** and current updates

Introduction on **Preferential Certificates of Origin (PCO)** application procedures

Enjoy **LOWER Tariffs** on Imports

Gain **COMPETITIVE EDGE** by utilising the FTAs

**When?**

Once a month

**Where?**

MITI Tower Kuala Lumpur  
OR  
MITI Regional Offices

**Fees?**

Free of Charge with light refreshments

For more information, please contact the Secretariat

03-6200 0468/89/57
 allaki@miti.gov.my

## Tentative Schedule for MITI Pocket Talk 2018

No.	Date	Venue	Topic
1	18-Jul	MITI Kelantan	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
2	8-Aug	MITI HQ	<ul style="list-style-type: none"> <li>Introduction Preferential Certificate of Origin (PCO)</li> <li>Updates on RCEP</li> </ul>
3	15-Aug	MITI Perak	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
4	19-Sep	MITI Pahang	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
5	17-Oct	MITI HQ	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
6	14-Nov	MITI Sabah	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
7	5-Dec	MITI HQ	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
8	12-Dec	MITI Sarawak	<ul style="list-style-type: none"> <li>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>

Please click [here](#) to register

# ANNOUNCEMENT

## NEW GUIDELINE ON APPLICATION FOR CLASSIC AND VINTAGE VEHICLES IMPORT LICENSE (AP)

Please be informed effective 1 July 2018 (Sunday), a new guideline on application for classic and vintage vehicles Import License (AP) will be enforced. All application received by MITI on 1 July 2018 onward will be subjected to the terms and conditions under this new guideline.

For more information, kindly click the following links:

[http://www.miti.gov.my/miti/resources/Approve%20Permit/AP%20Announcement/Lampiran\\_GP\\_Classic\\_and](http://www.miti.gov.my/miti/resources/Approve%20Permit/AP%20Announcement/Lampiran_GP_Classic_and)



For more information, kindly click the following links:

[http://www.miti.gov.my/index.php/pages/view/4761Vintage\\_English.pdf](http://www.miti.gov.my/index.php/pages/view/4761Vintage_English.pdf)

## Issuance of APEC Business Travel Card is temporarily suspended

Immigration Department of Malaysia has issued a notice that due to unavoidable circumstances, the issuance of APEC Business Travel Card is temporarily suspended and ABTC card will not be printed for approved applicants until further notice (Kindly refer: <http://www.imi.gov.my/index.php/en/resources-and-archives/announcement/1784-notice-of-apec-card-production-suspended-time.html>).

## Industry 4.0

For more information on Industry 4.0, please visit MITI's website via this link:

<http://www.miti.gov.my/index.php/pages/view/industry4.0?mid=559>

## Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

For more information on Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) please visit MITI's website via this link: <http://fta.miti.gov.my/index.php/pages/view/71?mid=40>

## Withholding Tax

For more information on Withholding Tax, please visit LHDN's website via this link:

[http://www.hasil.gov.my/bt\\_goindex.php?bt\\_kump=2&bt\\_skum=6&bt\\_posi=1&bt\\_unit=5&bt\\_sequ=1&bt\\_lgv=2](http://www.hasil.gov.my/bt_goindex.php?bt_kump=2&bt_skum=6&bt_posi=1&bt_unit=5&bt_sequ=1&bt_lgv=2)

# @ Your Service MITI Jakarta



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## MITI Weekly Bulletin (MWB) Mobile Apps



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