



## MITI established a task force on US-China trade conflict

It is a real concern that in recent months, we have seen the spectre of protectionism on the rise. The protectionist measures started when the US initiated investigations in 2017 under the auspices of its Trade Act of 1974 and Trade Expansion Act of 1962. The US-China trade conflict began on 22 January 2018 when the US imposed the global safeguard measures on solar panels and washing machines. Tensions further escalated when the US invoked section 232, Trade Expansion Act of 1962 and imposed additional tariffs against aluminium and steel imports on national security grounds. These actions have resulted in numerous announcements and actions by China—retaliating against the measures taken by the US.



Trade conflict is never a beneficial move for any country simply because trade restrictions and retaliatory measures would hurt everyone, especially small countries. The conflict has not only affected the US and China but also sparked retaliatory measures by many other aggrieved countries. Among the retaliatory measures are safeguard investigations launched by European Union (EU) in March 2018 on 23 iron and steel products and followed by Turkey against numerous iron and steel products in May 2018. It did not stop there as Canada too is considering both quotas and tariffs to stop a spike in imports of foreign steel being diverted from the US. Looking at this upsetting trend, a vicious protectionist cycle will ensue and pose a threat to world trade.

Countries should halt the spread of protectionism and instead, be actively engaged in finding amicable solutions and resolving trade issues through multilateral dialogue such as the World Trade Organisation (WTO). This is to ensure that trade policies can be effective in strengthening the multilateral trading system. Hence, the Malaysian Government will continue to work with all countries to ensure that protectionism is not the preferred path in any country's policy formulation. Malaysia will also highlight our concerns at the ASEAN and APEC fora.

With a view to monitor and coordinate the feedback from various stakeholders against the backdrop of escalating US-China's trade conflict, Ministry of International Trade and Industry (MITI) has established a task force in July 2018 with the aim to monitor and assess the developments of the US-China trade conflict and well as formulate strategies to mitigate the impact of trade protectionism. The task force will also act as a focal point for stakeholders to present their views, comments, and feedback.

Companies operating in Malaysia are encouraged to reach out to this task force on any challenges they are facing due to the on-going trade tension. The task force can be reached at [taskforce.tc@miti.gov.my](mailto:taskforce.tc@miti.gov.my).

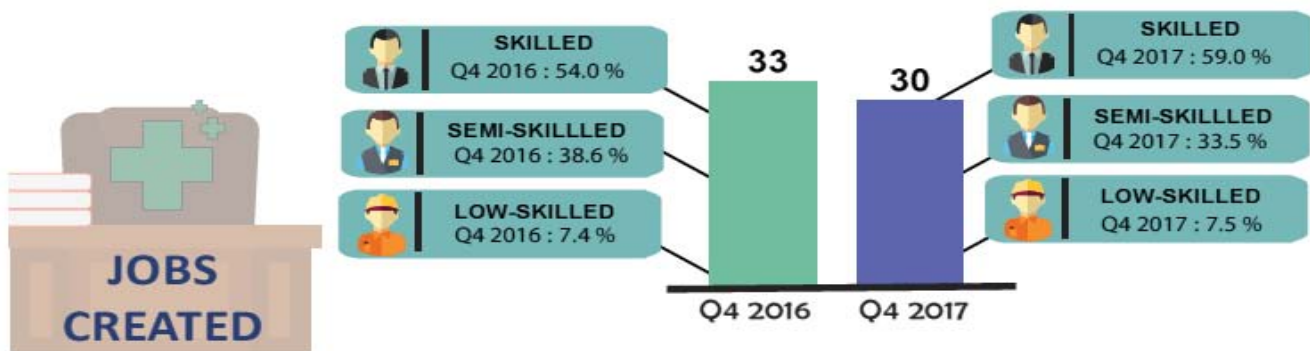
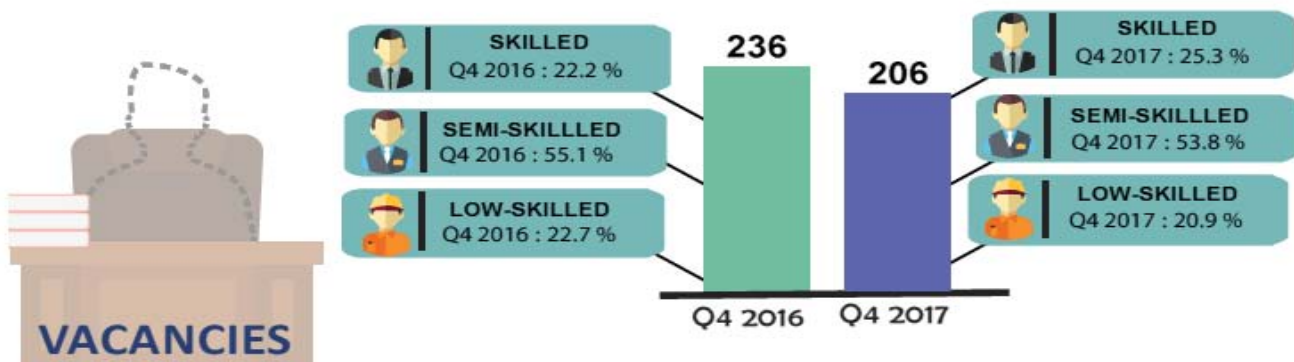
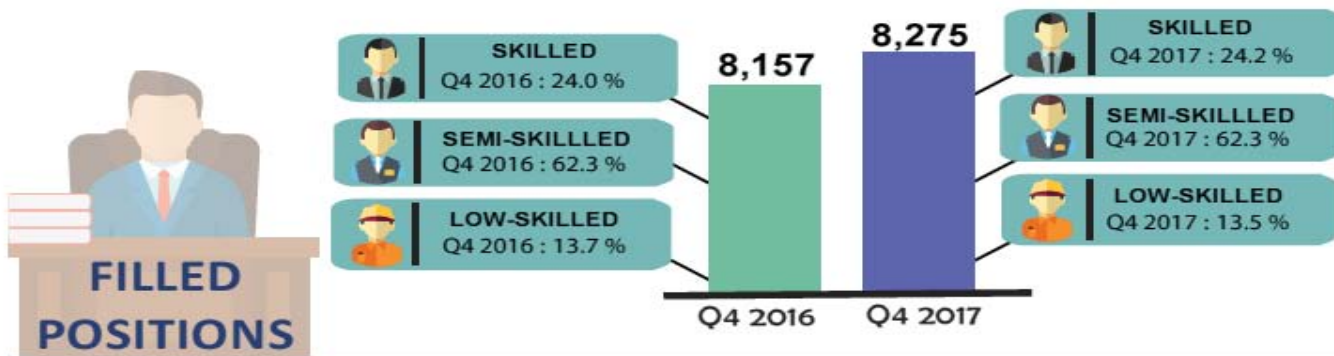
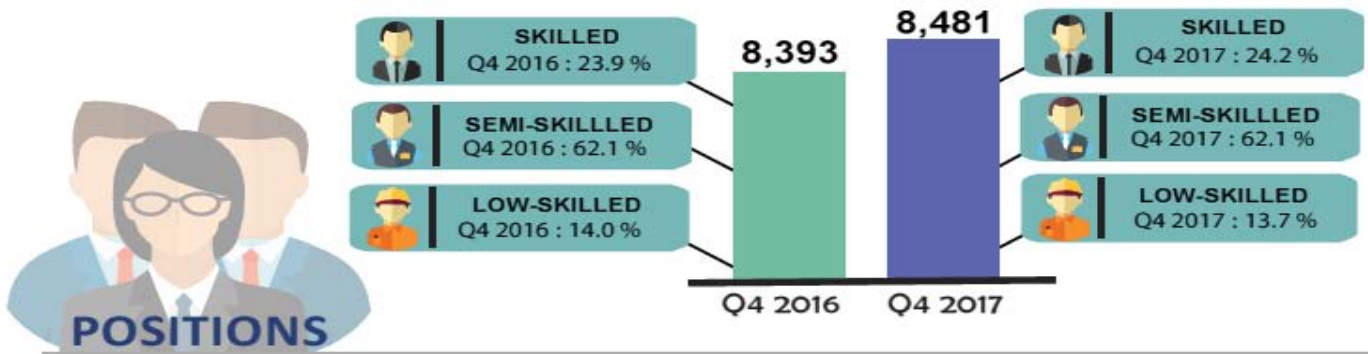
# MALAYSIA

## EMPLOYMENT STATISTICS

### FOURTH QUARTER 2017

Semi-skilled recorded highest percentage share in labour demand with 62.1% positions, 62.3% filled positions and 53.8% vacancies. Skilled category contributed 59.0% of job created.

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Source: Quarterly Employment Survey, Department of Statistics, Malaysia





# LABOUR DEMAND BY ECONOMIC ACTIVITY

## FOURTH QUARTER 2017







	 Positions	 Filled Positions	 Vacancies	 Jobs Created
<b>Q4 2016</b>	474	440	34	3
<b>Q4 2017</b>	488	457	30	4







	 Positions	 Filled Positions	 Vacancies	 Jobs Created
<b>Q4 2016</b>	81,000	80,500	500	50
<b>Q4 2017</b>	82,000	81,600	400	800







	 Positions	 Filled Positions	 Vacancies	 Jobs Created
<b>Q4 2016</b>	2,197	2,084	112	10
<b>Q4 2017</b>	2,222	2,111	111	8



	 Positions	 Filled Positions	 Vacancies	 Jobs Created
<b>Q4 2016</b>	1,316	1,281	36	5
<b>Q4 2017</b>	1,326	1,304	22	3



	 Positions	 Filled Positions	 Vacancies	 Jobs Created
<b>Q4 2016</b>	4,325	4,272	53	14
<b>Q4 2017</b>	4,363	4,322	42	14

Source: Quarterly Employment Survey, Department of Statistics, Malaysia



# LABOUR FORCE IN MALAYSIA

## MAY 2018

Labour force participation rate **68.4%**

Unemployment rate **3.3%**

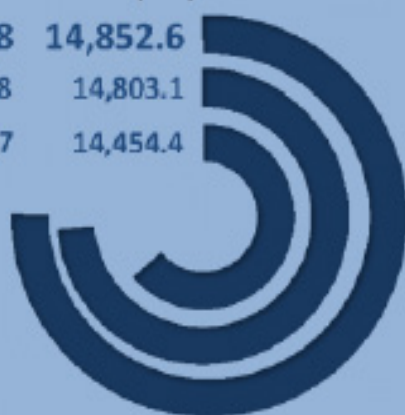
Number of labour force **increased 0.3 per cent** in May 2018 as compared to the previous month

May 2018	15.36 million
April 2018	15.31 million
May 2017	14.96 million

### EMPLOYED

('000)

May 2018	14,852.6
April 2018	14,803.1
May 2017	14,454.4



Unemployment rate in May 2018 **remained at 3.3 per cent**



Labour force participation rate (LFPR) in May 2018 **increased 0.2 percentage points** as compared to the previous month

### OUTSIDE LABOUR FORCE



A total of **31.6 per cent** of working age population (15-64 years) were outside the labour force which comprised of housewives, students, retirees and those not interested to work

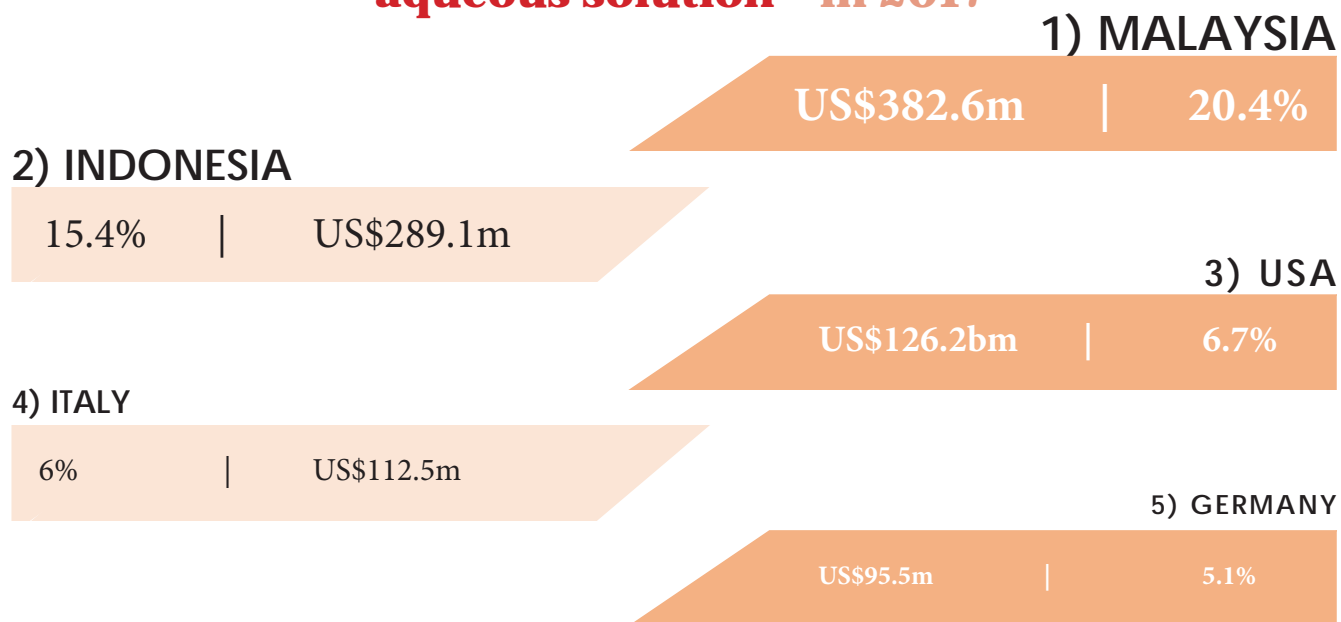
**7.10 million**

7.13 million (April 2018)

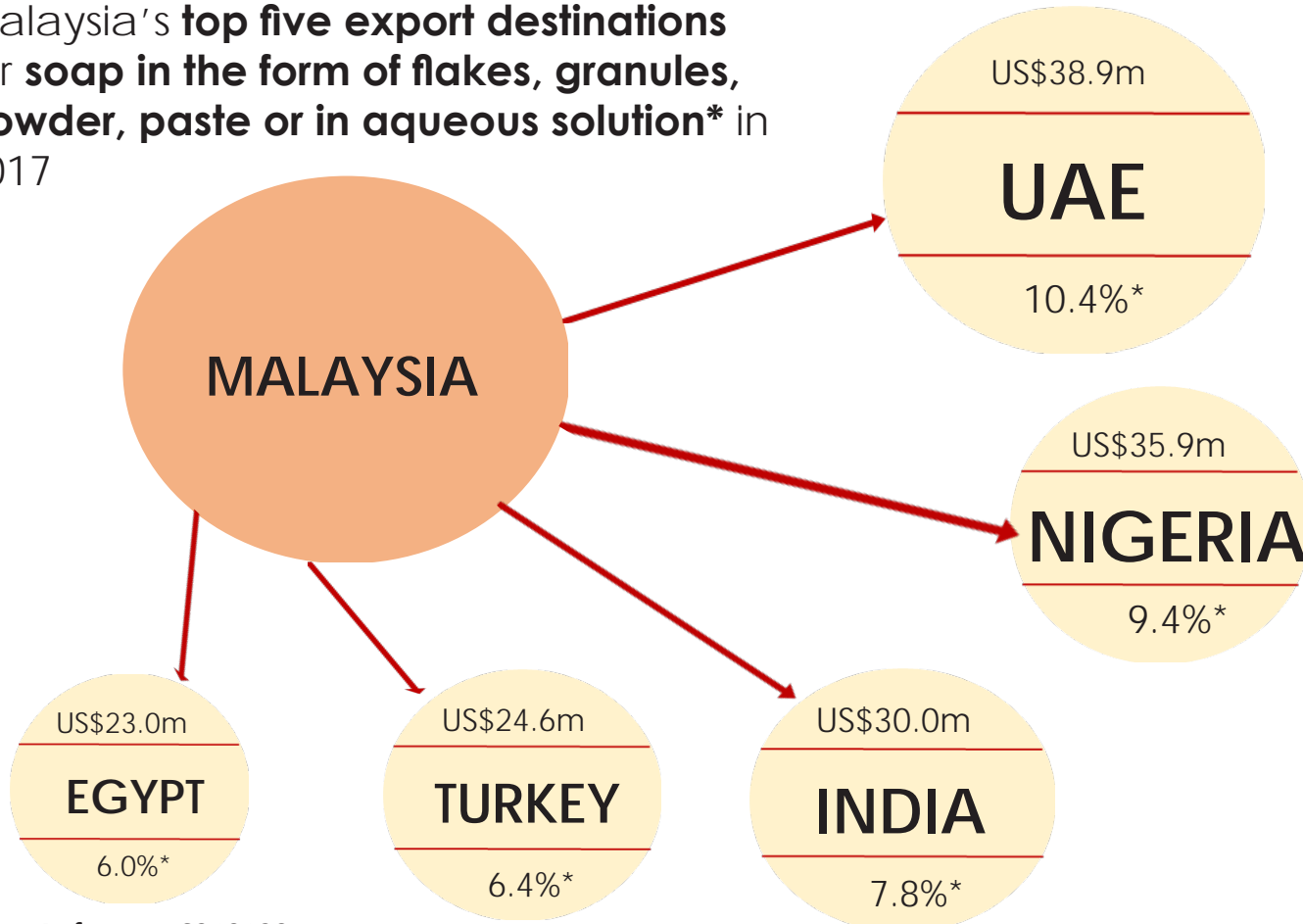
Source: Monthly Labour Force Survey, Department of Statistics, Malaysia

# International Report

**Malaysia ranked the number one exporter of soap in the form of flakes, granules, powder, paste or in aqueous solution\* in 2017**



Malaysia's top five export destinations for soap in the form of flakes, granules, powder, paste or in aqueous solution\* in 2017





















Note : Refers to HS340120

\* Share in Malaysia's exports

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

# ASEAN Economic Indicators 2017

**Malaysia** ranked fourth in ASEAN total trade with the contribution of **16.5%** to total **exports** and **15.7%** to total **imports**.

	 Land Area (km <sup>2</sup> )	 Population <sup>1</sup> (mil. persons)	 GDP* (US\$ bil.)	 GDP per Capita <sup>2</sup> (US\$*)	 Exports <sup>3</sup> (US\$ mil.)	 Imports <sup>3</sup> (US\$ mil.)	 FDI <sup>4</sup> (US\$ bil.)
	4.5 mil.	642.4	2,765.7	4,305	1,313.6	1,241.5	137.0
<b>Singapore</b>							
	719	5.6	324.0	57,722	383.3	317.7	62.0
<b>Thailand</b>							
	513,120	67.7	455.7	6,736	236.7	222.8	9.1
<b>Viet Nam</b>							
	331,231	93.7	223.9	2,390	213.9	210.6	14.1
<b>Malaysia</b>							
	331,388	32.0	317.0	9,892	217.8	195.1	9.4
<b>Indonesia</b>							
	1,913,579	262.2	1,013.9	3,867	168.8	157.0	23.1
<b>Philippines</b>							
	300,000	104.9	313.9	2,992	68.3	107.9	10.0
<b>Myanmar</b>							
	676,576	53.4	65.6	1,229	13.9	19.2	4.3
<b>Lao PDR</b>							
	236,800	6.8	17.1	2,531	3.6	4.8	1.7
<b>Brunei</b>							
	5,765	0.4	12.2	28,466	4.8	3.1	0.5
<b>Cambodia</b>							
	181,035	15.7	22.3	1,421	2.6	3.3	2.7

Note: \* at current prices

<sup>1</sup> Refers to/based on mid-year total population based on country projections

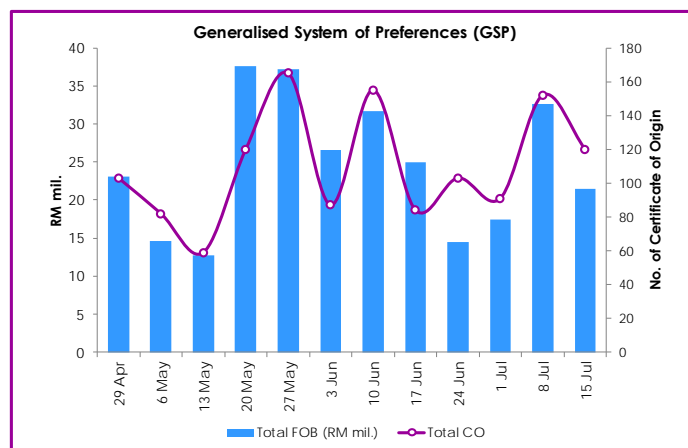
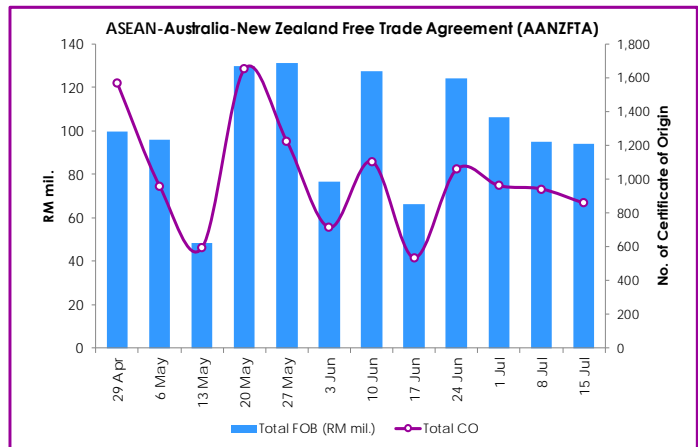
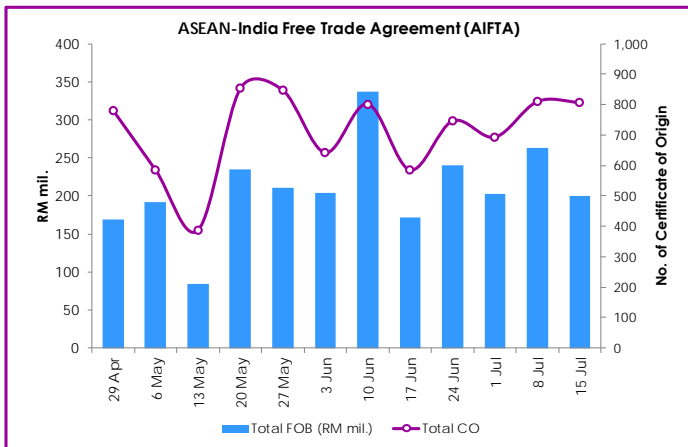
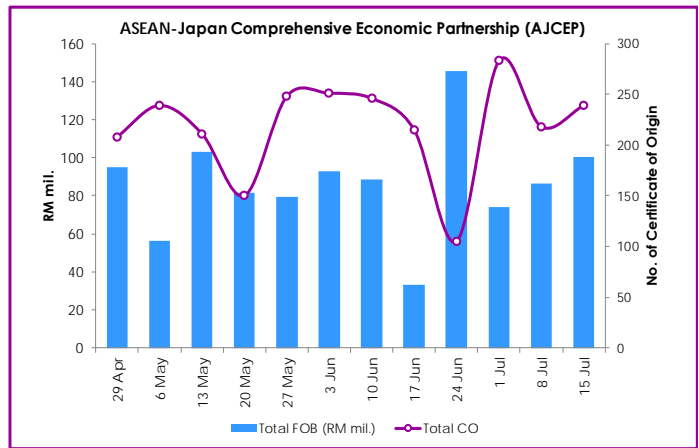
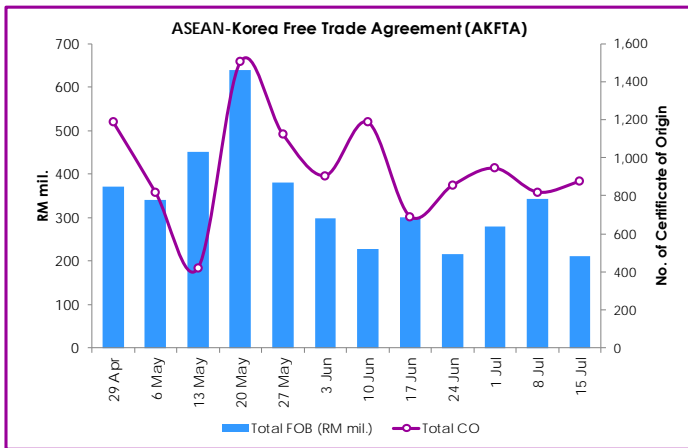
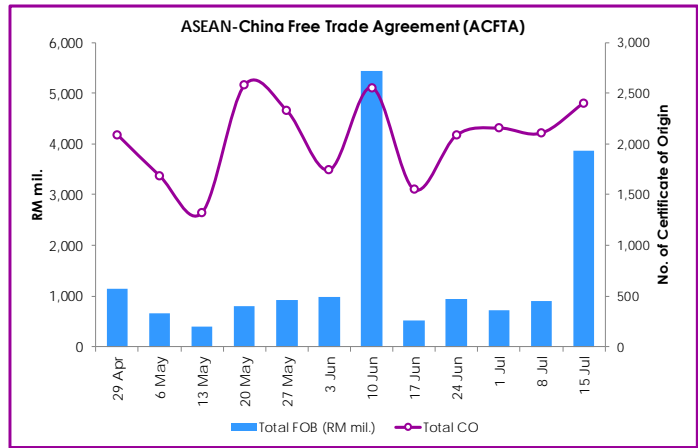
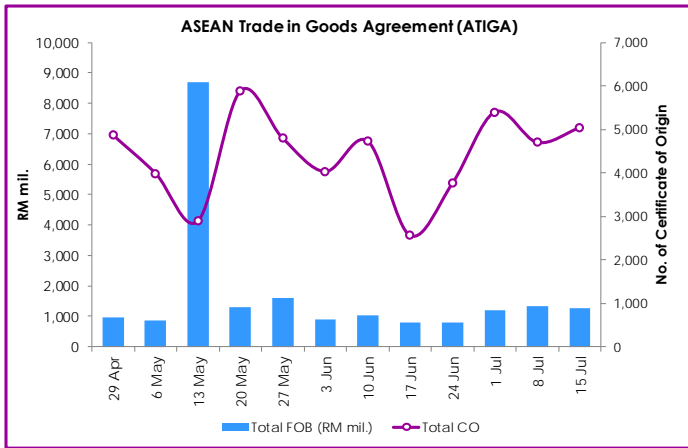
<sup>2</sup> Based on AMSs data submission to ASEANstats and Official National Statistical Offices website

<sup>3</sup> ASEAN IMTS Database preliminary 2017 figures are as of End May 2018

<sup>4</sup> FDI 2017 figures are preliminary as of 30 June 2018

Source: <https://data.aseanstats.org/>

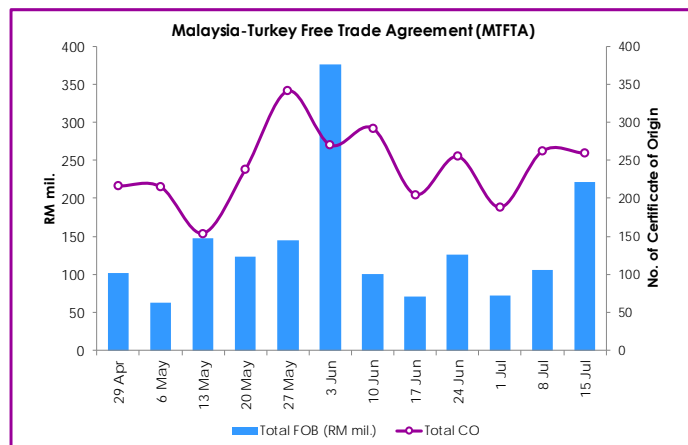
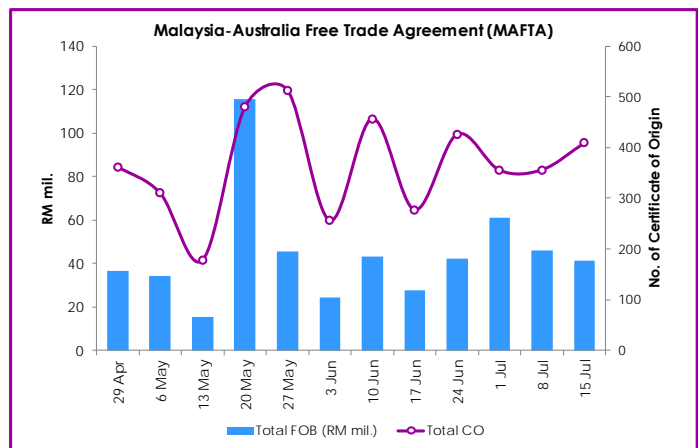
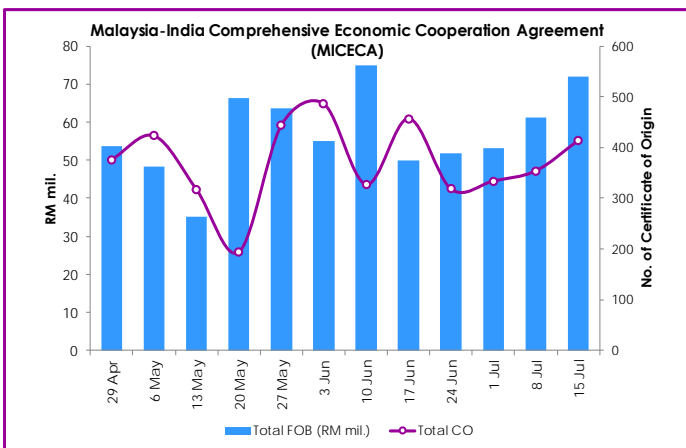
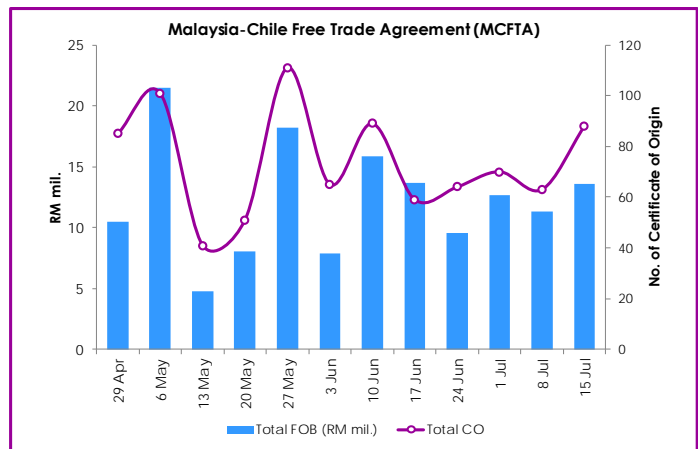
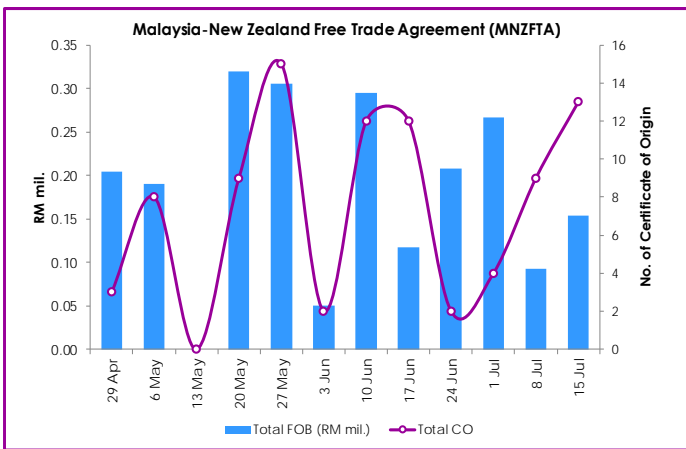
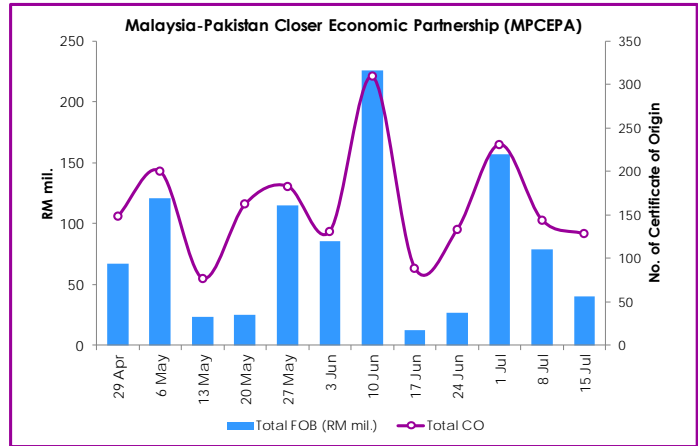
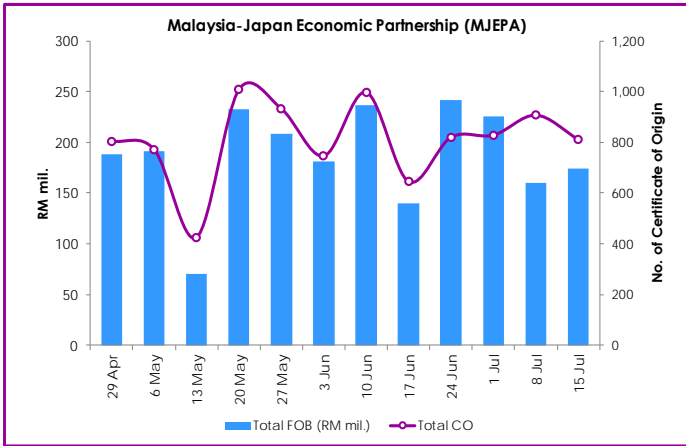
# Number and Value of Preferential Certificates of Origin (PCOs)



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)

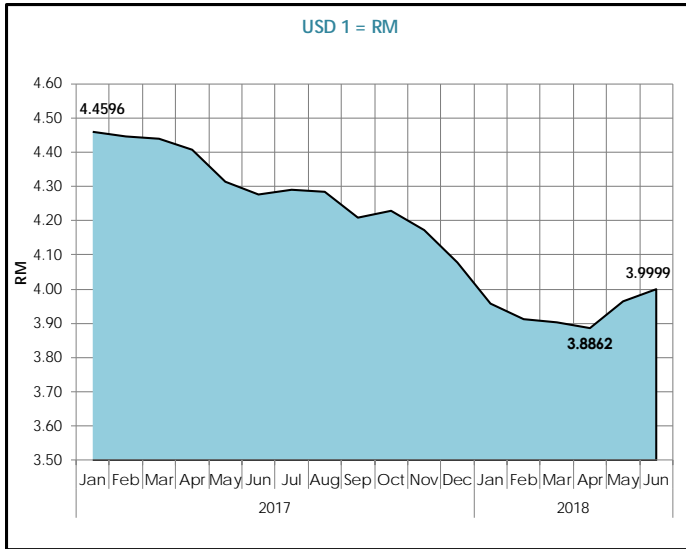


Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

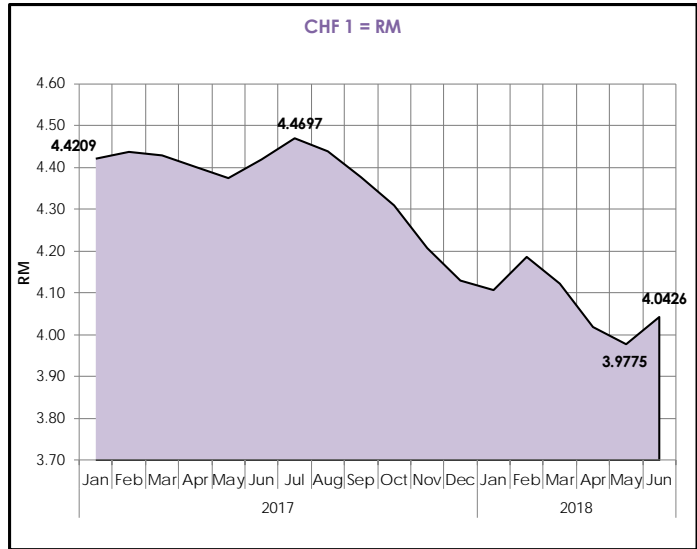


# Malaysian Ringgit Exchange Rate with Selected Countries, January 2017 - June 2018

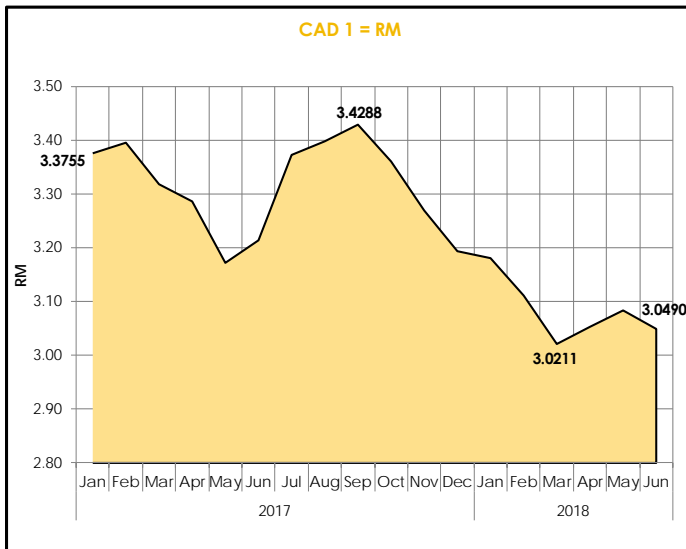
## US Dollar



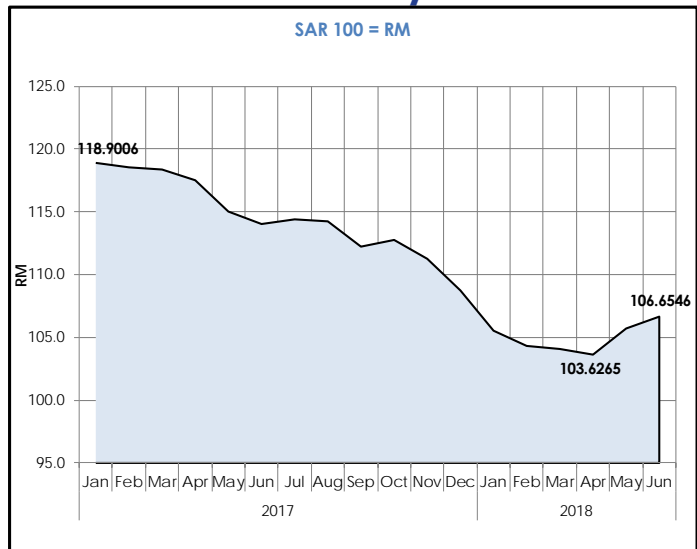
## Swiss Franc



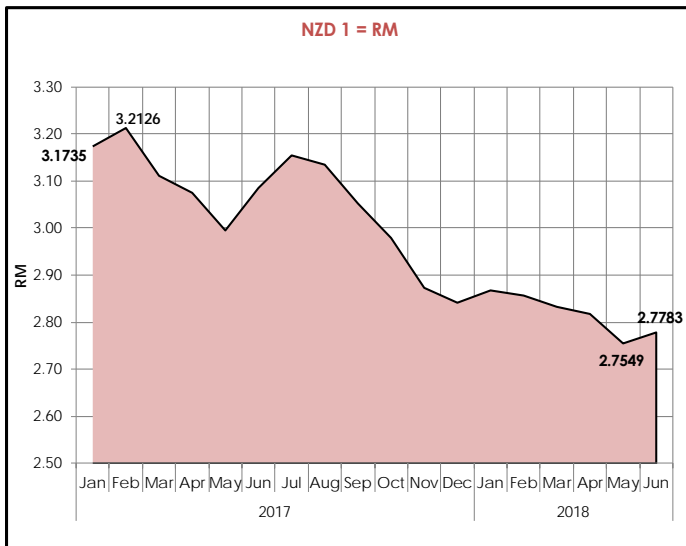
## Canadian Dollar



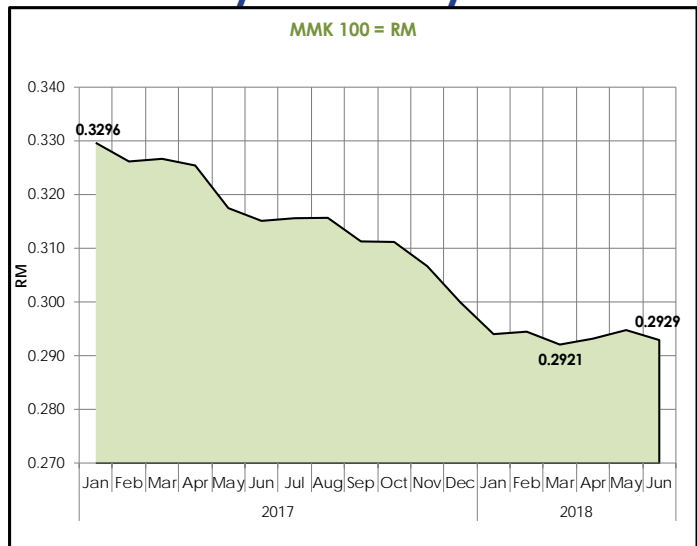
## Saudi Riyal



## New Zealand Dollar



## Myanmar Kyat



Source : Bank Negara Malaysia

# Commodity Prices



## CRUDE PETROLEUM (BRENT)

-per bbl-

20 July 2018 : US\$73.1, ▼ 3.0%\*

Average Price<sup>i</sup>: 2017: US\$55.0

2016: US\$45.3



## CRUDE PALM OIL

-per MT-

20 July 2018 : US\$605.0, ▲ 0.5%\*

Average Price<sup>i</sup>: 2017: US\$719.7

2016: US\$702.2



## SUGAR -per lbs-

20 July 2018 : US¢11.1, ▲ 1.5%\*

Average Price<sup>i</sup>: 2017: US¢15.8

2016: US¢18.2



## RUBBER SMR 20

-per MT-

20 July 2018 : US\$1,342.5, ▲ 2.1%\*

Average Price<sup>i</sup>: 2017: US\$1,646.6

2016: US\$1,394.5



## COCOA SMC 2

-per MT-

20 July 2018 : US\$1,463.5, ▼ 10.4%\*

Average Price<sup>i</sup>: 2017: US\$1,439.0

2016: US\$1,609.8



## COAL -per MT-

20 July 2018 : US\$64.6, ▲ 0.2%\*

Average Price<sup>i</sup>: 2017: US\$57.2

2016: US\$45.6



## SCRAP IRON HMS

-per MT-

20 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

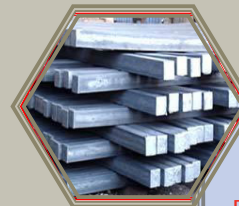


### Lowest

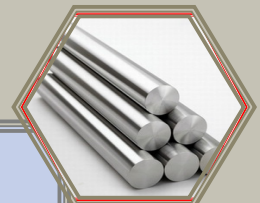
13 July 2018 : US\$602.0

30 June 2017 : US\$650.0

## Domestic Prices 20 July 2018



Billets (per MT)  
RM2,250 - RM2,300



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

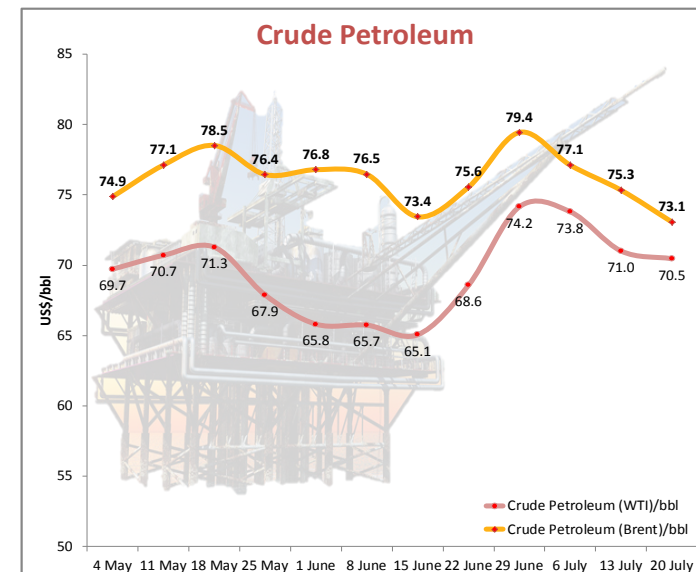
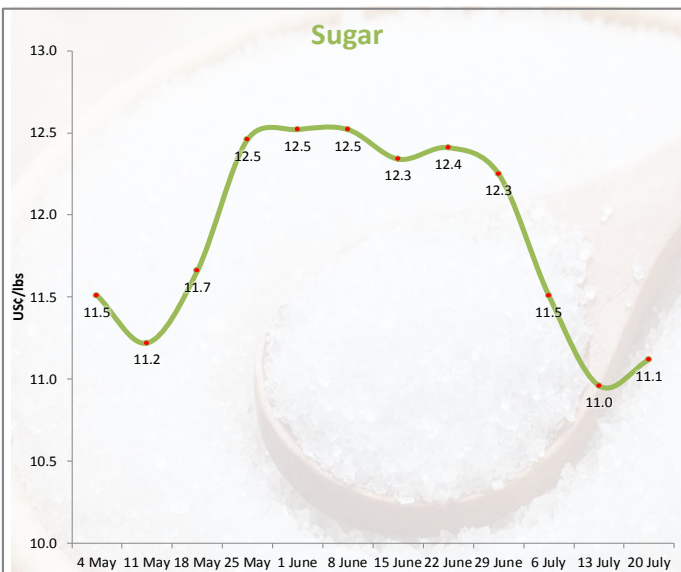
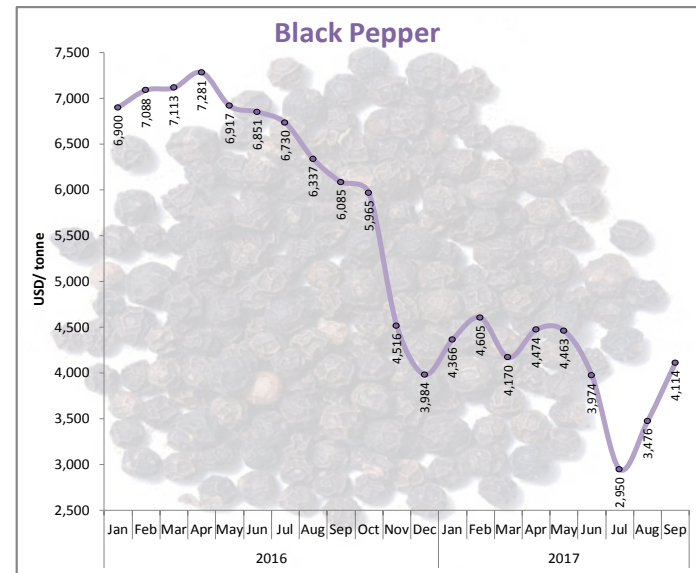
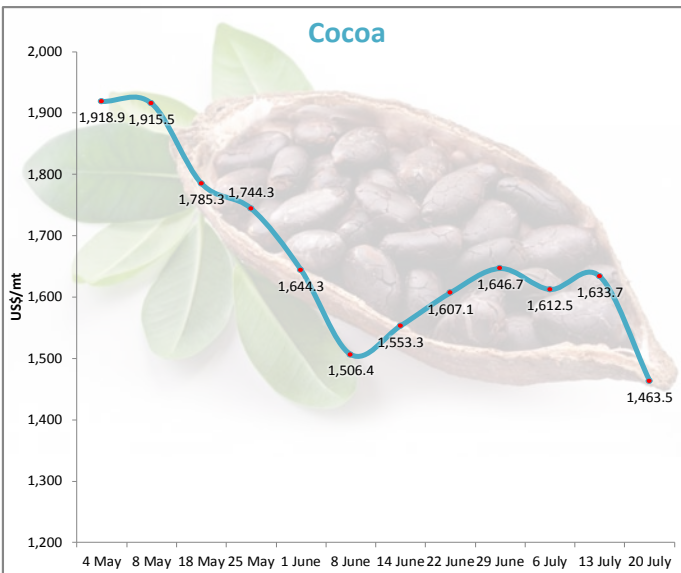
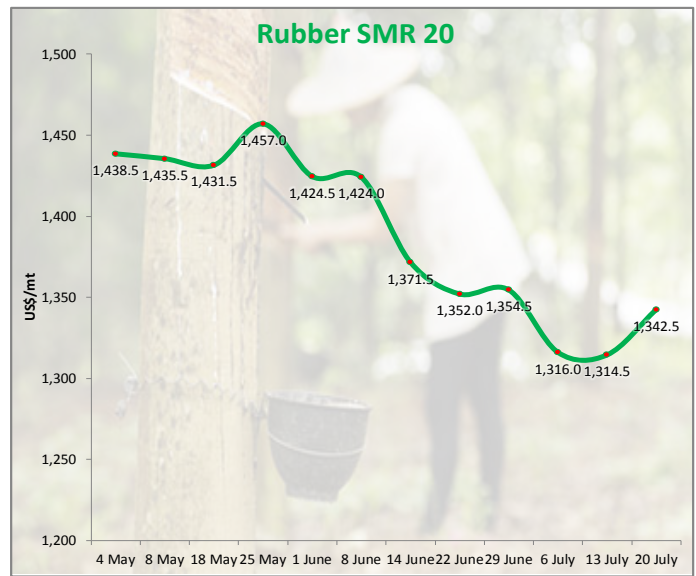
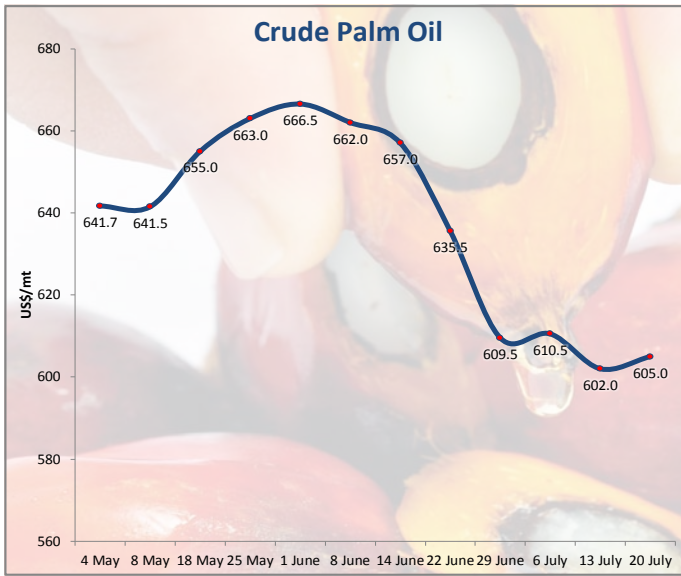
Notes: All figures have been rounded to the nearest decimal point

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

<sup>i</sup> Average price in the year except otherwise indicated

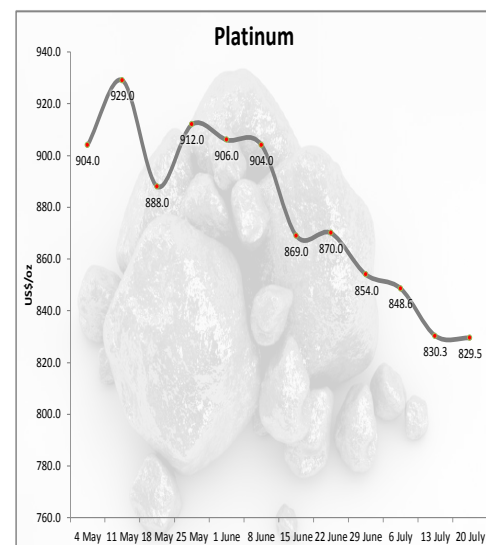
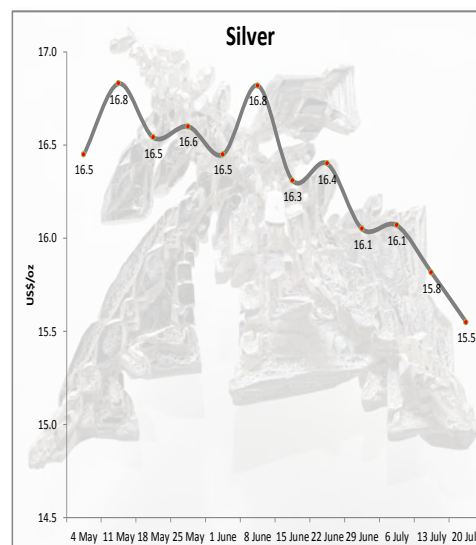
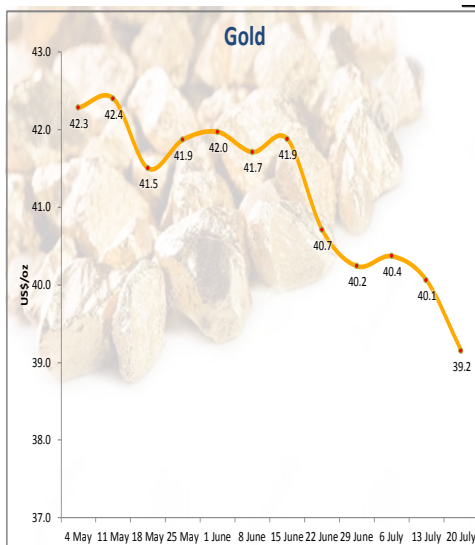
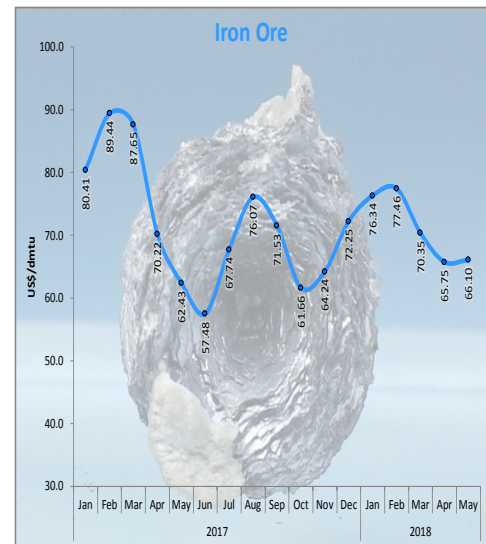
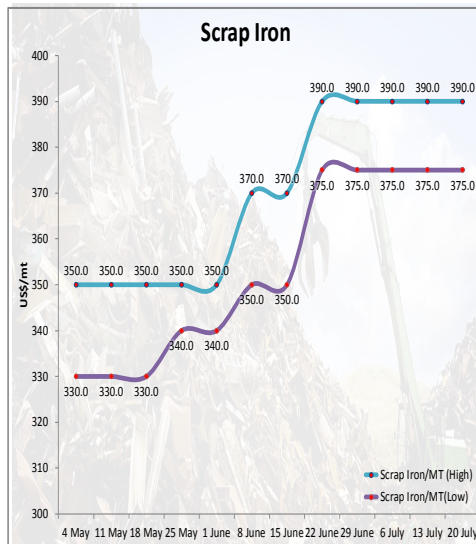
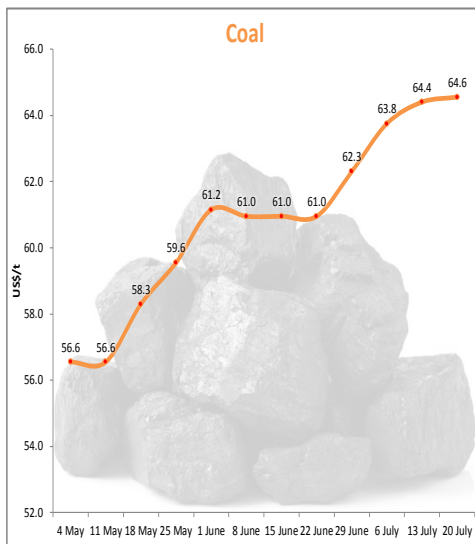
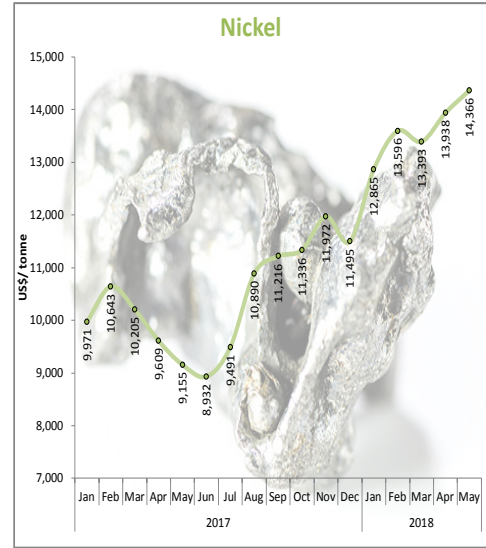
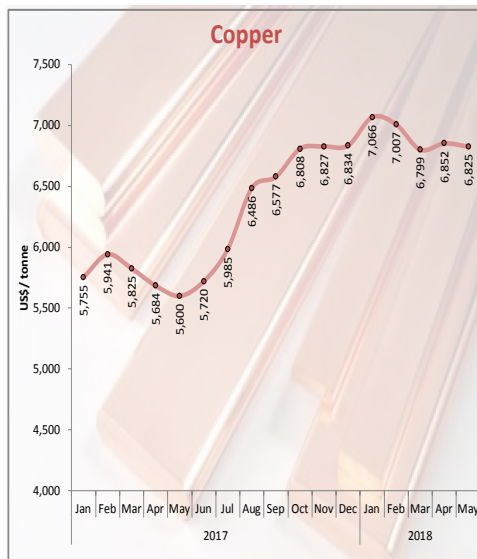
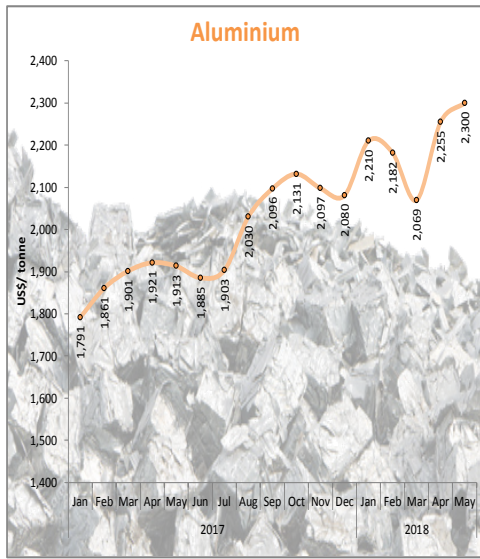
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

# 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.

# Happy Retirement...

23 July 2018

**Datuk Khoo Boo Seng**  
Former Senior Director  
Strategic Planning  
Ministry of International Trade & Industry

*"Work for a cause, not for applause.  
Live life to express, not to impress.  
Don't strive to make your presence noticed.  
Just make your absence felt."*

*May you be blessed with many more  
fulfilling journeys ahead!*





# Glossary

## of Technical Terms

### **MRO**

Maintenance, repair and overhaul - includes preservation, and the replacement of parts the sub- sector under MRO consist of airframe heavy maintenance, line maintenance, modification, engine overhaul and component MRO.

### **MRT**

Meeting of APEC Ministers Responsible for Trade - the first meeting was held in October 1994 in Jakarta, Indonesia as a follow-up to the decision of the APEC Ministerial Meeting in Seattle, United States, 1993. The meeting has been held annually since 1996, to strengthen the multilateral trading system and the trade and investment liberalization and facilitation process of APEC. In recent years, Ministers have discussed issues on anti-corruption, human security, public-private partnership, and economic and technical cooperation. MITI Minister represents Malaysia as MRT at APEC.

### **MSA**

Malaysia Steel Association - The association was launched on 2 November 2010 with the objective of upholding the interests of upstream steel companies, consolidating their strengths and providing a platform for the exchange of knowledge to achieve mutual goodwill, cooperation and unity for the benefit of all members in the Malaysian steel industry.

### **MSC**

Malaysia Steel Council - The Malaysia Steel Council was established in 2012 and is chaired by YB Minister MITI. The objectives of MSC are to oversee, develop and continuously align the implementation milestones and roadmap including governance mechanism, towards ensuring the competitiveness of the iron and steel industry in Malaysia.

### **MSDC**

Malaysia Services Development Council - Meeting as a platform to address cross cutting policy issues on services. Working with MPC and other stakeholders in addressing regulatory and institutional barriers.

Participation in the services studies and implementation of identified key recommendations of selected services studies, such as Services Blueprint, Logistic and trade facilitation masterplan and other related studies.

### **MSI**

Malaysia Steel Institute – The Malaysia Steel Institute (MSI) is an industry driven institute under MITI. MSI's role among others, is to collaborate with the Government in planning the growth and development of the iron and steel industry.

### **MSPC**

Malaysian Services Provider Confederation - To be the sole platform for formulating common strategies, networking at national, regional and international levels for service sectors; To promote and stimulate demand for services – professional, business and others; To accelerate the growth of the services sector by: Enhancing the competitiveness, productivity and efficiency of the sector, Developing the capacities and capabilities for the sector, Positioning Malaysia to be a regional centre of excellence for those established and maturing sub-sectors, Engaging with the authorities, in the spirit of Malaysia Inc., to create a more conducive business environment for investments and export of services. Outreaching, nurturing and partnering constituent member organizations in strengthening institutional support in both development and promotion.

### **MTFTA**

Malaysia-Turkey Free Trade Agreement

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

**T** O BE CONTINUED...

# 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>).

The seminar is intended to promote better compliance of export control and effective implementation of the Strategic Trade Act 2010 (STA). This seminar which is expected to host 250 representatives from government agencies and various industries in Malaysia will be a platform to provide guidance on the latest developments and initiatives by the relevant authorities in Malaysia and United States of America.

Should you wish to participate, kindly register your attendance at this link: <https://docs.google.com/forms/d/e/1FAIpQLSfWwbLEktIGm3OvoE5UJMdzvq4X5ymttWg6TBVnS2pTrQwwQ/formResponse>

Please note that registration will be **closed by Wednesday, 25 July 2018**. You may contact Ms. Nur Liyana Alwi (email: [liyana.alwi@miti.gov.my](mailto:liyana.alwi@miti.gov.my)) or Ms. Alice Simbun (email: [alice@miti.gov.my](mailto:alice@miti.gov.my)) for further inquiries.

# 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	8-Aug	MITI HQ	<ul style="list-style-type: none"> <li>• Introduction Preferential Certificate of Origin (PCO)</li> <li>• Updates on RCEP</li> </ul>
2	15-Aug	MITI Perak	<ul style="list-style-type: none"> <li>• Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
3	19-Sep	MITI Pahang	<ul style="list-style-type: none"> <li>• Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
4	17-Oct	MITI HQ	<ul style="list-style-type: none"> <li>• Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
5	14-Nov	MITI Sabah	<ul style="list-style-type: none"> <li>• Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
6	5-Dec	MITI HQ	<ul style="list-style-type: none"> <li>• Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</li> </ul>
7	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



# MITI Jakarta



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