





#### Perutusan Hari Raya Aidil Adha

Umat Islam akan menyambut Hari Raya Aidil Adha atau Hari Raya Korban tidak lama lagi. Di dalam tradisi Islam, perayaan ini mengenang pengorbanan serta kesabaran Nabi Ibrahim dan anakandanya Nabi Ismail.

Pengorbanan, secara umumnya membawa maksud luas merangkumi aspek kerohanian dan kehidupan sehari-hari. Pengorbanan seseorang demi keluarga, masyarakat, agama dan negara, dan usaha yang diambil untuk kebaikan bersama boleh didefinasikan sebagai pengorbanan. Semua agama menuntut umatnya supaya sentiasa memiliki kesabaran dan sanggup berkorban masa, wang ringgit, jiwa raga, tenaga serta kepentingan diri bagi memperolehi keredhaan daripada Tuhan Yang Maha Kuasa. Masyarakat khususnya umat Islam

sentiasa diingatkan oleh ahli agama untuk merenung peristiwa agung berkenaan dan menjadikan ia sebagai panduan hidup seharian dalam menghadapi pelbagai bentuk cabaran dan dugaan.

Konsep pengorbanan bukan hanya terbatas dalam aspek kerohanian semata-mata atau pun aspek duniawi sahaja. Sebagai penjawat awam, adalah penting untuk menghayati konsep pengorbanan dalam melaksanakan tanggungjawab dengan bersungguh-sungguh, kesanggupan melakukan tugas-tugas walaupun melebihi masa dan kadar upah yang diterima. Pengorbanan juga adalah berkaitan dengan kesanggupan berada jauh dari orang-orang yang tersayang dan kampung halaman demi melaksanakan amanah yang digalas. Pengorbanan dalam menjalankan tugas mencerminkan keikhlasan yang menghasilkan keberkatan dalam kehidupan.

Sehubungan itu, saya berharap semua warga MITI dan rakyat Malaysia, akan meraikan Aidile Adha ini dengan perasaan yang gembira bersama-sama keluarga dan sanak saudara walau di mana jua ia diraikan. Turut didoakan, semoga enam orang Jemaah haji dari MITI bersama semua Jemaah Malaysia selamat pergi dan kembali ke tanah air. Akhir kata, bagi pihak diri saya dan keluarga MITI seluruhnya, sekali lagi saya ingin mengambil kesempatan ini untuk mengucapkan Selamat Hari Raya Aidil Adha kepada semua pembaca MITI Weekly Bulletin (MWB).

Menteri Perdagangan Antarabangsa dan Industri 21 Ogos 2018



FROM ALL OF US AT MITI & AGENCIES

#### Malaysia Continues to Record Positive Labour Productivity Growth

#### **Labour Productivity Per Hour Worked**

- 1. In the second quarter of 2018, Malaysia's labour productivity as measured by output per hour worked by all persons, including employees, proprietors, and unpaid family workers, grew 3.7% as a result of growth in output at 4.5% and total hours worked by 0.7%.
- 2. Across five (5) main economic sectors, mining and quarrying recorded the highest productivity per hour worked with growth registered at 6.2%, followed by construction (5.0%), services (4.9%), agriculture (3.4%), and manufacturing (1.7%).
- 3. The significant growth in mining and quarrying and construction subsectors was due to the higher reduction in total hours worked relative to output growth.



- 4. Services sector performance was mainly driven by the information and communication subsector, which, grew by 8.1%, accommodation subsector by 7.9% and retail trade subsector by 7.3%.
- 5. Agriculture sector showed improvement in crops and livestock (4.3%), while forestry and logging and fishing subsectors both registered lower contraction at 17.9% and 0.7% respectively compared to the previous quarter.
- 6. Among the subsectors that have contributed to the 1.7% growth in the manufacturing sector's performance are the transport equipment, other manufacturing and repair (6.9%), followed by non-metallic mineral products, basic metal and fabricated metal (5.1%) and electrical, electronic and optical products (3.7%).
- 7. In the second quarter 2018, Malaysia's labour productivity by hours worked also recorded positive growth across all 9 priority subsectors outlined under the Malaysia Productivity Blueprint.
- 8. Professional services subsector recorded the highest productivity performance in total hours worked with growth at 11.5% followed by tourism at 8.8%, information and communication technology (ICT) at 8.6%, agro-food at 6.9%, retail and food and beverages (F&B) at 5.2%, chemicals and chemical products at 4.9%, private healthcare at 3.4%, machinery and equipment at 2.2% and finally electrical and electronic at 0.8%.

#### **Labour Productivity Per Person Employed**

- 9. In terms of per person employed, Malaysia's labour productivity grew by 2.0% in the second quarter 2018, as output grew moderately at 4.5% while employment grew at 2.4%. Labour productivity, or output per labour, is calculated by dividing real output by the number of employed person by all persons, including employees, proprietors, and unpaid family workers.
- 10. Across five (5) main economic sectors, mining and quarrying recorded the highest labour productivity growth of 5.2%, followed by construction (4.0%), services (2.5%), manufacturing (1.5%) and agriculture (1.3%).

- 11. Favorable performances of the mining and quarrying and construction sectors are due to the slower growth in employment relative to output growth. The performance of services sector was mainly contributed by the growth in information and communication subsector of 5.8%, followed by accommodation subsector 5.0% and retail trade subsector 4.5%.
- 12. For manufacturing sector, the performance was driven primarily by the higher growth in the subsectors, which include transport equipment, other manufacturing and repair (7.4%), wood products, furniture, paper products and printing (4.1%), and electrical, electronic & optical products (2.0%).
- 13. The agriculture sector rebounded to 1.3% compared to a contraction of 1.4% in the previous quarter. Strong improvement in forestry and logging subsector as well as fishing subsector has led to the overall agriculture sector productivity performance.
- 14. Under the 9 priority subsectors, professional services recorded the highest performance at 9.6%, followed by agro-food at 6.3%, tourism at 5.9%, ICT at 5.8%, machinery and equipment at 5.0%, private healthcare at 3.9%, retail and F&B at 2.6%, chemicals and chemical products at 2.5% and finally electrical and electronics at 1.5%.

#### **Sustaining Productivity Growth**

- 15. Productivity growth is the key to sustainable living standards rather than the sheer accumulation of capital and labour inputs. In this context, Malaysia needs to explore new ways of challenging the frontier. The Government continues to implement various initiatives and activities to provide conducive business environment that will support the industry in enhancing their productivity performance.
- 16. Modernising business regulations is one of the initiatives that will lead to a more competitive business environment. Understanding the complexity of the process in developing and implementing regulations, new and amended regulations are recommended to undergo Regulatory Impact Analysis (RIA) before they are implemented to ensure that benefits of the proposed regulation will outweigh its cost. From January 2017 to May 2018, 110 regulatory notifications have been received to be analysed through RIA.
- 17. The way regulations are implemented, administered and enforced can significantly impact compliance burdens for businesses. A total of 32 projects under Modernising Business Licensing, Reducing Unnecessary Regulatory Burden and Cutting Red Tape Programmes were completed during 2017. It was estimated that these projects resulted in potential compliance cost savings of RM1.2 billion.
- 18. More efforts will need to be done to enhance the productivity performance of the nation to reach its annual target growth of 3.7%. To progress as an economy, we must master new technologies, transform quickly and continue to enhance our competitiveness. The business climate must remain dynamic to encourage investments in new activities and create new jobs. To progress as a society, we must ensure that everyone regardless of age, gender and income level can access better jobs and opportunities to advance. All these can be done through strong collaboration and partnership among the Government, academia and industries.

YB Darell Leiking Minister of International Trade and Industry 21 August 2018

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#### Initiation of administrative review of an anti-dumping duty with regard to the imports of hot rolled coils originating in or exported from the People's Republic of China and the Republic of Indonesia

On 17 July 2018, the Government of Malaysia received a Petition from an interested party requesting for administrative review of an anti-dumping duty on imports of hot rolled coils, chequered coils, and pickled & oiled coils. The request is made based on the ground that there is no more local production of hot rolled coils in Malaysia.

The original anti-dumping investigation was initiated on 18 June 2014 and the final affirmative anti-dumping duties were imposed on 14 February 2015 until 13 February 2020; ranging from 2.49% to 25.40%. In accordance with the Countervailing and Anti-Dumping Duties Act 1993 and the Countervailing and Anti-Dumping Duties Regulations 1994, the Government will initiate the administrative review and the final determination of the administrative review will be made within 180 days from the date of initiation.

In connection with this investigation, the Ministry of International Trade and Industry (MITI) will provide a set of questionnaires to interested parties listed in the petition. Other interested parties may request for the questionnaires no later than 30 August 2018. Interested parties may also provide additional supporting evidence to MITI before 14 September 2018. In the event no response is received within the specified period, the Government will make its preliminary findings based on the best facts available.

Further enquiries concerning this investigation can be directed to:

Director
Trade Practices Section
Ministry of International Trade and Industry (MITI)
Level 9, Menara MITI
No. 7, Jalan Sultan Haji Ahmad Shah
50480 Kuala Lumpur
MALAYSIA

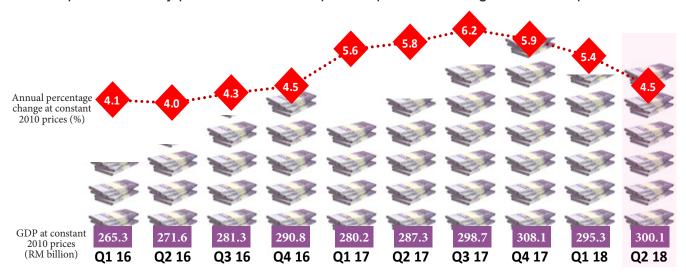
Telephone Number: (603) 6208 4632/4636/4637

Facsimile Number: (603) 6211 4429 E-mail address: alltps@miti.gov.my

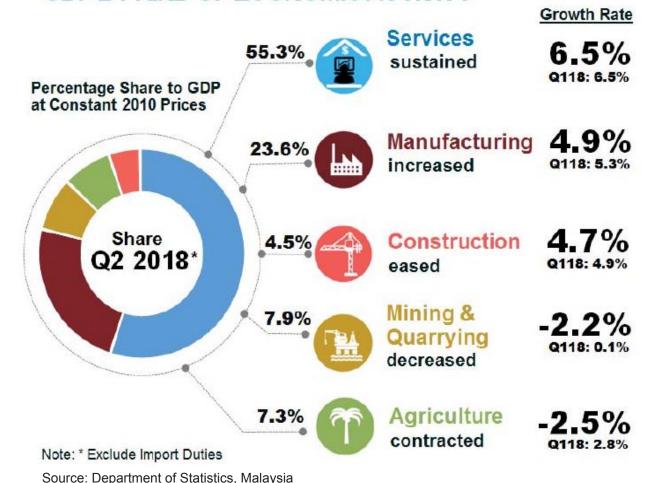
Ministry of International Trade and Industry 15 August 2018

## **Economic Performance Second Quarter 2018**

**Malaysia's economy grew by 4.5% in the second quarter** this year, slower than the first quarter growth 5.4%. Services, manufacturing and construction sectors continued to register positive growth. On the expenditure side, the momentum was spearheaded by private final consumption expenditure and gross fixed capital formation.



#### GDP BY KIND OF ECONOMIC ACTIVITY



## **Economic Performance Second Quarter 2018**

#### **GDP BY TYPE OF EXPENDITURE**

8.0%

Q118: 6.9%



& non-alcoholic beverages, communication and restaurants & hotels

Private Final Consumption Expenditure (PFCE)







Affected by slower exports of **goods** and the contraction in exports of **services** 

**Exports** 

2.2%

Q118: 0.1%



Stimulated by Machinery & equipment while Structure registered a slower growth

Gross Fixed Capital Formation (GFCF)



2.1%

Q118: -2.0%

Due to improvement in imports of **goods** 

**Imports** 



3.1%

Q118: 0.4%

Increased due higher spending on supplies and services

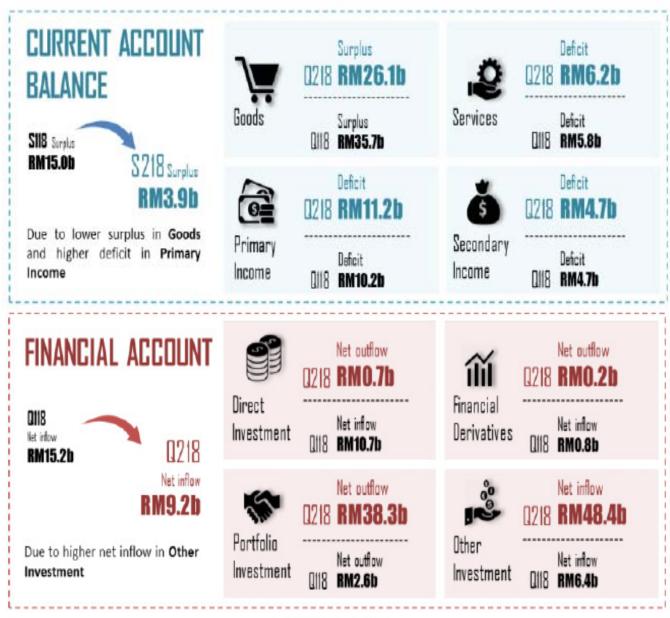
Government Final Consumption Expenditure (GFCE)

Source: Department of Statistics, Malaysia

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## **Balance of Payment Second Quarter 2018**

Malaysia's Current Account Balance narrowed to RM3.9 billion in Q2 2018

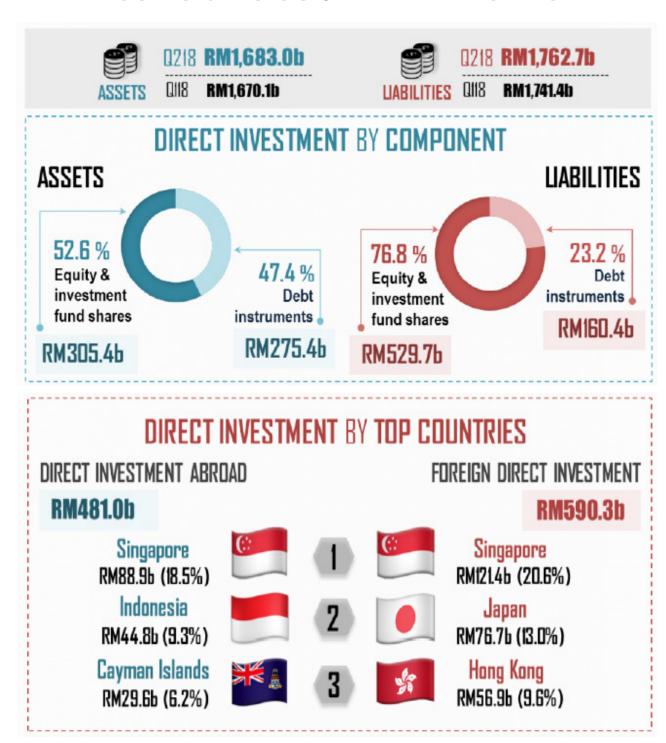




Source: Department of Statistics, Malaysia

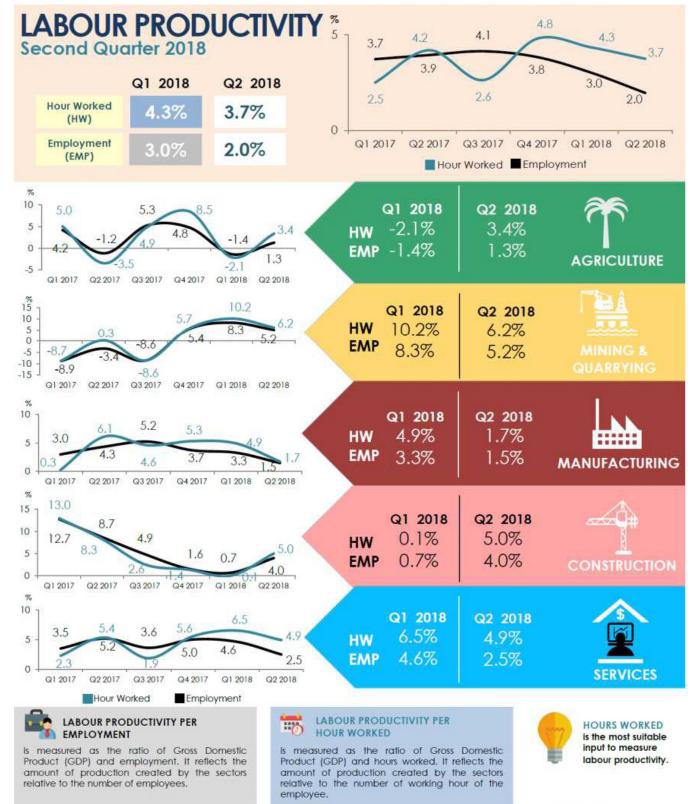
### International Investment Position Second Quarter 2018

Malaysia's International investment position recorded net liabilities of RM79.7 billion



Source: Department of Statistics, Malaysia

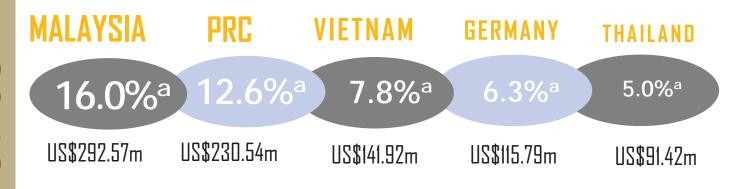
## **Labour Productivity Second Quarter 2018**



Notes: The statistics shown refer to year on year percentage change of labour productivity from the same quarter of the preceding year.

Source: Department of Statistics, Malaysia

# Malaysia was ranked number one exporter of Coffee Preparations Based on Extract/Essence/Conc\*, in 2017



# Malaysia's top five exports destinations for coffee preparations based on extract/essence/conc\* in 2017

PRC	US\$43.1m	14.7%
INDONESIA	US\$31.7m	10.8%
1		
THAILAND	US\$20.9m	7.1%
KAZAKHSTAN	US\$16.8m	5.8%
SAR	US\$16.5m	5.6%

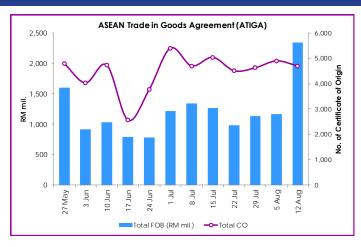
Notes: <sup>a</sup> % Share in World's export

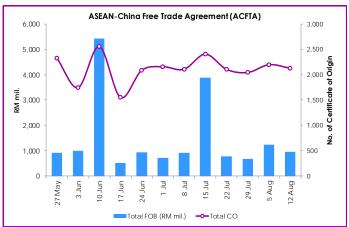
<sup>b</sup> % Share in Malaysia's export

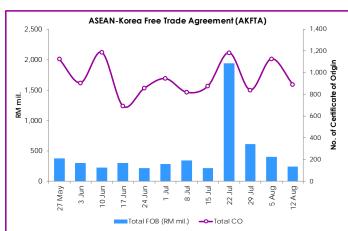
\* Refers to HS 10112

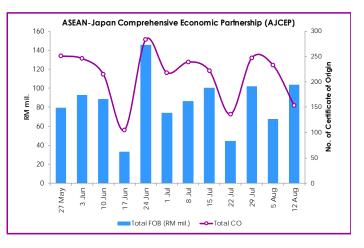
Source: http://www.trademap.org/Index.aspx

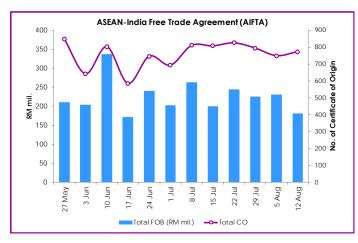
## Number and Value of Preferential Certificates of Origin (PCOs)

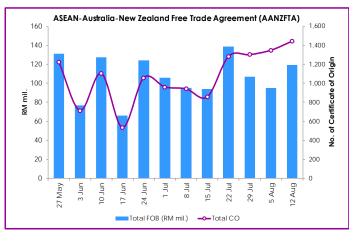


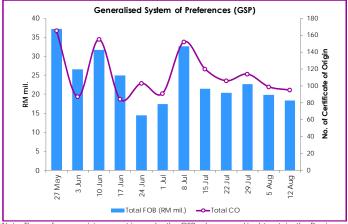








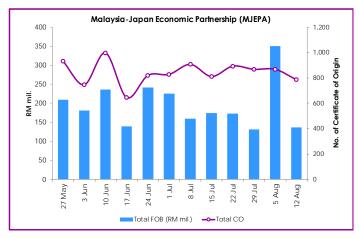


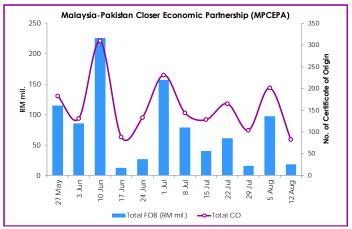


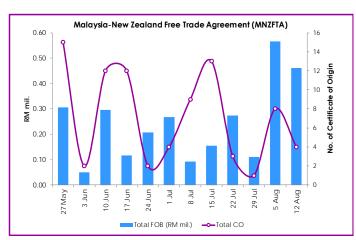
The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway

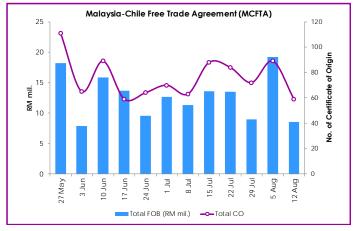
Note: \*Provisional Data

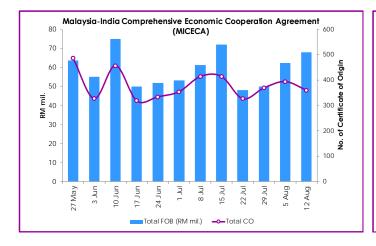
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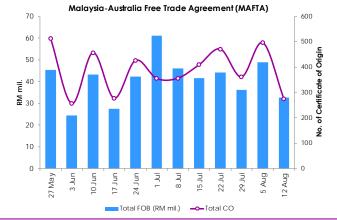


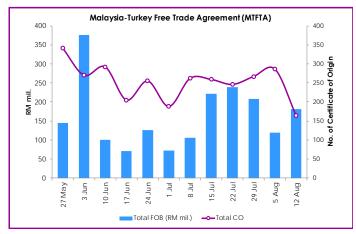








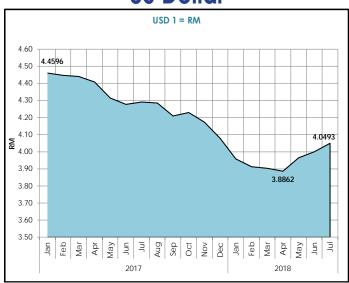




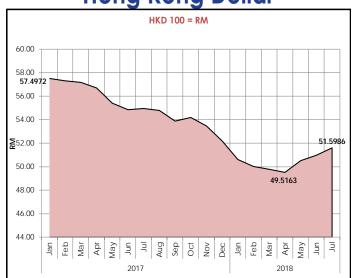
Note: \*Provisional Data

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

**US Dollar** 



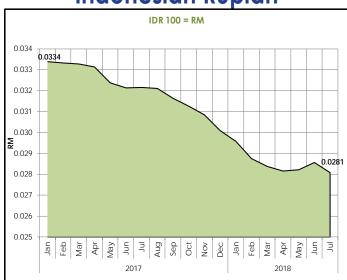
**Hong Kong Dollar** 



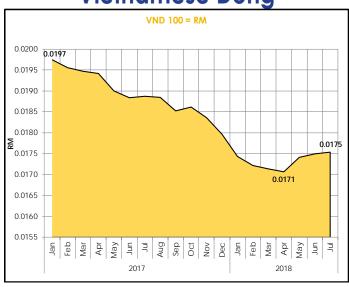
**Philippine Peso** 



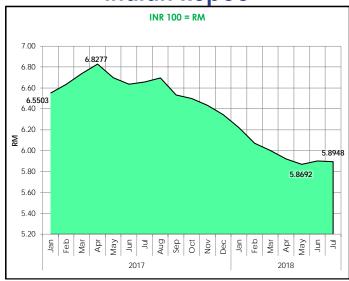
**Indonesian Rupiah** 



Vietnamese Dong



Indian Rupee



Source : Bank Negara Malaysia

## **Commodity Prices**



## **CRUDE PETROLEUM (BRENT)**

-per bbl-

17 Aug 2018 : US\$71.8, V1.3%\*

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

2016: US\$45.3



#### **CRUDE PALM OIL** -per MT-

17 Aug 2018 : US\$569.0, V0.3%\*

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

2016: US\$702.2



#### **SUGAR** -per lbs-

17 Aug 2018 :US¢10.2, \(\nsigma 3.4\%^\*\)

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

2016: US¢18.2



#### **RUBBER SMR 20**

-per MT-

17 Aug 2018 : US\$1,339.5, V0.7%\*

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

2016: US\$1,394.5



#### **COCOA SMC 2**

-per MT-

17 Aug 2018 : US\$1,303.6, \(\neg 0.6\)\(\times\)

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

2016: US\$1,609.8



#### COAL -per MT-

17 Aug 2018 : US\$65.4, \( \infty 0.2\)\*

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

2016: US\$45.6



#### **SCRAP IRON HMS**

-per MT-

17 Aug 2018 :US\$380.0(high), unchanged\*

US\$360.0 low), unchanged\*

Average Price<sup>i</sup>: 2017: US\$314.5

2016: US\$243.2

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, and Bloomberg.

#### **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



17 Aug 2018 : US\$569.0 30 June 2017 : US\$650.0

Domestic Prices 17 Aug 2018



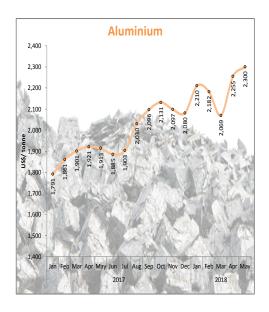
**Billets** (per MT)

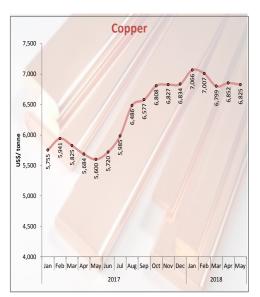
RM2,250- RM2,330

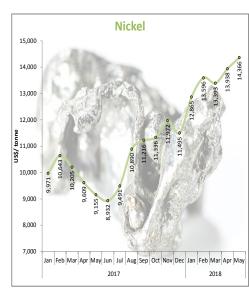
Steel Bars (per MT) RM2,400-RM2,550

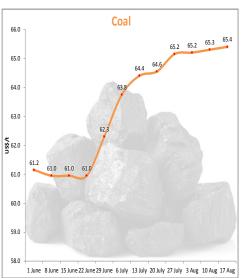


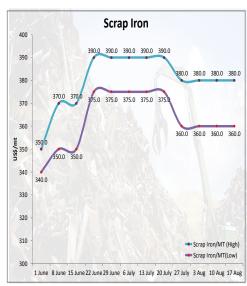
## **Commodity Price Trends**

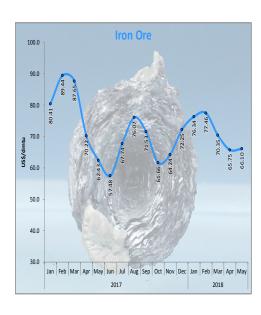




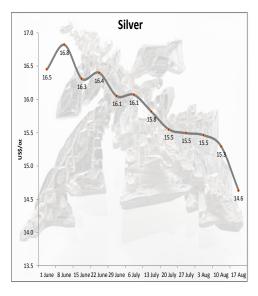


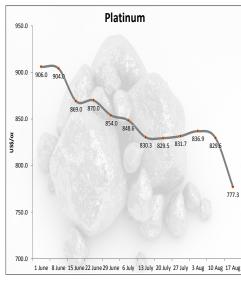






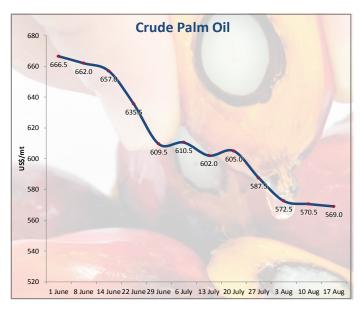


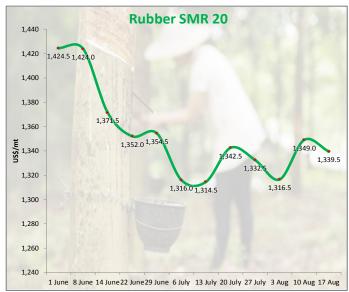


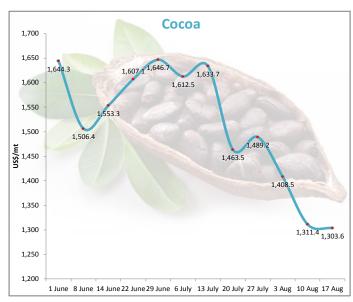


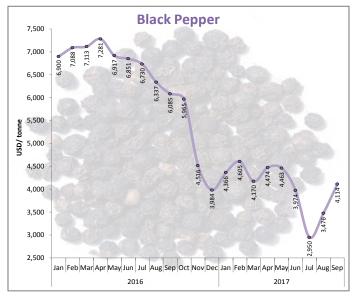
Sources: Ministry of International Trade and Industry Malaysia, , Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

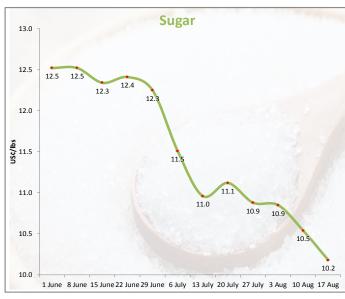
## **Commodity Price Trends**

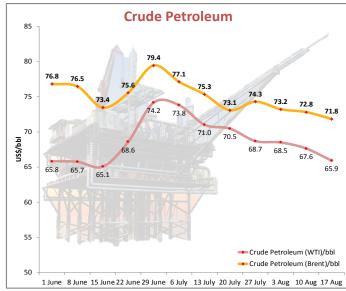












Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

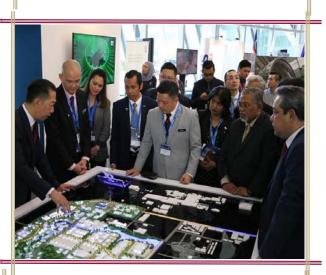
## Malaysia Aerospace Summit 14 August 2018















## Courtesy Calls on MITI Minister by High Commissioner/Ambassador 14 August 2018







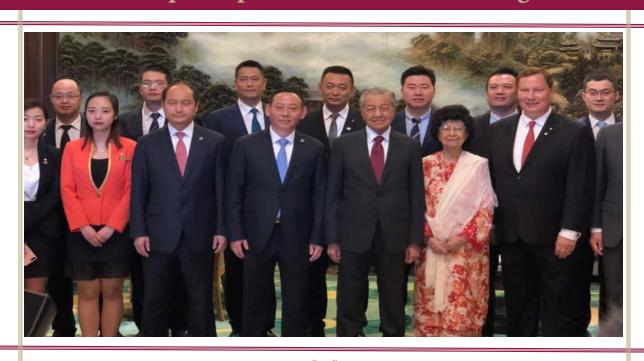
## Courtesy Visit on MITI Secretary General by InvestPerak 16 August 2018



Courtesy Call on MITI Secretary General by Ministry of Commerce of the PRC, 20 August 2018



# MITI Minister accompanied the Prime Minister's Official Visit to the People Republic of China, 19-21August 2018











#### **PCO**

Preferential Certificate of Origin

#### PD

Program Directors - are often of diplomatic rank and seconded to work at the Secretariat by member economies. Program directors undertake work in specific fields and cooperative projects of APEC, oversee activities of relevant working groups, fora, and meetings to ensure that APEC requirements are met as well as effectively implement policy directives and declarations of Leaders and Ministers.

#### **PDK**

Perintah Duti Kastam – A Customs Duties Order that include import duties that shall be levied on, and paid by the importer, in respect of goods imported into Malaysia, at the full rates or tariff rate quota. The Customs Duties Order also includes export duties that shall be levied on and paid by the exporter in respect of the goods exported from Malaysia, at the specified rates.

Per capita GDP

A measure of the amount of money earned per person in a certain area. It can apply to the average per-person income for a city, region or country. Used to ascertain an area's wealth or lack of wealth of the country and to evaluate the living conditions and quality of life in different areas.

Calculation:

gross domestic product (GDP) number of people in the country/region/city

#### **PIS**

Priority Integration Sectors - ASEAN identified 11 priority integration sectors which have roadmap, specific sector initiatives to mutually benefit ASEAN Member States. These sectors are agro-based products, air travel, automotive, e-ASEAN, electronics, fisheries, healthcare, rubber-based products, textiles and apparels, tourism, and wood-based products.

#### PL

Packing Loan - An exporter who receives an LC may need a temporary working capital for purchasing of raw materials, overhead expenses and other expenses. In order to meet these requirements, the exporter may apply for Packing Loan secured against the LC, generally based on a certain percentage of the value of the export. Upon realization of the proceeds of the export bill, the exporter would be able to repay this short term financing.

#### **PPP**

Public Private Partnership - PPP refers to describe collaboration between the Government and private sector in projects undertaken.

Pre-carriage: inland transportation on the seller's side

Domestic : From the place where the shipment starts to any subsequent transportation carriage International : From the place where the shipment starts to the departure point on the seller's side

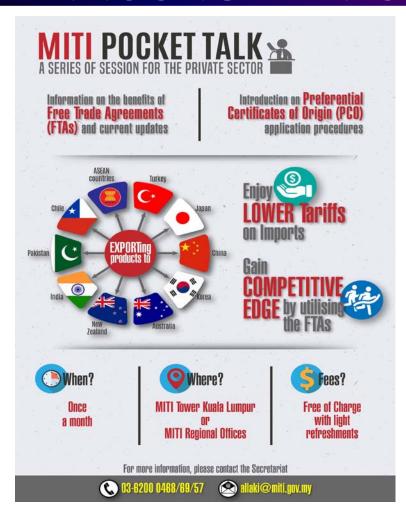
#### **Preference Erosion**

Countries which have been accorded preferential market access but loses this advantage as a result of overall tariff liberalization. For example African countries granted preferential tariff by EU for tropical fruits.

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



## ANNOUNCEMENTS



## Tentative Schedule for MITI Pocket Talks 2018

No.	Date	Venue	Topic
1	17-Oct	міті но	Introduction to FTA & Preferential Certificate of Origin (PCO)
2	14-Nov	MITI Sabah	Introduction to FTA & Preferential Certificate of Origin (PCO)
3	5-Dec	міті но	Introduction to FTA & Preferential Certificate of Origin (PCO)
4	12-Dec	MITI Sarawak	Introduction to FTA & Preferential Certificate of Origin (PCO)

Please click here to register

## NOTIFICATION ON NUMBER OF CHARACTERS ALLOWED FOR IMPORTING HS CODE UNDER ATIGA FOR ASEAN SINGLE WINDOW (ASW)

KINDLY BE INFORMED THAT NUMBER OF CHARACTERS ALLOWED IN ePCO SYSTEM FOR IMPORTING HS CODE UNDER ATIGA IS **ONLY UP** TO **10 CHARACTERS**.

EXAMPLE: THE CORRECT DATA ENTRY FOR IMPORTING HS CODE: 1 2 3 4 5 6 7 8 9 9 √ (10 DIGITS/10 CHARACTERS)

THE CORRECT DATA ENTRY FOR IMPORTING HS CODE: 1 2 3 4 . 5 6 7 8 9 9 X (10 DIGITS/12 CHARACTERS)

THE INCORRECT DATA ENTRY FOR IMPORTING HS CODE: 1 2 3 4 . 5 6 7 8 9 9 X (10 DIGITS/12 CHARACTERS)

THE NEW CHANGES WILL COME INTO EFFECT **ON <u>1 SEPTEMBER 2018</u>** AND INVOLVES <u>ONLY</u> **ATIGA SCHEME** AS TO ACCOMMODATE e-FORM D ATIGA EXCHANGE UNDER ASW PLATFORM IN ACCORDANCE TO *MESSAGE IMPLEMENTATION GUIDE* (MIG) ASW WHICH ONLY ALLOW 10 CHARACTERS FOR THE SAID MATTER.

THUS, SEEK YOUR COOPERATION TO **ENSURE** THE CHANGES ARE **PARALLEL** WITH THE **INFORMATION** STATED IN THE **LETTER OF CREDIT (LC)**.

WE THANK YOU FOR YOUR CONTINUOUS SUPPORT AND COOPERATION.

SENIOR DIRECTOR
TRADE AND INDUSTRY SUPPORT DIVISION
MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY
3 AUGUST 2018

## ANNOUNCEMENTS

#### 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



For more information, kindly click the following links: <a href="http://www.miti.gov.my/index.php/pages/view/4761Vintage\_English.pdf">http://www.miti.gov.my/index.php/pages/view/4761Vintage\_English.pdf</a>

## **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



## @ Your Service MITI Beijing



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#### 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: <a href="http://gamma.malaysia.gov.my/#/appDetails/85">http://gamma.malaysia.gov.my/#/appDetails/85</a>



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