



MINISTRY OF INTERNATIONAL
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MALAYSIA
CHAIRMAN OF
ASEAN 2015

OUR PEOPLE, OUR COMMUNITY, OUR VISION

MITI in The NEWS

MITI DIALOGUE WITH THE PHARMACEUTICAL AND MEDICAL DEVICES INDUSTRY ASSOCIATIONS 26 JUNE 2015



The International Trade and Industry Minister Dato' Sri Mustapa Mohamed chaired the MITI Dialogue session with the Pharmaceutical and Medical Devices industry Associations. The objective of the Dialogue was to review and consider for implementation several recommendations pertaining to the pharmaceutical and medical devices sectors.

Leaders of five industry associations attended the session. They were from the Malaysian Organisation of Pharmaceutical Industries, the Pharmaceutical Association of Malaysia, the Association of Malaysian Medical Industries, the Malaysia Medical Device Association and the Cosmetics, Toiletry and Fragrance Association of Malaysia. The dialogue session is the latest in a series of stakeholder consultations with private sector and NGO groups which MITI holds regularly.

In his opening remarks, Dato' Sri Mustapa pointed out that the medical device industry has been identified as a high potential growth sub-sector under the 11th Malaysia Plan, which is the "last lap" in spearheading Malaysia's transition into a high-income economy by 2020, in view of its linkages to other economic sectors such as manufacturing and services. The Minister said approved investments in the medical devices industry totalled RM11 billion from 2010 – 2014, while exports increased from RM11.9 billion in 2013 to RM13.4 billion in 2014.

Dato' Sri Mustapa also highlighted that 2015 is also a momentous year for ASEAN. Come December, ASEAN, under the chairmanship of Malaysia, will formally establish the ASEAN Economic Community (AEC). The implementation of AEC has contributed to substantial reduction and elimination of trade and investment barriers leading to the creation of a single market of 625 million people. With a combined GDP of USD2.5 trillion and growing middle class population, ASEAN has emerged as a major market for not only Malaysia but other trading partners of ASEAN. It is a very competitive market and Malaysian business community has to re-strategize and adopt a more aggressive marketing strategy to gain market access.

The Government recognizes that the market potential for pharmaceutical and medical devices is growing in the region. This growing potential is also contributed by the need in ASEAN for a resilient health system in response to communicable and emerging infectious diseases, and enhanced access to essential healthcare services and good quality medical products, including medicines and pharmaceuticals. During the dialogue session, discussions centred on various issues related to the two industries, including incentives, government procurement, intellectual property rights, financing, the Goods and Services Tax (GST), clinical trials, research and development, registration procedures/licensing requirements and supply chain issues. Dato' Sri Mustapa assured the participants that MITI will work continuously with the relevant stakeholders to resolve any issues pertaining to their industry. "Our doors are always open" he stressed.

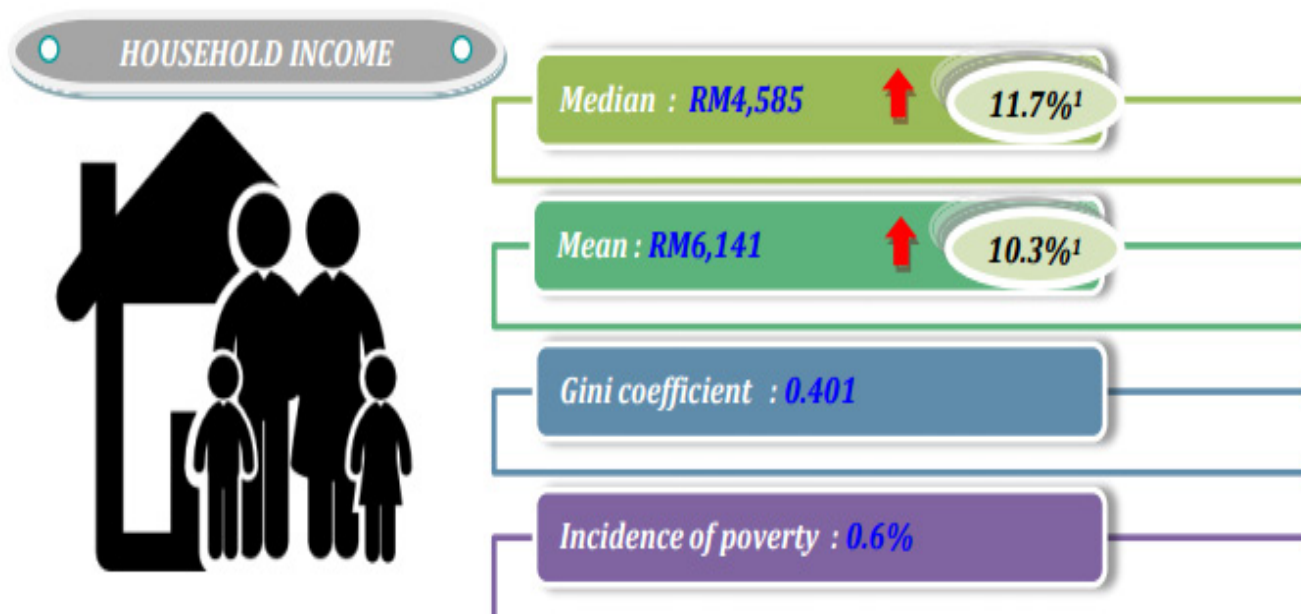
Ministry of International Trade and Industry
Kuala Lumpur
26 June 2015



MALAYSIA

Household Income, 2014

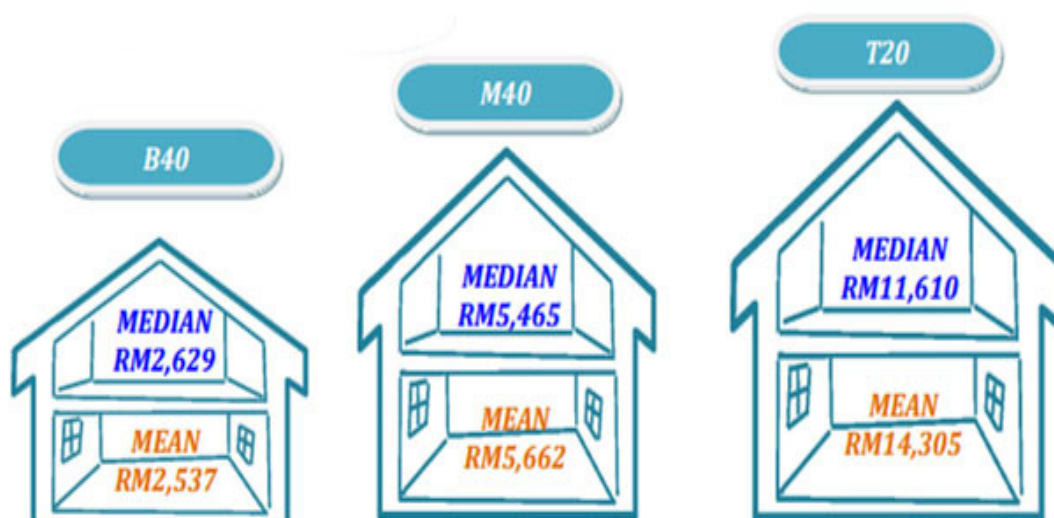
Key Indicator



Note:¹ CAGR: Compounded annual growth rate (%) 2012-2014

-Poverty Incidence is the number of households having an income below the Poverty Threshold.

Household Group by Income



Note: ² Household Groups: B40 - Bottom 40%, M40 - Middle 40%, T20 - Top 20%

Household Income by State



State	Median			Mean		
	2012	2014	CAGR [%]	2012	2014	CAGR [%]
Malaysia	3,626	4,585	11.7	5,000	6,141	10.3
Johor	3,650	5,197	17.7	4,658	6,207	14.4
Kedah	2,633	3,451	13.5	3,425	4,478	13.4
Kelantan	2,276	2,716	8.8	3,168	3,715	8.0
Melaka	3,923	5,029	12.4	4,759	6,046	12.0
Negeri Sembilan	3,575	4,128	7.2	4,576	5,271	7.1
Pahang	3,067	3,389	5.0	3,745	4,343	7.4
Pulau Pinang	4,039	4,702	7.6	5,055	5,993	8.5
Perak	2,665	3,451	12.9	3,548	4,268	9.2
Perlis	2,387	3,500	19.1	3,538	4,445	11.4
Selangor	5,353	6,214	7.5	7,023	8,252	8.1
Terengganu	3,034	3,777	11.0	3,967	4,816	9.7
Sabah	2,860	3,745	13.5	4,013	4,879	9.8
Sarawak	3,047	3,778	10.8	4,293	4,934	7.0
W.P. K.Lumpur	5,847	7,620	13.2	8,586	10,629	10.7
W.P. Labuan	5,063	5,684	5.8	6,317	7,591	9.2
W.P. Putrajaya	6,486	7,512	7.3	8,101	10,401	12.5

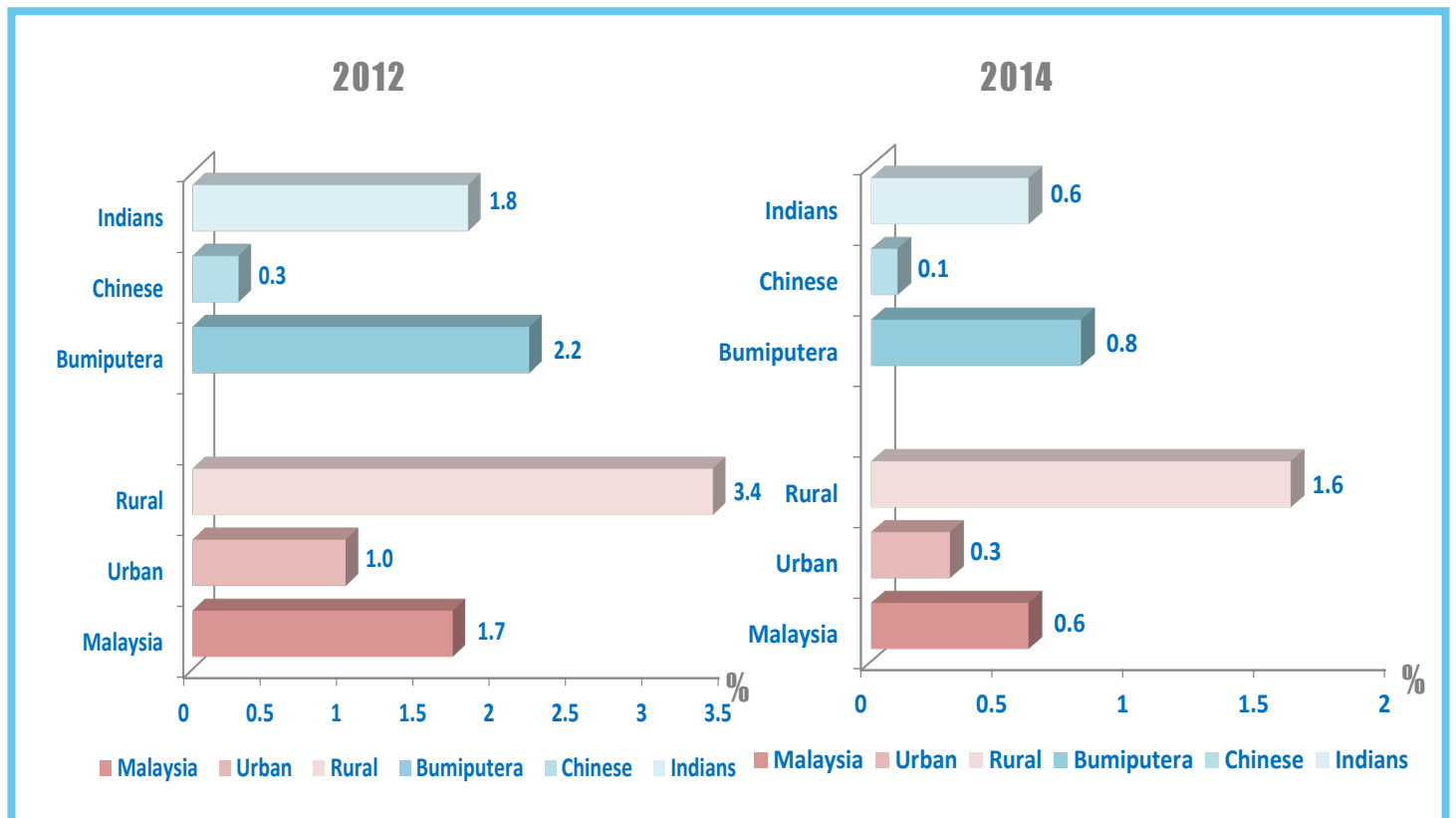
“DRIVING Transformation, POWERING Growth”

Household Equipment Ownership



Source : Department of Statistics, Malaysia

Incidence of Poverty by Strata and Main Ethnic Group



Note: The classification of area by strata is as follows:

- (i) Metropolitan 75,000 and above
- (ii) Urban large 10,000 to 74,999
- (iii) Urban small 1,000 to 9,999
- (iv) Rural All other areas

For purposes of tabulation, the strata were combined as follows:

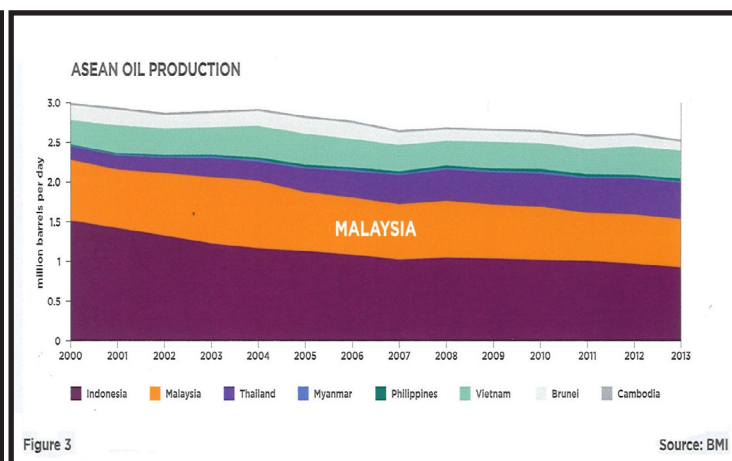
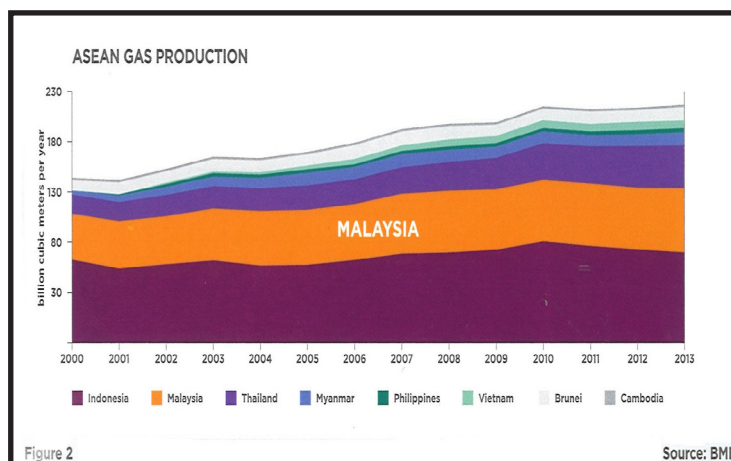
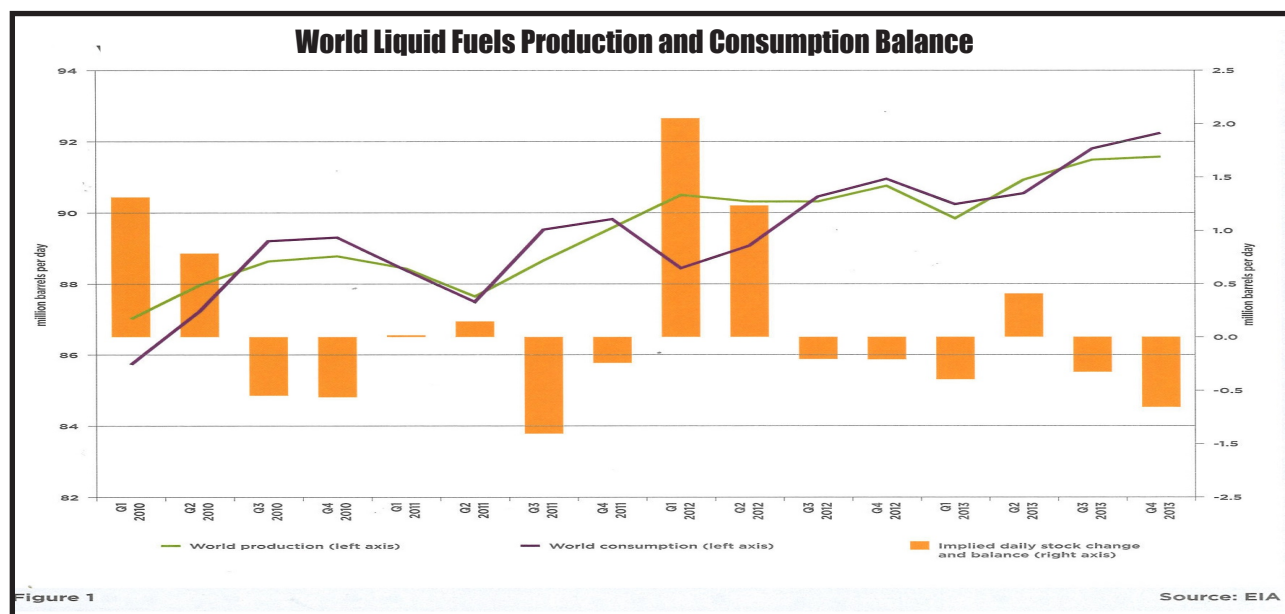
Urban = Metropolitan + Urban large

Rural = Urban small + All rural



Malaysia Top 10 Ranking in Oil and Gas Services and Equipment Companies

No	Company Name	Rank by Revenue	
		Rank 2013	Rank 2012
1	SAPURAKENCANA PETROLEUM BERHAD	1	3
2	MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD	2	1
3	DIALOG GROUP BERHAD	3	7
4	BUMI ARMADA BERHAD	4	6
5	KNM GROUP BERHAD	5	4
6	MUHIBBAH ENGINEERING (M) BERHAD	6	2
7	TECHNIP GEOPRODUCTION (M) SDN. BHD.	7	9
8	SCOMI GROUP BERHAD	8	NA
9	WAH SEONG COPORATION BERHAD	9	5
10	HELLIBURTON ENERGY SERVICES (MALAYSIA) SDN. BHD.	10	8



“DRIVING Transformation, POWERING Growth”





ASEAN and You'



Travel & Tourism Competitiveness Index Ranking 2015



“DRIVING Transformation, POWERING Growth”

Note: The Report analyses the performance of 141 economies through the Travel & Tourism Competitiveness Index (TTCI) and explores how the T&T sector has responded to economic, security and health shocks over recent decades. The measures are based on 14 pillars and categorized into 4 sub indexes. These pillars are considered as the main drivers to T&T competitiveness

Source : http://www3.weforum.org/docs/TT15/WEF_Global_Travel&Tourism_Report_2015.pdf

MITI's ASEAN Portal can be accessed via <http://www.miti.gov.my/cms/aec2015.jsp>.



International Report



U.S. Economic Indicators, 2015

Economic Indicators

Jan

Feb

Mar

Apr

May

Inflation Rate

-0.09%

-0.03%

-0.07%

-0.20%

-0.04%

Consumer Price Index

233.7

234.7

236.1

236.6

237.8

Unemployment Rate

5.7%

5.5%

5.5%

5.4%

5.5%

Gross Domestic Product Growth

2.2%
GDP Q4 2014
Second Estimate

2.2%
GDP Q4 2014
Third Estimate

0.2%
GDP Q1 2015
Advance Estimate

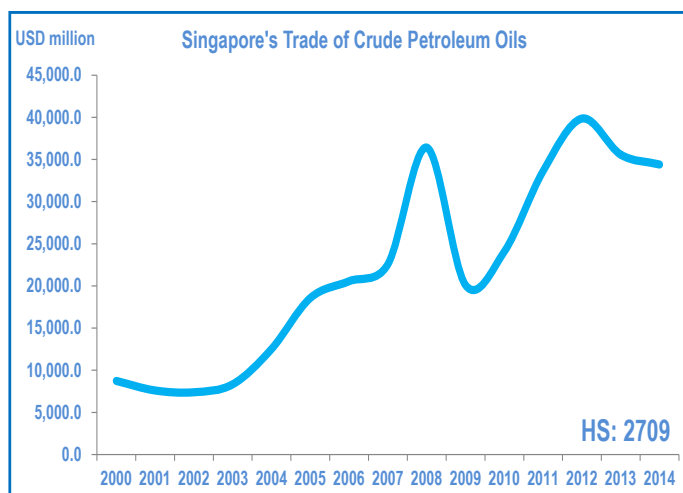
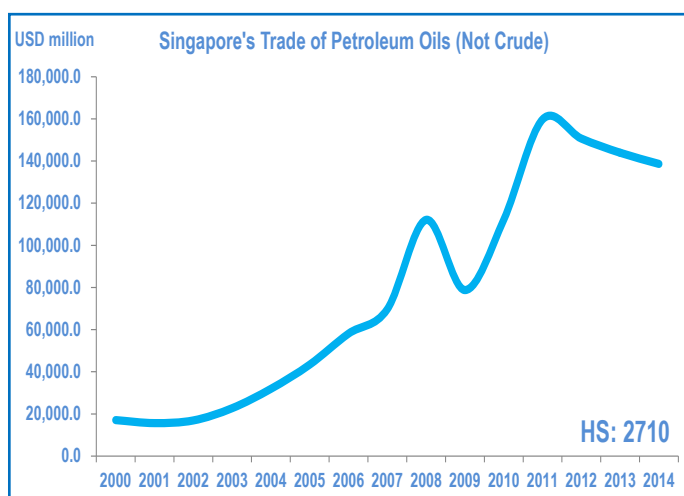
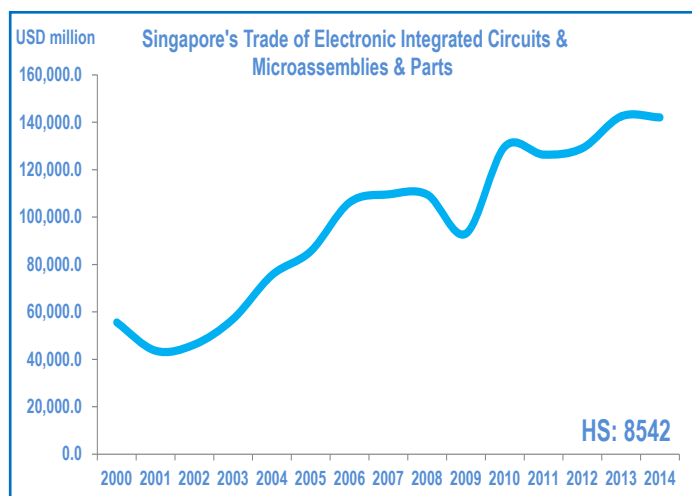
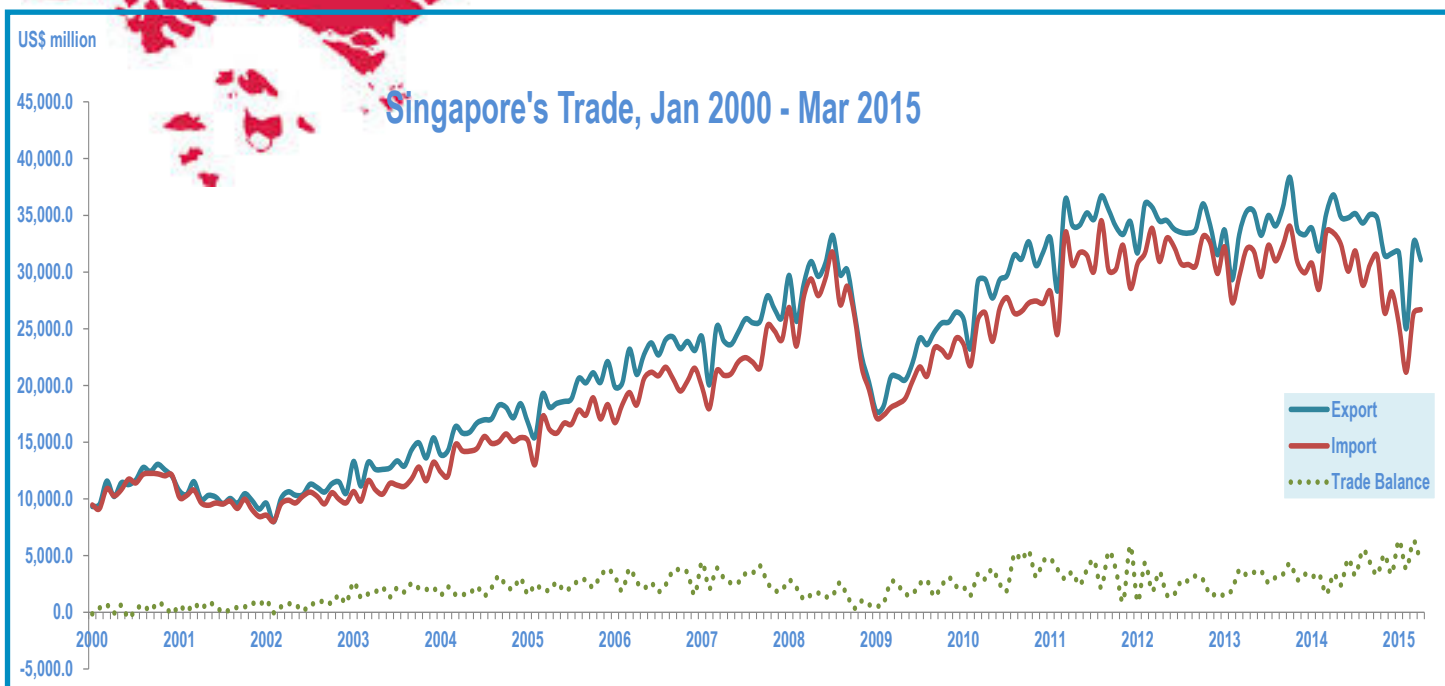
-0.7%
GDP Q1 2015
Second Estimate

-0.2%
GDP Q1 2015
Third Estimate





Singapore



“DRIVING Transformation, POWERING Growth”



Greece

Area

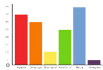
**131,957 sq km
50,949 sq miles**

Population

**11 million
2014**

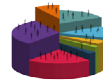


Key Economic Indicators



National Account

**GDP
Growth Rate
0.8% (2014)**



External Trade

(2014)
Exports: US\$ 62.2 bil.
Imports: US\$35.8 bil.
Total Trade: US\$ 98.0 bil.



Prices

**Inflation Rate
-1.4% (2014)**



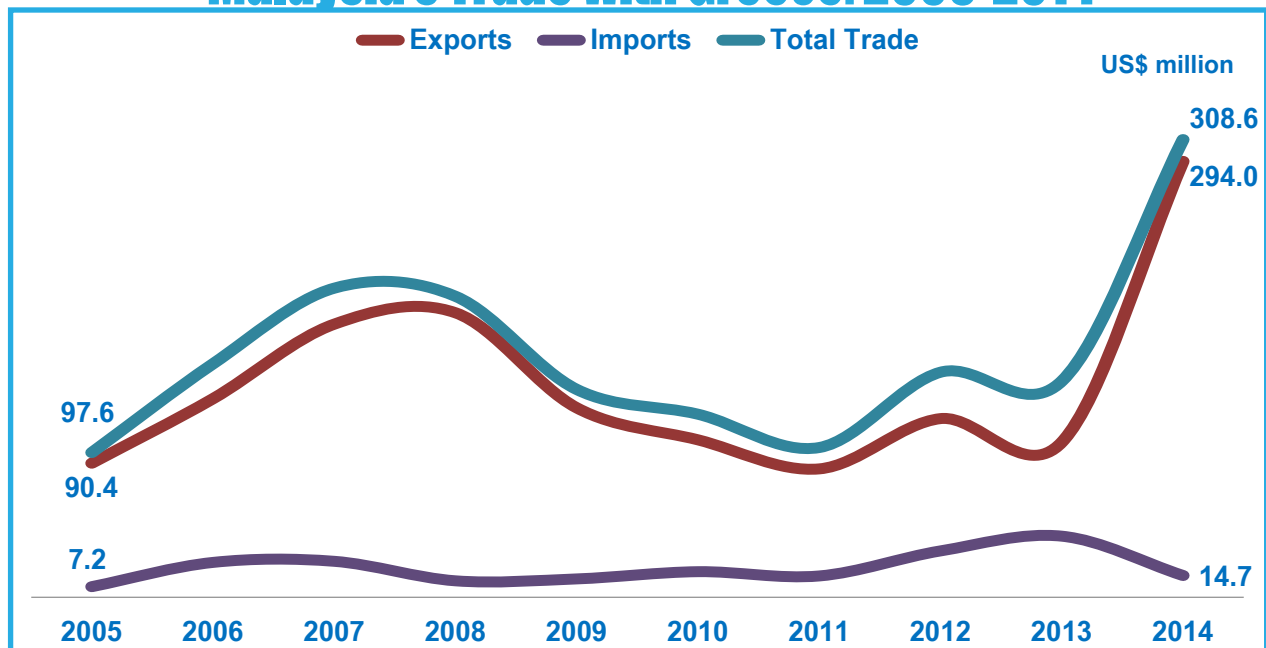
Labour

**Unemployment Rate
26.5% (2014)**

Source :IMF, wikipedia, tradingeconomics, Wikipedia, Trademap

“DRIVING Transformation, POWERING Growth”

Malaysia's Trade with Greece: 2005-2014

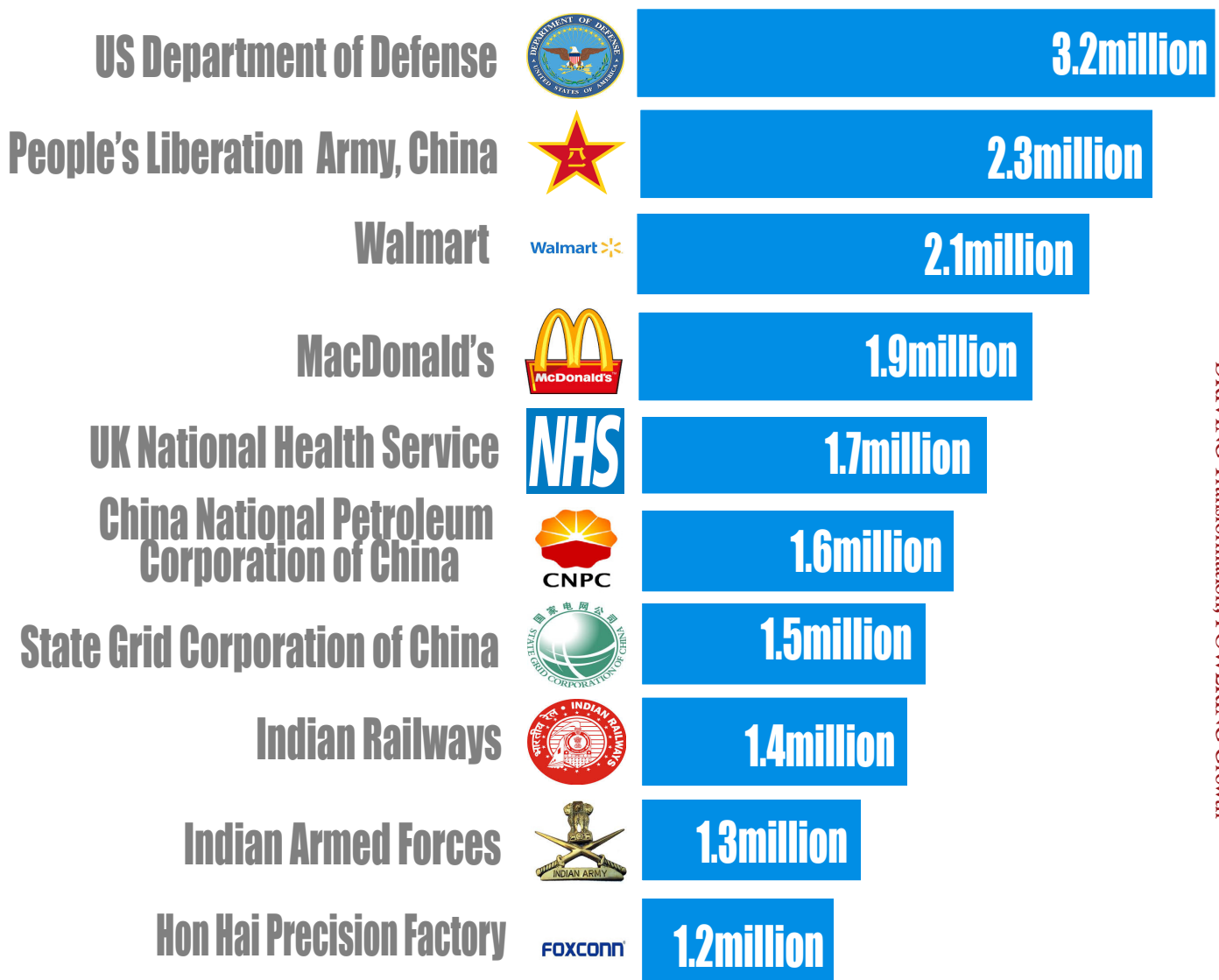


Source: Department of Statistics, Malaysia

MITI Weekly Bulletin / www.miti.gov.my

DID YOU KNOW ?

The World's Biggest Employers The employers with the largest workforces worldwide in 2015

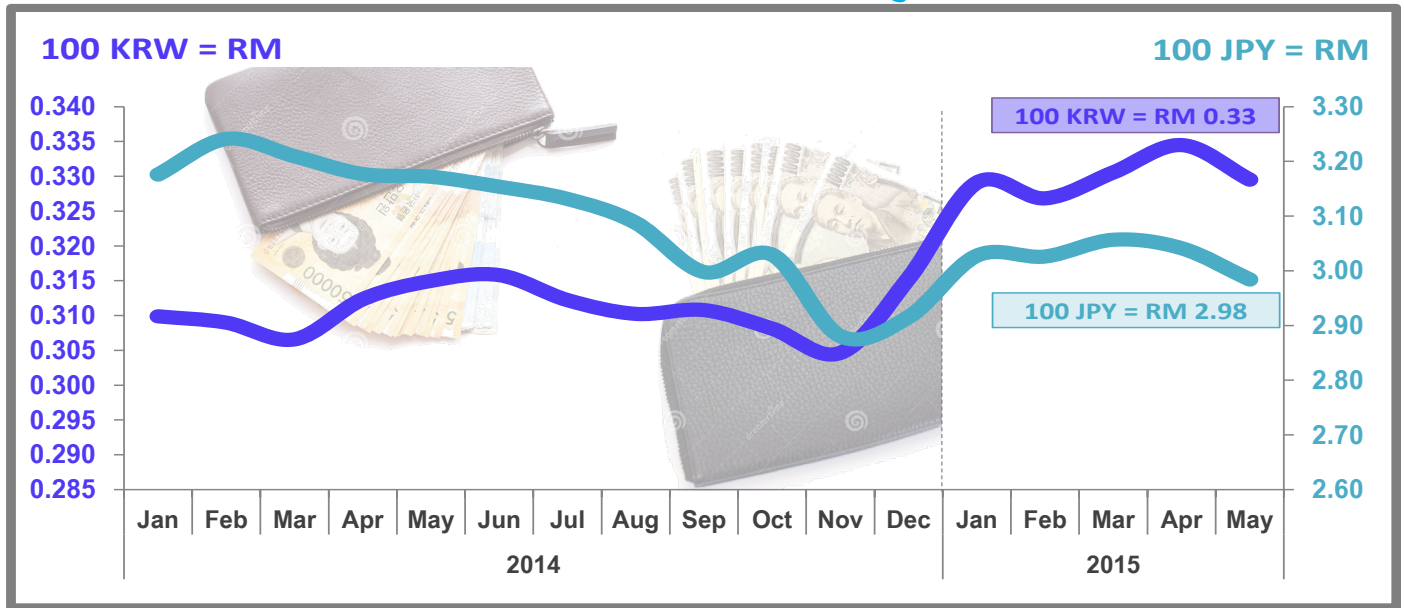


"DRIVING Transformation, POWERING Growth"

Source: <http://www.statista.com/chart/3585/the-worlds-biggest-employers/>

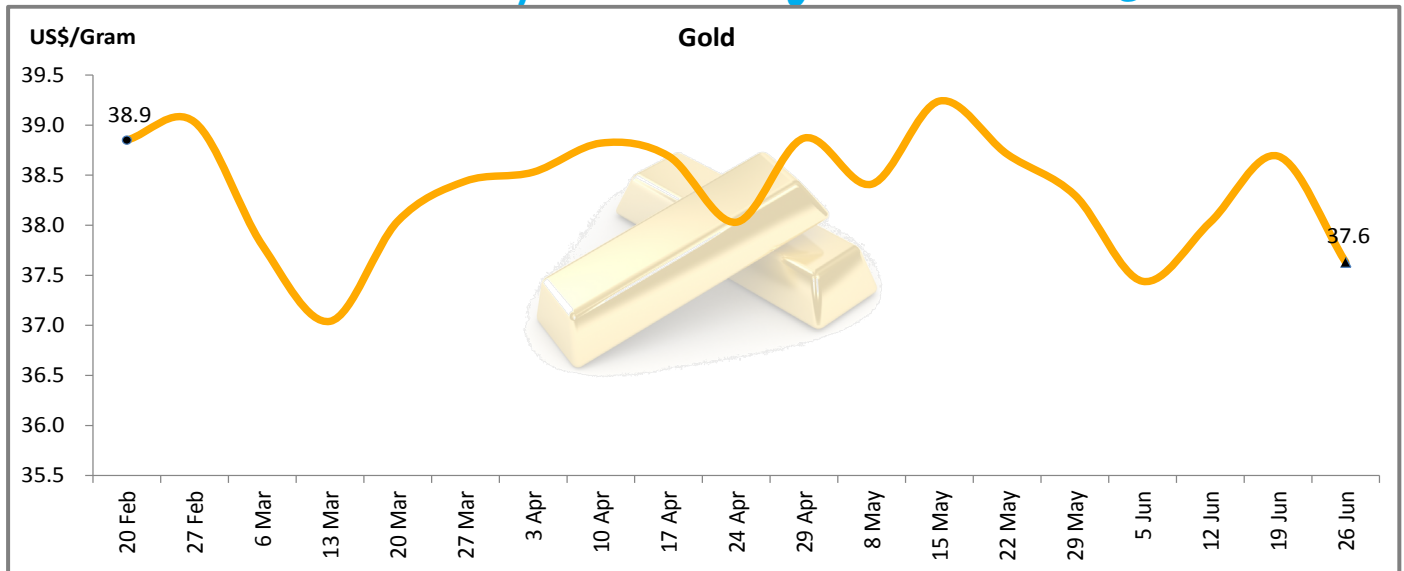


Malaysian Ringgit Exchange Rate with South Korean Won and Japanese Yen



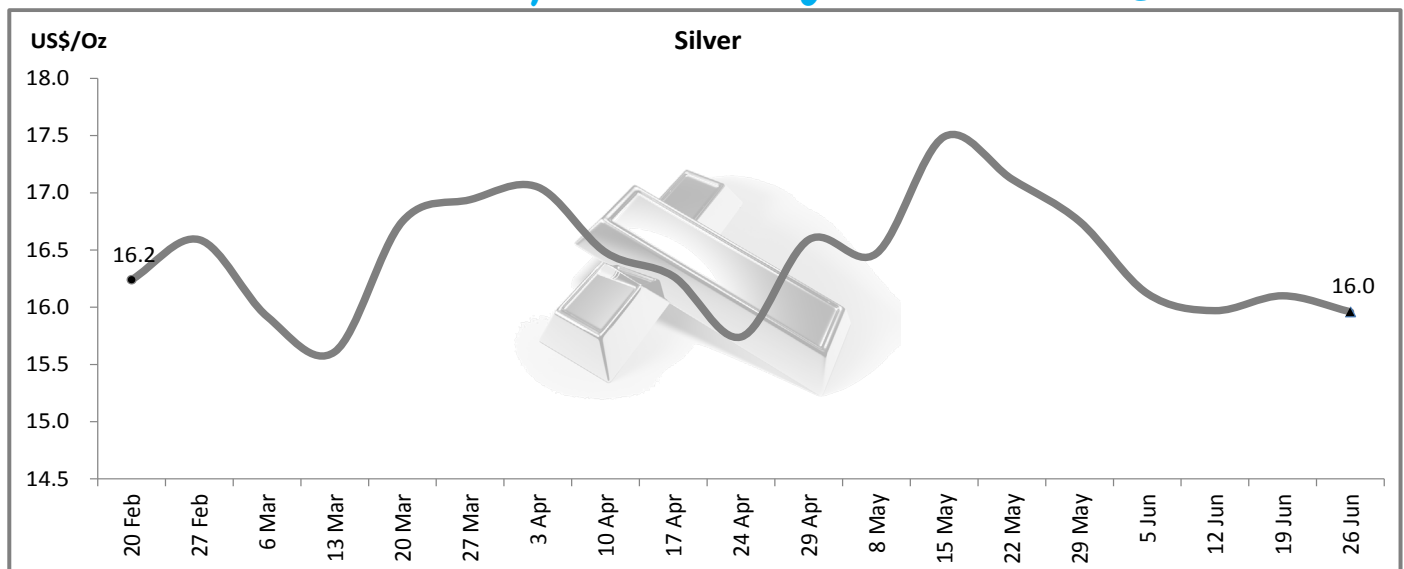
Source : Bank Negara, Malaysia

Gold Prices, 20 February - 26 June 2015



Source : http://www.gold.org/investments/statistics/gold_price_chart/

Silver Prices, 20 February - 26 June 2015



Source : <http://www.hardassetsalliance.com/charts/silver-price/usd/oz>

Number and Value of Preferential Certificates of Origin (PCOs)

Number of Certificates (Provisional data)

	3 May 2015	10 May 2015	17 May 2015	24 May 2015	31 May 2015	7 Jun 2015	14 Jun 2015	21 Jun 2015
AANZFTA	640	689	826	978	774	841	799	836
AIFTA	507	649	636	609	599	605	527	597
AJCEP	121	191	210	236	187	170	196	179
ATIGA	3,331	4,009	4,872	4,573	4,126	4,390	4,548	4,532
ACFTA	1,196	1,355	1,571	1,659	1,461	1,653	1,319	1,535
AKFTA	650	704	934	769	1,173	816	670	851
MICECA	262	335	383	337	289	362	279	328
MNZFTA	2	4	11	15	6	8	2	14
MCFTA	57	51	63	55	43	71	75	55
MAFTA	317	343	410	349	352	494	438	291
MJEPA	659	797	849	930	802	844	687	839
MPCEPA	112	149	115	176	207	138	137	177
GSP	104	110	140	132	131	188	97	105

Notes: The preference giving countries under the GSP scheme are Switzerland, the Russian Federation, Norway and Cambodia.



AANZFTA: ASEAN-Australia-New Zealand Free Trade Agreement (Implemented since 1 January 2010)



ATIGA: ASEAN Trade in Goods Agreement (Implemented since 1 May 2010)



AJCEP: ASEAN-Japan Comprehensive Economic Partnership (Implemented since 1 February 2009)



ACFTA: ASEAN-China Free Trade Agreement (Implemented since 1 July 2003)



AKFTA: ASEAN-Korea Free Trade Agreement (Implemented since 1 July 2006)



AIFTA: ASEAN-India Free Trade Agreement (Implemented since 1 January 2010)



MPCEPA: Malaysia-Pakistan Closer Economic Partnership Agreement (Implemented since 1 January 2008)



MJEPA: Malaysia-Japan Economic Partnership Agreement (Implemented since 13 July 2006)



MICECA: Malaysia-India Comprehensive Economic Cooperation Agreement (Implemented since 1 July 2011)



MNZFTA: Malaysia-New Zealand Free Trade Agreement (Implemented since 1 August 2010)

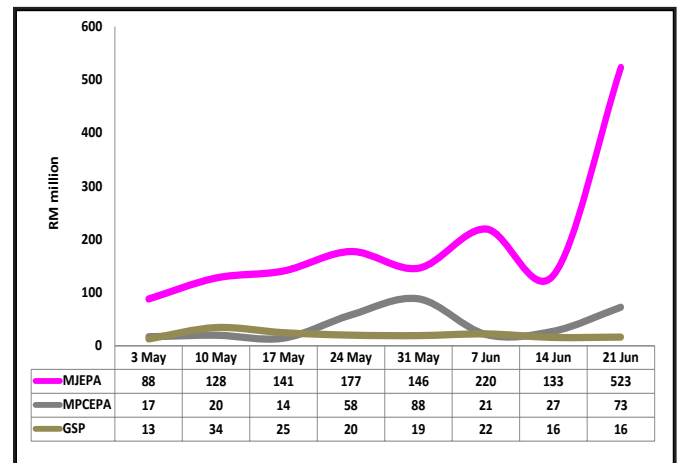
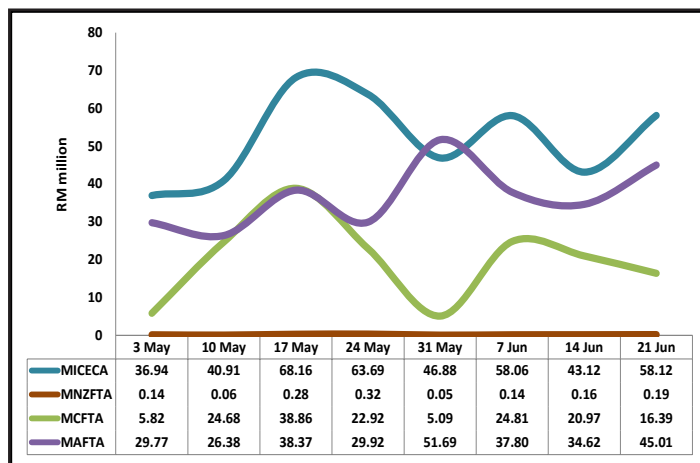
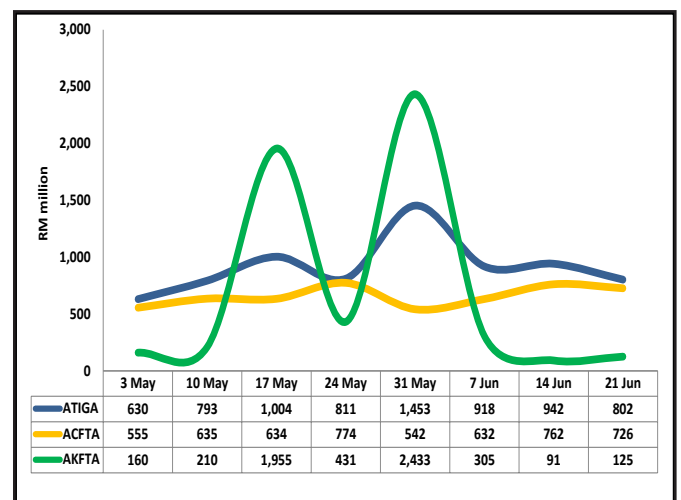
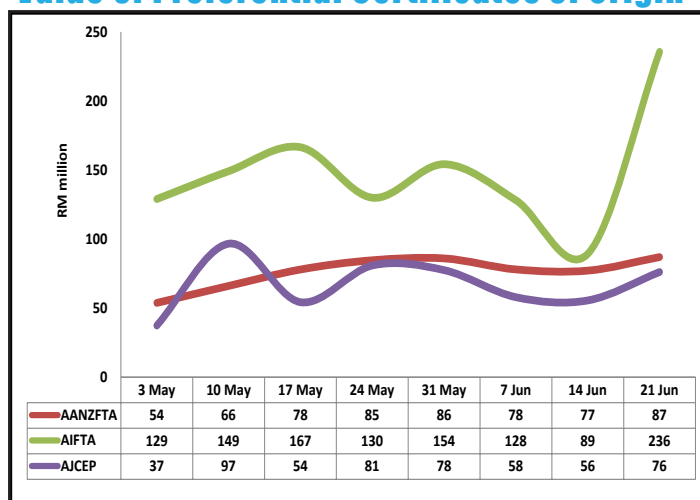


MCFTA: Malaysia-Chile Free Trade Agreement (Implemented since 25 February 2012)



MAFTA: Malaysia-Australia Free Trade Agreement (Implemented since 1 January 2013)

Value of Preferential Certificates of Origin



Commodity Prices



Commodity	Crude Petroleum (per bbl)	Crude Palm Oil (per MT)	Raw Sugar (per MT)	Rubber SMR 20 (per MT)	Cocoa SMC 2 (per MT)	Coal (per MT)	Scrap Iron HMS (per MT)
26 June 2015 (US\$)	59.7	658.5	254.8	1,550.0	2,250.9	45.3	280 (high) 260 (low)
% change*	↑ 0.1	↓ 0.8	↑ 2.0	↓ 1.3	↑ 2.8	↓ 1.9	unchanged unchanged
2014 ⁱ	54.6 - 107.6	823.3	352.3	1,718.3	2,615.8	59.8	370.0
2013 ⁱ	88.1 - 108.6	805.5	361.6	2,390.8	1,933.1	..	485.6

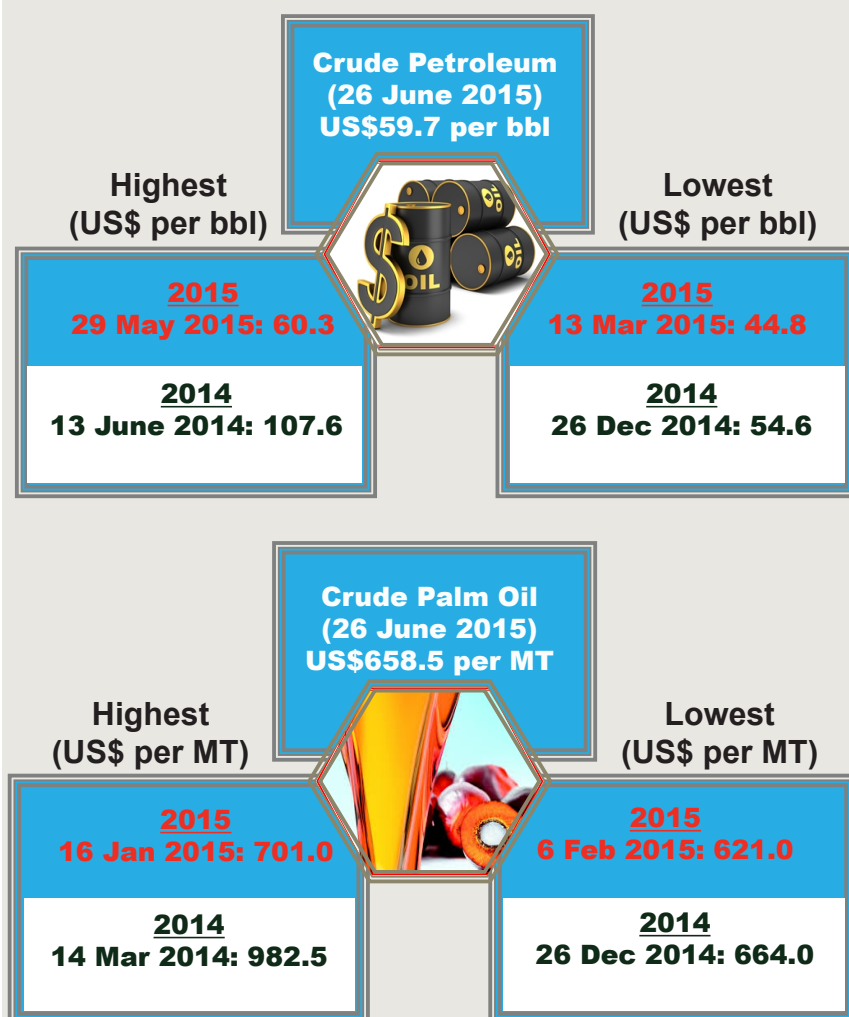
Notes: All figures have been rounded to the nearest decimal point

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

ⁱ Average price in the year except otherwise indicated

n.a Not available

Highest and Lowest Prices, 2014/2015



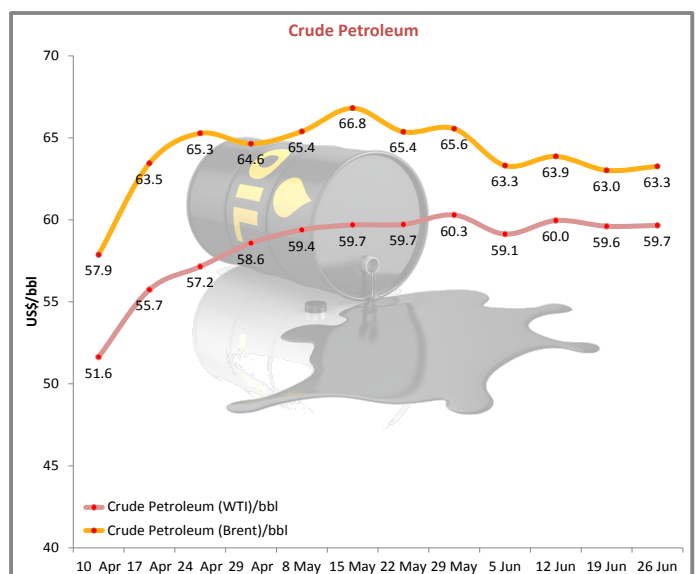
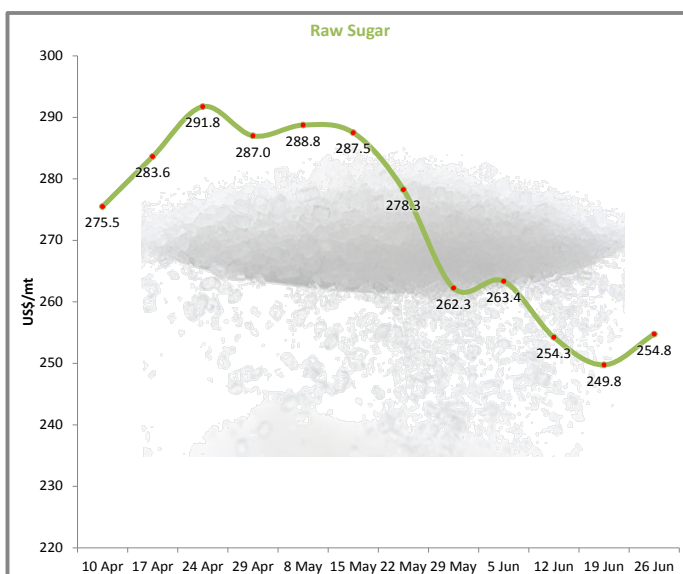
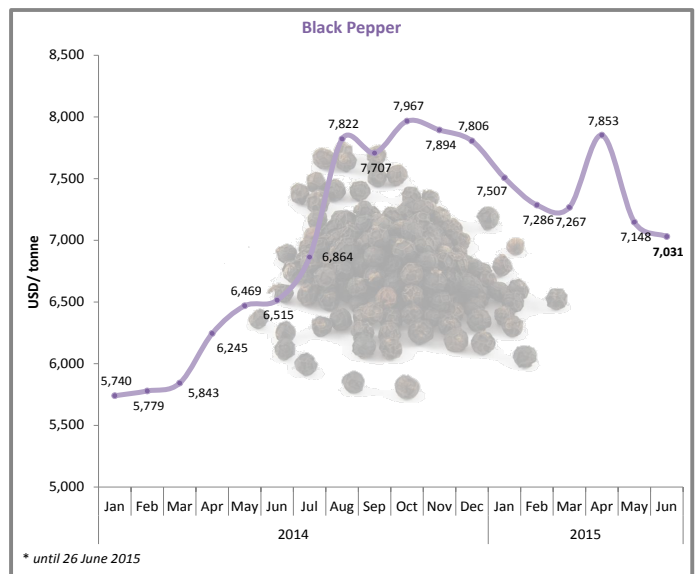
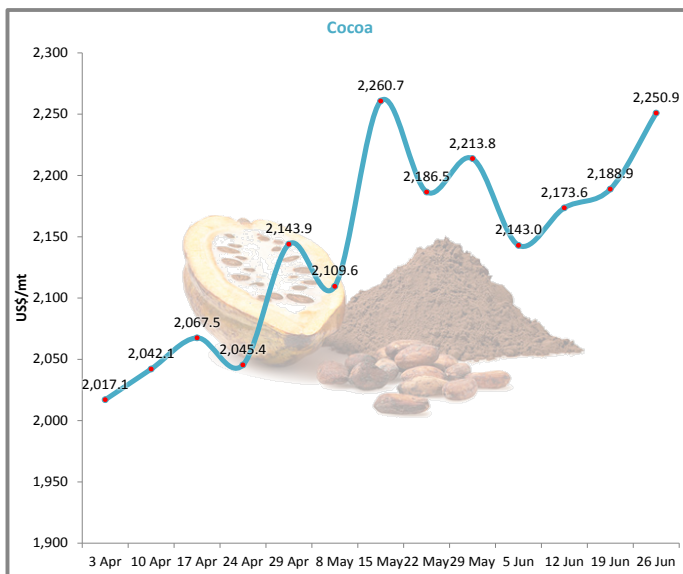
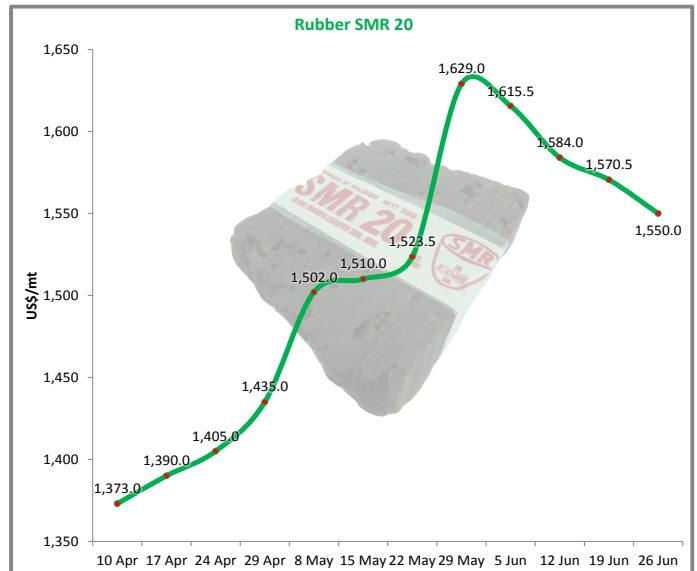
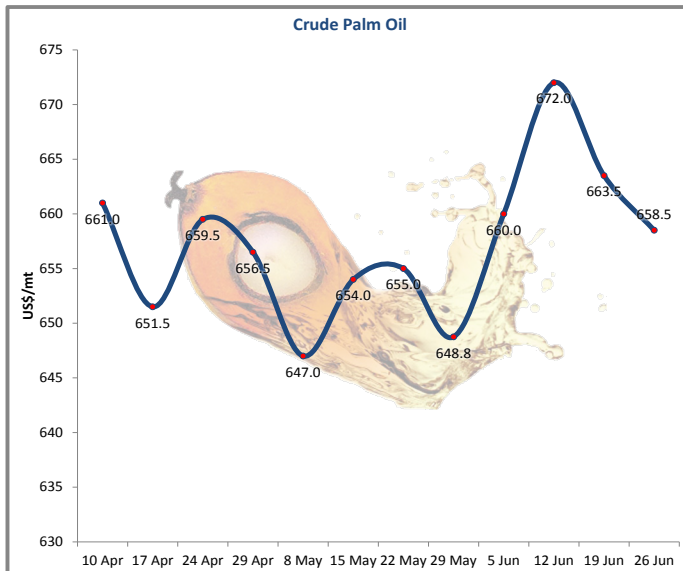
Average Domestic Prices, 19 June 2015



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.



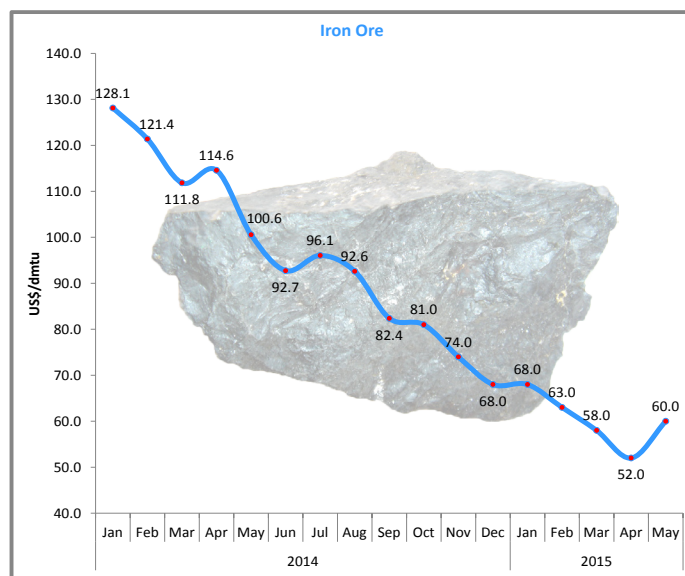
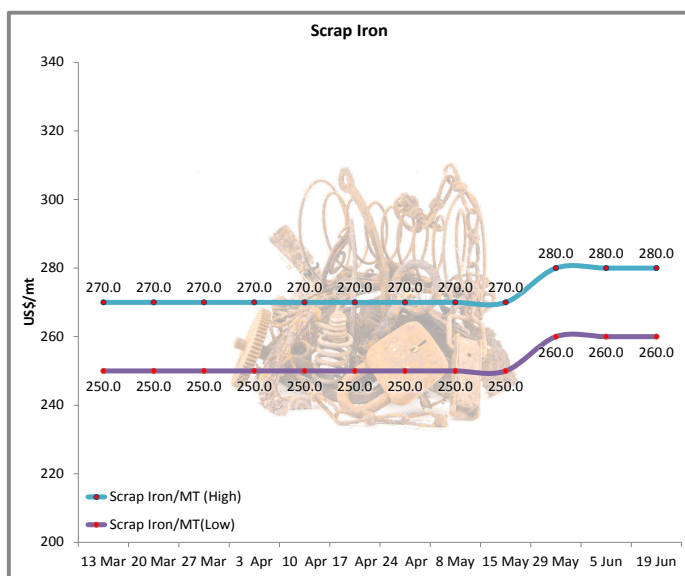
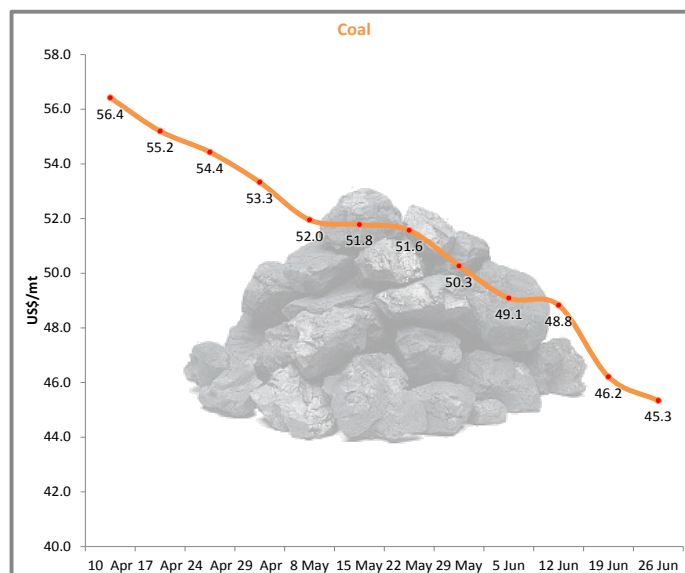
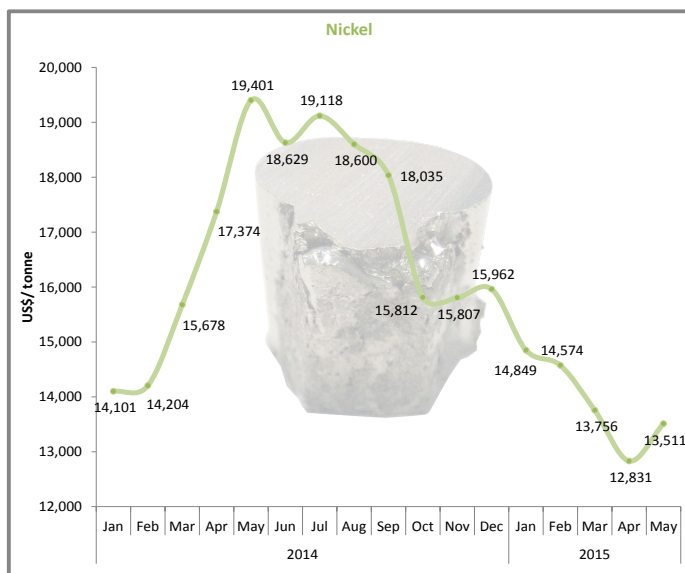
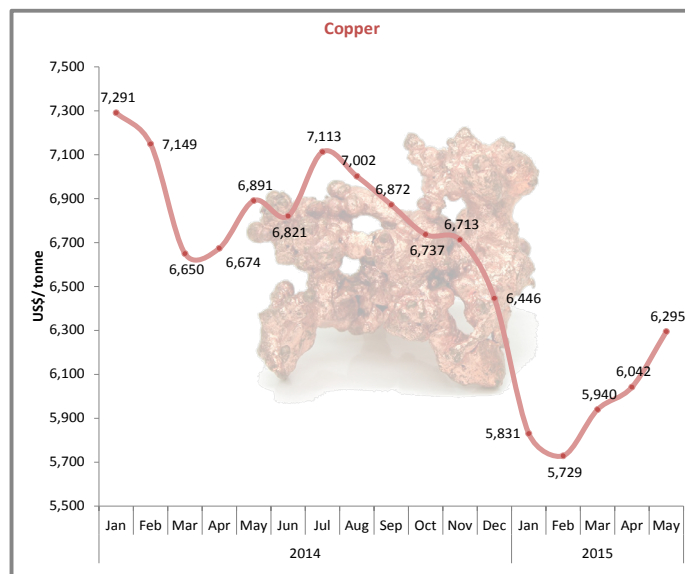
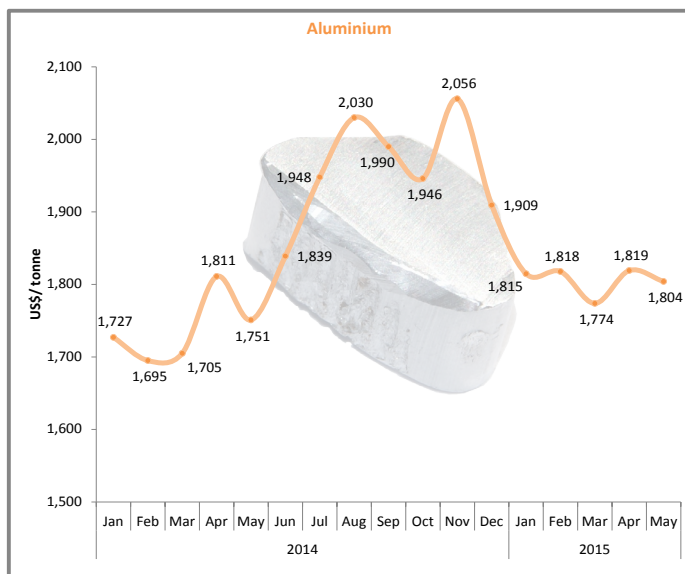
Commodity Price Trends



“DRIVING Transformation, POWERING Growth”

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

Commodity Price Trends



“DRIVING Transformation, POWERING Growth”

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





KHIND - TRULY ONE OF A KIND!

Established in 1961 as Syarikat Letrik Kee Hin, the Khind journey began by repairing small electrical products. Nearly 20 years later, the company ventured into manufacturing small electrical accessories, with the first product being a direct-current (DC) ballast. Slowly but surely, the company moved into the import and distribution of electrical products in 1982 and eventually started exporting their own products in 1988. Today, Khind Holdings Berhad (Khind) exports to more than sixty countries worldwide, with a total export business of RM130 million in 2012.

KHIND DEVELOPING YEARS

Khind decided to venture into manufacturing in the late 1970s, after realising that it would be more profitable for business expansions and support alike. Many new changes began for Khind with this drastic move. When the first batch of export orders came from West Asia, it paved the way for more export opportunities to open up for Khind. Within a year of exporting, Khind had made a profit of almost RM4 million. This profit turned into a whopping RM50 million within a few years, as Khind continued its achievement streak with positive outlooks for future investments.

In 1990, a new manufacturing plant was set up in Sekinchan, Selangor and eventually Khind started to manufacture electric fans, one of their best selling products to date. Manufacturing electrical products needed precision and quality assurance. As such, Khind started to employ professional managers and skilled expertise to support their growth and expansion into international markets. By 1998, Khind was listed on the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia).

In 2002, Khind was the market leader for general fans in Malaysia. Understanding the importance of brand building and international trade, Khind focused their export expansion through participation in several MATRADE's trade missions overseas. Participating in these trade missions allowed the company to forge new ties and business opportunities with countries such as the United Arab Emirates, Saudi Arabia and Kuwait. Investing in market research is a key business objective of Khind, as the company's leadership understands that much of the business direction depended on market stability and evolving needs.

EXPANDING THE BUSINESS OVERSEAS

From a humble electrical repair shop, the company is now in a highly successful position, poised to export locally manufactured electrical appliances worldwide. Research and development was crucial, and Khind spent much thought and energy in ensuring the company understood the market needs and demands. Cable clips were the first accessories to be manufactured and shipped to Dubai, replacing European suppliers. Of course, while pricing was relatively cheaper, there was no compromise in quality and design.

To date, Malaysia accounts for 55% of Khind's total turnover, while the remaining 45% comes from the overseas market. Khind's biggest international market thus far is Singapore, where their presence is strongly seen in the retail, wholesale and industrial electrical business. Khind's Singapore operations have almost 120 employees working for the group. The Singapore market alone accounts for RM31 million of turnover. Besides Singapore, Khind also has a strong presence in West Asia and North Africa, that account for almost RM33 million in terms of turnover.

In 2001, Khind took another giant leap with a key milestone when they acquired Mistral, a well known Australian brand. Thus, Mistral Singapore Pte. Ltd - a subsidiary of Khind Holdings Berhad was born. Looking at the company's growth, Khind is growing at a compounded rate of 20% every year.



In 2012 alone, Khind Holdings Berhad had achieved quite a feat, closing RM240 million in sales. Khind recognised the need to look beyond Malaysia, and tap into the export potential. For the last two years, there have been acquisitions of four cluster of companies, namely in Malaysia, Hong Kong, Singapore and China. A Singaporean company was also acquired in 2012, with strong retail business presence in Brunei and Singapore respectively.

The company continues to look for acquisition opportunities and new markets, particularly in renewable energy and green technology. From research and years of strategic business development, Khind has recognised enormous potential for this in West Asia and North Africa.

BUILDING A BRAND WITH MATRADE'S ASSISTANCE

Like many other Malaysian counterparts, Khind attended and participated in MATRADE trade fairs and trade missions in the early years, allowing for early penetration into international markets. "In March 2007, MATRADE approved a brand promotion grant of RM1.991 million, that has helped greatly in our own brand building exercises," says Cheng Ping Keat, Group CEO of Khind Holdings Berhad.

MATRADE's role in facilitating trade between Malaysian companies and foreign buyers has allowed for businesses to explore new frontiers in uncharted lands for the business. The company regards government assistance as a stepping stone for the business. "What MATRADE does is like a booster, a bonus of sorts. However, it is really up to us to be self-reliant and independent after that," Cheng adds.

COMPETING IN THE GLOBAL STAGE

Khind's work culture defines how they interact with the rest of the world. The company prides itself on teamwork and an attitude that aims for continuous improvement in all aspects of the business as key drivers for their exponential growth. Keeping up with the times, Khind also uses social media as a tool to engage with their employees, where internal staff can interact and keep abreast with the latest developments of the company online.

Through trust and progressive education, Khind believes that adapting to change and being resilient in times of challenges are their strengths that have brought them thus far. With a strong focus on customer satisfaction and quality product delivery, Khind continues to compete in a global arena while strengthening their presence in both local and international playing fields alike.

customers and their needs better," explains Cheng. "Once in a while, we may slip and fail. Do not be discouraged. Turn your failures into experiences to learn from. Always have a positive relationship with failure," he adds.



Khind Holdings Berhad

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Fax : 603-7845 6300 / 603-7847 5300
Email : enquiry@khind.com



MITI Programme

Roundtable Meeting With Thai Private Sector, 28 June 2015



“DRIVING Transformation, POWERING Growth”



Info Session on Asean Economic Community, 24 Jul 2015



“DRIVING Transformation, POWERING Growth”

Name : Salina Zainol Abidin
Designation : Assistant Administrative Officer
Job Description : Managing administrative matters
Division : Finance
Contact No : 603-6203 5123
Email : salina.zainol@miti.gov.my



Name : Iqram Mohd Idrus
Designation : Assistant Accountant
Job Description : Responsible for the overall payment matters and other accounting tasks
Division : Finance
Contact No : 603-6200 0091
Email : iqram.idrus@miti.gov.my



Comments & Suggestions

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