



MINISTRY OF INTERNATIONAL
TRADE AND INDUSTRY

MITI WEEKLY BULLETIN

VOLUME 356

22 SEPTEMBER 2015 | NO. ISSN: 2180-0448



**MALAYSIA
CHAIR OF
ASEAN
2015**



Perutusan Hari Raya Aidil Adha YB Menteri

Assalamualaikum Warahmatullahi Wabarakatuh

Alhamdulillah, setinggi-tinggi kesyukuran saya panjatkan ke hadrat Allah S.W.T kerana dengan limpah dan izinNya kita masih diberikan peluang untuk meneruskan kehidupan dan dapat meraikan Hari Raya Aidil Adha atau Hari Raya Haji yang akan disambut pada 10 Dzulhijjah 1436H bersamaan 24 September 2015. Kisah pengorbanan Nabi Ibrahim A.S dan ketaatan anakanda beliau baginda Nabi Ismail A.S akan sentiasa menjadi hayatan dan panduan tatkala kita meneruskan lafaz tahmid dan takbir sebagai tanda pengabdian diri kepada Allah S.W.T

Dalam konteks dunia pada hari ini, konsep pengorbanan itu sendiri mencakupi makna yang lebih luas dan mendalam. Ia menuntut sebuah tanggungjawab, terutamanya dari segi mengorbankan masa dan tenaga dalam menyumbang ke arah pembangunan bangsa, agama dan negara. Konsep itu wajar diteladani oleh kita semua umat Islam dan para penjawat awam terutamanya ketika ekonomi negara sedang berada dalam situasi yang mencabar ketika ini.

Kedudukan ekonomi Malaysia menjadi lebih mencabar dengan keadaan ekonomi dunia yang tidak menentu semenjak tahun lepas. Namun demikian, Malaysia masih mampu mencapai KDNK pada kadar 4.9% pada suku kedua tahun 2015. Walau bagaimanapun, dengan langkah-langkah yang diumumkan oleh YAB Perdana Menteri pada 14 September 2015, kita harap Malaysia akan mampu bertahan.

Akhir kata, izinkan saya untuk mengucapkan Selamat Hari Raya Aidil Adha buat saudara saudari sekalian. Saya ingin menyeru kepada semua rakyat Malaysia agar menghayati pengertian pengorbanan dengan meningkatkan lagi semangat perpaduan dalam kalangan semua penduduk dari berbagai bangsa dan latar belakang. Saya juga berharap agar warga MITI akan terus berkhidmat dengan penuh dedikasi serta sanggup melakukan pengorbanan dengan penuh redha demi kemakmuran dan kesejahteraan negara yang kita cintai ini.

Dato' Sri Mustapa Mohamed
Menteri Perdagangan Antarabangsa dan Industri





MALAYSIA

SME* Performance

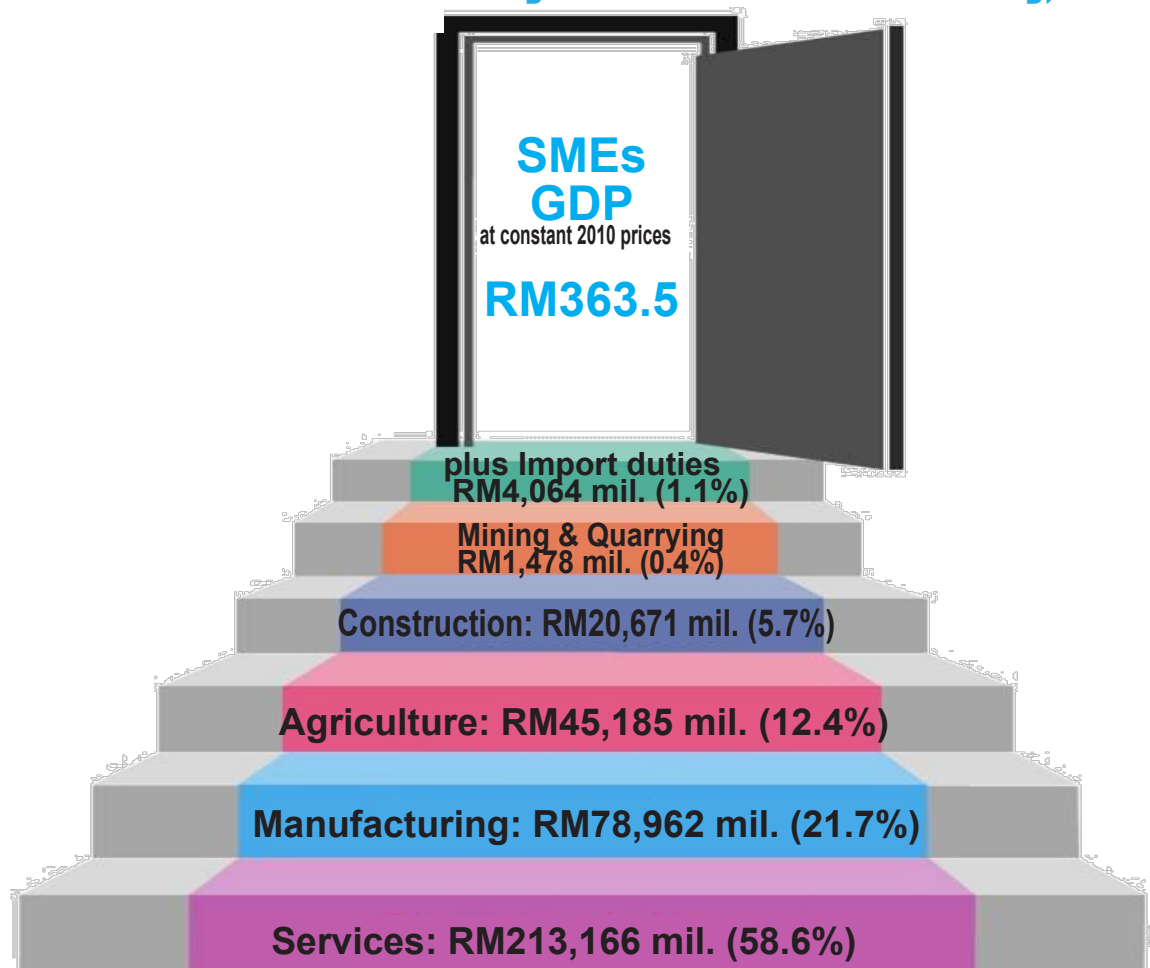
2014

Category	Value Added (RM billion)		Share (%)	
	Current Prices	Constant 2010 Prices	Current Prices	Constant 2010 Prices
SMEs	396.6	363.5	35.8	35.9
Large Enterprises	710.0	649.0	64.2	64.1
GDP	1,106.6	1,012.5	100.0	100.0

Note - * refer to:

- Manufacturing: Sales turnover not exceeding RM50 million OR full-time employees not exceeding 200 workers; and
- Services and other sectors: Sales turnover not exceeding RM20 million OR full-time employees not exceeding 75 workers.

Value Added of SMEs by Kind of Economic Activity, 2014

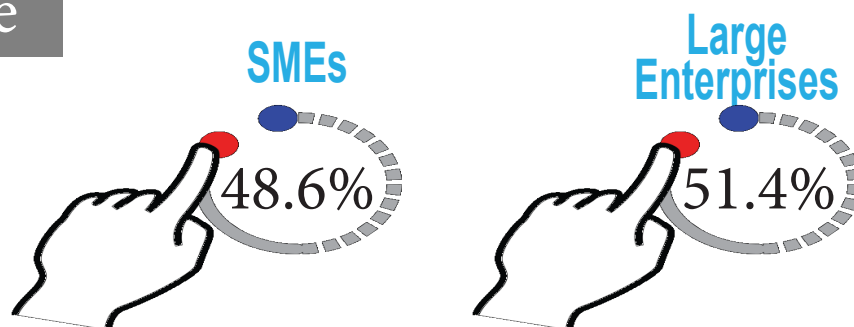


“DRIVING Transformation, POWERING Growth”

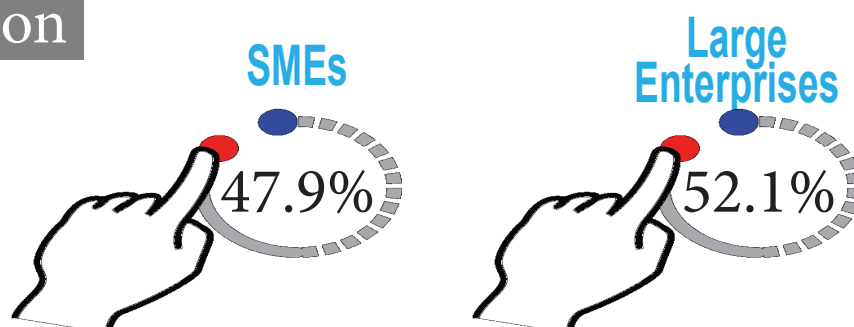


Contribution of SMEs to GDP at Constant 2010 Prices, 2014

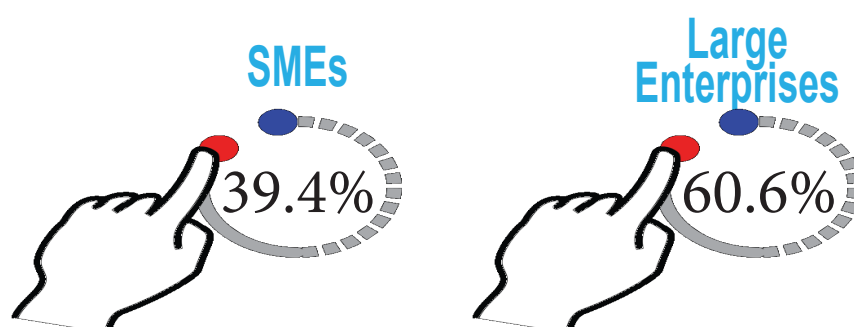
Agriculture



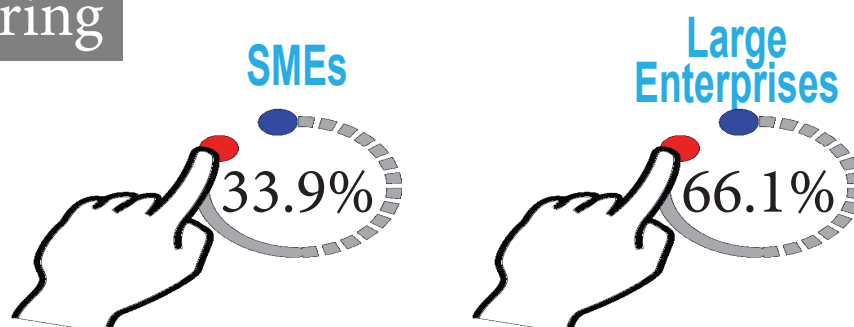
Construction



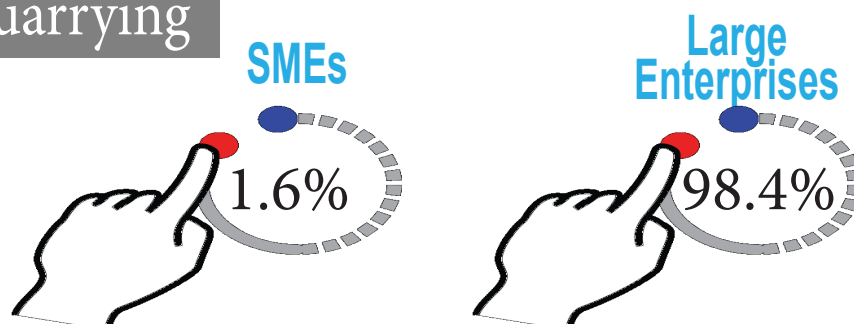
Services



Manufacturing



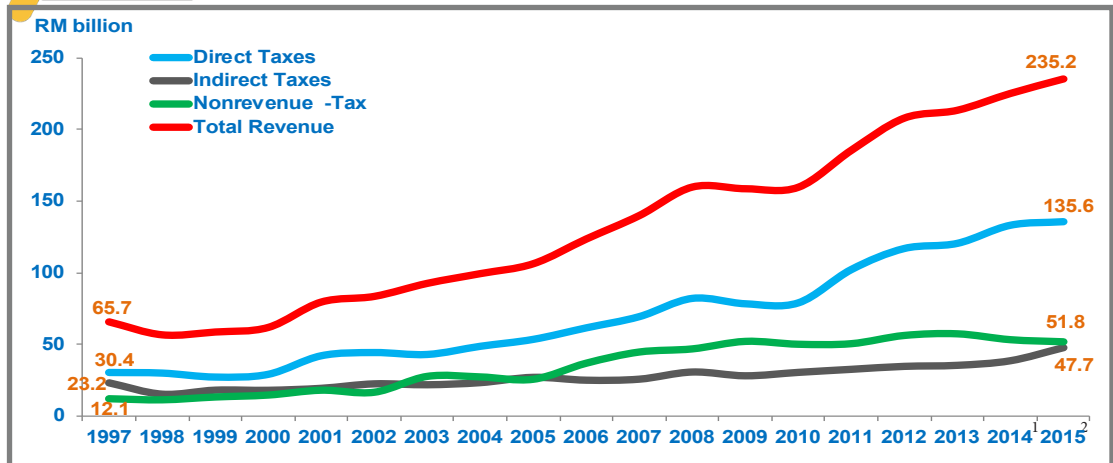
Mining & quarrying



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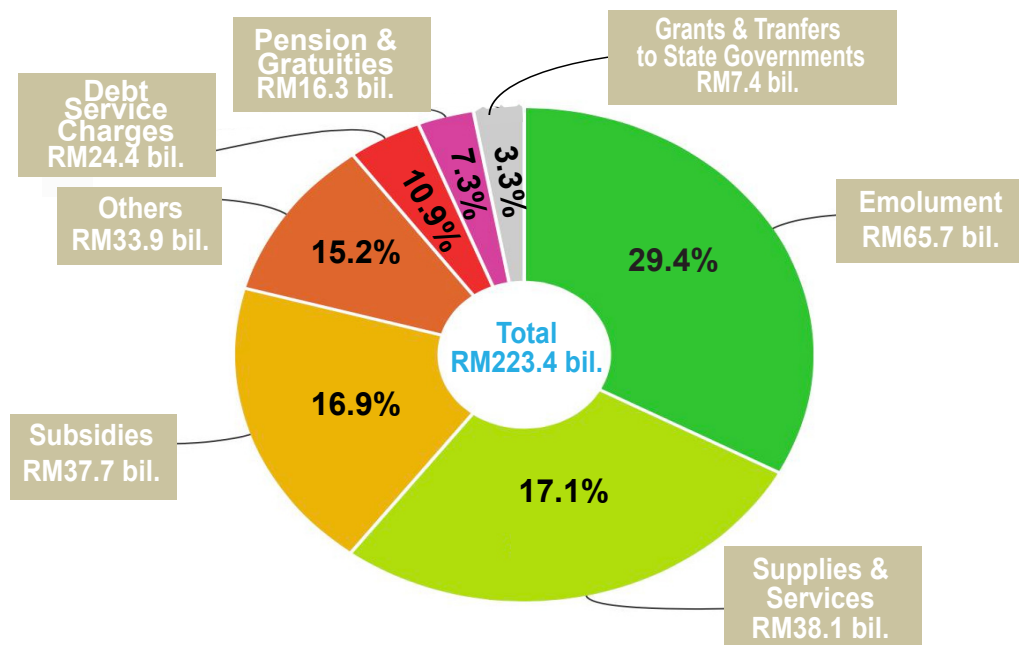


Federal Government Revenue, 1997-2015



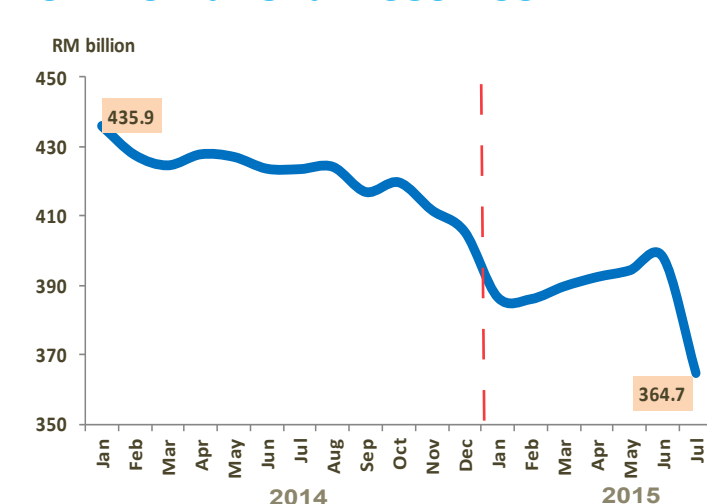
Note: ¹ Estimate by Ministry of Finance, Malaysia
² Budget estimate, excluding 2015 Budget measures by Ministry of Finance, Malaysia

Components of Federal Government Operating Expenditure, 2015



Source: Ministry of Finance, Malaysia

Net International Reserves



Expressed as Number of Months of Retained Imports

Month	2014	2015
Jan	9.4	7.9
Feb	9.0	7.9
Mar	9.2	8.1
Apr	9.4	8.0
May	9.1	8.2
Jun	9.0	8.2
Jul	9.0	7.6
Aug	9.0	
Sep	8.7	
Oct	8.8	
Nov	8.4	
Dec	8.4	



ASEAN and You'



ASEAN Index of Economic Freedom, 2015

score (100 represents the maximum freedom)

Economic freedom is the fundamental right of every human to control his or her own labor and property. In an economically free society, individuals are free to work, produce, consume, and invest in any way they please, with that freedom both protected by the state and unconstrained by the state. In economically free societies, governments allow labor, capital and goods to move freely, and refrain from coercion or constraint of liberty beyond the extent necessary to protect and maintain liberty itself.



“DRIVING Transformation, POWERING Growth”

Source: <http://www.heritage.org/index/about>

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



International Report

Global Trade, 2007 - 2015 (Jan - June)

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FEDERAL RESERVE, USA

Release Date: September 17, 2015

For immediate release

Information received since the Federal Open Market Committee met in July suggests that economic activity is expanding at a moderate pace. Household spending and business fixed investment have been increasing moderately, and the housing sector has improved further; however, net exports have been soft. The labour market continued to improve, with solid job gains and declining unemployment. On balance, labour market indicators show that underutilization of labour resources has diminished since early this year. Inflation has continued to run below the Committee's longer-run objective, partly reflecting declines in energy prices and in prices of non-energy imports. Market-based measures of inflation compensation moved lower; survey-based measures of longer-term inflation expectations have remained stable.

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. Recent global economic and financial developments may restrain economic activity somewhat and are likely to put further downward pressure on inflation in the near term. Nonetheless, the Committee expects that, with appropriate policy accommodation, economic activity will expand at a moderate pace, with labour market indicators continuing to move toward levels the Committee judges consistent with its dual mandate. The Committee continues to see the risks to the outlook for economic activity and the labour market as nearly balanced but is monitoring developments abroad. Inflation is anticipated to remain near its recent low level in the near term but the Committee expects inflation to rise gradually toward 2 percent over the medium term as the labour market improves further and the transitory effects of declines in energy and import prices dissipate. The Committee continues to monitor inflation developments closely.

To support continued progress toward maximum employment and price stability, the Committee today reaffirmed its view that the current 0 to 1/4 percent target range for the federal funds rate remains appropriate. In determining how long to maintain this target range, the Committee will assess progress—both realized and expected—toward its objectives of maximum employment and 2 percent inflation. This assessment will take into account a wide range of information, including measures of labour market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments. The Committee anticipates that it will be appropriate to raise the target range for the federal funds rate when it has seen some further improvement in the labour market and is reasonably confident that inflation will move back to its 2 percent objective over the medium term.

The Committee is maintaining its existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities in agency mortgage-backed securities and of rolling over maturing Treasury securities at auction. This policy, by keeping the Committee's holdings of longer-term securities at sizable levels, should help maintain accommodative financial conditions.

When the Committee decides to begin to remove policy accommodation, it will take a balanced approach consistent with its longer-run goals of maximum employment and inflation of 2 percent. The Committee currently anticipates that, even after employment and inflation are near mandate-consistent levels, economic conditions may, for some time, warrant keeping the target federal funds rate below levels the Committee views as normal in the longer run.

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Malaysia's Rising Star Award 2015



A total of fourteen national researchers have been recognised as the recipients of the Malaysia's Rising Star Award for obtaining the top 1% of the Highly Cited Papers published worldwide, extracted from the Essential Science Indicators (ESI) for the period between 2005 to 2014 by Thompson Reuters which is based in New York, USA. These award recipients are the reprint authors with the most frequently referred to articles by researchers worldwide in broad research fields.



Professor Datuk Dr. Abdul Khalil H P Shawkataly
 Professor Dr. Abdul Latif Ahmad
 Professor Dr. Abdul Rahman Mohamed
 Professor Dr. Abd Karim Alias
 Professor Dr. Hazizan Md Akil
 Associate Professor Dr. Mohd Roslee Othman
 Professor Dr. Wan Saime Wan Ngah



Professor Dr. Wan Mohd Ashri Wan



Professor Dr. Siti Kartom Kamarudin
 Professor Dr. Ishak Hashim



Professor Dr. Luqman Chuah Abdullah
 Associate Professor Dr. Abdul Halim Abdullah



Associate Professor Dr. Wong Kuan



Puan Norliana Mohd Abbas

Did You Know ?

Global Innovation Index 2015 Who is leading innovation?

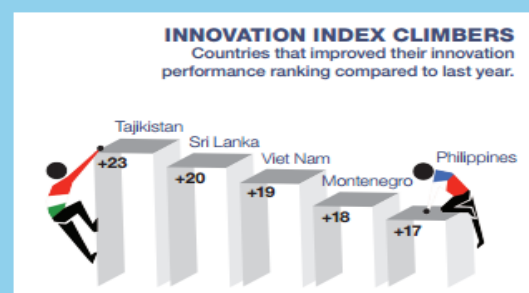
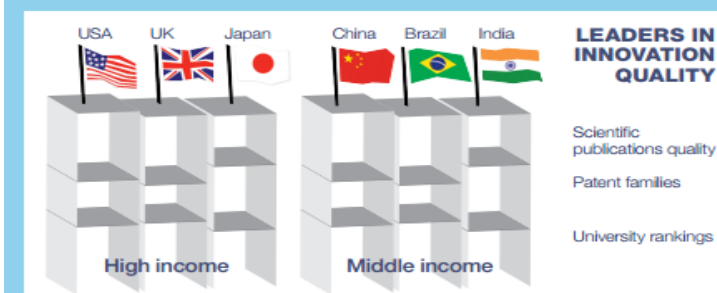
Every year, the Global Innovation Index ranks the innovation performance of more than 140 countries and economies around the world. Each country is scored according to 79 indicators. #GII2015



TOP PERFORMERS PER REGION*



TOP INNOVATORS BY INCOME GROUP*



www.globalinnovationindex.org

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Information for Mid-Tier Companies Development Programme - Part 3

We are seeking the best MTCS to participate in this programme



Criteria (quantitative)

- Consistent growth
 - Positive growth in 3 of the past 5 years;
 - >5% CAGR for the past 5 years
- Involved in NKEA or High Impact sectors¹
- 60% Malaysian owned
- Must be exporting
- Not a subsidiary of a company with revenues > RM500 million

Criteria (qualitative)

- Innovative, sustainable and scalable business model

50 high potential MTCS selected to participate in the programme every year

MTCs in Malaysia with annual revenues of RM50mn – RM500mn (manufacturing) or RM20mn – RM500mn (services)

¹ Agriculture; Business and professional services; Chemical products; Construction; Education; Electrical and electronics; Financial services; Food and beverage; Forestry and paper; Healthcare services; Hospitality, information and communications; Machinery and equipment; Medical devices; Metals; Oil and gas; Pharmaceuticals; Textiles and apparel; Transport equipment; Transportation and logistical services.

Frequently asked questions

1. How much will I have to pay to participate in this programme?

All consultation costs will be borne fully by MATRADE for Wave 1 (June 2014 - Feb 2015) and Wave 2 (Dec 2014 - Oct 2015). However for Wave 3 onwards MATRADE will only partially subsidise the programme cost. Do note you will need to bear ancillary expenses you incur, e.g. travel cost, overseas visit and additional research.

2. How much time will I need to spend in the programme?

The programme will require the CEO and senior management team to be fully committed and dedicate at least 1 day/month to the programme activities (e.g. work planning and problem solving) over the course of 9 months.

3. Will I need to disclose any confidential information?

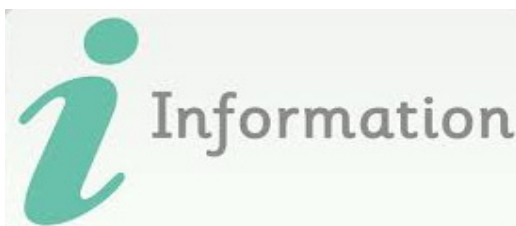
Yes, we will encourage companies to share specific information to enable us to engage deeply on action plan and recommendations with our panel of experts and advisors. To ensure confidentiality, we will sign a Non-Disclosure Agreement (NDA) with the participating companies.

4. Will this programme interfere with my day-to-day business operations?

No, we will not interfere directly with your business activities, operations and decisions. However, we will emphasize that the delivery and outcomes of the programme will depend largely on your active participation and commitment.

5. Does this programme provide grants or funding?

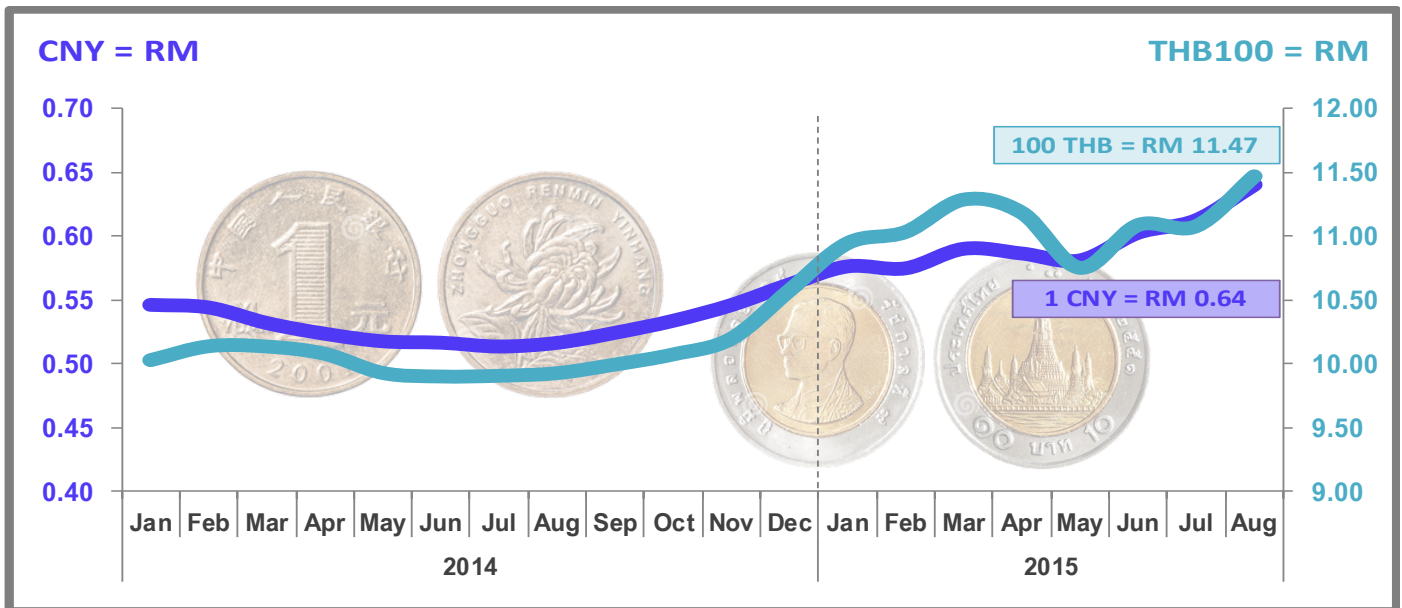
No, this programme does not provide any direct funding as the consultation cost has already been covered by the government. However if needed, the programme may help in facilitating introductions with potential investors and financial institutions



For more information or to refer a mid-tier company to join the MTCDP, please contact:

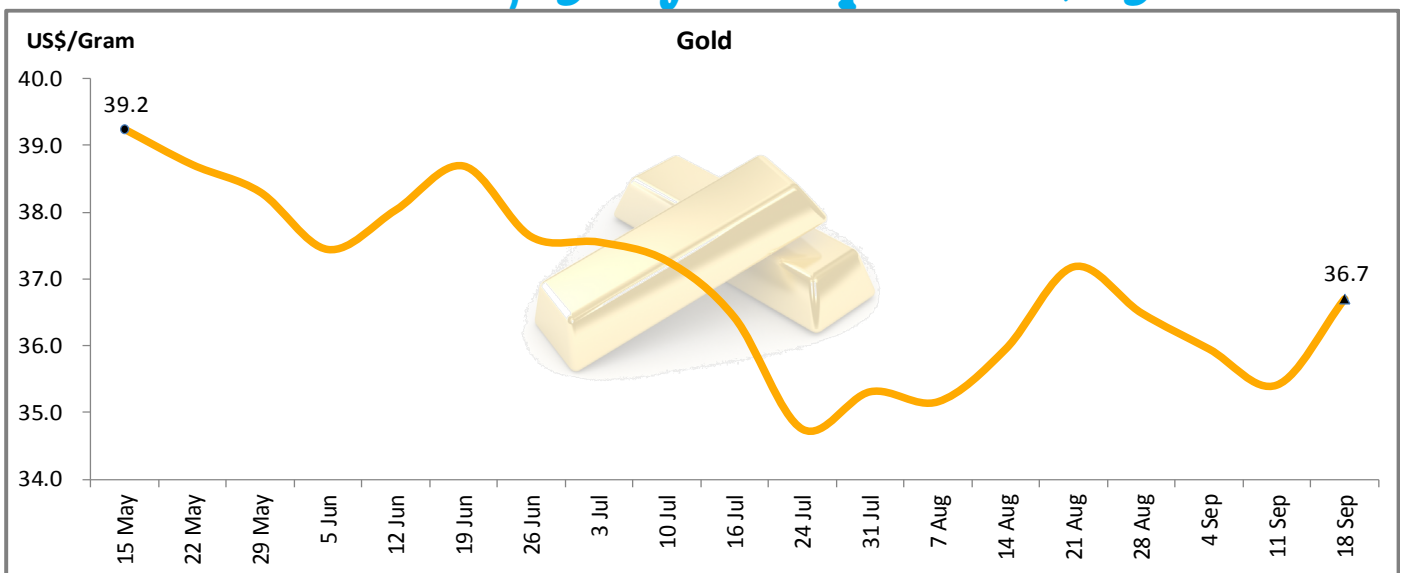
Mid-Tier Companies Development Unit
Exporters Development Division
Tel: +60362077077
Email: midtier@matrade.gov.my

Malaysian Ringgit Exchange Rate with Chinese Yuan and Thai Baht



Source : Bank Negara, Malaysia

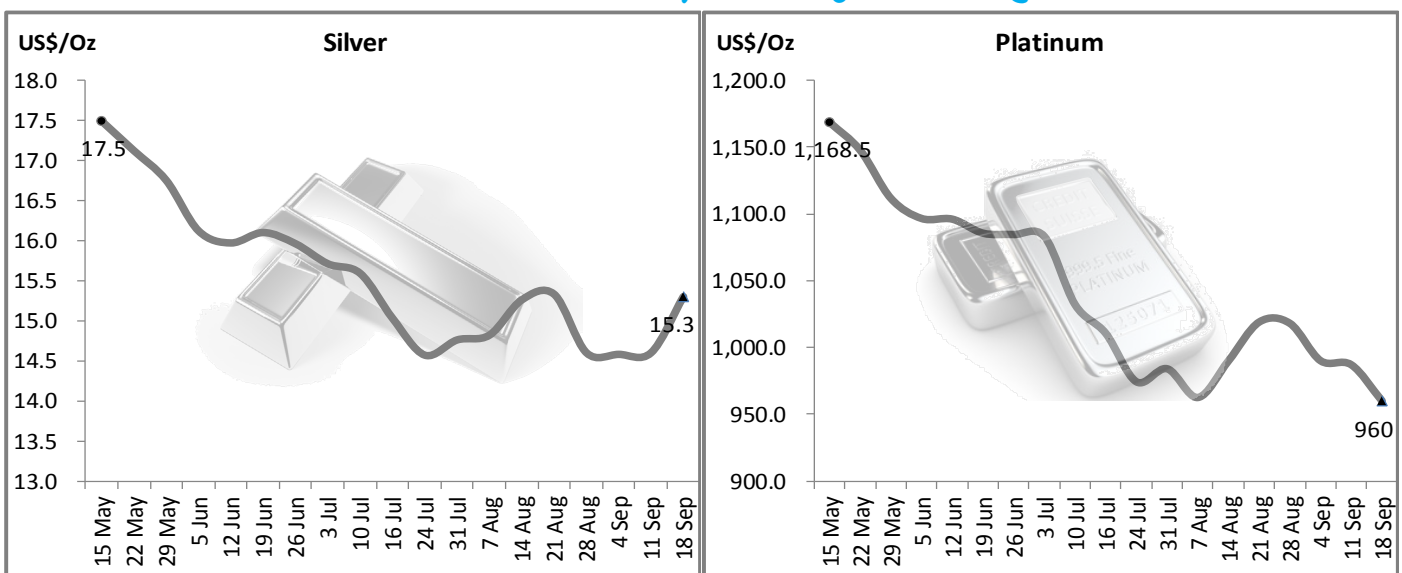
Gold Prices, 15 May - 18 September 2015



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

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Silver and Platinum Prices, 15 May - 18 September 2015



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

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



Number and Value of Preferential Certificates of Origin (PCOs)

Number of Certificates (Provisional data)

	26 Jul 2015	2 Aug 2015	9 Aug 2015	16 Aug 2015	23 Aug 2015	30 Aug 2015	6 Sep 2015	13 Sep 2015
AANZFTA	601	978	689	942	1,040	916	727	868
AIFTA	624	765	573	742	724	780	577	614
AJCEP	221	153	267	112	211	210	195	236
ATIGA	3,212	4,152	4,374	4,399	4,422	4,358	4,506	4,346
ACFTA	1,022	1,646	1,267	1,300	1,505	1,461	1,242	1,307
AKFTA	740	649	692	739	912	744	755	825
MICECA	336	308	312	289	336	305	239	250
MNZFTA	4	9	12	15	3	3	2	21
MCFTA	64	56	74	53	110	71	65	77
MAFTA	371	351	429	396	449	436	318	414
MJEPA	763	672	759	764	815	966	771	732
MPCEPA	130	143	143	184	186	170	109	155
GSP	76	155	94	117	160	129	144	123
MTFTA	-	0	0	93	239	283	152	321

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



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)

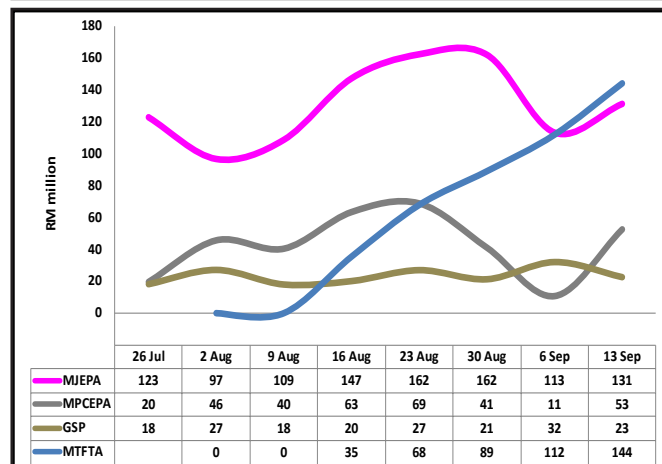
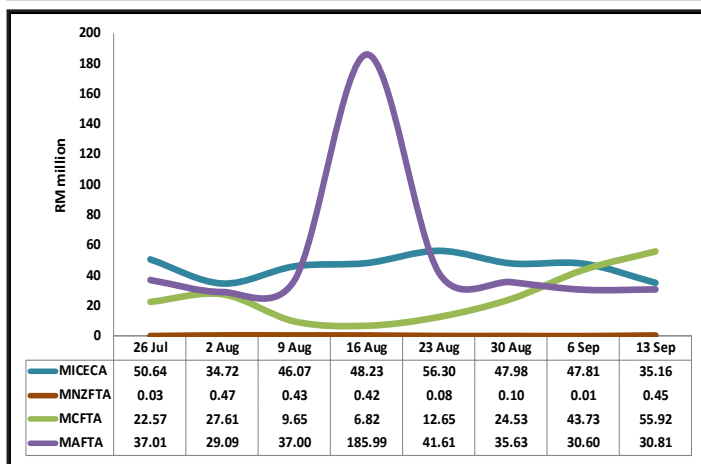
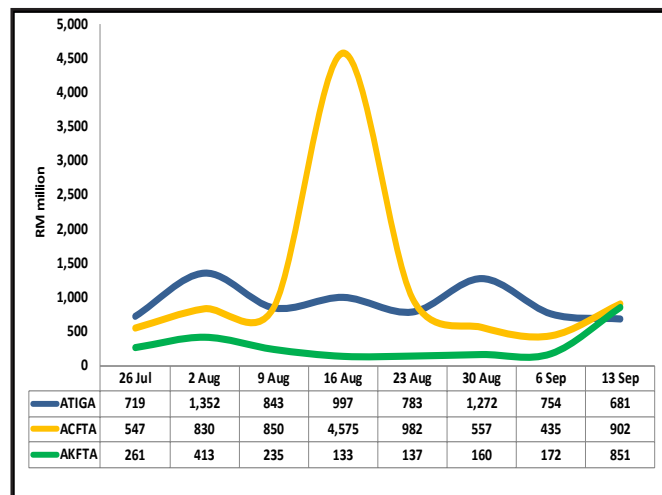
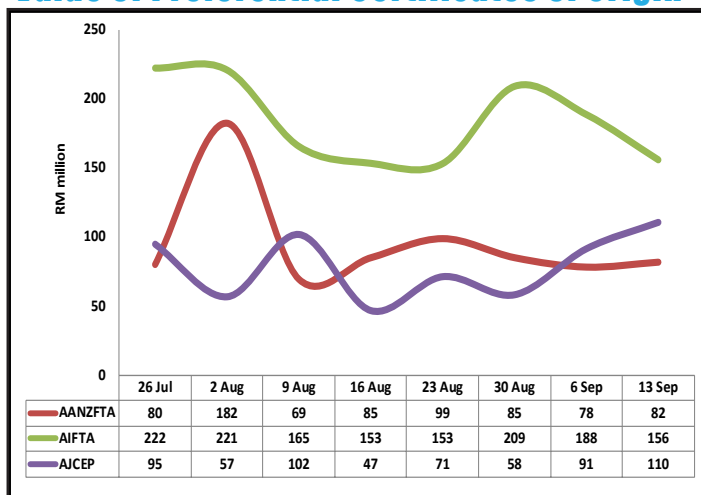


MAFTA: Malaysia-Australia Free Trade Agreement
(Implemented since 1 January 2013)



MTFTA: Malaysia-Turkey Free Trade Agreement
(Implemented since 1 August 2015)

Value of Preferential Certificates of Origin



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Source: Ministry of International Trade and Industry, Malaysia

MITI Weekly Bulletin / www.miti.gov.my

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)
18 Sep 2015 (US\$)	44.7	529.5	254.0	1,250.5	2,044.3	46.9	250 (high) 230 (low)
% change*	↑ 0.1	↑ 5.2	↑ 2.0	↓ 2.4	↑ 1.1	↓ 1.0	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

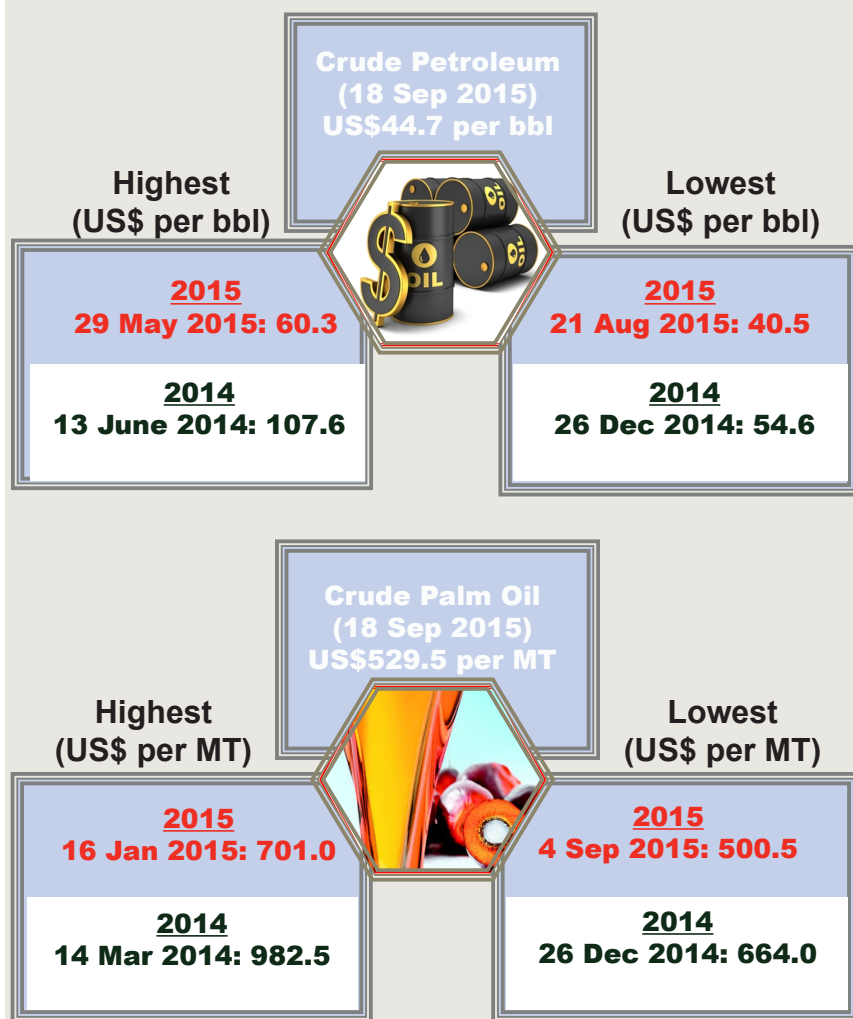
Notes: All figures have been rounded to the nearest decimal point

* 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

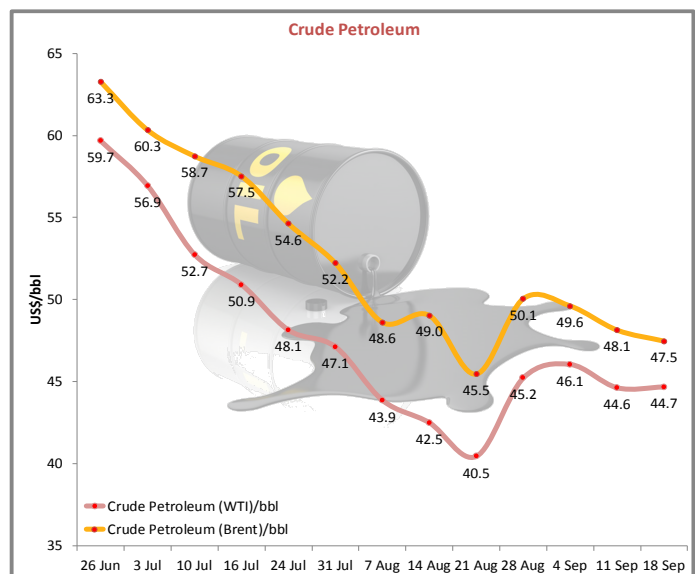
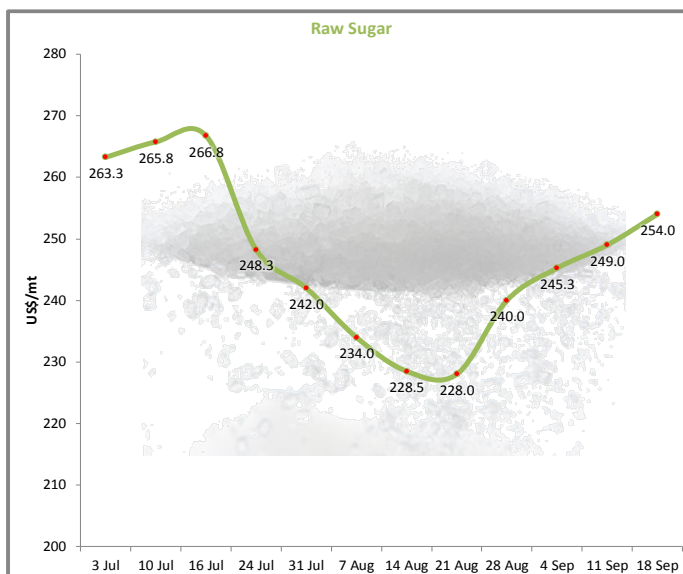
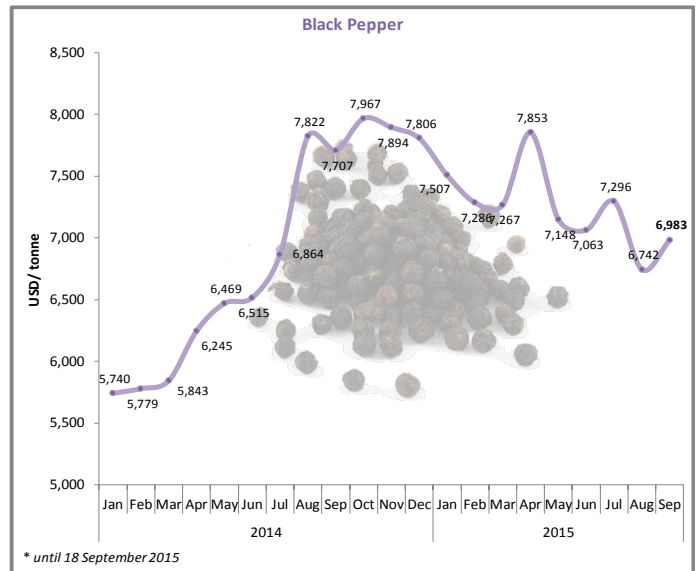
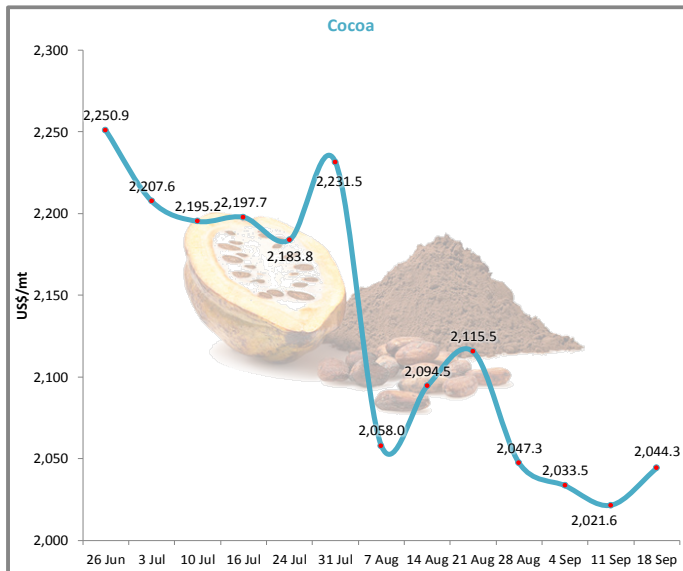
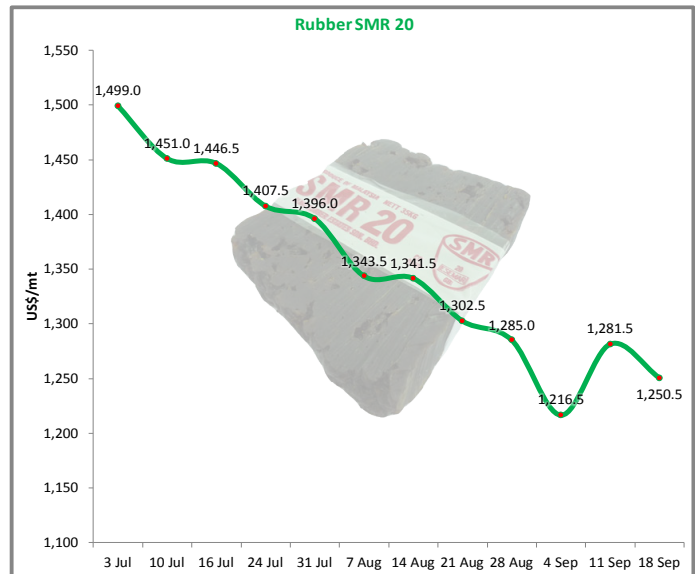
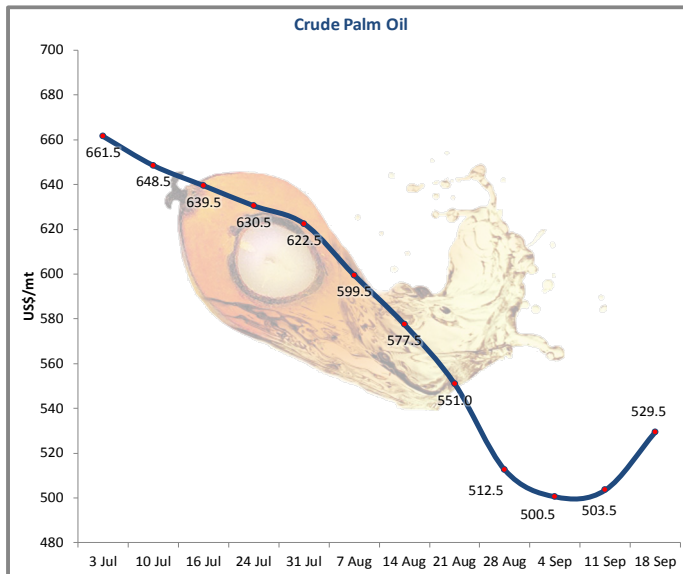


Average Domestic Prices, 11 Sep 2015



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

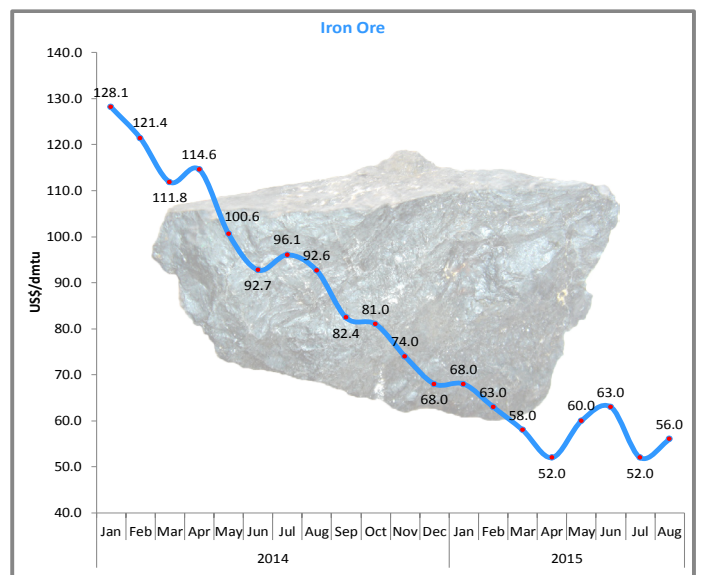
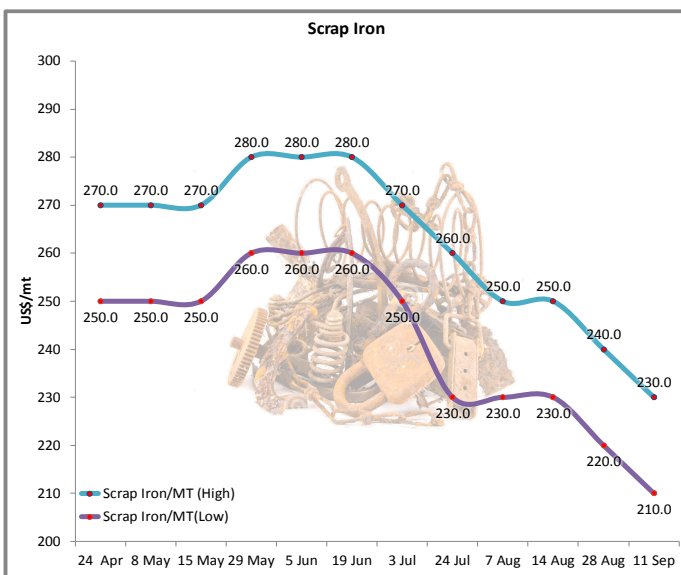
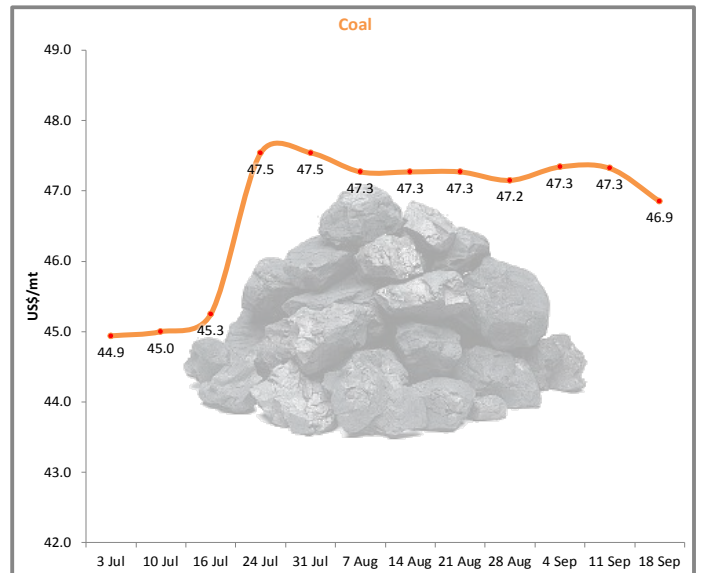
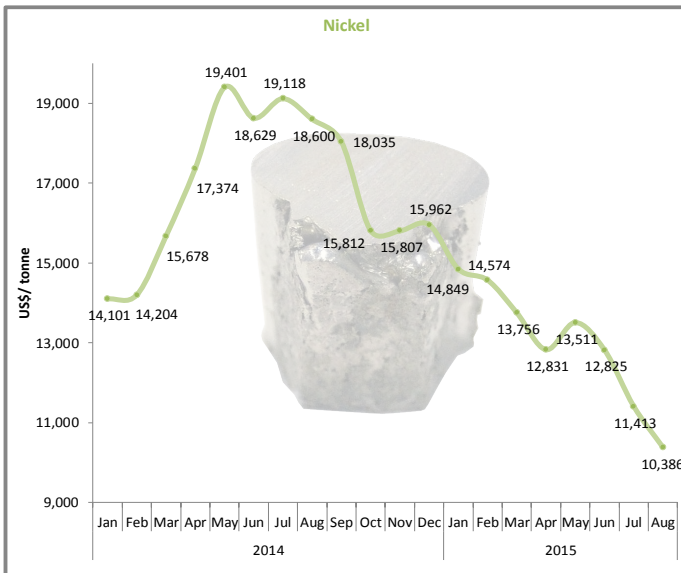
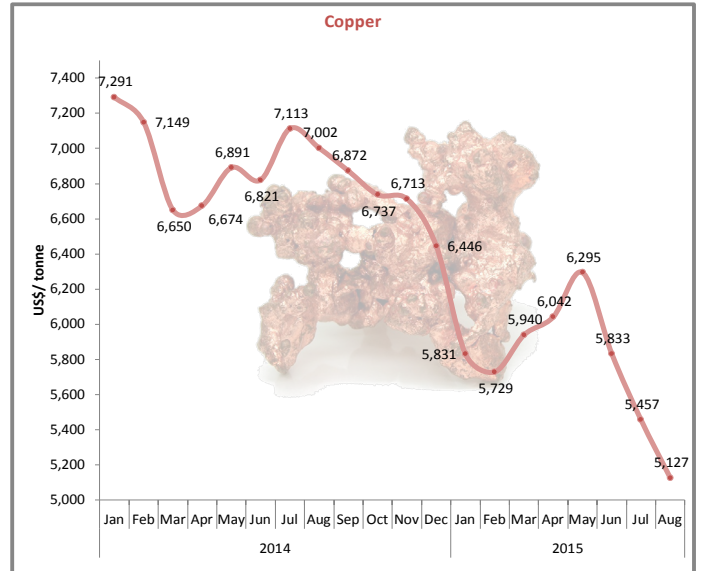
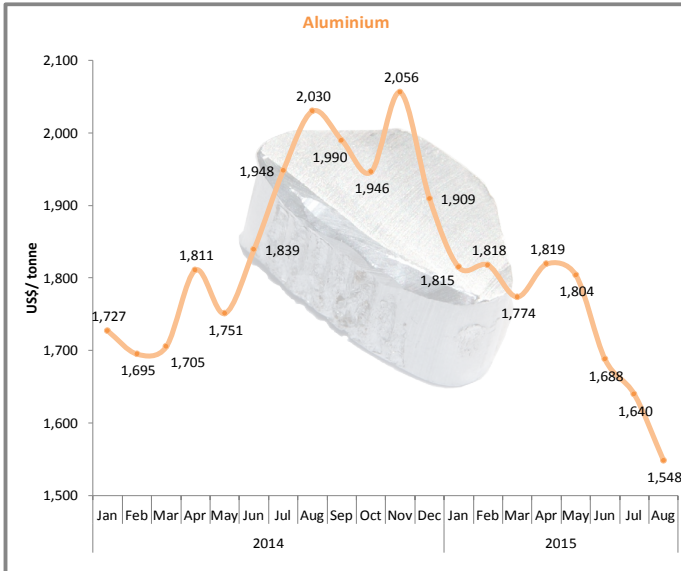


Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.

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Commodity Price Trends

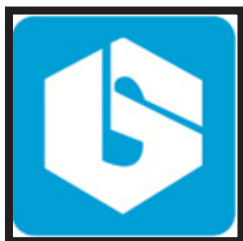


“DRIVING Transformation, POWERING Growth”

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.



Success Story!



SYARIKAT BORCOS SHIPPING SDN BHD

The company currently owns and manages a fleet of 25 marine vessels comprising various types of vessels such as General Purpose Vessels, Anchor Handling Tug Supply Vessels, Mooring Launches, Barges, Safety Standby Vessels, Fast Crew Boats, Utility Vessels and Straight Supply Vessels. The company specializes in the provision of marine transportation and support services for the offshore oil and gas industry.

CORE BUSINESS:

Barcos Shipping's main clients are major oil and gas companies such as Petronas Carigali Sdn. Bhd, Sarawak Shell Bhd, Sabah Shell Petroleum Company, ExxonMobil Exploration and Production Malaysia Inc. Other clients include construction and engineering companies involved in the provision of services to the offshore oil and gas industry.



KEY CLIENTS & PROJECTS:

Country	Client(s)	Project Name and Summary of Work Scope
Malaysia	Petronas Carigali	Spot Charter Crew Boat
Malaysia	Sarawak Shell Berhad	Provision of Two Fast Crew Boats
Malaysia	Petronas Carigali	Provision of One Unit Fast Crew Boat
Malaysia	Sarawak Shell Berhad	Provision of Fast Crew Boats
Malaysia	Petronas Carigali	Provision of Two Fast Crew Boats



**Add: Syarikat Borcos Shipping Sdn Bhd,
No.3, Jalan Krokop, P.O Box 687,
98007 Miri, Sarawak, Malaysia**
Tel: 085 419 954 / 603 2604 0134
Fax: 085 418 854 / 603 2602 1826
Email: azhan@borcos.com.my
Website: www.borcos.com.my





MITI Programme

Mesyuarat Pertama Majlis Aeroangkasa Malaysia 2015 15 September 2015



“DRIVING Transformation, POWERING Growth”



Majlis Networking Bersama Dewan, Persatuan Perniagaan dan NGO Bumiputera 17 September 2015



“DRIVING Transformation, POWERING Growth”



Malaysia Productivity Corporation Board of Directors Visit to Intel Penang 10 September 2015



“DRIVING Transformation, POWERING Growth”



MEDIA RELEASE

NEC 3/2015 - GROWING RESILIENCE FOR MALAYSIA'S EXPORTS

THURSDAY, 17 SEPTEMBER 2015, KUALA LUMPUR: Malaysia is stepping up efforts to ramp up exports by implementing several initiatives under a strategic road map that, among others, involves deep collaboration between the public and private sectors.

This was one of the decisions reached at the 3rd National Export Council (NEC) meeting convened today. The meeting discussed several measures on boosting exports, taking into consideration the global economic situation. It noted that based on the first 7 months of 2015, Malaysia's exports, similar to the experience of other countries in the region, were under pressure due to the lack of global demand and slower uptake by its traditional trading partners.

The meeting outlined five key strategies to overcome the challenge:

- 1) Creating higher value exports,
- 2) Strengthening export capabilities
- 3) Market deepening in high-potential markets
- 4) Growing the number of exporters and
- 5) Promoting "Brand Malaysia"

The meeting also discussed action plans and measures to improve the export eco-system and enhance the contribution of Mid-Tier companies and SMEs to exports.

The Mid-Tier Companies Development Programme launched in January 2014 is a 9-month export acceleration programme with the objective to develop and nurture selected Mid-Tier Companies to become more resilient and competitive internationally. A total of 44 MTCs participated in Wave 1, and another 57 MTCs are currently participating in Wave 2.

Efforts will also be taken to boost contribution of SMEs to 23% of total exports by 2020 by strengthening existing initiatives and activities. Programmes to merge SMEs into Mid-Tier companies will be intensified to support them in their export ventures. MITI's agencies, notably MATRADE, MIDA & SME Corp, are already collaborating with MNCs based in Malaysia and overseas to undertake sourcing from Malaysia and help link SMEs suppliers to these large corporations.

On the international front, the promotion of Malaysian products and capabilities will be strengthened to create greater impact and enhance Malaysia's effort in positioning the country in the global marketplace.

With the softening of commodity prices, the meeting noted that it was crucial that the resource-based sectors such as the palm oil industry move towards producing higher value-added products, particularly in the oleo-chemicals, nutraceuticals and pharmaceuticals. The Government has provided incentives to assist companies to undertake more downstream activities.

The service sector especially tourism is expected to further contribute to exports and measures to facilitate this are currently being developed. Presently, this sector contributes more than RM130 billion annually to exports.

The ongoing efforts to improve the export eco-system in a concerted and coordinated manner will remain the primary agenda of the Council.

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BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Beware of Spam Email Entitled “Notification of Money Laundering Involvement”

Bank Negara Malaysia (BNM) would like to caution individuals and institutions in relation to a spam email entitled “Notification of Money Laundering Involvement” dated 15 September 2015 purportedly sent by Bank Negara Malaysia.

The Central Bank wishes to state that it did not send such email to individuals and institutions.

This is a spam email sent from an unknown sender who attempted to pose as a staff with an identity from BNM’s email domain.

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Bank Negara Malaysia
18 September 2015

“DRIVING Transformation, POWERING Growth”



MITI WEEKLY BULLETIN
CONVEYS ITS DEEPEST AND HEARTFELT CONDOLENCES
TO THE FAMILY OF THE LATE



Anthony Kevin Morais
Deputy Public Prosecutor
for the Attorney General's Chambers of Malaysia





at your service



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