



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

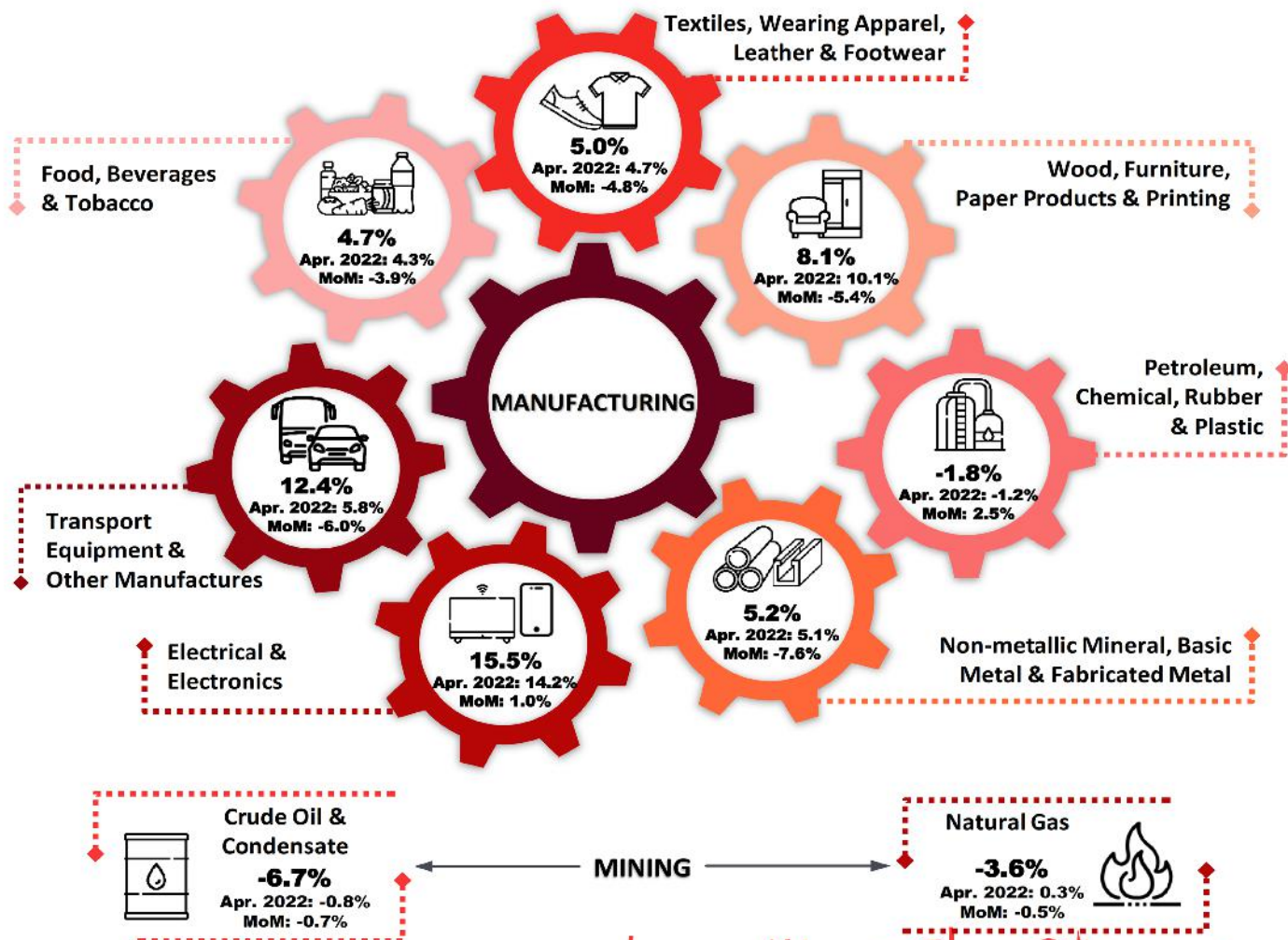
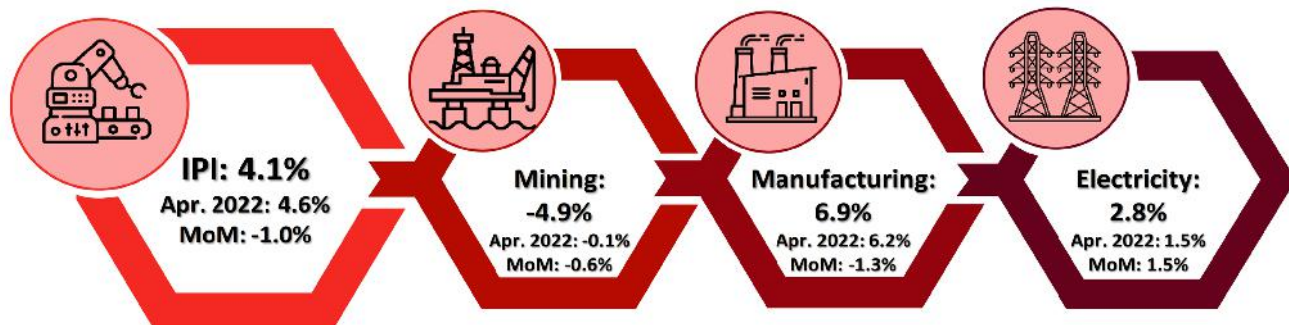
Weekly BULLETIN

VOLUME 697

12 July 2022 | NO. ISSN :2180-0448

INDUSTRIAL PRODUCTION INDEX, MAY 2022

Malaysia's Industrial Production Index (IPI) grew 4.1 per cent in May 2022, driven by the production of Electrical and Electronics products which increased 15.5 per cent

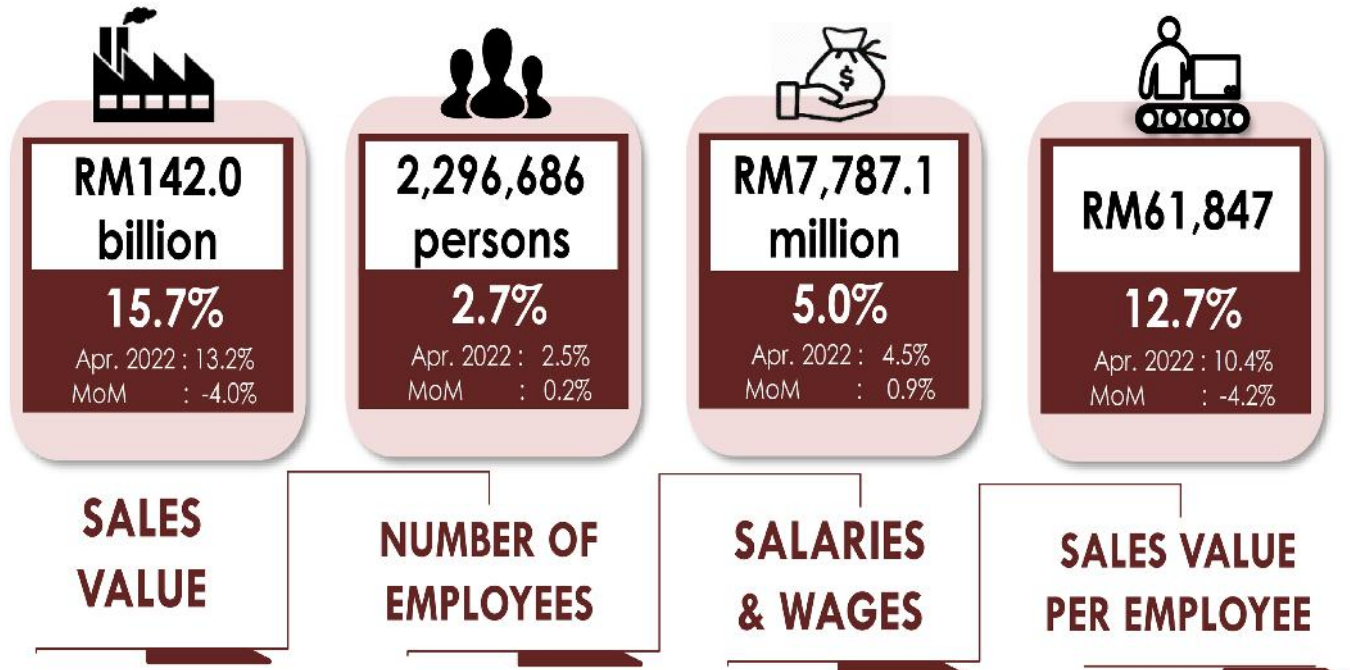


Note: Percentage refers to the change in Month-on-month (MoM) and Year-on-year (YoY)

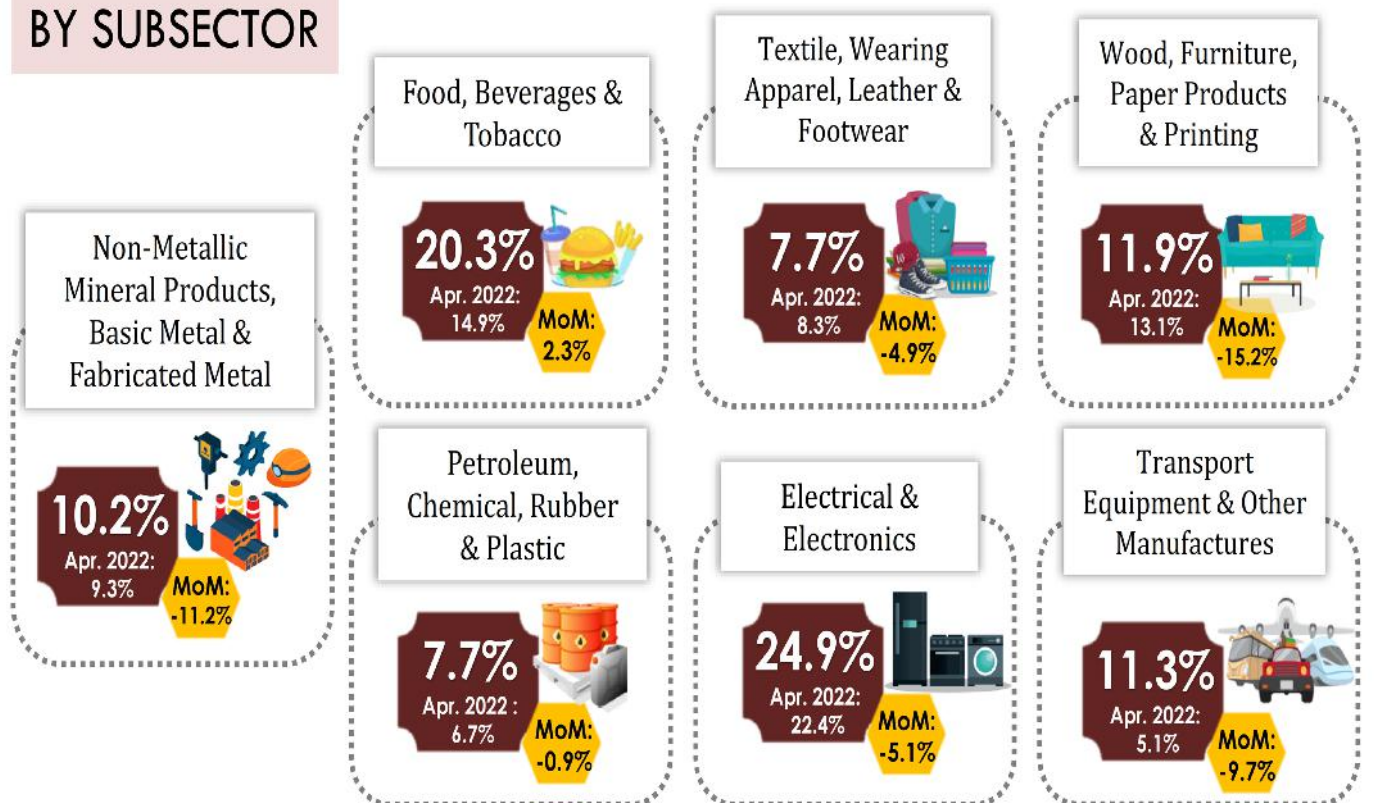
Source: Index of Industrial Production Malaysia, May 2022 Department of Statistics Malaysia (DOSM)

MANUFACTURING, MAY 2022

Malaysia's Manufacturing sales registered RM142.0 billion with a growth of 15.7 per cent in May 2022



SALES VALUE BY SUBSECTOR



Note: Percentage growth refers to Year-on-Year (YoY) and Month-on-Month (MoM) changes

Source: Monthly Manufacturing Statistics, Malaysia
May 2022
Department of Statistics Malaysia

DISTRIBUTIVE TRADE, MAY 2022

Malaysia Statistics

SALES VALUE

RM129.8b
May 2022: 19.9%
Apr. 2022: 15.2%

VOLUME INDEX

141.8 points
May 2022: 14.7%
Apr. 2022: 10.0%

May 2022: RM59.6b
11.7% ↑
Apr. 2022: RM59.0b
11.5% ↑



WHOLESALE TRADE

May 2022
3.1% ↑
Apr. 2022
3.3% ↑

May 2022: RM56.3b
29.9% ↑
Apr. 2022: RM53.6b
20.9% ↑



RETAIL TRADE

May 2022
24.2% ↑
Apr. 2022
16.6% ↑

May 2022: RM13.9b
20.1% ↑
Apr. 2022: RM15.4b
11.3% ↑



MOTOR VEHICLES

May 2022
21.5% ↑
Apr. 2022
7.2% ↑



Seasonally Adjusted Volume Index (Monthly)

APR. 2022
7.9%

MAY 2022
-0.7%

MAIN GROUPS (SALES VALUE)

 Other Specialised Wholesale
Apr. 2022: 6.5% | May 2022: 8.8%


 Wholesale of Household Goods
Apr. 2022: 22.9% | May 2022: 22.1%


 Wholesale of Food, Beverages & Tobacco
Apr. 2022: 11.8% | May 2022: 7.4%


 Retail Sale in Non-specialised Stores
Apr. 2022: 26.4% | May 2022: 36.3%

 Retail Sale of Other Goods in Specialised Stores
Apr. 2022: 19.2% | May 2022: 30.8%

 Retail Sale of Other Household Equipment in Specialised Stores
Apr. 2022: 16.0% | May 2022: 23.7%

 Sale of Motor Vehicles
Apr. 2022: 1.2% | May 2022: 9.3%

 Sale of Motor Vehicles Parts & Accessories
Apr. 2022: 31.1% | May 2022: 34.3%

 Maintenance & Repair of Motor Vehicles
Apr. 2022: 33.8% | May 2022: 37.4%

Percentage change: Year-on-Year

Source: Performance of Wholesale & Retail Trade May 2022, Department of Statistics, Malaysia (DOSM)

LABOUR FORCE, MAY 2022

May's unemployment reduced further to 637.7 thousand persons recording unemployment rate at 3.9 per cent

LABOUR FORCE

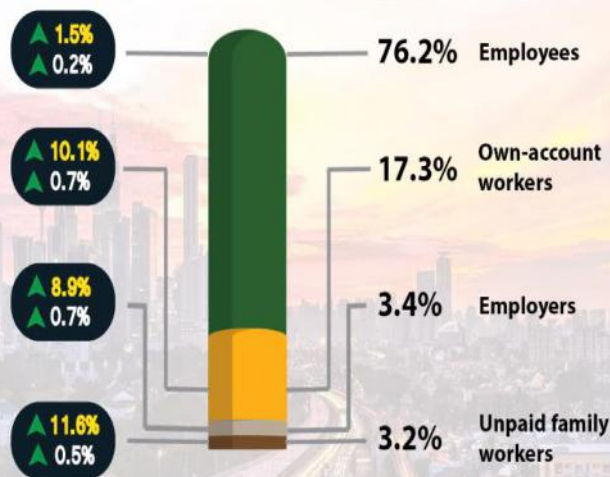


69.5%

The labour force participation rate during the month increased marginally to 69.5 per cent

EMPLOYED PERSON

Employed person by status in employment



The largest composition of employed persons was employee's category with 76.2 per cent

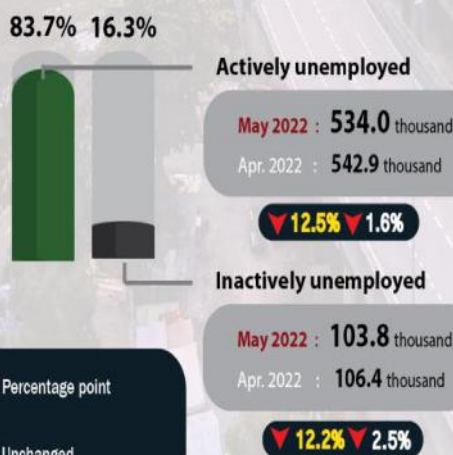
All categories registered positive month-on-month growth in May 2022

UNEMPLOYMENT



3.9%

Unemployment rate in May 2022 remained at 3.9 per cent



OUTSIDE LABOUR FORCE



Housework/ family responsibilities remained as a main reason of outside labour force



HOUSEWORK/ FAMILY RESPONSIBILITIES

42.2%



SCHOOLING/ TRAINING

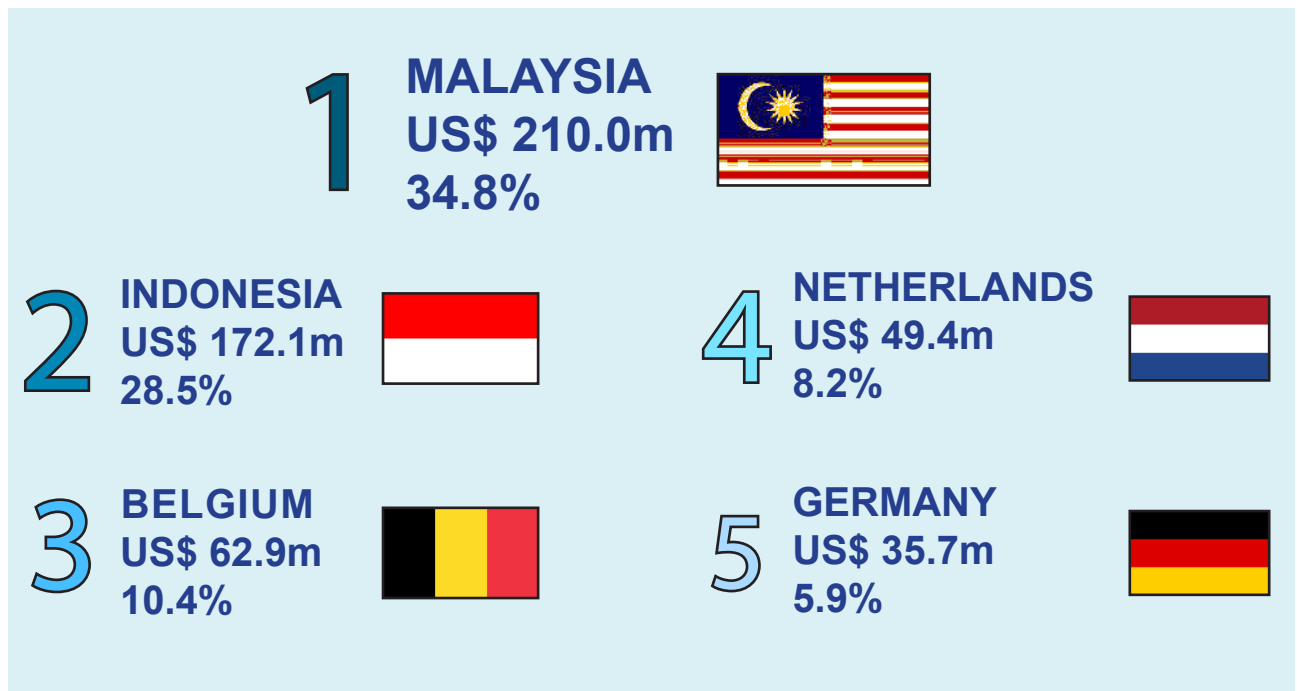
40.0%

% Percentage change (year-on-year) pp Percentage point
 % Percentage change (month-on-month) ↔ Unchanged

Source: Labour Force Survey, Department of Statistics Malaysia (DOSM)

WORLD LARGEST EXPORTER OF OLEIC ACID, INDUSTRIAL

In 2021, Malaysia's export of Oleic acid, industrial recorded US\$ 210.0 million which was 34.8% share of the world exports.

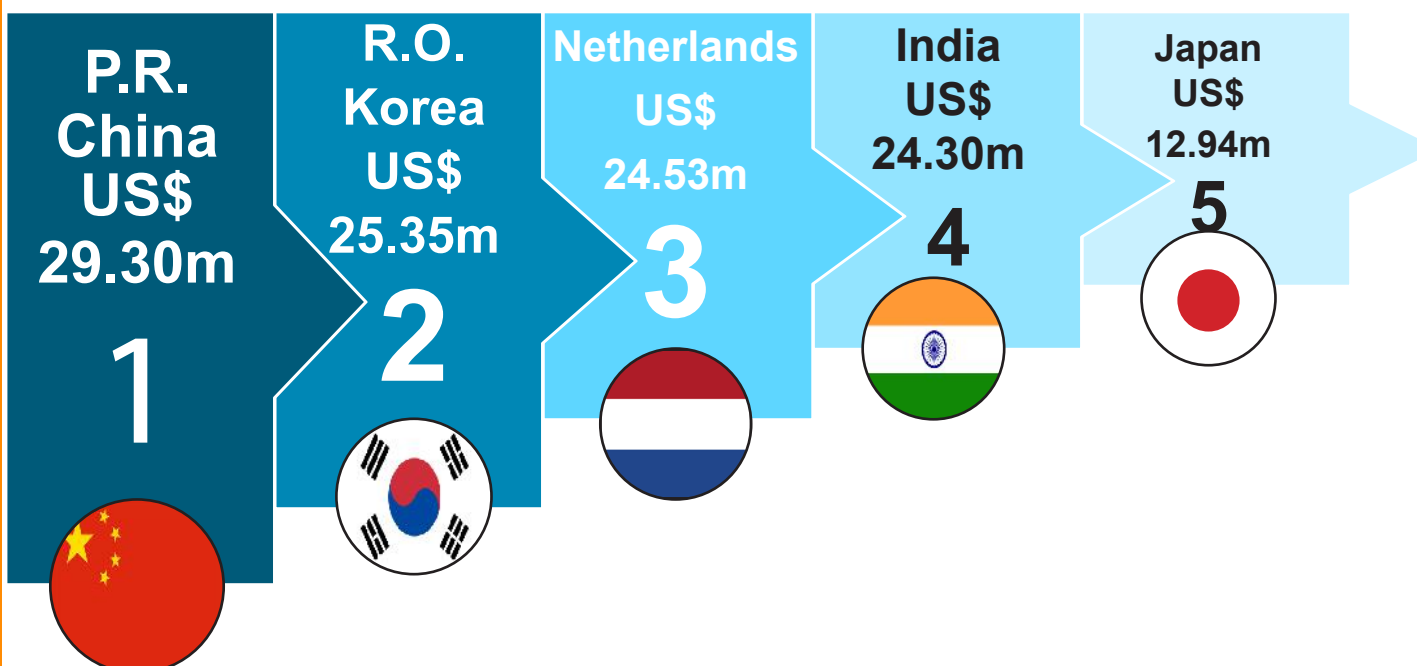


Notes:

-HS382312

-% refer to share in world exports

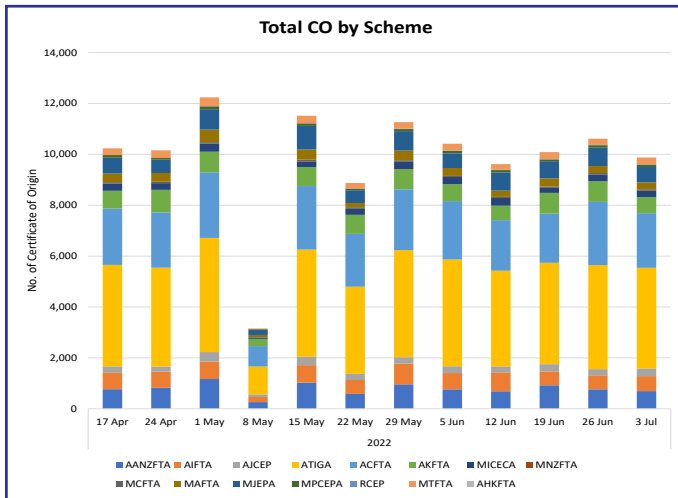
MALAYSIA'S TOP EXPORT DESTINATIONS



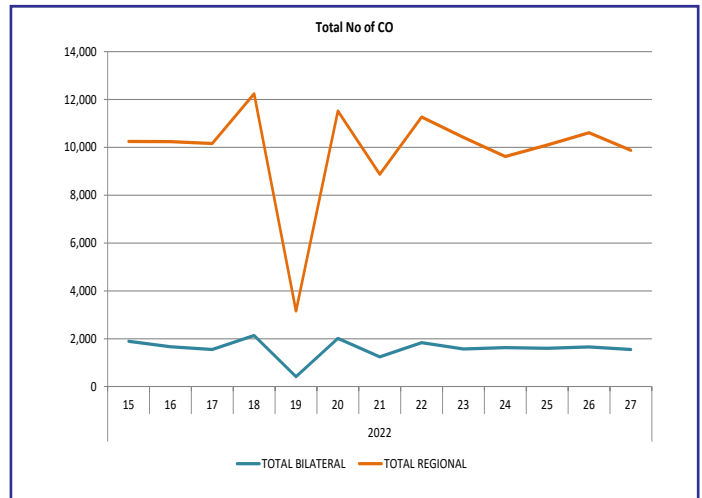
Source: <https://www.trademap.org/index.aspx>

Number and FOB Value of PCO as at 03 July 2022 Weekly / Monthly/ Annually

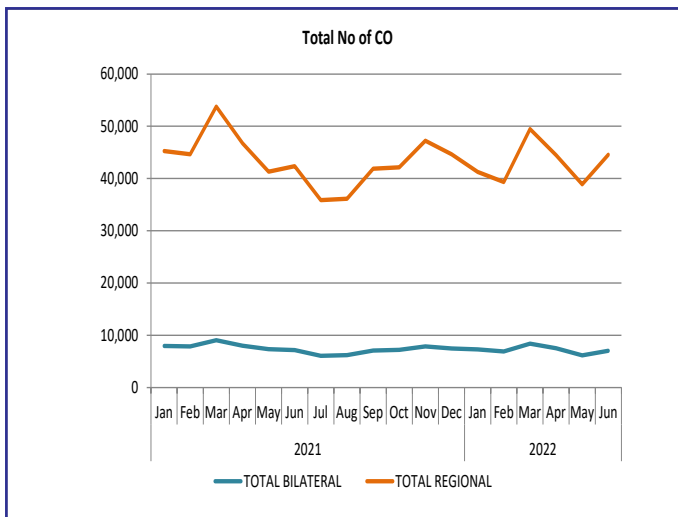
Weekly Total Scheme



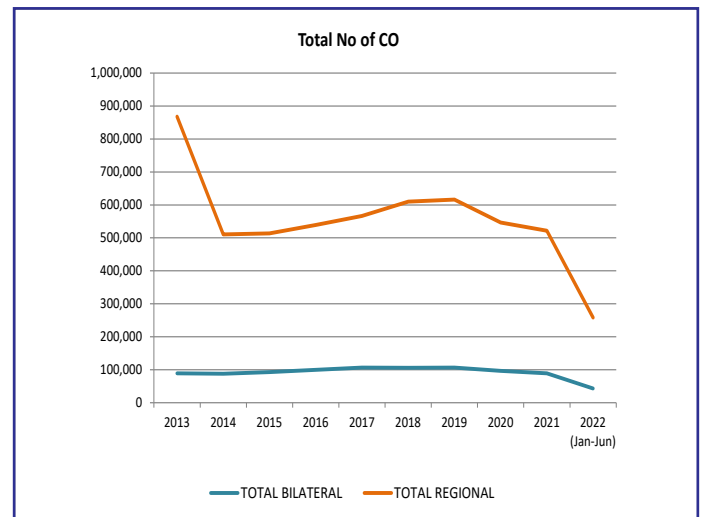
Weekly



Monthly

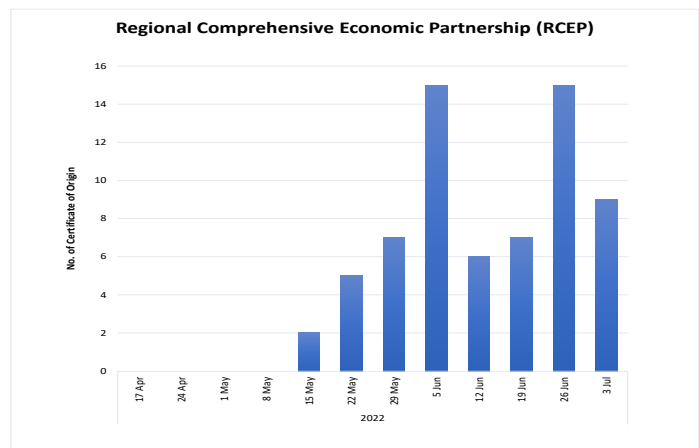
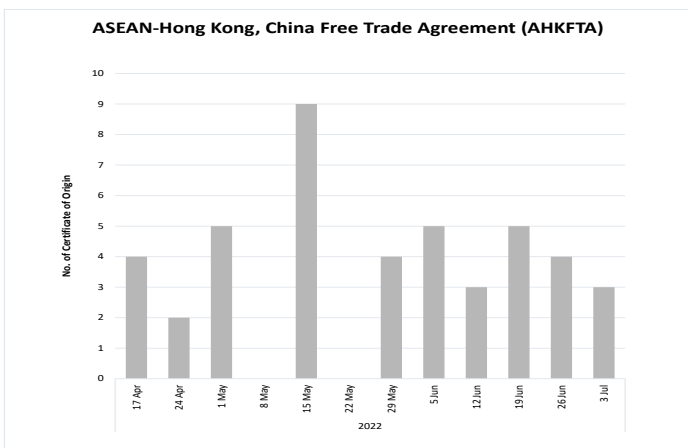
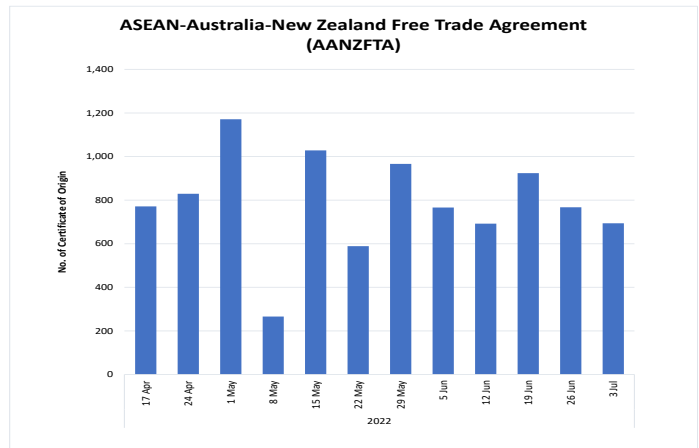
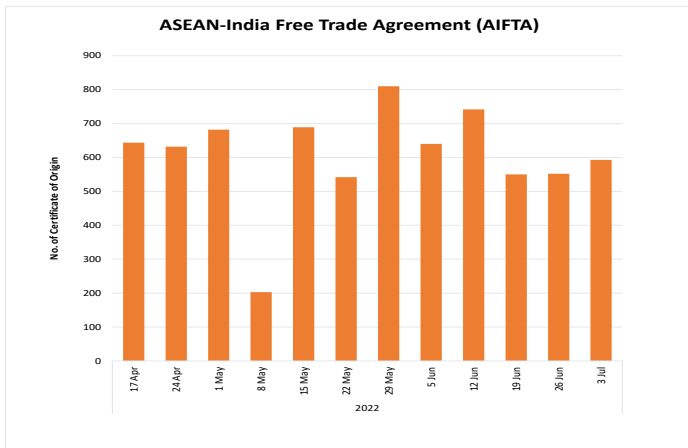
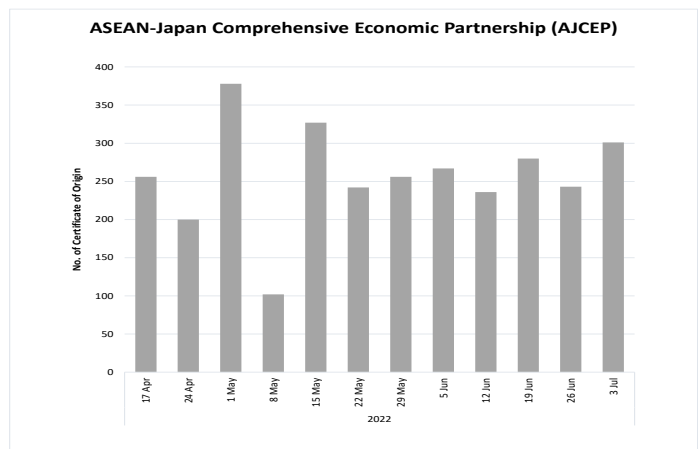
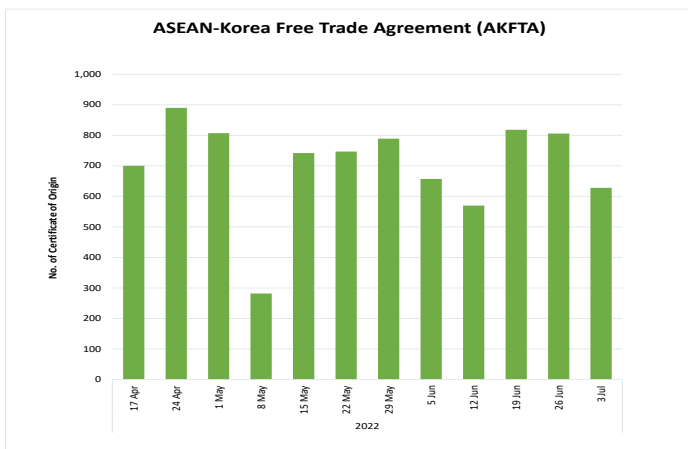


Annually



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

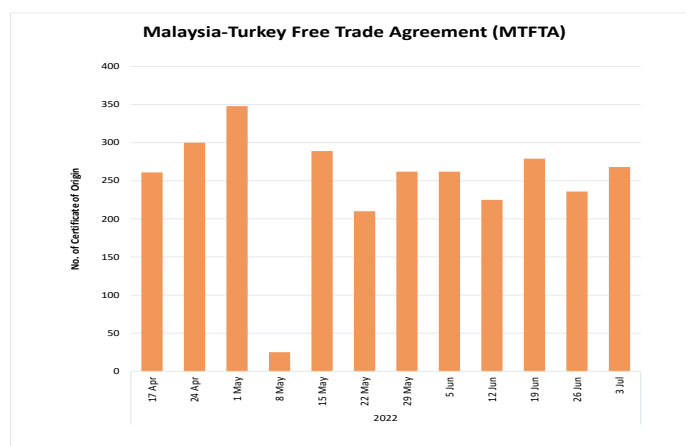
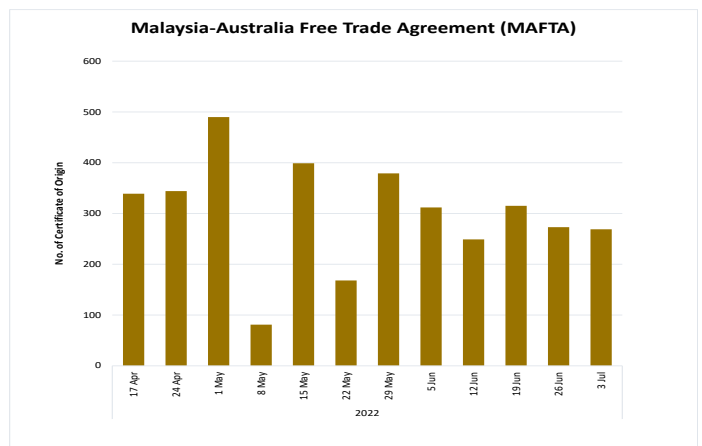
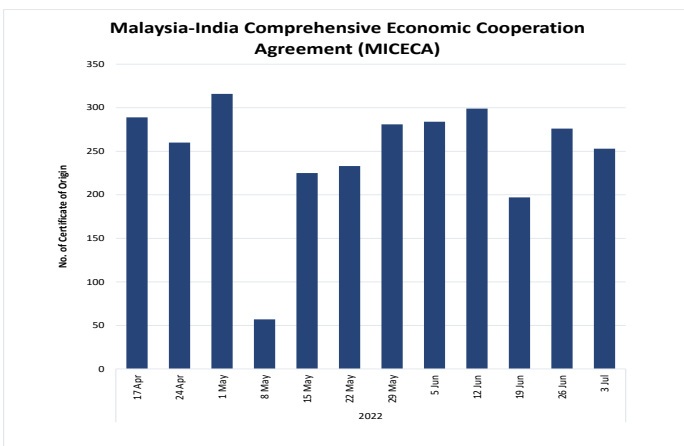
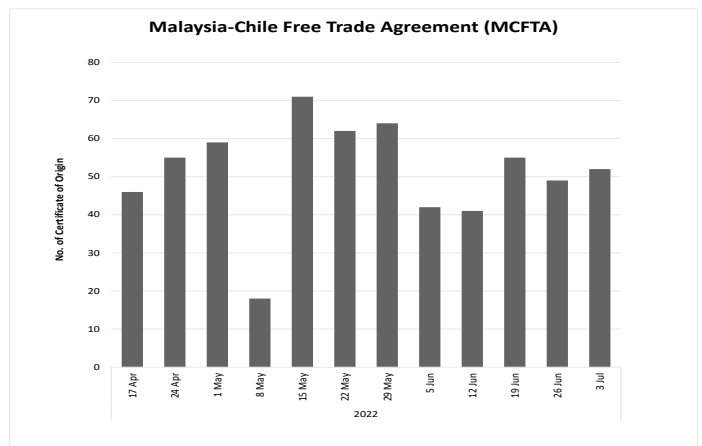
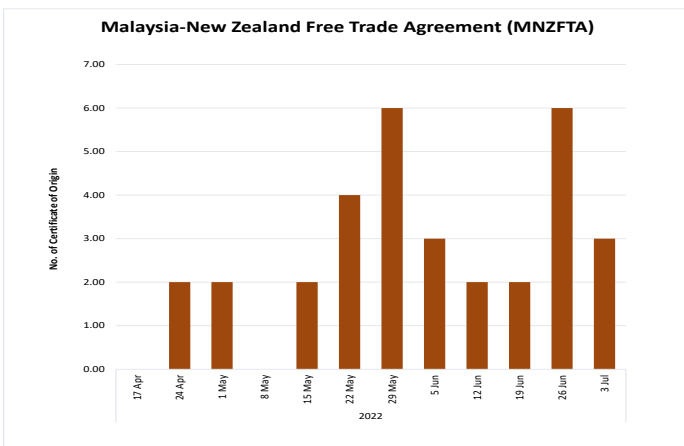
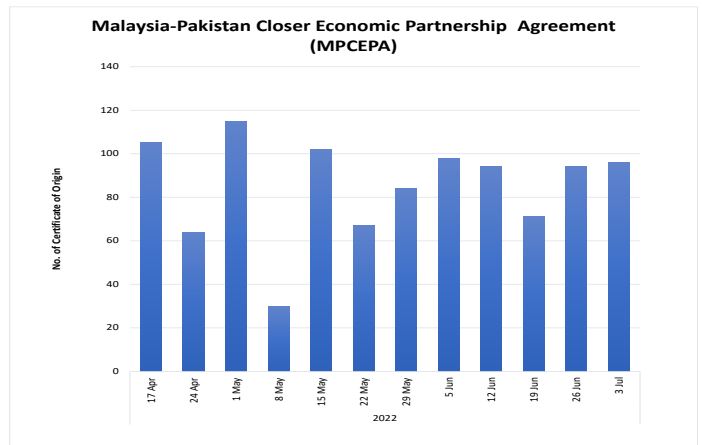
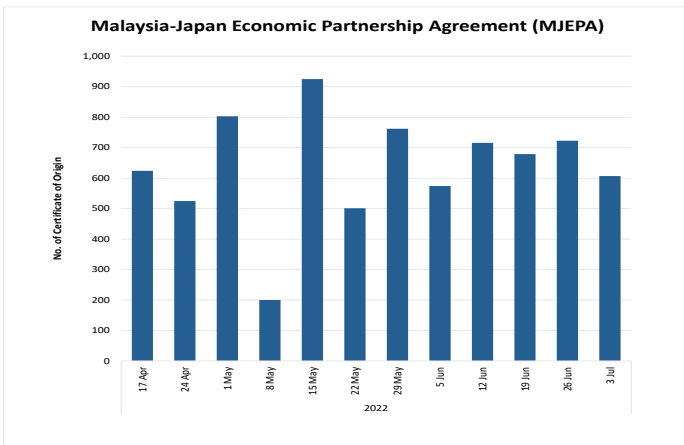
Regional FTA Number of Preferential Certificates of Origin (PCOs) as at 03 July 2022



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

Bilateral FTA

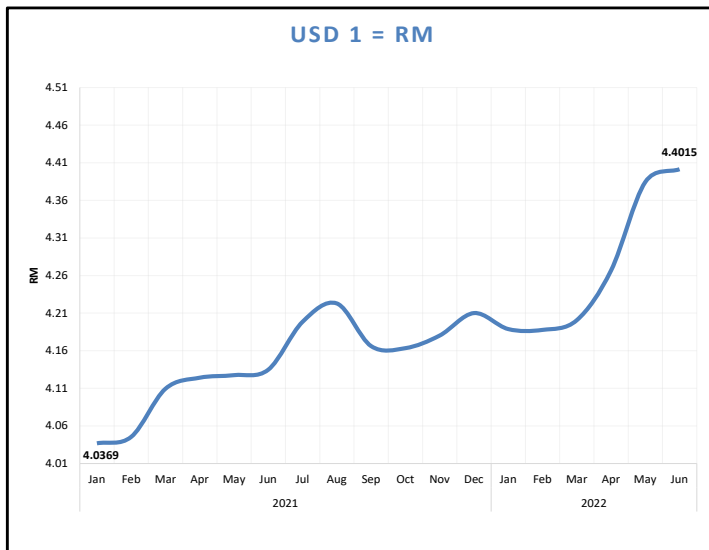
Number of Preferential Certificates of Origin (PCOs) as at 03 July 2022



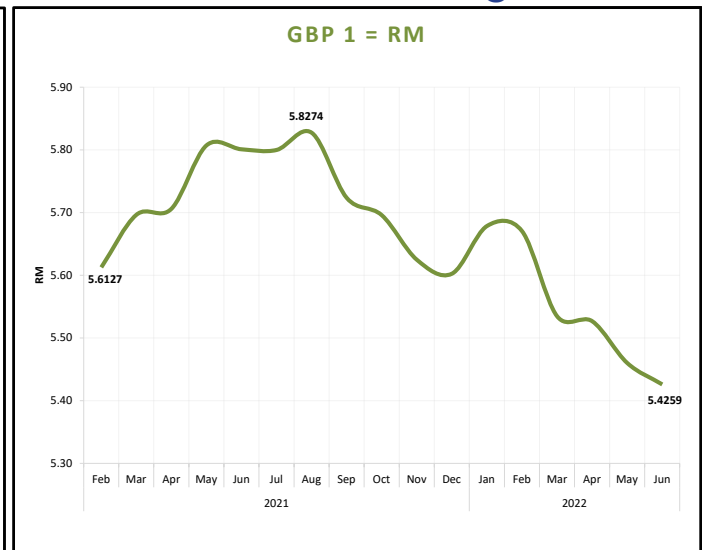
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2021 - June 2022

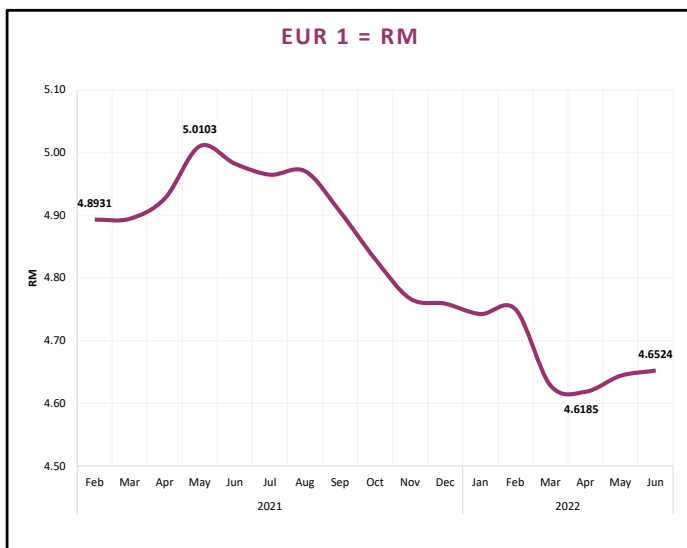
US Dollar



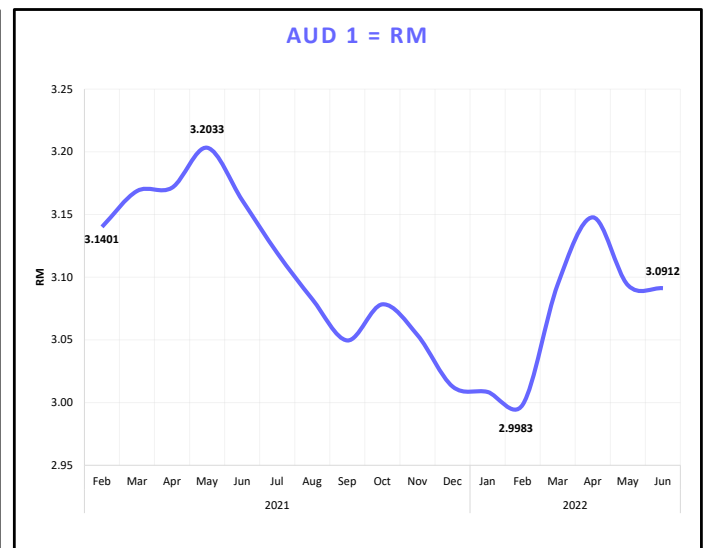
Pound Sterling



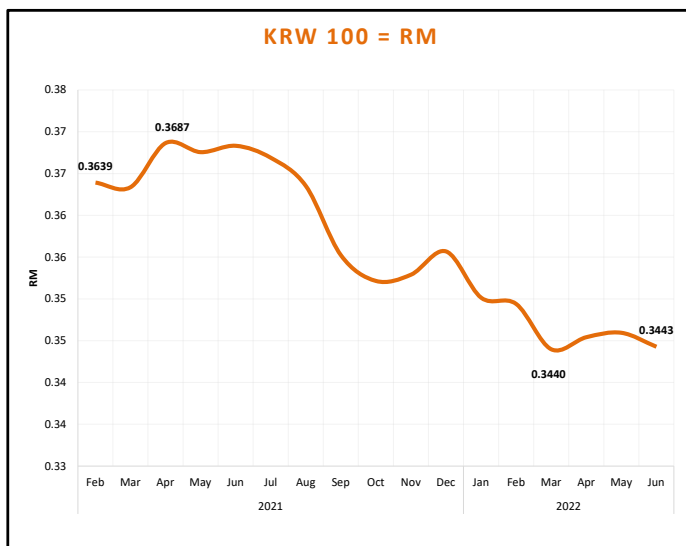
Euro



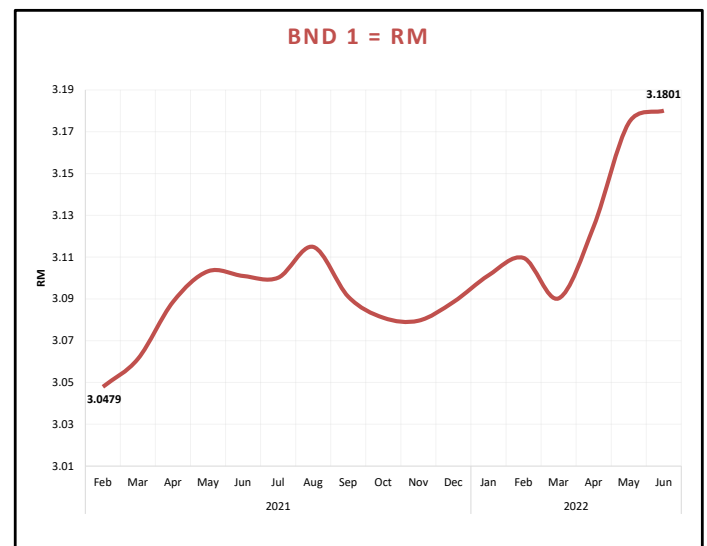
Australian Dollar



South Korean Won



Brunei Dollar



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▼ 4.1%*
US\$107.0
8 Jul 2022

Highest
2021/2022

10 Jun 2022 : US\$122.0
22 Oct 2021 : US\$85.5

7 Jan 2022 : US\$81.8
15 Jan 2021 : US\$55.1

Lowest
2021/2022

Average Price 2021ⁱ: US\$71.1

CRUDE PALM OIL -per MT-



▼ 13.5%*
US\$949.0
8 Jul 2022

Highest
2021/2022

11 Mar 2022 : US\$1,774.7
29 Oct 2021 : US\$1,302.0

8 Jul 2022 : US\$949.0
18 Jun 2021 : US\$844.6

Lowest
2021/2022

Average Price 2021ⁱ: US\$1,075.3

RUBBER SMR 20 -per MT-



▼ 1.8%*
US\$1,619.0
8 Jul 2022

Average Price 2021ⁱ: US\$1,689.1

COCOA SMC 2 -per MT-



▲ 2.4%*
US\$1,474.4
8 Jul 2022

Average Price 2021ⁱ: US\$1,505.9

SUGAR -per lbs-



▲ 5.3%*
US\$19.0
8 Jul 2022

Average Price 2021ⁱ: US\$17.9

COAL -per MT-



▲ 5.4%*
US\$388.9
8 Jul 2022

Average Price 2021ⁱ: US\$120.5

SCRAP IRON HMS -per MT-

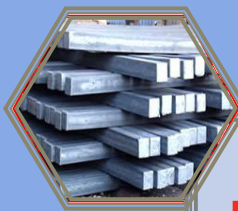


⊖ %*
US\$460.0
(high)
⋮
⊖ %*
US\$400.0
(low)
8 Jul 2022

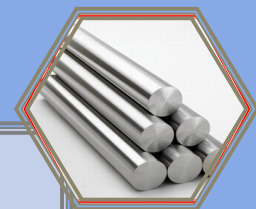
Average Price 2021ⁱ: US\$486.4 (high)
Average Price 2021ⁱ: US\$468.1 (low)

Domestic Prices

8 Jul 2022



Billets
(per MT)
RM3,010 - RM3,100

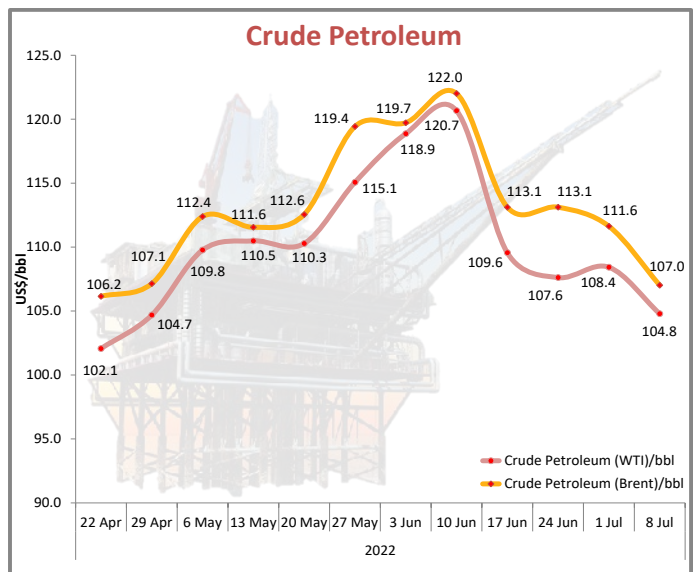
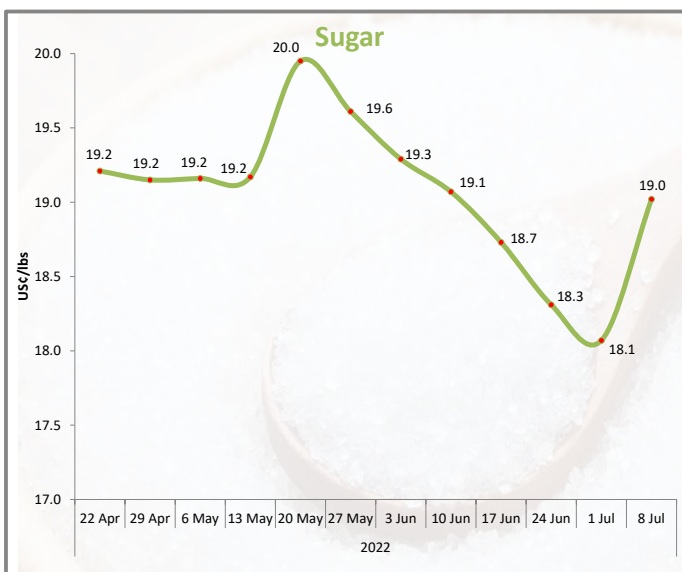
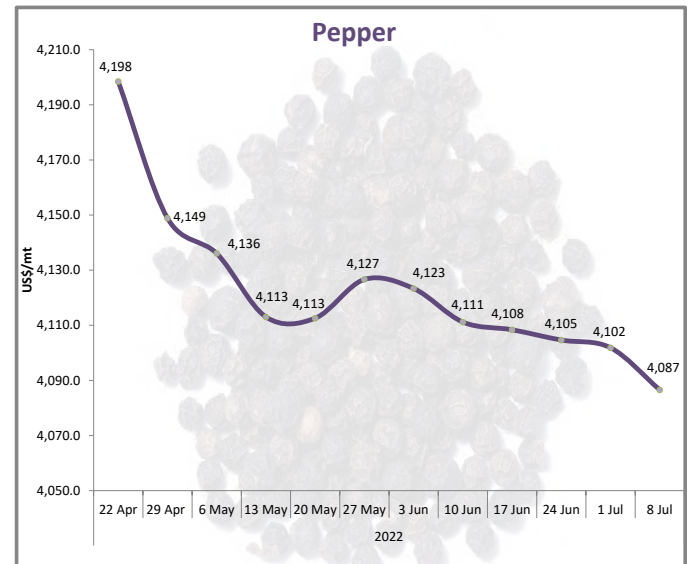
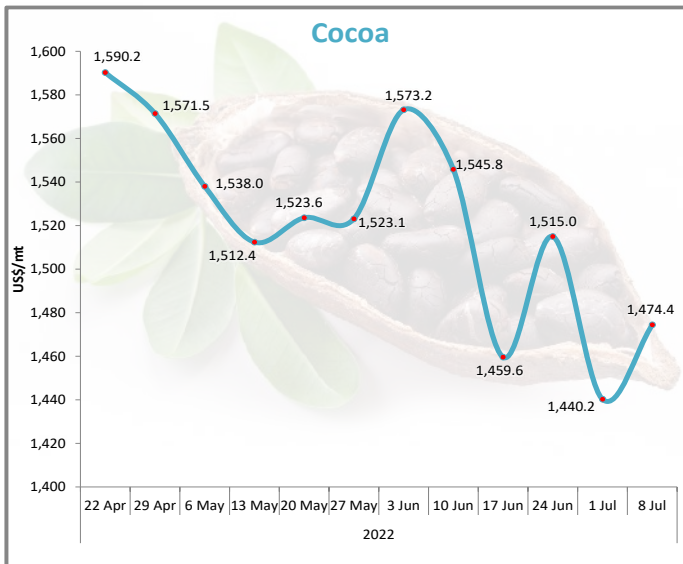
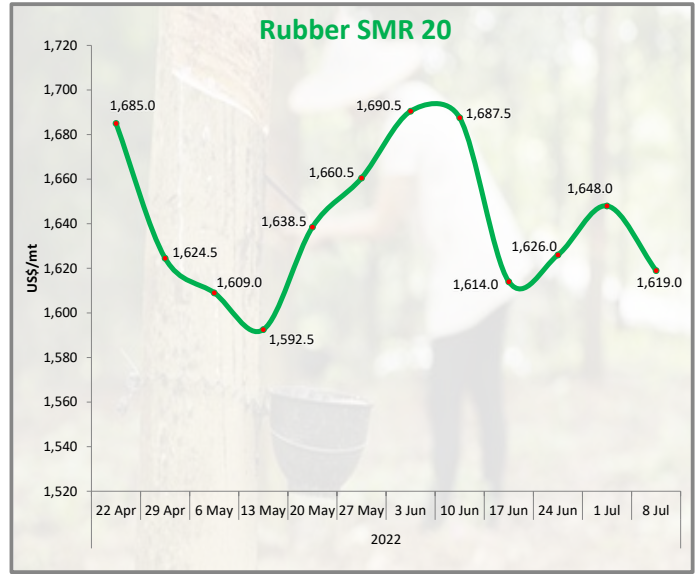
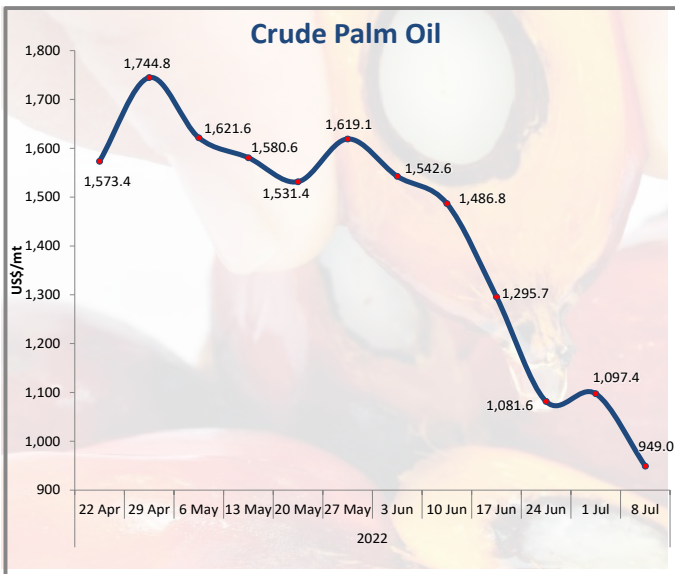


Steel Bars
(per MT)
RM3,130 - RM3,280

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

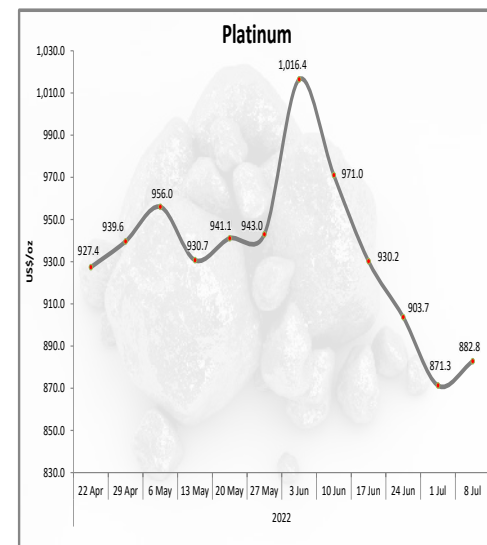
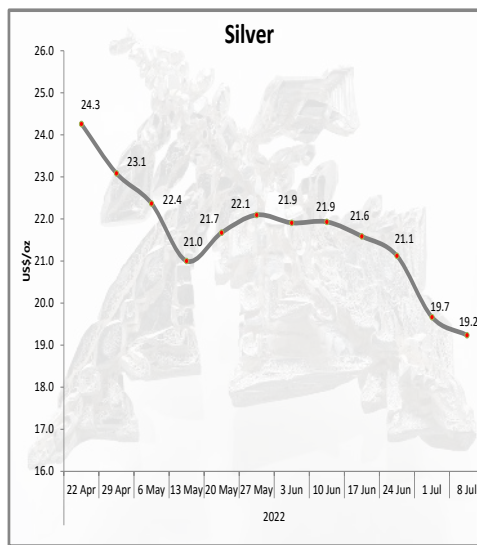
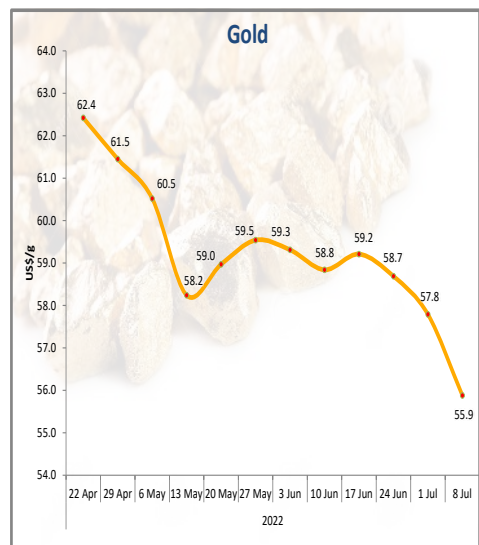
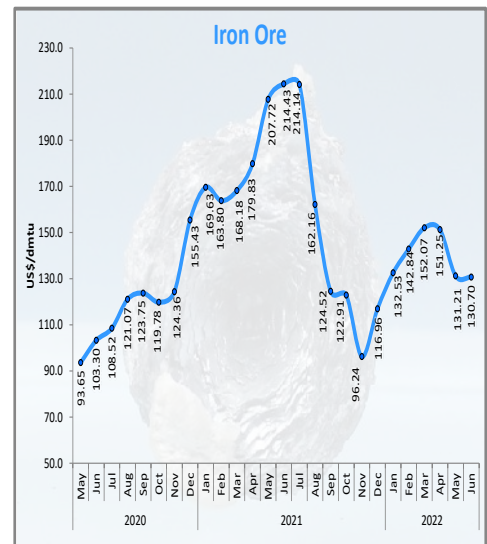
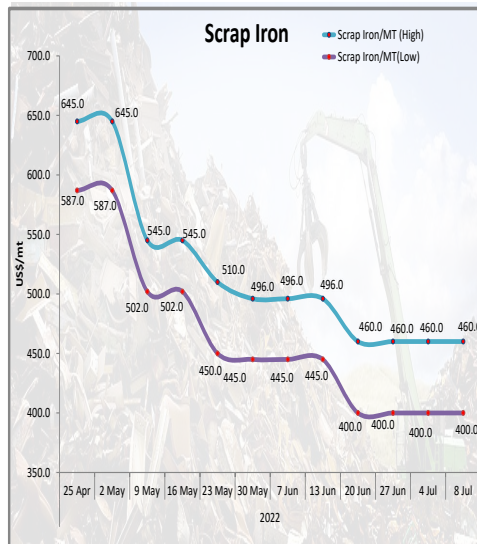
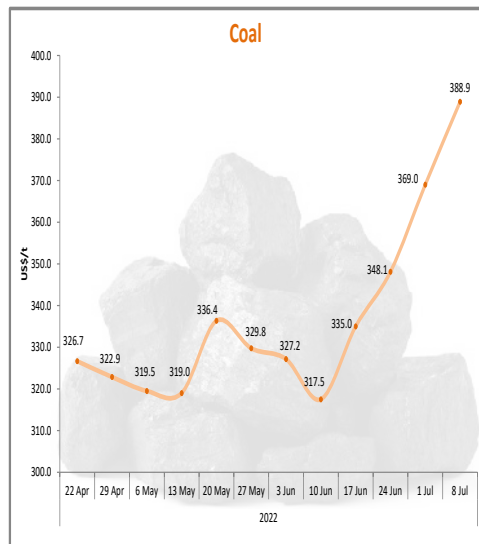
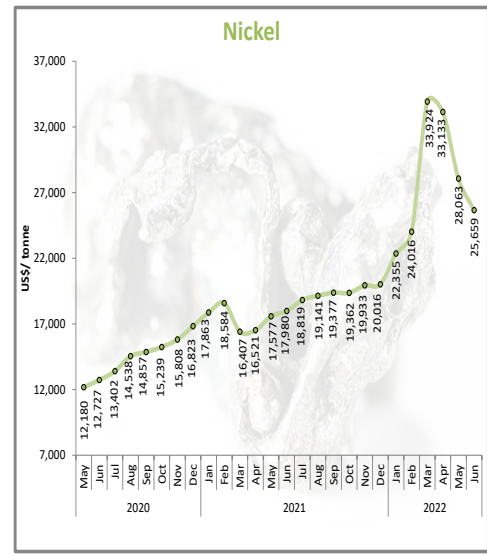
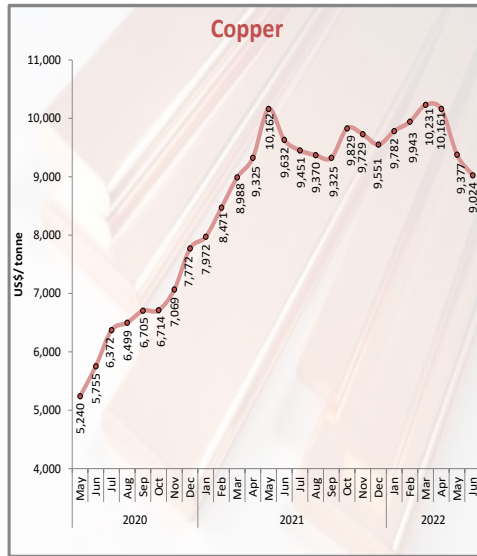
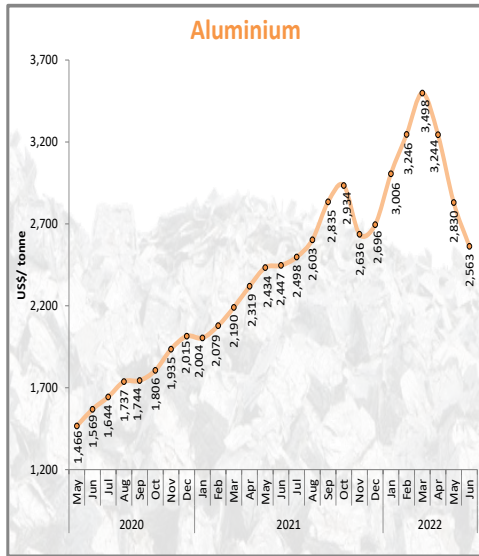
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

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.

RCEP

Regional Comprehensive Economic Partnership (RCEP)

The Regional Comprehensive Economic Partnership (RCEP) Agreement is designed to broaden and deepen ASEAN's engagement with Australia, China, Japan, Korea and New Zealand. The objective of the trade agreement is to establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership that will facilitate the expansion of regional trade and investment and contribute to global economic growth and development in the region.



2012

The decision to initiate the Regional Comprehensive Economic Partnership (RCEP) Agreement begins at the 21st ASEAN Summit

2020

The RCEP is officially signed by 10 ASEAN member countries along with five ASEAN FTA partner countries after 31 rounds of formal negotiations

Total Population
2.2 billion

Total GDP US\$24.8 billion
28.9% of the world's GDP

PRIMARY OBJECTIVES

The RCEP Agreement is created to establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership that will facilitate the expansion of regional trade and investment and contribute to global economic growth and development amongst RCEP member countries.

The single regional free trade agreement (FTA) is also intended to strengthen regional value chain for businesses in the region, particularly the Small and Medium Enterprises (SMEs).

It is designed to create and support an open, inclusive, and rules-based multilateral trading system, which will in turn create avenues for market and employment opportunities for businesses and people within the region.

The trade agreement will allow businesses in RCEP member countries to gain access to a much wider regional market. Progressive elimination and reduction of customs duties for trade in goods as well as facilitation of export and import of goods among the RCEP countries will serve to enhance inter and intra regional trade and investment whilst strengthening regional value chains.

To serve as a vital economic tool to spur economic growth in the region. It will also allow more seamless opening of markets whilst creating uninterrupted supply chains within the region. The trade agreement is also intended to help facilitate transparency, information exchange and better compliance for technical regulations and standards amongst RCEP member countries.

KEY FEATURES OF THE RCEP



Trade In Goods

Progressive elimination of tariff and non-tariff barriers on substantially all trade in goods including the related chapters of rules of origin, customs procedures, sanitary and phytosanitary measures, standards, technical regulations and conformity assessment procedures and trade remedies in order to establish a free trade area among the parties.



Trade In Services

Liberalisation of services sectors, including financial services, telecommunications services and movement of natural persons. The RCEP will be comprehensive, of high quality and substantially eliminate restrictions and/or discriminatory measures with respect to trade in services between the RCEP participating countries. Rules and obligations on trade in services under the RCEP will be consistent with the General Agreement on Trade in Services (GATS).



Investment

Promotion, facilitation, protection and liberalisation of investment. The RCEP will aim to create a liberal, facilitative, and competitive investment environment in the region based on these four pillars in order to create an enabling investment environment in the region along with improved investment facilitation provisions as well as investor aftercare.

Economic & Technical Cooperation

The economic and technical cooperation provisions in the RCEP will build upon existing economic cooperation arrangements between ASEAN and ASEAN's FTA partners to narrow the development gaps amongst member countries. Under the RCEP agreement, cooperation activities will also include trade activities such as include e-commerce and other areas that would be mutually agreed upon by the RCEP participating countries.



Protection Of Intellectual Property Rights

Aimed at reducing IP-related barriers to trade and investment by promoting economic integration and cooperation in the utilization, protection and enforcement of intellectual property rights amongst RCEP member countries.



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY



INDUSTRY4WRD RELATED INCENTIVES

Having the extra capital allows SMEs to flourish and prosper. Find the suitable fund for your company.

01 | LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- www.midf.com.my

Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: AI, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- www.bpmb.com.my

Coming Soon!

1. Intervention Fund*
 - 70:30 matching grant up to RM500,000.
2. Industry4WRD DISF*
 - 60:40 matching grant

*participation in Industry4WRD RA is a prerequisite to apply

Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- www.mida.gov.my

02 | GRANTS

Digital Transformation Acceleration Program (DTAP) Pilot Grant

- 1:1 matching grant
- targets large corporate and mid-tier companies in Malaysia
- assists companies to tap on the expertise of Digital Transformation Labs (DTL)
- www.mdec.my

Automation Capital Allowance (Automation CA)



For Labour Intensive Industries:

- Automation CA of 200% on the first RM4 million expenditure incurred within 5 years

For other industries:

- Automation CA of 200% on the first RM2 million expenditure incurred within 5 years
- www.mida.gov.my

For more information, kindly click the following links:

https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab_547_2202



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

INDUSTRY4WRD READINESS ASSESSMENT

Get your firm assessed. Be ready for Industry 4.0.

All you need to know about Industry4WRD RA



What is it?

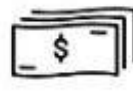
Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

Who is eligible?



- ✓ Manufacturing and its related services sector
- ✓ Incorporated under the Companies Act (1965/2016)/ Registration of Business Act (1956)
- ✓ Hold a valid license
- ✓ In operation for more than 3 years

What are the benefits?



To identify areas of improvement in terms of people, process and technology.



Receive comprehensive readiness report.



Be entitled to apply for financial incentives.

Incentives for RA

- 500 SMEs will be selected for free assessment.
- Others will get tax exemption on RA fees up to RM27k.



Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrd@mpc.gov.my



Process Flow

A FEW SIMPLE STEPS



For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/industry4WRD>



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

MITI POCKET TALK 2022

TOPIC

Introduction
to FTAs

Introduction to
Preferential
Certificate of
Origin (PCO)

Introduction to
Strategic Trade
Act 2010

DATE

23 February 2022

20 July 2022

23 March 2022

24 August 2022

27 April 2022

21 September 2022

25 May 2022

19 October 2022

22 June 2022

23 November 2022



Click here to register

For more information, please contact the Secretariat

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