

LEADING INDEX, SEPTEMBER 2022

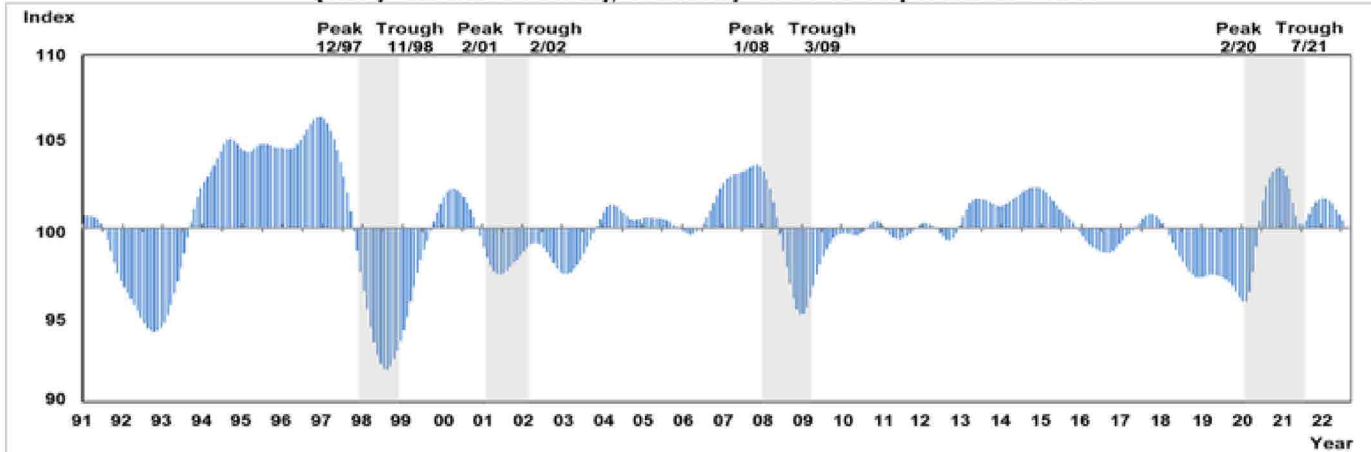
THE MALAYSIAN ECONOMY IS EXPECTED TO MAINTAIN GROWTH MOMENTUM WITH THE LEADING INDEX RECORDING 109.9 POINTS IN SEPTEMBER 2022

Leading Composite Index (2015=100) and Annual Change (%)



Note: Economic direction forecast by Leading Composite Index in average of 4 to 6 months ahead

Leading Composite Index (Long Term Trend = 100) and Business Cycle (Grey Shaded Areas), January 1991 to September 2022



-1.3% September 2022
1.8% August 2022

Leading Composite Index, Monthly Change (%)

Contribution of Each Component to the Percentage Change in the Leading Composite Index from the Previous Month



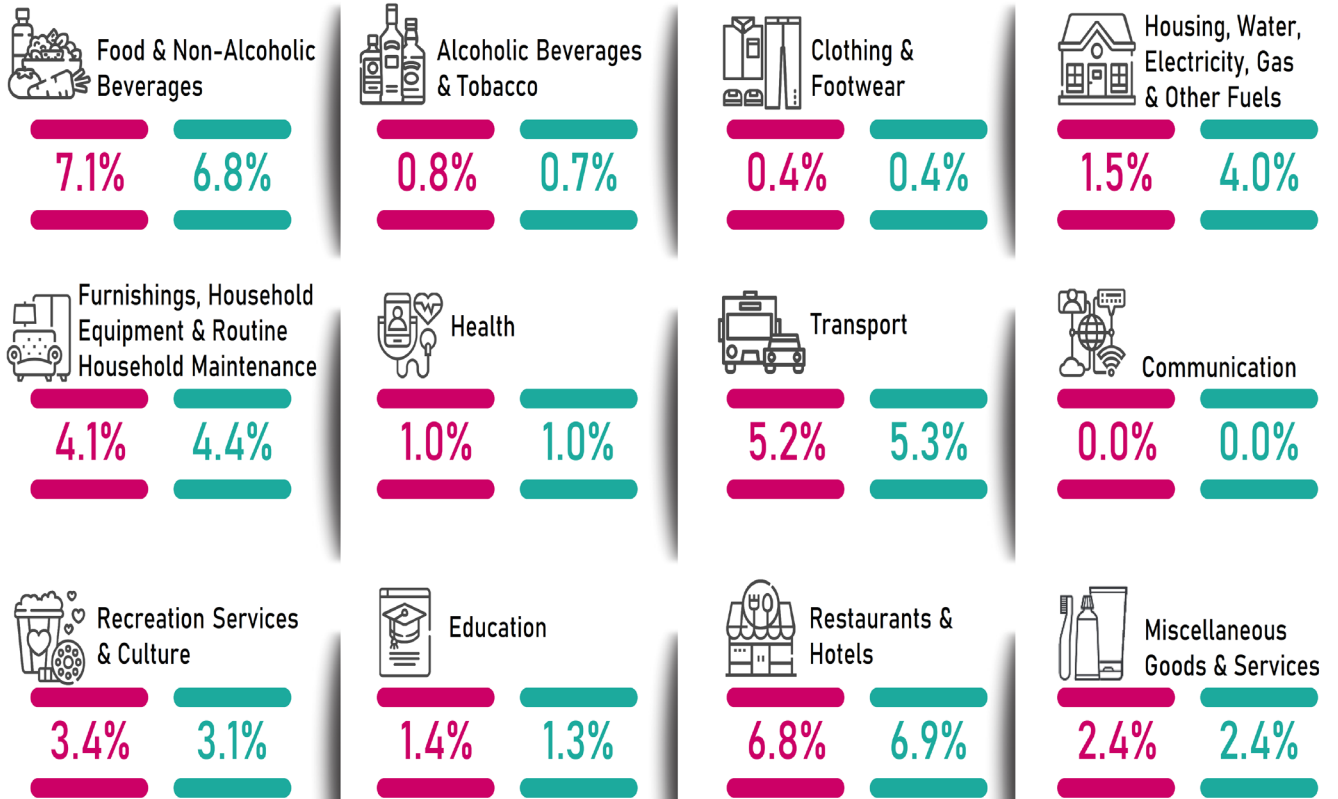
Note: September 2022 | August 2022

Source: Malaysian Economic Indicators- Leading, Coincident & Lagging Indexes, September 2022, Department of Statistics Malaysia (DOSM)

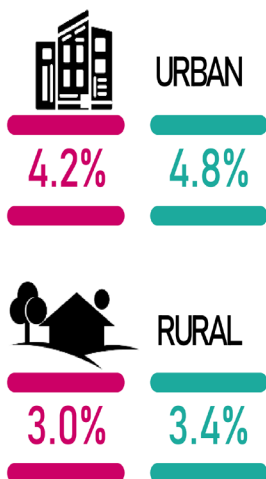
CONSUMER PRICE INDEX, SEPTEMBER 2022

Malaysia's inflation in October 2022 increased 4.0 per cent, lower than has been recorded in September 2022

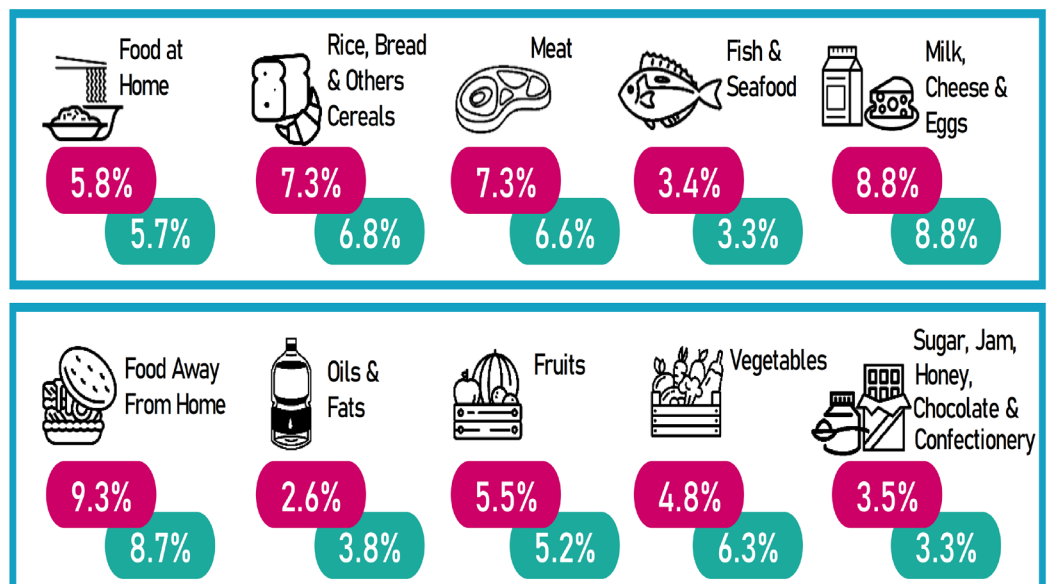
INFLATION BY MAIN GROUP



INFLATION FOR URBAN & RURAL



INFLATION FOR SUBGROUP FOOD & BEVERAGES



Percentage Change: Year-on-Year

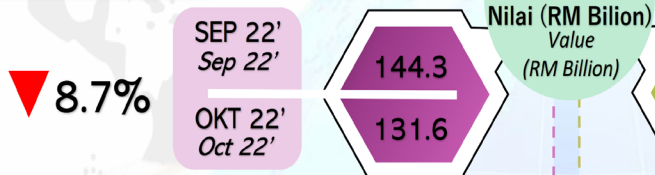
Source: Malaysia's Consumer Price Index (2010=100)
Department of Statistics Malaysia

TRADE INDICES, OCTOBER 2022

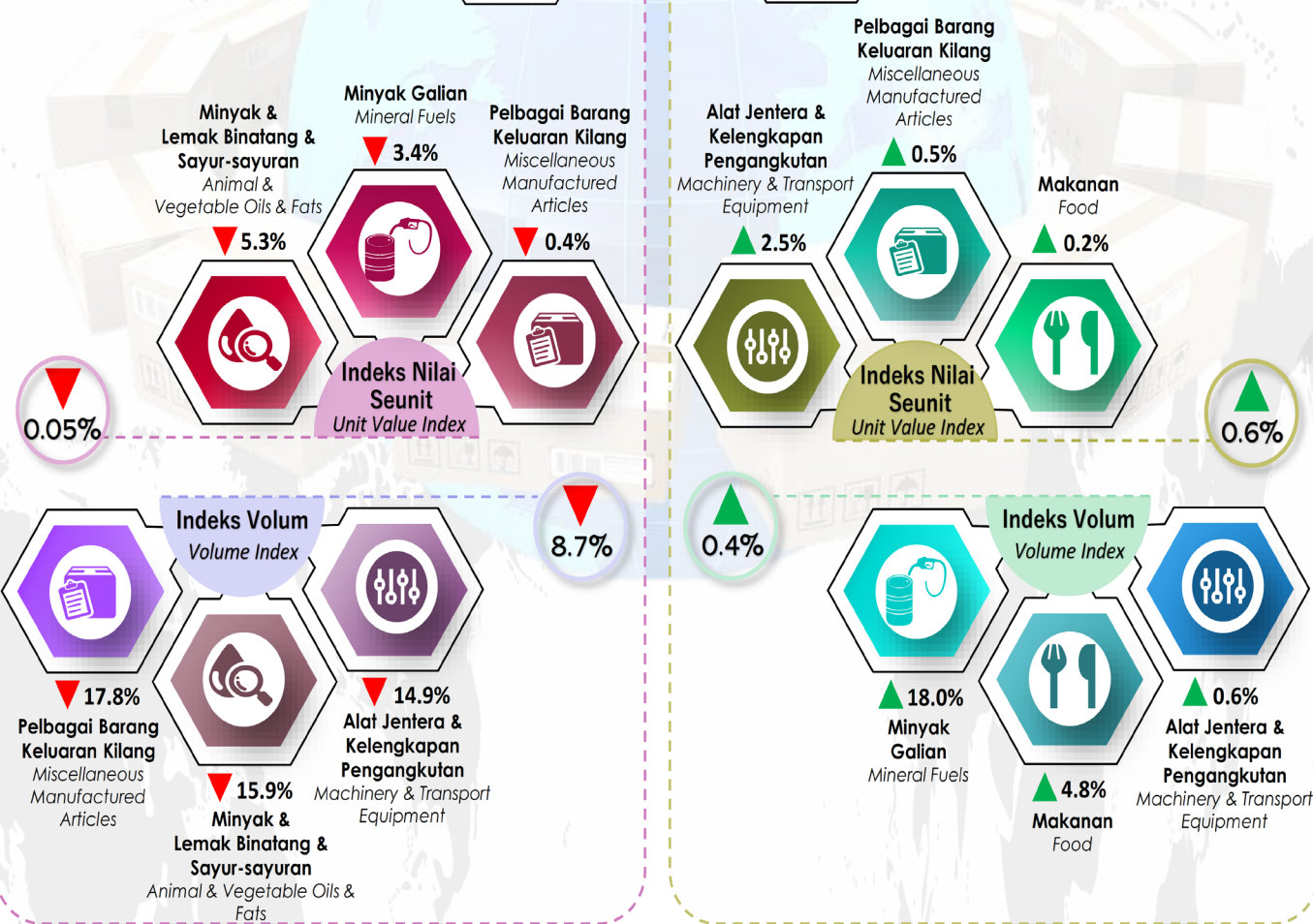
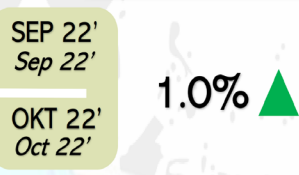
Indeks Nilai Seunit Import kekal positif, meningkat 0.6 peratus pada Oktober 2022, manakala Indeks Nilai Seunit Eksport menyusut secara marginal 0.05 peratus

Import Unit Value Index remained positive, increasing by 0.6 per cent in October 2022, while Export Unit Value Index decreased marginally by 0.05 per cent

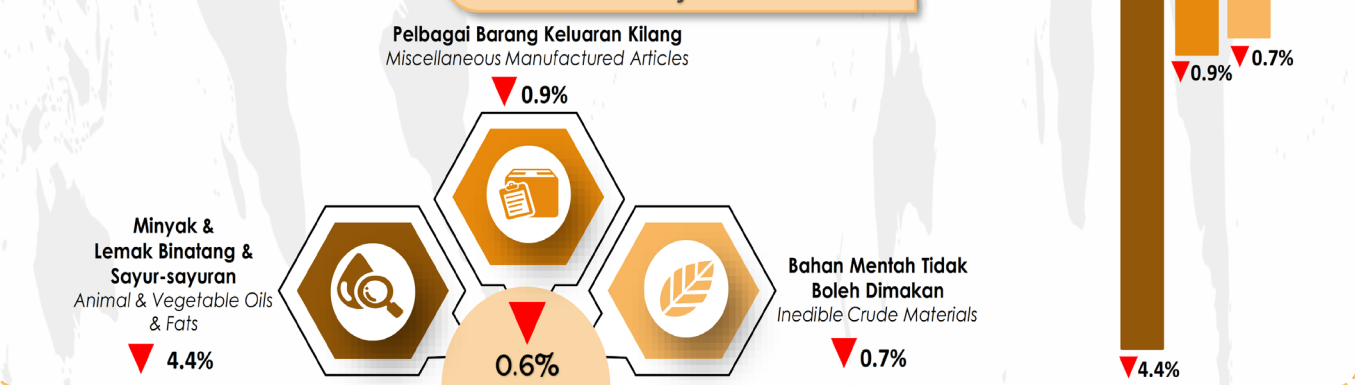
EKSPORT Exports



IMPORT Imports



TERMA PERDAGANGAN Terms of Trade



Semua perubahan berdasarkan perbandingan bulan ke bulan. All changes are based on month-on-month comparison.

Sumber: Indeks Perdagangan Luar Negeri, Oktober 2022, Jabatan Perangkaan Malaysia(DOSM) Source: External Trade Indices October 2022, Department of Statistics(DOSM)

EMPLOYMENT STATISTICS, Q3 2022

8.68

million jobs
in economic
sector



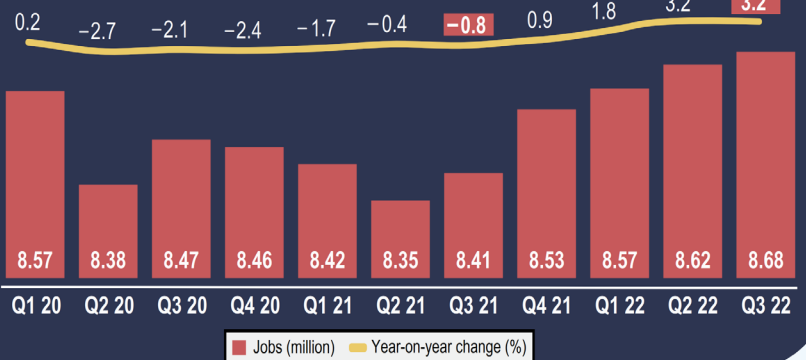
97.8%
Filled Jobs



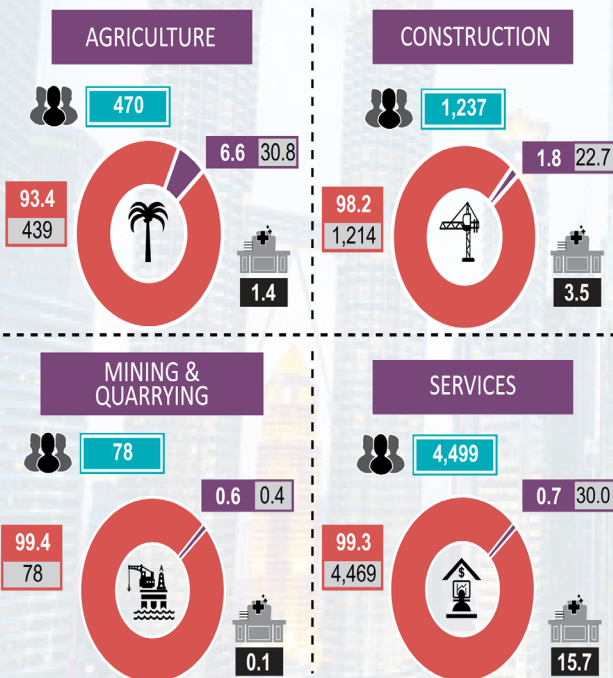
2.2%
Vacancies

(%) Percentage share

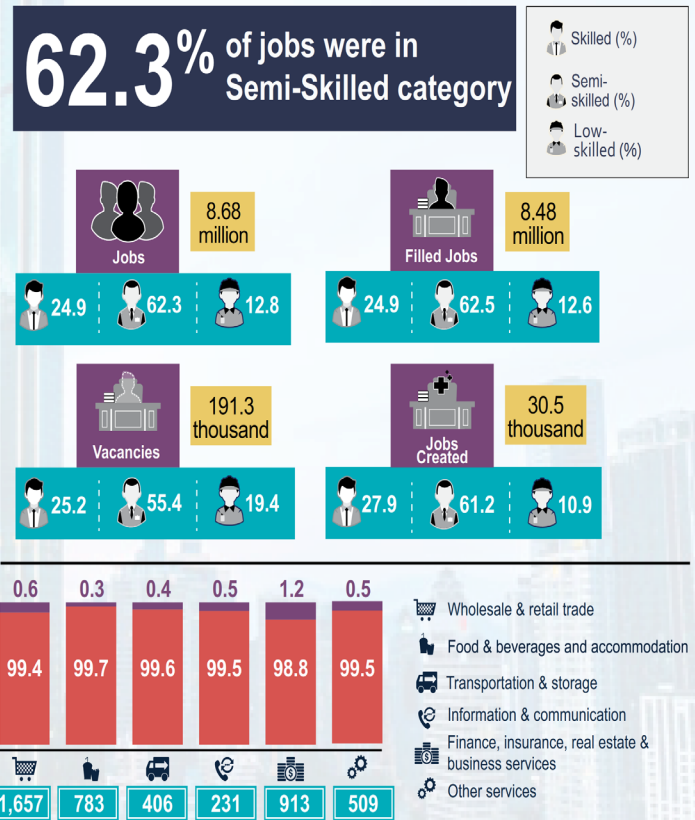
Total jobs increased **269.8 thousand** year-on-year



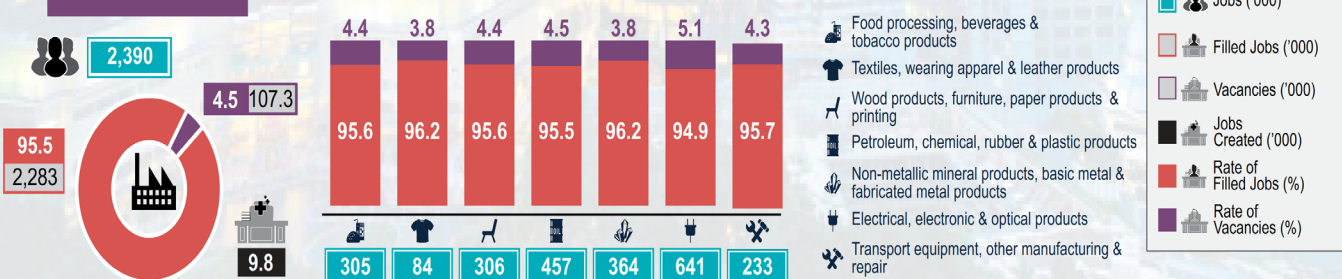
4.50 million jobs were concentrated in Services sector



62.3% of jobs were in Semi-Skilled category



MANUFACTURING



Concepts & Definitions

Jobs
Total labour which comprised of filled jobs & vacancies.

Filled Jobs
Paid employees (full-time & part-time); and thus exclude individual proprietors and business partners, unpaid family workers & employees on unpaid leave.

Vacancies
Unfilled jobs which are ready to be filled. Employers are actively seeking candidates including advertising vacancies, issuing notices and registering with employment agencies as well as conducting interviews to select candidates to fill in the vacancies.

Jobs Created
Jobs created in an organisation which were not previously available, including newly created service schemes, jobs created for the promotion of existing employees and increase in the number of jobs from the existing structure.

Notes: The sum may differ from the total due to independent rounding

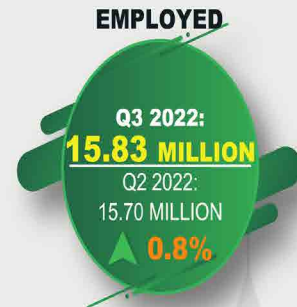
Source : Employment Statistics Third Quarter of 2022, Department of Statistics Malaysia (DOSM)

LABOUR FORCE, Q3 2022

Unemployment rate in the third quarter of 2022 declined to **3.7 per cent**, the lowest rate since pandemic registering **611.8 thousand** unemployed persons

LABOUR FORCE

EMPLOYED



LABOUR FORCE AND LABOUR FORCE PARTICIPATION RATE, MALAYSIA, Q1 2019 - Q3 2022

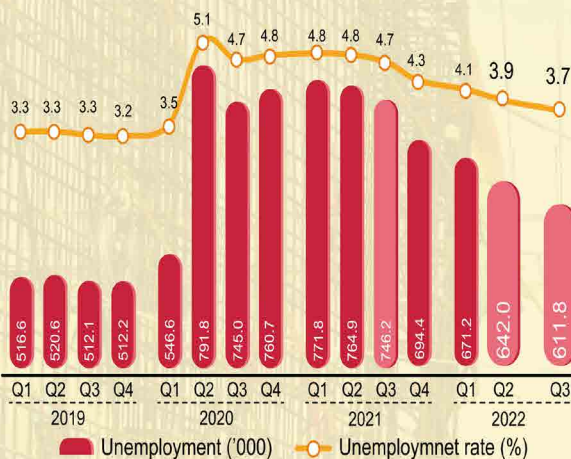


EMPLOYED PERSON BY SEX, MALAYSIA, Q1 2019 - Q3 2022



UNEMPLOYMENT

UNEMPLOYED PERSONS AND UNEMPLOYMENT RATE, MALAYSIA, Q1 2019 - Q3 2022



UNEMPLOYMENT



UNEMPLOYMENT RATE



UNEMPLOYMENT BY SEX, MALAYSIA, Q3 2022



OUTSIDE LABOUR FORCE

7.25 MILLION ▼ **-0.1%**

① % Quarter on quarter pp Percentage point

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

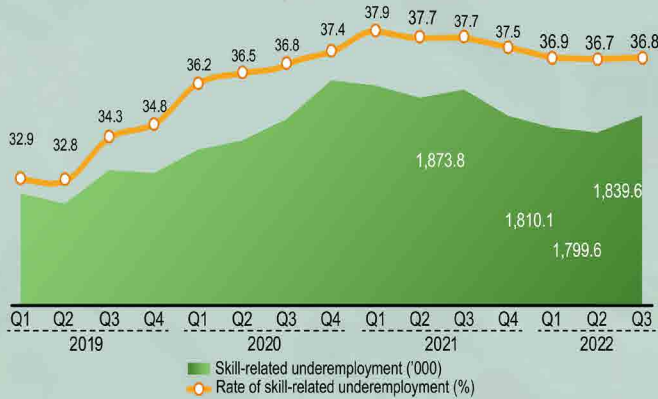
LABOUR FORCE, Q3 2022

UNDEREMPLOYMENT

EMPLOYED PERSONS WORKING LESS THAN 30 HOURS PER WEEK AND TIME - RELATED UNDEREMPLOYMENT, MALAYSIA, Q1 2019 - Q3 2022

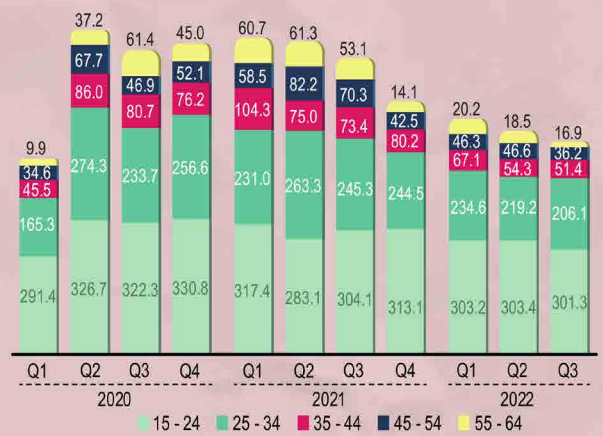


SKILL - RELATED UNDEREMPLOYMENT, MALAYSIA, Q1 2019 - Q3 2022



UNEMPLOYMENT

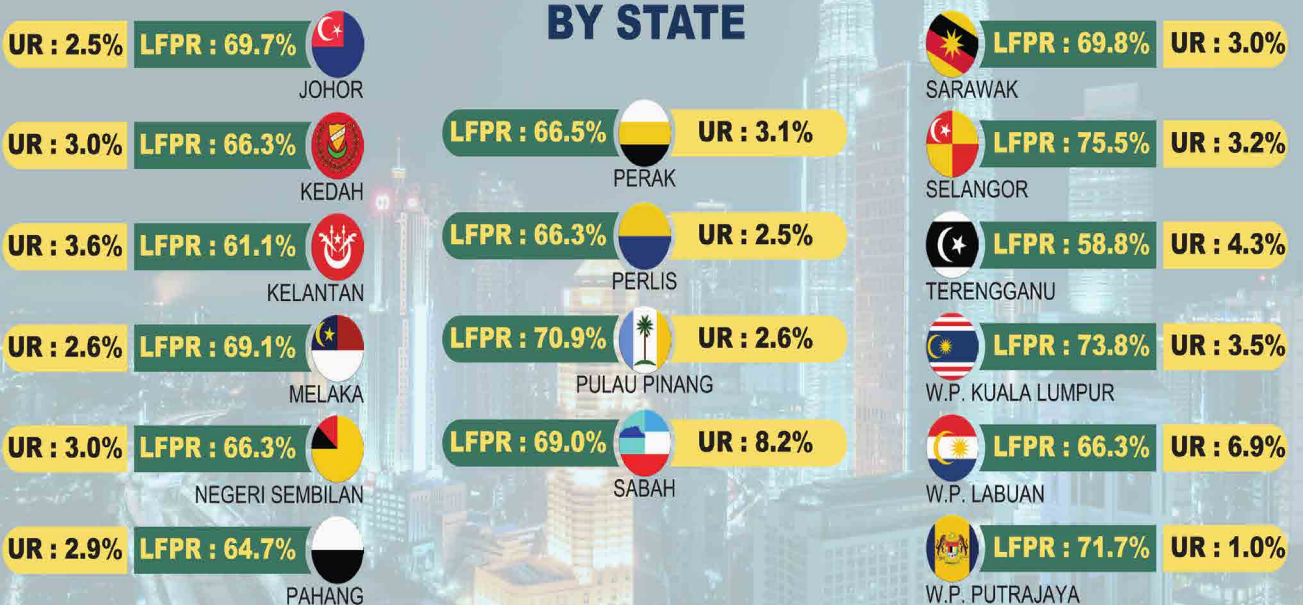
UNEMPLOYED PERSONS BY AGE GROUP, MALAYSIA, Q1 2020 - Q3 2022 ('000)



UNEMPLOYMENT CATEGORY, MALAYSIA, Q2 2022 & Q3 2022



LABOUR FORCE PARTICIPATION RATE (LFPR) AND UNEMPLOYMENT RATE (UR) BY STATE

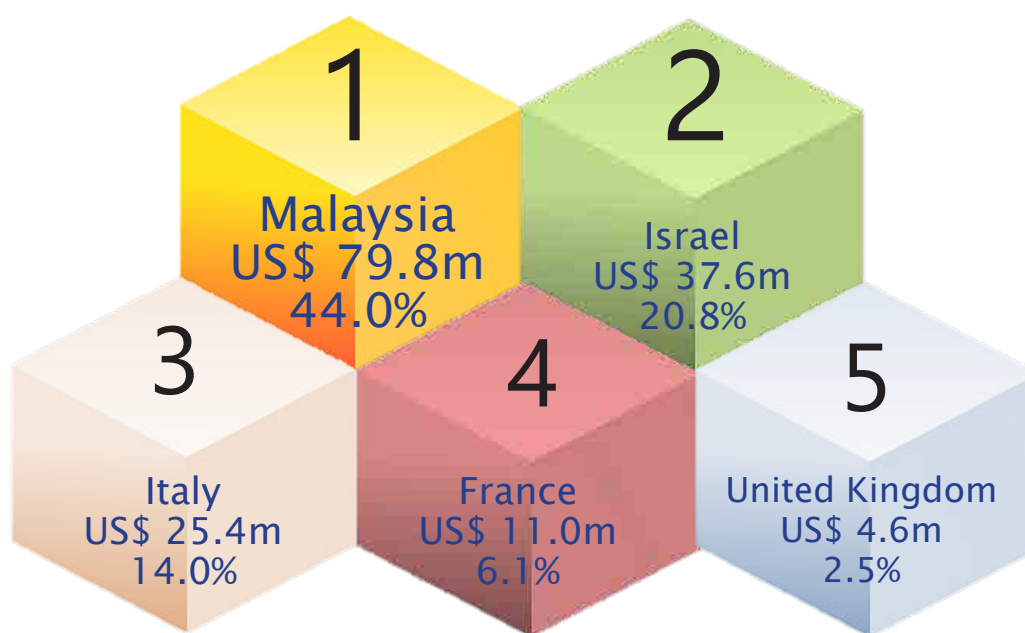


② % Quarter on quarter pp Percentage point Source: Labour Force Survey, Department of Statistics Malaysia (DOSM)

Malaysia Statistics

WORLD LARGEST EXPORTERS OF ARTICLES OF GOLDSMITHS' OR SILVERSMITHS' WARES AND PARTS THEREOF, OF BASE METAL CLAD WITH PRECIOUS METAL

In 2021, Malaysia's export of Articles of goldsmiths' or silversmiths' wares and parts thereof, of base metal clad with precious metal (excluding jewellery, watch-and clockmakers' wares, musical instruments, weapons, perfume atomizers and heads for these, original sculptures or statuary, collectors' pieces and antiques) recorded US\$ 205.7 million which was 25.2% share of the the world exports.

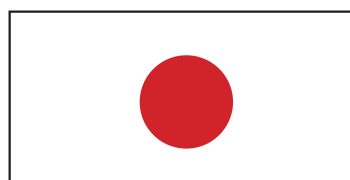


Notes:

-*HS 711420

-% refer to share in world exports

MALAYSIA'S TOP EXPORT DESTINATIONS



1 Japan
US\$ 78.45m



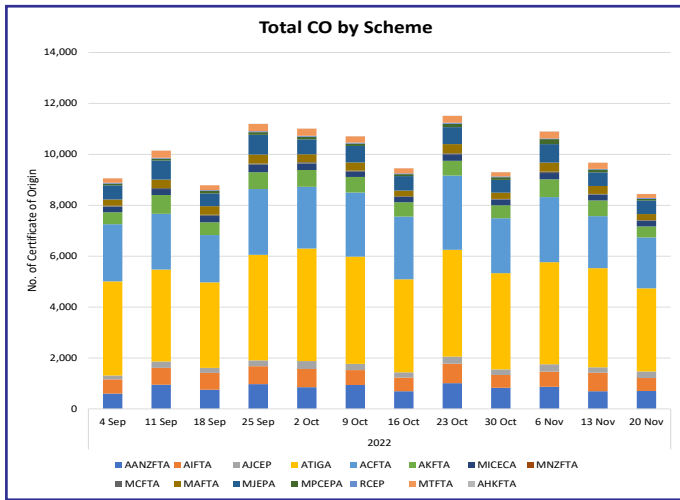
2 Chinese Taipei
US\$ 1.07m



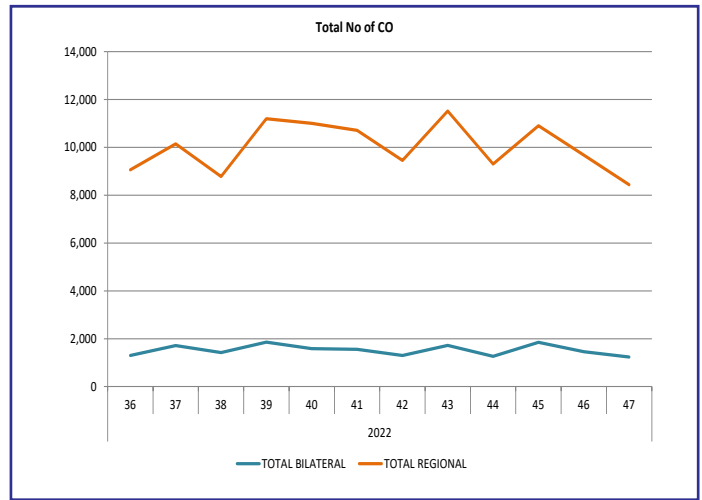
3 Singapore
US\$ 0.32m

Number and FOB Value of PCO as at 20 November 2022 Weekly / Monthly/ Annually

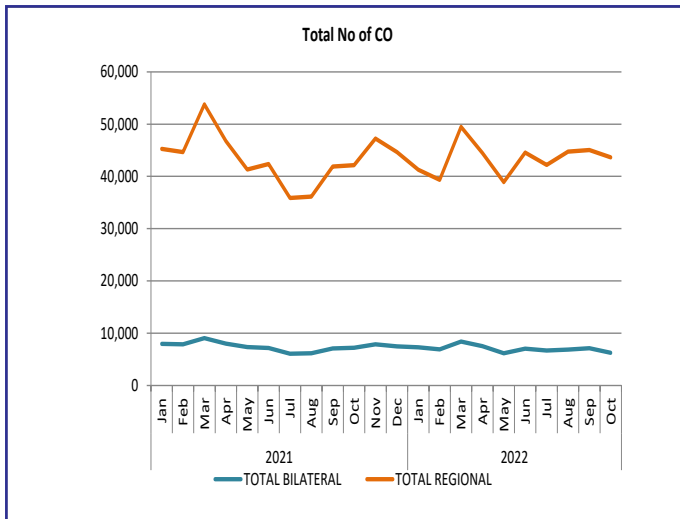
Weekly Total Scheme



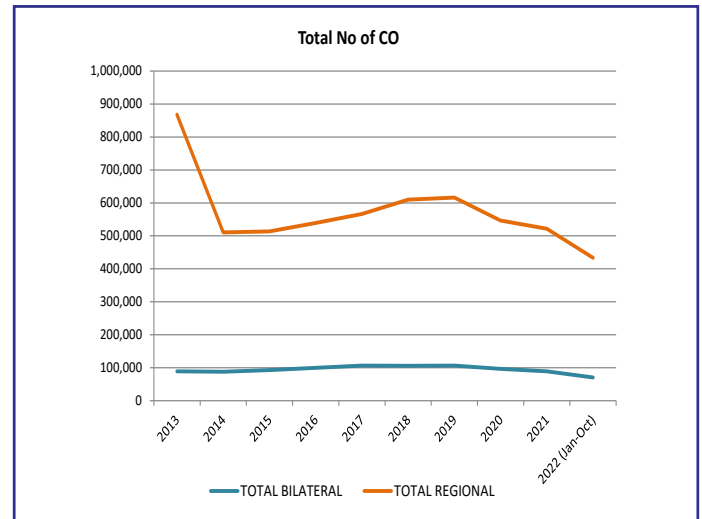
Weekly



Monthly



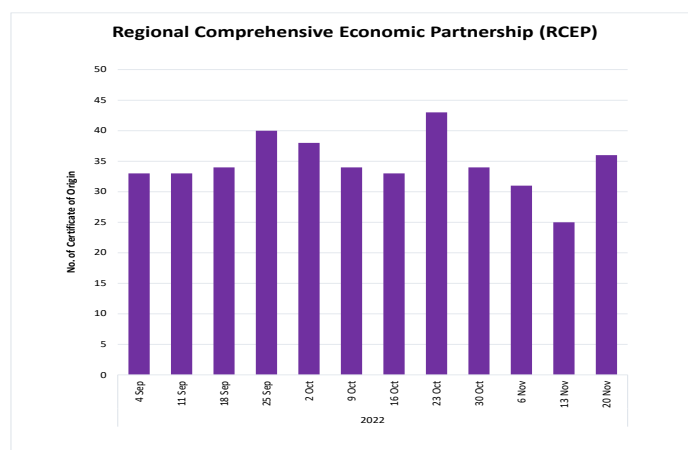
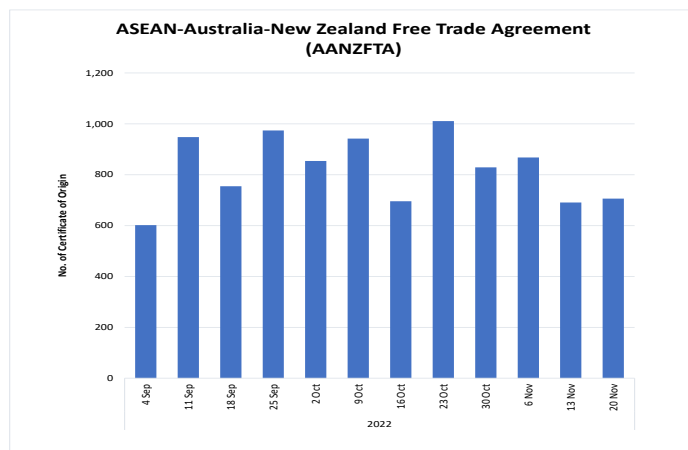
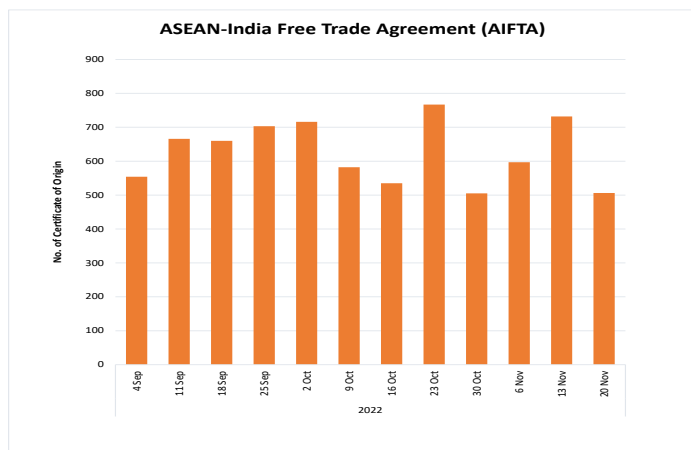
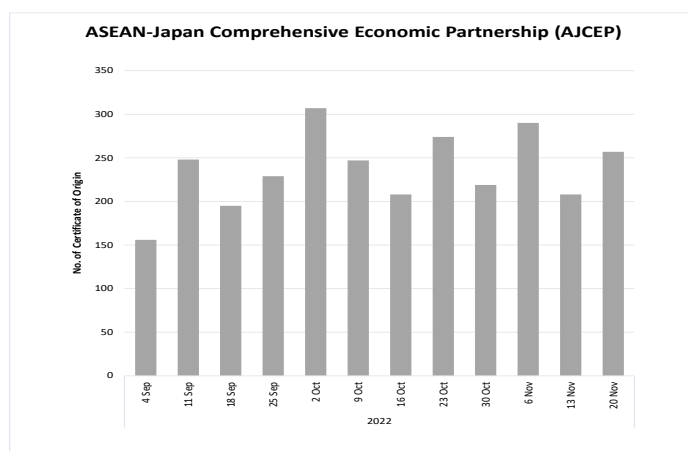
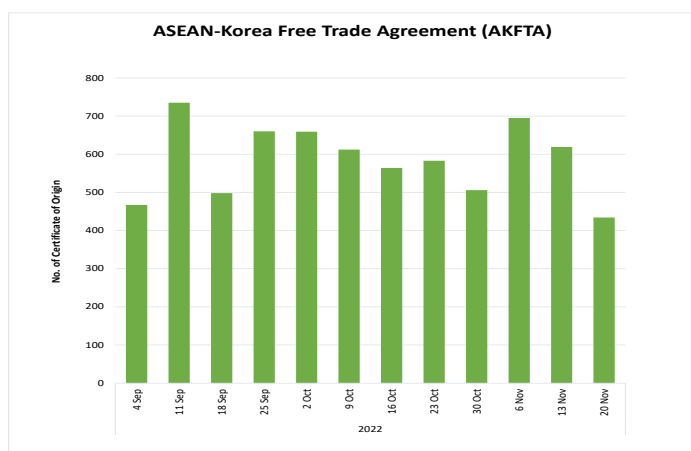
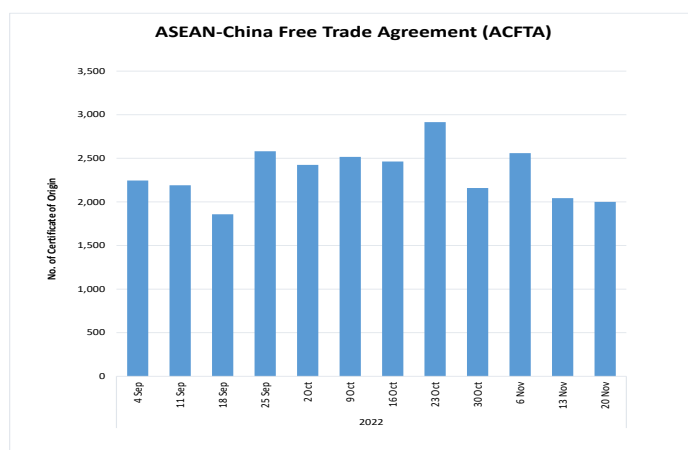
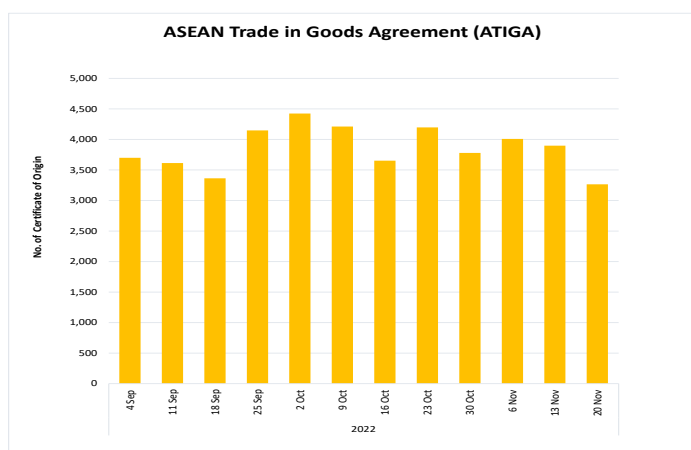
Annually



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

Regional FTA

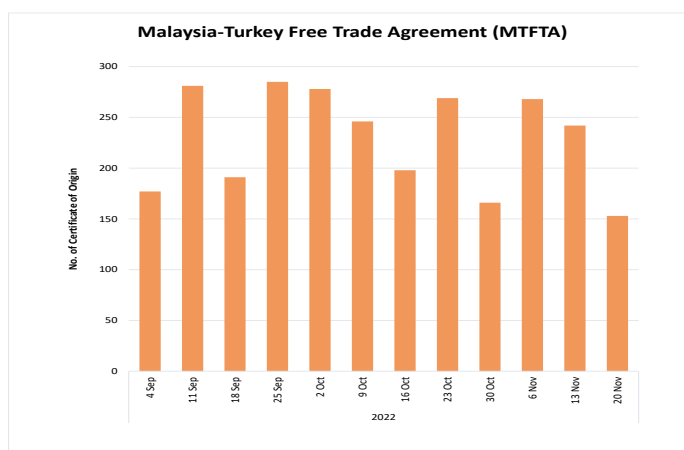
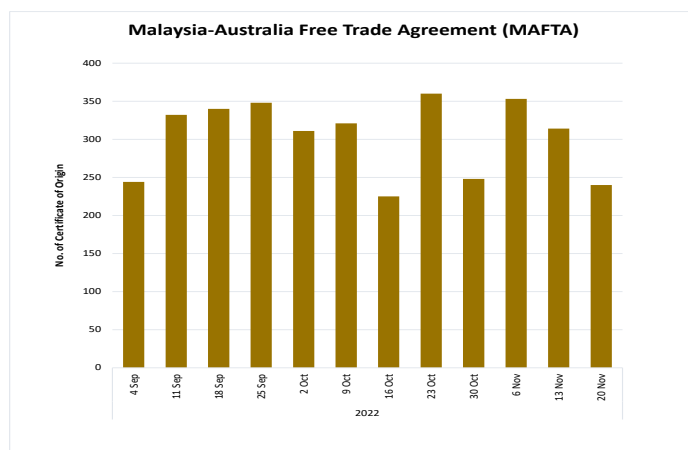
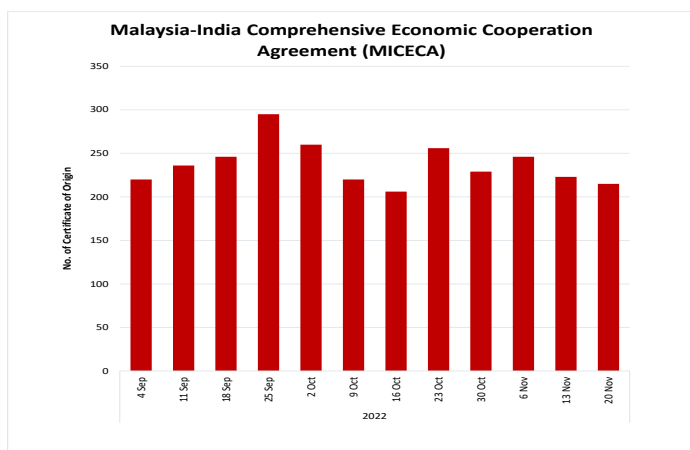
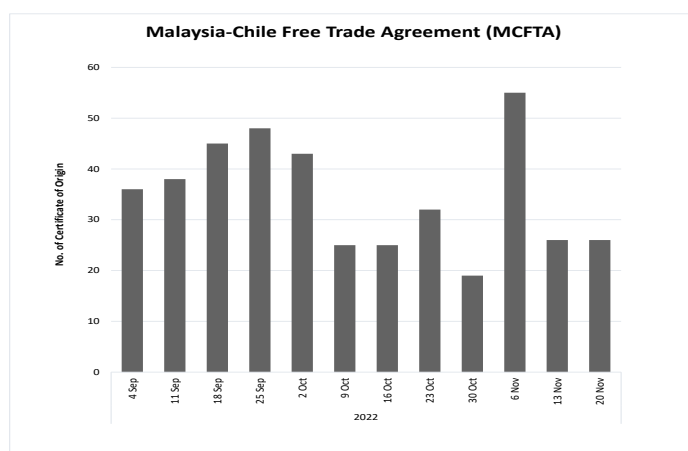
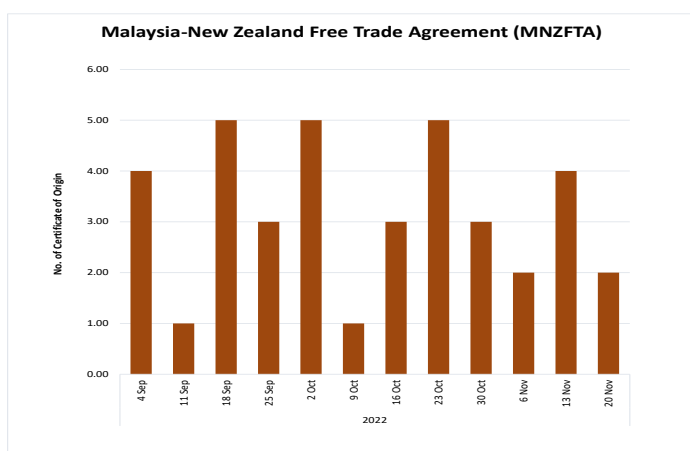
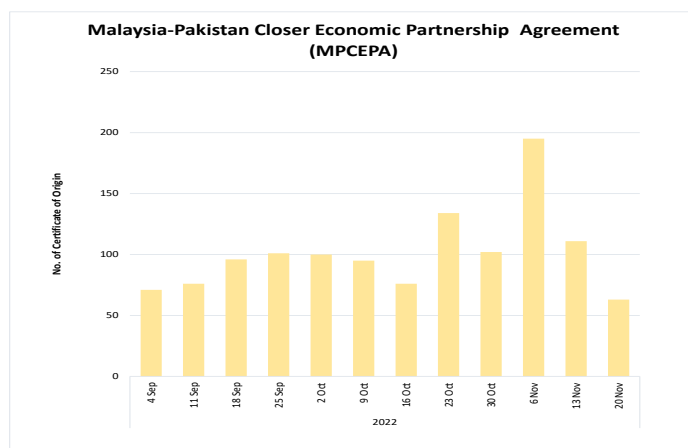
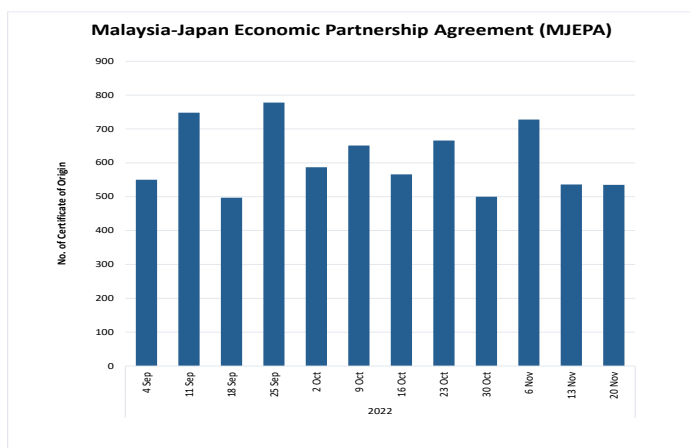
Number of Preferential Certificates of Origin (PCOs) as at 20 November 2022



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

Bilateral FTA

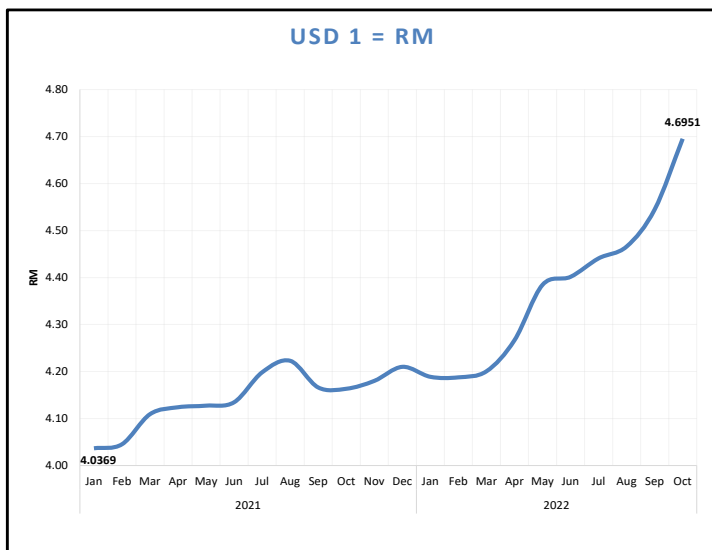
Number of Preferential Certificates of Origin (PCOs) as at 20 November 2022



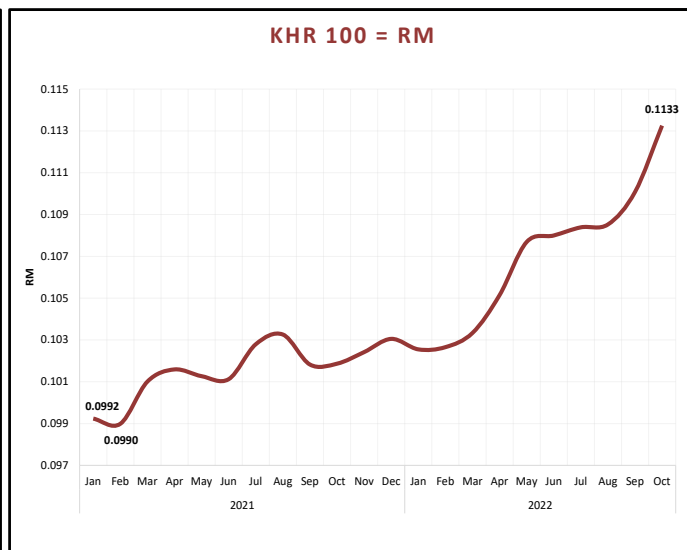
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

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

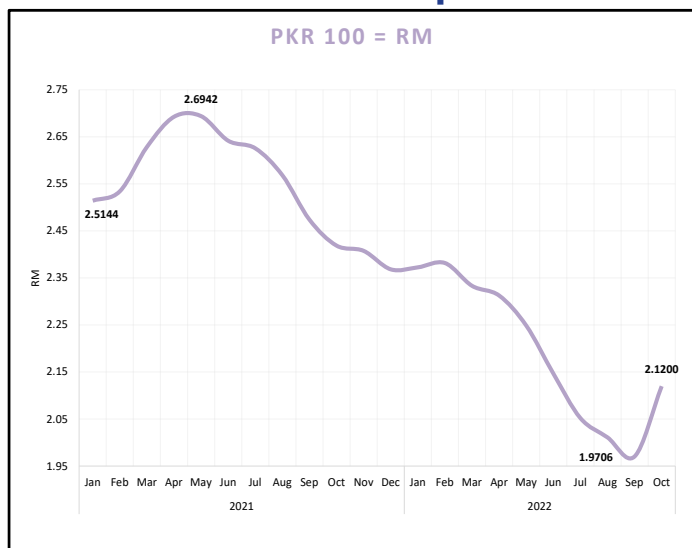
US Dollar



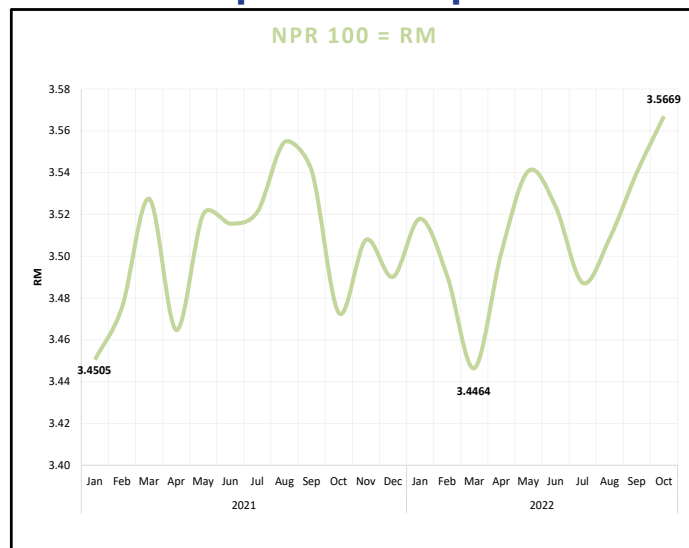
Cambodian Riel



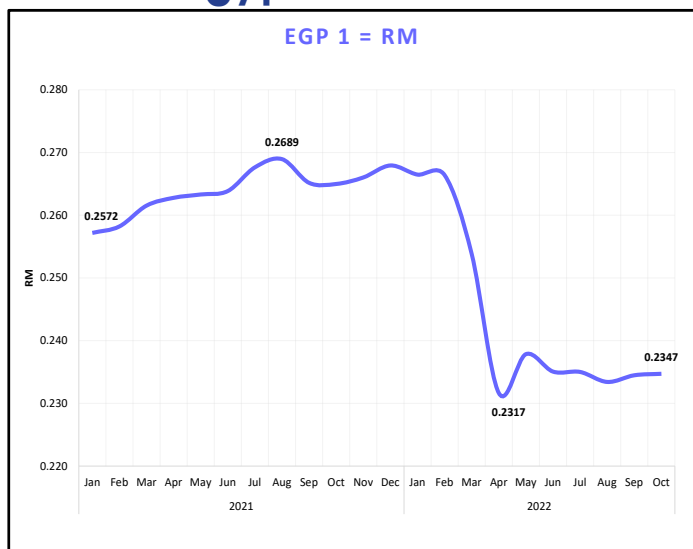
Pakistani Rupee



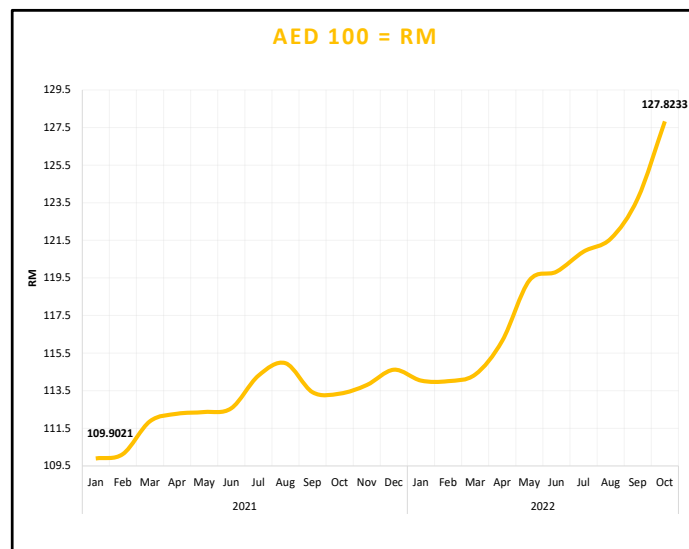
Nepalese Rupee



Egyptian Pound



United Arab Emirates Dirham



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▼ **6.9%***
US\$83.6
25 Nov 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 2021 ⁱ: US\$71.1

CRUDE PALM OIL -per MT-



▲ **7.2%***
US\$901.3
25 Nov 2022

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

30 Sep 2022 : US\$715.6
18 Jun 2021 : US\$844.6

Lowest
2021/2022

Average Price 2021 ⁱ: US\$1,075.3

RUBBER SMR 20 -per MT-



▼ **0.7%***
US\$1,281.5
25 Nov 2022

Average Price 2021 ⁱ: US\$1,689.1

COCOA SMC 2 -per MT-



▲ **2.0%***
US\$1,692.8
25 Nov 2022

Average Price 2021 ⁱ: US\$1,505.9

SUGAR -per lbs-



▼ **1.6%***
US\$19.3
25 Nov 2022

Average Price 2021 ⁱ: US\$17.9

COAL -per MT-



▲ **6.3%***
US\$214.7
25 Nov 2022

Average Price 2021 ⁱ: US\$120.5

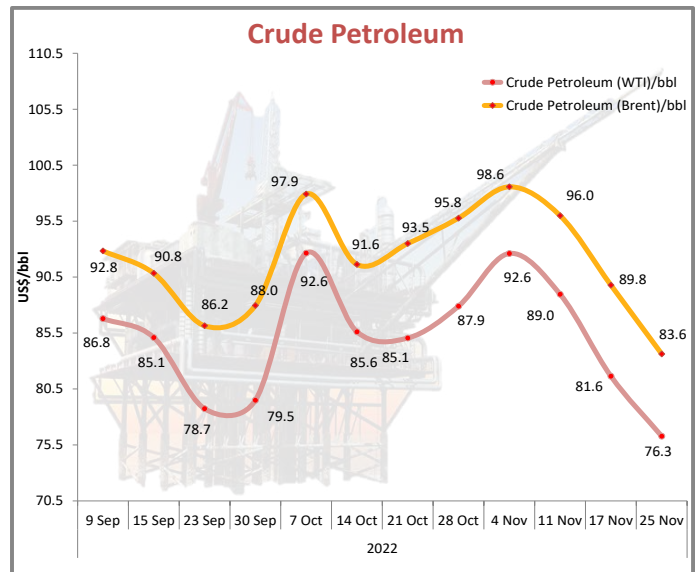
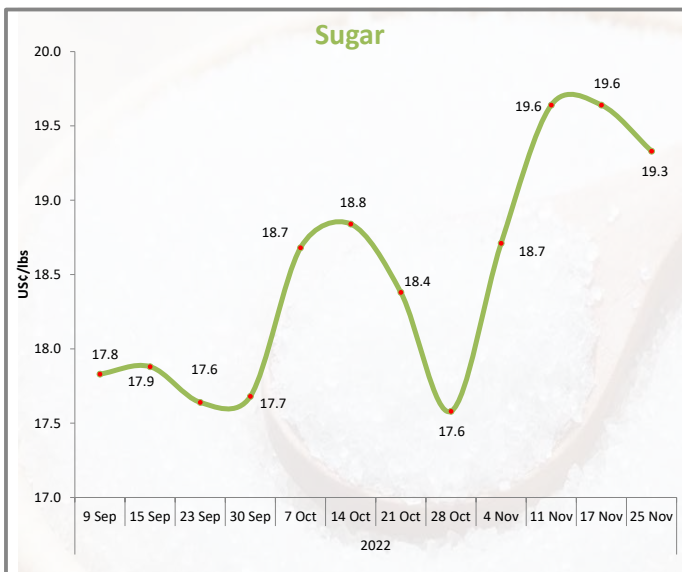
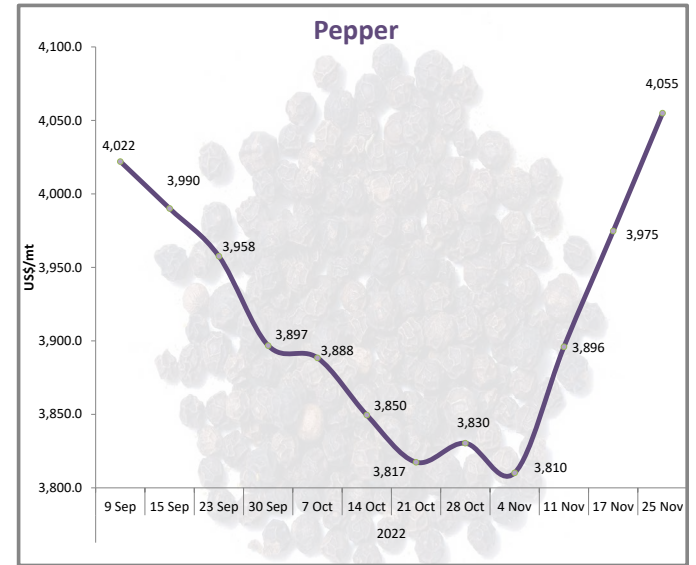
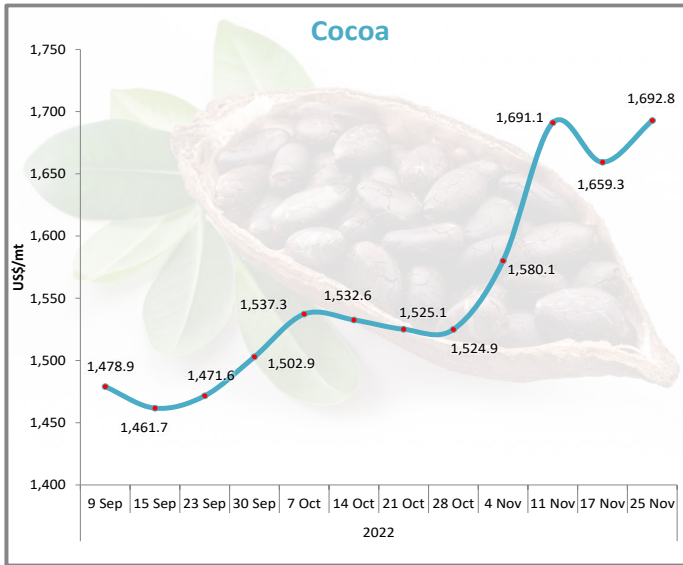
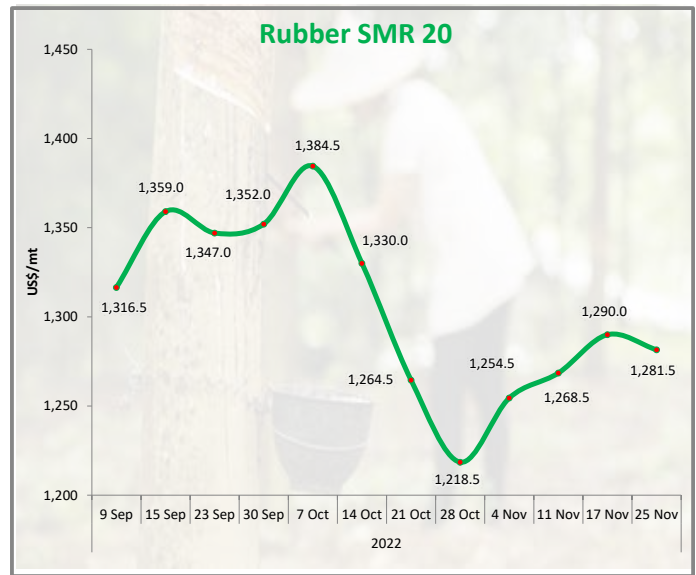
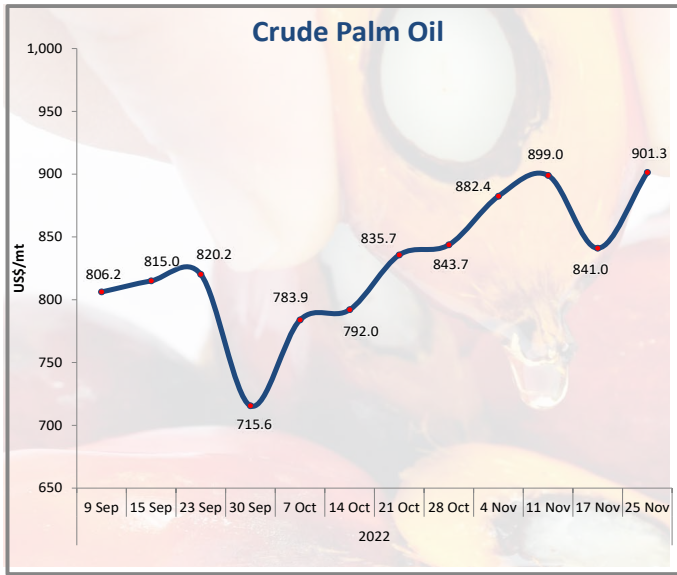
Notes: All figures have been rounded to the nearest decimal point

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

i Average price in the year except otherwise indicated

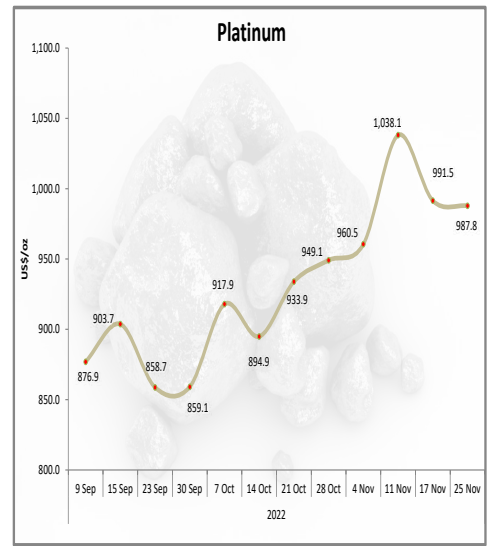
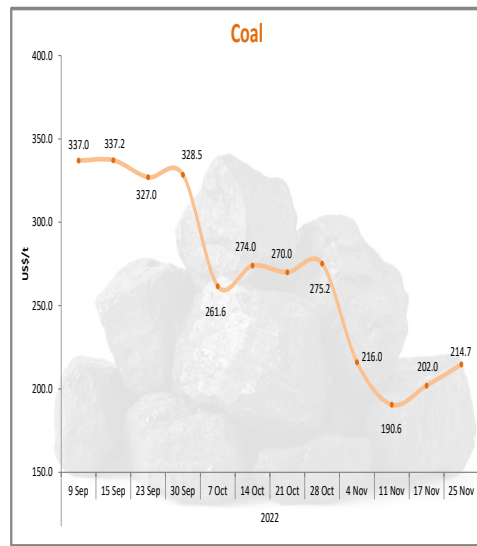
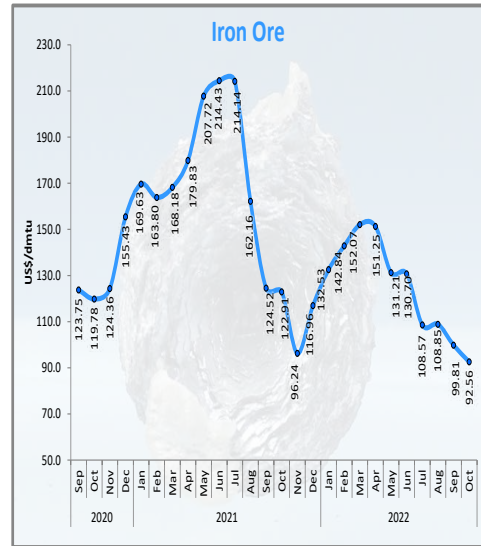
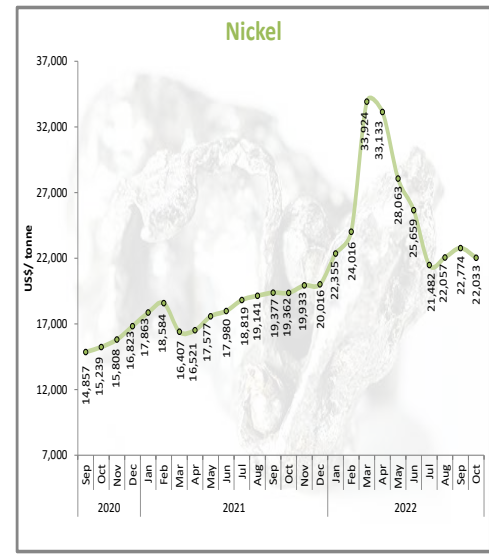
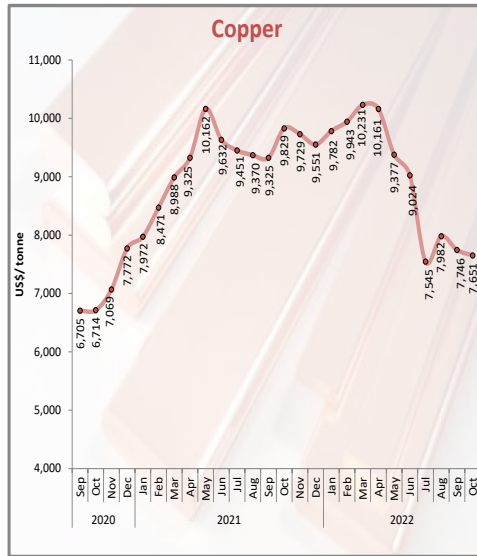
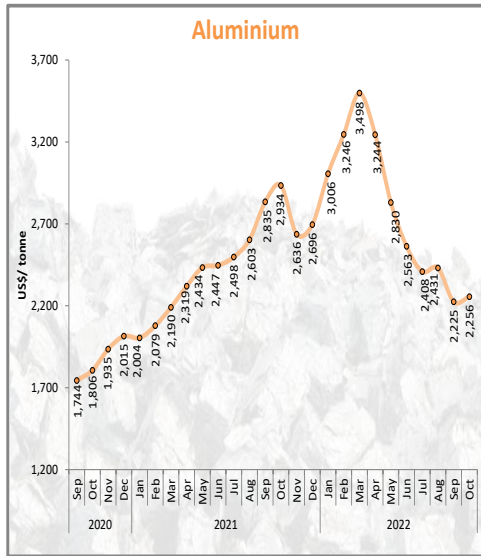
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, and Bloomberg.

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



RCEP

REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)



THE RCEP COVERS:

- 1 Elimination or reduction of import duties
- 2 Promotion, facilitation, protection and investment liberalisation
- 3 Protection of intellectual property rights, facilitation in e-commerce
- 4 Economic and technical cooperation

RCEP CONSISTS OF

10 ASEAN member countries

5 ASEAN FTA Partner countries

MAIN OBJECTIVES OF RCEP

- 1 Strengthening regional value chain
- 2 User friendly and easy to use
- 3 Modern, comprehensive and high quality

ALL YOU NEED TO KNOW

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 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 right capital flows SMEs to flourish and boost competitiveness have led to four key areas:

01 | LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- www.miti.gov.my/

Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors AI, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- www.miti.gov.my/

Domestic Investment Strategic Fund (DISF)

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

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.miti.gov.my/

Automation Capital Allowance (Automation CA)



For Labour Intensive Industries:

- Automation CA of 200% on the first RM4 million expenditure incurred within 3 years

For other industries:

- Automation CA of 300% on the first RM2 million expenditure incurred within 3 years

• www.miti.gov.my/

02 | GRANTS

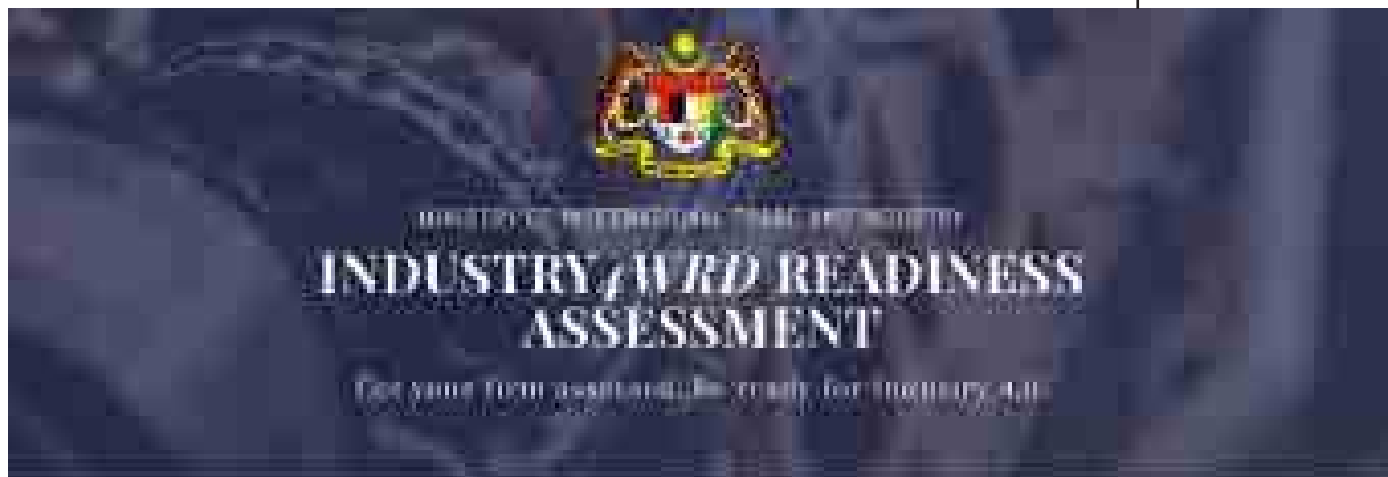
1. Intervention Fund
 - 70:30 matching grant up to RM500,000
2. Industry4WRD DISF*
 - 40:40 matching grant

*participation in Industry4WRD CA is a prerequisite to apply

02 | GRANTS

For more information, kindly click the following links:

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



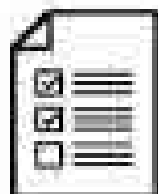
All you need to know about Industry4WRD RA



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-mitigation on RA fees up to RM27K.



Enquiries

- General: IAO@miti.gov.my
- RA: industry4wrdr@miti.gov.my



Process Flow

A FEW SIMPLE STEPS



Apply online at www.ia.gov.my/industry4wrdr



Evaluation by Committee



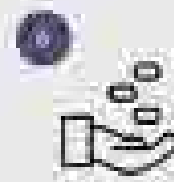
Online Assessment



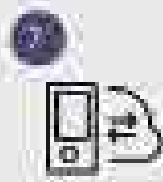
Receive RA Report



Develop Intervention Proposal



Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links:

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



Feedback

Send us your suggestions

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<http://www.miti.gov.my/index.php/forms/form/13>