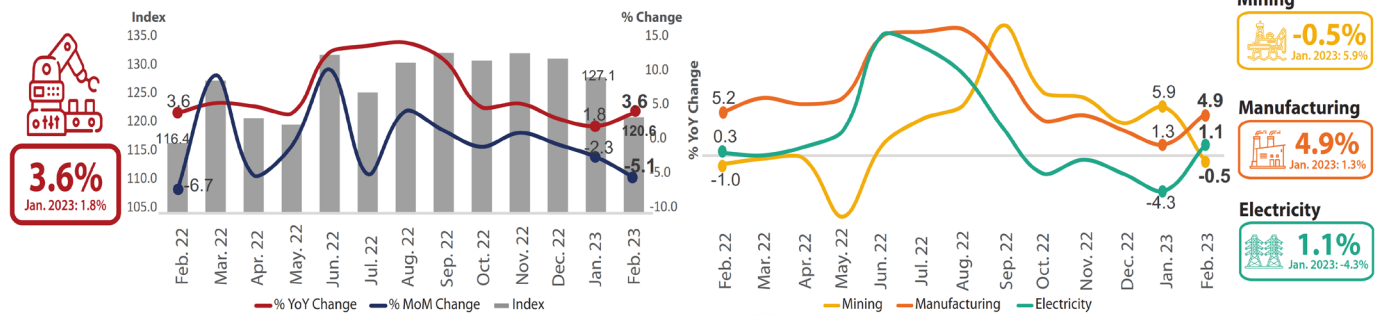


### INDUSTRIAL PRODUCTION INDEX (IPI), FEBRUARY 2023

#### IPI

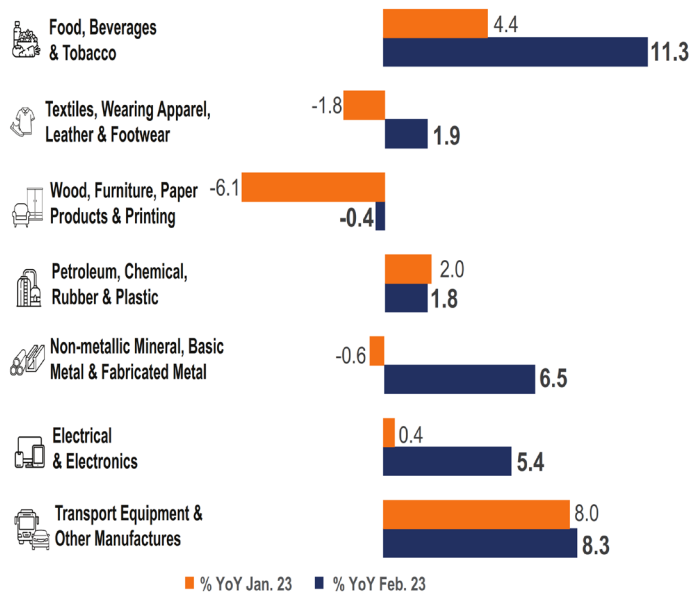
Malaysia's Industrial Production Index (IPI) improved to 3.6 per cent in February 2023 propelled by acceleration in Manufacturing sector



Malaysia Statistics

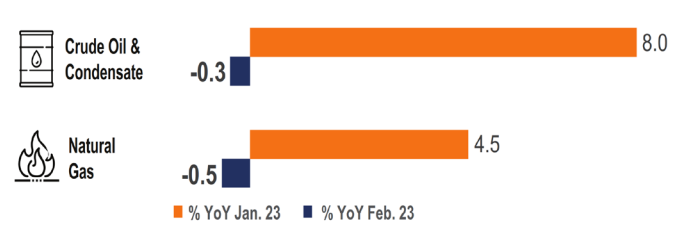
#### Manufacturing

Electrical & Electronics (5.4%) and Food, Beverages & Tobacco (11.3%) subsectors spearheaded the Manufacturing sector growth in February 2023



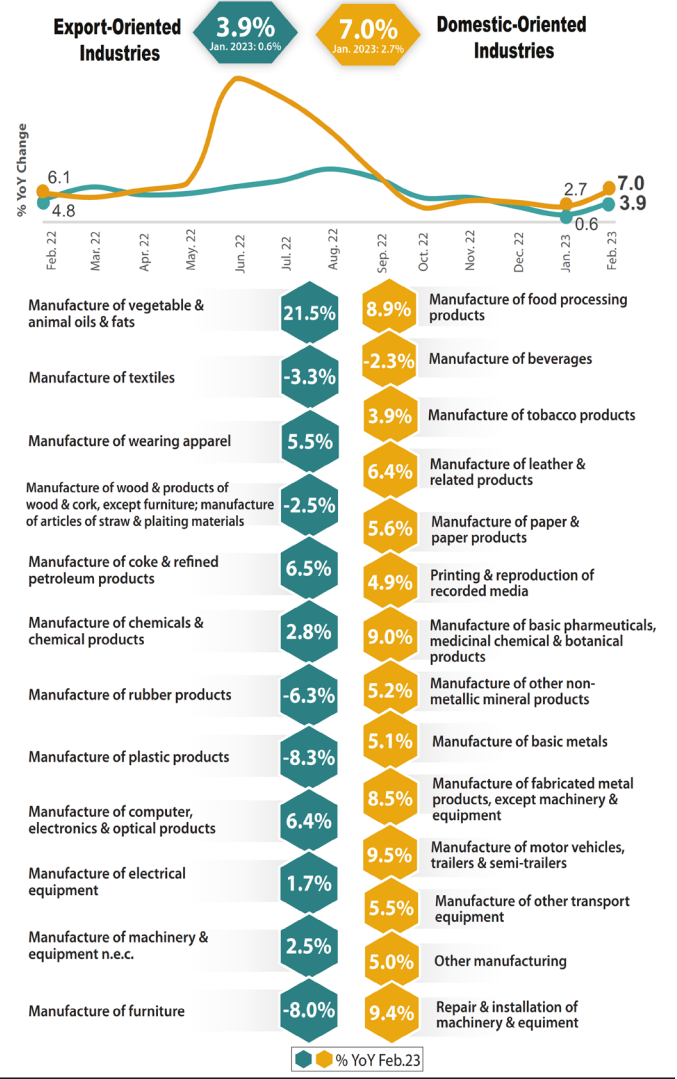
#### Mining

The decline in Mining sector was influenced by Crude Oil & Condensate (-0.3%) and Natural Gas (-0.5%)



#### Export and Domestic Oriented Industries

Both export-oriented industries (3.9%) and domestic-oriented industries (7.0%) driven the expansion of Manufacturing sector

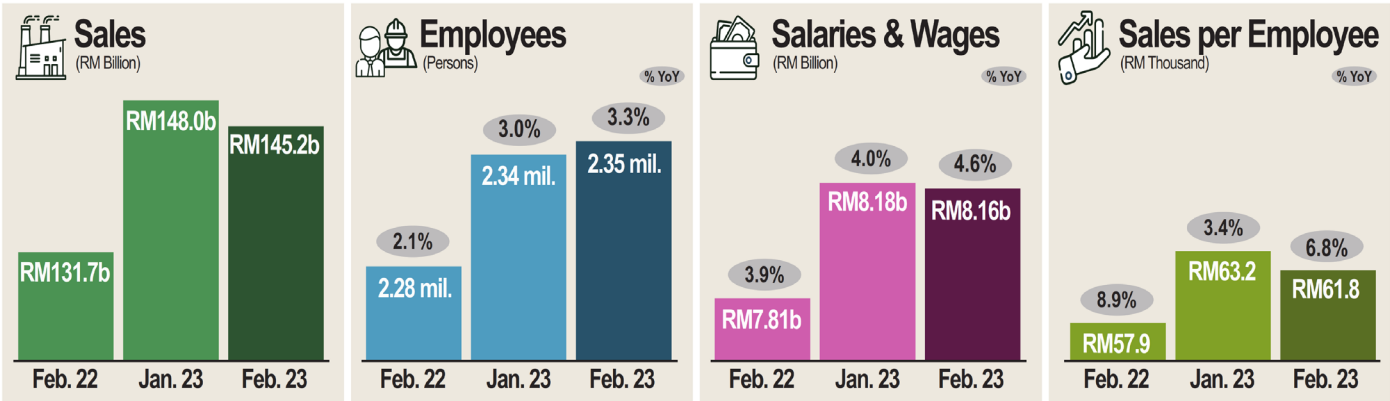


% YoY: Percentage change year-on-year | % MoM: Percentage change month-on-month | Source: Index of Industrial Production Malaysia, February 2023 Department of Statistics Malaysia (DOSM)

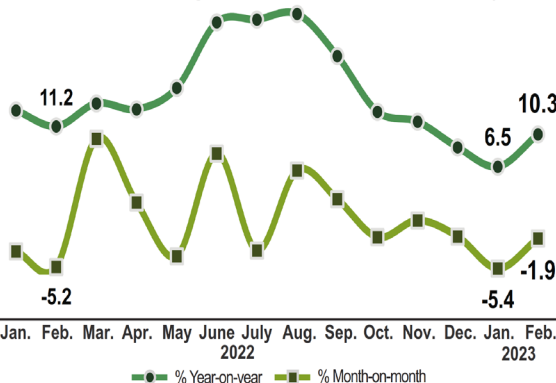
# MANUFACTURING, FEBRUARY 2023

The sales value of the Manufacturing sector posted double-digit growth of 10.3 per cent to record RM145.2 billion in February 2023. A total of 2.35 million employees were engaged in this sector with salaries and wages paid amounting to RM8.16 billion.

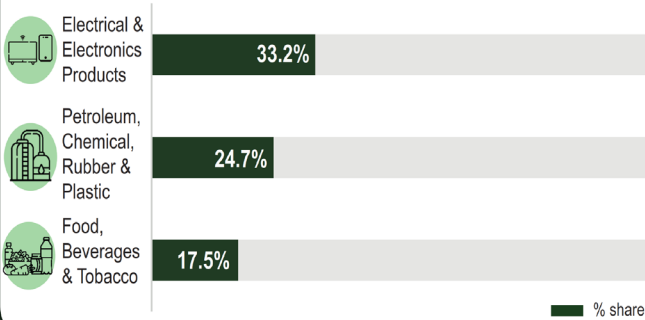
Malaysia Statistics



Sales of the Manufacturing sector, Jan. 2022 - Feb. 2023 (% change)

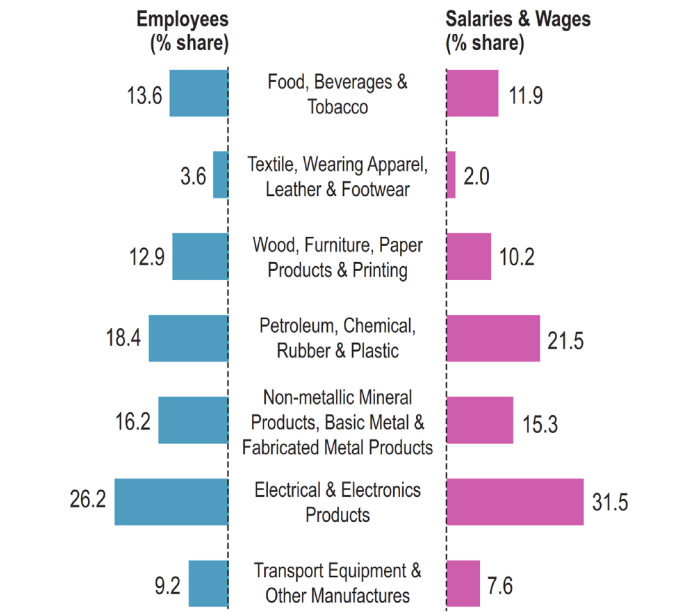


More than two-thirds of Manufacturing sales value was contributed by Electrical & Electronics Products (33.2%); Petroleum, Chemical, Rubber & Plastic (24.7%); and Food, Beverages & Tobacco (17.5%) sub-sectors

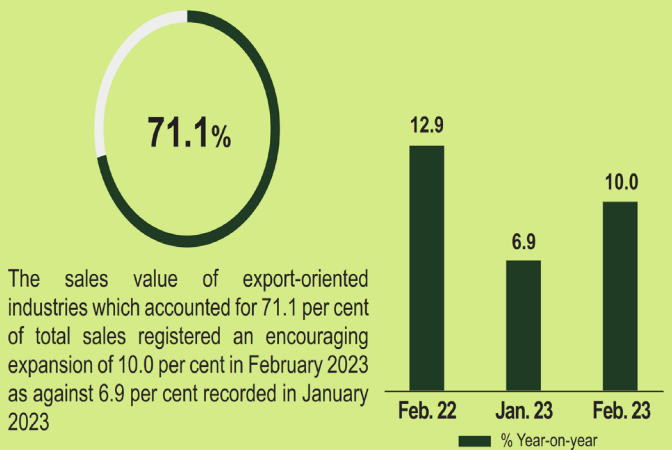


**Employees**  
Employees in the Manufacturing sector were concentrated largely in Electrical & Electronics Products (26.2%); Petroleum, Chemical, Rubber & Plastic (18.4%); and Non-metallic Mineral Products, Basic Metal & Fabricated Metal Products (16.2%) sub-sectors

**Salaries & Wages**  
More than 50 per cent of salaries & wages paid contributed by Electrical & Electronics Products (31.5%); and Petroleum, Chemical, Rubber & Plastic (21.5%) sub-sectors

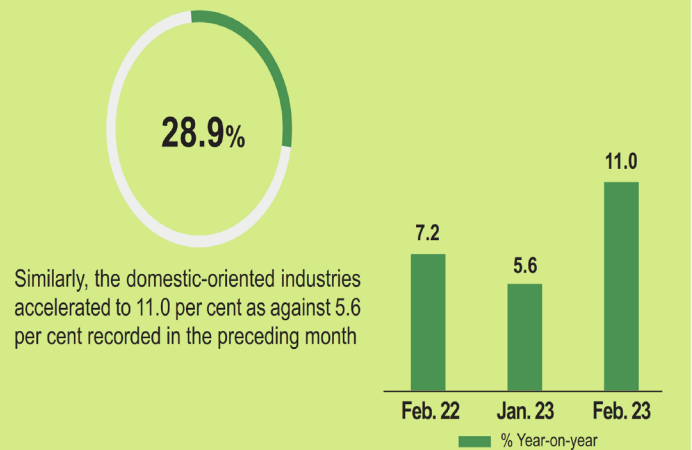


## Export-oriented Industries



The sales value of export-oriented industries which accounted for 71.1 per cent of total sales registered an encouraging expansion of 10.0 per cent in February 2023 as against 6.9 per cent recorded in January 2023

## Domestic-oriented Industries



Similarly, the domestic-oriented industries accelerated to 11.0 per cent as against 5.6 per cent recorded in the preceding month

Source: Manufacturing Statistics Malaysia, February 2023, Department of Statistics Malaysia (DOSM)

## PROFESSIONAL SERVICES

### ANNUAL ECONOMIC STATISTICS PROFESSIONAL SERVICES

#### MAIN FINDINGS

##### Value of Gross Output



2021: RM44.3 billion  
2020: RM45.7 billion  
▼ -3.0%

##### Value of Intermediate Input



2021: RM16.4 billion  
2020: RM16.8 billion  
▼ -2.2%

##### Value Added



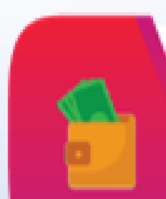
2021: RM27.9 billion  
2020: RM28.9 billion  
▼ -3.4%

##### Number of Persons Engaged



2021: 347,005 persons  
2020: 347,593 persons  
▼ -0.2%

##### Salaries & Wages Paid



2021: RM12.3 billion  
2020: RM12.4 billion  
▼ -1.1%

##### Value of Fixed Assets



2021: RM13.2 billion  
2020: RM13.3 billion  
▼ -1.2%

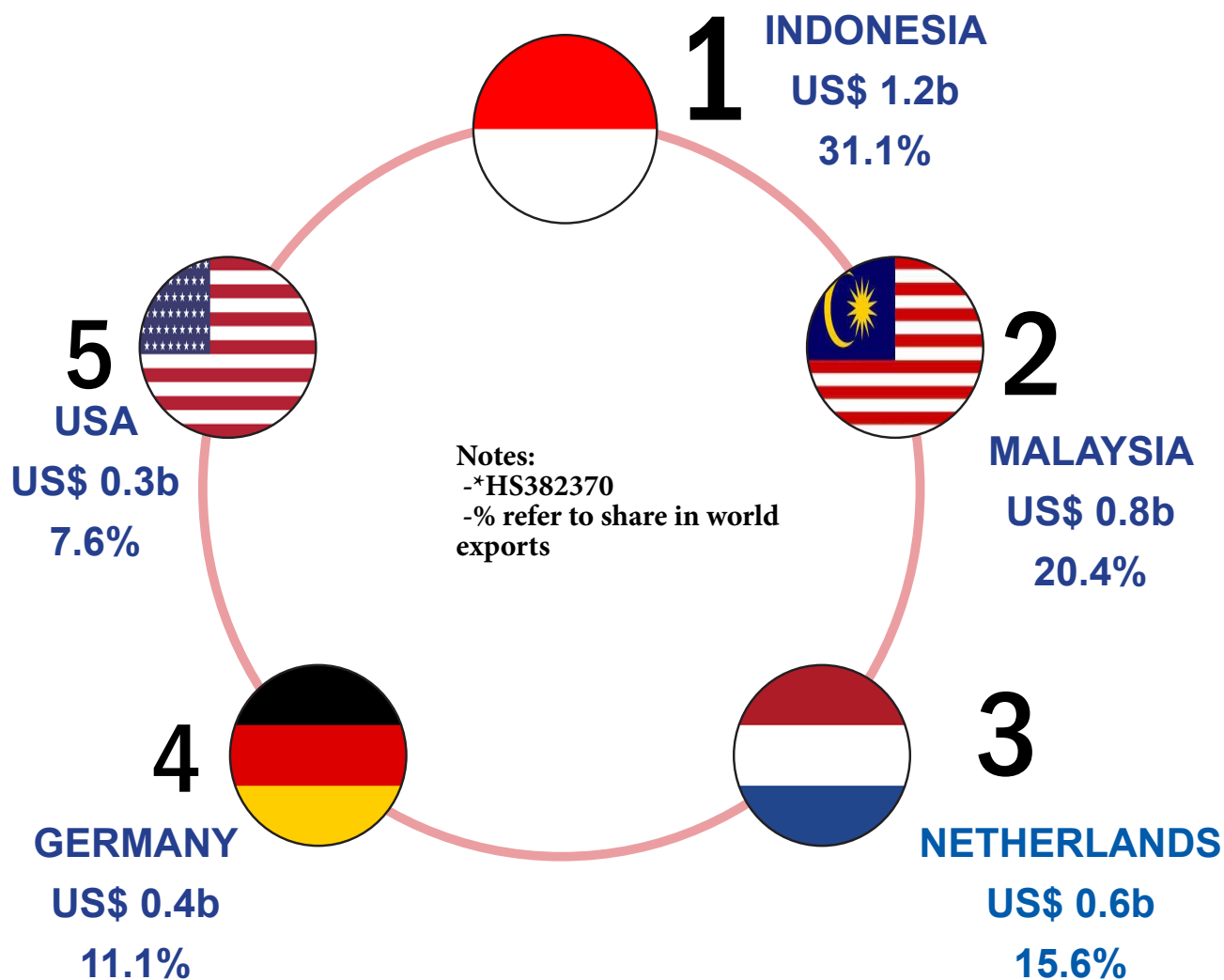
Percentage change (%): Year-on-year



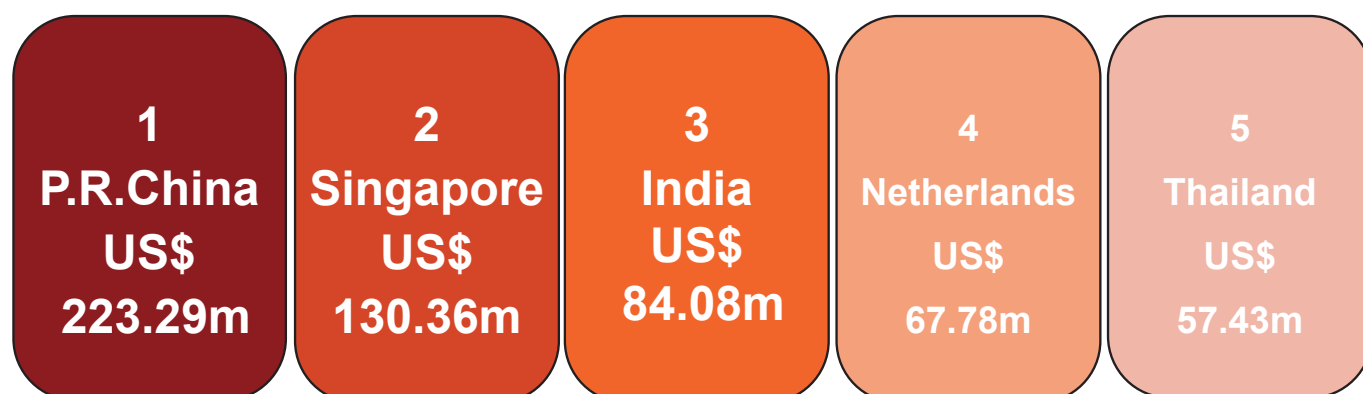
Source: Annual Economic Statistics, Professional Services, 2022.

## MALAYSIA AS THE SECOND LARGEST EXPORTER IN THE WORLD OF FATTY ALCOHOLS, INDUSTRIAL

In 2021, Malaysia's exports of industrial fatty alcohols recorded US\$ 0.8 billion which was 20.4% share of the world exports.

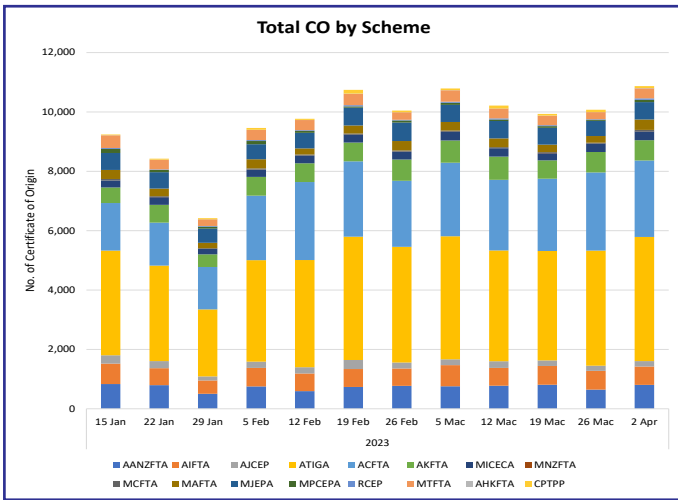


### MALAYSIA'S TOP EXPORT DESTINATIONS

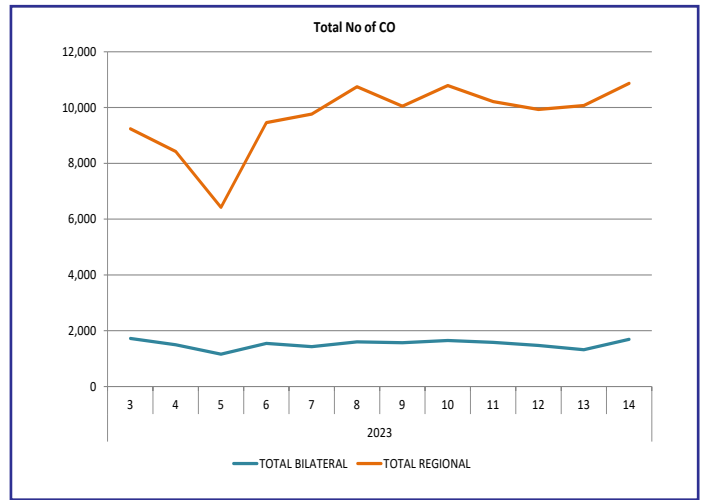


# Number of PCO as at 2 April 2023 Weekly / Monthly/ Annually

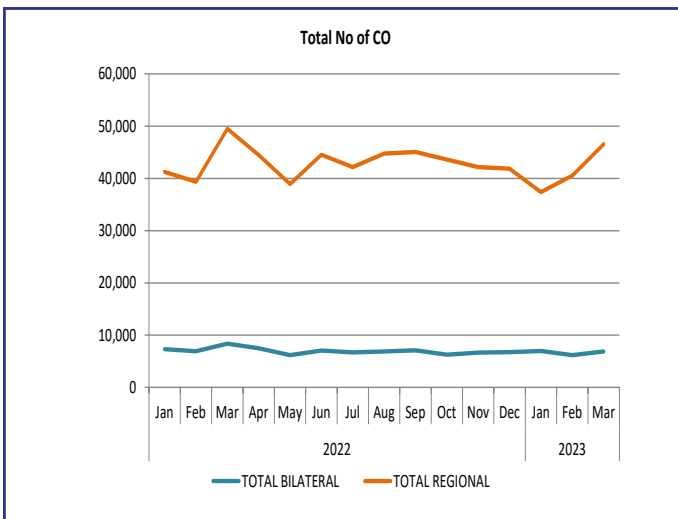
## Weekly Total Scheme



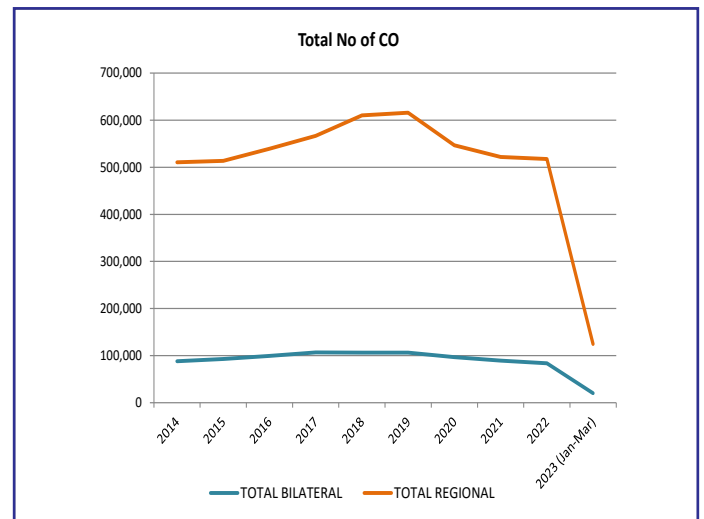
## Weekly



## Monthly



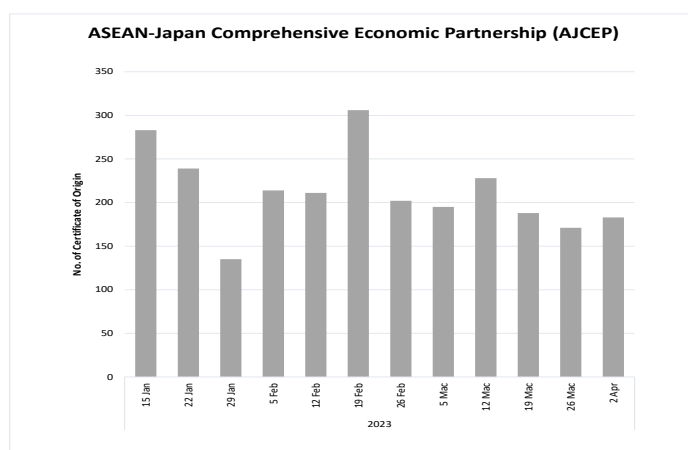
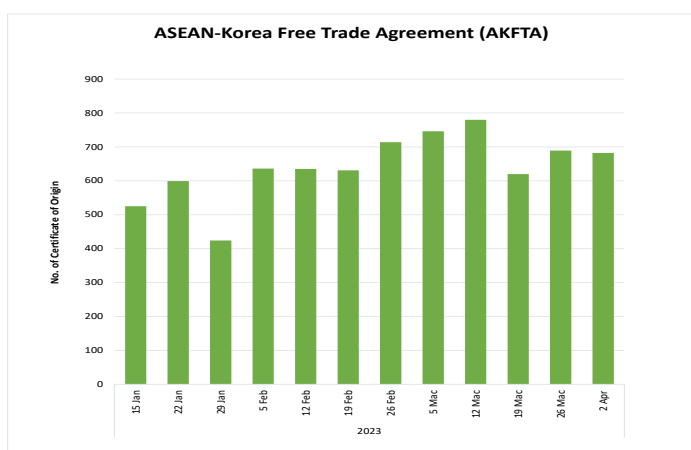
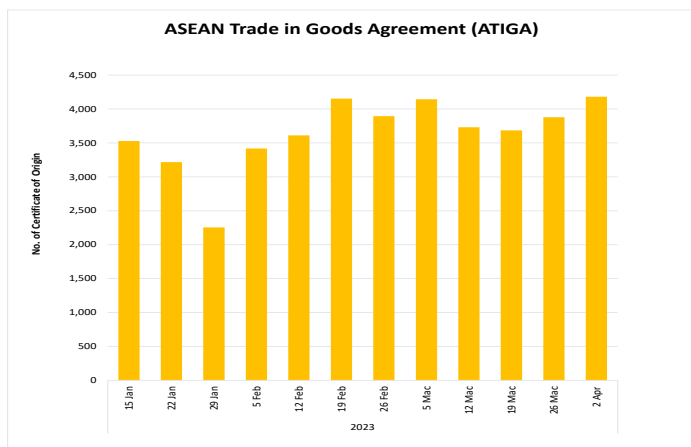
## Annually



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

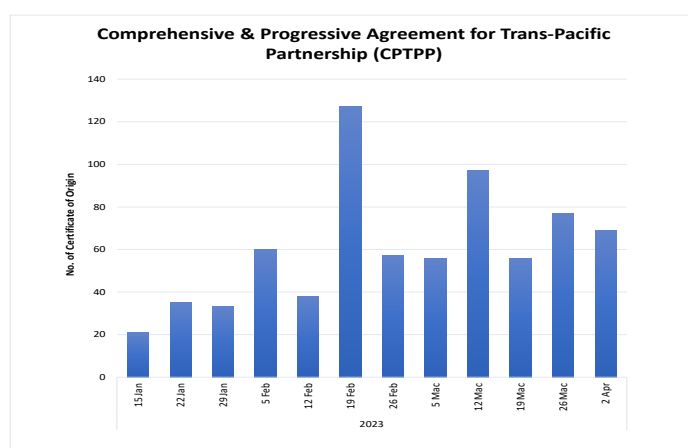
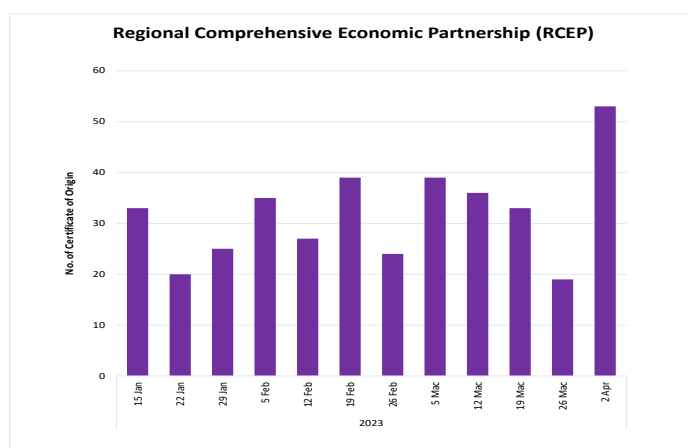
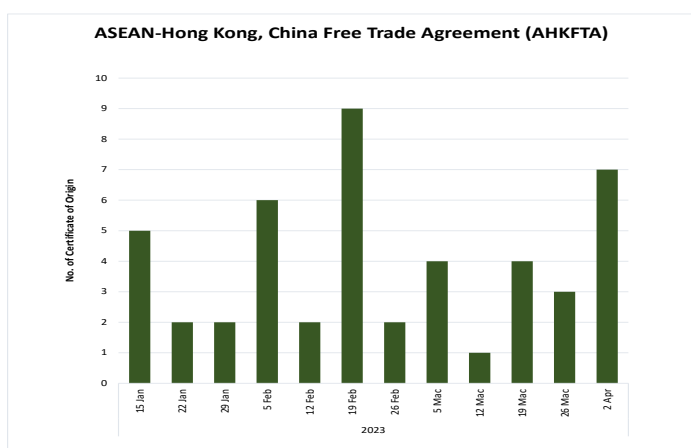
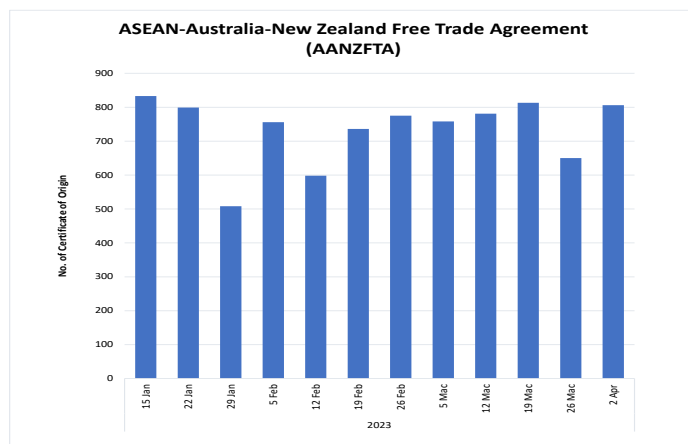
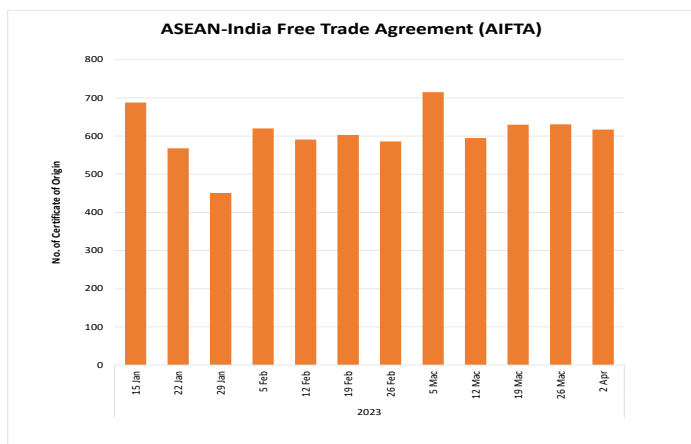
# Regional FTA

## Number of Preferential Certificates of Origin (PCOs) as at 2 April 2023



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

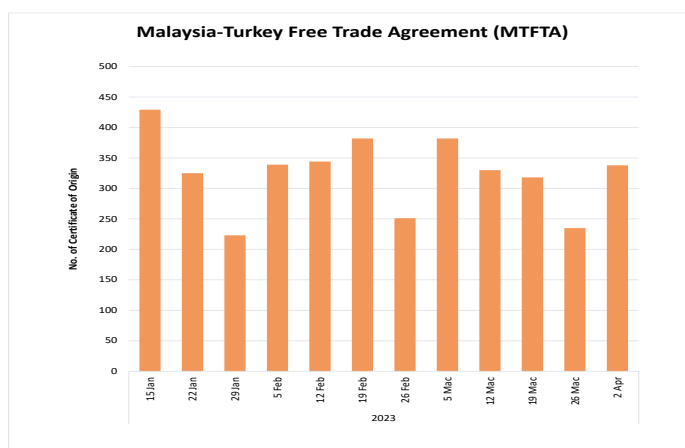
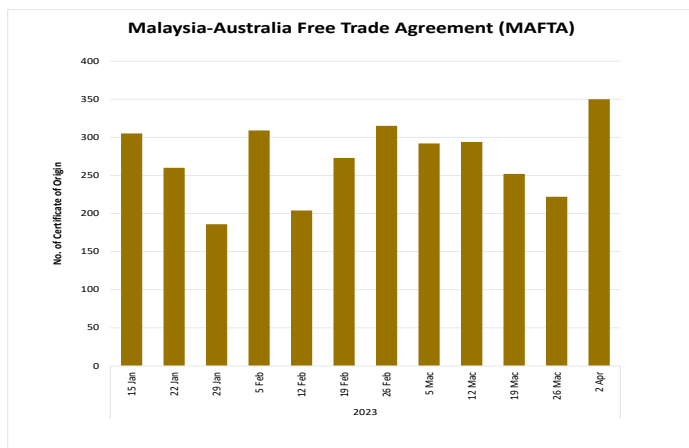
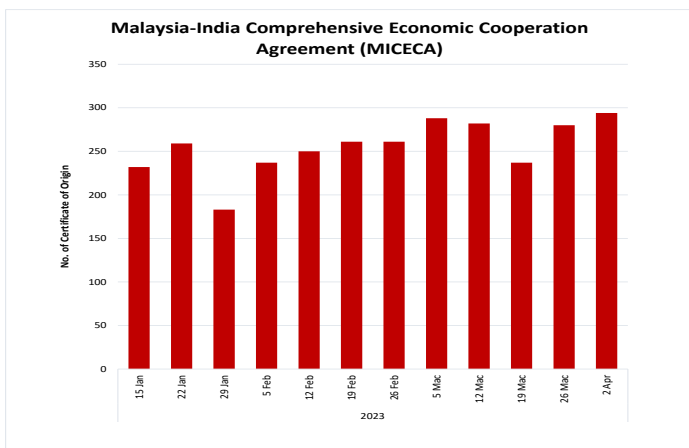
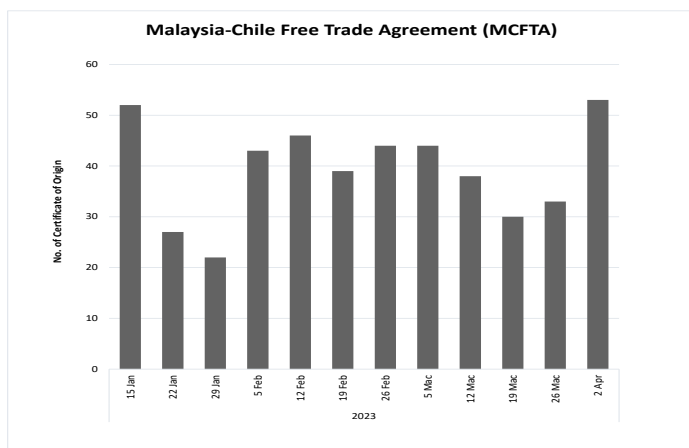
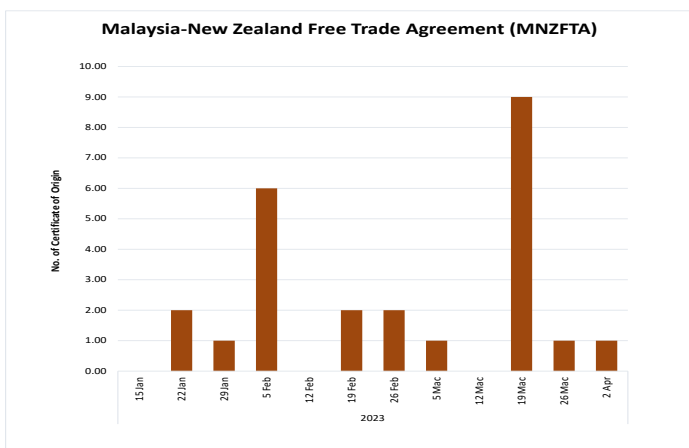
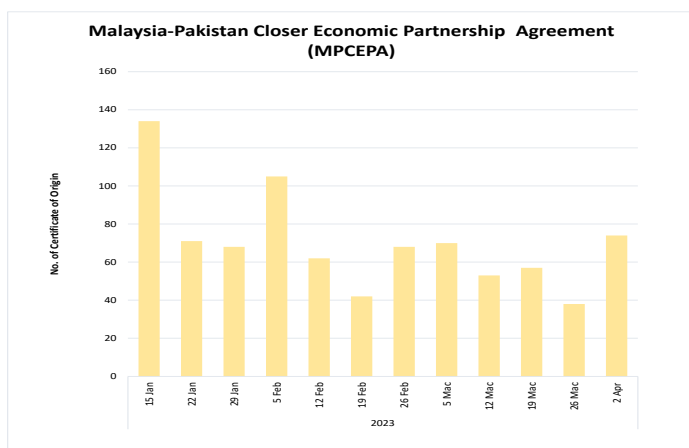
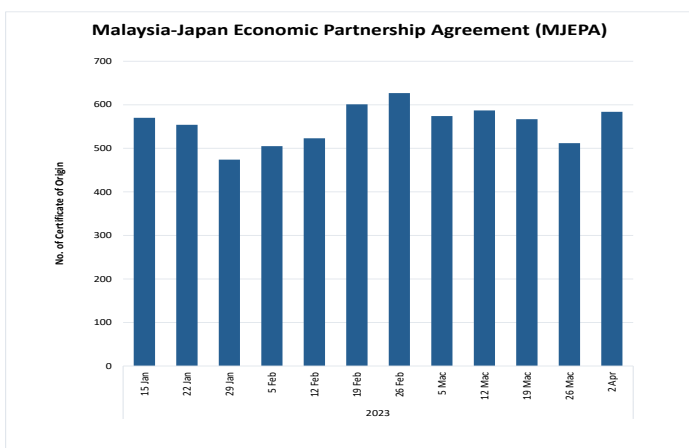
# Regional FTA Number of Preferential Certificates of Origin (PCOs) as at 2 April 2023



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

# Bilateral FTA

## Number of Preferential Certificates of Origin (PCOs) as at 2 April 2023

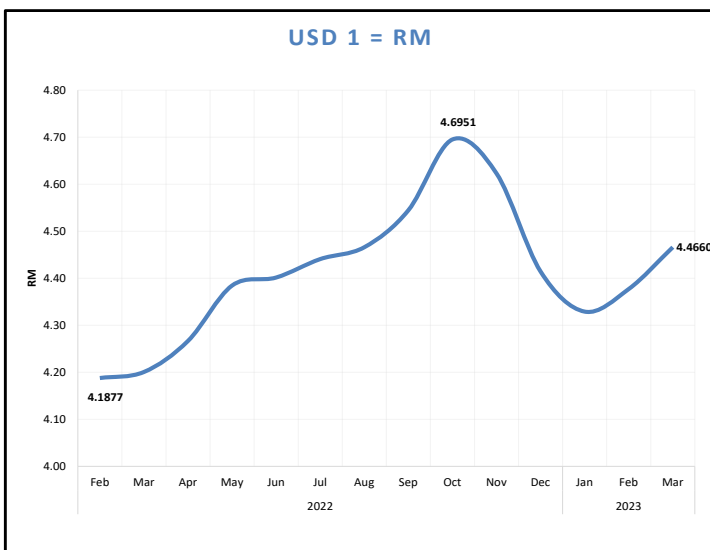


Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

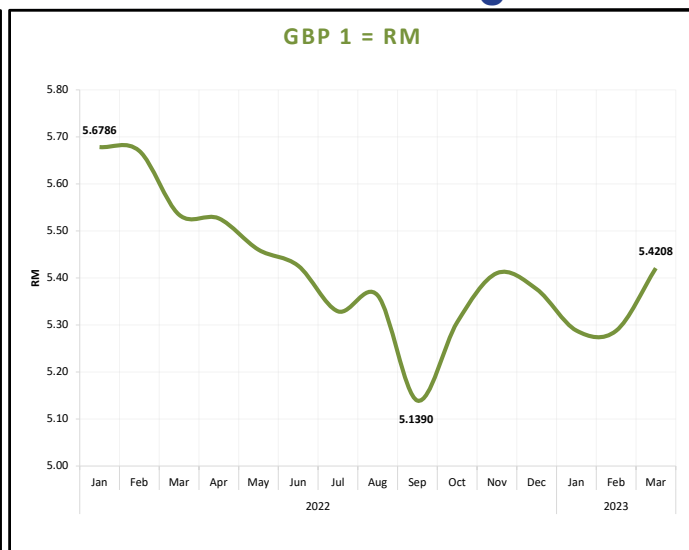


# Malaysian Ringgit Exchange Rate with Selected Countries, January 2022 - March 2023

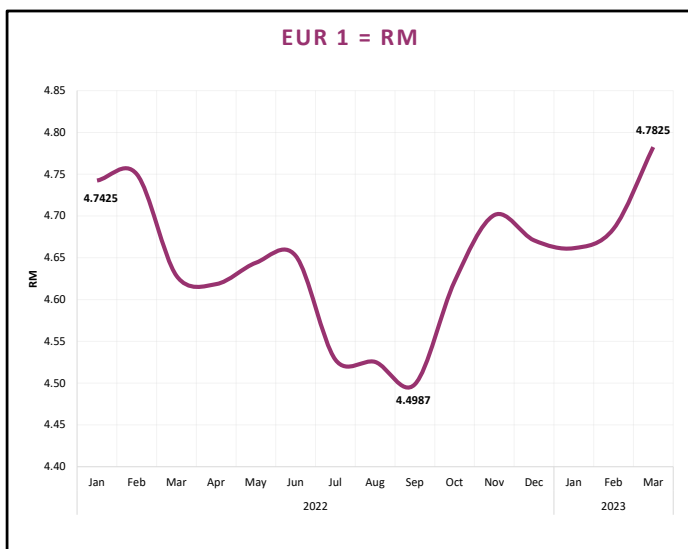
## US Dollar



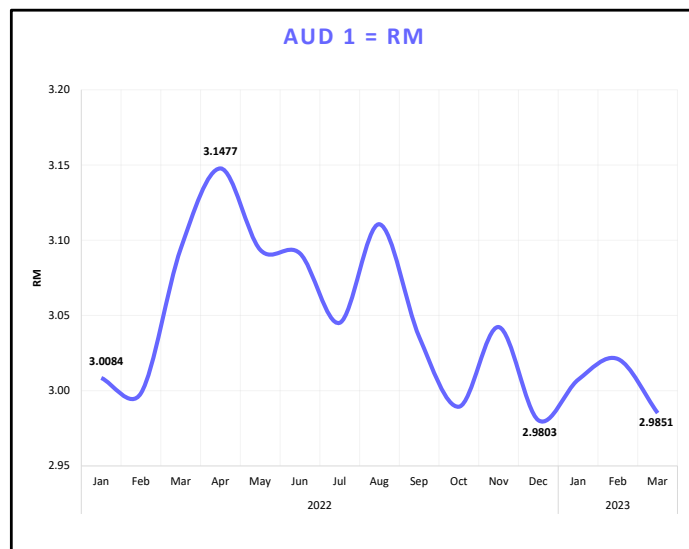
## Pound Sterling



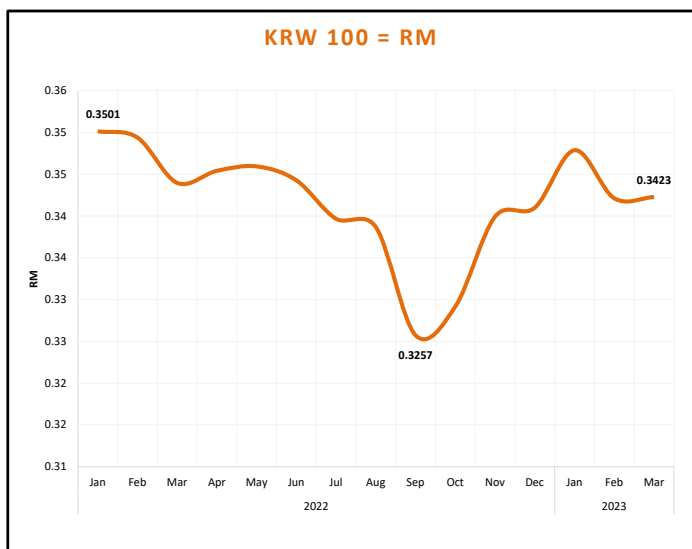
## Euro



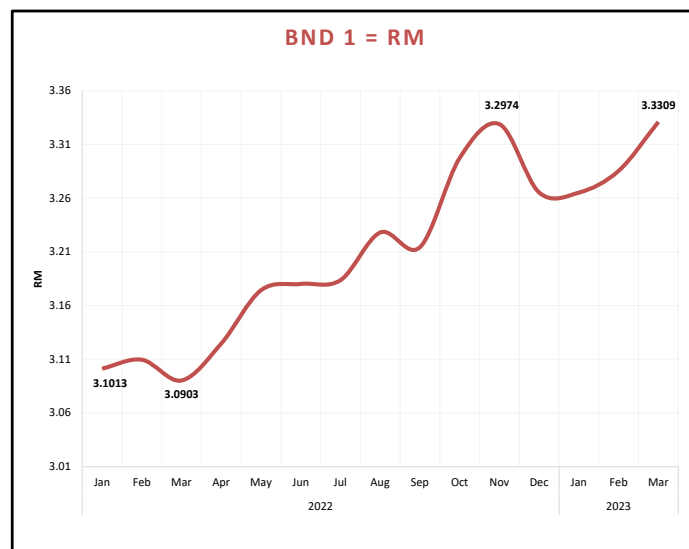
## Australian Dollar



## South Korean Won



## Brunei Dollar



Source : Bank Negara Malaysia

# Commodity Prices

## CRUDE PETROLEUM (BRENT) -per bbl-



▲ 6.7%\*  
US\$85.1  
6 Apr 2023

Highest  
2022/2023  
20 Jan 2023 : US\$87.6  
10 June 2022 : US\$122.0  
17 March 2023 : US\$73.0  
9 Dec 2022 : US\$76.1  
Lowest  
2022/2023

Average Price 2022<sup>i</sup>: US\$99.4

## CRUDE PALM OIL -per MT-



▲ 1.6%\*  
US\$956.4  
6 Apr 2023

Highest  
2022/2023  
3 Mar 2023 : US\$964.5  
11 Mar 2022 : US\$1,774.7  
3 Feb 2023 : US\$877.4  
30 Sep 2022 : US\$715.6  
Lowest  
2022/2023

Average Price 2022<sup>i</sup>: US\$1,171.6

## RUBBER SMR 20 -per MT-



▼ 1.6%\*  
US\$1,344.0  
6 Apr 2023

Average Price 2022<sup>i</sup>: US\$1,549.9

## COCOA SMC 2 -per MT-



▲ 2.3%\*  
US\$1,861.7  
6 Apr 2023

Average Price 2022<sup>i</sup>: US\$1,564.5

## SUGAR -per lbs-

▲ 4.2%\*  
US\$23.2  
6 Apr 2023



Average Price 2022<sup>i</sup>: US\$18.8

## COAL -per MT-



▼ 2.0%\*  
US\$135.1  
6 Apr 2023

Average Price 2022<sup>i</sup>: US\$290.8

## SCRAP IRON HMS -per MT-

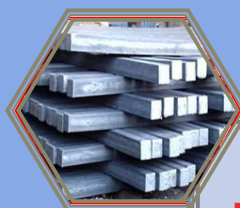


▲ 1.0%\*  
US\$415.4  
(high)  
February 2023  
▲ 4.3%\*  
US\$385.6  
(low)

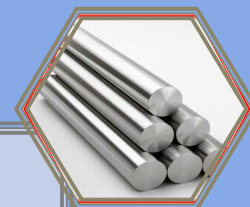
Average Price 2022<sup>i</sup>: US\$469.9 (high)  
Average Price 2022<sup>i</sup>: US\$426.3 (low)

## Domestic Prices

### February 2023



**Billets**  
(per MT)  
RM2,625 - RM2,713

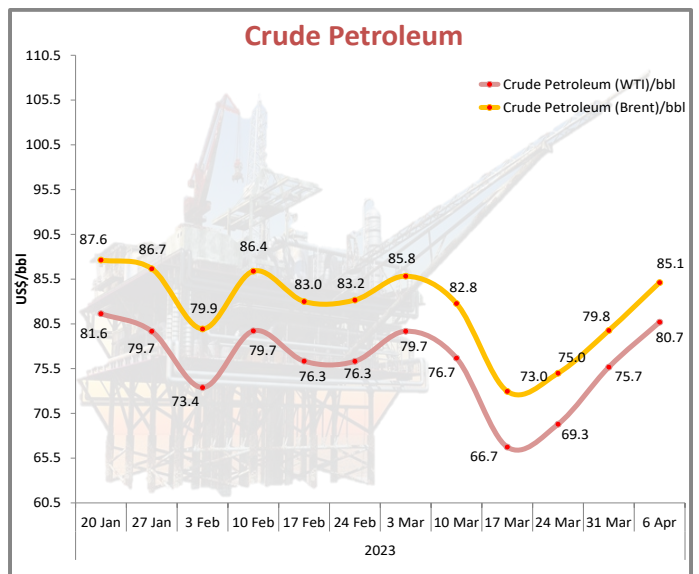
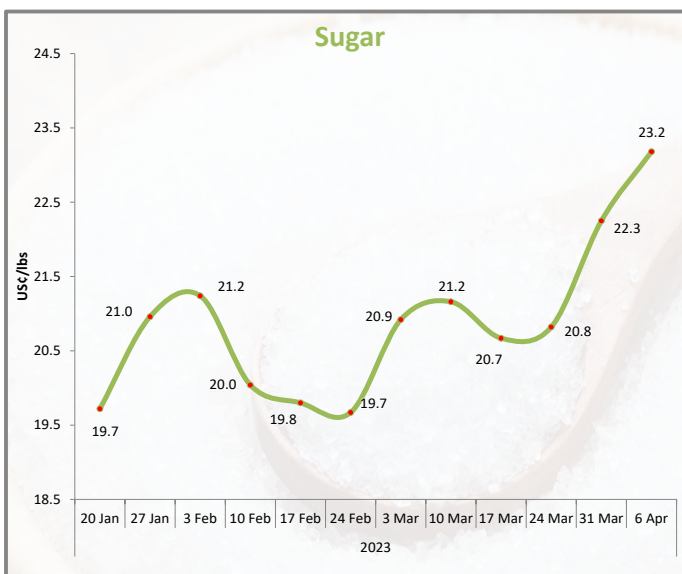
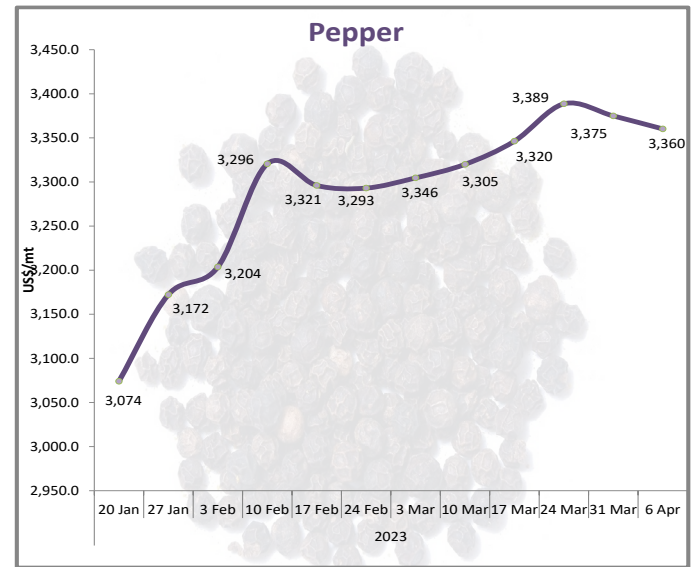
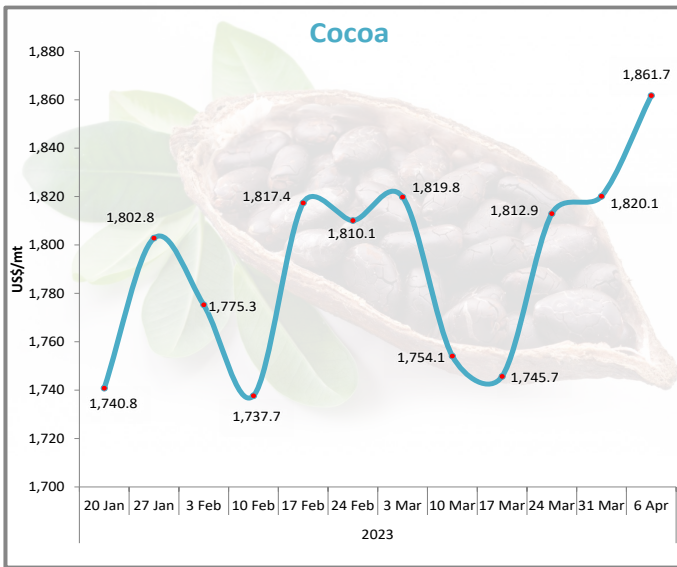
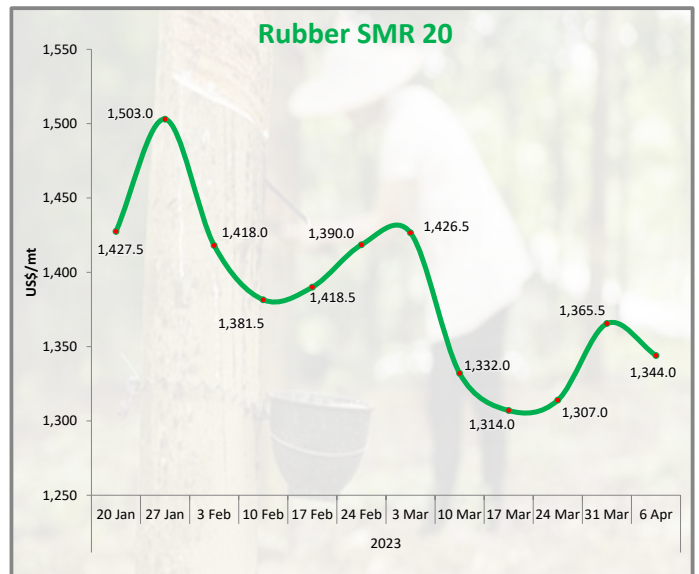
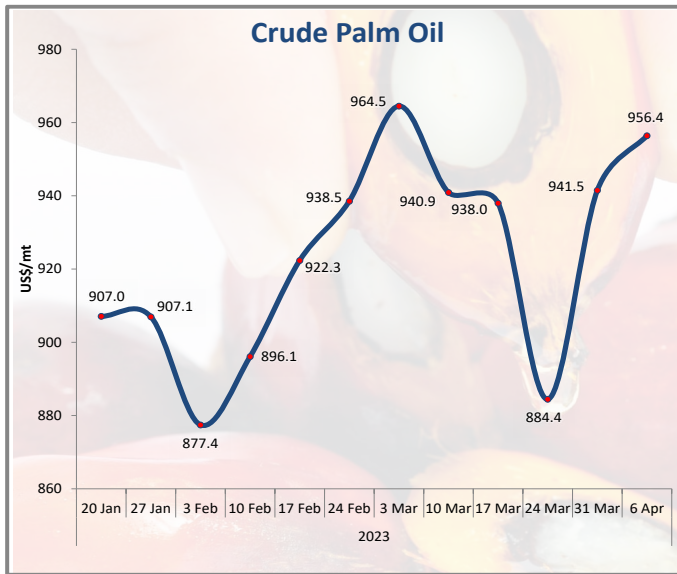


**Steel Bars**  
(per MT)  
RM2,822 - RM2,905

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

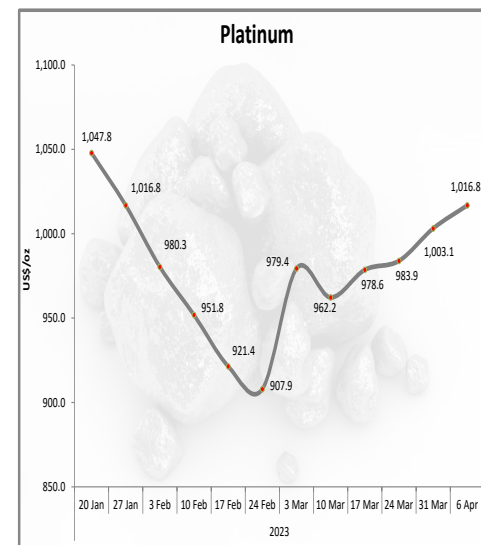
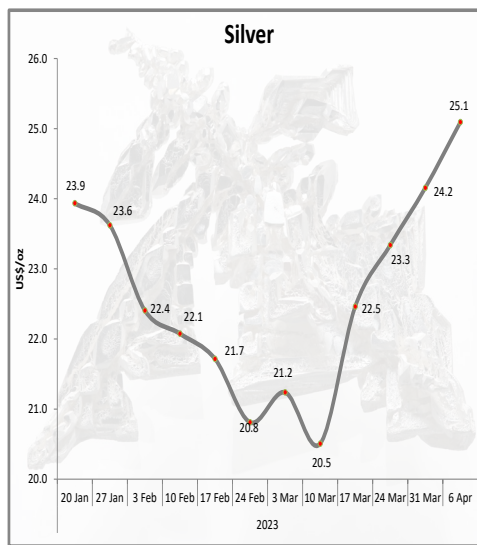
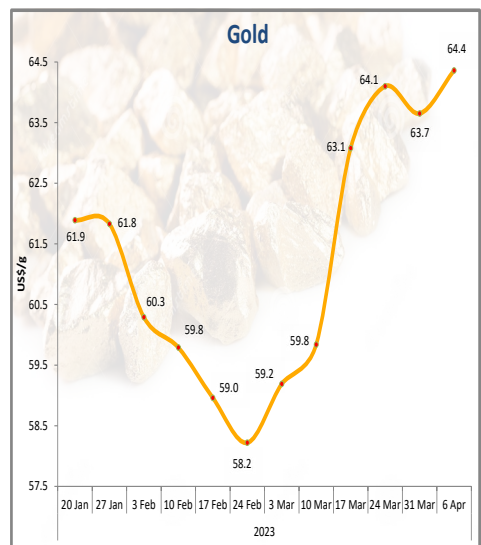
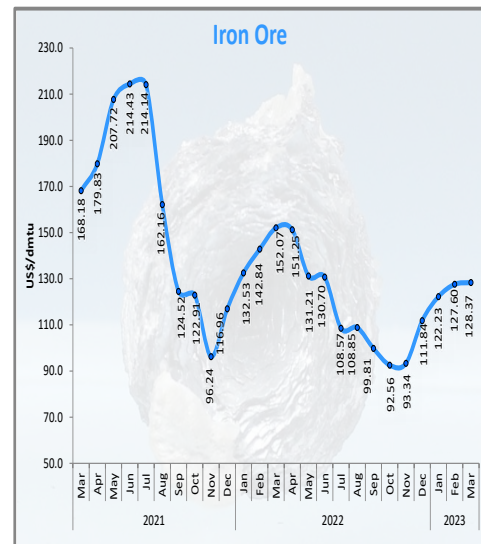
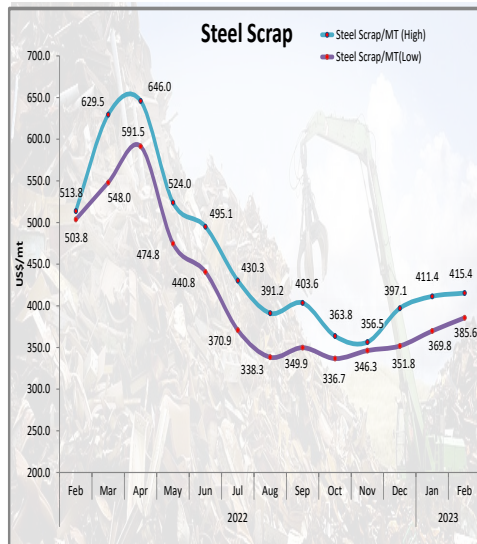
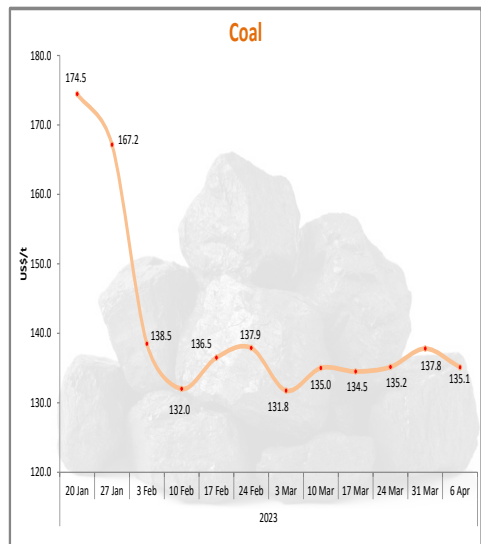
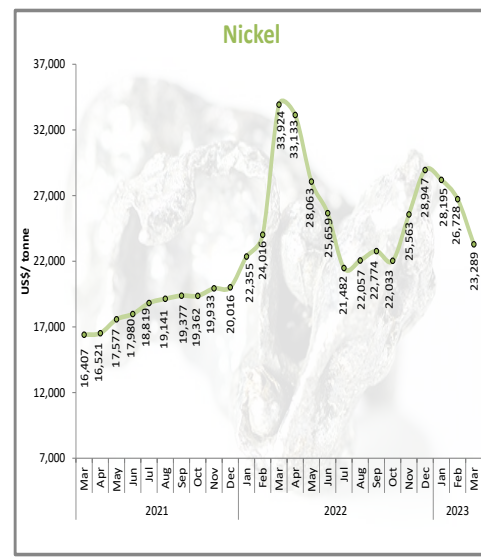
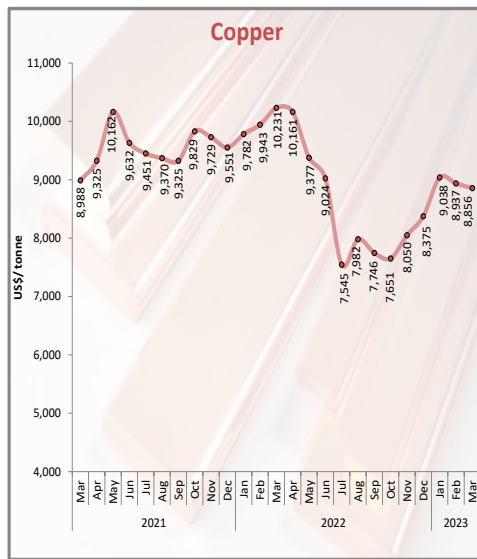
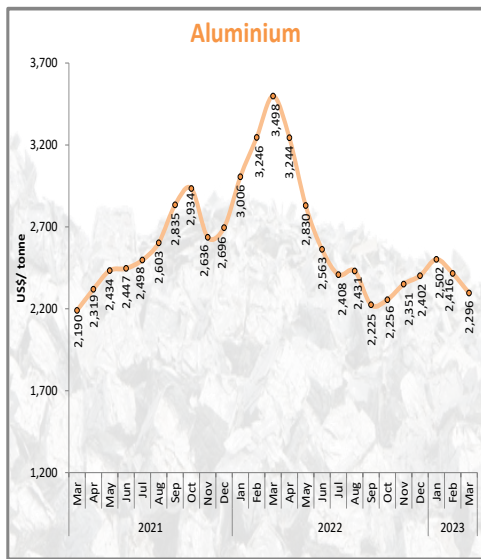
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

# 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 Czarikow Group, World Bank, World Gold Council, The Wall Street Journal.

# 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

### 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 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

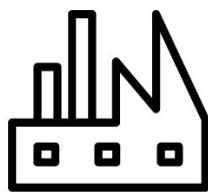


MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

# 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
- ✓ Valid registration and business licences
- ✓ Company has at least 60% local equity
- ✓ In operation for more than 3 years

### What are the benefits?



Identify areas of improvement in terms of people, process and technology.



Receive comprehensive readiness report.



Be entitled to apply for financial incentives.



## Process Flow

A FEW SIMPLE STEPS

- ### Incentives for RA
- Government-funded assessment for eligible SMEs.
  - Others will get tax exemption on RA fees up to RM27k.



- ### Enquiries
- General: [i4.0@miti.gov.my](mailto:i4.0@miti.gov.my)
  - RA: [industry4wrд@mpc.gov.my](mailto:industry4wrд@mpc.gov.my)



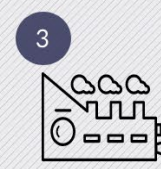
Readiness Assessment



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- ✓ Introduction to FTAs
- ✓ Introduction to Preferential Certificate of Origin (PCO)
- ✓ Introduction to Strategic Trade Act 2010

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