



MINISTRY OF INTERNATIONAL  
TRADE AND INDUSTRY

# MITI WEEKLY BULLETIN

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**MALAYSIA**  
CHAIRMAN OF  
**ASEAN 2015**

OUR PEOPLE, OUR COMMUNITY, OUR VISION



## MITI in the News

### The National Automotive Policy 2014 ACHIEVEMENT AND UPDATES



YB Dato' Sri Mustapa Mohamed today announced the achievement and updates of the implementation of the National Automotive Policy (NAP) 2014. The NAP was introduced in January 2014. The Minister of International Trade and Industry reiterated that the key objective of the policy is to transform Malaysia into the ENERGY EFFICIENT VEHICLE (EEV) hub by 2020.

The Minister recapped that the focus towards EEV is to make Malaysia the ASEAN hub for EEV, developing the research and development capabilities for right hand drive (RHD) vehicles and related technologies, such as fuel efficiency, light material, telematics, tooling and component design.

The Minister said that Malaysia's Total Industry Volume (TIV) has further grown by 1.6% in 2014, recording a total industry volume of 666,465 units, compared with 655,793 units in the previous year. Investments approved in the automotive manufacturing sector totalled RM11.5 billion and RM2.6 billion in the after sales and services sectors.

From these investments, a total of RM4.9 billion was realized as at end 2014, increasing the vehicle production capacity by 70,000 units a year. These investments had started in 2013 and will be completed by 2018, resulting in an increase in the existing production capacity from 600,000 units to 923,000 units. A total of eight vehicle manufacturers are involved in these investments.

In line with the Barisan Nasional Manifesto, Dato' Sri Mustapa added that the average car price dropped by 7.01% across all models and variants introduced in 2014. Comparisons were made between the new and previous on-the-road prices. In 2013, average

car prices reduced by 4.97%. The lower car prices benefitted some 72.5% of car buyers in 2014.

On the EURO 4 fuel implementation, Dato' Sri Mustapa explained the different timelines for the introduction of petrol and diesel. The Euro 4 for Ron 97 petrol will be introduced in September 2015, nationwide, while Ron 95 will be implemented in 2018. Sales of Euro 5 diesel have already begun at 12 fuel stations in Johor. The Minister also said that Euro 5 diesel will be introduced to other states this year.

In terms of talent development, the Minister said a total of 8,075 people were trained by the Malaysia Automotive Institute (MAI). Almost all of these trainees had secured jobs in the automotive industry at salaries about 25% higher than the industry average. In total, the automotive industry created 21,072 new jobs in 2014, comprising mostly technicians, skilled and semi-skilled workers and engineers.

The competitiveness of the automotive suppliers had also improved through

the implementation of the Lean Production System (LPS) and Automotive Supplier Excellence Programme (ASEP) under MAI. These initiatives had improved productivity by 21.5% and generated cost savings of RM 601.3 million among 277 vendors.

On the development of technology, 21 technology projects were initiated as at end 2014 with a value of about RM 39.9 million. A total of 4 projects have been commercialized by December 2014.

The NAP 2014 also aims to develop the Bumiputera talent in the automotive sector and to increase their participation in the industry. Several initiatives have commenced involving workshop transformation, establishing new motorcycle dealerships, automotive remanufacturing and others. As at 2014, the 250 participating companies enjoyed cumulative additional revenues of RM83.6 million.

Ministry of International  
Trade and Industry  
30 January 2015

"DRIVING Transformation, POWERING Growth"



# MY ASEAN INTERNSHIP



A collaboration between the Ministry of International Trade and Industry (MITI) and TalentCorp, MY ASEAN Internship aims to increase awareness of ASEAN among youth in Malaysia.

The programme enables Malaysian students in local universities to intern with leading employers at various ASEAN locations, and ASEAN students in Malaysian universities to intern in Malaysia.

MY ASEAN Internship is aimed at increasing overall awareness on ASEAN among youth in Malaysia and looks to place 100 high-achieving students from Malaysian universities as interns in Malaysian companies with regional operations within ASEAN countries. Meanwhile, ASEAN youth studying in Malaysian universities will intern in Malaysia.

The programme was first mooted by the Minister of International Trade and Industry YB Dato' Sri Mustapa Mohamed during the ASEAN Economic Community 2015 Dialogue on 7 August 2014 as a means of broadening perceptions of ASEAN, particularly among Malaysian youth. It was officially announced by the Prime Minister of Malaysia YAB Dato' Sri Najib Tun Razak at the Business Leaders Dialogue organised by the Economic Planning Unit, the Securities Commission Malaysia (SC) and TalentCorp on 26 August 2014.

The pioneer group of employers participating in this programme comprises 12 leading organisations with business operations in one or more ASEAN countries. They are Air Asia, Axiata, BDO, CIMB, Digi, GE, Maybank, Nestle, Securities Commission Malaysia, Sime Darby, Sunway, and ZICOLaw.

The programme is open to all penultimate or final year Malaysian and ASEAN students in public and private Malaysian universities with a minimum cumulative GPA of 3.0 or equivalent. Additionally, students who have completed their studies within six months are eligible to apply for the programme. Successful applicants will be offered a 10-week internship starting July 2015 at the participating companies' offices in ASEAN and Malaysia.

To participate in the MY ASEAN Internship, visit [Ready4Work.my](http://Ready4Work.my). Applications open on 10 February 2015.

Source : MITI

# MALAYSIA

## Labour Force Market, November 2014

**Labour Force ('000)**  
**14,082.9**

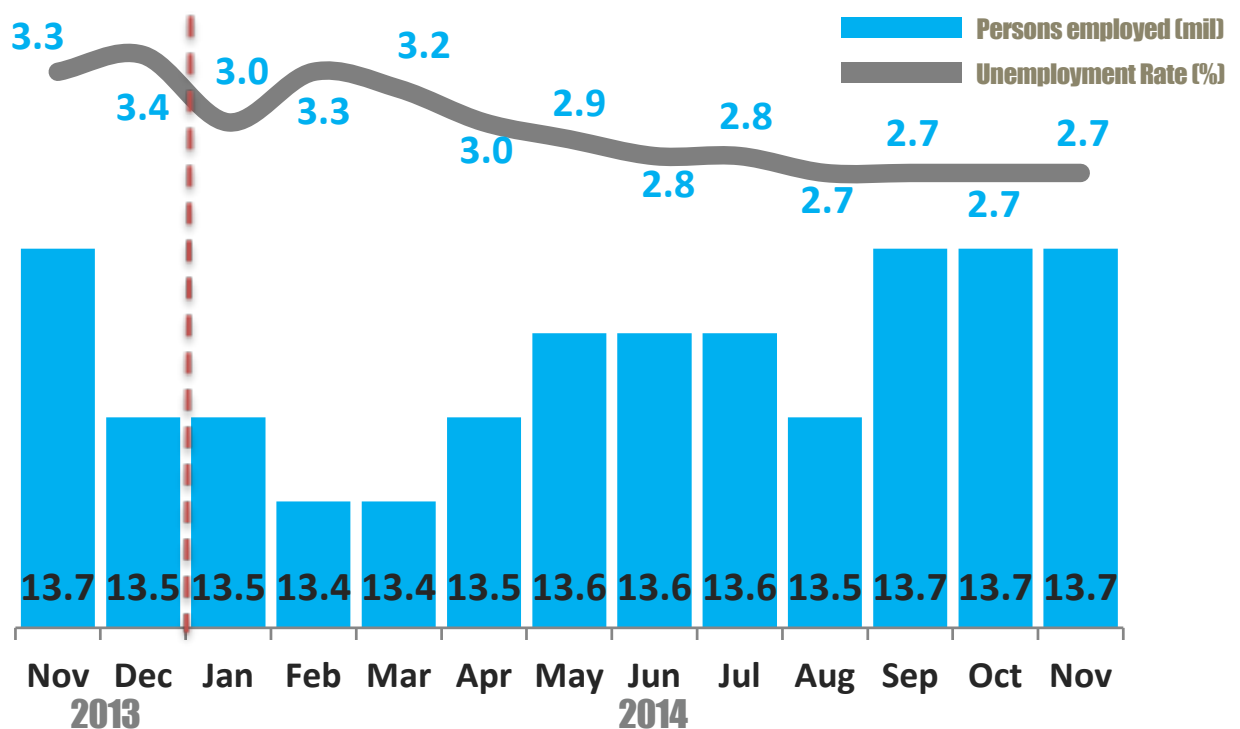
**Employed ('000)**  
**13,707.8**  
**(97.3%)**



**Unemployed ('000)**  
**375.1**  
**(2.7%)**

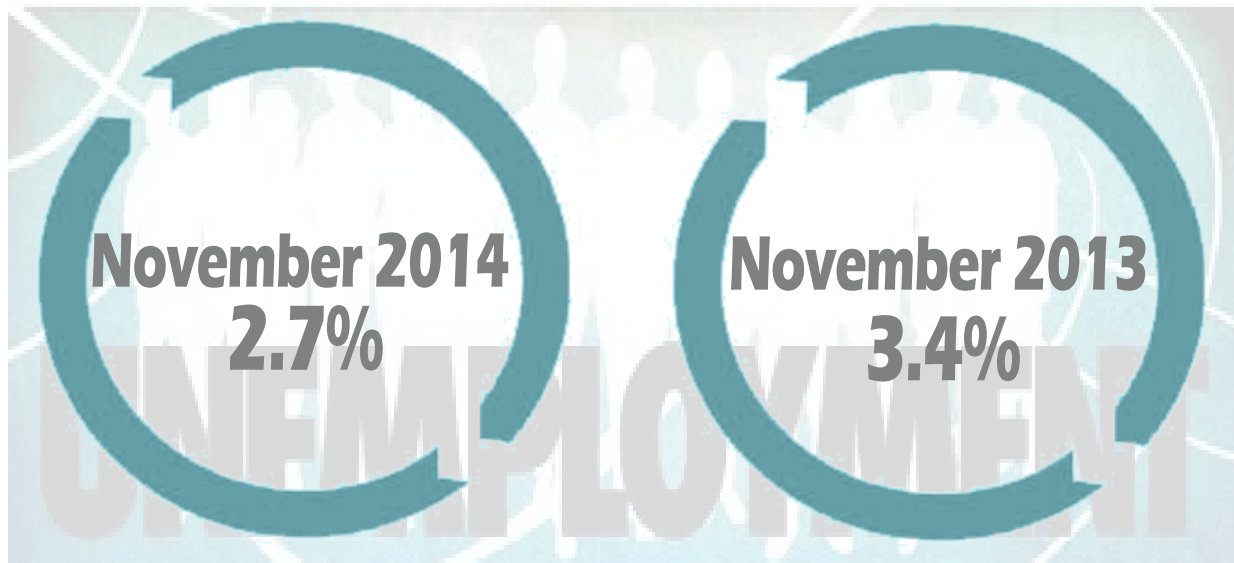
**Note :**  
**Labour Force:** Those who are in the 15-64 age group who are either employed or unemployed

## Persons Employed and Unemployment Rate November 2013 - November 2014



**Note:** Unemployment rate is the proportion of unemployed population to the total population in labour force  
**Source :** Department of Statistics, Malaysia

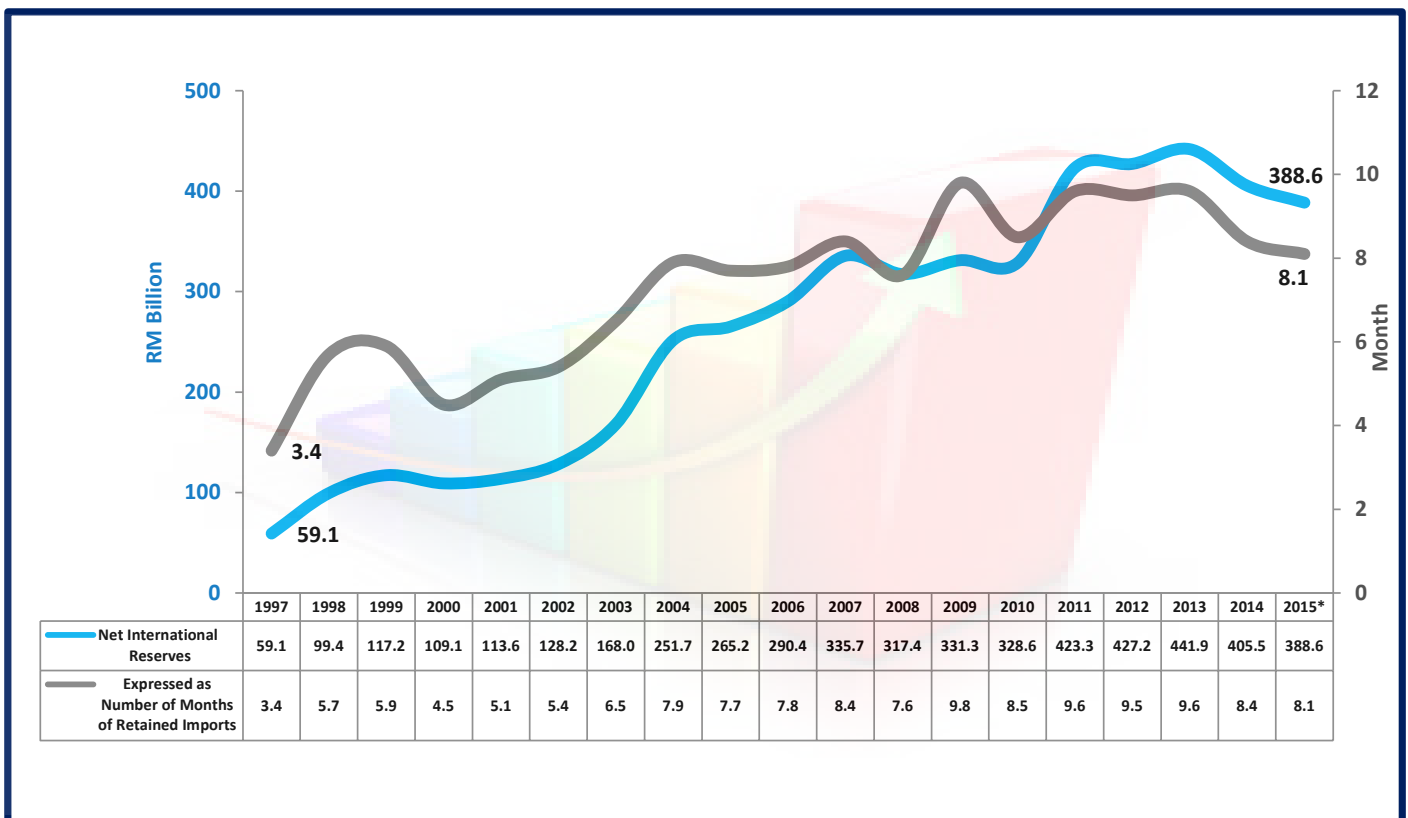
# Unemployment Rate



% change **↓0.7%**

Source : Department of Statistics, Malaysia

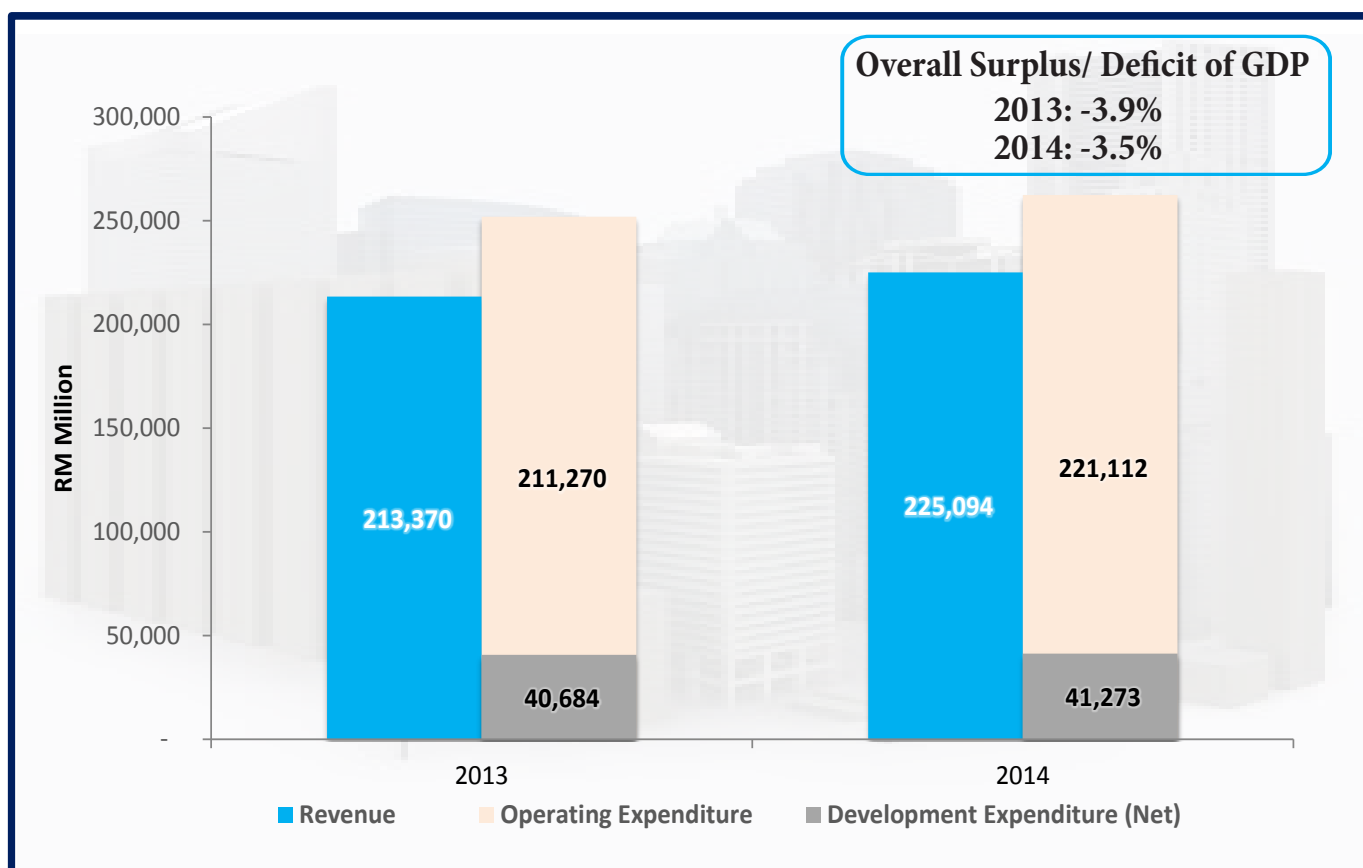
## Net International Reserves (1997-2015)



Note: \* as at 15 Jan 2015  
Source : Bank Negara, Malaysia



# Federal Government Finance



Note: GDP at Current Prices , 2014: RM1,078,176 mil 2013:RM986,733 mil.  
Source : Bank Negara, Malaysia

## Malaysia Economy: Issues and Prospects

### Global growth to improve in 2015, but downside risks have risen

Real GDP (Annual change, %)	2014 <sup>e</sup>	2015 <sup>f</sup>	2016 <sup>f</sup>
<b>Global Growth</b>	<b>3.3</b>	<b>3.5</b>	<b>3.7</b>
<b>Advanced economies</b>	<b>1.8</b>	<b>2.4</b>	<b>2.4</b>
US	2.4	3.6	3.3
Euro area	0.8	1.2	1.4
Japan	0.1	0.6	0.8
UK	2.6	2.7	2.4
<b>Emerging market economies</b>	<b>4.4</b>	<b>4.3</b>	<b>4.7</b>
Emerging Asia	6.5	6.4	6.2
PR China	7.4	6.8	6.3
ASEAN-5 <sup>2/</sup>	4.5	5.2	5.3

#### 1. Global growth to improve in 2015

- While growth for the euro area and Japan remain subdued, growth in the US is expected to improve

#### 2. Oil price has declined by 58% since June 2014

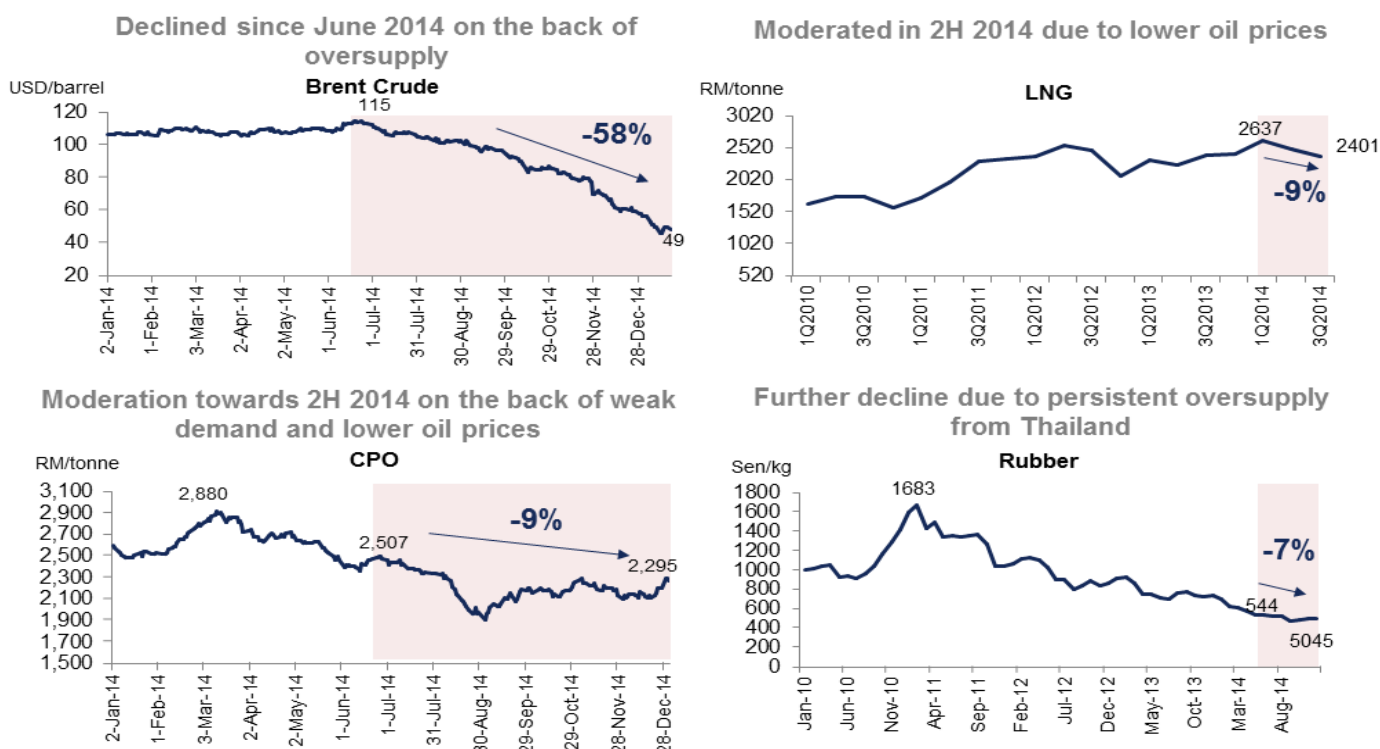
#### 3. Heightened financial market volatility amid uncertainty on the magnitude and persistence of oil price decline

<sup>1/</sup> Excludes the G7 (Canada, France, Germany, Italy, Japan, UK, US) and euro area countries

<sup>2/</sup> Refers to Indonesia, Malaysia, Philippines, Thailand and Vietnam

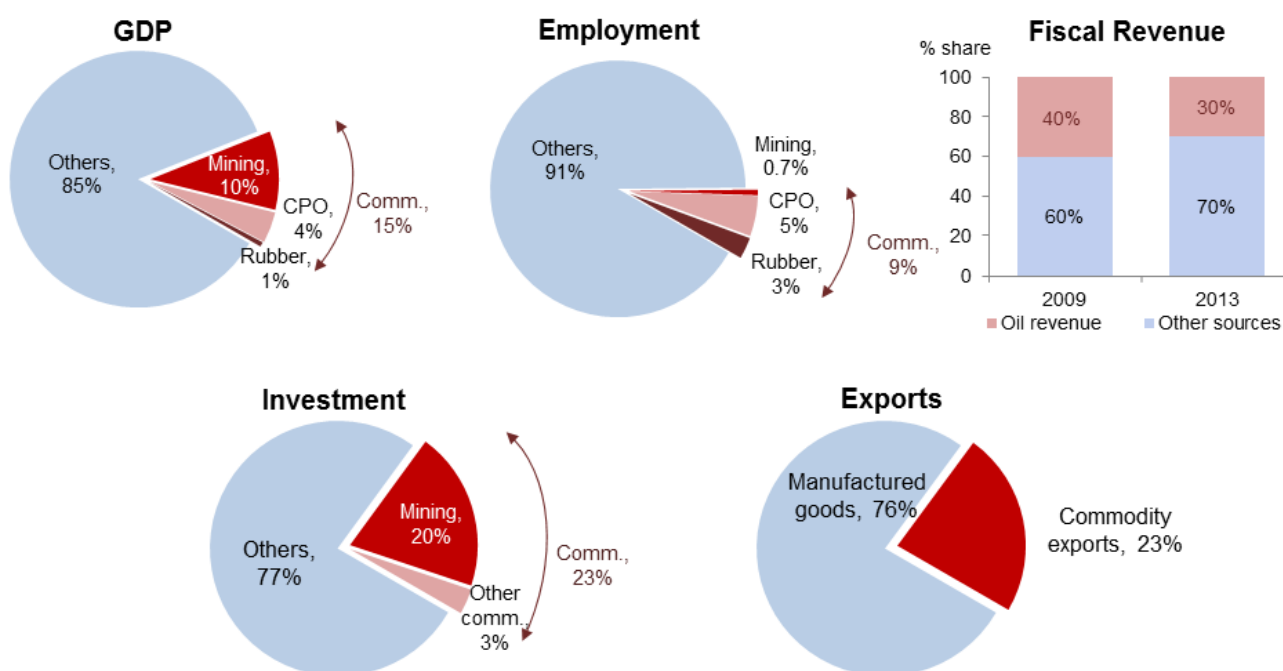
Source: IMF WEO (Jan 2015 Update)

## Significant price decline across commodities



Source : MPOB, Bloomberg, Malaysian Rubber Board, MATRADE, DOSM

## Malaysia is not an oil economy

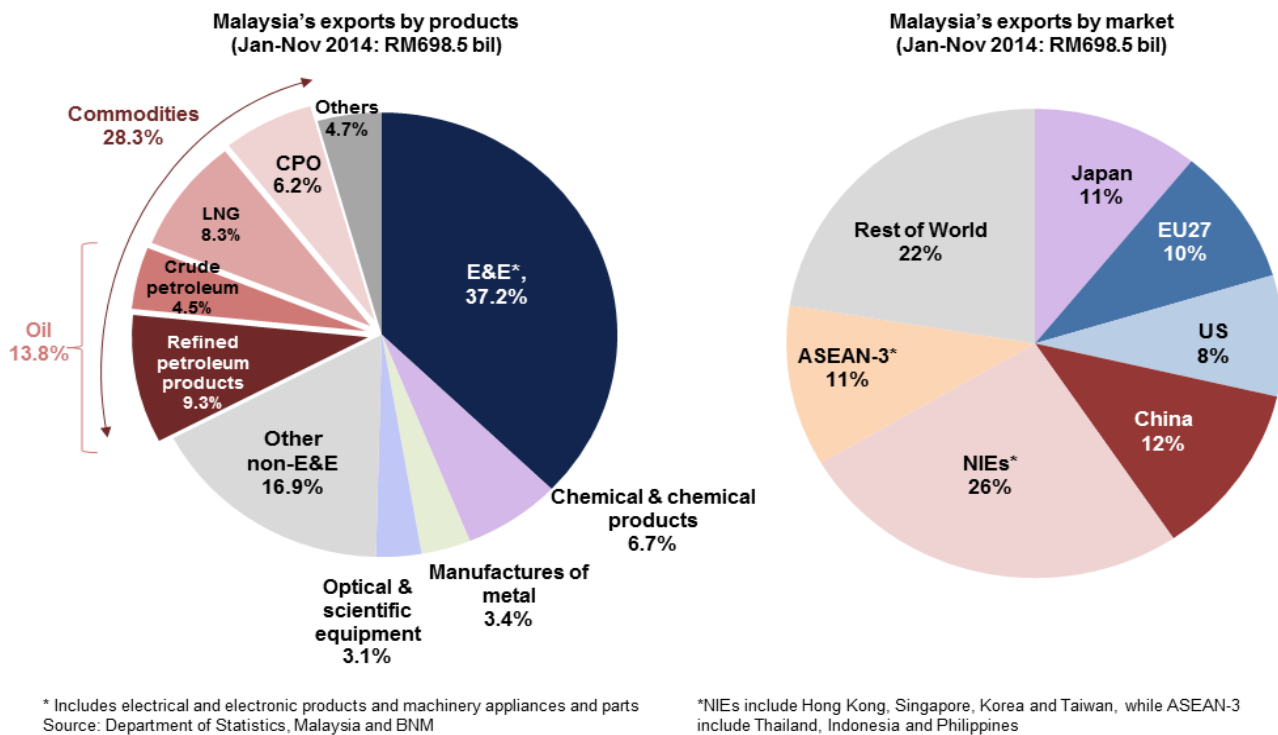


Note: All data reflect 2013 figures

Source : Department of Statistics, Malaysia and BNM

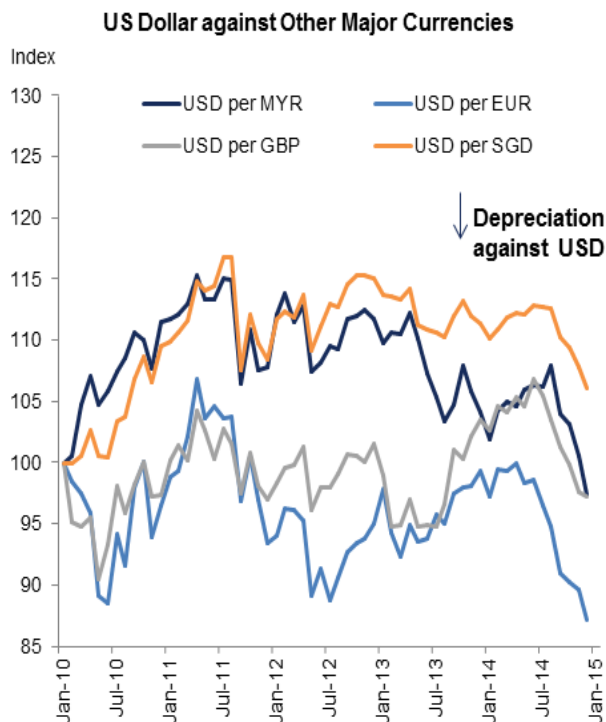
MITI Weekly Bulletin / [www.miti.gov.my](http://www.miti.gov.my)

## Malaysia's exports are diversified across both products and markets



## Currencies depreciated mainly on the strength of USD

### Most currencies have depreciated against the US dollar



#### 1. The US dollar has been on rising trend due to:

- Continued economic recovery
- Expectations of monetary policy normalisation
- Status as safe heaven currency, amid heightened uncertainties in other parts of the world

#### 2. Out of 147 countries, 120+ currencies have depreciated, while only 20 have strengthened.

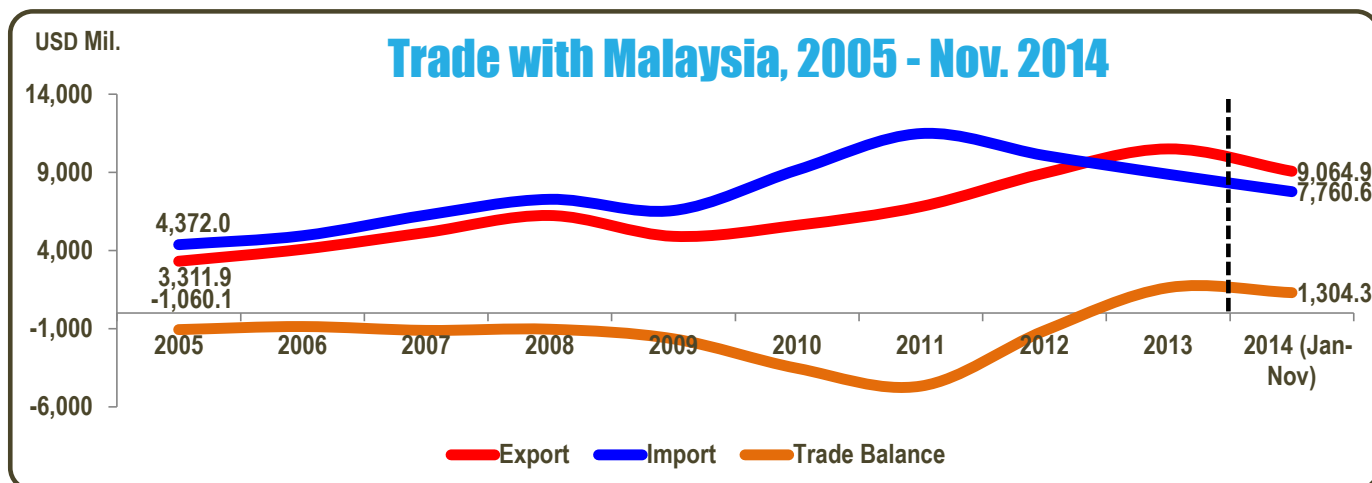


# "ASEAN and You"



**State visit of H.E. Joko Widodo  
President of the Republic of Indonesia  
to Malaysia  
from 5<sup>th</sup> - 7<sup>th</sup> February 2015**

## Indonesia Economic Indicators



**Area**  
1,904,569 km<sup>2</sup>  
735,358 sq mi

**Population**  
Total Population  
252,164,800  
2014 estimate

**External Trade**

(Q4 2014)  
Exports: US\$ 43,586.5 mil.  
Imports: US\$ 43,804.1 mil.  
Total Trade : US\$ 87,390.6 mil.

**National Account**

**GDP Growth Rate**  
4.9% ( Q3 2014)

**Prices**

**Inflation Rate**  
6.96% (Jan 2015)

**Financial Account (Q2 2014)**

**Net Foreign Direct Investment**  
US\$ 6,691.2 mil.

**Labour**

**Unemployment Rate**  
5.94% (Q2 2014)

"DRIVING Transformation, POWERING Growth"



# Save the Date...

## ASEAN-OECD Conference And Meetings On Good Regulatory Practice



Our People. Our Community. Our Vision  
**MALAYSIA 2015**



# OECD

BETTER. POLICIES. FOR BETTER LIVES

The government of Malaysia, as the 2015 Chair of ASEAN together with the Organisation for Economic and Co operation Development (OECD) as its knowledge partner will host three events on 9-12 March 2015 to assist embedding Good Regulatory Practice (GRP) across ASEAN in 2015:

### Monday 9 March 2015: ASEAN OECD Centres of Government Meeting (by invitation)

Hosted by the Chief Secretary to the Government of Malaysia, this high level meeting will focus on the role of GRP to drive more responsive public administration. The meeting will bring together the Heads of Public Administrations, Prime Minister's Offices, Cabinet Secretaries, and Secretaries-General of the Government from across ASEAN and OECD countries.

### Tuesday 10 – Wednesday 11 March 2015: ASEAN-OECD GRP Conference

The conference will provide a high-level platform to initiate a broader agenda on GRP within ASEAN that can support closer intra- and inter-regional connectivity and economic integration. The conference will bring together government officials and regulators from AMS and OECD countries, representatives of business and civil society, academia, regional and international organisations.

### Thursday 12 March: ASEAN OECD Good Regulatory Practices Network Meeting (by invitation)

Chaired by Malaysia and New Zealand, this meeting will provide a government-to-government discussion on advancing the GRP agenda nationally as well as regionally. The meeting will bring together senior officials responsible for GRP initiatives in individual AMS, with the support of OECD peers.

More detailed information, including an agenda, invite and registration forms will be forthcoming in early 2015. For further information please contact: [2015GRPConference@oecd.org](mailto:2015GRPConference@oecd.org)

# GOOD REGULATORY PRACTICE (GRP)

## SEVEN ELEMENTS

of

### REGULATORY IMPACT ANALYSIS (RIA)



## International Report

### USA Economic Indicators



**GDP**  
**2.6 %**  
 (GDP Q4 2014,  
 Advance Estimate)

**Inflation Rate**  
**Dec 2014**  
**0.76%**

**Consumer Price**  
**Index**  
**Dec 2014**  
**234.8**

**Unemployment Rate**  
**Dec 2014**  
**5.6%**

**Producer Price**  
**Index**  
**Dec 2014**  
**- 0.3(P)\***

\*Note:  
 Preliminary – All indexes are subject to revision four months after original publication

Source: MTI Washington, D.C.



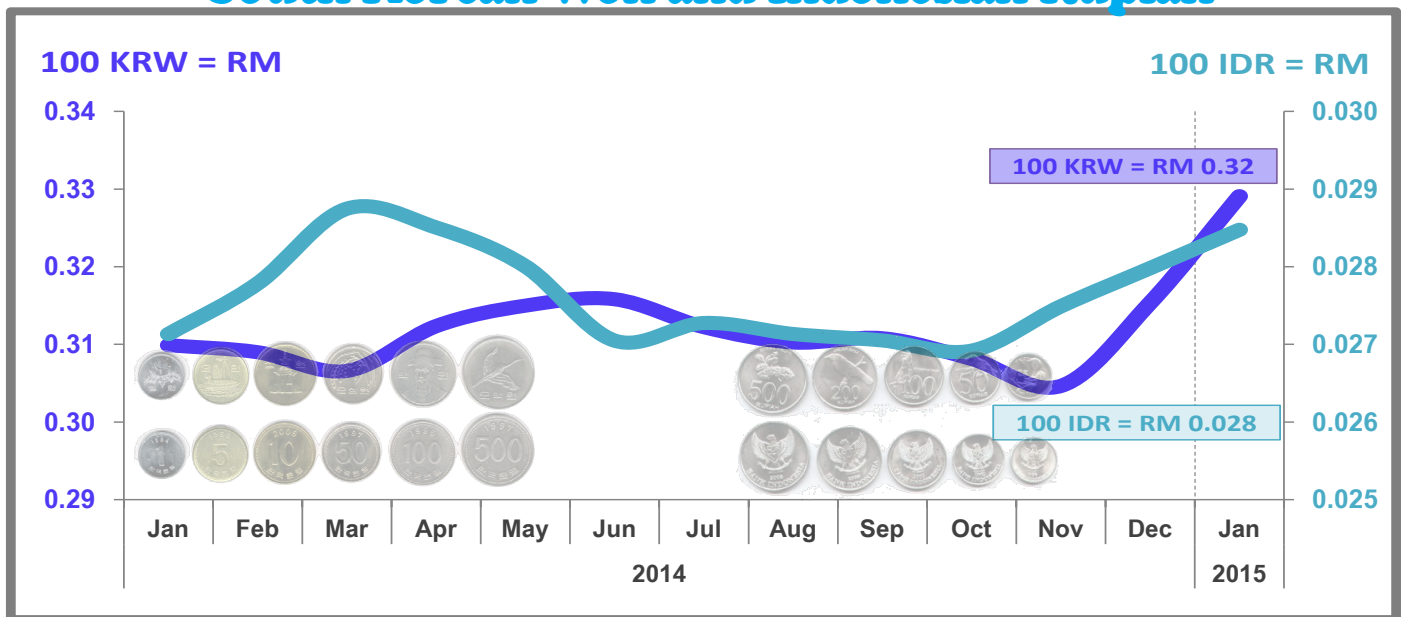
## Top 20

### Global liveability index for Asian expatriates Ranking of Asian locations

Location	Asia Rank 2014	Asia Rank 2015	World Rank 2015
Singapore	1	1	1
Osaka	2	2	4
Nagoya	3	3	7
Tokyo	4	4	11
Yokohama	4	4	11
Hong Kong	6	6	33
Taipei	7	7	65
Busan	8	8	76
Macau	9	9	86
Seoul	10	10	93
Kaohsiung	11	11	101
Ulsan	12	12	103
Shanghai	15	13	110
Bangkok	13	14	112
Chiang Mai	13	14	112
George Town	17	16	118
Kuala Lumpur	16	16	118
Beijing	19	18	122
Suzhou	18	19	124
Johor Bahru	21	20	126

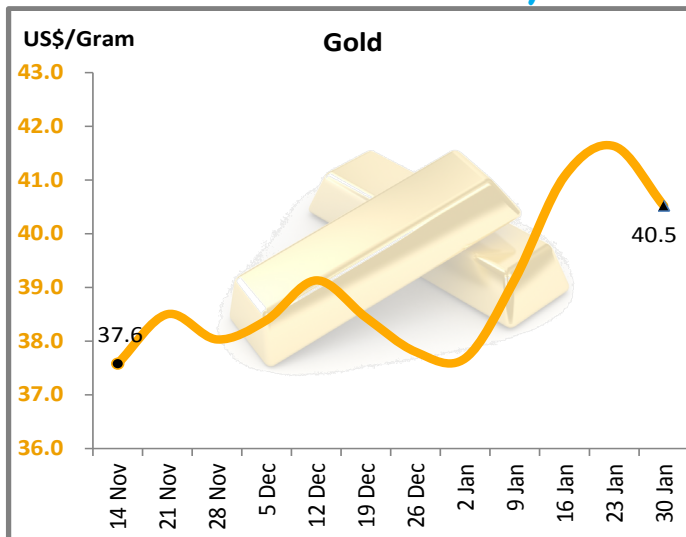
“DRIVING Transformation, POWERING Growth”

# Malaysian Ringgit Exchange Rate with South Korean Won and Indonesian Rupiah

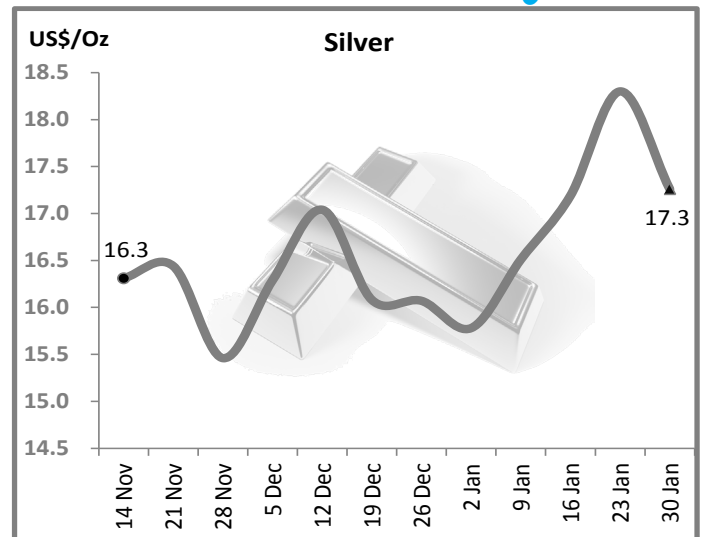


Source : Bank Negara, Malaysia

## Gold and Silver Prices, 14 November 2014 - 30 January 2015

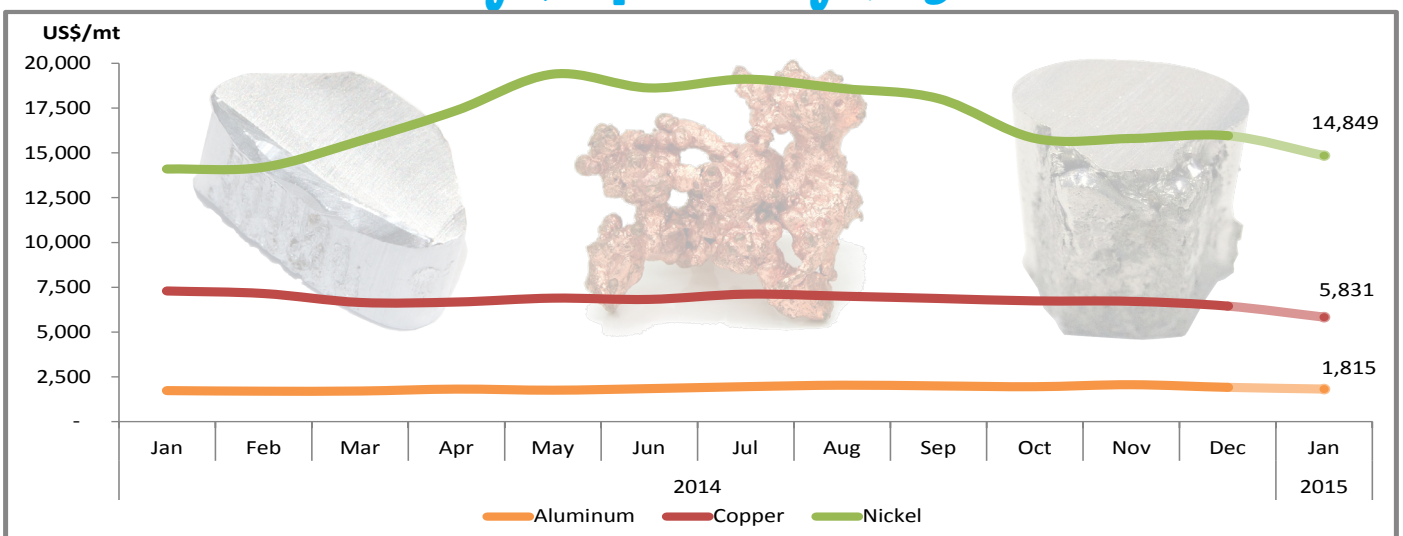


Source : [http://www.gold.org/investments/statistics/gold\\_price\\_chart/](http://www.gold.org/investments/statistics/gold_price_chart/)



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

## Aluminum, Nickel and Copper Prices, January 2014 - January 2015



Source : <http://econ.worldbank.org>

# Number and Value of Preferential Certificates of Origin (PCOs)

## Number of Certificates

	7 Dec 2014	14 Dec 2014	21 Dec 2014	28 Dec 2014	4 Jan 2015	11 Jan 2015	18 Jan 2015	25 Jan 2015
AANZFTA	919	602	879	746	766	819	809	963
AIFTA	601	458	589	416	441	498	584	531
AJCEP	285	191	188	173	134	325	185	170
ATIGA	4,749	3,925	4,731	3,336	4,021	3,967	4,297	3,775
ACFTA	1,664	1,405	1,638	1,336	1,167	1,231	1,429	1,150
AKFTA	741	750	840	633	597	585	629	767
MICECA	274	251	305	223	314	267	266	302
MNZFTA	6	12	11	4	9	10	3	6
MCFTA	89	65	79	42	48	61	74	39
MAFTA	336	328	379	322	341	375	376	417
MJEPA	967	773	713	702	741	948	835	874
MPCEPA	143	151	113	122	124	157	160	160
GSP	122	93	162	136	94	144	112	163

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



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



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



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



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



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



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



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



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



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



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

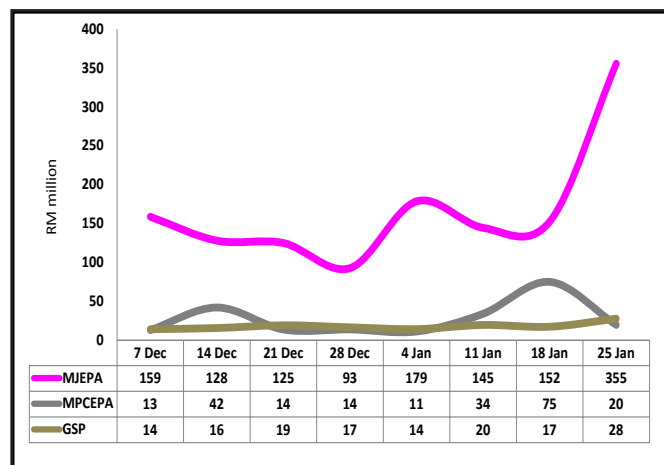
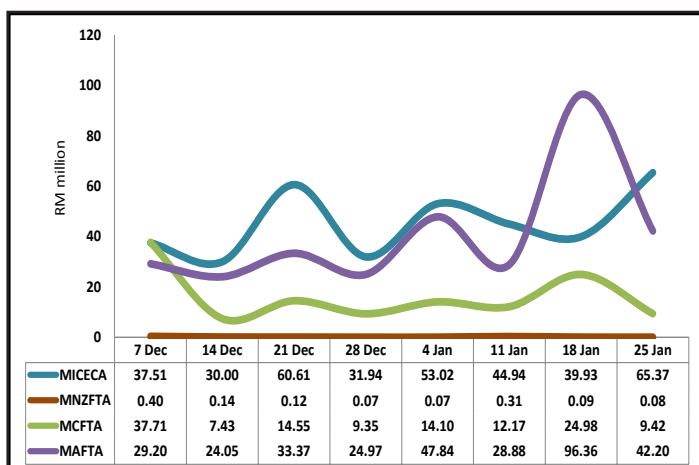
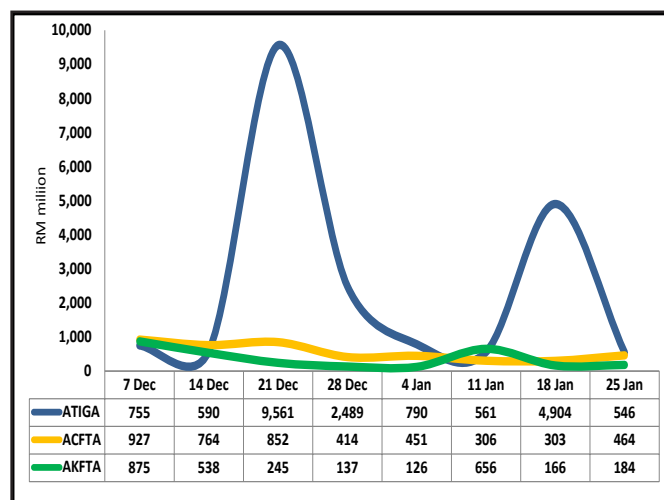
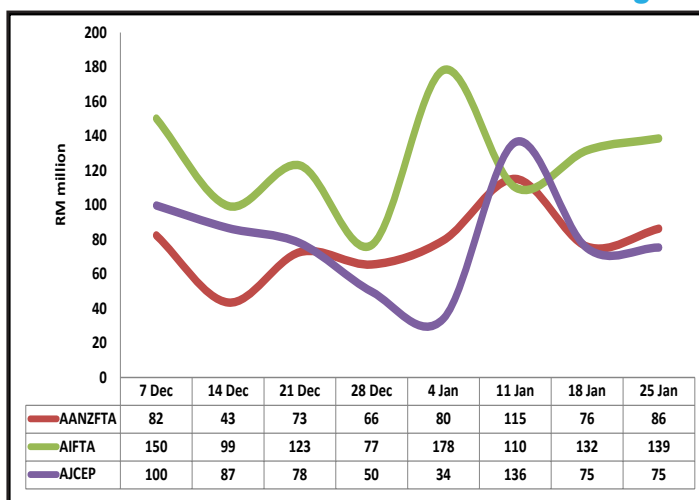


MCFTA: Malaysia-Chile Free Trade Agreement (Implemented since 25 February 2012)



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

## Value of Preferential Certificates of Origin



Source: Ministry of International Trade and Industry, Malaysia



# 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)
30 Jan 2015 (US\$)	48.2	645.0	331.3	1,384.5	1,958.9	49.9	n.a (high) n.a (low)
% change*	↑ 5.7	↓ 5.4	↓ 4.1	↓ 1.5	↓ 5.1	↓ 2.3	n.a n.a
2014 <sup>i</sup>	54.6 - 107.6	823.3	352.3	1,718.3	2,615.8	59.8	370.0
2013 <sup>i</sup>	88.1 - 108.6	805.5	361.6	2,390.8	1,933.1	..	485.6

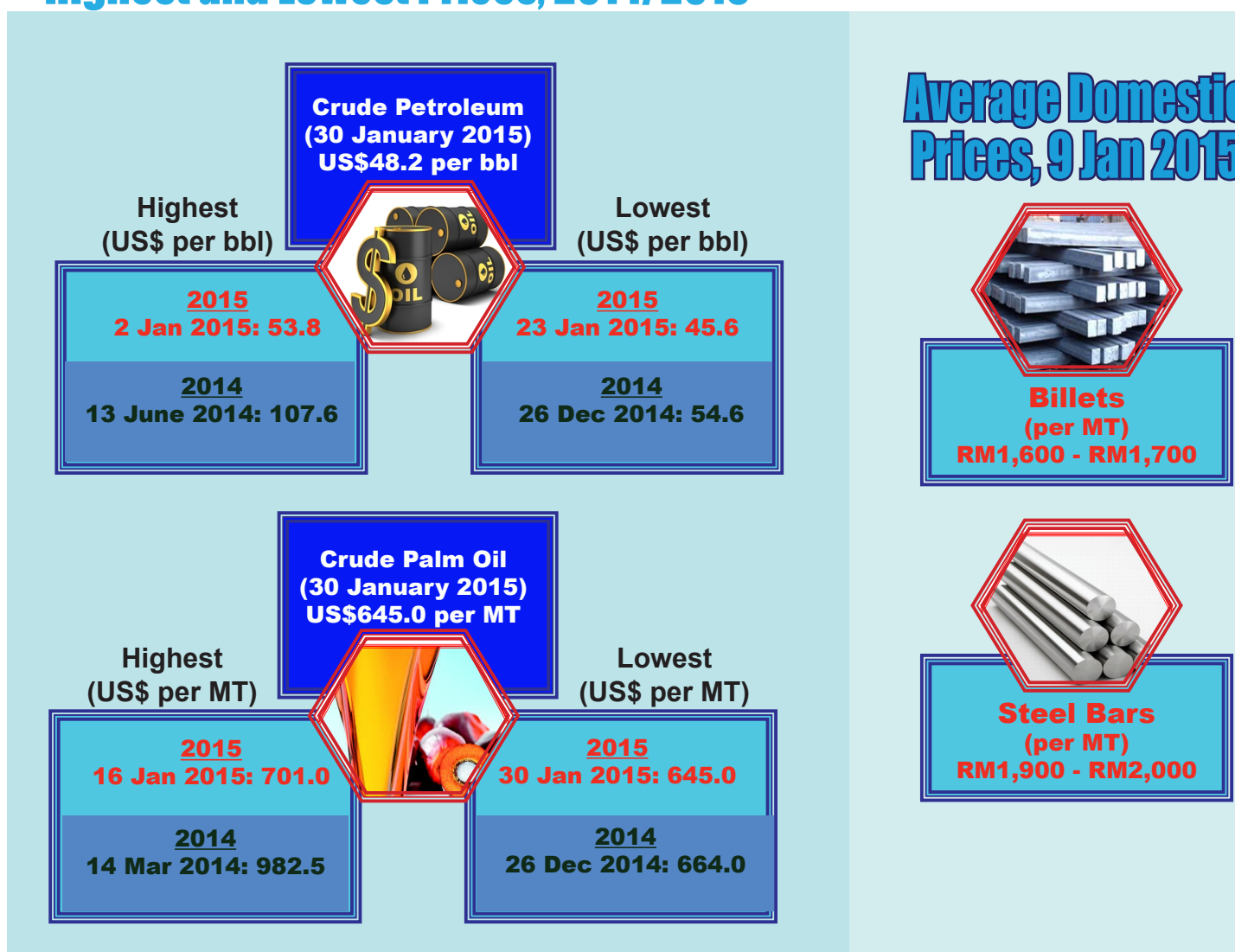
Notes: All figures have been rounded to the nearest decimal point

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

<sup>i</sup> Average price in the year except otherwise indicated

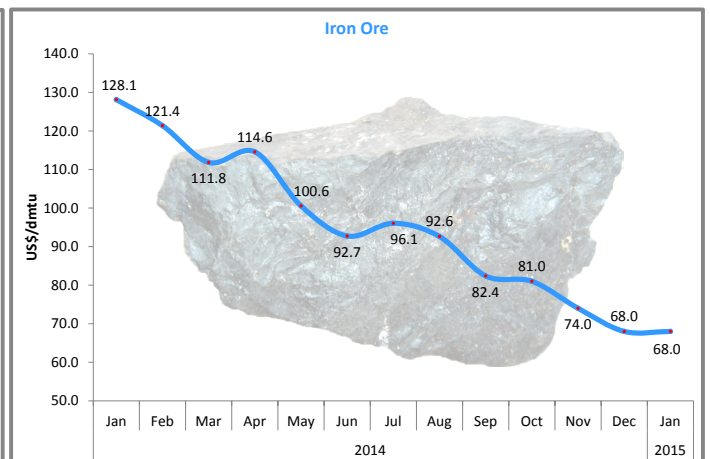
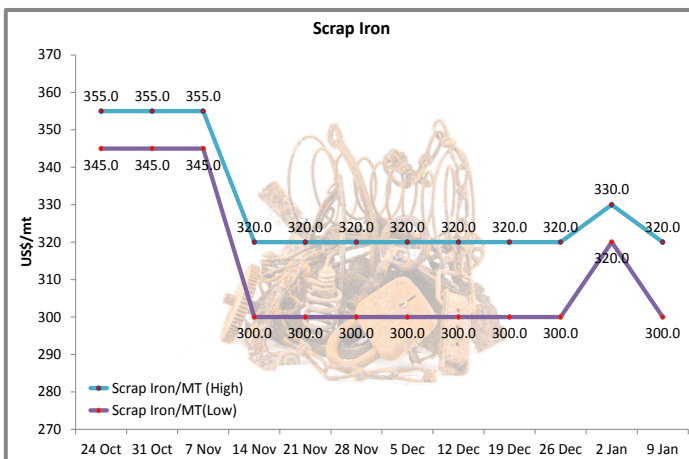
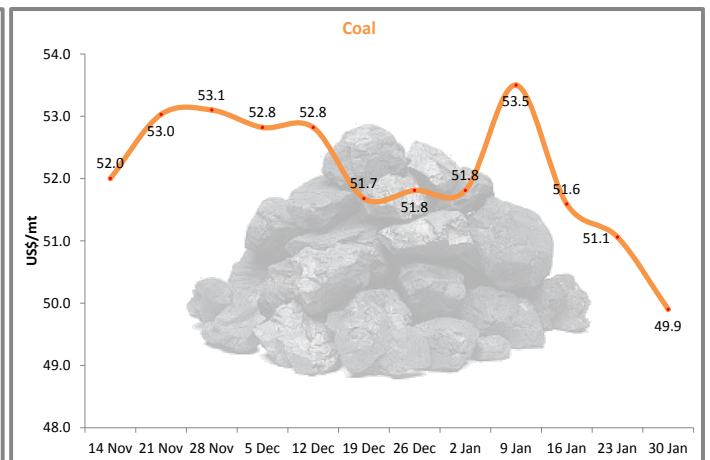
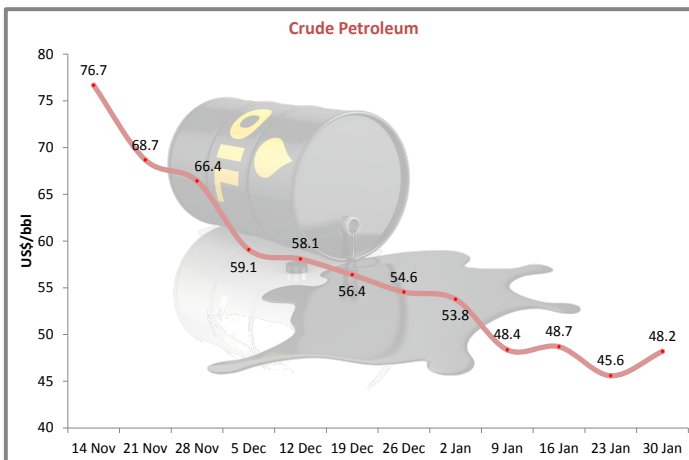
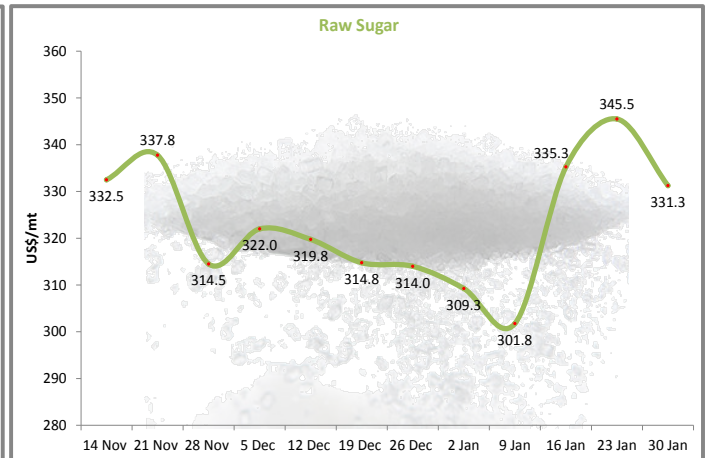
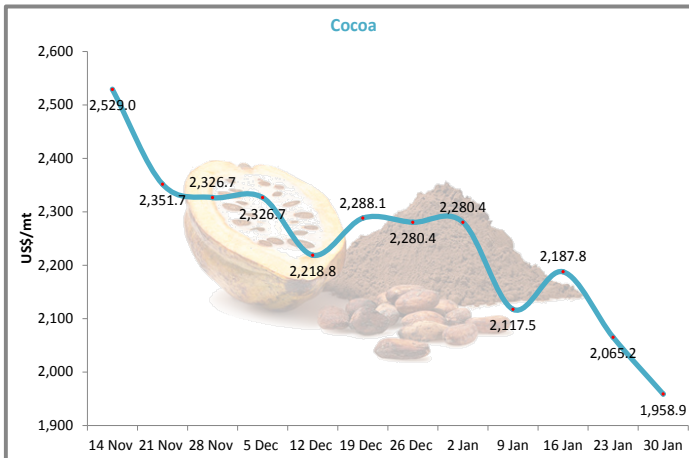
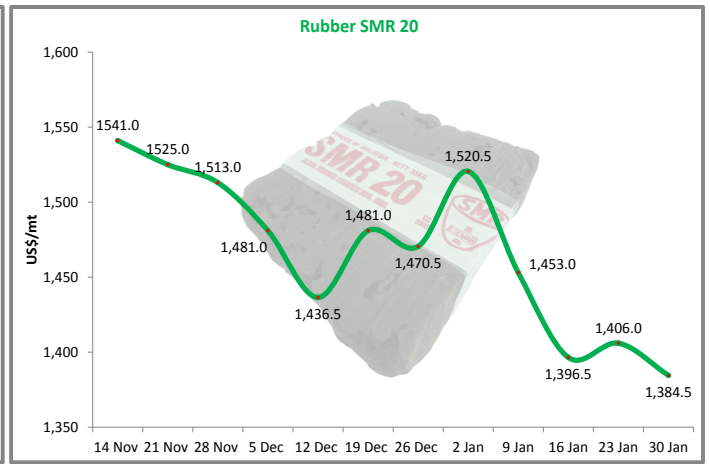
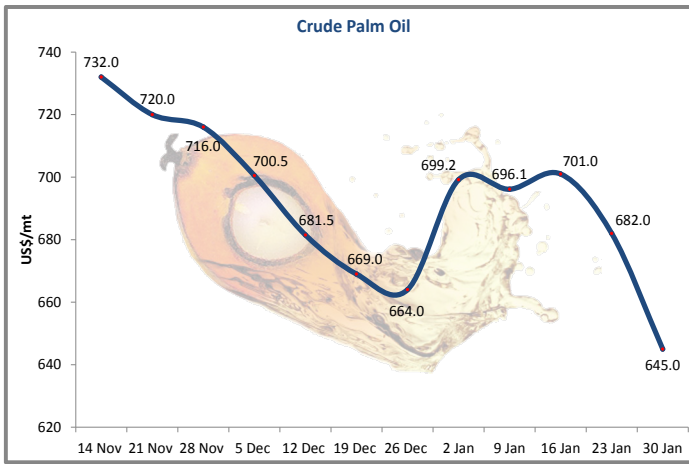
n.a Not available

## Highest and Lowest Prices, 2014/2015



Source : 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



Source : 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.

“DRIVING Transformation, POWERING Growth”



## SUCCESS STORY

For each of the playgrounds they design, Pro-Landscape Structure Sdn Bhd needs to see the world from a child's perspective. Meet Malaysia's most successful playground builder and designer, Pro-Landscape Structure Sdn Bhd.

This is the company behind all the creative play equipment seen in a majority of parks, commercial and residential areas in the country. In a span of just over 10 years, Pro-Landscape Structure has moved to the top of the market, being the most sought-after builder of playgrounds and play equipment in the country.

### DIVERSIFYING THE BUSINESS

The company is always on the lookout for ways to improve and stay ahead of the game, as competition is very keen. One rule of thumb to follow is to always launch new designs and products once in every two years. Time and effort was also invested in rebranding the company, and providing staff with all the necessary training required to maximise their individual potentials.

Other areas that Pro-Landscape Structure works in include outdoor gyms, garden furniture and tensile membranes to name a few. Expansion plans are important as Pro-Landscape Structure is a big believer in ever challenging their existing strengths and standing. Some of the company's biggest international clients come from countries such as Kuwait, Lebanon, Bangladesh, the Philippines, Thailand and Vietnam.

The company gives all credit to MATRADE for their steady expansion and firm foothold in the global market. MATRADE trade missions and trade fairs immensely helped Pro-Landscape Structure with much needed international exposure and penetration. MATRADE has also allowed the business to have significant presence overseas.

Some of the clients secured from such trade fairs are now long-standing ones - who always return to the company for new offerings and products. "When we go for such trade missions and fairs, we are always on the lookout for agents in each country who can help us with marketing. Of course, there are many bogus agents out there. MATRADE has been providing very sound and reliable counsel for this, and have assisted in all the necessary verification details of these agents for us," says Faris Abdul Halim,

Managing Director of Pro-Landscape Structure Sdn Bhd. These exhibitions also allow for the company to form new friendships and strong networking bonds.

### DESIGNING FOR CHILDREN, A DEEP PASSION

Faris found his love for designing a fantasyland for children when he joined the sales team of another company selling play equipment. Though his journey with Pro-Landscape began in the early 2000s, his risk-taking attitude, focus and ambitions were moulded into his character from his university days in Sydney, where he was studying and working for almost ten years. Faris then returned to Malaysia and started to seek employment in the logistics industry. Eventually, he found himself employed with a well-known play equipment company doing sales. As he continued to close deals, it did not take long for Faris to climb the corporate ladder and reach a prominent position in the company. However, reaching a top management position with a fairly reasonable salary was still not satisfying enough for him. It was at this juncture that he decided to resign and start out on his own, thus forming Pro-Landscape Structure Sdn Bhd, one of Malaysia's most successful playground builders today.



PRO-LANDSCAPE STRUCTURE SDN. BHD.  
No. 53, Jalan BRP 8/2,  
Bukit Rahman Putra Industrial Park,  
47000 Sungai Buloh, Selangor .  
Tel: +603-61403018, Fax: +603-61403027  
E-mail: info@prolandscape.com.my



# MITI Programme

## MAJLIS PERHIMPUNAN PERDANA MITI DAN AGENSI 2015



“DRIVING Transformation, POWERING Growth”





# MALAM MITI 30 January 2015



"DRIVING Transformation, POWERING Growth"



# Announcement

## **NEGATIVE PRELIMINARY DETERMINATION OF AN ANTI-DUMPING INVESTIGATION WITH REGARDS TO THE IMPORT OF STEEL CONCRETE REINFORCING BAR IN STRAIGHT FORM ORIGINATING OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA AND REPUBLIC OF KOREA**

The Anti-Dumping duty investigation on imports of Steel Concrete Reinforcing Bar (Rebar) in straight length form into Malaysia was initiated on 2 September 2014 after the Investigating Authority (IA) received a petition from Ann Joo Steel Berhad (the Petitioner) claiming that the imports of Rebar into Malaysia from the People's Republic of China (PRC) and Republic of Korea (ROK) caused serious injury to the domestic industry.

However, based on paragraph 23(2)(b) of the Countervailing and Anti-Dumping Duties Act 1993, the Government of Malaysia has decided to terminate this investigation. The Government of Malaysia has determined that the termination of the investigation with regard to the imports of Rebar in straight length form, specifically excluding the reinforcing bar in plain rounds form, which is a non-deformed or smooth reinforcing bar in straight length form, equal to or less than 6 meters for non-construction industry usage classified under Harmonized System Code (H.S.Code) 7214.20.210, 7214.20.290, 7214.20.910, 7214.20.990, 7228.10.100, 7228.10.900, 7228.20.100, 7228.20.900, 7228.30.100, 7228.30.900, 7228.40.100, 7228.40.900, 7228.50.100, 7228.50.900, 7228.60.100 dan 7228.60.900 originating in or exported from PRC and ROK ("the subject merchandise") as follows:

- (i) the export price of the subject merchandise is higher than its normal value or at de minimis level; and
  - (ii) no material injury on the domestic industry in Malaysia producing the like product that can be reasonably linked to the importation of the subject merchandise.
- All interested parties may access the notice of negative preliminary determination of the anti-dumping duty investigation of "the subject merchandise" from MITI's website at [www.miti.gov.my](http://www.miti.gov.my)

Ministry of International Trade and Industry  
Kuala Lumpur, Malaysia  
30 January, 2015

### **Quote of the day**

**"Change happens by listening and then starting a dialogue with the people who are doing something you don't believe is right."**

*Dr. Jane Goodall (born 1934), English primatologist, ethologist, anthropologist and UN Messenger of Peace.*



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## Comments & Suggestions

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