



MALAYSIA

OUR PEOPLE, OUR COMMUNITY, OUR VISION

### MITI in The NEWS Council needs "China Strategy" to boost exports



Malaysia must align its export promotion efforts with China's recent tweaks in the growth policies. International Trade and Industry Minister Datuk Seri Mustapa Mohamed said the National Export Council will have to draw up a "China strategy" to guide exporters. China is Malaysia's biggest trading partner.

2015

"China's urbanisation and its focus in the Western frontier would increase the potential consumables and we would want a slice of the cake". He was speaking at media briefing after a briefing by

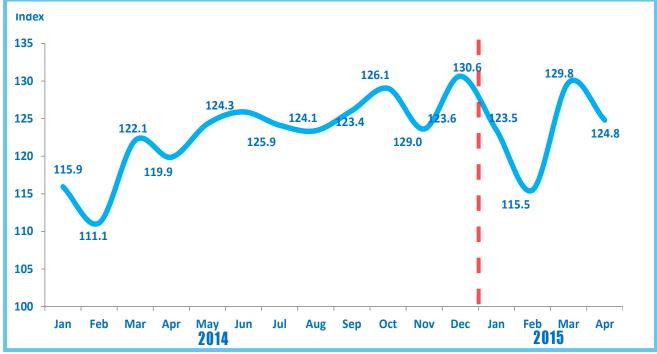
the Economic Planning Unit on the role of the private sector under the 11th Malaysia Plan (11MP). The National Export Council was established under the 11MP to strengthen trade under the new growth blueprint. Other efforts to strengthen trade in the coming years include mid-tier companies' development programmes. Go-Ex programmes and Services Export Fund.

For MITI, one of the key deliverables is to ramp up internationalisation by the way of intensified export promotion and capitalising the ASEAN Economic Community and Free Trade Agreements. Under the plan, manufacturing sub-sectors, namely chemicals, electrical & electronics and machinery and equipment will produce diverse and complex products. "Private investments are expected to grow by 9.4% under the plan," Mustapha added. Aerospace, medical devices and knowledge-intensive are areas that have attracted strong interest in Malaysia's high-end engineering skills.

Source :New Straits Times,18 June 2015



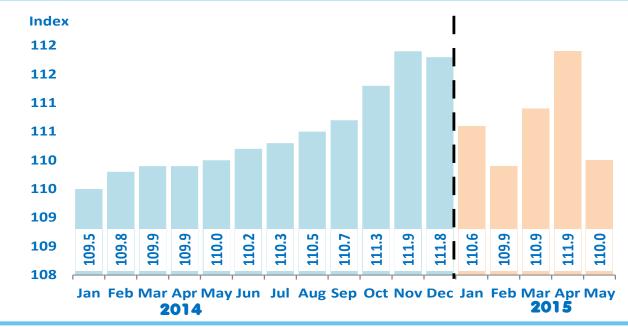
### MALAYSIA Industrial Production Index (IPI) Jan 2014 - Apr 2015



# IPI, Jan 2014 - Apr 2015

	Overall Index	
Jan - Apr 2014	Jan - Apr 2015	% Changes Year-on-Year
111.6	118.1	5.8
	Mining Index	
		1/ Phongoo
Jan - Apr 2014	Jan - Apr 2015	% <b>Changes</b> Year-on-Year
98.0	105.7	7.9
	Manufacturing Index	
Jan - Apr 2014	Jan - Apr 2015	% Changes Year-on-Year
117.3	123.4	5.3
117.0	120.4	U.U
	<b>Electricity Index</b>	
Jan - Apr 2014	Jan - Apr 2015	% Changes Year-on-Year
114.5	118.8	3.7
	110.0	0.7

## <u>Consumer Price Index, 2014 - May 2015</u>



#### **Consumer Price Index (CPI)** by Major Categories, May 2015

	Food And Non-Alcoholic Beverages	May 2014 : 114.5 May 2015 : 118.5 % change : 3.5		Transport	May 2014 : 111.5 May 2015 : 106.3 % change : -4.7
	Alcoholic Beverages And Tobacco	May 2014 : 121.7 May 2015 : 135.4 % change : 11.3	Tim	Communication	May 2014 : 97.8 May 2015 : 100.3 % change : 2.6
Ŷ	Clothing and Footwear	May 2014 : 98.6 May 2015 : 99.5 % change : 0.9	<u>ک</u>	Recreation, Services and Culture	May 2014 : 105.0 May 2015 : 106.7 % change : 1.6
	Housing,Water, Electricity and Other Fuels	May 2014 : 108.6 May 2015 : 114.4 % change : 2.6		Education	May 2014 : 109.6 May 2015 : 112.3 % change : 2.5
î.	Furnishings, Household, Equipment and Routine Household Maintainance	May 2014 : 106.6 May 2015 : 109.4 % change : 2.6		Restaurants and Hotels	May 2014 : 116.7 May 2015 :121.9 % change : 4.5
Ser la construction de la constr	Health	May 2014 : 109.4 May 2015 : 114.9 % change : 5.0	-	Miscellaneous Goods and Services	Mei. 2014 : 105.4 Mei 2015 : 110.0 % change : 4.4

Note : % change year-on-year

-The Consumer Price Index (CPI) measures the percentage change through time in the cost of purchasing a constant basket of goods and services representing the average pattern of purchases made by a particular population in a specified time period Source : Department of Statistics, Malaysia MITI Weekly Bulletin / www.miti.gov.my





# World Competitiveness Ranking Ranking out of 61 countries

COUNTRY	2015	2014	Score
USA	1	1	100.0
Hong Kong	2	4	96.0
Singapore	3	3	95.0
Switzerland	4	2,	92.0
MALAYSIA	14	12	84.1
Thailand	30	29	69.8
<b>Philippines</b>	41	42	60.2
Indonesia	<b>42</b>	37	60.0

Source : http://www.imd.org/uupload/imd.website/wcc/scoreboard.pdf

MITI's ASEAN Portal can be accessed via http://www.miti.gov.my/cms/aec2015 .jsp.





### **Top Export & Import Products to/from Malaysia Jan - May 2015**

Exports				Imports			
Product (HS code 2 Digit)	Jan-May 14 S\$ Thousand	Jan-May 15 S\$ Thousand	% change	Product (HS code 2 Digit)	Jan-May 14 S\$ Thousand	Jan-May 15 S\$ Thousand	% change
H\$85	5,975,130	6,105,927	2.2	HS85	6,000,435	6,367,676	6.1
HS27	9,588,001	5,955,102	-37.9	HS27	6,970,321	3,744,925	-46.3
HS84	2,953,850	2,870,289	-2.8	HS48	1,998,516	1,982,412	-0.8
HS39	1,111,624	948,469	-14.7	HS90	507,341	695,976	37.2
HS90	603,530	665,055	10.2	HS71	616,991	563,003	-8.8

Note s: % change year-on-year

Electrical Machinery Sound , Recorders Reproducers Television , Image Sound Recorders Reproducers & Parts (HS85) Mineral Fuel Oils Waxes & Products & Bituminous Substances (HS27)

Nuclear Reactors Boilers Machinery & Mechanical Appliances & Parts (HS84)

Plastics & Articles Thereof (HS39)

Optical Photographic ,Cinematographic Measuring Instruments etc (HS90)

Nuclear Reactors Boilers Machinery & Mechanical Appliances & Parts (HS48)

Natural Cultural Pearls Precious Stones & Metals & Imitation Jewellery Coins (HS71)



"DRIVING Transformation, POWERING Growth"

# **RACULE** Female Entrepreneurship Index 2015

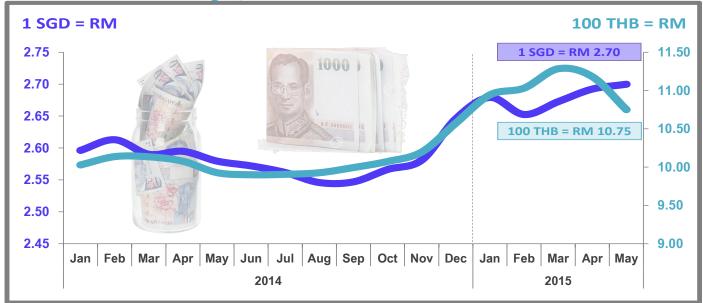
Ranking out of 77 countries (Data is sourced from The Global Entrepreneurship and Development Institute)

Rank	Country	Score
1	United States of America	82.9
2	Australia	74.8
3	United Kingdom	70.6
4	– Denmark	69.7
5	Netherlands	69.3
6	France	68.8
7	Iceland	68.0
8	Sweden	66.7
9	Finland	66.4
10	Norway	66.3
11	Ireland	64.3
12	Switzerland	63.7
13	Belgium	63.6
16	Singapore	59.8
46	MALAYSIA	39.2
52	Thailand	36.6

Note: The Index focuses on high potential female entrepreneurs who are defined as 'innovative, marketexpanding, and export-oriented. The Index combines variables that measure agency and institutions in a composite index in order to capture the multi-dimensional aspects of female entrepreneurship development.



#### Malaysian Ringgit Exchange Rate with Singapore Dollar and Thai Baht



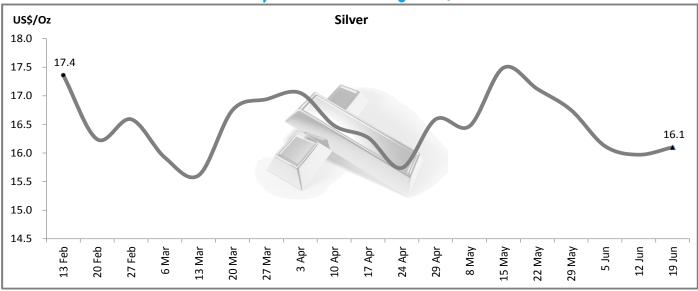
Source : Bank Negara, Malaysia

#### Gold Prices, 13 February - 19 June 2015



Source : http://www.gold.org/investments/statistics/gold\_price\_chart/





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

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

	<u>26 Apr 2015</u>	<u>3 May 2015</u>	<u>10 May 2015</u>	<u>17 May 2015</u>	24 May 2015	<u>31 May 2015</u>	<u>7 Jun 2015</u>	<u>14 Jun 2015</u>
AANZFTA	804	640	689	826	978	774	841	799
AIFTA	533	507	649	636	609	599	605	527
AJCEP	209	121	191	210	236	187	170	196
ATIGA	4,231	3,331	4,009	4,872	4,573	4,126	4,390	4,548
ACFTA	1,618	1,196	1,355	1,571	1,659	1,461	1,653	1,319
AKFTA	941	650	704	934	769	1,173	816	670
MICECA	338	262	335	383	337	289	362	279
MNZFTA	16	2	4	11	15	6	8	2
MCFTA	46	57	51	63	55	43	71	75
MAFTA	428	317	343	410	349	352	494	438
MJEPA	866	659	797	849	930	802	844	687
MPCEPA	141	112	149	115	176	207	138	137
GSP	134	104	110	140	132	131	188	97

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



#### Value of Preterential Certificates of Oriain



Agreement (Implemented since 1 January 2008)



MJEPA: Malaysia-Japan Economic Partnership



Agreement (Implemented since 13 July 2006)



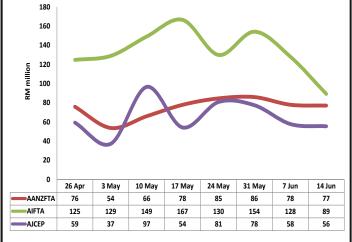
MICECA: Malaysia-India Comprehensive Economic Cooperation Agreement (Implemented since 1 July 2011)

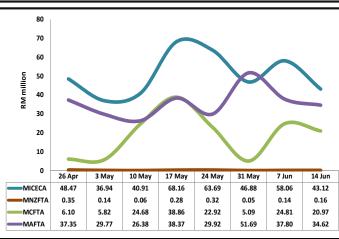
MNZFTA: Malaysia-New Zealand Free Trade Agreement (Implemented since 1 August 2010)

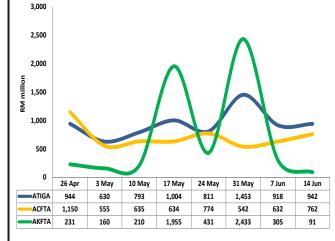
MCFTA: Malaysia-Chile Free Trade Agreement

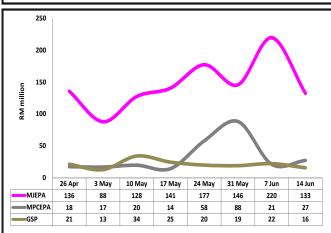
(Implemented since 25 February 2012)

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









Source: Ministry of International Trade and Industry, Malaysia MITI Weekly Bulletin / www.miti.gov.my

### **Commodity Prices**

			SUGAR	SMR 20			
	Crude	Crude	Raw	Rubber	Cocoa	Coal	Scrap Iron
Commodity	Petroleum	Palm Oil	Sugar	SMR 20	SMC 2	(per MT)	HMS
	(per bbl)	(per MT)	(per MT)	(per MT)	(per MT)	(per wr)	(per MT)
19 June 2015 (US\$)	59.6	663.5	249.8	1,570.5	2,188.9	46.2	280 (high) 260 (low)
% change*	0.6	1.3	<b>↓</b> 1.8	0.9	10.7	5.4	unchanged unchanged
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

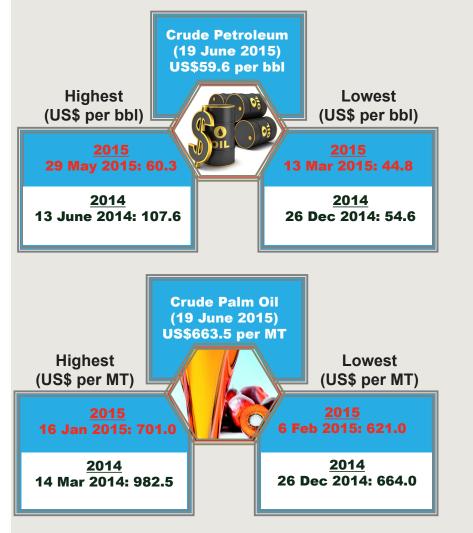
Notes: All figures have been rounded to the nearest decimal point

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

i Average price in the year except otherwise indicated

n.a Not availble

#### **Highest and Lowest Prices**, 2014/2015



Average Domestic Prices, 19 June 2015

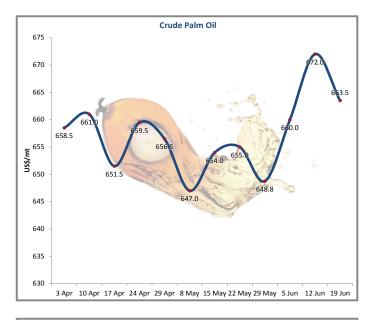
Billets

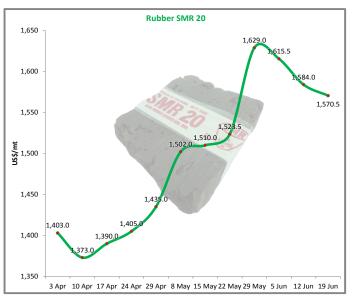
(per MT) RM1,420 - RM1,480

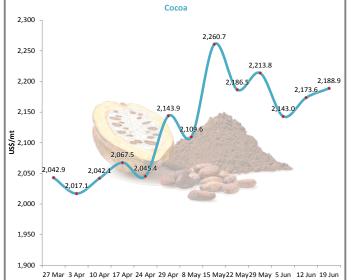
Steel Bars (per MT) RM1,760 - RM1,860

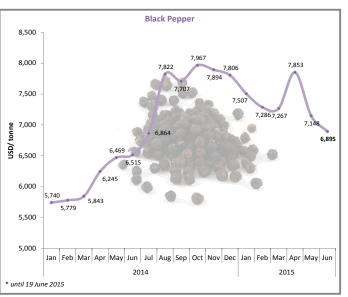
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

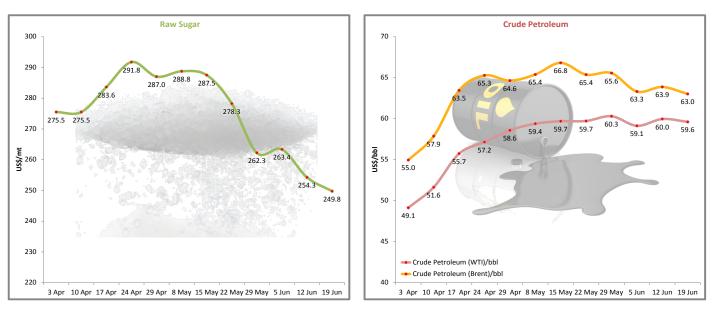
### **Commodity Price Trends**





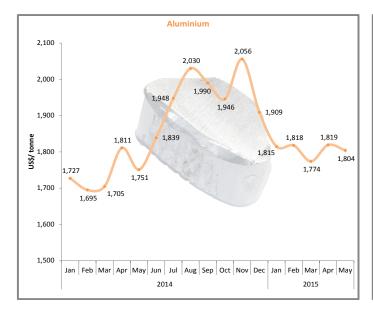


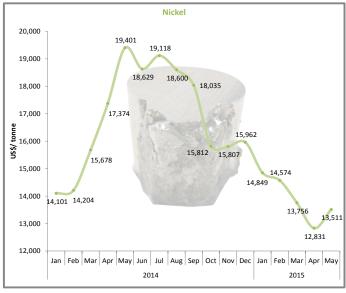


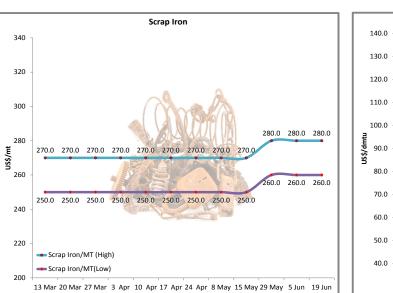


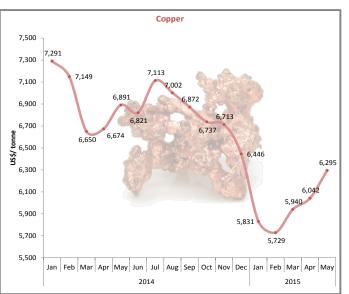
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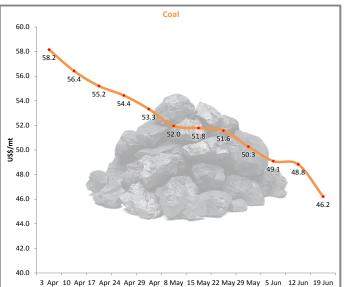
#### **Commodity Price Trends**

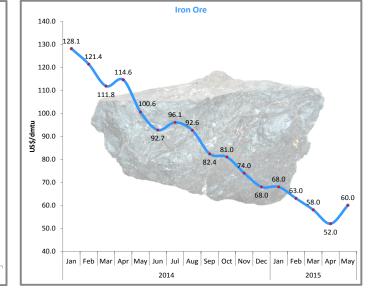












Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.



#### DR GROUP HOLDINGS SDN BHD

Contraction of the second seco

DR Group was formed out of a love for chocolate almost 20 years ago, when an opportunity was seized to fill a vacuum in the chocolate industry in Malaysia.

Since its first business in the Malaysian Duty Free Airports, the Group has since diversified its core business offerings to include trading, distribution, manufacturing, property development and investment. With a staff strength of 140-strong, DR Group now has four homegrown mouthwatering chocolate brands that are manufactured by its subsidiary company, Quantum Supplies, which also actively involves in original equipment manufacturing (OEM).

#### MOULDING A CHOCOLATE DREAM

Quantum Supplies, DR Group's subsidiary company has two chocolate factories that currently manufacture its own range of unique chocolates under four original and exclusive brand names of Danson, Farell, Fidani and Milton. In the early 1980s, many well-known reputable brands were not available in Malaysia. Most chocolate brands had to be imported from Singapore. Identifying an opportunity, the company became a trader in importing and distributing chocolates in the country. The company initially began with being distributors for Tobler of Switzerland. Slowly, other brands followed suit.

The company works in a very niche market of the industry, where the sole focus lies in export, tourism and airport operations. Currently, DR Group is present in all major airports within Malaysia such as Penang, Langkawi (Kedah), Kota Kinabalu (Sabah), Labuan and Kuching (Sarawak).Moving forward from the 80s, DR Group acquired a factory in Batu Tiga, Selangor where it formed a platform for their original equipment manufacturing (OEM) activities. Prior to this, DR Group actively worked with repackaging a variety of products, chocolates included. True to their nature of ensuring clients with quality and a service of excellence, the company managed to close a deal with Van Houten, an exclusive cocoa manufacturer in Amsterdam. This formed a solid base for the company to learn and experience first-hand, all that was needed to run a successful chocolate making factory.

Quality assurance and consistency, tied with a certain discipline were key factors that allowed many global brands to work with DR Group. Some well-known names the company manufactures for – include Morinaga (Japan) and Nestle. To support their growing business and chocolate demands, DR Group invests a significant sum in research and development to ensure all their processes and technologies are up to par with industry expectations.Besides this, all necessary certifications and accreditations were in place

early in the business, ensuring that the company was ready for international penetration. Among certifications obtained include GMP, Halal, ISO 9001 and ISO 20000:2005 and HACCP certifications. The company also invested in automated machinery to ensure unparalleled consistency and quality of their chocolates. Shifting from semi-automated to fullyautomated machinery required a significant amount of capital, all of which was in place to ensureless room for mistakes.

The firm is proud to have pioneered the concept of chocolate boutiques in the country, being the first to be brave enough to venture into this area of the business. Looking back, they have definitely been trendsetters in the region. As such, DR Group caused a lot of ripples in the market, particularly with regards to its innovative marketing campaign. DR Group's hard work and meticulous efforts did not go unnoticed as the firm has won a range of awards over the years. Their exclusive brand, Fidani, has won Most Innovative Chocolate by the Malaysian Cocoa Board, the Best Manufacturer (2004) – Malaysian Cocoa Board and Most Ingenious Packaging by the International Halal Showcase (MIHAS) for three years (2007, 2008 and 2010).

Other prestigious awards include the 2011 Duty Free News International Award for Best New Confectionery and Fine Food Store, 2009 Duty Free News International award for Best Marketing Campaign (Confectionery and Fine Food) throughout the World, 2007 Malaysia Tourism Award for Best Speciality Shop and many others.

#### **PROGRESSING FURTHER**

Leveraging on MATRADE trade missions and exhibitions has been key in ensuring a steady stream of overseas business for the company.Dato' Dahlan Rashid, Group Managing Director and Founder of DR Group speaks highly of the assistance rendered by SME Corp and other government agencies for equipment and machinery when the business was in its infant stages.

Dahlan views MATRADE as an agency that is necessary and crucial for entrepreneurs in the country seeking to penetrate the global market, without the hassle of verification they would need if they proceeded independently. Right business matching is important for the success of a company dealing with international buyers and suppliers alike.

DR Group Holdings Sdn Bhd Address: No. 2, Jln Teknologi 3/5 Taman Sains Selangor 1,Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan, Malaysia Tel. Number: (603) 7491 4460 Fax Number: (603) 6140 6314 Email: info@drgroup.com.my

MITI Programme Briefing on 11<sup>th</sup> Malaysia Plan by Economic Planning Unit -Role of the Private Sector, 17 June 2015







## Majlis IFTAR YB Menteri MITI Ahli Parlimen Jeli, 19 Jun 2015





#### MAJLIS PERDANA PERKHIDMATAN AWAM KEEMPAT BELAS (MAPPA XIV) 17 June 2015





"DRIVING Transformation, POWERING Growth"

## Announcement



The new MITI Portal went live on 19 June 2015 (Thursday) and sports a more refreshing look with enhanced features and functionalities. Among the highlights of the new Portal are:

- A dedicated Website for Free Trade Agreements
- Tariff Calculator
- Glossary of Trade / Industry-related terms
- Mandarin Language option for MITI Portal
- Good Regulatory Practice Website

Visit the Portal regularly as we will be releasing the following in the COMING WEEKS:

- Mobile Apps

   Strategic Trade Items Finder
   Tariff Colordater
- o Tariff Calculator
- E-Book Shelf
- Enhanced version of the MITI Blog

Take a quick (video) tour of the new MITI Portal and let us have your feedback.

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#### **Quote of The Day**

"Do not attempt to stand alone....The most fatal thing a man can do is try to stand alone".

> Carson McCullers, American Writer of novels and short stories, 1917-1967



Name Designation Job Description Division Contact No Email	<ul> <li>Fauziana Ibrahim</li> <li>Assistant Psychology Officer</li> <li>Managing matters related to Strategy Unit I and counseling management</li> <li>Human Resource Management</li> <li>603-6200 0228</li> <li>fauziana.ibrahim@miti.gov.my</li> </ul>
	Name : Helmi Wati Almi

	Name	: Helmi Wati Almi
	Designation	: Assistant Administrative Officer
62	Job Description	: Managing service-related matters for
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	Division	: Human Resource Management
	Contact No	: 603-6200 0229
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