

## AEC To Spur Investments From ASEAN Into Malaysia



Foreign Direct Investments (FDI) in Malaysia from its ASEAN peers is expected to gain momentum with the ASEAN Economic Community (AEC) becoming a reality from Dec 31 this year. Minister of International Trade and Industry (MITI) Dato' Sri Mustapa Mohamed said the sustained removal of barriers among the 10-member grouping, had led to an expansion in intra-ASEAN trade and investments, from US\$1.22 billion in 2000 to US\$24.4 billion in 2014.

"This accounts for 17.9 per cent of the total US\$136.2 billion FDI inflows

into the region last year," he told reporters at the AEC Open Day here Monday.Mustapa said similarly, intra-ASEAN trade accounted for 24 per cent of the total ASEAN trade or US\$608 billion.

Meanwhile, ASEAN's per capita income now stands at US\$4,130 with intra-ASEAN trade expected to grow to 30 per cent by 2020. He also said being the ASEAN Chairman this year, Malaysia wants to prepare local small and medium enterprises (SMEs), as they are the backbone of the national economy.

"The government will continue to provide financial support to SMEs. We have also identified the transportation and finance sectors as needing extra focus and will be working on it," he added. He said the AEC blueprint had now achieved 91 per cent of the stipulated target and aims to hit 95 per cent by this November.

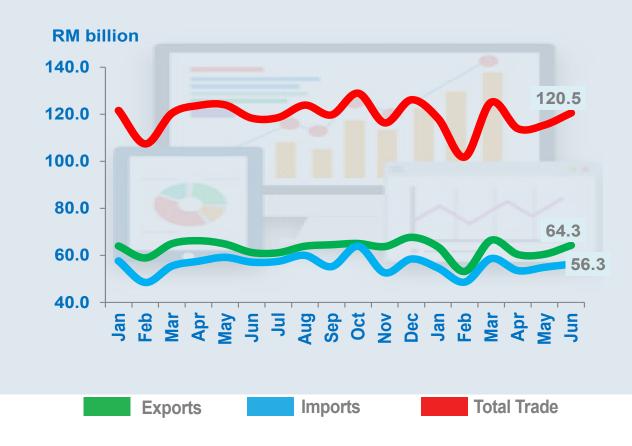
"We are working very hard. We have 506 measures altogether, which are being monitored closely. Of course, our objectives are very modest, as we operate by consensus and do not have supra authority."

# MALAYSIA

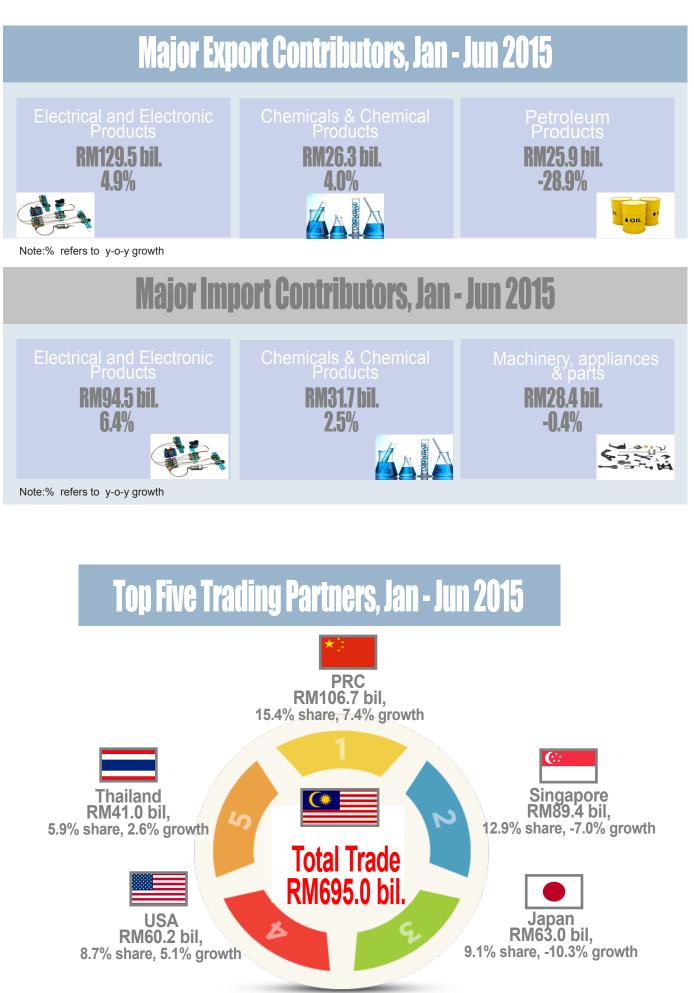
## **Trade Performance**, June 2015



## Trade Performance, 2014 - June 2015

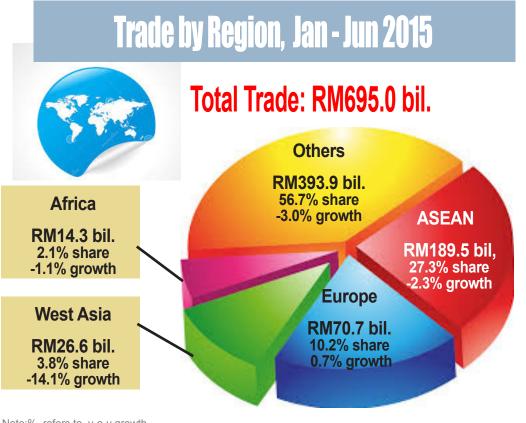


Source : Department of Statistics, Malaysia MITI Weekly Bulletin / www.miti.gov.my

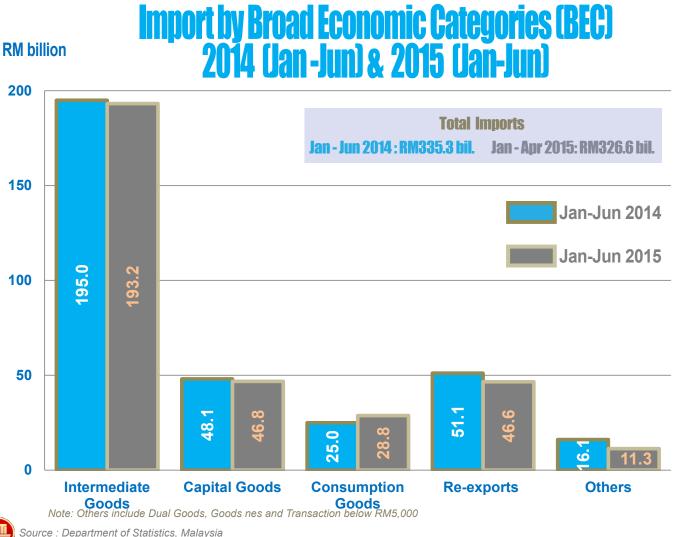




Note:% refers to y-o-y growth



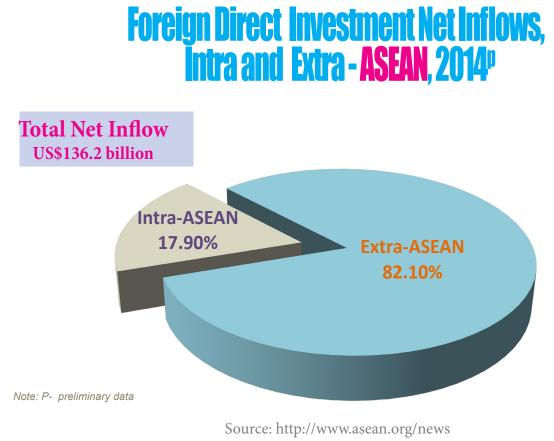
Note:% refers to y-o-y growth



MITI Weekly Bulletin / www.miti.gov.my

















## STATE BY STATE ASEAN and Arizona Trade

#### Indonesia

Arizona exported US\$51.6 million of products to Indonesia in 2014, up 6.7 percent. In return trade, Arizona imported US\$96 million from Indonesia in 2014, up 37.3 percent from 2013 – close to double that of goods sold by Arizona. The smaller trade volume Arizona has with Indonesia when compared with Malaysia, a much smaller country, indicates that there is an untapped market for Arizona companies to reach out to in Indonesia.

#### The Philippines

Arizona exported US\$50.5 million in goods to the Philippines in 2014, dropping 29.4 percent from 2013. Again, this drop appears to have arisen from a similar situation as affected the Malaysian market. When assessing export numbers, computer and electronic product exports from Arizona to the Philippines reached a high of US\$210 million in 2006, the biggest year for Arizona exports to the Philippines in the past decade, but these declined to US\$28.2 million in 2014.

The Philippines exported US\$81 million in goods to Arizona in 2014, ranking as the 25th largest country for imports

#### Malaysia

Arizona exported US\$351 million to Malaysia in 2014, making Malaysia the 12th largest market for Arizona exports. However, exports in 2014 were down 12.4 percent from 2013. This drop appears to be caused in part by retrenchment in Arizona's semiconductor and electronics exports. Malaysia was the #2 export market for Arizona, and many Arizona companies would send computer chips to Malaysia for assembly. As the semiconductor industry globalized, Arizona's trade with Malaysia dropped, indicating that a rethink in the state's semiconductor industry is required.

Arizona imported US\$898 million in goods from Malaysia in 2014, ranking fifth overall. The new TPP agreement will affect US trade with Malaysia. Significant tariff reductions can be expected for Arizona exports of plastic sheets and films, which have faced a Malaysian import duty of 20 percent to date. Opportunities exist within this market sector for Arizona companies.

In Malaysian exports to the United States, tariffs of 32 percent for men's and women's man-made fiber shirts faced a 32 percent rate in 2013. This will be reduced, making competition in this field from Malaysian exporters more intense.

#### Singapore

Arizona exported US\$488 million in goods to Singapore in 2014, up 12.9 percent from 2013 and making it the 8th largest export market overall. However, total exports to Singapore were down from US\$727.1 million in 2005. Singapore's high figures as a total for Arizona exports compared with other ASEAN nations are due to its position as a transshipment destination for products destined not only for the Singaporean domestic market, but also for other Asian destinations, including India and China.

These products included:

- 1) Computer and electronic products
- 2) Machinery, except electrical
- 3) Transportation Equipment
- 4) Primary metal manufacturing
- 5) Special classification provisions

Singapore exported US\$218 million to Arizona in 2014, making Singapore the largest market in ASEAN with which Arizona has a trade surplus. However, there are concerns about the overall trend of Arizona exports falling right across the ASEAN region.

Arizona exported US\$511.6 million to Thailand in 2014, ranking it the 7th largest export market overall and up 10.2 percent from 2013. Interestingly, in 2014 computer and electronic products made up 85.5 percent of exports to Thailand. However as has been noted earlier, this trend of exporting such equipment to Asia is now coming to an end and the computing and electronics industry in Arizona needs to reinvest to get around this problem.

Thailand exported US\$194 million to Arizona in 2014, meaning Arizona has a trade surplus with Thailand.





International Report

# Cargo Traffic 2013

		Total Cargo				
Rank		2013 I freight and mail in m	2012 netric tonnes	%		
1	HONG KONG, HK	4,166,303	4,066,738	2.4		
2	MEMPHIS TN, US	4,137,801	4,015,997	3.0		
3	SHANGHAI, CN	2,928,527	2,938,157	(0.3)		
4	INCHEON, KR	2,464,384	2,456,724	0.3		
5	DUBAI, AE	2,435,567	2,279,624	6.8		
6	ANCHORAGE AK, US	2,421,145	2,463,696	(1.7)		
7	LOUISVILLE KY, US	2,216,079	2,168,365	2.2		
8	FRANKFURT, DE	2,094,453	2,066,300	1.4		
9	PARIS, FR	2,069,200	2,150,950	(3.8)		
10	ТОКҮО, ЈР	2,019,844	2,006,173	0.7		
28	KUALA LUMPUR, MY	713,254	702,226	1.6		
29	ABU DHABI, AE	712,488	574,012	24.1		
30 M	OSAKA, JP	682,338	723,147	(5.6)		

Source:http://www.aci.aero/Data-Centre/Annual-Traffic-Data/Cargo/2013-final MITI Weekly Bulletin / www.miti.gov.my

# Suez Canal Expansion



Egypt has opened a major expansion of the Suez Canal, which deepens the main waterway and provides ships with a 35km (22 mile) channel parallel to it. The expansion will allow for two-way traffic along part of the route, as well as for larger vessels overall.

It is recorded that Egypt was the first country to dig a canal across its land with a view to activate world trade. The Suez Canal is considered to be the shortest link between the east and the west due to its unique geographic location; it is an

important international navigation canal linking between the Mediterranean Sea at Port Said and the Red Sea at Suez.

It's arguably the most strategic waterway in the world. One that affects most lives on the planet. The Suez Canal may cut Africa off from Asia but it's a vital lifeline connecting the East and West. The navigation time will be reduced from 22 hours to 11 hours meaning the latest must-have electronics from Asia will arrive sooner.





Sources: http://www.bbc.com/news/world-middle-east-33800076, http://worldmaritimenews.com/archives/167537/cargo-ships-test-new-suez-canal/ MITI Weekly Bulletin / www.miti.gov.my

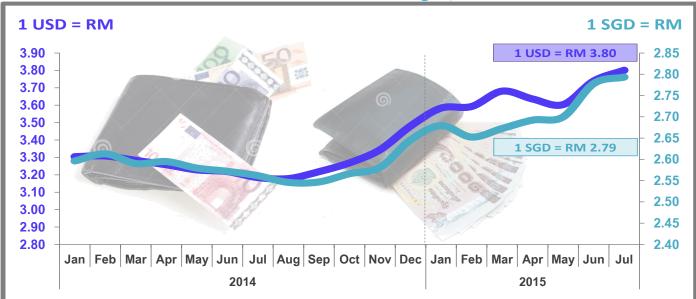
# Did You Know



Source: http://www.forbes.com/richest-in-tech/



### Malaysian Ringgit Exchange Rate with US Dollar and Singapore Dollar

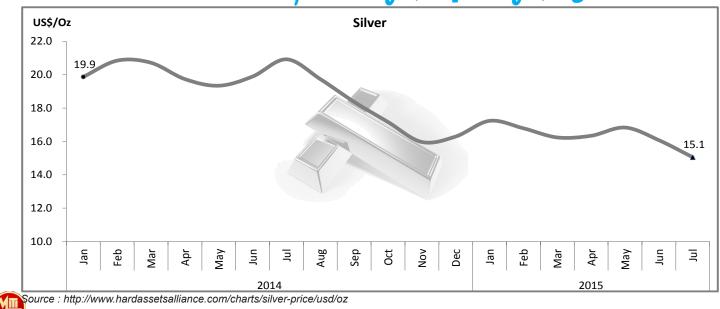


Source : Bank Negara, Malaysia

### Gold Prices, January 2014 - July 2015



### Silver Prices, January 2014 - July 2015



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

	<u>14 Jun 2015</u>	<u>21 Jun 2015</u>	<u>28 Jun 2015</u>	<u>5 Jul 2015</u>	<u>12 Jul 2015</u>	<u>19 Jul 2015</u>	<u>26 Jul 2015</u>	<u>2 Aug 2015</u>
AANZFTA	799	836	924	928	841	582	601	978
AIFTA	527	597	662	702	618	413	624	765
AJCEP	196	179	169	321	157	148	221	153
ATIGA	4,548	4,532	4,202	4,583	3,633	3,066	3,212	4,152
ACFTA	1,319	1,535	1,351	1,488	1,177	1,076	1,022	1,646
AKFTA	670	851	822	855	672	677	740	649
MICECA	279	328	302	318	381	190	336	308
MNZFTA	2	14	6	13	7	2	4	9
MCFTA	75	55	48	89	56	35	64	56
MAFTA	438	291	435	387	432	288	371	351
MJEPA	687	839	867	778	938	637	763	672
MPCEPA	137	177	167	198	95	110	130	143
GSP	97	105	116	195	154	93	76	155

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

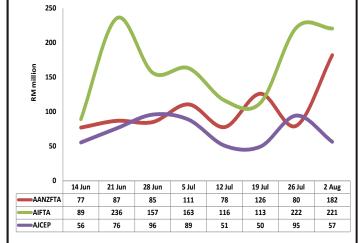
(\*

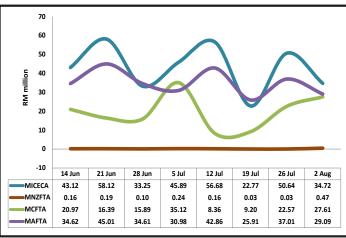
AANZFTA: ASEAN-Australia-New Zealand Free Trade Agreement (Implemented since 1 January 2010) ATIGA: ASEAN Trade in Goods Agreement (Implemented since 1 May 2010)

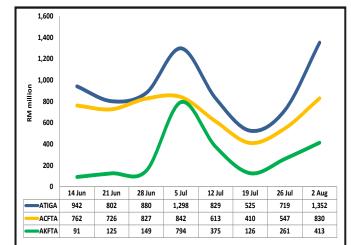
AJCEP: ASEAN-Japan Comprehensive Economic Partnership (Implemented since 1 February 2009) ACFTA: ASEAN-China Free Trade Agreement (Implemented since 1 July 2003) AKFTA: ASEAN-Korea Free Trade Agreement (Implemented since 1 July 2006) AIFTA: ASEAN-India Free Trade Agreement

(Implemented since 1 January 2010)

### Value of Preferential Certificates of Origin







MPCEPA: Malaysia-Pakistan Closer Economic Partnership

Cooperation Agreement (Implemented since 1 July 2011)

MNZFTA: Malaysia-New Zealand Free Trade Agreement

"DRIVING Transformation, POWERING Growth"

Agreement (Implemented since 1 January 2008)

MJEPA: Malaysia-Japan Economic Partnership

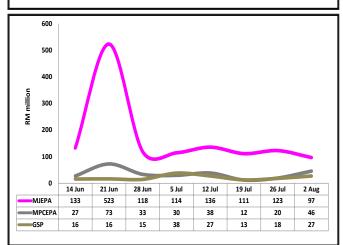
Agreement (Implemented since 13 July 2006) MICECA: Malaysia-India Comprehensive Economic

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

MAFTA: Malaysia-Australia Free Trade Agreement

(Implemented since 1 August 2010)

(Implemented since 1 January 2013)



Source: Ministry of International Trade and Industry, Malaysia



## **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 MT)
7 Aug 2015 (US\$)	43.9	599.5	234.0	1,343.5	2,058.0	47.3	250 (high) 230 (low)
% change*	6.8	↓ 3.7	↓ 3.3	↓ 3.8	7.8	0.4	3.8 unchanged
<b>2014</b> <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

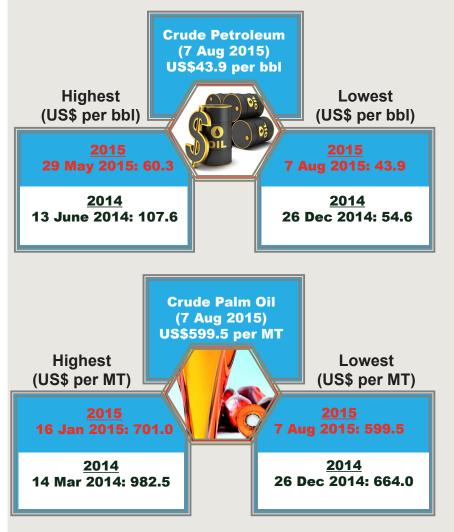
Notes: All figures have been rounded to the nearest decimal point

\* 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

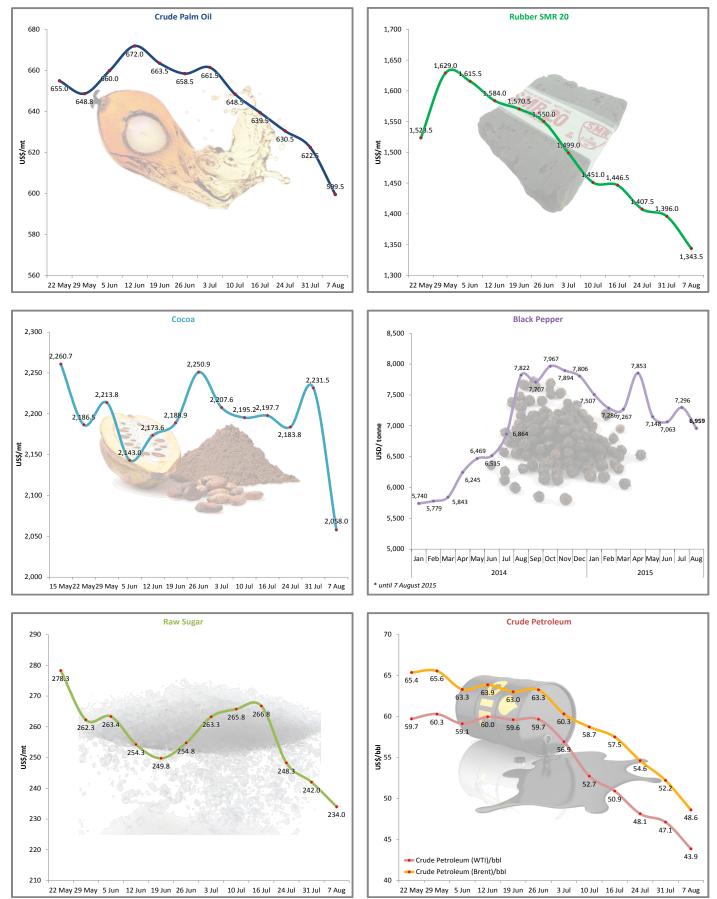


Average Domestic prices, 1 Aug 2015



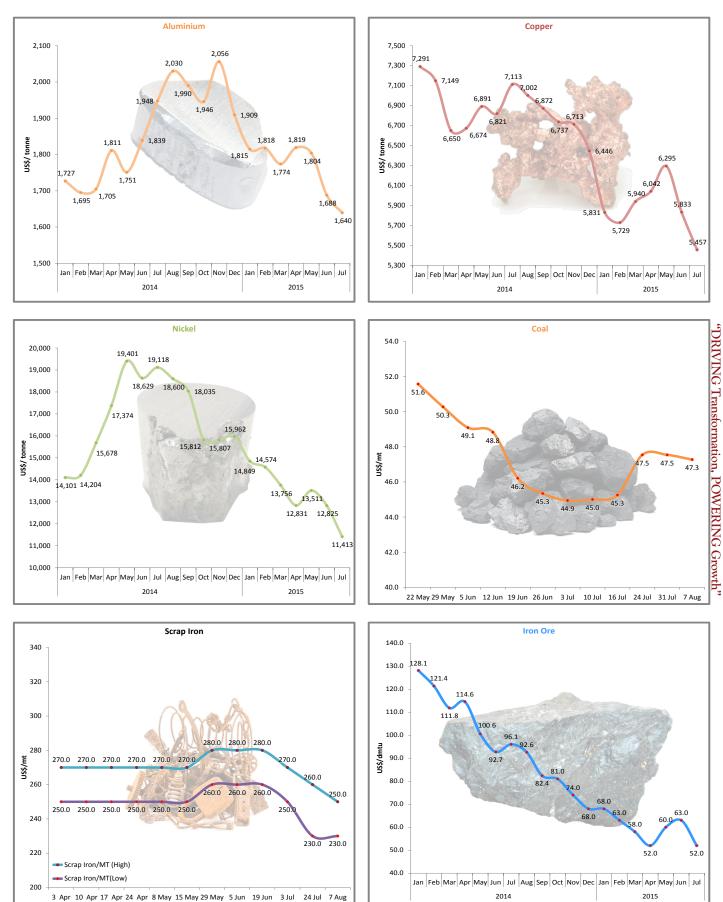
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

## **Commodity Price Trends**



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.

### **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.

MITI Weekly Bulletin / www.miti.gov.my



Established in 1989, Carimin has emerged as one of the leading integrated service providers in the Oil and Gas Industry in Malaysia.

#### **CORE BUSINESS:**

We are predominantly involved in the provision of:

- Hook Up & Commissioning Works
- Topside Major Maintenance Services
- Rejuvenation, retrofit and upgrading Services
- Onshore facilities construction and maintenance
- Inspection and professional manpower supply
- Minor fabrication works
- Marine services including supply of work boats anchor handling tug supply, work barges etc.

Our Service cover offshore engineering, scheduled/work pack development procurement, structural/ piping fabrication, electrical/ instrumentation installation, as well as precommissioning and commissioning activity.

Carimin has developed an established clientele comprising major O&G player such as Petronas Carigali, Shell, Murphy Oil, Talisman, Exxon Mobil, Newfield, Hess, Nippon oil, PC Myanmar and others. To date, Carimin has delivered more than RM1 Billion Worth of projects and services. The group is also one of the few players to be awarded a work package under Petronas' Pan Malaysia Integrated Hook Up & Commissioning (HUC) & Topside Major Maintenance (TMM) Services contract which commenced 2013.



ACCREDITATION AND CERTIFICATION: ISO 9001:2008





#### **KEY CLIENTS & PROJECTS**

Country	Client(s)	Project Name and Summary of Work Scope
Malaysia	Petronas Carigali Sdn Bhd	Provission of Hook Up & Commissioning and Topside Major Maintenance Services for 2013 to 2018
Malaysia	Talisman Malaysia Limited	Provision for Minor Fabrication for Flowlines and Structural Work
Malaysia	Petronas Carigali Sdn Bhd	Provision for Pre-Commissioning and Commissioning at Pulain A Glycol Dehydration & Regeneartion system Reinstatement for Petronas Carigali Sdn Bhd
Malaysia	Petronas Carigali Sdn Bhd	Umbrella Contract for the Provision of spot Charter Marine Vessel Services
Malaysia PC Myanmar (Hong Kong) ltd		Provision of Skilled Manpower supply for Onshore / Offshore Operations and Maintenance



Add: B-1-6, Megan Avenue 1, 189 Jln Tun Razak, 50400, Kuala Lumpur, Malaysia Tel: 603 2168 7000 Fax: 603 2164 2199 Website: www.carimin.com

# **MITI Programme**

## AEC Open Day 2015, MATRADE















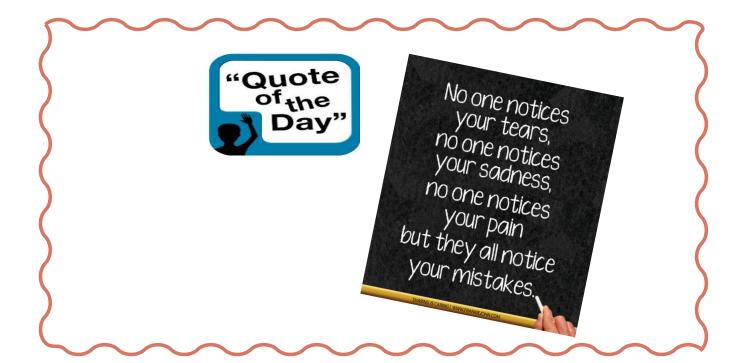
















Name: Rosidi MansoorDesignation: Assistant Islamic Affairs OfficerJob Description:Manage courses and islamic affairsDivision: Human Resource ManagemnetContact No: 603-6200 0225Email: rosidi.mansoor@miti.gov.my

Name	Zunaida Bee Mydin Pillai	6
Designation	Assistant Administrative Officer (Asset)	1
Job Description	on: Responsible for the overall management	1
	of the assets of the Ministry	
Division	: Finance	
Contact No	: 603-6200 0235	
Email	: zunaida@miti.gov.my	

### **Comments & Suggestions**

Dear Readers,

Kindly click the link below for any comments in this issue. MWB reserves the right to edit and to republish letters as reprints.

letters as reprints. http://www.miti.gov.my/index.php/forms/form/13 MITI Weekly Bulletin / www.miti.gov.my