

## Ucapan Hari Raya Aidiladha Dato' Sri Mustapa bin Mohamed Menteri Perdagangan dan Industri, Malaysia



Bismillahirrahmanirrahim. Assalamu'alaikum warahmatullahi wabarakatuh.

Alhamdulillah, dipanjatkan kesyukuran kehadiran Allah SWT kerana dengan limpah kurnia dan izinNya, kita sekali lagi diberikan kesempatan untuk menyambut Hari Raya Aidiladha 1437 Hijrah pada 10 Zulhijjah 1437H bersamaan 12 September 2016.

Hari Raya Aidiladha atau juga lebih dikenali sebagai Hari Raya Korban di kalangan masyarakat Malaysia membawa mesej 'pengorbanan' dan 'kesabaran' kepada umat Islam khususnya dan rakyat Malaysia amnya. Kita sewajarnya menghayati kisah pengorbanan Nabi Ibrahim A.S dan ketaatan anakanda beliau baginda Nabi Ismail A.S tatkala kita meneruskan lafaz tahmid dan takbir sebagai tanda pengabdian diri kepada Allah S.W.T.

Bersempena dengan sambutan Bulan Kebangsaan ini, kita sewajarnya menginsafi dan mensyukuri nikmat kemerdekaan yang diwariskan oleh generasi yang terdahulu. Sememangnya, pengorbanan dalam erti kata hari ini merangkumi satu konsep yang lebih mendalam. Kita harus sentiasa mengorbankan masa dan tenaga dalam usaha untuk terus mengembangkan ekonomi negara ini dan sekaligus mewariskan Malaysia yang makmur dan sejahtera buat generasi akan datang.

Kerajaan Malaysia sememangnya berusaha menambahbaik mutu kerja kita. Strategi Lautan Biru Kebangsaan (NBOS) diperkenalkan bagi mengetengahkan pendekatan yang lebih kreatif dan inovatif, memaksimumkan sumber sedia ada dan memastikan dasar kerajaan dalam dilaksanakan secara efisien dan cepat. Namun usaha ini tidak harus terhenti sekadar di sini.

Sebelum mengakhiri ucapan, saya dan warga MITI mengucapkan Selamat Hari Raya Aidiladha kepada rakyat Malaysia. Selamat pulang ke kampung halaman bagi yang berkesempatan dan pandulah dengan berhati-hati serta pastikan kenderaan anda dalam keadaan yang sempurna. Semoga Aidiladha tahun ini lebih baik dan bermakna daripada tahun yang sebelumnya. Insha Allah.

Dato' Sri Mustapa Mohamed  
Menteri Perdagangan Antarabangsa dan Industri Malaysia

SELAMAT HARI RAYA  
AIDILADHA  
سَلَامَتُ هَارِي رَايَ عَيْدِ الْاَضْحَى



# TRADE PERFORMANCE FOR THE PERIOD OF JANUARY- JULY 2016 AND THE MONTH OF JULY 2016

## Trade of RM821.8 billion in First Seven Months 2016

Malaysia's trade for the period January-July 2016 expanded marginally by 0.3% to reach a value of RM821.8 billion as compared to RM819.04 billion in the same period of 2015. Expansion in trade were seen with the United States of America (USA), the Republic of Korea, ASEAN, Turkey, Nigeria, Mexico and Bangladesh.

In tandem with subdued external demand, exports grew by 0.3% or RM1.2 billion to RM432.75 billion while imports increased by 0.4% or RM1.55 billion to RM389.05 billion. Trade surplus of RM43.7 billion was recorded, compared to RM44.06 billion registered for the same period of 2015. In July 2016, a trade surplus of RM1.91 billion was registered, the 225th consecutive month of trade surpluses recorded since November 1997. Exports for the month declined by 5.3% or RM3.37 billion year-on-year, to RM59.85 billion while imports contracted by 4.8% or RM2.91 billion to RM57.94 billion. Overall, trade was lower by 5.1% to RM117.79 billion.

## Export Performance of Major Sectors

In the first seven months of 2016, exports of manufactured goods increased by 4.2%. Exports of agricultural goods decreased marginally by 0.4% while mining goods declined by 27.3%.

Manufactured Exports Contributed 82.7% to Total Exports in January-July 2016 Exports of manufactured goods in January-July 2016 expanded to RM357.92 billion, contributing 82.7% to total exports as compared to 79.6% during the same period of 2015. The increase was led by higher exports of electrical and electronic (E&E) products, machinery, equipment and parts, manufactures of metal, optical and scientific equipment, chemicals and chemical products as well as processed food.

Exports of agricultural goods declined marginally by 0.4% to RM37.14 billion as a result of lower exports of natural rubber and palm oil, by 17.2% and 3.4%, respectively. Decrease in exports of palm oil was due to lower volume while natural rubber was due to lower Average Unit Value (AUV) and volume. Exports of mining goods fell by 27.3% to RM34.89 billion with lower exports of liquefied natural gas (LNG) and crude petroleum.

Decrease in exports of LNG was due to lower AUV and volume while crude petroleum, on lower AUV.

## Major exports in January-July 2016 were:

- E&E products valued at RM155.78 billion and constituting 36% of total exports, increased by 2.1% from the corresponding period of 2015;
- Chemicals and chemical products (RM32.91 billion), 7.6% of total exports, an increase of 5.6%;
- Petroleum products (RM29.76 billion), 6.9% of total exports, declined by 1.7%;
- Palm oil and palm-based agriculture products (RM24.82 billion), 5.7% of total exports, declined by 1.3%; and
- Machinery, equipment and parts (RM22.7 billion), 5.2% of total exports, an increase of 13.5%.

In July 2016, exports of manufactured goods decreased by 3.9% or RM1.96 billion to RM48.75 billion with lower exports of E&E products which contracted by RM1.39 billion. Higher exports, however, were recorded for optical and scientific equipment, rubber products, transport equipment, processed food, iron and steel products as well as chemicals and chemical products.

Exports of agricultural goods recorded a value of RM5.59 billion, a decrease of 10% due mainly to lower exports of palm oil and natural rubber, by 9.6% and 43.9%, respectively. The reduction in exports of palm oil was due to lower volume while natural rubber was due to lower AUV and volume. Compared to June 2016, exports of palm oil however registered a growth of 7.7% in July 2016, contributed by higher volume of palm oil exports. Exports of mining goods decreased by 14% to RM5.07 billion with lower exports of LNG, attributed to lower AUV. Compared to June 2016, exports of LNG increased by 15%.

## Performance of Major Markets

Exports to ASEAN Remained Resilient in January-July 2016

In January-July 2016, exports to ASEAN grew by 5.8% or RM7.01 billion to reach a value of RM128.19 billion, accounting for 29.6% share of Malaysia's total exports. The increase in exports was driven by larger exports of E&E products (electronic integrated circuits), manufactures of metal (aluminium alloys), machinery, equipment and parts (air conditioner), processed food as well as chemicals and chemical products (alcohols, phenols and derivatives).



Imports from ASEAN contracted by 5.3% to RM95.8 billion, with trade growing marginally at 0.7% to RM223.99 billion.

Breakdown of exports to ASEAN countries as follows:

- Singapore RM 62.91 billion, increased by 5.3%
- Thailand RM 24.93 billion, ↑1.1%
- Indonesia RM 15.21 billion, ↓7.7%
- Viet Nam RM 13.36 billion, ↑40.1%
- Philippines RM 7.70 billion, ↑8.6%
- Myanmar RM 2.05 billion, ↑25.6%
- Brunei RM 1.23 billion, ↓19.5%
- Cambodia RM 741.4 million, ↑49.8%
- Lao PDR RM 46.5 million, ↑55.0%

Among the major markets within ASEAN, exports were higher to Singapore, Thailand and Viet Nam while lower exports were recorded to Indonesia. Exports to Singapore and Thailand expanded by RM3.19 billion and RM280.2 million, respectively, attributed mainly to higher exports of E&E products. Exports to Viet Nam increased by RM3.82 billion, driven by higher exports of petroleum products, manufactures of metal as well as chemicals and chemical products. However, exports to Indonesia remained weak, falling by RM1.27 billion due to the drop in exports of petroleum products.

In July 2016, exports to ASEAN grew by 4.7% to RM18.15 billion, lifted by increased exports of crude petroleum, E&E products, petroleum products as well as manufactures of metal. Imports from ASEAN fell 16.7% to RM12.92 billion and trade with ASEAN declined by 5.4% to RM31.08 billion.

### Trade With the USA Up 9.9%

In the first seven months of 2016, trade with the USA rose 9.9% to RM77.94 billion.

Exports surged by 13.6% or RM5.43 billion to RM45.47 billion while imports were higher by 5.2% to RM32.47 billion. Higher exports were contributed mainly by increased exports of E&E products which accounted for 57.3% of total exports to the USA, particularly, photosensitive semiconductor devices. This was followed by optical and scientific equipment (parts and accessories for oscilloscope, spectrum analyser and other instruments), transport equipment (parts for aircraft), manufactures of metal as well as palm oil and palm-based agriculture products.

For July 2016, exports to the USA grew by 4.1% to RM6.35 billion, accounting for 10.6% of Malaysia's total exports. The increase was supported by optical and scientific equipment, palm oil and palm-based agriculture products, machinery, equipment and parts (parts for civil engineering and contractors equipment) as well as E&E products. Imports however shrank by 10.6% to RM4.14 billion while trade with the USA decreased by 2.3% to RM10.49 billion.

### Slower Trade with China

In the first seven months of 2016, trade with China grew by 0.2% to RM127.61 billion, accounting for 15.5% of Malaysia's total trade. Exports to China declined by 11% to RM49.62 billion. Reduced exports to China were seen mainly to E&E products, apart from the sluggish demand for commodity related exports, namely, palm oil and palm-based agriculture products, petroleum products, LNG as well as natural rubber. During the period, China's overall imports from the world declined by 10.5%, affecting most of the major exporting countries including Malaysia. Higher exports however were recorded for manufactures of metal, chemicals and chemical products (organic chemicals), optical and scientific equipment (instrument or apparatus for measuring or checking semiconductors) as well as transport equipment. Imports from China expanded by 8.9% to RM77.99 billion.

In July 2016, trade with China contracted by 9.1% to RM18.76 billion from July 2015. Exports to China decreased by 22.3% to RM7.28 billion due to lower demand for E&E products, petroleum products, natural rubber, metalliferous ores as well as manufactures of metal. Higher exports however were registered for rubber products, chemicals and chemical products as well as crude petroleum. Imports were higher by 2% to RM11.47 billion.

### Exports to the EU Up 3% in January-July 2016

In January-July of 2016, exports to the EU recorded a growth of 3% to RM44.1 billion while imports declined by 2.1% to RM39.61 billion. Trade with the EU increased by 0.5% to RM83.71 billion. Higher exports to the EU was led by exports of machinery, equipment and parts (air conditioner), optical and scientific equipment

(medical instruments and apparatus for surgical, dental and veterinary), chemicals and chemical products, apparels, transport equipment, rubber gloves as well as processed food. From the top 10 EU markets, 7 markets registered double digit growth, namely, Hungary (↑36.6%), Italy (↑23.8%), Belgium (↑20.5%), Germany (↑17.1%), France (↑12.4%), Spain (↑11.8%) and the Czech Republic (↑11.5%). Decline in exports however were recorded to the Netherlands, the United Kingdom and Sweden. In July 2016, trade with the EU decreased by 6.8% to RM11.71 billion. Exports valued at RM6.09 billion, were lower by 2% due mainly to reduced exports of E&E products. However, increased exports were recorded for machinery, equipment and parts, chemicals and chemical products, optical and scientific equipment as well as palm oil and palm-based agriculture products. Imports declined by 11.5% to RM5.63 billion.

### Exports to Japan Down 15.5%

In the first seven months of 2016, trade with Japan amounted to RM67.98 billion, a decline of 7.2% from the same period 2015. Exports totalled RM35.82 billion while imports, RM32.16 billion. During the period, exports of LNG decreased by RM6.61 billion, leading to the fall in total exports to Japan, by 15.5% or RM6.57 billion. LNG accounted for 32.6% share of total exports to Japan. Exports of manufactured goods however, grew by 0.9% to RM21.71 billion mainly from exports of machinery, equipment and parts (pumps, compressors, fans, centrifuges and parts), non-metallic mineral products, processed food as well as textiles.

In July 2016, trade with Japan reached a total of RM9.68 billion with exports and imports valued at RM4.96 billion and RM4.72 billion, respectively. The decline in exports by 14.5% was due mainly to reduced exports of LNG and E&E products. Expansion in exports however were registered for manufactures of metal, petroleum products, palm oil and palm-based agriculture products as well as processed food. Imports were increased by 5.5% from July 2015.

### Trade with FTA Partners

During January-July of 2016, total trade with Free Trade Agreement (FTA) partners was valued at RM514.32 billion or 62.6% of Malaysia's trade. Exports

amounted to RM267.2 billion while imports totalled RM247.12 billion. Higher exports were recorded to Viet Nam, Singapore, Turkey, the Philippines, Myanmar, Pakistan, Thailand, Cambodia and Laos.

Palm oil and palm-based agriculture products was the main contributor to the increases in exports to Turkey, the Philippines and Pakistan for the period. In July 2016, trade with FTA partners amounted to RM74.76 billion, accounting for 63.5% of Malaysia's trade. Exports to FTA partners recorded a value of RM37.12 billion while imports, RM37.64 billion. Exports expanded to Singapore, Viet Nam, Thailand, Turkey, Pakistan, Myanmar, Cambodia and Chile. Exports to Chile rose 15.3% from July 2015 to RM47.5 million, attributed mainly to higher exports of E&E products.

**Growth in Other Markets**  
In the first seven months of 2016, markets that recorded marked growth in exports were Nigeria which increased by RM1.39 billion with the main contributor to the increase being petroleum products, Mexico (↑RM1.23 billion, E&E products), Bangladesh (↑RM983.4 million, palm oil and palm-based agriculture products) and the United Arab Emirates (UAE) (↑RM712.3 million, E&E products).

### Imports

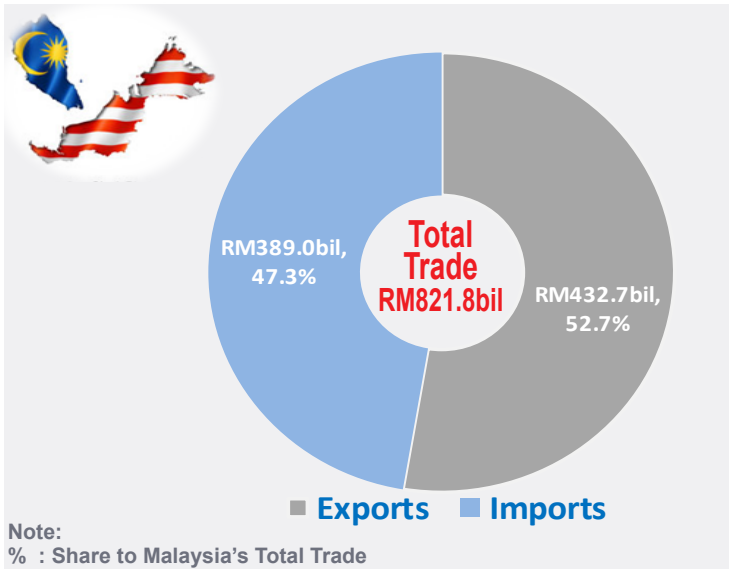
During the first seven months of 2016, imports were valued at RM389.05 billion, higher by 0.4% from the corresponding period of 2015. The three main categories of imports by end use were:

- Intermediate goods, valued at RM221.95 billion or 57% share of total imports, decreased by 3.3%, due mainly to lower imports of petroleum products;
- Capital goods (RM56.87 billion, 14.6% share, up 4.8%), due mainly to higher imports of floating structures; and
- Consumption goods (RM38.38 billion, 9.9% share, up 12.8%), with higher imports of food products.

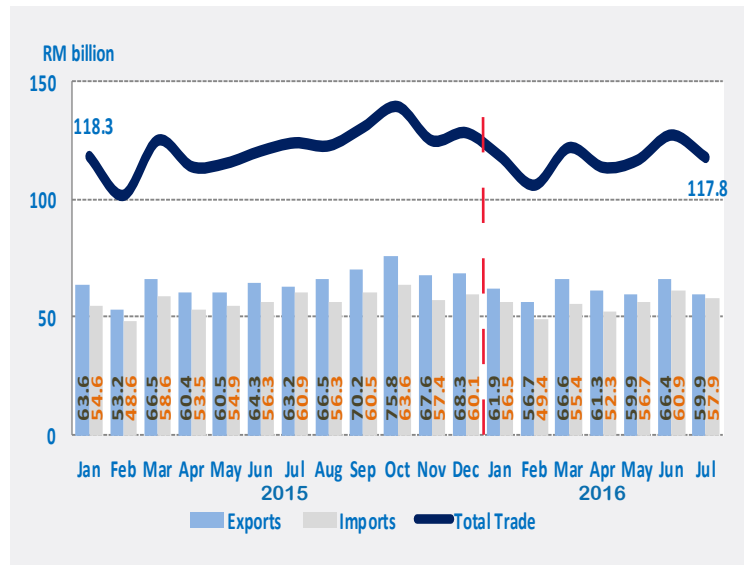
In July 2016, imports decreased by 4.8% to RM57.94 billion. The three main categories by end use were intermediate goods which valued at RM32.1 billion, a decline of 11.8%, capital goods (RM11 billion, ↑46.6%) and consumption goods (RM4.91 billion, ↓6.8%).

# Malaysia

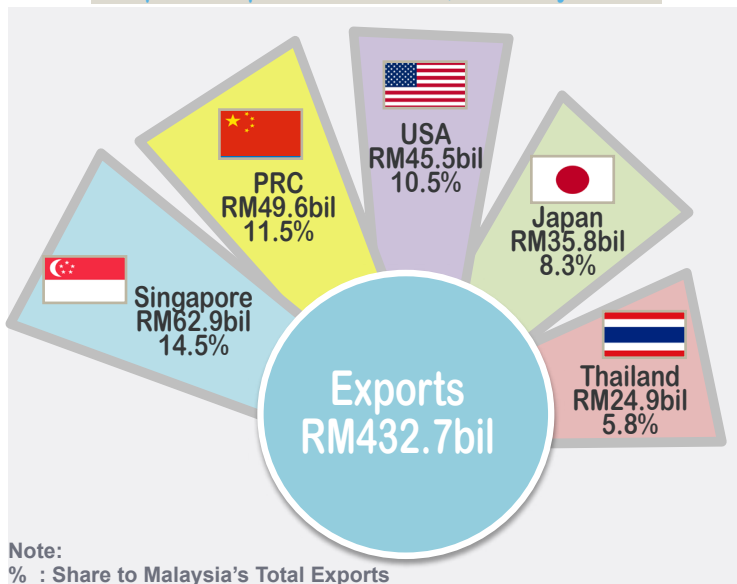
## Total Trade, Jan - July 2016



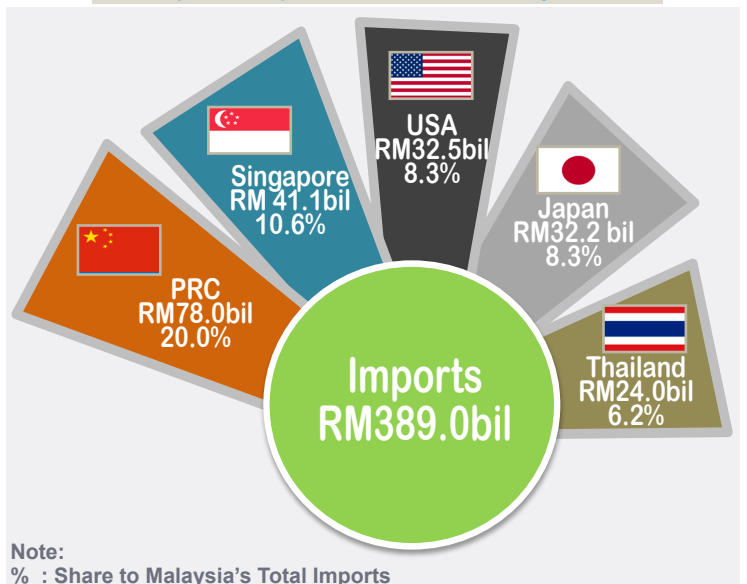
## Trade Performance, Jan - July 2016



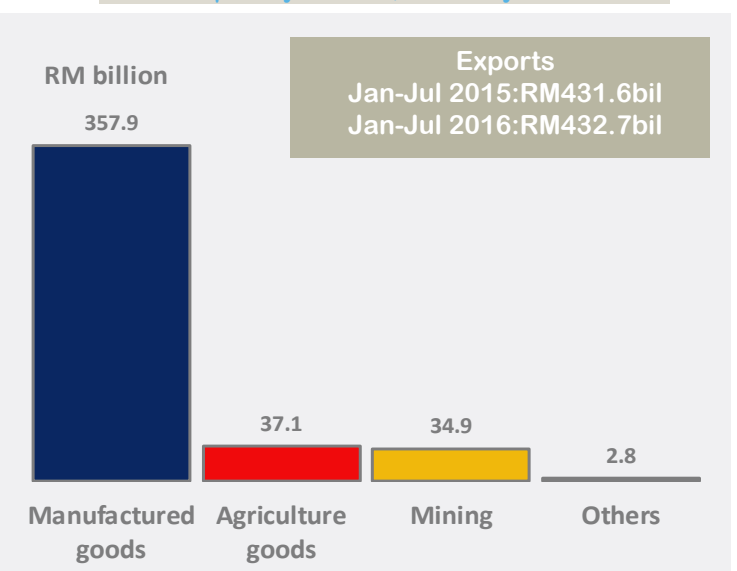
## Top Five Export Destinations, Jan - July 2016



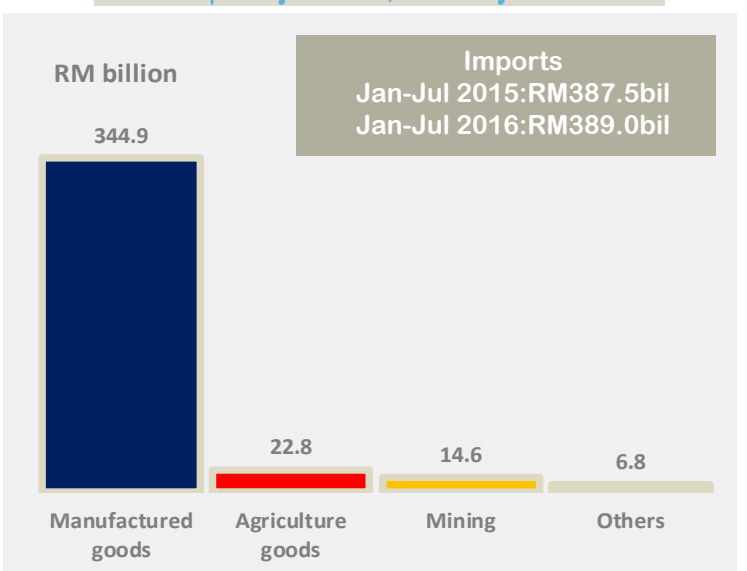
## Top Five Import Sources, Jan - July 2016



## Export by Sectors, Jan - July 2016



## Import by Sectors, Jan - July 2016






Source : Department of Statistics, Malaysia

# 'ASEAN and You...'



## Global Innovation Index 2016 Rankings

World Rank 2016 (2015)	ASEAN Country	Score (0-100)
5 (7)	 Singapore	59.16
35 (32)	 MALAYSIA	43.36
52(55)	 Thailand	36.51
59 (52)	 Viet Nam	35.37
74(83)	 Philippines	31.83
88 (97)	 Indonesia	29.07
95 (91)	 Cambodia	27.94

Note: The International Innovation Index is a global index measuring the level of innovation of a country, produced jointly by The Boston Consulting Group (BCG), the National Association of Manufacturers (NAM), and The Manufacturing Institute (MI), the NAM's nonpartisan research affiliate.

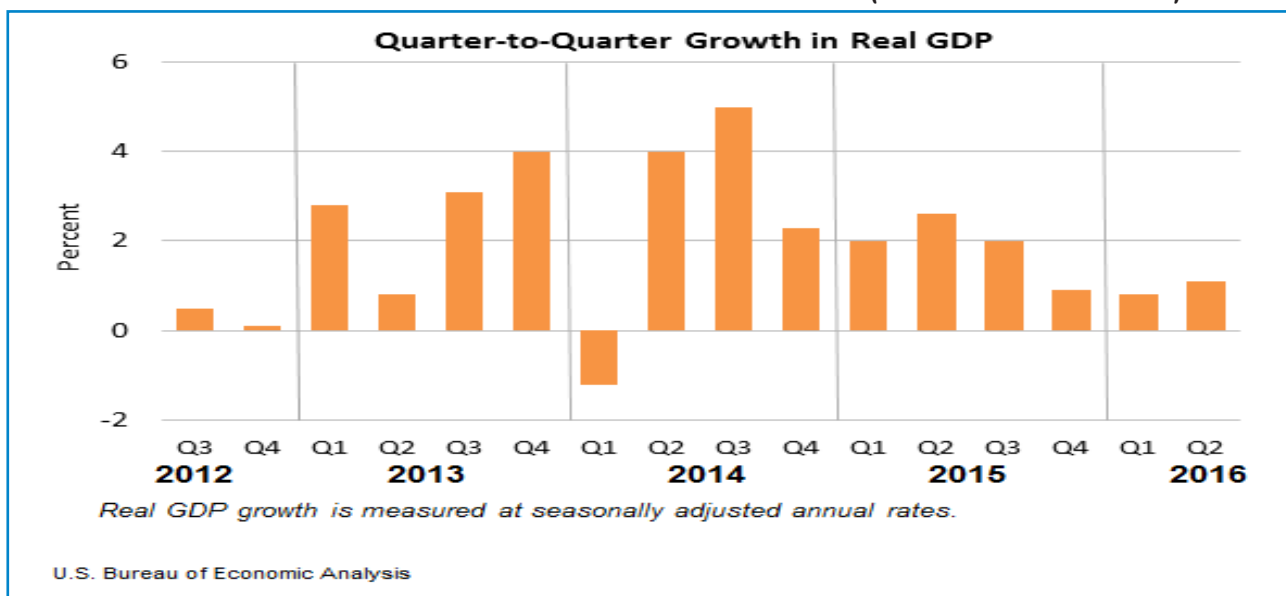
Source: <https://www.globalinnovationindex.org/gii-2016-report#>



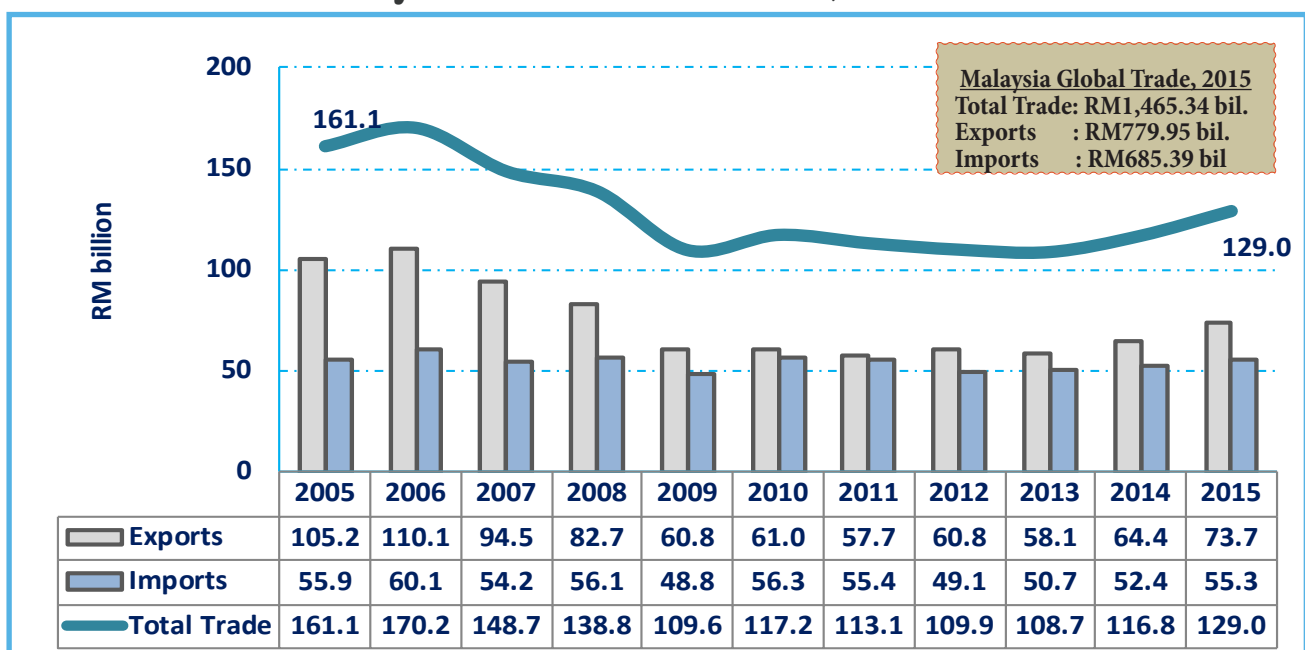
## U.S.A. Economic Indicators , July 2016



## Gross Domestic Product: Second Quarter 2016 (Second Estimate)

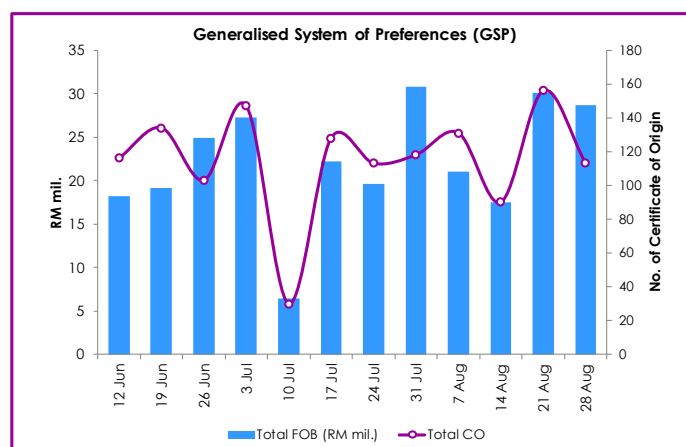
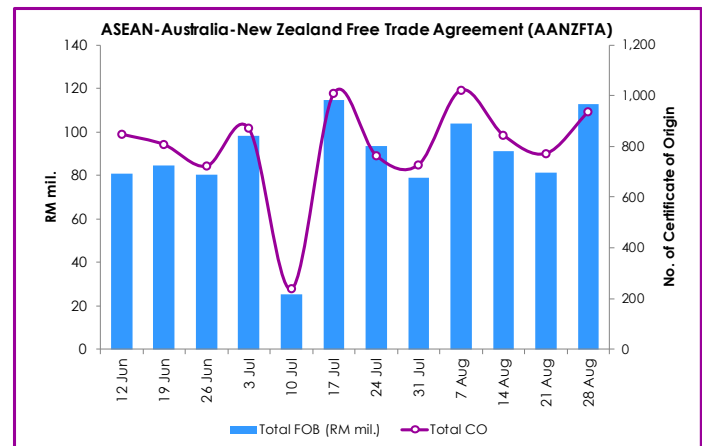
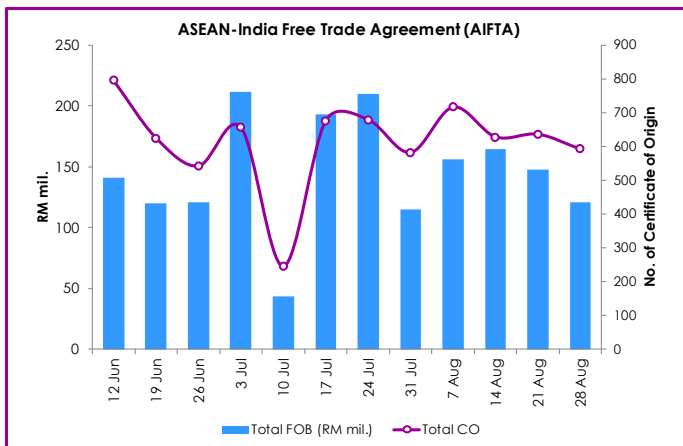
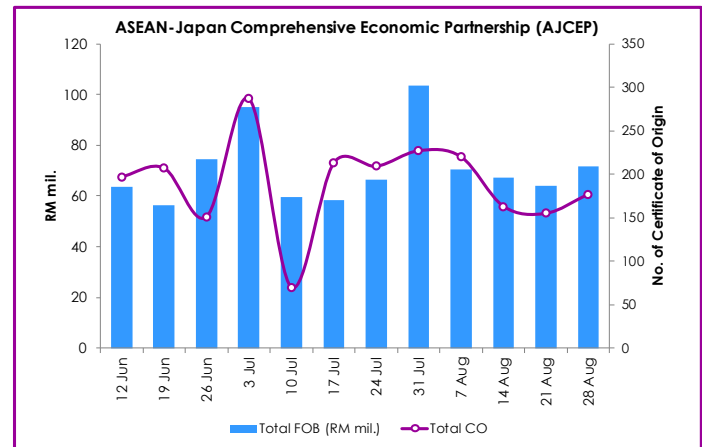
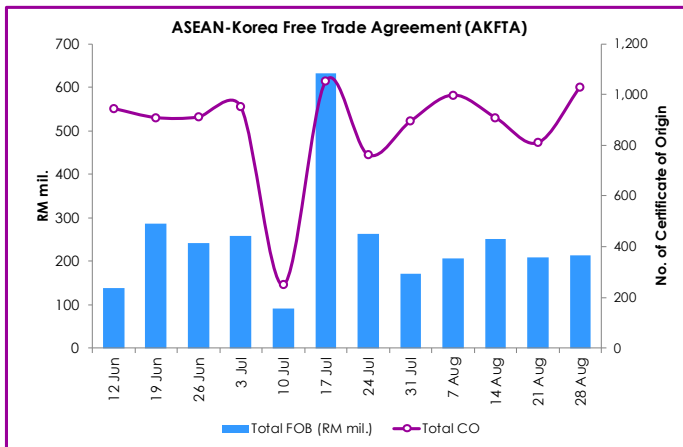
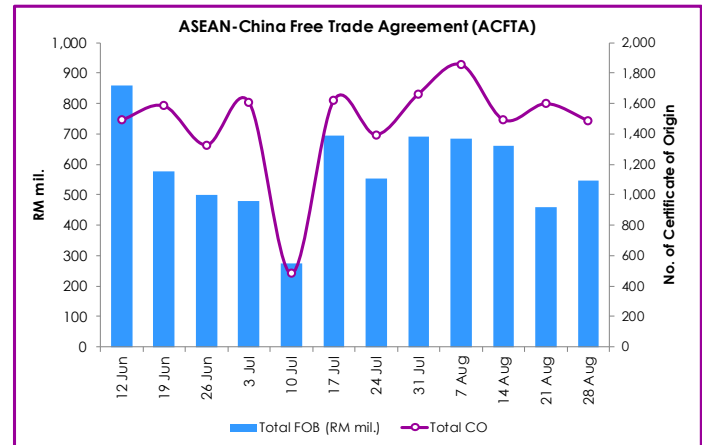
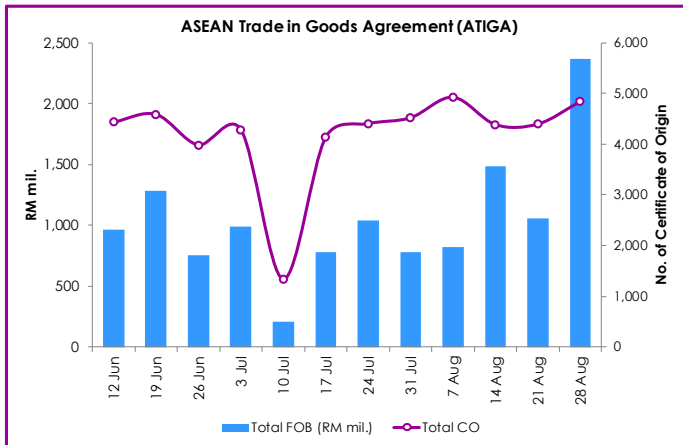


## Malaysia's Trade with USA, 2005-2015



Source : Department of Statistics, Malaysia

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

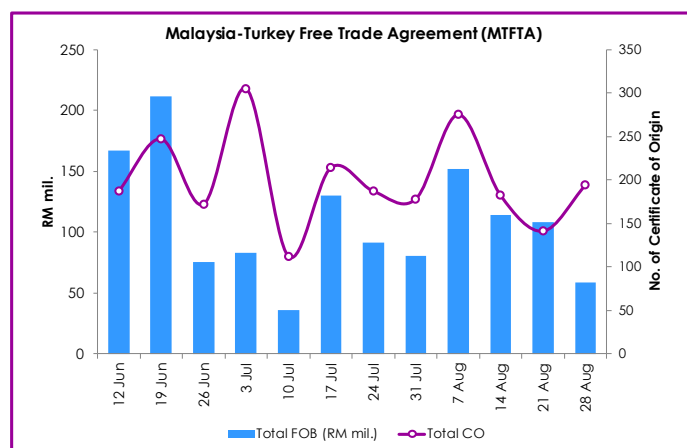
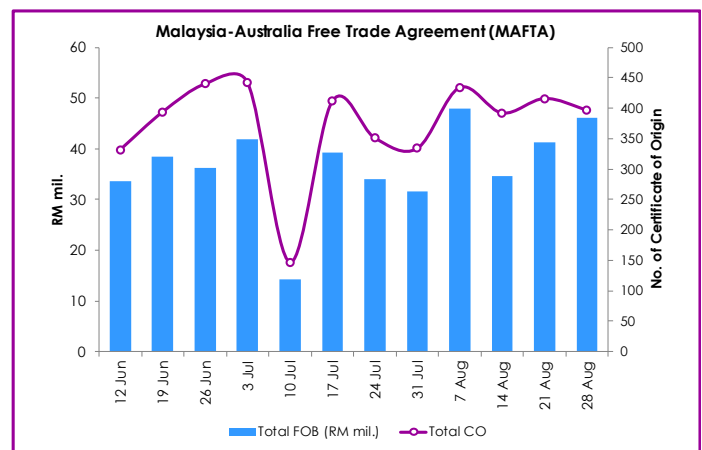
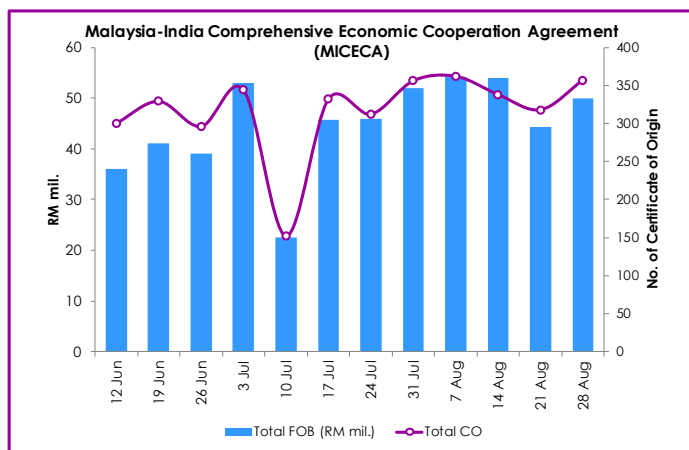
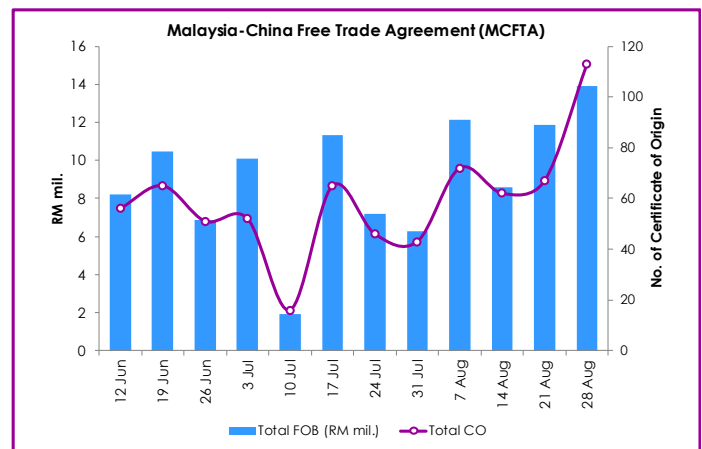
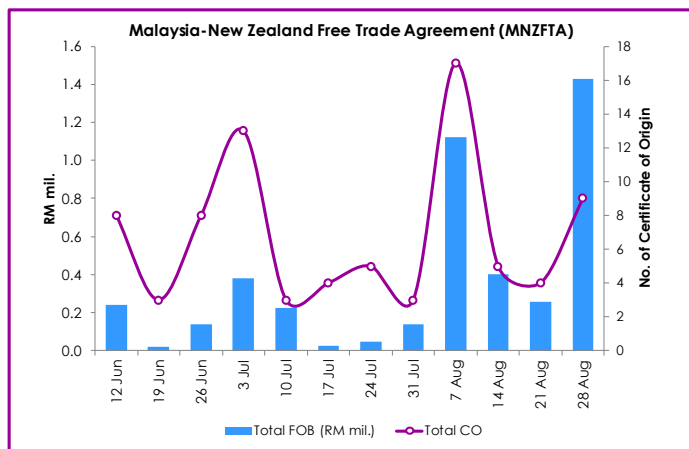
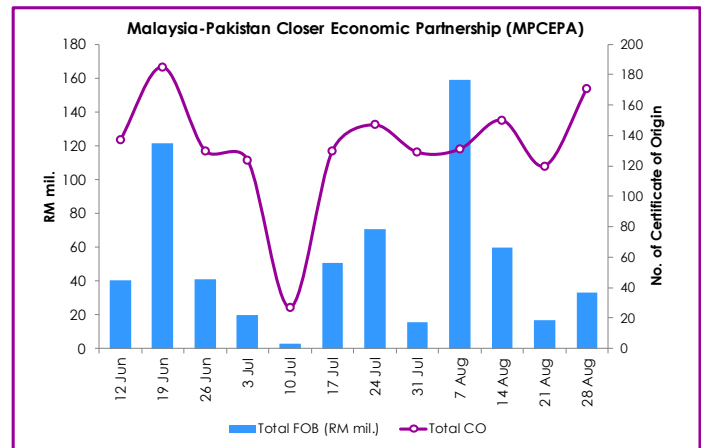
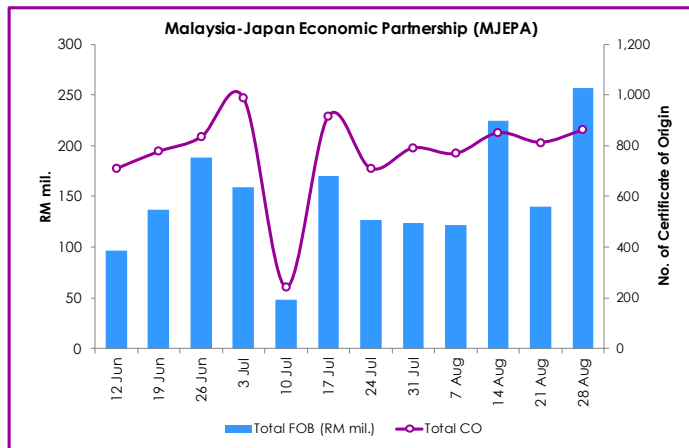


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Source: Ministry of International Trade and Industry, Malaysia



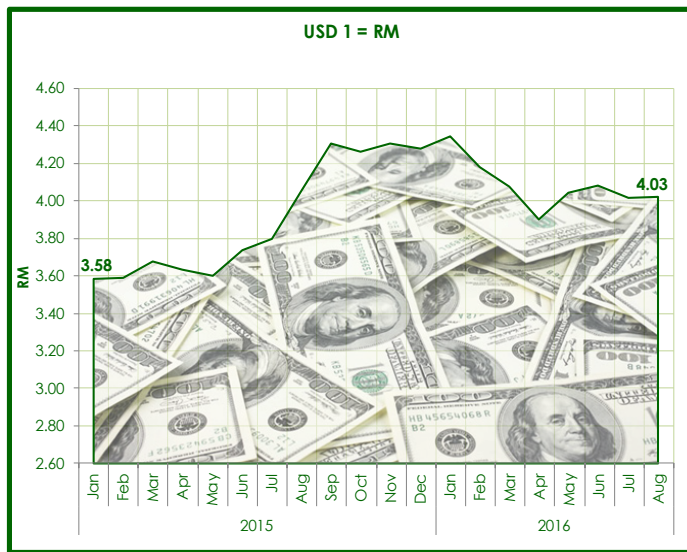
# Number and Value of Preferential Certificates of Origin (PCOs)



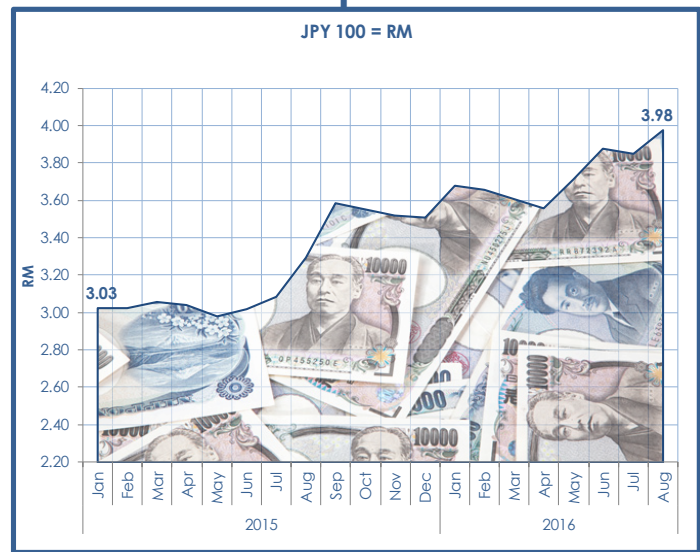
Source: Ministry of International Trade and Industry, Malaysia

# Malaysian Ringgit Exchange Rate with Selected Countries, January 2015 - August 2016

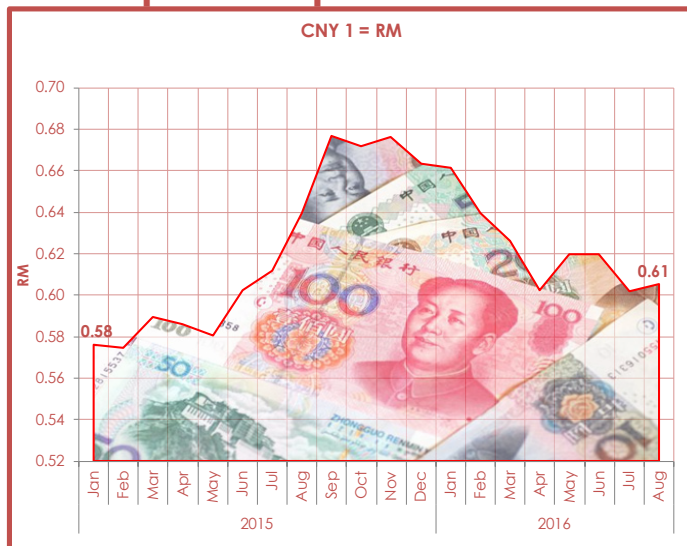
## United State of America



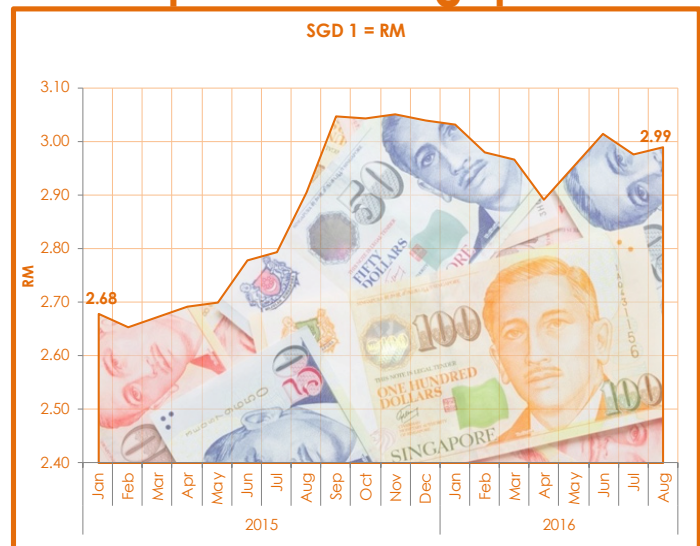
## Japan



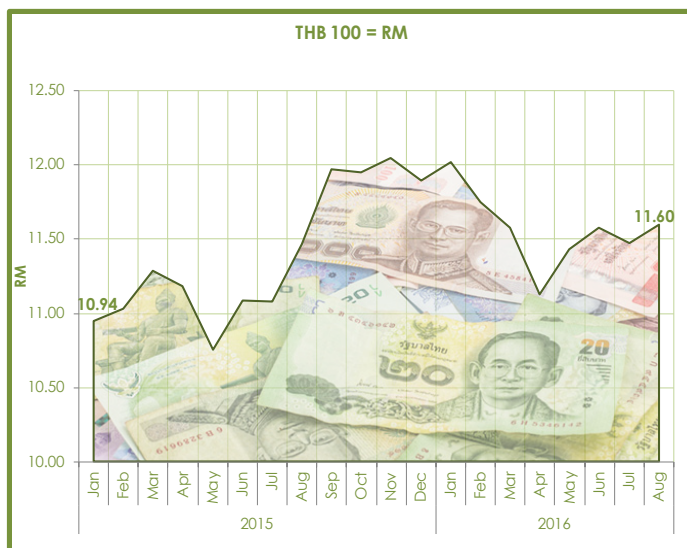
## People's Republic of China



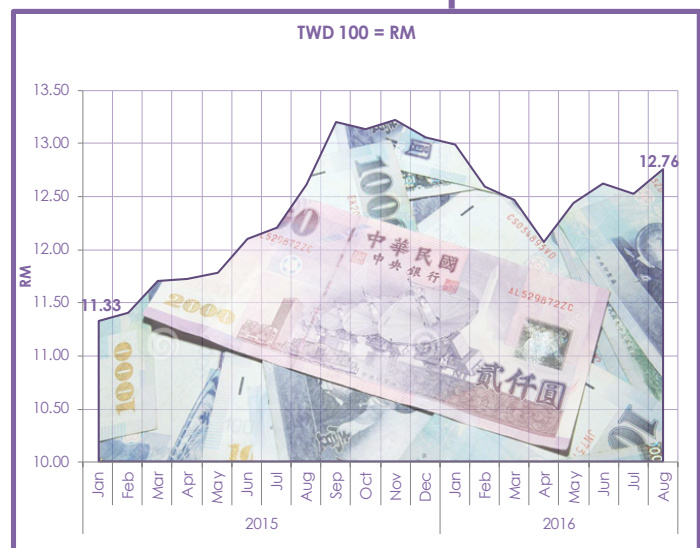
## Republic of Singapore



## Thailand



## Chinese Taipei



Source : Bank Negara Malaysia

# Commodity Prices



## CRUDE PETROLEUM (BRENT) -per bbl-

2 Sept 2016 : US\$46.8, ▼ 6.2%\*  
Average Price<sup>i</sup>: 2015: US\$53.6  
2014: US\$99.5



## CRUDE PALM OIL -per MT-

2 Sept 2016 : US\$765.5, ▼ 0.5%\*  
Average Price<sup>i</sup>: 2015: US\$616.9  
2014: US\$823.3



## SUGAR -per lbs-

2 Sept 2016 : US\$20.2, ▼ 2.1%\*  
Average Price<sup>i</sup>: 2015: US\$13.2  
2014: US\$16.6



## RUBBER SMR 20 -per MT-

2 Sept 2016 : US\$1,315.0, ▲ 3.2%\*  
Average Price<sup>i</sup>: 2015: US\$1,364.3  
2014: US\$1,718.3



## COCOA SMC 2 -per MT-

2 Sept 2016 : US\$2,160.6, ▼ 5.6%\*  
Average Price<sup>i</sup>: 2015: US\$2,077.0  
2014: US\$2,615.8



## COAL -per MT-

2 Sept 2016 : US\$43.5, unchange  
Average Price<sup>i</sup>: 2015: US\$49.9  
2014: US\$59.8



## SCRAP IRON HMS -per MT-

2 Sept 2016 : US\$240.0 (high), unchange  
US\$220.0 (low), unchange  
Average Price<sup>i</sup>: 2015: US\$239.6  
2014: US\$370.0

## HIGHEST and LOWEST 2015/2016

### Crude Petroleum (Brent) -per bbl-



#### Highest

9 August 2016 : US\$50.9  
15 May 2015 : US\$66.8

#### Lowest

15 January 2016 : US\$28.9  
18 December 2015 : US\$36.9

### Crude Palm Oil -per MT-



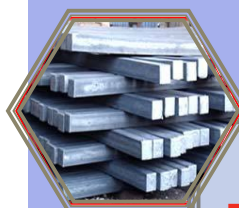
#### Highest

26 August 2016 : US\$769.4  
16 January 2015 : US\$701.0

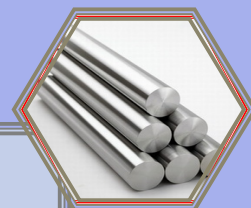
#### Lowest

15 January 2016 : US\$545.5  
4 September 2015 : US\$500.5

## Average Domestic Prices 2 September 2016



**Billets  
(per MT)**  
RM1,530 – RM1,600



**Steel Bars  
(per MT)**  
RM1,800 – RM1,950

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

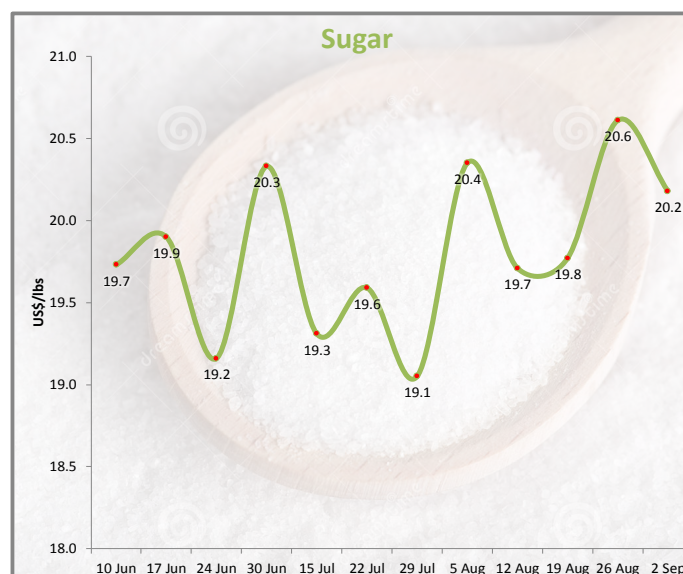
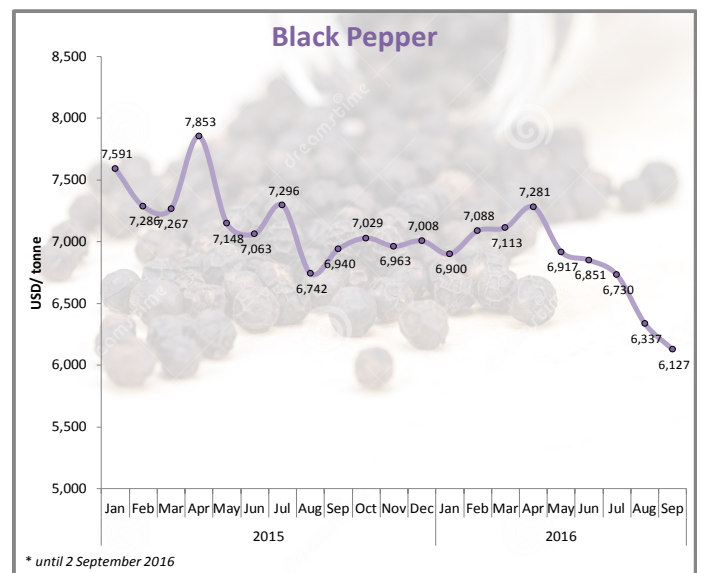
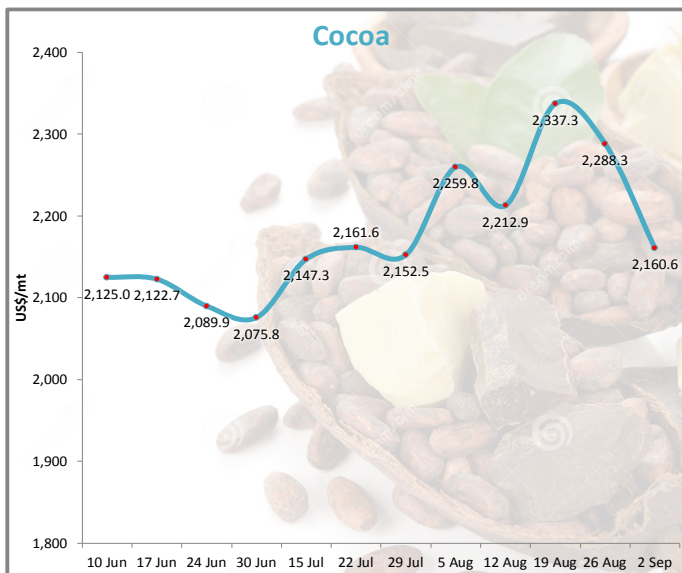
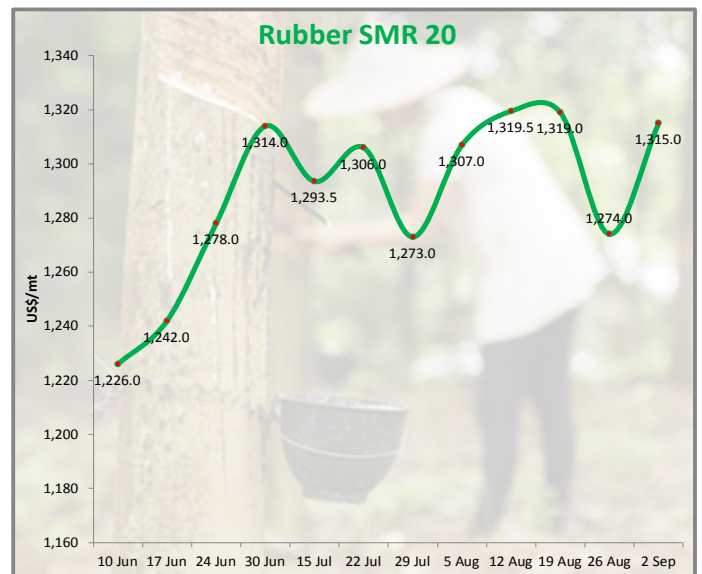
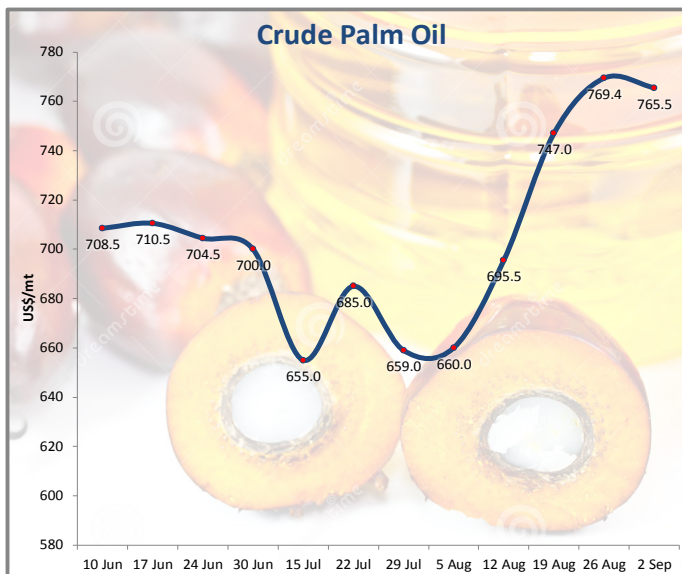
\* Refer to % change from the previous week's price

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

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.



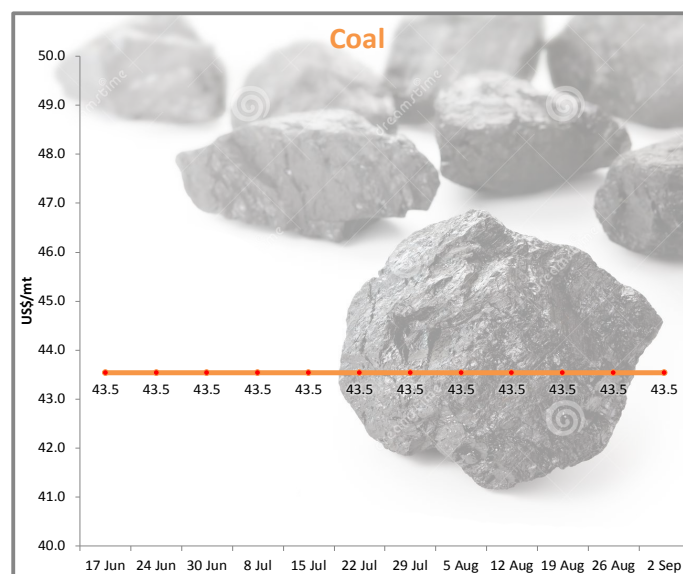
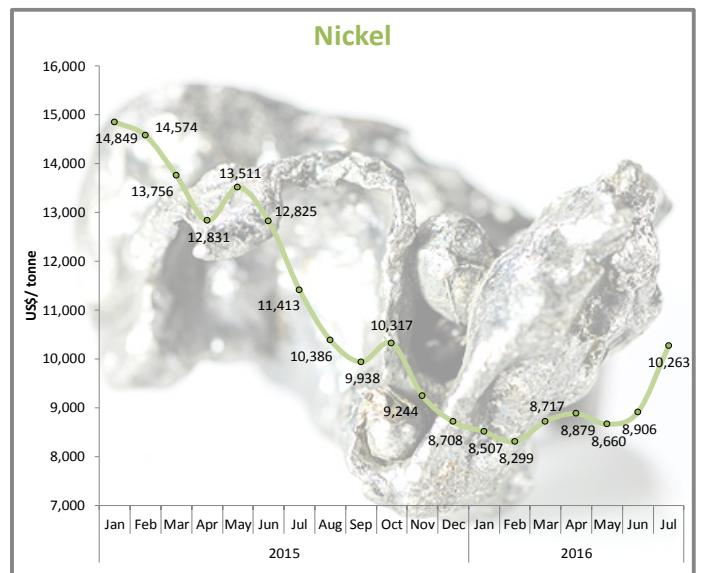
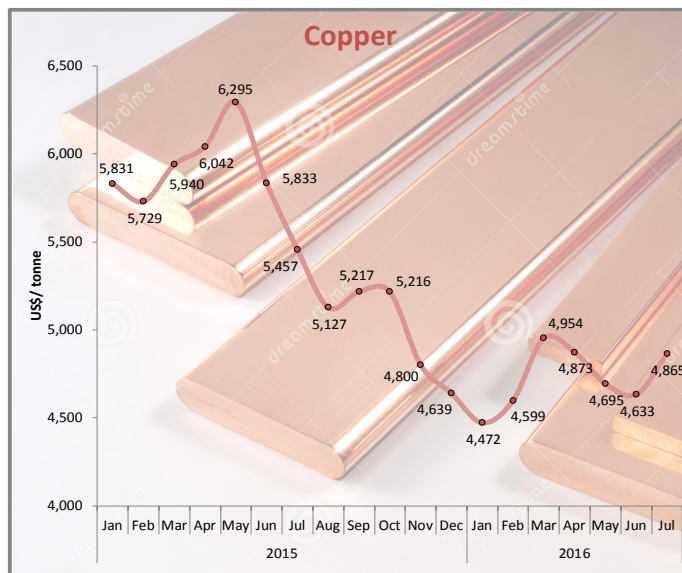
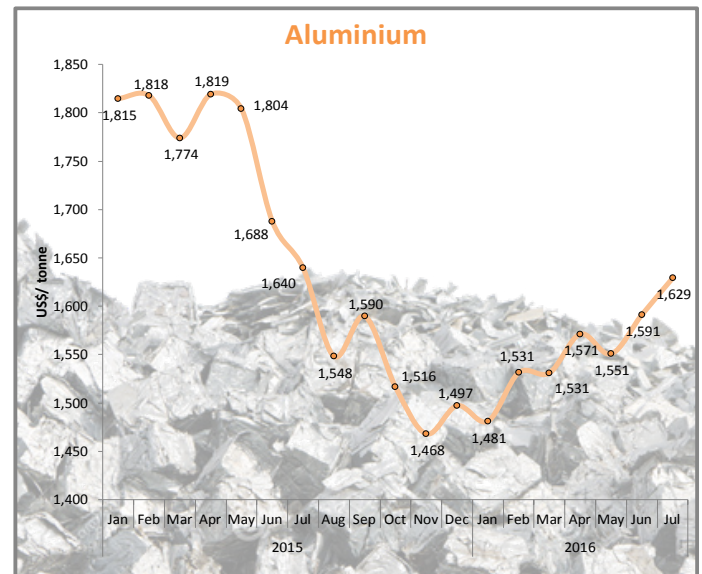
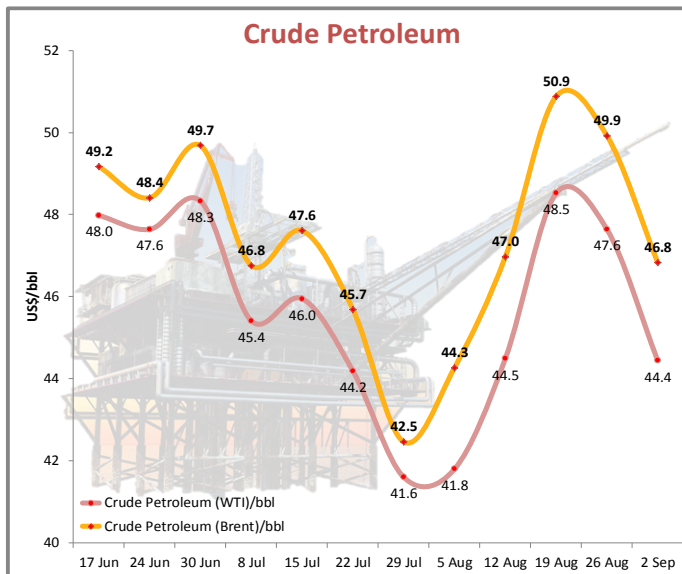
# Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

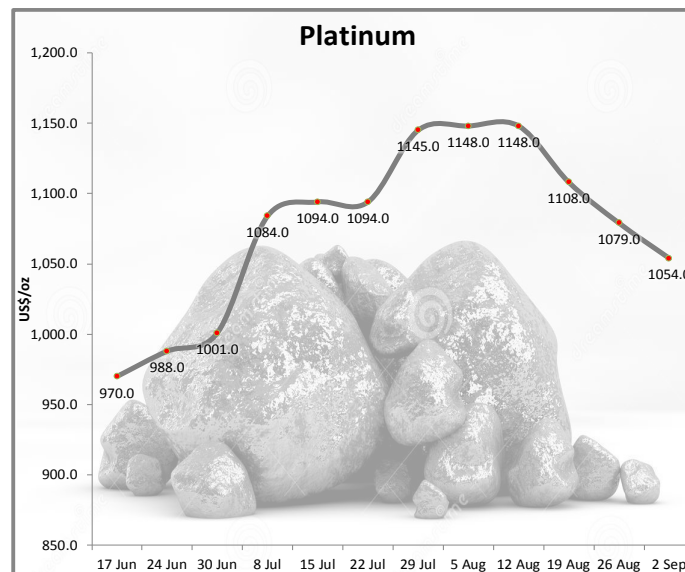
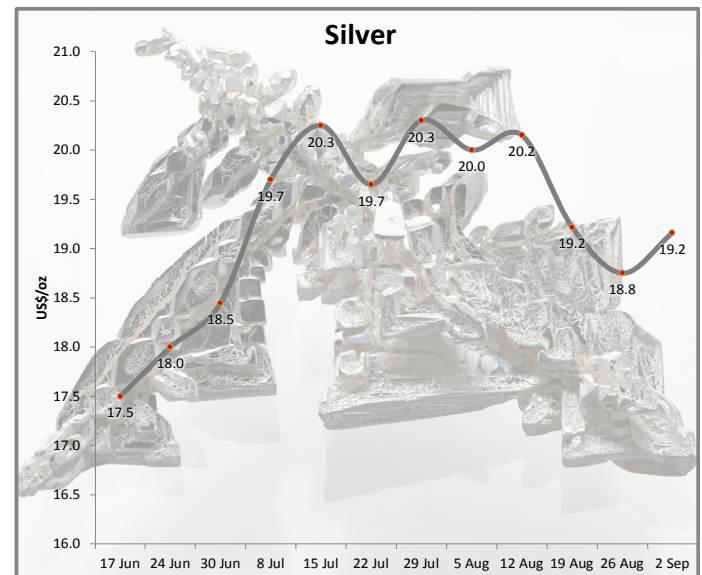
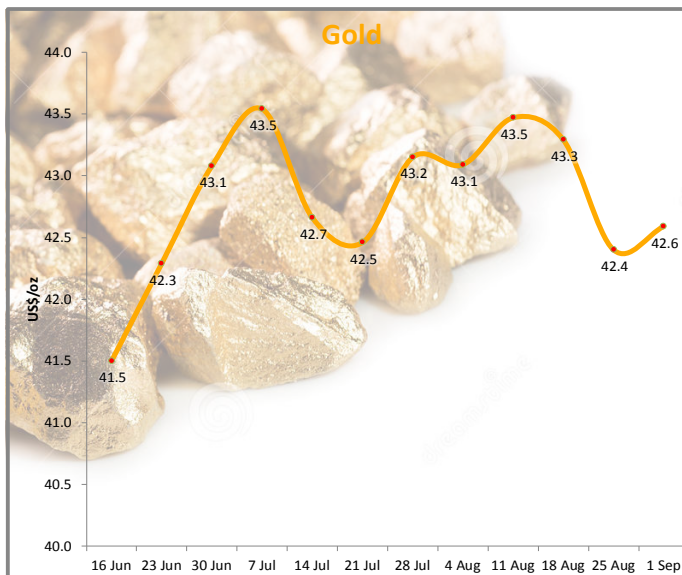
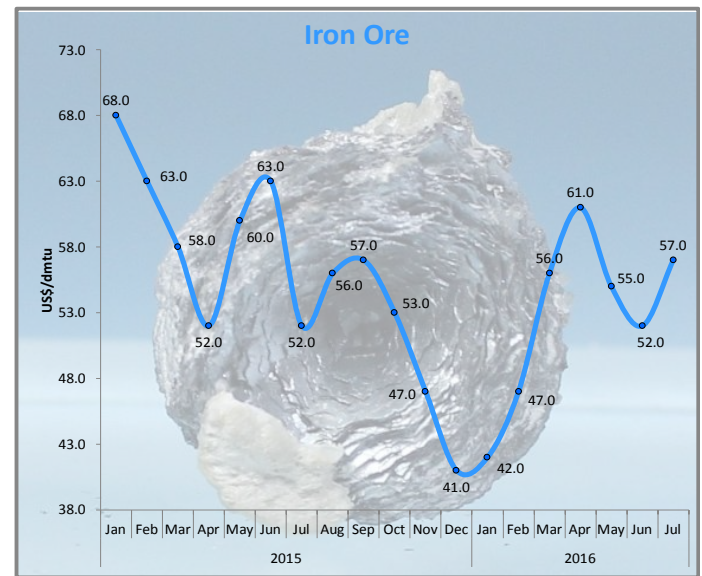
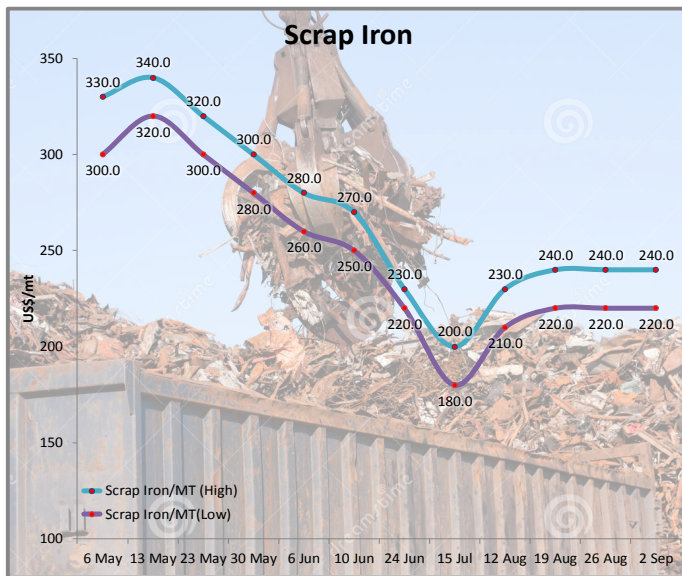


# Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and 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 Czarnikow Group, World Bank.



## MITI Programme

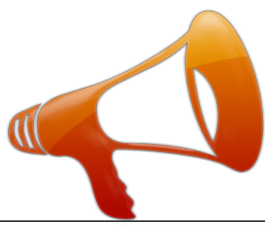
### The Launching of Beyond Nations Campaign by MATRADE

1 September 2016

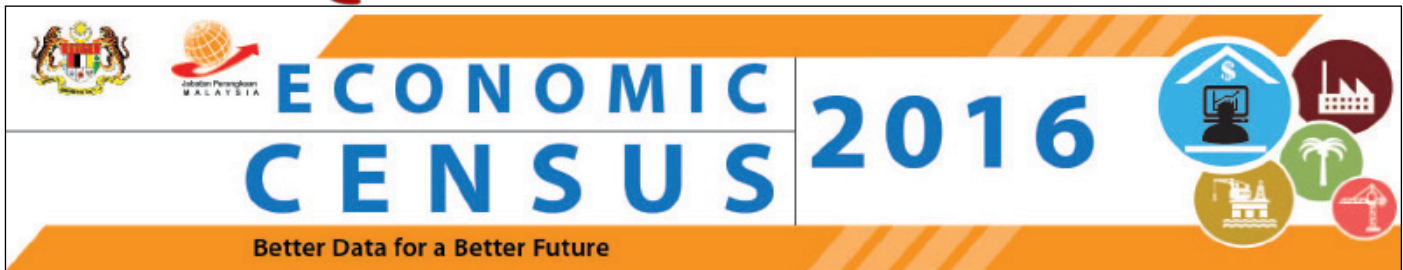


### Courtesy call by the President and Council Members of the Malaysian Iron and Steel Industry Federation (MISIF) on MITI Secretary General 5 September 2016





# Announcement



## Objectives

- Identify new sources of growth to the economy
- Formulate national economy programme and policies
- Asses the implementation of the national development policy such as the 11<sup>th</sup>MP, SME Master Plan and Services Sector Blueprint
- New benchmark for economy statistics
- Increase capacity of national statistics

## Use

- Constructing economic indicators
- Government – monitoring national plans, SME development
- Private, academic and researchers
- Future economic surveys
- Business planning and decisions

## Benefits of Economic Census

### Entrepreneurs, Companies & Business

- To identify industrial structure and product trends
- To monitor changing patterns and growth trends for future investment
- To make business planning and decisions
- To gauge their business performance
- To compare their business operations to industry norms

### Industry Associations & Chamber of Commerce

- To understand more about industrial structure;
- To share information about the industry with their members;
- To assist business in marketing and investment planning.

### Government

- To identify new sources of growth to the economy;
- To formulate national economy programmes; and
- To assess the implementation of the national development policy such as The Economic Transformation Programme, Eleventh Malaysia Plan and Small and Medium Enterprise (SME) Masterplan 2012 -2020.

### To Update Economic Indicators

- Rebasing of indices i.e. Gross Domestic Product (GDP) and Index of Industrial;
- Compilation of Supply & Use Table (SUT), Input-Output Table (I-O), Tourism Satellite Account (TSA), Information & Communication Technology Satellite Account and System of Environmental – Economic Accounting (SEEA);
- Development of SME's profile.

Source : Department of Statistics, Malaysia





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**Peter Cheah Hee Keong**  
Principal Assistant Director



**Nor Haida Shahimi**  
Principal Assistant Director



**Muslihana Mustafa @ Mamat**  
Strategic Trade Officer



**Daniel Yap En Juan**  
Senior Assistant Director



**Muhammad Izzatul Kayat**  
Senior Assistant Director



**Amirah Che Endut**  
Assistant Director



**Zunaide Mohd Ali**  
Principal Assistant Administrative Officer



**Maizatulkamar Mohd Zin**  
Senior Assistant Administrative Officer



**Mohd Azim Taib**  
Assistant Administrative Officer



**Farah Saidah Ahmad Zawawi**  
Personal Assistant



**Nor Nadirah Hazizan**  
Personal Assistant



**Nurmadiyah Nordin**  
Senior Administrative Assistant



**Alice Simbun**  
Administrative Assistant



**Fadzilah Musa**  
Administrative Assistant



**Faridzul Khairuddin**  
Operational Assistant