



Ministry of International Trade and Industry

Weekly Bulletin

DRIVING TRANSFORMATION, POWERING GROWTH

VOLUME 439

14 JUNE 2017 | NO. ISSN: 2180-0448

Malaysia-Indonesia to Have Stronger Trade Ties in Digital Economy, MSMEs

Indonesia is an important trading partner to Malaysia with total trade standing at USD13.8 billion in 2016. On the investments front, in the period of 2008-2016, Malaysia has invested approximately USD15 billion in Indonesia, while Indonesian investments in Malaysia stood at about USD2.6 billion in Malaysia.

International Trade and Industry Minister Dato' Sri Mustapa Mohamed said that over the past decade, Malaysian companies have established a strong presence in Indonesia including in key sectors such as banking, plantation, construction, toll-road, energy as well as telecommunications.

"At the roundtable business meeting which was co-chaired by myself and Eko Putro Sandjojo, the Minister in charge of facilitating Malaysian investments in Indonesia, Malaysian companies expressed their interest to continue playing a prominent role in the socio-economic development of Indonesia. The roundtable meeting was attended by

80 business leaders, 40 from Malaysia and another 40 from Indonesia, making it an historic occasion as it was the first joint discussion with the largest number of high-level government and business delegation to date," Mustapa said.

Among key business leaders who participated in the roundtable meeting include Tun Ahmad Sarji, Chairman of Malaysia-Indonesia Business Council, Tan Sri Azman Mokhtar, Managing Director of Khazanah Nasional and Teguh Jowarno, Head of Indonesia's House of Representatives' Commission VI in charge of Industry, Investment and Competition. The Indonesian delegation was led by Rosan Roeslani, Chairman of Indonesia's Chamber of Commerce and Industry (KADIN) and Tigor Siahaan, Chairman of Malaysian Desk at KADIN.

"The strong participation of Malaysian companies in this event signaled our keen interest to continue investing in Indonesia, which is underpinned by the confidence in Indonesia's economic trajectory and reforms initiated by President Joko Widodo (Jokowi) Administration especially in cutting red tape for investors.

"During my courtesy call on President Jokowi at the Istana, I relayed the interest of Malaysian companies to continue investing in Indonesia's infrastructure development. Indonesia's USD1 trillion economy with a 250 million population and growing middle class has a lot of potential, which once fully tapped, will contribute significantly towards creating a more prosperous ASEAN.

"I also expressed a similar message during my bilateral meeting with Enggartiasto Lukita, Indonesian Trade Minister. As for reaching the target of USD30 billion of trade agreed by our two leaders, we agreed to come up with our respective specific proposals to boost trade including the 2 potential venture in new areas for collaboration, including the digital economy and micro, small and medium enterprises (MSMEs)," he added.

Mustapa said the proposals will be further deliberated at the upcoming 3rd Joint Investment & Trade Committee Meeting schedules to be held on July 10 to 13, 2017 in Kuching, Sarawak.

"I believe we could look ahead to better trade numbers not only with Indonesia, but also other ASEAN countries if we are more serious in eradicating the non-tariff barriers and measures (NTBs and NTMs). "During my meeting with the ASEAN Secretariat, I stressed on the importance of transparent and open communication between stakeholders to ensure that any measures put in place will not unnecessarily impede, distort or restrict trade among ASEAN countries," he said.

* MSMEs = Micro, small and medium enterprise

New Straits Times, 13 June 2017

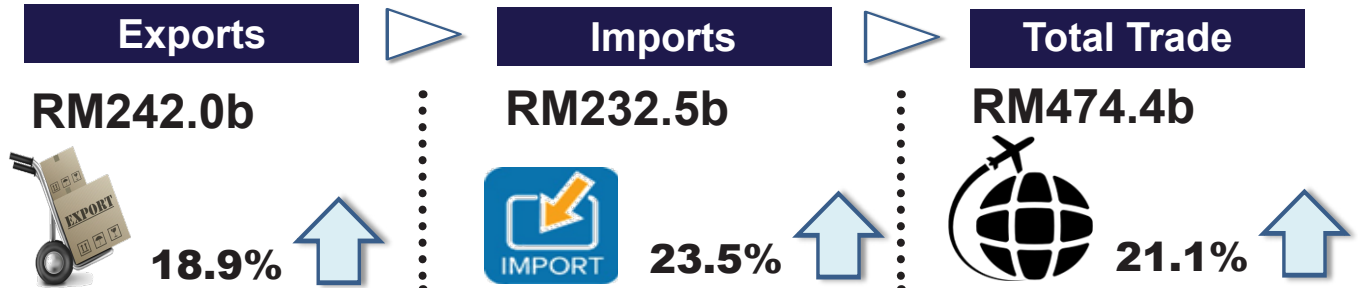
<https://www.nst.com.my/business/2017/06/248428/malaysia-indonesia-have-stronger-trade-ties-digital-economy-msmes>



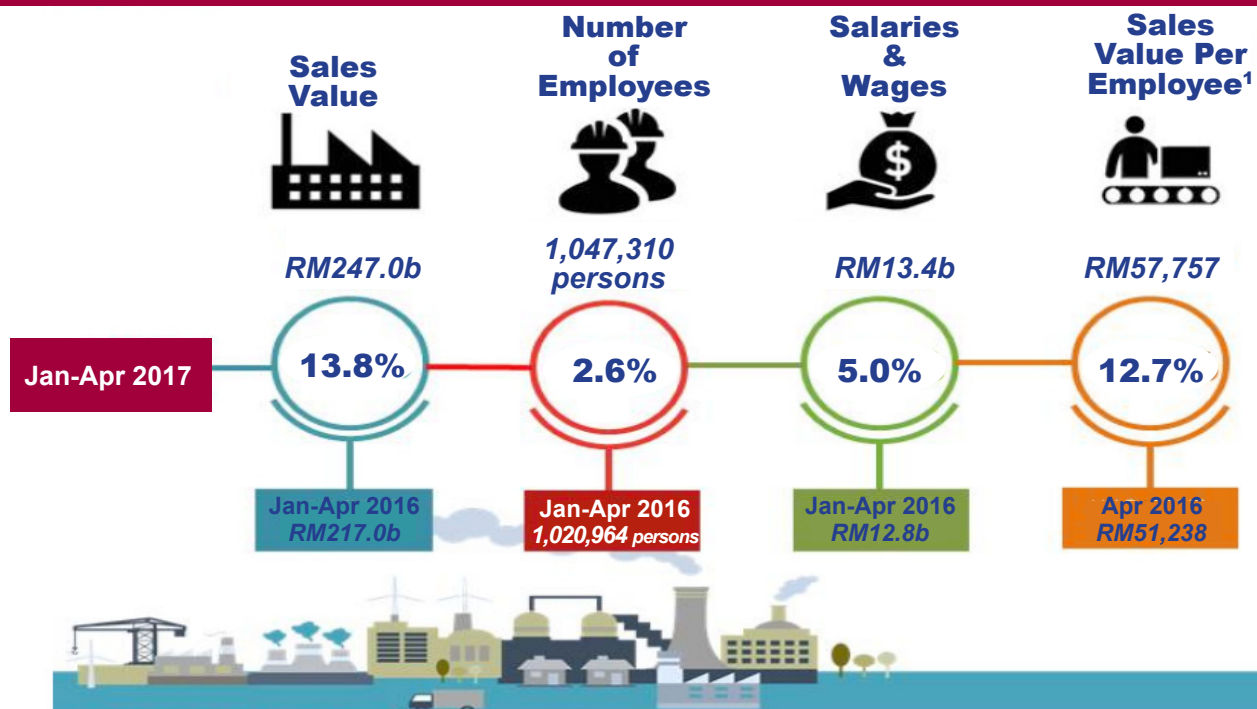
MALAYSIA

MANUFACTURING PERFORMANCE, JANUARY - APRIL 2017

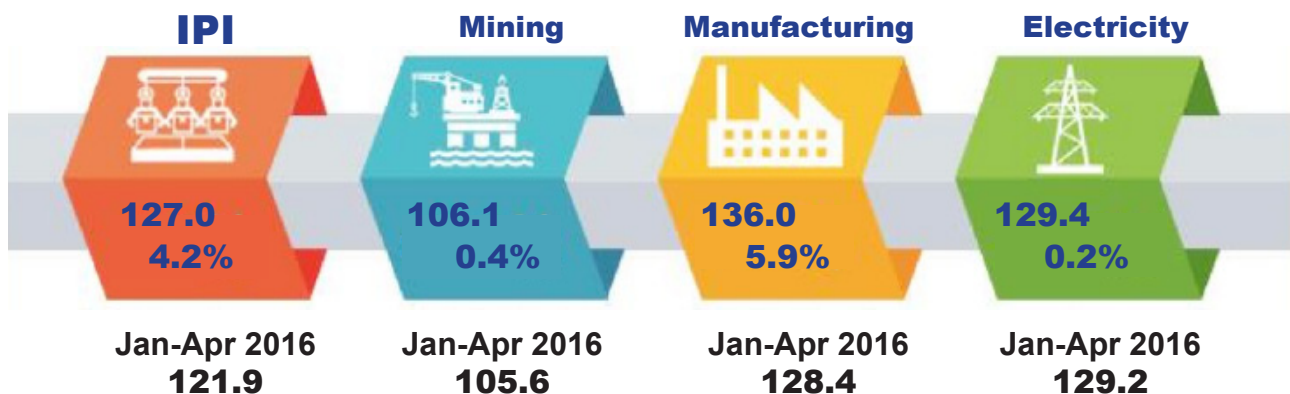
Trade in Manufacturing



Manufacturing Indicators



Industrial Production Index



Notes: % refers to year-on-year change
¹ data for month of April only

Source: Department of Statistics, Malaysia

MANUFACTURING PERFORMANCE BY MAJOR INDUSTRY

JANUARY - APRIL 2017

Trade in Manufacturing

Exports



E&E Products → **RM105.0b**
(35.2%)

Petroleum Products → **RM23.4b**
(7.8%)

Chemicals & Chemical Products → **RM22.5b**
(7.5%)



Imports

E&E Products → **RM79.3b**
(29.3%)

Chemicals & Chemical Products → **RM25.8b**
(9.5%)

Machinery, Equipment & Parts → **RM25.4b**
(9.4%)

Sales

E&E Industry → **RM82.5b**
(33.4%)

Chemical Industry → **RM71.2b**
(28.8%)

Metal Industry → **RM18.6b**
(7.5%)

Employment

E&E Industry → **328,037 persons**
(31.3%)

Chemical Industry → **128,511 persons**
(12.3%)

Metal Industry → **94,450 persons**
(9.0%)

Manufacturing Index

Chemical Industry → **157.5**
(23.3#)

E&E Industry → **139.5**
(14.3#)

Metal Industry → **158.5**
(4.7#)

Note: % is share to total
industry weight

Source: Department of Statistics, Malaysia

INTERNATIONAL REPORT

India Economic Indicators 2016



Land Area
2,973,190 km²



Population
1,309.35 million



GDP (Constant Prices 2011/12)*
US\$1.87 trillion
7.1% growth



Inflation Rate
4.9%



Unemployment Rate
3.5%



Total Trade
US\$623.1 billion
Rank: 14



Exports
US\$264.0 billion
Rank: 20

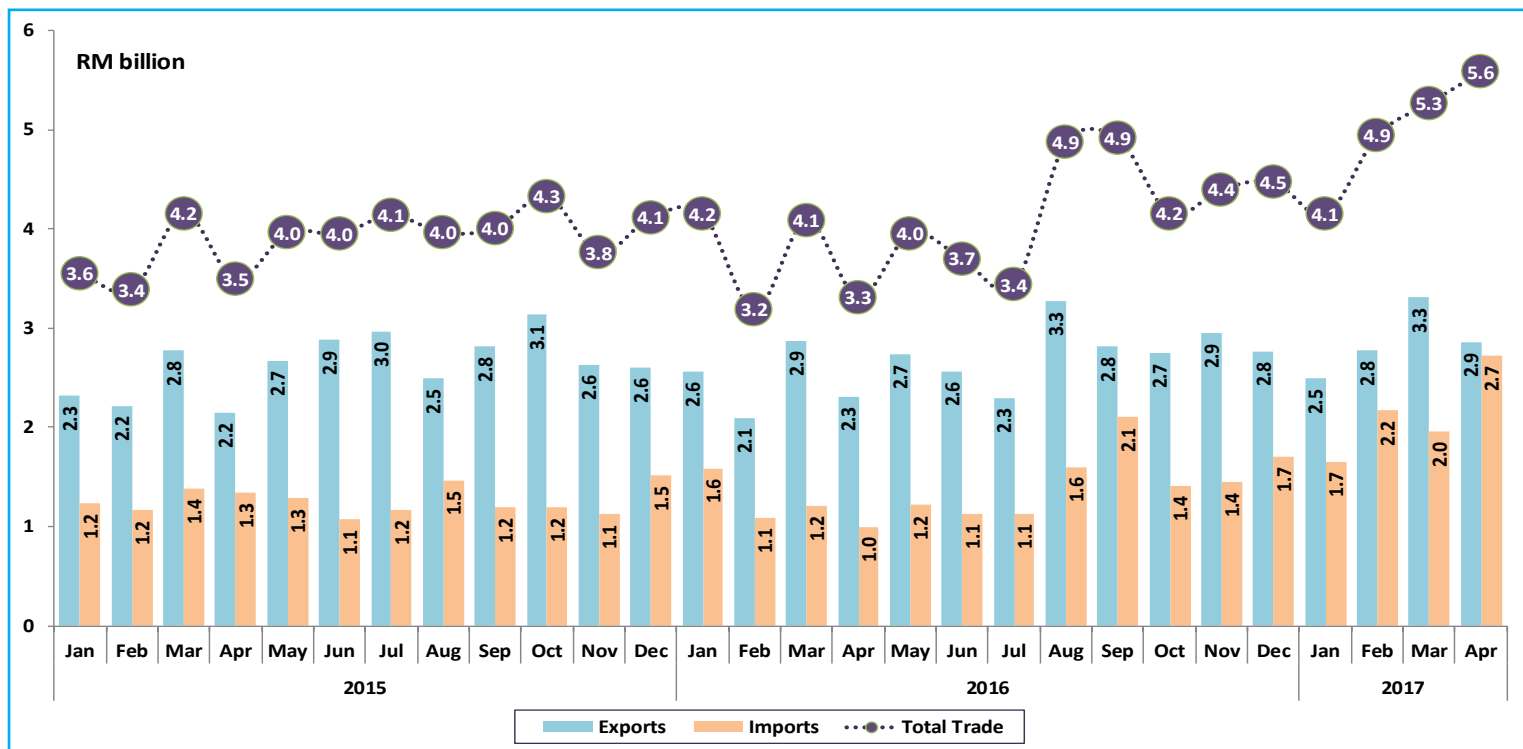


Imports
US\$359.1 billion
Rank: 14

Note: # Data fiscal March 2016-April 2017

Source: IMF, WTO, World Bank and MITI New Delhi

Malaysia's Trade with India, January 2015 - April 2017



Major Exports



Mineral Fuel, Oil, etc (HS27)

RM2.5b (Jan-Apr 2017) **RM1.6b** (Jan-Apr 2016)

Animal or Vegetable Fats and Oils (HS15)

RM2.1b (Jan-Apr 2017) **RM2.3b** (Jan-Apr 2016)

Electrical Machinery and Equipment (HS85)

RM1.7b (Jan-Apr 2017) **RM1.5b** (Jan-Apr 2016)



Major Imports

Mineral Fuel, Oil, etc (HS27)

RM2.7b (Jan-Apr 2017) **RM1.1b** (Jan-Apr 2016)

Machinery appliances (HS84)

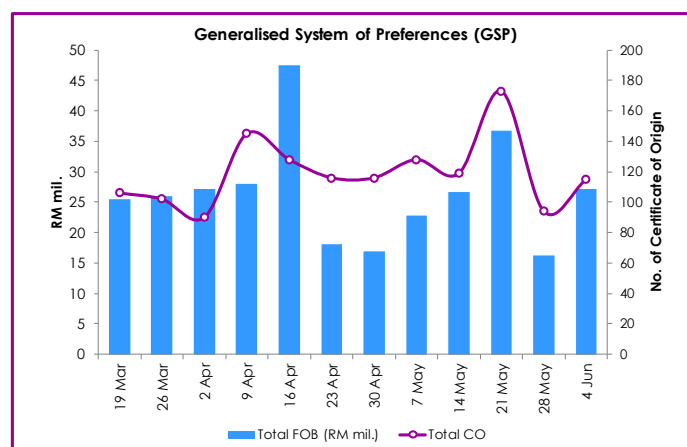
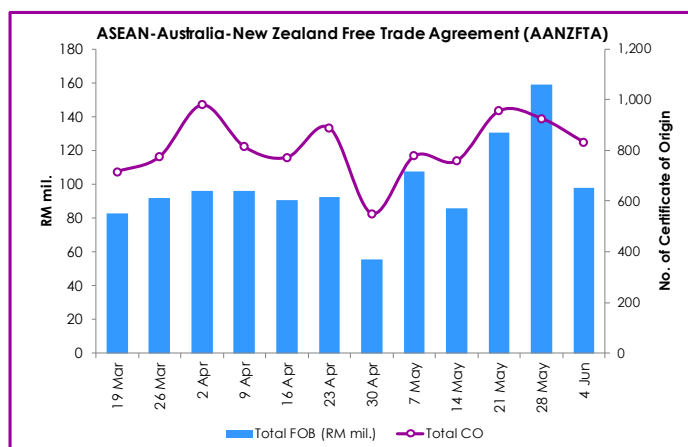
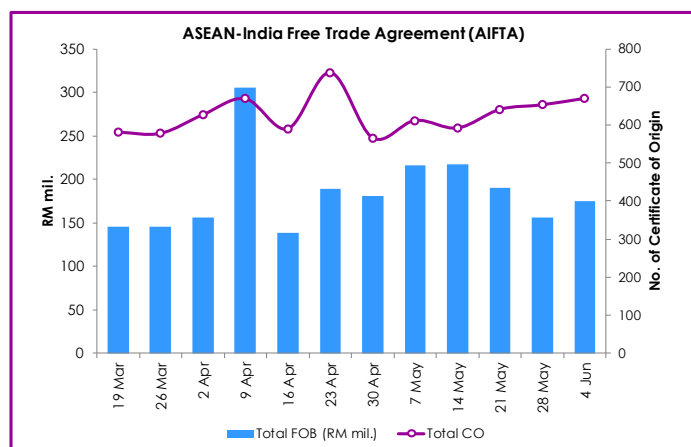
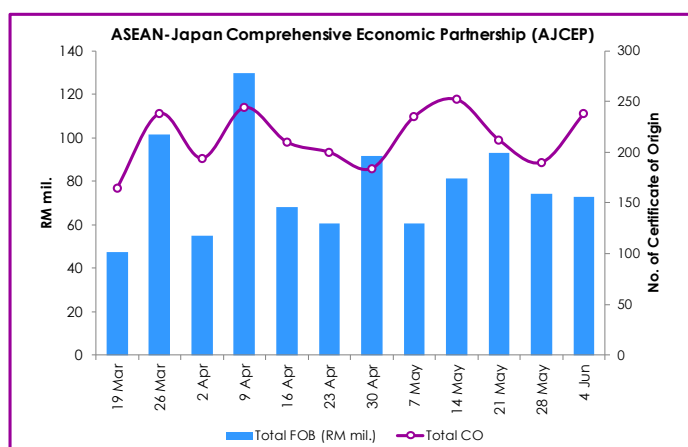
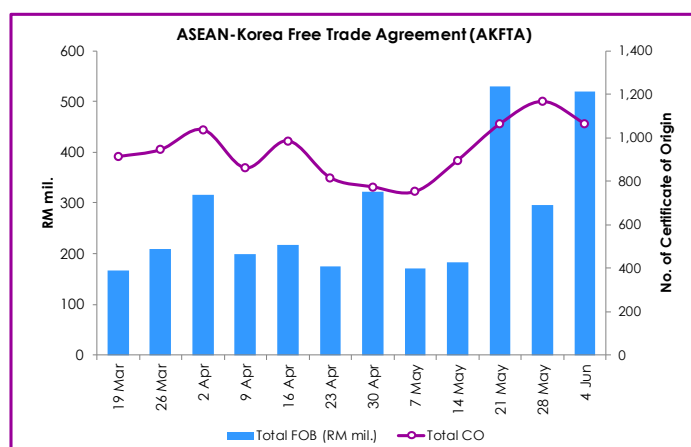
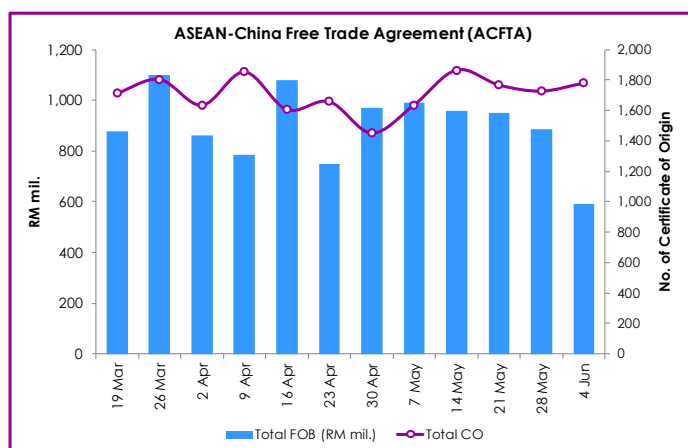
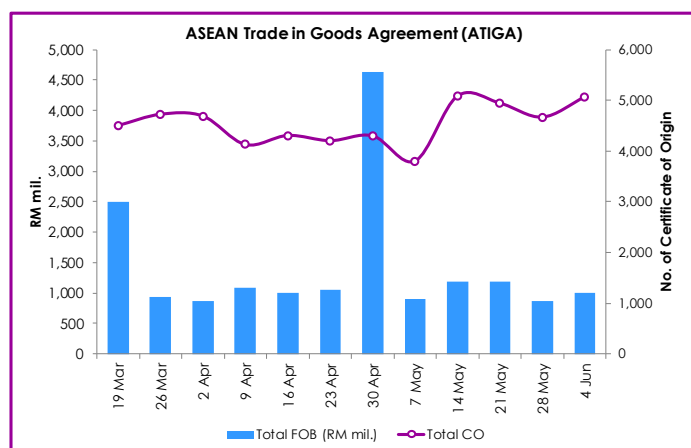
RM0.7b (Jan-Apr 2017) **RM0.3b** (Jan-Apr 2016)

Iron and Steel, Primary Mmaterial (HS72)

RM0.7b (Jan-Apr 2017) **RM0.1b** (Jan-Apr 2016)

Source: Department of Statistics, Malaysia

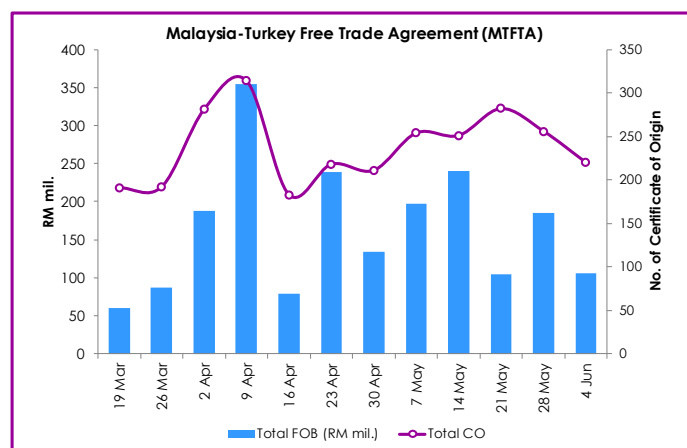
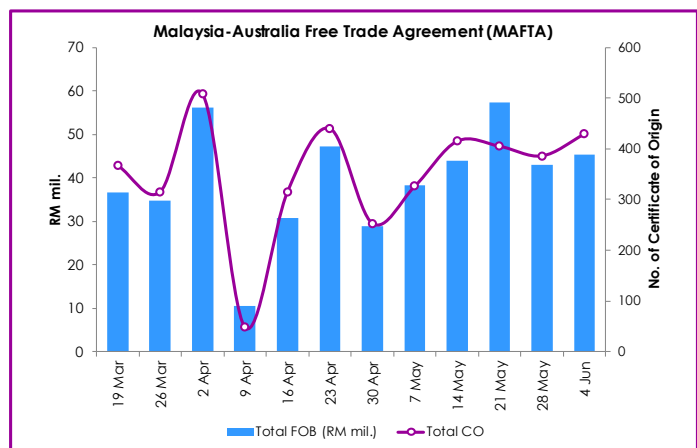
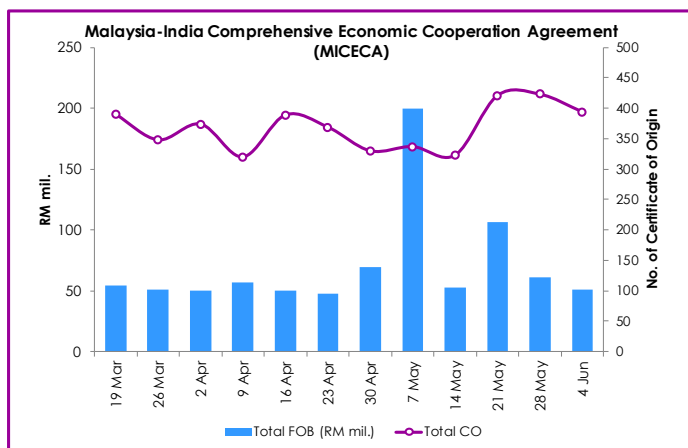
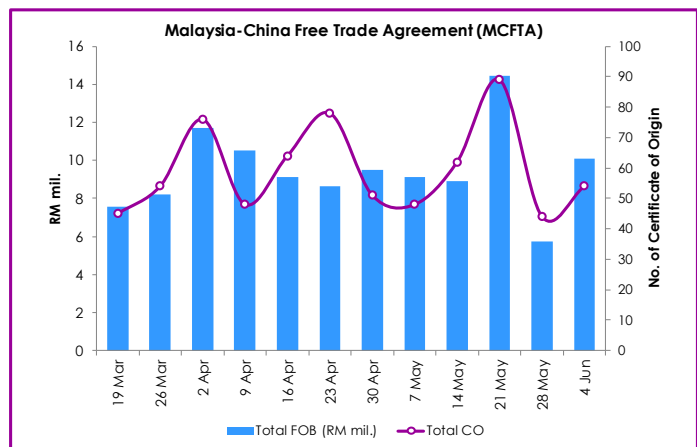
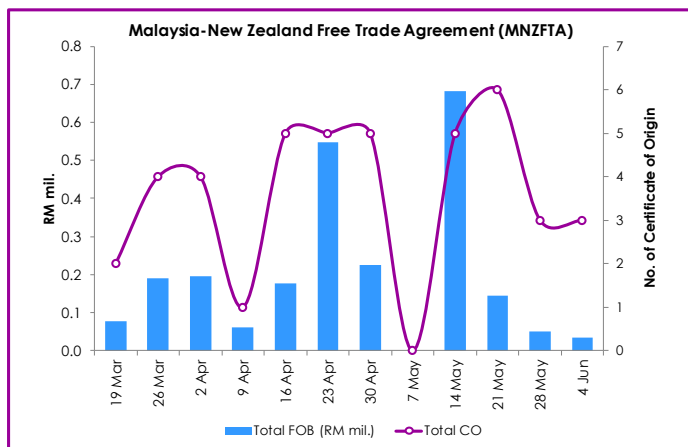
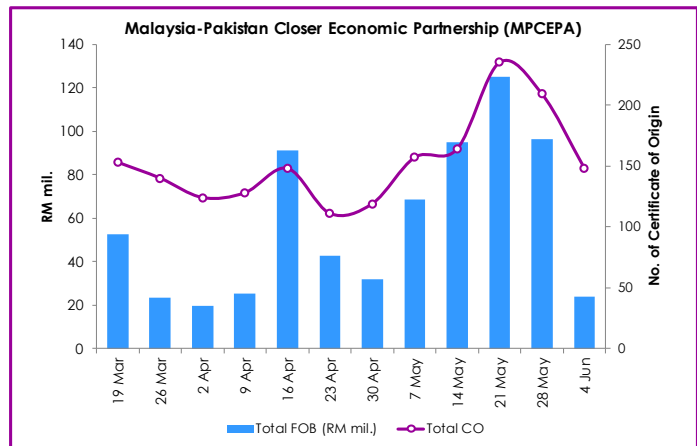
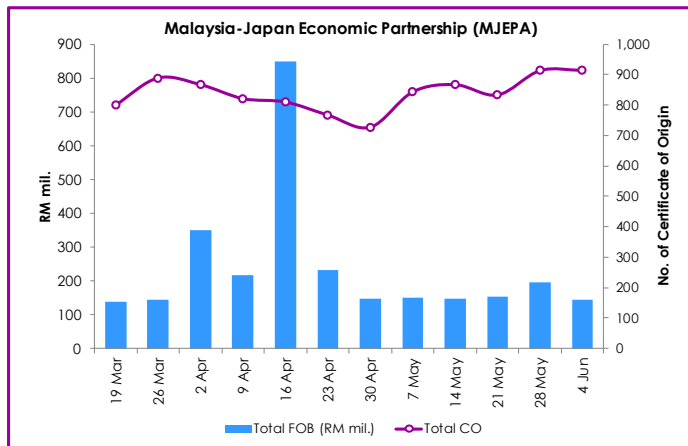
Number and Value of Preferential Certificates of Origin (PCOs)



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

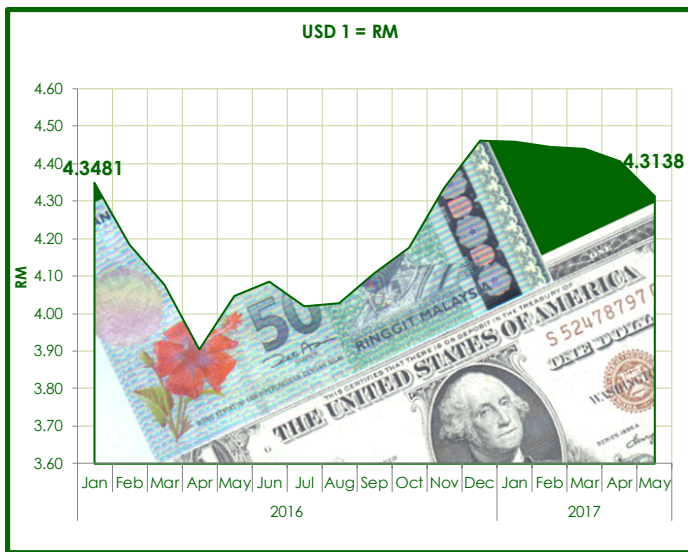
Number and Value of Preferential Certificates of Origin (PCOs)



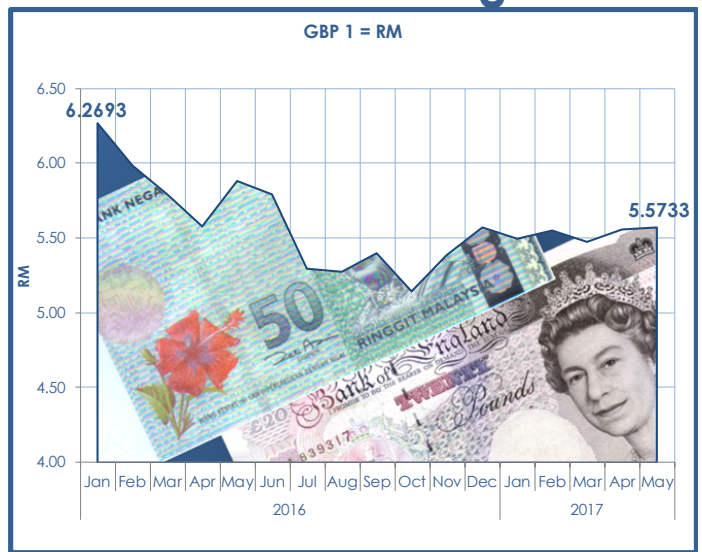
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2016 - May 2017

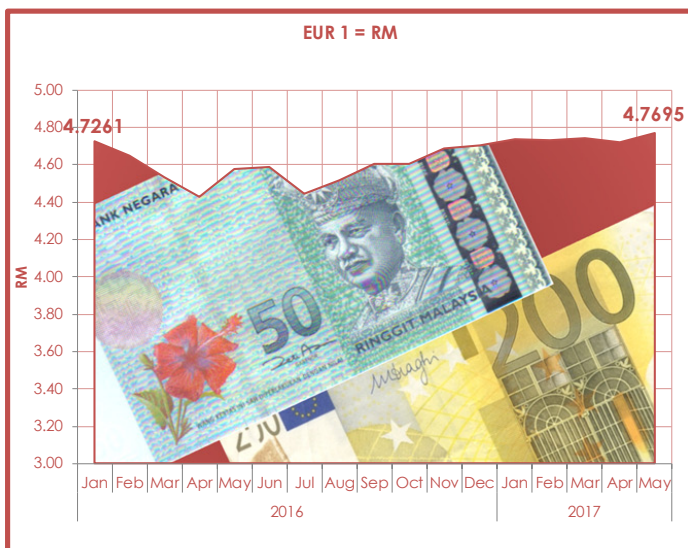
US Dollar



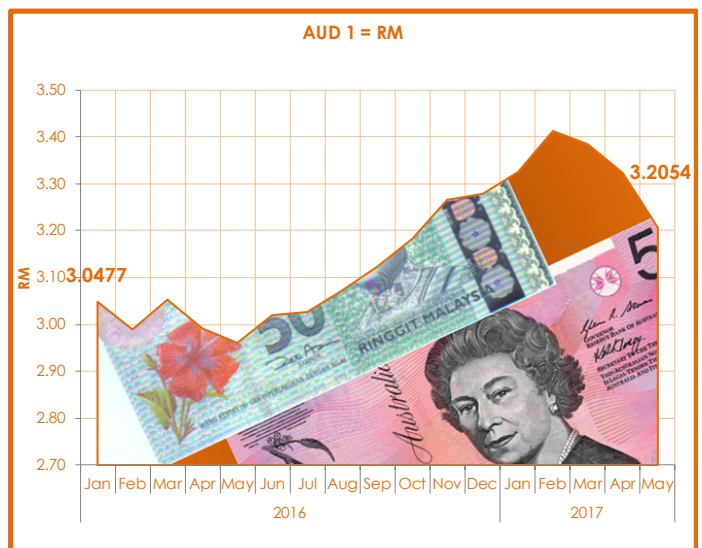
Pound Sterling



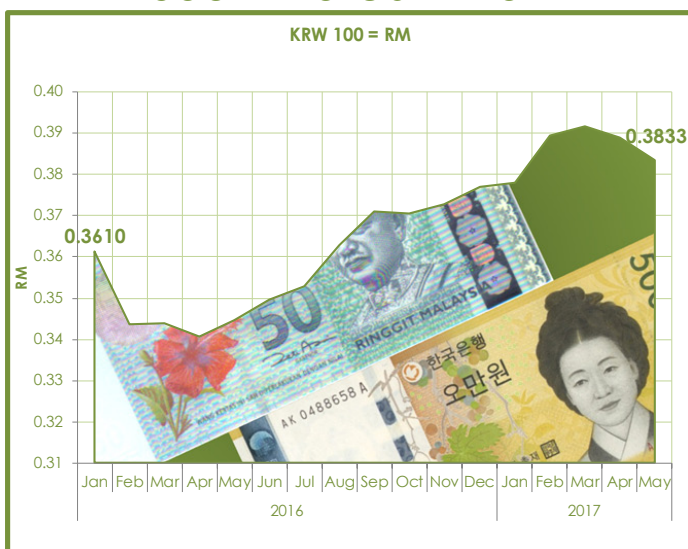
Euro



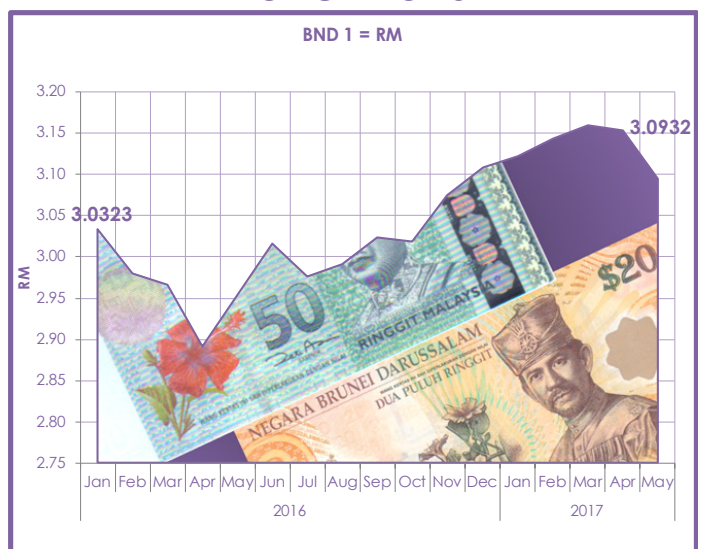
Australian Dollar



South Korean Won



Brunei Dollar



Source : Bank Negara Malaysia

Commodity Prices



CRUDE PETROLEUM (BRENT) -per bbl-

9 June 2017 : US\$48.3, ▼ 3.6%*
Average Priceⁱ: 2016: US\$45.2
2015: US\$53.6



CRUDE PALM OIL -per MT-

9 June 2017 : US\$720.0, ▼ 0.3%*
Average Priceⁱ: 2016: US\$702.2
2015: US\$616.9



SUGAR -per lbs-

9 June 2017 : US¢ 14.5, ▲ 5.3%*
Average Priceⁱ: 2016: US¢18.2
2015: US¢13.2



RUBBER SMR 20 -per MT-

9 June 2017 : US\$1,393.5, ▼ 3.7%*
Average Priceⁱ: 2016: US\$1,394.5
2015: US\$1,364.3



COCOA SMC 2 -per MT-

9 June 2017 : US\$1,417.9, ▼ 2.9%*
Average Priceⁱ: 2016: US\$1,609.8
2015: US\$2,077.0



COAL -per MT-

9 June 2017 : US\$44.1, unchanged
Average Priceⁱ: 2016: US\$45.6
2015: US\$49.9



SCRAP IRON HMS -per MT-

9 June 2017 : US\$270.0 (high), unchanged
US\$240.0 (low), unchanged
Average Priceⁱ: 2016: US\$243.2
2015: US\$239.6

HIGHEST and LOWEST 2016/2017

Crude Petroleum (Brent) -per bbl-



Highest

6 Jan 2017 : US\$57.1
30 Dec 2016 : US\$56.8

Lowest

9 June 2017 : US\$48.2
15 Jan 2016 : US\$28.9

Crude Palm Oil -per MT-



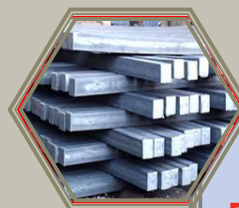
Highest

20 Jan 2017 : US\$843.0
30 Dec 2016 : US\$797.5

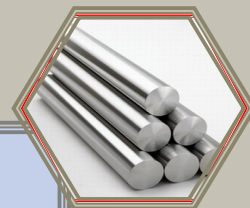
Lowest

28 Apr 2017 : US\$673.0
15 Jan 2016 : US\$545.5

Domestic Prices 9 June 2017



Billets
(per MT)
RM1,800 – RM1,900



Steel Bars
(per MT)
RM1,950 – RM2,100

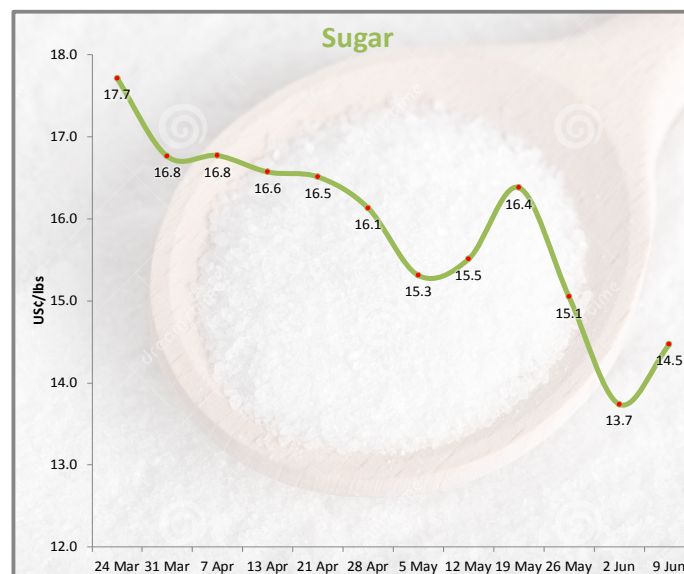
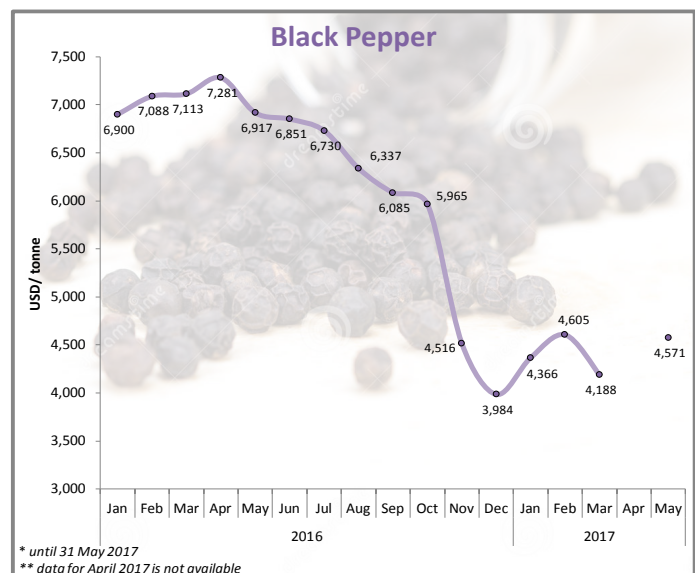
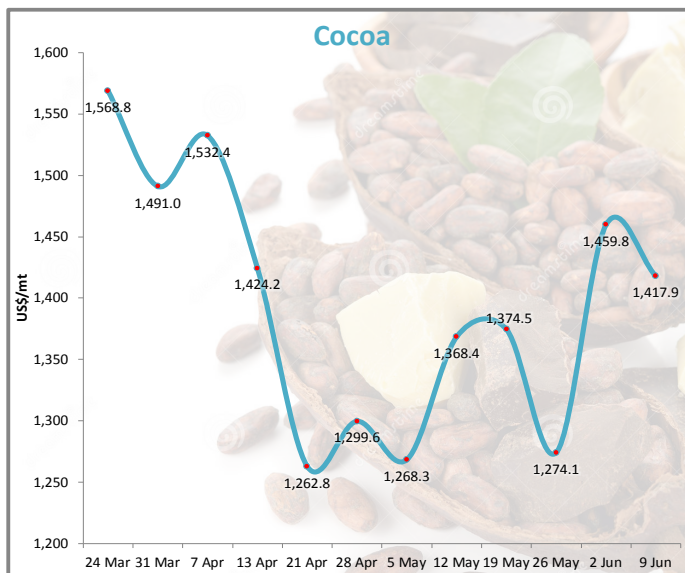
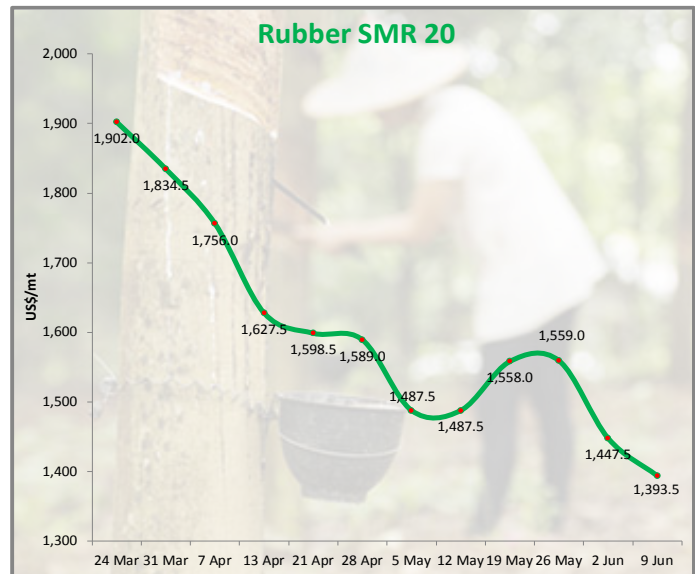
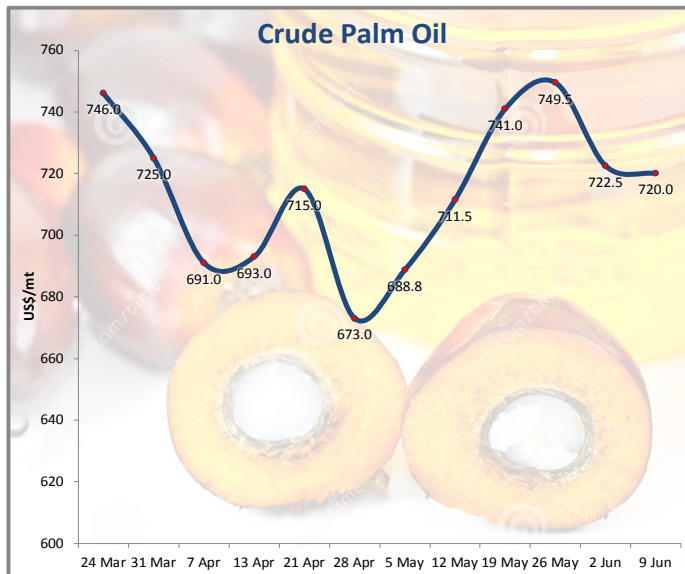
Notes: All figures have been rounded to the nearest decimal point

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

i Average price in the year except otherwise indicated

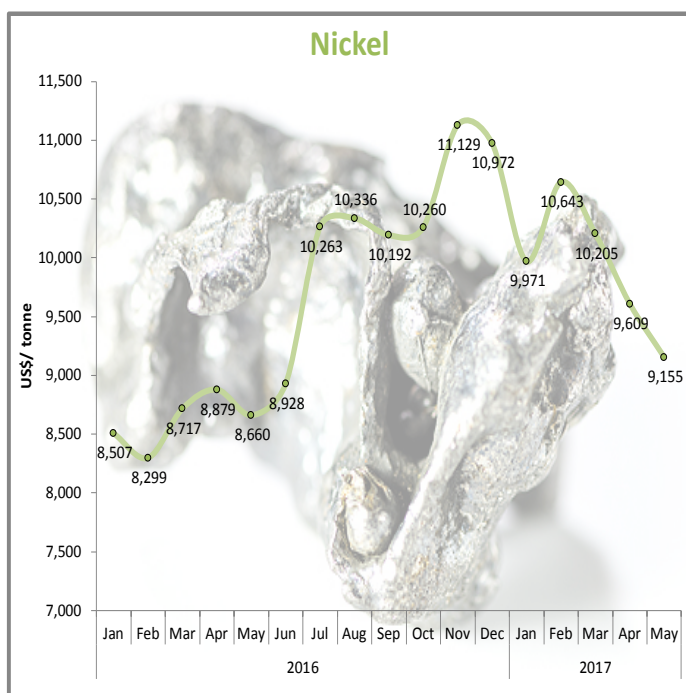
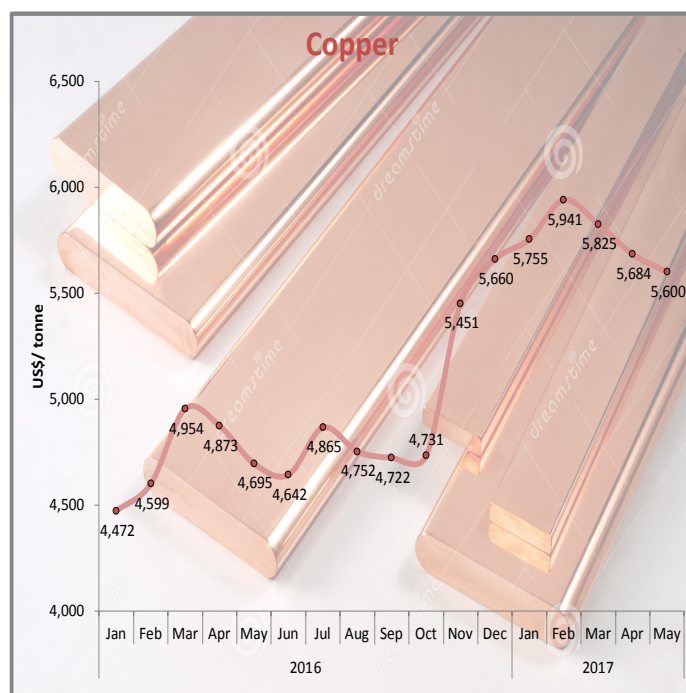
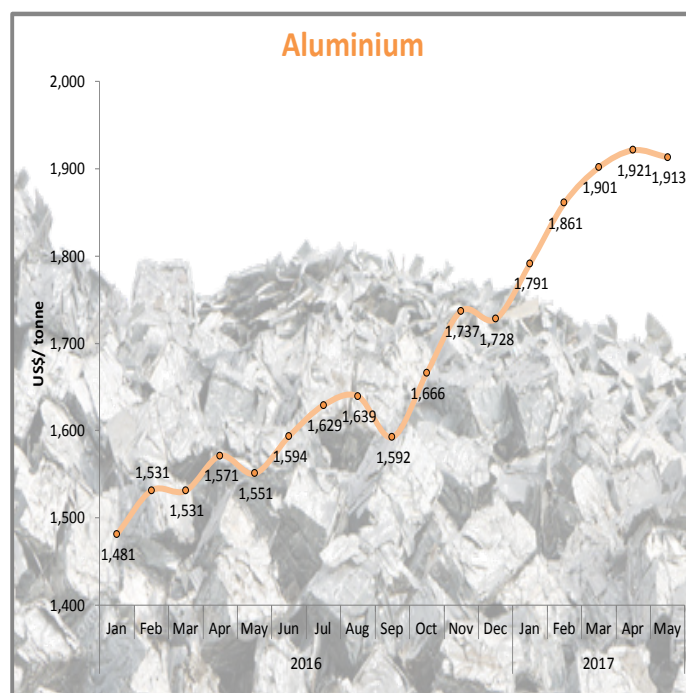
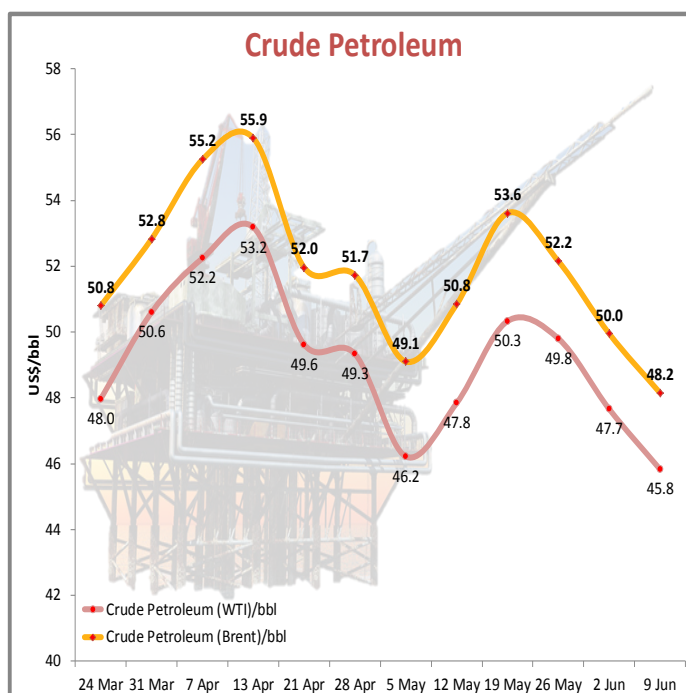
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

Commodity Price Trends



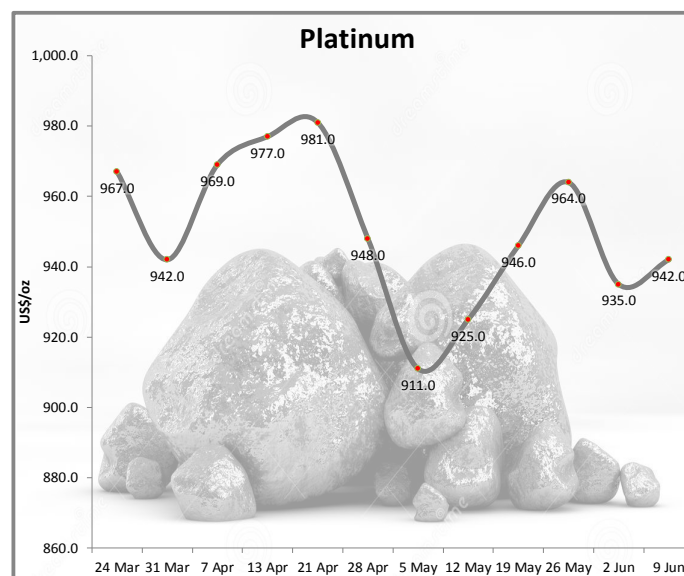
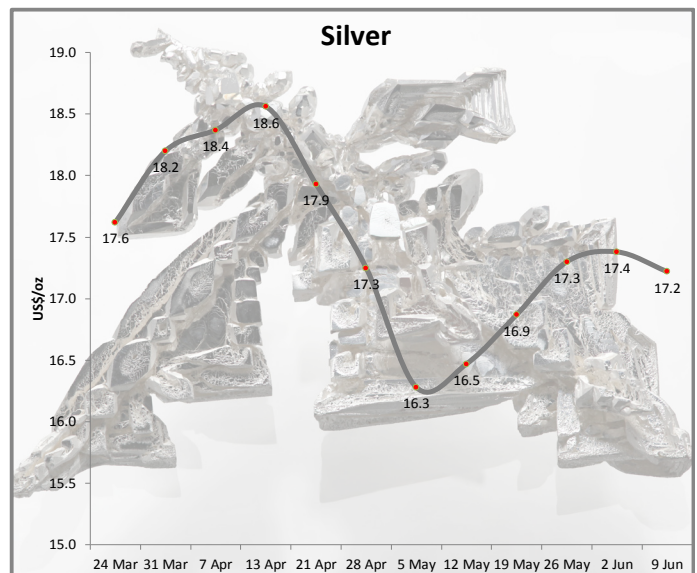
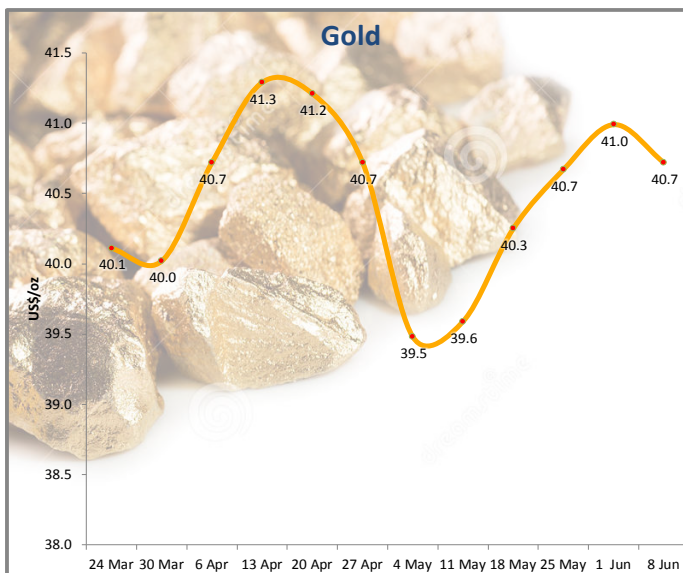
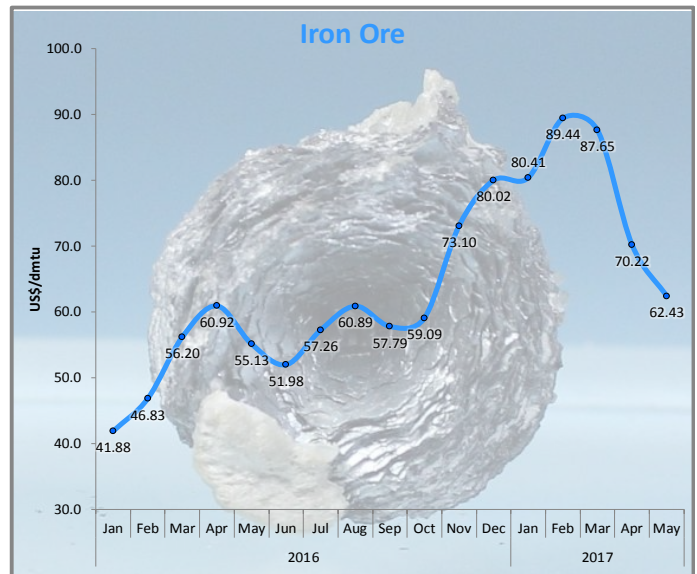
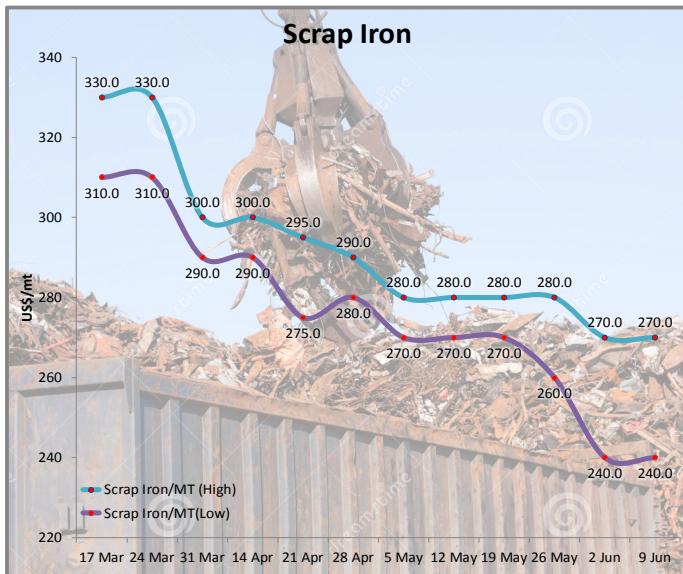
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

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.

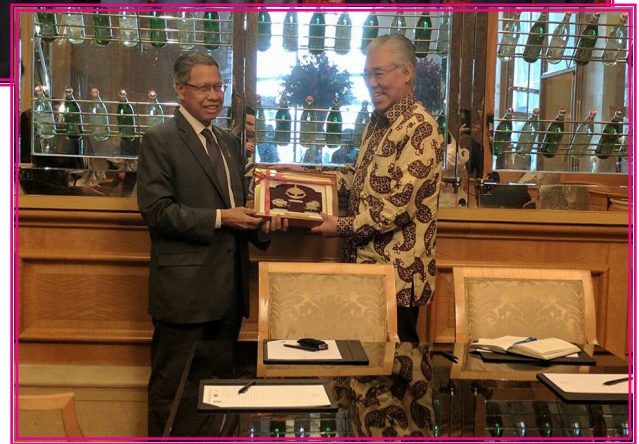
Commodity Price Trends



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

MITI PROGRAMME

Malaysia - Indonesia Business Meeting, 13 June 2017



FUTURES THINKING

Kindly click https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255922/13-809-future-manufacturing-project-report.pdf to download this publication.



ANNOUNCEMENT

Closing of ePCO, ePermit and TFIS Systems; and MITI Customer Service Counter

The ePCO, ePermit and TFIS Systems; and MITI Customer Service Counter will be closed starting from 1.00pm, 23rd June 2017 (Friday) until 28th June 2017 (Wednesday) in conjunction with the Eid Al-Fitr celebration.

The closing date for submission of cost analysis (CA), certificate of origin (COO) and approved permit (AP) applications is 23rd June 2017 (Friday) before 1.00pm. The ePCO, ePermit and TFIS systems; and MITI customer service counter will resume operation on 29th June 2017 (Thursday) at 8.00am.

The Business Advisory Centre (BAC) at MITI Kuala Lumpur will be closed from 12 noon, 23rd June 2017 (Friday) until 30th June 2017 (Friday). It will reopen on the 3rd July 2017 (Monday).

ANNOUNCEMENT

Launching of the MITI Report 2016 25th Edition



20 June 2017 (Tuesday)
Perdana Hall | MITI Tower
 Jalan Sultan Haji Ahmad Shah, Kuala Lumpur



NOTICE



Starting from **2nd May 2017**, consultation on
Cost Analysis (CA), Certificate Of Origin (COO) And Approved Permit (AP)
 will be at **MITI Business Advisory Centre (BAC), Level 2, MITI Tower.**

MONDAY – THURSDAY : 10.30AM – 12.30PM/2.30PM – 4.30PM | FRIDAY : 10.30AM – 12.00 NOON/3.00PM – 4.30PM

More..

Sertailah SEKARANG!

Program
khusus untuk
**Belia
Bumiputera**
memulakan
perniagaan



Tunas Usahawan Belia Bumiputera (TUBE)

Permohonan secara
atas talian dibuka dari
23 MEI - 15 JUN 2017

Layari
tube.smeCorp.gov.my
 bermula 23 Mei 2017



Fasa 2 :
Bengkel
Asas
Perniagaan

Fasa 3 :
Permulaan Perniagaan
& Sistem Buddy



Sila layari <http://tube.smeCorp.gov.my/> untuk membuat permohonan.

ASEAN ESSAY COMPETITION 2017

in conjunction with 50th ASEAN Day Celebration

Submission ends **7 July 2017**

For more information, please visit www.miti.gov.my

CATEGORY A

Secondary School Students
(Form 1 to Form 5) or equivalent

1st RM1,000
 2nd RM700
 3rd RM300

CATEGORY B

Institute of Higher Education (Public and Private) Students, Matriculation Students, Form 6 Students, or equivalent

1st RM2,000
 2nd RM1,000
 3rd RM500

CATEGORY C
 All Malaysians aged 21 years and above

1st RM2,000
 2nd RM1,000
 3rd RM500



ANUGERAH KECEMERLANGAN INDUSTRI

INDUSTRY EXCELLENCE AWARD



AKI 2018 - Open to All companies
 Closing Date: 31 January 2018



Glossary

of Technical Terms

Capital Account

The capital account is the net result of public and private international investments flowing in and out of a country. The capital account includes foreign direct investment (FDI), portfolio and other investments, plus changes in the reserve account.

Capital Account Deficit

A deficit in the capital account means money is flowing out more than flowing into the country, and it suggests the nation is increasing its ownership of foreign assets. (The capital account balance of Malaysia is always deficit).

Capital Account Surplus

A surplus in the capital account means money is flowing into the country more than flowing out, and the inbound flows effectively represent borrowings or sales of assets.

Capital Intensive

Describes an industry or sector of the economy that relies relatively heavily on inputs of capital, usually relative to labor, compared to other industries or sectors.

Circumvention

Getting around commitments in the WTO such as commitments to limit agricultural export subsidies. Includes avoiding quotas and other restrictions by altering the country of origin of a product; measures taken by exporters to evade anti-dumping or countervailing duties.

Cloud Computing

Delivery of on-demand computing resources—everything from applications to data centers—over the Internet on a pay-for-use basis.

Coefficient

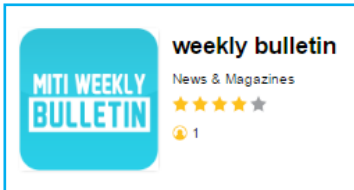
A number to reduce tariff. Small coefficient results in steeper cut, while high coefficient results in lesser cut. Current proposal is coefficient of 8 for developed countries and options for developing countries that is 20, 22 and 25.

Competition Policy

The objective of competition policy is to ensure that competition in the market is not restricted in a way that might cause damages to society. The endorsement and implementation of competition policy and regulations that promote competition help improve the efficiency, growth and stability of an economy. The implementation of competition policy and deregulation provides markets with a framework that encourages market discipline, eliminates distortions and promotes economic efficiency.

TO BE
CONTINUED...

MITI Weekly Bulletin (MWB) Mobile Apps



MITI MWB APPs is now available for IOS, Android and Windows platforms. MWB APPs can be download from **Gallery of Malaysian Government Mobile APPs (GAMMA)** at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>



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<https://www.facebook.com/MITIWeeklyBulletin/?fref=ts>

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Send us your
suggestions



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