



Ministry of International Trade and Industry

# Weekly Bulletin

DRIVING TRANSFORMATION, POWERING GROWTH

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## Showcase on Innovation for Productivity Enhancement



In line with the Malaysia Productivity Blueprint, a Showcase on Innovation for Productivity Enhancement was successfully organised by the National Oversight Productivity Council (NOPC) with the aim to foster the productivity and innovation of SMEs.

NOPC is chaired by YB Dato' Seri Mustapa Mohamed, Minister of International Trade and Industry while the Malaysia Productivity Corporation (MPC) as the secretariat, monitors the productivity performance of companies before and after the innovation intervention programmes through the strategic partnership platforms.

There are four implementing agencies involved in the strategic innovation partnerships namely, the Ministry of Higher Education's Public-Private Research Network (PPRN), SIRIM-Fraunhofer partnership, AIM- Steinbeis Foundation Malaysia and SME Corp – PlaTCOM Ventures Sdn.Bhd.

Through these strategic partnerships, a total of 656 projects have been successfully matched under PPRN. Meanwhile, a total of 446 technology audits have been carried out and 310 technology interventions have been implemented under SIRIM-Fraunhofer programme. At the same time, 139 projects have been completed under Steinbeis Malaysia Foundation and a total of 144 intellectual properties transferred and 22 innovations commercialised under PlatCOM Ventures.

Various case studies on project improvement from these four strategic innovation platforms are featured in the Benchmarking Online Networking Database (BOND). For more information on case studies, please visit [bond.mpc.gov.my](http://bond.mpc.gov.my).

# MALAYSIA

## Gross Domestic Product Q2 2017



**Growth Rate**  
**5.8%**



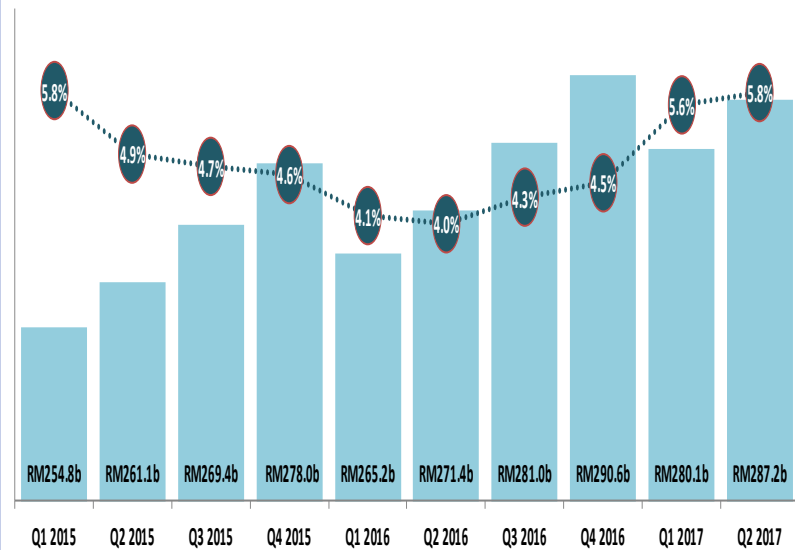
**GDP at Constant 2010 Prices**  
**RM287.2 billion**



**GDP at Current Prices**  
**RM 329.5 billion**



**GNI per Capita at Current Prices**  
**RM 40,107**



## Production

**Percentage Share of GDP at Constant 2010 Prices**



**↑ 6.3%**

### Services

Mainly Led by Wholesale & Retail Trade and Information & Communication



**↑ 6.0%**

### Manufacturing

Propelled by Electrical, Electronic & Optical Products and Vegetable and Animal Oils & Fats and Food Processing



**↑ 0.2%**

### Mining & Quarrying

Declined in Crude Oil and slower growth in Natural Gas



**↑ 5.9%**

### Agriculture

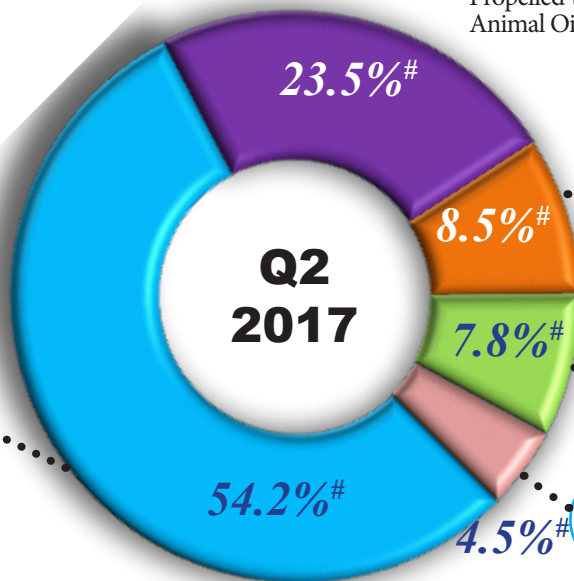
Grew at moderate pace due to slowdown in Oil Palm and Rubber coupled with the declined in Forestry & Logging



**↑ 8.3%**

### Construction

Boosted by Civil Engineering, Specialised Construction Activities and Non-residential Buildings



Note: # Share to GDP

## EXPENDITURE



**Private Final Consumption Expenditure**

Grew to  
**7.1 per cent**  
Share: **53.5%**

**Gross Fixed Capital Formation (GFCF)**  
moderated to 4.1 per cent

**↑ 7.4%**

**Private**

**75.4%**

of investments was from Private Sector

**-5.0%**

**Public**

**24.6%**

Public Sector contributed to the total investments

### External Sector



**Exports**

**↑ 9.6%**

The favourable growth was reflected by rebound in exports of services whilst goods remained its double-digit growth



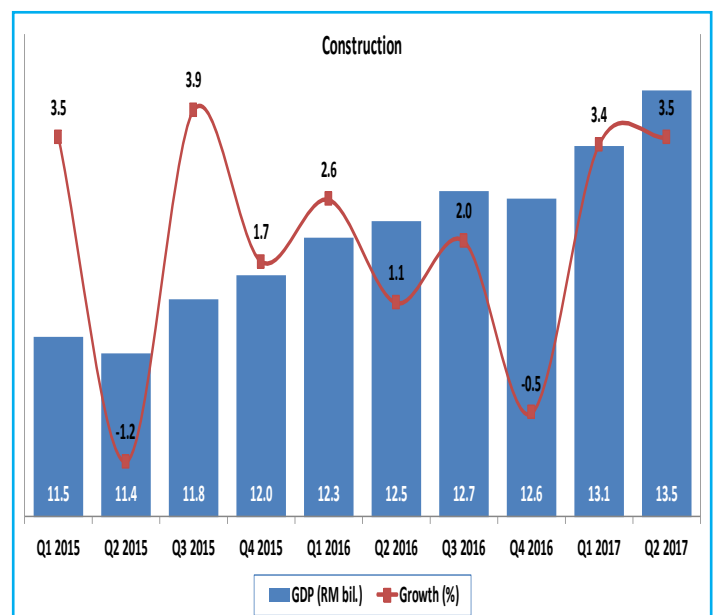
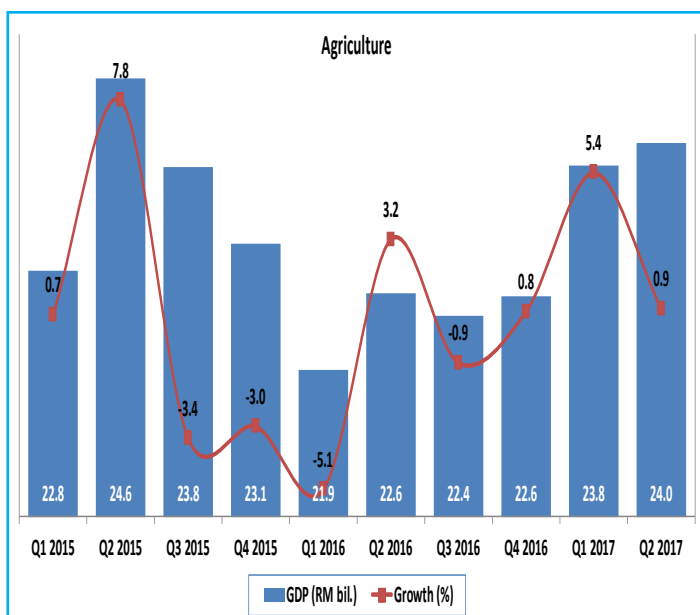
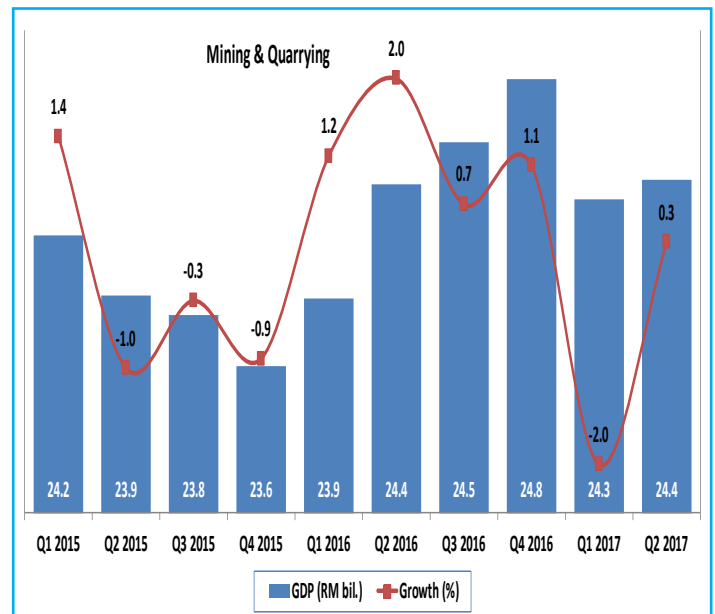
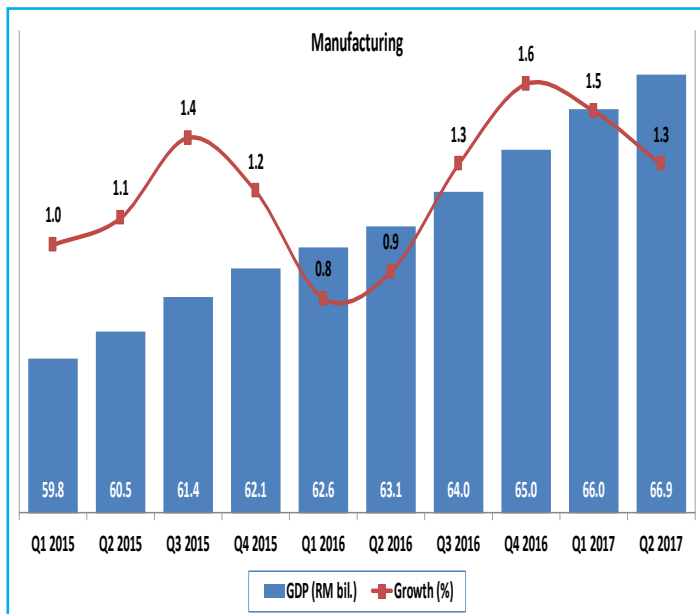
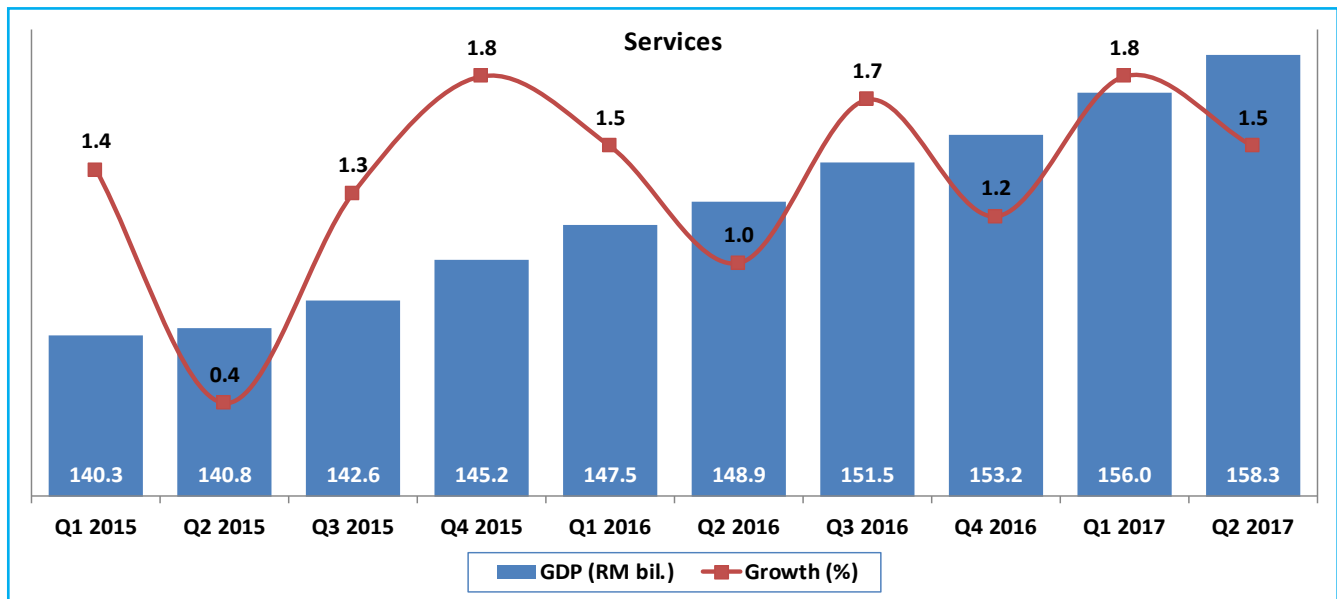
**Imports**

**↑ 10.7%**

Imports of goods continued to record double-digit growth supported by electrical & electronic products and manufactured goods

Source: Department of Statistics, Malaysia

# GDP Value and Growth by Economic Activity at Constant 2010 Prices



Source: Department of Statistics, Malaysia



# Business Tendency Statistics

## Q2 2017

### Business Performance Expectation

**Jan-Mar 2017** **Apr-Jun 2017**

**-6.9%** **+4.5%**

Business Performance in Second Quarter of 2017 is expected to **increase** as compared to the previous quarter.

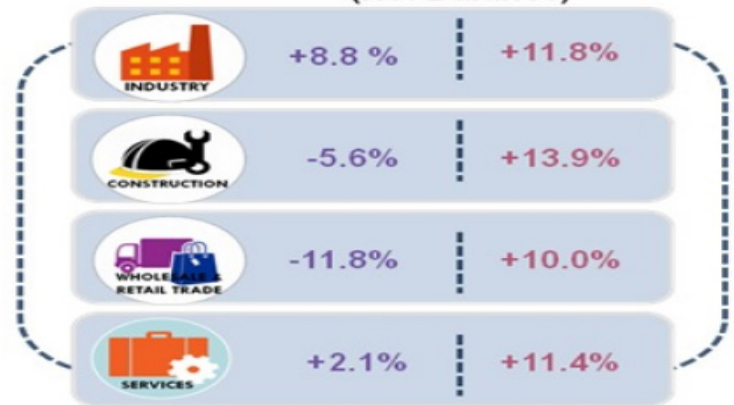
**Apr-Sep 2017** **+11.5%**

Business expectation for upcoming six months are expected to be **improve** as compared to the last six months.

**Jan-Mar 2017** **Apr-Jun 2017**  
(Confidence Indicator)

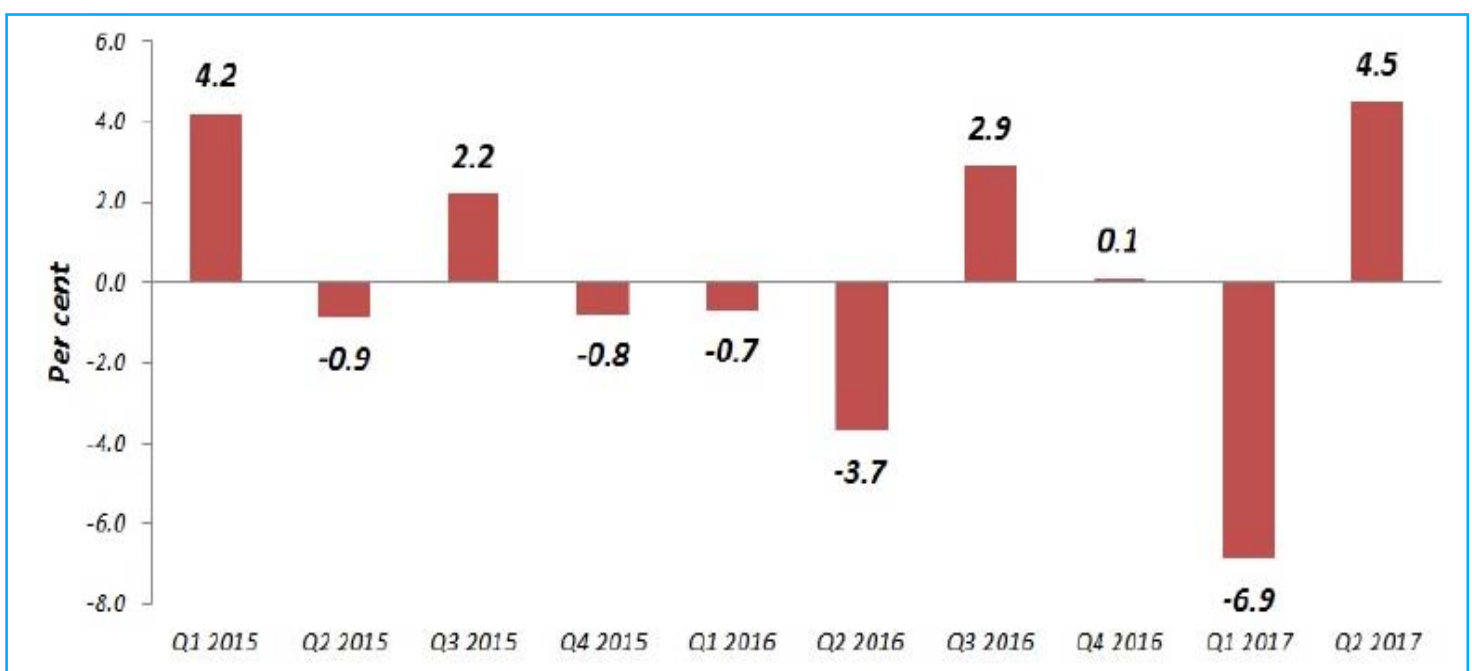


**Jan-Jun 2017** **Apr-Sep 2017**  
(Net Balance)



Business Tendency Statistics obtained through the Business Tendency Survey that has been conducted quarterly. This Survey covers 465 main establishments in Malaysia for Industry, Construction, Wholesale & retail trade and Services sectors.

### Quarterly Confidence Indicator, 2015-2017



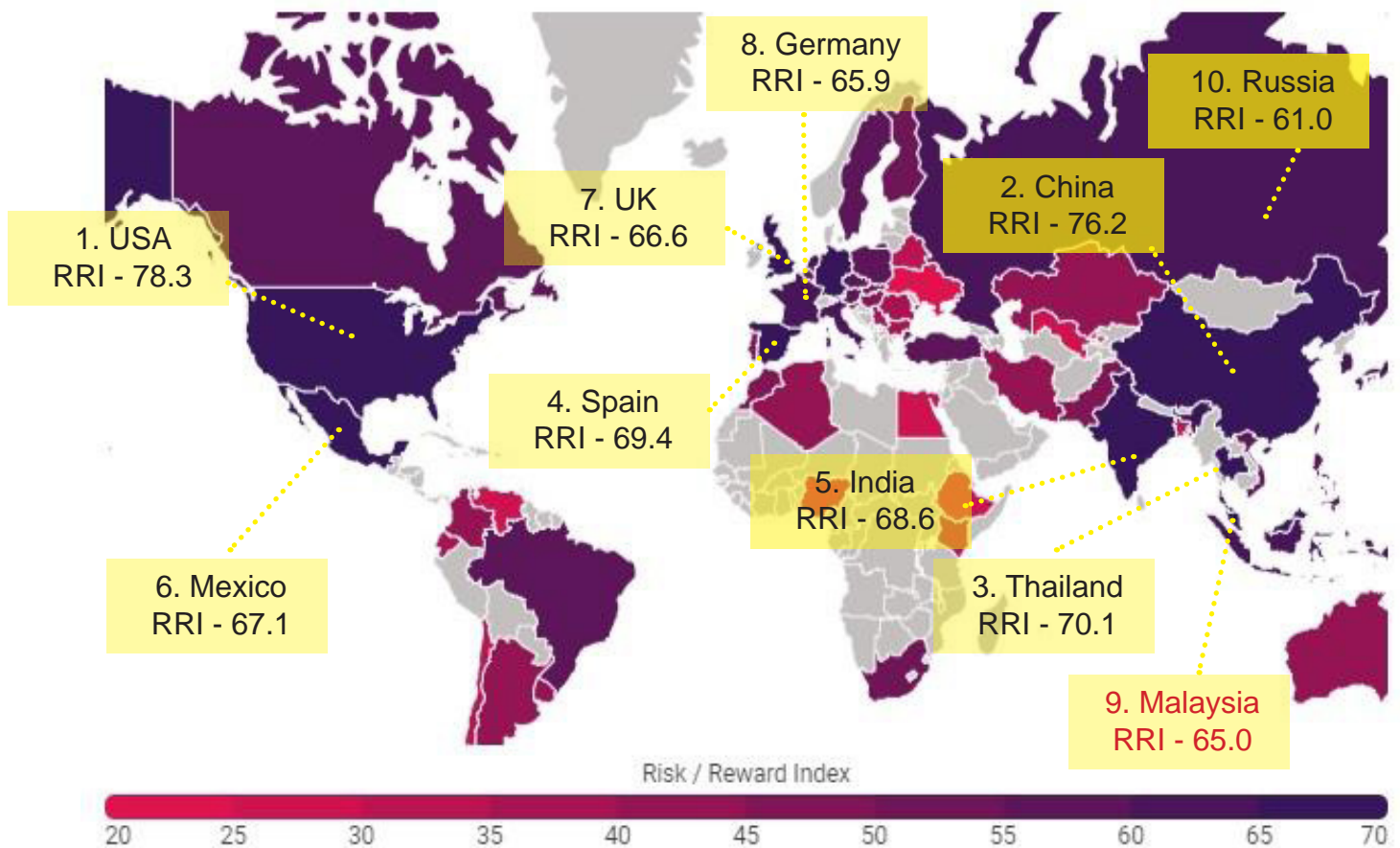
Source: Department of Statistics, Malaysia





# INTERNATIONAL REPORT

## BMI's Autos Production Risk/Reward Index



Which are the most attractive Autos Production markets in the world based on a balance of Risks and Rewards?

BMI's Autos Production Risk Reward Index (RRI) quantifies and ranks a country's attractiveness within the context of the Automotive industry, based on the balance between the Risks and Rewards of beginning or maintaining Autos manufacturing operations in different countries. BMI Research combine industry-specific characteristics with broader economic, political and operational market characteristics. We weight these inputs in terms of their importance to investor decision making in the Autos sector. The index uses a combination of our proprietary forecasts and analyst assessment of the regulatory climate.

Source: <http://www.bmiresearch.com/data/autos-production-risk-reward-index>



# Ten More Technologies Which Could Change Our Lives

*The aim of this publication is not only to draw attention to these ten particular technologies, but also to promote reflection about other technological developments that might still be at an early stage, but that could, in a similar way, massively impact our lives in the short-or longer-term future.*

## 1. Electric cars

*Are we on the verge of switching over to electric cars, and what would be the consequences of this transition for the climate, our health, and the way we live our lives in the future?*



## 2. Intelligent urban transport systems



*How can information technology contribute to alleviating traffic gridlock in our increasingly congested urban areas?*

## 3. Maglev transportation

*Magnetic levitation-based transport might soon enter our lives, providing faster, safer and more energy-efficient journeys. As longer distances can be covered faster and more cleanly, could they change the way in which we choose where to live?*



## 4. Wood



*Can new technologies contribute to a revival of wood as a source for biomass and construction material, and play a leading role in the fight against climate change?*

## 5. Precision agriculture

*Could introducing more precision agriculture in Europe allow us to boost food resilience, while ensuring sustainability and jobs, while taking the wide diversity of agriculture throughout the EU into account?*



## 6. Quantum technologies

*Could the well-established, but for non-scientists counterintuitive, theory of quantum mechanics one day revolutionise commonplace technical devices such as sensors, communication devices and computers?*



## 7. Radio frequency identification tags



*What will be the impact of radio frequency identification tags, and other short-range communication devices, on how the Internet of Things transforms our way of life?*

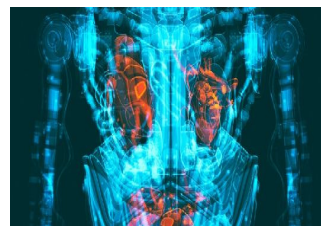
## 8. Big data and health care

*Big data can open up enormous new opportunities in health care, but how can we ensure that they bring benefits to everyone?*



## 9. Organoids

*Organoids are artificially grown organs that mimic the properties of real organs. What new possibilities for treating diseases, drug development, and personalised and regenerative medicine do organoids provide?*

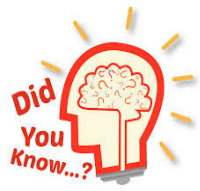


## 10. Genome editing

*A new technique to simplify gene editing might herald a new era of genetic modification. What are the benefits and potential dangers of this technique, and how should policy-makers respond?*







# Malaysia International Trade & Exhibition Centre (MITEC)

## Facts & Figures

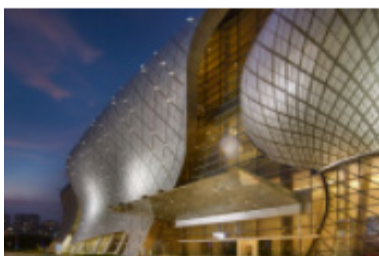
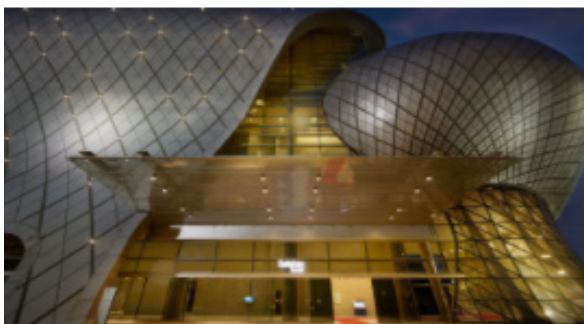


**3-Acre**  
Column-less Halls

Halls With Up To **36** m  
High Ceilings

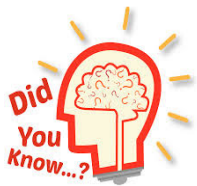
All Halls Are Expandable Up To

72m In Width  
180m In Length



Click <http://mitec.com.my/about> to get more information on MITEC





# The MRT Sungai Buloh - Kajang Line



## The MRT Sungai Buloh-Kajang Line

the first line of the Klang Valley MRT Project



## The MRT Sungai Buloh-Kajang Line

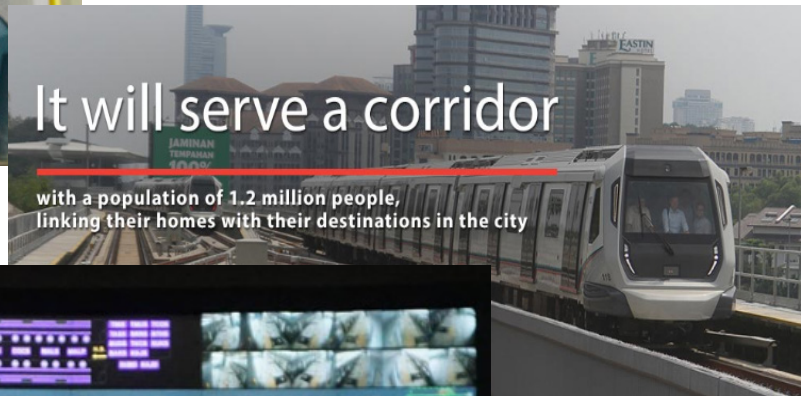
is 51km long and served by 31 stations, providing efficient mobility to the inhabitants of the Greater Kuala Lumpur/Klang Valley region



400,000 passengers

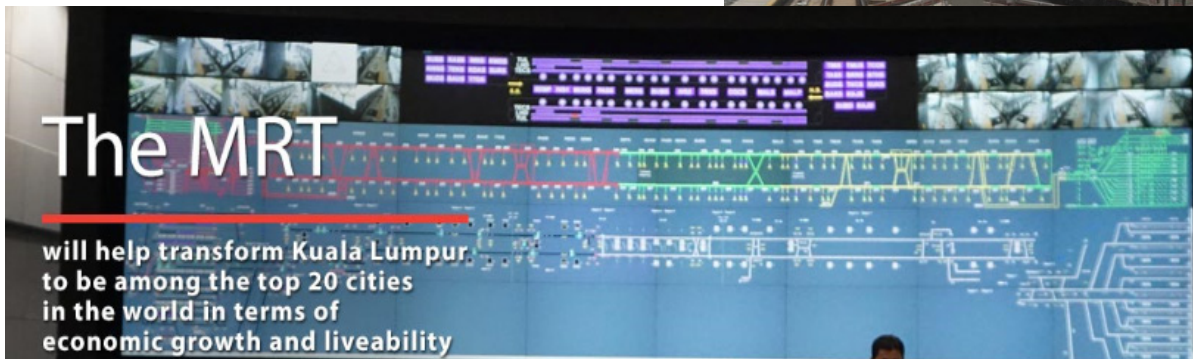
The MRT can transport 20,000 passengers per hour per direction or 400,000 passengers per day

**1,000,000<sup>TH</sup>** PASSENGER  
OF THE MRT SUNGAI BULOH - KAJANG LINE



## It will serve a corridor

with a population of 1.2 million people, linking their homes with their destinations in the city



## The MRT

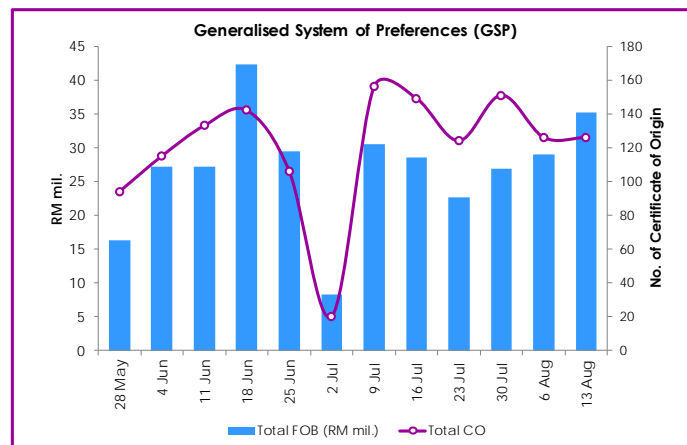
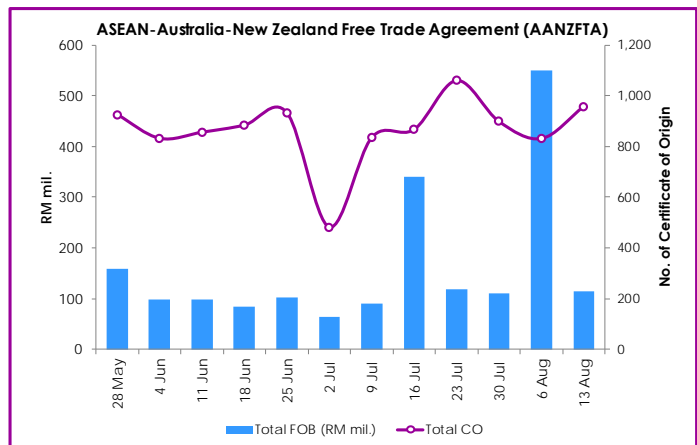
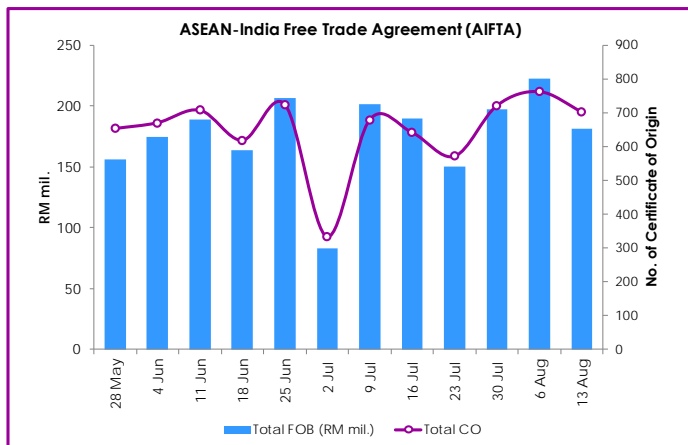
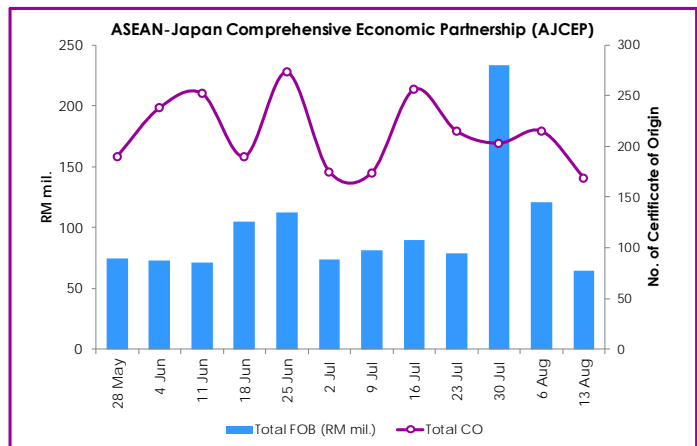
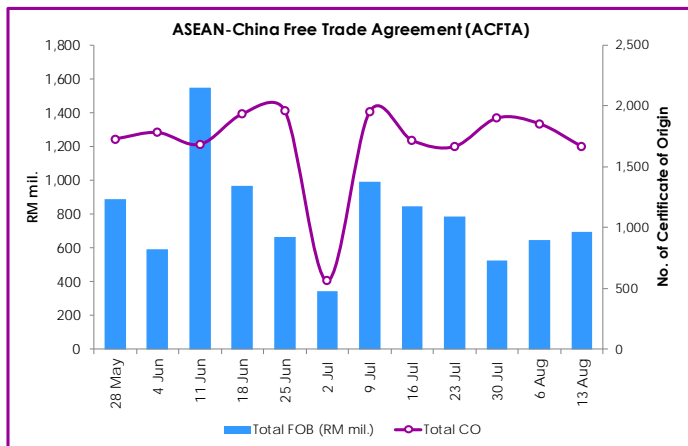
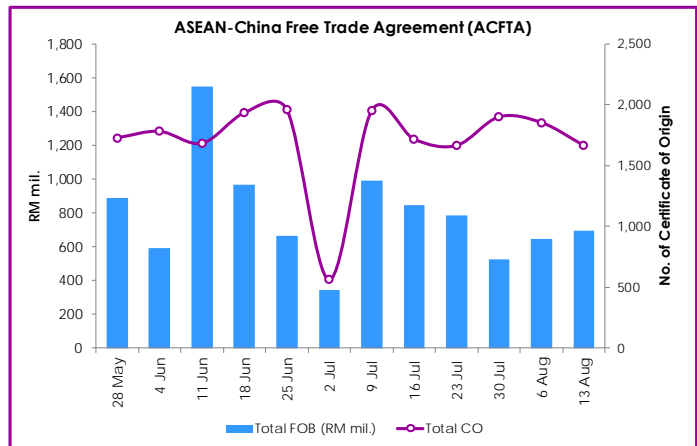
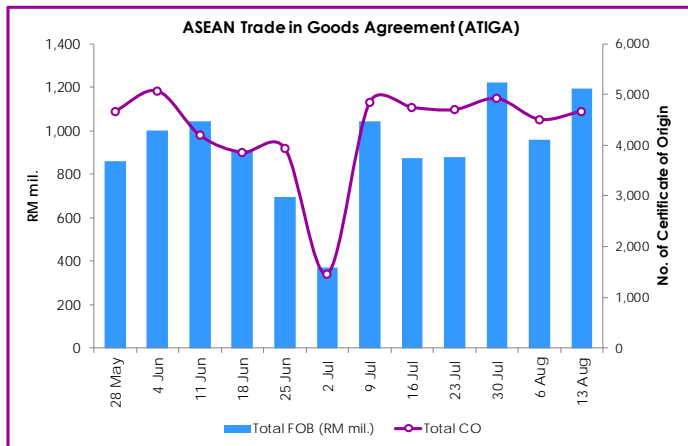
will help transform Kuala Lumpur to be among the top 20 cities in the world in terms of economic growth and liveability



Click <http://www.mymrt.com.my/en/sbk/travel-info> to get more information on MRT

Source: [www.mrt.com.my](http://www.mrt.com.my) and [www.mymrt.com.my](http://www.mymrt.com.my)

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

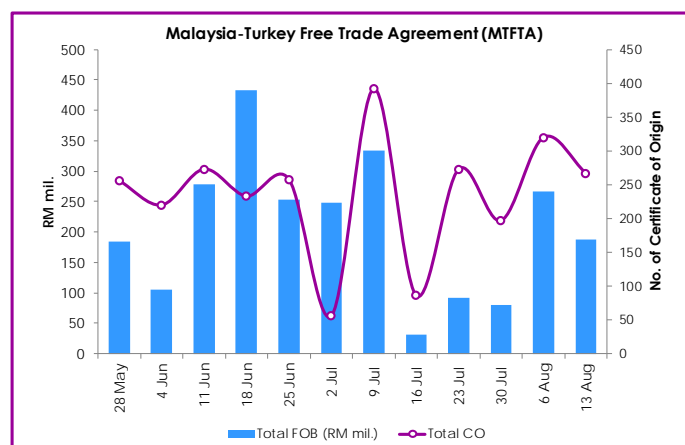
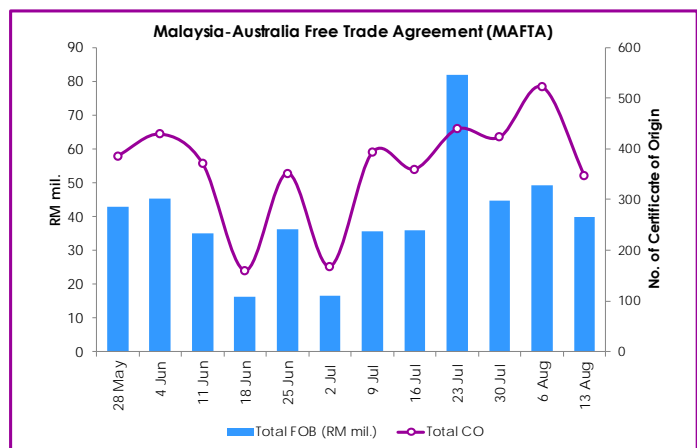
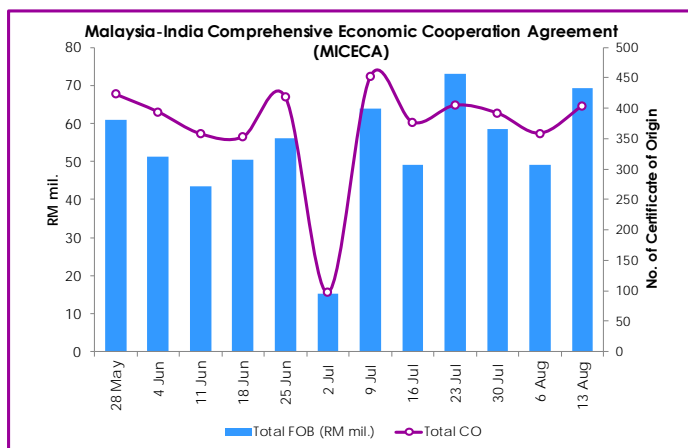
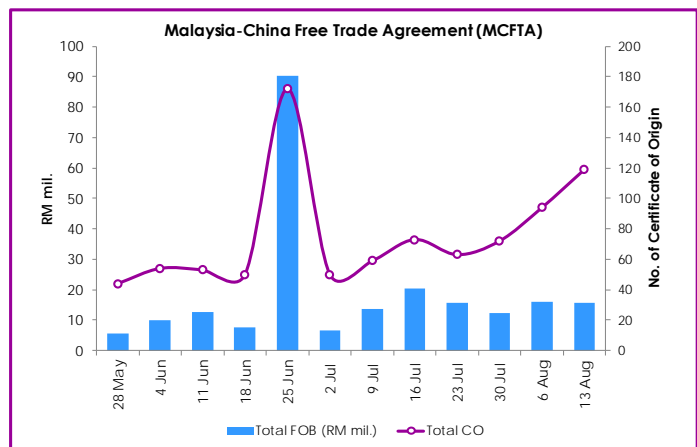
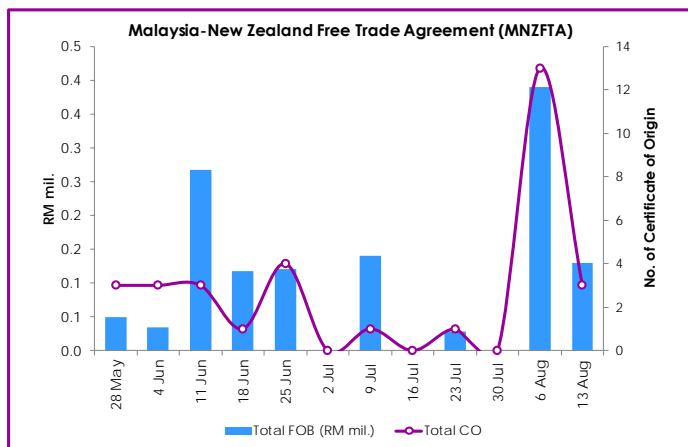
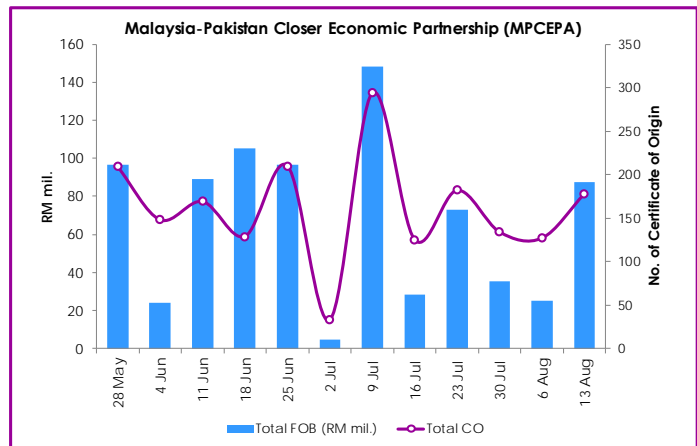
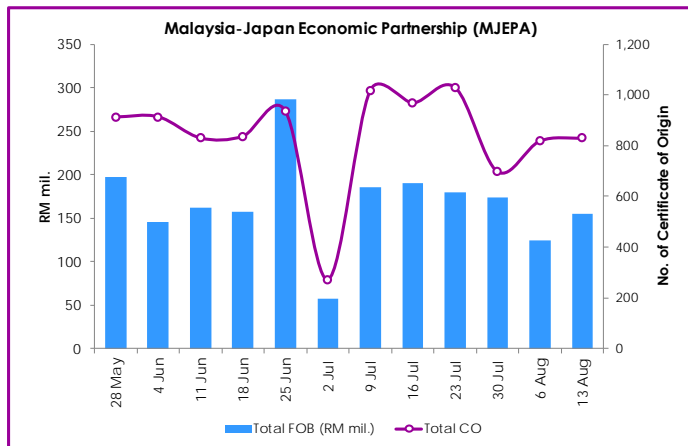


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: \*Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

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

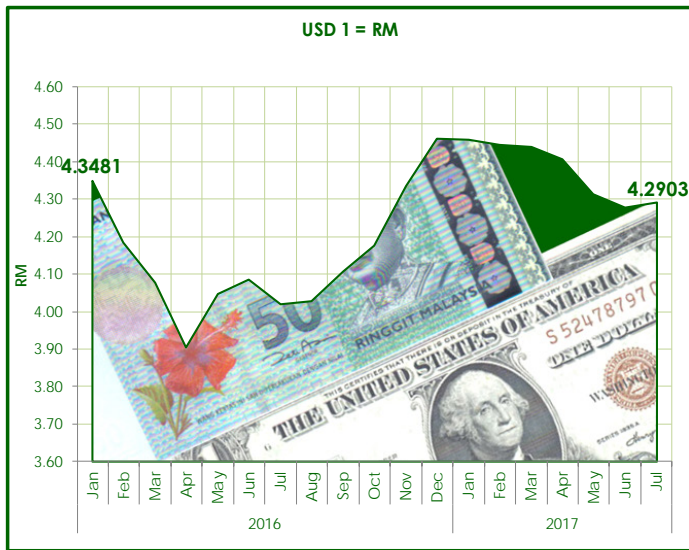


Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

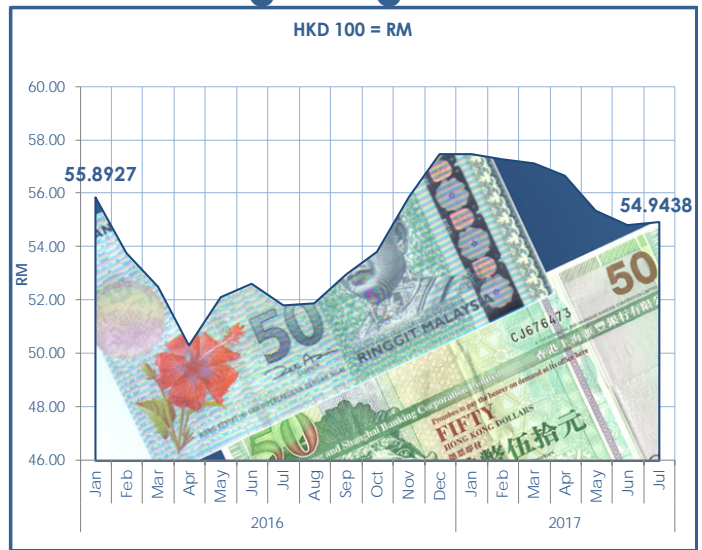


# Malaysian Ringgit Exchange Rate with Selected Countries, January 2016 - July 2017

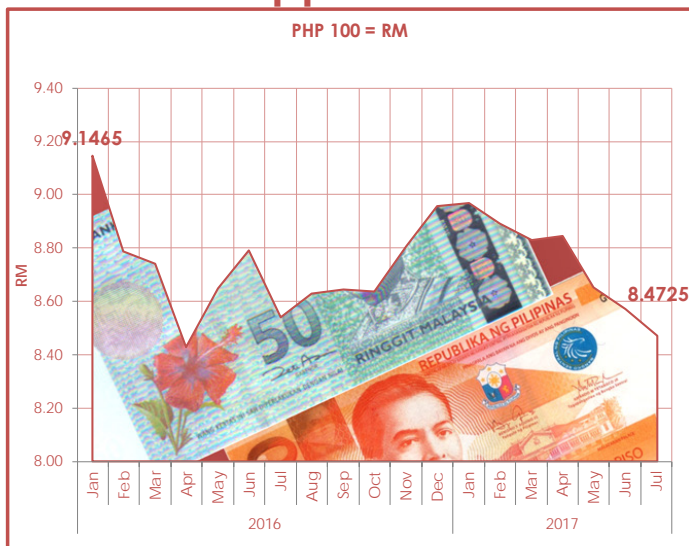
## US Dollar



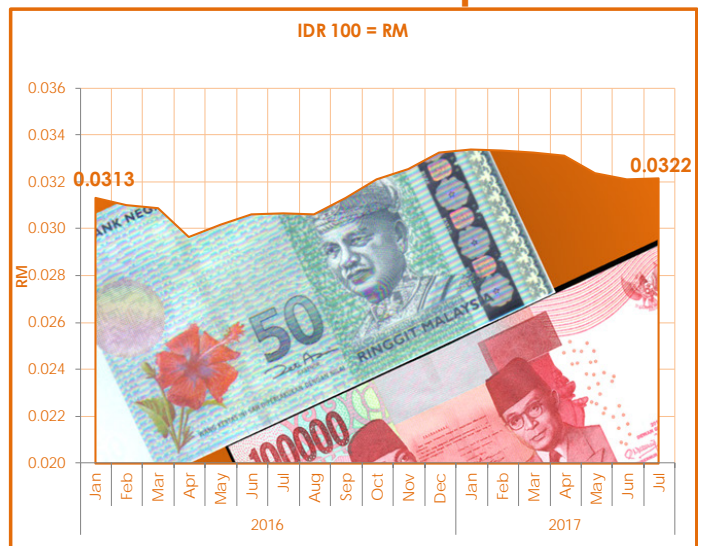
## Hong Kong Dollar



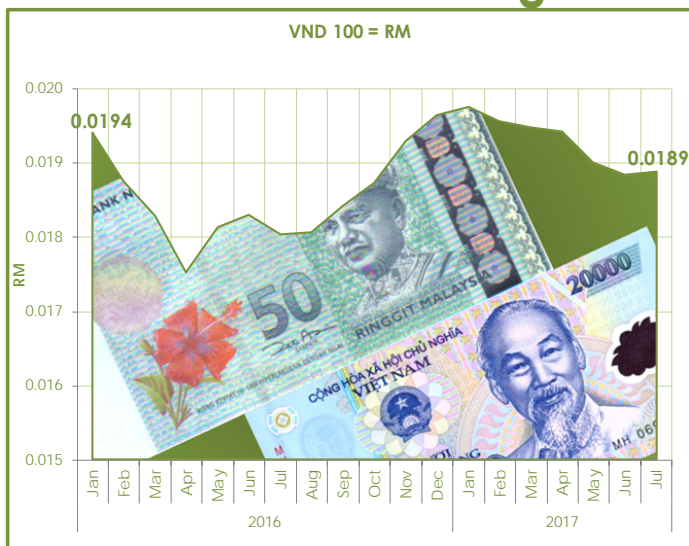
## Philippine Peso



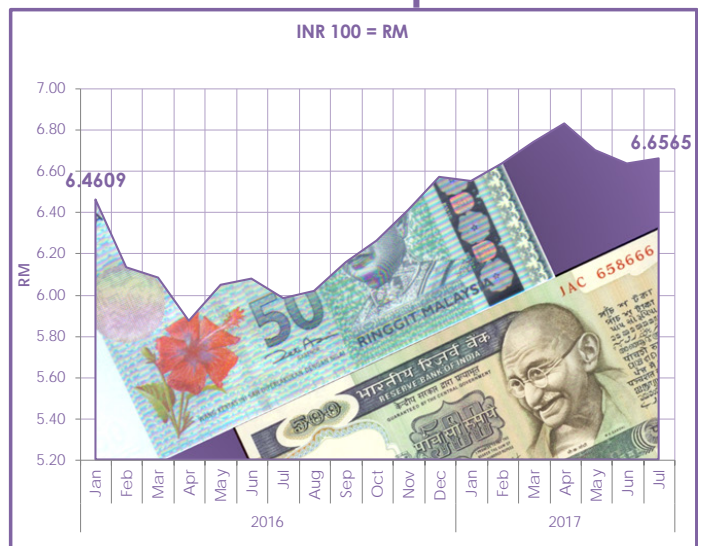
## Indonesian Rupiah



## Vietnamese Dong



## Indian Rupee



Source : Bank Negara Malaysia

# Commodity Prices



## CRUDE PETROLEUM (BRENT) -per bbl-

18 Aug 2017 : US\$52.7, ▲ 1.2%\*  
Average Price<sup>i</sup> : 2016: US\$45.3  
2015: US\$53.6



## CRUDE PALM OIL -per MT-

18 Aug 2017 : US\$668.5, ▲ 1.8%\*  
Average Price<sup>i</sup> : 2016: US\$702.2  
2015: US\$616.9



## SUGAR -per lbs-

18 Aug 2017 : US¢ 13.4, ▲ 1.6%\*  
Average Price<sup>i</sup> : 2016: US¢18.2  
2015: US¢13.2



## RUBBER SMR 20 -per MT-

18 Aug 2017 : US\$1,539.0, ▲ 1.2%\*  
Average Price<sup>i</sup> : 2016: US\$1,394.5  
2015: US\$1,364.3



## COCOA SMC 2 -per MT-

18 Aug 2017 : US\$1,350.1, ▼ 4.9%\*  
Average Price<sup>i</sup> : 2016: US\$1,609.8  
2015: US\$2,077.0



## COAL -per MT-

18 Aug 2017 : US\$44.1, unchanged  
Average Price<sup>i</sup> : 2016: US\$45.6  
2015: US\$49.9



## SCRAP IRON HMS -per MT-

18 Aug 2017 : US\$350.0 (high), unchanged  
US\$340.0 (low), unchanged  
Average Price<sup>i</sup> : 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

23 June 2017 : US\$45.5  
15 Jan 2016 : US\$28.9

### Crude Palm Oil -per MT-



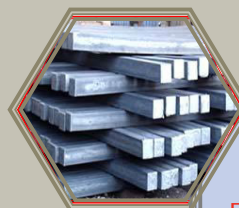
#### Highest

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

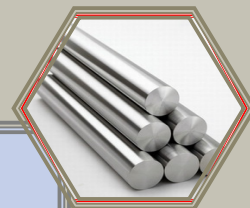
#### Lowest

30 June 2017 : US\$650.0  
15 Jan 2016 : US\$545.5

## Domestic Prices 18 Aug 2017



Billets  
(per MT)  
RM2,200 – RM2,250



Steel Bars  
(per MT)  
RM2,420 – RM2,570

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

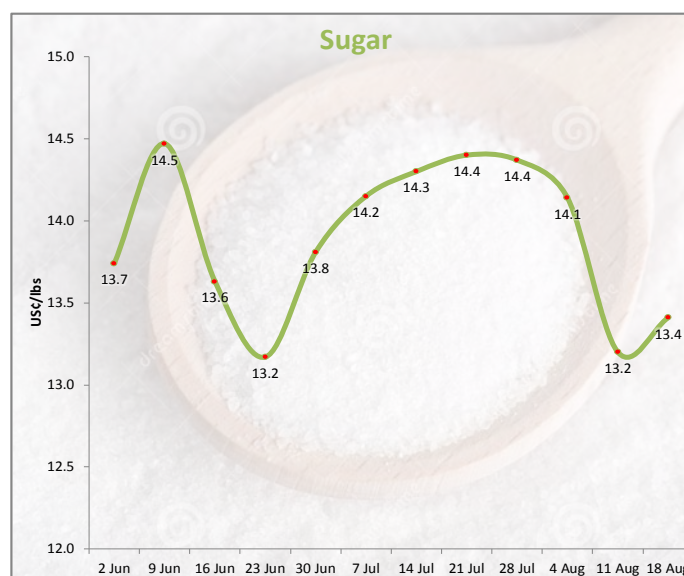
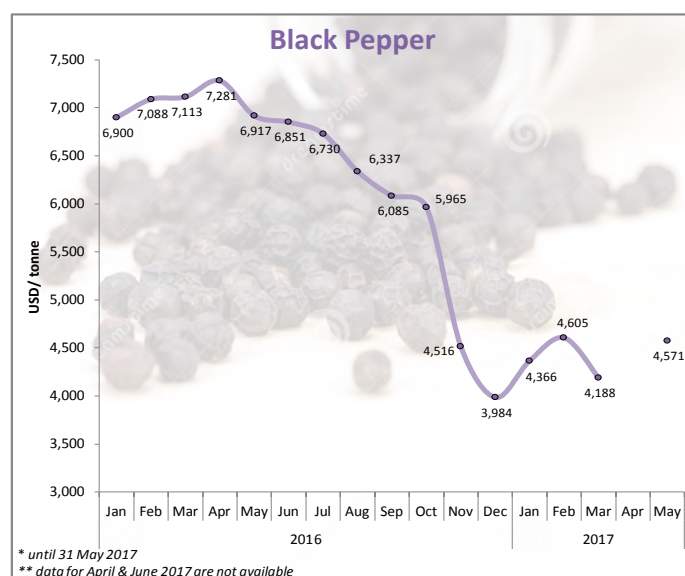
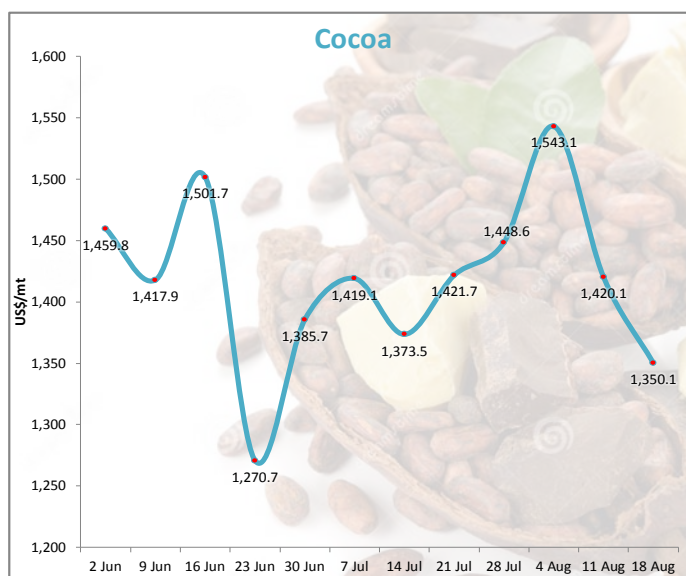
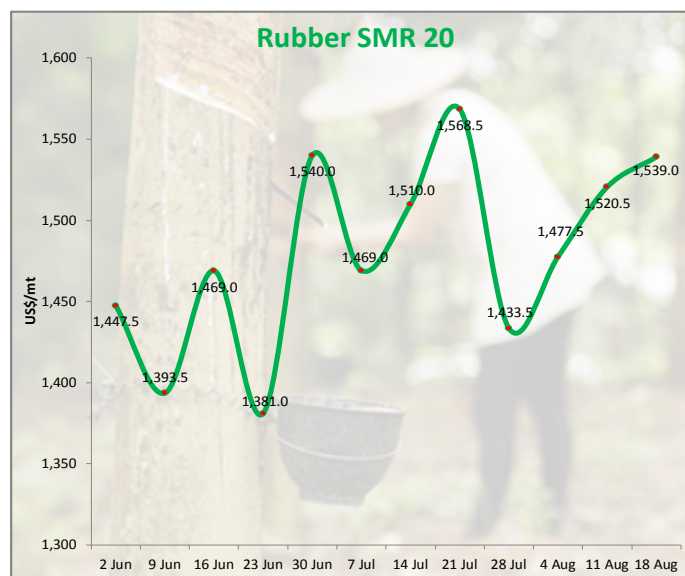
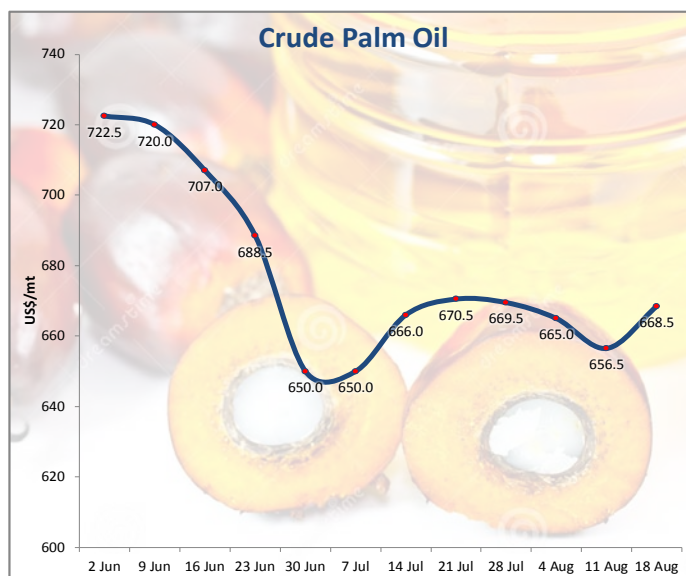
\* Refer to % change from the previous week's price

<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.



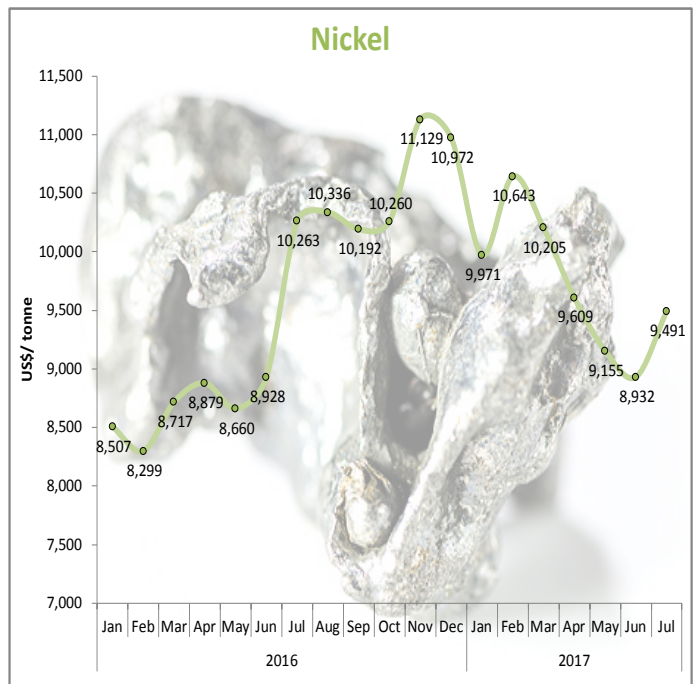
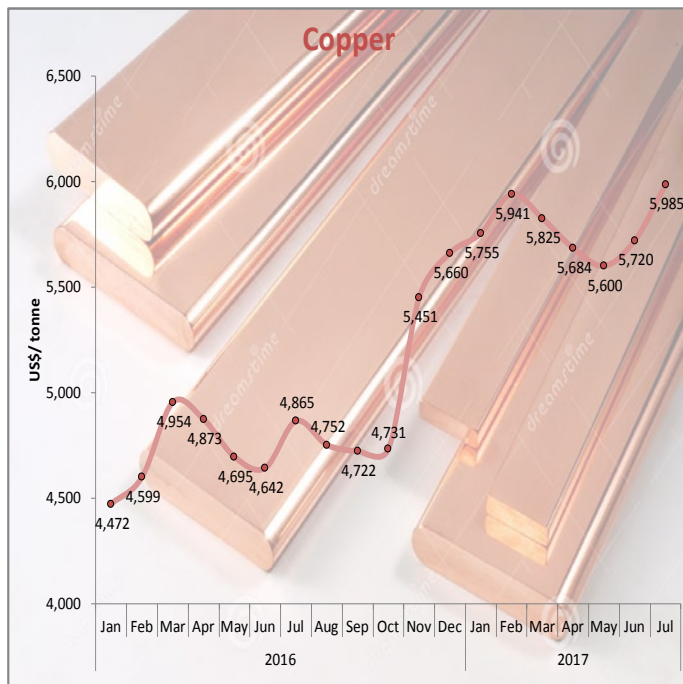
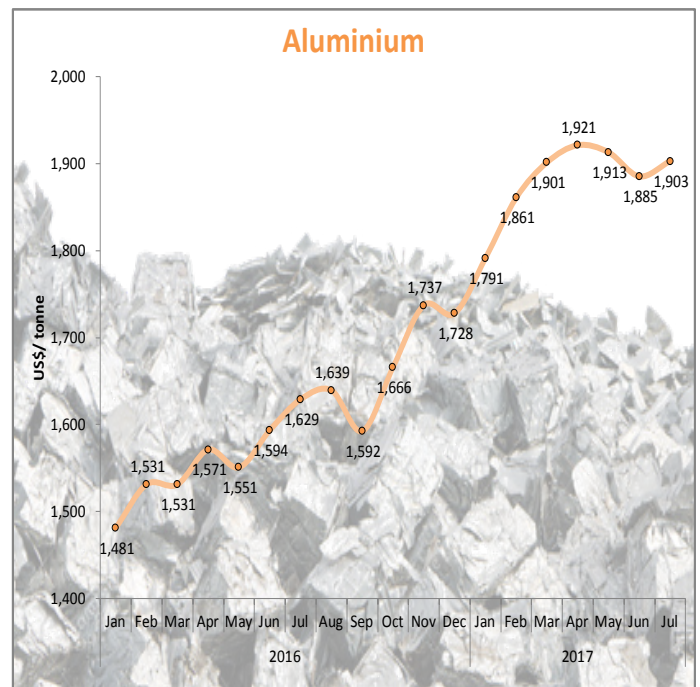
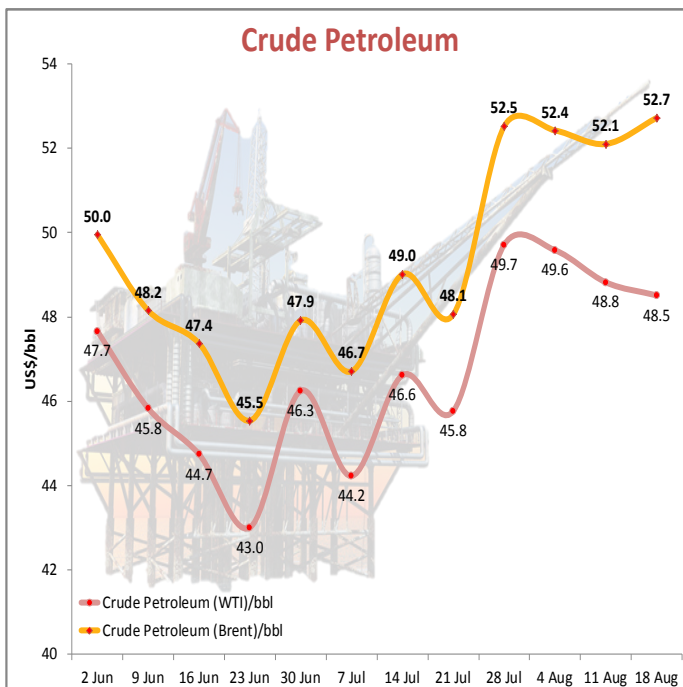
# Commodity Price Trends



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.

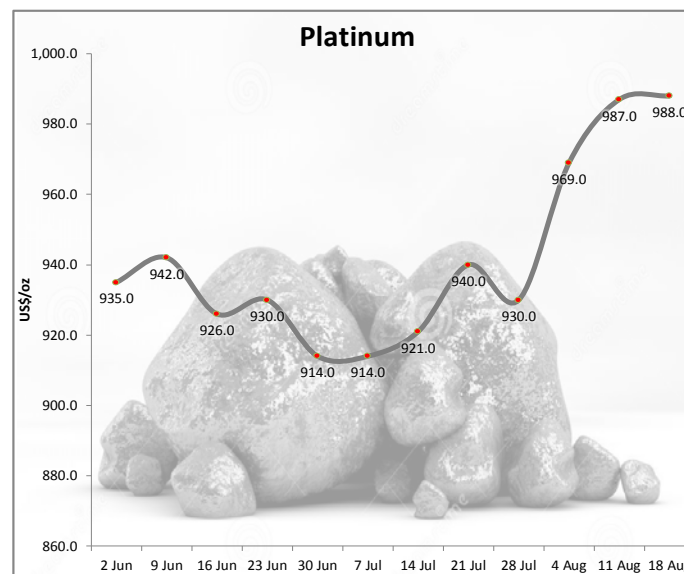
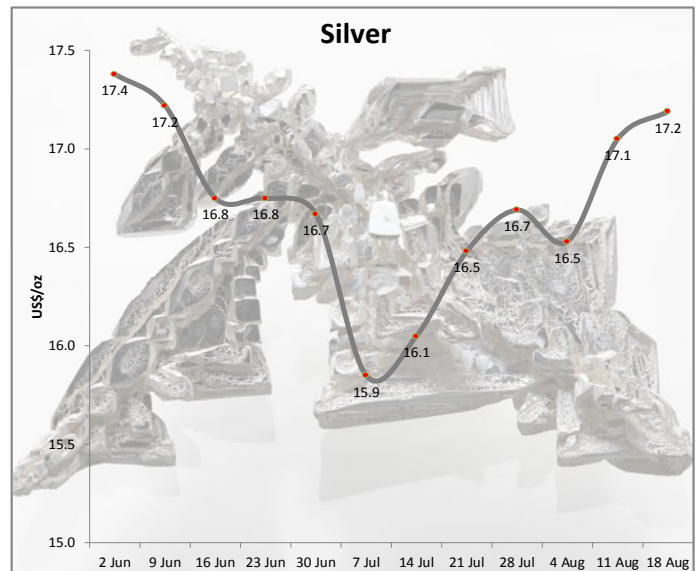
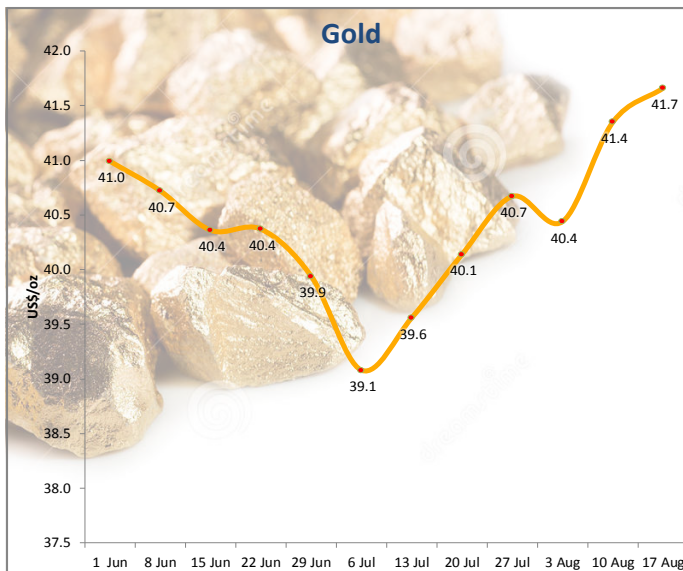
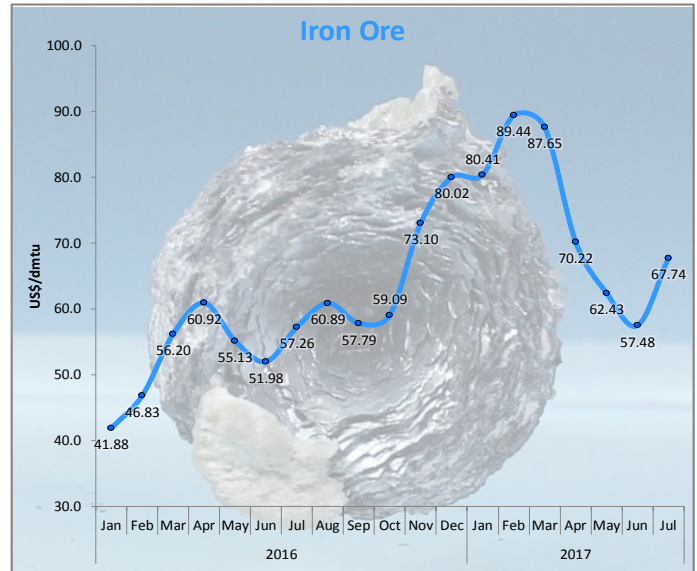
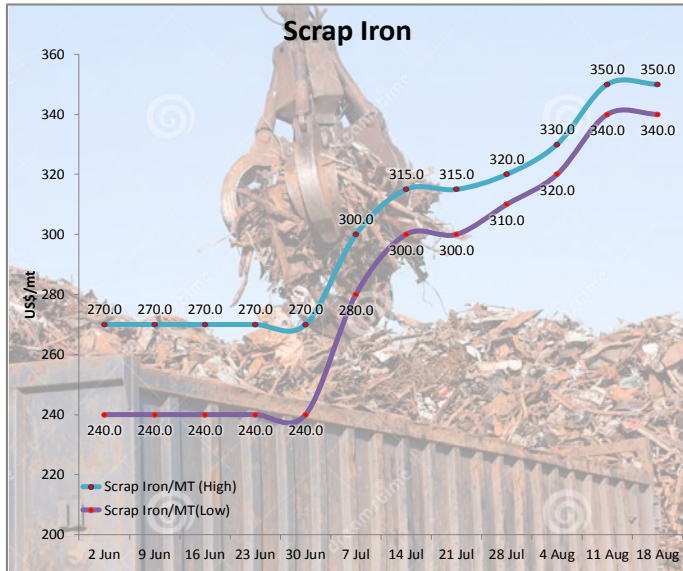


# Commodity Price Trends



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 Czarikow Group, World Bank.



# MITI PROGRAMME

## The Malaysia Aerospace Industry Summit 2017 (MyAERO'17), 15 August 2017





# MITI PROGRAMME

## Showcase on Innovation for Productivity Enhancement 17 August 2017





# MITI PROGRAMME

## Program Penanaman Pokok 'MERDEKA' & Perasmian Bulan Kemerdekaan 17 August 2017







# Glossary

## of Technical Terms

### International Commercial Terms (Incoterms)

Initially created in 1936 by the International Chamber of Commerce (ICC) and have been periodically revised (Incoterms® 2010 is the 8th revision). Incoterms® reflect world-wide trade practices, as practices change, Incoterms® are revised.

### International Payment Methods

Cash in Advance:

Time of Payment : Before Shipment

Goods Available to Buyer : After Payment

Open Account

Time of Payment : As agreed; e.g.: 30 days

Goods Available to Buyer : Before Payment

Letters of Credit (L/Cs) are legal instruments issued by banks (on behalf of their customers) with the conditional obligation to make payment to the beneficiary of the L/C

Documentary (Trade) Letters of Credit are used to facilitate payments in import and export transactions

Standby Letters of Credit are “standing by” for an event of default or non-performance before they can be drawn on.

### Invisible hand

Adam Smith's shorthand for the ability of the free market to allocate factors of production, goods and services to their most valuable use. If everybody acts from self-interest, spurred on by the profit motive, then the economy will work more efficiently, and more productively, than it would do were economic activity directed instead by some sort of central planner. It is, wrote Smith, as if an 'invisible hand' guides the actions of individuals to combine for the common good. Smith recognised that the invisible hand was not infallible, however, and that some government action might be needed, such as to impose antitrust laws, enforce property rights, and to provide policing and national defence.

### Invisible trade

Exports and imports of things you cannot touch or see: services, such as banking or advertising and other intangibles, such as copyrights. Invisible trade accounts for a growing slice of the value of world trade.

TO BE  
CONTINUED...

# ANNOUNCEMENT

## ***LIBERALISATION OF IMPORT LICENCE FOR IRON & STEEL PRODUCTS***

Please be informed that there is an amendment to the Customs (Prohibition of Imports) Order 2017 effective **1 August 2017** (Tuesday).

All iron and steel products which are still subjected to Import Licence from MITI are listed in Appendix I.

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INDUSTRI**

INDUSTRY EXCELLENCE AWARD



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

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HALAL TRADE  
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asean**

**23-27  
AUG 2017** | MINES EXHIBITION  
CENTRE, KUALA LUMPUR  
11-9 PM

**9**  
ASEAN  
COUNTRIES

**500**  
EXHIBITORS

**550**  
BOOTHs



Honoured by: Ministry of Trade and Industry, Ministry of Economic Affairs, Ministry of Education, Ministry of Health, Ministry of Labour, Ministry of Agriculture, Ministry of Natural Resources and Environment, Ministry of Tourism, Ministry of Transport, Ministry of Communications and Multimedia, Ministry of Home Affairs, Ministry of Defence, Ministry of Finance, Ministry of Energy, Ministry of Environment and Climate Change, Ministry of Forestry and Natural Resources, Ministry of Higher Education, Ministry of Information and Public Relations, Ministry of International Trade and Industry, Ministry of Labour, Ministry of Law and Legal Affairs, Ministry of Local Government and Planning, Ministry of Maritime Affairs and Fisheries, Ministry of National Development, Ministry of Overseas Chinese Affairs, Ministry of Religious Affairs, Ministry of Science and Technology, Ministry of Social Welfare and Development, Ministry of Statistics, Ministry of Trade and Industry, Ministry of Transport, Ministry of Tourism, Ministry of Urban Planning and Construction, Ministry of Water Resources, Ministry of Youth and Sports, Ministry of Zoning and Planning, Ministry of Education, Ministry of Health, Ministry of Labour, Ministry of Agriculture, Ministry of Natural Resources and Environment, Ministry of Tourism, Ministry of Transport, Ministry of Communications and Multimedia, Ministry of Home Affairs, Ministry of Defence, Ministry of Finance, Ministry of Energy, Ministry of Environment and Climate Change, Ministry of Forestry and Natural Resources, Ministry of Higher Education, Ministry of Information and Public Relations, Ministry of International Trade and Industry, Ministry of Labour, Ministry of Law and Legal Affairs, Ministry of Local Government and Planning, Ministry of Maritime Affairs and Fisheries, Ministry of National Development, Ministry of Overseas Chinese Affairs, Ministry of Religious Affairs, Ministry of Science and Technology, Ministry of Social Welfare and Development, Ministry of Statistics, Ministry of Trade and Industry, Ministry of Transport, Ministry of Tourism, Ministry of Urban Planning and Construction, Ministry of Water Resources, Ministry of Youth and Sports, Ministry of Zoning and Planning.



[www.halal.com.my](https://www.halal.com.my)

## 1Malaysia New Icon



The new 1Malaysia icon is a combination of the Jalur Gemilang and Negaraku and is a symbol to reinforce the message of fostering national unity.



# Condolences...

MITI Weekly Bulletin wishes to convey our deepest condolences to families and loved ones of the victims of the terrorist attacks in Barcelona, Spain, 17 & 18 August 2017



**Mohd Najib Tun Razak** @NajibRazak · 9h

Deepest condolences to the loved ones of innocent victims who lost their lives and were affected by the despicable attack in Barcelona.

## MITI Weekly Bulletin (MWB) Mobile Apps



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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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