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MIDA Continues to Play Role to Attract Investments, Ensure Inclusive Economic Growth

Dato' Sri Mohd Najib Tun Abdul Razak said the role of the Malaysian Investment Development Authority (MIDA) is expected to be more important in the years to come in ensuring an inclusive economic growth and build Malaysia's image as a high technology country and a global activity centre. The prime minister said the organisation that had been operating since 1967 was capable of helping the country achieve a developed nation status.

Currently, Malaysia is moving to enter Industry 4.0, that is, digitalisation and automation of the manufacturing and services sectors. It is estimated that a 20 per cent increase in digital investment has the potential to propel the gross domestic product growth by 1.4 per cent for Malaysia," he said in his welcoming remarks in the programme booklet in conjunction with MIDA's 50th anniversary celebration here tonight.

Najib was accompanied by his wife Datin Sri Rosmah Mansor at the ceremony, which was also attended by Minister of International Trade and Industry Dato' Sri Mustapa Mohamed and MIDA Chairman Tan Sri Amirsham Abdul Aziz.

Najib added that the development of human capital in line with the skills requirements of Industry 4.0 would also help to maintain and attract more investments into the country. Towards this end, he said the government was committed to exploring and mobilising initiatives to adapt Industry 4.0 to the current industrial landscape.

"With the commitment that has been shown, as well as, experience in facing challenges during this half century, I believe MIDA would be able to shoulder the responsibility to pave the way to ensure that the nation moves in line with the change in technology," he said.

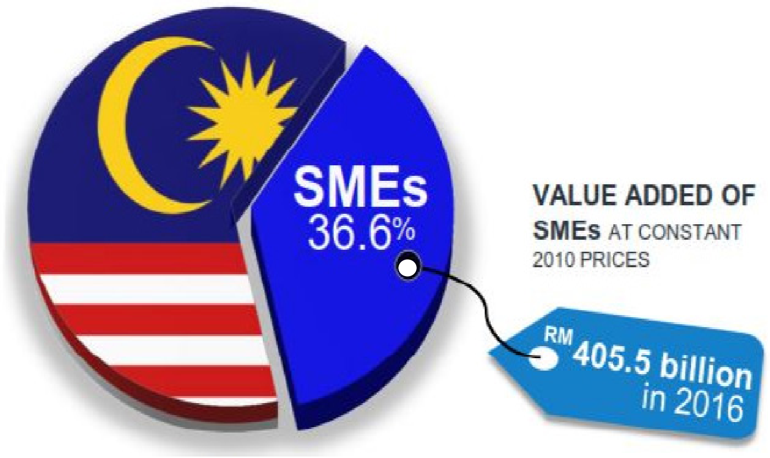
Najib said in conjunction with MIDA's 50th anniversary celebration, he was also confident that the organisation would continue to play a role in attracting strategic investments into the country in order to realise the government's aspiration to ensure the wellbeing of the people.

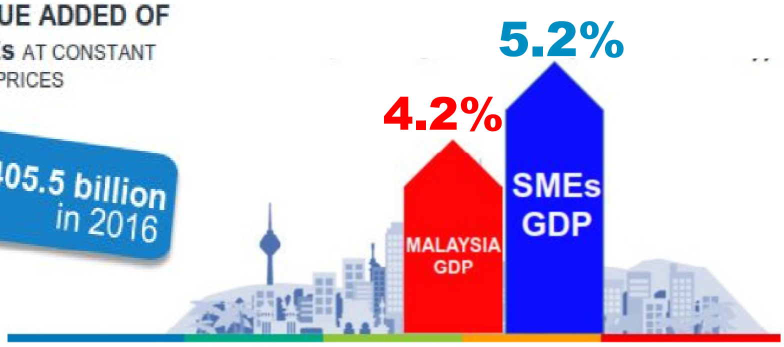
MIDA is a key government promotion agency under the Ministry of International Trade and Industry to supervise and drive investments in the manufacturing and services sectors in Malaysia.

With only 37 workers when it started operations in 1967, MIDA now has 700 employees. With its headquarters in Kuala Lumpur Sentral, the agency has 12 district offices and 23 offices overseas.

BERNAMA
30 September 2017

MALAYSIA
Performance of SMEs GDP 2016





GROWTH RATE	Malaysia GDP	SMEs GDP	CONTRIBUTION OF SMEs	
AGRICULTURE	-5.1%	-1.7%	50.7%	Influenced by Rubber, Oil Palm, Livestock & Other Agriculture
CONSTRUCTION	7.4%	6.8%	47.2%	Underpinned by Specialised Construction Activities and Civil Engineering sub-sector
SERVICES	5.6%	6.4%	40.2%	Driven by Wholesale & Retail Trade, Food & Beverages and Accommodation
MANUFACTURING	4.4%	4.8%	34.4%	Induced by Petroleum, Chemical, Rubber & Plastic Products
MINING & QUARRYING	2.2%	8.2%	1.8%	Supported by quarrying of granite and limestone

Malaysia GDP   SMEs GDP

Source: Department of Statistics, Malaysia

SMEs are defined as...

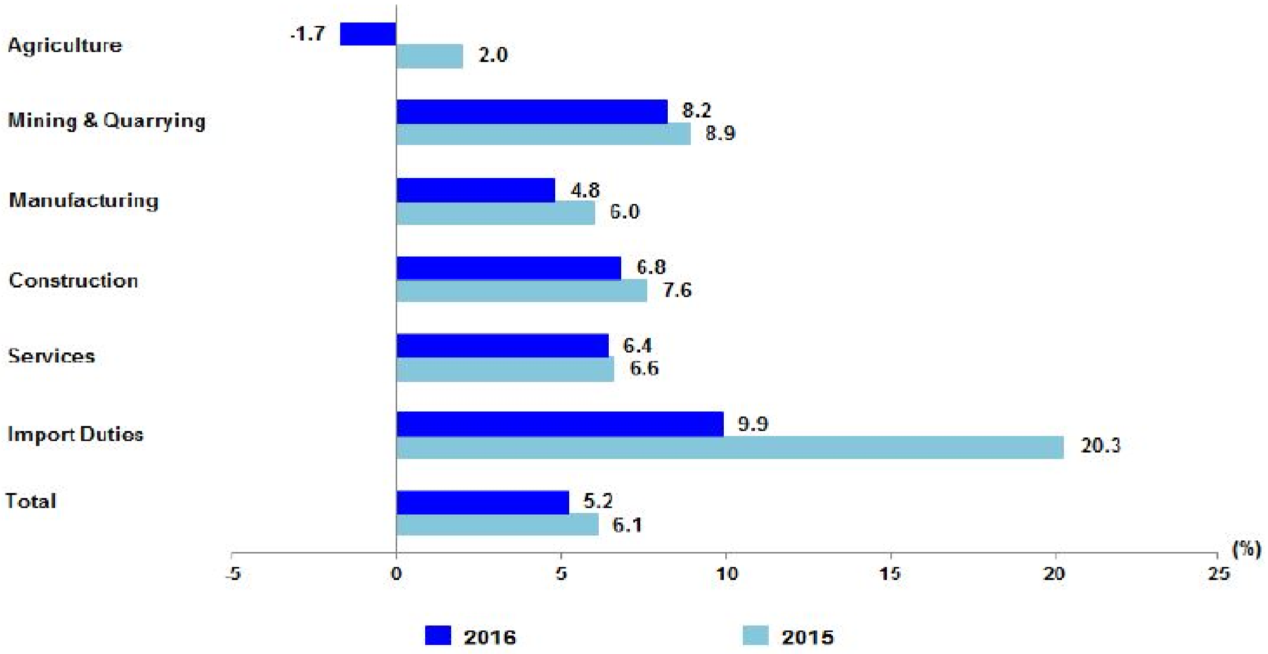
		MICRO	SMALL	MEDIUM
MANUFACTURING SECTOR	SALES TURNOVER	< RM300,000	RM300,000 < RM 15 MILLION	RM 15 MILLION ≤ RM50 MILLION
	FULL-TIME EMPLOYEES	< 5 EMPLOYEES	FROM 5 TO < 75 EMPLOYEES	FROM 75 TO ≤ 200 EMPLOYEES
SERVICES AND OTHER SECTORS	SALES TURNOVER	< RM300,000	RM300,000 < RM3 MILLION	RM3 MILLION ≤ RM20 MILLION
	FULL-TIME EMPLOYEES	< 5 EMPLOYEES	FROM 5 TO < 30 EMPLOYEES	FROM 30 TO ≤ 75 EMPLOYEES

Value added, Percentage Share and Change

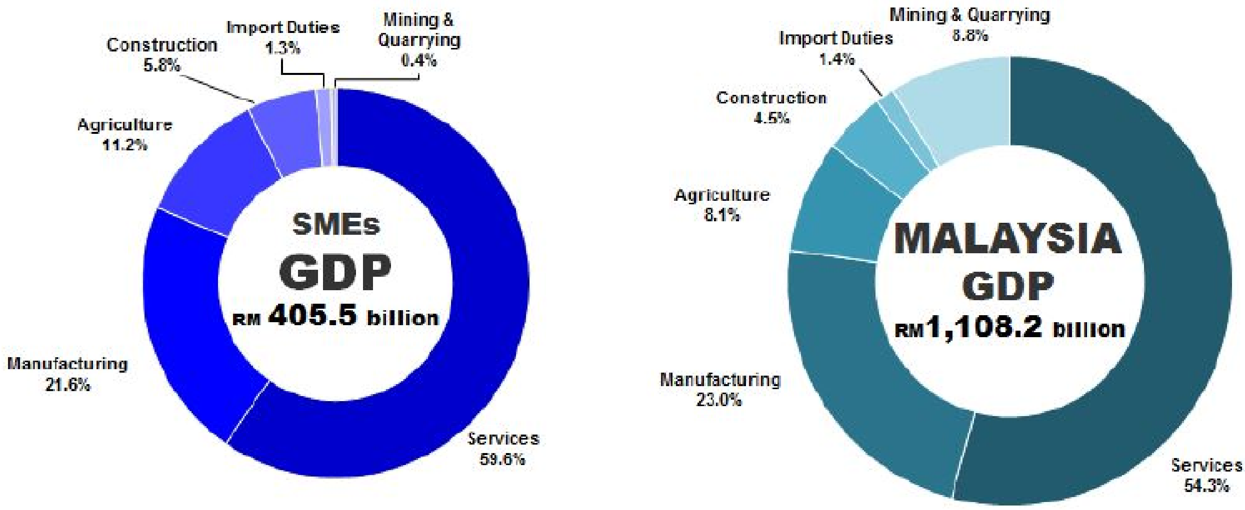
CATEGORY	VALUE ADDED (RM BILLION)		SHARE TO MALAYSIA GDP (%)		ANNUAL PERCENTAGE CHANGE (%)	
	2015	2016	2015	2016	2015	2016
SMEs	385.6	405.5	36.3	36.6	6.1	5.2
LARGE FIRMS	677.8	702.7	63.7	63.4	4.4	3.7
MALAYSIA GDP	1,063.4	1,108.2	100.0	100.0	5.0	4.2

Source: Department of Statistics, Malaysia

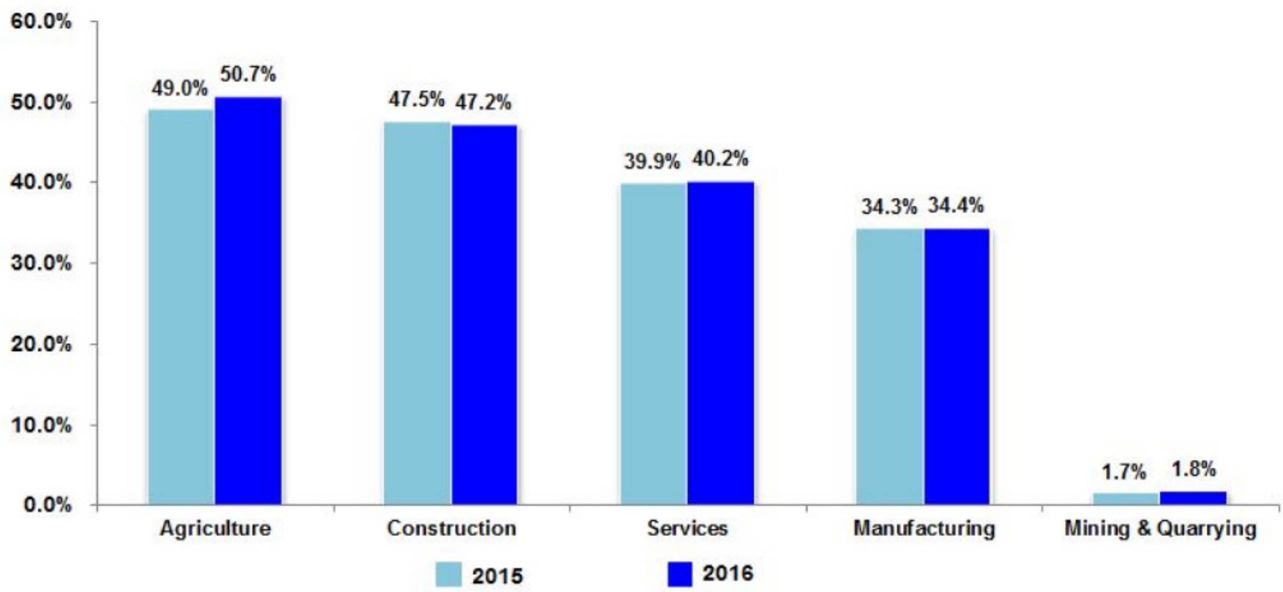
Annual Growth of SMEs



Percentage Share of SMEs and Malaysia GDP



SMEs Contribution by Industry



Note: Percentage refers to the share of SMEs GDP value to the National GDP value for every industry
Source: Department of Statistics, Malaysia

Department of Statistics, Malaysia
https://www.dosm.gov.my

ECONOMIC CENSUS 2016

https://www.facebook.com/StatsMalaysia https://twitter.com/StatsMalaysia

MAIN FINDINGS OF SMALL AND MEDIUM ENTERPRISES

	NUMBER OF ESTABLISHMENTS	VALUE OF GROSS OUTPUT	VALUE OF INTERMEDIATE INPUT	VALUE ADDED	NUMBER OF PERSONS ENGAGED	SALARIES & WAGES	VALUE OF FIXED ASSETS	WOMAN-OWNED	VALUE OF EXPORTS
2015	907,065 establishments	RM1,006.3 billion	RM586.3 billion	RM419.9 billion	5.7 million persons	RM128.5 billion	RM583.7 billion	186,930 establishments	RM145.0 billion
ANNUAL GROWTH RATE (2010 - 2015)	7.3%	9.3%	8.4%	10.6%	5.2%	12.9%	14.5%	8.0%	4.4%
2010	638,790 establishments	RM644.7 billion	RM391.0 billion	RM253.7 billion	4.4 million persons	RM70.1 billion	RM296.0 billion	127,424 establishments	RM116.8 billion

Source: Department of Statistics, Malaysia

INTERNATIONAL REPORT

Top 10 Plus ASEAN Global Competitiveness Index 2017–2018 Rankings

1 Switzerland (1)
Score: 5.86

2 USA (3)
Score: 5.85

3 Singapore (2)
Score: 5.71

4 Netherlands (4)
Score: 5.66

5 Germany (5)
Score: 5.65

6 Hong Kong SAR (9)
Score: 5.53

7 Sweden (6)
Score: 5.52

8 UK (7)
Score: 5.51

9 Japan (8)
Score: 5.49

10 Finland (10)
Score: 5.49

23 **Malaysia (25)**
Score: 5.17

32 Thailand (34)
Score: 4.72

36 Indonesia (41)
Score: 4.68

46 Brunei (58)
Score: 4.52

55 Viet Nam (60)
Score: 4.36

56 Philippines (57)
Score: 4.35

94 Cambodia (89)
Score: 3.93

98 Lao PDR (93)
Score: 3.91

Notes: 1. Myanmar was not included in 2017/2018 rankings
2. Number in parenthesis refers to 2016-2017 rankings
Source: The Global Competitiveness Report 2017-2018

INTERNATIONAL REPORT
Lao PDR Economic Indicators 2016

Population: 6.8 mil.

Land area: 230,800 km^2

GDP (current US$): US$15.9 billion

Global trade: US$7.7 bil (Rank: 126)

Inflation rate: 1.5%

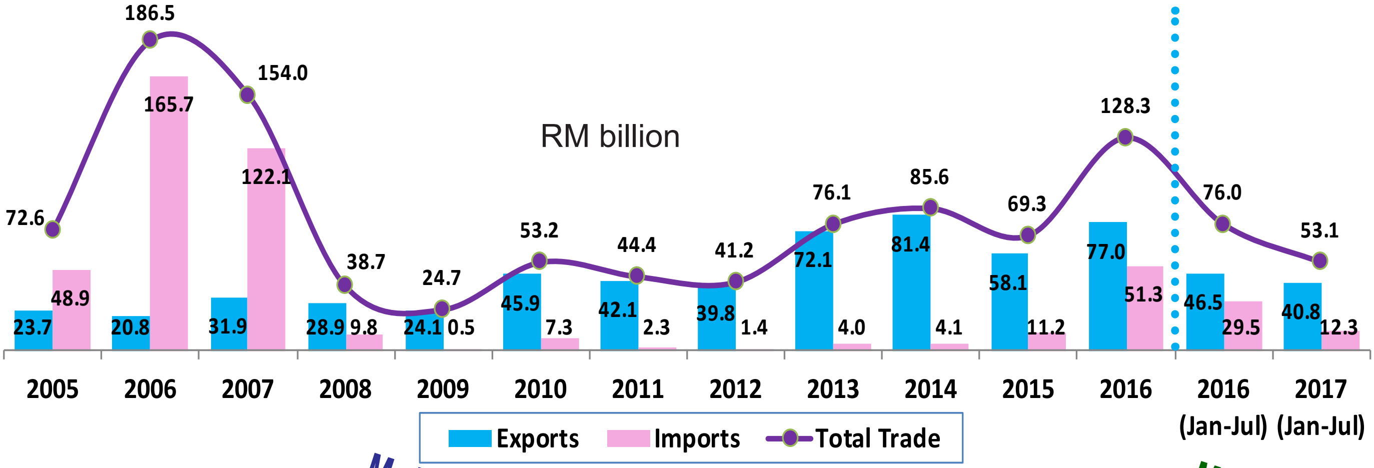
Global exports: US$3.0 bil (Rank: 118)

Global imports: US$4.7 bil (Rank: 124)

Unemployment rate: 1.5%

Source: Worldbank and WTO

Malaysia's Trade with Lao PDR, 2005 - 2017 (Jan-July)



Major Exports, Jan-July 2017

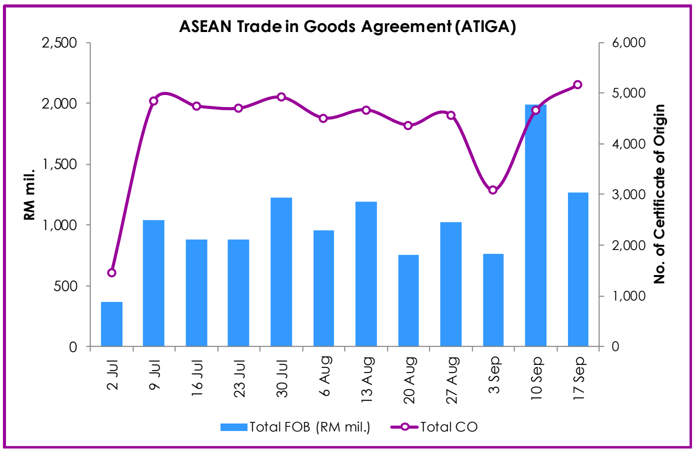
1. Manmade staple fibers (HS55): RM16.3m (40.0%)
2. Machinery appliances (HS84): RM8.5m (20.9%)
3. Electrical machinery & equipment (HS85): RM2.8m (6.9%)
4. Cotton, yarn & fabric (HS52): RM1.8m (4.3%)
5. Animal or vegetable fats & oil (HS15): RM1.7m (4.2%)

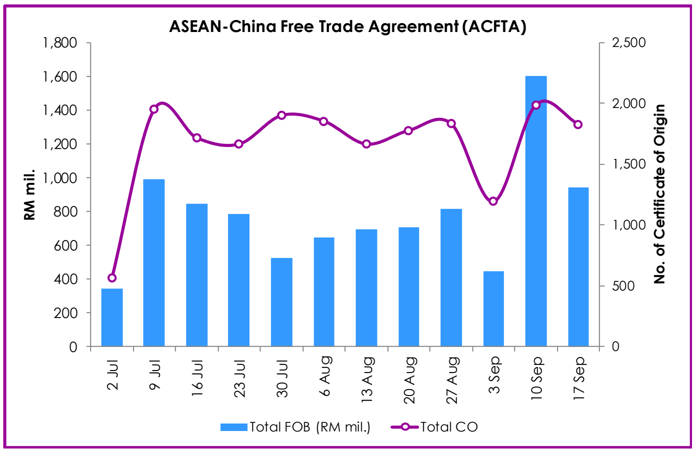
Major Imports, Jan-July 2017

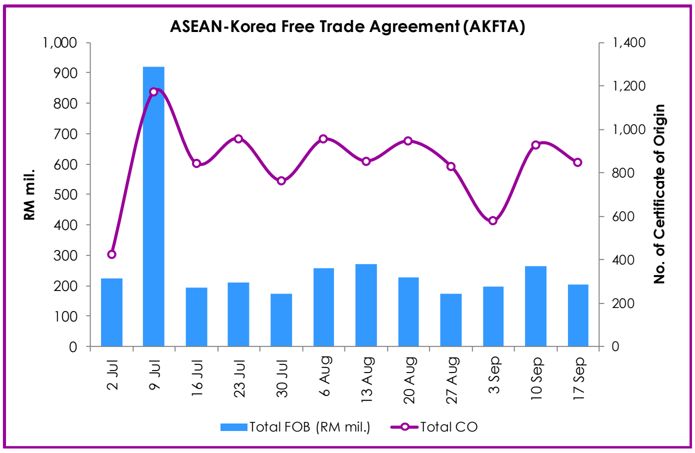
1. Machinery appliances (HS84): RM6.0m (49.1%)
2. Pearls, precious stones, metals (HS71): RM3.4m (27.4%)
3. Electrical machinery & equipment (HS85): RM2.2m (17.7%)
4. Animal or vegetable fats & oil (HS15): RM0.2m (1.8%)
5. Rubber & article thereof (HS40): RM0.2m (1.4%)

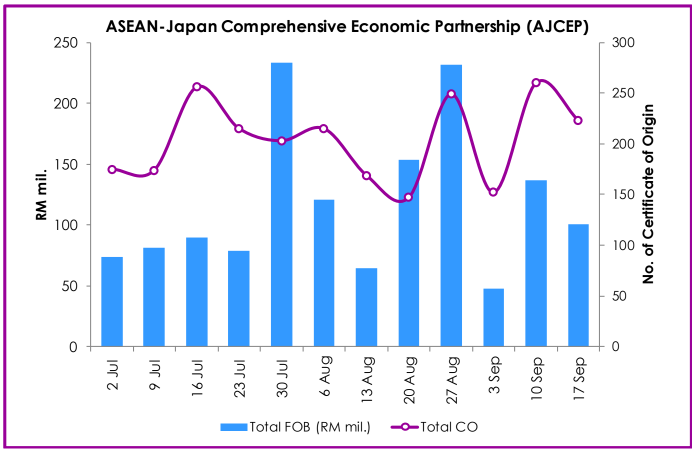
Note: % refers to share to total exports/imports
Source: Department of Statistics, Malaysia

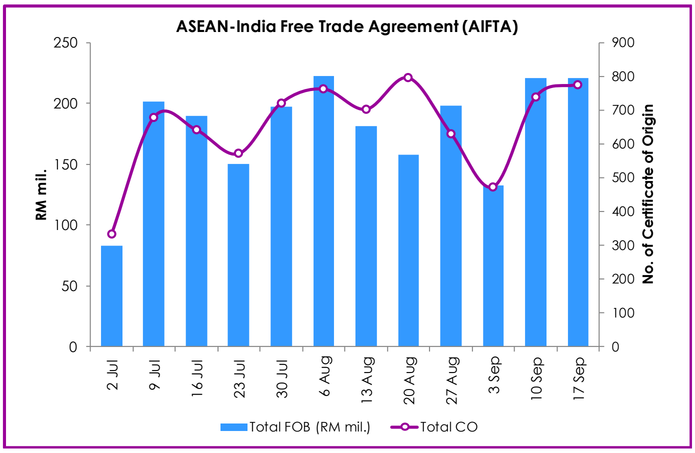
Number and Value of Preferential Certificates of Origin (PCOs)

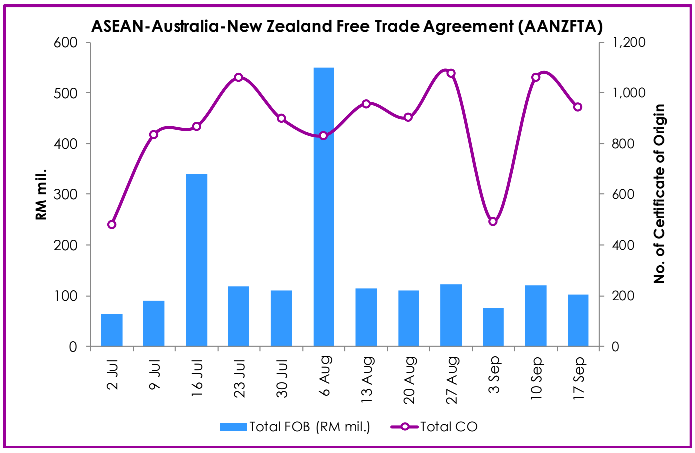


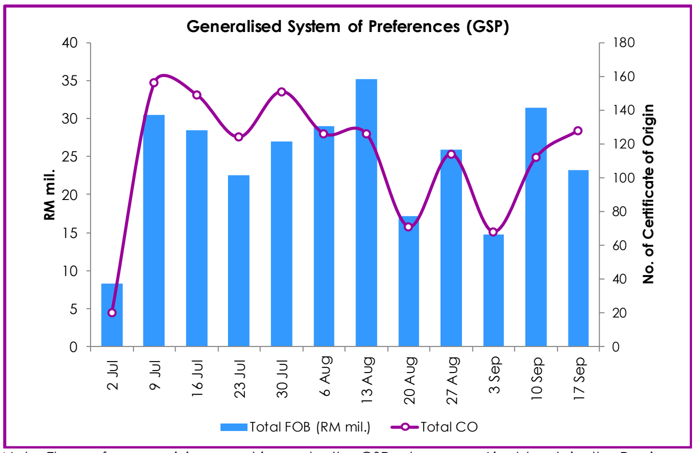










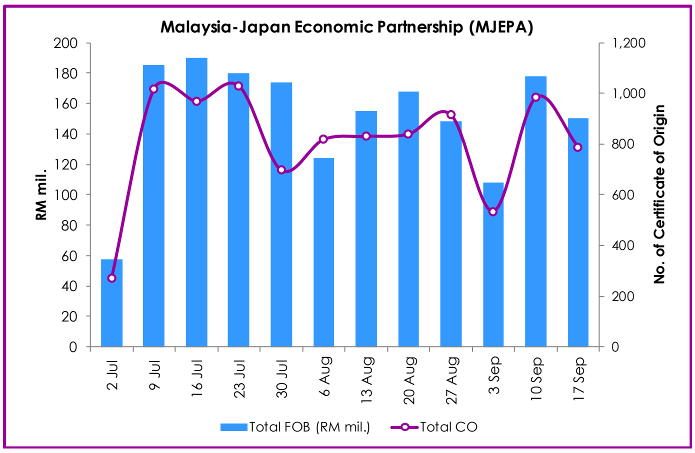


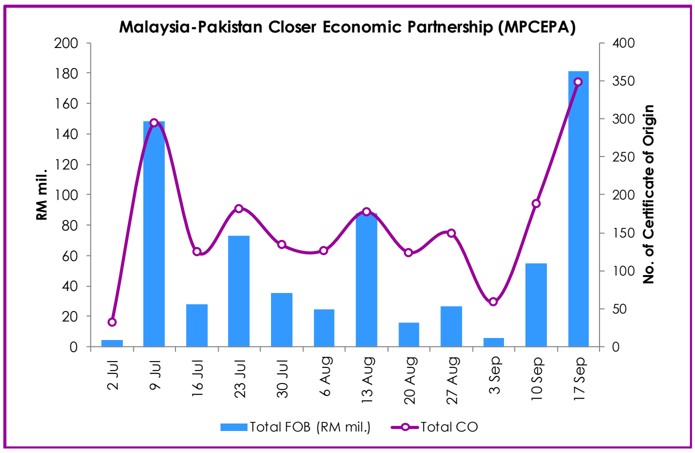
Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

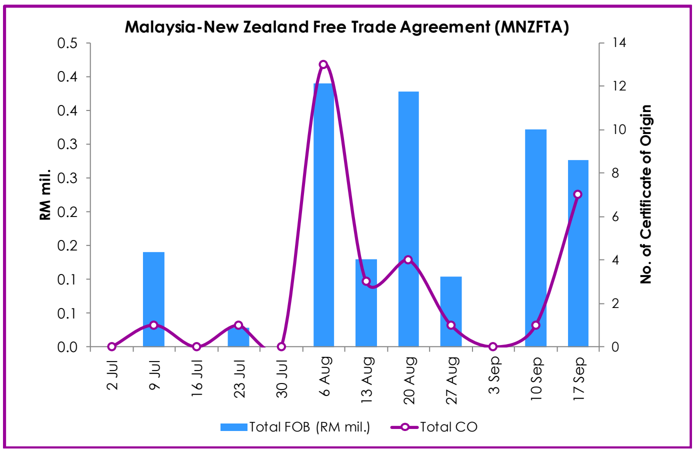
Note: *Provisional Data

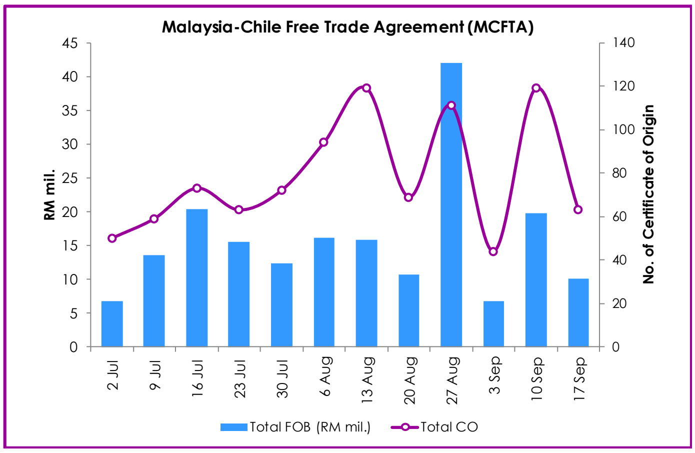
Source: Ministry of International Trade and Industry, Malaysia

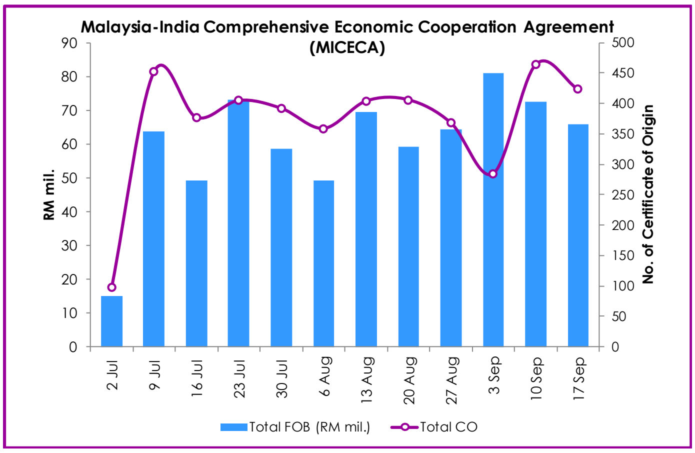
Number and Value of Preferential Certificates of Origin (PCOs)

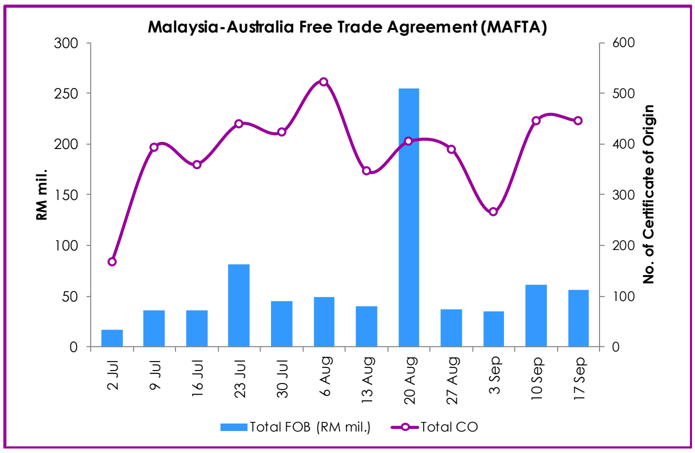


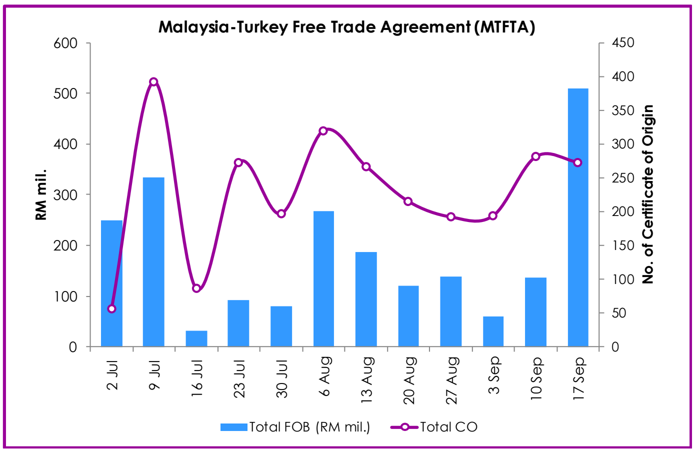








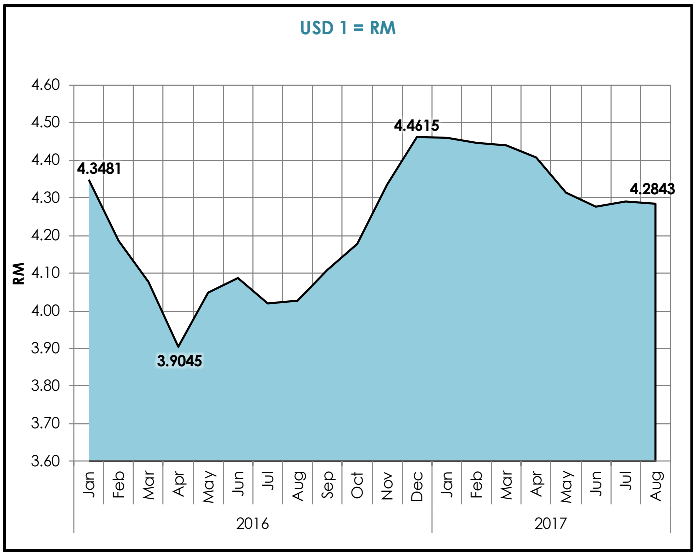




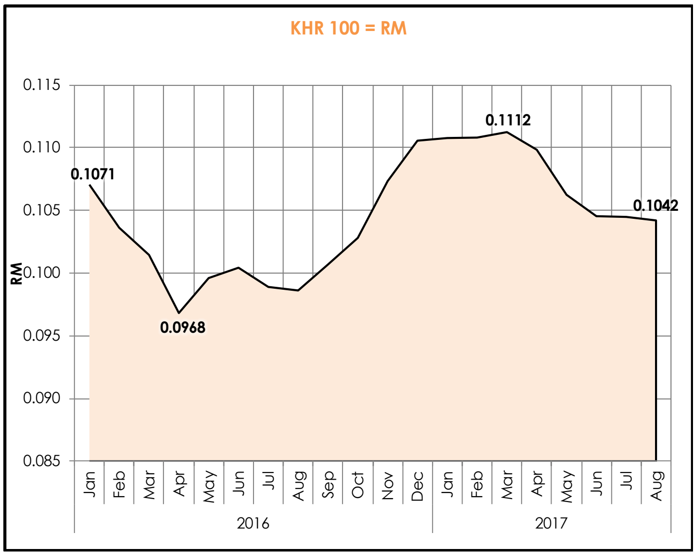
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

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

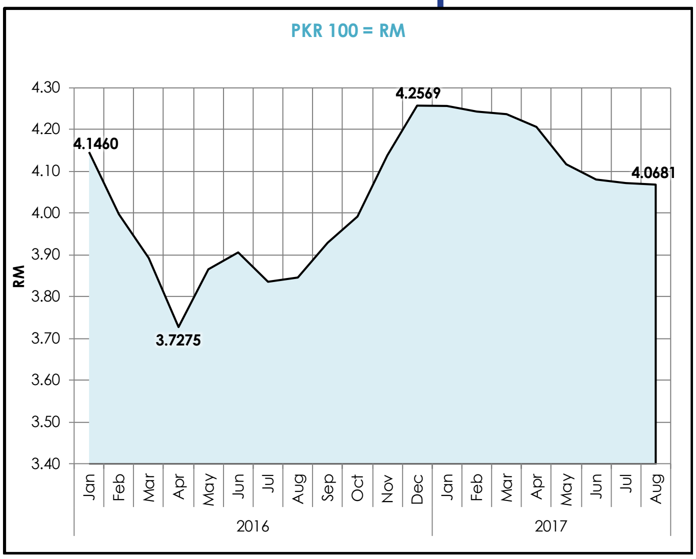
US Dollar



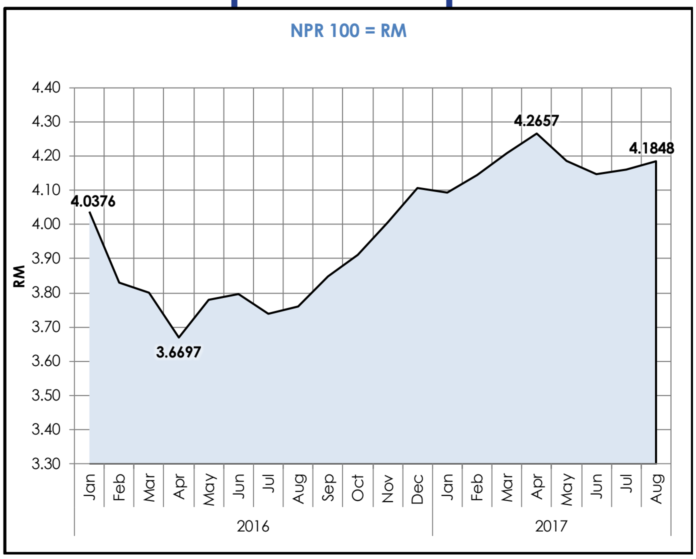
Cambodian Riel



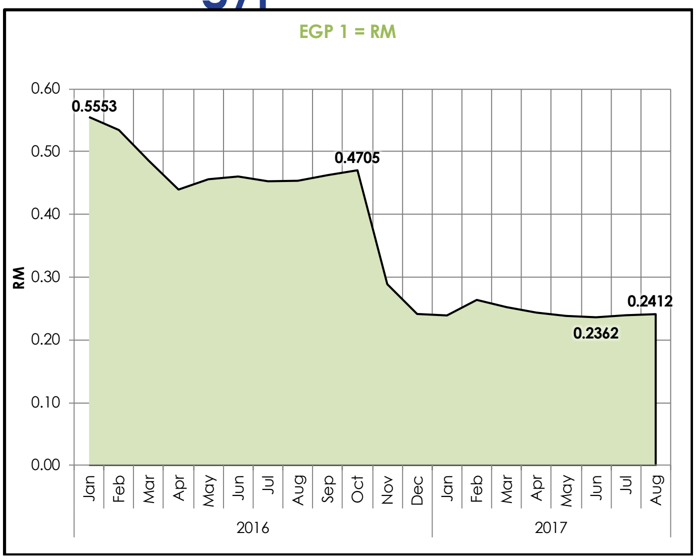
Pakistani Rupee



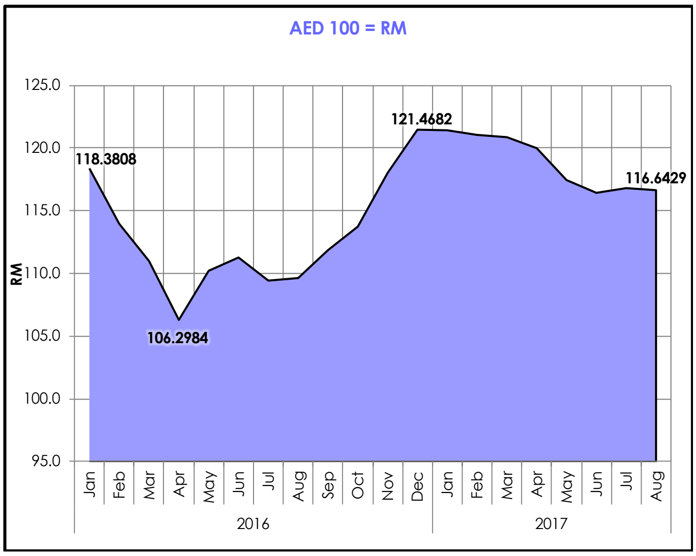
Nepalese Rupee



Egyptian Pound



United Arab Emirates Dirham



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT)
-per bbl-

29 Sep 2017 : US$57.5, ▲ 1.2%*

Average Price[i] : 2016: US$45.3

2015: US$53.6

CRUDE PALM OIL
-per MT-

29 Sep 2017 : US$727.5, ▼ 2.9%*

Average Price[i] : 2016: US$702.2

2015: US$616.9

SUGAR -per lbs-

29 Sep 2017 : US¢ 14.1, ▼ 3.7%*

Average Price[i] : 2016: US¢18.2

2015: US¢13.2

RUBBER SMR 20
-per MT-

29 Sep 2017 : US$1,442.0, ▼ 4.8%*

Average Price[i] : 2016: US$1.394.5

2015: US$1.364.3

COCOA SMC 2
-per MT-

29 Sep 2017 : US$1,442.9, ▲ 1.0%*

Average Price[i] : 2016: US$1,609.8

2015: US$2,077.0

COAL -per MT-

29 Sep 2017 : US$60.2, ▲ 0.1%

Average Price[i] : 2016: US$45.6

2015: US$49.9

SCRAP IRON HMS
-per MT-

29 Sep 2017 : US$350.0 (high), ▼ 5.4%*

US$330.0 (low), ▼ 8.3%*

Average Price[i] : 2016: US$243.2

2015: US$239.6

HIGHEST and LOWEST 2016/2017

Crude Petroleum (Brent) -per bbl-

Highest

29 Sep 2017 : US$57.5

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

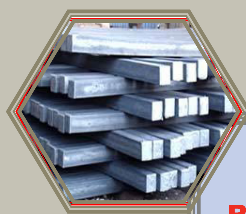
30 Dec 2016 : US$797.5

Lowest

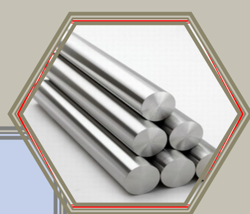
30 June 2017 : US$650.0

15 Jan 2016 : US$545.5

Domestic Prices 29 Sep 2017



Billets
(per MT)
RM2,350 – RM2,400

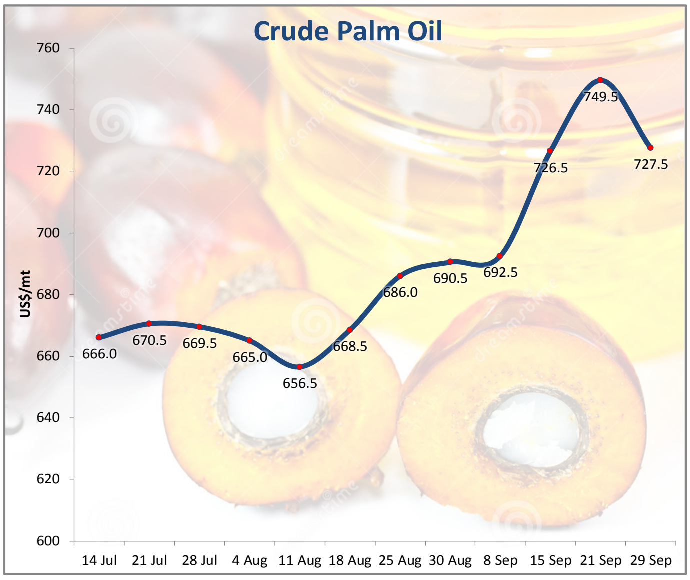


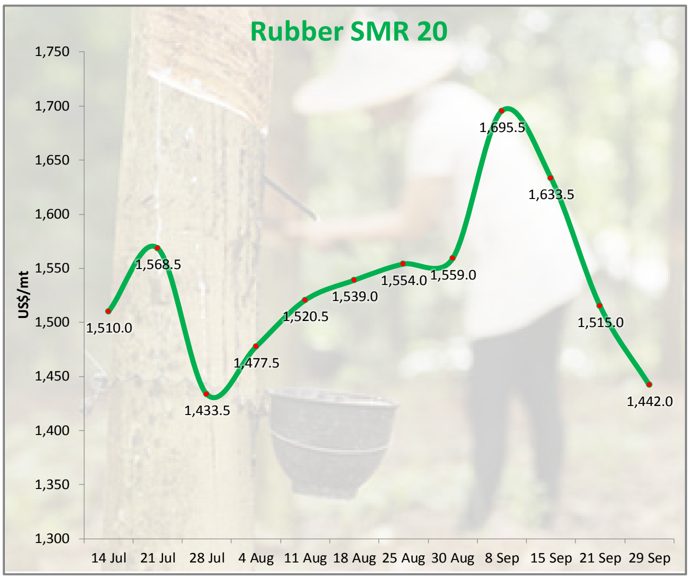
Steel Bars
(per MT)
RM2,550 – RM2,700

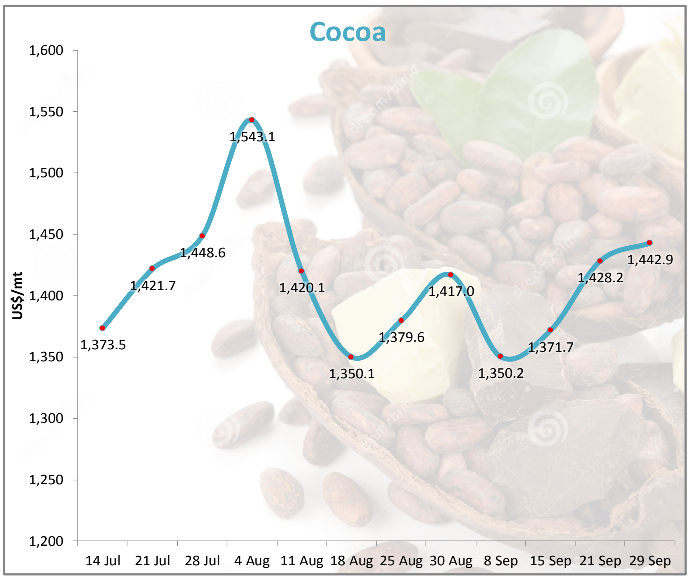
Notes: All figures have been rounded to the nearest decimal point
* Refer to % change from the previous week's price
i Average price in the year except otherwise indicated

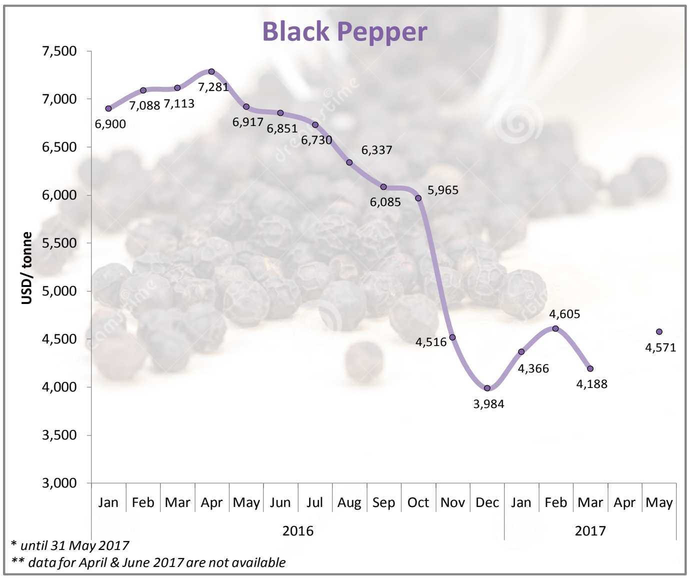
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

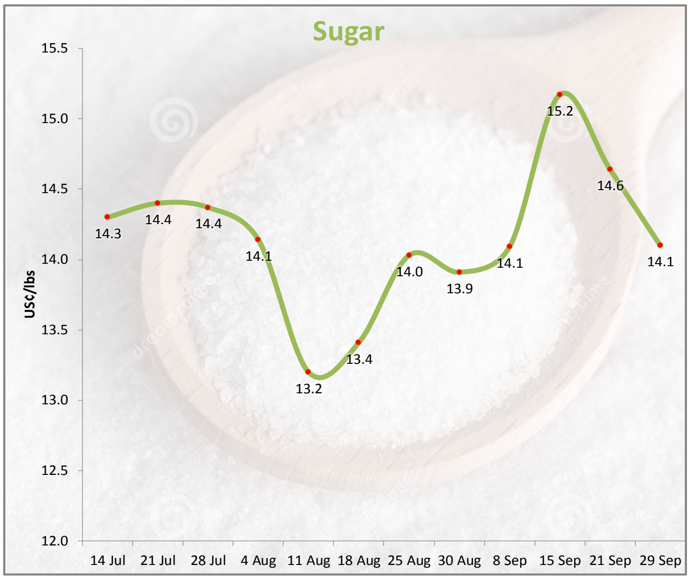
Commodity Price Trends





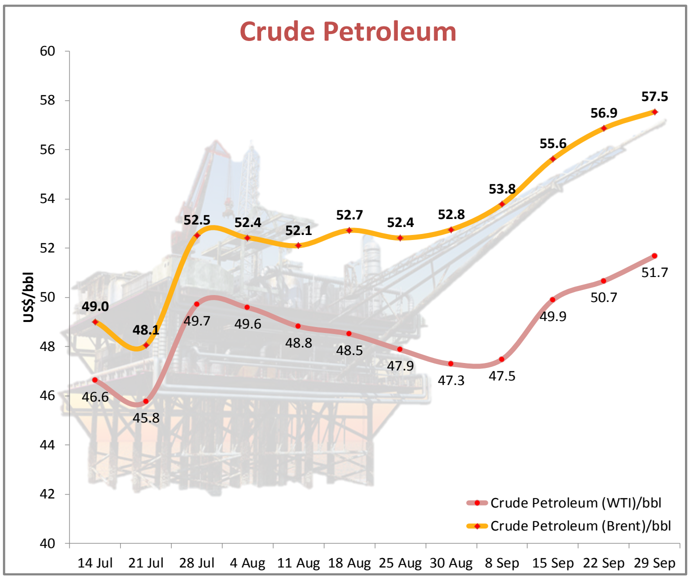


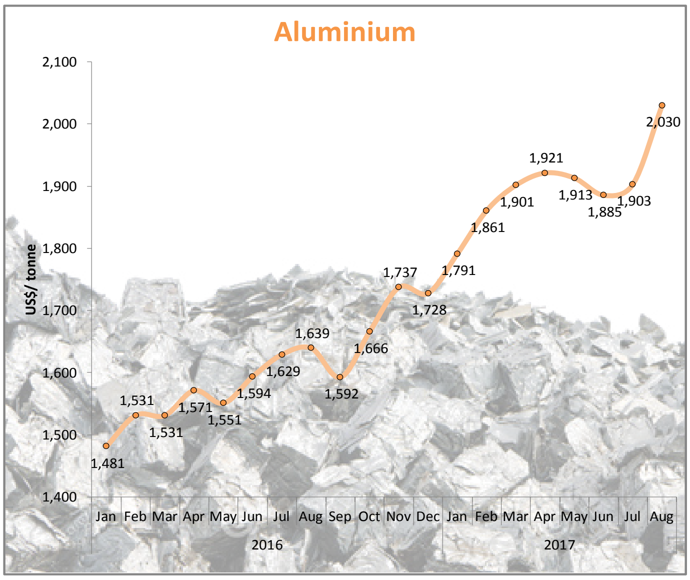


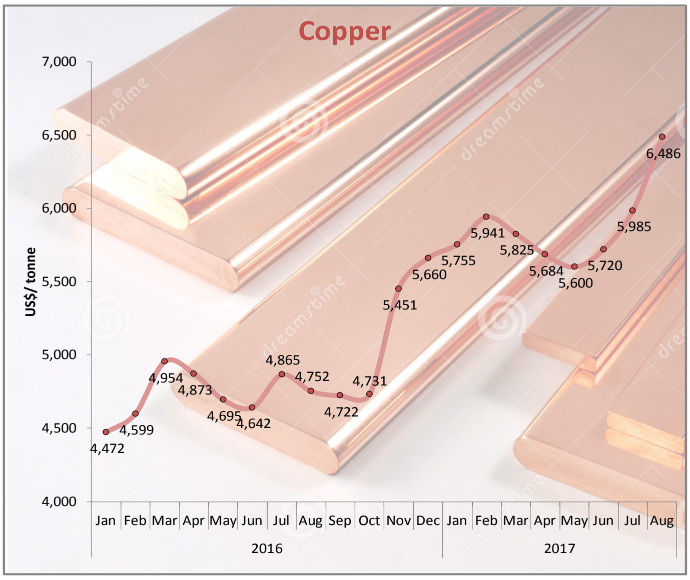


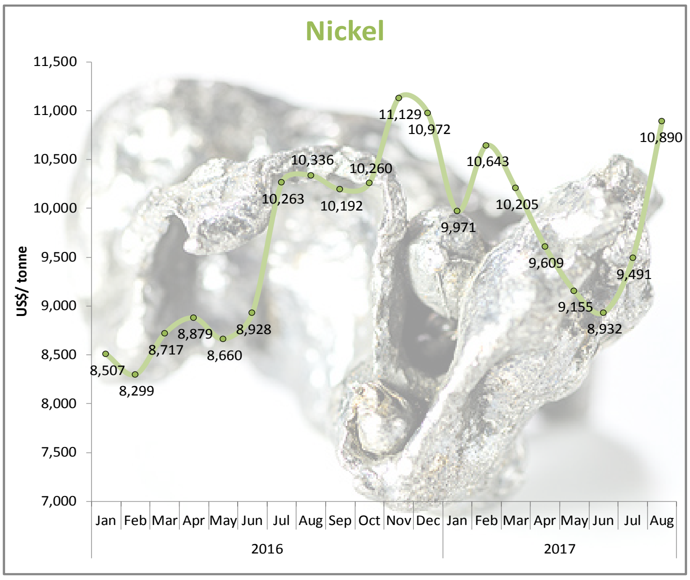
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

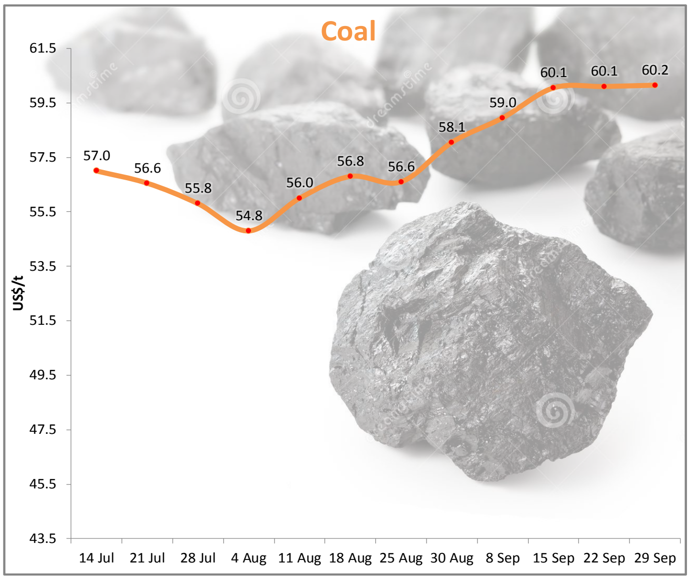
Commodity Price Trends











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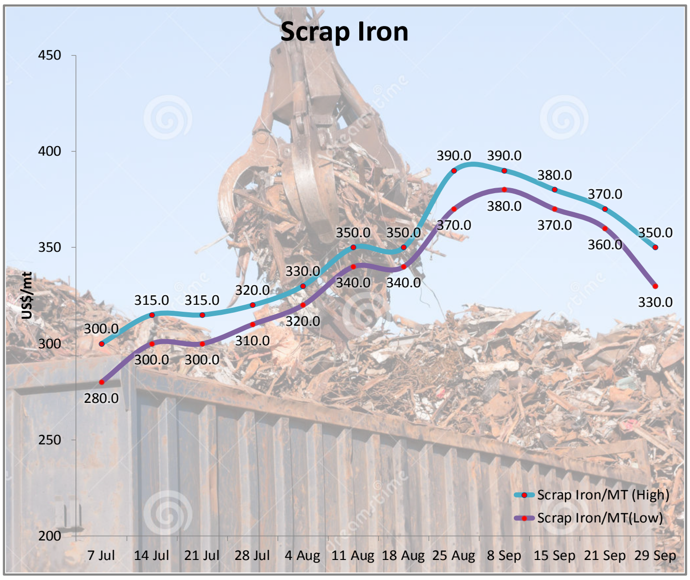
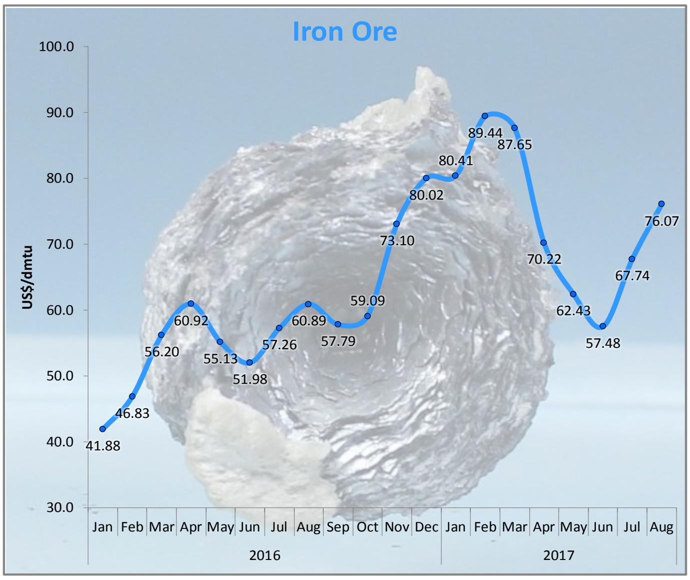
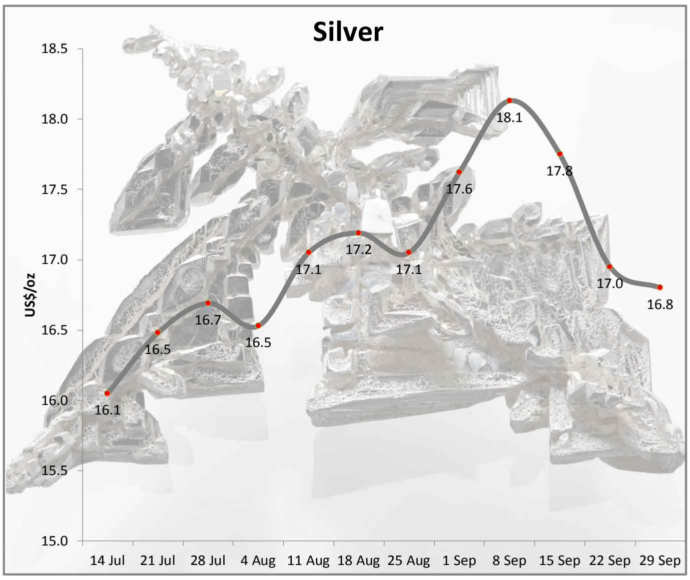
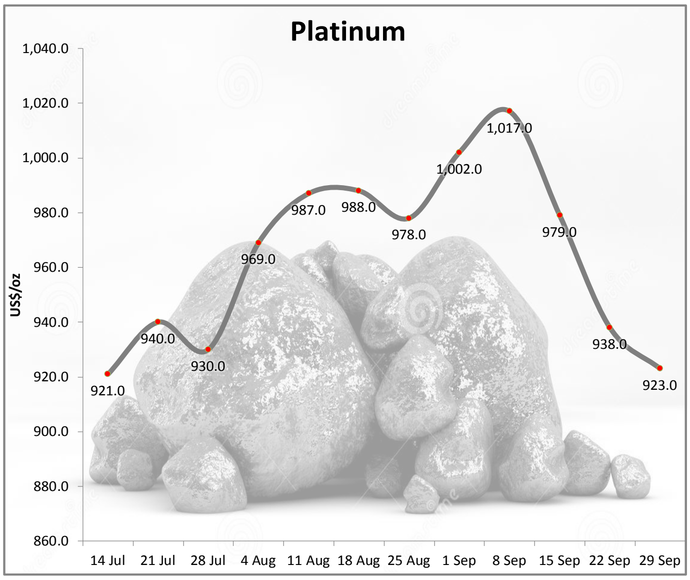
Commodity Price Trends









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

MITI PROGRAMME

Trade and Investment Mission to Saudi Arabia
25 - 28 September 2017

MITI PROGRAMME

Trade and Investment Mission to Turkey
25 - 28 September 2017

MITI PROGRAMME

Perdana Fellowship Programme, 27 September 2017

MIDA Golden Gala, 30 September 2017

Glossary of Technical Terms

National Treatment
Is a principle in international law vital to many treaty regimes. It essentially means treating foreigners and locals equally. Under national treatment, if a state grants a particular right, benefit or privilege to its own citizens, it must also grant those advantages to the citizens of other states while they are in that country. In the context of international agreements, a state must provide equal treatment to those citizens of other states that are participating in the agreement. Imported and locally-produced goods should be treated equally — at least after the foreign goods have entered the market.

NATIP
National Timber Industry Policy - The NATIP was officially launched on 17 February 2009 as a guiding principal for the development of the timber industry in Malaysia. The policy outlines the way forward for the industry and determine the appropriate policy directions for critical aspects of the timber industry.

Net International Reserves
Comprise of gold and foreign exchange, reserve position in the International Monetary Fund and Special Drawing Rights, less external liabilities.

NOM
Non-Originating Materials

Nominal GDP
Nominal GDP is Gross Domestic Products (GDP) evaluated at current market price, without the inflation adjustment. Nominal GDP is usually higher than real GDP because inflation is typically a positive number. Nominal GDP is used when comparing different quarters of output within the same year. The main difference between nominal and real values is that real values are adjusted for inflation, while nominal values are not. Nominal values of GDP from different time periods can differ due to changes in quantities of goods and services and/or changes in general price levels. As a result, taking price levels (or inflation) into account is necessary when determining if we are really better or worse off when making comparisons between different time periods.

Non-Ad Valorem Tariff (Non-AVE)
Non-ad valorem duty refers to either specific duties, compound duties or mixed duties.

Non-Tariff Barrier
Government law, regulation, policy, condition, restriction, or specific requirement, and private sector business practice or prohibition, that protects a domestic industry from foreign competition.

Source: http://www.miti.gov.my/index.php/glossary

TO BE CONTINUED...

ANNOUNCEMENT

Quote of the day...

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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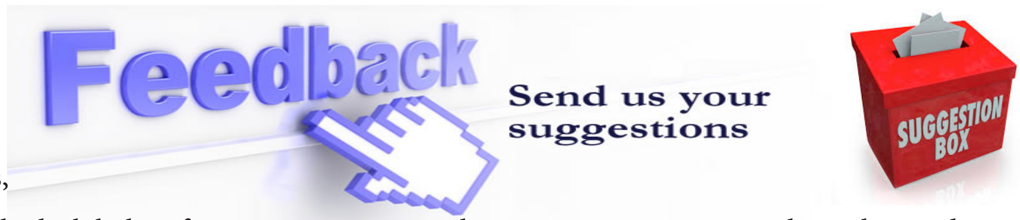

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