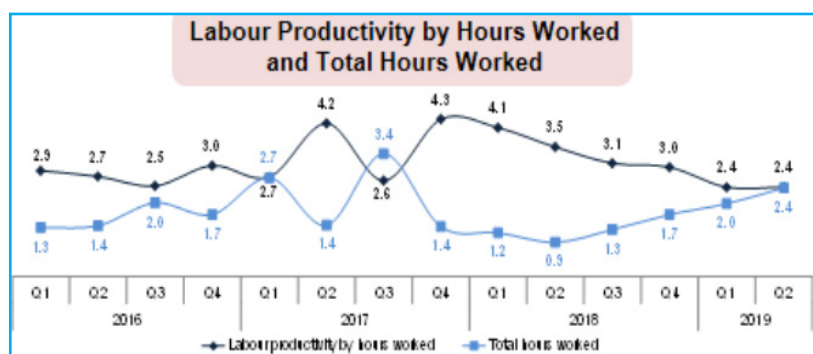


Labour Productivity, Second Quarter 2019

Malaysia's labour productivity by hours worked remained **2.4%** in the second quarter 2019. Total hours work grew by **2.4%** while labour productivity by employment rose **2.8%** as compared with the previous quarter.



Labour Productivity by Hours Worked, Q2 2019



Labour Productivity by Hours Worked

2.4%



Total Hours Worked

2.4%



Labour Productivity by Employment, Q2 2019



Labour Productivity by Employment

2.8%



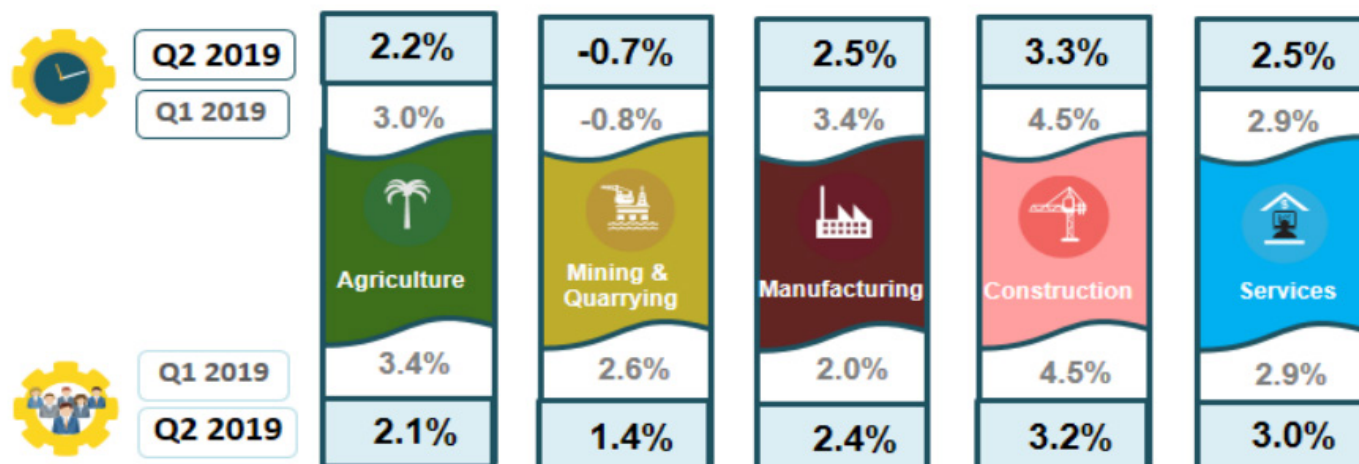
Total Employment

2.1%



Labour productivity can be measured by using the ratio of value added to the total hours worked and employment

Labour Productivity by kind of economic activities



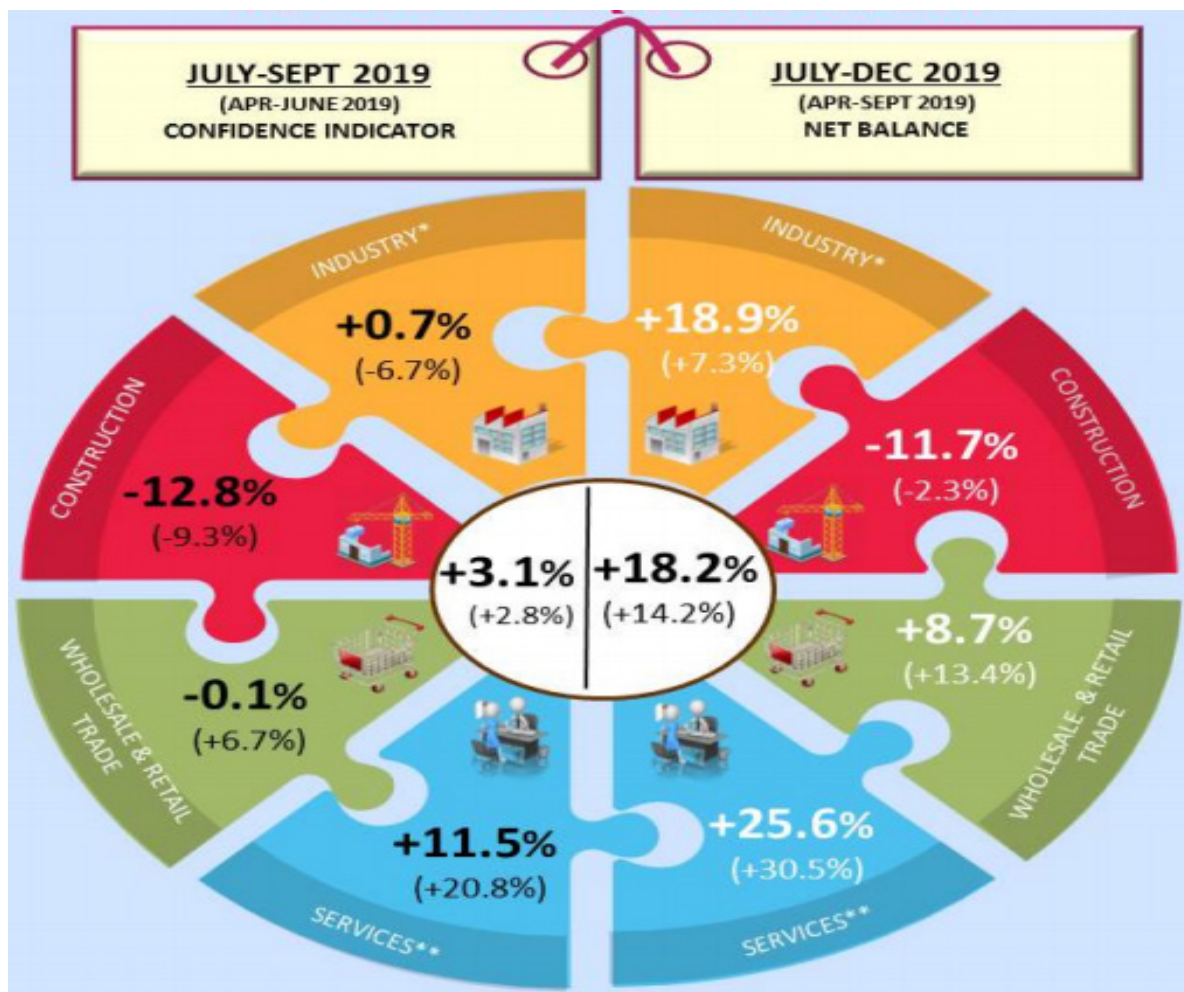
Note: The statistics refers to year on year percentage change of labour productivity from the same quarter of previous year.

Source: Department of Statistics, Malaysia

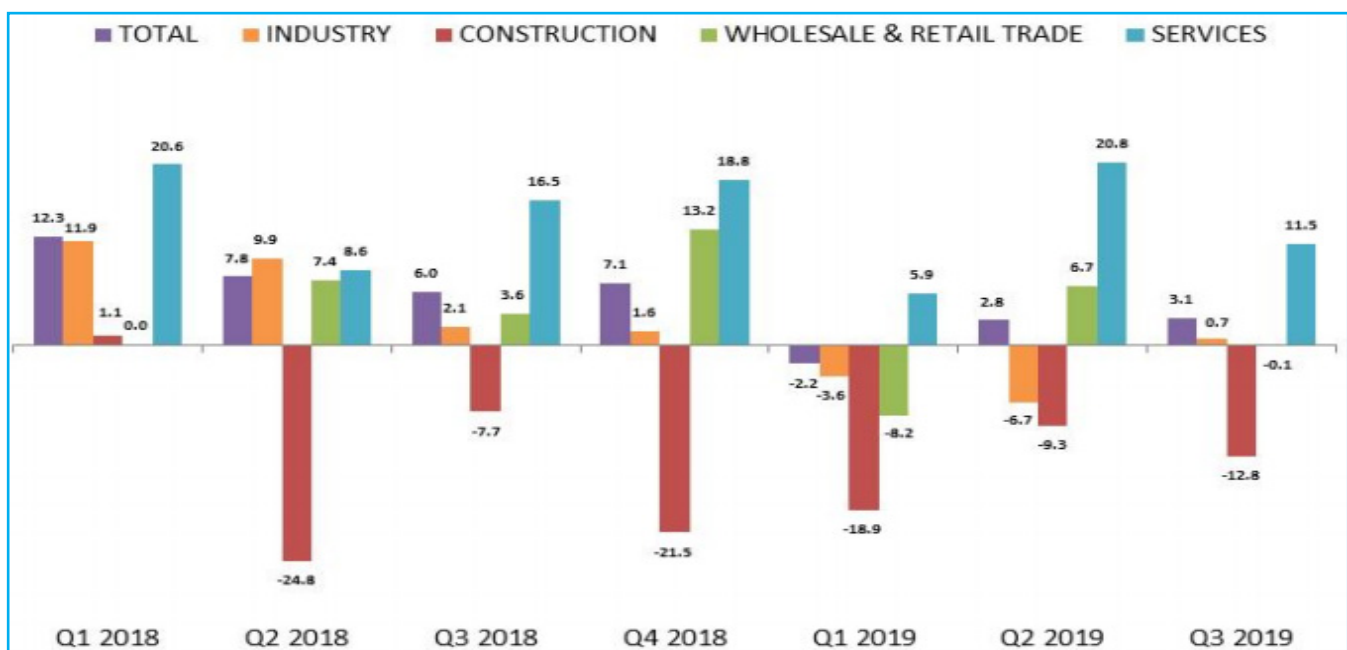
Business Tendency Statistics

Third quarter 2019

Business remain optimistic for the third quarter of 2019



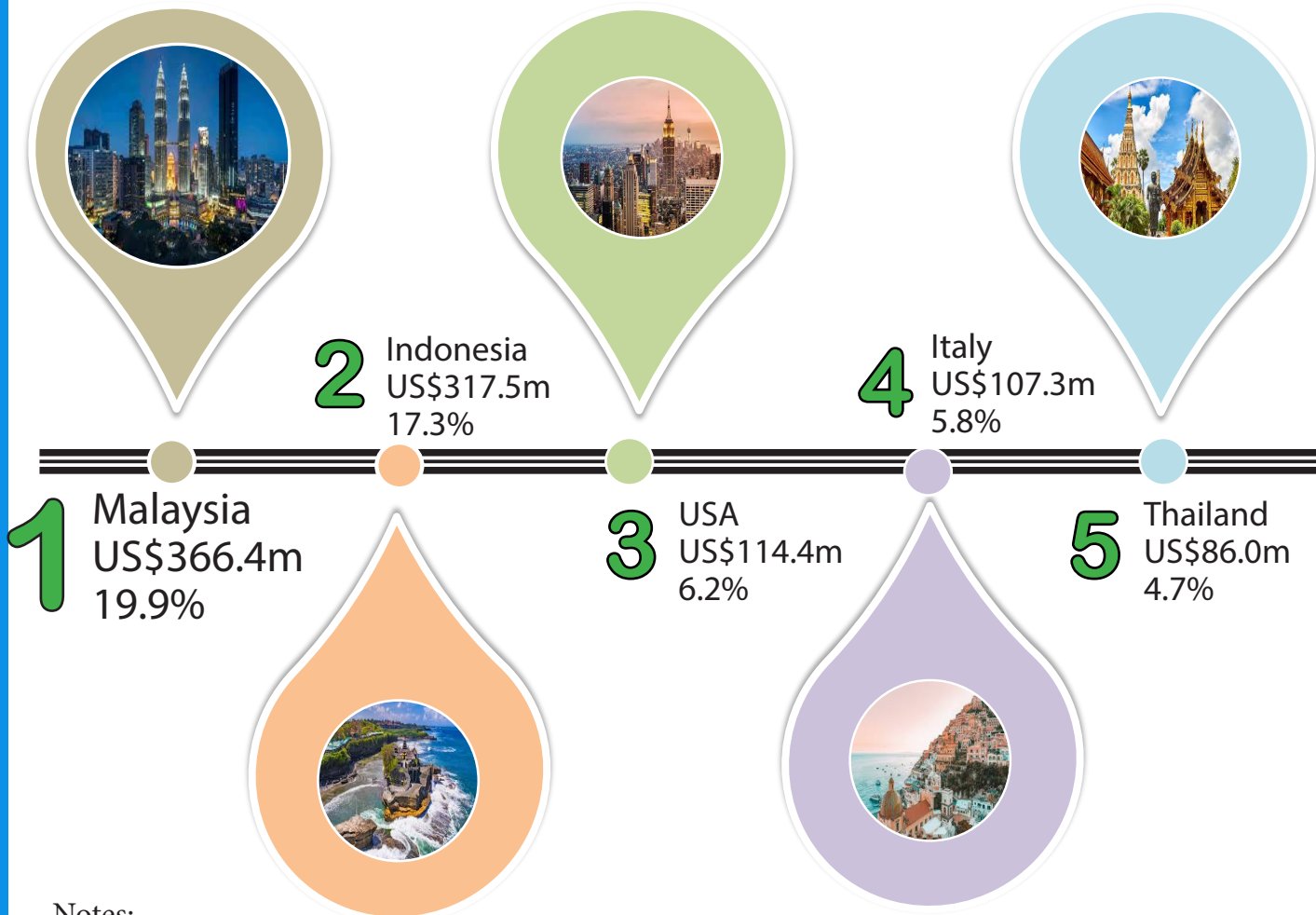
Quarterly confidence indicator by sector, Q1 2018 - Q3 2019



Source: Department of Statistics, Malaysia

World largest exporters of soap in the form of flakes, granules, powder, paste or in aqueous solution in 2018

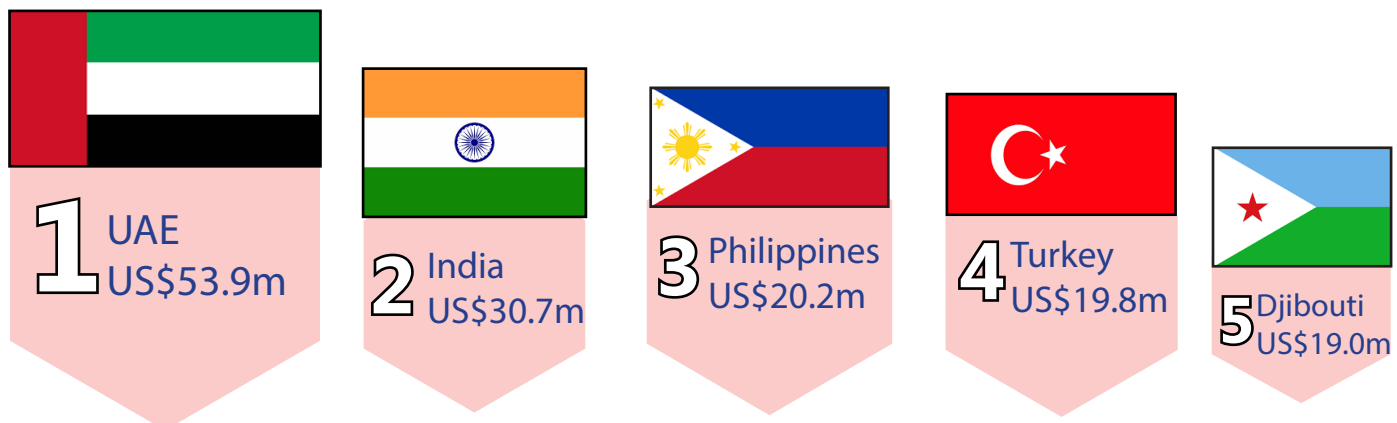
In 2018, Malaysia's export of soap in the form of flakes, granules, powder, paste or in aqueous solution recorded **US\$366.4 million** with **19.9% share to the world exports**.



Notes:

-*HS340120 -% refer to share in world exports

Top five Malaysia export destinations



Source: <http://www.trademap.org/index.aspx>

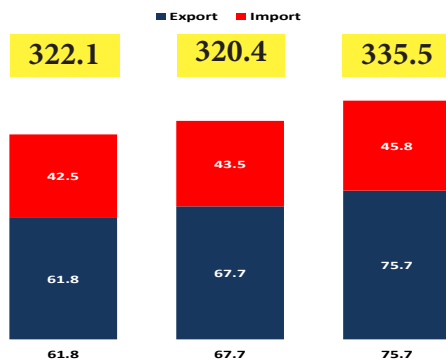


Thailand

Economic Indicators at a Glance

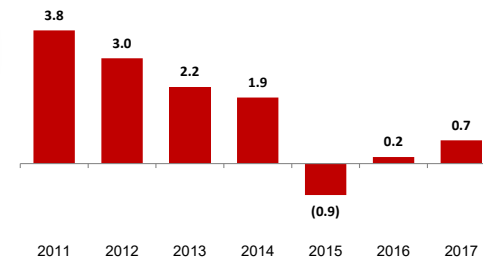


Trade In Services (US\$ billion)



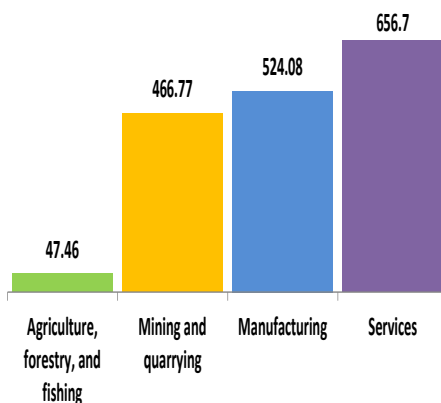
Inflation Rate

Inflation Rate 2011 - 2017 (%)



Foreign Direct Investment

Net FDI Inflows by Sector, 2017 (US\$ million)



Population

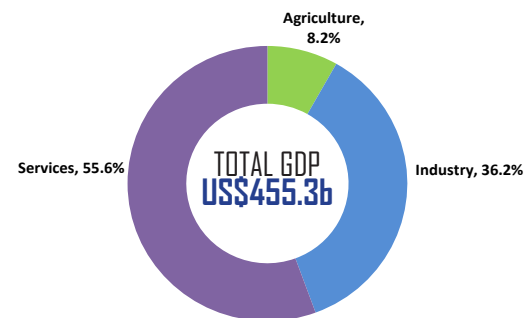
A Fully Integrated Community

Thailand population in 2017 was **69,209,810** which was **0.92%** of the world's population. It has a density of **135 persons/km²**.



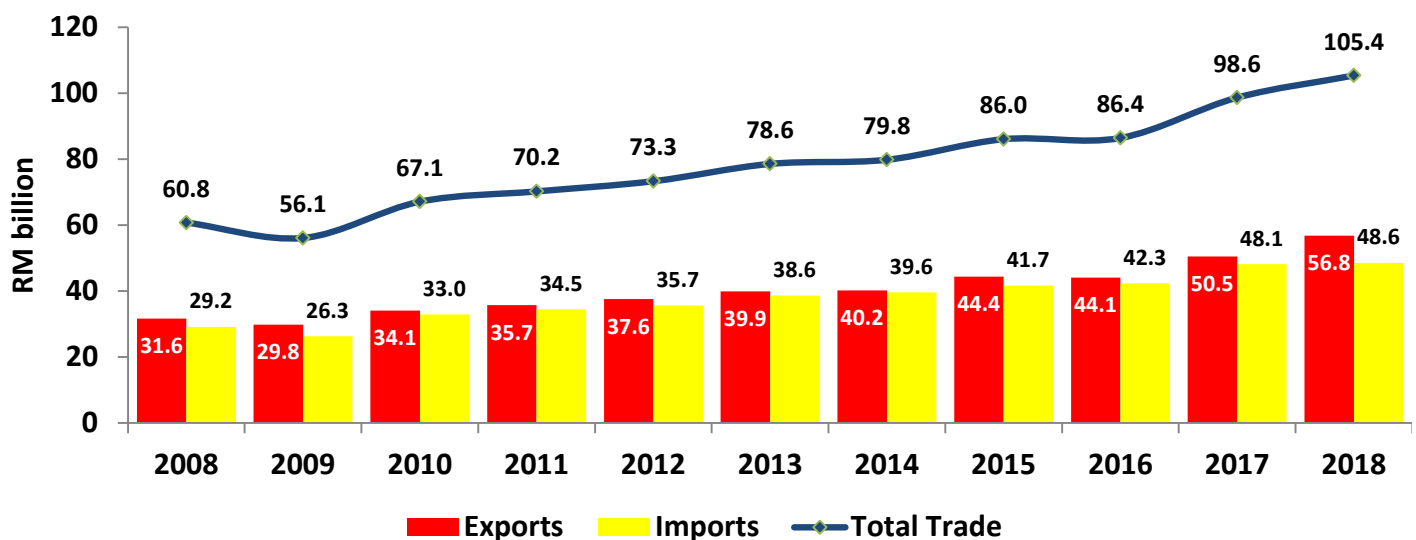
Gross Domestic Product

GDP by Economic Sector, 2017 (%)



Sources:
<https://data.aseanstats.org/>
https://theodora.com/wfbcurrent/thailand/thailand_economy.html
<https://www.worldometers.info/world-population/thailand-population/>

MALAYSIA'S TRADE WITH THAILAND, 2008 - 2018



Source: Department of Statistics Malaysia



GLOSSARY

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

GST:

Goods and Services Tax (GST) - is a multi-stage tax on domestic consumption. GST is charged on all taxable supplies of goods and services in Malaysia except those specifically exempted. GST is also charged on importation of goods and services into Malaysia. In Malaysia, a person who is registered under the Goods and Services Tax Act 2014 is known as a "registered person". A registered person is required to charge GST (output tax) on his taxable supply of goods and services made to his customers. He is allowed to claim back any GST incurred on his purchases (input tax) which are inputs to his business. Therefore, the tax itself is not a cost to the intermediaries and does not appear as an expense item in their financial statements.

GNI per capita:

Is gross national income divided by mid-year population.

GVC:

Global Value Chain

- The different processes in different parts of the world that each add value to the goods or services being produced.

HS:

Harmonised System - The Harmonized Commodity Description and Coding System (HS) is a tariff nomenclature system developed and maintained by the World Customs Organization (WCO) for the purpose of describing and providing coding for the products traded.

HRC:

Hot Rolled Coil - steel processed at a high temperature (typically at a temperature over 1700° F), which is above the steel's recrystallization temperature. When steel is above the recrystallization temperature, it can be shaped and formed easily, and the steel can be made in much larger sizes.

ICP:

Internal Compliance Program - A set of internal controls and procedures implemented voluntarily by a company that ensures transactions satisfy the requirements under STA 2010. An ICP is a prerequisite for companies that wish to avail themselves of bulk and multiple-use permits under STA 2010. It is also to safeguard the company from being manipulated by proliferators of WMD.

IPI:

Industrial Production Index - The industrial production index measures the change in output in Malaysian manufacturing, mining, construction, and electricity, gas and water. Output refers to the physical quantity of goods produced, unlike sales value, which combines quantity and price. The index covers the production of goods and power for domestic sales in Malaysia and for export. It excludes production in the agriculture, transportation, communications, trade, finance, and service industries, government, and imports.

IAP:

Individual Action Plan - An action plan developed and implemented by each APEC member economy to outline activities related to realizing Bogor goals of free and open trade and investment in the region. Each IAP contains 15 chapters on different trade-related issues such as tariffs and non-tariff barriers that can restrict trade or make it more expensive (such as quotas, subsidies, minimum import prices, quarantine measures and technical barriers). There are also chapters on services and investment or arrangements that impact on investment. Since 2001, members have been using e-IAP to make IAPs more transparent, accessible, easily assessed and referred to. Starting 2012, economies will submit their IAPs every two years in 2012, 2014, and 2018; in 2016 and 2020, economies will respectively undertake a second term review and a final assessment.

Inclusion List (IL):

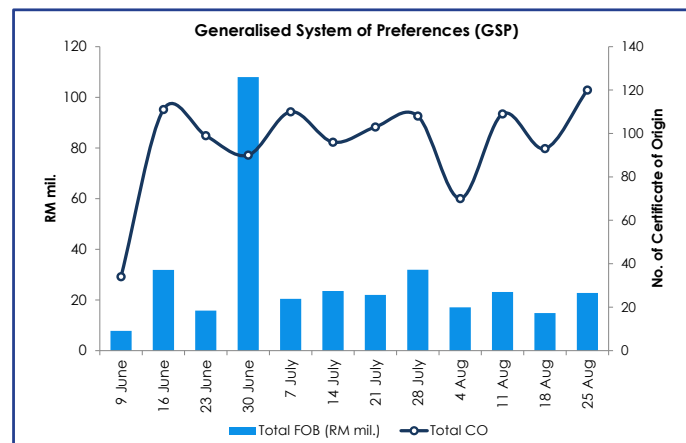
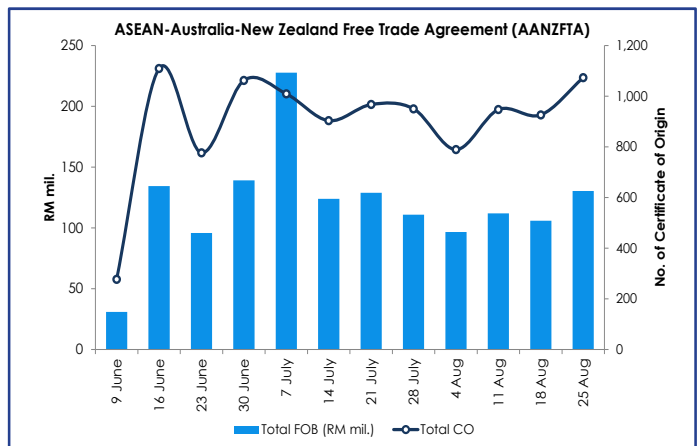
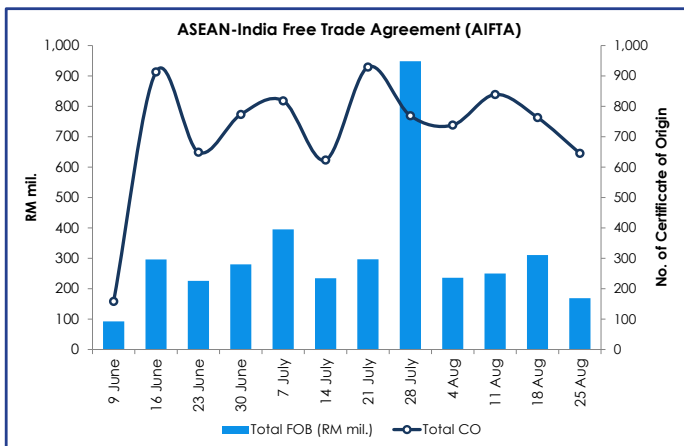
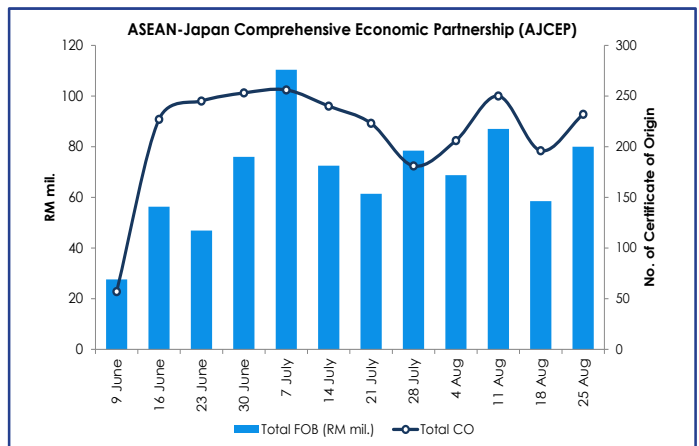
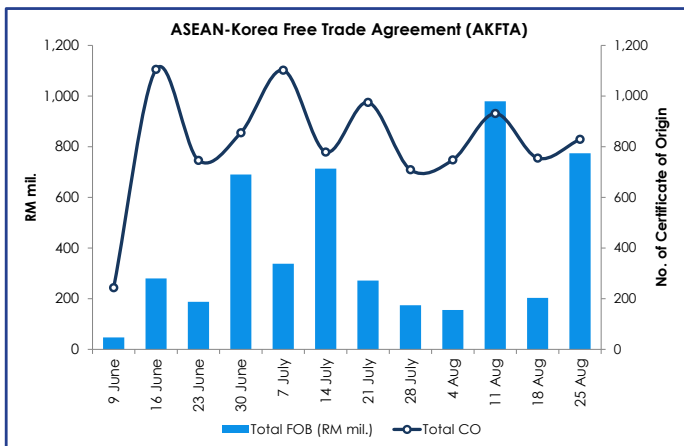
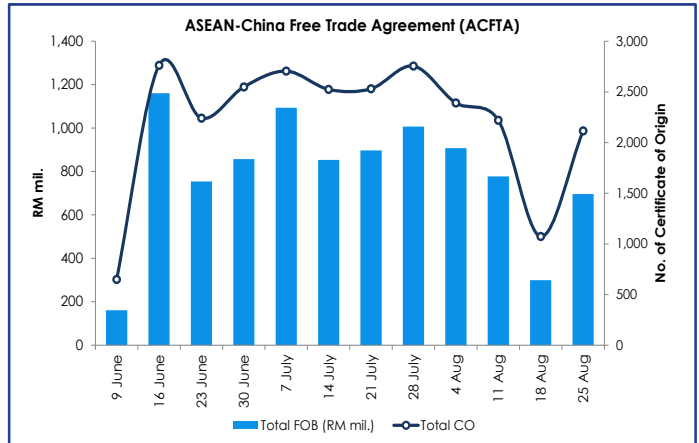
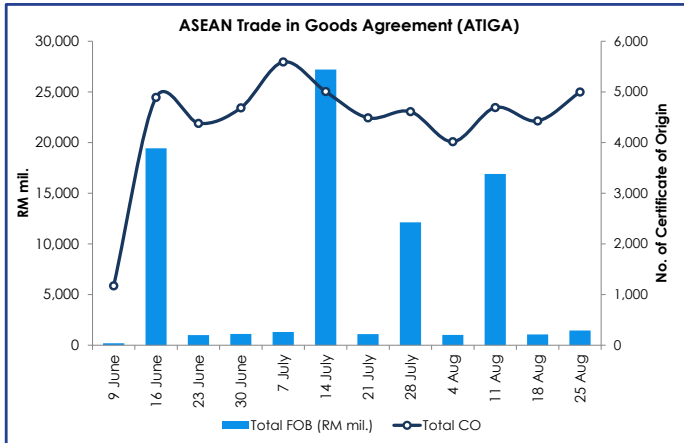
A list which stipulates the products which are offered preferential import duties.

IBS:

Industrialised Building System

- A technique of construction whereby components are manufactured in a controlled environment - either onsite or offsite - placed and assembled into construction works.

Number and Value of Preferential Certificates of Origin (PCOs)

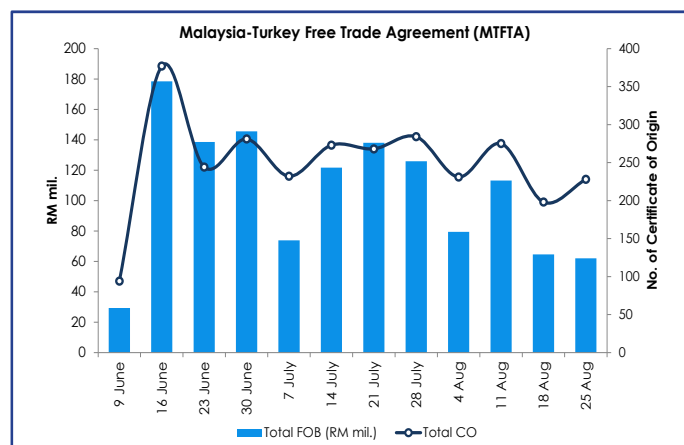
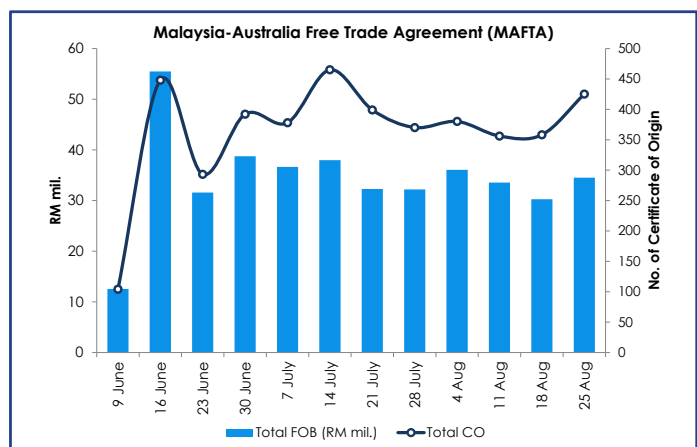
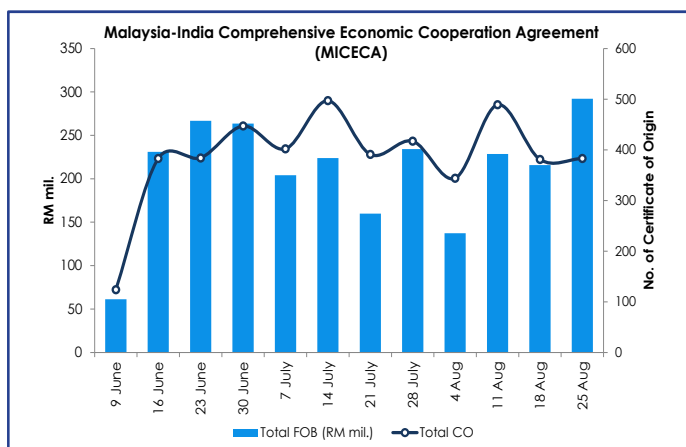
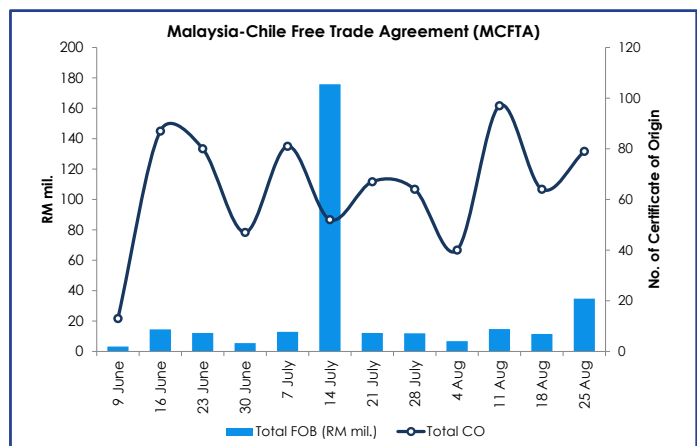
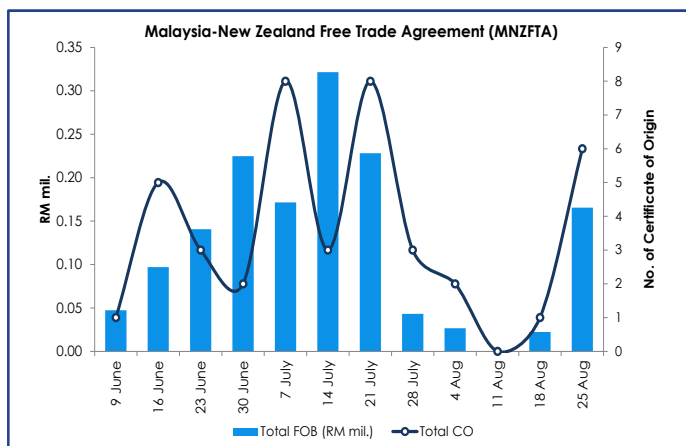
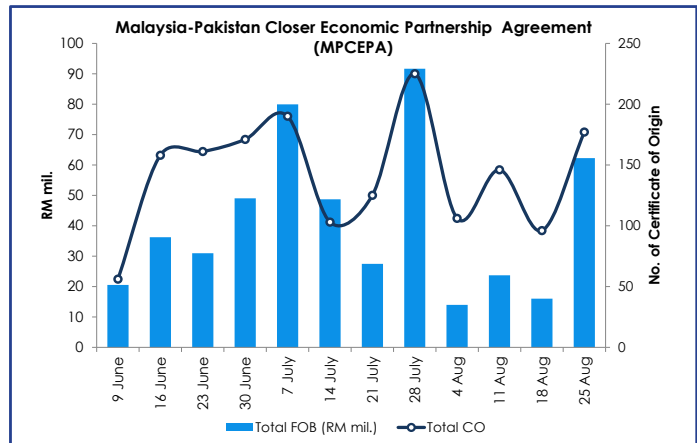
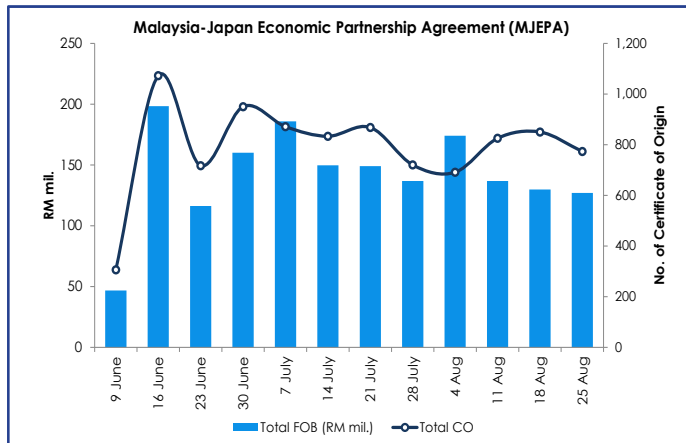


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

Number and Value of Preferential Certificates of Origin (PCOs)

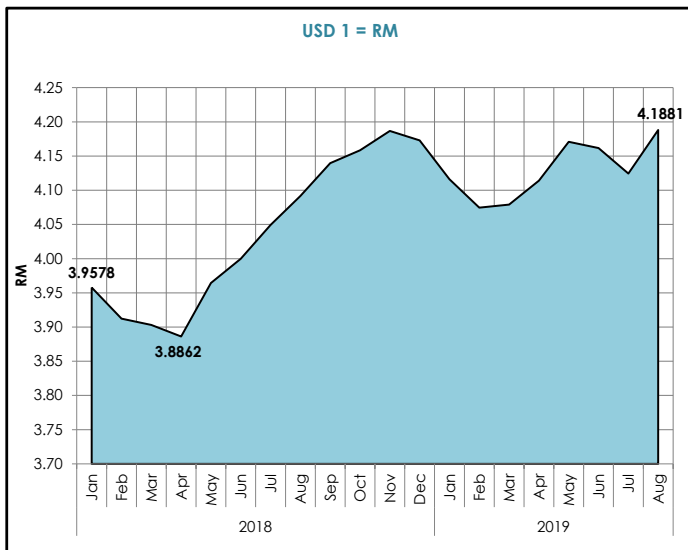


Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2018 - August 2019

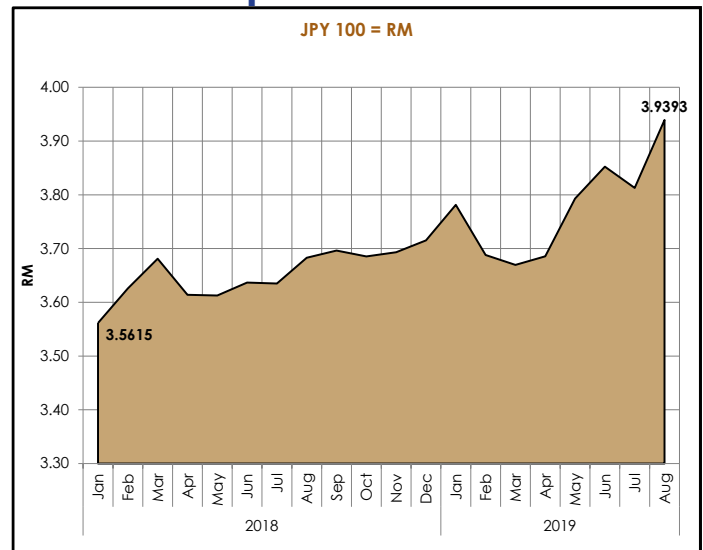
US Dollar

USD 1 = RM



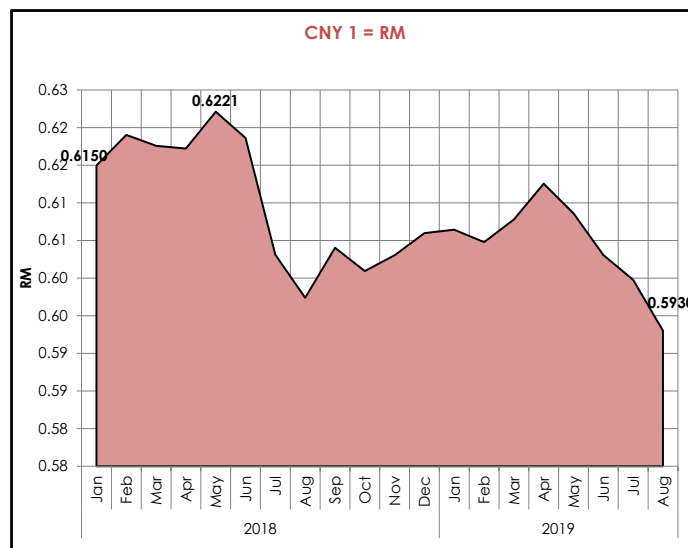
Japanese Yen

JPY 100 = RM



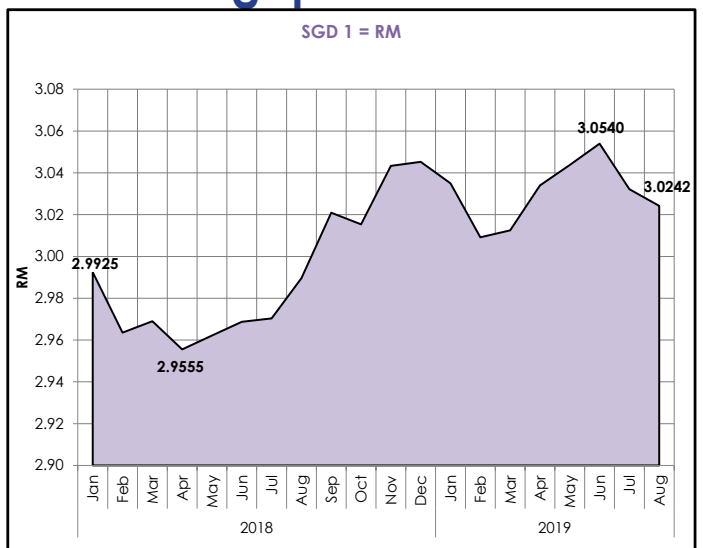
Chinese Yuan

CNY 1 = RM



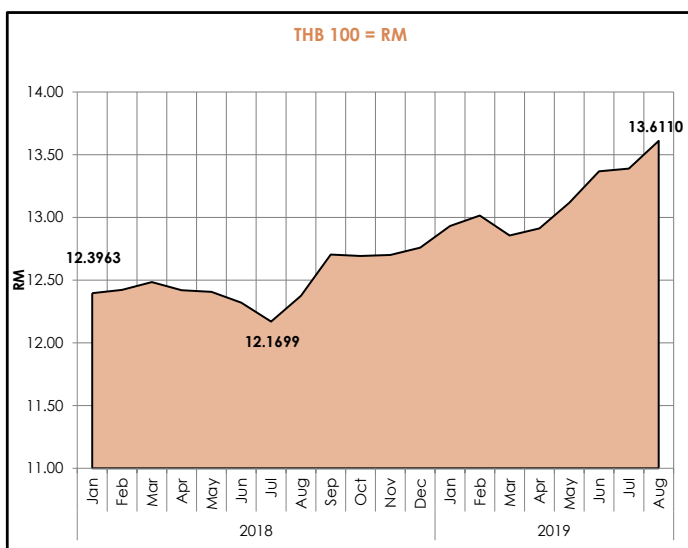
Singapore Dollar

SGD 1 = RM



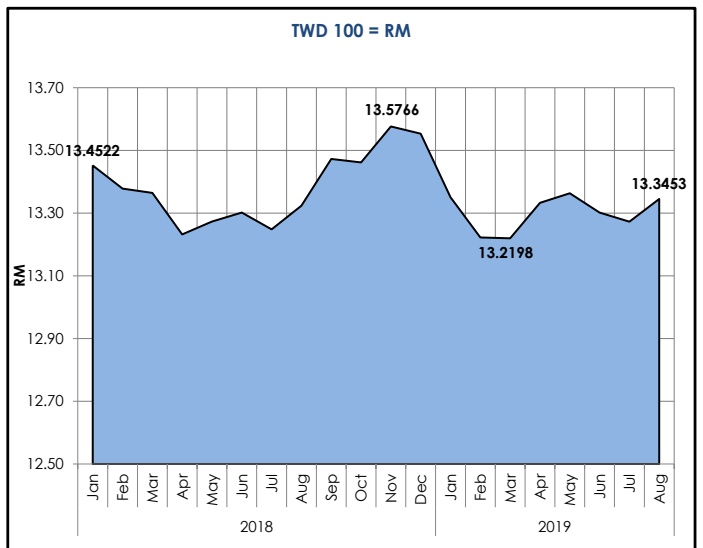
Thai Baht

THB 100 = RM



New Taiwan Dollar

TWD 100 = RM



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▲ 1.8%*

US\$60.4

30 August 2019

Highest
2018/2019

17 May 2019 : US\$72.2

5 Oct 2018 : US\$84.2

9 Aug 2019 : US\$54.5

28 Dec 2018 : US\$52.2

Lowest
2018/2019

Average Price 2018ⁱ: US\$71.5

CRUDE PALM OIL -per MT-



▲ 4.1%*

US\$553.0

30 August 2019

Highest
2018/2019

22 Feb 2019 : US\$567.0

9 Mar 2018 : US\$691.5

26 July 2019 : US\$488.5

23 Nov 2018 : US\$448.5

Lowest
2018/2019

Average Price 2018ⁱ: US\$600.1

RUBBER SMR 20 -per MT-



▲ 0.04%*

US\$1,295.5

30 August 2019

COCOA SMC 2 -per MT-



▼ 3.4%*

US\$1,308.6

30 August 2019

SUGAR -per lbs-

▼ 2.9%*

US\$11.1

30 August 2019



Average Price 2018ⁱ: US\$1,371.0

Average Price 2018ⁱ: US\$1,535.6

Average Price 2018ⁱ: US\$12.3

COAL -per MT-



▼ 3.6%*

US\$46.6

30 August 2019

Average Price 2018ⁱ: US\$66.9

SCRAP IRON HMS -per MT-



⊖ %*

US\$300.0

(high)

30 August 2019

⊖ %*

US\$270.0

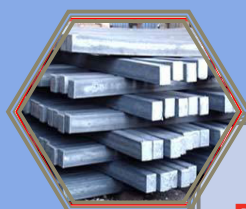
(low)

Average Price 2018ⁱ: US\$380.7 (high)

Average Price 2018ⁱ: US\$359.6 (low)

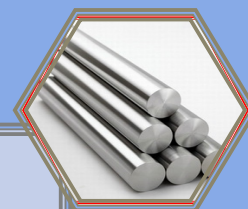
Domestic Prices

30 August 2019



Billets
(per MT)

RM1,850 - RM2,050



Steel Bars
(per MT)

RM1,960 - RM2,110

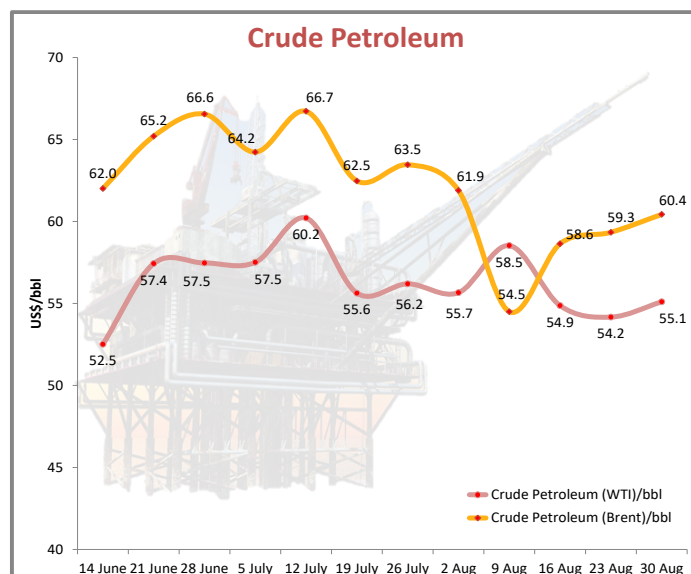
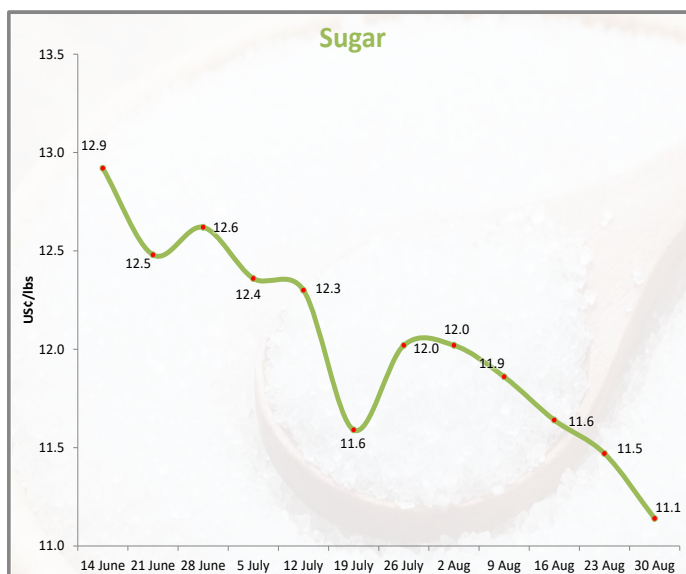
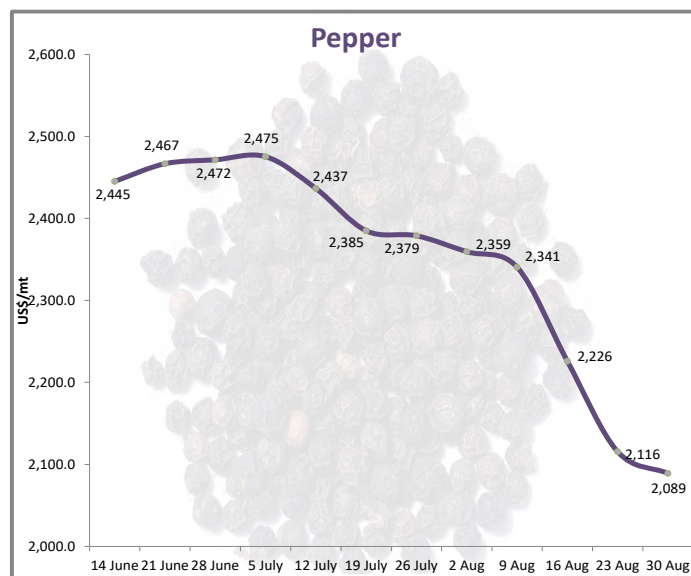
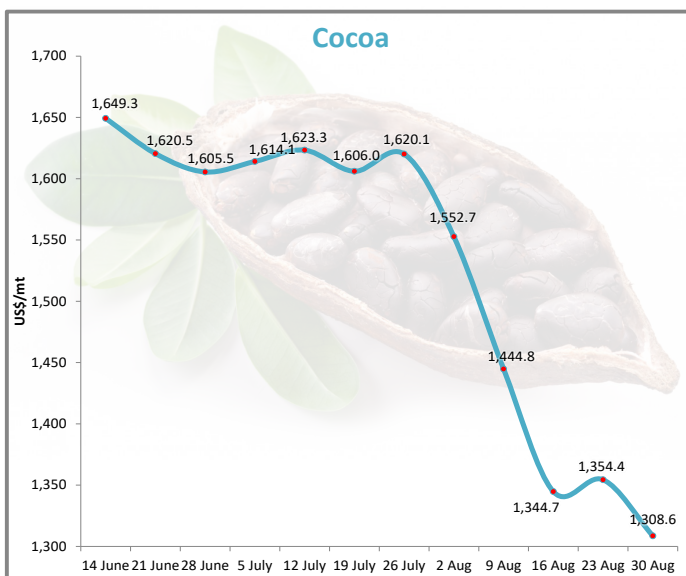
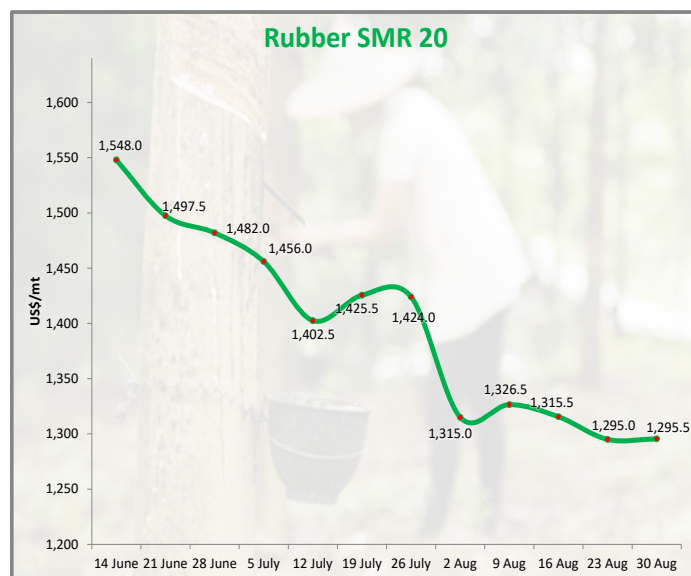
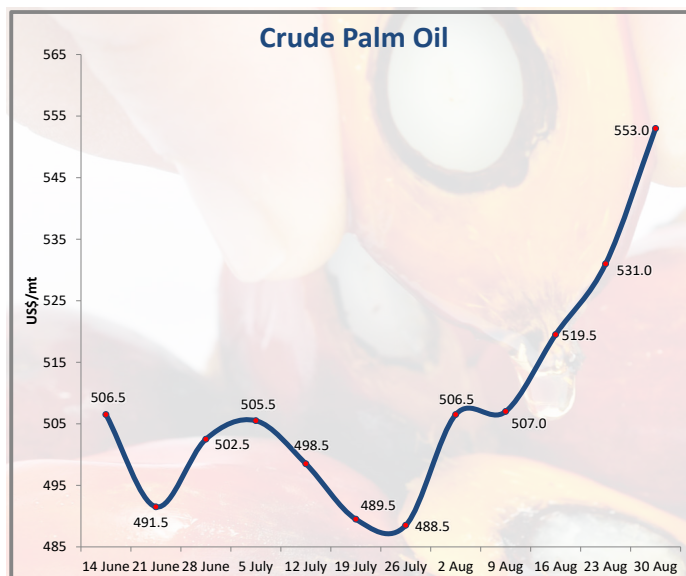
Notes: All figures have been rounded to the nearest decimal point

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

ⁱ Average price in the year except otherwise indicated

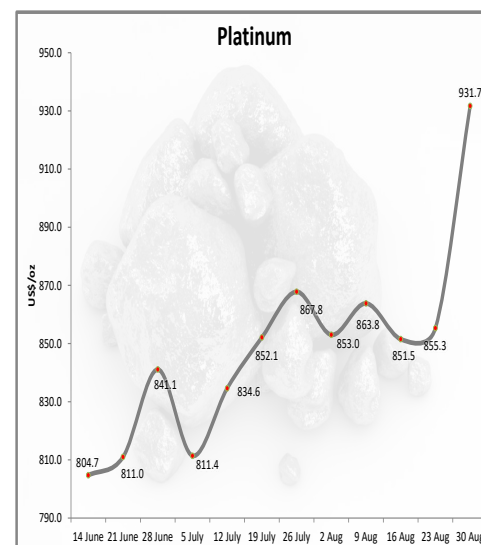
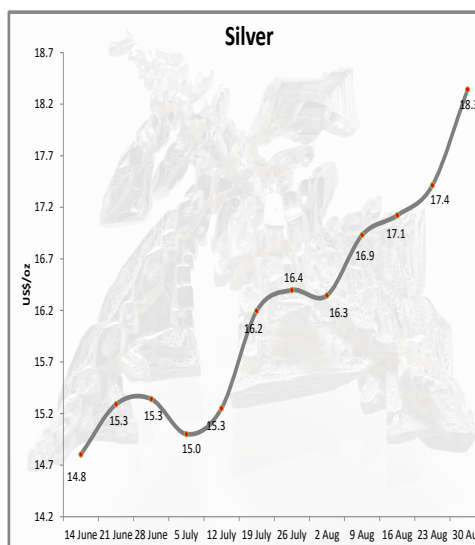
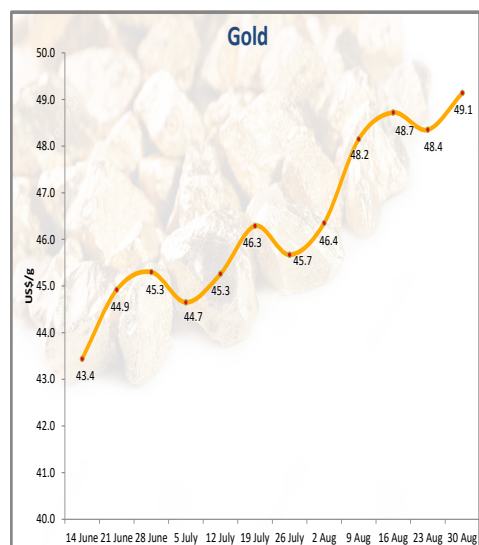
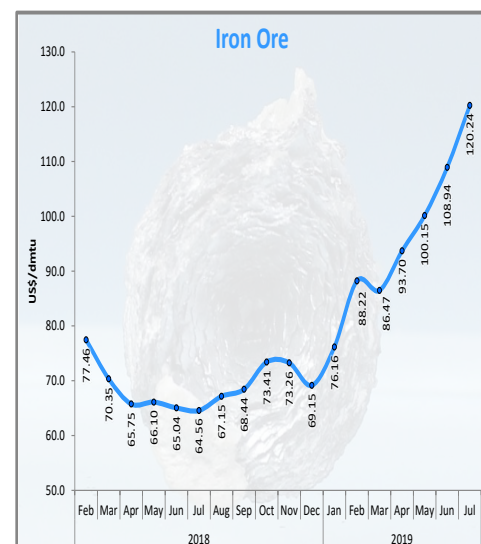
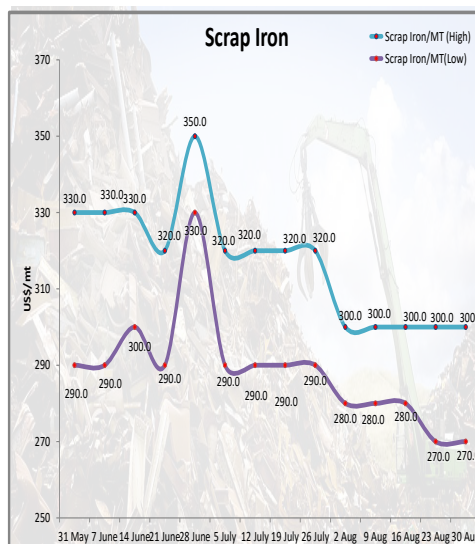
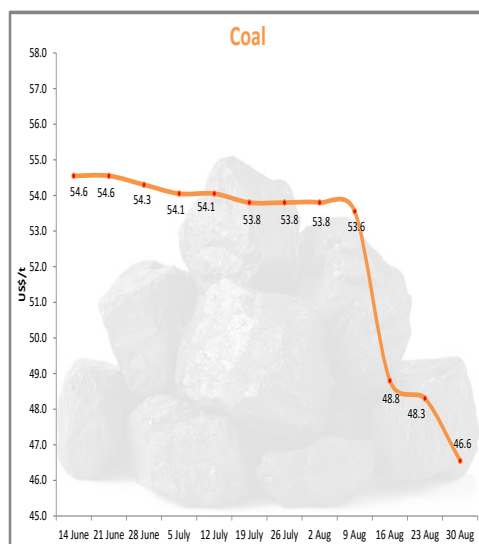
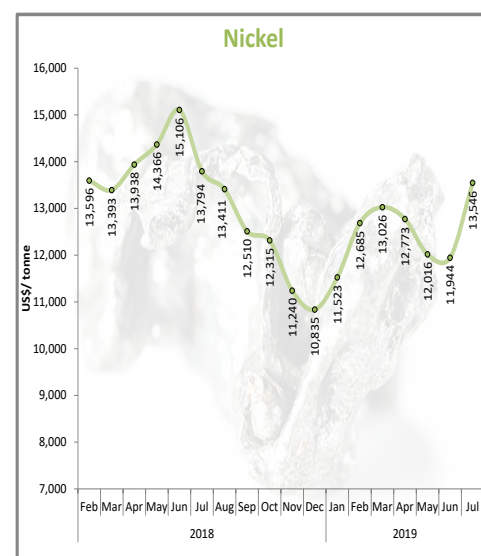
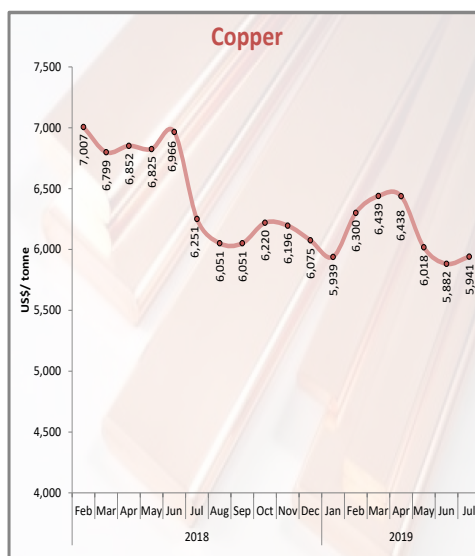
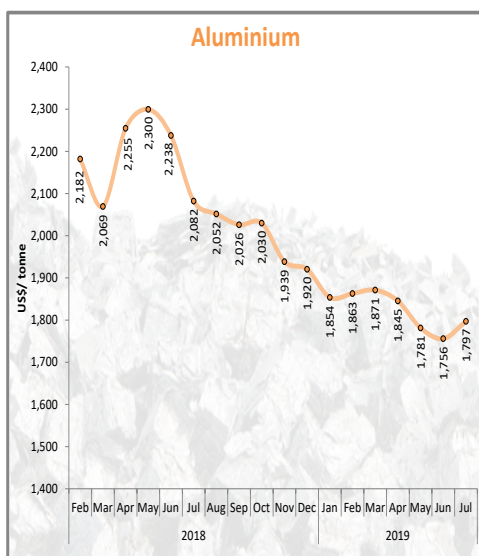
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

Commodity Price Trends



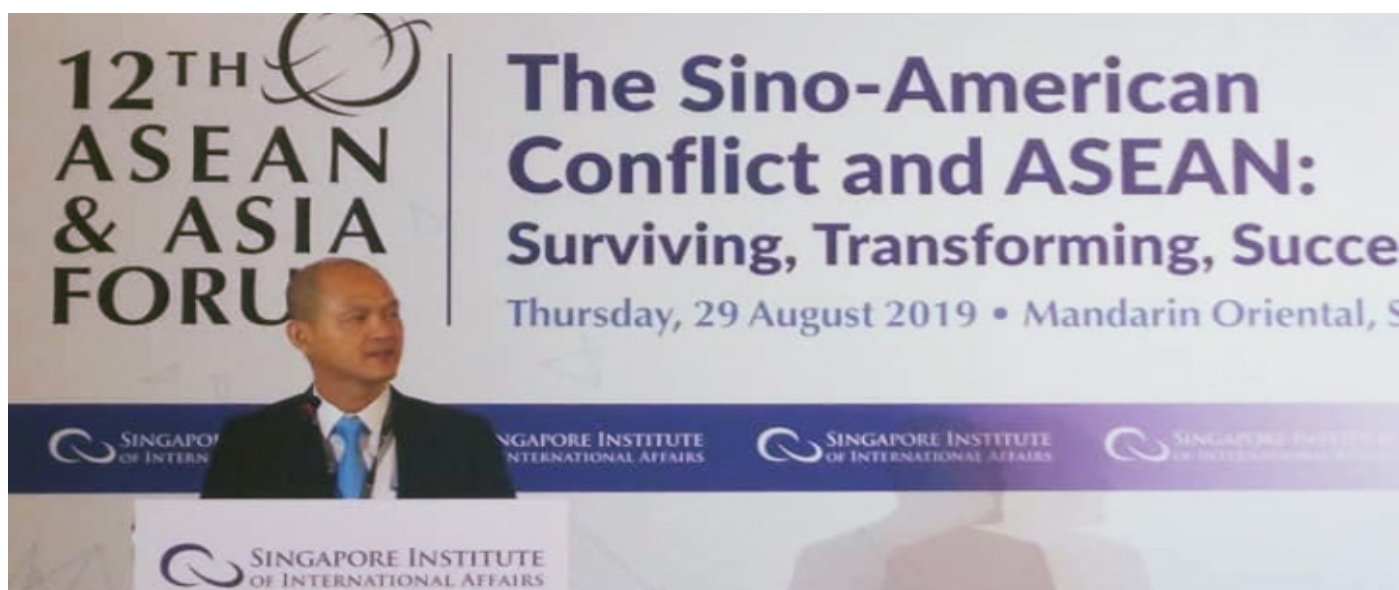
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarikow Group, World Bank, World Gold Council, The Wall Street Journal.

MITI Deputy Minister attended 12th ASEAN and Asia Forum in Singapore, 29 August 2019



MITI Secretary General at Maal Hijrah 1441H National Celebration, 1 September 2019





INDUSTRY4WRD RELATED INCENTIVES

Having the extra capital allows SMEs to flourish and prosper. Find the suitable fund for your company.

01 | LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- www.midf.com.my

Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: AI, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- www.bpmb.com.my

Coming Soon!

1. Intervention Fund*

- 70:30 matching grant up to RM500,000.

2. Industry4WRD DISF*

- 60:40 matching grant

*participation in Industry4WRD RA is a prerequisite to apply

Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- www.mida.gov.my

02 | GRANTS

Digital Transformation Acceleration Program (DTAP) Pilot Grant

- 1:1 matching grant
- targets large corporate and mid-tier companies in Malaysia
- assists companies to tap on the expertise of Digital Transformation Labs (DTL)
- www.mdec.my

Automation Capital Allowance (Automation CA)



For Labour Intensive Industries:

- Automation CA of 200% on the first RM4 million expenditure incurred within 5 years

For other industries:

- Automation CA of 200% on the first RM2 million expenditure incurred within 5 years
- www.mida.gov.my

For more information, kindly click the following links:

https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab_547_2202



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

INDUSTRY4WRD READINESS ASSESSMENT

Get your firm assessed. Be ready for Industry 4.0.

All you need to know about Industry4WRD RA



What is it?

Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

Who is eligible?



- ✓ Manufacturing and its related services sector
- ✓ Incorporated under the Companies Act (1965/2016)/ Registration of Business Act (1956)
- ✓ Hold a valid license
- ✓ In operation for more than 3 years

What are the benefits?



To identify areas of improvement in terms of people, process and technology.



Receive comprehensive readiness report.



Be entitled to apply for financial incentives.



Process Flow

A FEW SIMPLE STEPS

Incentives for RA

- 500 SMEs will be selected for free assessment.
- Others will get tax exemption on RA fees up to RM27k.



Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrd@mpc.gov.my



Readiness Assessment



Apply online at www.miti.gov.my/industry4wrd



Evaluation by Committees



Onsite Assessment



Receive RA Report

Business Intervention



Develop Intervention Proposal



Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/industry4WRD>

All you need to know...

Industry4WRD

NEXT AWARD CYCLE

ANUGERAH KECERMERLANGAN INDUSTRI (AKI) 2019/2020

NOMINATIONS OPENING SOON



For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/aki?mid=535>


CALLING INTERESTED APPLICANTS TO APPLY FOR GRANT
UNDER RMK-11 HIGH VALUE ADDED COMPLEX PRODUCT
DEVELOPMENT PROGRAMME (PDP) AND MARKET
DEVELOPMENT PROGRAMME (MDP)

CLICK HERE FOR MORE INFORMATION

For more information, kindly click the following links:

http://www.miti.gov.my/index.php/pages/view/4761Vintage_English.pdf

APPROVED PERMIT (AP) APPLICATION OF PERSONAL VEHICLES

Effective 1st August 2019, Approved Permit (AP) applications for the importation of personal vehicles must be made through the ePermit System.

For more information, kindly click the following links:

[https://www.miti.gov.my/miti/resources/Approve%20Permit/AP%20Announcement/Notice_for_Application_of_Personal_Vehicle_Import_License_\(AP\)_15072019_BI.pdf](https://www.miti.gov.my/miti/resources/Approve%20Permit/AP%20Announcement/Notice_for_Application_of_Personal_Vehicle_Import_License_(AP)_15072019_BI.pdf)

APPLICATION FOR OPEN AP COMPANY

Application is open from 1 August 2019 until 30 September 2019.

For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/5539>

MITI POCKET TALK

A SERIES OF SESSION FOR THE PRIVATE SECTOR

Information on the benefits of Free Trade Agreements (FTAs) and current updates

Introduction on Preferential Certificates of Origin (PCO) application procedures

Enjoy LOWER Tariffs on Imports

Gain COMPETITIVE EDGE by utilising the FTAs

When? Once a month

Where? MITI Tower Kuala Lumpur or MITI Regional Offices

Fees? Free of Charge with light refreshments

Tentative Schedule for MITI Pocket Talks 2019

NO	DATE	VENUE	TOPIC
1	19 September (Thursday)	MITI PERAK	Introduction to FTA & Preferential Certificate of Origin (PCO)
2	17 October (Thursday)	MITI HQ (SEMINAR 1)	
3	14 November (Thursday)	MITI KELANTAN	

For more information please contact the secretariat:

03-6200 0468/69/57

allaki@miti.gov.my

MITI @ Your Service

MITI Overseas Office (Brussels)



Rita Elisha Mering
Minister Counsellor (Economics)



Aen Sugiana
Driver

MITI Weekly Bulletin (MWB) Mobile Apps



weekly bulletin
News & Magazines
★★★★★
1

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>

Feedback

Send us your
suggestions



Dear Readers,

Kindly click the link below for any comments in this issue. MWB reserves the right to edit and republish letters as reprints. <http://www.miti.gov.my/index.php/forms/form/13>