

Launch of APEC 2020, 4 December 2019

#MYAPEC2020

Philosophy of Shared Prosperity
'Improving the overall wellbeing of our people and enabling every citizen to have a more decent living standard will make APEC sustainable and relevant as a grouping in the long run.'

- Hon. Tun Dr. Mahathir bin Mohamad
Prime Minister of Malaysia.



#MyAPEC2020

www.myapec2020.my



Set against the theme of 'Optimising Human Potential towards a Future of Shared Prosperity', the APEC 2020 was officially launched by the Honourable Prime Minister, Tun Dr Mahathir Mohamad at Cyberview Resort & Spa, Cyberjaya on 4 December 2019. The launch was attended by Cabinet Ministers, Chief Ministers, Chief Secretary to the Government, the Executive Director of APEC Secretariat, Ambassadors, High Commissioners and representatives of APEC Economies. Business leaders and senior government officials were also among those present at the event.

The theme is founded on the concept of 'shared prosperity', which the Prime Minister had introduced in his keynote speech during the APEC CEO Summit in Papua New Guinea in 2018. The theme is aligned with the Shared Prosperity Vision 2030 that was launched by the Prime Minister last October.

Malaysia is proud to be hosting APEC again after 22 years. The year 2020 is indeed a significant year for APEC as it marks the end of the Bogor Goals,

a long-term aspiration for APEC to achieve a free and open trade and investment in the Asia-Pacific region. It is the year to commemorate the achievements and pledge for more prosperous economic activities across the region.

As the host of APEC 2020, Malaysia will advance the agenda of trade and investment that is more inclusive and sustainable resulting in economic growth that is in tandem with wellbeing of the people. Special focus will be on optimising digital economy and technology for women empowerment, youth development, aging population and creating a conducive environment for entrepreneurs, start-ups and social enterprises. Equal importance will be given to innovative practices in sustainable development, as all these elements are critical components of an ecosystem that will contribute to shared prosperity.

Malaysia will be organising 120 meetings of various levels and will be receiving around 16,000 delegates from 20 economies. The meetings will be held in Langkawi, Kota Kinabalu, Penang, Kuala Lumpur and Putrajaya from December 2019 until November 2020. Preparations for the hosting of APEC 2020 are undertaken by the APEC 2020 National Secretariat, Ministry of International Trade and Industry in close collaboration with various Ministries, Agencies, State Government and private sectors.

Comprising 21 economies including Malaysia, APEC is a regional economic forum established in 1989 to create greater prosperity for the people of the region by promoting balanced, inclusive, sustainable, innovative and secure growth and by accelerating regional economic integration.

**Ministry of International Trade and Industry
4 December 2019**

Trade Performance for October 2019 and the Period of January-October 2019



Highest Monthly Export Value in 2019

Malaysia's exports in October 2019 stood at RM90.59 billion, the highest monthly export value recorded in 2019. Exports contracted by 6.7% year-on-year (y-o-y) due to high base effect of RM97.12 billion in October 2018. Higher exports were registered to Singapore, Taiwan, the United States (US) and Russian Federation while lower exports were recorded to Australia, China, Japan, Thailand and India.

Total trade decreased by 7.6% to RM163.86 billion and imports amounted to RM73.27 billion, a decline of 8.7% from October 2018. Trade surplus in October 2019 was valued at RM17.33 billion, rose by 2.8% compared to RM16.85 billion registered in October 2018. This marked the 264th consecutive months of trade surplus since November 1997 and the highest monthly surplus ever recorded thus far. Compared to September 2019, total trade, exports, imports and trade surplus registered an increase of 11.4%, 16.6%, 5.6% and 107.4%, respectively.

Total trade in the first 10 months of 2019 declined by 2.8% to RM1.52 trillion. Exports during this period registered a decrease of 1.8% to RM819.13 billion. Lower exports were recorded to Hong Kong SAR, Australia, Japan, Indonesia and China. Higher exports however were registered to Taiwan, the US, India and the Philippines. Imports contracted by 3.9% to RM700.93 billion. Moreover, trade surplus expanded by 13.3% to RM118.2 billion and marked the highest trade surplus for January-October since 2009.

Export Performance of Major Sectors

New High of Exports of Optical and Scientific Equipment

Exports of manufactured goods in October 2019 which attributed 85.8% of total exports contracted by 4.5% to RM77.76 billion. However, exports of optical and scientific equipment hit a new monthly

record high of RM4.03 billion, with a double digit expansion of 17.6% from October 2018. Higher exports were also recorded for transport equipment as well as non-metallic mineral products. Lower exports were registered for petroleum products, electrical and electronic (E&E) products, manufactures of metal and chemicals and chemical products.

Exports of mining goods (7.5% share) declined by 24.6% to RM6.78 billion. This was mainly due to declining exports of crude petroleum, on account of lower export volume and Average Unit Value (AUV). However, exports of crude petroleum grew by RM294.4 million to Singapore.

Exports of agriculture goods (6.1% share) were lower by 8.9% to RM5.57 billion mainly due to contraction in exports of palm oil and palm oil-based agriculture products, especially palm oil. Exports of palm oil recorded a contraction of 9.8% y-o-y to RM3.26 billion, as a result of the decline in export volume and AUV.

Major exports in October 2019:

- E&E products, valued at RM37.39 billion and constituted 41.3% of total exports, decreased by 3.2% from October 2018;
- Petroleum products, RM5.82 billion, 6.4% of total exports, decreased by 28.4%;
- Chemicals and chemical products, RM4.96 billion, 5.5% of total exports, decreased by 12.7%;
- Optical and scientific equipment, RM4.03 billion, 4.4% of total exports, increased by 17.6%; and
- Palm oil and palm oil-based agriculture products, RM3.73 billion, 4.1% of total exports, decreased by 9.5%.

On a month-on-month (m-o-m) basis, exports of manufactured goods, mining goods and agriculture goods expanded by 17.2%, 19% and 7.7%, respectively. For the period of January to October 2019, exports of manufactured goods decreased marginally by 0.6% to RM692.47 billion compared to the same period of 2018, underpinned by lower exports of petroleum products, E&E products and manufactures of metal. Exports of mining goods contracted by 7.5% to RM66.97 billion mainly due to lower exports of crude petroleum. Meanwhile, exports of liquefied natural gas (LNG) recorded an expansion of 6% to RM34.77 billion, buoyed by higher exports volume. Exports of agriculture goods decreased by

5.1% to RM53.79 billion attributed to lower exports of palm oil and palm oil-based agriculture products. However, palm oil export volume for this period increased by 10.3%.

Trade Performance with Major Markets

ASEAN Reached the Highest Monthly Share to Total Trade Since December 2018

Trade with ASEAN in October 2019 decreased by 6.3% y-o-y to RM45.93 billion. This made up 28% share of Malaysia's total trade and marked the highest monthly share to total trade in 11 months. Exports to ASEAN were lower by 2.8% to RM26.69 billion.

E&E products, crude petroleum and petroleum products registered contraction in exports. These products collectively contributed 51.3% of total exports to this region. Meanwhile, exports of transport equipment, manufactures of metal, machinery, equipment and parts as well as iron and steel products recorded expansion. Imports from ASEAN contracted by 10.7% to RM19.25 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM13.92 billion, increased by 4.1%
- Thailand RM4.91 billion, ↓18.2%
- Viet Nam RM3.06 billion, ↓1.9%
- Indonesia RM2.66 billion, ↓3.1%
- Philippines RM1.63 billion, ↓2.3%
- Brunei RM211.1 million, ↑6.7%
- Myanmar RM174.4 million, ↓24.0%
- Cambodia RM126.2 million, ↑4.3%
- Lao PDR RM2.8 million, ↑9.7%

Exports to major markets in ASEAN that recorded expansion were Singapore, which increased by 4.1% due to higher exports of crude petroleum and Brunei (↑6.7%, petroleum products). Trade, exports and imports recorded an expansion of 19.1%, 23.4% and 13.7%, respectively when compared to September 2019.

From January to October 2019, trade with ASEAN contracted by 4.2% to RM406.37 billion compared to the same period of 2018. Exports to this region was valued at RM235.8 billion, decreasing marginally by 0.7% compared to the same period last year. Lower exports were registered for petroleum products, crude petroleum and E&E products while higher exports were recorded for iron and steel products, machinery, equipment and parts as well as LNG. Imports slipped by 8.8% to RM170.56 billion.

Highest Monthly Exports to China since November 2018

In October 2019, trade with China which represented 16.8% of Malaysia's total trade or RM27.46 billion, decreased by 8.6% y-o-y. Exports was valued at RM13.59 billion, contracted by 11% on lower exports

of E&E products, petroleum products, chemicals and chemical products as well as crude petroleum. However, this was the highest monthly exports value recorded to China since November 2018. Products that recorded increases were optical and scientific equipment, metalliferous ores and metal scrap, petroleum condensate and other petroleum oil as well as paper and pulp products. Imports from China declined by 6.2% to RM13.87 billion.

On a m-o-m basis, trade and exports rose by 8.8% and 25.2%, while imports dipped by 3.7%. Trade with China for the period of January to October 2019 stood at RM256.45 billion, decreased by 1.6% compared to the same period of 2018. Exports to China declined by 1.8% to RM113.39 billion, on account of lower exports for E&E products, petroleum products and crude petroleum. Meanwhile, exports expansion was seen for LNG (↑RM1.33 billion), iron and steel products (↑RM1.04 billion), paper and pulp products (↑RM0.66 billion) as well as chemicals and chemical products (↑RM0.42 billion). Imports from China registered a decrease of 1.4% to RM143.06 billion.

Exports to the US Continued to Expand in October 2019

Trade with the US in October 2019 which composed 9.2% of Malaysia's total trade rose by 4.6% to RM15.13 billion. Exports to the US continued to grow for 7 straight months with an increase of 2.7% y-o-y to RM8.87 billion in October 2019. Higher exports of manufactured goods were recorded particularly for optical and scientific equipment, wood products, transport equipment as well as manufactures of plastics. Imports from the US increased by 7.5% to RM6.26 billion. In comparison with September 2019, trade, exports and imports expanded by 9.8%, 7.9% and 12.6%, respectively.

During the first 10 months of 2019, trade with the US rose by 4.7% to RM135.39 billion compared to the same period of 2018. Exports grew by 4.4% to RM78.87 billion driven by higher exports of E&E products, wood products, manufactures of plastics, processed food and non-metallic mineral products. Imports from the US increased by 5.3% to RM56.53 billion.

EU – Exports and Imports Grew M-o-M

Trade with the European Union (EU) which contributed 8.8% to Malaysia's total trade registered a decrease of 9.2% y-o-y to RM14.35 billion. Exports amounted to RM8.12 billion, contracted by 5.2% as a

result of lower exports of manufactures of metal, E&E products, rubber products as well as iron and steel products. Meanwhile, expansion in exports was seen for palm oil and palm oil-based agriculture products, machinery, equipment and parts as well as optical and scientific equipment. Collectively, all these products increased by 8.8% from October 2018. Imports from the EU totalled RM6.23 billion, lower by 13.8%.

Compared to September 2019, trade, exports and imports increased by 6.5%, 10.3% and 1.9%, respectively.

Trade with the EU for the first 10 months of 2019 decreased by 4.5% to RM146.51 billion. Exports amounted to RM80.94 billion, declined by 2.7% due to lower exports of manufactures of metal, palm oil and palm oil-based agriculture products as well as chemicals and chemical products. Increases in exports were recorded for E&E products, petroleum products as well as machinery, equipment and parts. Imports from the EU reduced by 6.6% to RM65.57 billion.

Japan - Trade Grew Compared to September 2019

In October 2019, trade with Japan which absorbed 6.7% of Malaysia's total trade contracted by 10.1% y-o-y to RM11.02 billion. Exports totalled RM5.42 billion, decreased by 20.1% due to lower exports of LNG, E&E products, manufactures of metal and wood products. Expansion in exports were recorded for palm oil and palm oil-based agriculture products, processed food, transport equipment as well as non-metallic mineral products. These products collectively expanded by 38.6% to RM439.5 million. Imports from Japan rose by 2.3% to RM5.6 billion.

On a m-o-m basis, trade and imports expanded by 2.6% and 5.3%, while exports slipped marginally by 0.02%.

For the period of January to October 2019, trade with Japan decreased by 4.1% to RM106.61 billion compared to the same period of 2018. Exports amounted to RM54.9 billion, a decline of 5.7% due to lower exports of LNG, wood products as well as optical and scientific equipment. Increases in exports were recorded for transport equipment, processed food as well as textiles, apparels and footwear. These products collectively rose by 21.5% to RM3.11 billion. Imports from Japan were lower by 2.4% to RM51.72 billion.

Trade with FTA Partners

In October 2019, trade with Free Trade Agreement (FTA) partners which constituted 62.4% of

Malaysia's total trade stood at RM102.3 billion, a decline of 8.9% y-o-y. Exports to FTA partners was valued at RM54.61 billion, a decrease of 10.6% and imports totalled RM47.7 billion, contracted by 6.9%.

Increases in exports were recorded to Cambodia, by 4.3% to RM126.2 million mainly attributed by higher uptake of petroleum products and Lao PDR (↑9.7% to RM2.8 million, E&E products).

Compared to September 2019, trade, exports and imports recorded an increase of 11.2%, 15.7% and 6.4%, respectively.

Trade with FTA partners for the first 10 months of 2019 which made up 62.1% of Malaysia's total trade amounted to RM943.48 billion, declined by 3.2%. Exports were valued at RM500.61 billion, a decrease of 2.3% and imports reduced by 4.2% to RM442.87 billion.

Import Performance

Total imports in October 2019 slipped by 8.7% to RM73.27 billion from RM80.27 billion in October 2018. The three main categories of imports by end use which accounted for 71.1% of total imports were:

- **Intermediate goods**, valued at RM37.52 billion or 51.2% share of total imports, decreased by 5.1%, following lower imports of parts and accessories of capital goods (except transport equipment) particularly parts of electrical machinery and equipment;
- **Capital goods**, valued at RM8.48 billion or 11.6% of total imports, down by 11.5%, due mainly to lower imports of capital good (except transport equipment) particularly parts of electrical machinery and equipment; and
- **Consumption goods**, valued at RM6.13 billion or 8.4% of total imports, contracted by 5%, as a result of lower imports of non-durables particularly pharmaceutical products.

During January to October 2019, imports amounted to RM700.93 billion, declined by 3.9% from the same period of 2018. Intermediate goods totalled RM384.33 billion, increased by 0.5%, capital goods (RM81.92 billion, ↓11.5%) and consumption goods (RM60.44 billion, ↑1%).

**Ministry of International Trade and Industry
4 December 2019**

e-Commerce Day 2019

From Local To Global Champion!



MITI | KKMM

9 - 10 December
Perdana Hall, MITI Tower



MDEC

E-Commerce Day 2019

YB Datuk Darrell Leiking, Minister of International Trade and Industry (MITI) delivered a Keynote Address during the second day of the e-Commerce Day 2019, held in Menara MITI.

Jointly organised by MITI, KKMM, MDEC and in support of MATRADE, SME Corporation and MARii, the e-Commerce Day 2019 was conducted in two days, with the theme - "From Zero to Global Champion". The event was to solidify the journey of entrepreneurs in e-commerce ecosystem, from being trained with e-commerce related business/marketing tools including by using up-to-date technologies, to eventually be "export ready".

The event also featured 66 exhibitors from various e-commerce segments, including e-marketplaces, payment solution providers, logistics and fulfilment providers. The event also featured Technology Showcases of nine (9) companies and start.

Speaking to more than 1,500 participants, YB Datuk Darell Leiking emphasised the main messages that the Government wants to impart through this event, namely:

- Entrepreneurs, technopreneurs alike : being the backbone of the Malaysian economy, have the potentials to improve the economy prosperity and the societal well-being in Malaysia;
- e-Commerce : is a great opportunity for businesses to venture into wider spectrum of customers in domestic and international markets; and
- Technologies: these are the game changer for the businesses unleash their business potentials and opportunities.

In conjunction with the event, YB Datuk Darell also launched the "MARii Mobility as a Service (MaaS) & e-Commerce solutions for Business", a programme developed by the Malaysia Automotive, Robotics and IoT Institute or MARii, an agency under MITI.

MaaS catalyses innovation via smart corporate partnerships with "MARii MaaS Scaleups", with 10 Malaysian technopreneurs utilising the MARii MaaS to enhance e-commerce technology ecosystem development in all aspects of various transportation services.

The programme aims at enhancing adoption of MaaS related technology, within the domestic mobility industry, in which e-commerce is a core business tool to digitally facilitate transactions,

inventory, service records and value chain databases and so forth.

The programme today also honoured the companies receiving the eTRADE Exporters Awards 2019. The award is to recognise companies under MATRADE eTRADE Programme that has been successful in their cross border e-commerce endeavour.

The awards recipients are selected based on their exports performance on their respective e-commerce platforms. A programme survey was done earlier this year to measure the performance of the companies that had benefitted from the eTRADE Programme. The awards come in five categories, namely Top Exporter, Women, Youth, Bumiputera and Cooperative. The winners for each respective category are Wintech Metal Processing Sdn. Bhd., Worldwide Tractors Sdn. Bhd., AXG Industries Sdn. Bhd., Tropical Bioessence Sdn. Bhd. and Koperasi Usahawan Groom Big Perlis Berhad.

There are currently 20 e-marketplaces partnering with MATRADE in the eTRADE initiative to facilitate the Malaysian entrepreneurs. These include renowned e-Commerce giants such as Alibaba.com, Amazon.com, eBay.com and JD.com.

The event also includes a ground breaking ceremony of a Malaysia Flagship Store of China's JD.com through its collaboration with JDMas Commerce Sdn. Bhd. The on-line will feature Malaysian brands and products for the global market. "It is hoped that such partnership will effectively promote the Malaysian products and brands to the global markets, especially China. We call upon more similar win-win cooperation, so as to ensure sustainable exports from Malaysia to meet the specific demands from international consumers," said YB Datuk Darell during his speech.

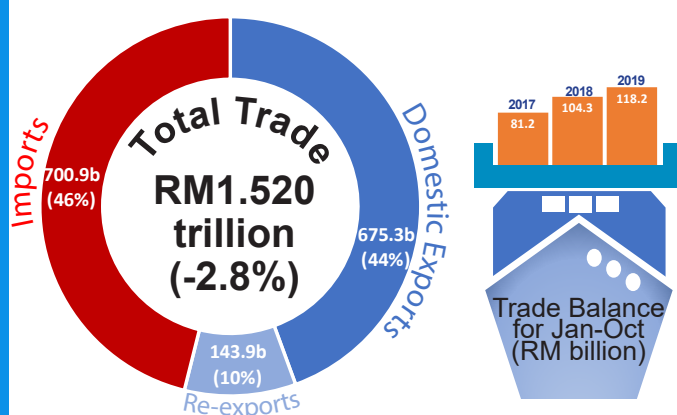
YB Datuk Darell also underscored that in the context of e-Commerce, the role of MITI is not only on spearheading the cross-border trade and investment agenda. With the inclusion of the technology-related agencies of Department of Standards, SIRIM and MIMOS under this Ministry, together with MARii, MITI is now championing the development of future industry. In August 2019, YAB Prime Minister of Malaysia mandated the development of future industries that include the development of Artificial Intelligence, Big Data and Internet of Things under the purview of MITI.

The e-Commerce Day 2019 is one of the flagship programmes of the National e-Commerce Council (NeCC), chaired by YB Datuk Darell Leiking, with membership comprises MDEC and other 36 Ministries and agencies. The NeCC oversees the implementation development of the e-commerce ecosystem outlined in the National e-Commerce Strategic Roadmap, 2015-2020.

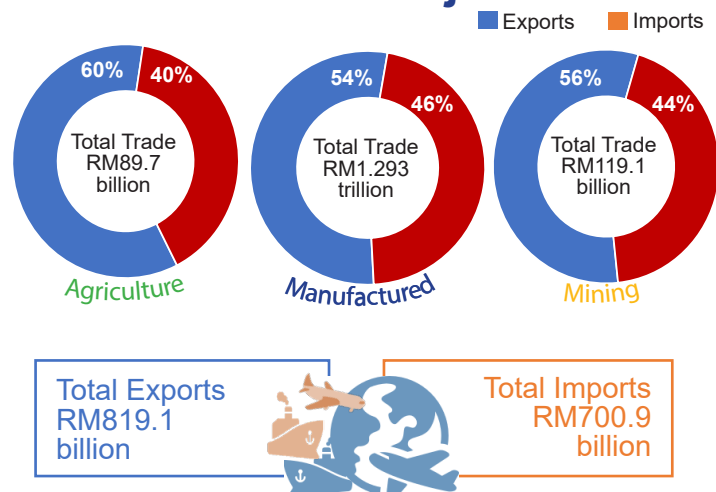
Ministry of International Trade and Industry
10 December 2019

Overview of External Trade, January-October 2019

Trade performance

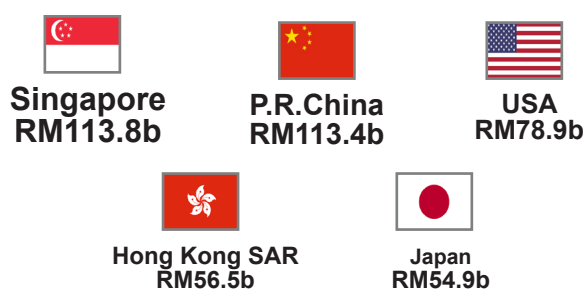


Major Sectors

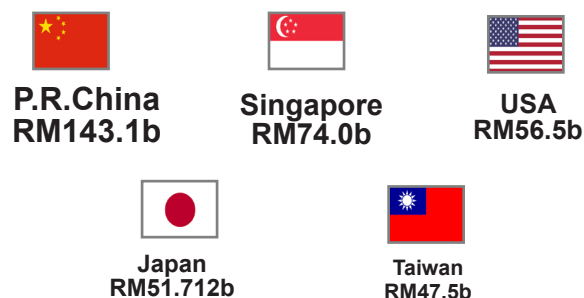


Exports

Destinations



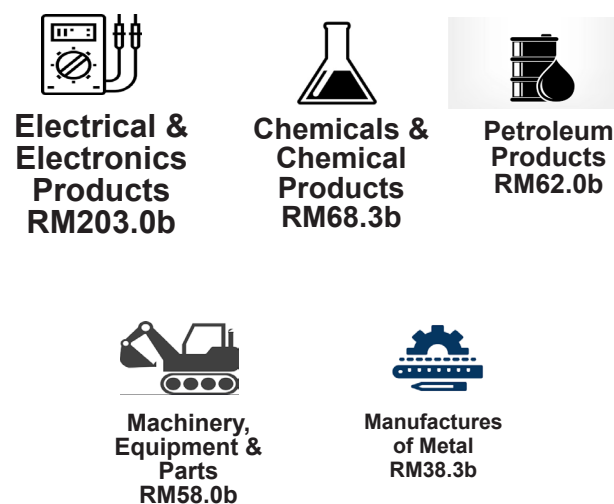
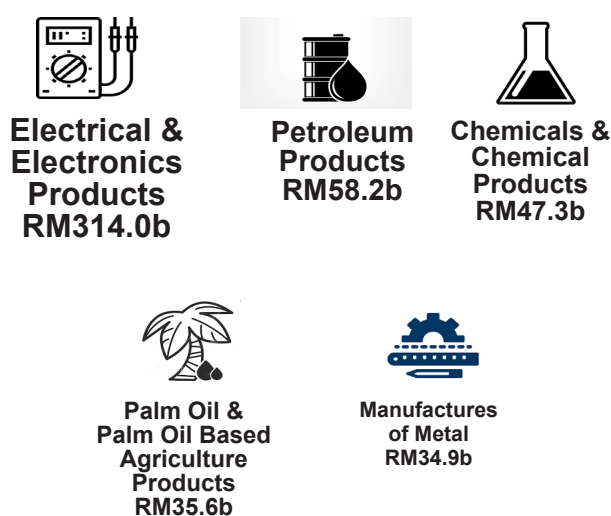
Top Five



Imports

Sources

Top Five Industries



Source: Department of Statistics, Malaysia

Compiled by Ministry of International Trade and Industry

Note: Number in percentage refers to share to total exports/imports/trade

Cluster 2: Well Being

Goal 3: Good Health & Well-being

Goal 11: Sustainable Cities & Communities

Goal 16: Peace, Justice & Strong Institution

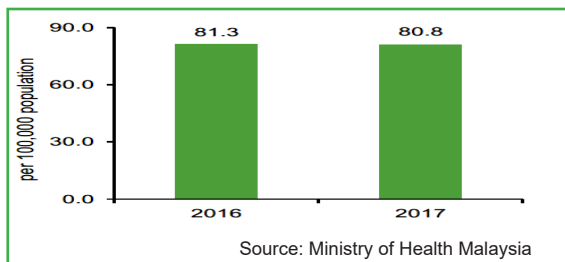
SUMMARY FINDING

Indicator 3.3.2:

Tuberculosis incidence per 100,000 population

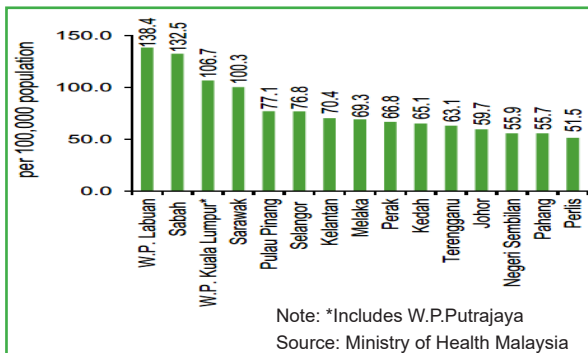
There was a slight improvement in the incidence of tuberculosis from 81.3 (2016) to 80.8 (2017) per 100,000 populations.

Figure 3.1: Tuberculosis incidence per 100,000 populations, 2016 and 2017



In 2017, W.P. Labuan reported the highest incidence of tuberculosis with 138.4 followed by Sabah (132.5) and W.P. Kuala Lumpur (106.7). On the contrary, Perlis recorded the lowest tuberculosis incidence per 100,000 populations with 51.5 per 100,000 populations.

Figure 3.2: Tuberculosis incidence per 100,000 populations by state, 2017

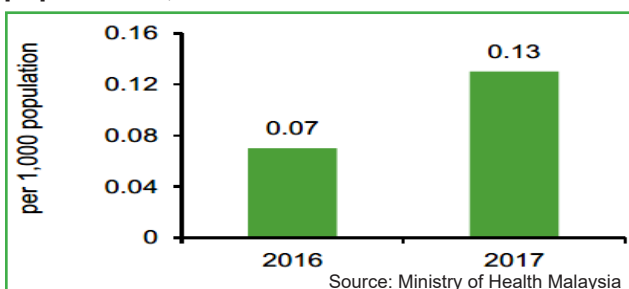


Indicator 3.3.3:

Malaria incidence per 1,000 population

Malaria incidence per 1,000 populations increased from 0.07 in 2016 to 0.13 in 2017.

Figure 3.3: Malaria incidence per 1,000 populations, 2016 and 2017



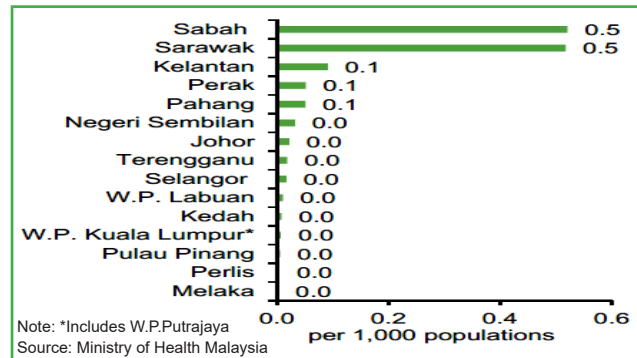
Source: Department of Statistics Malaysia

Goal 3: Ensure healthy lives and promote well-being for all at all ages



Sabah and Sarawak recorded the highest incidence of malaria per 1,000 populations with 0.5 followed by Kelantan, Perak and Pahang with 0.1 per 1,000 populations.

Figure 3.4: Malaria incidence per 1,000 populations by state, 2017

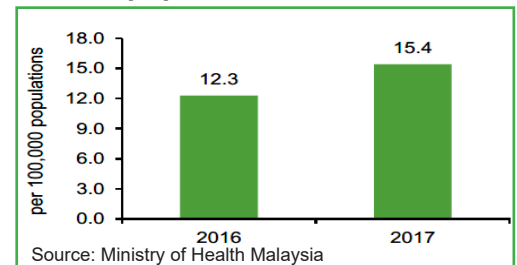


Indicator 3.3.4:

Hepatitis B incidence per 100,000 population

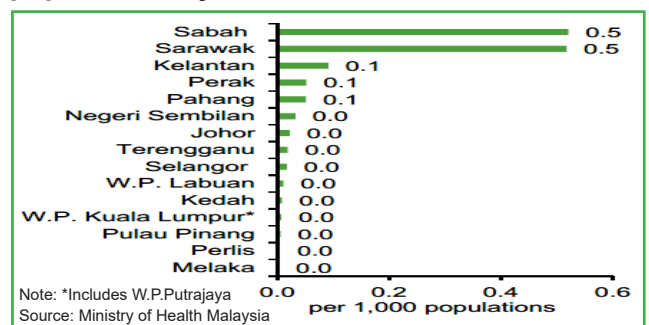
Hepatitis B notification rate per 100,000 populations increased from 12.3 in 2016 to 15.4 in 2017.

Figure 3.5: Hepatitis B notification rate per 100,000 populations, 2016 and 2017



In 2017, Sabah recorded the highest Hepatitis B notification rate with 34.6 per 100,000 populations, followed by W.P. Labuan (32.3) and Sarawak (25.1). Meanwhile, Perlis, Kedah and Pulau Pinang recorded the lowest Hepatitis B notification rate with 5.5, 3.0 and 2.9 per 100,000 populations, respectively.

Figure 3.4: Malaria incidence per 1,000 populations by state, 2017





MALAYSIA & APEC

In 2018, APEC economies contributed:



83% of total trade to Malaysia with total export of RM781.4 billion and total import of RM680.7 billion

(Source: Department of Statistics Malaysia)



73.5% (RM42.65 billion) (2017: RM12.8 billion) of FDI in manufacturing sector

(Source: MIDA)



RM4.06 billion of total investment that has been implemented in manufacturing sector

(Source: MIDA)

#MyAPEC2020



CAPACITY BUILDING

Apart from contributions to Malaysian trade, investment and business facilitation, APEC has vastly contributed to the capacity building in the areas of pertinence to Malaysia:

- 1 125 Malaysian participants and 11 Malaysian subject matter experts participated in 64 fully funded projects held in other APEC economies since 2017
- 2 Malaysia has implemented 22 fully funded projects using APEC fund amounting to USD2.7 million from 2013-2018



CAPACITY BUILDING



Sources: Ministry of International Trade and Industry



Be part of something BIG?

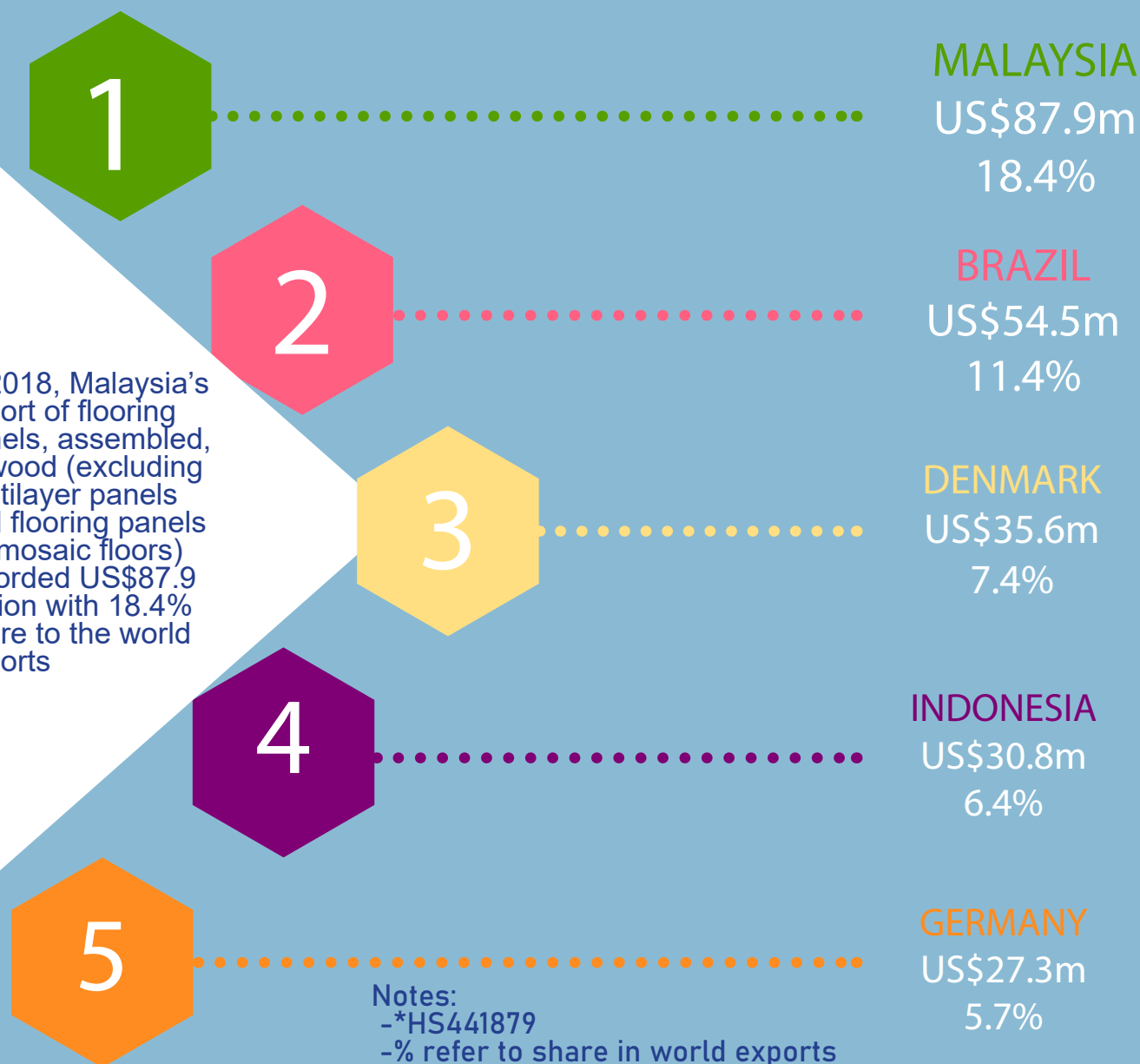
Come and join us, be a volunteer for APEC 2020!

For more information about the volunteer program, kindly click the following link:

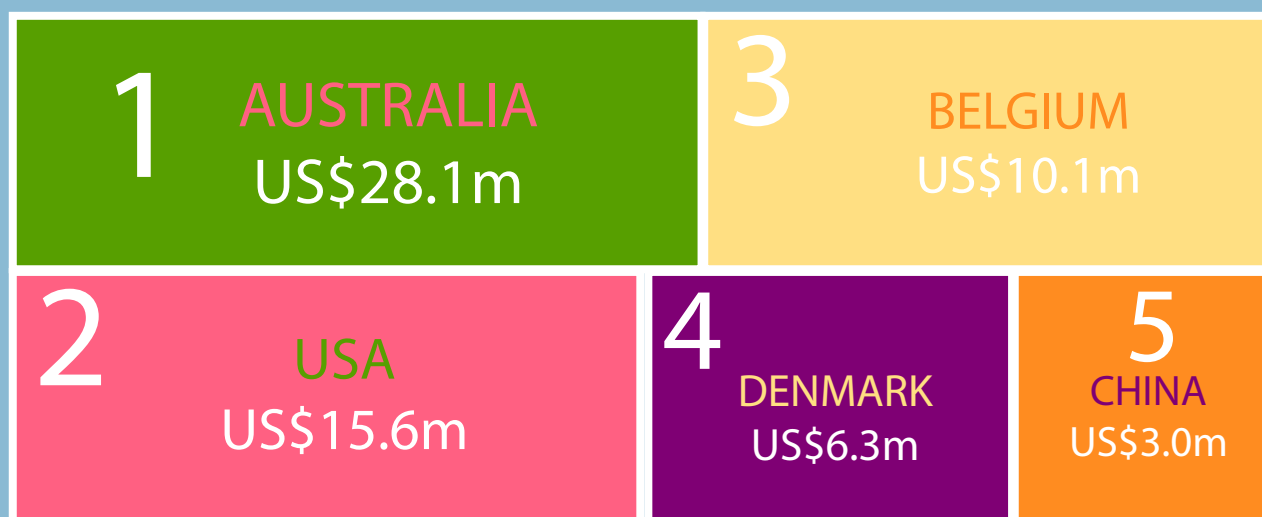
<https://www.miti.gov.my/index.php/pages/view/5657?mid=626>

World largest exports of flooring panels, assembled, of wood (excluding multilayer panels and flooring panels for mosaic floors)*

In 2018, Malaysia's export of flooring panels, assembled, of wood (excluding multilayer panels and flooring panels for mosaic floors) recorded US\$87.9 million with 18.4% share to the world exports



TOP FIVE MALAYSIA EXPORT DESTINATIONS



Sources: <https://www.trademap.org/index.aspx>



GLOSSARY

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

Blue Box:

- Blue Box refers to production limiting subsidies and considered therefore less tradedistorting. They are exempt from the reduction commitments under the WTO Agreement on Agriculture. Examples of Blue Box include certain payments to farmers where the farmers are required to limit production, government assistance programmes to promote agriculture and rural development in developing countries.
- Also referred to as the “amber box with conditions” — conditions designed to reduce 47 distortion. Any support that would normally be in the amber box, is placed in the blue box if the support also requires farmers to limit production.
- At present there are no limits on spending on blue box subsidies. In the current negotiations, some countries want to keep the blue box as it is because they see it as a crucial means of moving away from distorting amber box subsidies without causing too much hardship. Others wanted to set limits or reduction commitments, some advocating moving these supports into the amber box.

Binding Commitments:

In the WTO, when countries agree to open their markets for goods or services, they “bind” their commitments. For goods, these bindings amount to ceilings on customs tariff rates. Sometimes countries tax imports at rates that are lower than the bound rates. Frequently this is the case in developing countries. In developed countries the rates actually charged and the bound rates tend to be the same.

Bound Tariff:

The maximum tariff level of a product notified to the WTO which a country commits not to exceed. If the bound duty is raised, compensation must be given to the affected parties.

Bonded Warehouse :

- Designated area, approved by the Royal Malaysian Customs (RMC) under Section 65 of the Customs Act 1967, for storing dutiable goods.
- A country can change its bindings, but only after negotiating with its trading partners, which could mean compensating them for loss of trade.

Budget Deficit:

- Also known as Fiscal deficit
- Occurs when the government annual amount of spending exceeds income from taxation.
- When a country is running a fiscal deficit it must finance this by borrowing through the issue (sale) of new debt.
- A government will normally borrow money by issuing bonds or other securities and the interest rate on this debt will depend on the willingness of lenders to offer credit, the expected rate of inflation and the risk of whole partial default.
- The Government of a country with low or worsening credit ratings may need to negotiate loans from institutions such as the World Bank, The International Monetary Fund, Sovereign wealth funds or other governments/Overseas banks.

Budget Surplus:

- A situation in which income exceeds expenditures
- Most commonly used to refer to the financial situations of governments - individuals speak of “savings” rather than a “budget surplus.”
- A surplus is considered a sign that government is being run efficiently.

Business Councils of Dialogue Partners:

ASEAN Members States undertake regular consultations with business Councils of dialogue partners namely ASEAN-EU Business Council, ASEAN-Japan Business Council, ASEAN-New Zealand Business Council, ASEAN-Canada Business Council, US-ASEAN Business Council, EastAsia Business Council, Federation of Japanese Chambers of Commerce and Industry in ASEAN, ASEAN-India Business Council and ASEAN Business Club.

Technical Notes

Source: <https://www.wto.org>

Breaks in data continuity

The introduction of a new system for collecting statistics on trade between the member States of the EU in January 1993 - INTRASTAT - which was briefly described in the GATT annual report 1994, International Trade Trends and Statistics, has affected EU merchandise trade statistics in a number of ways. The system has resulted in the loss of continuity with pre-1993 trade figures. Difficulties in implementing the new system have resulted in reporting delays and numerous revisions in the figures. More generally, the EU intra-trade statistics collected through INTRASTAT are markedly less accurate than statistics collected under the previous system.

The coverage of the current system, which relies on reports submitted by firms for transactions above a minimum value, is not as wide as the previous one, which was based on customs declarations. Estimates for non-response and exemptions from reporting obligations are made by the statistical authorities of some member States but these estimates cannot always be broken down by product, and they most probably under-record the actual trade flows, so that continuity with pre-1993 figures has been lost. In some cases, as well, estimates of under-reporting have not been included in submissions to the United Nations Statistical Division for inclusion in the Comtrade database, which has also contributed to a marked disruption in the continuity of the Secretariat's traditional data source.

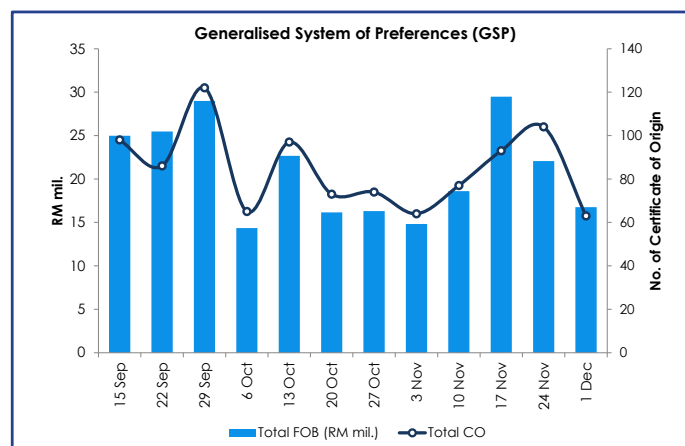
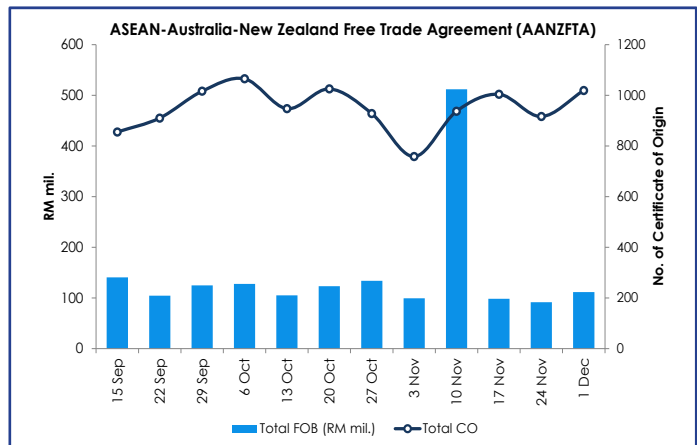
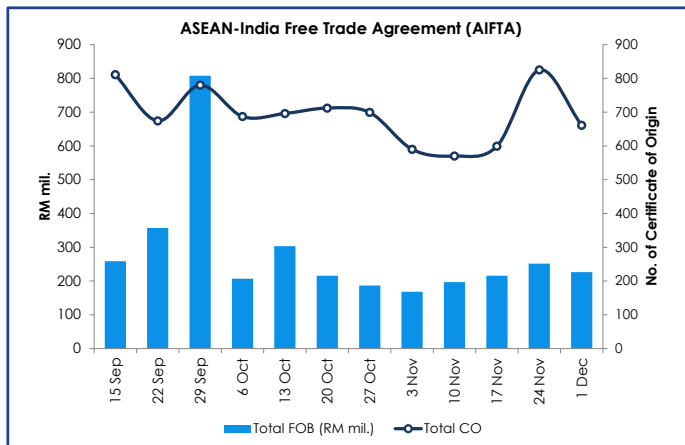
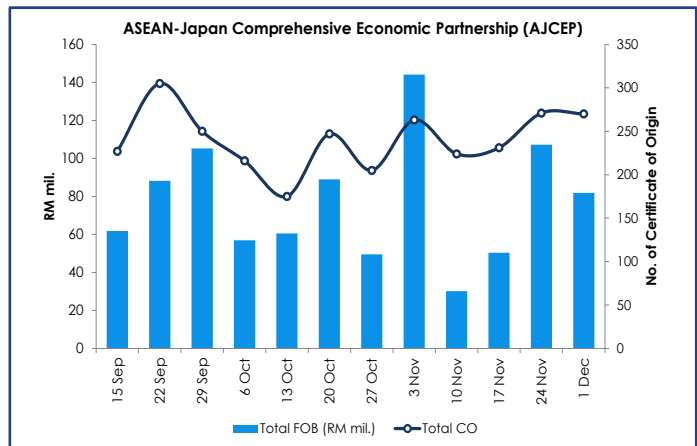
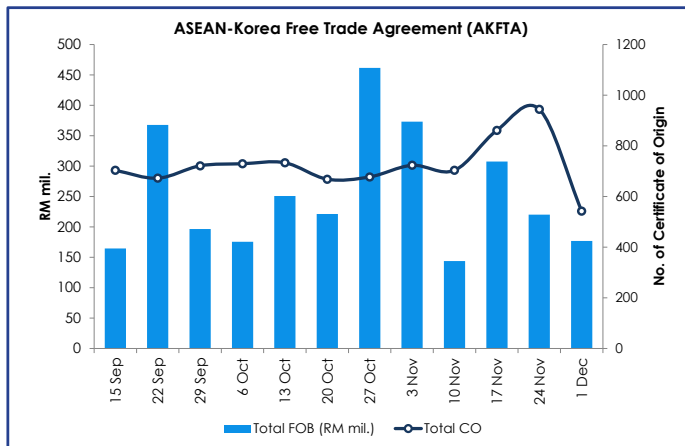
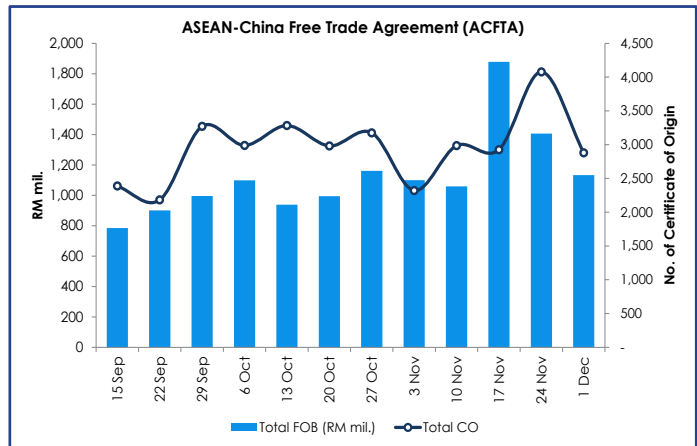
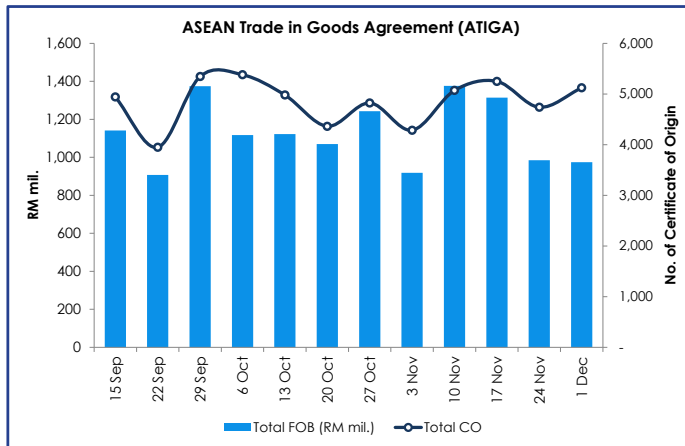
Prior to the adoption of the current system, reported intra-EU imports (c.i.f.) closely matched reported intra-EU exports (f.o.b.). From 1993, however, the reported value of intra-EU imports has been on average around 6.5 per cent below the value of intra-EU exports, indicating a substantial under-reporting of intra-EU imports. Given the significance of this inconsistency, the Secretariat has used intra-EU export data to adjust for the under-reporting of intra-EU imports. However, this adjustment could not be allocated between EU member countries. As a result, the sum of reported imports of individual EU members does not add to the figure for EU imports as a whole (see, for example, Appendix Table A6). This adjustment is also reflected in the volume estimates for the EU as a whole.

Due to reporting delays to UNSD, the latest merchandise trade statistics for all EU member States were not available at the time the world trade network by region and product was prepared. As a result, the Secretariat has had to partly estimate the 2000 product breakdown of the EU.

The EU accounts for some 35 per cent of world merchandise trade. It is also the major market for the exports of Africa, the Middle East and the CIS - all regions for which detailed trade statistics are scarce. EU trade statistics, both for EU member countries and for trade with these partner countries, therefore play a key rôle in global trade statistics and are of particular importance in the construction of the world trade network by region and product. Reporting delays and the decline in the reliability of EU intra-trade statistics have resulted in an increase in the margin of error in the Secretariat's trade estimates.

Due to a change in the definition of the statistical territory, the merchandise trade statistics of France include trade of French Guiana, Guadeloupe, Martinique and Reunion beginning with 1996.

Number and Value of Preferential Certificates of Origin (PCOs)

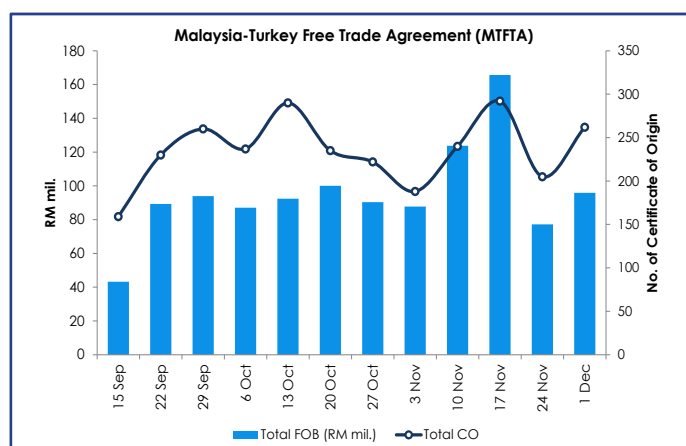
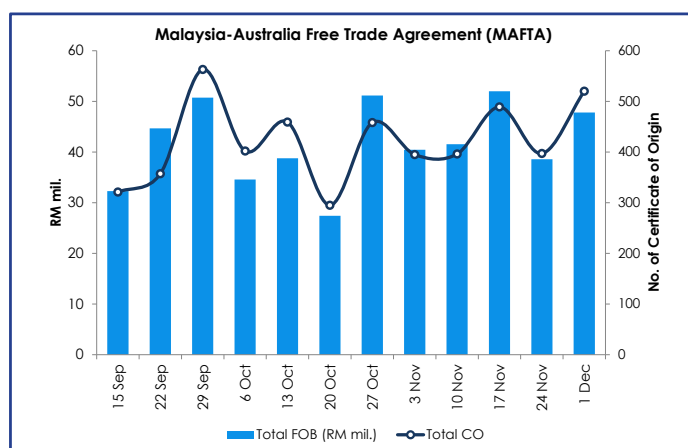
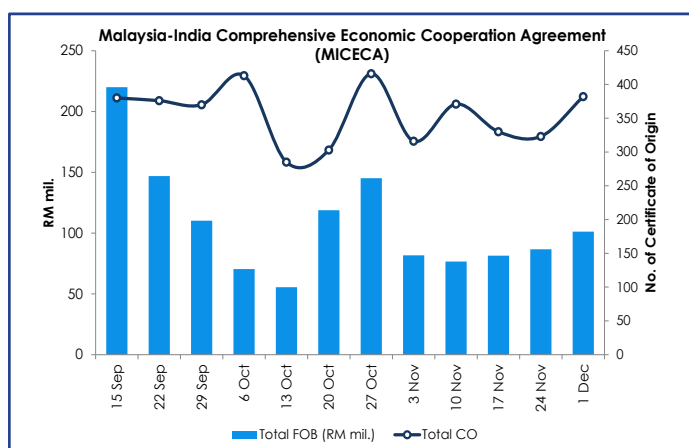
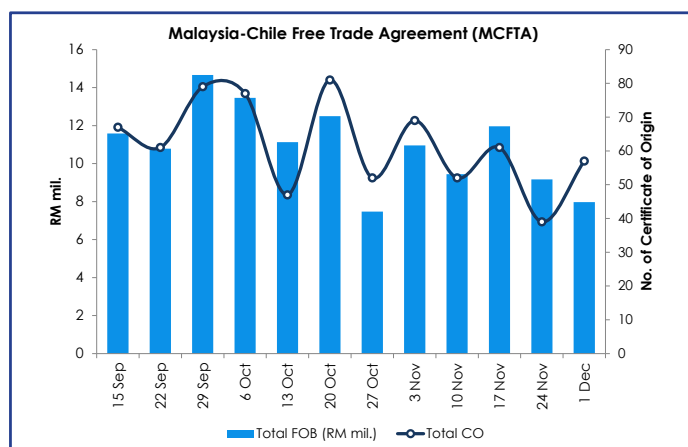
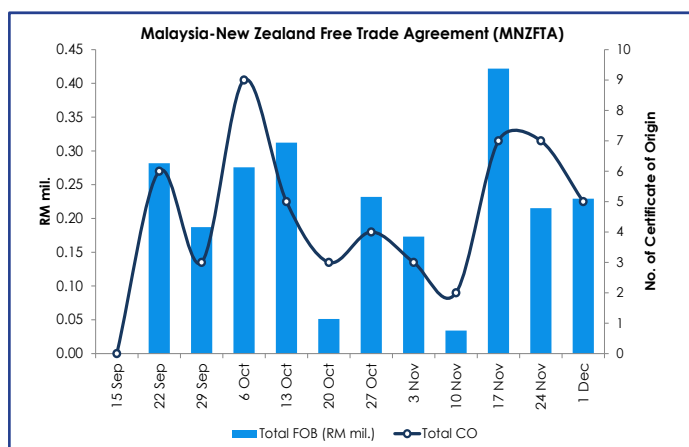
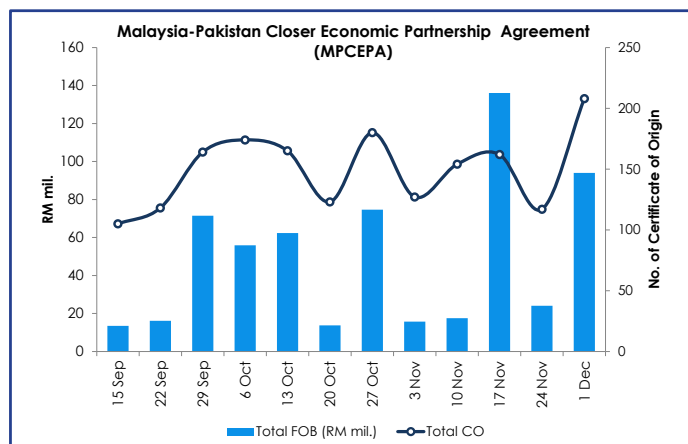
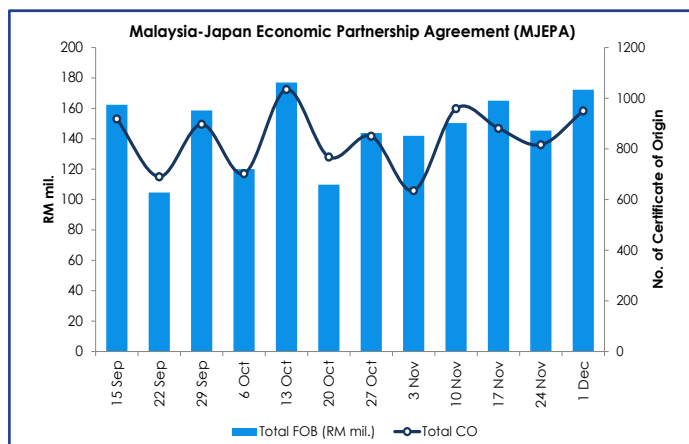


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

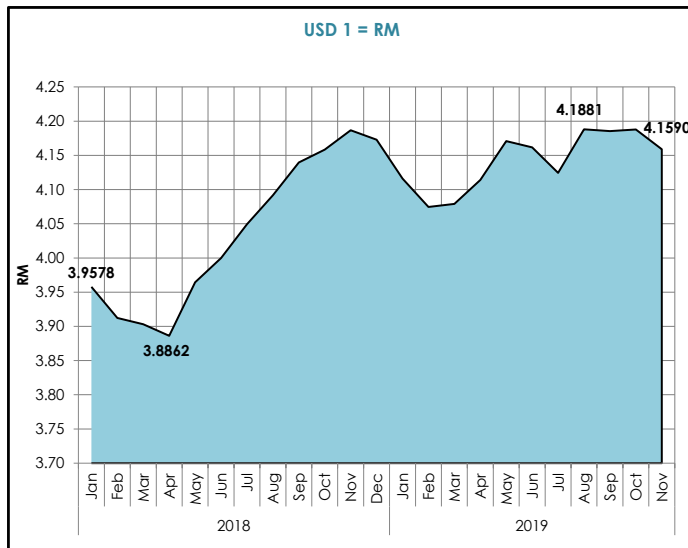
Number and Value of Preferential Certificates of Origin (PCOs)



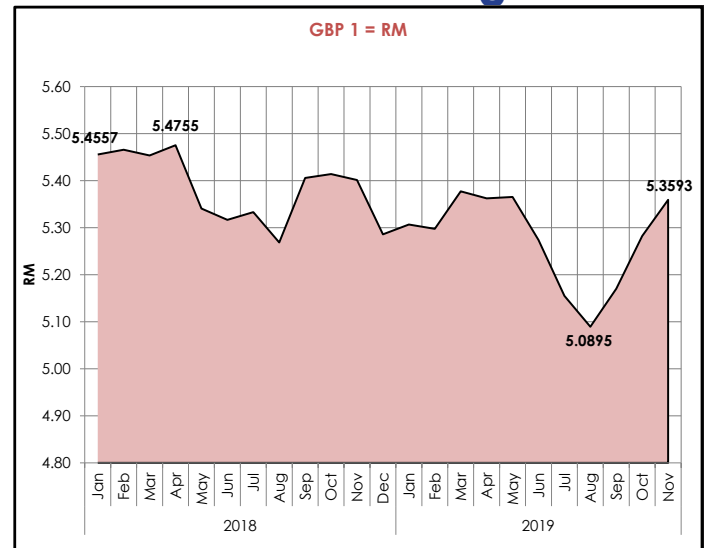
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

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

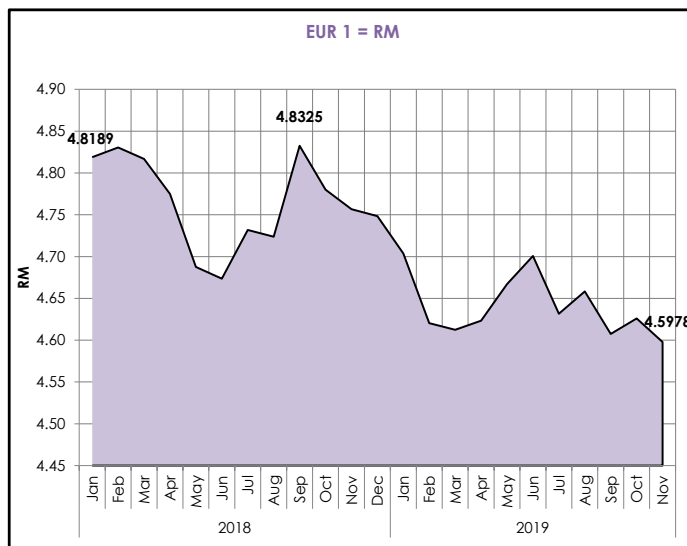
US Dollar



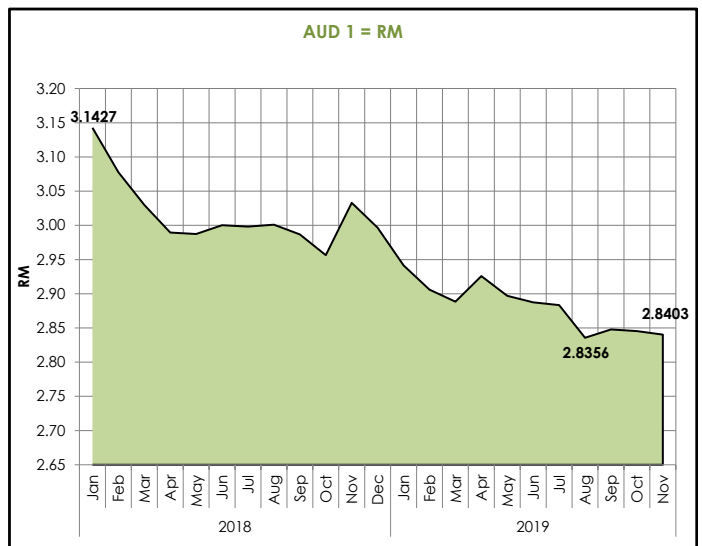
Pound Sterling



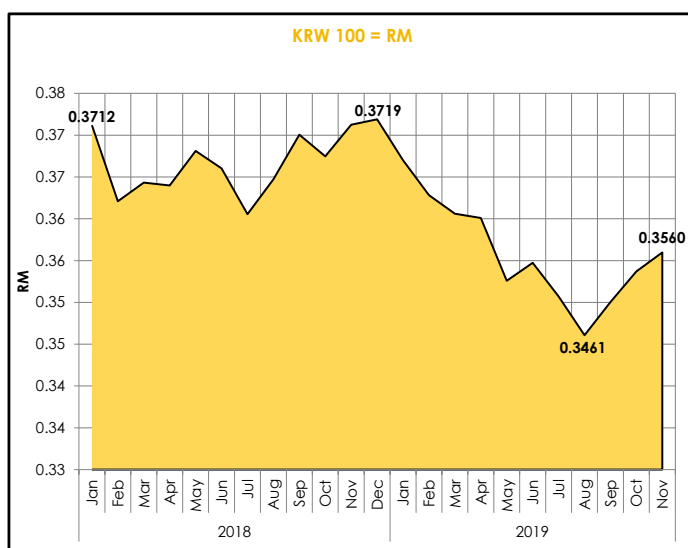
Euro



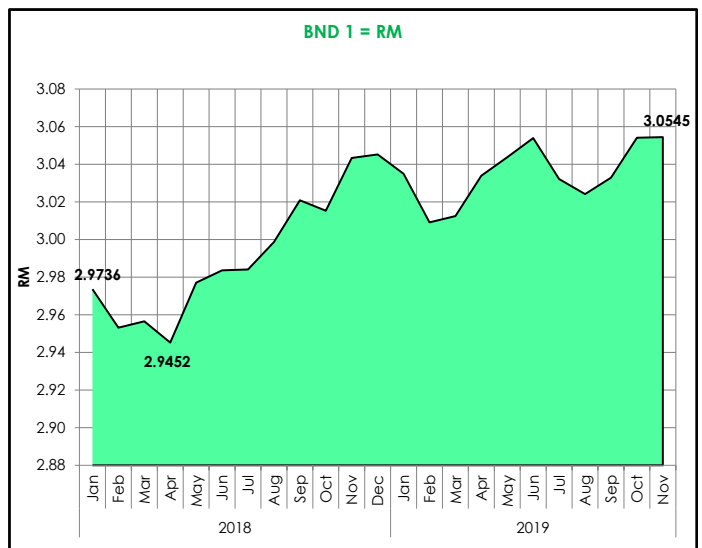
Australian Dollar



South Korean Won



Brunei Dollar



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▲ 3.1%*
US\$64.4

6 December 2019

Average Price 2018 ⁱ: US\$71.5

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

CRUDE PALM OIL -per MT-



▲ 2.0%*
US\$698.5

6 December 2019

Average Price 2018 ⁱ: US\$600.1

Highest
2018/2019

6 Dec 2019 : US\$698.5
9 Mar 2018 : US\$691.5

26 July 2019 : US\$488.5
23 Nov 2018 : US\$448.5

Lowest
2018/2019

RUBBER SMR 20 -per MT-



▲ 6.3%*
US\$1,490.0

6 December
2019

Average Price 2018 ⁱ: US\$1,371.0

COCOA SMC 2 -per MT-



▼ 1.2%*
US\$1,663.7

6 December
2019

Average Price 2018 ⁱ: US\$1,535.6

SUGAR -per lbs-



▲ 1.9%*
US\$13.2

6 December
2019

Average Price 2018 ⁱ: US\$12.3

COAL -per MT-



▼ 1.1%*
US\$45.6

6 December 2019

Average Price 2018 ⁱ: US\$66.9

SCRAP IRON HMS -per MT-



▲ 3.3%* : ▲ 1.8%*
US\$310.0 : US\$285.0
(high) : (low)

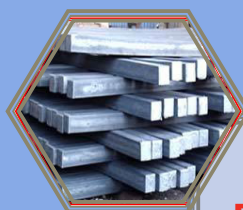
6 December 2019

Average Price 2018 ⁱ: US\$380.7 (high)

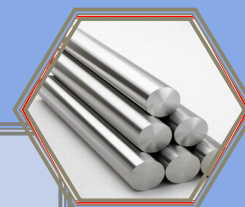
Average Price 2018 ⁱ: US\$359.6 (low)

Domestic Prices

6 December 2019



Billets
(per MT)
RM1,800 - RM1,900



Steel Bars
(per MT)
RM1,880 - RM1,950

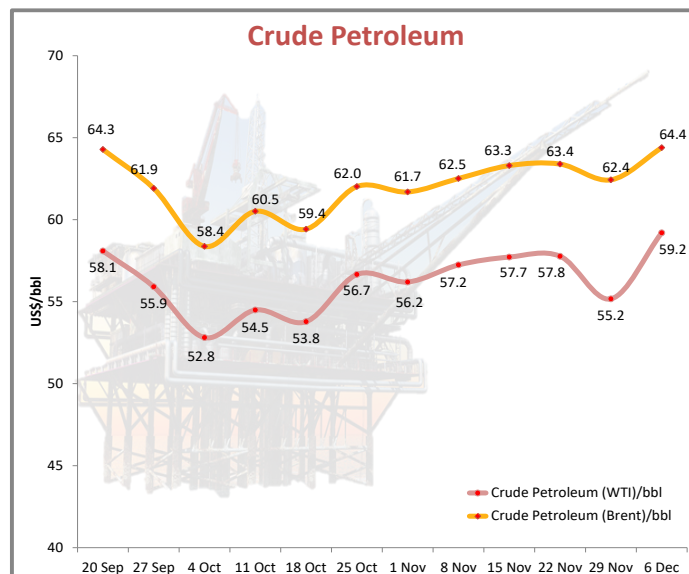
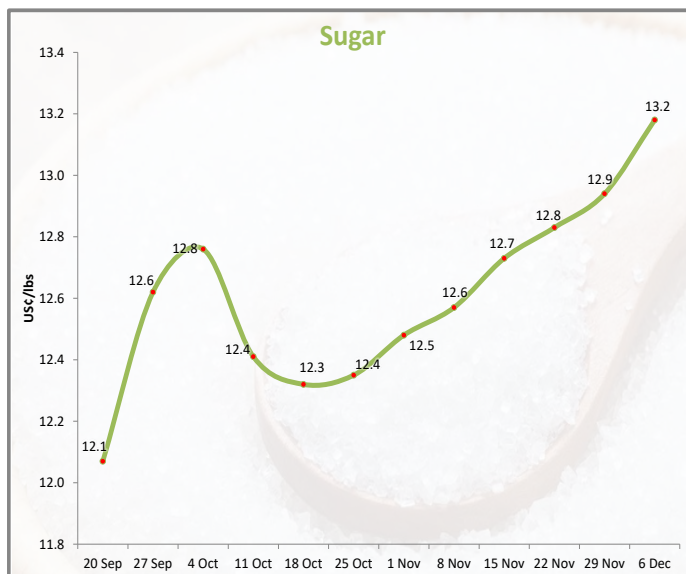
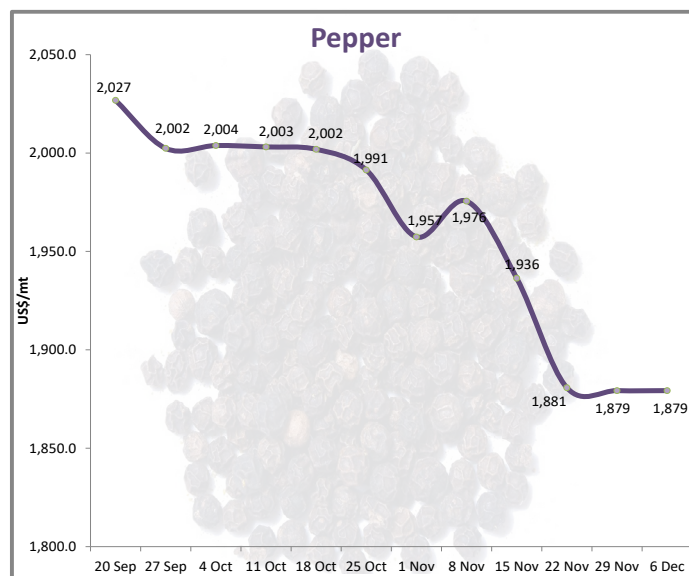
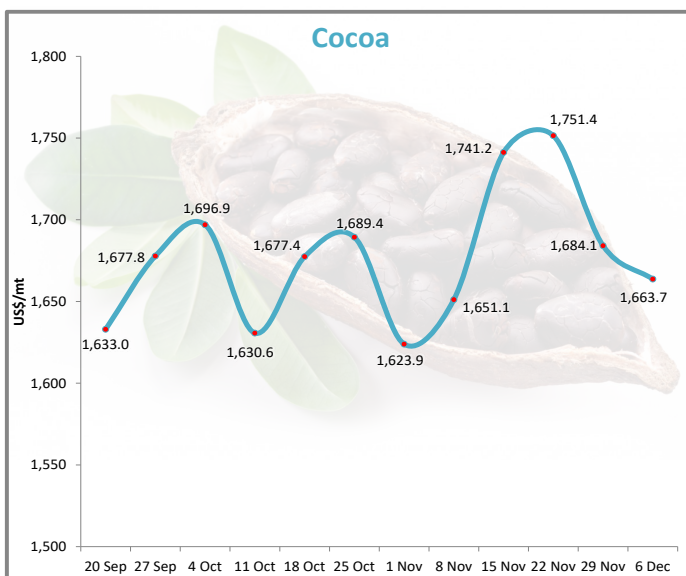
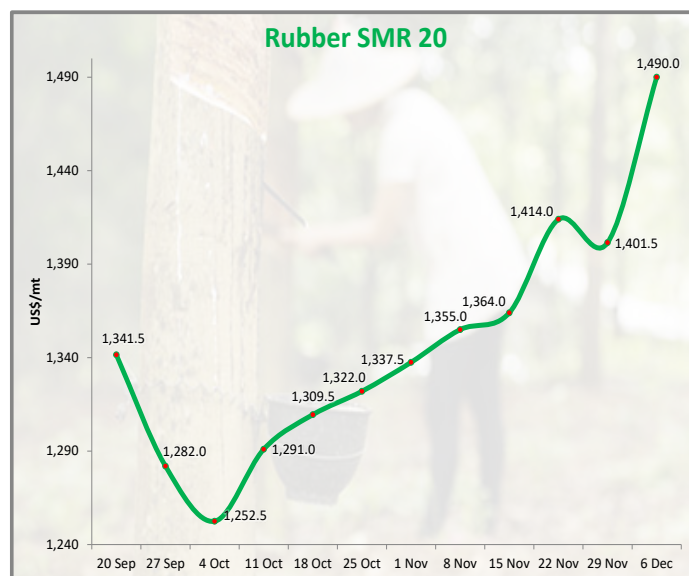
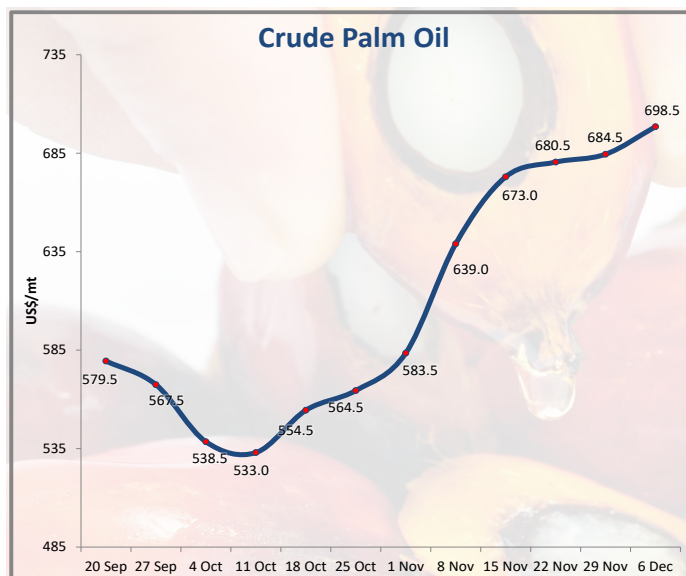
Notes: All figures have been rounded to the nearest decimal point

* 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.

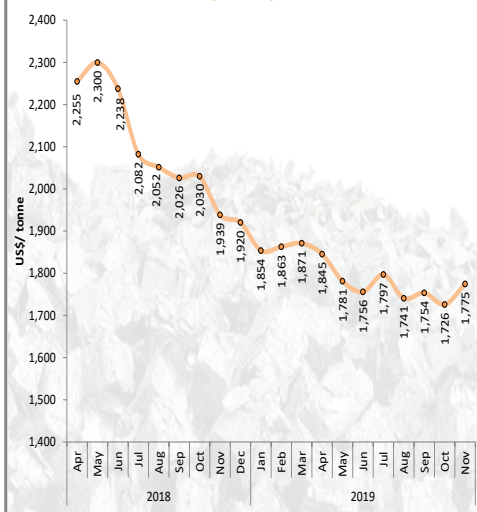
Commodity Price Trends



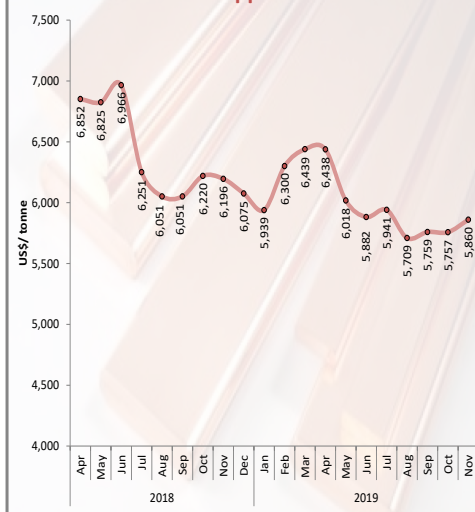
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends

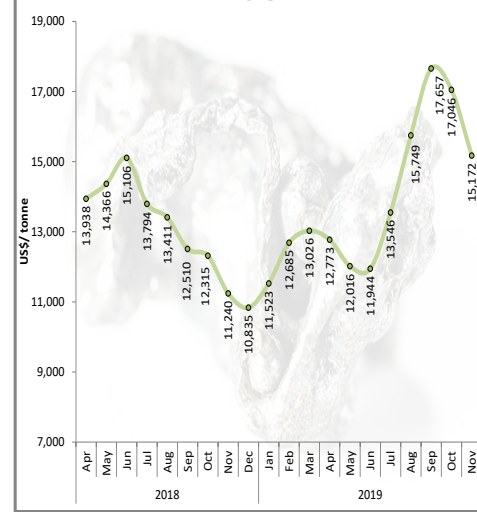
Aluminium



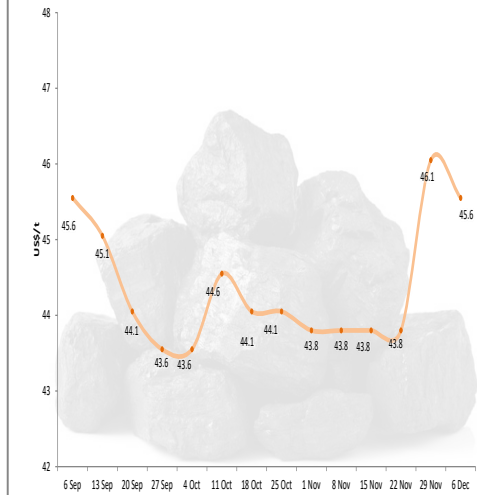
Copper



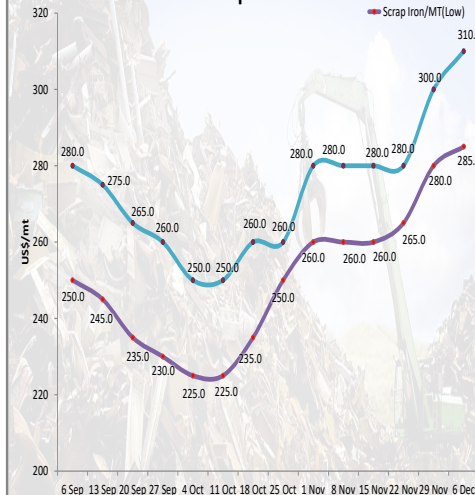
Nickel



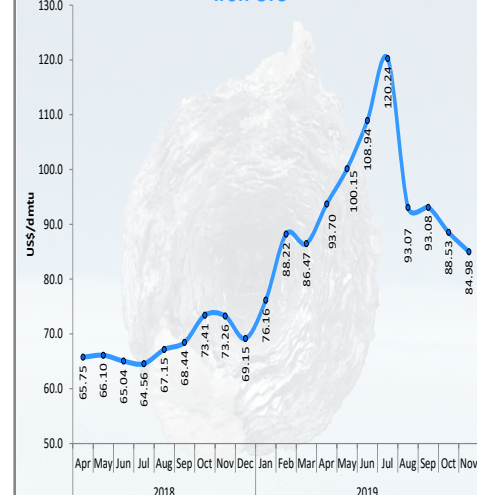
Coal



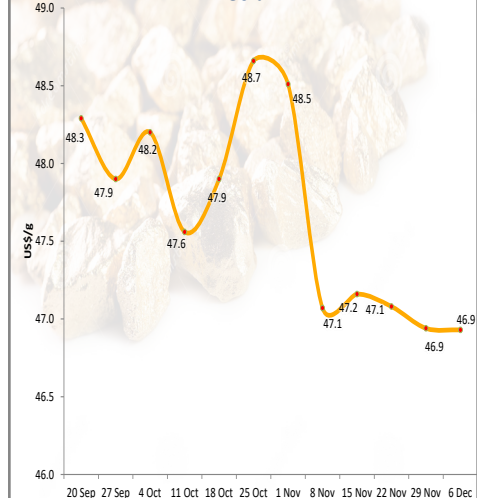
Scrap Iron



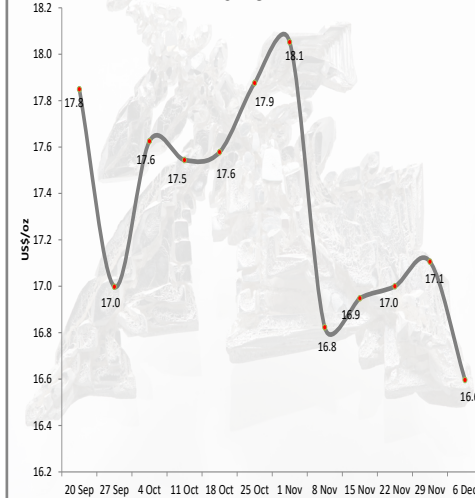
Iron Ore



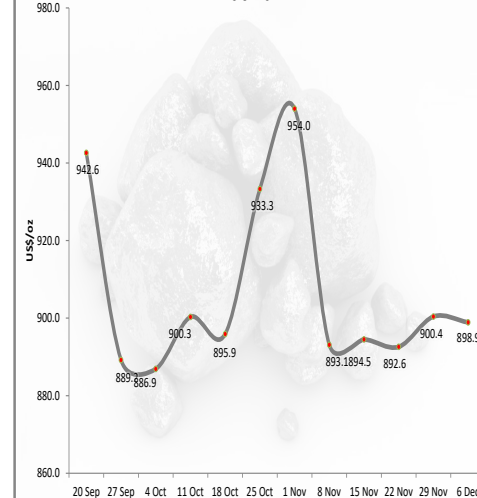
Gold



Silver



Platinum



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 launched the SHARP Smart Connected 2020 Conference 3 December 2019



APEC 2020 officially launched by YAB Prime Minister with the theme of 'Optimising Human Potential Towards a Future of Shared Prosperity' at Cyberjaya 4 December 2019



MITI Deputy Minister visited Mega Fortris 4 December 2019



e-Commerce Day 2019

9-10 December 2019



MITI PROGRAMMES



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 KECEMERLANGAN INDUSTRI (AKI) 2019/2020

NOMINATIONS OPENING SOON




For more information, kindly click the following links:
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**RMK-11 HIGH VALUE ADDED AND
COMPLEX PRODUCT DEVELOPMENT
PROGRAMME**

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

For more information, kindly click the following links:
<http://www.miti.gov.my/index.php/pages/view/4761>



**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://bit.ly/2MyIPFt>



MITI POCKET TALK
A SERIES OF SESSION FOR THE PRIVATE SECTOR

When? Once a month

Where? MITI Tower Kuala Lumpur or
MITI Regional Offices

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

Introduction on
**Preferential
Certificates of
Origin (PCO)**
application procedures



For information, kindly click <https://fta.miti.gov.my/index.php/pages/view/69?mid=27>

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SUSAN ANAK BELAYONG

SENIOR
ADMINISTRATIVE
ASST.

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NAZARUDDIN KAMALUDIN

ADMINISTRATIVE ASST.



RAFIDAH AGUS



TIJAH HASBI



RICKO BENEDIC



AMIN ANIS



ROGAYAH LIHI



ANGELA WONG CHEW LING



VOON FUI CHIN



MARY NGU FIN LANG

SENIOR ADMINISTRATIVE
ASST. (FINANCE)

IRWAN ABDULLAH

OPERATIONAL
ASST.

AMAT TENI



MUHAMMAD NAZRI MORNI KADRI

DRIVER



FIASAL YUS

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 downloaded from Gallery of Malaysian Government Mobile APPs (GAMMA) at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>

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suggestions



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