



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

Weekly BULLETIN

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MALAYSIAN COMPANIES TO LEVERAGE ON OPPORTUNITIES FROM CHINA'S TECHNOLOGICAL RISE

Deputy Minister of International Trade and Industry of Malaysia YB Datuk Lim Ban Hong calls for greater collaboration in the area of high-technologies between Malaysia and China to further strengthen bilateral trade, investment, and economic cooperation. This is crucial in expediting Malaysia's economic recovery due to the COVID-19 pandemic.

This was what Lim shared at a webinar titled "Malaysia2China: Seizing Opportunities in China's Technological Rise" held on 10 December 2020. The webinar was jointly organised by the Ministry of International Trade and Industry Malaysia, its agency, Malaysia External Trade Development Corporation (MATRADE) and in strategic collaboration with the Industrial and Commercial Bank of China (ICBC Malaysia) Berhad.

The webinar was part of the continuous effort to highlight opportunities arising from China's transformation to become a technology powerhouse. During the session, Lim encouraged Malaysian companies particularly from the Electrical & Electronics (E&E) sector to explore business opportunities with not only with advanced companies in conventional 1st Tier cities in China, but also with Small and Medium Enterprises in 2nd and 3rd Tier cities that are hubs of high-technology.

"China has been Malaysia's largest trading partner for 11 consecutive years and Malaysia has also been China's major trading partner among ASEAN member countries. This goes to show the importance of boosting trade relations between the two nations as both are interdependent with one another," Lim noted.

Lim emphasised the strength of Malaysia's E&E industry, which continues to be the main contributor to the national Gross Domestic Product (GDP). In 2019, Malaysia's E&E trade was recorded at RM618.66 billion, with exports amounted to RM373.12 billion or 37.5 per cent of the total export.

For the period of January to October 2020, Malaysia's total trade of E&E has increased by 1 per cent to RM522.7 billion compared to the corresponding period in 2019 despite the unprecedented challenges faced due the pandemic. "Malaysia's E&E landscape is stabilising with strong demands seen for smart manufacturing capabilities, automation and technological innovations. This high demand will definitely be a catalyst to support the government's policy to increase the adoption of Industry 4.0 technologies," Lim said.

Malaysia's E&E industry plays a critical role in the country's economic recovery and re-growth, following the pandemic. Lim also highlighted on Malaysia's strength in the E&E industry, as well as the country's tremendous potential to become the regional hub for advanced technology, in view of its business ecosystem and infrastructure, availability of local supply chain and talent, as well as having more than 35 years of experience in this industry.

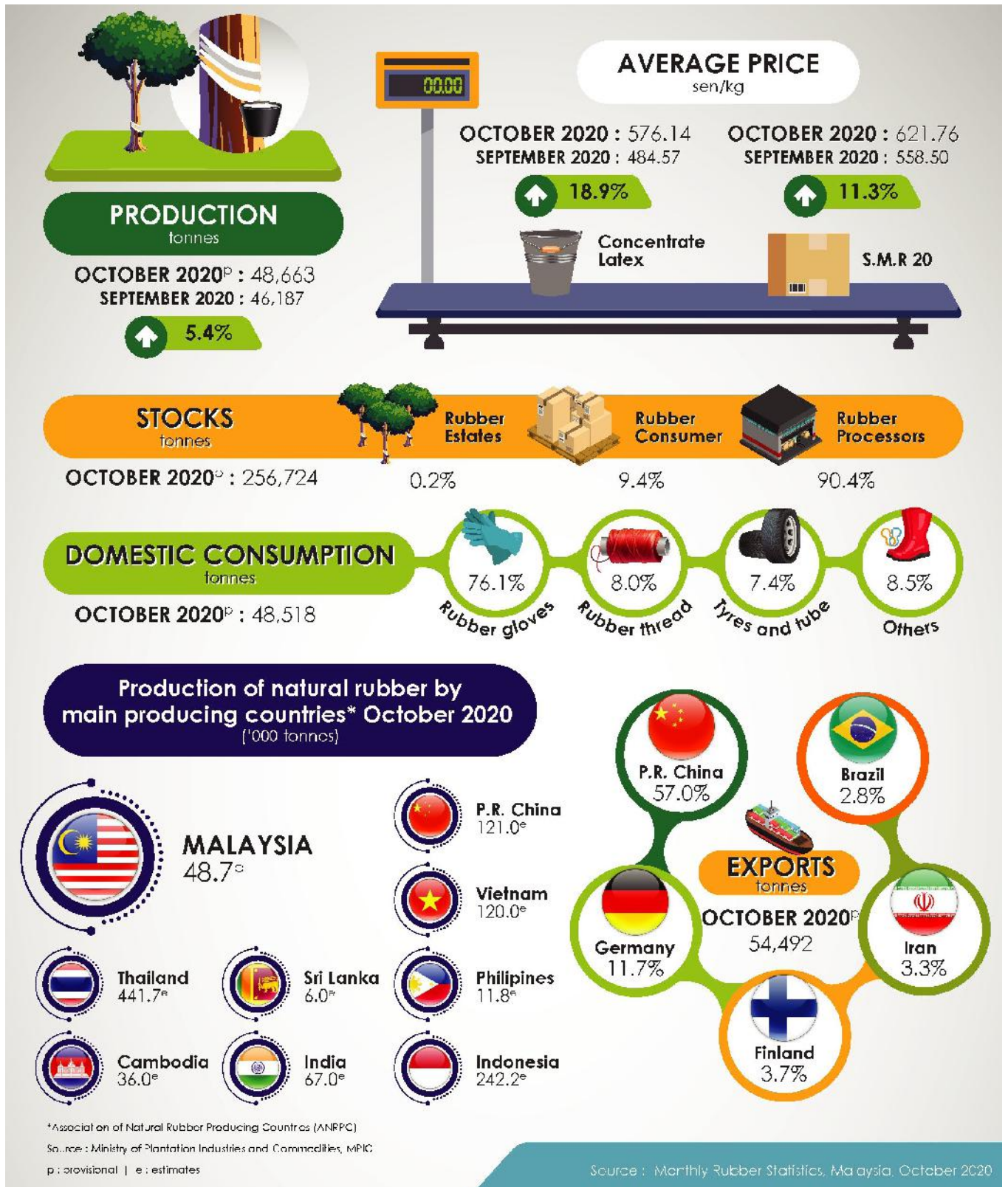
Malaysia and China can enhance its collaboration in the high-value industry and this will promote Malaysia's effort to move towards becoming a knowledge-intensive and high-end products & services hub.

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY (MITI)

17 DECEMBER 2020

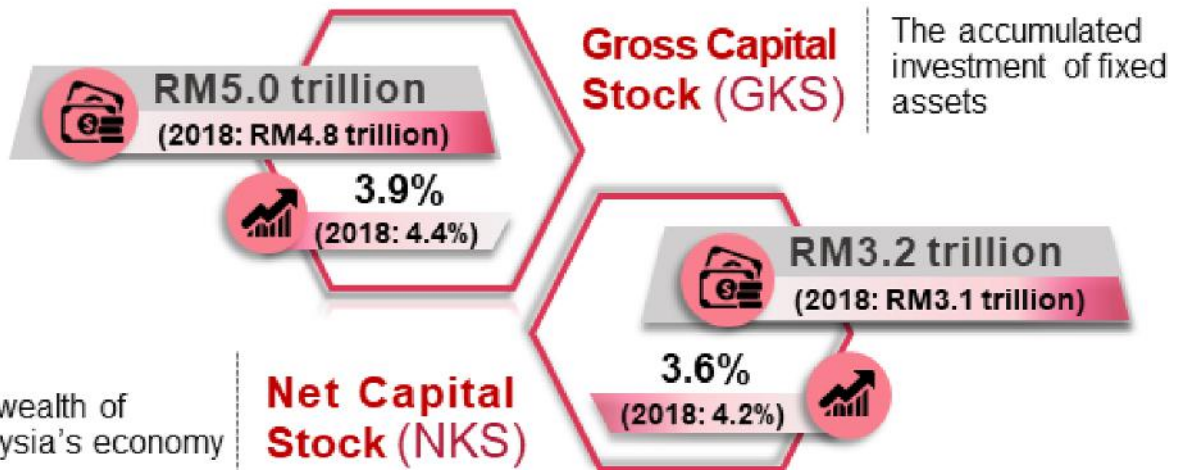
RUBBER STATISTICS, OCTOBER 2020

Malaysia's natural rubber production in October 2020 amounted 48,663 tonnes, increased 0.3 per cent as compared to 48,528 tonnes in October 2019 and showed an increase of 5.4 per cent from last month. Smallholdings sector was the main contributor to the natural rubber production of 89.4 per cent. Production of estate increased by 8.2 per cent meanwhile production of smallholder sectors decreased by 0.6 per cent as compared to October 2019.

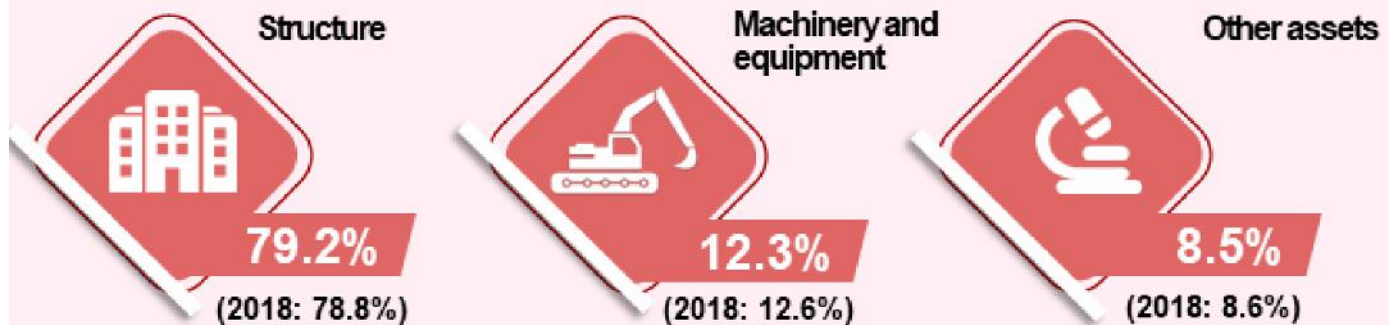


Source : Monthly Rubber Statistics, Malaysia, October 2020

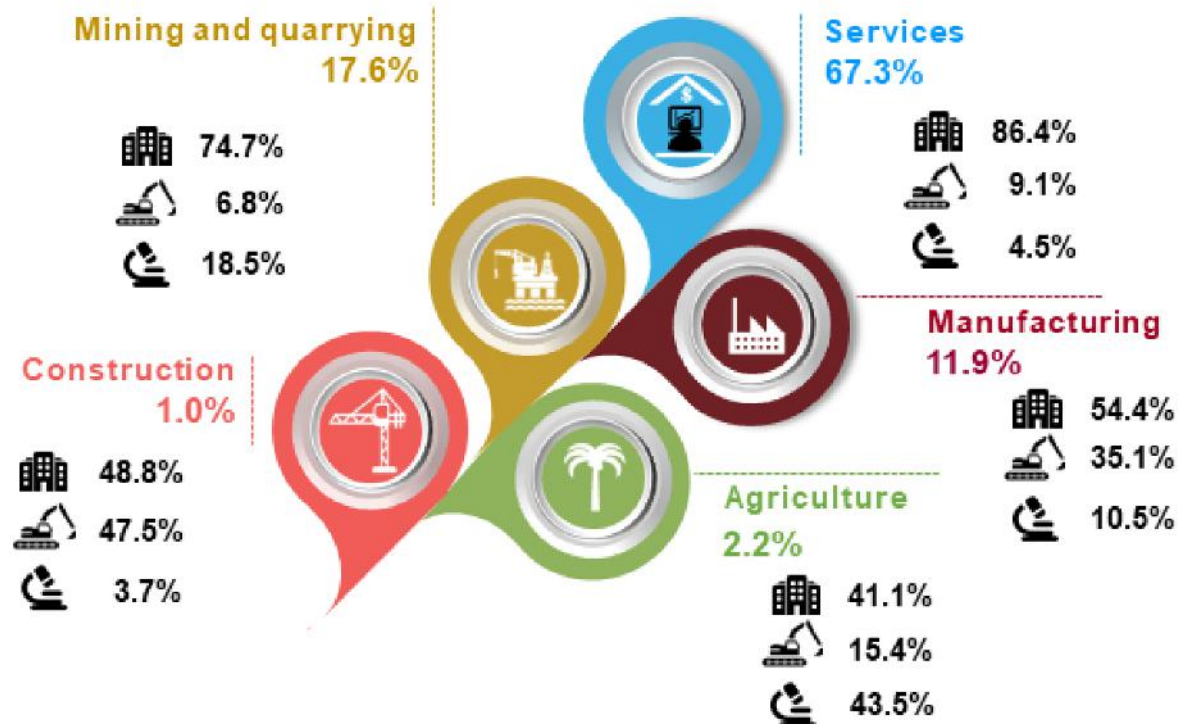
CAPITAL STOCK STATISTICS, 2019



Share of NKS by type of assets, 2019



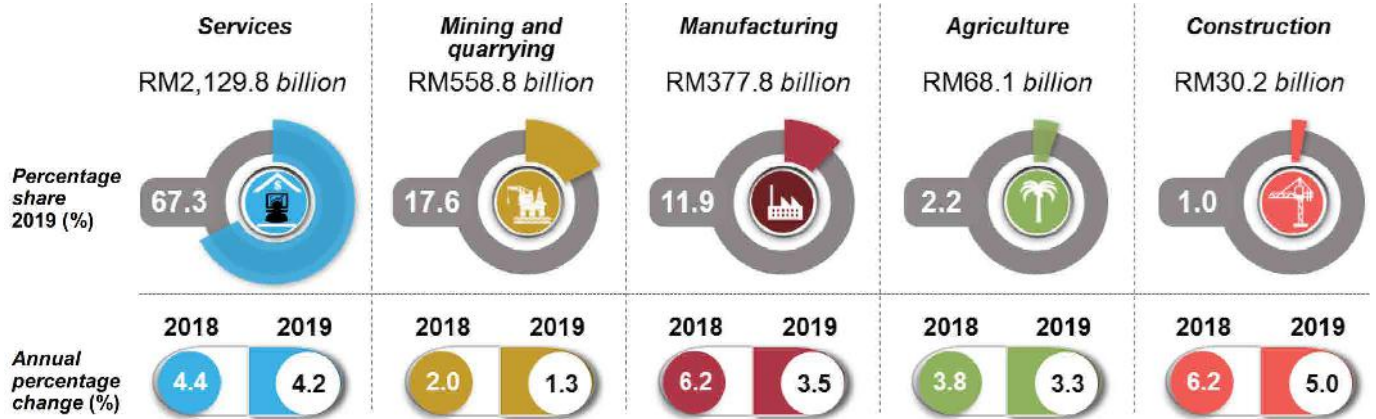
Share of NKS by kind of economic activity and type of assets, 2019



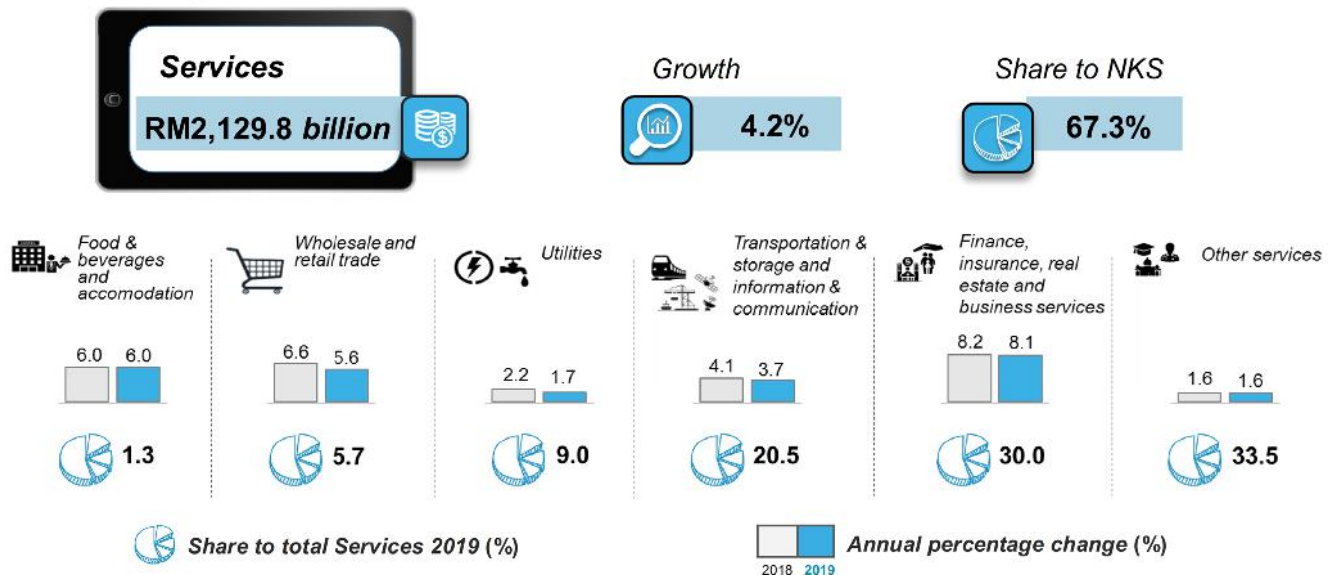
Source: Department of Statistics, Malaysia

NET CAPITAL STOCK (NKS)*, 2019

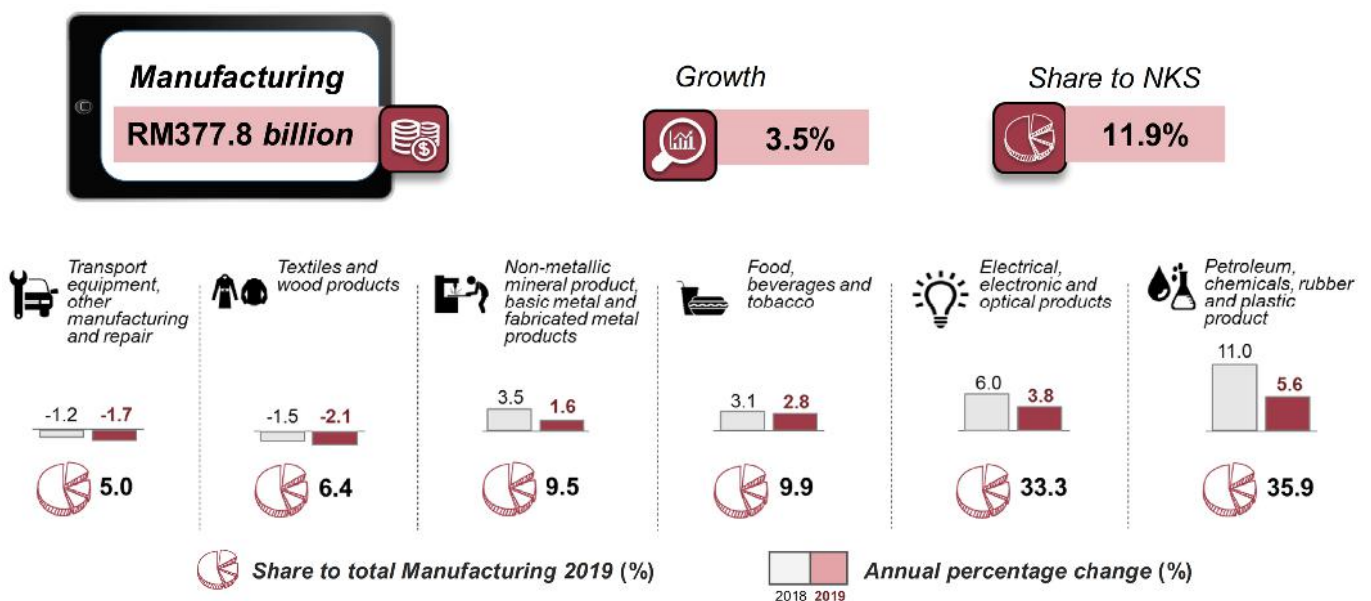
NKS BY ACTIVITY ECONOMY



NKS BY SERVICES ACTIVITY



NKS BY MANUFACTURING ACTIVITY



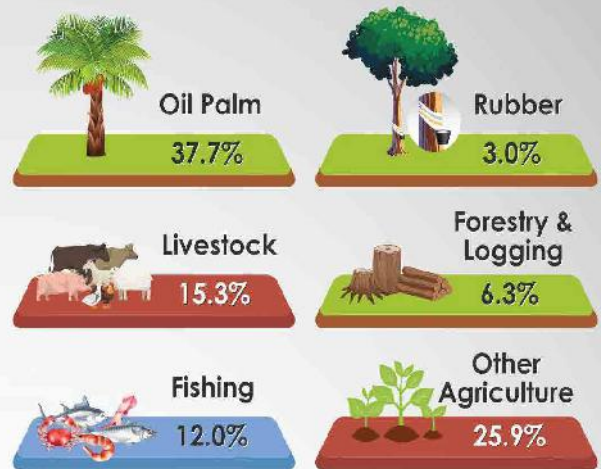
* 2015 constant price

Source: Department of Statistics, Malaysia

AGRICULTURE INDICATORS, 2019

GDP 2019 – PERCENTAGE SHARE BY KIND OF ECONOMIC ACTIVITY (CONSTANT 2015 PRICES)

GDP 2019^p : RM 1,421.5 billion



Source: Annual Gross Domestic Product 2015-2019

EXTERNAL TRADE IN AGRICULTURE SECTOR



Source: Ministry of Agriculture and Food Industries

PRODUCTION OF SELECTED CROPS



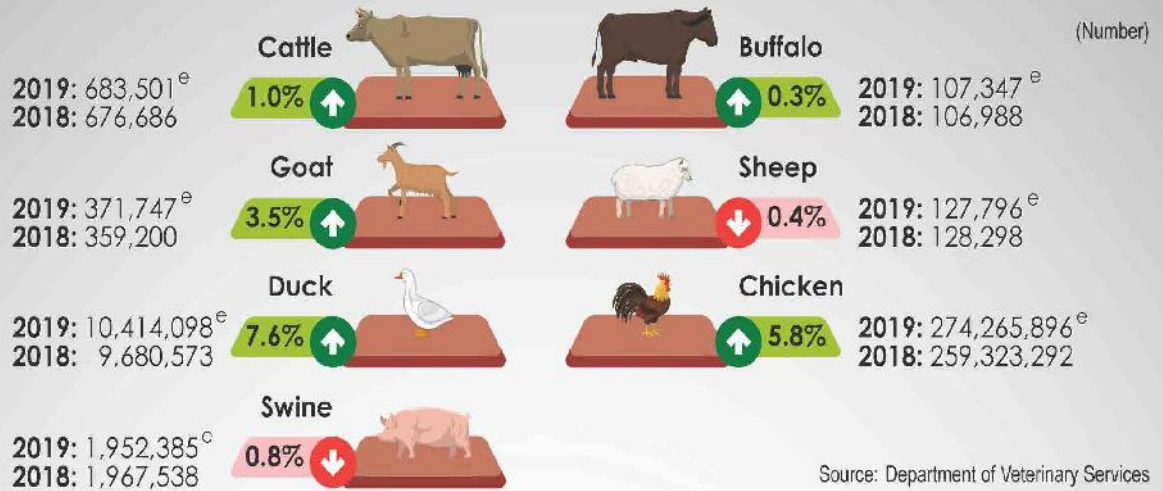
Source: Department of Agriculture Malaysia, Malaysian Palm Oil Board, Malaysian Cocoa Board, Malaysian Pepper Board and National Kenaf and Tobacco Board

p = preliminary e = estimates r = revised

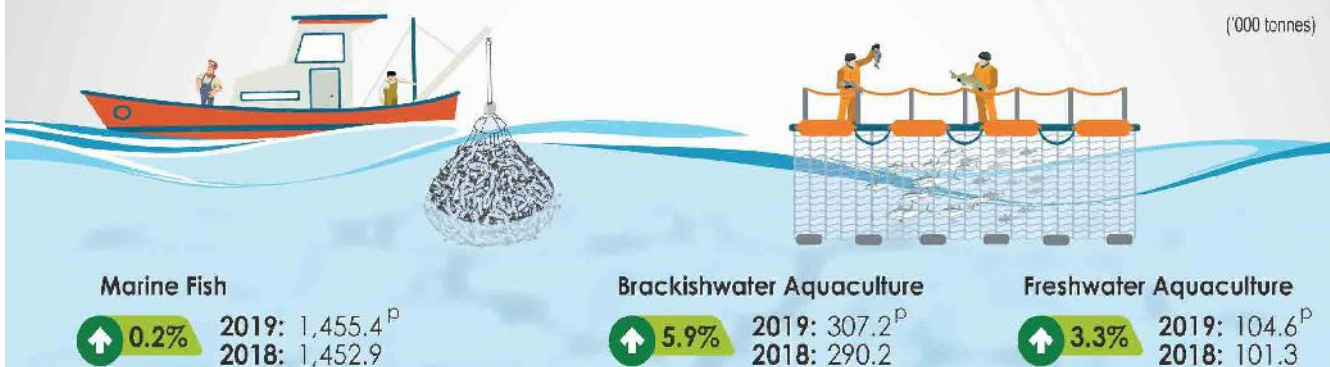
Source: Selected Agricultural Indicators, Malaysia, 2020 Department of Statistics Malaysia

AGRICULTURAL INDICATORS, 2019 (cont'd)

NUMBER OF LIVESTOCK



MARINE FISH LANDING AND PRODUCTION OF AQUACULTURE



EMPLOYED PERSONS IN THE AGRICULTURE SECTOR



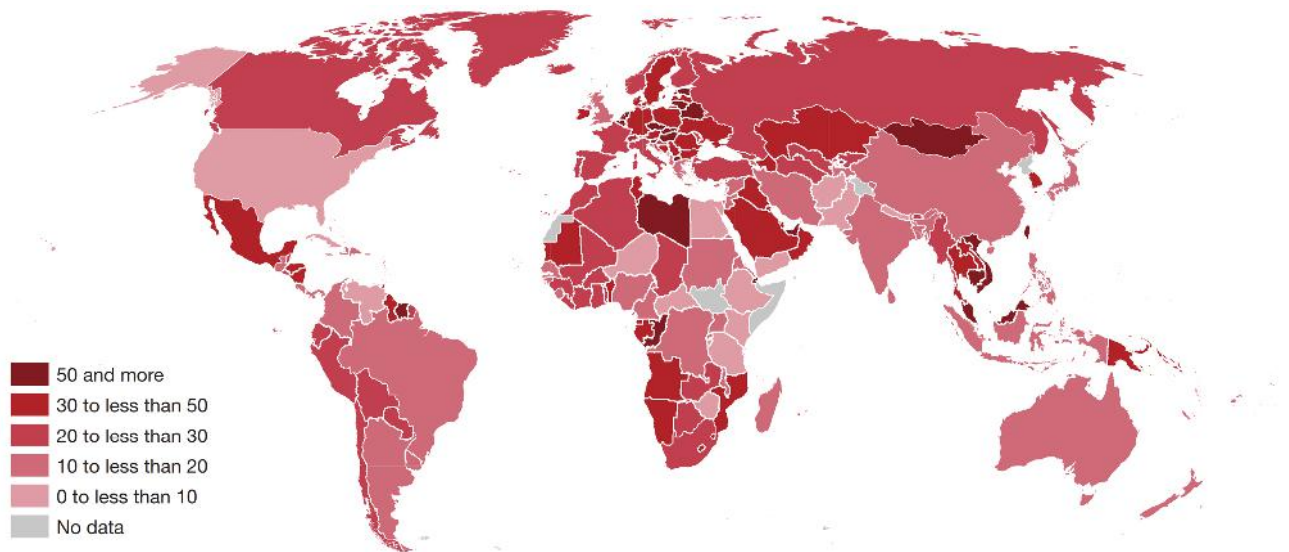
Source: Labour Force Survey, Malaysia, 2019

p = preliminary e = estimates

Source: Selected Agricultural Indicators, Malaysia, 2020 Department of Statistics Malaysia

INTERNATIONAL MERCHANDISE TRADE, 2019

Merchandise exports as per cent of GDP, 2019



In 2019, the value of world merchandise trade declined by 2.8 per cent, after two consecutive years of increase. Global exports amounted to US\$18.9 trillion. In light of COVID-19, quarter two of 2020 saw a precipitous decline, before being nowcast to rebound somewhat in quarter three. Despite this recovery, a year-on-year decrease of 11.9 per cent is nowcast for the third quarter of 2020.

Main world import flows, 2019 (USD Billion)

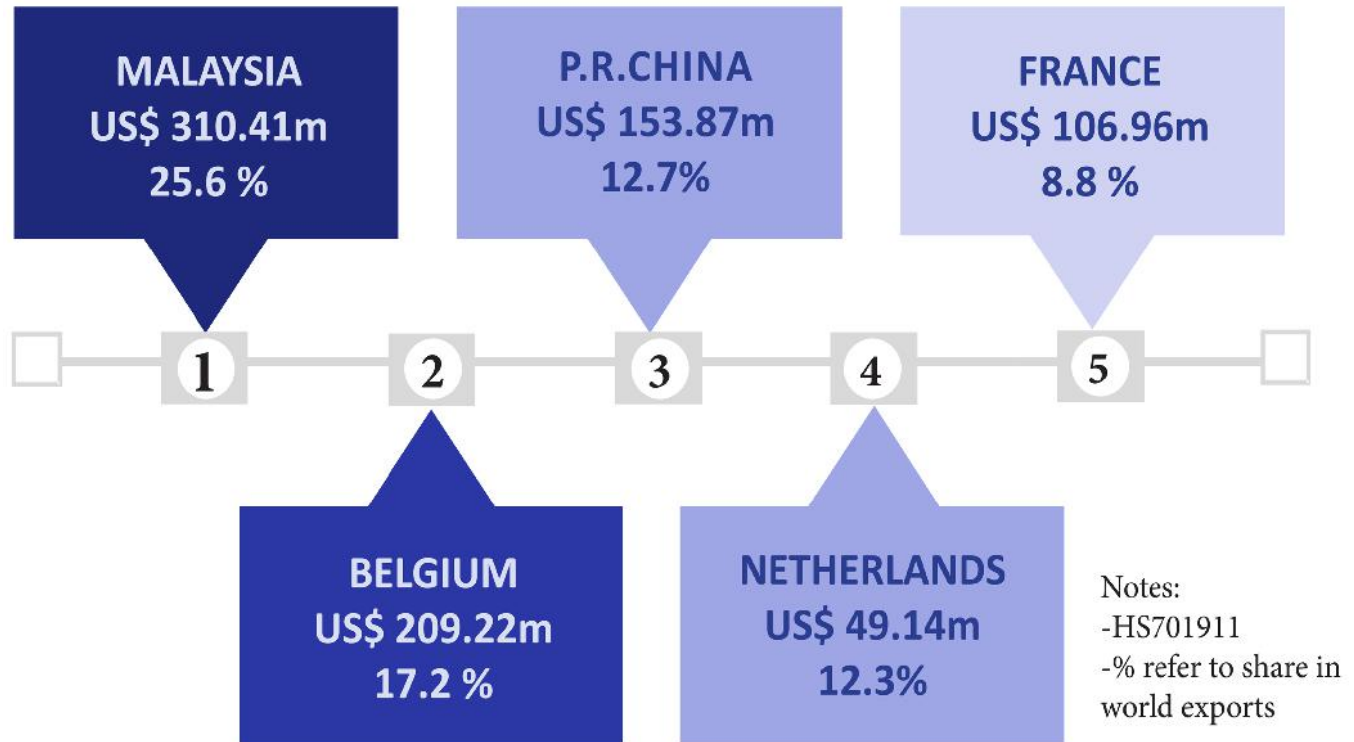


The world's largest bilateral flows of merchandise trade run between China and the United States of America, and between their respective neighbouring economies. In 2019, goods worth US\$472 billion were imported by the United States from China. Goods worth US\$132 billion also travelled in the opposite direction. China's trade – exports and imports – with Hong Kong Special Administrative Region (SAR), Japan, Taiwan Province of China, and the Republic of Korea totalled US\$1.16 trillion. The United States' trade with Mexico and Canada was worth about the same amount (US\$1.12 trillion).

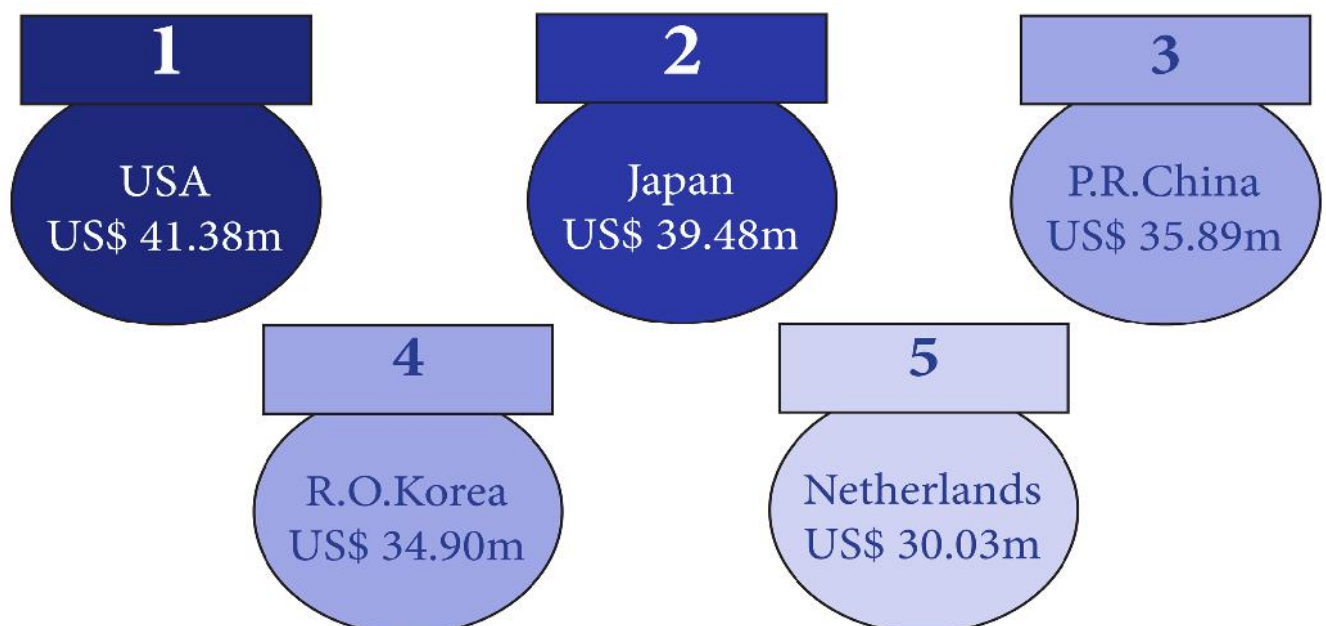
Source: UNCTAD Handbook of Statistics 2020

WORLD LARGEST EXPORTER OF GLASS FIBRE THREADS “CHOPPED STRANDS”, CUT INTO LENGTHS ≤ 50 MM

In 2019, Malaysia's export of Glass fibre threads “chopped strands”, cut into lengths ≤ 50 mm recorded US\$ 310.41 million which was 23.3% share of the world exports.



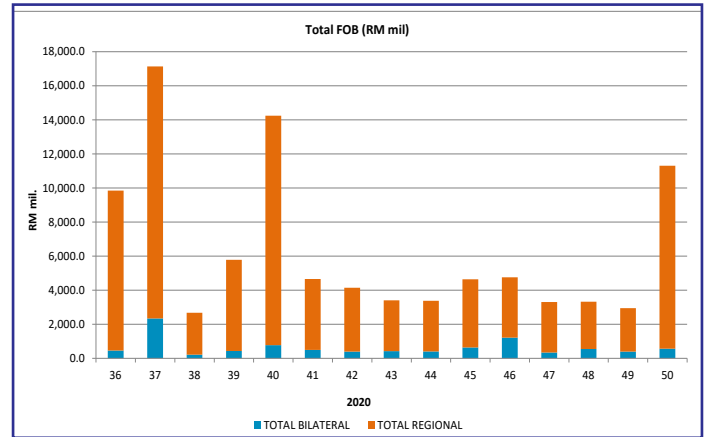
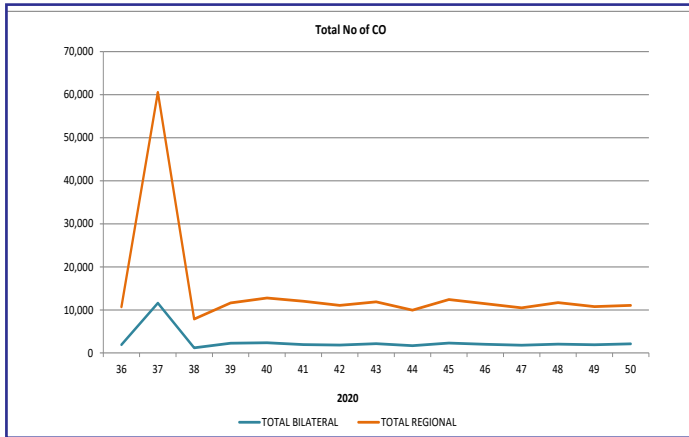
MALAYSIA'S TOP FIVE EXPORT DESTINATIONS



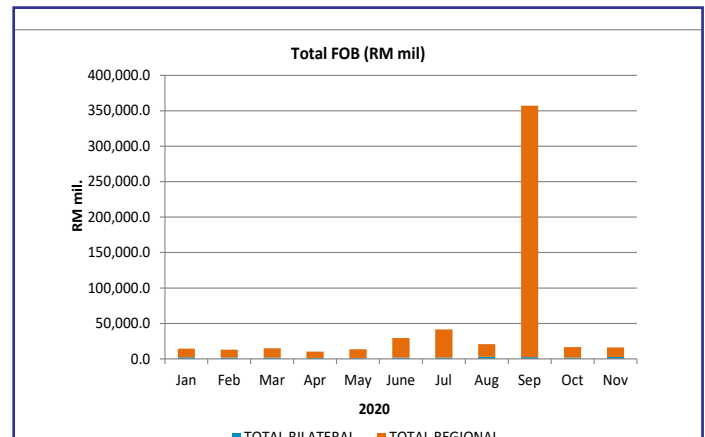
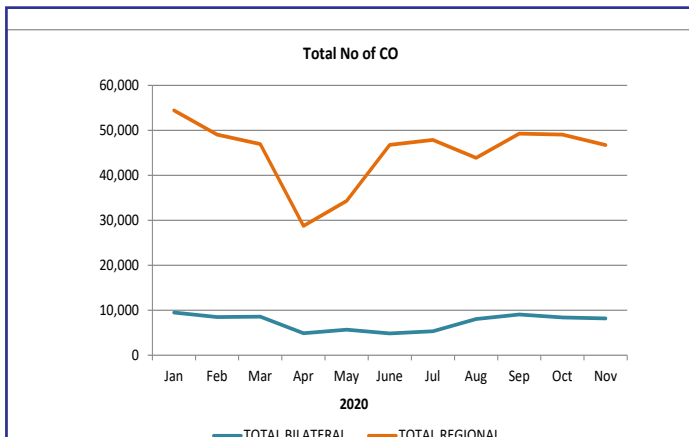
Source: <https://www.trademap.org/index.aspx>

Number and FOB Value of PCO as at 13 December 2020 Weekly / Monthly / Annually

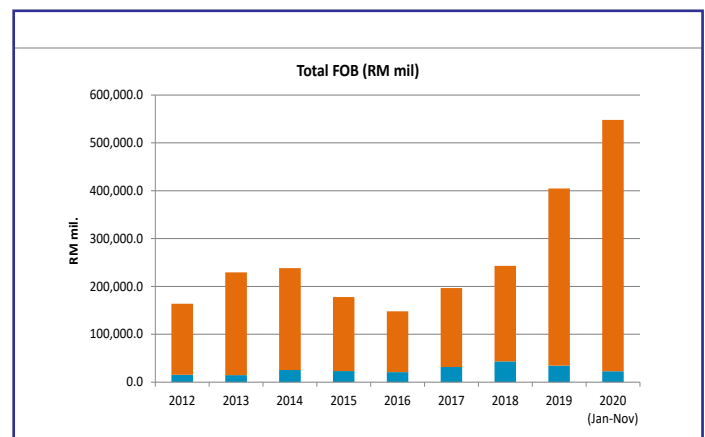
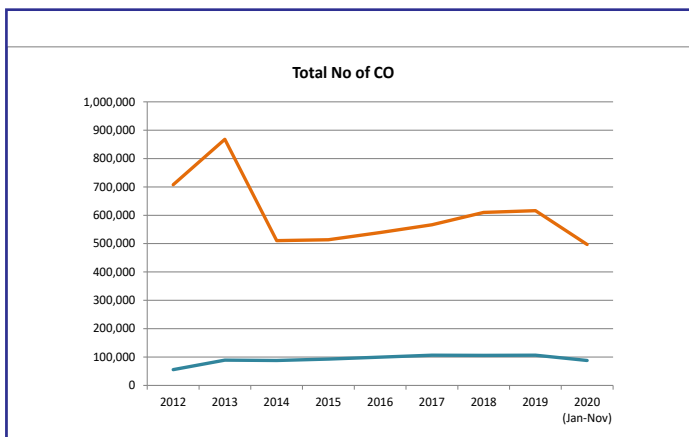
Weekly



Monthly

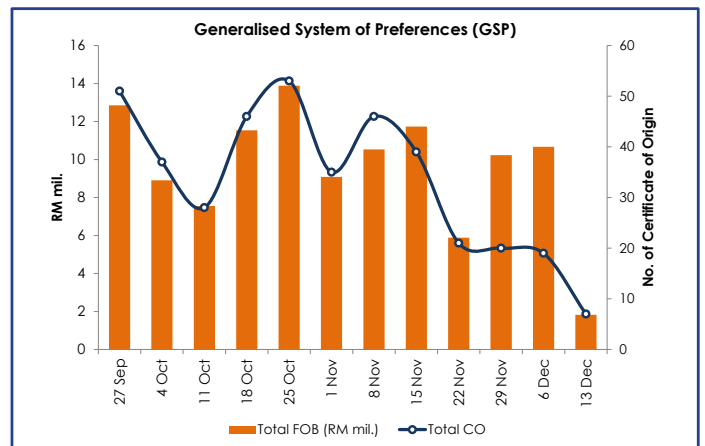
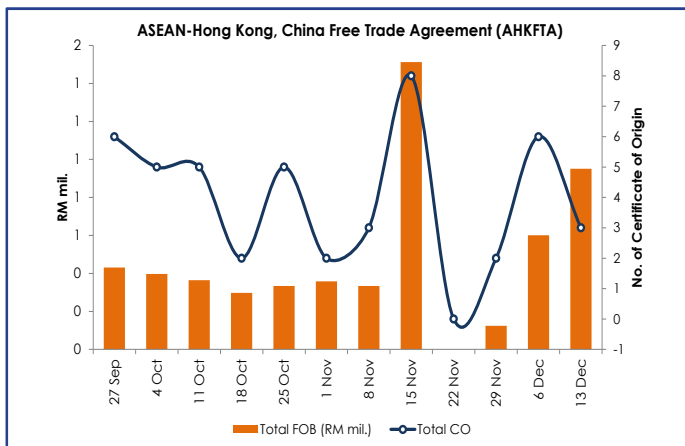
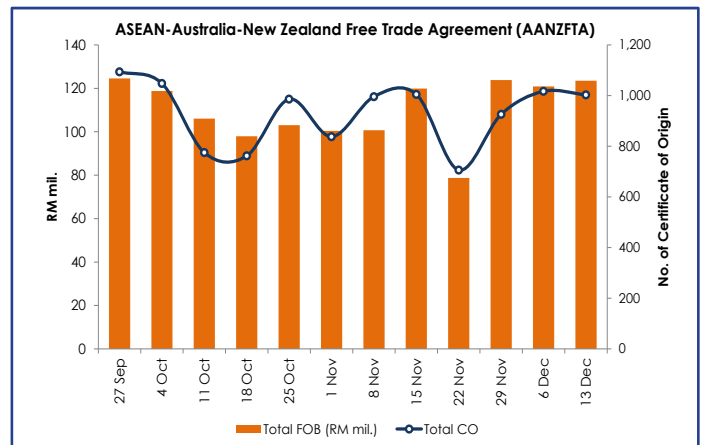
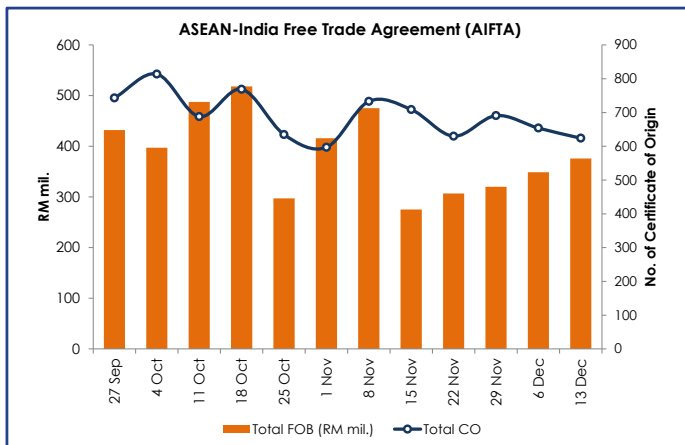
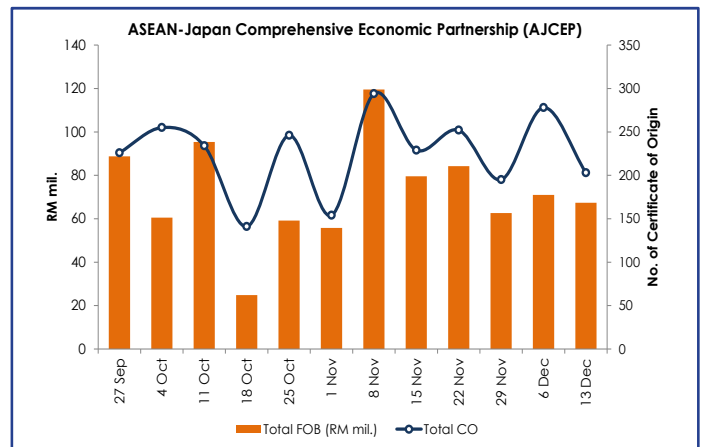
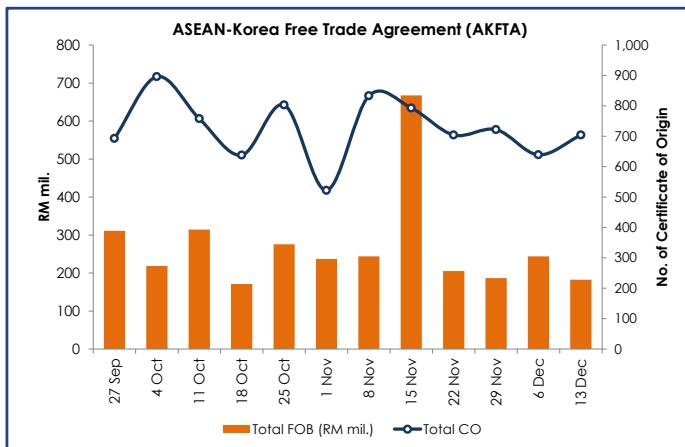
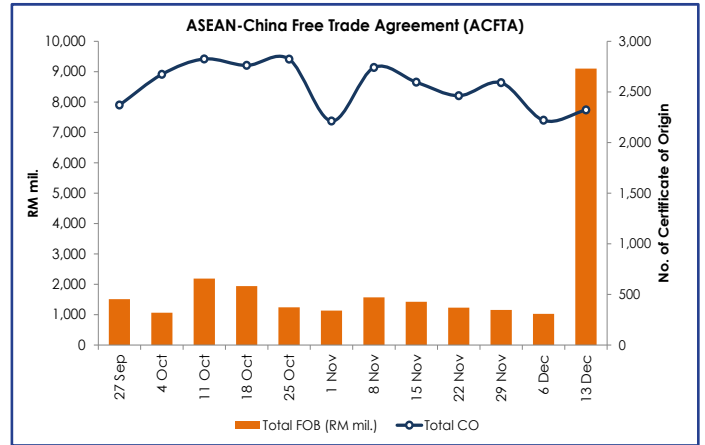
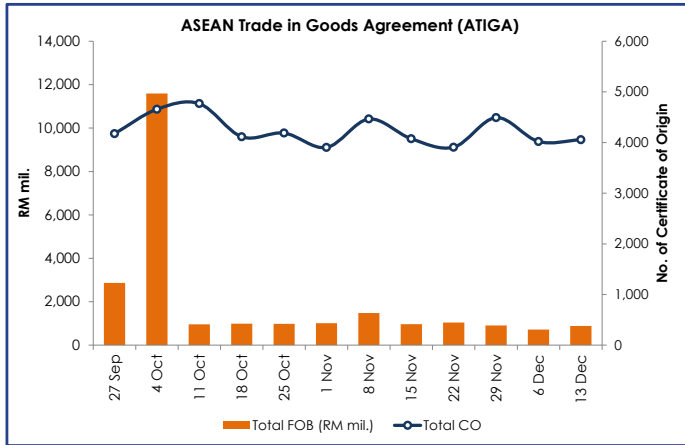


Annually



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

Regional FTA Number and Value of Preferential Certificates of Origin (PCOs)

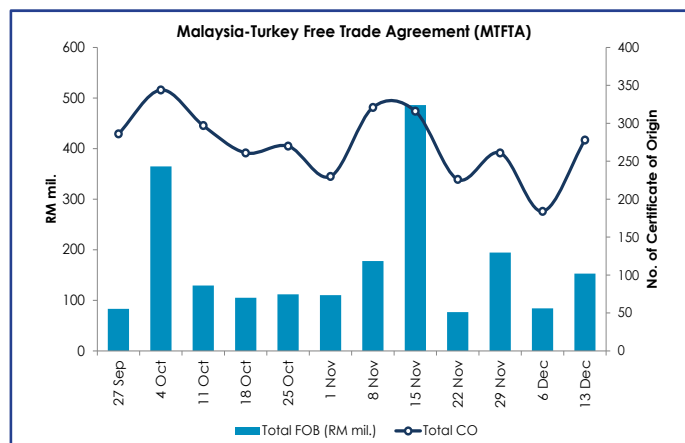
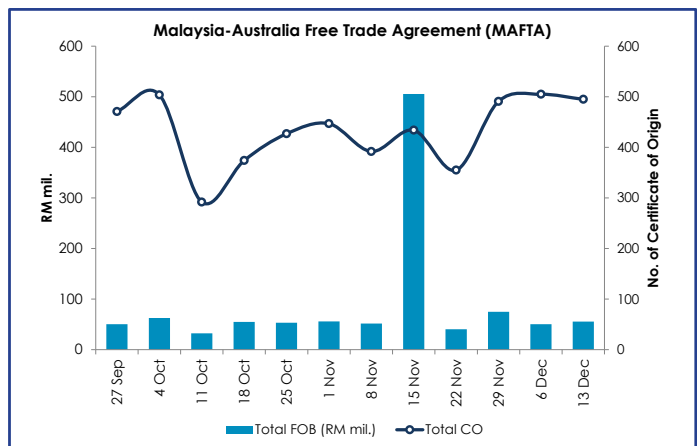
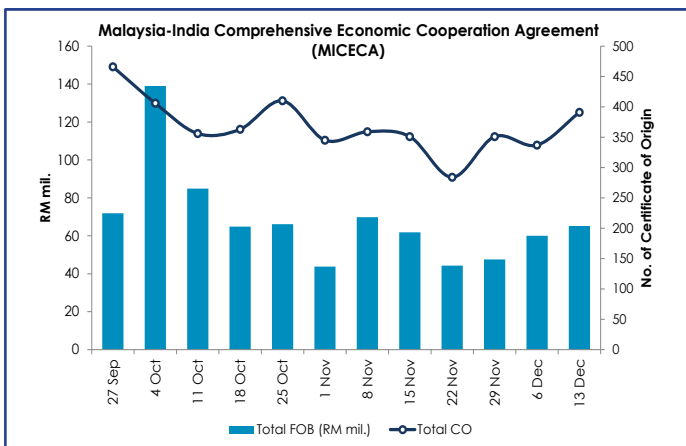
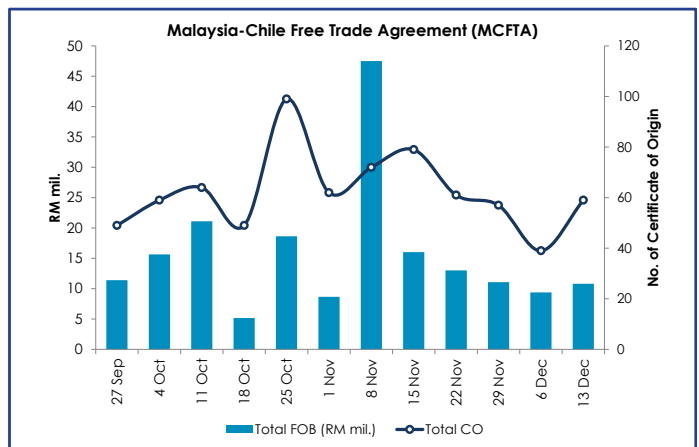
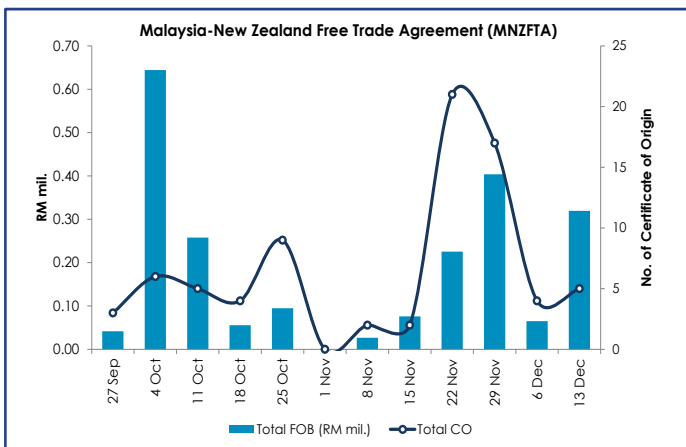
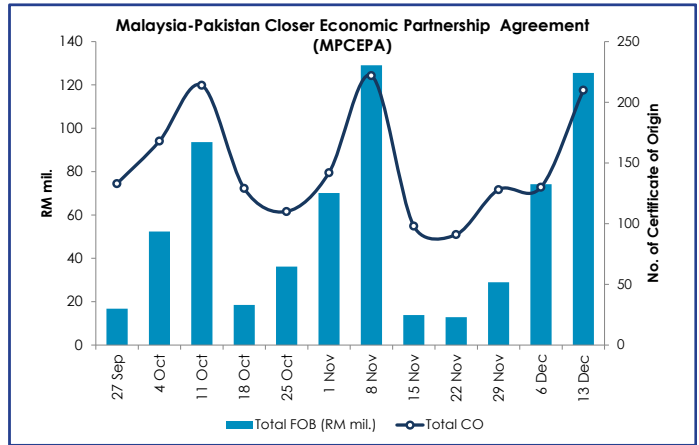
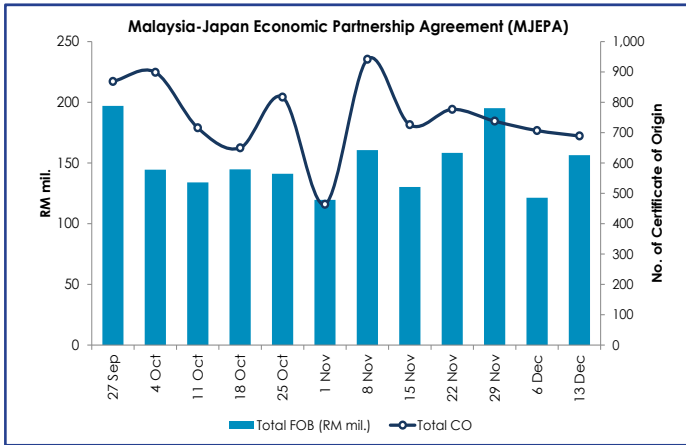


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan, Norway and Cambodia

Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

Bilateral FTA Number and Value of Preferential Certificates of Origin (PCOs)

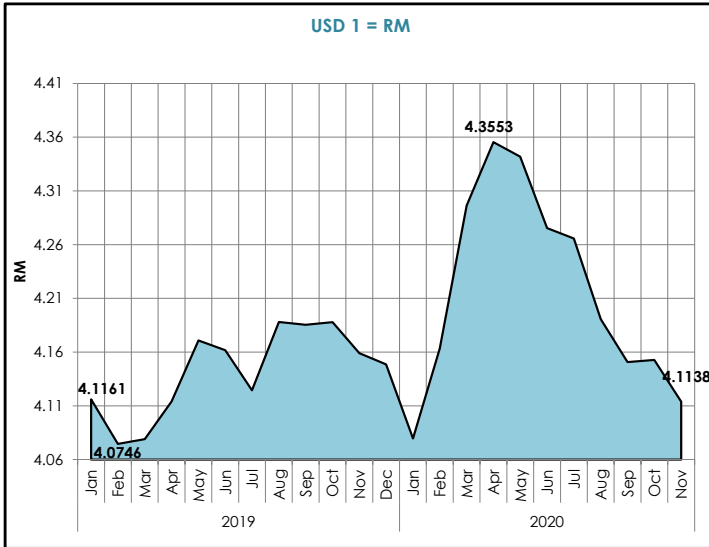


Note: *Provisional Data

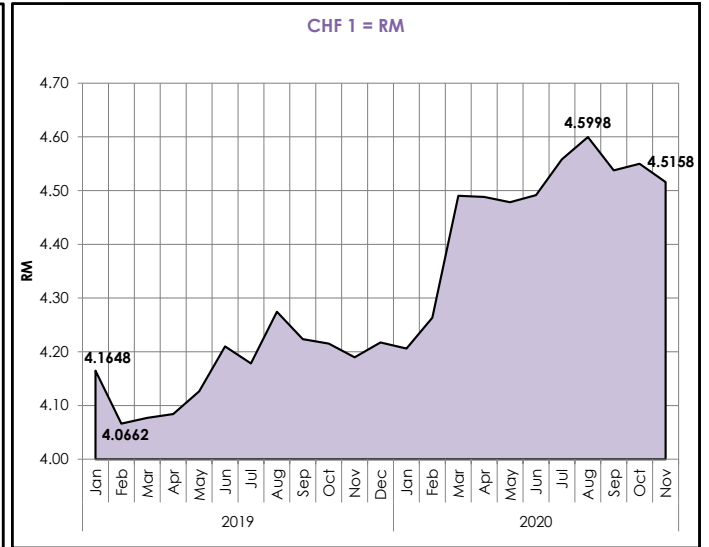
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2019 - November 2020

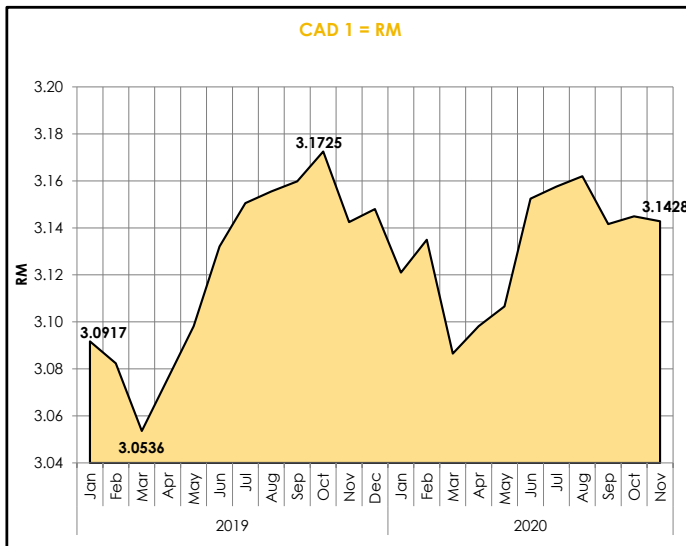
US Dollar



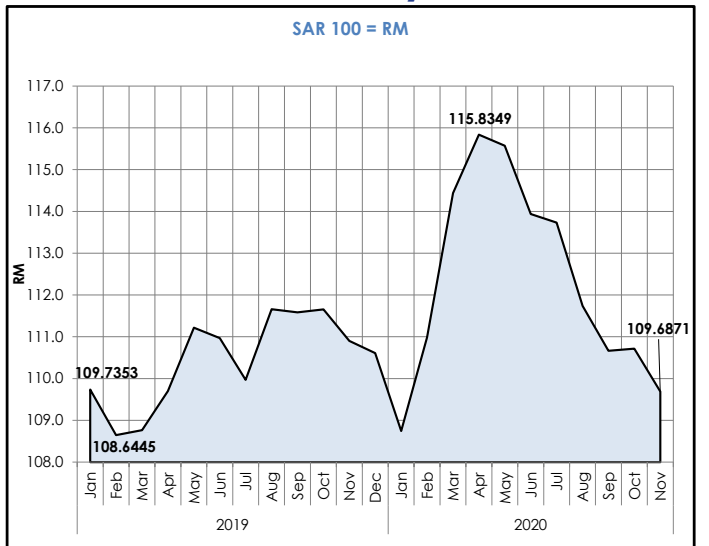
Swiss Franc



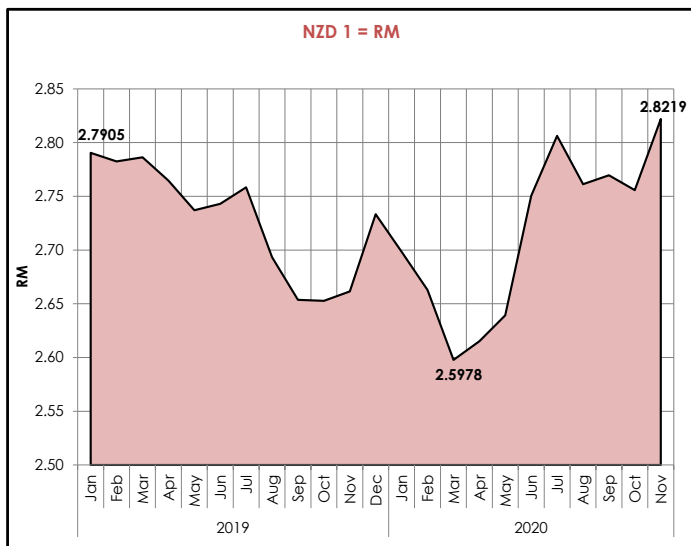
Canadian Dollar



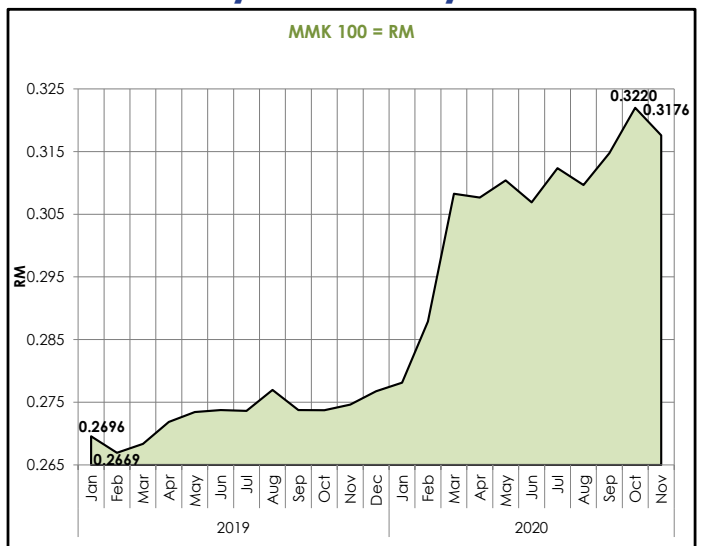
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▲ 4.6%*
US\$52.3
18 Dec 2020

Highest
2019/2020

03 Jan 2020 : US\$68.6
17 May 2019 : US\$72.2

24 Apr 2020 : US\$21.4
09 Aug 2019 : US\$54.5

Lowest
2019/2020

Average Price 2019ⁱ : US\$64.2

CRUDE PALM OIL -per MT-



▼ 0.02%*
US\$903.7
18 Dec 2020

Highest
2019/2020

11 Dec 2020 : US\$903.8
27 Dec 2019 : US\$794.5

8 May 2020 : US\$473.0
26 Jul 2019 : US\$488.5

Lowest
2019/2020

Average Price 2019ⁱ : US\$557.1

RUBBER SMR 20 -per MT-



▲ 3.2%*
US\$1,603.0
18 Dec 2020

Average Price 2019ⁱ : US\$1,414.6

COCOA SMC 2 -per MT-



▼ 3.8%*
US\$1,424.1
18 Dec 2020

Average Price 2019ⁱ : US\$1,592.4

SUGAR -per lbs-

▲ 0.1%*
US\$14.4
18 Dec 2020

Average Price 2019ⁱ : US\$12.4



COAL -per MT-



▲ 1.5%*
US\$66.0
18 Dec 2020

Average Price 2019ⁱ : US\$56.5

SCRAP IRON HMS -per MT-

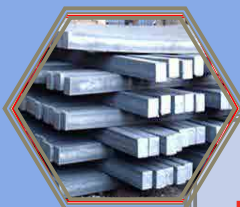


▲ 10.3%*
US\$430.0
(high)
▲ 14.3%*
US\$400.0
(low)
18 Dec 2020

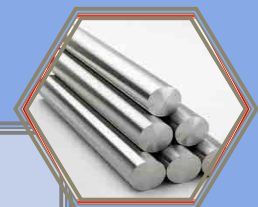
Average Price 2019ⁱ : US\$316.9 (high)
Average Price 2019ⁱ : US\$291.6 (low)

Domestic Prices

18 Dec 2020



Billets
(per MT)
RM2,300- RM2,400

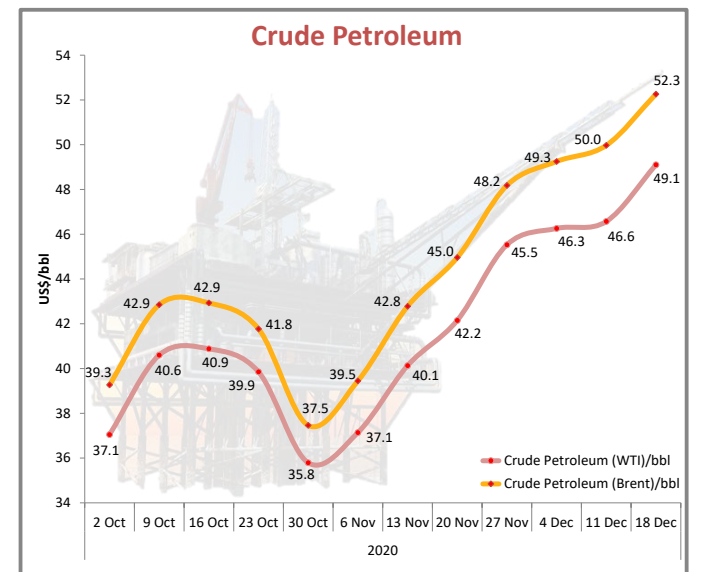
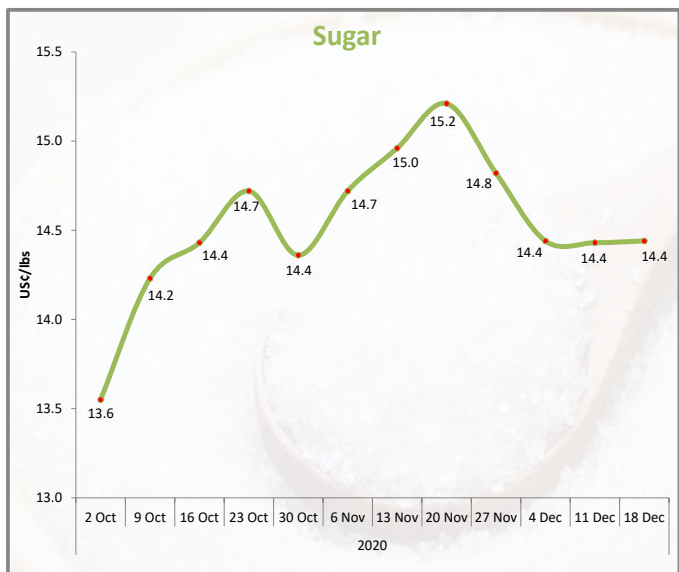
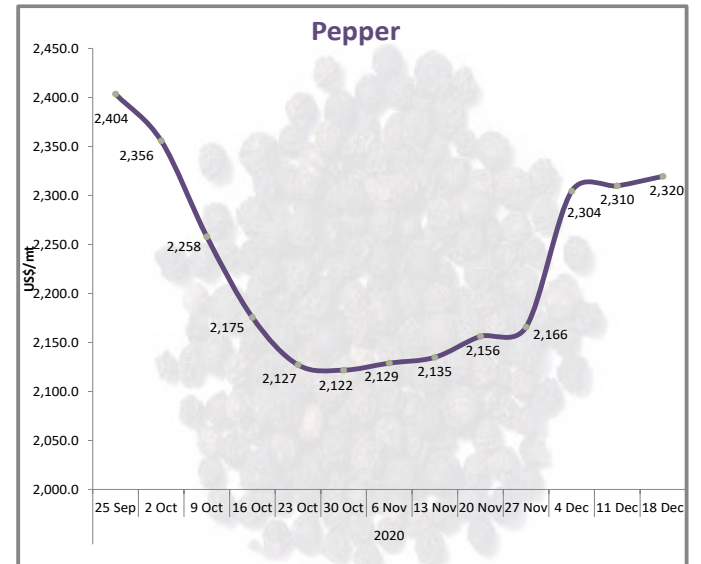
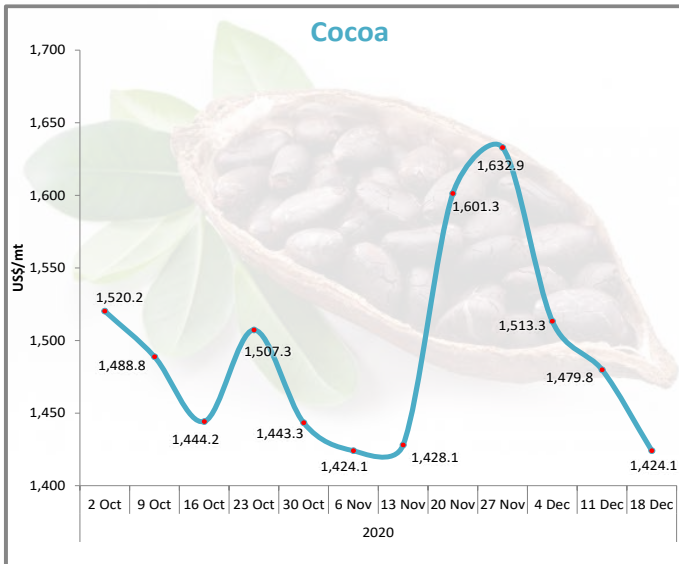
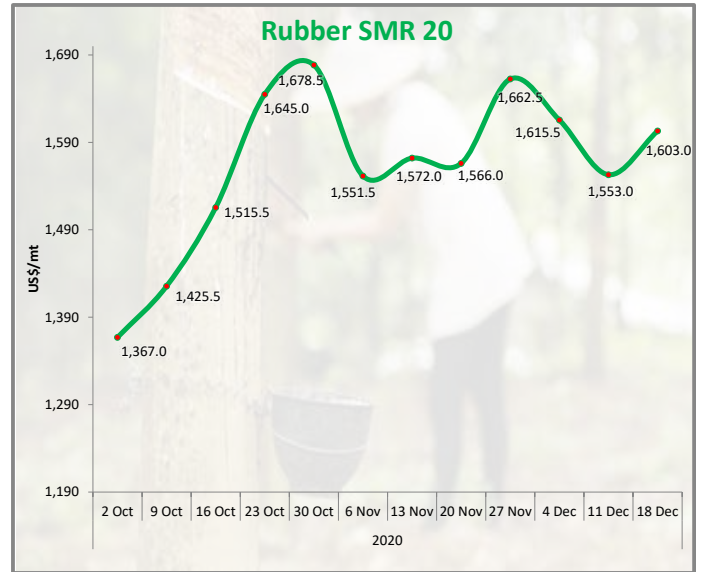
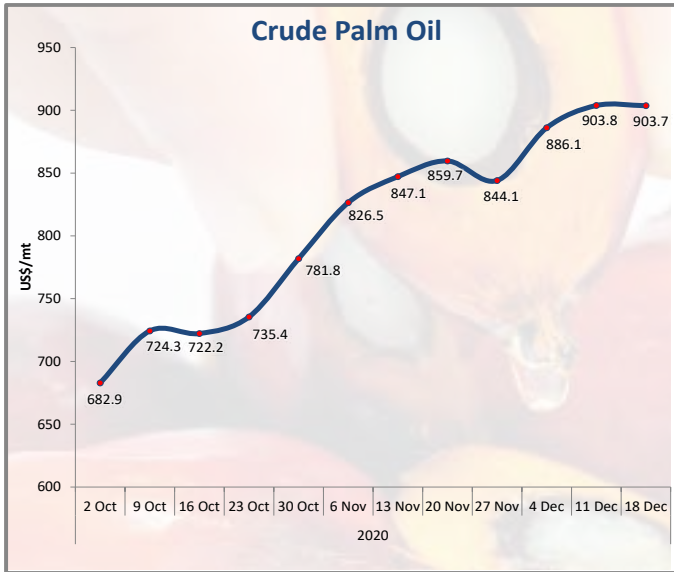


Steel Bars
(per MT)
RM2,300 – RM2,400

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

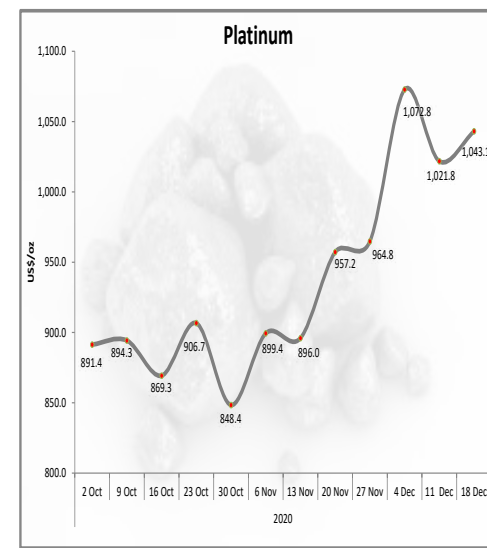
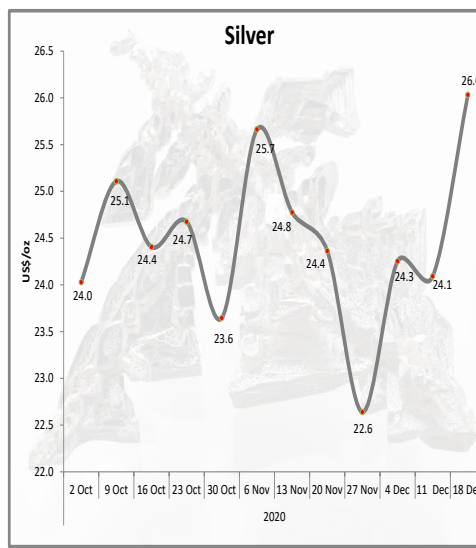
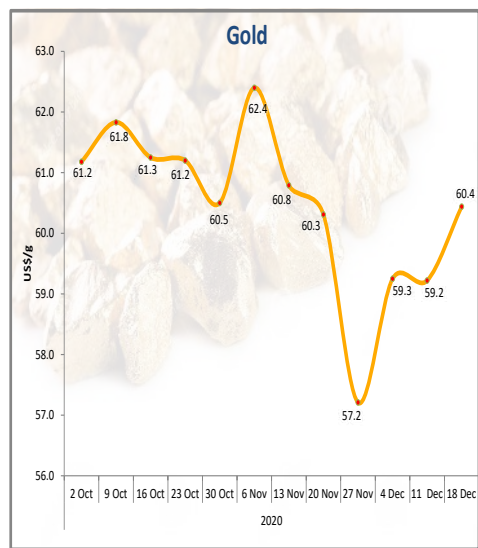
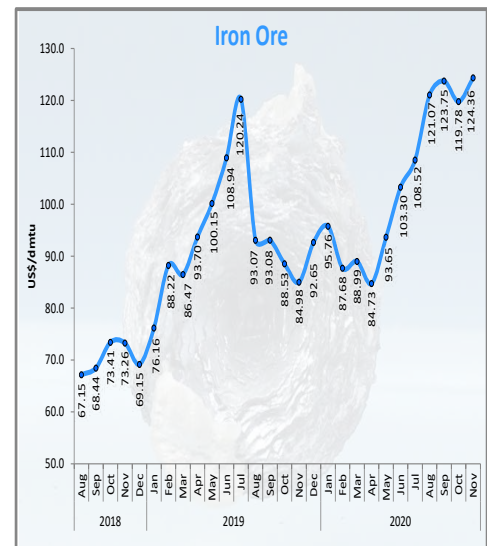
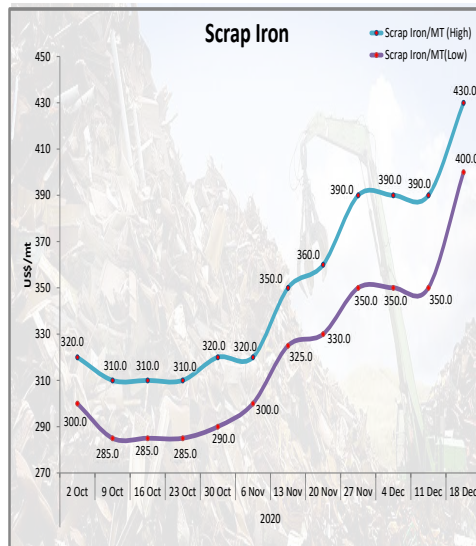
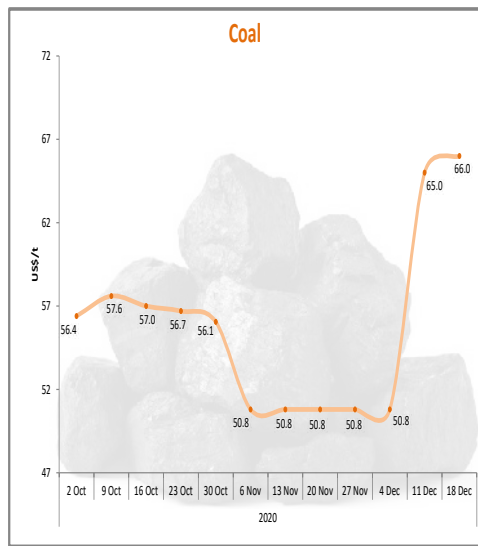
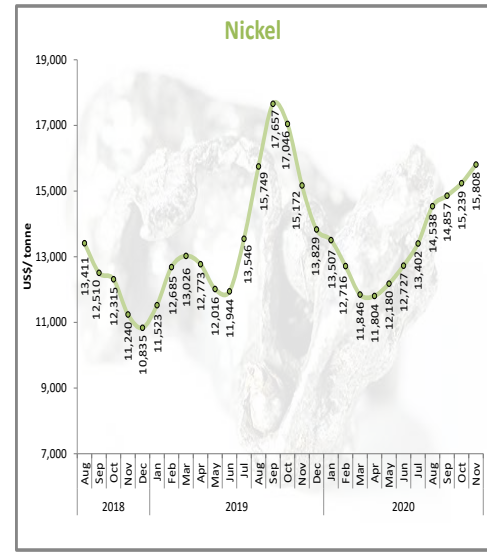
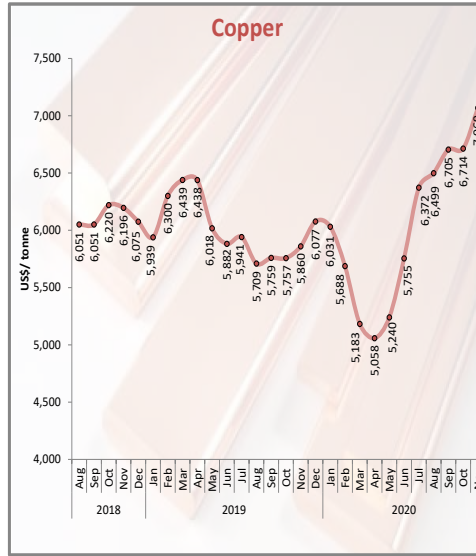
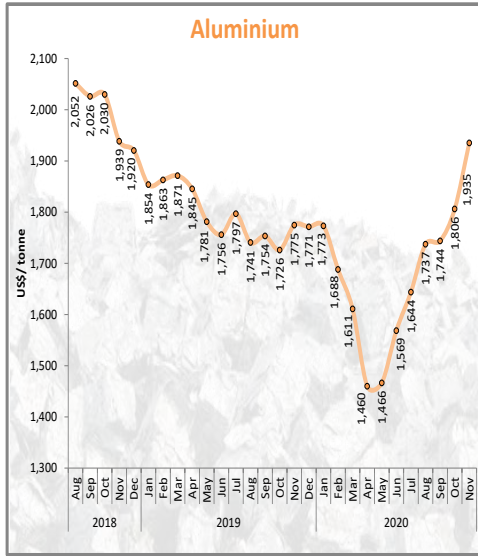
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

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 Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



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>



Get connected with businesses from all around the APEC region through #MyAPEC2020 virtual exhibition

1 September - 31 December 2020
www.myapec2020.matrade.gov.my



We are doing things differently in today's world. MITI, through our agency, MATRADE HQ, is organising a virtual exhibition, the first-of-its-kind in Malaysia, called #MyAPEC2020 Exhibition, in conjunction with Malaysia hosting the @APEC 2020. The virtual exhibition, scheduled for Sept 1 to Dec 31, will showcase products and services from Malaysia and other APEC - Asia-Pacific Economic Cooperation member economies. The virtual exhibition is a great platform for APEC economies to expand their outreach and can be accessed through myapec2020.matrade.gov.my or the APEC portal and Matrade website.

ANNOUNCEMENT

WORK FROM HOME (WFH) INSTRUCTIONS ARE STILL APPLICABLE THROUGHOUT THE EXTENDED CMCO PERIOD

The WFH instructions announced earlier is still applicable to all office management and supervisory roles. Should this group of workers are required to be present at the office, only 10% of them are allowed to do so starting from 10.00am - 2.00pm for 3 days a week.

#STAYCALM #BARISANHADAPANEKONOMI

Dasar Bekerja Dari Rumah (BDR) @ Work From Home (WFH)

Wajib bagi kakitangan pengurusan dan penyeliaan di kawasan yang sedang menjalani PKPB

bermula 22 Oktober 2020

Pekerja daripada kumpulan pengurusan dan penyeliaan yang boleh hadir ke pejabat jika perlu:

KAPASITI 10 PERATUS SAHAJA DARIPADA SKOP TUGAS DI BAWAH

- Perakaunan
- Perundangan
- Kewangan
- Perancangan
- Pentadbiran
- ICT

Had berada di pejabat 4 jam sahaja
10.00 pagi - 2.00 petang (3 hari bekerja dalam seminggu)

Contoh situasi amalan Bekerja Dari Rumah (BDR)

Syarikat A terlibat dalam industri pembuatan. Syarikat ini mempunyai:

- 1000 pekerja operasi
- 100 pekerja kumpulan pengurusan dan penyeliaan pejabat.

Siapa perlu BDR?

1000 pekerja operasi boleh bekerja seperti biasa dan tidak perlu BDR

10 peratus atau 10 orang daripada kumpulan pengurusan dan penyeliaan pejabat boleh datang bekerja.

Aplikasi yang boleh membantu anda kekal produktif walau bekerja dari rumah.

Aplikasi persidangan video seperti Zoom, Google Meets dan Microsoft Teams.


KEMENTERIAN
PERDAGANGAN ANTARABANGSA DAN PERKHIDMATAN

**Simpan dokumen dan fail
di laman web seperti
Dropbox, Google Drive
dan Microsoft Teams.**




KEMENTERIAN
PERDAGANGAN ANTARABANGSA DAN PERKHIDMATAN

**Kukuhkan pengetahuan
anda tentang teknologi
digital di MDEC Digital
Accelerator Portal.**

 dx.com.my




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**8 business operation
areas that SMEs could
apply digital solutions**




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-  **Electronic Point of Sale System**
-  **Human Resource Management**
-  **Customer Relationship Management System**
-  **Procurement System**




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-  **Enterprise Resource Planning/Tax Accounting**
-  **Digital Marketing/Sales**
-  **e-Commerce**
-  **Remote Working**




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**For more info on digital
solutions, visit MDEC
Accelerator Portal**

 dx.com.my/en/solutions/





MITI Call Center
03-6208 4949



MITIMalaysia



MITIMalaysiayoutube



www.miti.gov.my

Bagi sebarang pertanyaan berkaitan MITI seperti operasi sektor ekonomi atau amalan BDR/WFH sila hubungi talian hotline MITI seperti di atas.

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 more information, please contact :



03-6200 0468 / 69 / 57



allaki@miti.gov.my

OPTIMISING HUMAN POTENTIAL TOWARDS FUTURE OF SHARED PROSPERITY

#MyAPEC2020



Asia-Pacific
Economic Cooperation



APEC 2020
MALAYSIA

For more information, kindly click the following links:

<https://www.myapec2020.my/en/>

Be part of MITI database throughout RMCO
by registering your company in
notification.miti.gov.my



For submission, kindly click <https://notification.miti.gov.my/login>

IMPLEMENTATION OF ELECTRONIC SIGNATURE AND SEAL THROUGH THE EPCO SYSTEM



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INTERNATIONAL TRADE AND INDUSTRY

EFFECTIVE FROM 13 APRIL 2020

For more information, kindly click the following links:
<https://bit.ly/2RUyG8l>

HOW COMPANY CAN CHECK THE STATUS OF ATIGA E-FORM D TRANSACTIONS IN THE ELECTRONIC PREFERENTIAL CERTIFICATE OF ORIGIN (EPCO) SYSTEM



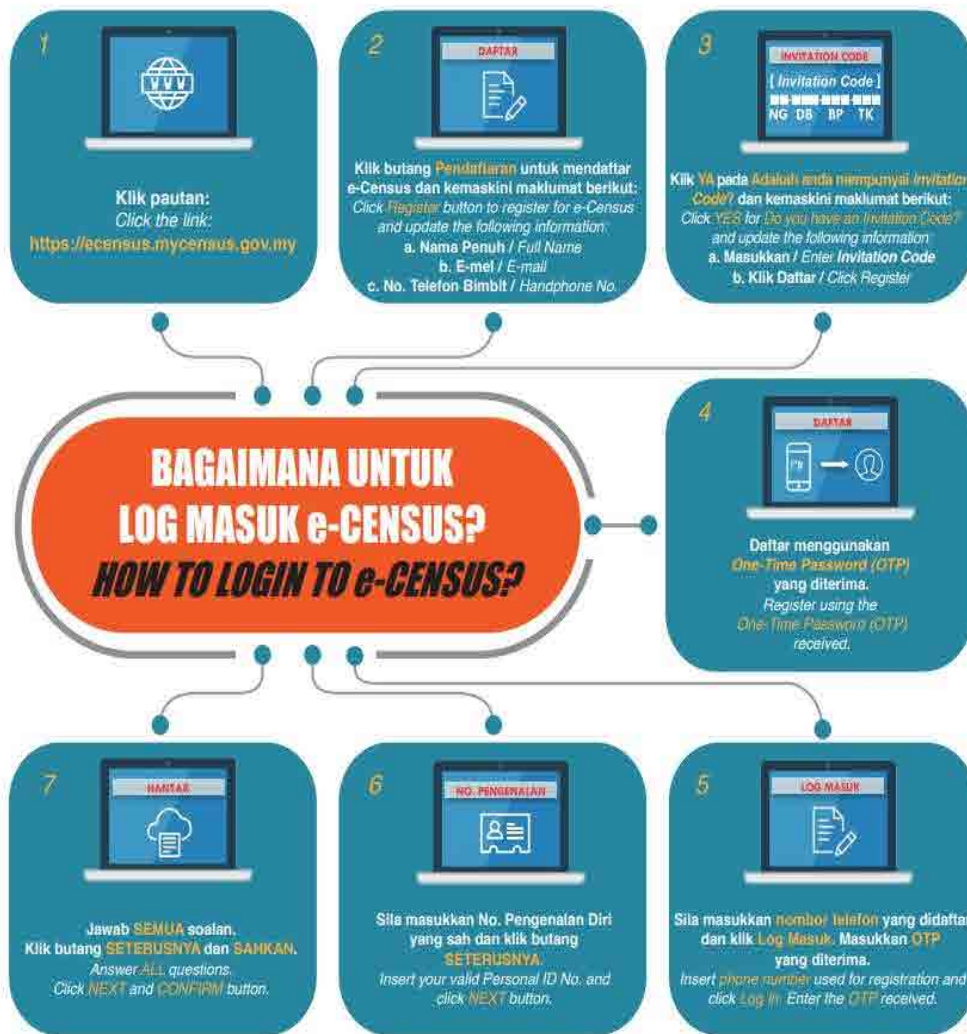
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For more information, kindly click the following links: <https://bit.ly/2ZhxmRp>

*Be part of the MITI community.
Let's Build Back Better together.
#BersamaMenjanaEkonomi*



BANCENSI MALAYSIA
7.7.2020 - 21.12.2020 (e-Census)
20.1.2021 - 6.2.2021 (Face to face)
www.mycensus.gov.my 1800 88 7720



Sebarang pertanyaan atau maklum balas, sila hubungi pegawai berikut:
Any question(s) or feedback, please contact the following officer:

Pembanci / Enumerator:

No. Telefon Pembanci / Enumerator Contact No.:

DATA ANDA MASA DEPAN KITA
YOUR DATA IS OUR FUTURE



www.mycensus.gov.my



Hotline MyCensus 2020
1-800-88-7720

Sila abaikan notis ini sekiranya anda telah menjawab Soal Selidik Banci 2020 secara atas talian.
Kindly disregard this notice if you have answered the MyCensus 2020 questionnaire online.

For more information, kindly click the following links:
<http://www.mycensus.gov.my>

Here's to better times ahead for everyone.
Stay healthy and safe in 2021.



From All of Us in MITI

MITI Weekly Bulletin (MWB) Mobile Apps



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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<http://www.miti.gov.my/index.php/forms/form/13>