MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

Weekly BULLETIN

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Malaysia Statistics

LABOUR PRODUCTIVITY, Q1 2022

LABOUR PRODUCTIVITY, VALUE ADDED PER EMPLOYMENT

Labour productivity **increased** in Q1 2022 **by 2.7%** with value added per employment at **RM23,129**

Q1 2022
RM23,129
(2.7%)

Labour Productivity (per person)

Q1 2022
15,575
(2.2%)

Total Employment ('000 persons)

Q1 2022 / Q4 2021

	Q1 2022		Q4 2021	
Agriculture	RM12,192	1.0%	RM13,463	2.9%
Mining & Quarrying	RM317,500	-3.6%	RM314,462	-10.5%
Manufacturing	RM32,270	2.8%	RM34,308	5.3%
Construction	RM9,351	-5.5%	RM9,080	-11.2%
Services	RM21,918	3.6%	RM22,621	1.1%

LABOUR PRODUCTIVITY, VALUE ADDED PER HOUR WORKED

Labour productivity per hour worked **grew at a marginal rate of 0.3%** in Q1 2022 while total hours worked **went up by 4.6%**

Q1 2022
RM40.3
(0.3%)

Labour productivity (per hour worked)

Q1 2022
8,935
(4.6%)

Total hours worked (million hours)

	Q1 2022		Q4 2021	
Agriculture	RM22.9	-0.2%	RM25.3	1.7%
Mining & Quarrying	RM530.9	-4.8%	RM532.4	-9.1%
Manufacturing	RM54.9	-0.1%	RM58.3	4.6%
Construction	RM15.6	-8.2%	RM15.5	-11.0%
Services	RM38.2	1.2%	RM39.9	0.8%

Q1 2022 / Q4 2021

Notes:
1) Labour productivity per employment; Total employment ('000 persons); Labour productivity per hour worked; Total hours worked (million hours)
2) % refers to the annual percentage change from the same quarter of the previous year

Source: Labour Productivity, First Quarter 2022
Department of Statistics Malaysia (DOSM)

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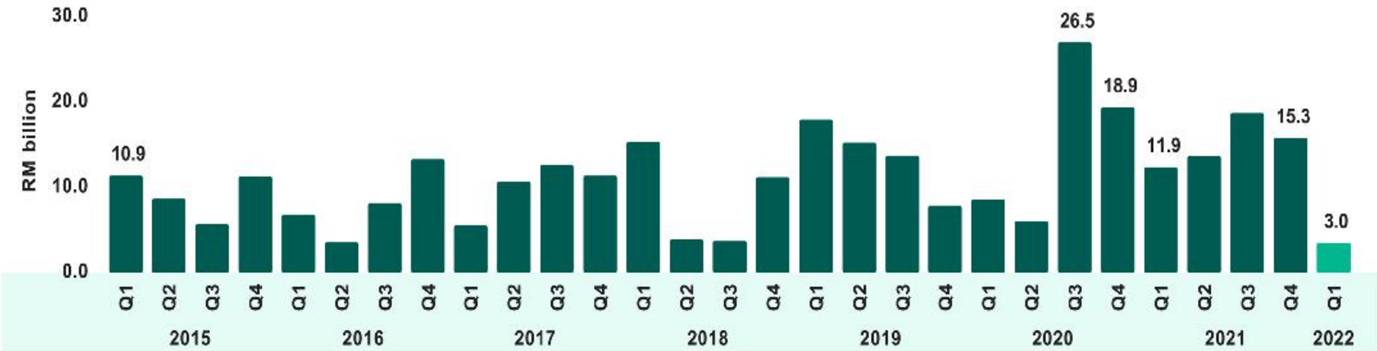
BALANCE OF PAYMENTS, Q1 2022

Malaysia's current account balance recorded a surplus of RM3.0 billion in Q1 2022



CURRENT ACCOUNT

"Malaysia's current account balance posted a surplus of **RM3.0 billion** in the first quarter of 2022, supported by net exports of Goods"

GOODS
Surplus RM40.5b | Surplus RM51.8b

SERVICES
Deficit RM15.0b | Deficit RM15.4b

PRIMARY INCOME
Deficit RM20.1b | Deficit RM19.6b

SECONDARY INCOME
Deficit RM2.5b | Deficit RM1.4b

Notes :
Q1 22
Q4 21
b refers to billion

FINANCIAL ACCOUNT

"Financial account turned around to register a **net inflow** of **RM30.4 billion**, mainly due to Direct Investment and Other Investment"

DIRECT INVESTMENT
Net inflow RM10.5b | Net inflow RM20.8b

PORTFOLIO INVESTMENT
Net inflow RM2.6b | Net outflow RM10.1b

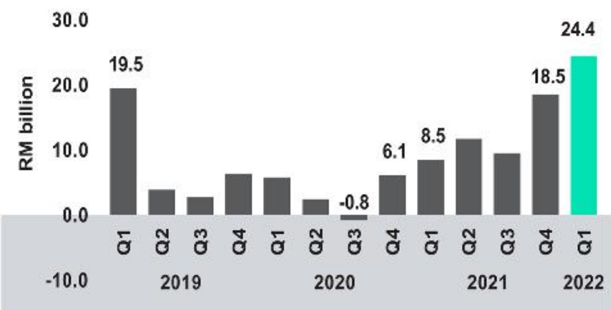
FINANCIAL DERIVATIVES
Net outflow RM1.8b | Net inflow RM0.2b

OTHER INVESTMENT
Net outflow RM10.6b | Net inflow RM19.6b

Notes :
Q1 22
Q4 21
b refers to billion

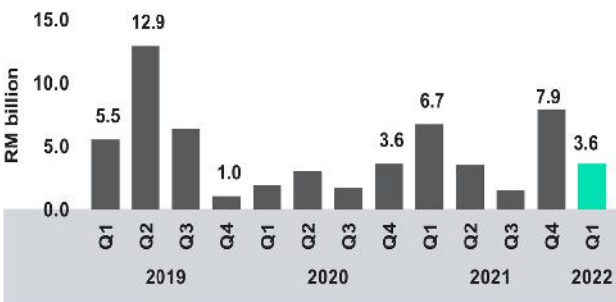
FOREIGN DIRECT INVESTMENT

FDI recorded a higher net inflow of RM24.4 billion



DIRECT INVESTMENT ABROAD

DIA posted a lower net outflow of RM3.6 billion



Source: Balance of Payments, Department of Statistics Malaysia (DOSM)

Malaysia Statistics

IIP, Q1 2022

Malaysia Statistics

MALAYSIA'S INTERNATIONAL INVESTMENT POSITION
FIRST QUARTER 2022

TOTAL ASSETS
RM2,125.4b
(Q421: RM2,115.5b)

NET ASSETS
RM47.3b
(Q421: RM84.9b)

TOTAL LIABILITIES
RM2,078.0b
(Q421: RM2,030.6b)

"Malaysia's IIP registered lower net assets position of RM47.3 billion from RM84.9 billion as at end last quarter"

FOREIGN DIRECT INVESTMENT (FDI)
RM812.1b

TOP FDI'S COUNTRIES

1. Singapore RM167.2b (20.6%)
2. Hong Kong RM89.0b (11.0%)
3. Japan RM84.6b (10.4%)

TOP FDI'S SECTORS

- Manufacturing RM347.1b (42.7%)
- Financial activities RM182.7b (22.5%)
- Wholesale & retail trade RM50.8b (6.3%)

DIRECT INVESTMENT ABROAD (DIA)
RM551.7b

TOP DIA'S COUNTRIES

1. Singapore RM114.9b (20.8%)
2. Indonesia RM52.4b (9.5%)
3. Cayman Islands RM33.3b (6.0%)

TOP DIA'S SECTORS

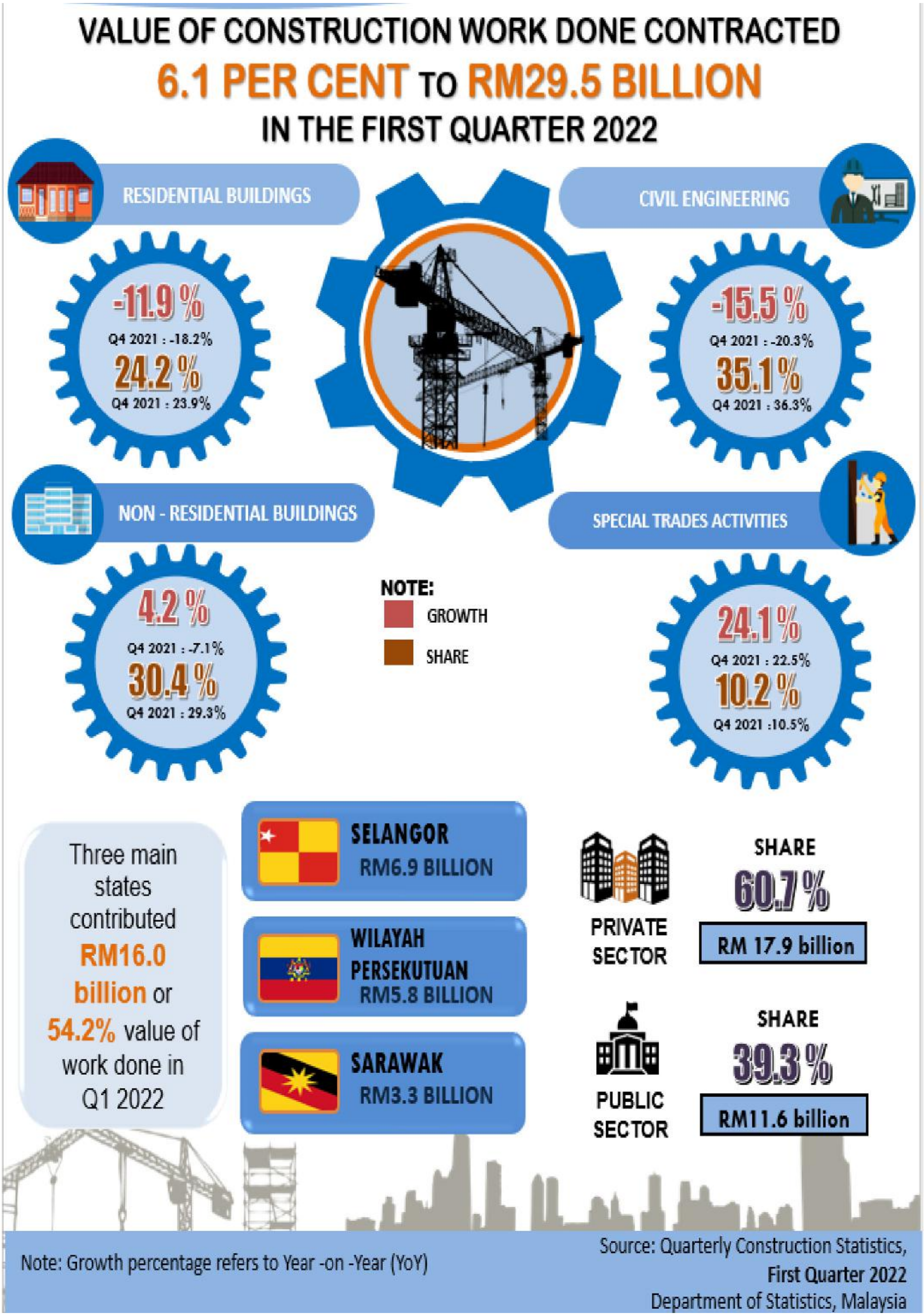
- Financial activities RM239.3b (43.4%)
- Mining & quarrying RM64.5b (11.7%)
- Manufacturing RM53.1b (9.6%)

Note: b refers to billion
(%) refers to share

Source: International Investment Position (IIP), Department of Statistics Malaysia (DOSM)

Malaysia Statistics

CONSTRUCTION, Q1 2022



VOLUME INDEX OF SERVICES, Q1 2022

Volume Index of Services increased 7.1% in first quarter 2022 as compared to the same quarter of previous year.

Q4 2021	Q1 2022
3.0%	7.1%

Wholesale & Retail Trade, Food & Beverages and Accommodation

Q4 2021: 2.3% **Q1 2022: 6.4%**

Wholesale & Retail Trade
Q4 2021: 1.5% Q1 2022: 3.9%

Food & Beverages
Q4 2021: 2.1% Q1 2022: 16.3%

Accommodation
Q4 2021: 46.6% Q1 2022: 85.9%

Business Services and Finance

Q4 2021: -0.4% **Q1 2022: 2.7%**

Finance & Insurance
Q4 2021: 3.3% Q1 2022: -1.0%

Professional, Scientific & Technical and Administrative & Support Services
Q4 2021: -4.0% Q1 2022: 7.6%

Real Estate
Q4 2021: -13.4% Q1 2022: 13.5%

Information & Communication and Transportation & Storage

Q4 2021: 9.4% **Q1 2022: 12.4%**

Information & Communication
Q4 2021: 8.0% Q1 2022: 6.0%

Transportation & Storage
Q4 2021: 12.3% Q1 2022: 26.4%

Other Services

Q4 2021: -0.4% **Q1 2022: 15.0%**

Arts, Entertainment & Recreation and Personal Services & Other Activities
Q4 2021: -4.1% Q1 2022: 33.1%

Private Education
Q4 2021: -5.8% Q1 2022: 3.0%

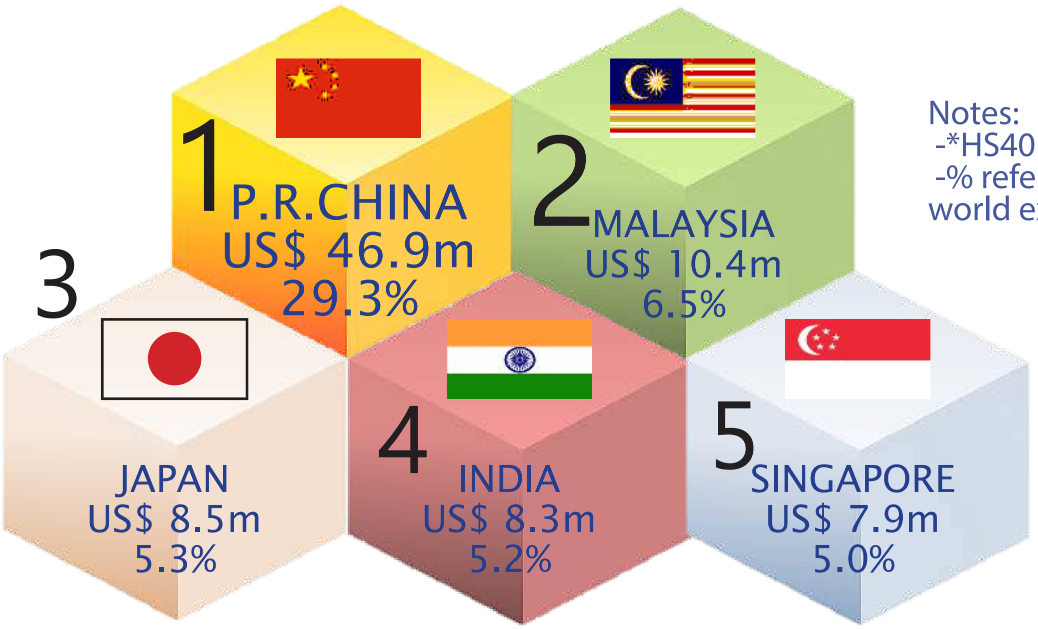
Private Health
Q4 2021: 9.5% Q1 2022: 13.2%

Percentage Change: Year-on-Year

Source: Volume Index of Services, First Quarter 2022, Department of Statistics Malaysia

MALAYSIA AS SECOND LARGEST EXPORTERS IN THE WORLD OF BOAT OR DOCK FENDERS, WHETHER OR NOT INFLATABLE, OF VULCANISED RUBBER (EXCLUDING HARD RUBBER AND THOSE OF CELLULAR RUBBER)

In 2020, Malaysia's export of Boat or dock fenders, whether or not inflatable, of vulcanised rubber (excluding hard rubber and those of cellular rubber) recorded US$ 10.4 million which was 10.4% share of the world exports.



Notes:
-*HS401694
-% refer to share in world exports

MALAYSIA'S TOP EXPORT DESTINATIONS

Indonesia US$ 0.41m 5

2 Singapore US$ 1.73m

Germany US$ 1.87m

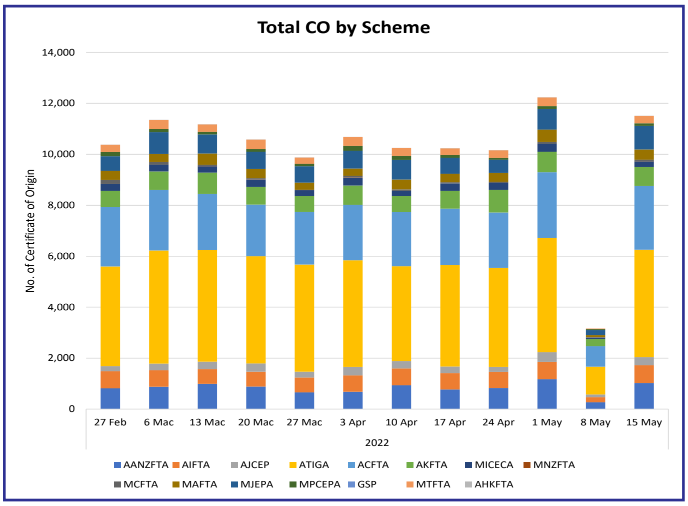
Vietnam US$ 0.93m 4

3 USA US$ 1.63m

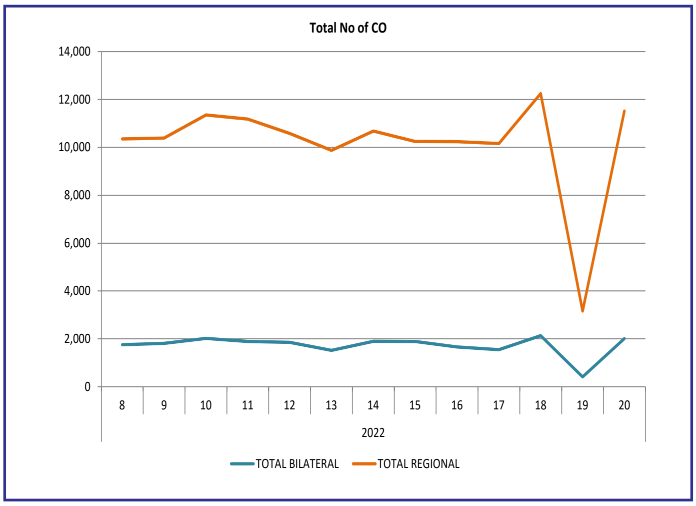
Source: https://www.trademap.org/index.aspx

Number and FOB Value of PCO as at 15 May 2022
Weekly / Monthly/ Annually

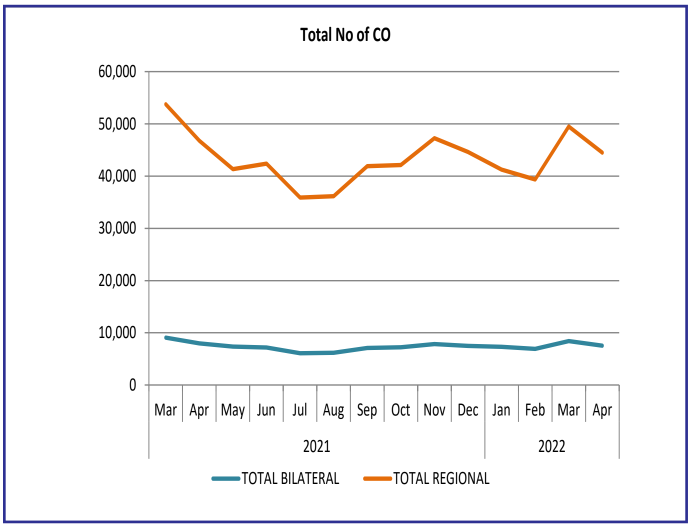
Weekly Total Scheme



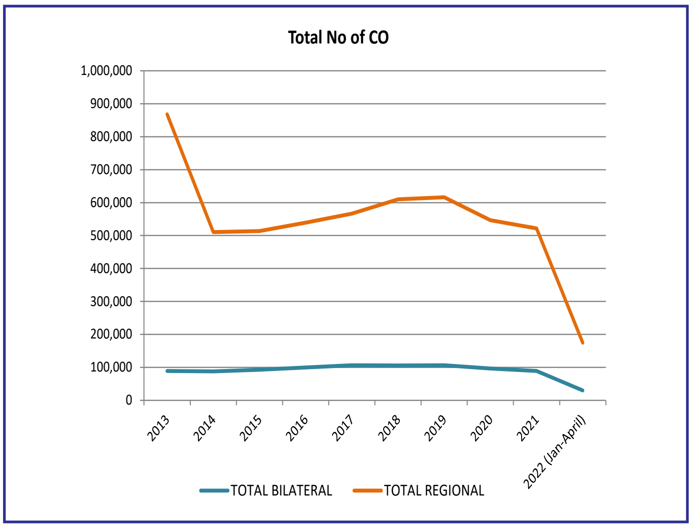
Weekly



Monthly



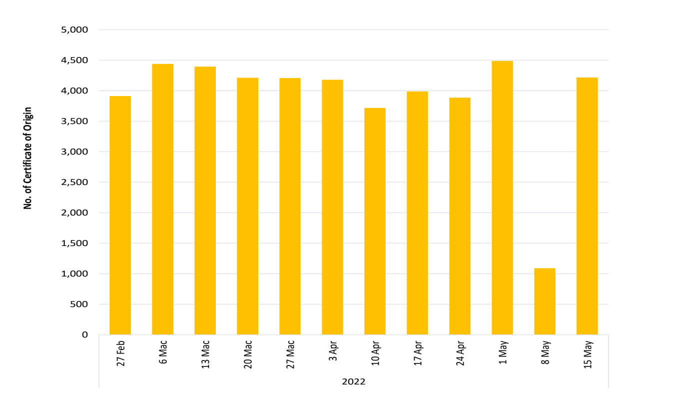
Annually



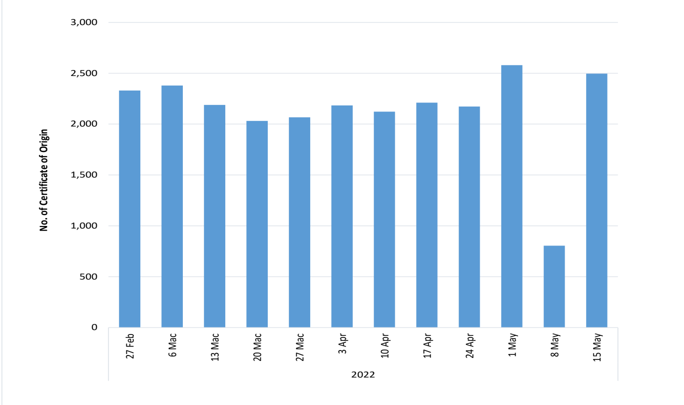
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Regional FTA
Number of Preferential Certificates of Origin (PCOs) as at 15 May 2022

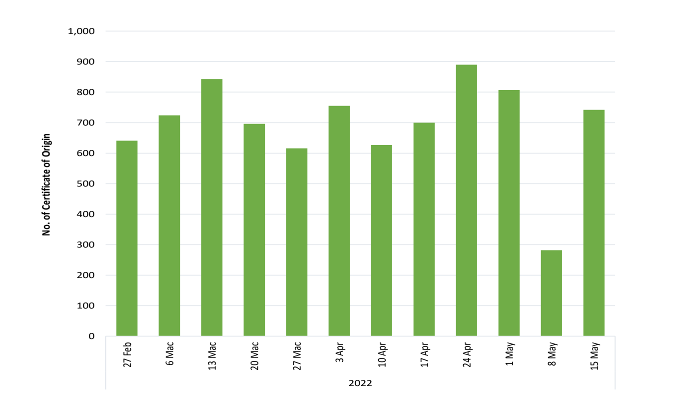
ASEAN Trade in Goods Agreement (ATIGA)



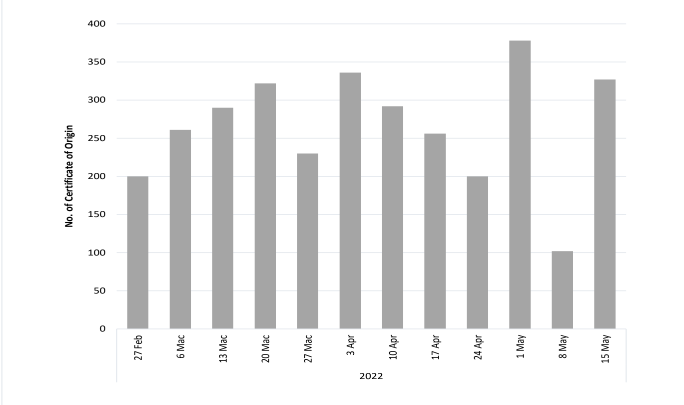
ASEAN-China Free Trade Agreement (ACFTA)



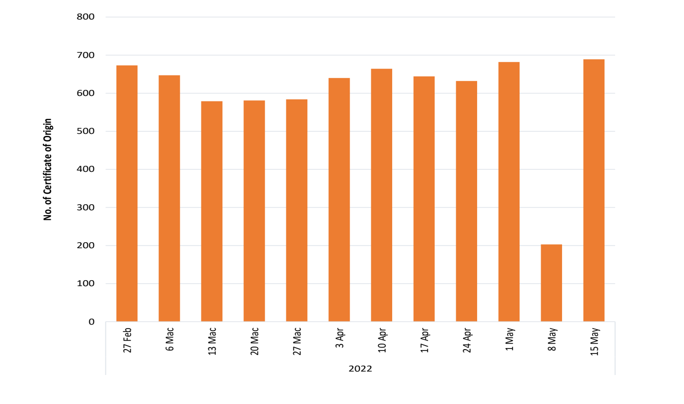
ASEAN-Korea Free Trade Agreement (AKFTA)



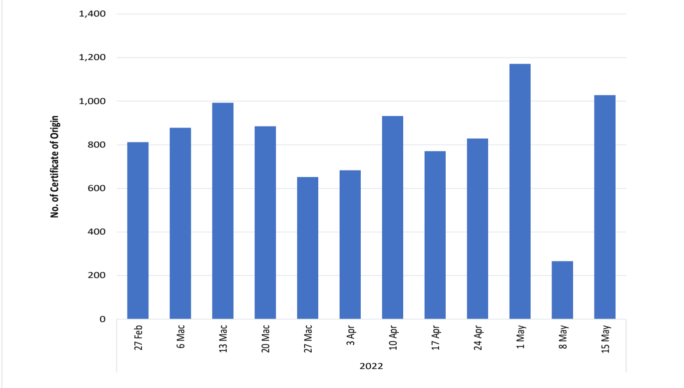
ASEAN-Japan Comprehensive Economic Partnership (AJCEP)



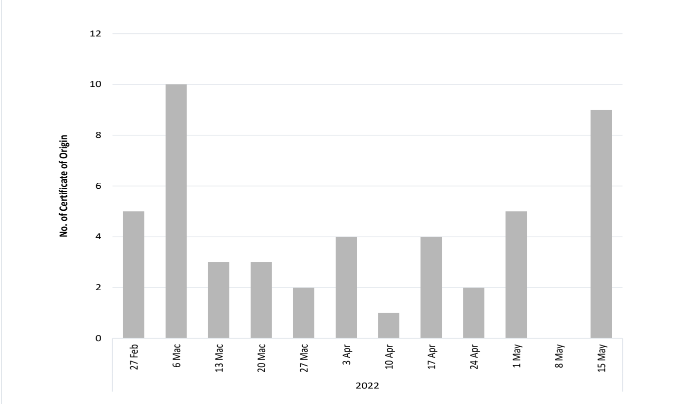
ASEAN-India Free Trade Agreement (AIFTA)



ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)

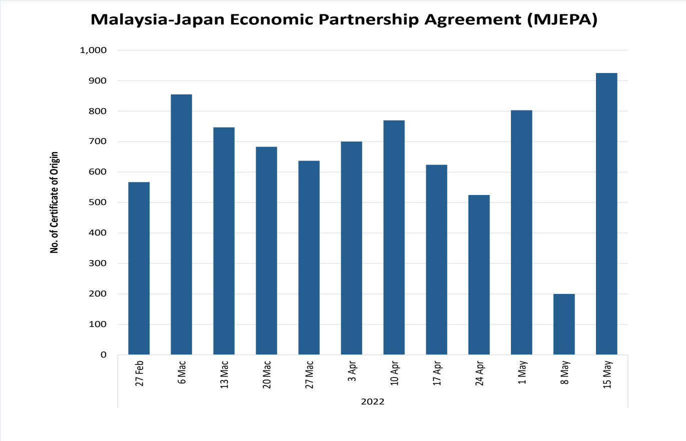


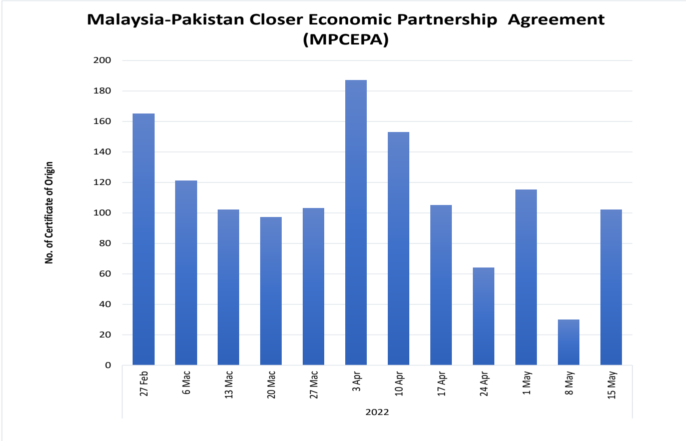
ASEAN-Hong Kong, China Free Trade Agreement (AHKFTA)

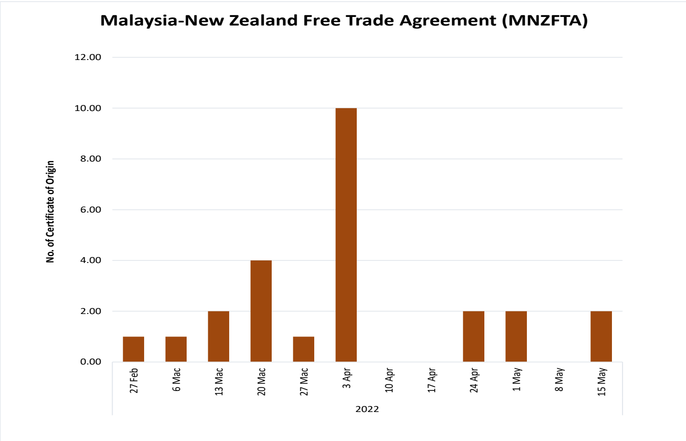


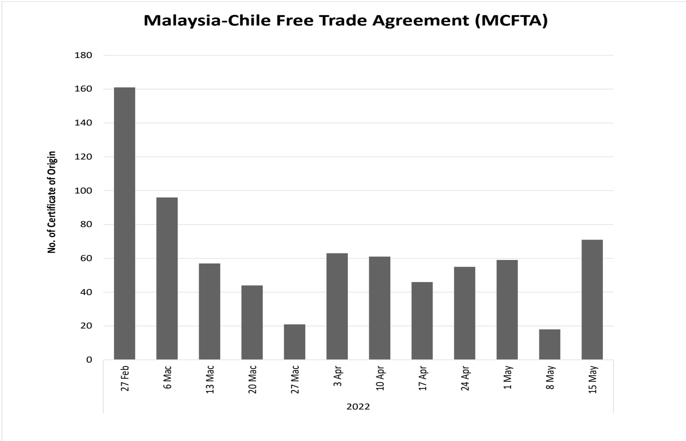
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

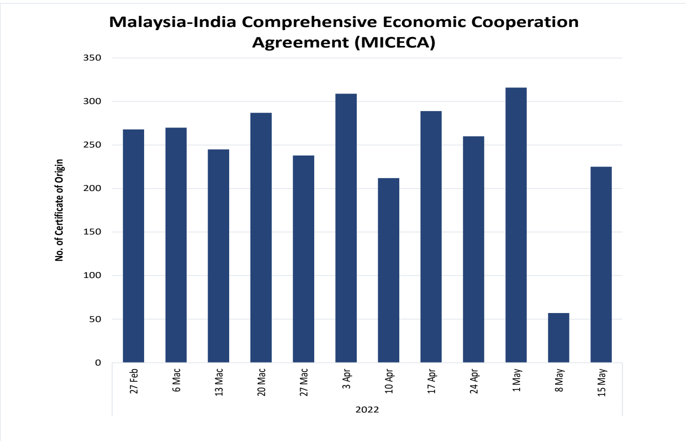
Bilateral FTA
Number of Preferential Certificates of Origin (PCOs) as at 15 May 2022

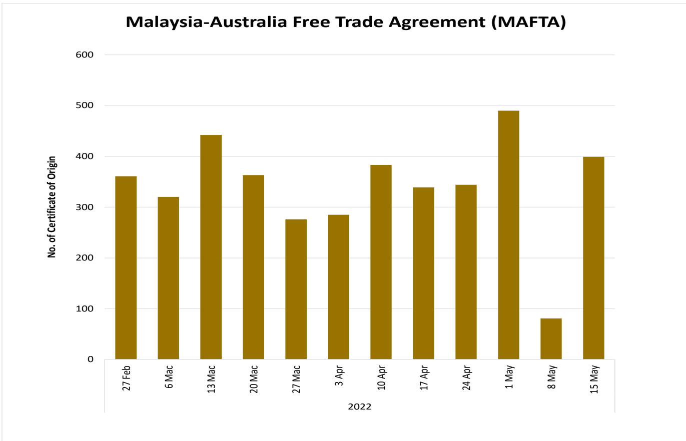


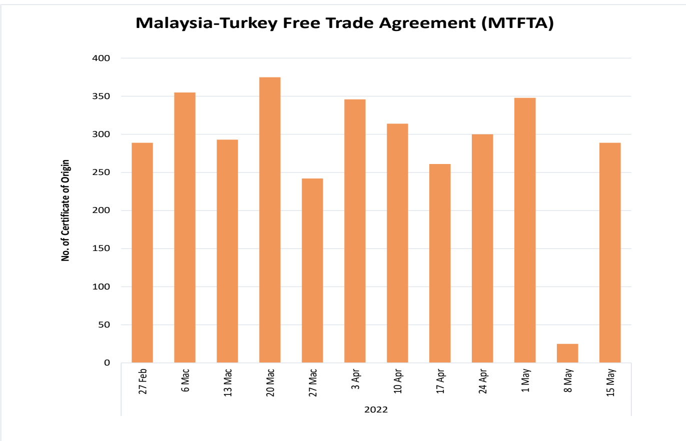








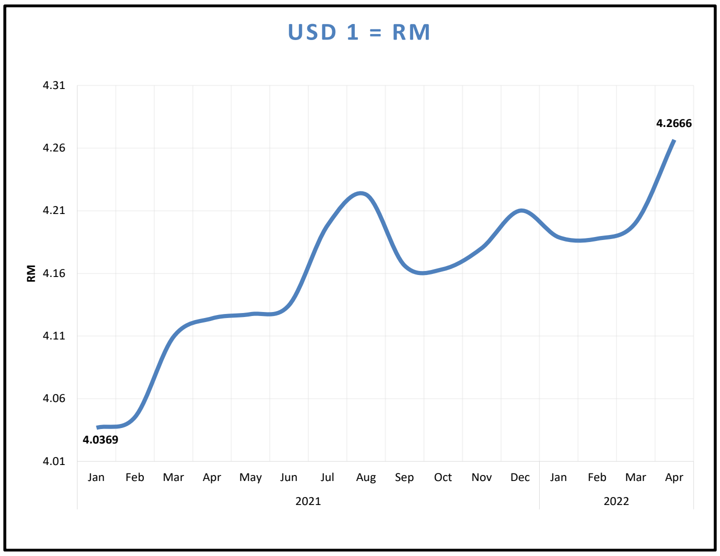




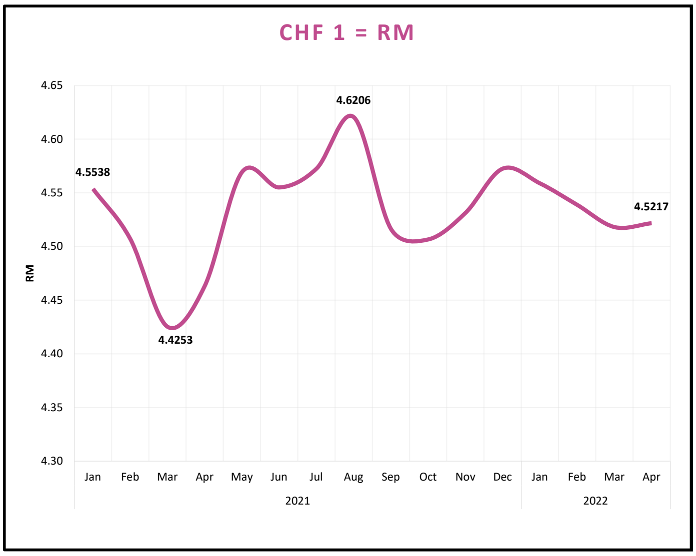
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2021 - April 2022

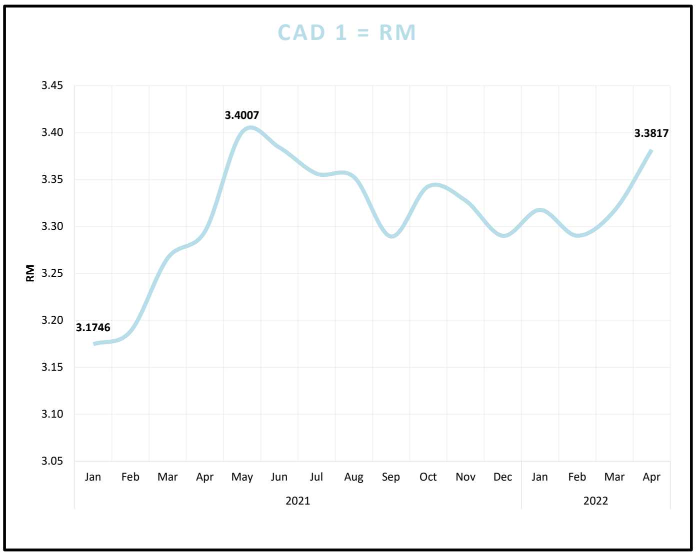
US Dollar



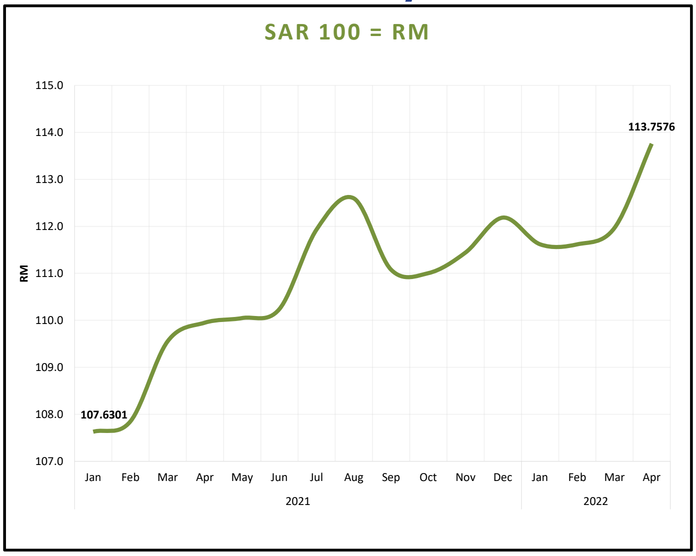
Swiss Franc



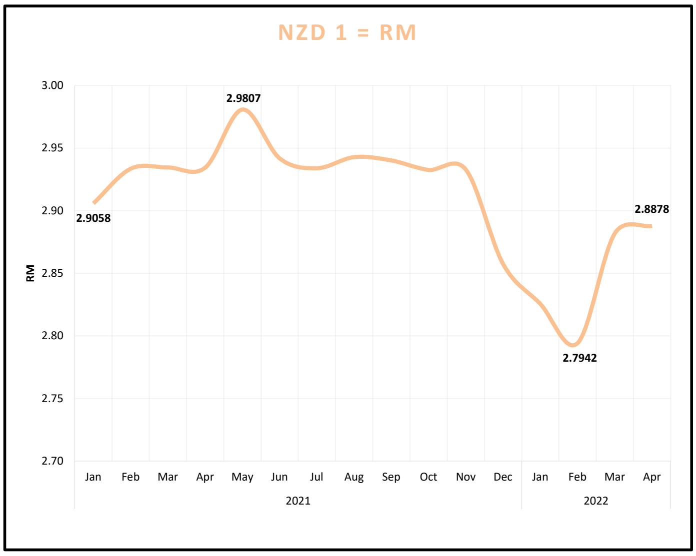
Canadian Dollar



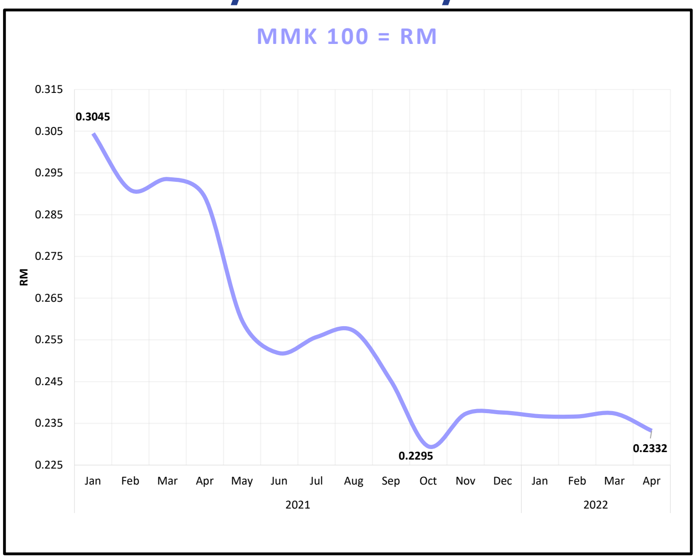
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-

▲ 0.9%*
US$112.6
20 May 2022

Highest 2021/2022
25 Mac 2022 : US$120.7
22 Oct 2021 : US$85.5

7 Jan 2022 : US$81.8
15 Jan 2021 : US$55.1
Lowest 2021/2022

Average Price 2021 i : US$71.1

CRUDE PALM OIL -per MT-

▼ 3.1%*
US$1,531.4
20 May 2022

Highest 2021/2022
11 Mac 2022 : US$1,774.7
29 Oct 2021 : US$1,302.0

14 Jan 2022 : US$1,267.7
18 Jun 2021 : US$844.6
Lowest 2021/2022

Average Price 2021 i : US$1,075.3

RUBBER SMR 20 -per MT-

▲ 2.9%*
US$1,638.5
20 May 2022

Average Price 2021 i : US$1,689.1

COCOA SMC 2 -per MT-

▲ 0.7%*
US$1,523.6
20 May 2022

Average Price 2021 i : US$1,505.9

SUGAR -per lbs-

▲ 4.1%*
US$20.0
20 May 2022

Average Price 2021 i : US$17.9

COAL -per MT-

▲ 5.4%*
US$336.4
20 May 2022

Average Price 2021 i : US$120.5

SCRAP IRON HMS -per MT-

▼ 2.8%*
US$530.0
(high)

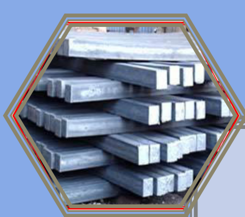
▼ 8.4%*
US$460.0
(low)

20 May 2022

Average Price 2021 i : US$486.4 (high)
Average Price 2021 i : US$468.1 (low)

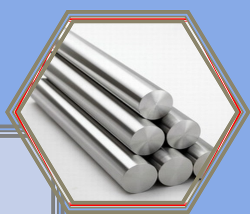
Domestic Prices

20 May 2022



Billets
(per MT)
RM3,110

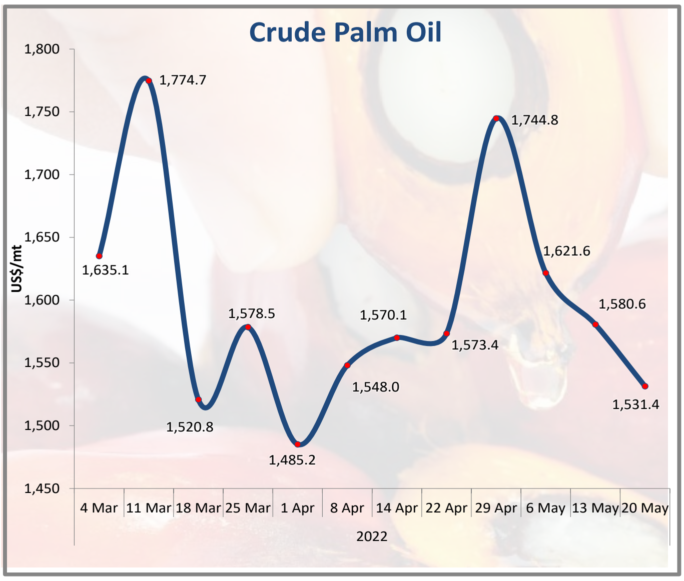
Steel Bars
(per MT)
RM3,350 – RM3,500

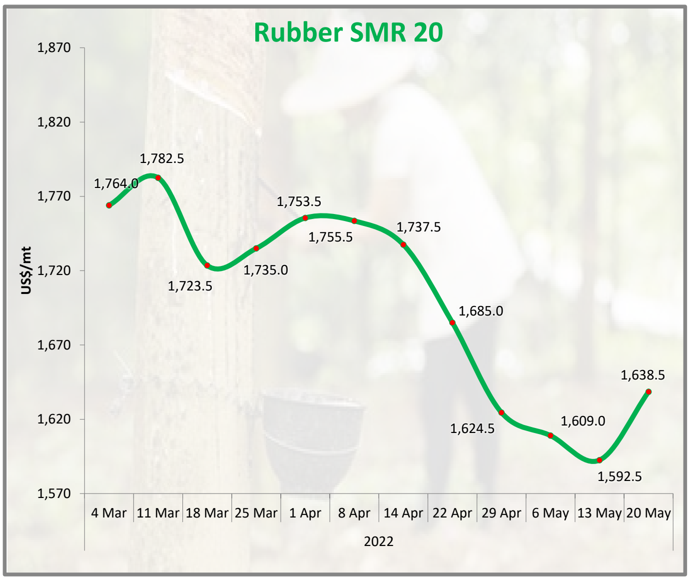


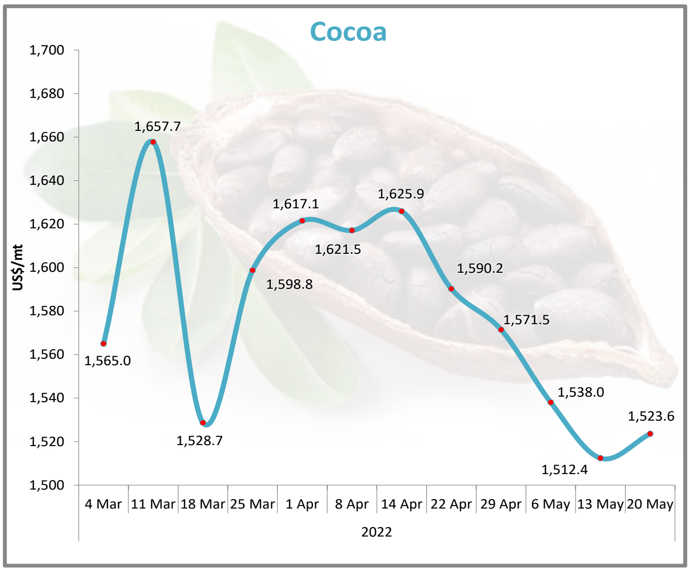
Notes: All figures have been rounded to the nearest decimal point
* Refer to % change from the previous week's price
i Average price in the year except otherwise indicated

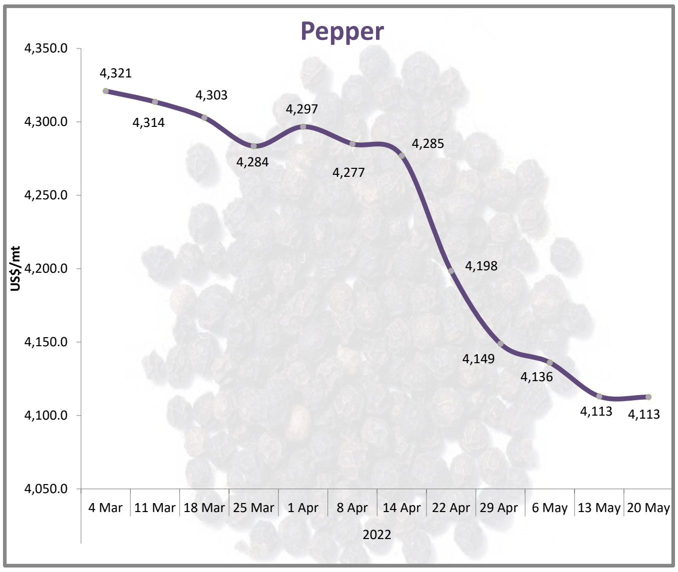
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

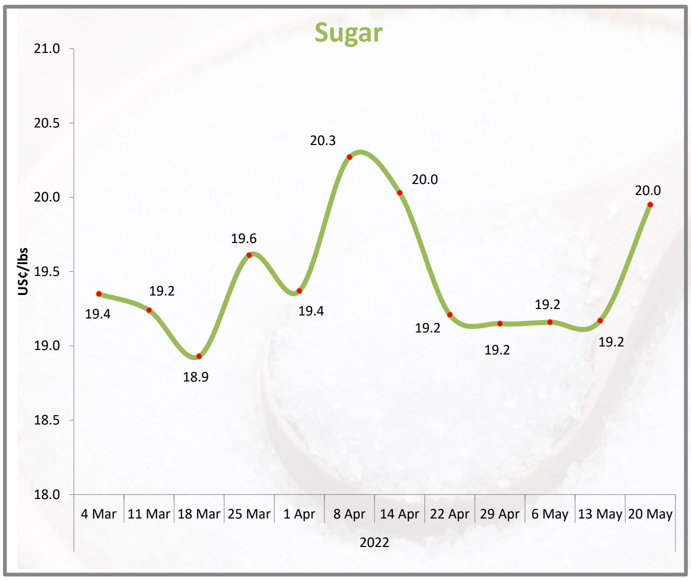
Commodity Price Trends

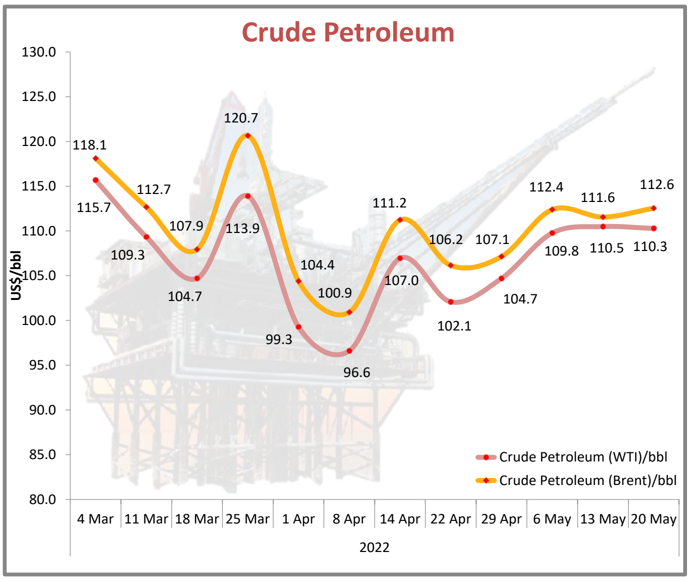






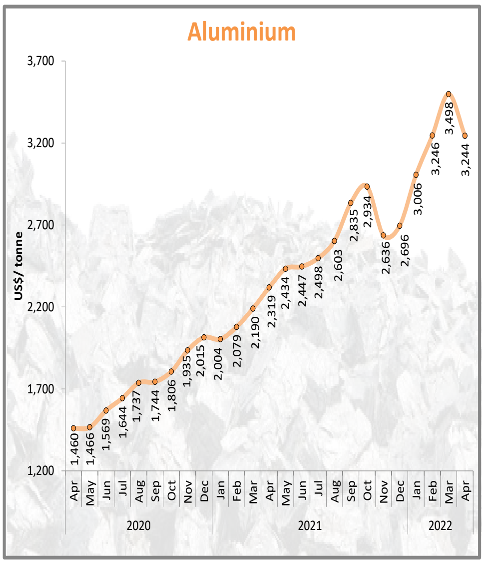


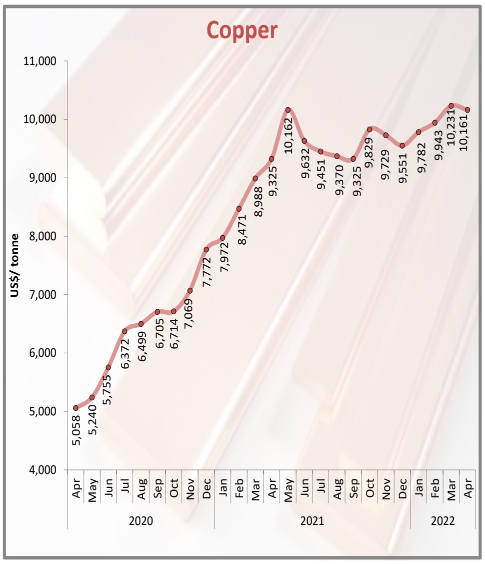


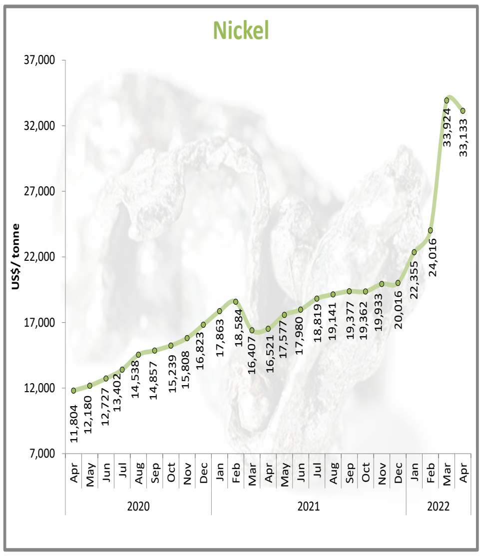


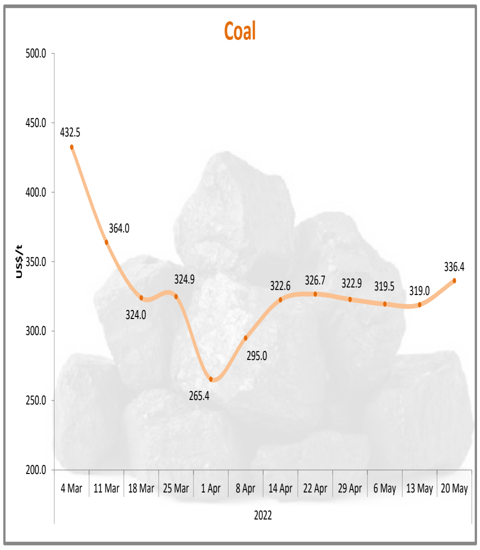
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

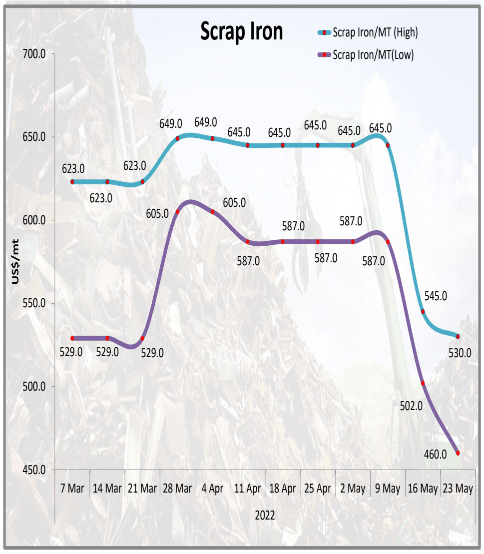
Commodity Price Trends

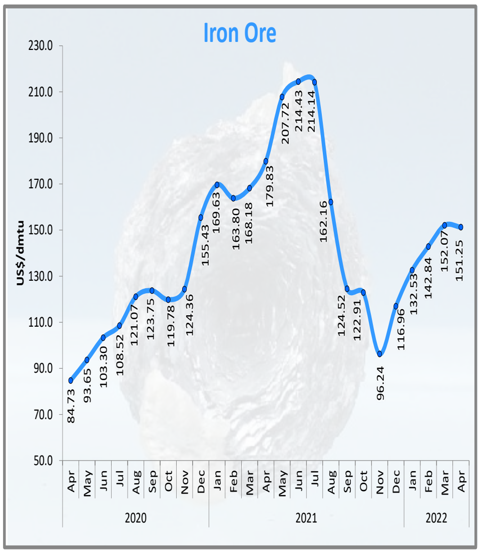


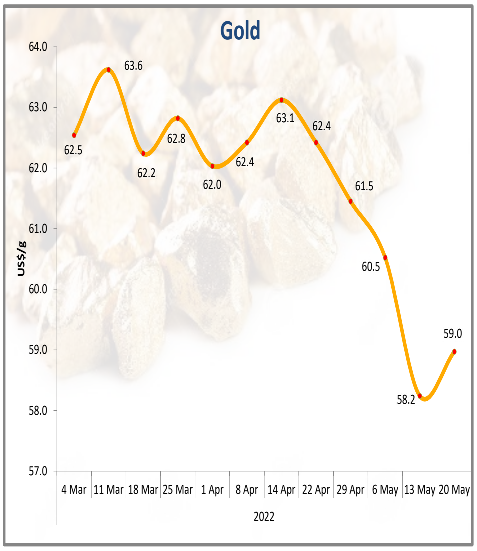


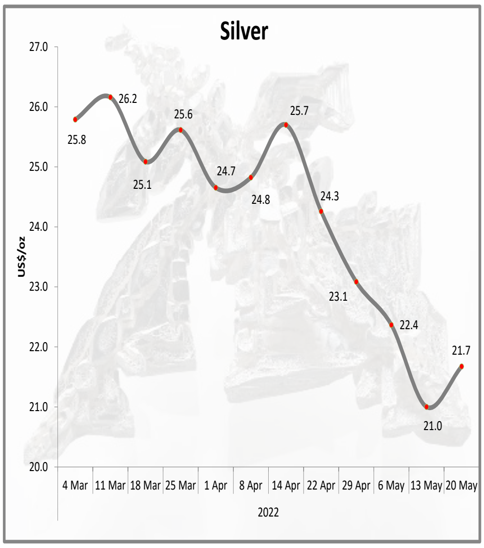


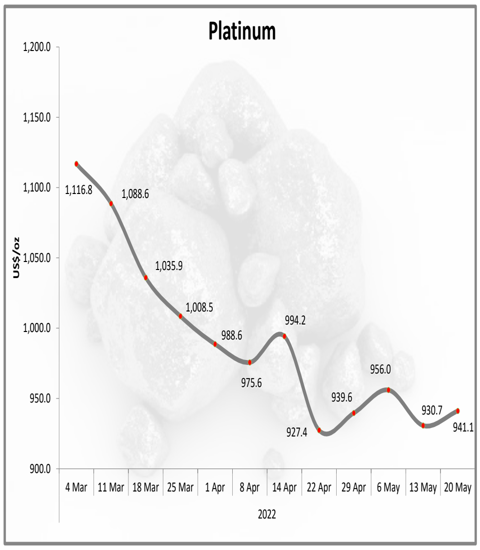












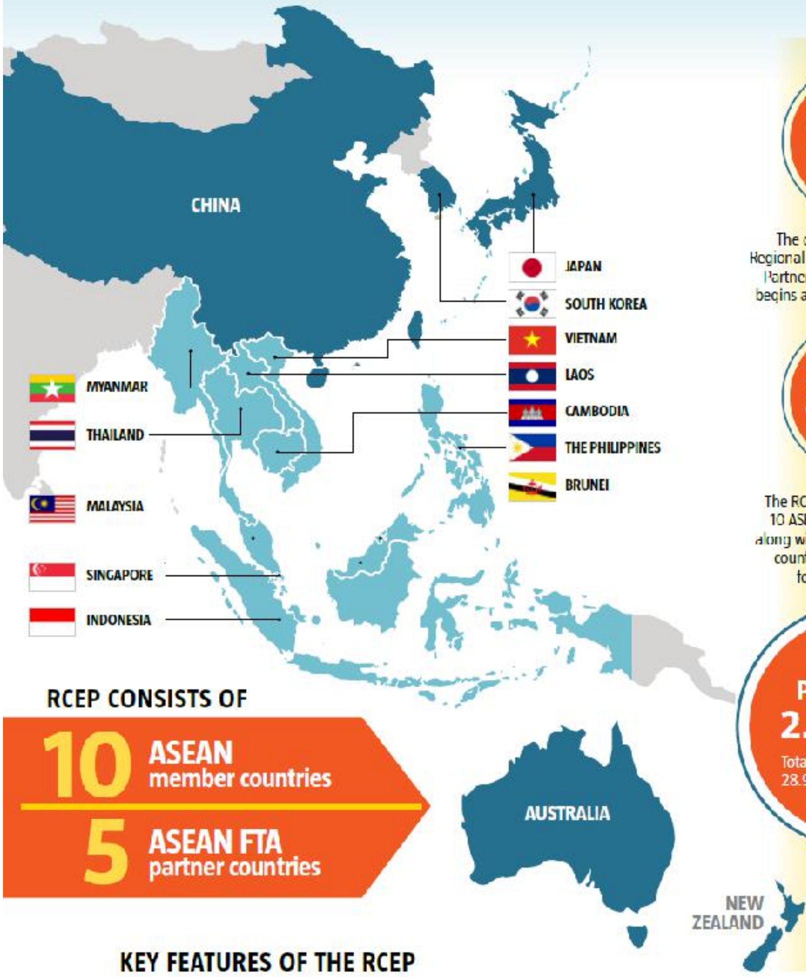
Sources: Ministry of International Trade and Industry Malaysia, , Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

ALL YOU NEED TO KNOW

RCEP

Regional Comprehensive Economic Partnership (RCEP)

The Regional Comprehensive Economic Partnership (RCEP) Agreement is designed to broaden and deepen ASEAN's engagement with Australia, China, Japan, Korea and New Zealand. The objective of the trade agreement is to establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership that will facilitate the expansion of regional trade and investment and contribute to global economic growth and development in the region.



2012

The decision to initiate the Regional Comprehensive Economic Partnership (RCEP) Agreement begins at the 21st ASEAN Summit

2020

The RCEP is officially signed by 10 ASEAN member countries along with five ASEAN FTA partner countries after 31 rounds of formal negotiations

Total Population 2.2 billion

Total GDP US$24.8 billion
28.9% of the world's GDP

RCEP CONSISTS OF

10 ASEAN member countries

5 ASEAN FTA partner countries

PRIMARY OBJECTIVES

The RCEP Agreement is created to establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership that will facilitate the expansion of regional trade and investment and contribute to global economic growth and development amongst RCEP member countries.

The single regional free trade agreement (FTA) is also intended to strengthen regional value chain for businesses in the region, particularly the Small and Medium Enterprises (SMEs).

It is designed to create and support an open, inclusive, and rules-based multilateral trading system, which will in turn create avenues for market and employment opportunities for businesses and people within the region.

The trade agreement will allow businesses in RCEP member countries to gain access to a much wider regional market. Progressive elimination and reduction of customs duties for trade in goods as well as facilitation of export and import of goods among the RCEP countries will serve to enhance inter and intra regional trade and investment whilst strengthening regional value chains.

To serve as a vital economic tool to spur economic growth in the region. It will also allow more seamless opening of markets whilst creating uninterrupted supply chains within the region. The trade agreement is also intended to help facilitate transparency, information exchange and better compliance for technical regulations and standards amongst RCEP member countries.

KEY FEATURES OF THE RCEP

Trade In Goods

Progressive elimination of tariff and non-tariff barriers on substantially all trade in goods including the related chapters of rules of origin, customs procedures, sanitary and phytosanitary measures, standards, technical regulations and conformity assessment procedures and trade remedies in order to establish a free trade area among the parties.

Trade In Services

Liberalisation of services sectors, including financial services, telecommunications services and movement of natural persons. The RCEP will be comprehensive, of high quality and substantially eliminate restrictions and/or discriminatory measures with respect to trade in services between the RCEP participating countries. Rules and obligations on trade in services under the RCEP will be consistent with the General Agreement on Trade in Services (GATS).

Investment

Promotion, facilitation, protection and liberalisation of investment. The RCEP will aim to create a liberal, facilitative, and competitive investment environment in the region based on these four pillars in order to create an enabling investment environment in the region along with improved investment facilitation provisions as well as investor aftercare.

Economic & Technical Cooperation

The economic and technical cooperation provisions in the RCEP will build upon existing economic cooperation arrangements between ASEAN and ASEAN's FTA partners to narrow the development gaps amongst member countries. Under the RCEP agreement, cooperation activities will also include trade activities such as include e commerce and other areas that would be mutually agreed upon by the RCEP participating countries.

Protection Of Intellectual Property Rights

Aimed at reducing IP related barriers to trade and investment by promoting economic integration and cooperation in the utilization, protection and enforcement of intellectual property rights amongst RCEP member countries.

MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

ALL YOU NEED TO KNOW

Industry4WRD

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

https://www.miti.gov.my/

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

02 | GRANTS

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

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.

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

Scan me

Process Flow

A FEW SIMPLE STEPS

Readiness Assessment

1. APPLY NOW! Apply online at www.miti.gov.my/industry4wrd
2. Evaluation by Committees
3. Onsite Assessment
4. Receive RA Report

Business Intervention

5. Develop Intervention Proposal
6. Apply for Financial Incentives
7. Implement the Intervention Plan

For more information, kindly click the following links:
https://www.miti.gov.my/index.php/pages/view/industry4WRD

Announcements

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

MITI POCKET TALK 2022

TOPIC

- Introduction to FTAs
- Introduction to Preferential Certificate of Origin (PCO)
- Introduction to Strategic Trade Act 2010

DATE

23 February 2022	20 July 2022
23 March 2022	24 August 2022
27 April 2022	21 September 2022
25 May 2022	19 October 2022
22 June 2022	23 November 2022

Click here to register

For more information, please contact the Secretariat

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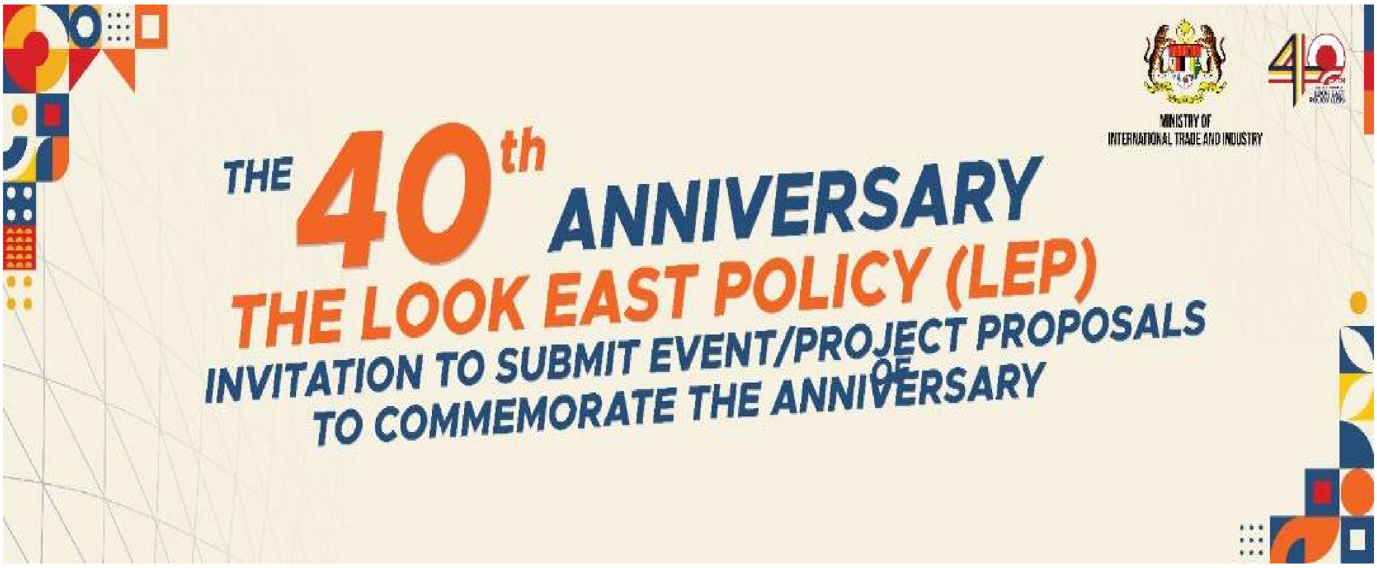
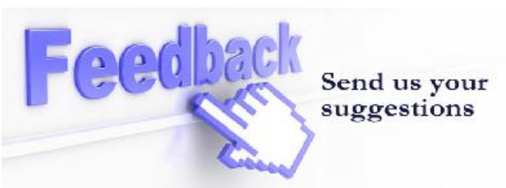
Announcements





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