MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

Weekly BULLETIN

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Malaysia Statistics

LEADING INDEX, JULY 2022

THE LEADING INDEX REMAINED STABLE BY REGISTERING 109.5 POINTS IN JULY 2022

Leading Composite Index (2015=100) and Annual Change (%)

Month	Annual Change	Points	Previous Year
March 2022	-1.4%	Mar. 2022: 111.4 points	Mar. 2021: 113.0 points
April 2022	-0.5%	Apr. 2022: 110.8 points	Apr. 2021: 111.4 points
May 2022	2.3%	May 2022: 111.3 points	May 2021: 108.8 points
June 2022	5.3%	June 2022: 111.7 points	June 2021: 106.1 points

July 2022

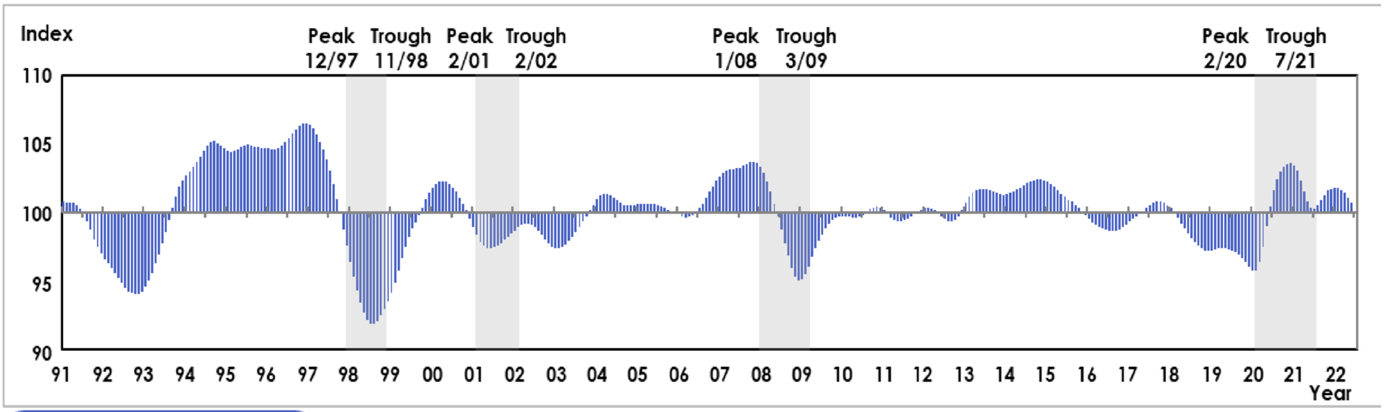
4.1%

July 2022: 109.5 points

July 2021: 105.2 points

Note: Economic direction forecast by Leading Composite Index in average of 4 to 6 months ahead

Leading Composite Index (Long Term Trend = 100) and Business Cycle (Grey Shaded Areas), January 1991 to July 2022



Leading Composite Index, Monthly Change (%)

July 2022	June 2022
-2.0%	0.4%

Contribution of Each Component to the Percentage Change in the Leading Composite Index from the Previous Month

Component	July 2022	June 2022
Real Money Supply, M1	-0.2%	0.1%
Bursa Malaysia Industrial Index	-0.1%	-0.6%
Real Imports of Semi Conductors	-0.5%	-0.4%
Real Imports of Other Basic Precious & Other Non-ferrous Metals	-0.9%	0.6%
Number of Housing Units Approved	-0.1%	0.4%
Expected Sales Value, Manufacturing	0.1%	-0.3%
Number of New Companies Registered	-0.3%	0.6%

Note: July 2022 | June 2022

Source: Malaysian Economic Indicators- Leading, Coincident & Lagging Indexes, July 2022, Department of Statistics Malaysia (DOSM)

MITI Tower, No.7, Jalan Sultan Haji Ahmad Shah, 50480 Kuala Lumpur
Tel:+603-8000 8000 Fax: +603-6202 9446

CONSUMER PRICE INDEX (CPI), AUGUST 2022

Malaysia Statistics

CONSUMER PRICE INDEX

Malaysia's Inflation Rate recorded 3.1 per cent for the period of January – August 2022

INFLATION BY MAIN GROUP

Main Group	January – August 2022	August 2022	July 2022
Food & Non-Alcoholic Beverages	5.1%	7.2%	6.9%
Alcoholic Beverages & Tobacco	0.5%	0.7%	0.6%
Clothing & Footwear	0.0%	0.3%	0.3%
Housing, Water, Electricity, Gas & Other Fuels	1.7%	4.1%	3.8%
Furnishings, Household Equipment & Routine Household Maintenance	3.3%	4.3%	4.0%
Health	0.5%	0.9%	0.8%
Transport	4.5%	5.2%	5.6%
Communication	0.0%	0.0%	0.0%
Recreation Services & Culture	1.8%	2.7%	2.5%
Education	1.0%	1.2%	1.2%
Restaurants & Hotels	4.0%	6.4%	5.8%
Miscellaneous Goods & Services	1.8%	2.4%	2.1%

INFLATION FOR SUBGROUP FOOD & BEVERAGES

Subgroup	January – August 2022	August 2022	July 2022
Food At Home	5.1	6.4	6.4
Food Away From Home	5.4	8.4	7.8
Meat	9.2	9.9	12.0
Milk, Cheese & Eggs	7.3	9.4	9.1
Vegetables	6.4	8.9	7.1
Rice, Bread & Other CerealS	3.5	6.2	5.5
Oils & Fats	3.9	4.0	4.6
Fish & Seafood	4.0	3.7	4.2
Fruits	2.7	4.1	3.9
Sugar, Jam, Honey, Chocolate & Confectionery	2.5	3.3	3.0

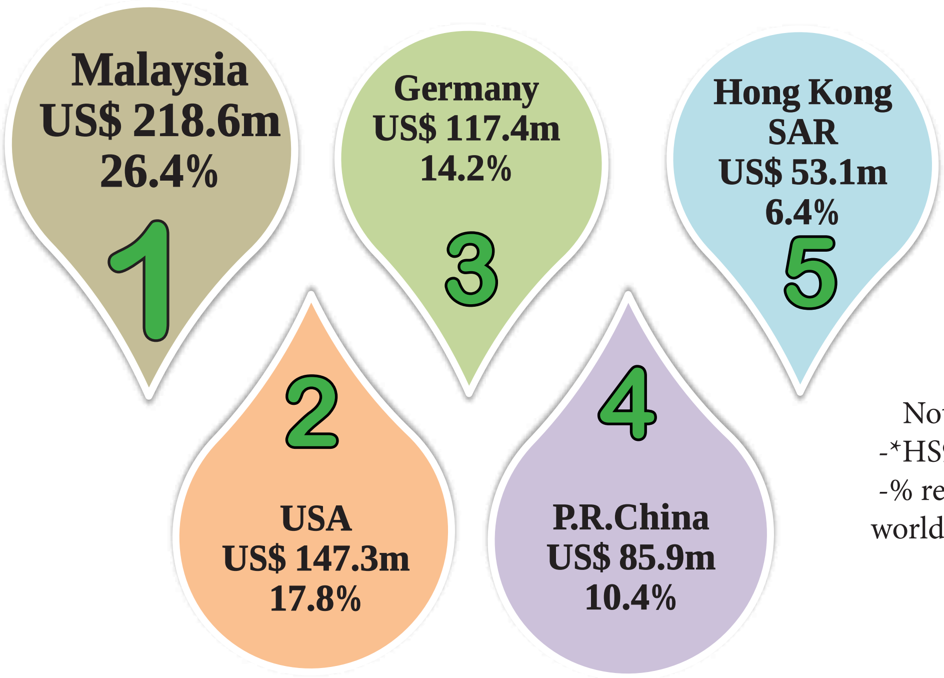
Note : JANUARY – AUGUST 2022 | AUGUST 2022 | JULY 2022

Source: Malaysia's Consumer Price Index (2010=100), Department of Statistics Malaysia (DOSM)

Percentage Change: Year-on-Year

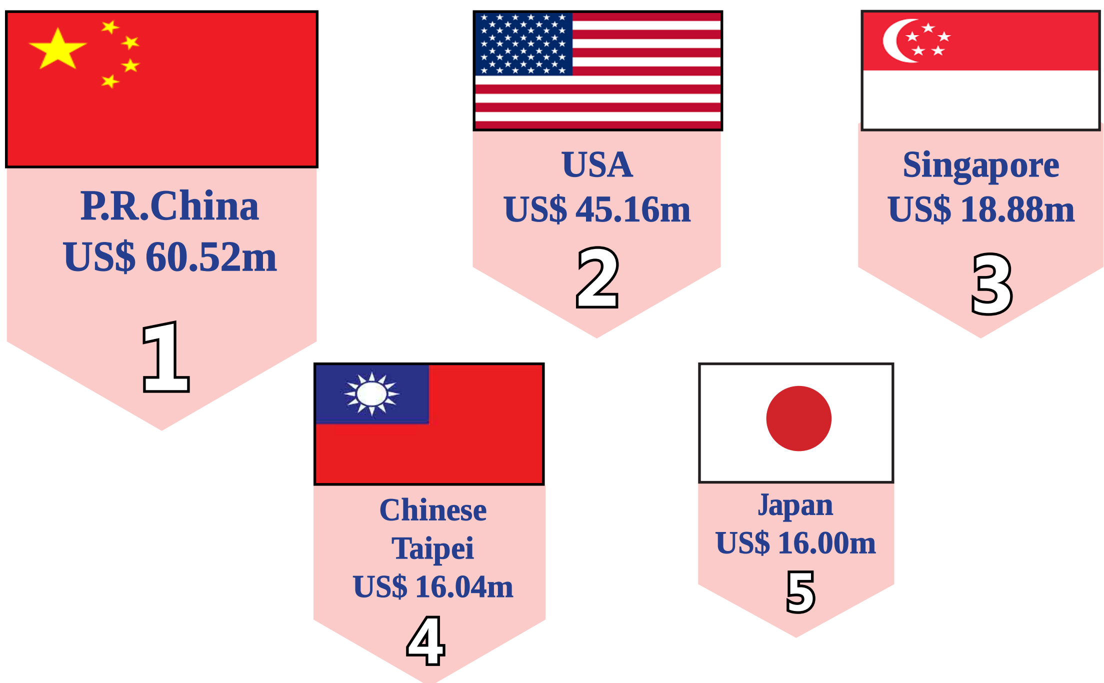
WORLD LARGEST EXPORTER OF OSCILLOSCOPES AND OSCILLOGRAPHS

In 2021, Malaysia's export of World largest exporter of Oscilloscopes and oscillographs recorded US$ 218.6 million which was 26.4% share of the world exports.



Notes:
-*HS903020
-% refer to share in world exports

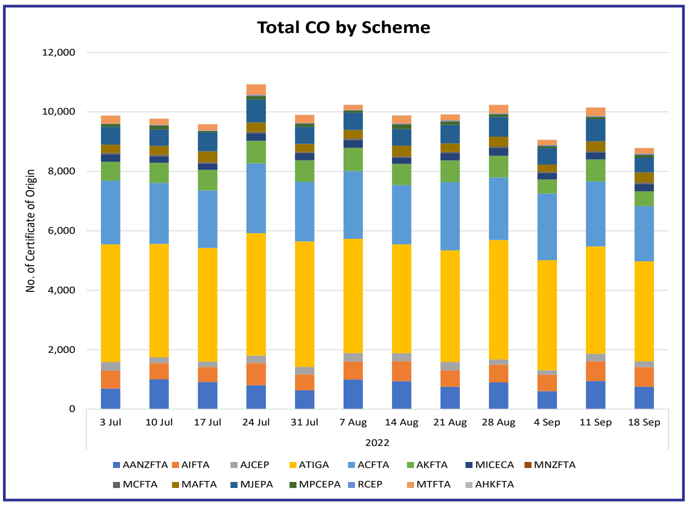
MALAYSIA'S TOP EXPORT DESTINATIONS



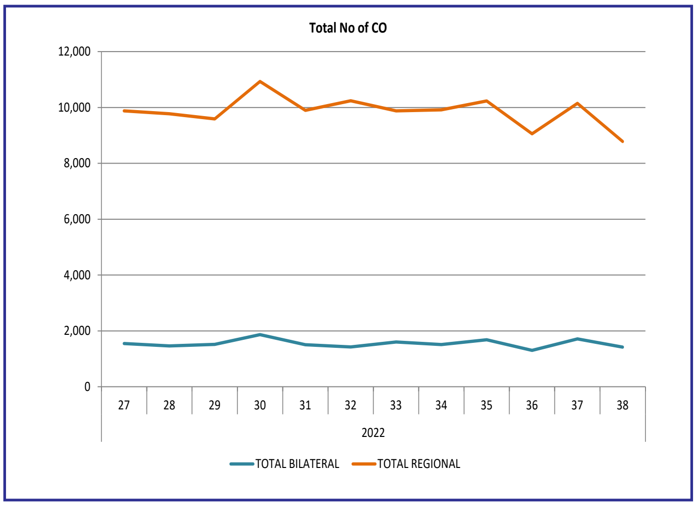
Source: https://www.trademap.org/index.aspx

Number and FOB Value of PCO as at 18 September 2022
Weekly / Monthly/ Annually

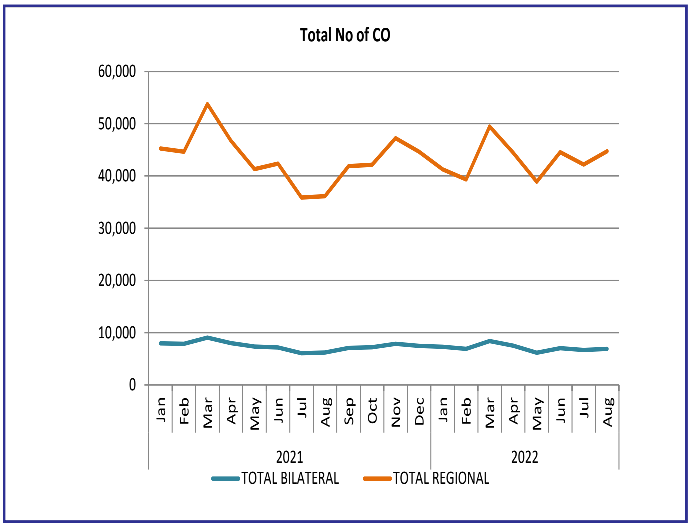
Weekly Total Scheme



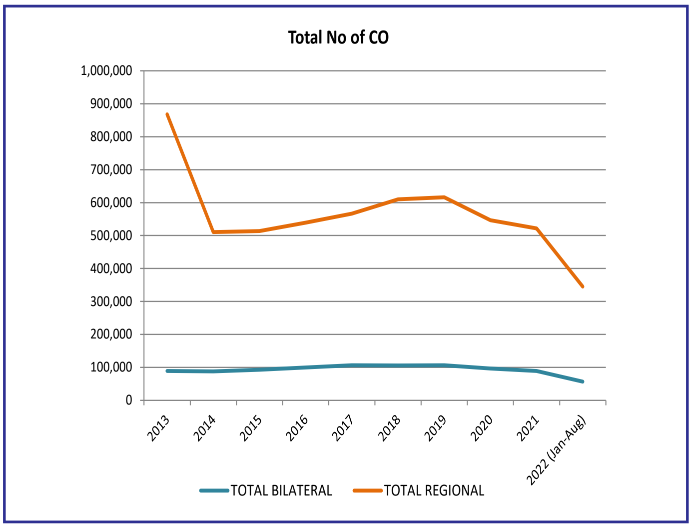
Weekly



Monthly



Annually



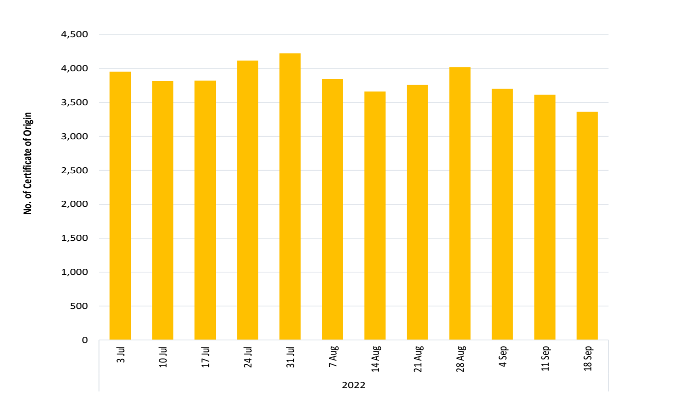
Belgium | US$ 33.97m

Note: *Provisional Data

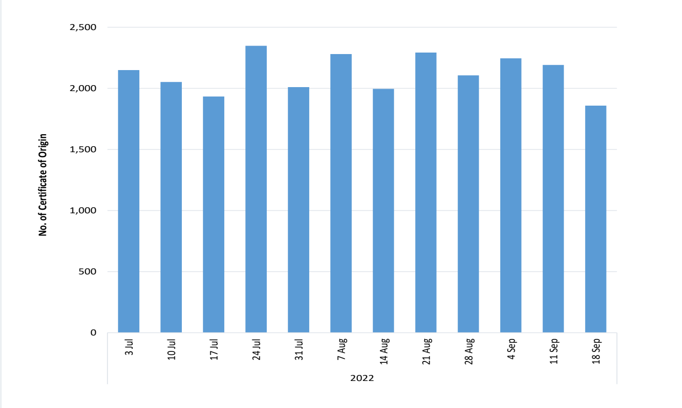
Source: Ministry of International Trade and Industry, Malaysia

Regional FTA
Number of Preferential Certificates of Origin (PCOs) as at 18 September 2022

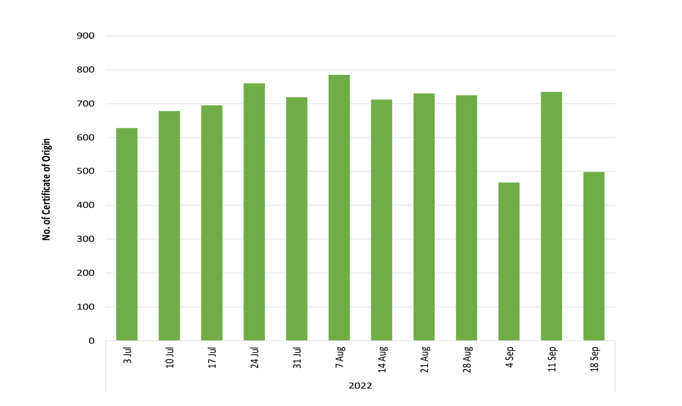
ASEAN Trade in Goods Agreement (ATIGA)



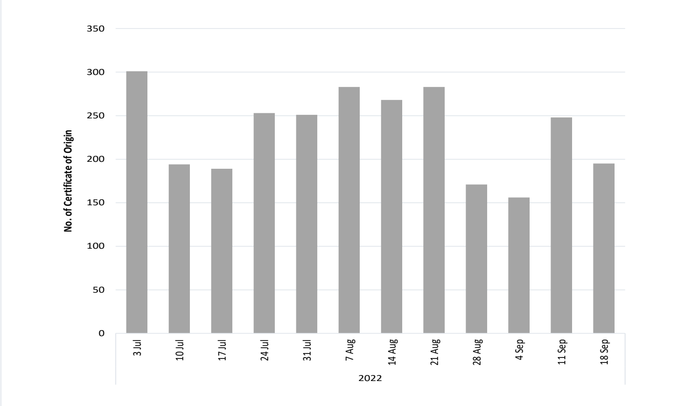
ASEAN-China Free Trade Agreement (ACFTA)



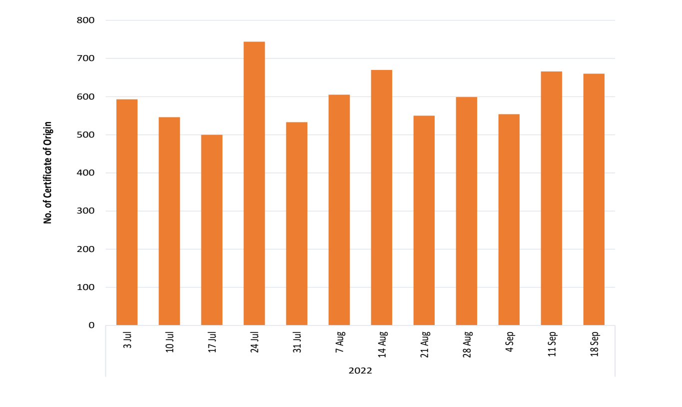
ASEAN-Korea Free Trade Agreement (AKFTA)



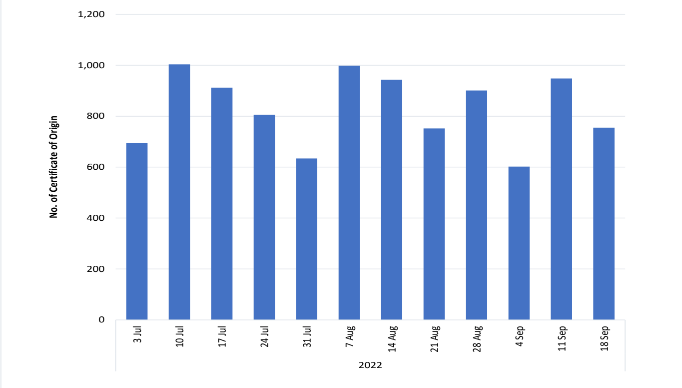
ASEAN-Japan Comprehensive Economic Partnership (AJCEP)



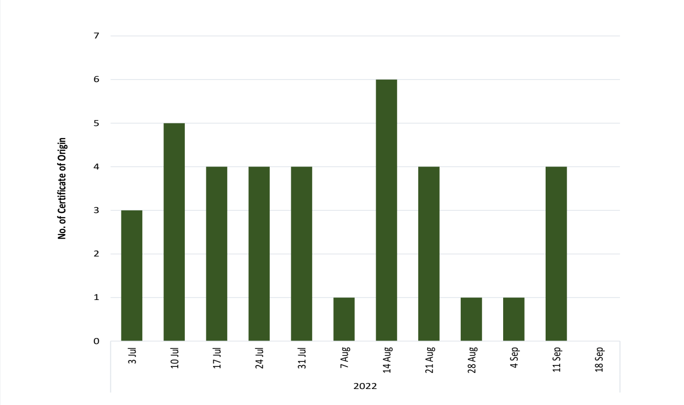
ASEAN-India Free Trade Agreement (AIFTA)



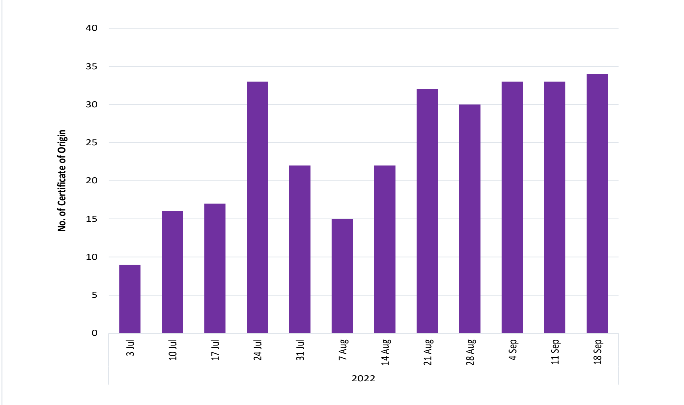
ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)



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



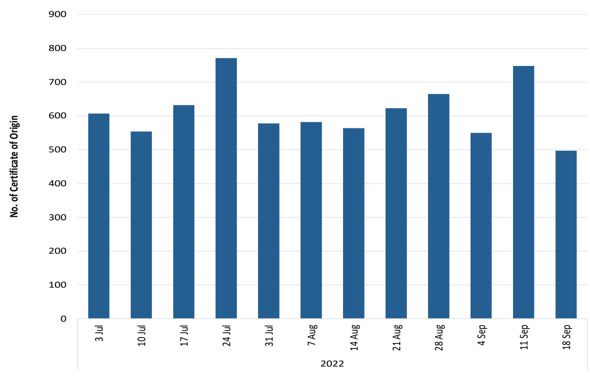
Regional Comprehensive Economic Partnership (RCEP)



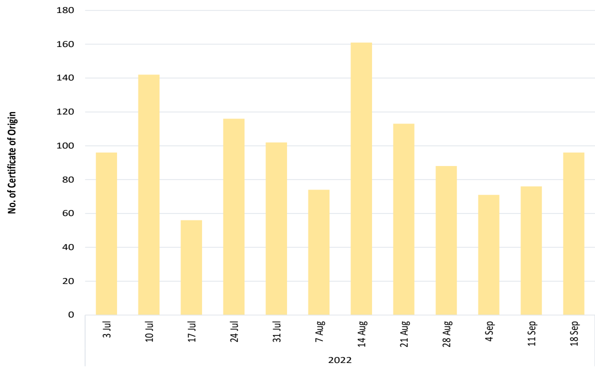
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Bilateral FTA
Number of Preferential Certificates of Origin (PCOs) as at 18 September 2022

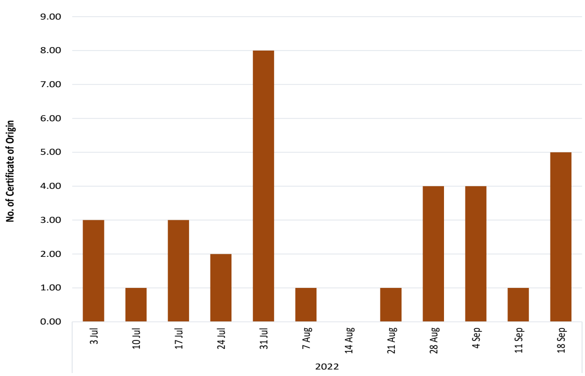
Malaysia-Japan Economic Partnership Agreement (MJEPA)



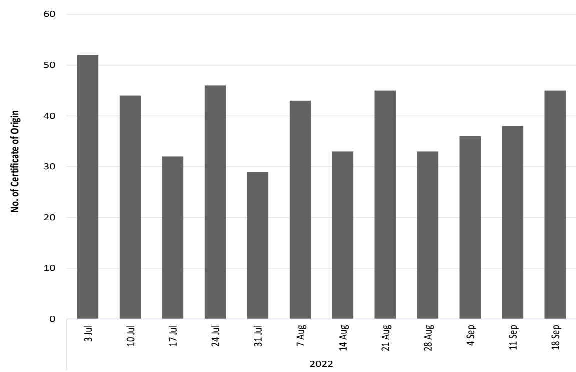
Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA)



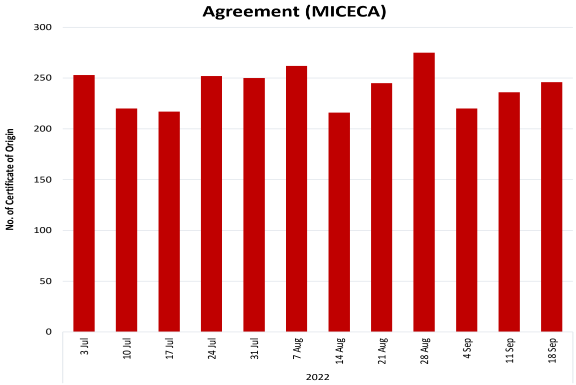
Malaysia-New Zealand Free Trade Agreement (MNZFTA)



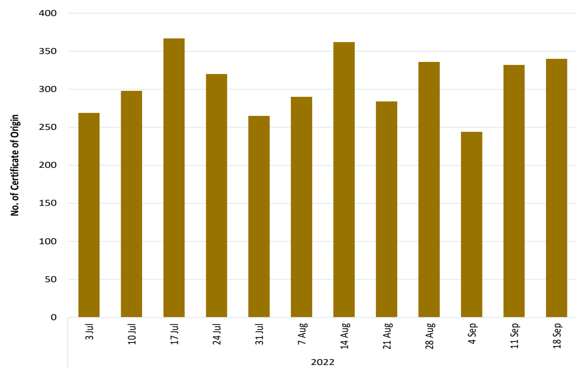
Malaysia-Chile Free Trade Agreement (MCFTA)



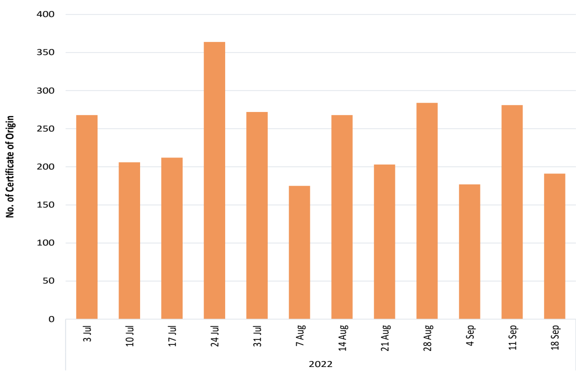
Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)



Malaysia-Australia Free Trade Agreement (MAFTA)



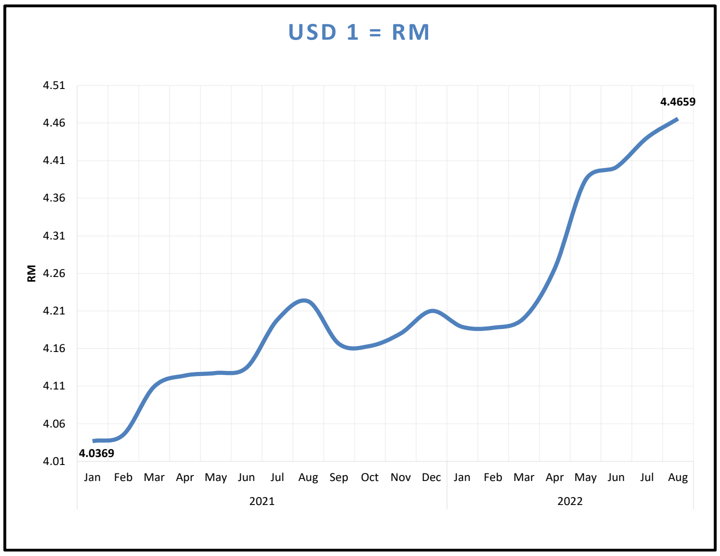
Malaysia-Turkey Free Trade Agreement (MTFTA)



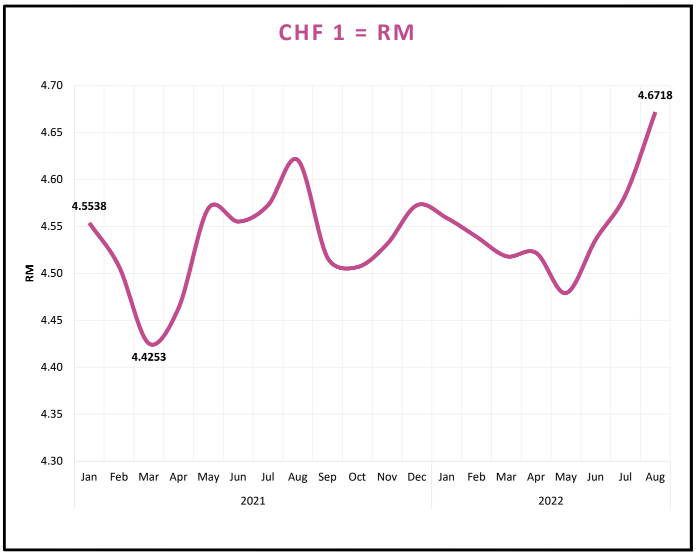
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

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

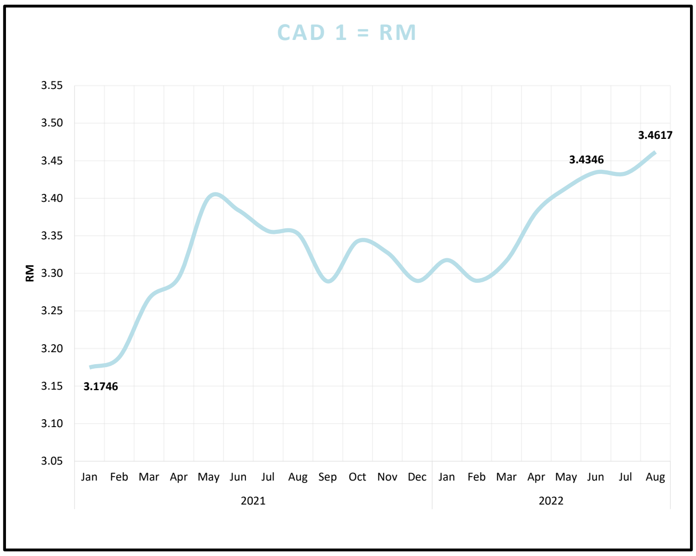
US Dollar



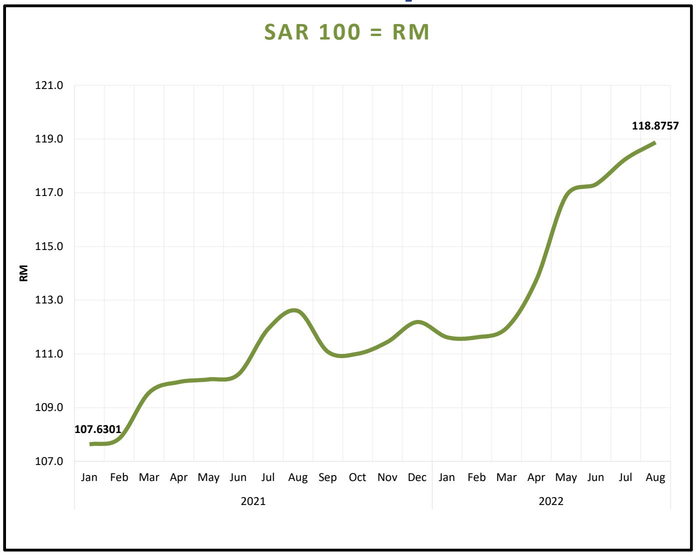
Swiss Franc



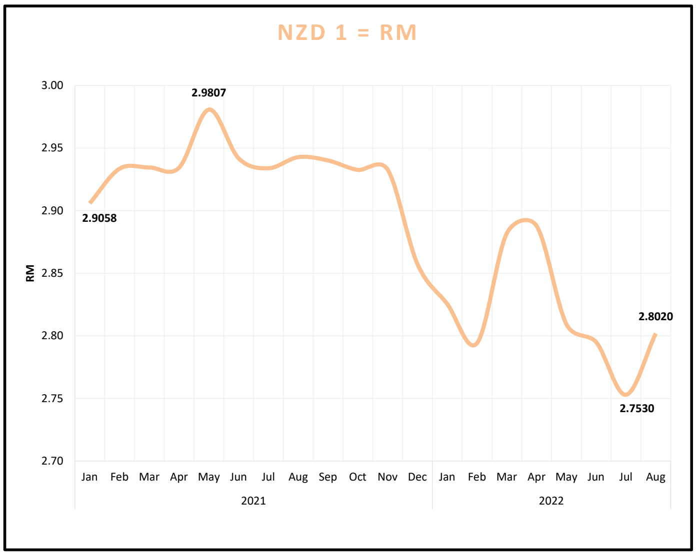
Canadian Dollar



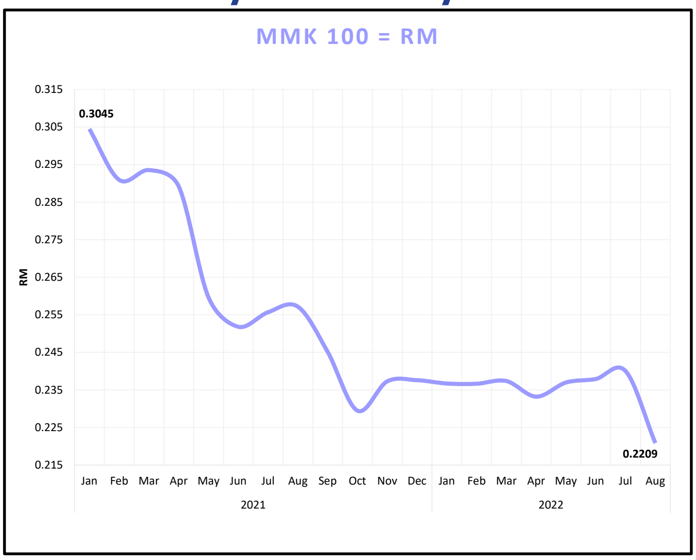
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-

5.2%*
US$86.2
23 Sep 2022

Highest 2021/2022
10 Jun 2022 : US$122.0
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-

0.6%*
US$820.2
23 Sep 2022

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

9 Sep 2022 : US$806.2
18 Jun 2021 : US$844.6
Lowest 2021/2022

Average Price 2021 i : US$1,075.3

RUBBER SMR 20 -per MT-

0.9%*
US$1,347.0
23 Sep 2022

Average Price 2021 i : US$1,689.1

COCOA SMC 2 -per MT-

0.7%*
US$1,471.6
23 Sep 2022

Average Price 2021 i : US$1,505.9

SUGAR -per lbs-

1.3%*
US$17.6
23 Sep 2022

Average Price 2021 i : US$17.9

COAL -per MT-

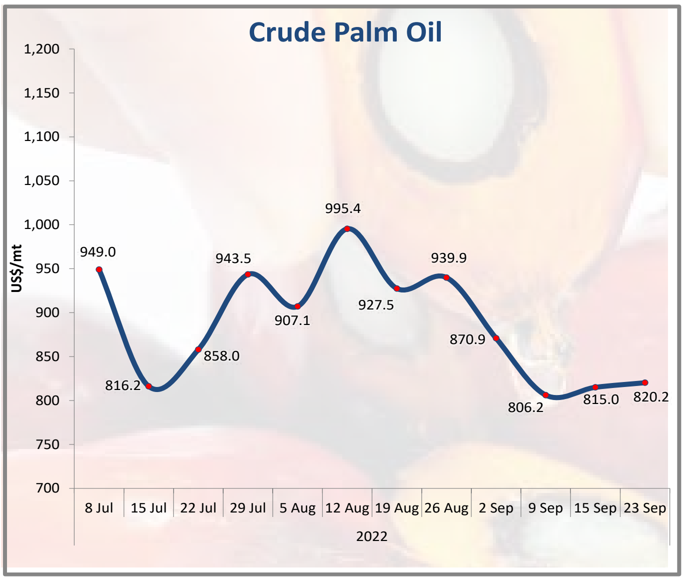
3.0%*
US$327.0
23 Sep 2022

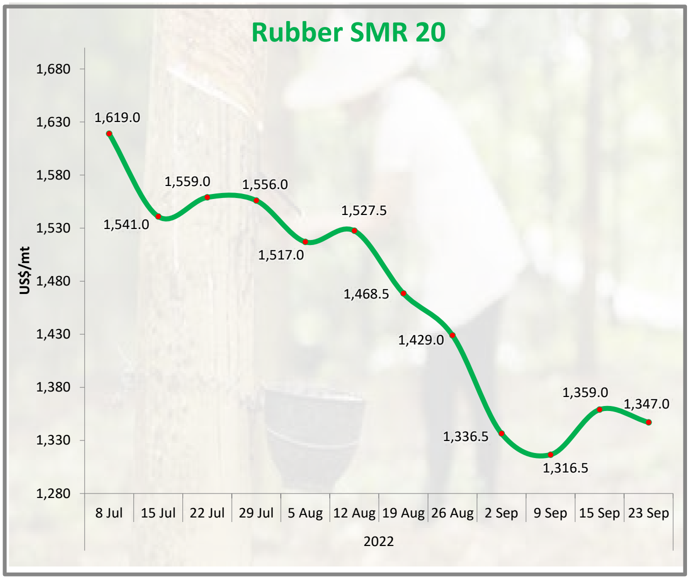
Average Price 2021 i : US$120.5

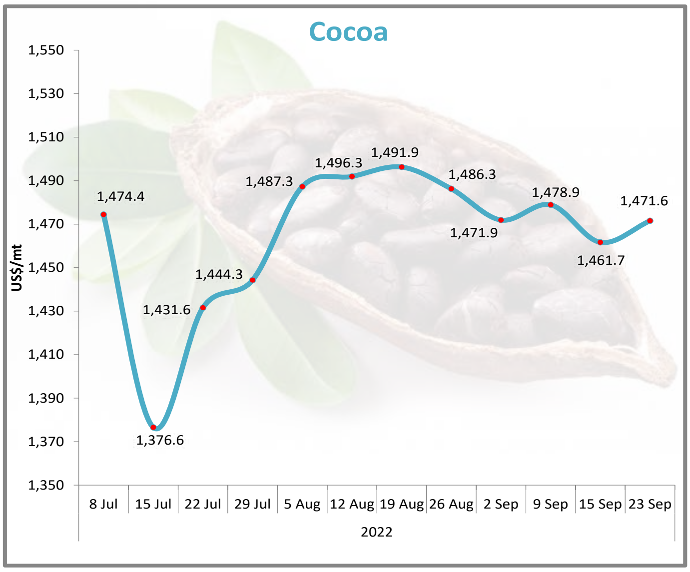
Notes: All figures have been rounded to the nearest decimal point
* Refer to % change from the previous week's price
i Average price in the year except otherwise indicated

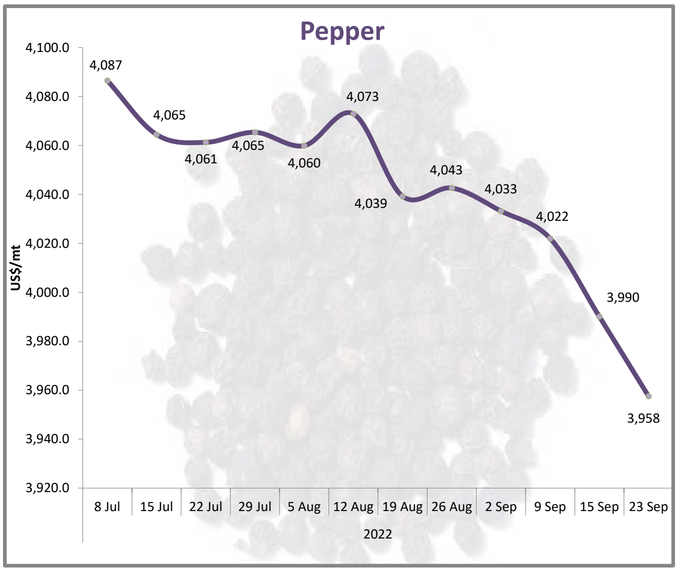
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, and Bloomberg.

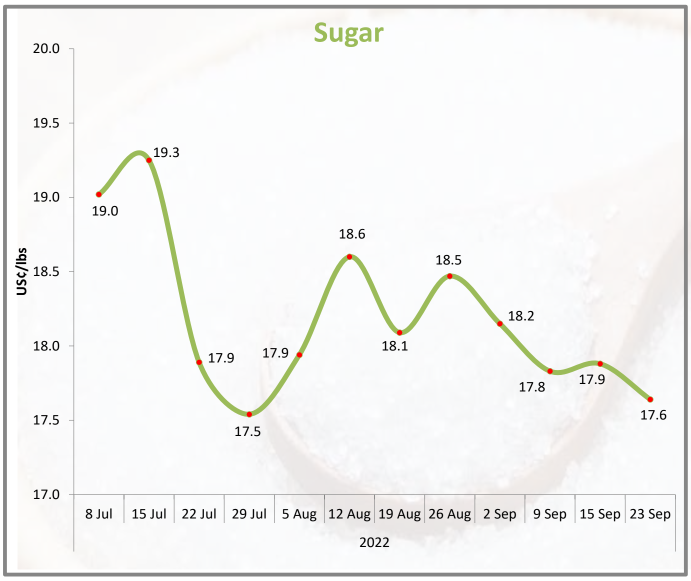
Commodity Price Trends

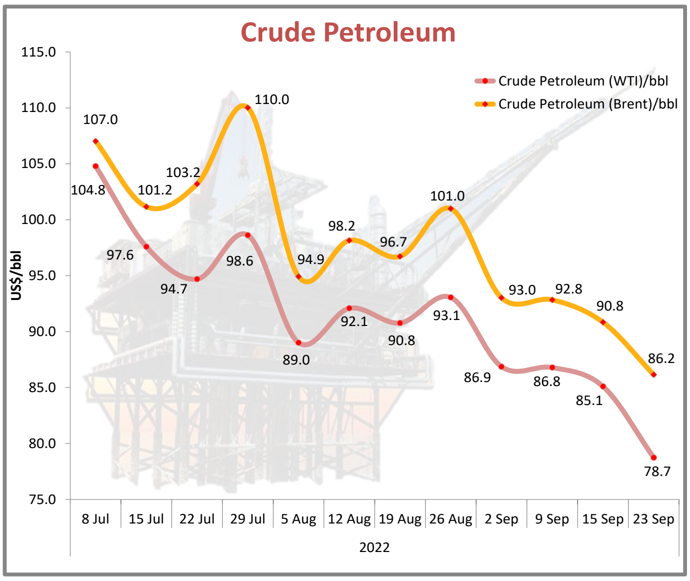






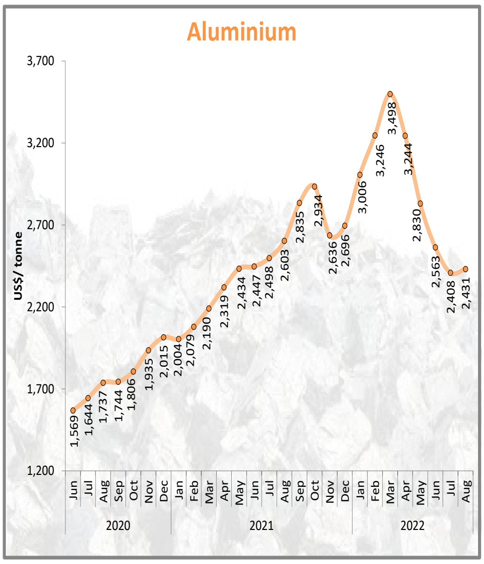


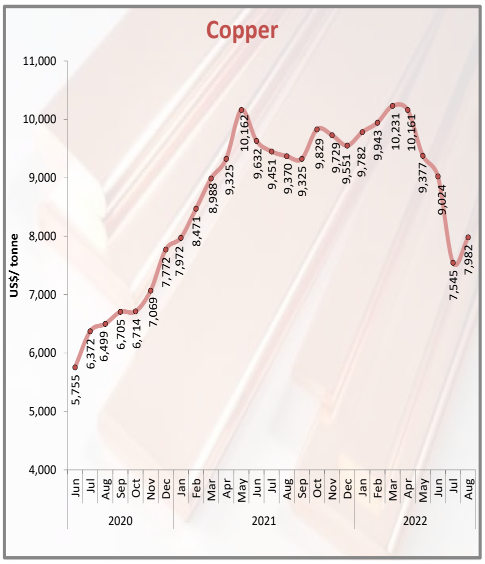


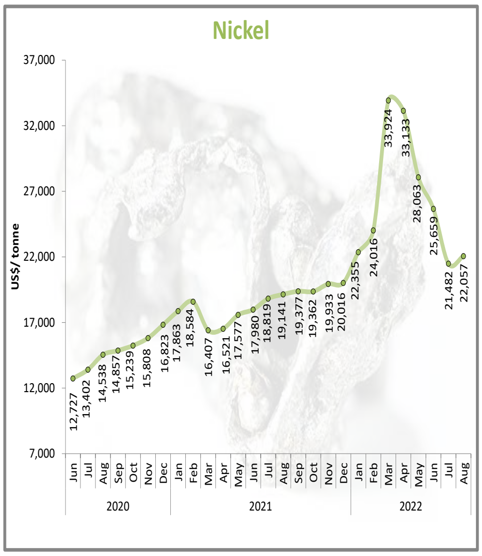


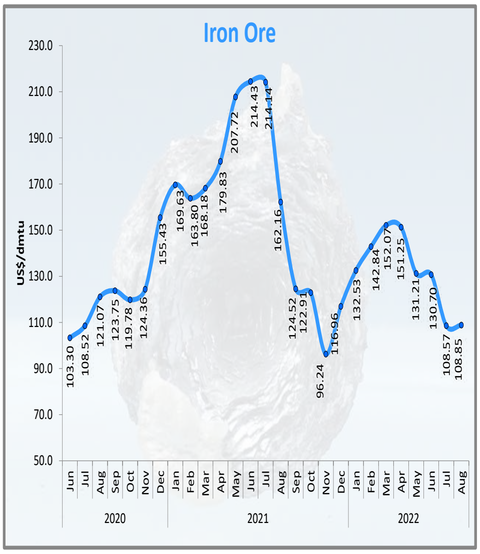
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

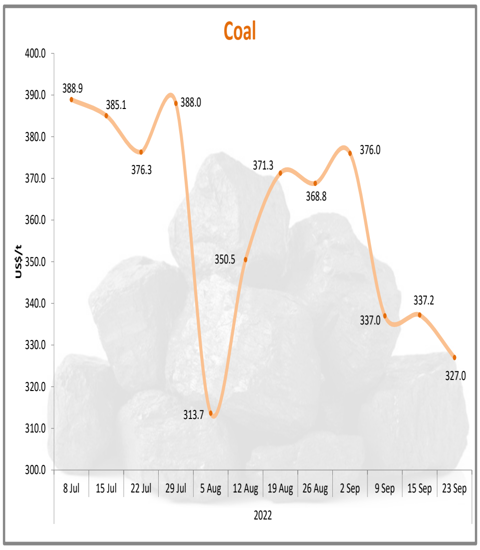
Commodity Price Trends

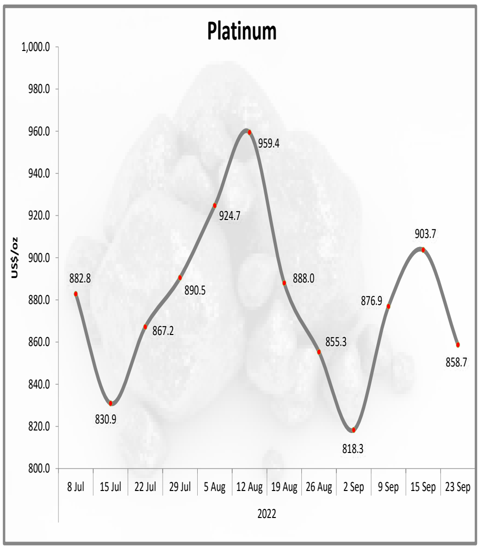


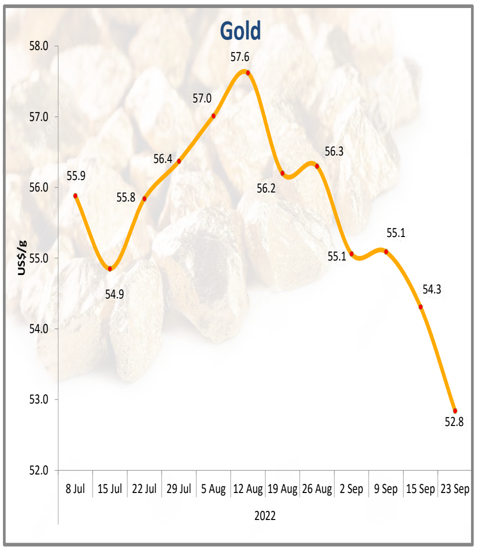












Sources: Ministry of International Trade and Industry Malaysia, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

RCEP

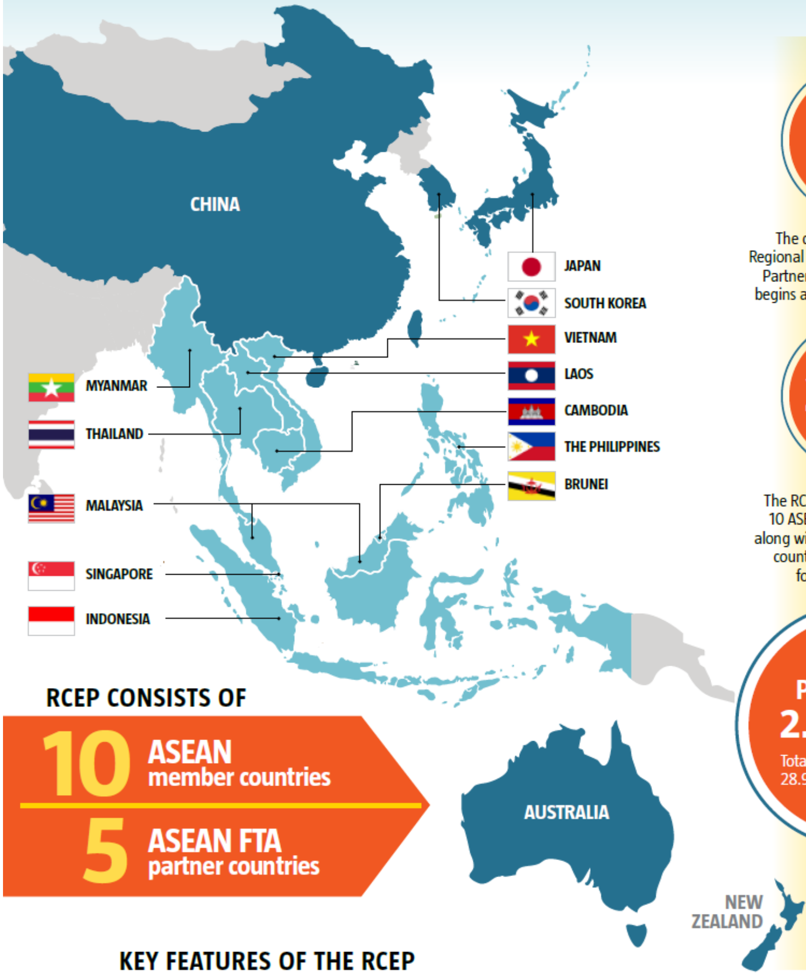
ALL YOU NEED TO KNOW

RCEP

ALL YOU NEED TO KNOW

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.



RCEP CONSISTS OF

10 ASEAN member countries

5 ASEAN FTA partner countries

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 ASIAN 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

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 intrude 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 region, utilization, protection and enforcement of intellectual property rights amongst RCEP member countries.

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

INDUSTRY4WRD RELATED INCENTIVES

01 | LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs

Industry Digitalisation Transformation Fund (IDTF)

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

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

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)

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

For more information, kindly click the following links:
https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab_547_2202

ALL YOU NEED TO KNOW

Industry4WRD

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

Announcements

Announcements

Dear Readers,

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