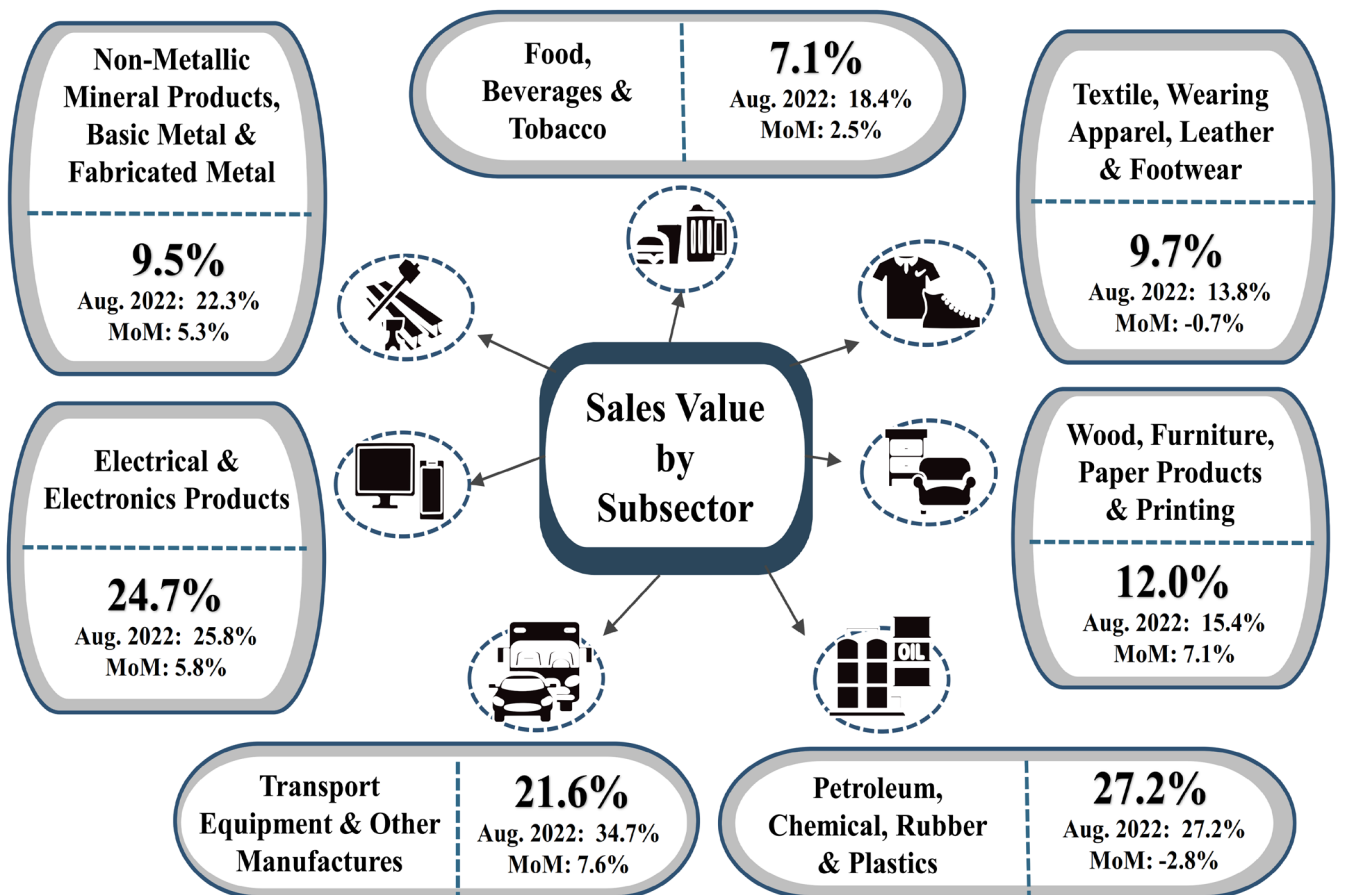
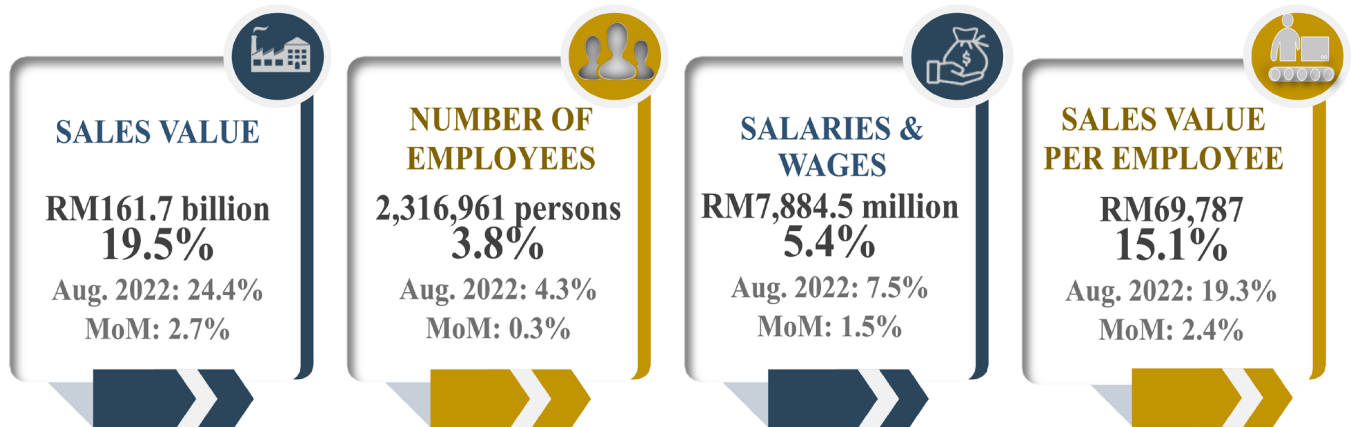


### MANUFACTURING, SEPTEMBER 2022

Malaysia's Manufacturing sales value rose 19.5 per cent in September 2022, amounted to RM161.7 billion

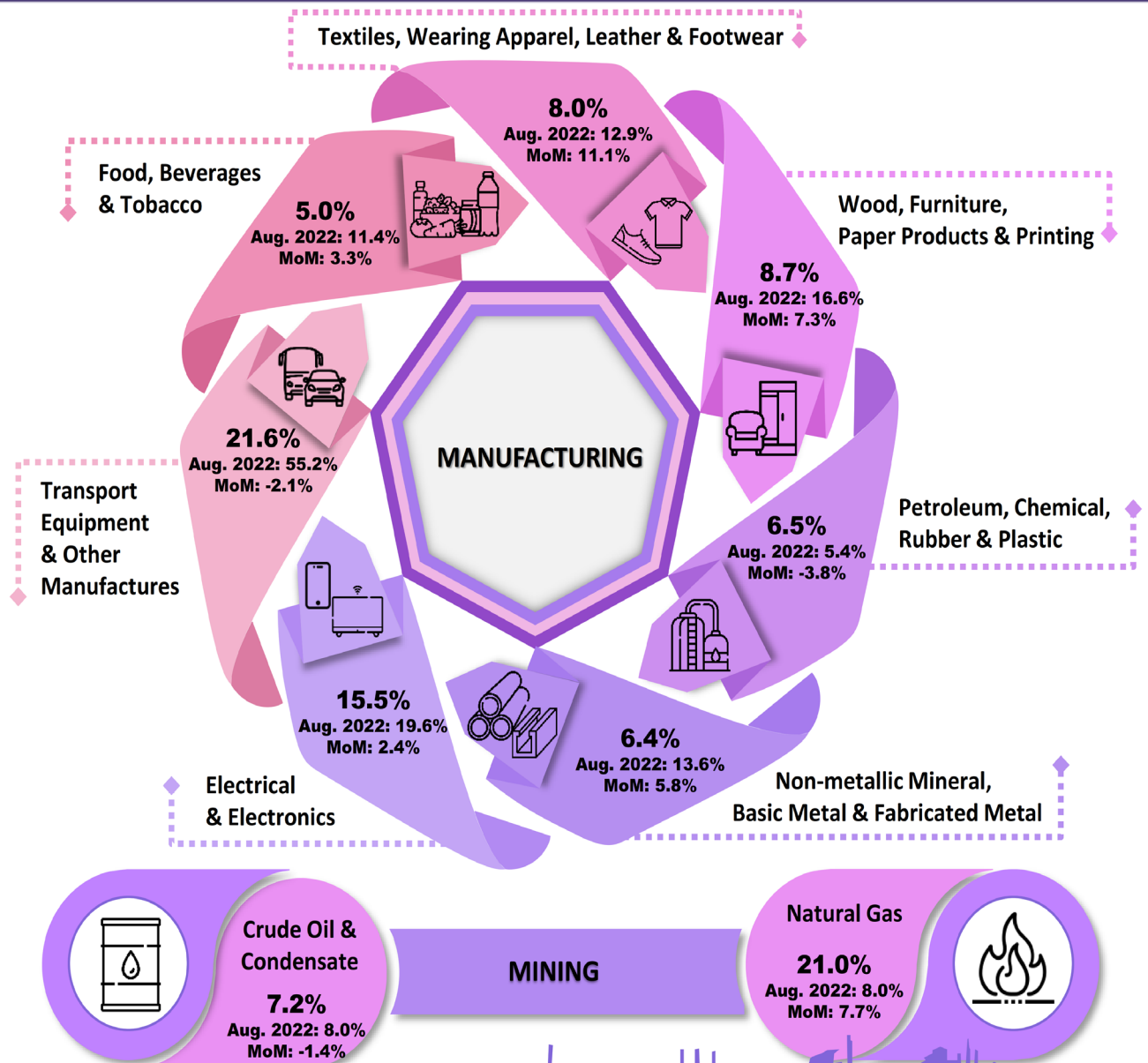
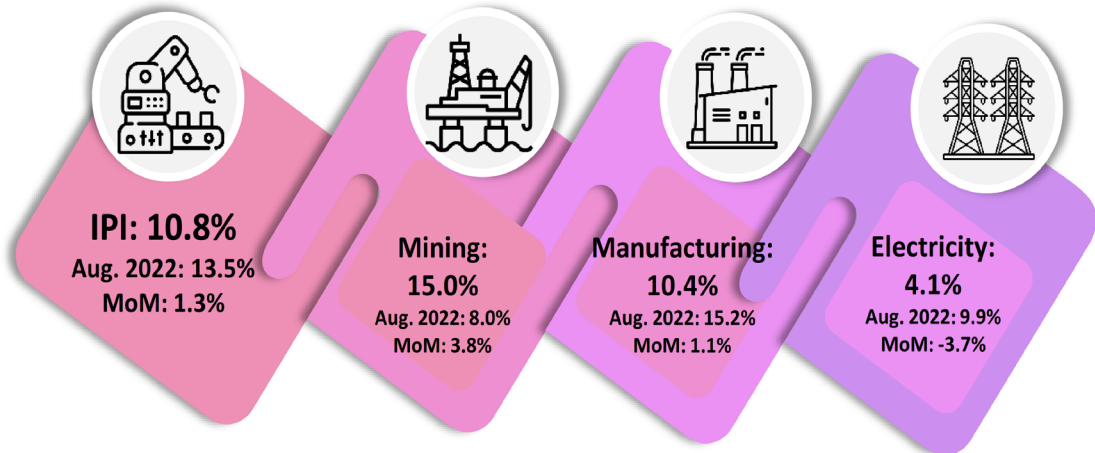


Note: Percentage growth refers to Year-on-Year (YoY) and Month-on-Month (MoM) changes

Source: Monthly Manufacturing Statistics, Malaysia  
September 2022  
Department of Statistics Malaysia (DOSM)

## IPI, SEPTEMBER 2022

**Malaysia's Industrial Production Index (IPI) grew 10.8 per cent in September 2022, driven by Mining and Manufacturing sectors**



**Note:**  
Percentage refers to the change in month-on-month (MoM) and year-on-year (YoY)

**Source:**  
Index of Industrial Production Malaysia, September 2022  
Department of Statistics Malaysia (DOSM)

# LABOUR FORCE, SEPTEMBER 2022

Better labour force situation in September 2022 as employment steady improved with downtrend in unemployment rate at 3.6 per cent

## LABOUR FORCE

Aug. 2022  
16.63 million

Sep. 2022  
16.66 million

▲ 2.9%  
▲ 0.2%

69.7%

▲ 1.1pp  
↔ 0.0pp

The labour force participation rate (LFPR) was unchanged at 69.7 per cent

Sep. 2022

3.6%

Aug. 2022

3.7%

Unemployment rate

## EMPLOYED PERSON

### Employed person by status in employment

Sep. 2022  
16.05 million  
Aug. 2022  
16.02 million

▲ 3.8% ▲ 0.2%

▲ 2.2%  
▲ 0.1%

▲ 9.7%  
▲ 0.7%

▲ 9.7%  
▲ 0.2%

▲ 7.1%  
▼ 0.2%

75.9% Employees

17.6% Own-account workers

3.4% Employers

3.1% Unpaid family workers

Employees' category remained as the largest composition of employed persons encompassed 75.9 per cent

Most of the employed persons categories posted a month-on-month increase in September 2022, except for the unpaid family workers

## UNEMPLOYMENT

3.6%

▼ 0.9pp  
▼ 0.1pp

A lower unemployment rate was recorded in September at 3.6 per cent

Sep. 2022  
605.0 thousand  
Aug. 2022  
612.0 thousand

▼ 17.1% ▼ 1.1%

82.1% 17.9%

### Actively unemployed

Sep. 2022 : 496.6 thousand

Aug. 2022 : 507.3 thousand

▼ 18.7% ▼ 2.1%

### Inactively unemployed

Sep. 2022 : 108.4 thousand

Aug. 2022 : 104.7 thousand

▼ 8.6% ▲ 3.5%

% Percentage change (year-on-year) pp Percentage point

% Percentage change (month-on-month) ↔ Unchanged

## OUTSIDE LABOUR FORCE

### OUTSIDE LABOUR FORCE

Aug. 2022  
7.24 million  
Sep. 2022  
7.24 million

▼ 2.3%  
▼ 0.04%

Housework/ family responsibilities was the main reason of outside labour force



HOUSEWORK/ FAMILY RESPONSIBILITIES

42.9%



SCHOOLING/ TRAINING

40.5%

Source: Labour Force Survey, Department of Statistics Malaysia (DOSM)



# EXTERNAL TRADE INDICES, SEPTEMBER 2022

Export and import unit value indices rebounded to an upward trend, increasing 1.0 per cent and 0.03 per cent respectively

## EXPORTS

Value ▲ 2.2%

	RM Billion
Aug' 22	141.3
Sep' 22 <sup>p</sup>	144.3

Unit Value Index ▲ 1.0%



▲ 1.1%

▲ 0.2%

Mineral Fuels

Machinery & Transport Equipment

Miscellaneous Manufactured Articles

Animals & Vegetable Oils & Fats ▲ 13.5%

Machinery & Transport Equipment ▲ 9.2%

Chemicals ▲ 2.5%

Volume Index ▲ 1.1%

RM Billion

124.2

Aug' 22

112.6

Sep' 22<sup>p</sup>

9.4% ▼ Value

## IMPORTS

0.03% ▲ Unit Value Index



Volume Index ▼ 9.4%

Mineral Fuels ▼ 29.8%

Miscellaneous Manufactured Articles ▼ 14.4%

Chemicals ▼ 6.6%



▲ 0.04%

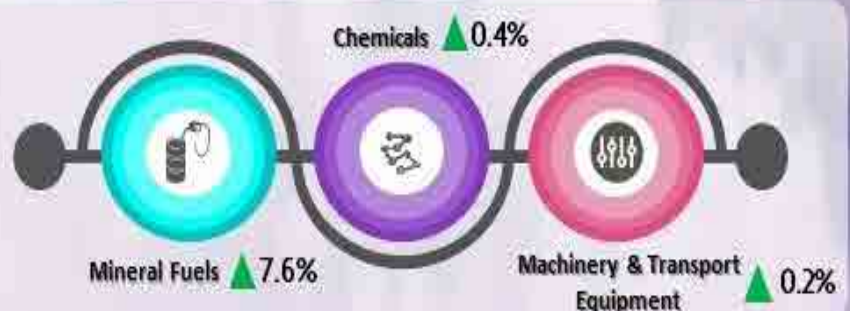
Machinery & Transport Equipment

Miscellaneous Manufactured Articles

Food

## TERM OF TRADES

▲ 1.0%



Mineral Fuels ▲ 7.6%

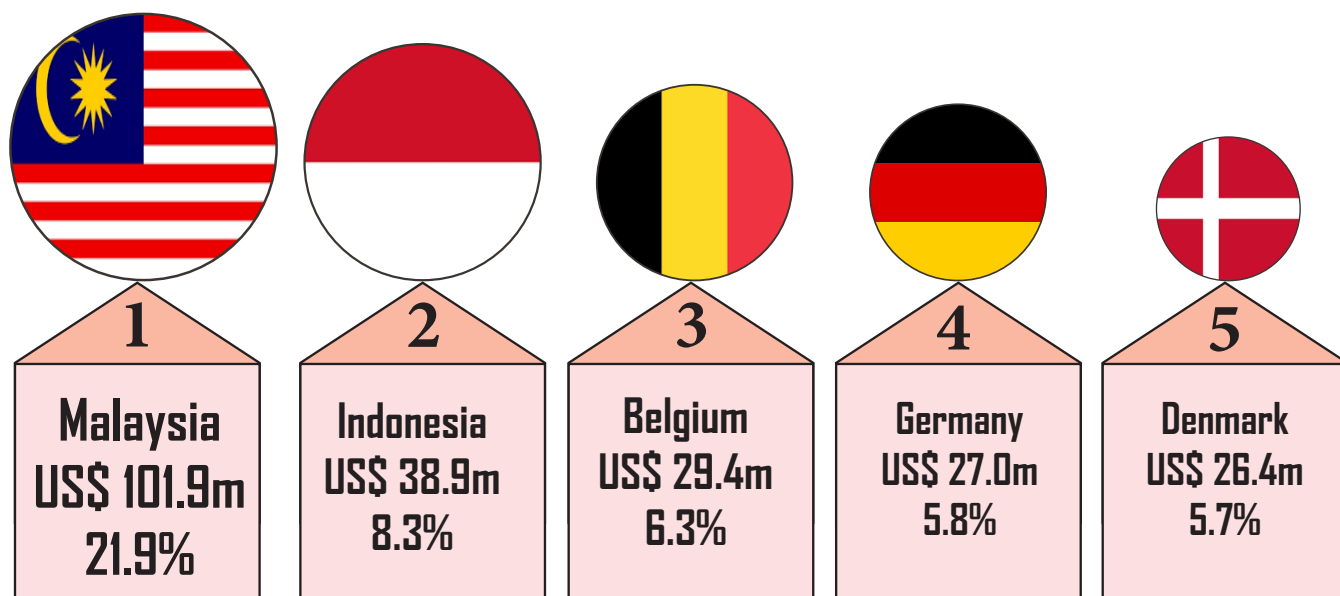
Machinery & Transport Equipment ▲ 0.2%

All changes are based on month-on-month comparison.

Source : External Trade Indices, September 2022, Department of Statistics Malaysia (DOSM)

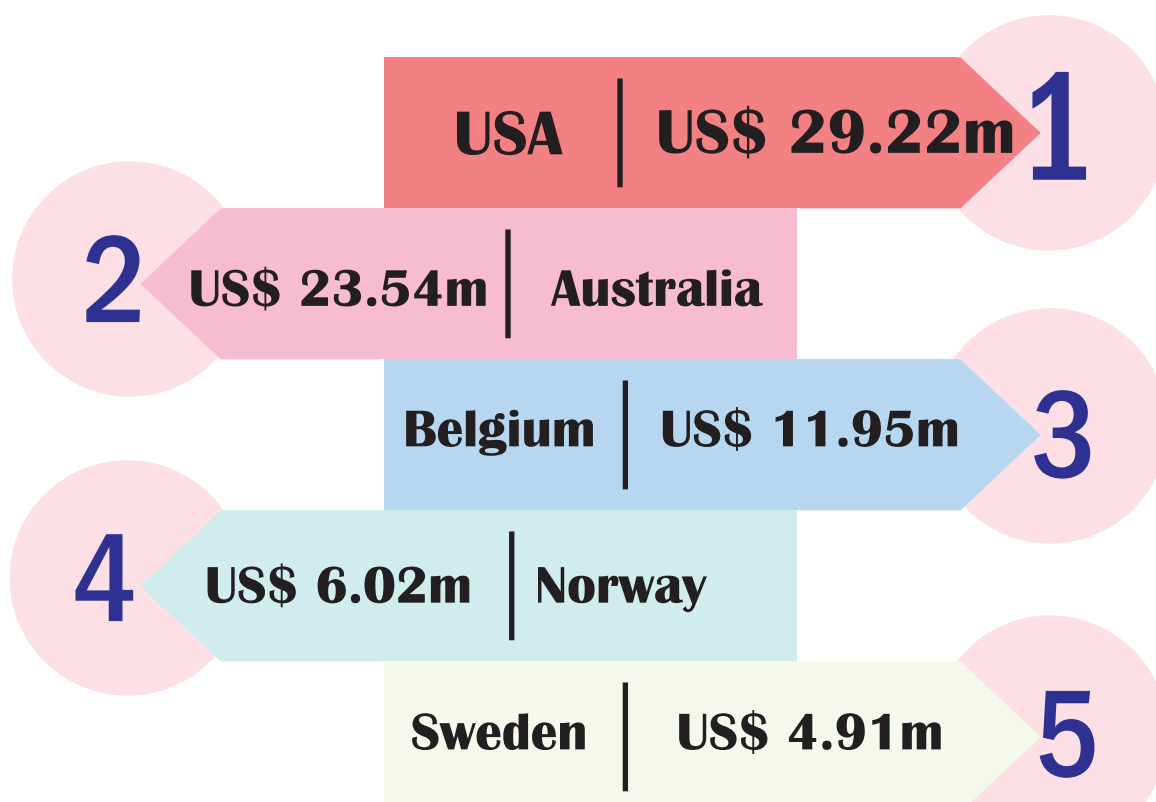
## WORLD LARGEST EXPORTERS OF FLOORING PANELS, ASSEMBLED, OF WOOD (EXCLUDING MULTILAYER PANELS AND FLOORING PANELS FOR MOSAIC FLOORS)

In 2021, Malaysia's export of Flooring panels, assembled, of wood (excluding multilayer panels and flooring panels for mosaic floors) recorded US\$ 101.9 million which was 21.9% share of the world exports.



Notes:  
 -\*HS441879  
 -% refer to share in world exports

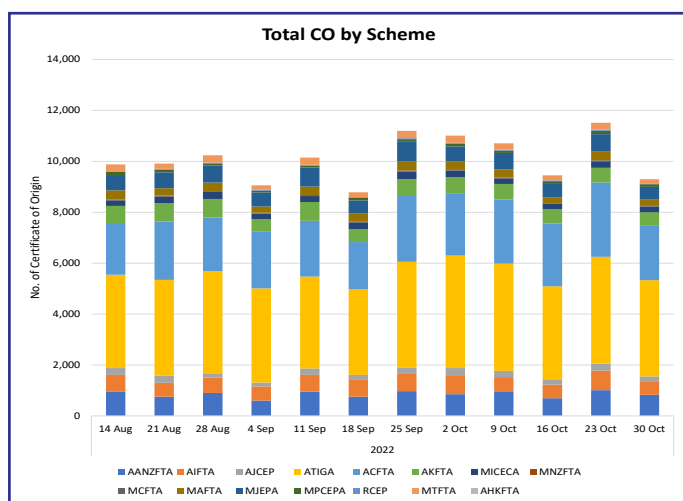
## MALAYSIA'S TOP EXPORT DESTINATIONS



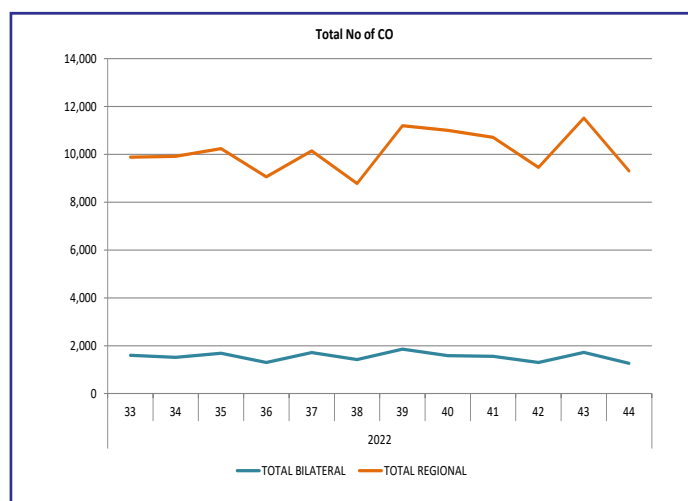
Source: <https://www.miti.gov.my/index.aspx>

# Number and FOB Value of PCO as at 30 October 2022 Weekly / Monthly / Annually

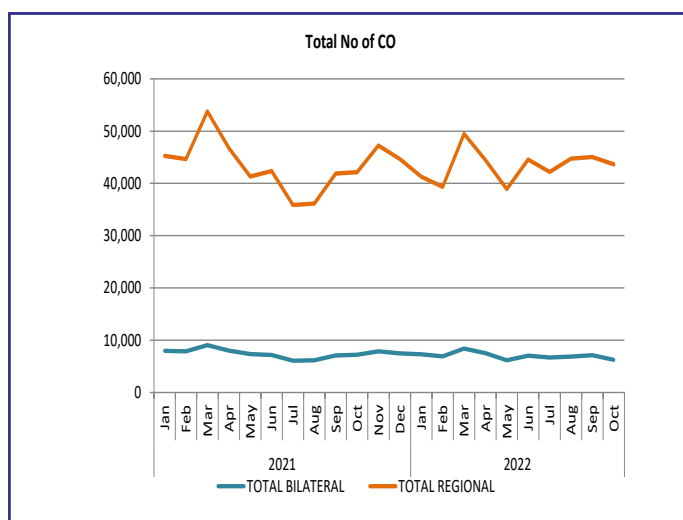
## Weekly Total Scheme



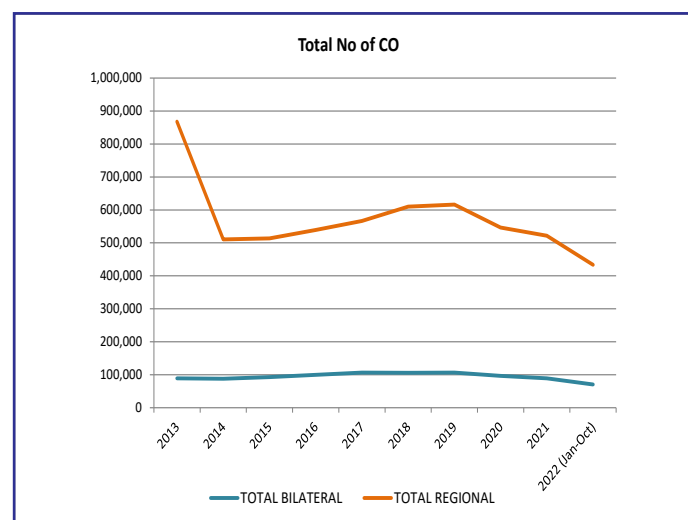
## Weekly



## Monthly



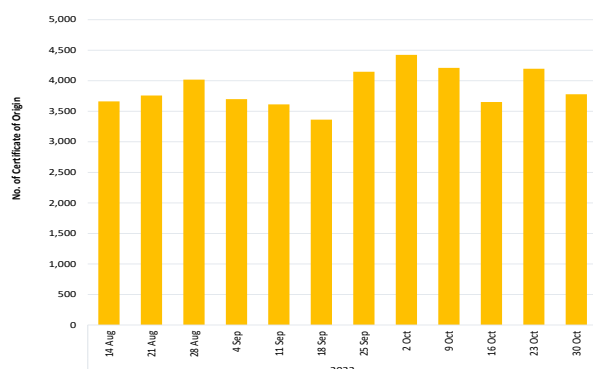
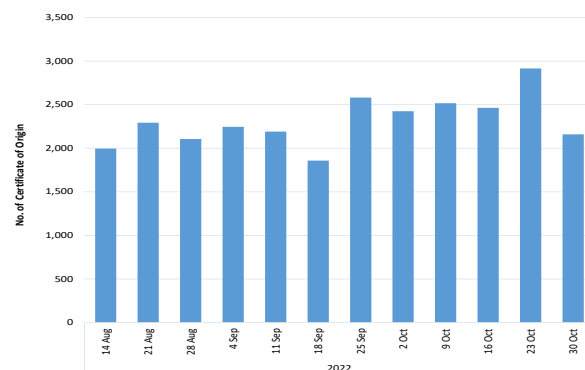
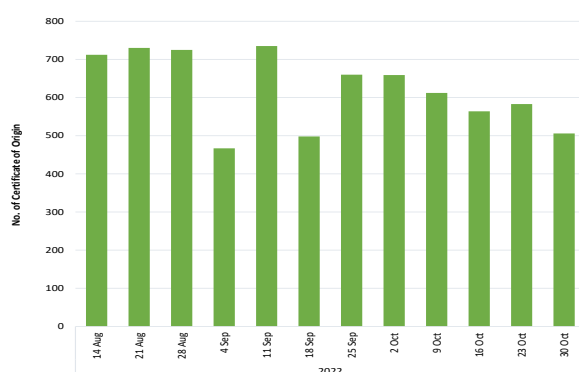
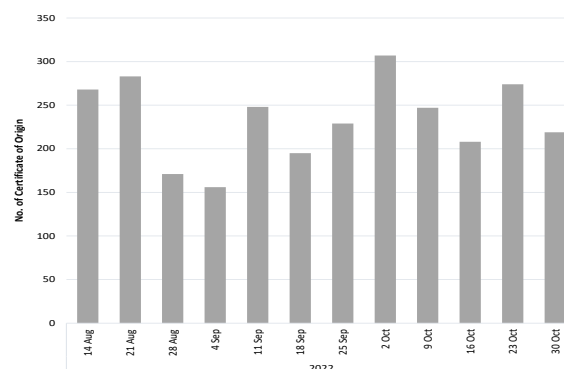
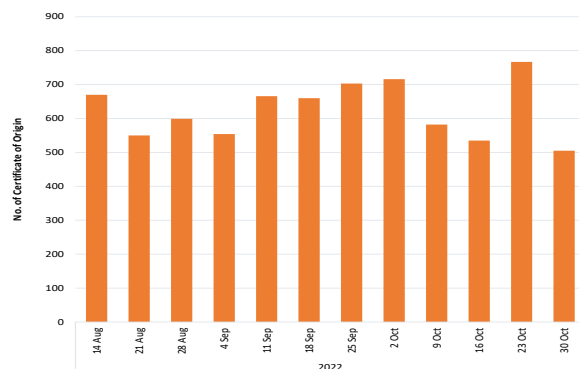
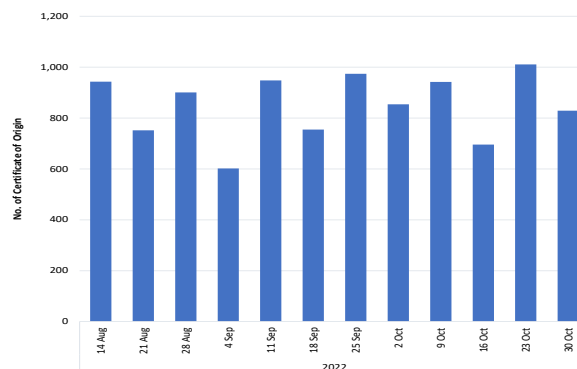
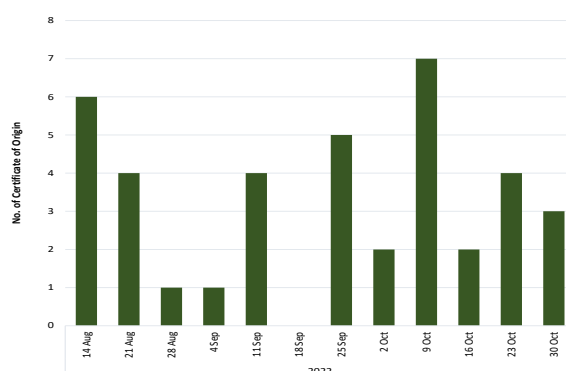
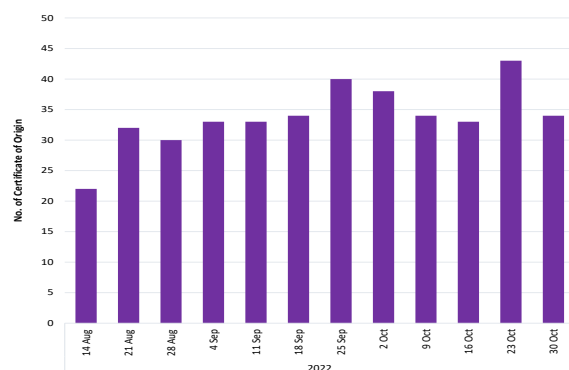
## Annually



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

# Regional FTA

## Number of Preferential Certificates of Origin (PCOs) as at 30 October 2022

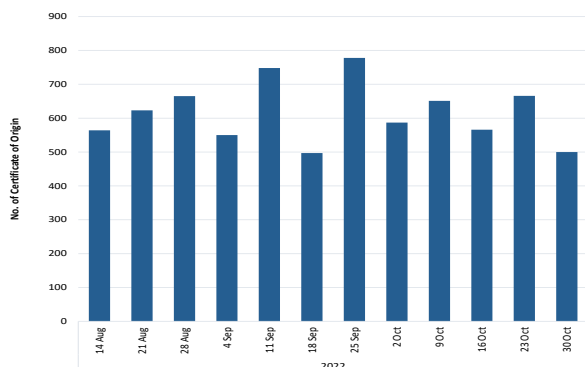
**ASEAN Trade in Goods Agreement (ATIGA)**

**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

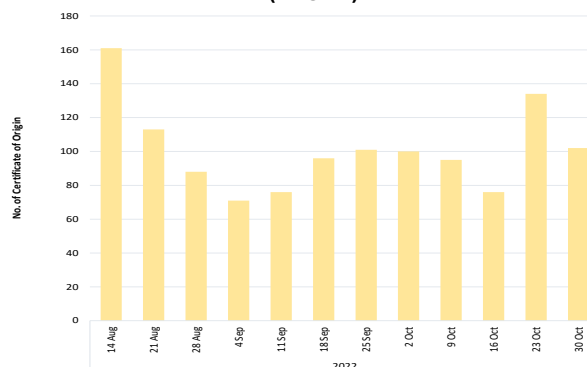
# Bilateral FTA

## Number of Preferential Certificates of Origin (PCOs) as at 30 October 2022

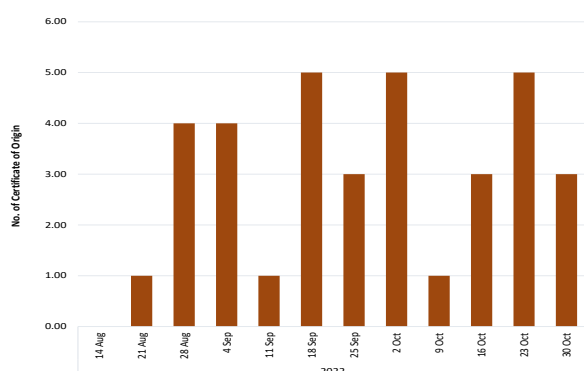
**Malaysia-Japan Economic Partnership Agreement (MJEPA)**



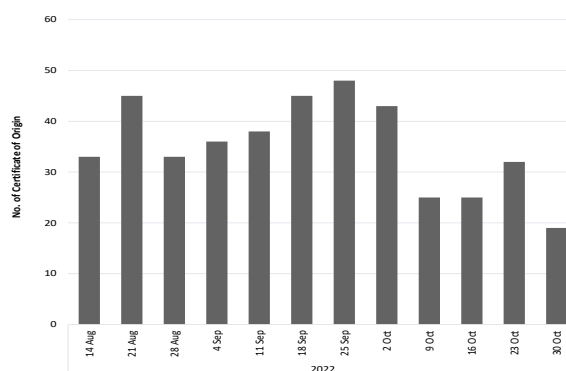
**Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA)**



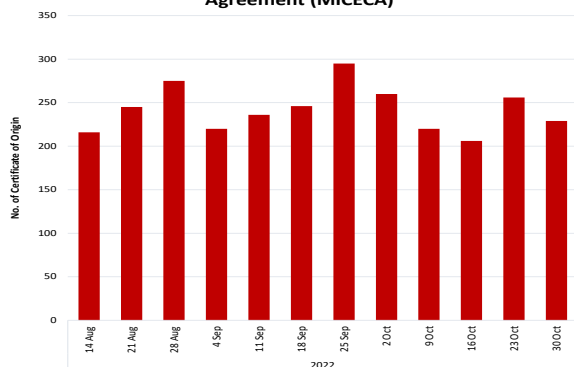
**Malaysia-New Zealand Free Trade Agreement (MNZFTA)**



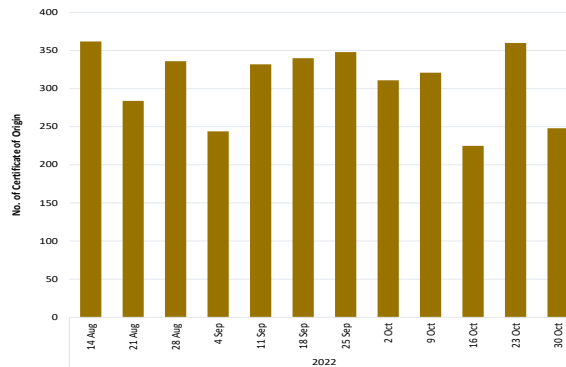
**Malaysia-Chile Free Trade Agreement (MCFTA)**



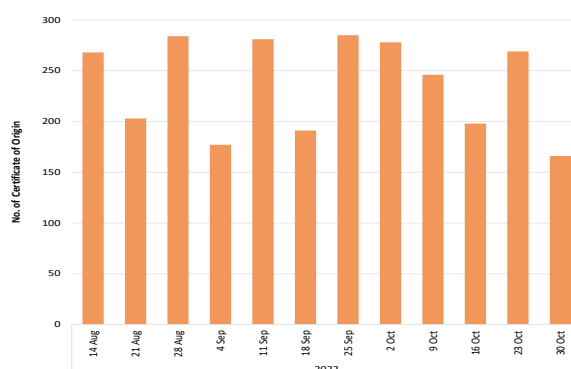
**Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)**



**Malaysia-Australia Free Trade Agreement (MAFTA)**



**Malaysia-Turkey Free Trade Agreement (MTFTA)**



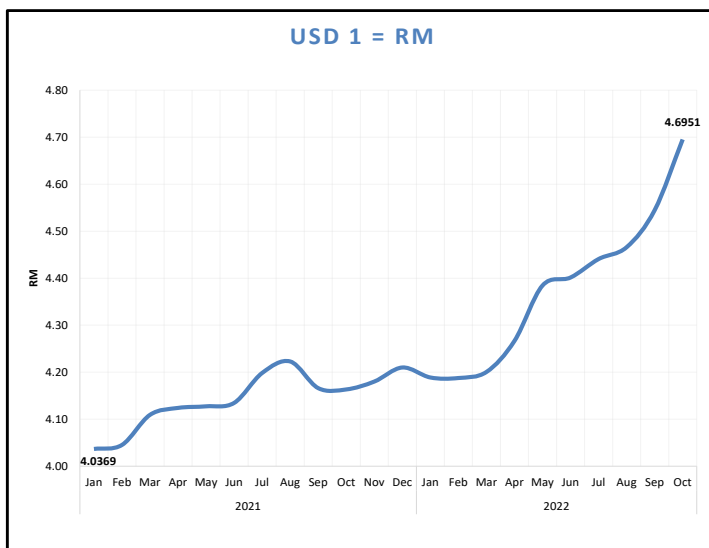
Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia



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

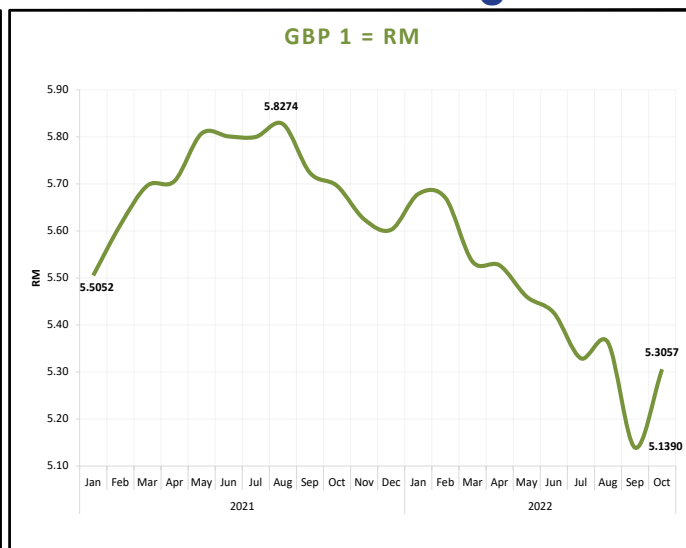
## US Dollar

USD 1 = RM



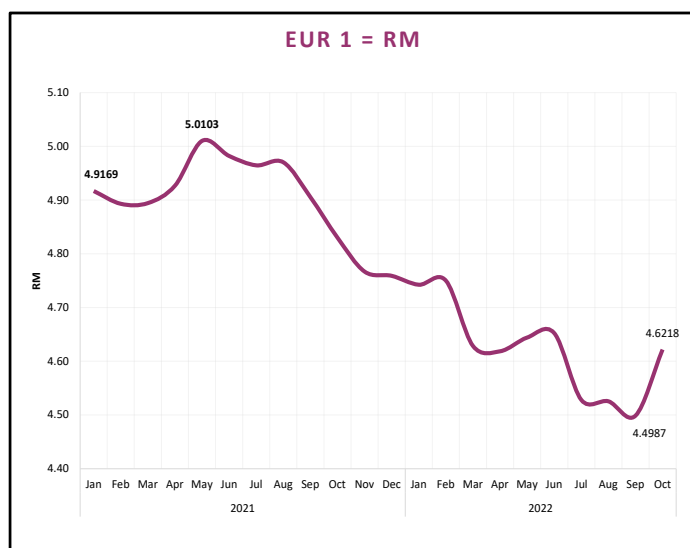
## Pound Sterling

GBP 1 = RM



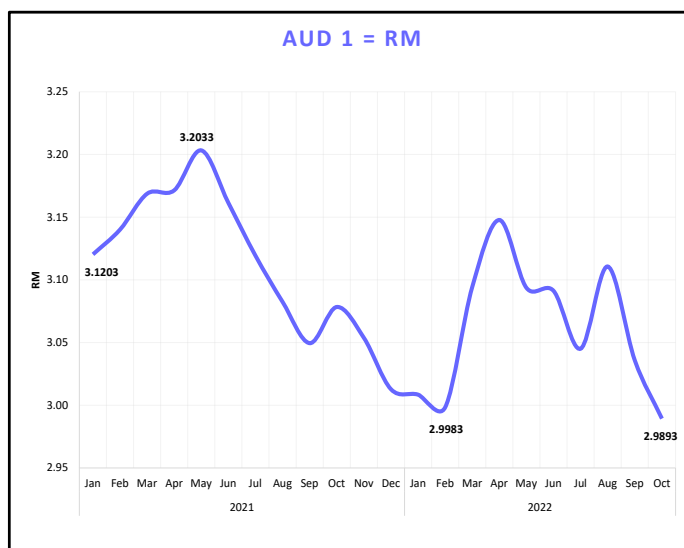
## Euro

EUR 1 = RM



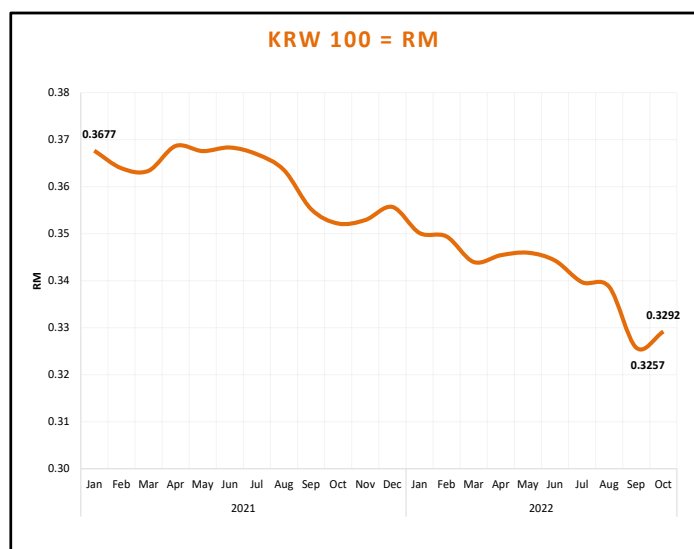
## Australian Dollar

AUD 1 = RM



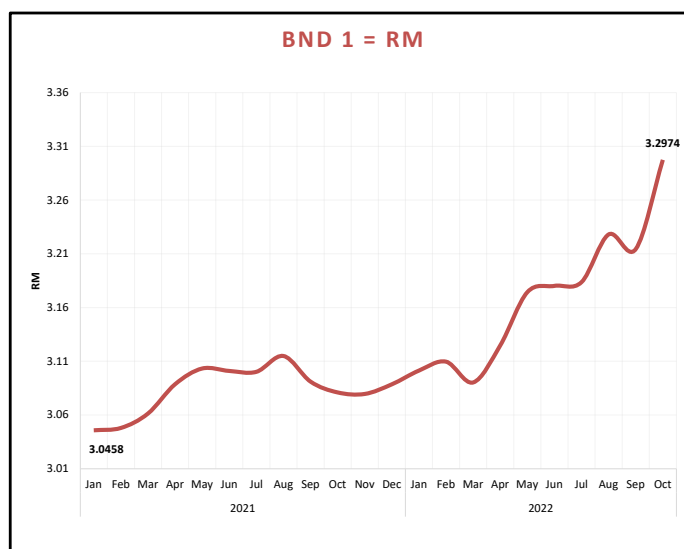
## South Korean Won

KRW 100 = RM



## Brunei Dollar

BND 1 = RM



Source : Bank Negara Malaysia

# Commodity Prices

## CRUDE PETROLEUM (BRENT) -per bbl-



▲ **2.9%\***  
US\$98.6  
**4 Nov 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 <sup>i</sup>: US\$71.1

## CRUDE PALM OIL -per MT-



▲ **4.6%\***  
US\$882.4  
**4 Nov 2022**

**Highest**  
2021/2022  
**11 Mar 2022 : US\$1,774.7**  
**29 Oct 2021 : US\$1,302.0**

**30 Sep 2022 : US\$715.6**  
**18 Jun 2021 : US\$844.6**

**Lowest**  
2021/2022

Average Price 2021 <sup>i</sup>: US\$1,075.3

## RUBBER SMR 20 -per MT-



▲ **3.0%\***  
US\$1,254.5  
**4 Nov 2022**

Average Price 2021 <sup>i</sup>: US\$1,689.1

## COCOA SMC 2 -per MT-



▲ **3.6%\***  
US\$1,580.1  
**4 Nov 2022**

Average Price 2021 <sup>i</sup>: US\$1,505.9

## SUGAR -per lbs-



▲ **6.4%\***  
US\$18.7  
**4 Nov 2022**

Average Price 2021 <sup>i</sup>: US\$17.9

## COAL -per MT-



▼ **21.5%\***  
US\$216.0  
**4 Nov 2022**

Average Price 2021 <sup>i</sup>: US\$120.5

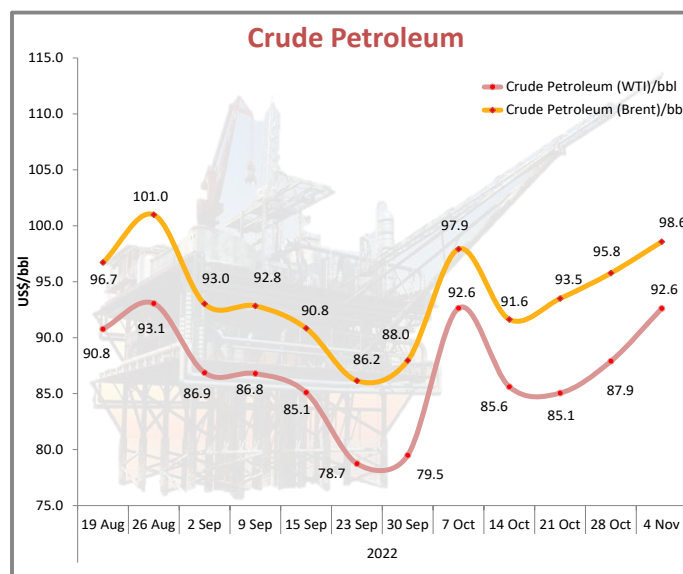
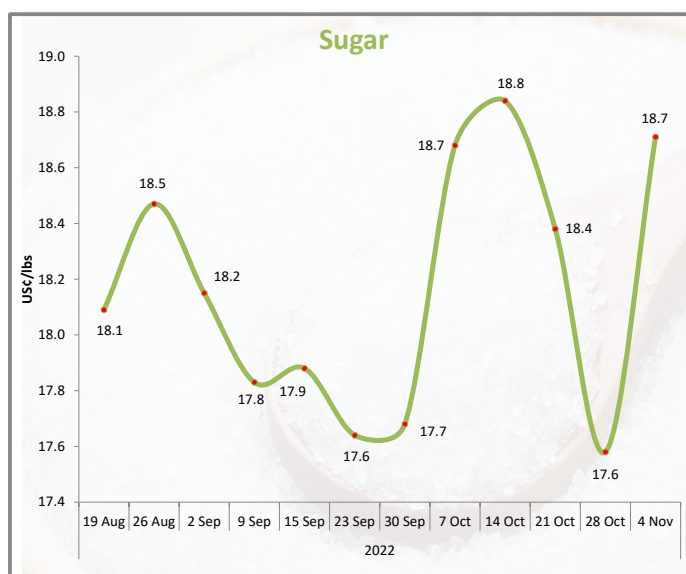
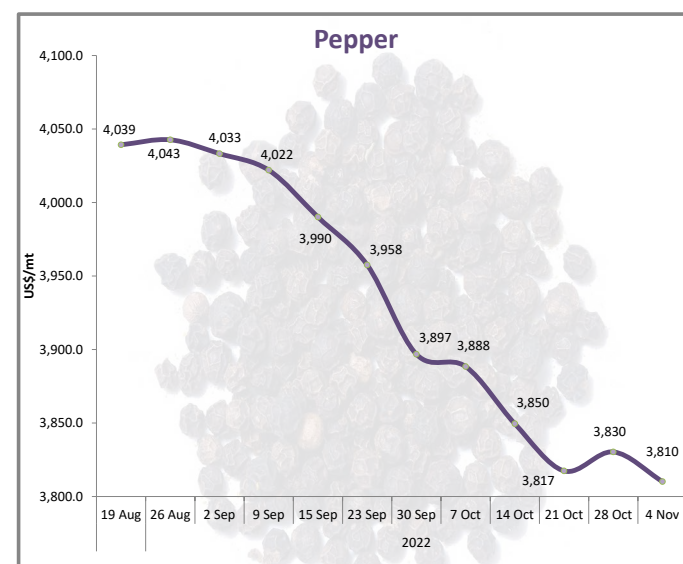
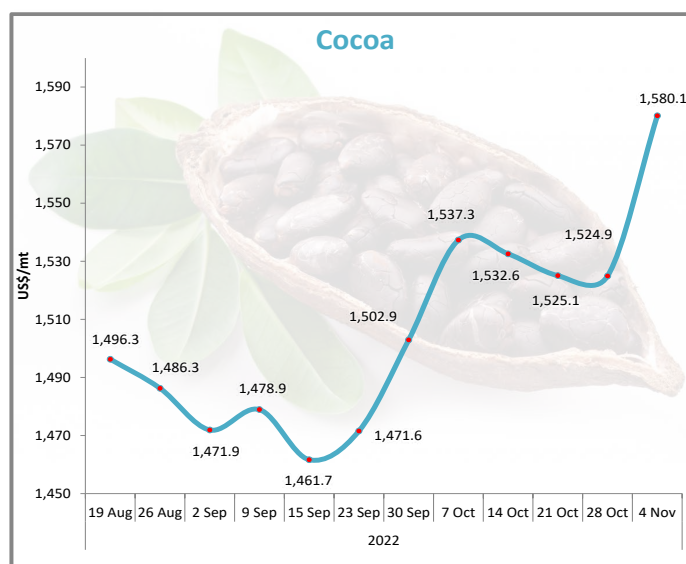
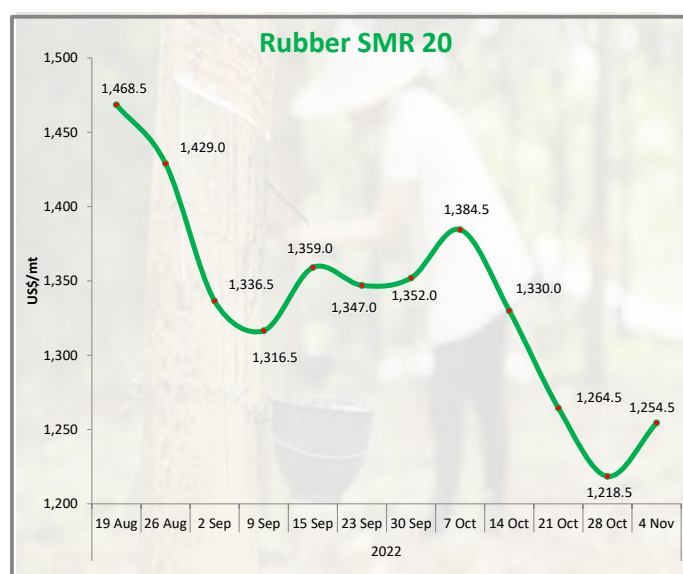
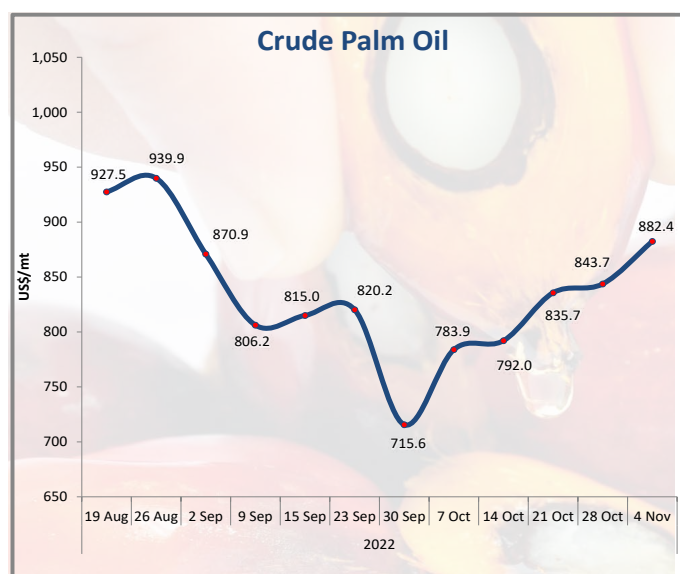
Notes: All figures have been rounded to the nearest decimal point

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

<sup>i</sup> Average price in the year except otherwise indicated

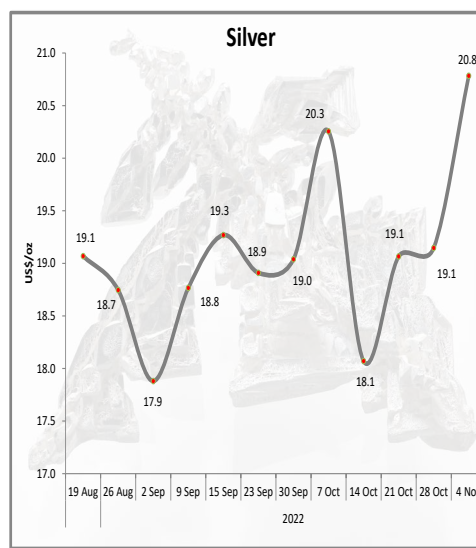
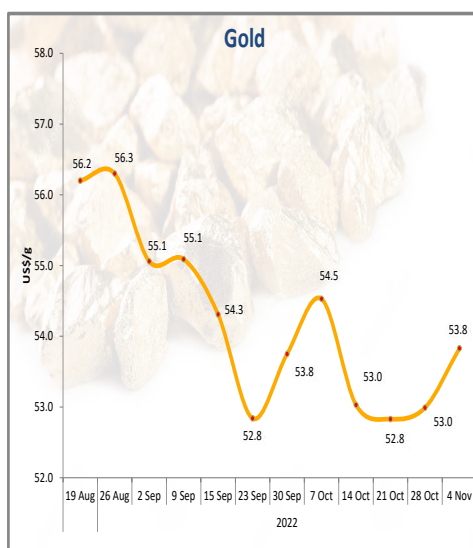
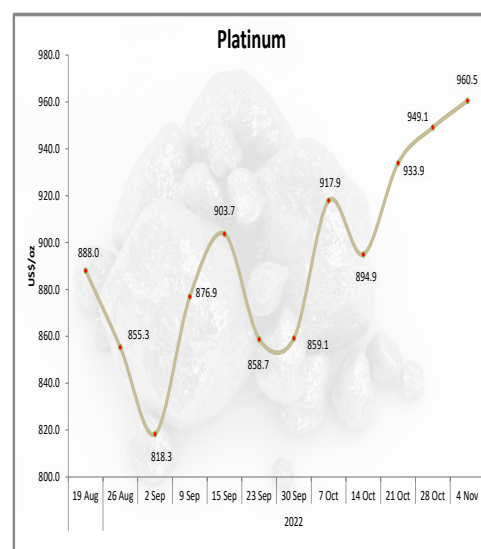
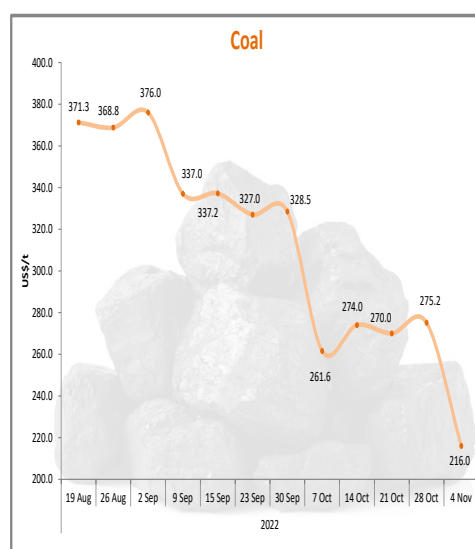
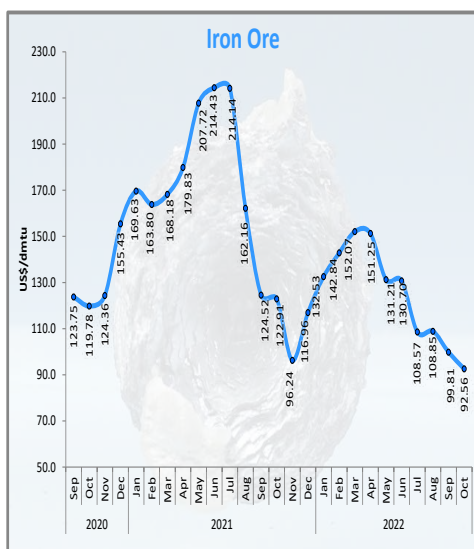
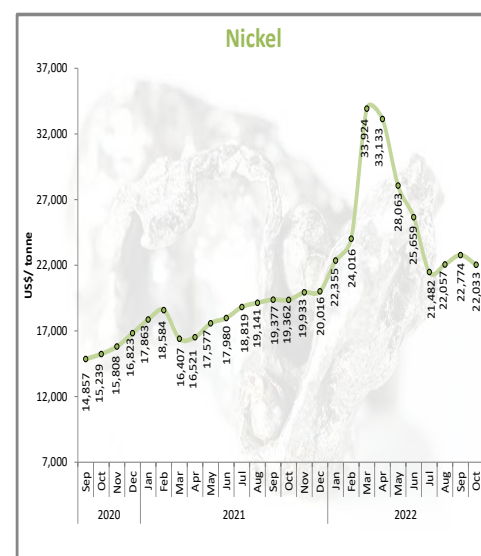
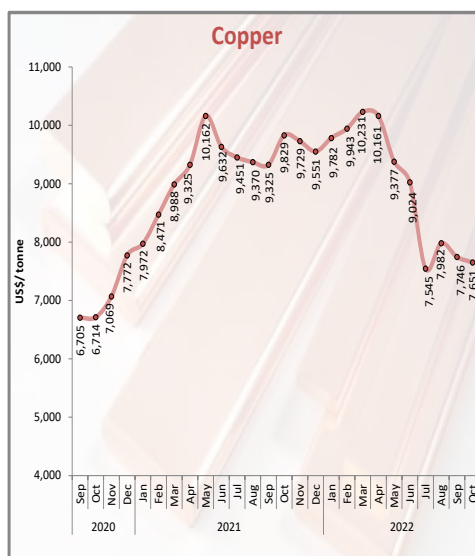
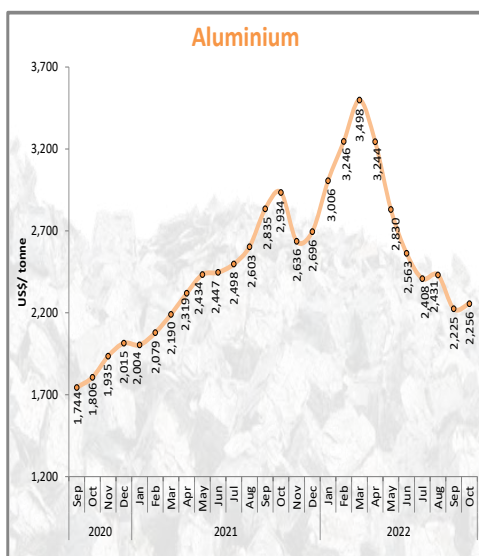
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, and Bloomberg.

# 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

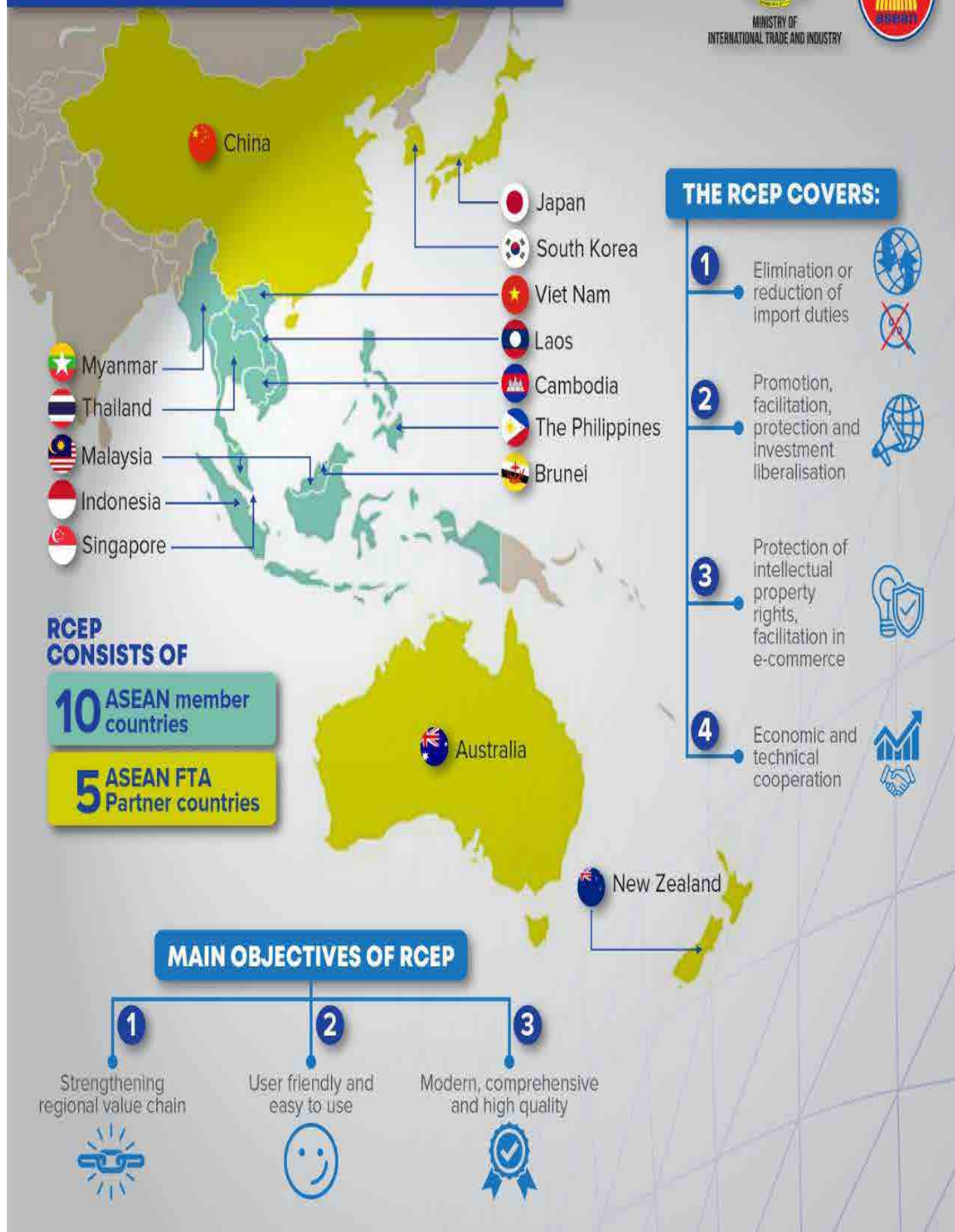


Sources: Ministry of International Trade and Industry Malaysia, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



# RCEP

## REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)



## 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

## 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



# INDUSTRY4WRD RELATED INCENTIVES

Having the right capital allows SMEs to flourish and become future-ready for your own future

01

## LOANS

### Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- [www.miti.gov.my/](https://www.miti.gov.my/)

### Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: AI, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- [www.miti.gov.my/](https://www.miti.gov.my/)

### Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- [www.miti.gov.my/](https://www.miti.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.miti.gov.my/](https://www.miti.gov.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 300% on the first RM2 million expenditure incurred within 5 years

• [www.miti.gov.my/](https://www.miti.gov.my/)

### Industry 4.0 Grant

- 1. Intervention Fund\*
- 70:30 matching grant up to RM500,000

- 2. Industry4WRD DSG\*
- 60:40 matching grant

\*participation in Industry4WRD CA is a prerequisite to apply

02

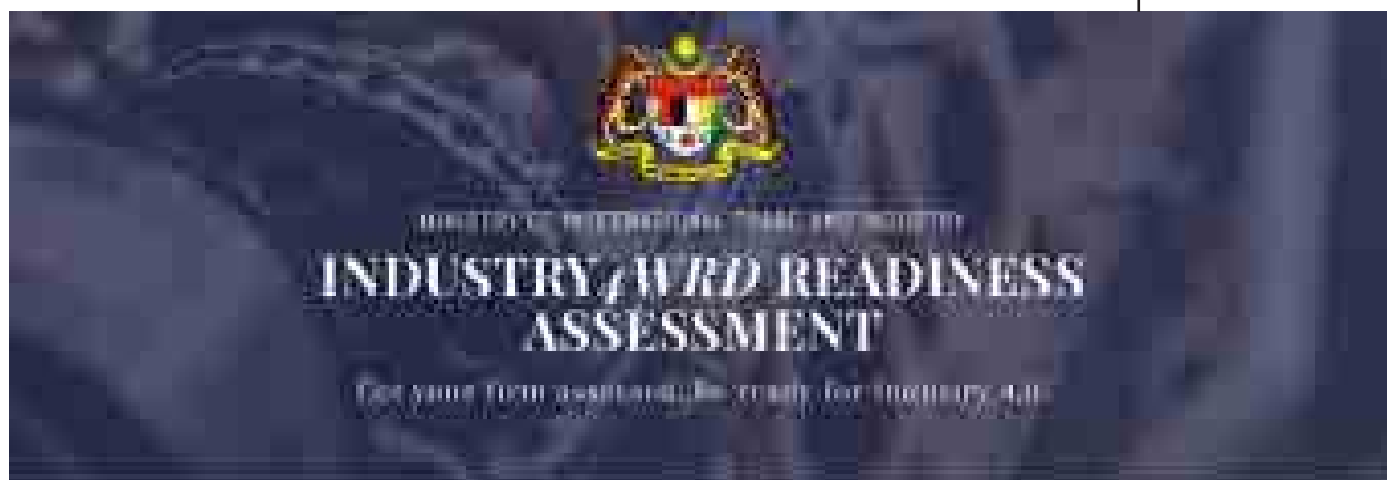
## GRANTS

ALL YOU NEED TO KNOW

Industry4WRD

For more information, kindly click the following links:

[https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab\\_547\\_2202](https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab_547_2202)



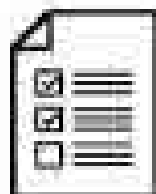
## All you need to know about Industry4WRD RA



### 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: [ia.02@miti.gov.my](mailto:ia.02@miti.gov.my)
- RA: [industry4wrdr@mpe.gov.my](mailto:industry4wrdr@mpe.gov.my)



Readiness Assessment

Financial Incentives



For more information, kindly click the following links:

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





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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