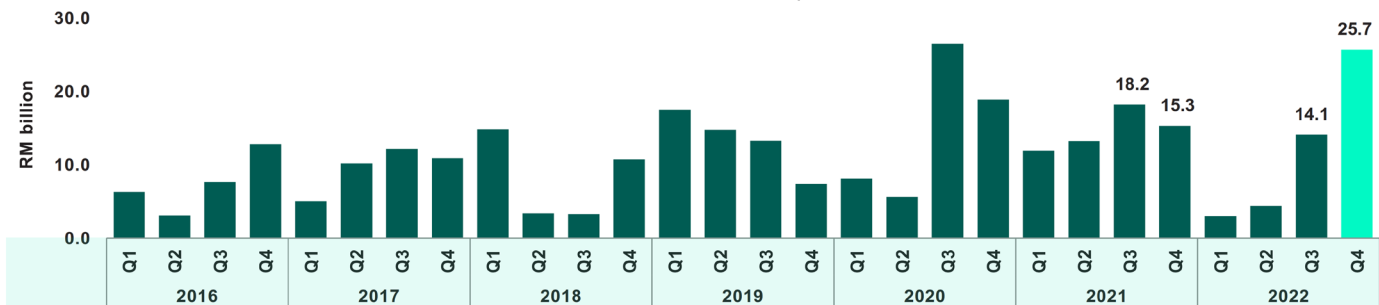


BALANCE OF PAYMENTS, Q4 2022

Malaysia's current account balance recorded a surplus of RM25.7 billion in Q4 2022



CURRENT ACCOUNT

"Malaysia's current account balance posted a surplus of **RM25.7 billion** mainly contributed by net exports of Goods and lower deficits in Primary income"

GOODS



Surplus
RM51.7b

Surplus
RM43.0b

SERVICES



Deficit
RM8.6b

Deficit
RM9.6b

PRIMARY INCOME



Deficit
RM11.5b

Deficit
RM17.2b

SECONDARY INCOME



Deficit
RM6.0b

Deficit
RM2.1b

Notes :

Q4 22

Q3 22

b refers to billion

FINANCIAL ACCOUNT

"Financial account registered a **net outflow** of **RM1.0 billion** mainly due to outflows in Portfolio investment and Direct investment"

DIRECT INVESTMENT

Net inflow
RM2.0b

Net outflow
RM9.4b



PORTFOLIO INVESTMENT

Net inflow
RM0.1b

Net outflow
RM26.7b



FINANCIAL DERIVATIVES

Net outflow
RM0.4b

Net outflow
RM1.7b



OTHER INVESTMENT

Net outflow
RM16.5b

Net inflow
RM36.8b



Notes :

Q4 22

Q3 22

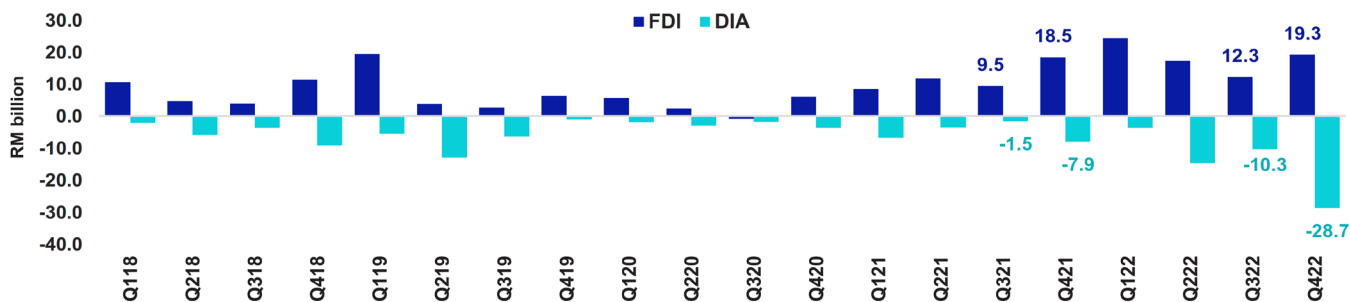
b refers to billion

FOREIGN DIRECT INVESTMENT

FDI recorded a net inflow of RM19.3 billion

DIA posted a net outflow of RM28.7 billion

DIRECT INVESTMENT ABROAD



Note: Negative value refers to outflow

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

GROSS DOMESTIC PRODUCT, Q4 2022 (PART 1)

MALAYSIA'S ECONOMY GREW 7.0 PER CENT

Q4 2022

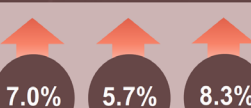


GDP (Value)

Q4 2022 **Q3 2022**
RM397.2b | **RM383.8b**

Performance
October – December 2022

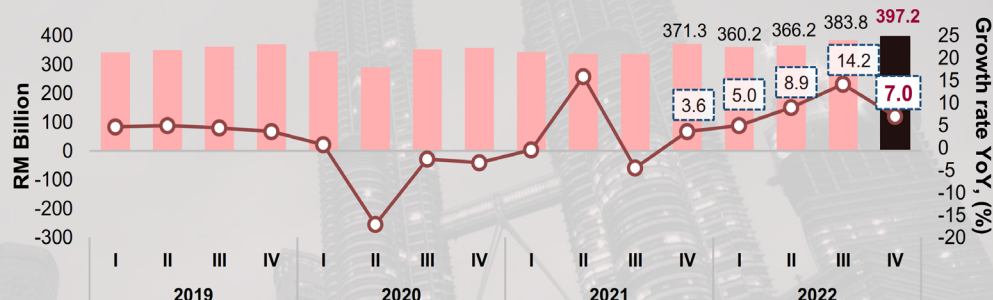
Oct. Nov. Dis.



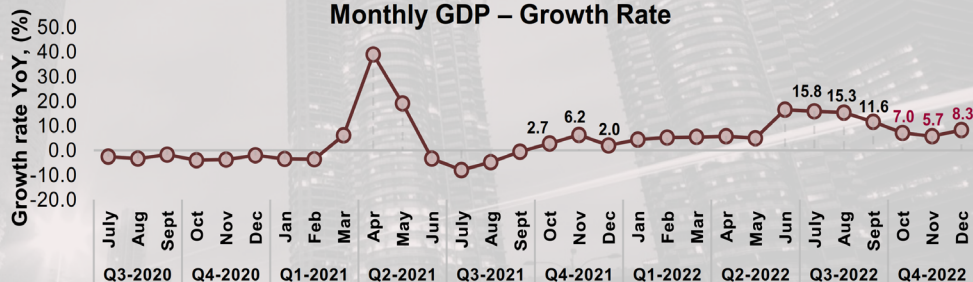
Comparison of
pre-pandemic
economic level
2022/2019

5.9%

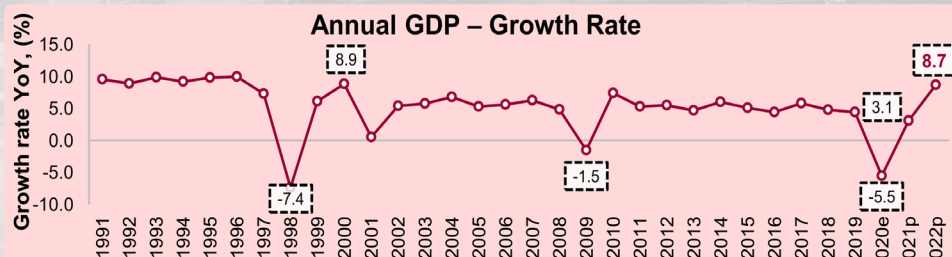
Quarterly GDP – Value and Growth Rate



Monthly GDP – Growth Rate



Annual GDP – Growth Rate



ECONOMIC PERFORMANCE BY PRODUCTION & EXPENDITURE APPROACH

PRODUCTION



Services

8.9% | 16.7%

Share: 58.6%



Manufacturing

3.9% | 13.2%

Share: 24.0%

Mining &
quarrying

6.8% | 9.2%

Share: 6.4%



Agriculture

1.1% | 1.2%

Share: 6.3%



Construction

10.1% | 15.3%

Share: 3.5%

Notes:

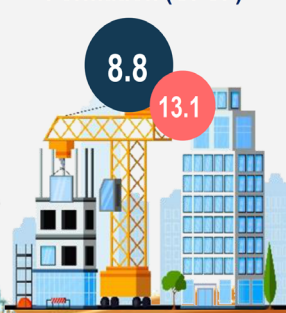
- Exclude Import duties
- % change is year-on-year
- Q4 2022 | Q3 2022
- Q4 2022 ● Q3 2022

EXPENDITURE

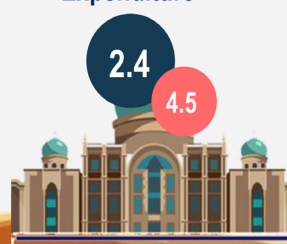
**Private Final
Consumption
Expenditure (PFCE)**



**Gross Fixed Capital
Formation (GFCF)**



**Government Final
Consumption
Expenditure**



Exports

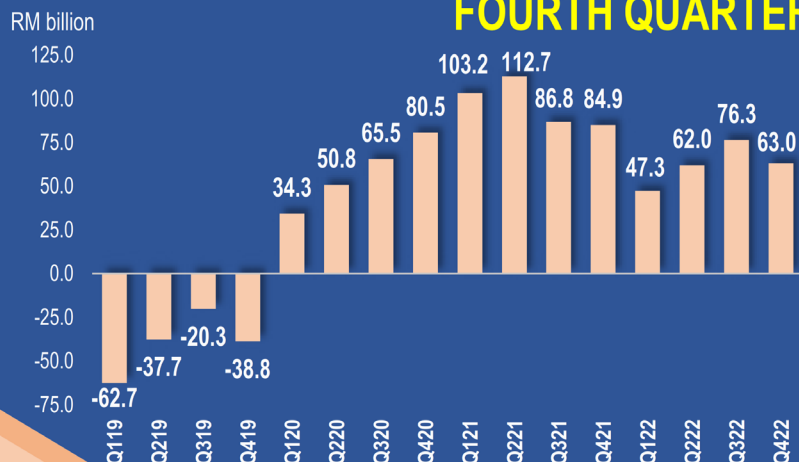


Imports



Source: National Accounts, Gross Domestic Product, Department of Statistics Malaysia (DOSM)

INTERNATIONAL INVESTMENT POSITION, Q4 2022

MALAYSIA'S INTERNATIONAL INVESTMENT POSITION
FOURTH QUARTER 2022

“Malaysia's IIP registered net assets position of RM63.0 billion as at the end of Q4 2022.”

TOTAL ASSETS
RM2,226.7b
 (Q322: RM2,254.7b)

NET ASSETS
RM63.0b
 (Q322: RM76.3b)

TOTAL LIABILITIES
RM2,163.6b
 (Q322: RM2,178.4b)

FOREIGN DIRECT INVESTMENT (FDI)

RM875.1b

SINGAPORE
 RM179.0b (20.5%)

1



UNITED STATES OF AMERICA
 RM100.8b (11.5%)

2



HONG KONG
 RM92.4b (10.6%)

3



TOP FDI'S COUNTRY

TOP FDI'S SECTOR



Manufacturing
 RM380.6b (43.5%)



Financial activities
 RM205.3b (23.5%)



Wholesale & retail trade
 RM53.8b (6.1%)

DIRECT INVESTMENT ABROAD (DIA)

RM602.1b

SINGAPORE
 RM126.8b (21.1%)

1



INDONESIA
 RM63.5b (10.5%)

2



NETHERLANDS
 RM38.8b (6.5%)

3



TOP DIA'S COUNTRY

TOP DIA'S SECTOR



Financial activities
 RM250.3b (41.6%)



Mining & quarrying
 RM76.0b (12.6%)



Manufacturing
 RM59.5b (9.9%)

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

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

LABOUR FORCE, DECEMBER 2022

December's unemployment dropped further to 599.6 thousand persons, recording a 3.6 per cent unemployment rate

LABOUR FORCE

Nov. 2022
16.71 million

Dec. 2022
16.73 million

▲ 2.4%
▲ 0.1%

69.8%

▲ 0.8pp
↔ 0.0pp

The labour force participation rate during the month was unchanged at 69.8 per cent

Unemployment rate

Dec. 2022
3.6%
Nov. 2022
3.6%



EMPLOYED PERSON

Employed person by status in employment



▲ 1.7%
▲ 0.1%

▲ 8.4%
▲ 0.4%

▲ 8.4%
▲ 0.3%

▲ 1.7%
▼ 0.7%

75.8% Employees

17.7% Own-account workers

3.4% Employers

3.0% Unpaid family workers

The employees' category was the largest composition of the total employed persons with 75.8 per cent

All employment categories recorded monthly increases except for the unpaid family workers

UNEMPLOYMENT



3.6%

December's unemployment rate stood at 3.6 per cent

80.8% 19.2%

Actively unemployed

Dec. 2022 : 484.2 thousand
Nov. 2022 : 488.0 thousand

▼ 16.0% ▼ 0.8%

Inactively unemployed

Dec. 2022 : 115.4 thousand
Nov. 2022 : 112.9 thousand

▲ 3.8% ▲ 2.2%

% Percentage change (year-on-year) pp Percentage point
% Percentage change (month-on-month) ↔ Unchanged

OUTSIDE LABOUR FORCE



Major composition of the outside labour force was housework/ family responsibilities



HOUSEWORK/ FAMILY RESPONSIBILITIES

43.0%



SCHOOLING/ TRAINING

41.4%

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

Source: Department of Statistics, Malaysia (DOSM)

DISTRIBUTIVE TRADE, DECEMBER 2022

Malaysia's Wholesale & Retail Trade hits all-time high of RM137.3 billion in December, with annual sales amounted RM1.6 trillion in 2022



SALES VALUE

RM137.3b

Dec. 2022: 13.8%

Nov. 2022: 14.2%

VOLUME INDEX

149.2 points

Dec. 2022: 9.5%

Nov. 2022: 9.8%

Dec. 2022: RM60.3b

4.7%

Nov. 2022: RM59.5b

5.6%

WHOLESALE TRADE

Dec. 2022

1.1%

Nov. 2022

0.6%

Dec. 2022: RM59.5b

22.7%

Nov. 2022: RM58.7b

22.8%

RETAIL TRADE

Dec. 2022

17.4%

Nov. 2022

18.3%

Dec. 2022: RM17.5b

20.3%

Nov. 2022: RM16.0b

19.8%

MOTOR VEHICLES

Dec. 2022

9.7%

Nov. 2022

10.3%



Seasonally
Adjusted Volume
Index (Monthly)

NOV.
2022
1.2%

DEC.
2022
0.2%



MAIN GROUPS (SALES VALUE)



Other Specialised
Wholesale

Nov. 2022: 0.1% | Dec. 2022: -0.3%



Wholesale of Household
Goods

Nov. 2022: 14.4% | Dec. 2022: 7.6%



Wholesale of Food,
Beverages & Tobacco

Nov. 2022: 6.0% | Dec. 2022: 6.1%



Retail Sale in Non-
specialised Stores

Nov. 2022: 23.9% | Dec. 2022: 24.7%



Retail Sale of Other Goods
in Specialised Stores

Nov. 2022: 32.8% | Dec. 2022: 30.7%



Retail Sale of Other
Household Equipment in
Specialised Stores

Nov. 2022: 14.8% | Dec. 2022: 12.6%



Sale of Motor Vehicles

Nov. 2022: 15.3% | Dec. 2022: 24.8%



Sale of Motor Vehicles
Parts & Accessories

Nov. 2022: 32.8% | Dec. 2022: 27.3%



Maintenance & Repair of
Motor Vehicles

Nov. 2022: 40.6% | Dec. 2022: 30.9%

Percentage change: Year-on-Year

Source: Performance of Wholesale & Retail Trade, December 2022
Department of Statistics, Malaysia (DOSM)

GOAL 13 : CLIMATE ACTION

GOAL 14 : LIFE BELOW WATER

GOAL 15 : LIFE ON LAND



13 CLIMATE ACTION



CLIMATE ACTION



SDG 13.1.1

Number of deaths attributed to disasters per 100,000 population



48 persons

(2021)

16 persons

(2020)

Source: National Disaster Management Agency

LIFE BELOW WATER

14 LIFE BELOW WATER



SDG 14.5.1



5.4% coverage of protected areas in relation to marine areas in 2020 and 2021

Note: Data refers to the Exclusive Economic Zone (EEZ) Waters Area

Source: Department of Fisheries Malaysia

LIFE ON LAND

15 LIFE ON LAND



SDG 15.7.1/ 15.c.1

Number of wildlife crime cases by category



Possession/ Own use



Smuggling



Illegal Trade

600 (2021)

4 (2021)

6 (2021)

1,060 (2020)

10 (2020)

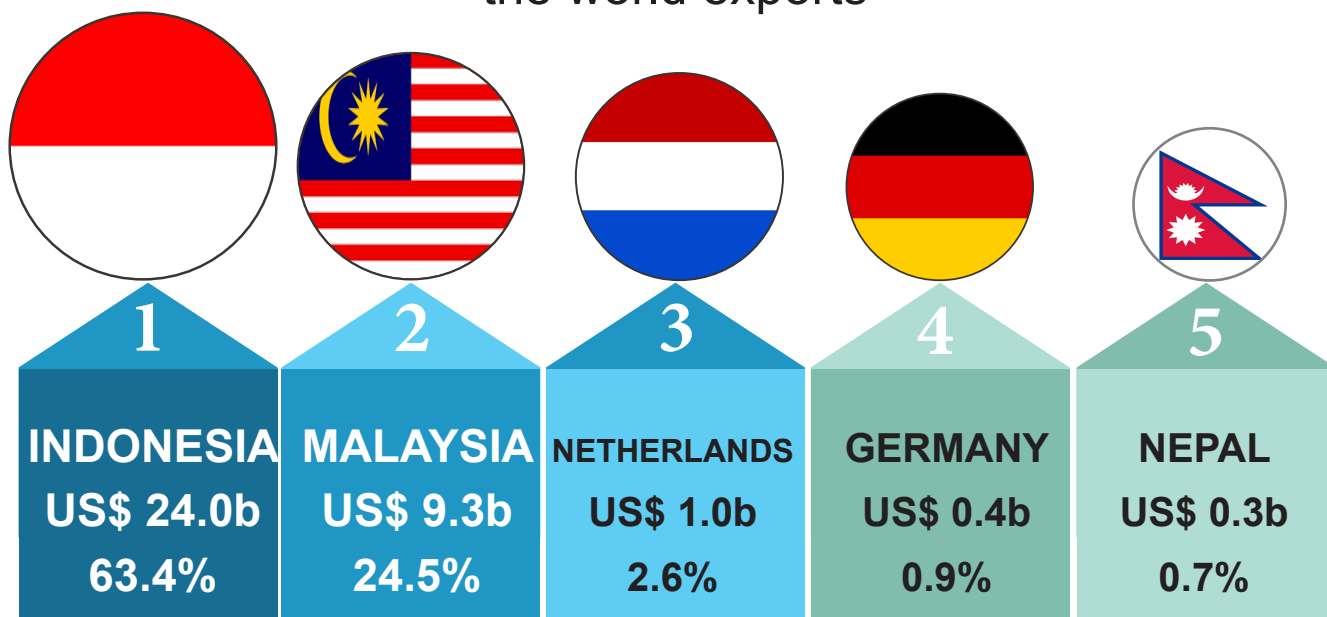
30 (2020)

Note: Data is proxy

Source: Department of Wildlife and National Parks (DWNP) Peninsular Malaysia

MALAYSIA'S AS SECOND LARGEST EXPORTERS IN THE WORLD OF PALM OIL AND ITS FRACTIONS, WHETHER OR NOT REFINED (EXCLUDING CHEMICALLY MODIFIED AND CRUDE)

In 2021, Malaysia's export of Palm oil and its fractions, whether or not refined (excluding chemically modified and crude) recorded US\$9.3 million which was 24.5% share of the world exports

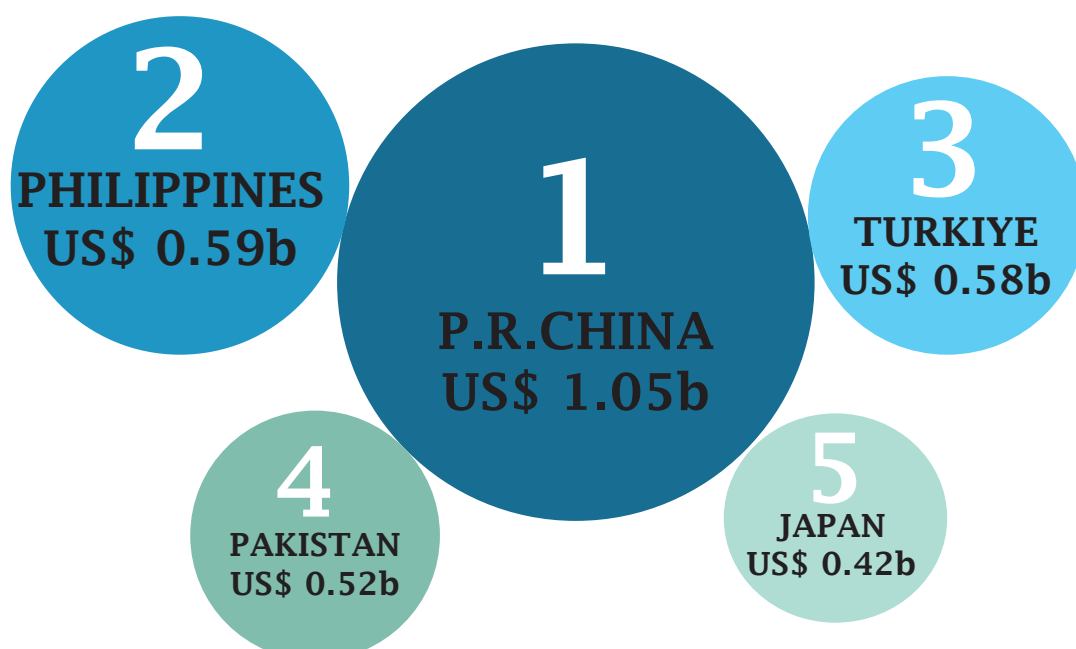


Notes:

-*HS151190

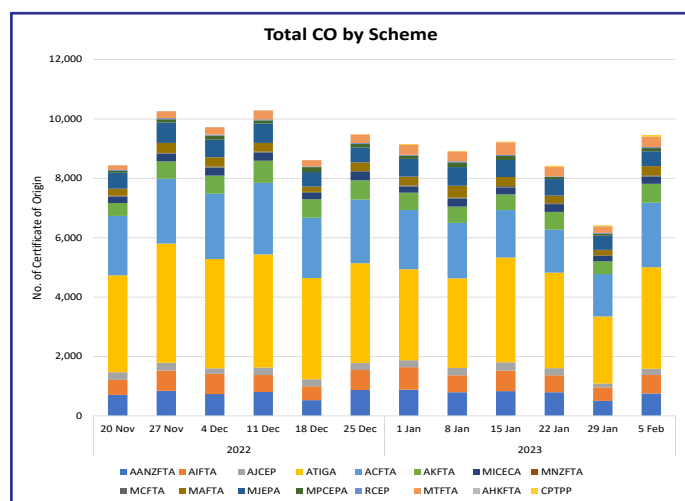
-% refer to share in world exports

MALAYSIA'S TOP EXPORT DESTINATIONS

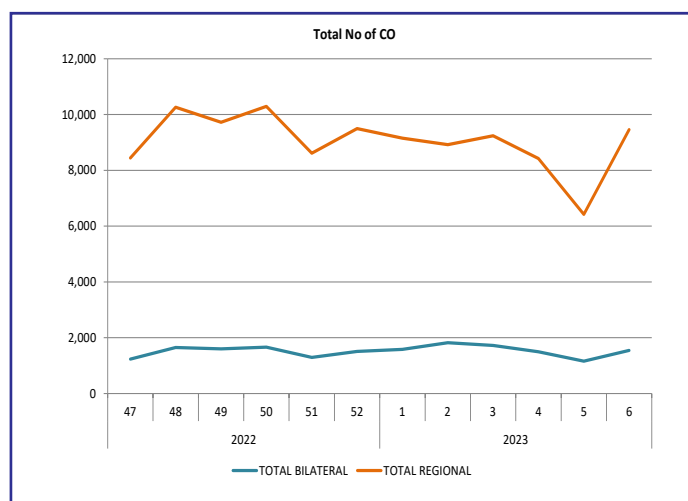


Number and FOB Value of PCO as at 5 February 2023 Weekly / Monthly/ Annually

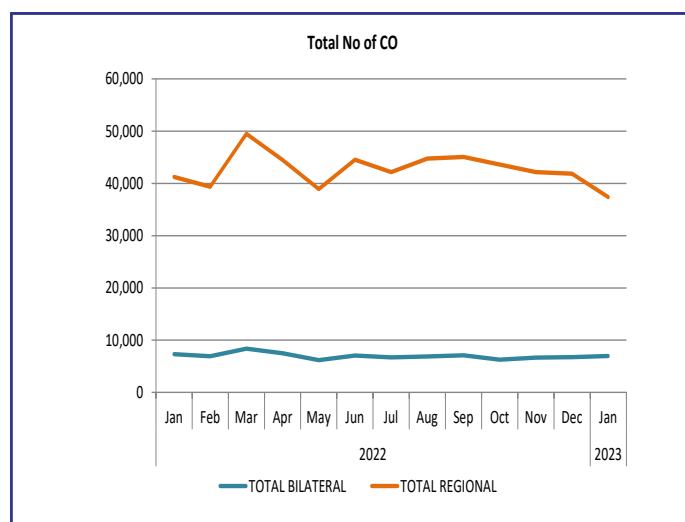
Weekly Total Scheme



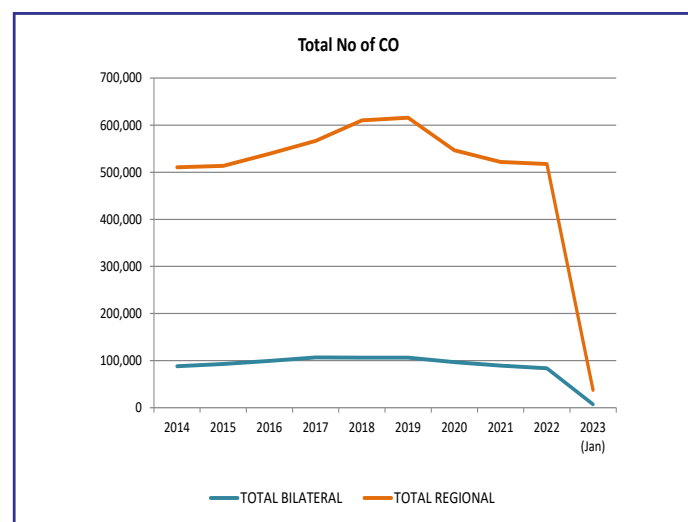
Weekly



Monthly



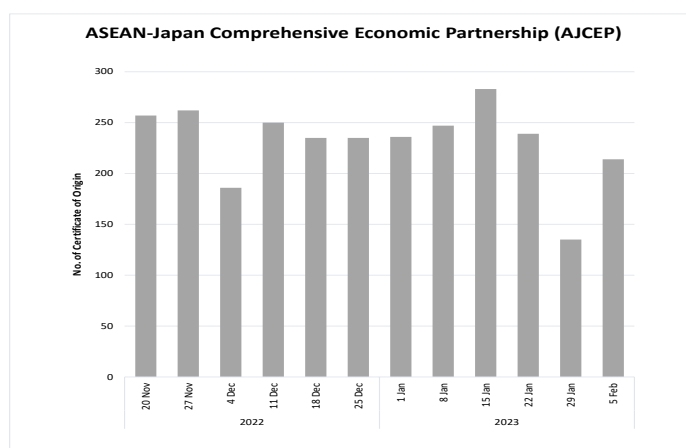
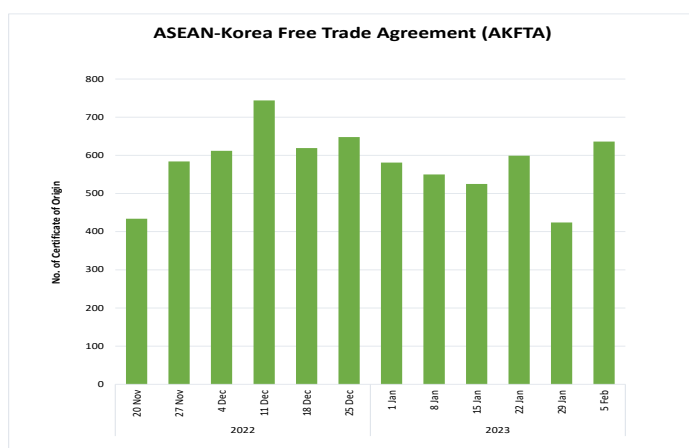
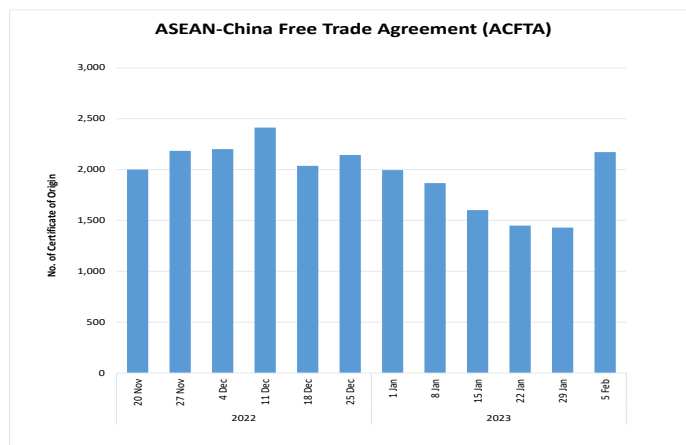
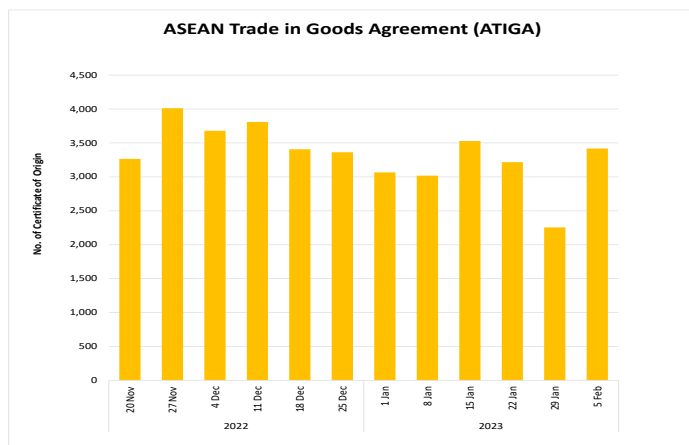
Annually



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

Regional FTA

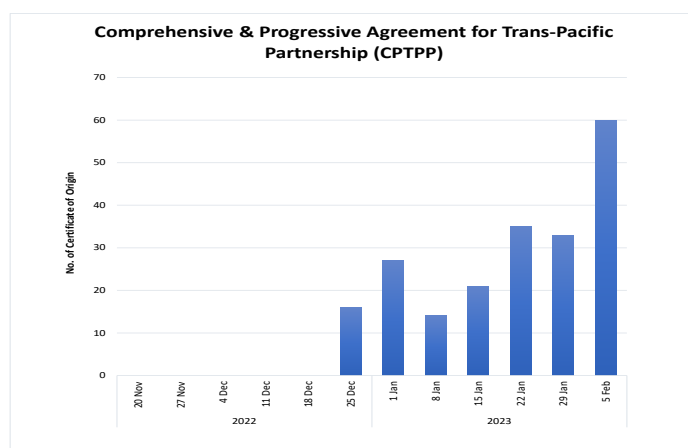
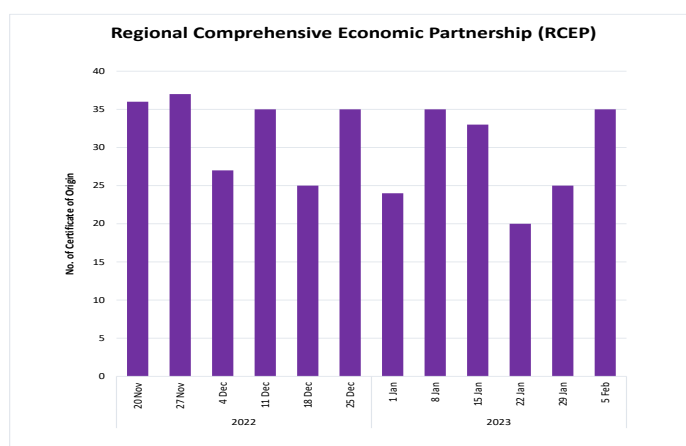
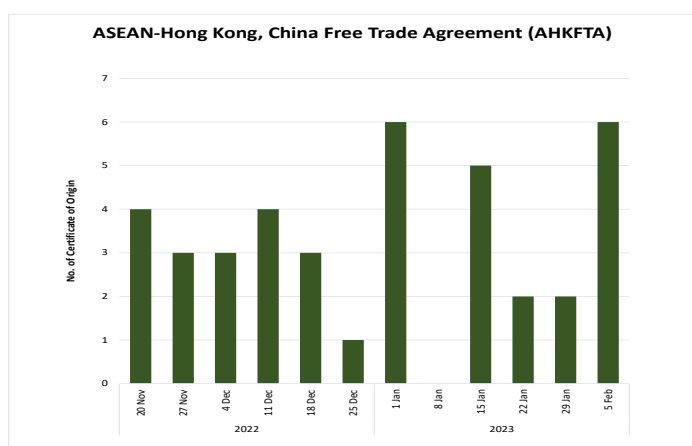
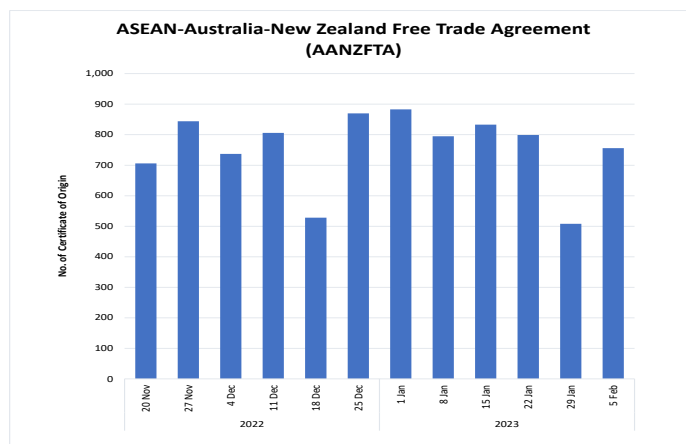
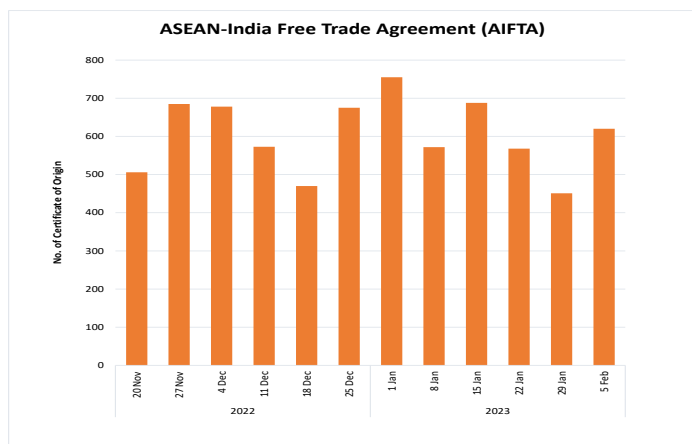
Number of Preferential Certificates of Origin (PCOs) as at 5 February 2023



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

Regional FTA

Number of Preferential Certificates of Origin (PCOs) as at 5 February 2023

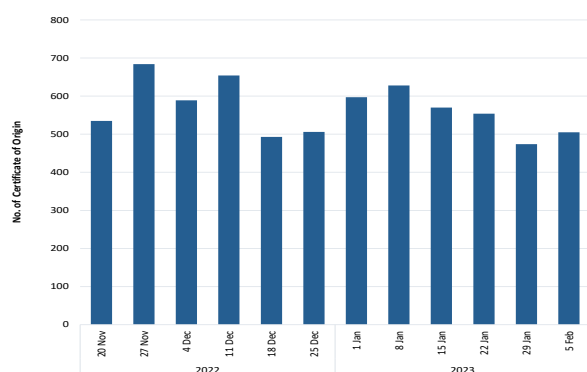


Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

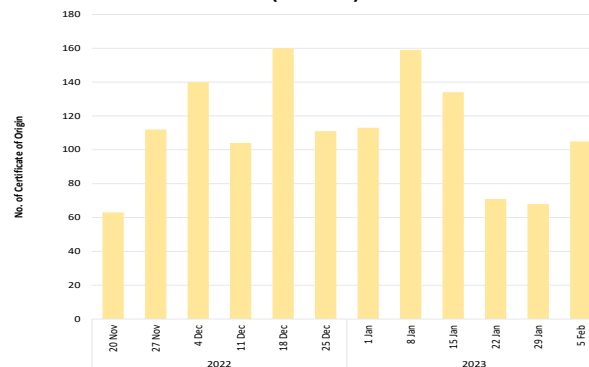
Bilateral FTA

Number of Preferential Certificates of Origin (PCOs) as at 5 February 2023

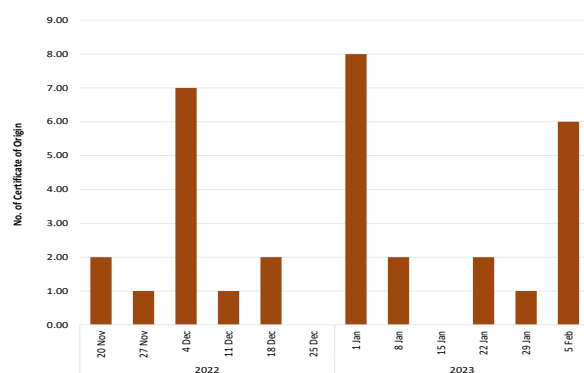
Malaysia-Japan Economic Partnership Agreement (MJEPA)



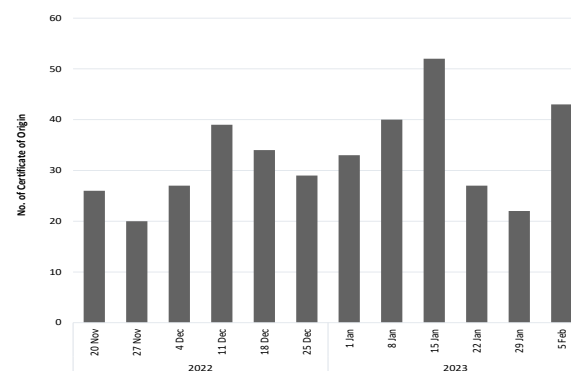
Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA)



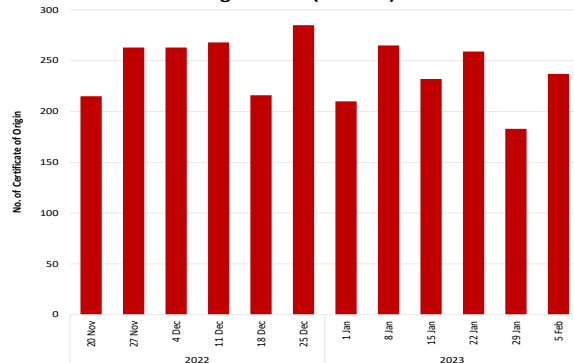
Malaysia-New Zealand Free Trade Agreement (MNZFTA)



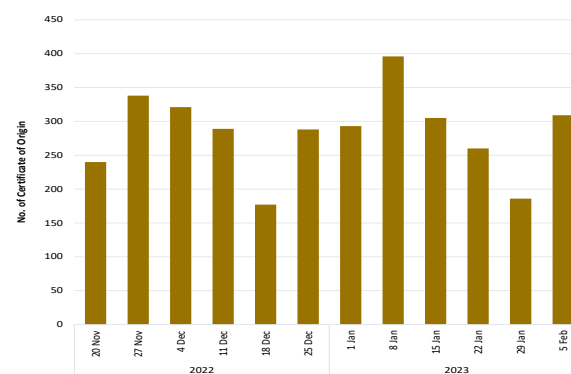
Malaysia-Chile Free Trade Agreement (MCFTA)



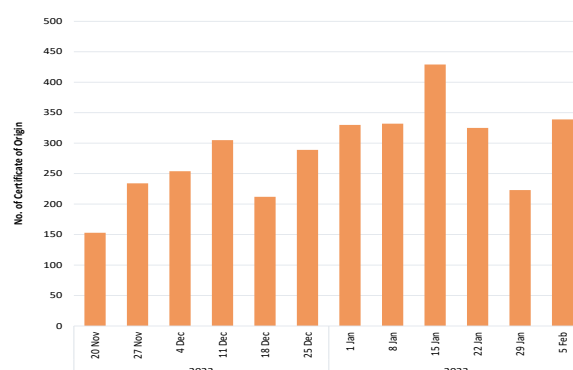
Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)



Malaysia-Australia Free Trade Agreement (MAFTA)



Malaysia-Turkey Free Trade Agreement (MTFTA)

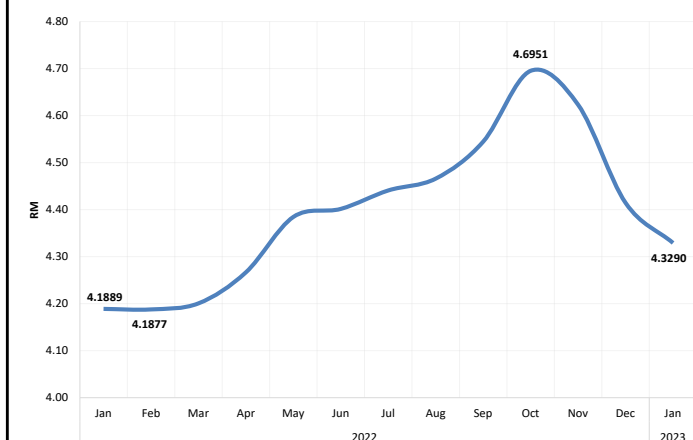


Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2022 - January 2023

US Dollar

USD 1 = RM



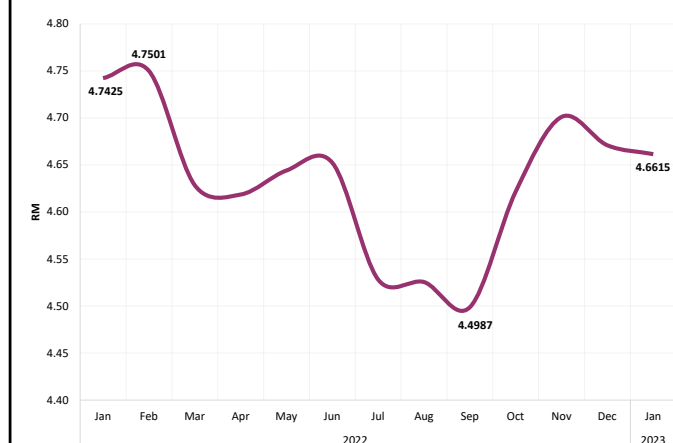
Pound Sterling

GBP 1 = RM



Euro

EUR 1 = RM



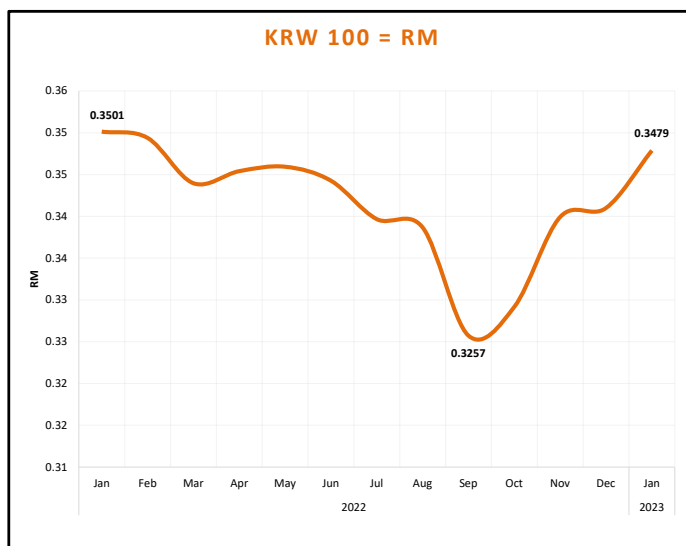
Australian Dollar

AUD 1 = RM



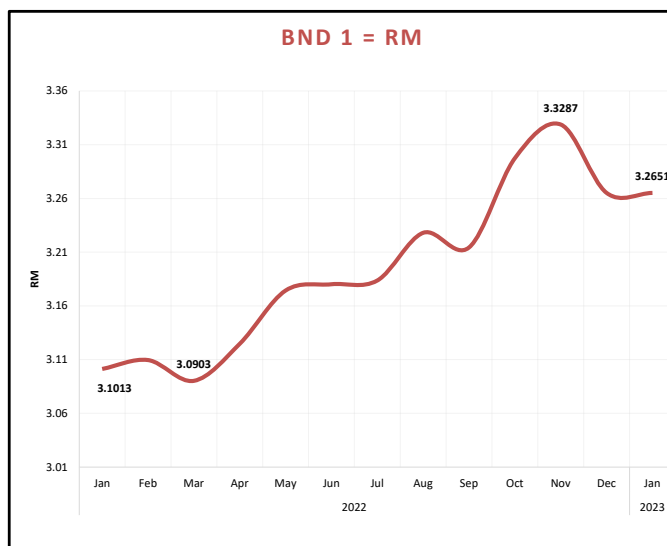
South Korean Won

KRW 100 = RM



Brunei Dollar

BND 1 = RM



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▲ 8.1%*
US\$86.4
10 Feb 2023

Highest
2022/2023
20 Jan 2023 : US\$87.6
10 June 2022 : US\$122.0

6 Jan 2023 : US\$78.6
9 Dec 2022 : US\$76.1

Lowest
2022/2023

Average Price 2022ⁱ: US\$99.4

CRUDE PALM OIL -per MT-



▲ 2.1%*
US\$896.1
10 Feb 2023

Highest
2022/2023
6 Jan 2023 : US\$920.3
11 Mac 2022 : US\$1,774.7

3 Feb 2023 : US\$877.4
30 Sep 2022 : US\$715.6

Lowest
2022/2023

Average Price 2022ⁱ: US\$1,171.6

RUBBER SMR 20 -per MT-



▼ 2.6%*
US\$1,381.5
10 Feb 2023

Average Price 2022ⁱ: US\$1,549.9

COCOA SMC 2 -per MT-



▼ 2.1%*
US\$1,737.7
10 Feb 2023

Average Price 2022ⁱ: US\$1,564.5

SUGAR -per lbs-



▼ 5.6%*
US\$20.0
10 Feb 2023

Average Price 2022ⁱ: US\$18.8

COAL -per MT-



▼ 4.7%*
US\$132.0
10 Feb 2023

Average Price 2022ⁱ: US\$290.8

SCRAP IRON HMS -per MT-

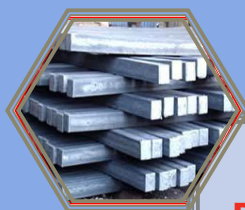


▲ 11.4%*
US\$397.1
(high)
December 2022

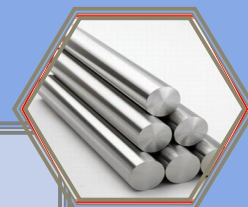
▲ 1.6%*
US\$351.8
(low)

Average Price 2022ⁱ: US\$469.9 (high)
Average Price 2022ⁱ: US\$426.3 (low)

Domestic Prices December 2022



Billets
(per MT)
RM2,525 - RM2,530

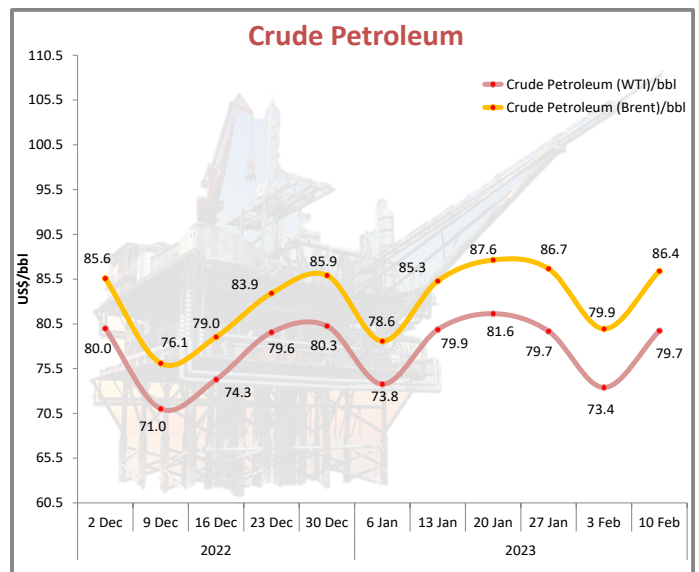
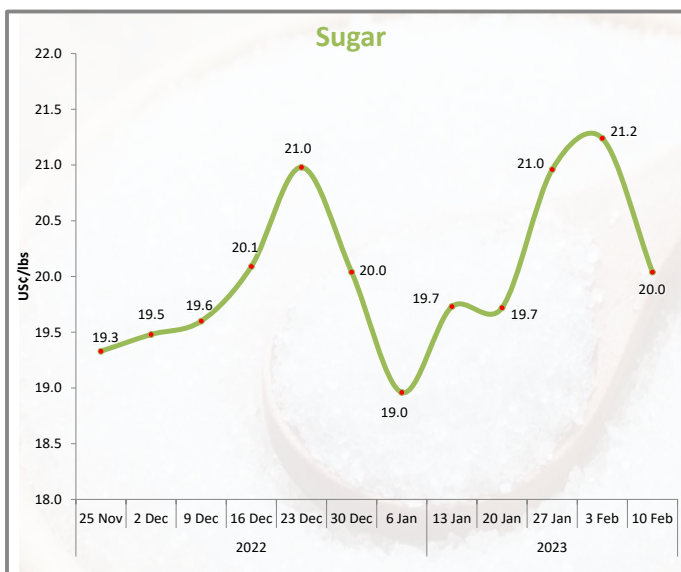
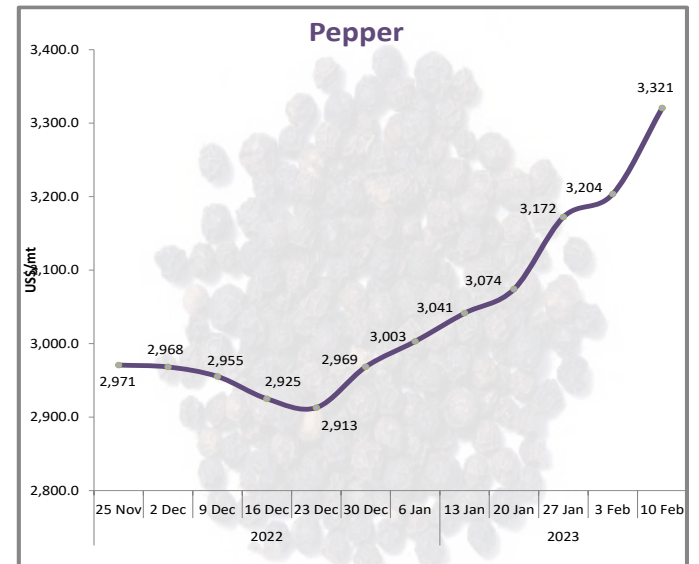
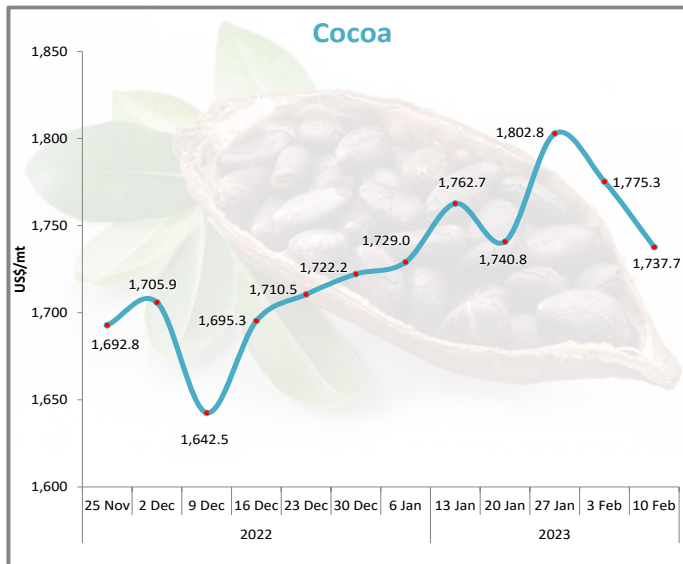
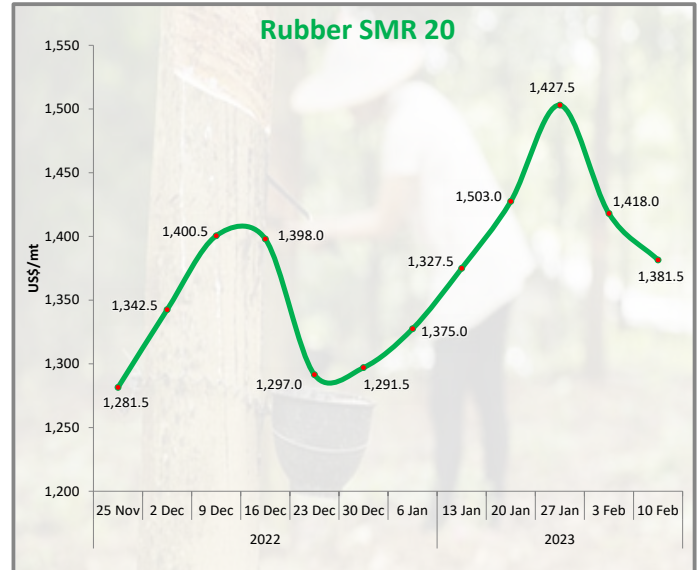
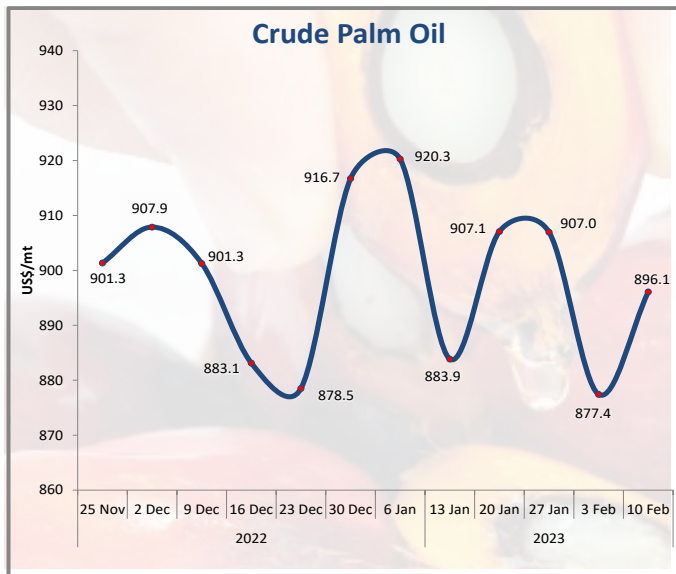


Steel Bars
(per MT)
RM2,665 - RM2,811

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

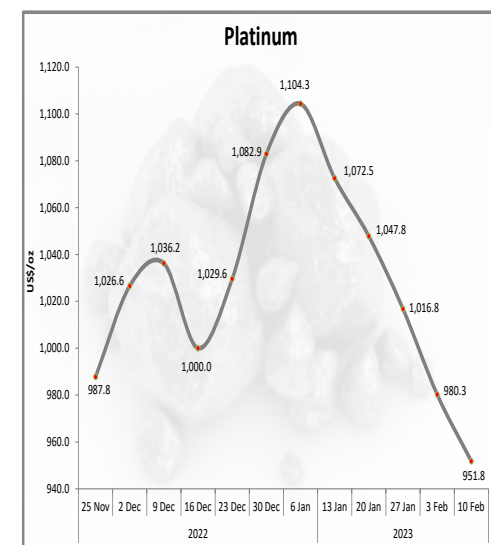
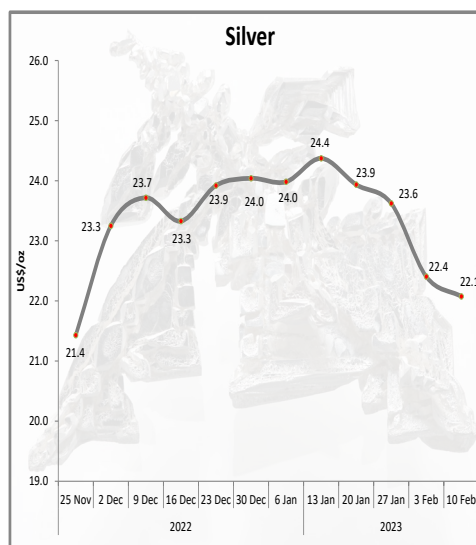
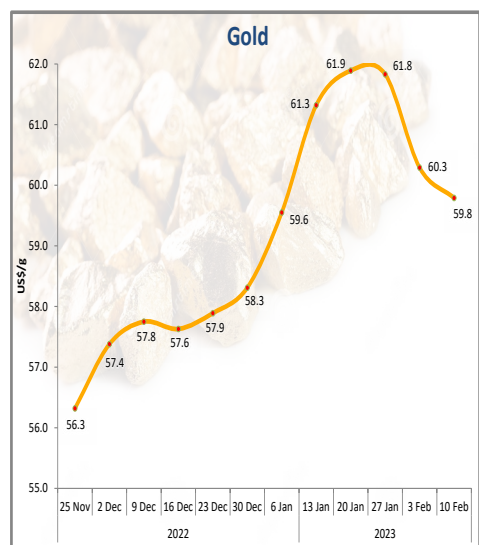
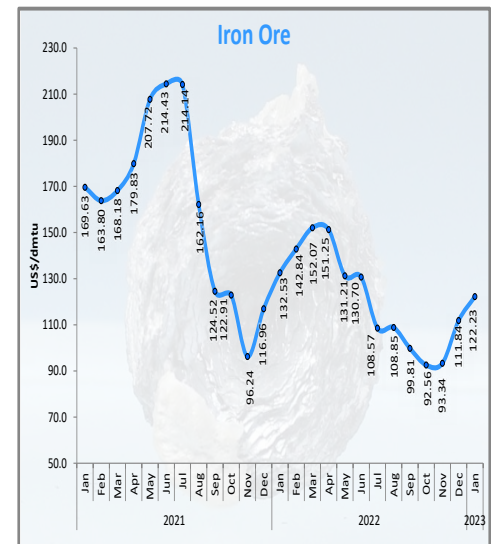
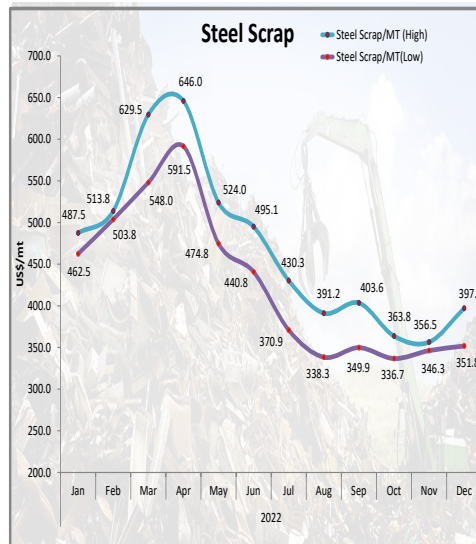
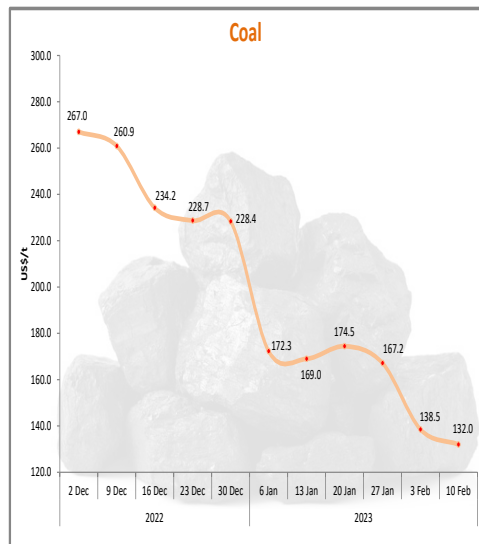
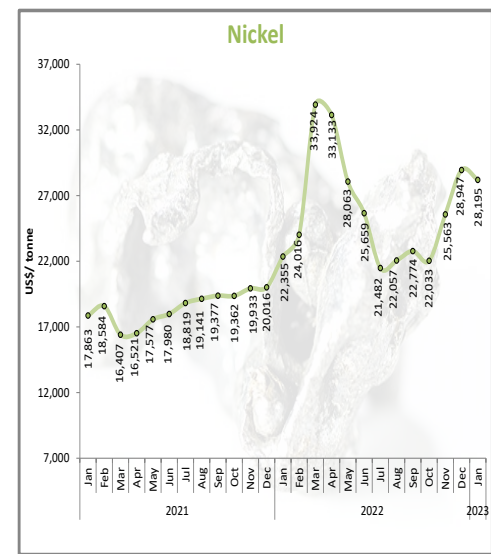
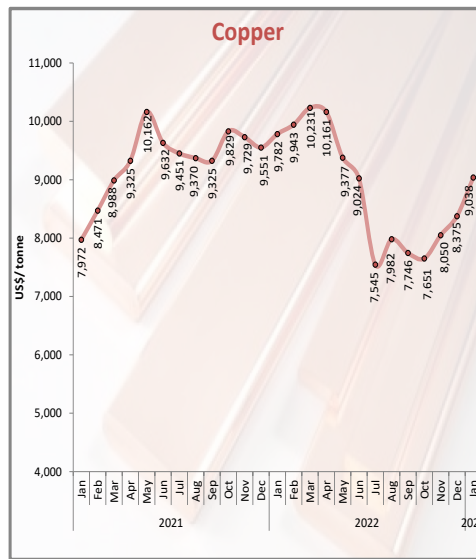
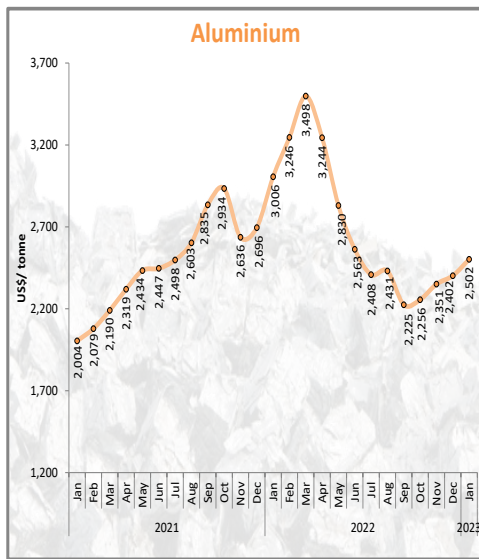
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

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

RCEP

REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)



THE RCEP COVERS:

- 1 Elimination or reduction of import duties
- 2 Promotion, facilitation, protection and investment liberalisation
- 3 Protection of intellectual property rights, facilitation in e-commerce
- 4 Economic and technical cooperation

RCEP CONSISTS OF

10 ASEAN member countries

5 ASEAN FTA Partner countries

MAIN OBJECTIVES OF RCEP

- 1 Strengthening regional value chain
- 2 User friendly and easy to use
- 3 Modern, comprehensive and high quality

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



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



- ✓ Valid registration and business licences
- ✓ Company has at least 60% local equity
- ✓ In operation for more than 3 years

What are the benefits?



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

- Government-funded assessment for eligible SMEs.
- Others will get tax exemption on RA fees up to RM27k.



Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrdr@mpc.gov.my



Process Flow

A FEW SIMPLE STEPS



For more information, kindly click the following links:

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




**JOINT STATEMENT ON THE SUBSTANTIAL CONCLUSION OF
THE ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA (AANZFTA)
UPGRADE NEGOTIATIONS**

[CLICK HERE](#)



APPLICATION FOR THE CPTPP COST ANALYSIS (CA) IS NOW OPEN



[CLICK HERE](#)



For more information or enquiries, please email to:



pco@miti.gov.my / allcptpp@miti.gov.my



www.miti.gov.my



MITIMalaysia



MITIMalaysiayoutube

Feedback

Send us your
suggestions

Dear Readers,

Kindly click the link below for any comments in this issue. MWB reserves the right to edit and republish letters as reprints.

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