

MANUFACTURING, JAN 2023

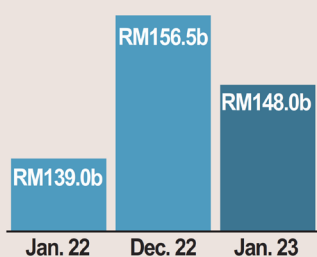
The sales value of the Manufacturing sector rose modestly by 6.5 per cent to RM148.0 billion in January 2023

A total of 2.34 million employees were engaged in this sector with salaries and wages paid amounting to RM8.18 billion



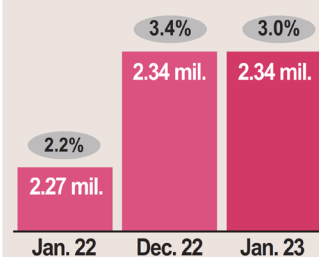
Sales

(RM Billion)



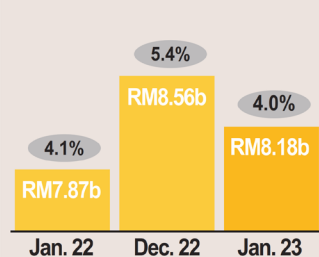
Employees

(Persons)



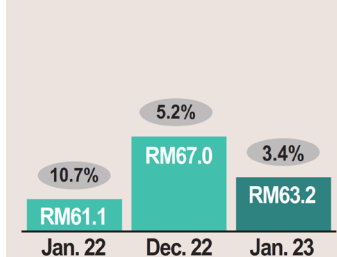
Salaries & Wages

(RM Billion)

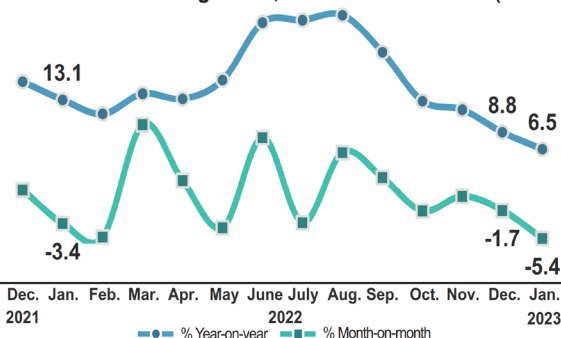


Sales per Employee

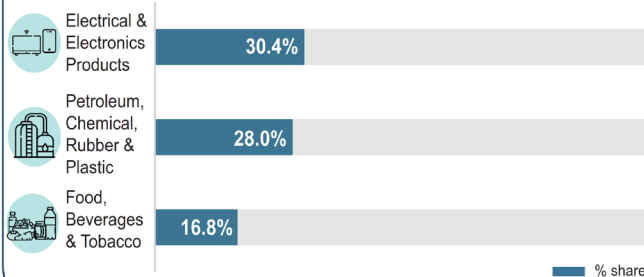
(RM Thousand)



Sales of the Manufacturing sector, Dec. 2021 - Jan. 2023 (% change)



More than two-thirds of **Manufacturing sales value** was contributed by Electrical & Electronics Products (30.4%); Petroleum, Chemical, Rubber & Plastic (28.0%); and Food, Beverages & Tobacco (16.8%) sub-sectors



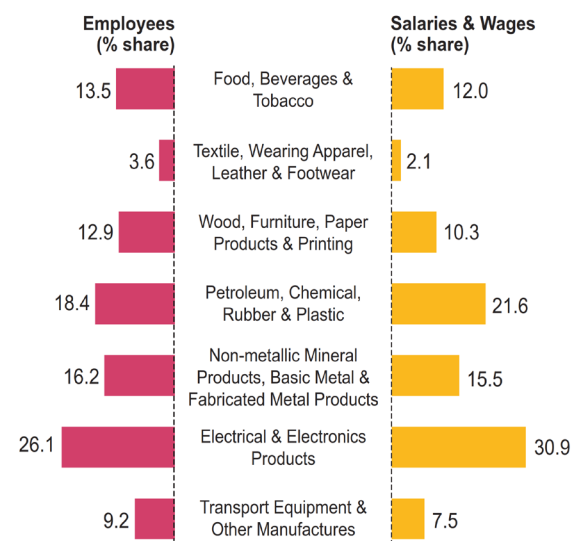
Employees

Employees in the Manufacturing sector were concentrated largely in Electrical & Electronics Products (26.1%); Petroleum, Chemical, Rubber & Plastic (18.4%); and Non-metallic Mineral Products, Basic Metal & Fabricated Metal Products (16.2%) sub-sectors

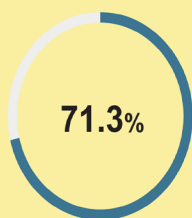


Salaries & Wages

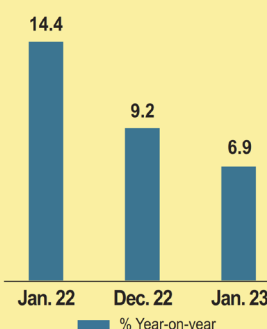
More than 50 per cent of salaries & wages paid contributed by Electrical & Electronics Products (30.9%); and Petroleum, Chemical, Rubber & Plastics (21.6%) sub-sectors



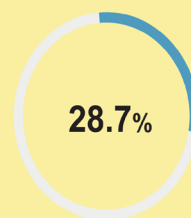
Export-oriented Industries



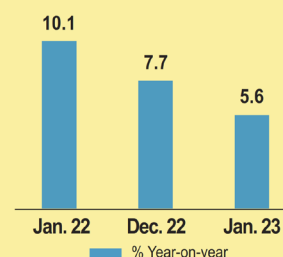
The sales value of export-oriented industries which contributed 71.3 per cent of total sales, posted a slower growth of 6.9 per cent in January 2023 as against 9.2 per cent recorded in December 2022



Domestic-oriented Industries



A similar trend was recorded in the domestic-oriented industries' sales value which moderated to 5.6 per cent from 7.2 per cent growth in the preceding month

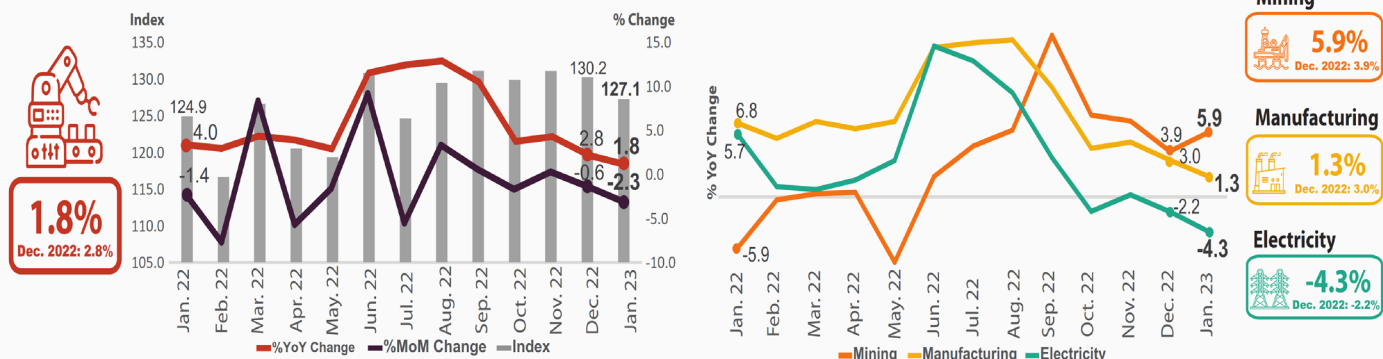


Source: Manufacturing Statistics Malaysia, January 2023, Department of Statistics Malaysia (DOSM)

INDUSTRIAL PRODUCTION INDEX (IPI), JAN 2023

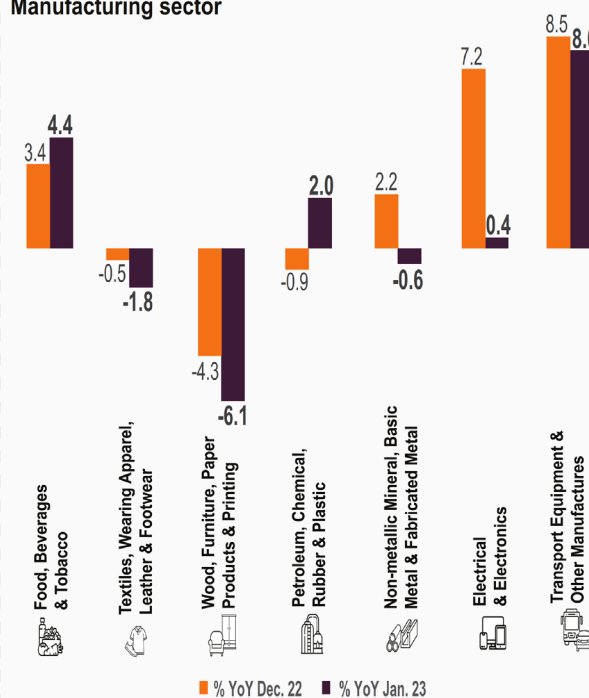
IPI

Malaysia's Industrial Production Index (IPI) moderated to 1.8 per cent in January 2023 weighed down by slower output growth in the Manufacturing sector



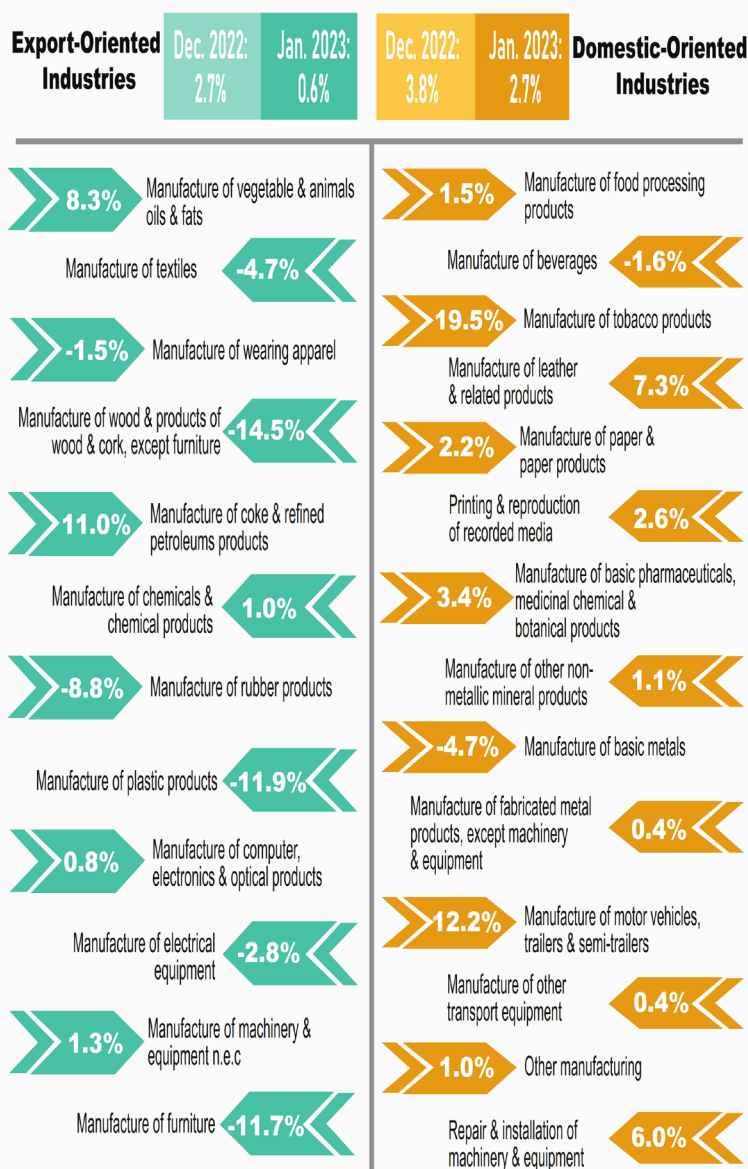
Manufacturing

Moderation in production of the Electrical & Electronics sub-sector (0.4%) contributed to slower output growth in the Manufacturing sector



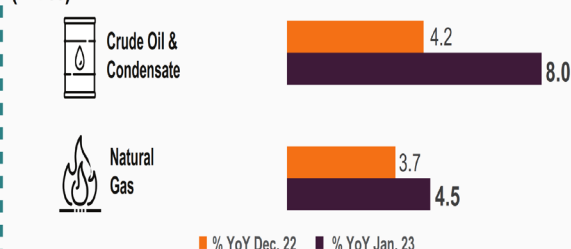
Export and Domestic Oriented Industries

Both export-oriented industries (0.6%) and domestic-oriented industries (2.7%) contribute to the moderation growth of Manufacturing sector



Mining

The expansion of Mining sector was bolstered by the strong growth of Crude Oil & Condensate (8.0%) and Natural Gas (4.5%)

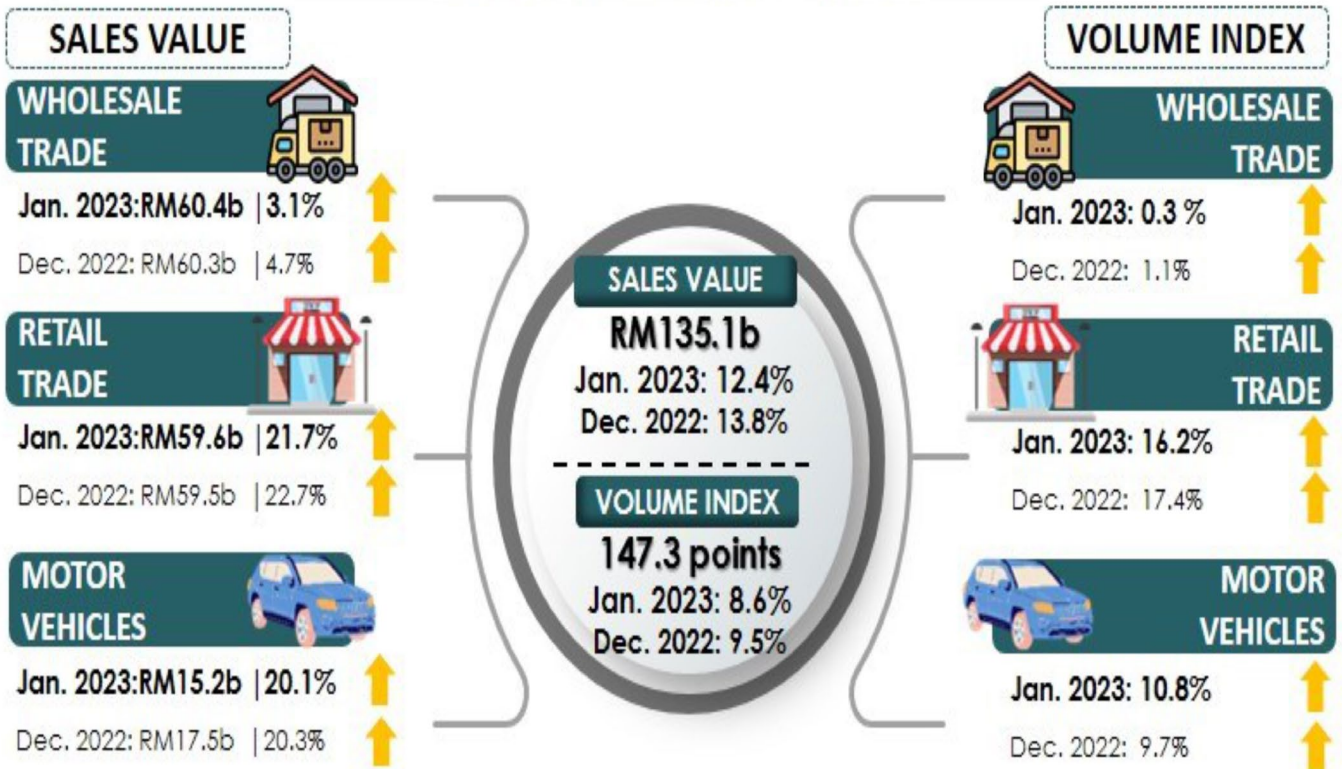


% YoY: Percentage change year-on-year
% MoM: Percentage change month-on-month

Source: Index of Industrial Production Malaysia, January 2023 Department of Statistics Malaysia (DOSM)

DISTRIBUTIVE TRADE, JAN 2023

Malaysia's Wholesale & Retail Trade recorded sales value amounted RM135.1 billion, grew 12.4 per cent in January 2023



DEC. 2022
2.3%

SEASONALLY ADJUSTED
VOLUME INDEX (MONTHLY)

JAN. 2023
-4.4%

MAIN GROUPS (SALES VALUE)



Percentage change: Year-on-Year

Source: Performance of Wholesale & Retail Trade, January 2023
Department of Statistics Malaysia (DOSM)

LABOUR FORCE, JAN 2023

The number of unemployed in January 2023 continued to decrease, reaching 596.1 thousand persons, registering a 3.6 per cent unemployment rate

LABOUR FORCE



Jan. 2023

16.76 million

Dec. 2022

16.73 million

▲ 2.4%

▲ 0.2%

69.8%

▲ 0.7pp

↔ 0.0pp

The labour force participation rate in January was unchanged at 69.8 per cent

Unemployment rate



Jan. 2023

3.6%

Dec. 2022

3.6%

EMPLOYED PERSON



Jan. 2023

16.16 million

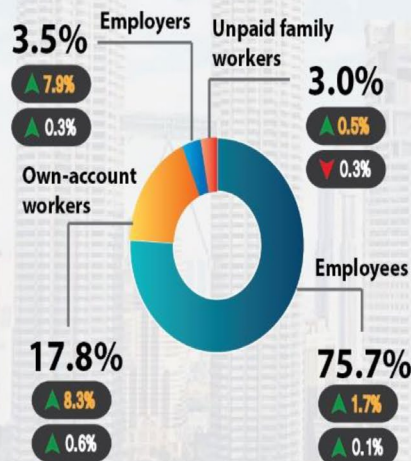
Dec. 2022

16.13 million

▲ 3.0%

▲ 0.2%

Employed person by status in employment



The employees' category accounted for 75.7 per cent of the total employed persons in January 2023.

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

UNEMPLOYMENT



Jan. 2023

596.1 thousand

Dec. 2022

599.6 thousand

▼ 12.4%

▼ 0.6%

3.6%

▼ 0.6pp

↔ 0.0pp

The unemployment rate in January 2023 remained at 3.6 per cent

Unemployment by category

Actively unemployed

80.8%

Dec. 2022

484.2 thousand

Jan. 2023

481.6 thousand

▼ 15.4%

▼ 0.5%

Inactively unemployed

19.2%

Dec. 2022

115.4 thousand

Jan. 2023

114.5 thousand

▲ 3.2%

▼ 0.8%

OUTSIDE LABOUR FORCE

Housework/ family responsibilities were the main reason for the outside labour force

Household/ family responsibilities

43.0%

Schooling/ training

40.8%



Jan. 2023

7.24 million

Dec. 2022

7.24 million

▼ 1.3%

▼ 0.02%

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

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

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

WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES

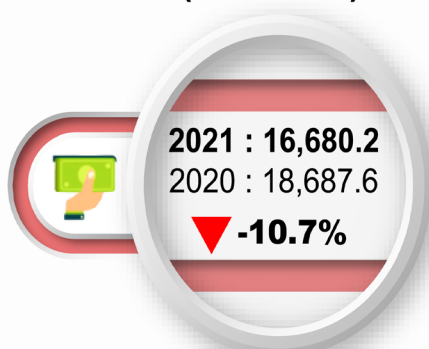
AES 2022

MAIN FINDINGS

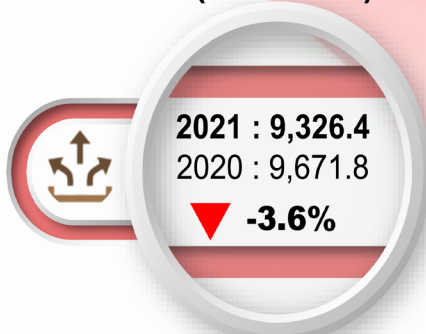
Annual growth rate



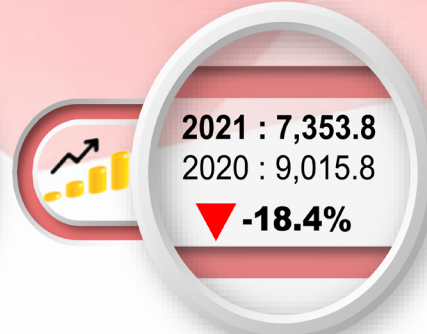
VALUE OF GROSS OUTPUT (RM million)



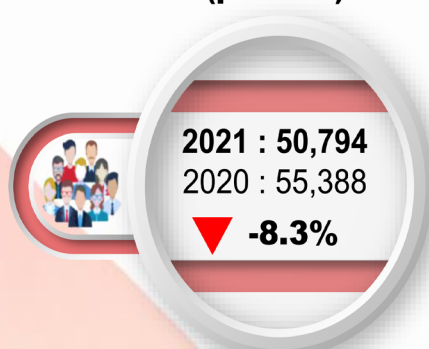
VALUE OF INTERMEDIATE INPUT (RM million)



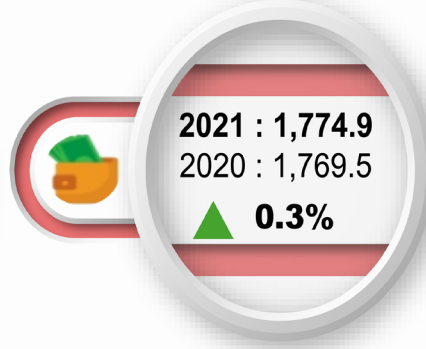
VALUE ADDED (RM million)



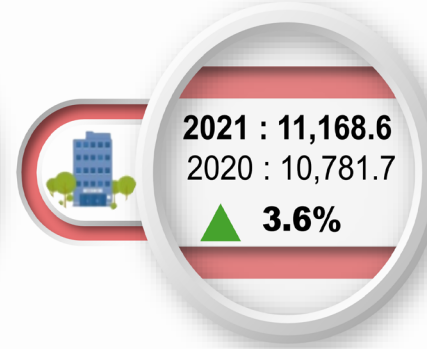
NUMBER OF PERSONS ENGAGED (persons)



SALARIES & WAGES (RM million)



VALUE OF FIXED ASSETS (RM million)



SHARE OF GROSS OUTPUT VALUE BY INDUSTRY GROUP, 2021

Water collection,
treatment & supply

50.6%



Sewerage

5.9%



Waste collection

24.1%

Waste treatment &
disposal

12.3%

Material
recovery

7.0%

Remediation activities &
other waste management
services

0.1%



SHARE OF NUMBER OF PERSONS ENGAGED BY SEX, 2021

Working proprietors and unpaid
family workers

88.7%



11.3%

Full-time workers



84.0%



16.0%

Part-time workers



85.7%

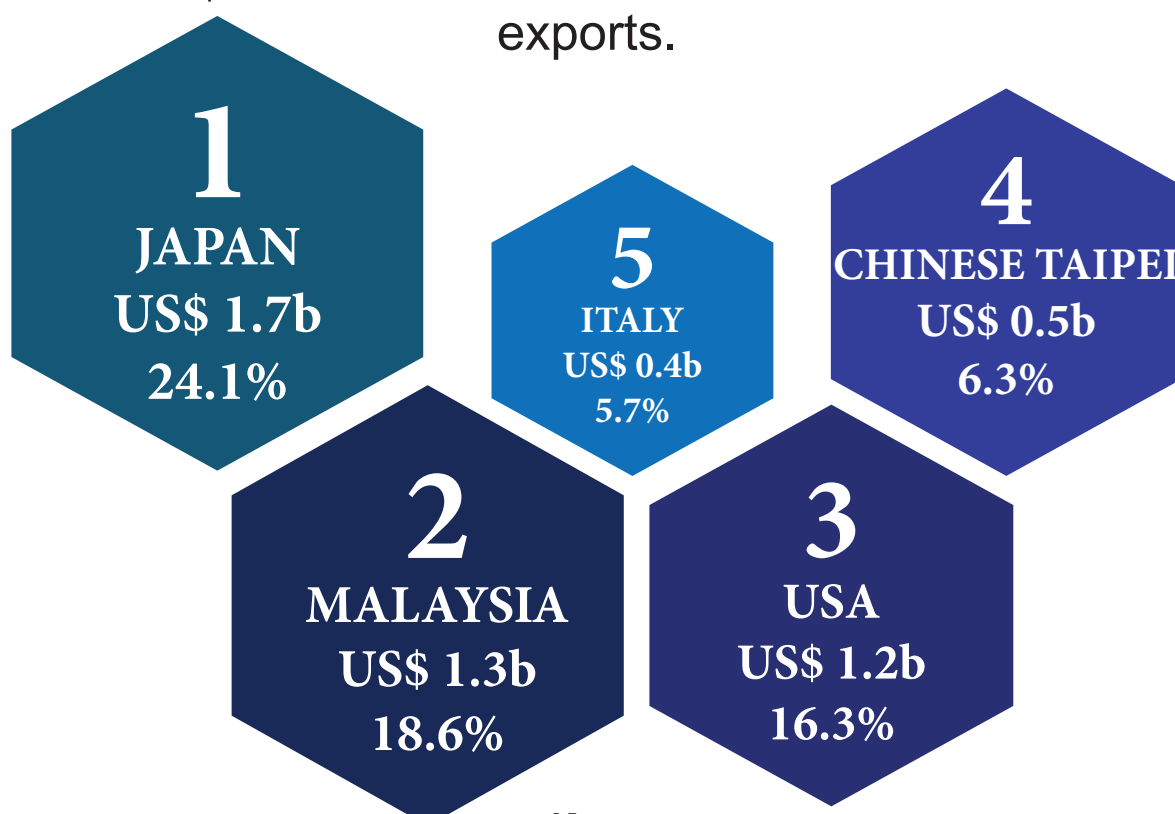


14.3%

Source: Annual Economic Statistics 2022, Water Supply; Sewerage, Waste Management and Remediation Activities
Department of Statistics Malaysia (DOSM)

MALAYSIA'S AS SECOND LARGEST EXPORTERS IN THE WORLD OF INSTRUMENTS AND APPARATUS FOR MEASURING OR CHECKING SEMICONDUCTOR WAFERS OR DEVICES

In 2021, Malaysia's export of Instruments and apparatus for measuring or checking semiconductor wafers or devices recorded US\$ 1.3 billion which was 18.6% share of the world exports.

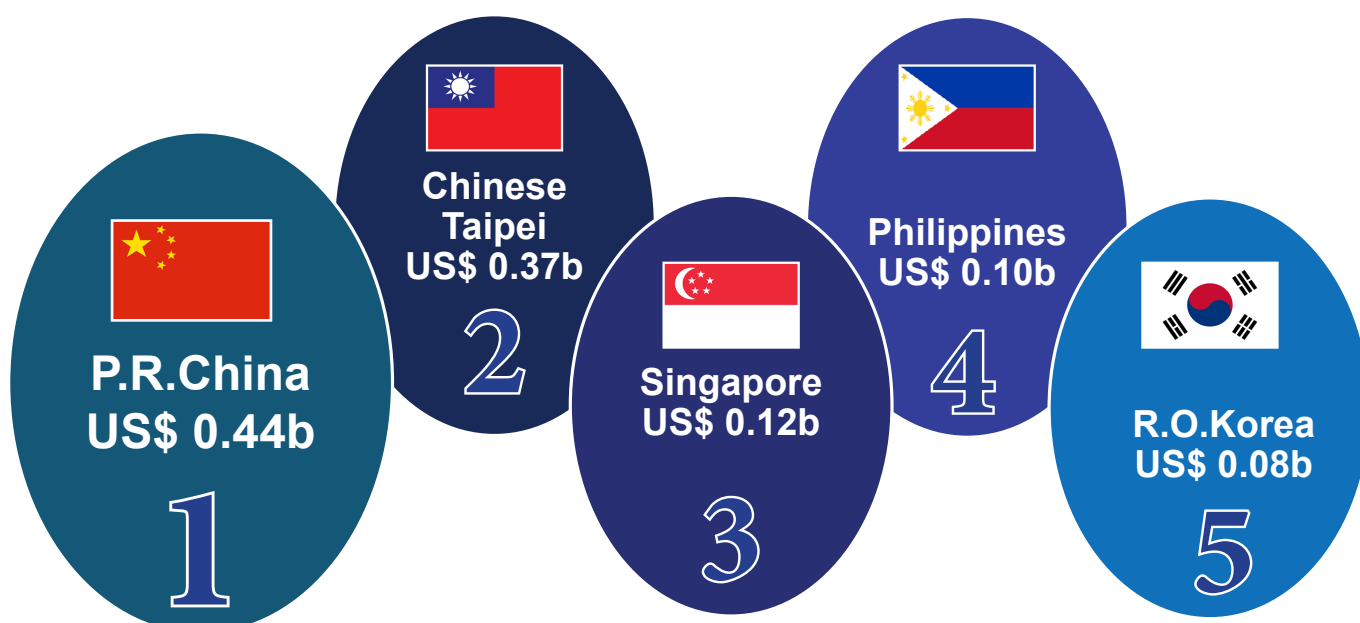


Notes:

-*HS903082

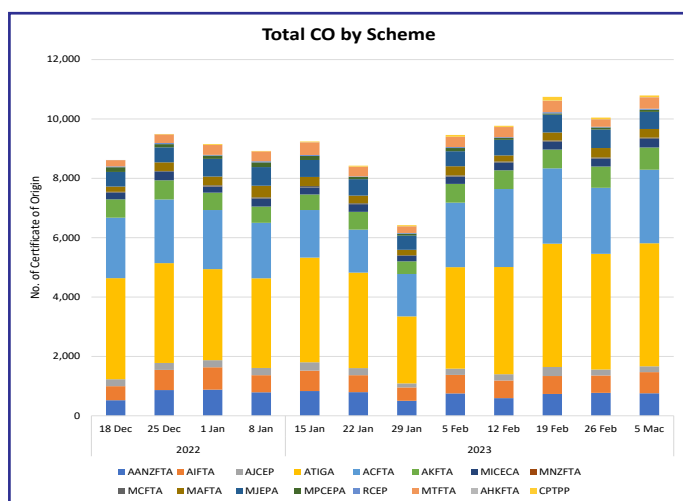
-% refer to share in world exports

MALAYSIA'S TOP EXPORT DESTINATIONS

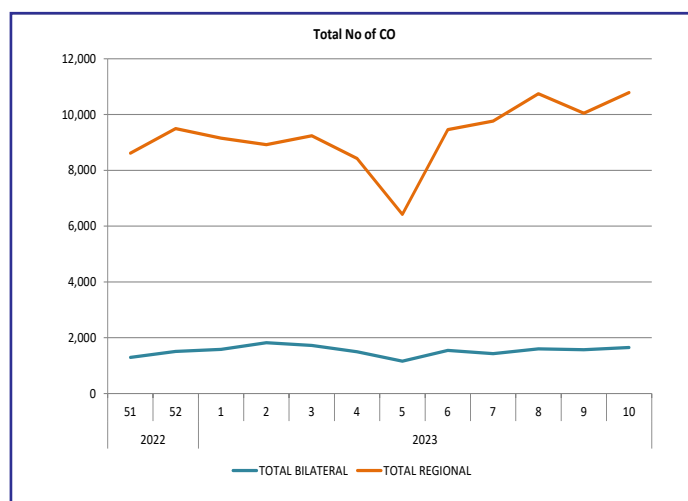


Number and FOB Value of PCO as at 5 March 2023 Weekly / Monthly / Annually

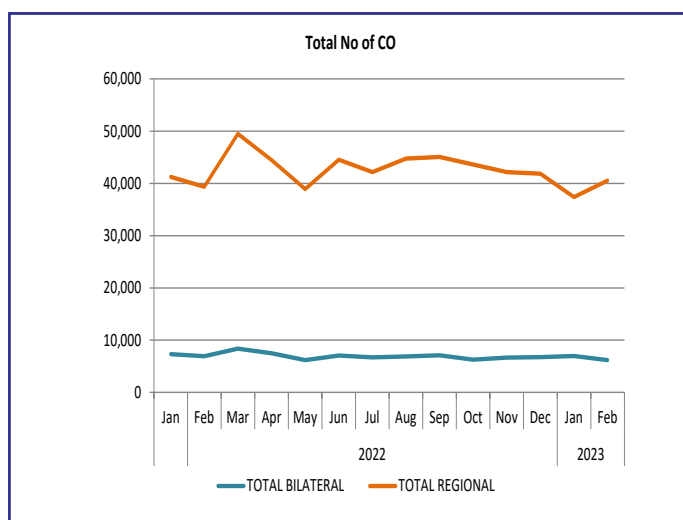
Weekly Total Scheme



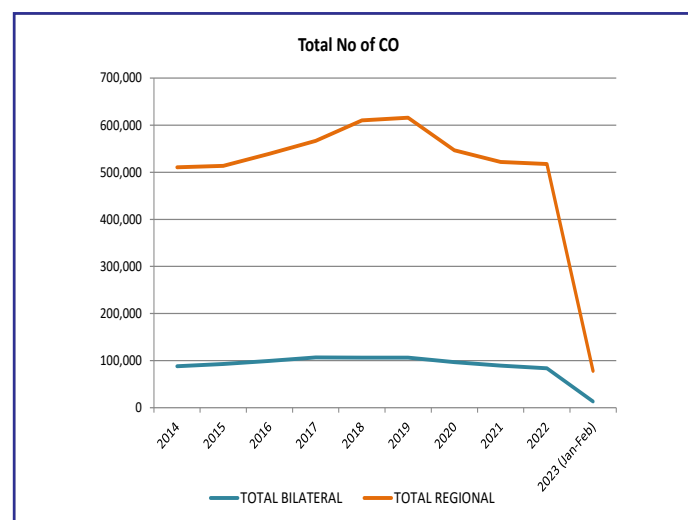
Weekly



Monthly



Annually

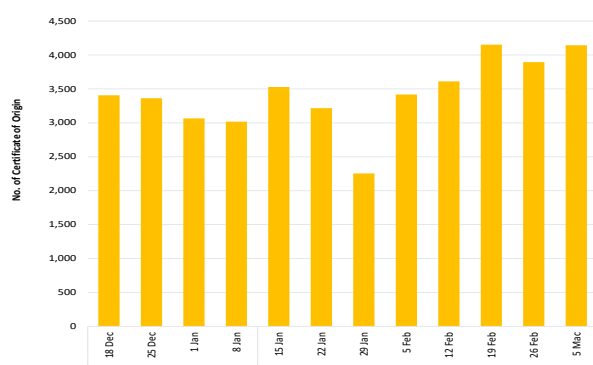


Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

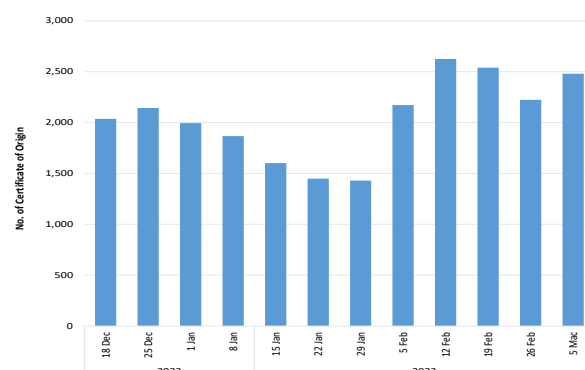
Regional FTA

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

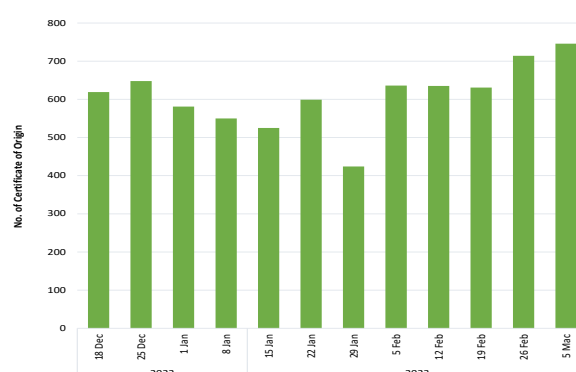
ASEAN Trade in Goods Agreement (ATIGA)



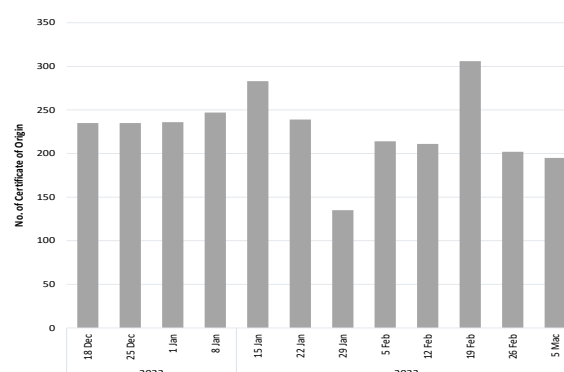
ASEAN-China Free Trade Agreement (ACFTA)



ASEAN-Korea Free Trade Agreement (AKFTA)



ASEAN-Japan Comprehensive Economic Partnership (AJCEP)

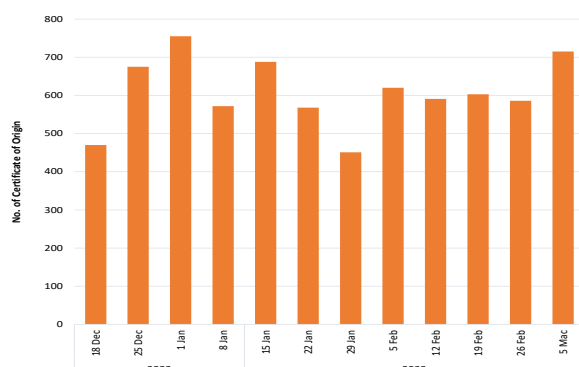


Note: *Provisional Data
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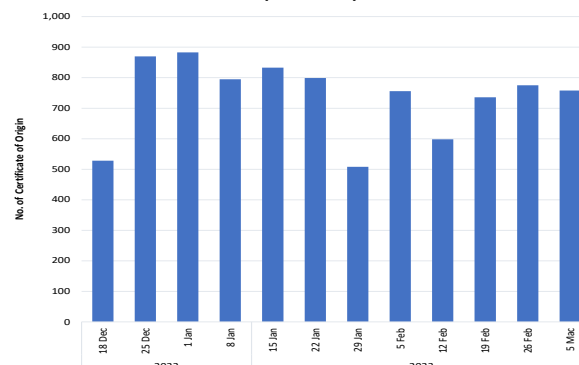
Regional FTA

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

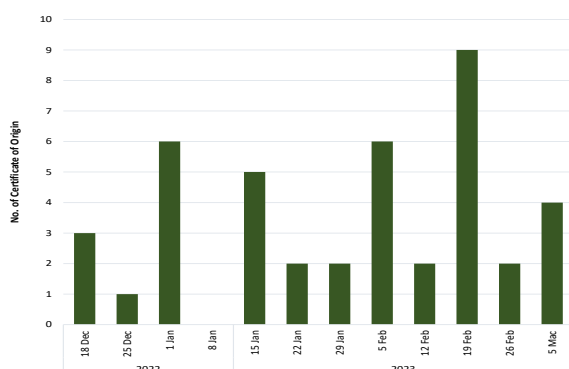
ASEAN-India Free Trade Agreement (AIFTA)



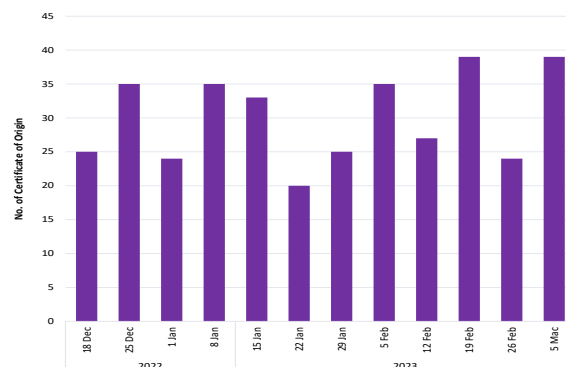
ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)



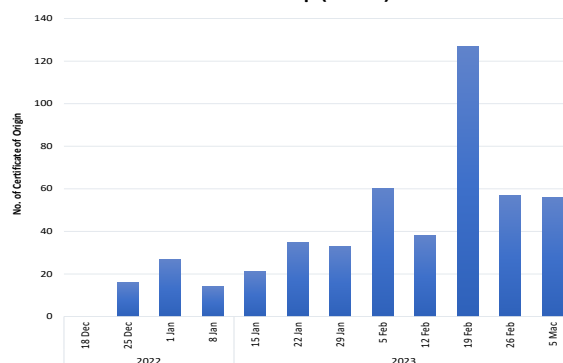
ASEAN-Hong Kong, China Free Trade Agreement (AHKFTA)



Regional Comprehensive Economic Partnership (RCEP)



Comprehensive & Progressive Agreement for Trans-Pacific Partnership (CPTPP)

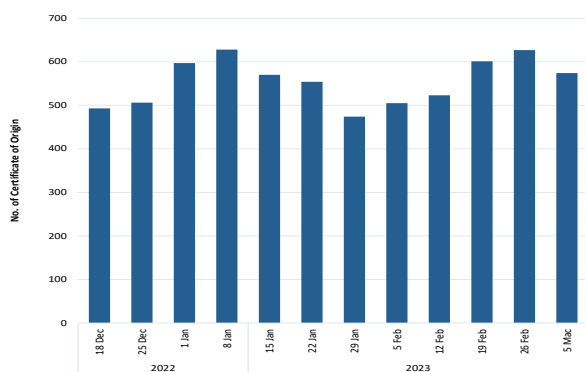


Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

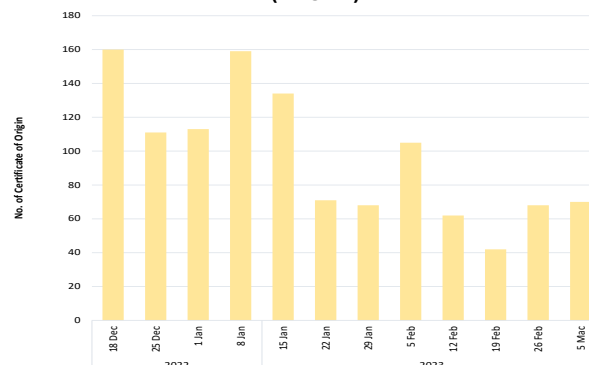
Bilateral FTA

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

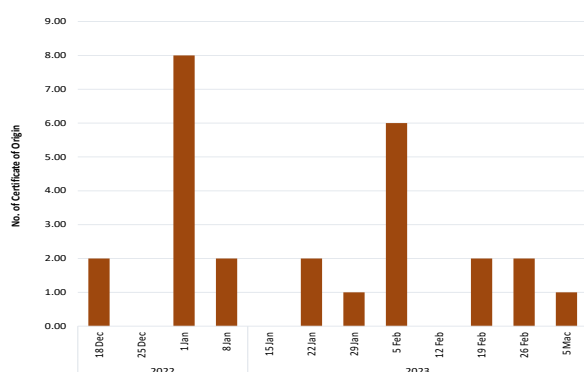
Malaysia-Japan Economic Partnership Agreement (MJEPA)



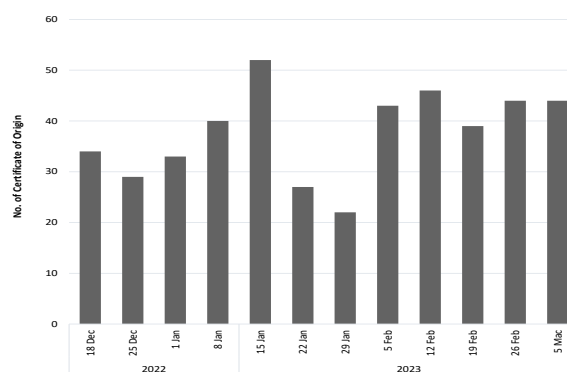
Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA)



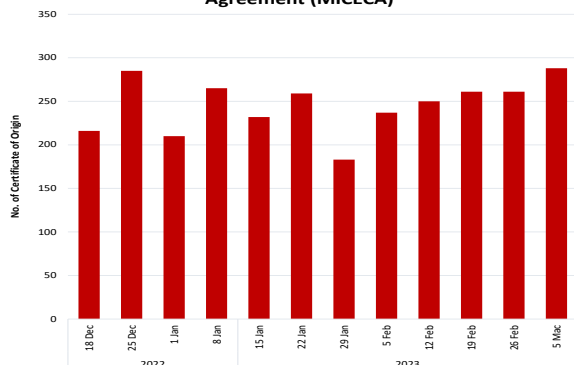
Malaysia-New Zealand Free Trade Agreement (MNZFTA)



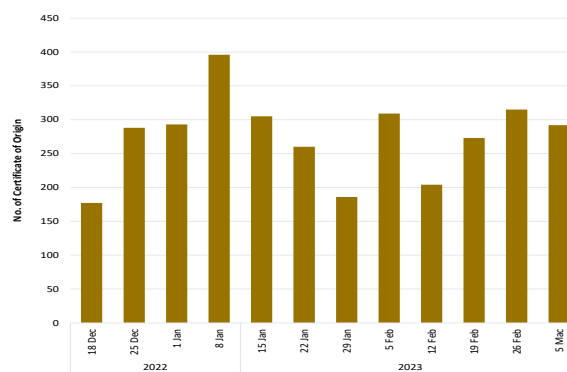
Malaysia-Chile Free Trade Agreement (MCFTA)



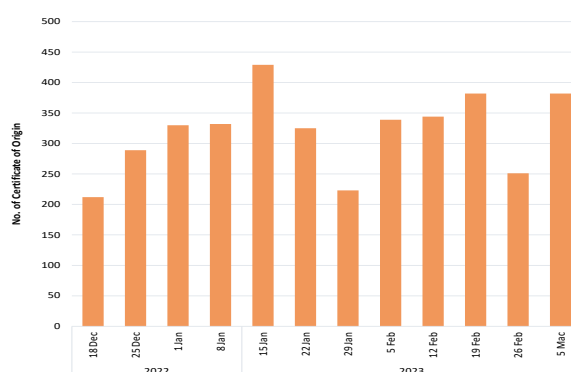
Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)



Malaysia-Australia Free Trade Agreement (MAFTA)



Malaysia-Turkey Free Trade Agreement (MTFTA)

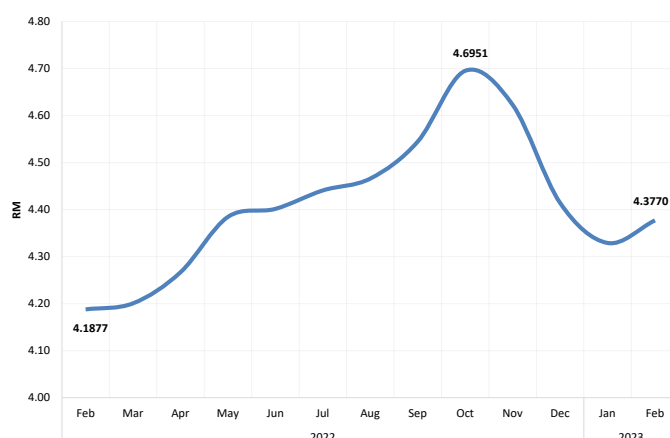


Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

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

US Dollar

USD 1 = RM



Pound Sterling

GBP 1 = RM



Euro

EUR 1 = RM



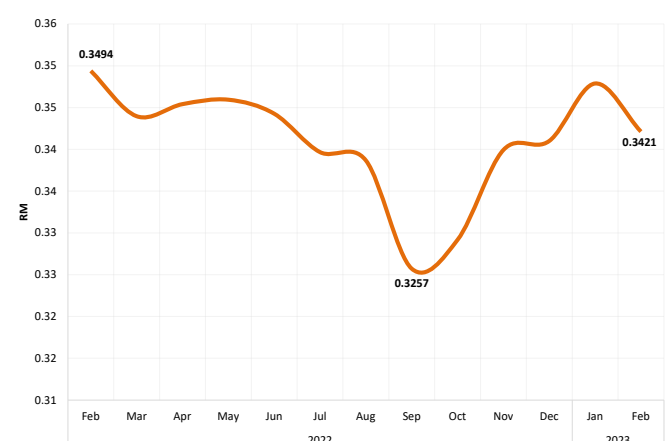
Australian Dollar

AUD 1 = RM



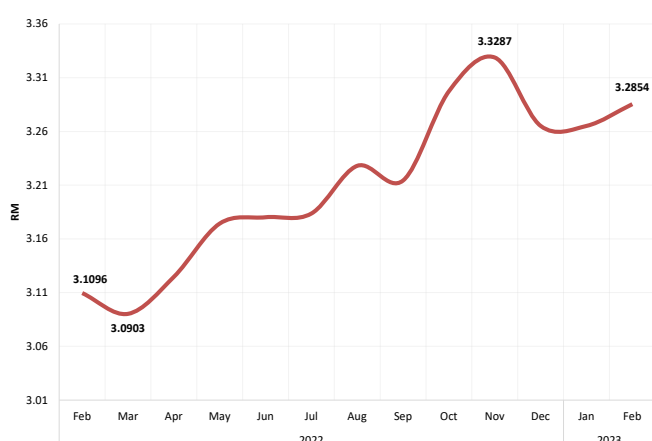
South Korean Won

KRW 100 = RM



Brunei Dollar

BND 1 = RM



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▼ **3.6%***
US\$82.8
10 Mar 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 2022 ⁱ: US\$99.4

CRUDE PALM OIL -per MT-



▼ **2.4%***
US\$940.9
10 Mar 2023

Highest
2022/2023

3 Mar 2023 : US\$964.5
11 Mar 2022 : US\$1,774.7

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

Lowest
2022/2023

Average Price 2022 ⁱ: US\$1,171.6

RUBBER SMR 20 -per MT-



▼ **6.6%***
US\$1,332.0
10 Mar 2023

Average Price 2022 ⁱ: US\$1,549.9

COCOA SMC 2 -per MT-



▼ **3.6%***
US\$1,754.1
10 Mar 2023

Average Price 2022 ⁱ: US\$1,564.5

SUGAR -per lbs-



▲ **1.1%***
US\$21.2
10 Mar 2023

Average Price 2022 ⁱ: US\$18.8

COAL -per MT-



▲ **2.5%***
US\$135.0
10 Mar 2023

Average Price 2022 ⁱ: US\$290.8

SCRAP IRON HMS -per MT-



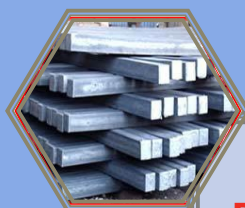
▲ **3.6%*** : ▲ **5.1%***
US\$411.4 : US\$369.8
(high) : (low)
January 2023

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

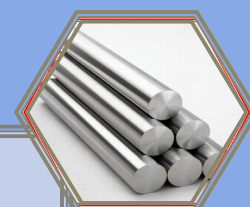
Average Price 2022 ⁱ: US\$426.3 (low)

Domestic Prices

January 2023



Billets
(per MT)
RM2,600 - RM2,614



Steel Bars
(per MT)
RM2,746 - RM2,830

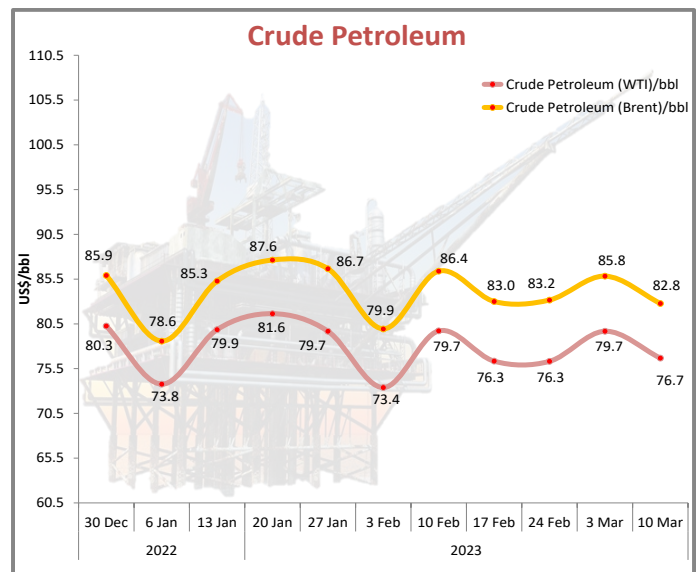
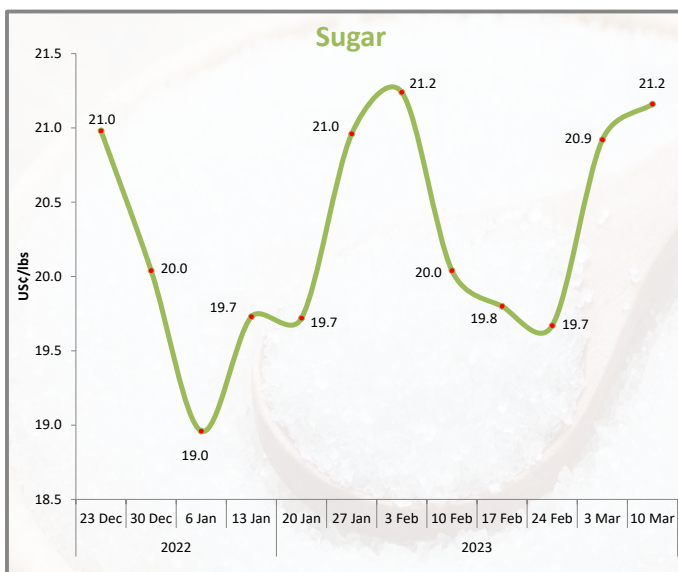
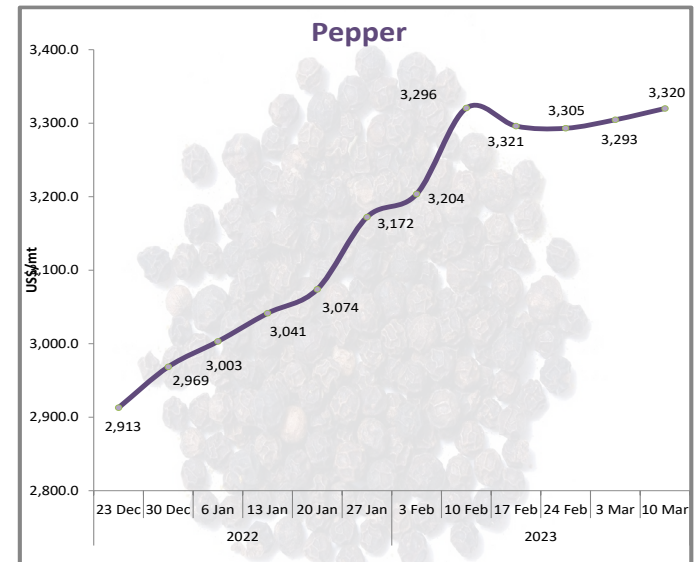
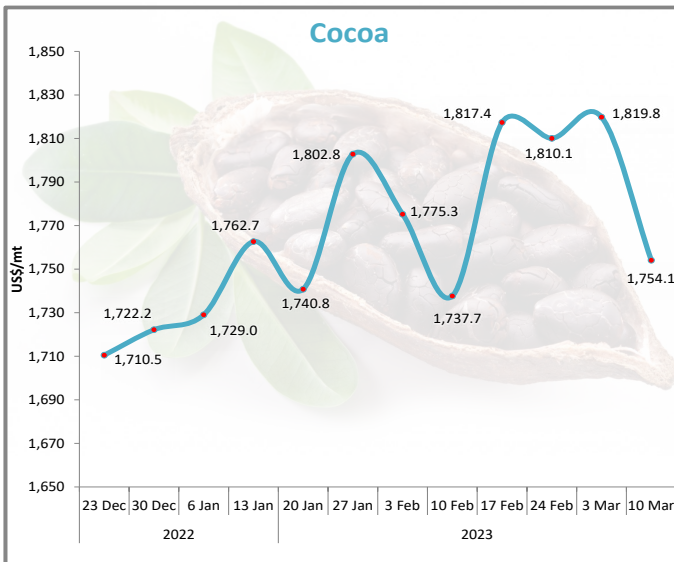
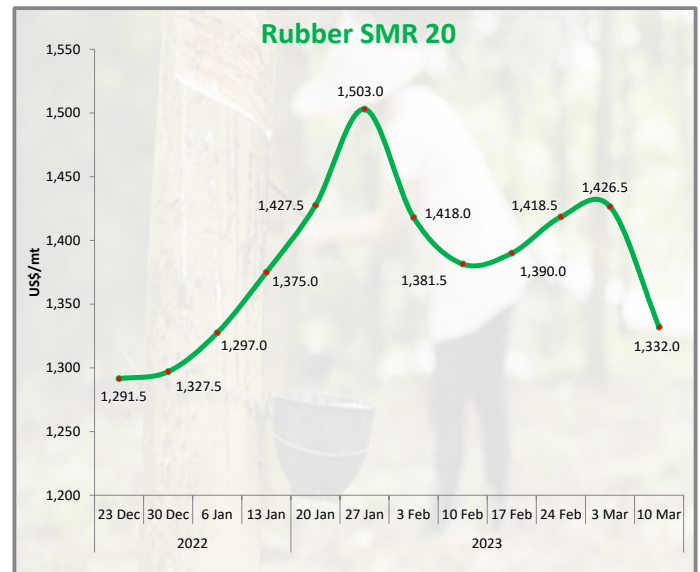
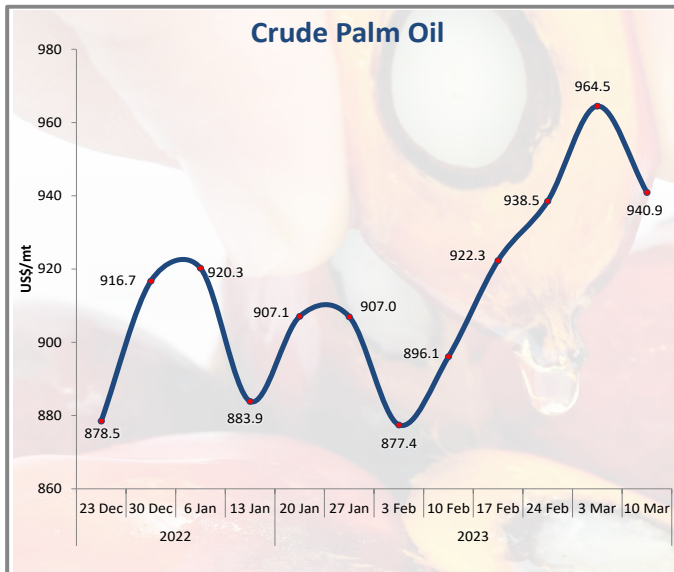
Notes: All figures have been rounded to the nearest decimal point

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

ⁱ Average price in the year except otherwise indicated

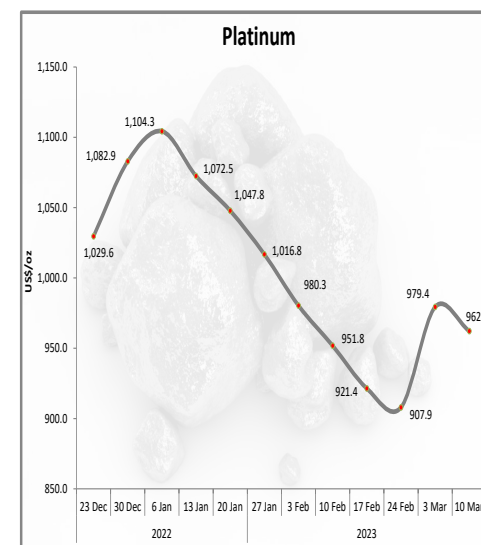
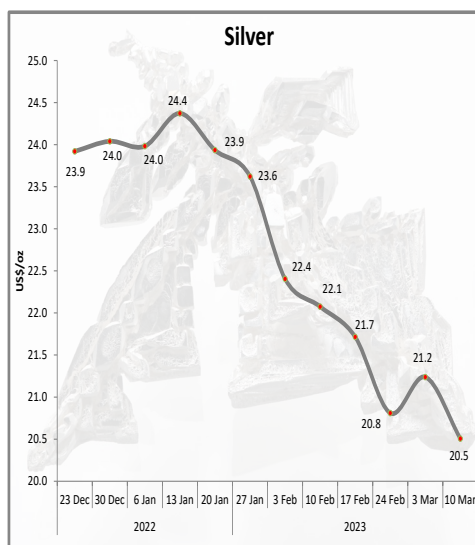
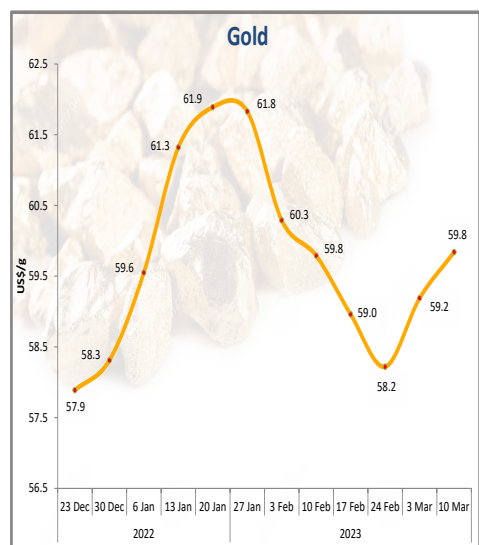
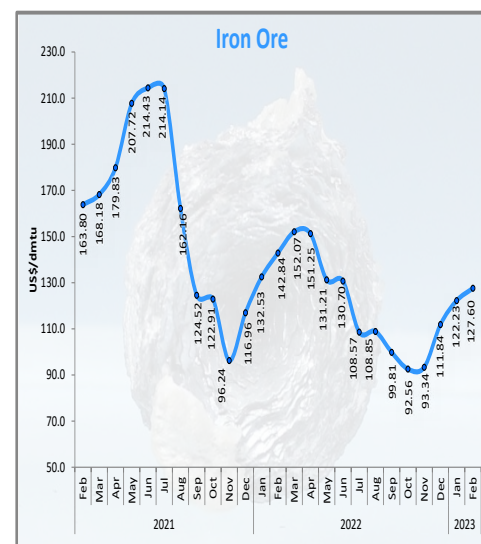
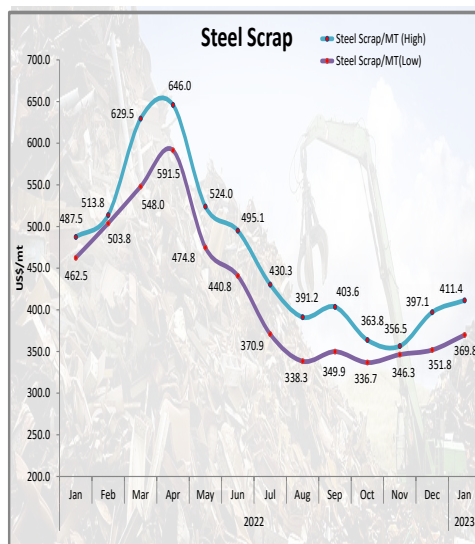
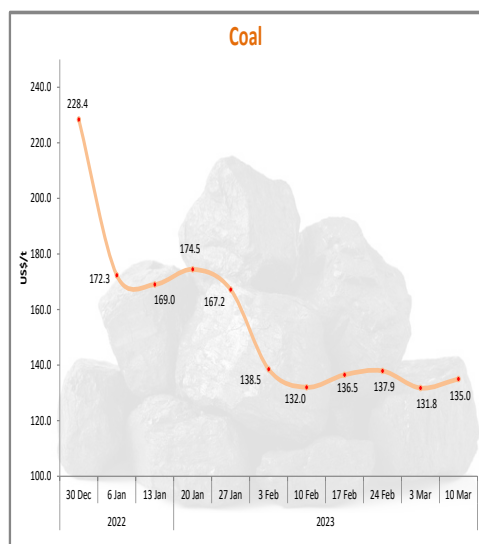
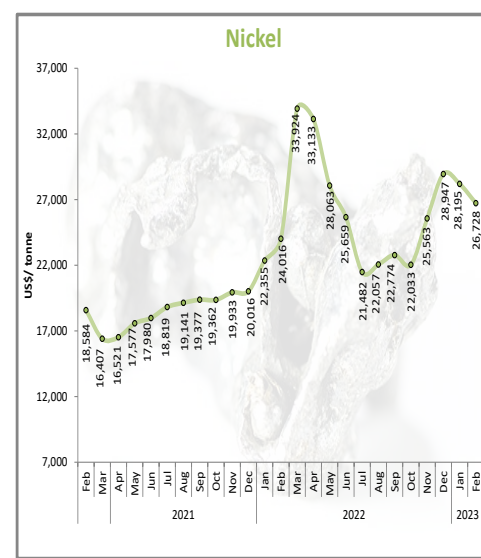
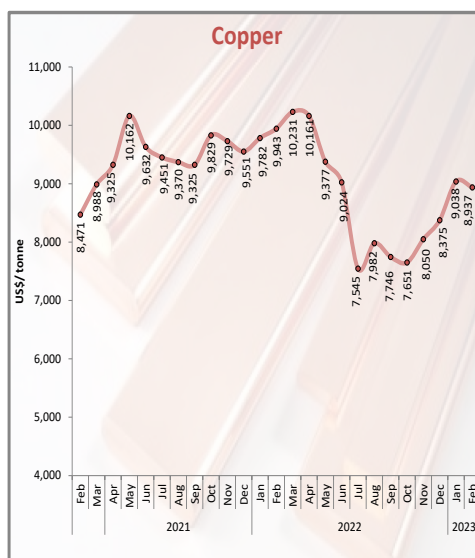
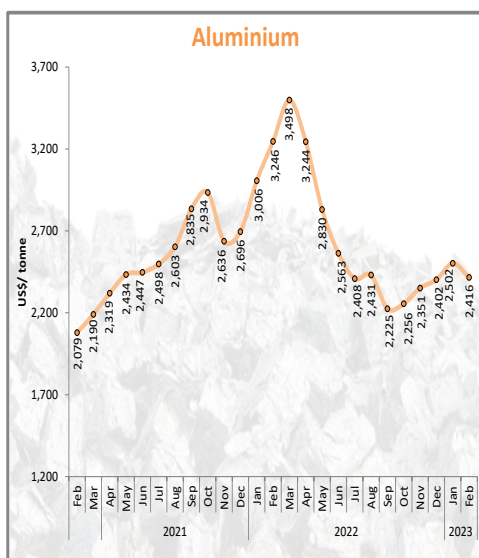
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

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.

RCEP

REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)



RCEP CONSISTS OF

10 ASEAN member countries

5 ASEAN FTA Partner countries

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



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.



Process Flow

A FEW SIMPLE STEPS

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



Readiness Assessment



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Evaluation by Committees



Onsite Assessment



Receive RA Report

Business Intervention



Develop Intervention Proposal



Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links:

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



#MITIPOCKETTALK

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

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