



## MEDIA RELEASE

### SEMINAR ON ASEAN ECONOMIC COMMUNITY (AEC) Spreading Your Wings in ASEAN: Land of Opportunities

The year 2017 started with a high prospect for ASEAN. After eight years of preparation, ASEAN leaders launched the ambitious ASEAN Economic Community (AEC) in 2015, a blueprint aimed at creating a single, seamless production base and consumer market. The work however does not stop there, with ASEAN developing a 10 year plan; the AEC Blueprint 2025 as a continuous effort and commitment to further deepen the economic integration.

This year also marks the 50th anniversary of the ASEAN carrying the theme of "Partnering for Change, Engaging the World." Since its establishment, ASEAN has evolved into one of the world's most dynamic regions with accelerated economic performance in recent years. That has been attributable to ASEAN's economic co-operation and integration initiatives taking concrete shape over the past two decades. The economic development of ASEAN, which now has a population of 630 million people, has grown rapidly registered a strong pace of Gross Domestic Product (GDP) at 4.7% in 2016. For 2017, GDP growth rate is projected at 4.8% respectively. With a record of US\$2.55 trillion GDP in 2016, ASEAN is the third largest economy in Asia and the sixth largest economy in the world. ASEAN aspires to becoming the fourth largest economy in the world by 2030. The AEC has not only provided a sound basis for ASEAN rapid growth but also creating opportunities and diversities.

Despite the promising growth and liberalisation of tariffs among the ASEAN Member States, intra-trade ASEAN remains stagnant at around 20 – 25%. The major impediment in achieving higher intra-trade is behind the border measures or non-tariff measures/barriers (NTMs/NTBs) within ASEAN. YAB Dato' Sri Mohd Najib bin Tun Abdul Razak, Prime Minister of Malaysia at the 30th ASEAN Summit cited that to achieve the US\$9.2 trillion GDP by 2050, there has to be a 20% reduction in fixed trade costs. In this regard, ASEAN is currently working towards implementing various trade facilitative measures, such as national single windows seamlessly linked to the ASEAN Single Window as well as harmonisation of standards and customs procedures. In addition, Malaysia is taking the lead the other ASEAN Member States in identifying appropriate mechanism to address the NTMs/NTBs issue in ASEAN with a view to reduce and subsequently eliminate all barriers to trade.

To further enhance the growth in this region, at the recent RCEP Intersessional Ministerial Meeting held from 21-22 May 2017 in Hanoi, Viet Nam, ASEAN and its Dialogue Partners made commitment to work towards substantial completion of RCEP negotiation by end of this year. The RCEP when concluded would create one of the world's largest free-trade areas. The RCEP countries make up close to 50% of the global population, about 30% of the global GDP and 29% of global trade. With all these development, Malaysian entrepreneurs indeed stand to gain more opportunities and greater market access abroad.

#### BENEFITS OF AEC FOR MALAYSIA

To commemorate the golden celebration of ASEAN@50 this year, MITI as Malaysia's national coordinator for the economic pillar, will also be organising various



programmes and activities. Today's seminar on AEC among many, serves as another platform for MITI to showcase and provide a solid testimonial to Malaysians at large, the benefits as well as opportunities drawn from the ASEAN regional integration.

Seminar aims at raising awareness about the opportunities in ASEAN under the AEC. Taking into account limited presence of Malaysian entrepreneurs abroad, the Seminar was exclusively designed to inspire Malaysian entrepreneurs, especially among the Micro, Small and Medium Enterprises (MSMEs), to explore and expand their businesses into the ASEAN market. In this aspect, three identified speakers (Malaysian entrepreneurs based in ASEAN or doing business with ASEAN) were brought to the seminar to share first-hand information as living testimonials to the audience. The three speakers presented their case at length and highlighted their personal experience, particularly on expectations, domestic regulations and in addition, socio-cultural details to observe, gained throughout their years of business involvement in ASEAN.

The speakers were invited based on their successful ventures in ASEAN.

- (i) Speaker 1: Ms. Rina Neoh (based in Singapore)  
Founding Partner of Mercatus Capital
- (ii) Speaker 2: YM Ungku Raad Azeraai (based in Manila)  
Founding Partner Naah!im Bakery
- (iii) Speaker 3: Arvin Menon (based in Selangor)  
Managing Director, VG Offshore Containers International

Minister of International Trade and Industry, Dato' Sri Mustapa Mohamed said, "ASEAN offers vast opportunities to be explored by the Malaysian business community and entrepreneurs. Our companies are big in ASEAN, but in line with our efforts to foster closer economic integration within the region, we need more SMEs to venture out into other ASEAN markets. This is to ensure that the benefits from an economically integrated ASEAN are more inclusive".

Under the following theme, "Spreading Your Wings in ASEAN: Land of Opportunities", the composition of audience was made up of mostly MSMEs, representatives from the Malaysian Association of ASEAN Young Entrepreneurs Association (MAAYE) and students from related fields.

Ministry of International Trade and Industry, Malaysia

# MALAYSIA

# Q1 2017

## Balance of Payments (BOP)

Current Account Balance  
**RM5.3 bil**



Financial Account

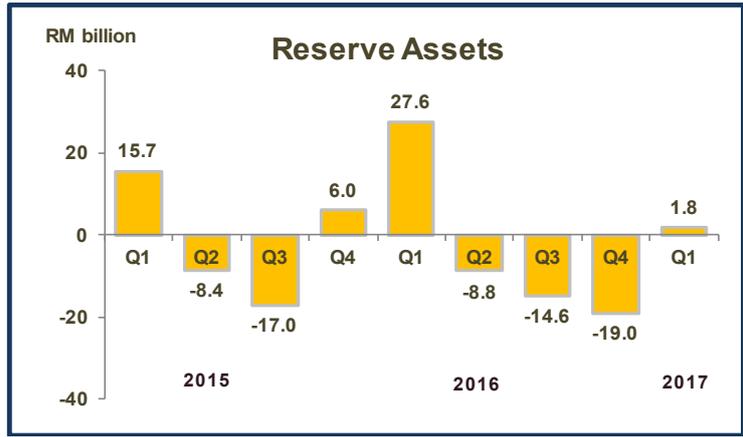
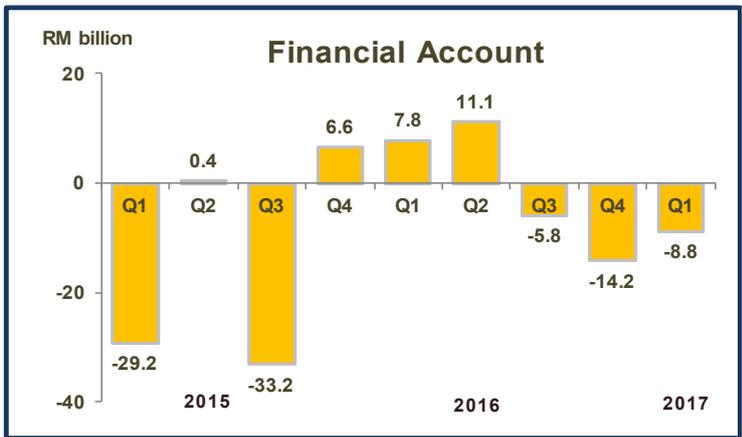
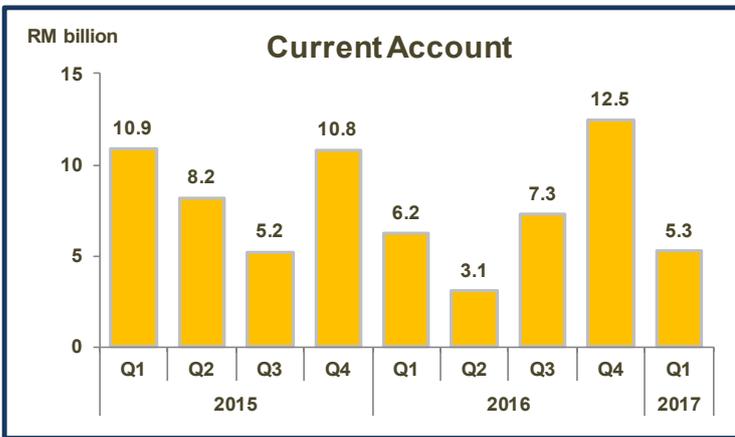
**RM8.8 bil** (net outflow)



FDI & DIA Performance

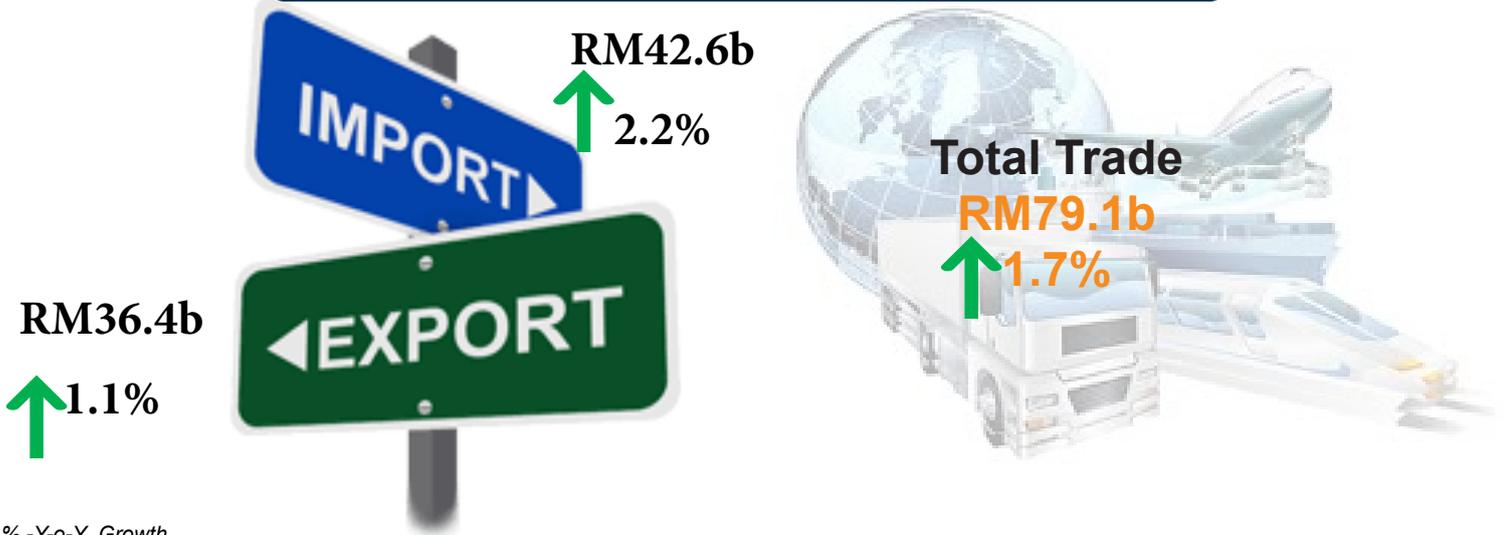


## BOP Performance, Q1 2015-Q1 2017



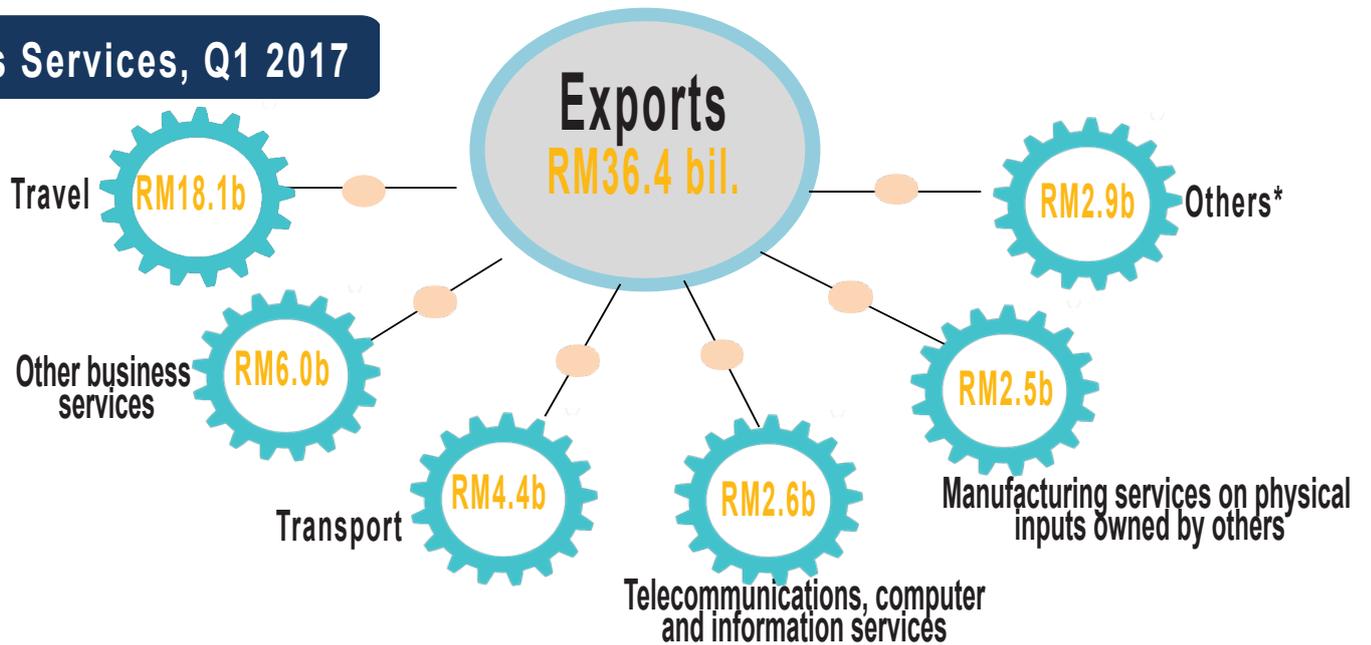
Source : Department of Statistics, Malaysia

# Trade in Services, Q1 2017



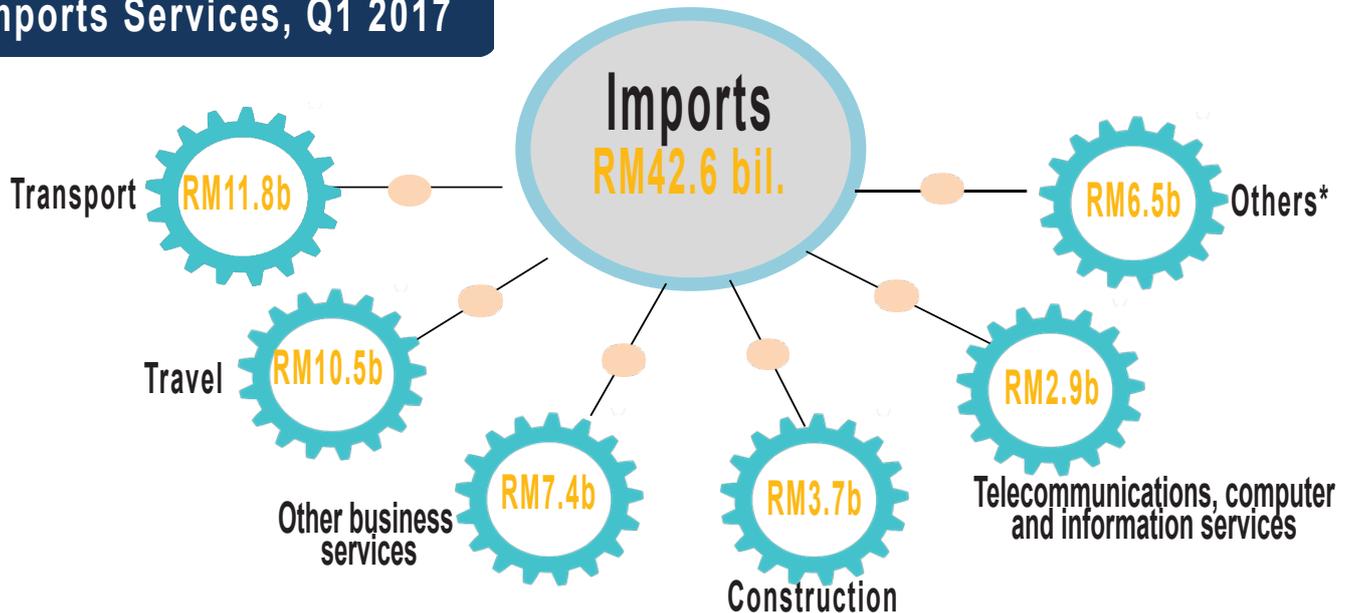
Note: % -Y-o-Y Growth

## Exports Services, Q1 2017



Note: \* include Construction, Maintenance and repair services, Insurance and pension services, Financial services, Charges for the use of intellectual property, Personal, cultural and recreational services and Government goods and services

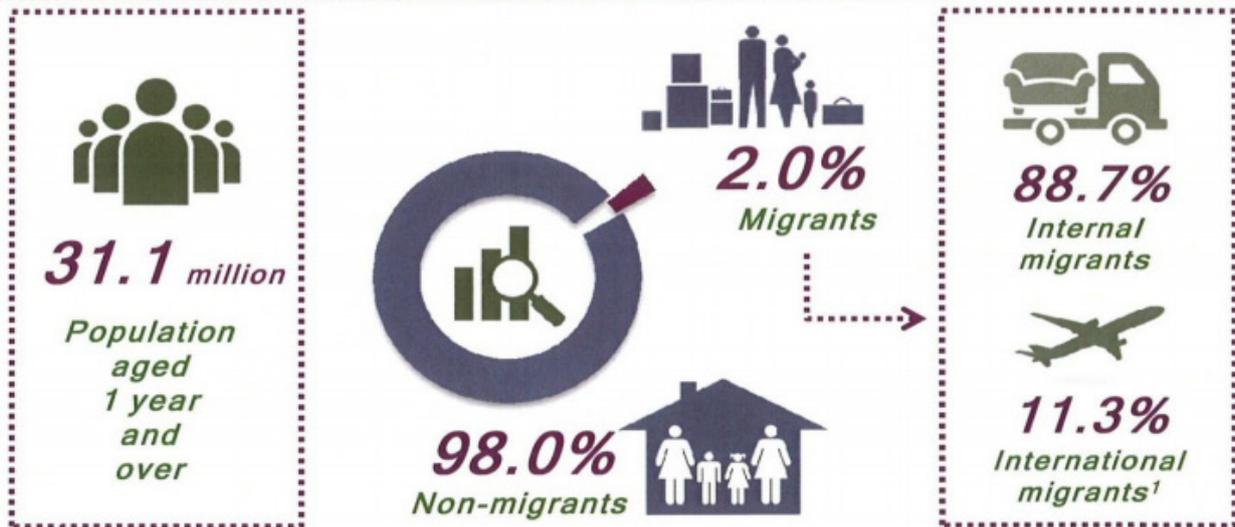
## Imports Services, Q1 2017



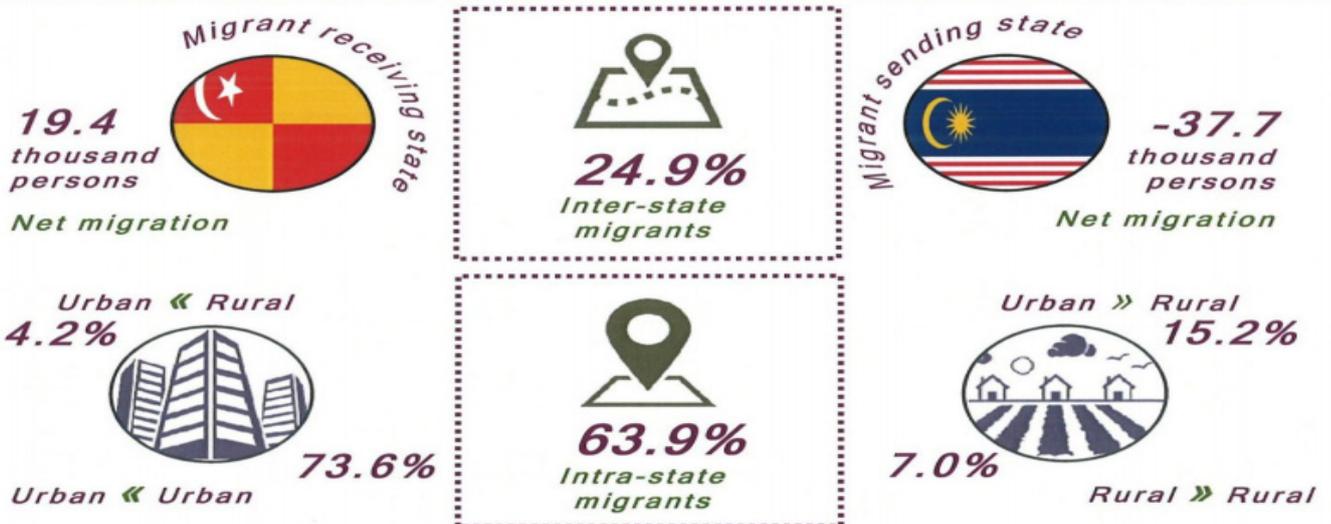
Note: \* include Maintenance and repair services, Insurance and pension services, Financial services, Manufacturing services on physical inputs owned by others Charges for the use of intellectual property, Personal, cultural and recreational services and Government goods and services

Source : Department of Statistics, Malaysia

# Selected Statistics Population Migration 2015-2016



## Internal Migration

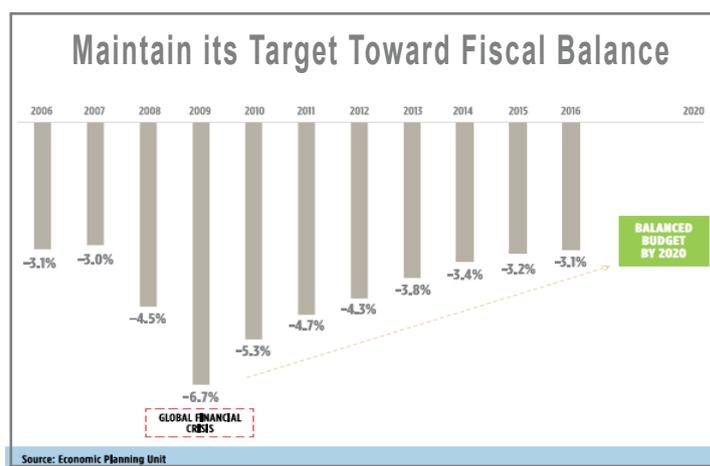
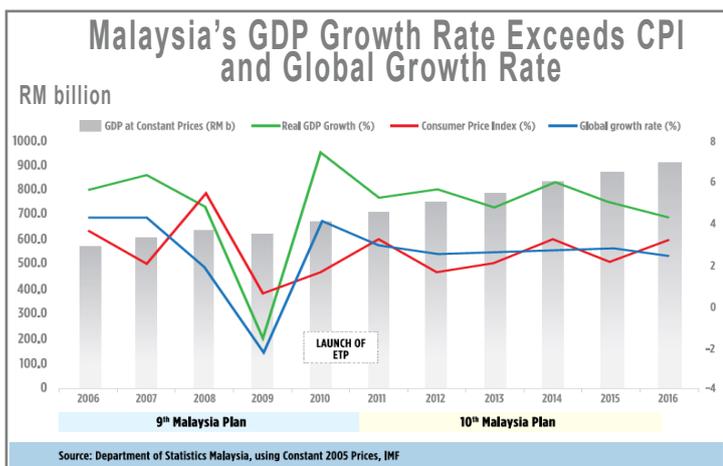


## Reasons for Migration

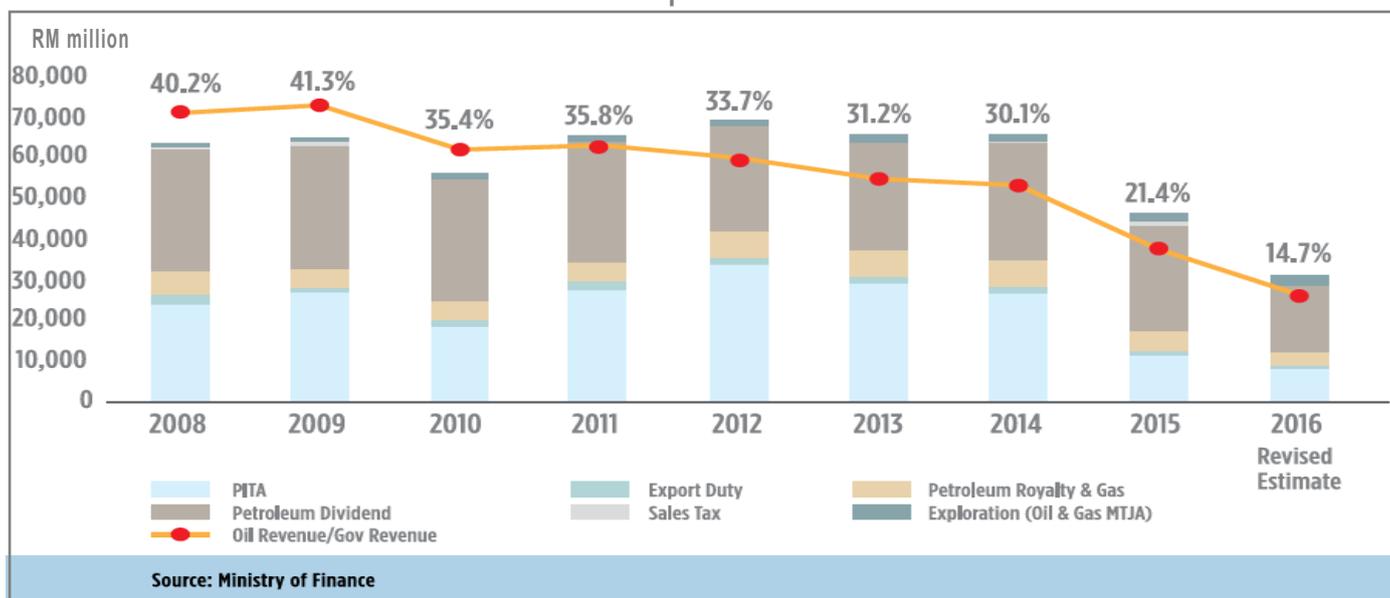


Source : Department of Statistics, Malaysia

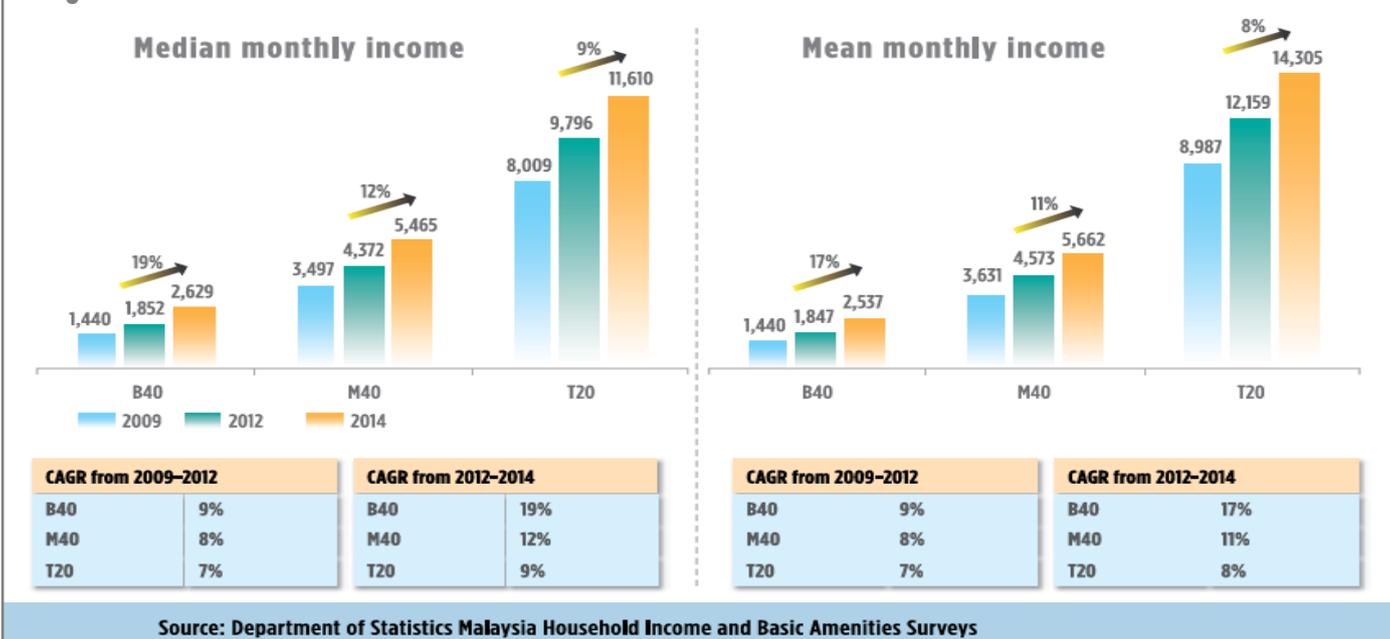
# Selected NTP's Performance Report 2016



## Government Less Dependent on Oil Revenue



Since 2009, among all income stratas, the B40 have experienced the greatest increase in CAGR Growth



Source: <https://www.pemandu.gov.my/...reports>

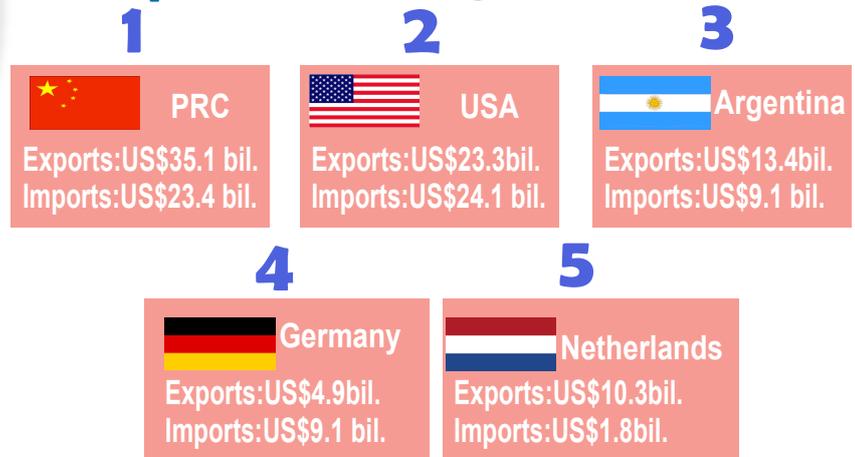
# International Report

## Brazil

### Brazil Key Economy, 2016

GDP (current US\$) : US\$1,798.6 billion  
 Inflation rate : 8.7%  
 Unemployment rate : 11.3%  
 Global trade : US\$328.8bil (Rank: 27)  
 Global exports : US\$185.3bil (Rank: 25)  
 Global imports : US\$143.5bil (Rank:28)

### Top Five Trading Partners, 2016

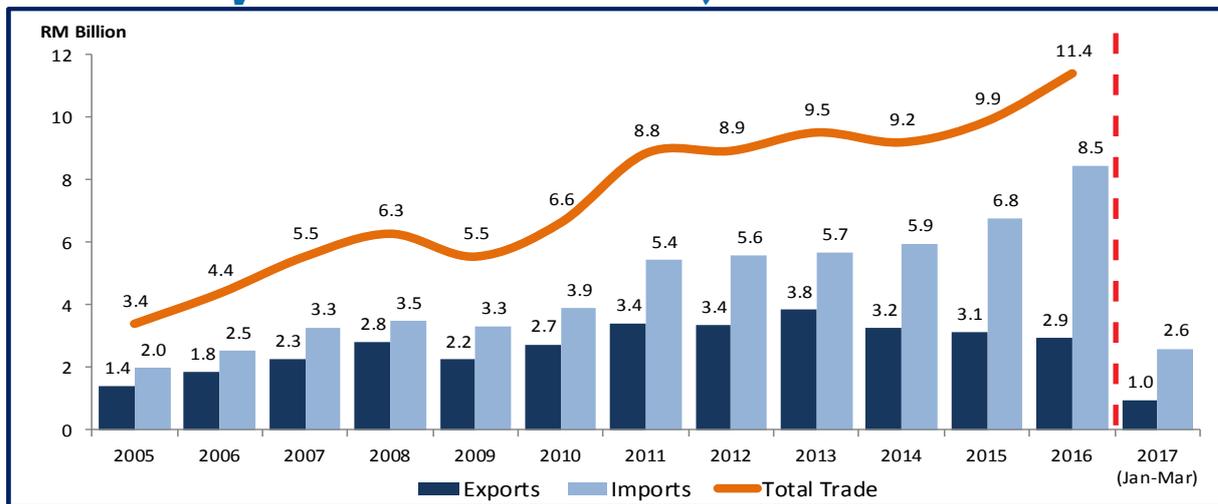


Source: IMF, Worldatlas, WTO



Population: 206.1 million  
 Land area : 8,511,965 sq km

### Malaysia's Trade with Brazil, 2005 - March 2017



#### Major Exports, 2015/2016

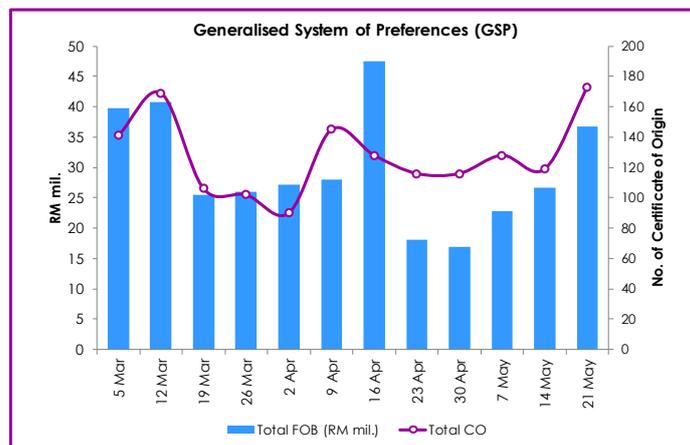
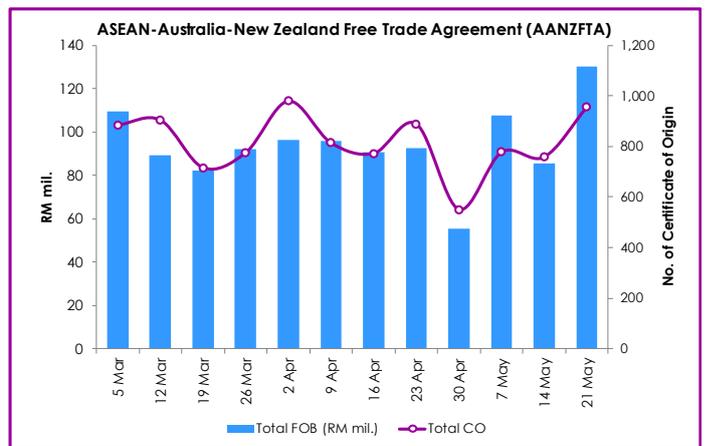
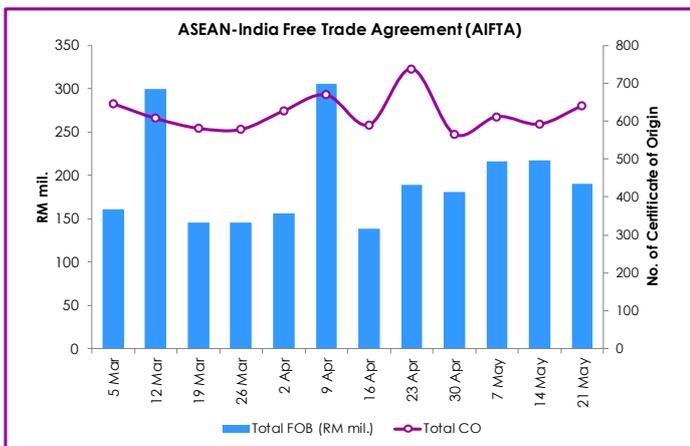
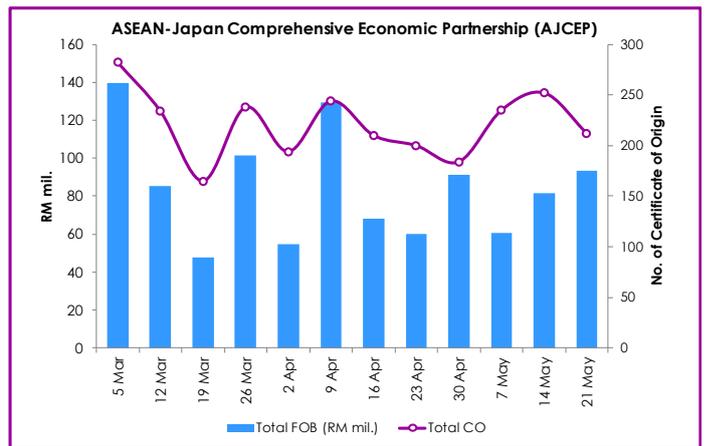
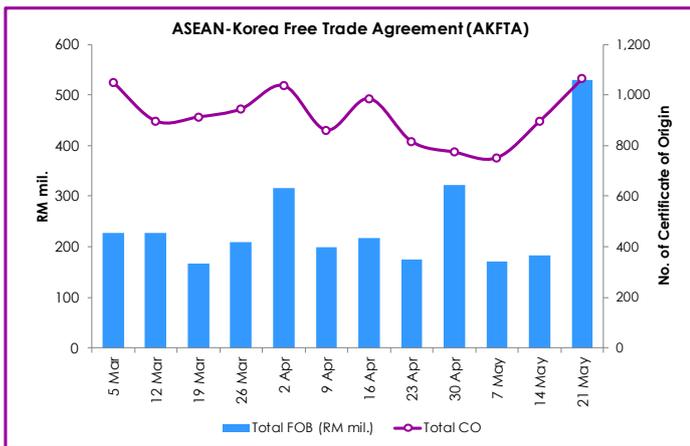
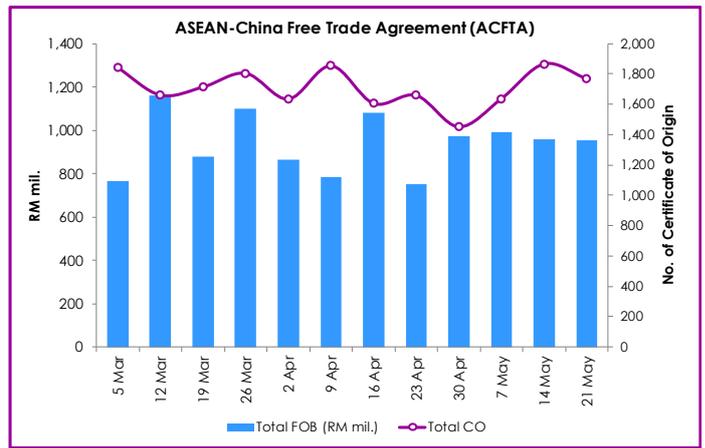
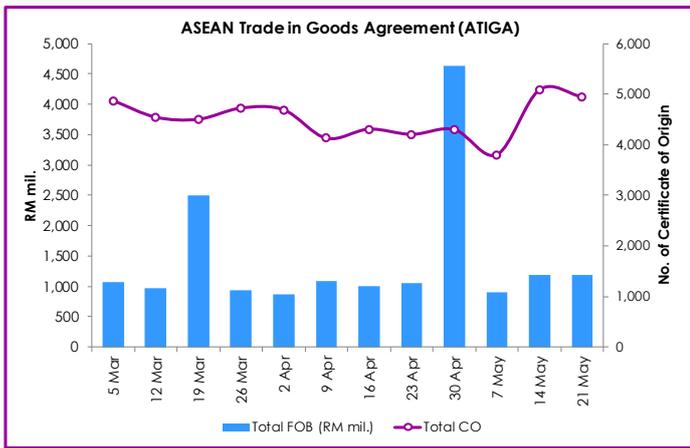
HS Code	Product	2015 RM mil.	2016 RM mil.	Change (%)
76	Aluminium and articles	14.0	72.6	420.1
15	Animal or vegetable fats and oils	196.8	251.3	27.7
40	Rubber and articles thereof	653.1	700.9	7.3
29	Organic chemicals	70.1	115.9	65.3
38	Miscellaneous chemical products	154.3	187.5	21.5

#### Major Imports, 2015/2016

HS Code	Product	2015 RM mil.	2016 RM mil.	Change (%)
26	Ores, slag, ash	2,284.4	2,933.7	28.4
17	Sugars and sugar confectionery	1,493.9	2,626.9	75.8
10	Cereals	1,370.7	1,152.1	-15.9
52	Cotton, yarn and fabric	165.3	278.3	68.4
27	Mineral fuel, oil, etc	206.1	205.3	-0.4

Source : Department of Statistics, Malaysia

# Number and Value of Preferential Certificates of Origin (PCOs)

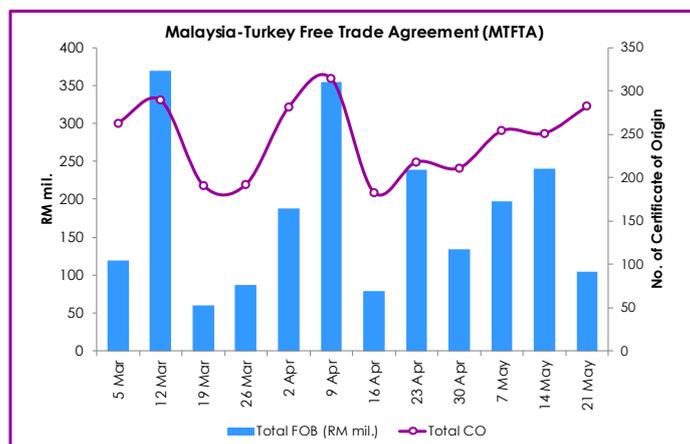
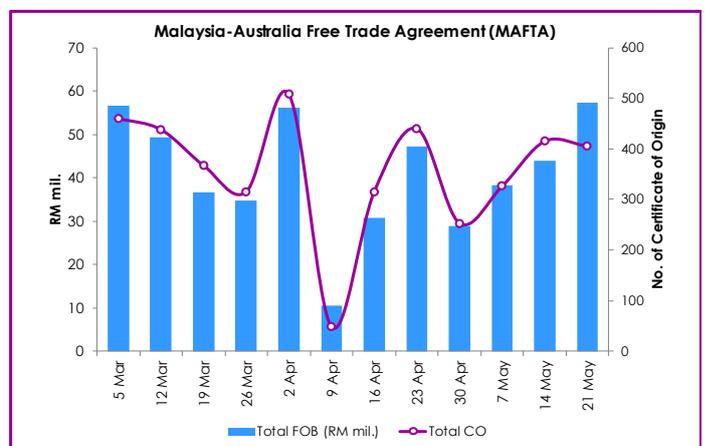
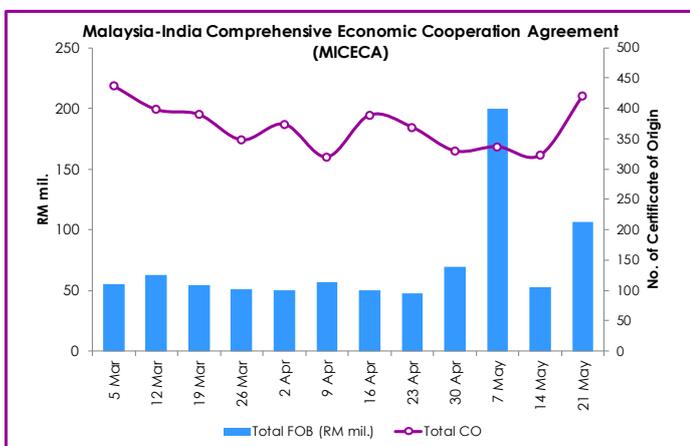
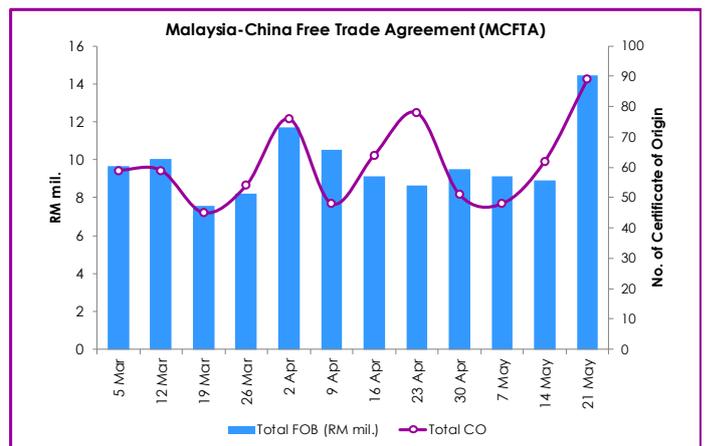
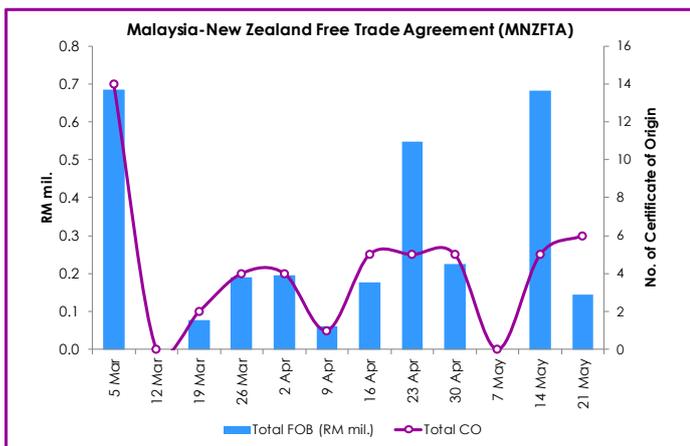
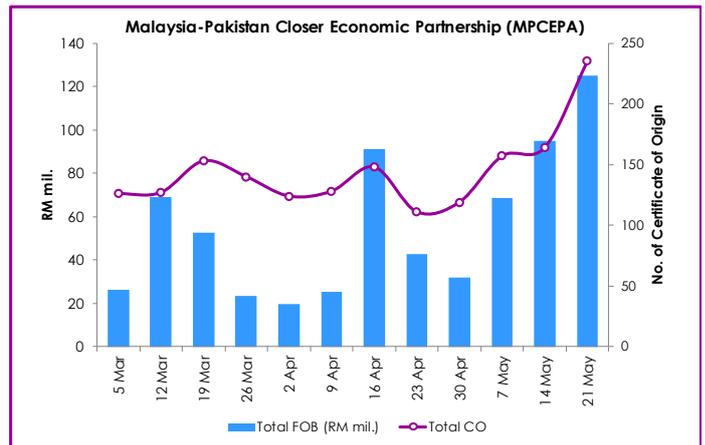
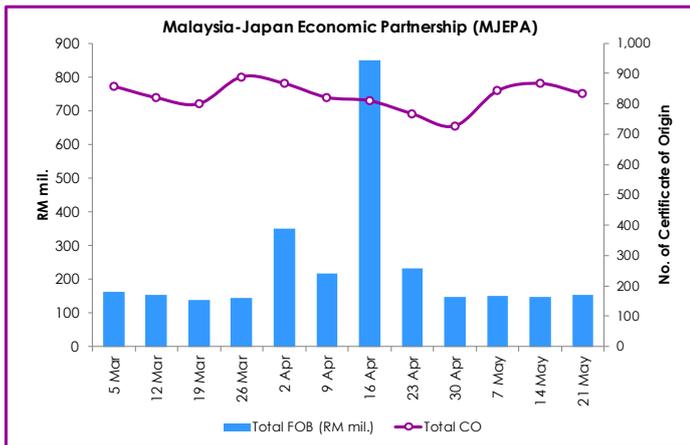


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: \* Provisional data

Source: Ministry of International Trade and Industry, Malaysia

# Number and Value of Preferential Certificates of Origin (PCOs)

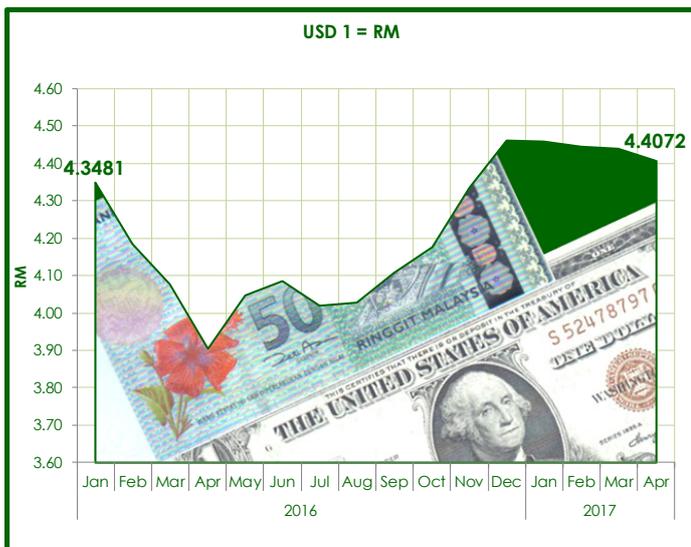


Note: \* Provisional data

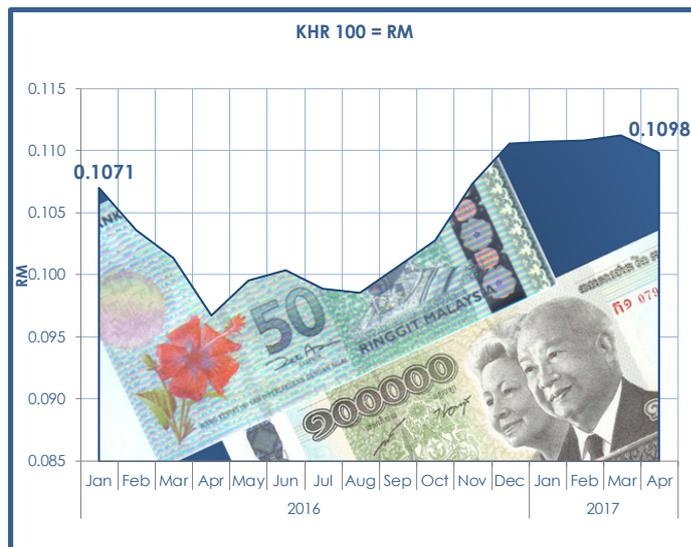
Source: Ministry of International Trade and Industry, Malaysia

# Malaysian Ringgit Exchange Rate with Selected Countries, January 2016 - April 2017

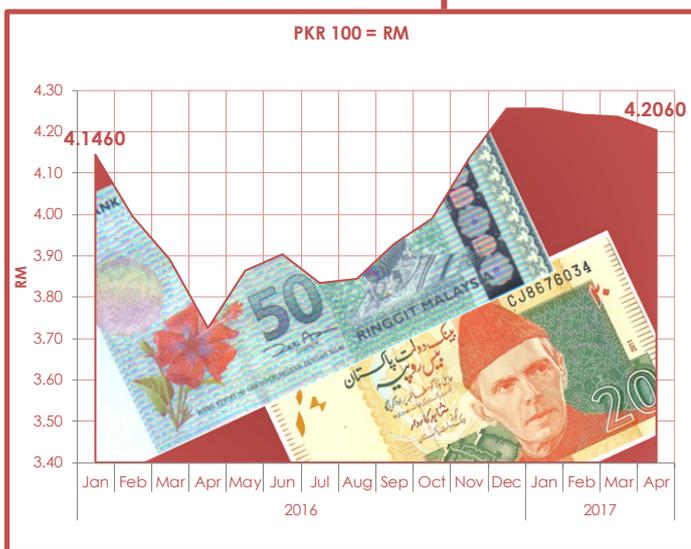
## US Dollar



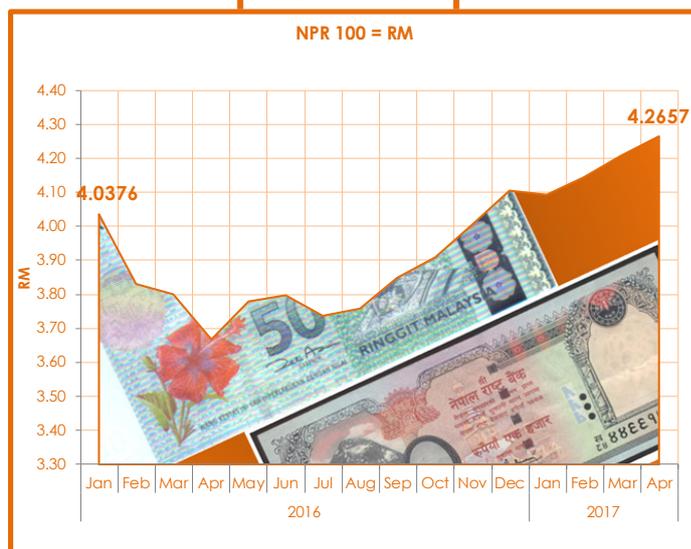
## Cambodian Riel



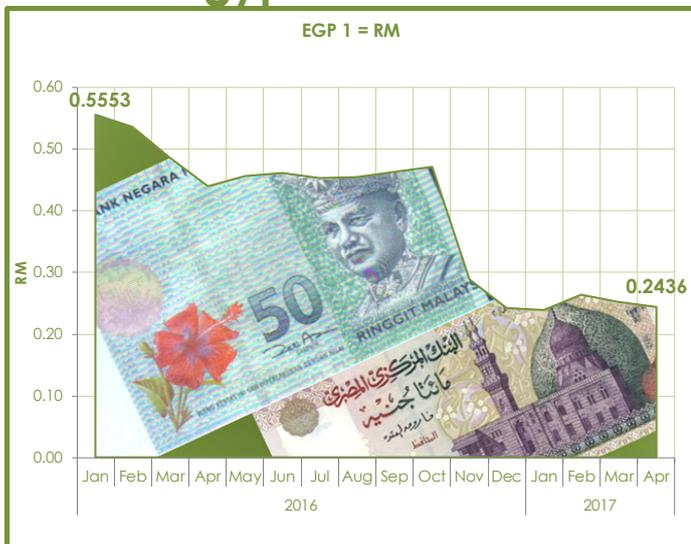
## Pakistani Rupee



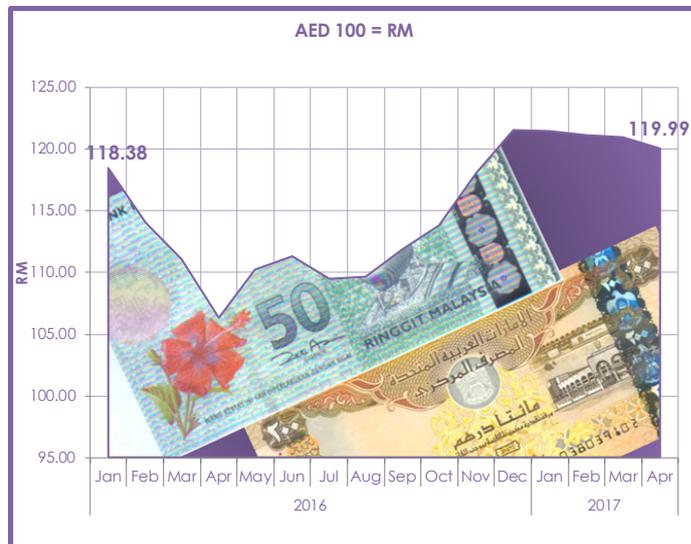
## Nepalese Rupee



## Egyptian Pound



## United Arab Emirates Dirham



Source : Bank Negara, Malaysia

# Commodity Prices



## CRUDE PETROLEUM (BRENT) -per bbl-

26 May 2017 : US\$52.2, ▼ 2.7%\*  
Average Price<sup>i</sup> : 2016: US\$45.3  
2015: US\$53.6



## CRUDE PALM OIL -per MT-

26 May 2017 : US\$749.5, ▲ 1.1%\*  
Average Price<sup>i</sup> : 2016: US\$702.2  
2015: US\$616.9



## SUGAR -per lbs-

26 May 2017 : US¢ 15.1, ▼ 8.1%\*  
Average Price<sup>i</sup> : 2016: US¢18.2  
2015: US¢13.2



## RUBBER SMR 20 -per MT-

26 May 2017 : US\$1,559.0, ▲ 0.1%\*  
Average Price<sup>i</sup> : 2016: US\$1,394.5  
2015: US\$1,364.3



## COCOA SMC 2 -per MT-

26 May 2017 : US\$1,274.1, ▼ 7.3%\*  
Average Price<sup>i</sup> : 2016: US\$1,609.8  
2015: US\$2,077.0



## COAL -per MT-

26 May 2017 : US\$44.1, unchanged  
Average Price<sup>i</sup> : 2016: US\$45.6  
2015: US\$49.9



## SCRAP IRON HMS -per MT-

26 May 2017 : US\$280.0 (high), unchanged  
US\$260.0 (low), unchanged  
Average Price<sup>i</sup> : 2016: US\$243.2  
2015: US\$239.6

## HIGHEST and LOWEST 2016/2017

### Crude Petroleum (Brent) -per bbl-



#### Highest

6 Jan 2017 : US\$57.1  
30 Dec 2016 : US\$56.8

#### Lowest

5 May 2017 : US\$49.1  
15 Jan 2016 : US\$28.9

### Crude Palm Oil -per MT-



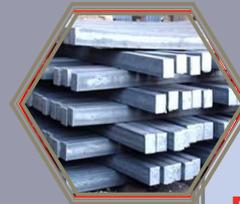
#### Highest

20 Jan 2017 : US\$843.0  
30 Dec 2016 : US\$797.5

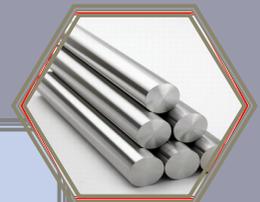
#### Lowest

28 Apr 2017 : US\$673.0  
15 Jan 2016 : US\$545.5

## Domestic Prices 26 May 2017



**Billets**  
(per MT)  
RM1,800 – RM1,900



**Steel Bars**  
(per MT)  
RM1,930 – RM2,080

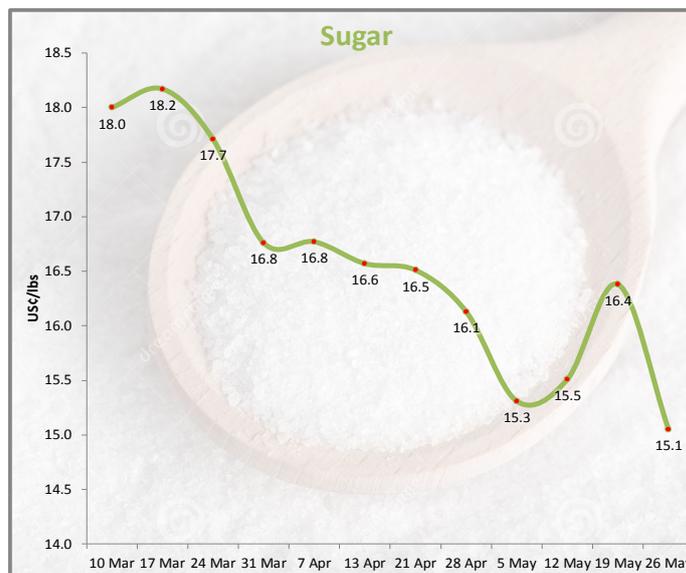
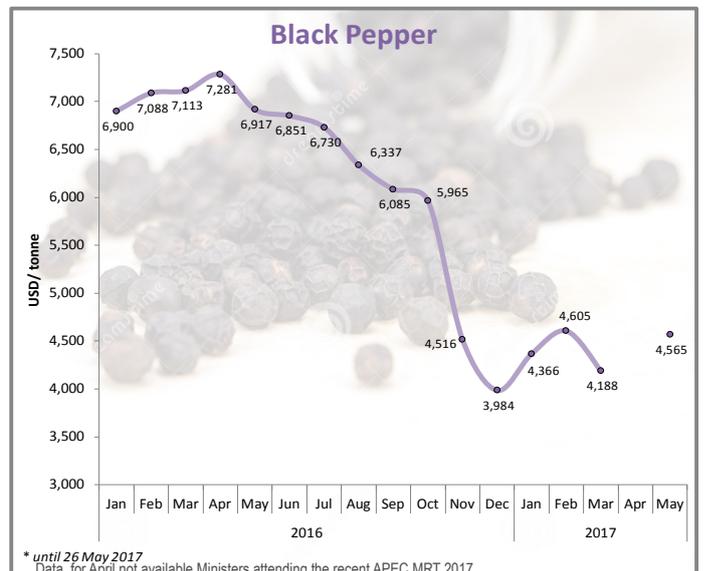
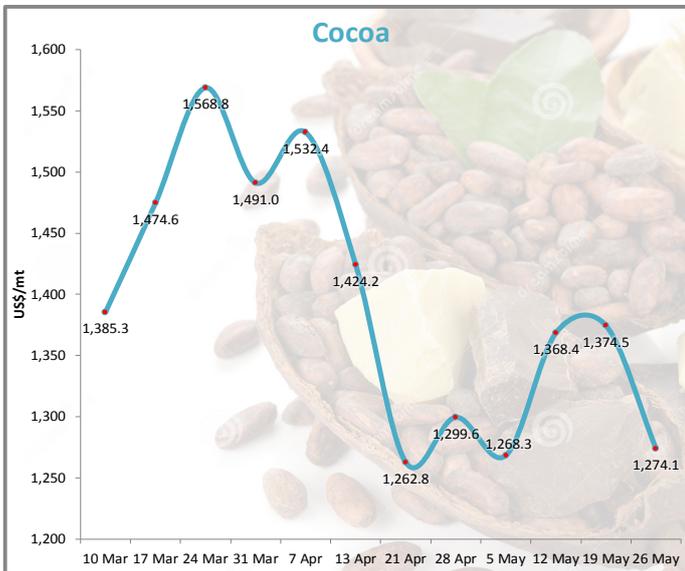
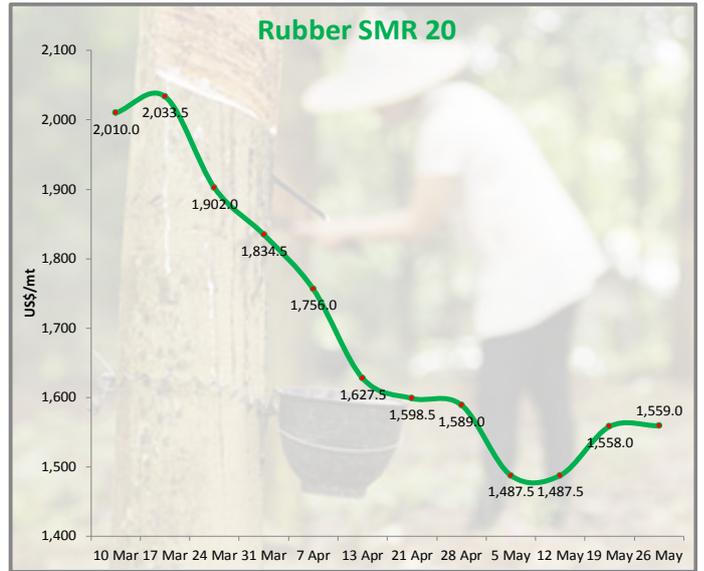
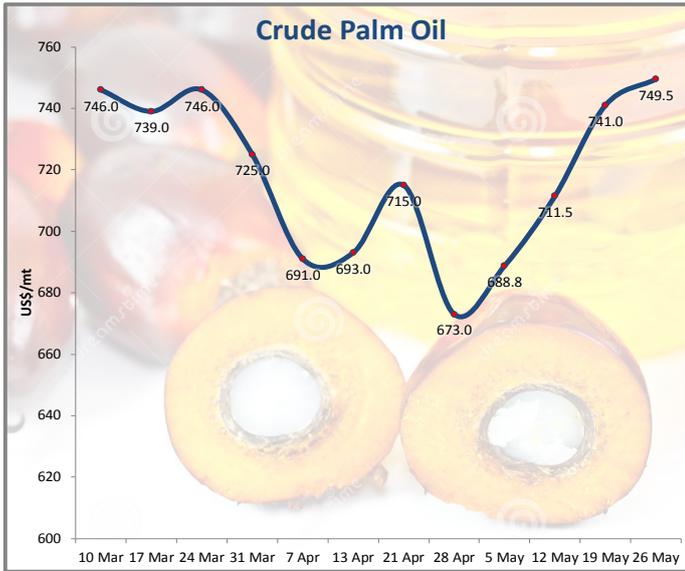
Notes: All figures have been rounded to the nearest decimal point

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

i Average price in the year except otherwise indicated

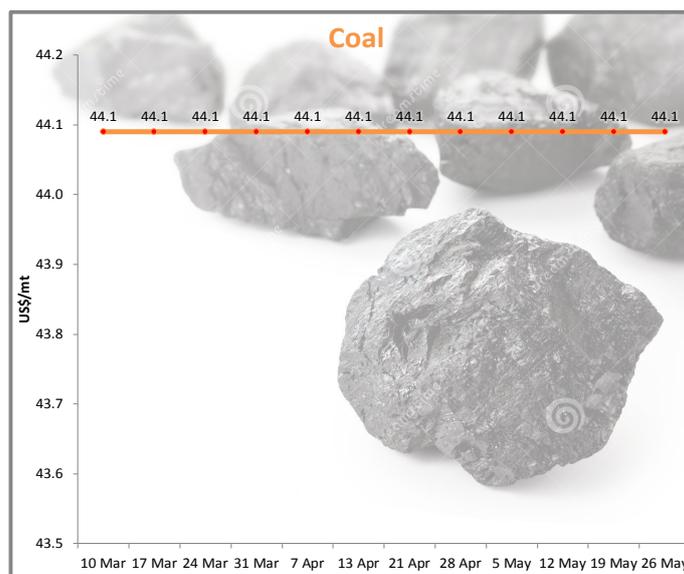
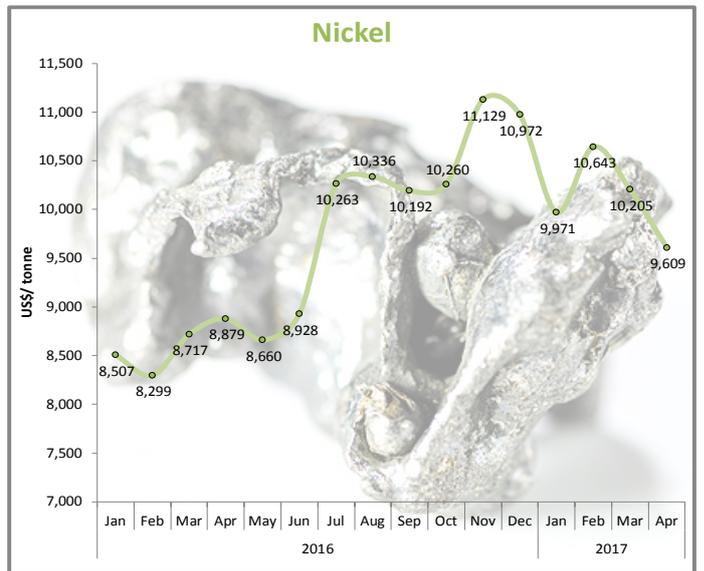
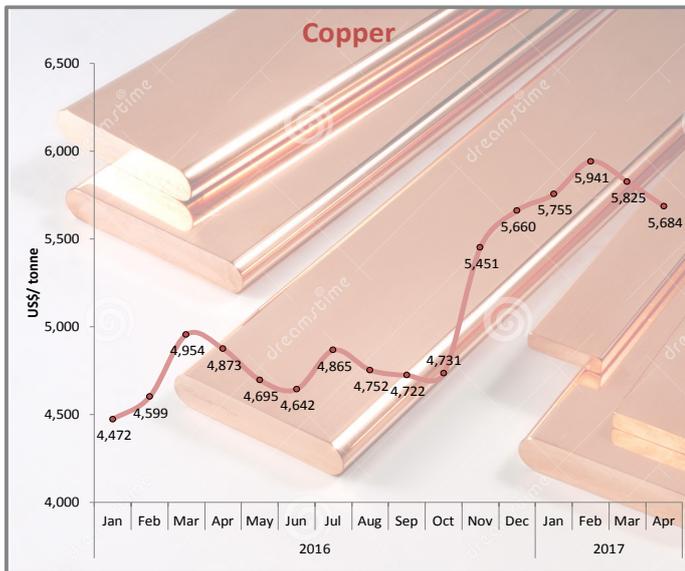
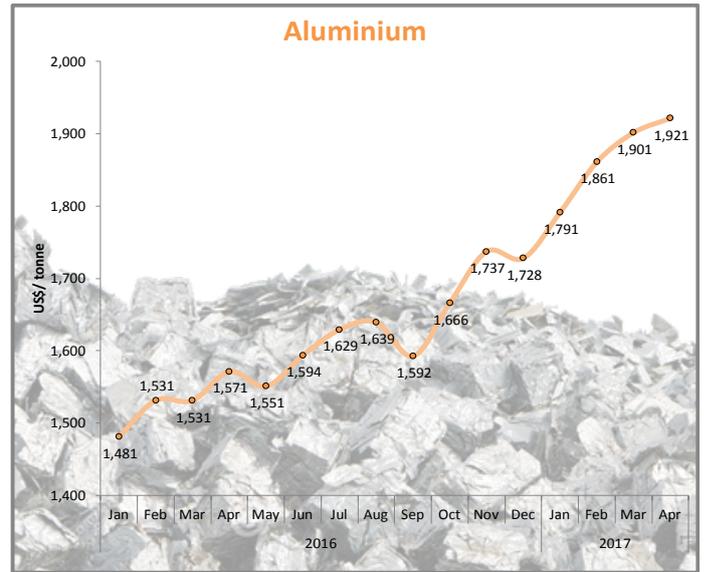
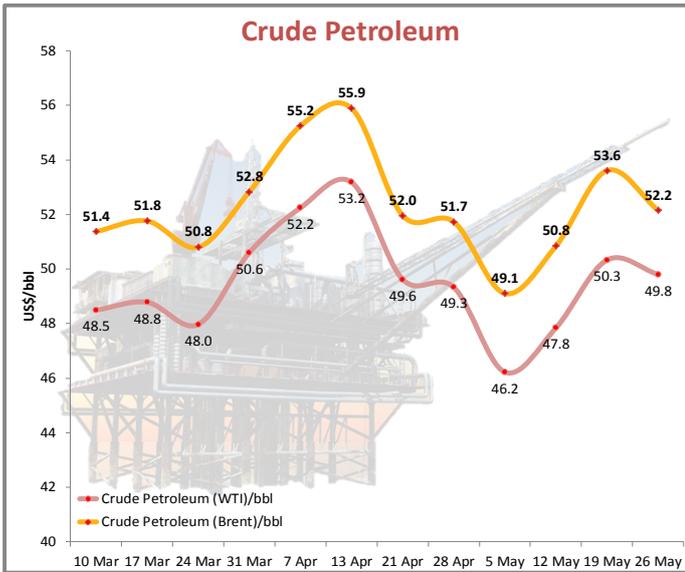
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

# Commodity Price Trends



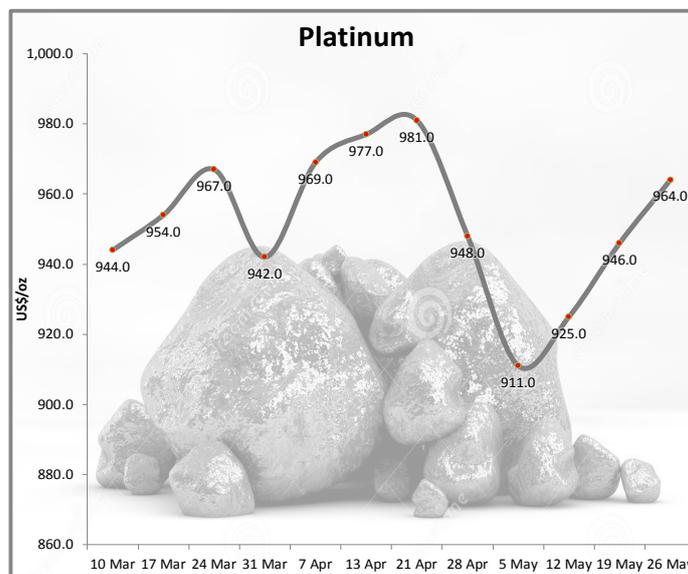
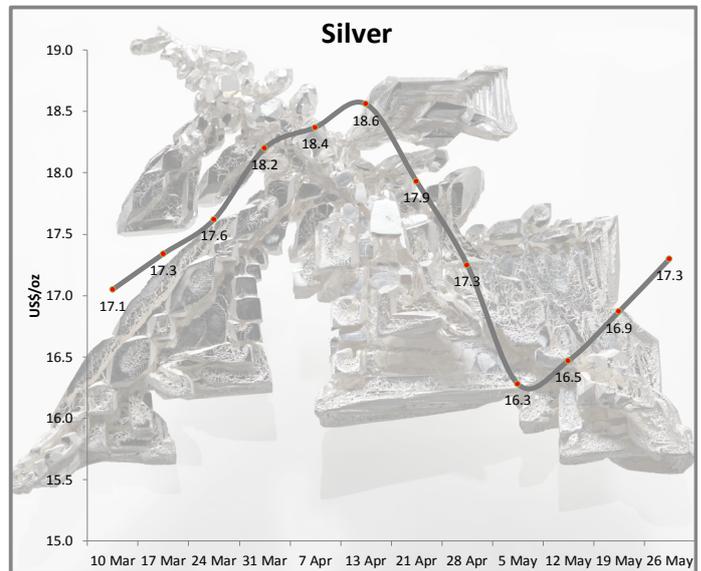
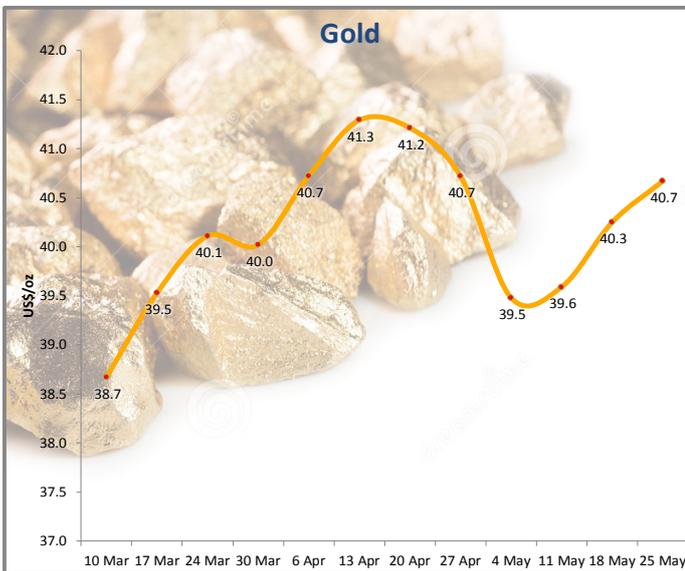
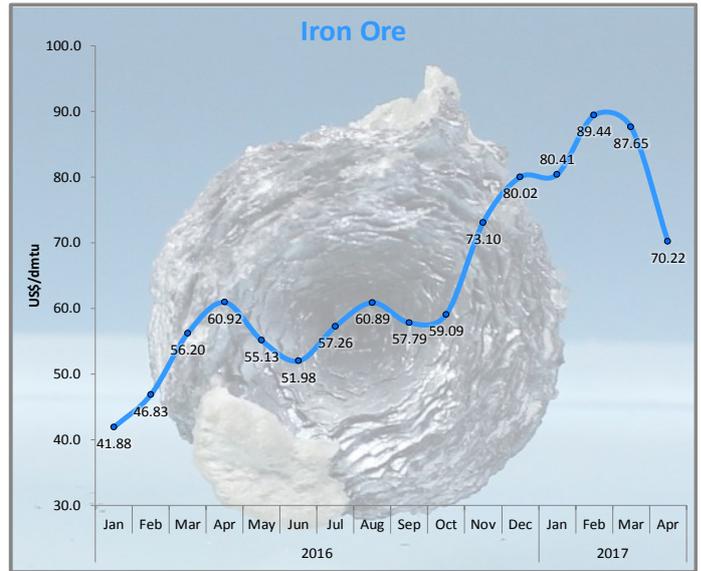
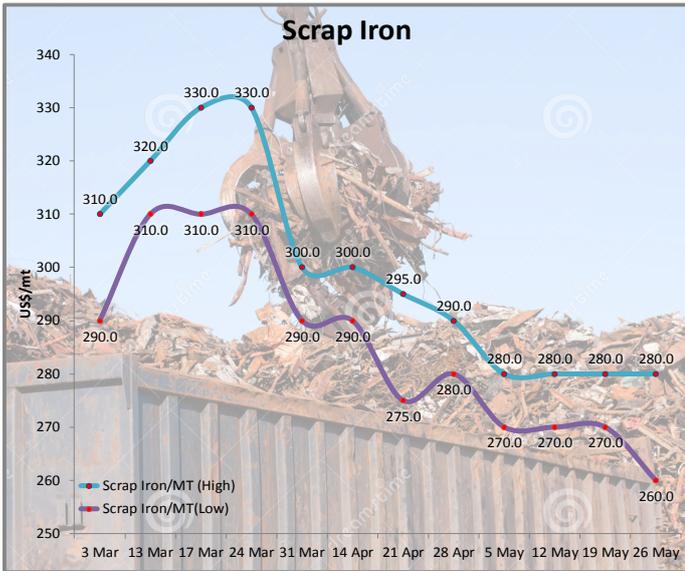
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# Commodity Price Trends



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.

# Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.

# MITI Programme

## Roundtable Discussion with 50 Singaporean and Singapore-based Companies, 25 May 2017



26 May 2017

Perasmian

# MITI FITNESS CENTRE

Oleh YB. Dato' Sri Mustapa Mohamed



# MITI Programme

## SEMINAR ON ASEAN ECONOMIC COMMUNITY (AEC), 26 May 2017



# ANNOUNCEMENT

## NOTICE



Starting from **2nd May 2017**, consultation on **Cost Analysis (CA), Certificate Of Origin (COO) And Approved Permit (AP)** will be at **MITI Business Advisory Centre (BAC), Level 2, MITI Tower.**

MONDAY – THURSDAY : 10.30AM – 12.30PM/2.30PM – 4.30PM | FRIDAY : 10.30AM – 12.00 NOON/3.00PM – 4.30PM

More..

**Sertailah SEKARANG!**

Program khusus untuk **Belia Bumiputera** memulakan perniagaan



Tunas Usahawan Belia Bumiputera (TUBE)

Permohonan secara atas talian dibuka dari **23 MEI - 15 JUN 2017**

Layari [tube.smecorp.gov.my](http://tube.smecorp.gov.my) bermula 23 Mei 2017

Fasa 1 : Latihan Boot Camp

Fasa 2 : Bengkel Asas Perniagaan

Fasa 3 : Permulaan Perniagaan & Sistem Buddy

Anjuran Bersama:



Bank Rakan:



Sila layari <http://tube.smecorp.gov.my/> untuk membuat permohonan.

## ASEAN ESSAY COMPETITION 2017

in conjunction with 50<sup>th</sup> ASEAN Day Celebration

Submission ends **7 July 2017**

For more information, please visit [www.miti.gov.my](http://www.miti.gov.my)

### CATEGORY A

Secondary School Students (Form 1 to Form 5) or equivalent

1<sup>st</sup> RM1,000  
2<sup>nd</sup> RM700  
3<sup>rd</sup> RM300

### CATEGORY B

Institute of Higher Education (Public and Private) Students, Matriculation Students, Form 6 Students, or equivalent

1<sup>st</sup> RM2,000  
2<sup>nd</sup> RM1,000  
3<sup>rd</sup> RM500

### CATEGORY C

All Malaysians aged 21 years and above

1<sup>st</sup> RM2,000  
2<sup>nd</sup> RM1,000  
3<sup>rd</sup> RM500



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

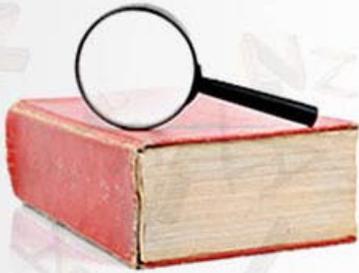


## ANUGERAH KECEMERLANGAN INDUSTRI

INDUSTRY EXCELLENCE AWARD



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# Glossary

## Of Technical Terms

### **Blue Box**

Blue Box refers to production limiting subsidies and considered therefore less trade-distorting. They are exempt from the reduction commitments under the WTO Agreement on Agriculture. Examples of Blue Box include certain payments to farmers where the farmers are required to limit production, government assistance programmes to promote agriculture and rural development in developing countries.

Also referred to as the “amber box with conditions” — conditions designed to reduce distortion. Any support that would normally be in the amber box, is placed in the blue box if the support also requires farmers to limit production.

At present there are no limits on spending on blue box subsidies. In the current negotiations, some countries want to keep the blue box as it is because they see it as a crucial means of moving away from distorting amber box subsidies without causing too much hardship. Others wanted to set limits or reduction commitments, some advocating moving these supports into the amber box.

### **Bonded Warehouse**

Designated area, approved by the Royal Malaysian Customs (RMC) under Section 65 of the Customs Act 1967, for storing dutiable goods.

A country can change its bindings, but only after negotiating with its trading partners, which could mean compensating them for loss of trade.

### **Bound Tariff**

The maximum tariff level of a product notified to the WTO which a country commits not to exceed. If the bound duty is raised, compensation must be given to the affected parties.

### **Budget Deficit**

Also known as Fiscal deficit

Occurs when the government annual amount of spending exceeds income from taxation. When a country is running a fiscal deficit it must finance this by borrowing through the issue (sale) of new debt. A government will normally borrow money by issuing bonds or other securities and the interest rate on this debt will depend on the willingness of lenders to offer credit, the expected rate of inflation and the risk of whole partial default. The Government of a country with low or worsening credit ratings may need to negotiate loans from institutions such as the World Bank, The International Monetary Fund, Sovereign wealth funds or other governments/Overseas banks.

### **Budget Surplus**

A situation in which income exceeds expenditures.

Most commonly used to refer to the financial situations of governments - individuals speak of “savings” rather than a “budget surplus.” A surplus is considered a sign that government is being run efficiently.

**TO BE  
CONTINUED...**

# Condolences

## MITI Weekly Bulletin Conveys Our deepest condolences to the victims and their families on the attack in Manchester, Jakarta & Philippines

21 May 2017



**Najib Razak**

Dato' Sri Haji Mohammad Najib bin Tun Haji Abdul Razak  
Prime Minister of Malaysia

Appalled by the barbaric and cowardly attack on innocent concert-goers in Manchester. My deepest condolences and prayers are with the families and friends of those affected.

At this time of heartbreak, Malaysia stands united with Britain. We must be firm, determined and ready to confront terror swiftly and decisively wherever and whenever it manifests itself. We must never surrender.

24 May 2017



I am disgusted by last night's attack in Jakarta. Malaysians stand with the Indonesian people at this time.

Coming so soon after the appalling Manchester bombing, this new outrage shows that terrorism has no borders, and knows no race or creed. My thoughts and prayers are with the loved ones of those affected.

25 May 2017



Malaysia condemns the attack on Marawi City by groups linked to Daesh that led to casualties of government forces and displacement of civilians. I have full confidence in the Philippines' handling of the crisis and we will offer our full support. The crisis must not derail the ongoing Mindanao peace process.

MITI Weekly Bulletin  
Editorial Committee  
Wishes  
Happy Kaamatan &  
Gawai Harvest Festival  
2017



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