

MALAYSIA WEEKLY ECONOMIC NEWS

(14 October 2019 – 18 October 2019)

Topics	Highlights
<p>Sarawak timber exports dropped by 12%</p>	<p>Facing global economic uncertainty and declining log production, Sarawak's timber exports dropped by 12% in the first three quarters of this year. Deputy Chief Minister Datuk Amar Awang Tengah Ali Hasan said the state's timber exports from January to September were worth RM3.48bil, down from RM3.96bil in the same period last year. He said plywood, the state's main timber export product, recorded a 21% decrease in value to RM1.76bil from RM2.25bil in Jan-Sept 2018. The other main timber products exported by the state are logs (RM547mil), sawn timber (RM451mil), fiberboard (RM264mil) and veneer (RM72mil). Awang Tengah said Japan remained Sarawak's main export market, with RM1.7bil worth of exports from January to September this year. The state was targeting one million hectares of planted forests by 2025, which would become the main source of raw materials for the timber industry.</p> <p style="text-align: right;"><i>(Source: The Star, 16 October 2019)</i></p>
<p>Malaysia eyeing more imports from India after threat of palm oil restrictions</p>	<p>Malaysia will look to increase imports of crude sugar and buffalo meat from India, after reports that New Delhi is considering restricting imports of palm oil from Malaysia. "These steps will be taken in light of India's importance as our third largest export destination in 2018 for palm oil and palm-based products worth 6.84 billion ringgit," Teresa Kok, the Malaysian minister in charge of the palm oil portfolio, said in a statement. The minister said she was aware of the news on "issues that threaten the good ties between Malaysia and India".</p> <p style="text-align: right;"><i>(Source: The Star, 15 October 2019)</i></p>
<p>Indonesia's move will benefit Malaysia</p>	<p>Malaysia will benefit from Indonesia's decision to relocate its capital to East Kalimantan on Borneo island, said Deputy Foreign Minister Datuk Marzuki Yahya. "The relocation of the Indonesian capital will stimulate the economy in Borneo, and Sabah and Sarawak will be able to benefit from it," he said. Marzuki said the tourism sector in Sabah and Sarawak was also expected to grow given the close proximity between Kalimantan and the two states. "The relocation is expected to open up many new opportunities to increase economic collaboration between Malaysia and Indonesia. "Particularly for the Borneo region, with the involvement of developers and Malaysian contractors who can take part in development projects in East Kalimantan," he added. He also said that as a close neighbour of Indonesia, Malaysia was always ready to share its experience and expertise if needed, given its experience in relocating its administration from Kuala Lumpur to Putrajaya. Indonesia intends to move its capital to East Kalimantan by 2024.</p> <p style="text-align: right;"><i>(Source: The Star, 15 October 2019)</i></p>
<p>Malaysia to push for Asian Tiger status</p>	<p>Malaysia aims to be the hub for Industry 4.0 in South- East Asia to regain its status as an Asian Tiger. Prime Minister Tun Dr Mahathir Mohamad said there was no choice but to be aggressive in adopting Industrial Revolution 4.0 in view of the accelerated speed in which new technologies evolved. "With our National Policy on Industry 4.0 (Industry4WRD) launched last year, we aim at driving Malaysia towards becoming the Industry 4.0 hub in SEA," he said. "Our Industry4WRD policy aims at increasing productivity in the manufacturing sector per person in Malaysia by 30% from RM106,647. "This would elevate the absolute contribution of the manufacturing sector to our economy by 54% from RM254bil to RM392bil," he said. Following consolidation of Operation Technology and Information Technology, data analytics, process understanding, and the ability to work with disruptive technologies, Industry 4.0 would transform the labour market into a skill-centric force. Technologies such as the Internet of Things, Advanced Robotics, Artificial Intelligence and Additive Manufacturing are contributing factors to generate an increase in net productivity, he said.</p> <p style="text-align: right;"><i>(Source: The Star, 15 October 2019)</i></p>