

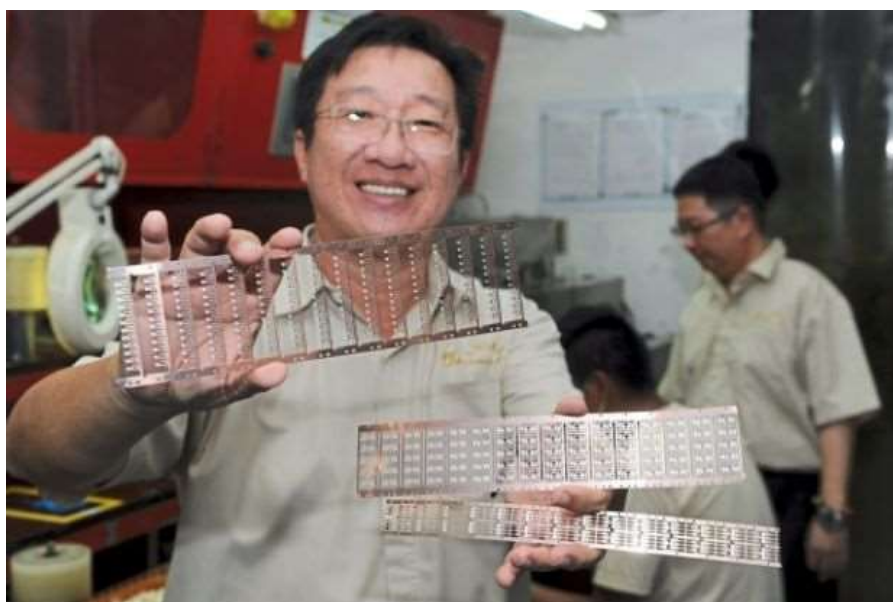
SME WEEKLY NEWS

(1 April 2019 – 5 April 2019)

Countries	Highlights
<p>MALAYSIA</p> <p>3 out of 4 loan applications by SMEs approved last year</p>	<p>3 out of 4 loan applications by SMEs approved last year</p> <p>Bank Negara Malaysia will continue to improve cooperation with the finance industry to ensure entrepreneurs who are qualified and in need can obtain financing. Assistant governor Adnan Zaylani Mohamad Zahid said small and medium enterprises (SMEs) are an important customer segment for financial institutions and comprises 87% of all business financing. SMEs are also the country's second economic growth engine with more than one million businesses contributing more than 37% of Malaysia's gross domestic product and employing 66% of the manpower. Among the financial initiatives implemented by BNM and financial institutions to benefit SMEs include the BNM Fund for SMEs which targets to help Startups and businesses lacking capital. With up to RM3.3 billion in allocations, SMEs from all economic sectors, including the agriculture and micro-industry sectors, can apply for financing from the BNM fund through any bank. It was also important for SMEs to improve their financial literacy and management skills for business owners to make smart and responsible financial decisions, and this could be achieved through BNM's outreach programmes and financial management seminars.</p> <p style="text-align: right;"><i>(Bernama, 5 April 2019)</i></p>
<p>VIETNAM</p> <p>Vietnamese SMEs and Start-Ups Have a Big Year Ahead</p>	<p>Vietnamese SMEs and Start-Ups Have a Big Year Ahead</p> <p>Vietnam has proven itself a prime location for small and medium enterprises (SMEs); especially start-ups that are focused on technology. In the ASEAN SME Transformation Study which was conducted by the United Overseas Bank in Singapore at the end of 2018, it surveyed 1,235 SMEs in Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam. The study revealed Vietnamese SME's appreciation for the critical role that technology plays in growing their businesses in a sustainable, competitive way. Software, such as mobile applications, are a primary interest among investors. The Vietnamese government understands that there are still several challenges that must be overcome before the nation can reach its true potential. These include upgrading production capacity and restructuring the economy towards industrialisation. Vietnam participates in the assembling stage, the lowest part of the value chain and labour costs are currently increasing, a factor that will hold the country back. A support programme will be piloted over the 10-year period between 2020-2030. This initiative will focus directly on ways in which SMEs can be integrated into global value chains and foster links between businesses, demonstrating the state's commitment to sustainable growth.</p> <p style="text-align: right;"><i>(SME, 5 April 2019)</i></p>
<p>THAILAND</p> <p>EEC-Ali Baba Group join forces to promote Thai products</p>	<p>EEC-Ali Baba Group join forces to promote Thai products</p> <p>The Eastern Economic Corridor Office of Thailand (EECO) signed Memorandum of Understanding (MOU) with Alibaba Group, today covering 4 areas of collaboration which are the expansion of Thai agricultural and OTOP products export through Alibaba's digital platform, starting with Thai rice and durian, the training of small and medium-sized enterprise (SME) entrepreneurs and Thai talents on E-commerce and digital business channel, the use of digital platform to systematically promote tourism especially among Chinese tourists, in secondary provinces and local communities, particularly by introducing Thai shops and restaurants information on digital platforms that Chinese tourists can easily access and the investment in Smart Digital Hub to boost regional and global trade through E-commerce.</p> <p style="text-align: right;"><i>(EEC Thailand, 10 April 2019)</i></p>

Expanded Capacity to Drive Growth

Amlex sells lead-frames to multinational corporations in Malaysia which then sells them to automotive customers in China. The market value of LED lighting to be used for passenger cars in China is projected to hit US\$1.9bil in 2022. The group will soon invest RM3.2mil on machinery to expand its production capacity. Amlex is also working on the miniaturisation of lead-frames used in smartphones and IoT products such as the 0.004-inch lead-frames for the new generation of smartphones and IoT devices using more sensors, which also requires more lead frames. The company is also investing in insert moulding, which is a cost-saving production technology process. Insert moulding differs from injection moulding, says Lim, in that it is used to enhance the physical qualities of the housing. The process is used mainly to manufacture housing for sensors requiring stronger protection,” he explains. According to Lim, the smartphone market will also be one of the key drivers for the company’s growth in 2019. This is in tandem with the outcome from research outcome released by firm IDC, the larger-screen smartphones (5.5 inches and above) will lead the charge with volumes of 947.1 million in 2018, accounting for 66.7% of all smartphones, up from 623.3 million units and 42.5% share in 2017.



(SME Biz, 8 April 2019)

Economics and Policy Division
SME Corp. Malaysia
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