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MALAYSIAN TIN PRODUCTS

QUARTERLY 2019

NEWSLETTER

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The Malaysian Tin Products Newsletter

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President's Note

Dear Members,

Malaysia's Gross Domestic Product (GDP) in the second quarter of 2019 recorded a commendable growth of 4.9%, higher than the earlier estimation of 4.7%, despite the prevailing global economic uncertainties. The positive GDP growth was primarily driven by the resumption of several mega infrastructure projects, such as the East Coast Rail Link (ECRL), the Mass Rapid Transport (MRT) 2 as well the Light Rapid Transit (LRT) 3. The resumption of these projects has improved investors' sentiment, and will certainly help support the country's long term growth going forward.

According to several economists, Malaysia would be benefiting from the US-China trade war. There are interests shown by international firms to relocate their manufacturing operations to Malaysia, which as a result will enhance exports of our manufactured products. This is apparent from the significant increase in foreign direct investment (FDI) approvals in the manufacturing sector of some 100% in 2018 as well as in the first quarter of 2019.

Malaysia's annual GDP growth this year is expected to slow down, but will remain healthy at 4.5% from 4.7% in 2018. To overcome the slower economic growth, the Ministry of Finance, in the upcoming 2020 Budget to be tabled in Parliament in October 2019, is expected to adopt an expansionary fiscal policy, which should help boost consumer spending.

On the global front, the US-China trade war continued to intensify. China, the world's biggest producer of rare earth minerals, has threatened to stop the export of that critical minerals to the US. This is a retaliatory response to the increase in tariffs of US$200 billion imposed on Chinese goods by the US. However, it is believed that this will not negatively impact the US as the production of electronics products and various industrial goods that use such rare earth minerals are not produced in the US on the scale as in China or other Asian countries. US manufacturing companies, meanwhile, can secure supplies from other countries such as Malaysia and Japan, albeit at much higher costs.

Another major issue is the slowing down of China's economy, which is growing at the slowest pace in nearly three decades at 6.2% in the second quarter of 2019. Softer domestic demand coupled with its struggle with the trade war are the factors attributable to the country's poor economic performance.

In concluding this brief Note, may I take the opportunity to thank the Association's Past President, En. Mat Tena'ain Abu Bakar, for his leadership of the Association during the last three years. In that regard, may I humbly request for the same support and assistance to be extended to me from all members and Secretariat staff in leading this Association as your new President. Finally, may I wish all Malaysians a Happy 62nd Independence Day and a Joyous 56th Malaysia Day, which fell on 31 August 2019 and 16 September 2019, respectively.

With warmest regards,

Yew Wei Aun

President

Wishing All Members
Of The Association
A Happy 62nd Independence Day &
A Joyous 56th Malaysia Day

Economic News

Malaysia's Economy to be Driven by Ongoing Mega Projects in 2H 2019

Malaysia's economic growth for the second half of this year is set to be healthy and driven by the ongoing mega projects, despite the current global economic uncertainties, says Maybank Kim Eng Group economist, Lee Ju Ye.

She said among the mega projects are the East Coast Rail Link (ECRL) which has been revived and the Klang Valley MRT 2 as well the LRT 3 project that would become the factors underpinning growth over the long term.

"There are of course downside risks going into the second half and I think Malaysia will not be spared the China-US trade tensions. Export is still negative and consumer sentiment has been coming down a bit as well as the business sentiment. So, I think we're quite cautious over the second half, because there is so much downside risks. But, having said that, Malaysia in the longer term, will benefit from all the investments and trade diversion coming from China-US trade conflict," she told reporters on the sidelines of the Maybank Investment Bank Market Outlook, Second Half 2019 here, today.

She said the interest shown by international firms in relocating their operations to Malaysia would result in positive export numbers for the country going forward, contributed by manufactured products. Lee said, therefore, the scenario is that Malaysia has outperformed most of the other ASEAN countries which recorded a slowdown in the second quarter 2019 (2Q19).

She also said Malaysia was the only country in the region to not have slashed the growth forecast which resulted into a better number in the 2Q19. "Malaysia's second quarter gross domestic product (GDP) was a surprise on the upside at 4.9 per cent, higher than consensus estimates at 4.7 per cent and I think this is positive news for the country. Among the areas driving growth is still private consumption which remains resilient and you have private investments doing better as well. I think Malaysia is seeing all the benefits coming from the China-US trade war to some extent," she added.

According to Lee, Malaysia saw its foreign direct investment (FDI) approval surging strongly at around 100 per cent in 2018 as well as in the first quarter of 2019, with more firms interested in relocating to Malaysia. Meantime, commenting on the possibility of an expected technical recession in 2020, due to the economic uncertainties and the effect of the China-US trade war, she said the situation would not be as bad as it was in 2008 because it does not involve a global financial crisis.

"(The situation) would really depend on how things play out between China and the US over the next few months. We don't expect to see a recession yet in 2019, but in 2020, it does look possible if the two countries continued to spar on trade as well the technology side. So, I think ASEAN will probably go into 2020 in a cautious mood, especially external oriented countries like Singapore and Thailand, and Malaysia to some extent," she added.

Lee said the crisis at present is more inclined towards trade-related issues when compared to the recession environment of 2008, resulting in a bigger spillover effect to the rest of the economy. "Even for a country like Singapore, we don't think the recession will be as deep as what we saw back in 2008, when there were three consecutive quarters of negative growth. ASEAN will also see some opportunities as investment diversion takes place," she added.

Meanwhile, Maybank Investment Bank Bhd's chief executive officer Fad'l Mohamed said that mergers and acquisitions (M&A) activity will be a recurring theme for Malaysian corporates in the second half of the year. He said that M&As and privatisation had moved at a fast pace with ten attempts during the first half of the year (1H2019) as the broad market weakness had unlocked values.

"Companies in the Property, Steel, Plantation and Technology sectors are among those that may see further M&A activity, as these sectors are in the midst of a down cycle. Valuations have come to an optimum level where corporates are actively looking to consolidate and acquire new assets and capacity. In this regard, the current down cycle in some sectors has revealed long term investment opportunities that can weather the current short term volatility," he added.

Maybank IB Research has forecast Malaysian equities to continue showing resilience amid a weak broader market environment, caused by an expected moderation in global GDP growth, as well as the intensifying China-US trade dispute.

"The market remains supported by sizeable holdings of strategic and long term investors, while at the same time, policy risks are dissipating. Malaysia is also well-placed to benefit from rising manufacturing investments from overseas as a result of China's diversion of its supply chain into ASEAN," it said.

Additionally, the research firm said the restarting of major infrastructure projects such as the ECRL may provide the impetus for an improvement in investors' sentiment going forward. Maybank IB also reiterated a defensive core equity strategy for the 2H2019 with a year-end target of 1,680 points for the FBM KLCI, valued at 16 times twelve months forward earnings.

While periods of volatility are expected, it said there are also pockets of opportunities for investors to trade on news flow and thematics. Its top "buy" picks are Tenaga Nasional Bhd, Genting Bhd, RHB Bank Bhd, BIMB Holdings Bhd, UMW Holdings Bhd, Kossan Rubber Industries Bhd, YTL Hospitality REIT, MBM Resources Bhd, and Mynews Holdings Bhd.

Source: New Straits Times, 18 August 2019

Electrical & Electronic Industry News

E&E Industry - The Golden Goose of Malaysia

IT is not business as usual in the electrical and electronics (E&E) industry in Malaysia. The buoyant E&E industry has been the mainstay and strength of the manufacturing sector and economy, with enhanced export competitiveness over the past four decades.

It is currently facing challenging times, both on the domestic and external fronts. Some of that robust momentum has been lost. Misperceptions of the expected role of the E&E industry in a developed Malaysian economy have surfaced among policymakers while Malaysia's global place as the preferred E&E investment destination now stands at odds.

It is not sheer coincidence that Malaysia stands as the seventh largest E&E exporter in the world today. As a gateway to trade, the E&E industry continues to be a key driver of industrial development and contributes significantly to GDP growth, export earnings, investment and employment. In short, Malaysia's rapid industrialisation and high ranking among the top group of trading nations in the world were mainly contributed by this industry.

The E&E industry remains the leading segment in the manufacturing sector which produces semiconductors, electronic equipment for industries and electronic products for customers worldwide. Last year, this industry contributed 38% of the total exports with a trade surplus of RM119bil, which marked the highest among all the sub-sectors for the manufacturing sector. The trade surplus has entered into the 253rd consecutive month since the Asian financial crisis, due to export-orientedness of E&E, as measured by the more than 45% contribution to the overall manufacturing exports.

The almost RM120bil surplus level in the E&E industry equals the total overall trade surplus for 2018! Not only does this reflect that the E&E industry is the only sub-sector in the manufacturing sector that has a trade surplus, it also shows clearly that without the industry's contribution, Malaysia would register a trade deficit. Worse still, it could also lead to a current account deficit that does not augur well for Malaysia's sovereign ratings.

Here is where the crucial question arises. Can the economy power ahead without the contribution of E&E? Certainly not, based on the successful growth of the ecosystem that has been in place, one which multinational corporations (MNCs) played a crucial role.

The MNCs kept pace by reinvesting in the state-of-the-art technology, and made the manufacturing and its processes much more productive, with added automation and computing power. Hence, the manufacturing processes deal with the intricacies of the high-end technology from micro to nano, and the testing of such complex products.

Semiconductors will continue to spearhead the growth of the industry on the back of demand in the usage of mobile devices, storage devices, opto-electronics, embedded technology, data analytics, artificial intelligence and 5G.

With the government's push, E&E emerged as a strategic industry, which led to a wave of investments and a reversal in the unemployment level, not to mention multiplier effects. In a recent study on the electronics industry by Universiti Tunku Abdul Rahman, it was reported that in 2017, the added value at constant price was RM67.75bil and the employment was at 485,000. In 2015, the output multiplier for the electronic sector was ranked at 2/36.

This industry started in 1972 from labour-intensive semiconductor assembly to test manufacturing and diversified into storage, LEDs, solar, contract manufacturing, medical devices, industrial electronics, avionics, front-end fab as well as design and developments, especially in both integrated circuits (ICs) and embedded system designs. As the E&E industry grow and diversify, it has also developed clusters of SMEs and large local companies in precision machining, equipment development and assembly, and automation. Many of such companies are doing business globally and many are also listed on Bursa Malaysia. Thanks to the Industrial Trade and Industry Ministry and Malaysian Investment Development Authority for their positive roles and efforts.

That Malaysia gained recognition as one of the choicest industry cluster locations in the world has been a clear reflection of the comparative advantage Malaysia held over the neighbouring countries, in terms of its part in global E&E.

After 40 years in the country, policymakers must now rethink how best to enable these companies with strong policy advocacy and to encourage them to continue to invest in the country, especially in the face of stiff competition as well as the current data-centric phase for ICs. Topping the urgent priority list is Malaysia's lack of follow-up strategy to boost the competitiveness of the E&E and policies have not kept up with the rapid changes.

Most of the time the government looks at an industry from value-added contributions, which is output minus input. The higher the number, the higher the added value. However, in the E&E industry, the supply chain is global and not just local, which is why it is said, "the world is flat" as the components and input materials are not necessarily from the country producing the product. There are also numerous dimensions in assessing the value of an industry and of all these, talent development is notably the most significant.

For example, in the semiconductor industry, the technology evolves from micro to nano technology. For each improvement in technology, new advanced machines are needed and the workforce needs to be re-trained to handle such complex equipment and manufacturing processes. The same can be said of other E&E sub-sectors when new technology is introduced.

Malaysia can proudly attest that as new manufacturing processes are continually developed, we have engineers capable of handling this development, not to mention the home-grown leaders to run the relevant operations.

Malaysians have shown that they are now capable of managing regional or global operations from Malaysia as well as global supply chains including price negotiations with vendors around the world. Other high paying jobs include managing global logistics hubs, regional and global shared services in finance, IT and human capital.

How much value does one put into new technology, talent development, global leadership skills, complexities of operations and design and developments especially since Malaysians have shown that they have the capabilities to learn and manage such challenges.

We have done extremely well in the past. Penang, for instance, is testimony of global recognition as one of the top 10 dynamic industrial cluster locations in the world, thanks to its strong and efficient supply chain with world-class capabilities and proven track record.

Not only was there a network of over 3,000 well diversified and competent local suppliers, but soon came along to local electronic manufacturing service companies which are into wafer processing, package assembly, RF final testing, design and manufacture of equipment and devices for the semiconductor and electronics packaging industries.

Despite having some of the top techno manufacturing companies on the Malaysian shores for the past four decades, we have sadly fallen behind the curve in terms of design and development (D&D) and innovations. These areas could have otherwise pushed us up the value chain.

As the backbone of the manufacturing sector, the E&E industry needs to turn to a fresh page so as to draw more foreign attention to this significant cluster. Can Malaysia afford to lose ground in this industry? Is what we have achieved thus far, good enough? What is the new narrative to propel the E&E industry to new heights and to be recognised as a leading E&E centre of the world? Datuk Seri Wong Siew Hai is the E&E Productivity Nexus Champion for the Malaysia Productivity Corp. The views expressed here are solely the opinion of the writer.

Source: The Star, 13 July 2019

Members' News

MSC Q2 Net Profit Doubles to RM16m

Tin miner and metal producer, Malaysia Smelting Corporation Bhd's (MSC) net profit doubled to RM16.1 million for the second quarter financial year 2019 (2QFY19) ended 30 June 2019 from RM7.0 million in the same period previous year. The growth was on the back of improved performance from both tin smelting and tin mining divisions.

The Group's tin smelting division posted a lower net loss of RM2.9 million in the first half of 2019 (1HFY19), as compared to a net loss of RM6.0 million in the same period last year, mainly attributable to lower provision of tin loss. The Group's tin mining business recorded a 38 per cent year-on-year (YoY) increase in net profit to RM18.7 million from RM13.5 million in 1HFY19, resulting from higher average tin prices in RM terms.

According to the Kuala Lumpur Tin Market, average tin prices in 1HFY19 were marginally lower at USD20,332/tonne as compared to USD20,922/tonne in 1HFY18. However, the appreciation of the US Dollar against the ringgit led to higher average tin prices in the local note terms during the period.

MSC group chief executive officer Dato' Dr Patrick Yong said the business environment is expected to be challenging for the remaining half of 2019 with the prolonged and escalating trade war between the US and China affecting major Chinese electronics and smartphone manufacturers, leading to lower demand for tin solders which has affected the tin price. "However, we remain focused on executing our ongoing initiatives to better position the Group against these external headwinds while capturing opportunities as they arise.

"The upgrading progress of the Group's new smelting plant in Pulau Indah, Port Klang remains on track for completion in 2020, where the facility will be fully-operational with ISASMELT technology," he said in a statement.

Patrick said currently, initial testing and commissioning works are being performed at the Pulau Indah smelter. "As such, we expect to incur increased overheads with a duplication of expenses with the running of two plants concurrently with only the Butterworth smelter generating revenue. Upon full commissioning of the Pulau Indah smelter, the Group's recovery yields are expected to significantly improve with lower manpower and operational costs," he said.

Patrick also said for its tin mining business, the company will continue endeavours to enhance tin mining productivity at its Rahman Hydraulic Tin mine in Klian Intan, Perak, in addition to exploring new tin deposits. "Additionally, we look forward to the commencement of mining activities at Sungai Lembing, Pahang, in the second half of 2019, which will contribute to the Group's overall tin production," he said.

For the current second quarter, MSC's net profit grew threefold to RM7.5 million from RM2.5 million in the previous year's corresponding quarter. The tin mining segment drove earnings growth, registering a net profit of RM11.6 million in 2QFY19. Meanwhile, the tin smelting division reported a net loss of RM4.3 million, impacted by the operating inefficiencies at the Butterworth plant, resulting in lower recovery yields and higher operating expenses for the quarter.

As at 30 June 2019, total bank borrowings increased to RM300.3 million, from RM293.0 million as at 31 December 2018, due to drawdown of short-term borrowings for working capital purposes. The Group's gearing ratio remained unchanged at 0.8 times.

Source: New Straits Times, 9 August 2019

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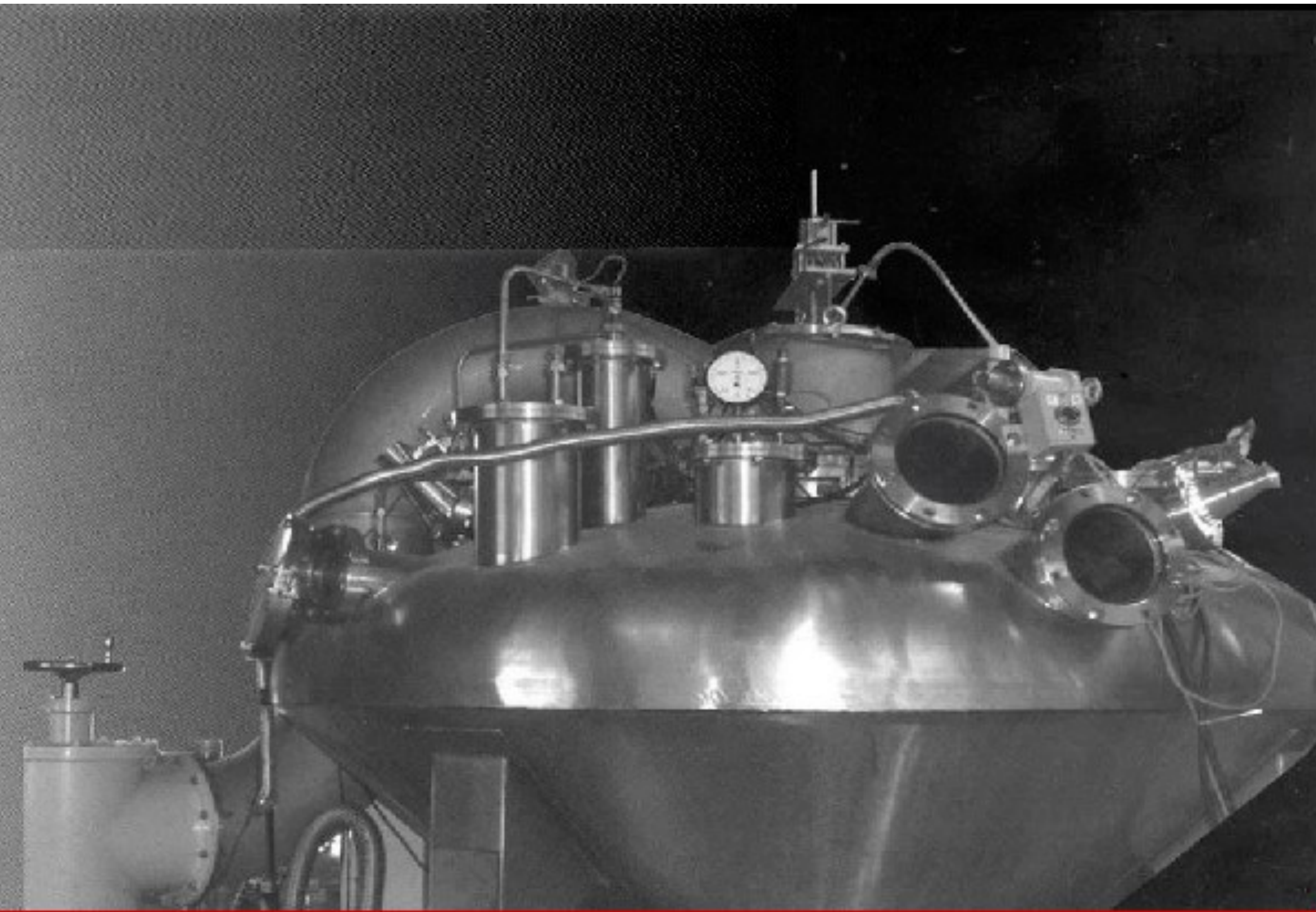

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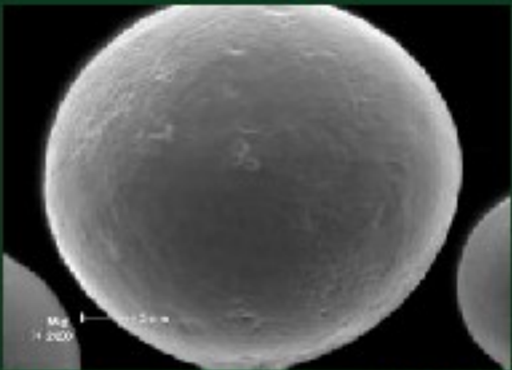

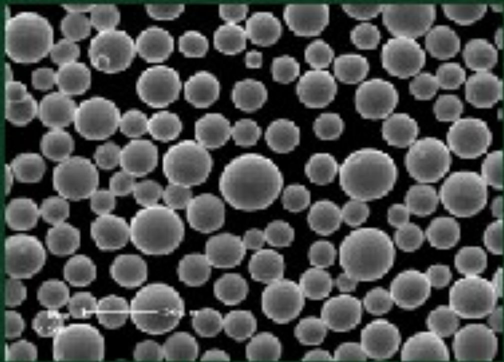

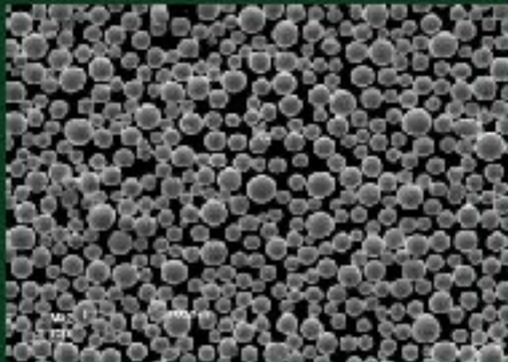

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Data / Statistics

Tin

MALAYSIAN TIN STATISTICS

(In Tonnes)

Period	Production of Tin-In-Concentrates	Imports of Tin-In-Concentrates	Refined Tin Production	Local Consumption	Exports of Tin Metal
2015	4,125	31,965	30,260	1,900	38,319
2016	4,158	30,536	26,849	2,238	27,470
2017	3,894	29,866	27,211	2,707	27,147
2018	3,868	27,450	27,115	1,964	27,342
2016					
Jan	357	2,667	2,550	167	2,172
Feb	304	2,273	2,939	205	2,779
Mar	377	1,697	2,611	213	3,153
Apr	361	2,333	2,381	233	2,849
May	349	1,984	2,529	236	2,563
Jun	342	2,101	1,951	151	2,029
Jul	311	2,054	1,873	116	1,720
Aug	303	2,293	2,159	200	2,238
Sep	335	1,823	1,865	204	1,730
Oct	347	1,948	1,920	173	1,766
Nov	359	2,267	1,977	154	2,149
Dec	378	2,172	2,094	186	1,834
2017					
Jan	351	2,377	1,683	171	1,530
Feb	316	2,033	2,167	203	2,635
Mar	306	1,723	2,044	322	2,091
Apr	275	2,441	1,832	263	1,777
May	339	2,598	2,572	218	2,326
Jun	308	2,446	2,121	258	1,732
Jul	333	3,154	2,605	320	2,768
Aug	329	2,428	2,812	178	3,106
Sep	314	2,565	2,149	179	2,275
Oct	323	2,775	2,256	225	2,116
Nov	368	2,740	2,478	204	2,510
Dec	338	2,586	2,492	166	2,281
2018					
Jan	308	2,424	2,060	171	1,950
Feb	297	2,046	2,214	190	2,009
Mar	323	2,488	2,340	158	2,584
Apr	330	2,430	2,111	192	2,401
May	336	2,895	2,343	171	2,435
Jun	292	2,494	2,219	192	2,162
Jul	342	2,609	2,571	162	2,687
Aug	393	2,619	2,470	215	2,257
Sep	280	1,653	2,068	149	1,899
Oct	319	2,284	2,282	117	2,138
Nov	324	1,844	2,563	102	2,746
Dec	306	1,874	1,874	145	2,074
2019*					
Jan	325	2,169	1,887	125	2,205
Feb	278	1,700	1,912	99	1,694
Mar	324	2,263	2,169	134	2,195
Apr	301	2,090	2,145	125	2,097
May	282	1,842	1,836	145	1,891
Jun	213	2,393	1,536	129	1,630
Jul	263	2,393	2,491	144	2,347
Aug	299	2,381	2,476	122	2,257
Sep	320	1,998	2,234	111	1,886

* : preliminary
n.y.a. : not yet available
Sources : Department of Statistics, Malaysia
Department of Minerals and Geoscience, Malaysia
Malaysia Smelting Corporation Bhd

DOMESTIC TIN CONSUMPTION

(In Tonnes)

Period	Total Consumption	Solder (*)	Tinplate	Pewter	Others (*)
2015	1,900	1,133	608	77	82
2016	2,238	1,314	750	86	88
2017	2,707	1,348	737	63	559
2018	1,964	1,019	759	39	147
2016					
Jan	167	97	63	3	4
Feb	205	140	46	12	7
Mar	213	144	63	3	3
Apr	233	150	62	15	6
May	236	117	69	14	36
Jun	151	82	59	3	7
Jul	116	44	58	11	3
Aug	200	133	59	6	2
Sep	204	152	45	3	4
Oct	173	79	73	13	8
Nov	154	83	67	0	4
Dec	186	93	86	3	4
2017					
Jan	171	102	54	12	3
Feb	203	133	64	2	4
Mar	322	139	76	13	94
Apr	263	100	72	2	89
May	218	150	61	3	4
Jun	258	108	61	12	77
Jul	320	143	76	1	100
Aug	178	79	62	2	35
Sep	179	101	40	1	37
Oct	225	104	68	4	49
Nov	204	95	49	1	59
Dec	166	94	54	10	8
2018					
Jan	171	101	57	3	10
Feb	190	133	54	1	2
Mar	158	93	49	13	3
Apr	192	103	78	1	10
May	171	106	56	1	8
Jun	192	116	61	13	2
Jul	162	99	60	0	3
Aug	215	132	75	1	7
Sep	149	62	62	1	24
Oct	117	23	69	1	24
Nov	102	11	61	0	30
Dec	145	40	77	4	24
2019**					
Jan	125	66	51	1	7
Feb	99	60	35	0	4
Mar	134	69	56	1	8
Apr	125	51	64	2	8
May	145	70	62	1	12
Jun	129	66	56	1	6
Jul	144	60	47	3	3
Aug	122	41	51	1	10
Sep	111	41	60	3	7

Sources : Department of Minerals and Geoscience, Malaysia
Malaysia Smelting Corporation Bhd

* : The figures include high-grade tin (99.9% Sn) imported for consumption.
** : Preliminary.

Note : Local consumption of tin metal refers to the use of tin in a particular application.

Sales to manufacturing industries have been used as proxy for consumption except in the case of manufacture of tinplate for which actual consumption data available.

WORLD STOCKS OF REFINED TIN (In Tonnes at Period End)			
Period End	LME Stocks	Country Stocks	US Strategic Stockpile
2015	6,140	9,956	4,020
2016	3,800	18,600	4,020
2017	2,235	19,245	4,020
2018	2,165	16,790	4,020
2016			
Jan	5,470	10,049	4,020
Feb	3,655	10,299	4,020
Mar	4,810	21,114	4,020
Apr	5,690	20,279	4,020
May	7,235	21,057	4,020
Jun	5,985	18,443	4,020
Jul	5,540	18,427	4,020
Aug	4,460	18,218	4,020
Sep	3,510	18,391	4,020
Oct	2,895	18,391	4,020
Nov	3,185	18,500	4,020
Dec	3,800	18,600	4,020
2017			
Jan	5,800	18,902	4,020
Feb	5,560	18,769	4,020
Mar	3,510	18,227	4,020
Apr	2,865	18,189	4,020
May	1,910	18,469	4,020
Jun	1,690	19,336	4,020
Jul	1,985	19,374	4,020
Aug	1,910	19,436	4,020
Sep	2,070	18,814	4,020
Oct	2,095	18,818	4,020
Nov	2,395	18,983	4,020
Dec	2,235	19,245	4,020
2018			
Jan	1,955	19,318	4,020
Feb	1,720	19,318	4,020
Mar	2,060	19,087	4,020
Apr	2,225	19,025	4,020
May	2,420	15,387	4,020
Jun	3,130	14,304	4,020
Jul	2,970	17,872	4,020
Aug	2,940	17,741	4,020
Sep	2,865	18,332	4,020
Oct	3,085	15,332	4,020
Nov	3,045	17,728	4,020
Dec	2,165	16,790	4,020
2019*			
Jan	1,845	16,439	4,020
Feb	1,325	16,552	4,020
Mar	950	22,333	4,020
Apr	890	23,132	4,020
May	2,810	23,083	4,020
Jun	6,045	23,524	4,020
Jul	4,640	23,524	4,020
Aug	6,830	23,449	4,020
Sep	6,620	23,017	4,020

Sources : Metal Bulletin / World Bureau of Metal Statistics

n.y.a : not yet available

KLTM & LME TIN PRICES				
	KLTM			LME CASH
	Average Price (*)		Total Turnover	Average Price
	(USD / Tonne)	(RM / Kg)	(Tonnes)	(USD/Tonne)
2015	16,015	62.45	12,679	16,084
2016	17,528	72.75	11,568	17,982
2017	20,029	86.12	8,890	20,098
2018	20,151	80.99	9,075	20,168
2016				
Jan	13,745	59.62	1,269	13,777
Feb	15,324	64.19	1,294	15,654
Mar	16,848	68.60	1,334	16,996
Apr	17,029	66.42	1,050	17,068
May	16,908	68.35	817	16,757
Jun	16,909	69.06	956	16,985
Jul	17,786	71.44	758	17,845
Aug	18,373	74.03	824	18,413
Sep	19,466	80.08	849	19,590
Oct	20,003	83.60	755	20,182
Nov	21,001	91.17	897	21,235
Dec	21,011	93.77	765	21,286
2017				
Jan	20,801	92.92	722	20,750
Feb	19,548	86.99	658	19,492
Mar	19,762	87.80	744	19,832
Apr	19,885	87.59	687	19,991
May	20,104	86.84	744	20,231
Jun	19,707	84.39	625	19,702
Jul	20,178	86.64	711	20,273
Aug	20,438	87.67	774	20,570
Sep	20,729	87.39	722	20,855
Oct	20,450	86.58	780	20,469
Nov	19,477	81.46	923	19,575
Dec	19,353	78.93	800	19,440
2018				
Jan	20,415	80.77	973	20,711
Feb	21,558	84.37	756	21,694
Mar	21,049	82.15	933	21,214
Apr	21,151	82.22	744	21,340
May	20,740	82.36	710	20,900
Jun	20,616	82.43	907	20,663
Jul	19,687	79.80	857	19,700
Aug	19,299	78.99	642	19,281
Sep	18,905	78.29	736	18,999
Oct	19,048	79.18	762	19,129
Nov	19,133	80.09	536	19,139
Dec	19,208	80.17	519	19,243
2019				
Jan	20,417	84.05	719	20,480
Feb	21,268	86.67	628	21,268
Mar	21,317	86.95	1,046	21,444
Apr	20,528	84.48	833	20,684
May	19,394	80.85	388	19,531
Jun	19,065	79.34	344	19,177
Jul	18,074	74.55	416	17,991
Aug	16,532	69.22	422	16,577
Sep	16,730	70.05	392	16,840

Sources : Kuala Lumpur Tin Market/ Malaysia Smelting Corporation Bhd

Note : As from 1 February 2001, KLTM price is quoted in US Dollar

(*) KLTM's monthly average price is arrived at on a weighted average against total tonnage basis.

Malaysian Ringgit to US Dollar exchange rate was unpeged on 22.8.2005

LEAD

LME PRICES & STOCKS		
	Cash Settlement (US$/Tonne)	Stocks Period End (Tonnes)
2016	2,230.83	194,900
2017	2,508.82	142,225
2018	1,965.47	107,375
2016		
Jan	1,646.95	188,125
Feb	1,771.57	211,475
Mar	1,808.02	155,975
Apr	1,728.67	174,325
May	1,714.43	185,375
Jun	1,713.91	185,150
Jul	1,834.88	187,075
Aug	1,838.89	187,275
Sep	1,942.02	190,250
Oct	2,039.93	188,700
Nov	2,178.84	187,725
Dec	2,230.83	194,900
2017		
Jan	2,236.69	189,050
Feb	2,321.73	189,600
Mar	2,277.30	184,275
Apr	2,231.31	169,425
May	2,131.67	180,275
Jun	2,131.18	164,150
Jul	2,266.40	152,800
Aug	2,357.32	148,425
Sep	2,377.29	157,475
Oct	2,506.30	149,250
Nov	2,464.41	145,000
Dec	2,508.82	142,225
2018		
Jan	2,589.77	133,250
Feb	2,580.83	125,225
Mar	2,397.00	129,100
Apr	2,357.38	130,775
May	2,363.881,	133,475
Jun	2,440.74	131,775
Jul	2,212.91	127,025
Aug	2,064.86	122,925
Sep	2,028.23	115,700
Oct	1,985.15	113,550
Nov	1,940.16	105,125
Dec	1,965.47	107,375
2019		
Jan	1,994.16	72,450
Feb	2,062.08	76,875
Mar	2,054.57	78,750
Apr	1,948.85	74,425
May	1,817.21	69,400
Jun	1,891.50	65,750
Jul	1,974.02	78,500
Aug	2,043.19	77,525
Sep	2,070.86	69,500

COPPER

LME PRICES & STOCKS		
	Cash Settlement (US$/Tonne)	Stocks Period End (Tonnes)
2016	5,666.25	311,825
2017	6,801.16	200,650
2018	6,094.21	132,175
Jan	4,462.75	239,400
Feb	4,595.48	193,475
Mar	4,947.55	143,400
Apr	4,851.12	154,675
May	4,708.35	154,350
Jun	4,630.64	189,125
Jul	4,855.79	210,075
Aug	4,758.20	304,775
Sep	4,707.18	371,775
Oct	4,732.14	319,475
Nov	5,443.25	236,675
Dec	5,666.25	311,825
Jan	5,737.43	260,850
Feb	5,941.55	200,725
Mar	5,821.52	283,900
Apr	5,697.67	253,675
May	5,591.50	308,000
Jun	5,699.48	278,275
Jul	5,978.60	295,525
Aug	6,478.18	223,500
Sep	6,583.19	295,500
Oct	6,797.39	273,675
Nov	6,825.57	183,525
Dec	6,801.16	200,650
Jan	7,080.30	304,675
Feb	7,001.80	328,000
Mar	6,795.76	383,025
Apr	6,838.55	325,525
May	6,821.76	317,950
Jun	6,954.79	289,875
Jul	6,248.18	251,950
Aug	6,039.75	262,475
Sep	6,020.03	199,125
Oct	6,215.89	136,675
Nov	6,193.00	134,200
Dec	6,094.21	132,175
Jan	5,932.02	149,950
Feb	6,278.20	126,100
Mar	6,451.02	168,525
Apr	6,445.10	225,925
May	6,028.31	211,800
Jun	5,868.43	240,900
Jul	5,939.85	287,800
Aug	5,707.98	335,850
Sep	5,745.48	258,775

SILVER

LONDON SPOT PRICES	
	London Spot (US Cents / Troy Oz)
2016	1,638.00
2017	1,616.00
2018	1,470.00
Jan	1,402.00
Feb	1,507.00
Mar	1,542.00
Apr	1,626.00
May	1,689.00
Jun	1,718.00
Jul	1,993.00
Aug	1,964.00
Sep	1,928.00
Oct	1,767.00
Nov	1,742.00
Dec	1,638.00
Jan	1,681.00
Feb	1,787.00
Mar	1,759.00
Apr	1,804.00
May	1,676.00
Jun	1,696.00
Jul	1,614.00
Aug	1,691.00
Sep	1,745.00
Oct	1,694.00
Nov	1,701.00
Dec	1,616.00
Jan	1,717.00
Feb	1,666.00
Mar	1,647.00
Apr	1,661.00
May	1,647.00
Jun	1,652.00
Jul	1,571.00
Aug	1,501.00
Sep	1,426.00
Oct	1,458.00
Nov	1,437.00
Dec	1,470.00
Jan	1,559.00
Feb	1,580.00
Mar	1,532.00
Apr	1,504.00
May	1,463.00
Jun	1,500.00
Jul	1,575.00
Aug	1,714.00
Sep	1,817.00

Source : London Metal Exchange
The Silver Institute

Association Members

Currently, the Association comprises one associate and 16 ordinary members covering the three main sectors of Malaysia's tin-based products manufacturing industry, namely the tinplate, solder and pewter sectors as listed below:

ORDINARY MEMBERS:

TINPLATE

Perusahaan Sadur Timah Malaysia Bhd (PERSTIMA)

SOLDER

Henkel (M) Sdn Bhd
Metahub Industries Sdn Bhd
Nihon Superior (M) Sdn Bhd
RedRing Solder (M) Sdn Bhd
Selayang Metal Industries Sdn Bhd
Selayang Solder Sdn Bhd
Senju (M) Sdn Bhd
Shen Mao Solder (M) Sdn Bhd
Premium Metal Sdn Bhd
Rian Resources Sdn Bhd

PEWTER

Oriental Pewter Sdn Bhd
Present & Artifact Sdn Bhd
Royal Selangor International Sdn Bhd
Selwin Pewter Sdn Bhd
Tumasek Pewter Sdn Bhd

ASSOCIATE MEMBER:

Malaysia Smelting Corporation Bhd

MSC – A Global Integrated Tin Mining and Smelting Group

The MSC Group is currently one of the world's leading integrated producers of tin metal and tin based products and a global leader in custom tin smelting since 1887.

The MSC Group is currently one of the world's leading integrated producer of tin metal and tin- based products and a global leader in custom tin smelting. The Group's existing custom smelting facility in Butterworth is one of the world's largest and, since its inception in 1902, has been supplying the world with the MSC Straits Refined tin brand which is registered at LME (London Metal Exchange) and KLTM (Kuala Lumpur Tin Market). The brand is accepted worldwide and has purity ranging from the standard Grade A (99.85% Sn) to the premium grade electrolytic tin (99.99% Sn). In 2018, the Group produced 27,085 tonnes of tin metal thus sustaining its global position as the third largest supplier of tinmetal.

With its unsurpassed global reputation and stature built on experience, trust and integrity from its custom smelting business, the Group has now become a fully integrated tin producer with its acquisition of Rahman Hydraulic Tin Sdn. Bhd. (RHT) in November 2004. RHT has the distinction of operating the largest open-pit eluvial tin mine in the country. Extensive exploration works and improvements to its process flowsheet since the takeover have transformed RHT to become a very significant tin producer in Malaysia.

The MSC Group is currently refurbishing an ISASMELT furnace located in Port Klang to carry out custom tin smelting. The ISASMELT furnace which uses the revolutionary TSL (Top Submerged Lance) technology will replace the reverberatory furnaces and will herald a new era and add a new dimension to the Group's smeltingtechnology.

The ISASMELT furnace has a high intrinsic smelting capacity coupled with a lower unit smelting cost which will give the Group a competitive edge in its feed materials sourcing activity. The new smelter's location is equally strategic due to its proximity to the port and LME warehouse.

Apart from the operational and cost-saving benefits, the Group's carbon footprint will also be minimised with the full commissioning of the new smelter in Port Klang. The ISASMELT furnace uses natural gas as fuel for its smelting process, further improving the Group's environmental performance. The new plant will also be equipped with a waste heat recovery and photoelectric generation function to produce power, reducing the Group's dependency on fossil fuels. This will lead to the shrinking of the Group's greenhouse gas emission, making the MSC Group one of the world's most cost- efficient smelter.

Meanwhile, our tin mining arm, RHT, will be upgrading the existing hydro generator plant at the mines located in Klian Intan, with the aim of becoming more energy efficient. Our efforts are centred on utilising renewable energies when possible, in line with the Group's aim to become an environmentally friendly and sustainable global integrated tin producer.

The Group's niche expertise in tin is continually being strengthened in all areas over the entire

MSC will pursue its growth strategy on its core business in tin through strategic acquisitions and organic growth where its core expertise can add value particularly in increasing operating efficiencies, innovating products and services to ensure its continued leadership position in the industry.

We believe that our people shape our success, which is why we make every effort to ensure that they are equipped with the right resources and a conducive workplace to enable them to develop holistically.

GROWTH STRATEGY

The Group's niche expertise in tin is continually being strengthened in all areas over the entire global tin supply chain covering geology, mining, mineral processing, smelting, marketing, resource management and financing.

MSC will pursue its growth strategy on its core business in tin through strategic acquisitions and organic growth where its core expertise, skills and capabilities can add value and make a difference particularly in increasing operating efficiencies, innovating products and services as well as forging global commercial and marketing networks to ensure its continued leadership position in the industry.

Investment opportunities will continue to be evaluated and the Group may in future decide to invest in selective projects that meet its investment criteria. Main emphasis will be on opportunities in regions where the country risks could be effectively managed and that the mines could be developed and operated with relatively lower cost structure.

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Sales & Trading Division: Unit 15-12, Level 15, West Wing, Q Sentral, 2A Jalan Stesen Sentral 2, KL Sentral, 50470 Kuala Lumpur, Malaysia
Tel: (603) 2276 6260 • Fax: (603) 2276 6245

Butterworth Smelter: 27 Jalan Pantai, 12000 Butterworth, Penang, Malaysia
Tel: (604) 333 3500 • Fax: (604) 331 7405/332 6499 • E-mail: msc@msmelt.com

MSC
Malaysia Smelting Corporation Berhad
(43072-A)

RIAN RESOURCES SDN BHD.(1244723-D)

No.3410 (Lot 58942), Jalan Pekeliling Tanjung 27/1,
Indahpura Industrial Park, 81000 Kulai, Johor,Malaysia.
Tel : 07-661 5111
Email : info@rianresources / lily@rianresources.com
Website : www.rianresources.com

About Us

RIAN RESOURCES SDN. BHD. Is established in September 2017 in Johor, Malaysia, due to demand on secondary tin refining. The management and production team have long term experiences in the tin industry. We believe in having good production systems and compliances such as ISO 9001, ISO 14000 and CFSI. Our future plan is to have capability to smelter and refine 4nine tin.

Quality Policy

Rian Resources Sdn Bhd shall always meet and exceed our customer's tin products requirements and expectations.

Conflict Free Mineral Policy

Rian Resources Sdn. Bhd. shall always use and process tin products from CFSI certified tin smelters:

A. Being compliance at all times with 3TG conflict material as per section 1502 of the Dodd Frank Wall Street reform and consumer protection act of 2010. In particular origin from the Democratic Republic of Congo (DRC)and its adjoining countries.

B. Being diligent to ensure the tin products are traceable to CFSI certified tin smelters in accordance with the "OECD Due Diligence for Responsible Supply Chains of Mineral from Conflict-Affected and High Risk Areas" to establish conflict minerals management mechanism.

C. We promise NOT to process 3TG that directly or indirectly benefit armed groups that are perpetrators of human rights abuse from the Democratic Republic of Congo (DRC). To other origins, we'll require all necessary documentation certificates complying to EICC-GeSI conflict free rules.

QA TECHNIC QA
DAkkS Deutsche Akkreditierungsstelle D-ZM-18949-01-00
ISO 9001:2015
CERTIFICATE NO : QA-D/MYS/9001/0363