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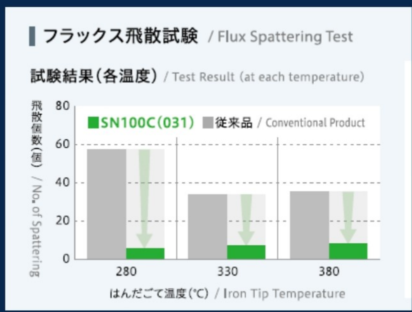

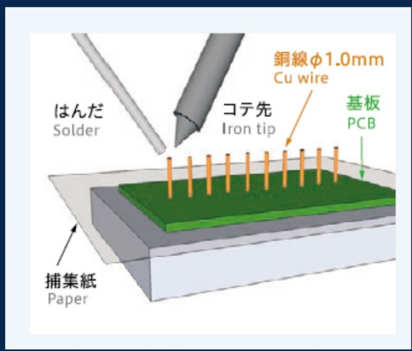

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THE MALAYSIAN TIN PRODUCTS NEWSLETTER

QUARTERLY | APRIL - JUNE 2025

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PRESIDENT'S NOTE

DAVID TAN
PRESIDENT
THE MALAYSIAN TIN PRODUCTS MANUFACTURERS' ASSOCIATION (MTPMA)

Dear Members,

The second quarter of 2025 unfolded with several pivotal developments at both global and domestic levels that significantly shaped Malaysia's trade and industrial environment. Although international economic conditions remained uncertain, driven by prolonged geopolitical tensions in Eastern Europe and the Middle East, Malaysia's industrial resilience continued to stand out especially in the manufacturing, semiconductor and tin-based product sectors.

A key issue faced during this period was the imposition of a 24%, but later raised to 25%, reciprocal tariff by the United States on Malaysian exports. This measure, which included Malaysia among a group of targeted nations, raised concerns among both industry players and investors. In response, the Malaysian Government promptly established the National Geoeconomic Command Centre (NGCC) chaired by the Prime Minister and supported by the Ministry of Investment, Trade and Industry (MITI). The national strategy focused on constructive engagement rather than retaliation, leveraging existing international agreements such as the Trade and Investment Framework Agreement (TIFA), the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP).

Despite external challenges, Malaysia's economy maintained solid fundamentals. The nation recorded a GDP growth of 5.1% in 2024, underpinned by steady domestic demand, robust household spending and sustained private investment. The services, manufacturing and construction sectors recorded positive growth. Inflation was successfully contained at 1.8% by the end of the year, while the Malaysian ringgit remained stable. The economic outlook for 2025 remains optimistic with GDP growth projected between 4.5% and 5.5%, supported by strategic reforms outlined under the New Industrial Master Plan 2030 (NIMP 2030) and the National Energy Transition Roadmap (NETR).

Within this context, it was reported that member companies of the Association operated relatively steady throughout 2024 and into the first half of 2025. Raw material supply remained sufficient, production activities were uninterrupted and domestic tin consumption reached 1,178 tonnes, with solder manufacturing continuing as the dominant downstream segment. Nonetheless, concerns were raised over the continued volatility of tin prices, which averaged above USD 27,000 per tonne.

During the quarter, member companies also faced heightened attention from international customers regarding Environmental, Social and Governance (ESG) compliance. Several of them underwent rigorous third-party audits focused on labour standards, ethical sourcing and sustainability practices. The Association assisted by enhancing awareness and supporting members in aligning operations with international ESG benchmarks.

On the political front, the Federal Government remained stable with a Cabinet reshuffle introducing a new Ministry of Digital and Energy Transition. While no state elections were held, political realignments in Selangor attracted public attention. Upcoming state elections in Sabah and Sarawak, expected in late 2025 and early 2026 respectively, are anticipated to bring about further developments.

As he stepped down at the Association's AGM held in June 2025 after three terms, outgoing President Mr. Lim Cheng Sang expressed sincere appreciation to Association members, the Secretariat staff and the Tin Industry (R&D) Board for their unwavering support. He urged members to remain united and committed to the continued growth and sustainability of Malaysia's tin-based products industry, pledging his full support to the incoming President.

I was elected to lead the Association as President for the next term, I will do my utmost best in carrying out my heavy responsibilities and certainly look forward to all the support and assistance from all members.

As the Association enters the second half of 2025, it remains vigilant, adaptive and optimistic. While uncertainties remain especially around tariff implications and rising costs, the strength of Malaysia's economic fundamentals, Government engagement and the commitment of industry players offer a solid foundation for continued growth.

With warmest regards,

DAVID TAN
President

NEWS ON ECONOMY

Malaysia Exploring Appropriate Measures to Mitigate Impact on Malaysia Exports; will Continue Engaging with US Authorities on Fair Trade Relations

Pursuant to the recent 10% tariffs hikes ad reciprocal tariff announced by the United States of America ("the US") on Malaysian exports to the US, the Ministry of Investment, Trade & Industry (MITI) views these tariffs seriously and is actively engaging with the US authorities to seek solutions that will uphold the spirit of free and fair trade. In upholding such spirit, Malaysia is not considering retaliatory tariffs. The US tariffs affect many countries with potentially significant implications for global trade and growth. The National Geoeconomic Command Centre (NGCC) - recently approved by Cabinet - will evaluate the impact of this recent US announcement and will consider a comprehensive and multipronged strategy to mitigate the effects of these tariffs on our economy and industries. The NGCC - to be chaired by the Prime Minister with MITI as the Secretariat - features high-level representatives from key ministries and agencies. The NGCC's key focus is to ensure the Malaysian economy remains competitive amidst these volatile times. At the ASEAN level, the first meeting of the ASEAN Geoeconomic Ministers' Retreat in February 2025 - will also commence soon.

Malaysia will utilise the Trade and Investment Framework Agreement (TIFA) to seek reciprocal trade gains and pursue a Technology Safeguards Agreement with the US to facilitate high-tech cooperation in semiconductors, aerospace, and digital economy sectors. According to the US Bureau of Economic Analysis, Malaysia ranks 15th on the US list with a trade surplus of USD24.8 billion in 2024. Despite the trade deficit in goods, the US enjoys a trade surplus in services with Malaysia, reflecting strong bilateral economic ties that support jobs and economic growth for both nations. It must be highlighted that the trade deficit with the US is also due to many US firms that have been operating in Malaysia for decades, on account of Malaysia's well-established industrial ecosystem, especially in the E&E sector.

We acknowledge that President Trump's tariff hike poses a significant challenge to global trade dynamics. While respecting such sovereign decisions, Malaysia strongly believes in constructive engagement for mutually beneficial economic relations. MITI is committed to safeguarding Malaysia's economic interests and maintaining strong trade relations with the US. To mitigate tariff impact, Malaysia is expanding out export markets by prioritising high-growth regions and leveraging existing Free Trade Agreements (FTAs) including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the Regional Comprehensive Economic Partnership (RCEP). Malaysia will also foster new partnerships within ASEAN and enhance Malaysia's supply chain resilience by accelerating the implementation of key industrial policies like the New Industrial Master Plan (NIMP 2030) and the National Energy Transition Roadmap (NETR). The Government is engaging with the affected industries, while exploring support programmes to help businesses adapt. MITI remains committed to open dialogue and collaboration to resolve trade disputes and promote mutual prosperity. Malaysia is facing this challenge from a position of strength and preparedness. The fundamentals of our economy remain robust. In the immediate future, while the external environment may be challenging, our diversified markets and products, along with strong demand for our produce, will provide us with some buffers. Furthermore, domestic demand, which is our main driver of growth, remains robust. MITI believes the Malaysian economy will continue to be resilient amidst these challenges.

Source: Ministry of Investment, Trade and Industry, 3 April 2025

New Taxes will Strain National Productivity, says FMM

The Federation of Malaysian Manufacturers (FMM) is urging the government to postpone the introduction of new taxes due to the 24% tariff rate on Malaysian imports by the United States. "The manufacturing sector is already under severe cost pressures and is the largest contributor to national tax revenue, accounting for RM221bil or 68.6% of total tax collections," said FMM president Tan Sri Soh Thian Lai. "The expansion of the Sales and Service Tax (SST) effective May 2025, along with impending increase in electricity tariffs in July 2025 will significantly raise compliance and operational costs for mid-tier and large manufacturers as well as vulnerable SMEs. FMM reiterates its call for a moratorium on new taxes or regulatory burdens that could further strain the industry and affect employment, reinvestment and national productivity," he said. He said the new tariffs imposed by the US will disrupt trade flows and affect Malaysia's position as a regional and global supply network.

"While some categories of goods are exempt from US reciprocal tariffs including semiconductors, pharmaceuticals, copper, lumber, bullion and certain critical minerals not available in the United States as well as steel, aluminium and automotive products already covered under existing Section 232 tariffs, most other Malaysian exports to the US will be affected," he said. These include key products such as plastics and electrical and electronic goods not classified under semiconductor and industrial machinery. Affected sectors will be hit with the full 24% tariff rate, which could lead to a significant reduction in exports, job pressures within affected industries and the re-routing or restructuring of supply chains involving Malaysian producers as well as US-linked multinational operations based in Malaysia, he added.

Soh said the broader ecosystem, including suppliers, logistics providers and downstream service sectors, could also be adversely affected by the shifts in sourcing and manufacturing decisions in response to the tariffs. He branded the move by US President Donald Trump's administration as "troubling" given Malaysia's strong trade relationship with the United States and the country's long-standing commitment to open and fair trade. "From FMM's perspective, while Malaysia's tariff rate of 24% is comparatively lower than our Asean neighbours, namely Cambodia (49%), Vietnam (46%) and Thailand (36%), we are nonetheless categorised within a punitive group of economies," he said.

"This underscores that Asean economies are facing heightened scrutiny. Within the region, Malaysia both competes and complements our regional peers. In some sectors such as electronics, rubber-based products, and machinery, we are direct competitors. In others like semiconductors and industrial components, Malaysia plays a complementary role within integrated supply chains."

The United States has stated that tariff levels may be reduced if trading partners take significant steps to remedy non-reciprocal trade arrangements or align more closely with US economic and national security goals, he added. Soh said FMM welcomed the government's proactive measures, including the establishment of National Geoeconomic Command Centre (NGCC), as a central coordinating platform. He said Malaysia's present clear and verifiable evidence open import regime and reinforcing our commitment to strategic cooperation on economic and strategic co-operations will also help. This includes semiconductor supply chains, investment screening and export control alignment under bilateral platforms like the US-Malaysia Trade and Investment Framework Agree-ment (Tifa), and regional frameworks like the US-led Indo-Pacific Economic Framework for Prosperity (Ipef).

"Malaysia's active role in Ipef should be recognised as evidence of shared commitment to rules-based trade, transparency and supply chain resilience. Collectively, these measures will demonstrate Malaysia's alignment with US trade priorities and may offer a pathway toward the reconsideration or reduction of the current tariff classification," he said. Soh also stressed that the country's long-term resilience will depend on external diversification and sound domestic policies. Malaysian exporters are expected to face strong pressure from US importers to reduce their export prices to offset the 24% tariff imposed, further squeezing manufacturers' profit margins," he said.

Source: The Star, 4 April 2025

Diversification Offers Hope, say Economists

United States President Donald Trump's move to impose tariffs on numerous countries risks disrupting trade and slowing global economic growth, said economists. The US has imposed a 24 per cent retaliatory tariff on imports from Malaysia, which is on the lower end of the tariff scale among Southeast Asian nations. Singapore faces the lowest at 10 per cent. Bank Muamalat Malaysia Bhd chief economist Dr Mohd Afzanizam Abdul Rashid told 'Business Times' that some sectors may be granted exemptions. "In relative terms, Malaysia is among the lowest in the Asian region. It is a comprehensive list led by Cambodia (49 per cent), Laos (48 per cent), Madagascar (47 per cent), Vietnam (46 per cent), Myanmar (44 per cent), and Sri Lanka (44 per cent). "While there could be merits to such decision, the manner it is done can be harmful to trade and global economic growth." Afzanizam said the World Trade Organisation would be the ideal platform for mediating trade disputes.

He said the tariffs could result in trade diversion, especially since Malaysia has been engaging with other countries through free trade agreements. On why Malaysia's tariff is higher than Singapore's, Afzanizam explained that according to the WTO, Malaysia's average tariff rate is 5.6 per cent, while Singapore's is zero per cent. He said as a result, the US government may have taken a more lenient stance towards Singapore. "The US government also considers non-tariff measures when assessing trade policies. These include licensing restrictions, customs barriers, and shortcomings in trade facilitation. Technical barriers to trade, such as unnecessarily restrictive standards, conformity assessment procedures, or technical regulations, are also taken into account. Additionally, sanitary and phytosanitary measures that restrict trade without furthering safety objectives are scrutinised," he said.

UniKL Business School economic analyst Associate Professor Dr Aimi Zulhazmi Abdul Rashid said that semiconductors account for 60 per cent of Malaysia's exports to the US, with American multinationals operating in Malaysia likely to be significantly impacted by the tariffs. "Malaysia's electrical and electronics (E&E) and manufacturing sectors are integral to the global supply chain, hence we will have to wait for multinational corporations in the industry to execute their strategies. A proactive approach will be the government collaborating with them to strategise the restructuring of the industry supply chain globally based on Trump's tariffs. Aimi said in 2025, Malaysia may experience a slight decline in exports to the US but an increase in trade through Singapore. "It is expected that world trade will slow to 3.0 per cent in 20225, compared with 3.3 per cent in 2024, with a decrease of around 0.3 to even 0.5 per cent, as countries make adjustments to cope with the structural changes."

IDEAS Malaysia economist and assistant research manager Doris Liew said the upcoming semiconductor-specific tariffs could begin to impact the industry in the near future. "Meanwhile, energy resources, critical minerals and pharmaceutical products are not subject to these tariffs. Key Malaysian exports such as refined petroleum and packaged medicaments may be remain unaffected by the current tariff structure." She said that in terms of trade diversion, Malaysia is in a relatively strong position compared with a neighbouring manufacturing hubs such as Vietnam, Thailand and Indonesia. "This situation may enhance Malaysia's relative competitiveness within Southeast Asia, at least in the short term, particularly in the manufacturing sector. However, as the US is one of Malaysia's largest export markets, these developments will still have repercussions on Malaysia's trade balance.

She explained that rising export costs could weaken Malaysia's trade competitiveness and overall export value, potentially impacting gross domestic product growth. Liew said this comes at a time when heightened global uncertainty is already causing firms to postpone investment decisions. Malaysia Global Business Forum founding chairman Nordin Abdullah said during times of rapid change, a responsive strategy involves dramatic moves, such as Trump's decision to change the location of the executive order signing. He said this bold action sets a clear stance, creating a leverage point intended to shift the US economy through its external trade policy. "Time will tell if it has the desired impact and with all disruptive ideas, history will judge if it was inspired leadership or a misguided policy excursion. The importance of a strategic response beyond a knee-jerk reaction will be critical for Malaysia as trade is just one component of the bilateral relationship with the US," he said in a statement.

UOB Kay Hian Wealth Advisors Sdn Bhd head of investment research Mohd Sedek Jantan said the tariff measures are likely to provide a temporary boost to the US dollar by reducing imports and increasing demand for domestically produced goods, thereby narrowing the trade deficit. "Additionally, the potential for increased foreign investment into tariff-protected industries could further strengthen the dollar. For Malaysia, the ringgit is expected to face depreciation pressures, although a proactive monetary policy response could limit its decline to below 4.55 against the US dollar," he added. Sedek said these currency fluctuations highlight the broader ramifications of tariffs beyond trade flows, influencing capital movements and exchange rate dynamics.

Source: New Straits Times, 4 April 2025

Taking Steps to Weather Tariff Storm

Plans to Diversify Trade, Fortify Supply Chains Mulled

Key measures to help Malaysia withstand the global tariff storm from the United States are being discussed, says the Investment, Trade and Industry Ministry (Miti). Among the measures being explored are possibly diversifying Malaysia's current trade and investment interests as well as strengthening the country's supply chains, Miti said. It also said the government would continue to have strategic high-level engagement with the United States by leveraging on its influence in the Malaysian-US Trade and Investment Framework Agreement. "The government will continue to engage with the US to find an amicable and fair solution to the reciprocal tariff issue as well as continue to prioritise Malaysia's interests, for the well-being of our people, businesses and exporters. Miti and relevant ministries will also continue to engage with the industry and exporters in order for all of us to weather through this testing period based on a whole-of-nation approach. We plan to do so with a plan to support impacted industry sectors to mitigate the impact of the tariffs," it said in a statement yesterday.

The statement came after Prime Minister Datuk Seri Anwar Ibrahim chaired a special meeting to discuss the US tariffs issue with the Cabinet. Miti noted that the economic effects of the US tariff issue have surpassed initial expectations, prompting a reassessment of the 2025 gross domestic product (GDP) growth forecast of between 4.5% and 5.5%. "The full impact will become clearer with more details on the implementation timeline, tariff rates, product coverage, and the outcome of trade negotiations," it said, adding that the response from other economies will significantly affect the outcome. Despite concerns of a possible recession due to global tariffs, Miti affirmed that it does not foresee a recession or fundamental economic slowdown in Malaysia. "Economic growth projection remains forthcoming, underpinned by resilient household spending, strong domestic investment, healthy tourism receipts, and the continued implementation of national masterplans. Our sound economic fundamentals will enable us to weather this challenge from a position of strength and preparedness," the ministry said, adding that the economic impact of the new tariff measures was being assessed.

Despite this, Miti said it expected the impact of the US tariffs to be significant but that the situation would only be clearer once more information on the tariffs was assured as well as the possible speed and scale of retaliatory actions by other economies. Miti also refuted the claim by US authorities that Malaysia had imposed a 47% tariff on US imports into Malaysia. Miti also said its Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz would chair a Special Asean Economic Ministers' Meeting on Thursday. "We plan to discuss the broader implications of the US tariff measures on regional trade and investment flows; macroeconomic stability; and Asean's coordinated response to uphold the region's economic interests and long-standing commitment to an open, fair, and rules-based trading system. Asean leaders will also look to address and mitigate potential disruptions to regional trade, supply chain networks, and cross-border investments to ensure that Asean continues to be a stable, competitive, and attractive hub for global trade and investment."

Source: The Star, 5 April 2025

Silver Lining to US Tariff

M'sia Now More Attractive for Investors, say Trade Groups

The imposition of tariffs by the United States is not all doom-and-gloom as it has a silver lining for the nation, say trade groups. Federation of Manufacturers of Malaysia president Tan Sri Soh Thian Lai said the 24% tariff fixed for Malaysia, though not ideal, presented strategic advantages if viewed against regional peers. "Many Asean countries – including Vietnam, Cambodia and Laos – as well as China are facing significantly higher reciprocal US tariffs, some nearly double Malaysia's rate. "This shift effectively levels the playing field and positions Malaysia as a more attractive export base, especially for buyers seeking to diversify away from higher cost countries. "We will be able to capitalise on this comparative advantage to capture the US market share in selected product categories," he said when contacted. While key sectors like semiconductors and pharmaceuticals are exempted from the tariff hike, Soh said other industries also stand to benefit.

"They include rubber gloves, electrical appliances, processed food, aerospace, furniture and medical devices. These sectors are where Malaysia has proven capabilities and where competing suppliers from China or Vietnam now face higher tariff barriers," he said. Soh noted that the combination of Malaysia's manufacturing strength, diversified supply base and regulatory credibility could position Malaysia as a reliable substitute in global supply chains that serve the US market. Associated Chinese Chambers of Commerce and Industry Malaysia treasurer-general Datuk Koong Lin Loong said the higher tariffs slapped on other neighbouring countries in the region could see long term gains for Malaysia. "The silver lining which we must look at is the potential of developing Malaysia as a regional investment hub. "Investors would rather invest here instead of in countries such as China and Vietnam which were hit with higher tariffs," he said. He said the nation's lure as an investment hub was further strengthened due to its sound economy, stable government policies and skilled workforce.

"These are important factors that investors consider. Although the US tariffs on the Philippines (17%) and Singapore (10%) are lower than Malaysia, investors may find policies in the Philippines not so conducive while Singapore may be too expensive for them to set up operations," he said. On the ringgit's appreciation against the US dollar, Koong said that this was due to the nation's strong economic fundamentals and the ringgit being undervalued. "With the tariffs in place, fund managers see the potential of the currency. "Also our stock market has remained above the 1,500-mark, compared to some others which saw sharp declines," he said. SME Association of Malaysia president Chin Chee Seong said the tariffs would have some impact but it would be confined to specific high-tech and high-end petroleum products as compared to other countries in the Asia-Pacific region "Compared to some other countries such as Laos, Cambodia, Vietnam and China, we are somewhat still in a better position. We export mainly high-tech and high-end petroleum products, which form the bulk of trade with the United States, while our trade deficit is relatively low. We stand in a better position as products such as semiconductors are exempted from the tariff, so we likely end up only with a 10% tariff on exports for most other products," he said when contacted.

Chin noted that Malaysia was taking the right step in not resorting to retaliatory measures against the United States but to instead adopt a friendly engagement approach. He believed that US President Donald Trump could have a second round of tariff adjustments due to the backlash he is facing from several countries and also domestically. Asean-India Business Council alternate chairman Nivas Ragavan said Malaysia was spared higher tariffs due to its balanced trade with the United States, particularly in the high-value, high-compliance sectors such as electrical and electronics, medical devices and precision components. "These sectors are deeply integrated into US supply chains and adhere to international regulatory standards,

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which may have influenced the United States to impose a lower tariff compared to other regional exporters with different trade profiles," he said.

Nivas, who is also Federation of Malaysian Business Association vice-chairman, said that a lower tariff for Malaysia would provide a more competitive edge for the nation. "Several of our Asean neighbours now face steeper costs when exporting to the United States. This could direct certain US buyers and investors toward Malaysia, particularly in sectors like manufacturing, electronics and medical supplies," he said. He said the country could also leverage its existing free trade agreements and investment-friendly environment to attract supply chain relocations from countries which were more heavily tariffed. "There's a window of opportunity here for Malaysian exporters to step up, innovate and fill the gap left by regional competitors," he added. As for the ringgit's recent appreciation, Nivas said that this could be due to the volatility of the US economy due to inflationary pressure. "In Malaysia's case, consistent trade surpluses, stronger commodity prices particularly for oil palm and energy, as well as a steady recovery in domestic consumption are supporting confidence in the ringgit," he added. Bumiputera Retailers Organisation Malaysia adviser Datuk Ameer Ali Mydin said imported goods from countries which were slapped with higher tariffs could end up being sold here at a lower cost. "This is because manufacturers in those affected countries may have excess production due to higher export tariffs to the United States. However, we must be careful to avoid dumping by these countries, which are now happening through e-commerce platforms, which will affect our retail sector," he said.

Source: Sunday Star, 6 April 2025

PM: Tariff Calculation 'Fundamentally Flawed'

The United States' basis for calculating the 24 per cent tariff on Malaysian imports is "fundamentally flawed", Prime Minister Datuk Seri Anwar Ibrahim said yesterday. Anwar also refuted the US' claim that Malaysia imposed a 47 per cent tariff on American imports. "The basis for calculating this tariff is fundamentally flawed, which has inaccurately resulted in Malaysia being imposed a reciprocal tariff of 24 per cent," he said in a televised broadcast. Yet, our response will be calm, firm and guided by Malaysia's strategic interests. Malaysia will not introduce retaliatory tariffs." Last week, the US imposed a 24 per cent tariff on imports from Malaysia, which is among a slew of countries hit by reciprocal levies by US President Donald Trump's administration. "This very organisation was established by, among others, the US in 1948 through the General Agreement on Tariffs and Trade.

"As an open trading nation, Malaysia deems the unilateral decision on reciprocal tariffs as a threat to the global trade and investment system." Previously, the Investment, Trade and Industry Ministry said it was "actively engaging" with US authorities to seek solutions that would uphold the spirit of free and fair trade. It said the National Geo-economic Command Centre would evaluate the impact of the tariffs and a multi-pronged strategy to mitigate the effects on the economy and industries. The Investment, Trade and Industry Ministry also said it would look to expand export markets by prioritising high-growth regions and leveraging free trade agreements. These agreements, it said, included the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, and the Regional Comprehensive Economic Partnership. It added Malaysia would foster new partnerships in Asean and accelerate the implementation of key reform policies, including the New Industrial Master Plan 2030 and the National Energy Transition Roadmap.

Source: New Straits Times, 7 April 2025

'Recession Unlikely Despite U.S. Tariffs'

Malaysia's Sound Fundamentals will Enable Us to Weather This Challenge, says PM

The government does not foresee a recession in Malaysia due to United States' tariffs on imports from Malaysia and other countries, said Prime Minister Datuk Seri Anwar Ibrahim. "Our economy remains resilient," Anwar said in a televised broadcast yesterday. It was reported that concerns about a global recession were growing, driven by US tariffs and revisions to the gross domestic product (GDP) growth of the US, Europe and China. "Our macroeconomic foundations remain strong, including our robust household spending, strong domestic investment, healthy tourism receipts and the continued implementation of national master plans," Anwar said.

"Our second economic fundamentals, therefore, will enable us to weather this challenge from a position of strength and preparedness." He, however, said should the tariff be implemented, the government would need to review its 2025 GDP projection. Currently, the government expects the economy to grow between 4.5 and 5.5 per cent. In his address, he said the medium- to long term impact of the tariffs on Malaysian imports would be challenging, but the government was ready to mitigate the issue. He added that Malaysia would not resort to retaliatory tariffs. It would instead engage with the US to find a mutually acceptable, fair and equitable solution. In George Town, Penang Chief Minister Chow Kon Yeow said his administration has submitted industry players' feedback on the tariffs to Anwar and the investment, trade and industry minister.

Chow said the companies are concerned about the tariffs as the state is an industrial hub. He added that as it was still early days, there was a need to study the issue and the impact on the country. He said there were those who expressed optimism as the tariffs imposed on Malaysia are lower than those on neighbouring countries, including Vietnam, Thailand and Indonesia. "And because of the lower tariffs, some commentators say that we will actually become a more attractive investment destination. However, these are all just initial views." Last week, the US imposed a 24 per cent tariff on imports from Malaysia, which is among a slew of countries hit by reciprocal levies by President Donald Trump's administration. On Saturday, Anwar said he was engaging with key figures close to Trump about the tariffs.

Source: New Straits Times, 7 April 2025

Us Tariffs Expected to Hit Nation's GDP

'Govt Committed to securing Fair Resolution'

Malaysia is seeking clarification from the United States over the 24% retaliatory tariff announced by Presi-dent Donald Trump, says Tengku Datuk Seri Zafrul Tengku Abdul Aziz. The Investment, Trade and Indus-try Minister said the government denies claims that Malaysia has imposed a 47% tariff on US imports, clarifying that the actual average tariff stands at about 5.6%, based on the simple ave-rage most favoured nation (MFN) applied rate. "We totally disagree with the basis for calculating this tariff and have sought clarification on it from the US ambassador and his team this morning. This inaccurate basis for calculation has resulted in Malaysia being subjected to a retaliatory tariff of 24%," he told a press conference yesterday. Tengku Zafrul said the government was committed to securing a fair resolution that preserves market access, attracts foreign investment and supports the well- being of Malaysian businesses and workers. "Malaysia aims to continue being a reliable trading partner, open to trade and investment while valuing all economic partnerships, including our ties with traditional partners like the Uni-ted States and China. We are an open, trading economy," he said, Bernama reported. He said the US' latest tariff policy is expected to have a direct impact on Malaysia's gross domestic product (GDP), presen-ting challenges to the country's economic growth for this year and possibly for the years to come.

As one of the largest trading partners of the US in Asean, as well as a major destination for foreign investments from the US, Malaysia is likely to feel the impact of these tariffs in the medium to long term, he added. "This impact is expected to be widespread because tariffs are also being imposed on nearly every trade partner and source of investment for Malaysia. If more countries impose reta-liatory tariffs, a global-scale trade war could break out, which would undermine global economic growth," he explained. The minister said the GDP growth forecast for 2025 at 4.5% to 5.5% will be reviewed based on a more comprehensive assessment report on the impact of the US tariffs. "For now, the government expects economic growth

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to continue. Our household spending remains resilient, domestic invest-ments are strong, tourism revenues are solid, and national master plans are being implemented," he said.

Tengku Zafrul pointed out that despite the negative impact, there are some positive direct and indirect effects. "Among them, several Malaysian exports are expected to become more competitive in the global market compared to other countries subjected to higher US tariffs. The tariff rate on Malaysia at 24% is considered more moderate compared to Cambodia (49%), Indonesia (32%), Laos (48%), Myanmar (45%), Thailand (37%), Vietnam (46%), and China (34%)," he added. Tengku Zafrul said analysts believe this makes Malaysia more attractive to importers and US companies seeking inputs or intermediate goods. He did not dismiss the possibility that negative direct impacts await, particularly in terms of reduced demand.

"When this happens, revenues will decrease and employment in the export sector will be affected. When demand decreases, investments and expenditures will also drop. All of these factors will result in a decline in Malaysia's GDP. If many countries face the same situation, global growth will slow down," he said. On investors' reactions to this development, Tengku Zafrul said most domestic and foreign investors believe it is still too early to assess the impact on their operations until the tariffs are implemented on April 9. "Some investors expect supply chain disruptions, especially those involving manufacturing contracts. There are also Malay-sian investors slowing down their business expansion plans and starting to adopt thrifty measures while focusing on market expansion in China, India, and Asean," he said.

Source: The Star, 8 April 2025

Economy Seen to Remain Resilient

The economy is expected to remain resilient despite the escalating tariff tensions, according to Malaysian Rating Corporation (MARC Ratings). Its sensitivity analysis suggests that while the tariff impact may result in moderate adjustments, Malaysia's overall economy will not face a significant downturn. It said Malaysia's net exports to the United States edged up to 4.4 per cent of gross domestic product (GGGDP) in 2024, showing only mild fluctuations since the COvid-19 pandemic. "Given the tariff shock coupled with a decline in regional and global growth, we estimate that Malaysia's 2025 GDP could decrease by up to one per cent per year from our prior baseline growth forecast of five per cent. Furthermore, the adverse effects of the trade war are likely to persist into 2026," it said.

As such, MARC Ratings said the uncertainty factor is significant as forecasts will be affected if tariff retaliation is pursued and prolonged and if separate negotiations between the US and other countries occur in a fragmented manner, leading to complex spillover effects. Nonetheless, it said Malaysia's overall GDP is buffered by its strong, domestically driven economic base, at almost two-thirds of GDP. "The semiconductor sector, which is partially exempted from the tariffs, also plays a key role, accounting for more than a quarter of exports to the US. These mitigating factors suggest that the country's economic base remains well-positioned to weather the storm," it said.

MARC Rating said Malaysia's position in global trade negotiations is bolstered by its leadership role as chair of Asean and participation in regional trade agreements. This includes the Comprehensive and Progressive Agreement for Trans-Pacific Partnership and the Regional Comprehensive Economic Partnership. "Additionally, (US President Donald) Trump's invocation of the International Emergency Economic Powers Act can be challenged under the World Trade Organisation's Most Favoured Nation obligation mandating non-discriminatory tariff levels between countries, among other regulations such as a due process for dispute resolution and substantiation of these broad tariffs as an actual national security concern," it added.

Source: New Straits Times, 11 April 2025

Targets Achievable Despite Likely Slower

Experts: Government Revenue and Spending on Track

While Malaysia's gross domestic product (GDP) growth is expected to slow as it approaches the second half of 2025, it is supported by targeted fiscal policies, prudent fiscal management and economic diversification efforts, say experts. Economist Geoffrey Williams said although the growth forecasts are slower, the economy is still growing and government revenues as well as spending are sound. "The economic growth downgrade is a consequence of the US tariffs and assumes reciprocal tariffs will be introduced in full. The slower growth puts pressure on fiscal consolidation and debt reduction but the government targets are still achievable," he told StarBiz. The International Monetary Fund (IMF) has downgraded its real GDP growth forecast for Malaysia to 4.1% this year, from its January estimate of 4.7%. The IMF also forecast the country's real GDP to expand by 3.8% in 2026.

On global growth, the IMF cut its projections for 2025 to 2.8%, down 0.5 percentage points from the January forecast. The downward GDP revision was in line with a broader reduction in regional projections, reflecting weaker growth prospects amid heightened uncertainty caused by the rapid escalation of trade tensions. Economists opined that the government would likely need to provide additional fiscal and monetary support to bolster growth, although such measures could be implemented in a targeted manner, lending some support to the economy. "In light of the heightened uncertainties, we cannot rule out the possibility that fiscal authority would embark on a more expansionary fiscal stance. I suppose the government will remain vigilant on the downside risks to growth and would stand ready to respond accordingly. Perhaps, more financial assistance will be directed to the exporters who are affected by the US tariff," said Bank Muamalat Malaysia Bhd head of economics, market analysis and social finance Mohd Afzanizam Abdul Rashid.

Last week, Prime Minister Datuk Seri Anwar Ibrahim said the government, together with the central bank and the Treasury Department, would review the IMF's assessment of Malaysia's real GDP and provide feedback during the special parliamentary sitting on May 5. Meanwhile, Bank Negara has indicated that it may need to mark down its growth forecast of 4.5% to 5.5% for the year, although it stated it is "in no rush to revise the forecast" and would monitor the global trade situation. Afzanizam noted that with the possible revision on GDP growth targets for 2025, the government may accelerate its development spending in order to crystalise the multiplier effects. "The disbursement of grants for capacity building such as automation and mechanisation would be accelerated. The intra-Asean trade linkages will be fortified via the existing free trade agreements (FTAs). Micro, small, and medium enterprises are encouraged to seek more information preferential treatment in the existing FTAs in order to penetrate the export markets effectively and cost efficiently," he said.

UCSI University Malaysia finance associate professor and CME research fellow Liew Chee Yoong said the slower global growth projected by the IMF indicates weakening demand and heightened uncertainties. "Malaysia, being a highly open economy, is vulnerable to these trends, especially given the slowdown in China which is its largest trading partner," he said. Despite the headwinds, the country is well-positioned to weather global uncertainties given its strong fundamentals. "Accelerating economic transformation through investments in the digital economy, green energy, and export diversification can boost medium-term growth," Liew said. OCBC senior asean economist Lavanya Venkateswaran concurred that bolstering reforms through national economic plans for the industry and semiconductor sector, and diversifying trade and investment partners will help keep the economy in good stead over the medium-term.

In the meantime, the country's financial system and fiscal position remained resilient in supporting the economy, with little risk of a credit downgrade by rating agencies. Sunway University economics prof Yeah Kim Leng said Malaysia's sovereign credit profile remained intact if not fortified by above expected growth performance and gradual fiscal consolidation since its recovery from the Covid-19 pandemic recession in 2020. "Further bolstering its creditworthiness is the country's strong and well-capitalised banking sector and a healthy financial system with relatively low foreign currency borrowings. Malaysia has already embarked on a gradual fiscal consolidation process where the budgets for the last two years have focused on enhancing revenue sources and rationalising subsidies while reducing leakages and improving spending efficiency," he said.

Source: The Star, 2 May 2025

Cautious Outlook for Manufacturing Sector

Capacity to Hinge on Global Trade Situation

The manufacturing sector is likely to remain on a cautious footing in the near term, as lingering uncertainties over global trade policy and ongoing input cost pressures continue to weigh on production momentum. While the seasonally adjusted S&P Global Malaysia manufacturing purchasing managers' index (PMI) edged up slightly to 48.8 in May from 48.6 in the previous month, the improvement was modest and below the neutral 50-threshold – indicating that overall activity remained in contraction territory. According to TA Research, the sector's outlook has been shaped by a range of factors, including persistent weakness in global demand, particularly from advanced economies. "In the absence of a meaningful recovery in global demand – particularly from advanced economies – Malaysia's industrial output and trade performance may continue to face external headwinds, especially as the temporary lift from front-loaded orders begins to fade," the research house said in its report.

TA Research noted that the manufacturing gross domestic product (GDP) grew by 4.1% in the first quarter of 2025, and second-quarter growth was expected to remain within a similar range. However, the average PMI reading for the January to May period stood at 48.9, slightly below the 49 recorded in the first four months, suggesting continued but modest pressure in the sector. The upcoming June PMI reading was highlighted as a key indicator. "The upcoming June PMI reading will be pivotal, as any notable shift – either upward or downward – could influence the trajectory of official indicators," TA Research explained. Sentiment in the manufacturing sector remained broadly positive in May, with firms expressing expectations of improved demand conditions over the next 12 months. Nonetheless, overall confidence slipped to its lowest level since June 2021. "Expectations of improved demand conditions underpinned projections for output growth over the next 12 months.

"However, overall confidence slipped to its lowest level since June 2021, reflecting heightened uncertainty over US trade policy and ongoing shortages of skilled labour, which continue to weigh on near-term outlook," the research house added. It also pointed to external factors contributing to the sector's subdued outlook. The recent imposition of US tariffs had exacerbated cost pressures, leading to a rise in input price inflation – the highest level in six months in May. Firms frequently attributed this inflationary pressure to adverse exchange rate movements and tariffs, particularly on imported inputs. Despite the input cost surge, manufacturers reported holding output prices steady in May, effectively ending a four-month sequence of price reductions. "Production levels remained subdued in the latest survey period, with the seasonally adjusted output index continuing to register below the neutral 50-threshold," TA Research said, noting that output had now been scaled back consistently for 12 consecutive months.

Employment levels stabilised midway through the second quarter of 2025, effectively ending a seven-month streak of workforce reductions. However, subdued new order inflows allowed firms to continue clearing outstanding workloads, leading to a marginal decline in backlogs. "Manufacturers also highlighted that subdued business conditions were compounded by a steady rise in operating expenses," TA Research said. It maintained that the manufacturing sector would remain cautious in the near term, pending clearer signals from global demand and trade policy developments. The sector's resilience, it suggested, would depend on how effectively firms manage cost pressures and navigate external uncertainties.

Source: The Star, 5 June 2025

Export Growth Hinges on Trade Talks

Implementation of SST Expansion Expected to Soften Domestic Demand, Impacting Domestic-Market Oriented Industries

The possibility of Malaysia's economic growth outlook being weighed down by the overall exports performance is now becoming more apparent with the latest industrial production index (IPI) and manufacturing data released by the Statistics Department. The government forecasts gross domestic product (GDP) growth of 4.5% to 5.5% this year. For the first quarter of financial year 2025 (1Q25), GDP grew 4.4% after expanding 5% in 4Q24. The prevailing sentiment continues to be that overall exports performance would depend on the outcome of the ongoing trade negotiations to lower the now paused reciprocal tariffs portion of the Liberation Day tariffs imposed by the United States while demand for the country's manufactured goods would depend on global economic conditions and shifts in the supply chain.

The April IPI expanded 2.7% compared to the 3.2% growth in the same month a year ago mostly due to the 5.6% rise in the manufacturing index, with the mining and electricity indices contracting 6.3% and 1.6% respectively. Drilling down further, export-oriented industries grew 6.4% after registering a 4.8% increase in March. On a month-on-month basis, the IPI contracted 8%, with export-oriented industries decreasing 10.2%. Socio-Economic Research Centre executive director Lee Heng Guie told StarBiz that the April IPI data presages a weak start to the country's 2Q25 GDP growth and potentially indicates a weakening economy. He expects the front-loading of shipments to the United States under the 90-day reciprocal tariff pause to wane going into May and June. This was reflected in the IPI's April manufacturing index, which rose 5.6% following a 4% gain in March.

The reciprocal tariffs portion of the Liberation Day tariffs comes into effect on July 9 following the announcement of a 90-day pause while the baseline tariff of 10% imposed on all goods imported into the United States remains and have been effective since April 5. Malaysia's reciprocal tariff rate was 24%. "Pending the outcome of tariffs negotiation expected in July, the export-oriented industries are expected to grow moderately in tandem with the anticipated slowing global demand due to the tariffs impact. The implementation of the Sales and Service Tax (SST) expansion is expected to soften domestic demand, and hence impacting domestic-market oriented industries," Lee added. The expanded SST, which would be effective July 1, covers an additional six services categories while there would be higher sales tax rates on selected imported luxury goods.

Meanwhile, the April manufacturing data showed manufacturing sector sales value rising 4.8% in April to RM160.6bil compared to the same month a year ago after growing 3.7% in March. Electrical and electronics (E&E) products saw sales value expand 9.8% after increasing 7.4% in March. Month-on-month, sales value dropped by 2.3% compared to RM164.3bil in March. April sales value growth of the export-oriented industries, which accounted for 70.3% of total sales, rose 5.3% compared to the same month a year ago after increasing 4.6% in March. Sales value growth of computer, electronics and optical products increased 10.6% from the same month a year ago after rising 8% in March.

On a month-on-month basis, export-oriented industries' sales value growth saw a decline of 3.2%. E&E veteran and Malaysia Semiconductor Industry Association president Datuk Seri Wong Siew Hai said the direction of US tariff policy, global economic growth and the ongoing supply-chain shifts would continue to have an impact on the country's manufacturing sector outlook. "We need to see the outcome of the negotiations on the reciprocal tariffs to know better the impact on E&E, the tariff levels and how we can prepare for it. "What we can say for now is that Malaysian companies have benefitted US companies in the half-century that we have worked together and that this relationship should continue," he said. Wong noted that Malaysia has been a beneficiary of the supply-chain shifts related to the US-China trade rivalry in recent years and may continue to benefit as businesses plan for various outcomes, including on policy uncertainty and geopolitical uncertainty. "There are many plus one strategies today, not just China+1 but also Europe+1," he said.

Wong said the E&E growth outlook would also hinge on global economic growth, which the World Bank projected to be 2.3% for the year, or nearly half a percentage point lower than projected at the start of the year on heightened trade tensions and policy uncertainty in its latest Global Economic Prospects report. "Growth for E&E will depend on the sub-sector, we are still seeing demand in artificial intelligence, but this could slow in consumer electronics," he said. MIDF Research expects IPI growth of 2% this year after the 3.7% increase in 2024, with front loading providing a temporary boost to trade activities and support industries vulnerable to external headwinds. "Although there could be short term support following the United States decision to pause from implementation reciprocal tariffs, encouraging progress from the ongoing trade talks will be crucial to reduce the adverse impacts of trade tensions on future demand outlook and production activities," the research house said.

Source: The Star, 12 June 2025

Tengku Zafrul: New Investors Cautious, Existing Ones Maintaining Operations

Foreign companies with investments in Malaysia are maintaining their operations, showing no signs of withdrawal despite global economic headwinds. Investment, Trade and Industry Minister Datuk Seri Tengku Zafrul Abdul Aziz said this reflects the strong confidence foreign investors have in Malaysia's robust and resilient investment ecosystem. However, he said new investors are cautious, adopting a "wait-and-see" stance amid rising geopolitical complexities. "So far, no existing investors have expressed intentions to leave Malaysia," he said during a press conference at the Regional Socialisation of the Asian Economic Community Strategic Plan under the Asean Community Vision 2045

"In our engagement sessions with investors, we found that various factors are being considered before investment decisions are made, particularly the geopolitical tensions between the United States and China." Tengku Zafrul said forecasting future investment flows has become increasingly difficult given the rapidly evolving global landscape. On Wednesday, the Malaysian Investment Development Authority said that approved investments totaled RM89.8 billion in the first quarter of 2025, marking a 3.7 per cent increase compared with the same period last year. Of this, foreign investments accounted for RM60.4 billion, or 67.3 per cent, while domestic investments made up RM29.4 billion, or 32.7 per cent.

Singapore emerged as the top foreign investor, contributing RM28.3 billion, followed by the United States with RM9.9 billion, China with RM7.9 billion, the British Virgin Islands with RM6.6 billion and Taiwan with RM1.7 billion. Tengku Zafrul said the investment figures for the first quarter of 2025 were unexpected and a highly positive development. "Typically, investment performance in the first quarter is somewhat slow, as most investment decisions are made towards the end of the year. But this time, the figures are very encouraging. Nearly 70 per cent of the total investments were foreign direct investment, with the services sector, particularly the digital economy, emerging as the primary contributor."

Source: New Straits Times, 13 June 2025

Malaysia, U.S. Agree to Intensify Trade Talks

Negotiations will Lead to Increased Supply Chain Resilience, says Minister

Malaysia and the United States have agreed to intensify efforts in trade talks towards a mutually acceptable outcome for key stakeholders in the two countries. Investment, Trade and Industry Ministry yesterday said the negotiations in Washington were progressing well, about two weeks before the 90-day pause of the US' unilateral tariff implementation expires. Malaysia faces a 24 per cent tariff on certain exports to the US unless both sides reach an agreement before the 90-day pause ends of July 8.

The ministry said its separate meetings with US Trade Representative Jamieson Greer and US Secretary of Commerce Howard Lutnick had made positive progress. "The Malaysian delegation led by Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz ensured that the meetings with the US trade representative and the US secretary of commerce was also optimised as a platform to enhance bilateral investment and trade ties between Malaysia and the US.

"These will form part of the expected outcome of the negotiations, which the ministry hopes will be finalised before the end of the 90-day pause on tariff implementation," it said. Tengku Zafrul, who lead a working visit to Washington on June 18, said the negotations were expected to boost Malaysia's supply chain resilience. He said the outcomes could benefit domestic small and medium enterprises (SMEs) and generate high-paying jobs for Malaysians. "All these will further strengthen Malaysia's position as a choice investment destination in the region, while driving the Madani economic transformation agenda towards a high-tech and higher-income nation," he added.

Tengku Zafrul said Malaysia's exports to the US recorded their eighth straight month of double-digit growth in May, with the US remaining one of the country's top three export destinations over the past decade. He said a significant portion of these exports supported US domestic industries, particularly in sectors like electrical and electronics, semiconductors, medical devices, machinery, equipment and components. "Malaysia has also been an important source of intermediate goods to US-based manufacturing industries. "The ministry has remained steadfast in doing its utmost to uphold Malaysia's interests in all trade and investment relations with all trading partners, particularly in maintaining the integrity of Malaysia's domestic commitments and its sovereign rights," he said.

Source: New Straits Times, 23 June 2025

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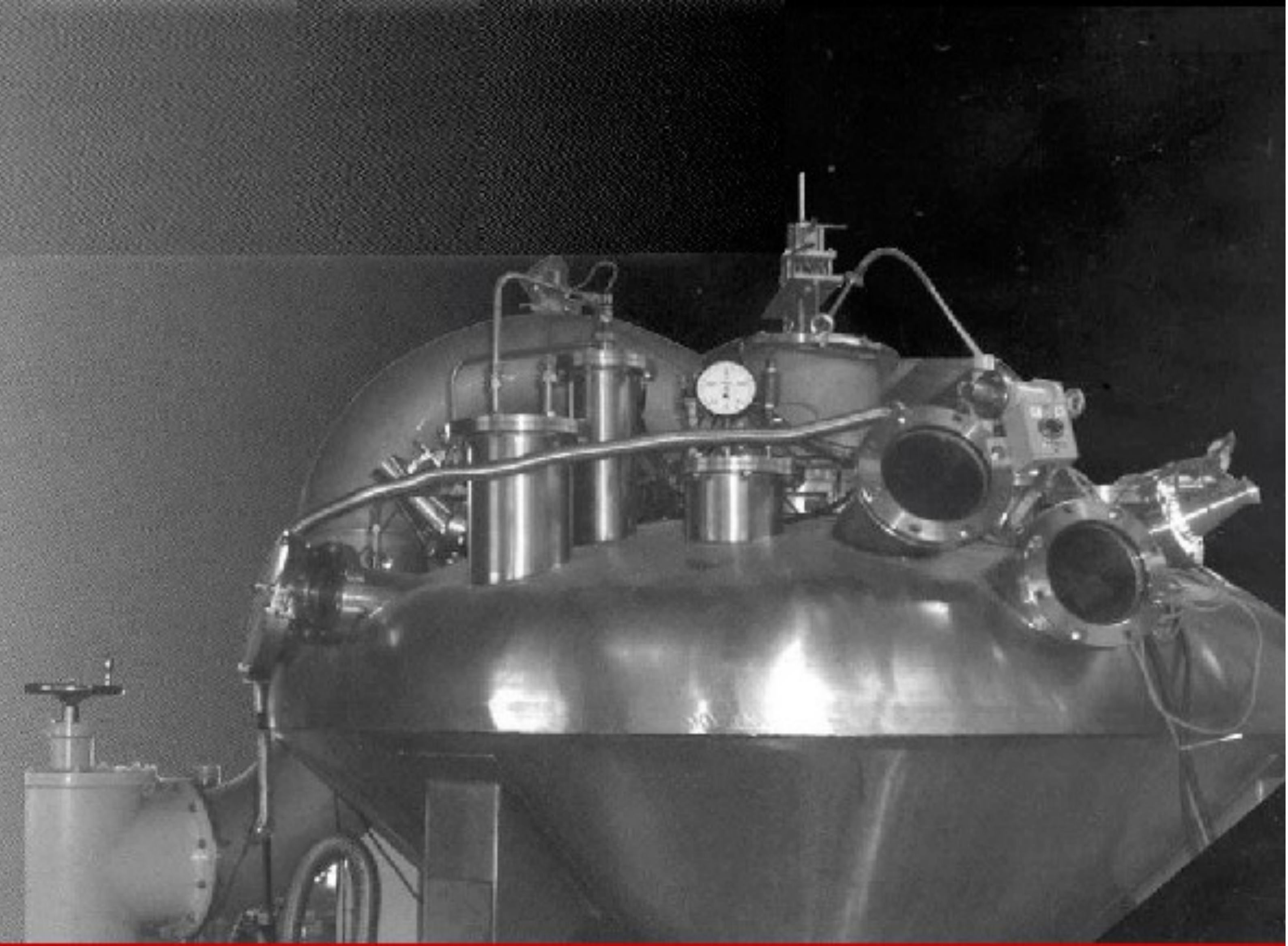

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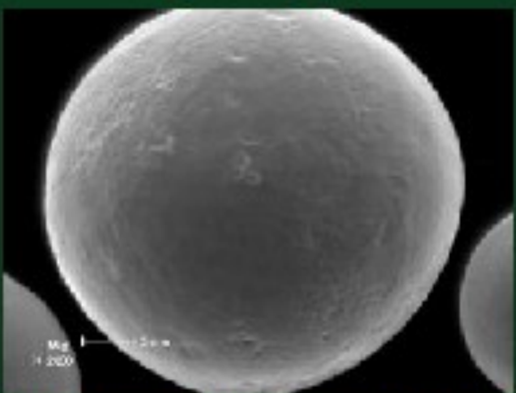

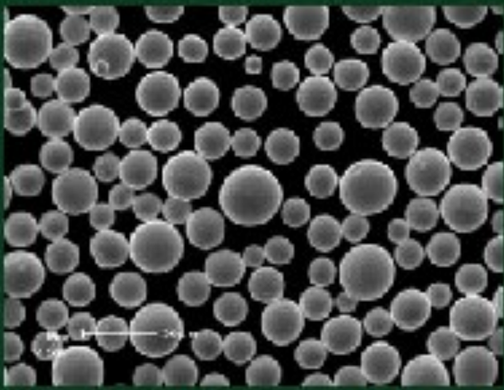

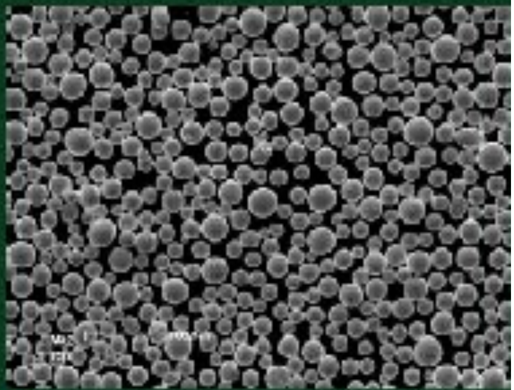

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FDI Net Inflow Rises to RM51.5b

Malaysia recorded a net inflow of foreign direct investment (FDI) totaling RM51.5 billion in the preceding yea, according to the Statistics Department. The department said in a statement total income earned by foreign companies in Malaysia rose to RM99.8 billion compared with RM88.4 billion in 2023. This increase was mainly driven by income from equity and investment fund shares which amounted to RM95.9 billion, and interest income of RM3.9 billion. "As of the end of 2024, the country's cumulative FDI position stood at RM995.5 billion, up from RM924 billion in previous year," it said. The department said the FDI in the form of equity and investment fund shares recorded a net inflow RM28 billion, contributing to an accumulated position of RM832.9 billion. Debt instruments registered a net inflow of RM23.5 billion with the position valued at RM162.6 billion.

By sectors, it said the services sector contributed the highest FDI inflow at RM39.4 billion, with a total position of RM524.8 billion. This was followed by the manufacturing sector, which generated the highest FDI income valued at RM54.6 billion, followed by services sector.

In 2024, the largest FDI inflows geographically originated from the Asian region, totaling RM50.3 billion, with Singapore and Hong Kong as the primary sources. Investors from this region also recorded the highest income, amounting to RM46.5 billion.

Source: New Straits Times, 26 June 2025

Malaysia Leads Asia-Pacific in Data Centre Growth

Malaysia is set to become the fastest data centre consolidation market in the Asia-Pacific region by 2030, and surging digital demand, according to the Cushman & Wakefield's Asia-Pacific Data Centre Investment Landscape report. The firm attributed Malaysia's rapid rise to land availability, improving power and connectivity infrastructure and consistent support for digital economy initiatives. These factors have made Malaysia a preferred destination for international data centre players and hyperscalers seeking scalable, cost-efficient hubs in Southeast Asia. The data centre consolidation market involves reducing the number of physical data centres or IT assets by combining, centralising, or migrating them to more efficient environments. The report highlighted a significant milestone in Malaysia's infrastructure readiness: its population-per-megawatt (MW) ratio, a key benchmark of data centre capacity, is expected to decline sharply from over 60,000 people per MW currently to around 14,000 by 2030.

This 80 per cent improvement is the steepest among all regional markets, signalling Malaysia's aggressive efforts to build out capacity in line with the growing demand from AI, cloud computing, e-commerce and digital transformation. Once viewed as a secondary option to Singapore, Malaysia has now carved out its own identity as a regional data centre powerhouse. Kuala Lumpur is becoming key node for domestic demand, while Johor, thanks to its strategic location near Singapore, is being positioned as a prime base for hyperscale and AI-focused infrastructure developments. Other markets expected to follow in consolidation pace include Thailand and Japan.

According to Pritesh Swamy, head of insights and analysis for Asia-Pacific data centres at Cushman & Wakefield, most markets in the region are still significantly underserved, averaging over 350,000 people per MW, far higher than the US benchmark of around 30,000. The report highlighted a range of factors driving investment appeal, including strong demand fundamentals, resilient yields, inflation-hedging qualities, competitive cap rates and growing recognition of data centres as essential infrastructure. Data centres are increasingly viewed as one of the most increasingly viewed as one of the most attractive asset classes, with growth expected to continue strongly over the next three to five years.

Source: New Straits Times, 30 June 2025

NEWS ON SEMICONDUCTOR INDUSTRY

Muted European Outlook a Challenge for Chips Firms

The challenging European semiconductor market outlook may represent some downside risk for local semiconductor companies, MIDF Research says. The research report said in terms of revenue exposure, D&O Green Technology Bhd could be affected more as compared to its peers as about 27% of the revenue is generated from Europe. "This is followed by Unisem (M) Bhd at around 14%. Meanwhile, we see minimal direct impact on Inari Amertron Bhd as a majority of the revenue is derived from Malaysia, Singapore and China. Outside our coverage, we note that Malaysian Pacific Industries Bhd's revenue could be impacted as around 24% of its revenue comes from Europe," the research house said in a report yesterday. MIDF Research said Europe is one of the regions affected by the trade war between the United States and China, which has spread to other regions.

The European semiconductor market is expected to grow at a slower pace of 3.3% year-on-year (y-o-y), based on the World Semiconductor Trade Statistics (WSTS) forecast, as compared with its peers which are expected to grow at a faster pace of between 9% and 15% on a y-o-y basis. "Premised on this, European semiconductor firms are calling for Chips Act 2.0 to improve their competitiveness. Meanwhile, the European Union (EU) is expected to take an aggressive stance against the United States should the Trump administration place tariffs on Europe. We view this would not bode well for Europe as well as the broader semiconductor market," the research house said. MIDF Research said the call for Chips Act 2.0 is to complement the existing European Chips Act with measures that support of the industry across the entire supply chain. Chips Act 2.0 is aimed at additional research and development funds and measures to attract new investment and increase European competitiveness.

"In 2023, the EU finalised a €43bil bid to bolster the domestic semiconductor production. This is aimed at doubling the EU's market share in semiconductor development, manufacturing and material supply chain from 10% to 20% by the end of the decade," the research house said. For context, WSTS, in its latest forecast, is anticipating the European semiconductor market for 2025 to grow at a slower pace of 3.3% y-o-y to US$53.8mil. Comparatively, its peers, that are the Americas, Japan and Asia Pacific, are expected to grow at a faster pace of 15.4%, 9.4% and 10.4% y-o-y, respectively. MIDF Research said on the European end, higher tariffs in the United States would inadvertently increase the selling price of products in the latter. The research house added that should the tariffs be insignificant, manufacturers could look into further improving supply chain inefficiencies.

"However, if the rate is considerable, there may be a need to do a reform on the supply chain network. This usually involves relocation of production locations from one country to another to avoid the new duties. Such relocation might create further uncertainties," the research house said. MIDF Research said the EU had a "strong plan" to retaliate against tariffs imposed by US President Donald Trump, though it would prefer to negotiate. "Such retaliation is necessary to protect national interest. Note that next sectors facing tariffs would include semiconductors, pharmaceuticals and timber," the research house said. MIDF Research maintained a "neutral" rating on the technology sector overall. Yesterday, Trump announced a 10% baseline tariff on all imports to the country effective April 5. In addition to the baseline tariff, higher reciprocal tariffs ranging from 20% to 49% was also applied to specific countries based on their trade barriers and practices, and will come into effect on April 9.

Source: The Star, 4 April 2025

US Policy Reversal to Benefit Global AI Chipmakers

US president Donald Trump's decision to rescind and revise the Biden-era artificial intelligence (AI) chip export curbs signals a positive shift in global semiconductor market. The move is expected to lift sentiment for global AI chipmakers such as Nvidia Corp and Advanced Micro Devices Inc. Kenanga Research viewed this as a near term catalyst for Nationgate Holdings Bhd, which has seen its share price decline by 43% since the AI diffusion rule was announced in January. "Although the policy reversal has yet to be finalised, the news flow is expected to buoy sentiment across the global semiconductor space, particularly among AI chipmakers. Should the curbs be relaxed or revised, Nationgate stands to benefit from improved visibility and demand recovery in AI-related module assembly. In addition, we also do not rule out the possibility of government-to-government agreements under the upcoming revised AI diffusion rules," the research house said in a report yesterday.

According to *Reuters*, the Trump administration is planning to rescind and revise the Biden-era export restrictions on advanced AI chips, as confirmed by a US Department of Commerce spokesperson on Wednesday. The existing rules, aimed at curbing China's access to high-end AI computing power, divided the world into strategic tiers to preserve technological advantages for the United States and its allies. "In a related development, Reuters also reported that Trump is expected to announce a decision to ease AI chip export restrictions to select Gulf nations during his visit to the Middle East from May 13 to 16. Notably, the United Arab Emirates, currently under Tier 2 of the US AI diffusion framework, faces limits on its imports of advanced processors," it said.

Kenanga Research maintained a "neutral" outlook for the technology sector with Kelington Group Bhd as its sector's sole top pick, given the company is supported by robust earnings visibility and driven by its strong order and tender books. The research house said while it maintains several "outperform" calls under its coverage, near-term uncertainties stemming from Trump's tariff threats and supply chain disruption had kept these stocks within a volatile trading range. "As such, we recommend aggressive investors to adopt a more trading-oriented approach amid the prevailing uncertainties," it added.

Source: The Star, 9 May 2025

Global Chip Sales Growth Momentum to Sustain

The positive momentum of global semiconductor sales, which posted another healthy growth in March, will continue to see strong demand from artificial intelligence, 5G and electric vehicles. On another front, the plan by the administration of US president Donald Trump to rescind and revise a Biden-era rule that restricts the export of advanced AI chips is positive, said TA Research. "We view this development positively, as it could provide Malaysia with greater access to advanced technologies. This is particularly in key industries such as data centres. In addition, the potential relaxation of export controls may attract more foreign investment and partnerships, further strengthening Malaysia's position in the global semiconductor supply chain," TA Research said in a report yesterday.

According to the research firm, the ongoing trade tensions between the United States and China could create greater trade diversion opportunities for Malaysia under the China Plus One strategy. Meanwhile, the government recently announced the eligibility criteria for local companies seeking to participate in the advanced chip design framework under Malaysia's collaboration with UK-based Arm Holdings plc. "We view this latest development positively. This is because it brings us one step closer to helping local companies move up the value chain in the global semiconductor industry."

In March, global semiconductor sales reached US$55.9bil, marking the 17th consecutive month of year-on-year (y-o-y) sales recovery. TA Research added the y-o-y improvement was driven by all regions except Europe. The Americas led the growth, followed by the Asia-Pacific region, China and Japan. According to the Semiconductor Industry Association, the global semiconductor materials market revenue increased by 3.8% y-o-y to US$67.5bil in 2024. The growth was mainly driven by higher demand for advanced materials used in high-performance computing and high-bandwidth memory manufacturing. TA Research reiterated its "overweight" stance on the semiconductor sector.

It has kept its "buy" calls on Inari Amertron Bhd, Unisem (M) Bhd, Malaysian Pacific Industries Bhd and Elsoft Research Bhd.

Source: The Star, 14 May 2025

Semiconductor Industry Experts BrainStorm on Sanctions Compliance

Sanctions compliance has emerged as one of the top three operational challenges for semiconductor companies, according to the majority of participants at an industry engagement. The recent event titled "Strengthening Sanctions Compliance in the Global Semiconductor Sector" was jointly organised by Malaysia Semiconductor Industry Association (MSIA) and Deloitte. It brought together industry leaders and trade compliance experts in Penang to explore the increasing complexity of international sanctions regimes and their implications for the Malaysian semiconductor sector. The symposium provided a timely platform for stakeholders to exchange insights on the practical realities of sanctions compliance. Participants highlighted key concerns around export controls, dual-use technologies, supply chain transparency, and end-use or end-user monitoring. Key industry representatives and trade compliance specialists discussed how the Malaysian semiconductor sector could better navigate the increasingly complex environment shaped by international sanctions regimes.

Industry leaders shared first-hand insights on operational realities, barriers to legitimate trade and the need for enhanced collaboration between industry and government to ensure compliance frameworks were effective, clear and actionable. The insights gathered will contribute to the development of practical guidance to improve industry understanding, enhance supply chain resilience and support global trade. Deloitte partner and forensic head Jules Colborne-Baber said sanctions compliance had become an operational imperative for the semiconductor sector globally. "Today's dialogue in Penang demonstrates the industry's commitment to managing compliance risks proactively while continuing to drive innovation and competitiveness. Deloitte is proud to support this important conversation, helping to ensure that compliance frameworks are both effective and workable across global supply chains."

Malaysia Semiconductor Industry Association president Datuk Seri Wong Siew Hai said Malaysia's semiconductor industry must be both competitive and compliant to thrive globally. "As trade rules evolve, so must our readiness. This collaboration with Deloitte strengthens our industry's ability to meet global standards and reinforces Malaysia's position as a trusted, forward-looking technology hub," he said.

Source: The Star, 28 May 2025

Semiconductor Sector Holds its Breath

There are growing uncertainties surrounding the future of companies globally, including that of local industries, as the pause in tariffs on US-bound exports approaches its end. The local semiconductor and electronics sector is one of those grappling with the lack of clarity. The latest US tariffs exempt semiconductors, but that may not last forever. Furthermore, most electronic components and parts are not exempt. Semiconductors and electronics account for 60% of Malaysia's exports to the United States, making them the country's largest and most significant exporters. Last year alone, Malaysia's electrical and electronics (E&E) exports amounted to RM601bil, of which RM388bil was from semiconductors. Industry sources note that circa 40% of Malaysia's E&E exports to the United States could be subjected to a 10% tariff, after the pause expires next month. Authorities see a 10% tariff as a "best-case" scenario but industry players reckon the loyal boys within the E&E supply chain will still find it tough to absorb.

"Even a 10% tariff will be bad for the entire supply chin. Of course, we'll wait and see what the final outcome is," one industry player remarks. The United States has imposed an overall 24% tariff on goods exported from Malaysia as part of its global reciprocal tariff strategy. Industry observers believe that the tariffs have already had many implications and will continue to grow. An industry source says a group of multinational companies (MNCs) in Malaysia is already considering relocating to countries like Mexico, which has a free trade agreement with the United State known as the United States-Mexico-Canada Agreement. However, he points out that much thought has to be given to whether or not shifting entire operations is feasible as this will be time-consuming and costly. In other words, will the shift be worth it?

Fresh Opportunities

The source also says there have been inquiries from MNCs in countries that have been slapped with higher tariffs and are now considering relocating to Malaysia. Local government agencies are working to attract these MNCs but face competition from several neighbouring countries which are offering more compelling tax incentives. Still, Malaysia does have a "solid" semiconductor ecosystem, which is what a lot of these MNCs are looking for, he says. "There are

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fresh opportunities for Malaysia in all off this as well, not everything is negative," the source adds. SEMI South-East Asia president Linda Tan reckons a "significant" change is in order if a 24% tariff is implemented. "While we do not speculate on specific tariff outcomes, any reinstatement of tariff would likely be influenced by ongoing trade discussions and geopolitical developments," she says. A 24% tariff reinstatement would be a significant change and may impact Malaysian semiconductor exports," she tells *StarBiz 7.*

Additionally, it will be extremely challenging for companies with significant exposure to affected export markets. "However, Malaysian semiconductor firms are known for their agility and operational strength. Many are likely to respond by enhancing productivity to offset cost pressures and sustain market share. In the long run, companies many accelerate investments in innovation to move up the value chain," Tan says. She says it would be preferable to have a tariff environment that ensures continued global competitiveness - ideally through an extension of the current pause of through reduced rates. "Strategic collaboration between governments and industry stakeholders remains key to shaping favourable trade conditions, enabling continued investment, innovation and resilience in the sector," Tan says.

She notes that SEMI remains committed to supporting the region's semiconductor industry amid global uncertainties. "We will continue to work with our members and partners to foster policies that sustain growth, encourage innovation, and reinforce South-East Asia's role in the global semiconductor value chain."

Source: The Star, 14 June 2025

NEWS ON ELECTRICAL AND ELECTRONICS INDUSTRY

Full Relocation of EMS Factories to the US Unlikely

As the tariff war takes shape, a full-scale relocation of electronic manufacturing services (EMS) factories from Malaysia to the United States remains unlikely, according to analysts. High costs, capacity constraints and the expected continuation of outsourcing activities are seen as the key factors preventing a full-scale relocation. However, Apex Securities stated that the tariff war could result in a realignment of orders. This is particularly for low-complexity consumer devices. Meanwhile, Maybank Investment Bank Research (Maybank IB) expects shipment delays to affect EMS players due to ongoing US negotiations and subdued consumer electronics demand.

In the near term, the research house believes customers are expected to absorb tariff costs under existing agreements. With a positive outlook for the EMS sector, Maybank IB said the ongoing tariff war may still put Malaysia in a favourable position compared to other Asean countries. This is given the lower tariff rates imposed on Malaysia for the time being. "We may still be able to drive foreign direct investment inflow into the region but we do foresee delays." Maybank IB advocates that investors position themselves into companies with diversified operations or products and services that have strong customer retention. "However, valuations now appear more attractive, in our view," it said in a note. Based on its sensitivity analysis, Maybank IB said for every 10% decline in revenue, valuations could contract by up to 10% to 30%, depending on margin structures.

Source: The Star, 11 April 2025

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E&E Growth Spurs Call for Stronger R&D

Malaysia has enjoyed strong investment growth in the electrical and electronics (E&E) sector over the past four years, but more needs to be done to strengthen its research and development (R&D) capabilities – particularly in product innovation – to move up the value chain. Malaysia Semiconductor Industry Association (MSIA) executive director Andrew Chan Yik Hong said Malaysia continues to be the preferred investment destination for the E&E sector. "The proof is in the pudding. Approved investments for the E&E sector in Malaysia from 2021 to 2024 total RM319bil. This is more than the investments secured in the past 41 years, from 1980 to 2020, of RM289bil," he said during a panel discussion titled "From Production Hub to Innovation Powerhouse: Strengthening Malaysia's E&E Industry" at Bank Negara's Sasana Symposium 2025 yesterday.

STMicroelectronics Malaysia group vice-president and general manager Tan Chun Sheng described R&D as the "crown jewel" of the semiconductor business and stressed the need for a change in the types of incentives offered, moving away from merely tax incentives. He believes the government should redirect support toward firms' R&D efforts in the form of grants and wage supplements. "We are very good at manufacturing-related R&D. However, let us move up the value chain in terms of R&D, because that is what makes the country an attractive and vital part of the supply chain," he said.
Tan suggested the government consider taxing multinational corporations and ploughing back the revenue into R&D grants and incentives. "We have always talked about the need for higher wages in the industry...All the government needs to do is declare that anyone involved in science, technology, engineering, and mathematics or R&D will receive wage supplements. Instantly, the wages will go up. "But where will the money come from for this? Taxation," he added. Citing South Korea, Kolon Industries senior technology adviser Sung Han said the government there offers significant tax incentives to firms across various industrial sectors based on their R&D investments. "I think this is critically important because it incentivises talent development and drives the innovation that must happen within the R&D space, rather than just on the manufacturing floor," he said.

He also highlighted the strong public-private partnerships in Korea, where much of the R&D is government-funded, creating an environment that continuously fuels innovation across industries like semiconductors and automotive. "What South Korean companies like Samsung Electronics Co Ltd and SK Hynix Inc have done to move up the value chain is not just developing semiconductor-related materials needed for production – because companies can't decouple material characteristics from IC (integrated circuit) design – but they have also built up local suppliers for materials and production tools. Today, for a few critical tools in leading-edge nodes, local Korean companies can supply many of those tools and materials. This creates the infrastructure necessary for the sector to become independent in developing and conducting its own R&D on new next-generation products.

"I think this is what Malaysia may be missing today," Sung Han added.

That said, Tan opined that Malaysia's semiconductor sector does not necessarily have to rely solely on financial incentives such as subsidies or grants from the government to attract investment. In fact, the country already holds several key advantages, chief among them being experience. "The most important advantage that we have as a country is experience, given that the semiconductor industry has been here for more than 50 years." He said the second advantage that Malaysia has is talent. "Our engineers are very talented, with strong technical skills." When asked why Malaysia has not been successful in attracting leading foundry companies, MSIA's Chan said much of the recent investment surge occurred before the National Semiconductor Strategy (NSS) was introduced. "I believe that the Malaysian Investment Development Authority had received enquiries on this back then, but somehow the equation did not stack up. However, I am optimistic that if we continue to double down on the NSS – the upcycle for semiconductor fabrication plants (fabs) is not now, it is in a couple of years – we will see more fabs, hopefully, in Malaysia," he said.

Source: The Star, 19 June 2025

E&E Sector Remains Intact Despite War in Middle East

Despite the ongoing conflict between Israel and Iran, Malaysia's electrical and electronic (E&E) manufacturing exports remain intact – for now. Federation of Malaysian Manu-facturers (FMM) Penang chapter chairman Datuk Seri Lee Tiong Li said so far, the chapter has not received any complaints from its members. "It has not really affected the exports of our E&E products. But if the war prolongs, the situation may change, " he said. Lee said for E&E, most of multinational companies in Penang and Malaysia manufacture the products locally and export them to the United States, China and European countries, but not so much to the region where the ongoing conflict is taking place. He said another reason why the exports were not affected was because Malaysia did not have any trade relationship with Israel and most of the West Asian countries.

Lee, however, warned that if the war escalated with involvement of the other major countries, it would become a serious issue and have a big impact on the sector. "A prolonged war will change the way we do business, especially in term of diverting the route of the exports away from conflict zone, which eventually will increase the cost," he said. Meanwhile, Small and Medium Enterprises Association of Malay-sia (Samenta) president Datuk William Ng raised concerns the impact of the war would have on commodities including oil and gas. "This will have a dampening effect on both domestic and exports in general," he said. Ng said exports of local SME products to West Asia was growing, and this war could dampen that growth. "Malaysia's trades are mostly in consumer staples, such as foodstuff and food ingredients, palm oil and derivatives. They are generally quite resilient."

Penang Importers & Exporters Association honorary secretary Chris Tan said the overall shipping environment has become more cautious, with signs of increa-sing freight costs and insurance premiums globally due to the conflict. "Direct impact remains limited for now, as Malaysia, including Penang, does not have substantial trade with either Israel or Iran. The current impact is mode-rate and manageable, but business cost is expected to rise due to longer shipping routes and higher marine insurance," he said.

Source: The Star, 26 June 2025

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
2021	3,013	322	16,634	1,156	16,441
2022	3,520	18,043	19,442	1,152	19,299
2023	3,780	19,598	20,797	1,161	20,834
2024*	5,460	9,099	16,373	2,420	16,526
2023					
Jan.	327	1,482	1,780	94	1,388
Feb.	301	1,715	1,561	118	2,015
Mar.	316	1,920	2,054	113	2,138
Apr.	297	1,374	1,513	89	1,651
May	315	1,617	1,848	103	1,730
Jun.	304	1,416	1,453	87	1,724
Jul.	316	2,096	1,912	75	1,557
Aug.	309	1,485	1,664	57	1,778
Sep.	290	1,854	1,591	73	1,535
Oct	355	1,631	2,076	132	2,062
Nov.	312	1,879	2,013	109	1,823
Dec.	326	1,129	1,332	110	1,433
2024*					
Jan.	433	922	1,273	137	1,612
Feb.	415	609	1,389	169	1,418
Mar.	501	688	2,852	116	1,543
Apr.	479	706	1,351	210	1,112
May	519	903	1,171	154	1,500
Jun.	507	888	1,203	201	1,032
Jul.	577	711	1,520	164	1,465
Aug.	495	822	1,576	223	1,763
Sep.	381	1,020	1,387	280	1,337
Oct	401	517	369	289	1,318
Nov.	377	763	1,298	215	1,183
Dec.	375	550	984	260	1,243
2025*					
Jan.	368	502	1,225	228	1,017
Feb.	355	627	902	251	1,181
Mar.	n.y.a	573	1,345	187	1,191
Apr.	n.y.a	796	580	707	792
May	n.y.a	551	1,040	453	1,053
Jun.	n.y.a	941	1,148	294	1,187

Sources : Department of Mineral and Geoscience Malaysia
Malaysia Smelting Corporation Bhd.

* : Preliminary

n.y.a : not yet available

MALAYSIA'S DOMESTIC TIN CONSUMPTION

(In Tonnes)

PERIOD	TOTAL	SOLDER *	TINPLATE	PEWTER	OTHERS *
2020	1,512	738	626	8	140
2021	1,156	395	710	6	45
2022	1,152	400	639	9	104
2023	1,161	555	485	5	116
2024	2,420	698	492	4	1,226
2023					
Jan.	94	60	31	0	3
Feb.	118	68	40	1.5	8
Mar.	113	79	29	0.1	5
Apr.	89	41	39	1.0	8
May.	103	50	38	1.1	14
Jun.	87	55	30	0.1	2
Jul.	75	20	48	0.1	7
Aug.	57	20	27	0.1	10
Sep.	73	27	42	0.2	4
Oct.	132	55	56	0.1	21
Nov.	109	40	52	0.1	17
Dec.	110	40	53	0.1	17
2024					
Jan.	137	61	49	0.2	27
Feb.	169	79	42	0.2	48
Mar.	116	59	35	0.1	22
Apr.	210	74	41	0.1	95
May.	154	50	34	2.3	68
Jun.	201	50	26	0.1	125
Jul.	164	44	44	0.2	76
Aug.	223	24	40	0.3	159
Sep.	280	89	37	0.3	154
Oct.	289	57	43	0.3	189
Nov.	215	45	54	0.1	116
Dec.	260	66	47	0.1	147
2025					
Jan.	228	40	49	0.0	139
Feb.	251	50	42	0.3	159
Mar.	187	45	55	0.1	87
Apr.	707	48	62	0.1	597
May.	453	40	72	0.1	341
Jun.	294	55	53	0.1	186

Sources : Malaysia Smelting Corporation Bhd
Perstima Bhd

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

Note : Domestic 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 which are actual tin consumption data.

LME CASH TIN PRICE AND STOCK

Period		Cash (US$/Tonne)	Stock (Tonnes)
2019		18,671	7,130
2020		17,134	1,890
2021		32,584	2,045
2022		31,384	2,880
2023		25,973	7,685
2024		30,172	4,800
2023	Jan.	28,081	3,015
	Feb.	27,070	2,950
	Mar.	24,014	2,345
	Apr.	25,886	1,525
	May	25,610	1,895
	Jun.	27,263	3,490
	Jul.	28,751	5,275
	Aug.	25,995	6,370
	Sep.	25,559	7,350
	Oct.	24,618	7,355
	Nov.	24,221	8,110
	Dec.	24,606	7,685
2024	Jan.	25,211	6,605
	Feb.	26,157	5,910
	Mar.	27,446	4,570
	Apr.	31,845	4,805
	May.	33,153	4,995
	Jun.	32,229	4,770
	Jul.	32,004	4,600
	Aug.	31,512	4,630
	Sep.	31,644	4,660
	Oct.	32,217	4,670
	Nov.	29,768	4,815
	Dec.	28,878	4,800
2025	Jan.	29,618	4,295
	Feb.	31,876	3,725
	Mar.	34,026	3,050
	Apr.	32,691	2,755
	May.	32,144	2,680
	Jun.	32,475	2,175

Sources : London Metal Exchange
www.westmetall.com

LME LEAD, COPPER AND SILVER PRICES & STOCKS

LEAD

Period	Cash Settle- (US$ / Tonne)	Stocks Period End (Tonnes)
2019	1,899	66,200
2020	2,019	133,175
2021	2,305	54,375
2022	2,212	24,283
2023	2,036	130,743
2023		
Jan	2,208	22,052
Feb	2,099	23,170
Mar	2,115	25,477
Apr	2,149	29,454
May	2,088	33,301
Jun	2,118	38,527
Jul.	2,107	47,957
Aug.	2,152	55,826
Sep.	2,253	63,544
Oct.	2,136	101,134
Nov.	2,185	135,017
Dec.	2,036	130,743
2024		
Jan	2,088	118,223
Feb	2,084	160,155
Mar	2,057	217,749
Apr	2,130	271,623
May	2,221	222,531
Jun	2,148	204,520
Jul.	2,114	224,834
Aug.	2,002	202,063
Sep.	2,007	189,092
Oct.	2,036	194,501
Nov.	1,988	226,962
Dec.	1,994	260,104
2025		
Jan	1,922	229,352
Feb	1,955	220,928
Mar	2,034	217,937
Apr	1,909	256,403
May	1,958	266,606
Jun	1,973	278,199

COPPER

Period	Cash Settle- (US$ / Tonne)	Stocks Period End (Tonnes)
2019	6,062	144,675
2020	7,755.24	105,800
2021	9,550	88,725
2022	8,367	84,804
2023	8,394	174,247
2023		
Jan	9,000	81,888
Feb	8,955	65,944
Mar	8,836	71,398
Apr	8,814	58,283
May	8,234	83,939
Jun	8,386	87,876
Jul.	8,445	61,300
Aug.	8,352	88,376
Sep.	8,271	143,368
Oct.	7,940	179,488
Nov.	8,174	178,472
Dec.	8,394	174,247
2024		
Jan	8,344	157,193
Feb	8,311	131,904
Mar	8,676	112,513
Apr	9,482	119,761
May	10,129	109,394
Jun	9,642	144,969
Jul.	9,394	214,539
Aug.	8,964	298,340
Sep.	9,255	309,726
Oct.	9,539	287,728
Nov.	9,075	271,785
Dec.	8,920	270,928
2025		
Jan	8,978	261,651
Feb	9,329	256,653
Mar	9,731	235,107
Apr	9,192	209,021
May	9,530	178,225
Jun	9,834	113,399

SILVER

Period	London Spot (US Cents / Troy Oz)
2019	1,711
2020	2,488.74
2021	2,247
2022	2,318
2023	2,421
2023	
Jan	2,375
Feb	2,201
Mar	2,192
Apr	3,757
May	2,419
Jun	2,341
Jul.	2,404
Aug.	2,344
Sep.	2,324
Oct.	2,232
Nov.	2,339
Dec.	2,421
2024	
Jan	2,295
Feb	2,269
Mar	2,445
Apr	2,758
May	2,907
Jun	2,959
Jul.	2,975
Aug.	2,852
Sep.	3,001
Oct.	3,242
Nov.	3,118
Dec.	3,060
2025	
Jan	3,037
Feb	3,219
Mar	3,319
Apr	3,227
May	3,271
Jun	3,593

Source : London Metal Exchange

ASSOCIATION MEMBERS

Currently, membership of the Association comprises one associate and 11 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

Nihon Superior (M) Sdn Bhd
Premium Metal Sdn Bhd
RedRing Solder (M) Sdn Bhd
Rian Resources Sdn Bhd
Selayang Metal Industries Sdn Bhd
Selayang Solder Sdn Bhd

PEWTER

Oriental Pewter Sdn Bhd
Royal Selangor International Sdn Bhd
Selwin Pewter Sdn Bhd
Tumasek Pewter Sdn Bhd

ASSOCIATE MEMBERS:

Malaysia Smelting Corporation Bhd


MALAYSIAN TIN PRODUCTS
MANUFACTURERS' ASSOCIATION
1st
MAY
Happy
LABOUR DAY


Celebrating Life's
Special Moments
ROYAL
SELANGOR

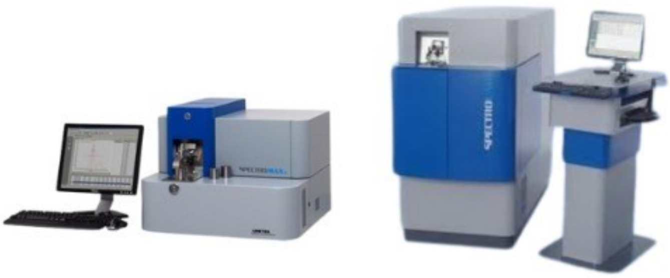
PREMIUM METAL SDN. BHD.

TIN ALLOY INGOT AVAILABLE :

- Tin / Lead Ingot
- Tin / Copper Ingot
- Tin / Copper / Silver Ingot
- Tin / Silver Ingot

OUR SERVICES:

- *Collection of tin scrap and secondary waste*
- *In-house facilities for elemental analysis and quality control*
- *Recycling and refining of tin waste into reusable tin alloy ingots*
- *Refining processes to remove impurities and enhance quality*
- *Re-melting of materials into solid metal form*



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