

SEMICON SOUTHEAST ASIA 2019

# MALAYSIA'S APRIL TRADE FIGURES TO IMPROVE

US-China tensions will not affect country's short-term trade volumes, says Ong

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**M**ALAYSIA is confident that United States-China trade tension will not affect the country's short-term trade volumes.

This is after US President Donald Trump's latest threat to raise tariffs on US\$200 billion (RM830 billion) of Chinese goods shocked financial markets and fuelled worries that current trade talks may be derailed.

"I don't think the US-China trade tension will affect our trade

in the short term," said Deputy International Trade and Industry Minister Dr Ong Kian Ming, adding that Malaysia's trade figures last month were likely to improve.

"We will wait and see what the actual policies are," he said at the SemiCon Southeast Asia 2019 launch, here, yesterday.

He said Malaysia's trade volume in March dropped 0.3 per cent to RM153.73 billion year-on-year (y-o-y), smaller than the 7.2 per cent decline to RM122.15 billion in February.

"Nothing has been confirmed yet but the market has already reacted to Trump's statement on

US plans to raise tariffs against China's goods," said Ong.

"There will be a short-term impact on the markets but once a positive resolution is found, they will be stabilised.

"From a policy perspective, we hope that there can be a positive resolution so that the US-China trade war can be avoided."

Ong said Malaysia was highly dependent on US and China in terms of trade and any negative outcomes from the trade talks between both countries would not be positive to Malaysia's trade in the long-term.

"We will continue to work hard through agency such as

Malaysian Investment Development Authority (MIDA) and InvestKL Corp and Malaysia Digital Economy Corp (MDEC) to attract high-tech companies to Malaysia," he said.

He also said there were more opportunities for Malaysia to attract foreign direct investments in the electrical and electronic (E&E) sector.

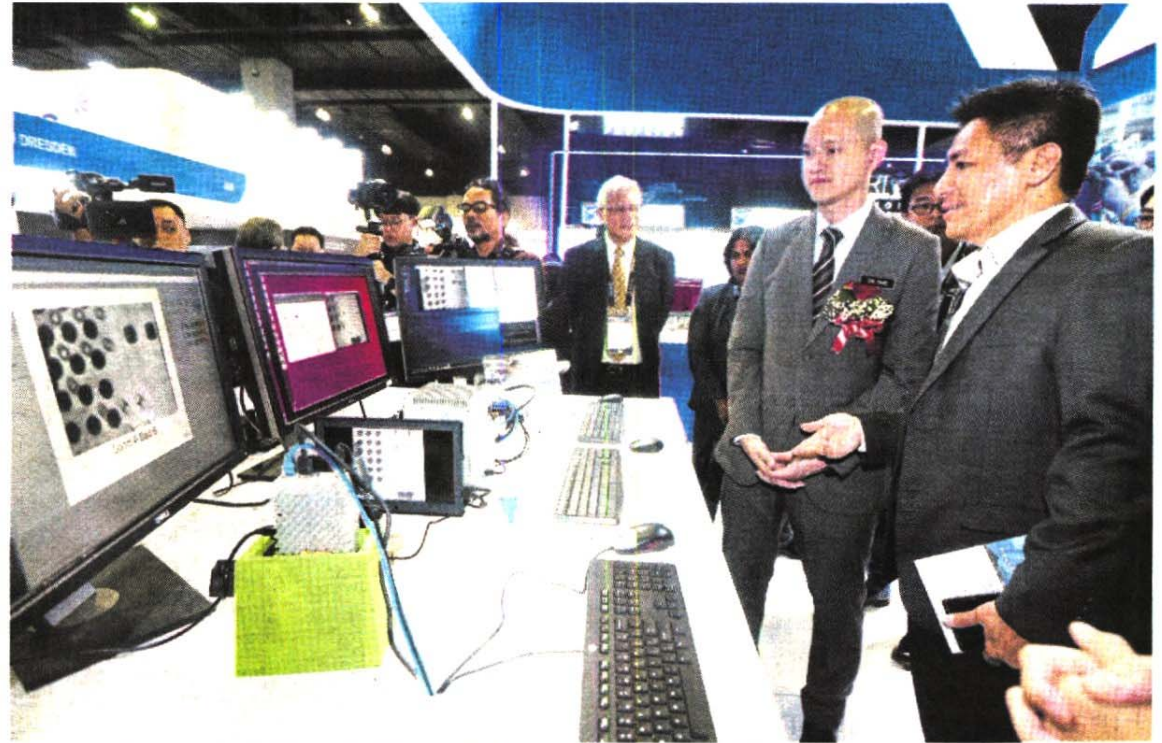
MIDA chief executive officer Datuk Azman Mahmud said the agency aimed to reach about RM13 billion worth of approved investments in the E&E sector from new and existing investors this year.

"The approved investments in

the E&E sector by MIDA rose from RM9.7 billion in 2017 to RM11.2 billion last year, which was an encouraging sign despite the slowing global technology cycle and global trade tensions."

Azman said Malaysia would continue building on its strengths and capitalising on megatrends to move up the value chain, while promoting the country as a competitive destination for businesses to grow.

SemiCon is an annual gathering of the global electronics manufacturing supply chain, bringing together industry experts globally for critical insights into the semiconductor ecosystem.



Deputy International Trade and Industry Minister Dr Ong Kian Ming (second from right) at the SemiCon Southeast Asia 2019 in Kuala Lumpur yesterday. PIC BY SALHANI IBRAHIM