



# PREMIUM METAL SDN BHD

## SERVICES PROVIDED

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- Re-melt into solid metal
- To refine and remove impurities
- We have facility to check and analyse element content
- To recycle and refine tin waste become tin alloy ingot for reuse purpose



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



## PREMIUM METAL SDN BHD

(1159072-v)

Setia Business Park II

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81100 Johor Bahru, Johor, Malaysia.

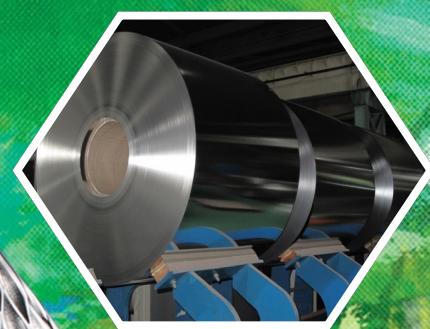
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# MALAYSIAN TIN PRODUCTS NEWSLETTER

QUARTERLY | OCTOBER - DECEMBER 2022



PP 7387/01/2013 (031914)

ISSN 1511-1598



9 771511 159006

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## PRINTED BY:

Marzuq Print & Trading  
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# NIHON SUPERIOR (M) SDN. BHD.

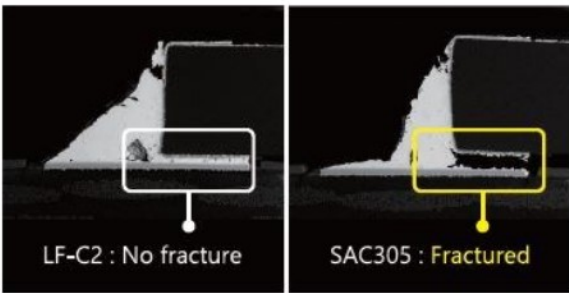


## PRODUCT LIST

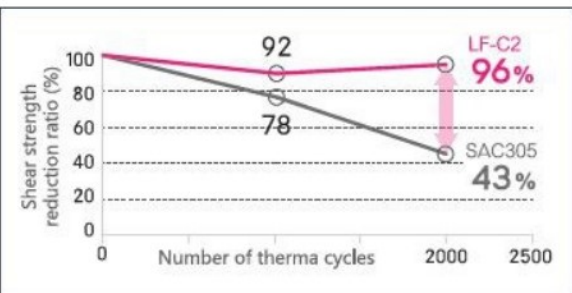
- Solder Bar
- Flux Cored Solder Wire
- Solid Solder Wire
- Solder Paste (Printing Grade)
- Solder Paste (Dispensing Grade)
- Soldering Flux
- Solder Anode
- Solder Spheres
- Solder Preform



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Shear Strength      2000 cycles Higher strength retention



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Lower Temperature Reflow      Peak reflow temperature lower than SAC305

Solder alloy	LF-C2	SAC305
Solidus temperature (°C)	205	218
Liquidus temperature (°C)	213	219

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## ASSOCIATION MEMBERS

Currently, the Association comprises one associate and 14 ordinary members covering the three main sectors of Malaysia's tin-based products manufacturing industry, namely the tinsplate, 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  
Senju (M) Sdn Bhd  
Shen Mao Solder (M) Sdn Bhd

#### PEWTER

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

### ASSOCIATE MEMBER:

Malaysia Smelting Corporation Bhd

A Publication of The Malaysian Tin Products Manufacturers' Association

# THE MALAYSIAN TIN PRODUCTS NEWSLETTER

QUARTERLY | OCTOBER-DECEMBER 2022

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*The Malaysian Tin Products Newsletter is published quarterly by the Malaysian Tin Products Manufacturers' Association (MTPMA). The opinions and statements expressed in the Newsletter are not necessarily those of the MTPMA or the Editorial Sub-Committee and neither endorsement nor confirmation are intended or implied.*

*Letters to the Editor are welcomed. We appreciate your feedback to further improve our editorial content. Please address your letters to:*

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142-C, Jalan Ampang  
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## PRESIDENT'S NOTE



LIM CHENG SANG  
PRESIDENT  
THE MALAYSIAN TIN PRODUCTS  
MANUFACTURERS' ASSOCIATION  
(MTPMA)

### Dear Members,

As the year 2022 draws to a close, it is gratifying to note that Malaysia's economic situation looks to be improving despite the global economic uncertainties. The Government has managed to steer our country's economy well through the various global economic challenges. Malaysia's inflation rate, which had remained at 4% in November 2022, showed a slight decline to 3.8% in December 2022. The Government's measure to curb the inflation rate by increasing the Overnight Policy Rate(OPR) had worked well, even though there were heavy criticisms and arguments against the increase by some parties.

According to the Department of Statistics Malaysia, our economy strengthened by 14.2% in Q3 compared to 8.9% in Q2 2022. This positive momentum was attributed to the continuous expansion of domestic demand, resilient external demand, improving labour market and revival of economic activities including the tourism sector as a result of the reopening of international boundaries.

However, amidst this commendable Q3 economic performance, economists had projected a slower growth in Q4 2022 to hover around 8.0 to 10.0 per cent, with expected overall growth rate between 4.5 to 5.5 per cent for 2022. Looking forward into 2023, the Malaysian economy is anticipated by a research house to further moderate to 4.0 per cent due to the continuing uncertainty in the world economy.

As for the tin market, the fourth quarter of 2022 saw little improvement although prices were significantly elevated in December. The metal was traded range-bound between US\$18,000 and US\$24,000 per tonne on the London Metal Exchange(LME) during the said quarter, whilst the Kuala Lumpur Tin Market(KLTM) continued to lack trading. However, the supply of tin domestically improved significantly during the quarter. Most Association members reported that refined tin metal were

readily available from Malaysia Smelting Corporation Berhad(MSC) as compared to previously.

On the local political front, the highly anticipated Malaysia 15<sup>th</sup> General Election was held on 18 November 2022. The outcome was a political deadlock with no party coalition obtaining a simple majority to form a government. In the end, the formation of a 'Unity Government' was proposed and received Royal Consent. YAB Dato' Seri Anwar Ibrahim was appointed as Malaysia's 10th Prime Minister to lead the unity government. It is hoped that his appointment as leader of the unity government will stabilise the country politically, and restore the harmony of the multi-racial and multi-cultural Malaysian society. This will boost the confidence of potential foreign investors and enable our nation's economy to thrive and prosper, going forward.

Before concluding my President's Note, and on behalf of the Association members, may I wish all our Christian friends, a Merry Christmas and everyone, a Happy New Year 2023. May the new year bring much hope, joy and success. Let us all pray that our economy will continue to be resilient and prosper in the years ahead.

With warmest regards,

LIM CHENG SANG  
PRESIDENT

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#### Specialty anodes in lead and tin

- ▶ Extruded wave anodes
- ▶ Extruded solid round anodes
- ▶ Extruded hollow round lead anodes
- ▶ Cored anodes
- ▶ 12-point extruded solid star anodes
- ▶ 12-point extruded hollow star anodes
- ▶ Extruded octagonal section anodes

#### Small parts in lead and tin

- ▶ Metering and security seals
- ▶ Diving weights

#### Pewter alloys

#### Chemical service

- ▶ Extruded lead coils and pipes
- ▶ Bearing / anti-friction metals

#### Lead acid battery components

- ▶ Battery terminals
- ▶ Lead oxides
- ▶ Lead burning sticks
- ▶ Extruded cooling coils
- ▶ Busbars
- ▶ 12-point extruded hollow star anodes
- ▶ Extruded octagonal section anodes

#### Radiation containment

- ▶ Radioactive isotope containers
- ▶ Lead bricks
- ▶ Radiation protection doors and mobile shields

#### Sailboat / yacht accessories

- ▶ Boat keels / bulbs

#### MATERIAL AVAILABILITY

All our casting and extruded products are produced from high purity materials and are available in the following chemical composition: -

- ▶ Pure lead of 99.97% minimum
- ▶ Antimonial lead alloys of up to 6% antimony content
- ▶ Pure tin of 99.85% and its alloys

#### **SELAYANG METAL INDUSTRIES SDN. BHD.(64855-U)**

**LOT 17519A, TAMAN SELAYANG BARU INDUSTRIAL ESTATE, BATU 8 1/2 JALAN IPOH.**

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**TEL: +603-61386724 +603-61380330 FAX: +603-61365355**

**EMAIL: biz@selayang-metal.com**



LEAD			COPPER			SILVER	
LME PRICES & STOCKS			LME PRICES & STOCKS			LONDON SPOT PRICES	
	Cash Settlement (US\$ / Tonne)	Stocks Period End (Tonnes)		Cash Settlement (US\$ / Tonne)	Stocks Period End (Tonnes)		London Spot (US Cents / Troy Oz)
2019	1,899.25	66,200	2019	6,062.43	144,675	2019	1,711.00
2020	2,018.60	133,175	2020	7,755.24	105,800	2020	2,488.74
2021	2,304.79	54,375	2021	9,550.31	88,725	2021	2,246.81
2022	2,212.48	24,283	2022	8,367.23	84,804	2022	2,318.06
2019			2019			2019	
Jan	1,994.16	72,450	Jan	5,932.02	149,950	Jan	1,559.00
Feb	2,062.08	76,875	Feb	6,278.20	126,100	Feb	1,580.00
Mar	2,054.57	78,750	Mar	6,451.02	168,525	Mar	1,532.00
Apr	1,948.85	74,425	Apr	6,445.10	225,925	Apr	1,504.00
May	1,817.21	69,400	May	6,028.31	211,800	May	1,463.00
Jun	1,891.50	65,750	Jun	5,868.43	240,900	Jun	1,500.00
Jul	1,974.02	78,500	Jul	5,939.85	287,800	Jul	1,575.00
Aug	2,043.19	77,525	Aug	5,707.98	335,850	Aug	1,714.00
Sep	2,070.86	69,500	Sep	5,745.48	258,775	Sep	1,817.00
Oct	2,184.30	70,075	Oct	5,742.89	255,025	Oct	1,762.00
Nov	2,031.90	67,125	Nov	5,859.69	208,525	Nov	1,718.00
Dec	1,899.25	66,200	Dec	6,062.43	144,675	Dec	1,711.00
2020			2020			2020	
Jan	1,925.16	66,800	Jan	6,049.20	179,800	Jan	1,796.50
Feb	1,872.30	68,100	Feb	5,686.45	216,950	Feb	1,792.20
Mar	1,744.64	70,900	Mar	5,178.68	221,200	Mar	1,491.82
Apr	1,651.53	73,650	Apr	5,048.25	251,475	Apr	1,504.55
May	1,618.16	75,825	May	5,233.82	255,725	May	1,623.24
Jun	1,739.86	66,500	Jun	5,742.39	213,325	Jun	1,771.98
Jul	1,812.15	118,150	Jul	6,353.76	126,675	Jul	2,040.50
Aug	1,935.20	124,900	Aug	6,496.70	88,250	Aug	2,686.25
Sep	1,881.36	137,000	Sep	6,712.41	163,125	Sep	2,588.61
Oct	1,777.07	124,400	Oct	6,702.77	169,600	Oct	2,429.84
Nov	1,914.48	112,700	Nov	7,063.43	149,925	Nov	2,404.33
Dec	2,018.60	133,175	Dec	7,755.24	105,800	Dec	2,488.74
2021			2021			2021	
Jan	2,214.93	96,775	Jan	7,970.50	74,275	Jan	2,592.84
Feb	2,085.75	94,625	Feb	8,460.25	74,200	Feb	2,734.60
Mar	1,960.76	119,550	Mar	9,004.98	143,775	Mar	2,561.35
Apr	2,006.33	110,575	Apr	9,335.55	137,400	Apr	2,564.03
May	2,185.92	97,325	May	10,183.97	120,700	May	2,746.32
Jun	2,188.98	80,250	Jun	9,612.43	211,975	Jun	2,698.16
Jul	2,336.98	59,750	Jul	9,433.59	238,650	Jul	2,575.32
Aug	2,428.52	52,250	Aug	9,357.19	252,725	Aug	2,401.64
Sep	2,257.25	51,000	Sep	9,324.07	217,175	Sep	2,330.73
Oct	2,339.45	55,000	Oct	9,778.50	131,300	Oct	2,329.64
Nov	2,347.57	56,775	Nov	9,765.48	78,625	Nov	2,419.64
Dec	2,304.79	54,375	Dec	9,550.31	88,725	Dec	2,246.81
2022			2022			2022	
Jan	2,342.70	54,006	Jan	9,775.93	90,478	Jan	2,312.85
Feb	2,299.90	49,196	Feb	9,941.35	76,775	Feb	2,346.50
Mar	2,359.48	39,846	Mar	10,237.59	77,259	Mar	2,524.02
Apr	2,396.74	39,355	Apr	10,183.13	118,741	Apr	2,454.11
May	2,145.17	38,485	May	9,362.81	168,371	May	2,190.55
Jun	2,067.38	39,141	Jun	9,033.13	121,468	Jun	2,149.03
Jul.	1,976.26	39,324	Jul.	7,529.79	132,827	Jul.	1,907.62
Aug.	2,077.91	38,599	Aug.	7,960.98	126,592	Aug.	1,975.00
Sep.	1,874.45	35,047	Sep.	7,734.70	114,064	Sep.	1,883.57
Oct.	1,988.10	30,148	Oct.	7,621.21	137,107	Oct.	1,936.31
Nov.	2,099.39	27,207	Nov.	8,029.95	89,600	Nov.	2,099.89
Dec.	2,212.48	24,283	Dec.	8,367.23	84,804	Dec.	2,318.06

Source : London Metal Exchange





# NEWS ON ECONOMY

## In for Another Great Quarterly GDP

Malaysia is expected to announce another smashing economic growth rate for the third quarter of 2022 (3Q22) amid very strong economic data and early signs of growth weakness ahead. Initial expectations was for domestic growth to hit a soft patch in the second half of the year, but 3Q22 looks set remain strong boosted by trade figures hitting the highest value in September and the Industrial Production Index for August growing at the fastest pace in 15 months. This comes despite the sharp rise in interest rates by major developed central banks to control inflation and engineer a soft landing appear to be making slow gains as consumption has held up with demand for Malaysian exports remaining strong especially into Asean and greater China.

Some economists, however, think the slowdown in gross domestic product (GDP) growth would be “delayed” and instead, kick in from 4Q22 onwards. Speaking with StarBiz, Bank Islam Malaysia Bhd chief economist Firdaos Rosli said that 3Q22 will “for sure” see the strongest GDP growth this year. In 2Q22 and 1Q22, the GDP had expanded year-on-year (y-o-y) by 8.9% and 5% respectively.

“We project 3Q22 growth will come in at 10.7% y-o-y, whereas the subsequent 4Q22’s performance will likely linger around 2.1% primarily due to the dissipating base effects while the unemployment rate remains flat, thus limiting private consumption growth. Our updated 2022 projection falls at the low end of the government’s revised estimate at 6.5%,” he said. Firdaos’ comment follows AmBank Research’s recent report highlighting preliminary projection of 9.5% to 10.2% growth in 3Q22.

“The latest Purchasing Managers’ Index (PMI) data plus the strong exports data are still indicative of growth in the third quarter of the year,” the research house said in a note. Nevertheless, AmBank

Bank also noted that the PMI data for September suggested the loss of momentum in customer demand. “This resulted in a moderation in new orders in September, ending a five-month sequence of expansion,” it said in a note. The PMI fell to 49.1 in September, as compared to 50.3 in August. It turned out to be, thus far, the lowest reading in 2022.

“And there were further signs that the rebound in growth in Malaysia’s economy seen earlier in the year could be losing steam as challenging conditions across the global manufacturing sector limit demand and production at Malaysian firms as well,” stated AmBank Research. Amid the external headwinds, MIDF Research opined that there would be a stronger external trade contribution to Malaysia’s GDP growth in 3Q22.

International Trade and Industry Ministry’s trade numbers yesterday showed Malaysia’s exports rose by 30.1% y-o-y to RM144.31bil in September, although a Reuters poll had expected a growth of 31.2%. Imports in September grew 33% y-o-y to RM112.6bil allowing the country to record a trade surplus of RM31.7bil in the month. For the 3Q22, exports increased by 38.3% y-o-y to RM419.65bil and imports expanded by 46.5% y-o-y to RM355.32bil. This was the highest quarterly value for exports and imports while trade surplus for quarter grew by 5.6% y-o-y to RM64.33bil.

While Bank Islam’s Firdaos and AmBank Research have a positive GDP projections for 3Q22, economist Geoffrey Williams expects the Malaysian to slow down in the 3Q22 and even warned that an economic contraction is possible in the 4Q22. “The consensus 5% to 6% growth for full-year 2022 is consistent with average annual growth in the third and fourth quarters of between 3.5% to 4% compared to the same periods last year, which is a slowdown. Alternatively, the consensus’ lower forecast of 5% is also consistent with zero quarter-on-quarter growth in the third or fourth quarters or a y-o-y contraction of 1.4% in 4Q22,” he said.

### KLTM & LME TIN PRICES

	KLTM		LME CASH	
	Average Price (*)		Total Turnover (Tonnes)	Average Price (USD / Tonne)
	(USD / Tonne)	(RM / Kg)		
2017	20,029	86.12	8,890	20,098
2018	20,151	80.99	9,075	20,168
2019	19,168	79.11	6,445	18,671
2020	17,504	72.97	4,088	17,134
2021	26,589	108.88	1,955	32,584
2022	41,007	171.75	21	31,384
2019				
Jan	20,417	84.05	719	20,480
Feb	21,268	86.67	628	21,268
Mar	21,317	86.95	1,046	21,444
Apr	20,528	84.48	833	20,684
May	19,394	80.85	388	19,531
Jun	19,065	79.34	344	19,177
Jul	18,074	74.55	416	17,991
Aug	16,532	69.22	422	16,577
Sep	16,730	70.05	392	16,840
Oct	16,562	69.34	464	16,603
Nov	16,624	69.11	417	16,369
Dec	16,883	70.00	376	17,093
2020				
Jan	17,014	69.42	406	17,056
Feb	16,536	68.85	354	16,457
Mar	16,417	69.47	236	15,321
Apr	CLOSED	CLOSED	CLOSED	15,039
May	15,110	65.65	268	15,410
Jun	16,605	71.03	374	16,806
Jul	17,287	73.79	358	17,452
Aug	17,515	73.47	343	17,672
Sep	17,846	74.12	444	17,946
Oct	18,026	74.90	383	18,154
Nov	18,433	75.84	413	18,568
Dec	19,693	79.90	509	19,727
2021				
Jan	22,085	89.25	314	21,955
Feb	25,965	105.05	456	26,717
Mar	26,162	107.64	494	27,396
Apr	27,106	111.89	327	28,427
May	31,132	128.61	298	32,524
Jun	31,857	131.49	61	32,678
Jul	CLOSED	CLOSED	CLOSED	34,183
Aug	CLOSED	CLOSED	CLOSED	35,205
Sep	CLOSED	CLOSED	CLOSED	35,048
Oct	CLOSED	CLOSED	CLOSED	37,962
Nov	CLOSED	CLOSED	CLOSED	39,333
Dec	39,500	166.58	5	39,574
2022				
Jan	41,007	171.75	21	41,807
Feb	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	44,118
Mar	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	44,249
Apr	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	43,122
May	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	35,945
Jun	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	31,777
Jul.	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	25,173
Aug.	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	24,520
Sep.	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	21,258
Oct.	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	19,406
Nov.	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	21,136
Dec.	NO TRANSACTION	NO TRANSACTION	NO TRANSACTION	24,099

Note : As from 1 February 2001, KLTM price is quoted in US Dollar  
(\*) KLTM's monthly average price is arrived at on a weighted average against total tonnage basis.  
Malaysian Ringgit to US Dollar exchange rate was unpegged on 22.8.2005



WORLD STOCKS OF REFINED TIN  
(In Tonnes at Period End)

Period	LME Stock	Total Country Stocks	US Strategic Stockpile
2017	2,235	19,245	4,020
2018	2,165	16,790	4,020
2019	7,130	23,217	4,020
2020	1,890	22,129	4,020
2021	2,045	21,737	4,020
2019			
Jan.	1,845	16,439	4,020
Feb.	1,325	16,552	4,020
Mar.	950	22,333	4,020
Apr.	890	23,132	4,020
May.	2,810	23,083	4,020
Jun.	6,045	23,524	4,020
Jul.	4,640	23,524	4,020
Aug.	6,830	23,449	4,020
Sep.	6,620	23,017	4,020
Oct.	6,020	23,104	4,020
Nov.	6,235	23,217	4,020
Dec.	7,130	23,217	4,020
2020			
Jan.	6,630	22,546	4,020
Feb.	7,440	22,431	4,020
Mar.	6,205	22,211	4,020
Apr.	5,375	22,094	4,020
May.	2,455	22,183	4,020
Jun.	4,230	22,330	4,020
Jul.	3,675	22,268	4,020
Aug.	5,040	22,143	4,020
Sep.	5,550	22,480	4,020
Oct.	4,533	22,398	4,020
Nov.	3,805	22,290	4,020
Dec.	1,890	22,129	4,020
2021			
Jan.	820	22,366	4,020
Feb.	1,745	23,044	4,020
Mar.	1,740	21,579	4,020
Apr.	1,245	21,589	4,020
May	755	21,589	4,020
Jun.	2,015	21,539	4,020
Jul.	2,290	21,499	4,020
Aug.	1,395	21,487	4,020
Sep.	1,235	21,508	4,020
Oct.	670	21,508	4,020
Nov.	1,285	21,508	4,020
Dec.	2,045	21,737	4,020
2022			
Jan.	2,390	22,051	4,020
Feb.	2,245	22,076	4,020
Mar.	2,000	21,941	4,020
Apr.	2,010	22,267	4,020
May	1,990	22,248	4,020
Jun.	2,765	22,352	4,020
Jul.	3,330	21,827	4,020
Aug.	4,065	21,787	4,020
Sep.	9,440	21,827	4,020
Oct	4,255	21,827	4,020
Nov	2,930	n.y.a	n.y.a

n.y.a : not yet available  
Source : World Bureau of Metal Statistics

Williams, who is an economics professor at Malaysia University of Science and Technology (MUST), pointed out that the massive 8.9% growth in 2Q22 was due to “extra money” from the withdrawals allowed by the Employees Provident Fund as well as from the economic recovery. “This has pushed the slowdown and possible contraction to 3Q22 and 4Q22 and also into 2023. This is consistent with the scenario given by the government. “As the government is telling us, 2023 will be worse and we will see the start of that before the end of 2022,” he said.

With economists generally expecting Malaysia to head into a tougher economic environment in the final few months of this year, a major question arises. Would Bank Negara postpone any hike in the overnight policy rate (OPR), even though major central banks have continued to increase their rates? This year, the central bank raised the OPR by a cumulative 75 basis points (bps) over three meetings.

Firdaos expects Bank Negara to “most likely proceed” with another 25-bps hike at its Monetary Policy Committee meeting in November to take the OPR closer to its pre-pandemic level. “Looking at the present circumstances, we posit that Bank Negara will proceed with policy normalisation with a 25-bps hike at each meeting towards a terminal rate of 3.5%. OPR will be cut accordingly in the event of higher-than-expected external headwinds in 2023,” he said.

Williams, on the other hand, said that it is “not inevitable” that Bank Negara will increase the OPR further next month. “Although Bank Negara does not have a specific target, the OPR is normally in the range 2.5% to 3% historically. Since we are in that range now and there is less chance of a change. “Bank Negara is independent. So the decision depends on economic conditions, which are quite sound, not political considerations due to the

election,” he added. The aggressive rate hikes by the Federal Reserve has led to capital flight to dollar assets and at the expense of the ringgit hitting a fresh low of RM4.723 in intraday trade yesterday. Market watchers expect the high inflation in the American economy will push the Fed to hike its fed fund rate by another 75-bps early next month.

Amid the expectation of a slower growth moving into 2023, Bank Islam’s Firdaos said supply-side reforms are needed to push Malaysia’s economic potential to a higher level. “Issues such as fiscal sustainability, labour, tariff elimination and trade facilitation, investments and competition policy are key to Malaysia’s reform agenda. As we head to the polls soon, we hope the incoming government will amass the required political capital to follow through with the reform momentum during the next political cycle,” he said.

MUST’s Williams also concurs that reforms are needed to improve the supply-side capacity of the economy. He pointed out that the underlying potential growth rate in Malaysia is lower due to the impact of the lockdowns and hence, previous long-term economic plans must be revised. “Specific reforms have to address incomes and equality through a Universal Basic Income model, pension reform is essential through a Universal Basic Pension because 96% of people do not have adequate pensions cover. Addressing under-employment through labour market liberalisation is also important. Tax reform to create a more efficient overall tax environment is essential and reform of National Higher Education Fund Corporation (PTPTN) is important because it is close to the limit of its resources and may pose a systemic risk if it is ignored,” he said.

Source : The Star, 20 October 2022



NEWS ON

SEMICONDUCTOR INDUSTRY

Chip Demand Slump is Spreading

Texas Instruments Inc, whose chips go into everything from home appliances to missiles, dropped as much as 6.1% in late trading after its quarterly forecast signalled that the semiconductor industry’s slump is spreading beyond computing and phones.

The company said that it expects revenue of US\$4.4bil (RM20.8bil) to US\$4.8bil (RM22.7bil) in the fourth quarter, short of the US\$4.93bil (RM23.3bil) average estimate from analysts. Profit will be US\$1.83 (RM8.7) to US\$2.11 (RM10) a share, also missing projections.

While Texas Instruments has the largest customer list in the semiconductor industry – making its projections an indicator of demand across the economy – producers of cars and industrial machinery contribute more than 60% of revenue. Some industrial customers are now slowing their orders, joining makers of computers and phones in cutting back. But demand from the automotive market remains strong, the company said.

“During the quarter, we experienced expected weakness in personal electronics and expanding weakness across industrial,” chief executive officer Rich Templeton said in the statement. Overall, orders have worsened and cancellations have increased as the current quarter has progressed, Texas Instruments said.

Many of the largest companies in the industry - Samsung Electronics Co, Intel Corp and Nvidia Corp among them – have warned that demand is dropping steeply. But investors have been hoping that the industry is nearing a low point. - *Bloomberg*

Source : *The Star*, 27 October 2022

Global Chip Recovery Will Depend on China

The recovery of global semiconductor demand will hinge on China, given its commanding market share. With no clear signs on how the country can fully extricate itself from the epidemic, supply chain challenges are expected to remain going into 2023. However, some multinational semiconductor players are going ahead with their investments in new semiconductor foundries as they take a long-term view on global tech demand. This will benefit contractors including gas infrastructure providers. “The other bright spot in the technology sector is the recession-proof cybersecurity service,” said Kenanga Research in a report. The World Semiconductor Trade Statistics changed its forecast for global semiconductor demand growth in 2023 to a contraction of 4.1% in end-November 2022 from a 4.6% expansion forecast three months before.

Despite the uncertainties over the immediate term, the semiconductor companies remain upbeat on the sector’s long-term prospects, underpinned by new technology-driven goods and services such as 5G connectivity and electric vehicles (EVs), which are still at their infancy. This is especially true for the infrastructure that support and facilitate these products such as cellular base stations, EV charging stations and data centres. There will be an increasing proportion of these sales being fulfilled by the remaining inventory instead of new inventory replenishment.

MALAYSIA'S DOMESTIC TIN CONSUMPTION

(In Tonnes)

PERIOD	TOTAL CONSUMPTION	SOLDER *	TINPLATE	PEWTER	OTHERS *
2016	2,238	1,314	750	86	88
2017	2,707	1,348	737	63	559
2018	1,964	1,019	759	39	147
2019	1,441	695	639	19	88
2020	1,512	738	626	8	140
2021	1,156	395	710	6	45
2022**	n.y.a	n.y.a	639	n.y.a.	n.y.a
2019					
Jan.	125	66	51	1	7
Feb.	99	60	35	0	4
Mar.	134	69	56	1	8
Apr.	125	51	64	2	8
May	145	70	62	1	12
Jun.	129	66	56	1	6
Jul.	144	91	47	3	3
Aug.	122	60	51	1	10
Sep.	111	41	60	3	7
Oct.	111	41	59	3	8
Nov.	105	45	52	1	7
Dec.	91	35	46	2	8
2020					
Jan.	93	40	48	0	5
Feb.	119	62	52	0	5
Mar.	71	22	45	0	4
Apr.	75	19	53	0	3
May.	99	49	44	0	6
Jun.	190	74	67	3	46
Jul.	150	84	55	3	8
Aug.	151	49	65	0	37
Sep.	138	85	46	0	7
Oct.	146	77	59	0	10
Nov.	125	78	40	2	5
Dec.	155	99	52	0	4
2021					
Jan.	145	73	66	1	5
Feb.	70	30	37	0	3
Mar.	113	40	68	0	5
Apr.	115	39	68	1	7
May	91	40	46	0	5
Jun	86	29	50	0	7
Jul.	84	20	64	0	0
Aug.	86	25	57	0	4
Sep.	85	30	53	2	0
Oct.	98	29	69	0	0
Nov.	91	20	69	2	0
Dec.	92	20	63	0	9
2022**					
Jan.	n.y.a	n.y.a	56	n.y.a	n.y.a
Feb.	n.y.a	n.y.a	69	n.y.a	n.y.a
Mar.	n.y.a	n.y.a	58	n.y.a	n.y.a
Apr.	n.y.a	n.y.a	67	n.y.a	n.y.a
May	n.y.a	n.y.a	54	n.y.a	n.y.a
Jun	n.y.a	n.y.a	50	n.y.a	n.y.a

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

\*\* : Preliminary.

n.y.a : not yet available

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

Note : Local consumption of tin metal refers to the use of tin in a particular application.  
Sales to manufacturing industries have been used as proxy for consumption except in the case of manufacture of tinplate which are actual tin consumption data.



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
2016	4,158	30,536	26,849	2,238	27,470
2017	3,894	29,866	27,211	2,707	27,147
2018	3,868	27,450	27,115	1,964	27,342
2019	3,611	25,644	24,387	1,441	24,418
2020	2,963	22,288	22,367	1,512	22,597
2021*	2,980	322	16,634	1,156	16,441
2019					
Jan.	325	2,169	1,887	125	2,205
Feb.	278	1,700	1,912	99	1,694
Mar.	324	2,263	2,169	134	2,195
Apr.	301	2,090	2,145	125	2,097
May.	282	1,842	1,836	145	1,891
Jun.	213	2,393	1,536	129	1,630
Jul.	263	2,393	2,491	144	2,347
Aug.	299	2,381	2,476	122	2,257
Sep.	320	1,998	2,234	111	1,886
Oct.	312	2,506	1,478	111	1,790
Nov.	323	2,147	2,137	105	2,086
Dec.	356	1,762	2,086	91	2,340
2020	3,596	25,644	24,387	1,441	24,418
Jan.	289	2,136	2,314	93	2,180
Feb.	266	1,449	1,880	119	2,226
Mar.	162	1,105	1,228	71	1,191
Apr.	36	1,198	1,110	75	933
May.	252	2,187	1,344	99	1,516
Jun.	278	1,927	1,926	190	1,644
Jul.	272	1,972	1,819	150	2,240
Aug.	277	2,785	2,672	151	2,290
Sep.	292	2,398	2,057	138	2,198
Oct.	295	1,565	2,078	146	2,126
Nov.	272	1,536	1,974	125	2,108
Dec.	272	2,030	1,965	155	1,945
2021*					
Jan.	278	28	1,639	145	1,770
Feb.	257	29	1,847	70	1,765
Mar.	290	46	2,041	113	1,982
Apr.	294	47	1,680	115	1,836
May.	262	26	1,861	91	1,638
Jun.	44	0	695	86	894
Jul.	204	21	973	84	507
Aug.	233	19	1,115	86	1,085
Sep.	262	59	1,221	85	1,599
Oct.	292	16	1,349	98	1,165
Nov.	270	10	1,086	91	1,172
Dec.	294	21	1,127	92	1,028
2022*					
Jan.	234	1,173	1,332	n.y.a	1,305
Feb.	252	1,162	1,160	n.y.a	1,017
Mar.	306	1,258	1,653	n.y.a	1,659
Apr.	273	1,511	1,417	n.y.a	1,431
May	276	1,660	1,143	n.y.a	1,333
Jun.	285	1,729	1,730	n.y.a	1,481
Jul.	303	1,475	1,886	n.y.a	1,494
Aug	338	1,397	2,211	n.y.a	2,402
Sep.	325	1,313	1,592	n.y.a	1,948
Oct.	322	1,842	1,692	n.y.a	1,431
Nov.	271	1,454	1,702	n.y.a	1,622
Dec.	n.y.a	2,069	1,924	n.y.a	2,176

\* : Preliminary

n.y.a : Not yet available

Sources : Department of Statistics, Malaysia

Department of Mineral and Geoscience Malaysia

Malaysia Smelting Corporation Bhd.

The research house has a “neutral” call on the technology sector and its top picks are Kelington Group Bhd and LGMS Bhd. It likes Kelington for being a direct proxy to the front-end wafer fab expansion, its robust earnings visibility underpinned by both robust order book and tender book exceeding RM1bil, and its strong foothold in multiple markets – Malaysia, Singapore and China. LGMS has unique exposure to the growing cybersecurity business and new proprietary certification software is expected to be its next earnings driver.

Automotive-centric players such as D&O Green Technologies Bhd have indicated that their seasonally stronger fourth quarter may not material-

ise, as car manufacturers are prioritising clearing off existing built-up inventory and have toned down order forecasts for the next two quarters in anticipation of heightened economic uncertainty. Such sentiment has been echoed by the likes of JHM Consolidated Bhd. The US smartphone maker has also warned of longer-than-expected delivery time for its latest smartphone model in the upcoming festive season. This will likely dampen Inari Amertron Bhd’s growth, given that about 60% of its revenue comes from the smartphone radio frequency segment, Kenanga Research said. Although Inari has switched its strategy to focus on legacy models, it may still struggle against the waning consumer demand for premium purchases.

Source : The Star, 22 December 2022

NEWS ON

ELECTRICAL AND ELECTRONICS INDUSTRY

Indium Opens Penang Plant

United States-based Indium corporation has expanded its operations in Malaysia with a new 37,500-sq-ft manufacturing facility in Penang. The company produces a diverse range of solders and solder paste products, including materials for the electronics assembly, e-mobility, power electronics and advanced packaging for semiconductor markets.

Earlier this year, it announced a RM250 million investment for its expansion in Malaysia. Indium said the new facility had begun manufacturing activities. It will continue to expand the production capacity to better serve customers in Malaysia and the region, including Thailand and Vietnam. Penang Chief Minister Chow Kon Yeow said Indium's investment decision served as an acknowledgement of the skilled talent, well-developed infrastructure and resilient environment in the state. "Being widely regarded as one of the major players in the global semiconductor industry, Penang's robust electrical and electronics ecosystem is believed to have paved the way for sustainable industry development, offering a competent platform for the players along the supply chain to participate and thrive," he said.

Senior International Trade and Industry Minister Datuk Seri Azmin Ali said Indium would serve as a catalyst to attract more players in the advanced soldering material industry and strengthen the local supply chain. "Indium will provide its technical expertise to assist the technical know-how, technology transfer as well as upskilling and reskilling of local talents," he said.

The new facility will be manufacturing solder pastes, thermal interface materials and solder preforms. "Indium is proud to continue its more than 40-year history of doing business in Malaysia with the grand opening of our new manufacturing facility in Penang. "This facility will enable us to further support our customers in automotive, semiconductor , power electronics, e-mobility, industrial, computing and other markets," said president and chief operating officer Ross Bernston.

Source : New Straits Times, 25 October 2022



## Potential for Growth in E&E Industry

Malaysia has the potential to play a key role in the future global semiconductor industry, say industry experts. Local and foreign experts attending the Malaysia National E&E (Electrical and Electronics) Forum 2022 here yesterday agreed that a combined focus on E&E would be an important catalyst for Malaysia's future growth towards becoming a high-income and high-technology nation.

Malaysian Semiconductor Industry Association (MSIA) president Datuk Seri Wong Siew Hai said the recently implemented Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) would provide local industry with greater opportunities to grow. "The elimination of tariffs between countries under the CPTPP will increase Malaysia's overall export competitiveness with countries that do not have any FTA with us yet, such as Canada, Mexico and Peru. This is especially fruitful for the semiconductor sector by providing companies with wider sourcing channels and the possibility of lower raw import material costs. This will also heavily benefit the growth of E&E small and medium enterprises (SMEs) and companies that do not already enjoy customs duty exemptions, which will lead to an overall increase in investments into the local market,"

he said in his opening address at the forum.

Malaysian Investment Development Authority (Mida) deputy chief executive officer S. Sivasuriya-moorthy said the local semiconductor manufacturing sector was also expected to continue its rapid growth so long as the government's holistic approach to the E&E ecosystem is continued. "The focus on accelerating the adoption and adaptation of advanced factory automation and digitalisation to transition existing operations into 'smart factories' has enhanced the flexibility of the industry to adapt to unforeseen challenges like the US-China trade tensions," he said.

STMicroelectronics Asia-Pacific executive vice-president for public affairs (Asia) Bertrand Stoltz said current promising global market conditions would continue to provide ample opportunities for Malaysia to expand its share of the global semiconductor market. "The rising demand and use of renewable energy worldwide means that there will be greater demand for vital E&E components that these technologies use as more people become environmentally conscious. People will be more

FROM PAGE 10

inclined to purchase newer power-saving appliances to replace their legacy appliances that lack power-saving or modern features that are expected by most modern consumers. The automotive industry will also drive up demand for semiconductors as vehicle production levels recover from the pandemic slowdown. This is further enhanced by the increasing demand and development of new environmentally friendly vehicles that require far more semiconductors due to having more features that require additional processing power," said Stoltz, who is also the STMicroelectronics Singapore managing director.

Semiconductor Industry Association (SIA) vice-president for global policy Jimmy Goodrich said Malaysia's semiconductor workers would also be in high demand due to the passing of the Chips and Science Act by the US government in August to boost domestic semiconductor research and development. "There will be an increased demand for skilled workers from Malaysia and other countries as US companies look for experts to help revitalise their semiconductor industry. Malaysia should be wary of the possibility of losing a large portion of its skilled semiconductor workers to the US if Malaysia wants to continue its ambition of being a major force in the global semiconductor market," he said.

Deloitte Consulting (SEA) Sdn Bhd executive director for consulting Jan Thomas Nicholas said Malaysia had a significant amount of untapped potential workforce that could help meet the labour needs of the future semiconductor market. Malaysia has a lot of really smart and entrepreneurial people in both the rural and

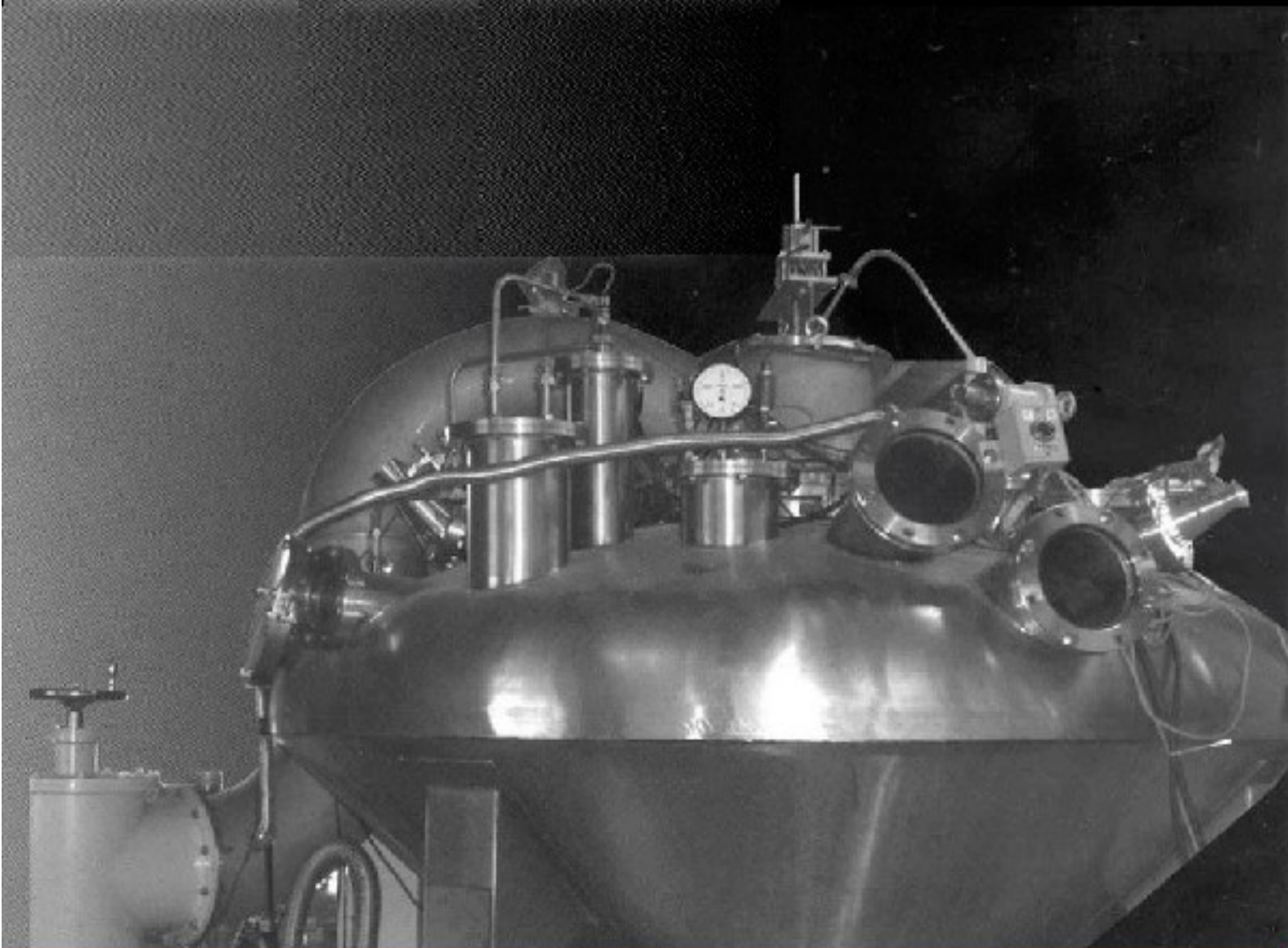
urban areas, and spreading awareness about the possible future benefits of being a chip engineer would spur most of them to join the industry. "They can play a pivotal role in advancing not just the Malaysian semiconductor industry but potentially the global market as a whole if they are given the chance," he said.

The forum, held physically at MIDA Sentral and broadcast online, attracted over 300 participants, represented by manufacturers, service providers, and potential investors. It was divided into two panel discussions, the first on "CHIPS and Science Act and US Restrictions" with panellists who included Goodrich, Jan Thomas, and managing director and head of Taiwan research at Credit Suisse and Asia semiconductors Randy Abrams.

The second panel discussion revolved around the topic of "Sustainability in the E&E Industry" with the panellists including Western Digital Batu Kawan Manufacturing Operations vice-president and general manager Vishwanath Ramaswamy; Ernst and Young Consulting climate change and sustainability services senior manager Ibrahim Ariffin; SEMI sustainability programmes vice-president Dr Mousumi Bhat; and Dell Technologies Delivery Centre of Excellence, global sales learning and development senior adviser Chan Kim Beng. Wong Shou Ning, a local business radio presenter, moderated both sessions.

Source : *The Star*, 7 December 2022

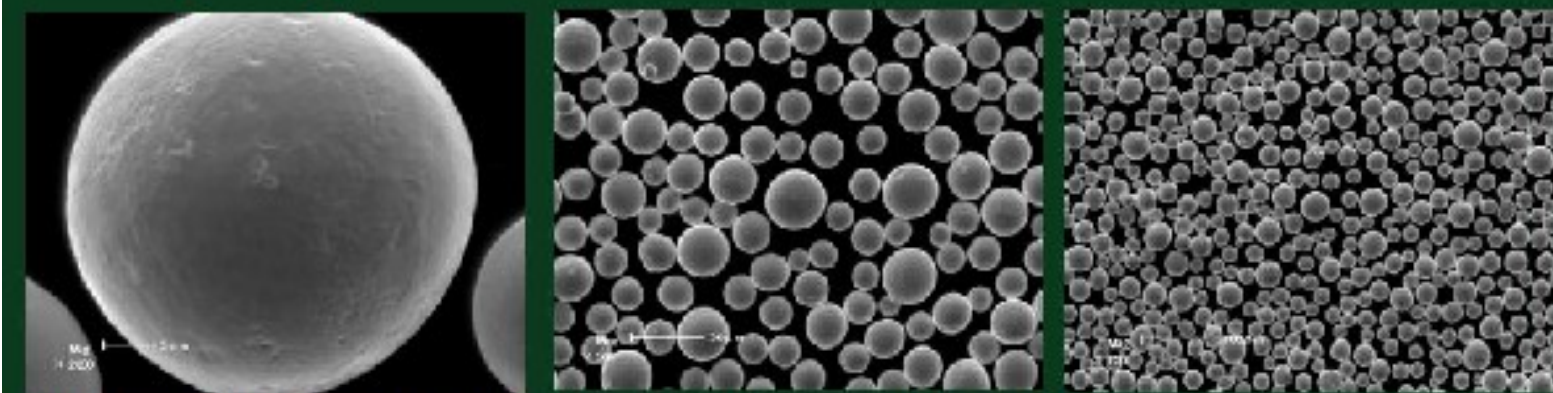




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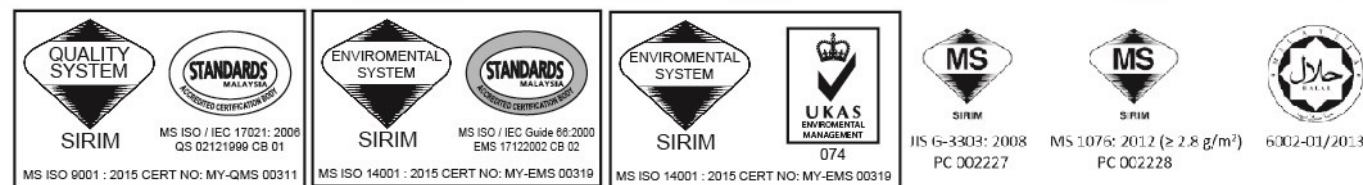
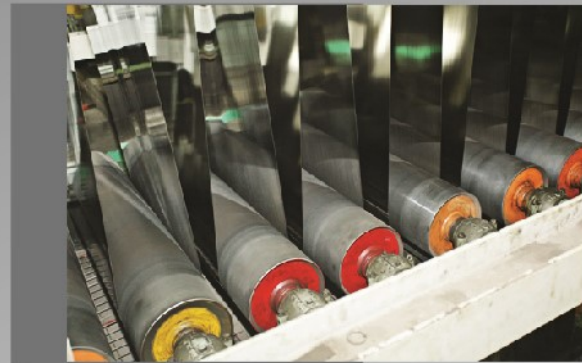
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