



News Clips

US ~ China is close to filling quotas imposed by the US on Chinese textile imports, adding pressure on Beijing to resolve trade dispute with Washington.

Currently 4 major categories are already exceeded quota limits while others likely to hit quota limits in June or early August.

Beijing wants a textile agreement similar to the agreement signed with EU in June with annual growth capped at between 8% to 12.5%, higher than the 7.5% annual cap imposed by the US on certain Chinese textiles until 2007.

EU ~ VNU NV, a Dutch publishing and market research company, will purchase IMS health, a US-based health-care data provider for US\$6.9bn in a move to turn VNU NV into a global leader in market intelligence on pharmaceutical and health-care related information.

EU ~ Western Europe (WE) has beaten off competition from the US and China to remain the most important destination for global investors, according to European Attractiveness Survey conducted by Ernst & Young consultancy.

EU ~ Malaysian firms, Focus Equity Sdn. Bhd. & Berjaya

Group, plan to form a joint venture with Dutch security printer, Royal Joh. Enschede to build an RM580mn (US\$150mn) security-printing plant outside Kuala Lumpur.

Security printing includes the production of items such as passports, stock certificates, bonds, identity cards, postage stamps and printing of bank notes with the aim of preventing forgery & counterfeiting.

China ~ 6 foreign manufacturers have become the 1st batch of companies to be approved by China's Ministry of Commerce to broaden their scope of business.

The 6 beneficiaries are Samsung Electronics Co., Samsung Electro-Mechanics Co., Samsung High-Tech Electro-Mechanics Co., Samsung Logistics Co., Novozymes (China) Co. and IMI Cornelius (Tianjin) Co.

The move is aimed at improving performance and enhancing the manufacturers' competitiveness.

China ~ FedEx has announced its plans to move its Asia-Pacific hub from the Philippines to southern China.

The company would build a US\$150mn hub in Guang-

GDP PER CAPITA (PURCHASING POWER PARITY)

Singapore: \$27,800 (2004 est.)

Brunei: \$23,600 (2003 est.)

Malaysia: \$9,700 (2004 est.)

Thailand: \$8,100 (2004 est.)

Philippines: \$5,000 (2004 est.)

Indonesia: \$3,500 (2004 est.)

Vietnam: \$2,700 (2004 est.)

Cambodia: \$2,000 (2004 est.)

Laos: \$1,900 (2004 est.)

Source: <http://www.cia.gov/cia/publications/factbook>

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zhou Baiyun airport, its largest hub outside the U.S., due to growing trade in and out of China and limited space at Subic Bay in the Philippines, its regional hub since 1995.

The new FedEx hub will begin operations in December 2008 and will be able to handle up to 24,000 packages an hour from all over Asia.

Singapore ~ Singapore-based budget airlines Valuair and Qantas Airways' affiliate JetStar Asia said that they are exploring a possible merger, barely a year after they both commenced operations.

Current State of Region's Economies

MALAYSIA:

Consumer price index rose 3.1% in May (YoY). Industrial production rose 6.8% in May (YoY)

	GDP (US\$bn)	Industrial Growth	Unemployment	Exports (US\$bn)	Imports (US\$bn)
Malaysia	1Q05: 30.3 4Q04: 31.1 3Q04: 30.4	May: -0.4% Apr: 4.0% Mar: 5.5%	4Q04: 3.3% 3Q04: 3.4% 2Q04: 3.7%	May: 11.2 Apr: 11.4 Mar: 12.3	May: 9.5 Apr: 9.2 Mar: 9.6
Japan	1Q05: 1153.5 4Q04: 1294.6 3Q04: 1123.1	May: 0.3% Apr: 0.3% Mar: 1.2%	1Q05: 4.5% 4Q04: 4.5% 3Q04: 4.6%	May: 48.3 Apr: 50.0 Mar: 48.4	May: 42.0 Apr: 43.2 Mar: 40.0
Korea	1Q05: 181.0 4Q04: 204.6 3Q04: 170.3	May: 4.3% Apr: 3.8% Mar: 4.9%	2Q05: 3.6% 1Q05: 4.1% 4Q04: 3.8%	Jun: 23.9 May: 23.2 Apr: 23.0	Jun: 21.2 May: 21.2 Apr: 21.2
Hong Kong	1Q05: 40.3 4Q04: 44.1 3Q04: 42.0	1Q05: -0.6% 4Q04: 5.0% 3Q04: 3.4%	1Q05: 6.1% 4Q04: 6.5% 3Q04: 6.8%	May: 24.9 Apr: 22.1 Mar: 21.6	May: 26.1 Apr: 23.4 Mar: 23.4
Taiwan	1Q05: 84.4 4Q04: 82.5 3Q04: 76.2	May: -1.42% Apr: 0.63% Mar: -0.17%	1Q05: 4.2% 4Q04: 4.2% 3Q04: 4.4%	Jun: 14.9 May: 16.3 Apr: 15.7	Jun: 15.0 May: 16.1 Apr: 15.6
China	1Q05: 378.8 4Q04: 524.1 3Q04: 416.3	May: 16.6% Apr: 16.0% Mar: 15.1%	1Q05: 4.2% 4Q04: 4.2% 3Q04: 4.3%	Jun: 66.0 May: 58.4 Apr: 62.2	Jun: 56.3 May: 49.4 Apr: 57.6

Source: MTEN



News Clips

Singapore ~ SIA-backed low fare carrier, Tiger Airways, will launch daily flights to Cambodia shortly once it has secured approval from Cambodian regulatory authority. It has already obtained permission from the Singapore government to fly to Cambodia.

Thailand ~ Nissan Motor Co, Japan's second largest motor vehicle, plans to manufacture compact passenger cars in Thailand as part of its Baht 29bn (US\$700mn) investment plan to expand production capacity at its plant in Thailand.

Thailand ~ Thailand is resuming its FTA talks with the US, the 4th round between both countries, although both sides have indicated that more work ought to be done before any eventual

breakthrough can be achieved.

Thailand wants to expand its access to US markets. Shipments of goods to US rose 16%YoY in 2004 to Baht 735bn (US\$17.6bn), with total trade rising 14%YoY to Baht 928bn (US\$22.2bn).

Korea ~ . Switzerland's STMicroelectronics NV has approached Hynix Semiconductor Inc., a Korean chip-maker, to form a strategic alliance in memory-chip business.

STMicro and Hynix will jointly build a US\$2bn chip plant in China and agreed to produce NAND flash-memory chips, used mostly in MP3 players and digital cameras.

Source: MTEN

HIGHLIGHTS:

Samsung, LG Electronics & Hyundai Motor are now paying more attention to hiring talented designers, as design has become key to the success of their products.

Source: MTEN

International Technology Roadmap for Semiconductors (ITRS)

In a keynote speech at SEMICON West, on July 14, 2005, Texas Instrument exec & Semiconductor Industry Association rep to the International Technology Roadmap for Semiconductor (ITRS) Roadmap Committee, Dr. Bob Doering, remarked "The 2005 ITRS roadmap proposal is significantly more aggressive than previous versions on several key scaling parameters... The ITRS is also entering a new era as the industry begins to address the theoretical limits of CMOS scaling. The 2005 ITRS highlights the challenges along the 15-year outlook and starts to examine

what might come next."

"The primary objective of the ITRS roadmap is to identify the key technology challenges out to a 15-year horizon and place them in the spotlight for industry consideration," emphasized Doering. "Our hope is that the focused attention will influence greater collaboration and new research initiatives to apply resources that ultimately deliver innovative, cost-effective solutions."

For 14 years, the ITRS has helped influence industry decisions about the technologies required to stay on the

HIGHLIGHTS:

Competitiveness Ranking:

1. Finland
2. USA
3. Sweden
4. Taiwan
5. Denmark
6. Norway
7. Singapore
8. Switzerland
9. Japan
10. Iceland

Source: <http://www.weforum.org>



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Moore's Law curve.

The ITRS is sponsored by the European Semiconductor Industry Association (ESIA); the Japan Electronics and Information Technology Industries Association (JEITA); the Korean Semiconductor Industry Association (KSIA); the Semiconductor Industry Association (SIA); and Taiwan Semiconductor Industry Association (TSIA). International SEMATECH is responsible for global coordination for ITRS activities.

Source: <http://symbian.sys-con.com/read/1103>
<http://www.advancedimagingpro.com/article/article.jsp?siteSection=3&id=126870.htm>
<http://www.noticias.info/asp/aspcomunicados.asp?nid=84215>
<http://focus.ti.com/docs/pr/pressrelease.jhtml?preId=sc05152>
<http://www.planetanalog.com/printableArticle.jhtml?articleID=165702389>

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Forthcoming Events

Talk to us!



SMIDEX 2005

Moving SMEs Up the Value Chain

Kuala Lumpur Convention Centre, Kuala Lumpur, Malaysia

23 - 25 August 2005

Organised by SMIDEC

9th MSC International Advisory Panel (IAP) Meeting, 8-9 September, 2005 at Equatorial Hotel, Penang

MSC ICT Fair, 7-11 September, 2005 at Dewan Millennium, Kepala Batas, Seberang Perai, Penang

MSC Global Technopreneur Forum, 9 September, 2005 at Vistana Hotel, Penang

MSC-APICTA Award Dinner, 9 September, 2005 at Equatorial Hotel, Penang

China Hi-Tech Fair 2005

Shenzhen Convention & Exhibition Center, Shenzhen, China

October 12 — 7, 2005

Delegation Organiser: investPenang

Companies which are interested to participate in the China Hi-Tech Fair 2005 please contact Mr TY Lim or Ms Noraini Haron (Tel: 604-646 8833, email: lty@investpenang.gov.my or noraini@investpenang.gov.my)