



# Malaysia Gold Bullion & Jewellery Market and Update

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# Current Tax Structure



- June 2018, GST which was introduced in 2015 April at 6%, was zero-rated
- Sept 2018, GST terminated
- Replaced with Sales & Service Tax (SST), at 6% & 10% respectively.
- Gold & Jewellery items all exempted from SST
  - No tax, no duty

# Jewellery Retail



- No significant upswing in sales post GST removal & SST exemption
- There's an increasing of imports of 24K Gold jewellery, mainly from China
- Maybe due to tax-free status & also to cater for Chinese tourists.
- Estimated 5 M/tonnes/year

# Islamic Pawn-Broking Industry – Ar-Rahnu



- Started about 15 year ago
- Islamic pawn broking or Ar-Rahnu, actively promoted by government
- Only take in Gold & gold jewelleries
- There are more than 700 outlets nationwide
- Some of the operators are bank-backed, while some are backed by GLCs.
- 7 major players
- Estimated about 5M/tonnes of gold/gold jewelleries under financed

# Opportunities



- Current tax-free status for gold & gold jewelleries provide easy access for foreign players.
- Quite a number of BIG foreign players already entered Malaysia markets.



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PRECIOUS METALS  
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9-11 June 2019  
PARKROYAL on Beach Road, Singapore



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THANK YOU