



**FOR IMMEDIATE RELEASE**

**URGENT CONTROL AND HALTING OF IMPORT, FABRICATION,  
AND SALE OF “GOLD-WRAPPED SILVER” PRODUCTS**

**KUALA LUMPUR, 7<sup>TH</sup> JANUARY 2025** – The Malaysia Gold Association (MGA) noticed the rise of “gold-wrapped silver” (“金包银”) products largely driven by social media platforms such as TikTok, recently. This has become an increasingly alarming trend for traditional gold markets. The influx of these “gold-wrapped silver” (“金包银”) products into the country could pose a significant impact to the integrity of precious metals market in Malaysia, causing price confusion, affecting real gold demand and the overall dynamics of precious metals. In response to that, MGA has taken the lead to address this issue by hosting an urgent Special Discussion with all members, consisting of gold veterans as well as key industry players in Malaysia, through Zoom Meeting, yesterday.

Among the Key Committee Members who attended the Special Discussion on 6<sup>th</sup> January 2025 include: **Dato’ Wira Louis Ng**, President of MGA, representing the largest gold traders in Malaysia and Indonesia under Public Gold Group; **Datuk Abdul Rasull**, Vice President of MGA, who is also the Malaysia Indian Goldsmith Jewellers Association (MIGJA) President, representing Indian goldsmith jewelers and retailers under Abdul Razak Jewellers; **Dato’ Chiah Hock Yew**, Vice President of MGA, who is also the Federation of Goldsmiths and Jewellers Associations of Malaysia (FGJAM) President, representing retailers and manufacturers under Jin Huo Gold & Jewellery Industries; **Mr. Law Chin Hooi**, ordinary committee member of MGA, who is the Province Wellesley Gold & Silver Ornament Merchants Association (PWGS) President, representing gold manufacturers under CHL Innovation Industries; **Dato’ Hj. Abdul Wahab**, Secretary of MGA, who is also the Persatuan Pajak Gadai Islam Malaysia (PEGIM) Secretary, representing Ar-Rahnu and Koperasi Dagang Emas (KDE), **En. Shukor Anuar**, Vice President of MGA, Assayer under KL Assayer Office; and **Dato’ Jeff Kua**, Treasurer of MGA, representing the largest gold wholesaler in Malaysia under TTT Bullion.

After careful consideration and discussions with these key industry players (inclusive of manufacturers, retailers, pawnbrokers, Ar-Rahnu and other stakeholders), MGA has come to a unanimous agreement to reject such products and fully comply with the decision to halt their production, importation, and sale. This commitment means that manufacturers will not fabricate these products, and retailers will not sell them in Malaysia.

Among some of the Consumer Misconception and Negative Impact of the “gold-wrapped silver” (“金包银”) products on Malaysian gold industry include:

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**1. Consumer Misperception:**

**Gold-wrapped silver (金包银):** products resemble genuine gold jewellery due to the thickness of the gold layer, making it difficult for consumers to distinguish them from real gold without professional assessment. This misperception creates the risk of financial loss, as consumers may unknowingly purchase these deceptive products under the false belief they are acquiring authentic gold.

**Gold-Plated Products (镀金):** Gold-plated items, long recognized as base metals coated with a thin layer of gold, are well-understood by consumers as non-genuine gold.

**2. Impact on the Pawn Broking and Ar-Rahnu Industry:**

“Gold-wrapped silver” (“金包银”) products present significant threats and risks to the pawn broking and Ar-Rahnu sectors, as these products enables fraudster to pass off and misrepresent these products as real or genuine gold products to the operators. This would cause serious mis-valuation and challenges in gold recovery. As a result, the businesses could be harmed due to their reliance on accurate valuations, thereby compromising their financial stability.

**3. Impact on the Integrity and Accuracy of the Gold Recycle and Buyback Market:**

The widespread sale of “gold-wrapped silver” (“金包银”) products threatens the integrity of the gold recycle and buyback market. These products, consisting a thickness of gold layer wrapped over silver, can easily be misidentified or misrepresented as genuine gold during transactions. This leads to inaccuracies in assessing the true value of recycled gold, affecting the credibility and reliability of the buyback market. When gold-wrapped silver is sold or pawn as real gold, it disrupts the accurate valuation process and undermines the trust that consumers and businesses place in the gold recycle system. This poses a significant risk to market transparency and fairness.

**4. Undermining the Gold Supply Chain:**

The demand for “gold-wrapped silver” (“金包银”) could divert consumer interest from genuine gold products, destabilizing the gold supply chain. A reduction in demand for real gold affects upstream key players such as miners, refiners, and traders, and could disrupt the overall stability of Malaysia gold market.



“On behalf of MGA, I strongly urge the industry players - manufacturers, importers, retailers, distributors, and particularly relevant enforcement agencies to formally categorize “gold-wrapped silver” (“金包银”) and similar gold-wrapped products (with inner core being non-gold) as Fake Gold and Prohibited Items. We also call for immediate cessation and ban the importation, fabrication, and sale of such products in Malaysia. We hope the respective Malaysian enforcements, inclusive of the Royal Malaysian Customs Department (RMCD) and the Ministry of Domestic Trade and Cost of Living (KPDN) could impose stricter regulations to prohibit the sale, trade and exchange of these deceptive products on Malaysian ground (inclusive of eCommerce platforms), and to ensure rigorous monitoring and enforcement to protect our consumers’ rights,” said the President of Malaysia Gold Association (MGA), Dato’ Wira Louis Ng.

Established primarily to protect the welfare of local precious metals industry and ensures the industry continues to thrive, MGA remained committed in upholding the integrity and sustainability of Malaysia’s gold industry by ensuring such irresponsible gold trading acts be prevented in Malaysia. It is crucial for all related parties to play their part to ensure a stable and promising future for local market to continue benefit from the authentic and high-quality gold products in Malaysia.

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**Issued by Brandevo Communications on behalf of Malaysia Gold Association**

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