



**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
MALAYSIA**

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MALAYSIA EXTERNAL TRADE STATISTICS

**TRADE PERFORMANCE FOR THE MONTH OF MAY 2018 AND THE PERIOD OF
JANUARY- MAY 2018 #**

Exports Remained High in May 2018 at RM82.11 Billion

Malaysia's trade in May 2018 grew by 1.8% to reach a value of RM156.1 billion from May 2017. Expansion in trade were seen with China, Taiwan, Hong Kong SAR, the Republic of Korea (ROK), the European Union (EU), Japan and Saudi Arabia.

May 2018 exports remained above the RM80 billion mark, totalling RM82.11 billion, a 3.4% growth compared to May 2017, while **imports rose by 0.1% to RM73.99 billion**. Export growth continued to outpace import for 5 consecutive months since January 2018. **Trade surplus was recorded at RM8.12 billion, an expansion of 47.1%** from May 2017 and marked the 247th consecutive month of trade surplus since November 1997.

On a month-on-month (m-o-m) basis, imports and total trade grew by 3.9% and 0.4%, while exports and trade surplus contracted by 2.5% and 37.7%, respectively.

For the first five months of 2018, trade amounted to RM753.46 billion, rose by 4.2% compared to the same period of 2017. Exports increased by 6.9% to RM403.99 billion while imports were higher by 1.3% to RM349.48 billion. Trade surplus surged by 64.9% to RM54.51 billion compared to the corresponding period of 2017.

Export Performance of Major Sectors

Manufactured Goods Continued to Drive Exports

Exports of manufactured goods in May 2018 increased by 3.2% y-o-y or RM2.14 billion to RM68.77 billion, accounting for 83.8% of Malaysia's total exports. The expansion was driven mainly by higher exports of manufactures of metal which grew by 44.7% or RM1.35 billion. Other products which contributed to the increase were electrical and electronic (E&E) products, chemicals and chemical products, optical and scientific equipment as well as palm oil-based manufactured products.

Exports of mining goods expanded by 40% to RM7.09 billion, constituting 8.6% of Malaysia's total exports. The increase was attributed to higher exports of liquefied natural gas (LNG) and crude petroleum. Exports of LNG rebounded in May 2018 with a double digit growth of 61%, after registering 3 consecutive months of y-o-y decline since February 2018. This was due to higher exports volume which increased by 68.7%.

Exports of agriculture goods which accounted for 6.6% of total exports, contracted by 21.9% to RM5.44 billion mainly due to lower exports of palm oil and palm oil-based agriculture products, particularly palm oil. This was due to the decline in both exports volume and Average Unit Value (AUV).

Major exports in May 2018:

- E&E products valued at RM29.18 billion, constituting 35.5% of total exports, increased by 2.1% from May 2017;
- Petroleum products, RM8.09 billion, 9.9% of total exports, increased by 1.7%;

- Chemicals and chemical products, RM4.51 billion, 5.5% of total exports, increased by 14.6%;
- Manufactures of metal, RM4.36 billion, 5.3% of total exports, increased by 44.7%; and
- Palm oil and palm oil-based agriculture products, RM3.63 billion, 4.4% of total exports, decreased by 24.7%.

Compared to April 2018, exports of mining goods increased by 4.8%, while manufactured and agriculture goods declined by 2.5% and 9.5%, respectively.

In the first five months of 2018, exports of manufactured goods expanded by 8.8% to RM335.71 billion compared to the corresponding period of 2017, mainly led by higher exports of E&E products, manufactures of metal, chemicals and chemical products, transport equipment as well as optical and scientific equipment. **Exports of mining goods increased by 7% to RM35.02 billion**, supported mainly by higher exports of crude petroleum. Meanwhile, **exports of agriculture goods contracted by 11.5% to RM29.27 billion**, owing to lower exports of palm oil and palm oil-based agriculture products.

Performance of Major Markets

Stronger Trade Performance with ASEAN for the First 5 Months

Trade with ASEAN in May 2018 which accounted for 26.8% of Malaysia's total trade, slipped by 1% y-o-y to RM41.78 billion. Exports amounted to RM23.66 billion, a decline of 1.9%, due to the drop in exports of petroleum products, machinery, equipment and parts as well as E&E products. However, higher exports were recorded for crude petroleum, manufactures of metal as well as petroleum condensates and other petroleum oil. Imports from ASEAN rose by 0.1% to RM18.12 billion.

Breakdown of exports to ASEAN countries in May 2018:

- Singapore RM 11.13 billion, **decreased** by 9.8%

- Thailand RM 4.87 billion, ↑18.4%
- Viet Nam RM 3.09 billion, ↑41.3%
- Indonesia RM 2.63 billion, ↓20.1%
- Philippines RM 1.29 billion, ↓4.1%
- Myanmar RM 265.6 million, ↓41.7%
- Brunei RM 193.4 million, ↓18.6%
- Cambodia RM 175.4 million, ↑31.4%
- Lao PDR RM 3.3 million, ↓39.8%

Exports to **Singapore** contracted by RM1.2 billion mainly due to reduced shipment of petroleum products and E&E products. Meanwhile, exports to **Thailand** expanded by RM757.4 million on account of higher exports of crude petroleum and E&E products, **Viet Nam** (↑RM904.4 million, petroleum products) and **Cambodia** (↑RM41.9 million, iron and steel products).

On a m-o-m basis, imports and total trade grew by 3.6% and 0.9% respectively, while exports contracted by 1%.

In January-May 2018, trade with ASEAN expanded by 3.2% to RM204.23 billion compared to the same period of 2017. Exports to this region rose by 3.4% to RM115.32 billion contributed mainly by higher exports of E&E products and crude petroleum. Imports increased by 2.9% to RM88.91 billion.

Sturdy Demand From China in May

In May 2018, trade with China which absorbed 17.4% of Malaysia's total trade expanded by 7.7% y-o-y to RM27.14 billion. Exports amounted to RM11.53 billion, increased by 7.4% due to higher exports of manufactures of metal as well as chemicals and chemical products. Imports from China were up by 7.8% to RM15.61 billion.

Compared to April 2018, imports and total trade were higher by 12.6% and 3.3% while exports declined 7.1%.

Trade with China in January-May 2018 expanded by 5% to RM122.35 billion compared to the same period of 2017. Exports to China increased by 6.2% to RM53.12 billion, attributed to higher exports of E&E products, chemicals and chemical products as well as manufactures of metal. Imports from China rose by 4% to RM69.23 billion.

Manufactured Goods Drove Exports to the EU in May 2018

Malaysia's trade with the EU in May 2018 increased by 4.6% y-o-y to RM15.85 billion and accounted for 10.2% of Malaysia's total trade. Exports increased by 11.4% to RM8.92 billion, driven by higher exports of manufactured goods, particularly petroleum products, manufactures of metal as well as palm oil-based manufactured products. Imports declined by 3% to RM6.93 billion.

Among the top 10 EU markets, exports to 7 countries registered growth namely, **Germany** (↑34.9%), **Ireland** (↑205.1%), **Italy** (↑22.8%), **Spain** (↑22.9%), **the Czech Republic** (↑48.9%), **France** (↑8.5%) and **Hungary** (↑16.1%).

On a m-o-m basis, exports, imports and total trade contracted by 0.1%, 4% and 1.8%, respectively.

In the first five months of 2018, trade with the EU grew by 12.4% to RM77.7 billion compared to the corresponding period in 2017. Exports increased by 9.2% to RM42.7 billion, attributed to higher exports of manufactures of metal and E&E products. Imports from the EU increased by 16.7% to RM34.99 billion.

Exports to the USA Remained Positive in the First 5 Months

Malaysia's trade with the United States of America (USA) in May 2018 recorded a contraction of 20% to RM11.56 billion or 7.4% of Malaysia's total trade. Exports totalled RM7 billion, decreasing by 5.6% y-o-y due to lower exports of E&E and petroleum products. However, higher exports were recorded for optical and scientific equipment as well as chemicals and chemical products. Imports declined by 35.1% to RM4.56 billion.

Compared to April 2018, exports, imports and total trade declined by 6.5%, 14.7% and 9.9%, respectively.

In January-May of 2018, trade with the USA amounted to RM62.02 billion, contracting by 9.1% compared to the corresponding period in 2017. Exports to the USA rose by 1.4% to RM36.61 billion on account of higher exports of transport equipment, manufactures of metal as well as optical and scientific equipment. Imports from the USA decreased by 20.8% to RM25.4 billion.

Exports to Japan Driven By Increased Shipment of LNG

Trade with Japan in May 2018 which constituted 6.7% of Malaysia's total trade or RM10.53 billion, rose by 7.1% y-o-y. Exports to Japan rebounded by 16% y-o-y growth to RM5.57 billion after registering 3 straight months of negative growth. The increase was attributed mainly to higher shipments of LNG to Japan. Imports from Japan were lower by 1.5% to RM4.96 billion.

On a m-o-m basis, exports increased by 11%, while imports and total trade contracted by 11.2% and 0.6%, respectively.

During the first five months of 2018, trade with Japan was RM55.51 billion, a decrease of 3.6% from the corresponding period a year ago. Exports to Japan which amounted to RM29.84 billion, reduced by 5.6% on account of lower exports of E&E products and LNG. Products registering higher exports were iron and steel products, manufactures of metal as well as chemicals and chemical products. Imports from Japan declined by 1.1% to RM25.67 billion.

Trade with FTA Partners

In May 2018, trade with Free Trade Agreement (FTA) partners rose by 2.1% y-o-y to RM97.68 billion and accounted for 62.6% of Malaysia's total trade. Exports to FTA partners amounted to RM50.67 billion, increased by 2.1% and imports expanded by 2% to RM47.01 billion.

Higher exports were registered to **the ROK**, growing by 17.1% to RM2.58 billion, attributed mainly to increase in exports of E&E products, **Pakistan** (↑19.6% to RM539.3 million, palm oil and palm oil-based agriculture products), **Chile** (↑24.8% to RM63.3 million, chemicals and chemical products) and **Turkey** (↑0.3% to RM853.4 million, palm oil and palm oil-based agriculture products).

Compared to April 2018, imports and total trade grew by 6% and 2.7% respectively, while exports declined marginally by 0.2%.

During January-May of 2018, total trade with FTA partners increased by 2.6% to RM468.32 billion and accounted for 62.2% of Malaysia's total trade. Exports amounted to RM246.96 billion, an increase of 3.1% while imports totalled RM221.35 billion, expanding by 2%.

Other Markets Registering Higher Exports

In May 2018, **other markets with significant growth in exports were Hong Kong SAR, Taiwan and Bangladesh**. Exports to **Hong Kong SAR** expanded by 34.8% y-o-y to RM5.24 billion, supported mainly by higher exports of E&E products, **Taiwan** (↑21.5% to RM2.72 billion, E&E products) and **Bangladesh** (↑41.5% to RM937.5 million, petroleum products).

Import Performance

In May 2018, imports increased by 0.1% y-o-y to RM73.99 billion. The three main categories of imports by end use were:

- **Intermediate goods**, valued at RM40.06 billion or 54.1% of total imports, decreased by 5.3%, following lower imports of parts and accessories of capital goods (except transport equipment) primarily electrical machinery, equipment and parts;

- **Capital goods**, valued at RM9.82 billion or 13.3% of total imports, contracted by 0.7%, led by lower imports of capital good (except transport equipment), particularly electrical machinery, equipment & parts; and
- **Consumption goods**, valued at RM5.99 billion or 8.1% of total imports, reduced by 10.2%, as a result of lower imports of semi-durables goods mainly articles of plastics.

During the first five months of 2018, imports amounted to RM349.48 billion, grew by 1.3% from the corresponding period of 2017. **Intermediate goods** totalled RM181.27 billion, dropped by 9.6%, **capital goods** (RM44.71 billion, ↓7.5%) and **consumption goods** (RM28.34 billion, ↓1.4%).

Note:

It should be noted that, conceptually, the export and import figures in the external trade statistics are different from that in the goods account of the balance of payments compilation. The compilation of international merchandise trade statistics is usually based on customs records, which essentially reflect the physical movement of goods across borders, and follow international guidelines on concepts and definitions i.e. International Merchandise Trade Statistics: Concepts and Definitions 2010 (IMTS 2010) which is different from the principles of the System of National Accounts (SNA) and the Balance of Payments Compilation. Goods are defined in the SNA as “physical objects for which a demand exists, over which ownership rights can be established and whose ownership can be transferred from one institutional unit to another by engaging in transactions on markets”.

“This is a preliminary release, full details would be published in the “MONTHLY EXTERNAL TRADE STATISTICS” report by the Department of Statistics, Malaysia, to be disseminated at 1200 hours, Thursday, 5th July 2018 and can be downloaded through statistic at the Department of Statistics, Malaysia’s portal (<https://estatistik.dosm.gov.my>).”

+ *This media release can be accessed through the portal of Malaysian External Trade Statistics, Ministry of International Trade and Industry (<http://www.miti.gov.my>) and Malaysia External Trade Development Corporation (<http://www.matrade.gov.my>).*

The May 2018 data is provisional and subject to revision in later issue.

With effect from reference month April 2018, selection of codes for exports and imports of palm oil and palm oil-based products has been reviewed and revised for better representation of the product and this has resulted in some changes to the data.

TABLE 1: SUMMARY OF MALAYSIA'S EXTERNAL TRADE

Year/ Period	<u>Total Exports</u> (RM Million)	<u>Total Imports</u> (RM Million)	<u>Trade Balance</u> (RM Million)	<u>Total Trade</u> (RM Million)
2017^P				
January	70,269.8	65,529.6	4,740.2	135,799.5
February	71,793.4	63,061.0	8,732.4	134,854.5
March	82,624.8	77,224.6	5,400.2	159,849.4
April	73,871.7	65,213.5	8,658.2	139,085.2
May	79,418.1	73,901.0	5,517.1	153,319.2
June	73,083.1	63,191.4	9,891.7	136,274.4
July	78,628.4	70,591.7	8,036.8	149,220.1
August	82,304.2	72,294.4	10,009.8	154,598.5
September	78,258.1	69,654.2	8,603.8	147,912.3
October	82,293.4	71,851.6	10,441.8	154,145.0
November	83,515.6	73,552.9	9,962.7	157,068.5
December	79,332.3	72,078.6	7,253.7	151,410.9
2017 (Jan-Dec)^P	935,393.0	838,144.5	97,248.5	1,773,537.5
2018^P				
January	82,820.1	73,152.8	9,667.3	155,972.8
February	70,342.6	61,325.0	9,017.6	131,667.5
March	84,467.0	69,778.7	14,688.3	154,245.7
April	84,246.7	71,225.2	13,021.5	155,472.0
May	82,110.0	73,993.8	8,116.2	156,103.8
2017 (Jan-May)^P	377,977.9	344,929.8	33,048.1	722,907.7
2018 (Jan-May)^P	403,986.4	349,475.4	54,510.9	753,461.8

Note: Total may not add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	May 2018 ^P	Apr 2018 ^P	May 2017 ^P
	RM Million	RM Million	RM Million
Total Exports	82,110.0	84,246.7	79,418.1
Electrical & Electronic products	29,182.0	31,854.7	28,573.7
Petroleum Products	8,094.9	6,395.9	7,959.0
Chemicals & Chemical Products	4,511.4	4,579.3	3,936.4
Manufactures of Metal	4,358.8	4,711.5	3,012.8
Palm Oil & Palm Oil-Based Agriculture Products	3,632.6	4,187.3	4,822.5
Machinery, Equipment & Parts	3,333.2	3,491.5	3,767.2
LNG	3,127.3	2,845.4	1,942.6
Crude Petroleum	3,103.9	2,894.3	2,128.6
Optical & Scientific Equipment	2,917.1	2,820.4	2,571.8
Palm Oil-Based Manufactured Products	2,128.9	1,886.1	1,986.0

TABLE 3: MAJOR EXPORT MARKETS

Countries	May 2018 ^P	Apr 2018 ^P	May 2017 ^P
	RM Million	RM Million	RM Million
Total Exports	82,110.0	84,246.7	79,418.1
China	11,529.4	12,404.7	10,734.1
Singapore	11,132.1	10,966.3	12,334.8
USA	7,003.3	7,486.3	7,422.6
Japan	5,573.3	5,018.9	4,804.0
Hong Kong SAR	5,235.8	6,403.9	3,884.0
Thailand	4,871.3	5,111.2	4,113.9
Viet Nam	3,093.0	2,900.2	2,188.6
Germany	2,984.1	2,552.3	2,212.0
Australia	2,925.2	2,205.3	3,143.0
India	2,758.2	3,001.3	2,870.2

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY-MAY)

Products	Jan-May 2018 ^P	Jan-May 2017 ^P
	RM Million	RM Million
Total Exports	403,986.4	377,977.9
Electrical & Electronic Products	149,161.3	133,645.2
Petroleum Products	31,929.1	31,318.7
Chemicals & Chemical Products	22,473.1	19,457.8
Palm Oil & Palm Oil- Based Agriculture Products	20,220.5	22,474.9
Manufactures of Metal	19,271.8	15,046.2
Machinery, Equipment & Parts	17,192.9	17,293.0
LNG	15,926.1	15,186.7
Crude Petroleum	14,538.4	12,392.1
Optical & Scientific Equipment	14,178.5	12,921.0
Rubber Products	10,677.7	11,166.1

TABLE 5: MAJOR EXPORT MARKETS (JANUARY-MAY)

Countries	Jan-May 2018 ^P	Jan-May 2017 ^P
	RM Million	RM Million
Total Exports	403,986.4	377,977.9
Singapore	54,260.9	55,306.0
China	53,118.3	49,999.2
USA	36,615.0	36,113.3
Japan	29,839.7	31,607.5
Hong Kong SAR	29,547.2	16,673.8
Thailand	23,610.1	20,639.5
India	15,178.4	14,303.3
Viet Nam	14,273.0	10,866.5
Indonesia	13,593.9	14,708.0
Germany	12,963.3	11,110.5

TABLE 6: MAJOR IMPORT PRODUCTS

Products	May 2018 ^p	Apr 2018 ^p	May 2017 ^p
	RM Million	RM Million	RM Million
Total Imports	73,993.8	71,225.2	73,901.0
Electrical & Electronic Products	21,093.3	20,960.6	21,254.8
Petroleum Products	7,619.7	7,735.1	7,569.5
Chemicals & Chemical products	6,750.3	6,539.6	6,869.5
Machinery, Equipment & Parts	5,928.3	6,163.8	6,868.7
Transport Equipment	4,404.9	3,699.8	3,786.2
Manufactures of Metal	3,429.6	3,425.1	3,616.2
Crude Petroleum	2,862.4	1,712.7	918.8
Iron & Steel Products	2,809.7	2,501.4	2,340.2
Optical & Scientific Equipment	1,838.5	1,852.1	2,190.0
Textiles, Apparels & Footwear	1,590.1	1,455.9	1,818.4

TABLE 7: MAJOR IMPORT SOURCES

Countries	May 2018 ^p	Apr 2018 ^p	May 2017 ^p
	RM Million	RM Million	RM Million
Total Imports	73,993.8	71,225.2	73,901.0
China	15,612.6	13,865.8	14,478.9
Singapore	8,234.9	8,174.9	7,258.6
Taiwan	5,530.1	4,969.2	4,419.4
Japan	4,957.6	5,580.0	5,030.9
USA	4,557.7	5,340.5	7,024.7
Thailand	4,040.0	3,732.6	4,301.5
ROK	3,796.9	2,906.1	3,235.3
Indonesia	3,073.2	3,081.3	3,206.1
India	2,118.0	2,266.5	2,809.1
Germany	1,959.2	2,175.6	2,442.4

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY-MAY)

Products	Jan-May 2018 ^p	Jan-May 2017 ^p
	RM Million	RM Million
Total Imports	349,475.4	344,929.8
Electrical & Electronic Products	103,192.8	100,564.5
Petroleum Products	33,961.7	30,952.2
Chemicals & Chemical Products	32,187.2	30,920.9
Machinery, Equipment & Parts	30,224.7	32,216.0
Transport Equipment	19,285.1	18,051.6
Manufactures of Metal	18,408.2	16,798.7
Iron & Steel Products	12,466.2	11,674.1
Optical & Scientific Equipment	9,041.8	10,237.4
Crude Petroleum	8,726.6	7,811.8
Processed food	7,835.4	8,742.5

TABLE 9: MAJOR IMPORT SOURCES (JANUARY-MAY)

Countries	Jan-May 2018 ^p	Jan-May 2017 ^p
	RM Million	RM Million
Total Imports	349,475.4	344,929.8
China	69,230.6	66,572.1
Singapore	41,107.6	34,290.6
Japan	25,666.7	25,948.1
USA	25,404.6	32,084.5
Taiwan	23,794.6	21,313.1
Thailand	19,382.0	20,074.2
Indonesia	15,754.0	17,022.4
ROK	15,678.3	15,105.1
Germany	10,714.7	10,368.6
India	10,611.1	11,315.4

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:
 p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2012 - May 2018

