



**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
MALAYSIA**

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MALAYSIA EXTERNAL TRADE STATISTICS

**TRADE PERFORMANCE FOR THE PERIOD OF JANUARY- JULY 2016 AND THE
MONTH OF JULY 2016 #**

Trade of RM821.8 billion in First Seven Months 2016

Malaysia's **trade** for the period **January-July 2016** expanded marginally by 0.3% to reach a value of RM821.8 billion as compared to RM819.04 billion in the same period of 2015. Expansion in trade were seen with the United States of America (USA), the Republic of Korea, ASEAN, Turkey, Nigeria, Mexico and Bangladesh.

In tandem with subdued external demand, **exports** grew by 0.3% or RM1.2 billion to RM432.75 billion while **imports** increased by 0.4% or RM1.55 billion to RM389.05 billion. **Trade surplus** of RM43.7 billion was recorded, compared to RM44.06 billion registered for the same period of 2015.

In **July 2016**, a **trade surplus** of RM1.91 billion was registered, the **225th consecutive month** of trade surpluses recorded since November 1997. **Exports** for the month declined by 5.3% or RM3.37 billion year-on-year, to RM59.85 billion while **imports** contracted by 4.8% or RM2.91 billion to RM57.94 billion. Overall, **trade** was lower by 5.1% to RM117.79 billion.

Export Performance of Major Sectors

In the **first seven months of 2016**, exports of manufactured goods increased by 4.2%. Exports of agricultural goods decreased marginally by 0.4% while mining goods declined by 27.3%.

Manufactured Exports Contributed 82.7% to Total Exports in January-July 2016

Exports of **manufactured goods** in **January-July 2016** expanded to RM357.92 billion, contributing 82.7% to total exports as compared to 79.6% during the same period of 2015. The increase was led by higher exports of electrical and electronic (E&E) products, machinery, equipment and parts, manufactures of metal, optical and scientific equipment, chemicals and chemical products as well as processed food.

Exports of **agricultural goods** declined marginally by 0.4% to RM37.14 billion as a result of lower exports of natural rubber and palm oil, by 17.2% and 3.4%, respectively. Decrease in exports of palm oil was due to lower volume while natural rubber was due to lower Average Unit Value (AUV) and volume.

Exports of **mining goods** fell by 27.3% to RM34.89 billion with lower exports of liquefied natural gas (LNG) and crude petroleum. Decrease in exports of LNG was due to lower AUV and volume while crude petroleum, on lower AUV.

Major exports in January-July 2016 were:

- E&E products valued at RM155.78 billion and constituting 36% of total exports, increased by 2.1% from the corresponding period of 2015;
- Chemicals and chemical products (RM32.91 billion), 7.6% of total exports, an increase of 5.6%;
- Petroleum products (RM29.76 billion), 6.9% of total exports, declined by 1.7%;
- Palm oil and palm-based agriculture products (RM24.82 billion), 5.7% of total exports, declined by 1.3%; and
- Machinery, equipment and parts (RM22.7 billion), 5.2% of total exports, an increase of 13.5%.

In **July 2016**, exports of **manufactured goods** decreased by 3.9% or RM1.96 billion to RM48.75 billion with lower exports of E&E products which contracted by RM1.39 billion. Higher exports, however, were recorded for optical and scientific equipment, rubber products, transport equipment, processed food, iron and steel products as well as chemicals and chemical products.

Exports of **agricultural goods** recorded a value of RM5.59 billion, a decrease of 10% due mainly to lower exports of palm oil and natural rubber, by 9.6% and 43.9%, respectively. The reduction in exports of palm oil was due to lower volume while natural rubber was due to lower AUV and volume. Compared to June 2016, exports of palm oil however registered a growth of 7.7% in July 2016, contributed by higher volume of palm oil exports.

Exports of **mining goods** decreased by 14% to RM5.07 billion with lower exports of LNG, attributed to lower AUV. Compared to June 2016, exports of LNG increased by 15%.

Performance of Major Markets

Exports to ASEAN Remained Resilient in January-July 2016

In **January-July 2016**, exports to **ASEAN** grew by 5.8% or RM7.01 billion to reach a value of RM128.19 billion, accounting for 29.6% share of Malaysia's total exports. The increase in exports was driven by larger exports of E&E products (electronic integrated circuits), manufactures of metal (aluminium alloys), machinery, equipment and parts (air conditioner), processed food as well as chemicals and chemical products (alcohols, phenols and derivatives). **Imports** from ASEAN contracted by 5.3% to RM95.8 billion, with **trade** growing marginally at 0.7% to RM223.99 billion.

Breakdown of **exports to ASEAN countries** as follows:

- Singapore RM 62.91 billion, **increased** by 5.3%
- Thailand RM 24.93 billion, **↑**1.1%
- Indonesia RM 15.21 billion, **↓**7.7%

- Viet Nam RM 13.36 billion, ↑40.1%
- Philippines RM 7.70 billion, ↑8.6%
- Myanmar RM 2.05 billion, ↑25.6%
- Brunei RM 1.23 billion, ↓19.5%
- Cambodia RM 741.4 million, ↑49.8%
- Lao PDR RM 46.5 million, ↑55.0%

Among the major markets within ASEAN, exports were higher to Singapore, Thailand and Viet Nam while lower exports were recorded to Indonesia. Exports to **Singapore** and **Thailand** expanded by RM3.19 billion and RM280.2 million, respectively, attributed mainly to higher exports of E&E products. Exports to **Viet Nam** increased by RM3.82 billion, driven by higher exports of petroleum products, manufactures of metal as well as chemicals and chemical products. However, exports to **Indonesia** remained weak, falling by RM1.27 billion due to the drop in exports of petroleum products.

In **July 2016**, **exports** to **ASEAN** grew by 4.7% to RM18.15 billion, lifted by increased exports of crude petroleum, E&E products, petroleum products as well as manufactures of metal. **Imports** from ASEAN fell 16.7% to RM12.92 billion and **trade** with ASEAN declined by 5.4% to RM31.08 billion.

Trade With the USA Up 9.9%

In the **first seven months of 2016**, **trade** with the USA rose 9.9% to RM77.94 billion. **Exports** surged by 13.6% or RM5.43 billion to RM45.47 billion while **imports** were higher by 5.2% to RM32.47 billion. Higher exports were contributed mainly by increased exports of E&E products which accounted for 57.3% of total exports to the USA, particularly, photosensitive semi-conductor devices. This was followed by optical and scientific equipment (parts and accessories for oscilloscope, spectrum analyser and other instruments), transport equipment (parts for aircraft), manufactures of metal as well as palm oil and palm-based agriculture products.

For **July 2016**, **exports** to **the USA** grew by 4.1% to RM6.35 billion, accounting for 10.6% of Malaysia's total exports. The increase was supported by optical and

scientific equipment, palm oil and palm-based agriculture products, machinery, equipment and parts (parts for civil engineering and contractors equipment) as well as E&E products. **Imports** however shrank by 10.6% to RM4.14 billion while **trade** with the USA decreased by 2.3% to RM10.49 billion.

Slower Trade with China

In the **first seven months of 2016**, **trade** with China grew by 0.2% to RM127.61 billion, accounting for 15.5% of Malaysia's total trade. **Exports to China** declined by 11% to RM49.62 billion. Reduced exports to China were seen mainly to E&E products, apart from the sluggish demand for commodity related exports, namely, palm oil and palm-based agriculture products, petroleum products, LNG as well as natural rubber. During the period, China's overall imports from the world declined by 10.5%, affecting most of the major exporting countries including Malaysia. Higher exports however were recorded for manufactures of metal, chemicals and chemical products (organic chemicals), optical and scientific equipment (instrument or apparatus for measuring or checking semiconductors) as well as transport equipment. **Imports** from China expanded by 8.9% to RM77.99 billion.

In **July 2016**, **trade** with **China** contracted by 9.1% to RM18.76 billion from July 2015. **Exports** to China decreased by 22.3% to RM7.28 billion due to lower demand for E&E products, petroleum products, natural rubber, metalliferous ores as well as manufactures of metal. Higher exports however were registered for rubber products, chemicals and chemical products as well as crude petroleum. **Imports** were higher by 2% to RM11.47 billion.

Exports to the EU Up 3% in January-July 2016

In **January-July of 2016**, **exports to the EU** recorded a growth of 3% to RM44.1 billion while **imports** declined by 2.1% to RM39.61 billion. **Trade** with the EU increased by 0.5% to RM83.71 billion.

Higher exports to the EU was led by exports of machinery, equipment and parts (air conditioner), optical and scientific equipment (medical instruments and apparatus for surgical, dental and veterinary), chemicals and chemical products, apparels, transport equipment, rubber gloves as well as processed food. From the top 10 EU markets, 7 markets registered double digit growth, namely, Hungary (↑36.6%), Italy (↑23.8%), Belgium (↑20.5%), Germany (↑17.1%), France (↑12.4%), Spain (↑11.8%) and the Czech Republic (↑11.5%). Decline in exports however were recorded to the Netherlands, the United Kingdom and Sweden.

In **July 2016**, trade with **the EU** decreased by 6.8% to RM11.71 billion. **Exports** valued at RM6.09 billion, were lower by 2% due mainly to reduced exports of E&E products. However, increased exports were recorded for machinery, equipment and parts, chemicals and chemical products, optical and scientific equipment as well as palm oil and palm-based agriculture products. **Imports** declined by 11.5% to RM5.63 billion.

Exports to Japan Down 15.5%

In the **first seven months of 2016**, trade with **Japan** amounted to RM67.98 billion, a decline of 7.2% from the same period 2015. **Exports** totalled RM35.82 billion while **imports**, RM32.16 billion. During the period, exports of LNG decreased by RM6.61 billion, leading to the fall in total exports to Japan, by 15.5% or RM6.57 billion. LNG accounted for 32.6% share of total exports to Japan. Exports of manufactured goods however, grew by 0.9% to RM21.71 billion mainly from exports of machinery, equipment and parts (pumps, compressors, fans, centrifuges and parts), non-metallic mineral products, processed food as well as textiles.

In **July 2016**, trade with Japan reached a total of RM9.68 billion with **exports** and **imports** valued at RM4.96 billion and RM4.72 billion, respectively. The decline in **exports** by 14.5% was due mainly to reduced exports of LNG and E&E products. Expansion in exports however were registered for manufactures of metal, petroleum products, palm oil and palm-based agriculture products as well as processed food. **Imports** were increased by 5.5% from July 2015.

Trade with FTA Partners

During **January-July of 2016**, total trade with **Free Trade Agreement (FTA) partners** was valued at RM514.32 billion or 62.6% of Malaysia's trade. **Exports** amounted to RM267.2 billion while **imports** totalled RM247.12 billion. Higher exports were recorded to Viet Nam, Singapore, Turkey, the Philippines, Myanmar, Pakistan, Thailand, Cambodia and Laos.

Palm oil and palm-based agriculture products was the main contributor to the increases in exports to **Turkey, the Philippines and Pakistan** for the period.

In **July 2016**, trade with FTA partners amounted to RM74.76 billion, accounting for 63.5% of Malaysia's trade. **Exports** to FTA partners recorded a value of RM37.12 billion while **imports**, RM37.64 billion. Exports expanded to Singapore, Viet Nam, Thailand, Turkey, Pakistan, Myanmar, Cambodia and Chile. Exports to **Chile** rose 15.3% from July 2015 to RM47.5 million, attributed mainly to higher exports of E&E products.

Growth in Other Markets

In the **first seven months of 2016**, markets that recorded marked growth in exports were **Nigeria** which increased by RM1.39 billion with the main contributor to the increase being petroleum products, **Mexico** (↑RM1.23 billion, E&E products), **Bangladesh** (↑RM983.4 million, palm oil and palm-based agriculture products) and the **United Arab Emirates (UAE)** (↑RM712.3 million, E&E products).

Imports

During **the first seven months of 2016**, **imports** were valued at RM389.05 billion, higher by 0.4% from the corresponding period of 2015. The **three main categories** of imports by end use were:

- **Intermediate goods**, valued at RM221.95 billion or 57% **share** of total imports, **decreased** by 3.3%, due mainly to lower imports of petroleum products;
- **Capital goods** (RM56.87 billion, 14.6% share, **up** 4.8%), due mainly to higher imports of floating structures; and
- **Consumption goods** (RM38.38 billion, 9.9% share, **up** 12.8%), with higher imports of food products.

In **July 2016**, imports decreased by 4.8% to RM57.94 billion. The **three main categories** by end use were intermediate goods which valued at RM32.1 billion, a decline of 11.8%, capital goods (RM11 billion, ↑46.6%) and consumption goods (RM4.91 billion, ↓6.8%).

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, Wednesday, 7th September 2016 and can be downloaded through e-services at the Department of Statistics, Malaysia’s portal (<https://newss.statistics.gov.my/newss-portalx/ep/epLogin.seam>).

+ 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 July 2016 data is provisional and subject to revision in later issue.

With effect from reference month September 2015, there are some minor changes to the selection of codes for exports and imports of major and selected products/commodities by sectors.

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)
2015^P				
January	63,604.8	54,647.7	8,957.1	118,252.5
February	53,168.7	48,613.6	4,555.1	101,782.3
March	66,466.4	58,644.6	7,821.8	125,111.1
April	60,381.7	53,516.6	6,865.1	113,898.3
May	60,453.9	54,941.0	5,512.9	115,395.0
June	64,258.4	56,280.1	7,978.3	120,538.5
July	63,216.7	60,850.3	2,366.3	124,067.0
August	66,499.0	56,336.9	10,162.1	122,835.9
September	70,161.3	60,470.9	9,690.4	130,632.2
October	75,810.2	63,645.6	12,164.6	139,455.7
November	67,627.6	57,393.1	10,234.5	125,020.6
December	68,297.9	60,050.2	8,247.6	128,348.1
2015 (Jan-Dec)^P	779,946.6	685,390.7	94,555.9	1,465,337.3
2016^P				
January	61,851.8	56,460.1	5,391.7	118,311.9
February	56,719.7	49,368.1	7,351.6	106,087.9
March	66,586.2	55,393.6	11,192.6	121,979.7
April	61,346.9	52,291.9	9,054.9	113,638.8
May	59,943.4	56,660.1	3,283.3	116,603.5
June	66,449.6	60,932.0	5,517.6	127,381.5
July	59,850.1	57,942.8	1,907.4	117,792.9
2015 (Jan-Jul)^P	431,550.7	387,494.0	44,056.7	819,044.7
2016 (Jan-Jul)^P	432,747.6	389,048.5	43,699.1	821,796.1

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Jul 2016 ^P	Jun 2016 ^P	Jul 2015 ^P
	RM Million	RM Million	RM Million
Total Exports	59,850.1	66,449.6	63,216.7
Electrical & Electronic Products	21,709.5	24,290.0	23,099.6
Chemicals & Chemical Products	4,846.1	4,939.9	4,844.8
Petroleum Products	4,029.2	5,179.4	4,352.4
Palm Oil & Palm-Based Agriculture Products	3,944.5	3,665.2	4,169.1
Machinery, Equipment & parts	2,775.3	3,312.0	2,831.1
LNG	2,318.1	2,016.1	3,091.1
Optical & Scientific Equipment	2,317.3	2,406.9	2,089.4
Manufactures of Metal	2,247.4	3,218.6	2,620.0
Crude Petroleum	2,052.4	1,915.6	1,887.5
Rubber Products	1,614.0	1,647.6	1,502.7

TABLE 3: MAJOR EXPORT MARKETS

Markets	Jul 2016 ^P	Jun 2016 ^P	Jul 2015 ^P
	RM Million	RM Million	RM Million
Total Exports	59,850.1	66,449.6	63,216.7
Singapore	9,154.4	9,844.2	8,647.7
China	7,283.8	7,691.1	9,379.6
USA	6,349.6	7,040.8	6,102.2
Japan	4,960.8	4,904.9	5,803.3
Thailand	3,562.0	3,756.9	3,207.0
Hong Kong	2,779.7	3,383.3	2,962.9
India	2,301.1	2,567.8	2,966.6
Indonesia	2,078.7	1,909.2	2,340.4
Viet Nam	1,807.5	2,688.8	1,449.8
Australia	1,762.0	2,419.7	2,117.9

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- JULY)

Products	Jan-Jul 2016 ^p	Jan-Jul 2015 ^p
	RM Million	RM Million
Total Exports	432,747.6	431,550.7
Electrical & Electronic Products	155,784.4	152,584.5
Chemicals & Chemical Products	32,907.6	31,167.2
Petroleum Products	29,755.7	30,283.0
Palm Oil & Palm-Based Agriculture Products	24,821.5	25,151.3
Machinery, Equipment & Parts	22,701.0	19,999.8
Manufactures of Metal	19,626.7	17,211.2
LNG	17,854.3	28,289.2
Optical & Scientific Equipment	16,380.3	14,232.1
Crude Petroleum	11,754.2	14,622.3
Rubber Products	11,291.7	11,167.9

TABLE 5: MAJOR EXPORT MARKETS (JANUARY- JULY)

Markets	Jan-Jul 2016 ^p	Jan-Jul 2015 ^p
	RM Million	RM Million
Total Exports	432,747.6	431,550.7
Singapore	62,912.0	59,721.7
China	49,615.0	55,732.6
USA	45,472.9	40,044.2
Japan	35,820.5	42,395.1
Thailand	24,932.4	24,652.2
Hong Kong	21,127.7	21,347.6
India	17,452.9	17,984.4
Indonesia	15,212.8	16,486.3
Australia	15,185.7	15,798.6
Viet Nam	13,361.8	9,537.3

TABLE 6: MAJOR IMPORT PRODUCTS

Products	Jul 2016 ^p	Jun 2016 ^p	Jul 2015 ^p
	RM Million	RM Million	RM Million
Total Imports	57,942.8	60,932.0	60,850.3
Electrical & Electronic Products	17,275.7	18,115.8	17,349.0
Transport Equipment	5,955.7	3,095.3	2,757.0
Machinery, Equipment & Parts	5,585.8	5,580.3	5,111.4
Chemicals & Chemical Products	5,257.5	6,014.8	5,469.4
Petroleum Products	4,073.8	5,440.5	7,375.2
Manufactures of Metal	2,988.3	3,261.1	3,867.0
Iron & Steel Products	2,005.3	2,199.0	1,875.9
Optical & Scientific Equipment	1,635.9	1,876.8	1,687.3
Processed Food	1,441.9	1,404.5	1,457.5
Crude Petroleum	1,318.9	1,143.3	1,901.9

TABLE 7: MAJOR IMPORT SOURCES

Markets	Jul 2016 ^p	Jun 2016 ^p	Jul 2015 ^p
	RM Million	RM Million	RM Million
Total Imports	57,942.8	60,932.0	60,850.3
China	11,473.8	13,227.1	11,250.1
ROK	5,982.0	2,746.6	2,903.5
Singapore	5,855.2	6,805.5	7,477.9
Japan	4,716.2	4,986.7	4,470.5
USA	4,142.5	5,087.4	4,635.7
Taiwan	3,907.7	3,492.3	3,493.7
Thailand	3,231.6	3,496.0	3,426.4
Germany	2,059.5	1,977.6	2,121.3
Indonesia	1,869.7	2,475.6	2,261.6
Viet Nam	1,237.4	1,849.1	1,681.0

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY- JULY)

Products	Jan-Jul 2016 ^p	Jan-Jul 2015 ^p
	RM Million	RM Million
Total Imports	389,048.5	387,494.0
Electrical & Electronic Products	117,789.7	111,864.0
Chemicals & Chemical Products	39,033.1	37,191.3
Machinery, Equipment & Parts	35,718.3	33,470.9
Petroleum Products	28,260.2	35,639.8
Transport Equipment	24,649.1	20,854.3
Manufactures of Metal	21,540.3	25,846.1
Optical & Scientific Equipment	12,339.7	11,812.3
Iron & Steel Products	12,286.8	13,318.8
Textiles, Apparels & Footwear	10,578.9	8,411.1
Processed Food	10,137.2	10,036.6

TABLE 9: MAJOR IMPORT MARKETS (JANUARY- JULY)

Markets	Jan-Jul 2016 ^p	Jan-Jul 2015 ^p
	RM Million	RM Million
Total Imports	389,048.5	387,494.0
China	77,990.3	71,596.3
Singapore	41,132.8	45,806.5
USA	32,466.4	30,870.7
Japan	32,155.4	30,881.9
Thailand	24,014.4	22,936.8
Taiwan	22,759.7	20,564.2
ROK	21,503.7	17,468.5
Indonesia	16,044.0	17,422.2
Germany	13,637.8	13,351.7
Viet Nam	9,717.2	10,190.3

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:

p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2009-2016

