



**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
MALAYSIA**

**Embargo until 1200 hours,
Friday, 3rd March 2017**

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR THE MONTH OF JANUARY 2017 #

Strong Trade in January

Malaysia's trade in January 2017 recorded a remarkable growth of 14.8% to reach a value of **RM135.77 billion** as compared to RM118.31 billion in January 2016. Expansion in trade were seen with China, ASEAN, Japan, the United States of America (USA), Taiwan, Australia and the European Union (EU).

Exports posted a double digit growth of 13.6% to RM70.24 billion, the highest monthly export value ever recorded for the month of January, surpassing RM64.05 billion registered in January 2014. **Imports expanded by 16.1% to RM65.53 billion.**

A **trade balance of RM4.71 billion** was recorded in January 2017 making it the 231st consecutive month of trade surpluses since November 1997.

Performance of Major Sectors

Export performance in January 2017 was supported by **a double digit growth in all major sectors**. Exports of manufactured goods increased by 12.2% while mining and agricultural goods grew by 18.8% and 16.1%, respectively.

In January 2017, **exports of manufactured goods were valued at RM56.77 billion, accounting for 80.8% share of Malaysia's total exports**. Exports of petroleum products surged by 81.7% to RM6.09 billion, contributed mainly by exports of refined petroleum products. Increases in exports were also recorded for electrical and electronic (E&E) products, chemicals and chemical products (alcohols, phenols and their derivatives), rubber products, manufactures of metal, iron and steel products as well as transport equipment.

Exports of mining goods expanded for the second straight month by 18.8% to RM6.68 billion after recording a growth of 6.4% in December 2016. This was contributed by growth in exports of crude petroleum and liquefied natural gas (LNG). The increase in exports of crude petroleum was attributed to higher Average Unit Volume (AUV) and quantity while LNG, due to higher quantity.

Exports of agricultural goods rose by 16.1% to RM6.12 billion, attributed to higher exports of palm oil and palm oil-based agriculture products. Exports of palm oil registered a double digit growth of 19.7% to RM3.56 billion, compared to RM2.97 billion in January last year due to higher AUV.

Major exports in January 2017 were:

- E&E products, valued at RM24.89 billion and constituted 35.4% of total exports, increased by 11.4% from January 2016;
- Petroleum products, RM6.09 billion, 8.7% of total exports, increased by 81.7%;
- Chemicals and chemical products, RM5.01 billion, 7.1% of total exports, increased by 15.2%;

- Palm oil and palm oil-based agriculture products, RM4.2 billion, 6% of total exports, increased by 21.7%; and
- LNG, RM3.29 billion, 4.7% of total exports, increased by 2.8%.

Performance of Major Markets

Trade with ASEAN Going Upward

Trade with ASEAN in January 2017 expanded by 12.6% to RM36.99 billion compared to January 2016. Exports to ASEAN were valued at RM20.94 billion, accounting for 29.8% share of Malaysia's total exports. Total exports to the region grew by 13.9% or RM2.56 billion, driven mainly by higher exports of petroleum products, E&E products (electronic integrated circuits), palm oil and palm oil-based agriculture products, chemicals and chemical products as well as transport equipment.

Imports from ASEAN were higher by 10.9% to RM16.05 billion, consisting largely of higher imports of petroleum products, chemicals and chemical products, palm oil and palm oil-based agriculture products, crude petroleum as well as natural rubber.

Breakdown of exports to ASEAN countries as follows:

- Singapore RM10.7 billion, increased by 18.8%
- Thailand RM4.12 billion, ↑1.9%
- Indonesia RM2.24 billion, ↓2.1%
- Viet Nam RM1.85 billion, ↑44.1%
- Philippines RM1.38 billion, ↑21.1%
- Myanmar RM367.2 million, ↑61.0%
- Brunei RM168.8 million, ↓8.1%
- Cambodia RM94.2 million, ↓50.7%
- Lao PDR RM7.4 million, ↓26.6%

Trade with China Remained Strong

In January 2017, **trade with China rose by 28.2% to RM23.34 billion**. Exports surged by 31.6% to RM8.57 billion. Higher exports were seen for E&E products (storage for computer), palm oil and palm oil-based agriculture products, chemicals and chemical products, petroleum products as well as rubber products.

Imports from China increased by 26.4% to RM14.77 billion.

The EU - Strong Exports of Manufactured Goods

Trade with the EU expanded by 9.7% to RM12.87 billion. Exports to the EU grew by 12.1% or RM794.4 million, to RM7.36 billion in January 2017.

In terms of products, higher exports were contributed mainly by E&E products (electronic integrated circuits), petroleum products, iron and steel products, optical and scientific equipment, as well as chemicals and chemical products. **Exports of manufactured goods to the EU rose by 15.8% to RM6.7 billion, accounting for 91% of Malaysia's total exports to the EU**. Among the top 10 EU markets, growth in exports were registered to the Netherlands, Germany, France, Belgium, Italy, Poland, the Czech Republic and Sweden.

Imports from the EU increased by 6.7% to RM5.51 billion.

Exports to Japan rebounded

In January 2017, total trade with Japan grew by 17.8% to RM11.39 billion. Exports to Japan rebounded, registering a growth of 23.1% to RM6.79 billion compared to a decline of 7.5% in December 2016. Strong growth in exports were seen in all sectors, recording double digit growth compared to January 2016. Exports of mining sectors to Japan registered a significant increase of 21% after a continuous year-on-year decline since August 2015.

Higher exports to Japan was contributed mainly by exports of E&E products which increased by 28.3% to RM1.89 billion particularly electrical machines for individual functions. Growth in exports were also recorded for LNG, crude petroleum, chemicals and chemical products, processed food (cocoa and cocoa preparations) as well as textiles.

Imports from Japan registered an increase of 10.8% to RM4.6 billion.

Double Digit Growth in Trade with the USA

Total trade with the USA posted an increase of 15.3% to RM12.44 billion. Exports to the USA increased by 5.6% or RM352.3 million to reach RM6.69 billion, supported mainly by **increased exports of manufactured goods. Manufactured exports to the USA expanded by 7.3% to RM6.5 billion, accounting for 97.2% of Malaysia's total exports to the USA.**

Higher exports were seen for E&E products (computer and data processing machines), machinery, equipment and parts, petroleum products, rubber products (rubber gloves) as well as optical and scientific equipment.

Imports from the USA rose by 29.1% to RM5.75 billion.

Trade with FTA Partners

In January 2017, trade with Free Trade Agreement (FTA) partners was valued at RM86.65 billion accounting for 63.8% of Malaysia's total trade. Exports amounted to RM44.88 billion while imports totalled RM41.77 billion. Increases in exports were recorded to China, Singapore, Japan, Australia, Viet Nam, the Philippines, Turkey, Myanmar and Thailand.

Exports to **Australia** rose by 43.5% to RM3.12 billion, contributed mainly by higher exports of petroleum products while exports to **Turkey** surged by 29.3% to RM751.8 million, driven mainly by higher exports of manufactures of metal.

Imports

Total imports in January 2017 increased by 16.1% from RM56.46 billion to RM65.53 billion. The three main categories of imports by end use were:

- **Intermediate goods**, valued at RM38.36 billion or 58.5% share of total imports, increased by 10.4%, due mainly to higher imports of electronic integrated circuits as processors & controllers;
- **Capital goods** (RM9.61 billion, 14.7% share, ↑35.2%), due mainly to higher imports of vessels; and
- **Consumption goods** (RM5.74 billion, 8.8% share, ↓1.6%) with lower imports of food products.

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, Friday, 3rd March 2017 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 January 2017 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

<u>Year/ Period</u>	<u>Total Exports (RM Million)</u>	<u>Total Imports (RM Million)</u>	<u>Trade Balance (RM Million)</u>	<u>Total Trade (RM Million)</u>
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
August	67,579.3	59,071.9	8,507.4	126,651.2
September	68,032.3	60,471.6	7,560.7	128,503.9
October	69,195.3	59,439.0	9,756.3	128,634.3
November	72,827.9	63,797.6	9,030.3	136,625.6
December	75,552.5	66,833.7	8,718.8	142,386.1
2016 (Jan-Dec)^P	785,934.8	698,662.3	87,272.5	1,484,597.2
2017^P				
January	70,241.5	65,529.6	4,711.9	135,771.1

Note: Total may not add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Jan 2017 ^P	Dec 2016 ^P	Jan 2016 ^P
	RM Million	RM Million	RM Million
Total Exports	70,241.5	75,552.5	61,851.8
Electrical & Electronic Products	24,889.4	27,031.8	22,350.5
Petroleum Products	6,094.5	5,714.5	3,353.6
Chemicals & Chemical Products	5,008.6	5,613.9	4,347.4
Palm Oil & Palm Oil-Based Agriculture Products	4,199.9	4,417.2	3,450.7
LNG	3,294.8	3,762.2	3,204.9
Machinery, Equipment & Parts	3,028.8	3,029.0	3,276.3
Manufactures of Metal	2,792.4	2,929.1	2,519.8
Crude Petroleum	2,487.3	2,493.1	1,679.4
Optical & Scientific Equipment	2,432.8	2,687.5	2,428.7
Rubber Products	1,941.7	2,062.4	1,658.4

TABLE 3: MAJOR EXPORT MARKETS

Markets	Jan 2017 ^P	Dec 2016 ^P	Jan 2016 ^P
	RM Million	RM Million	RM Million
Total Exports	70,241.5	75,552.5	61,851.8
Singapore	10,697.1	10,941.8	9,001.5
China	8,567.4	10,225.3	6,510.6
Japan	6,789.5	5,984.0	5,515.2
USA	6,686.7	7,176.2	6,334.4
Thailand	4,123.9	4,205.5	4,046.0
Australia	3,121.0	2,743.1	2,174.7
Hong Kong SAR	3,035.9	3,608.1	2,893.0
India	2,490.5	2,767.9	2,562.8
Indonesia	2,241.5	2,628.7	2,289.6
Netherlands	2,143.2	2,124.9	1,806.5

TABLE 4: MAJOR IMPORT PRODUCTS

Products	Jan 2017 ^p	Dec 2016 ^p	Jan 2016 ^p
	RM Million	RM Million	RM Million
Total Imports	65,529.6	66,833.7	56,460.1
Electrical & Electronic Products	19,560.7	20,129.7	17,546.2
Machinery, Equipment & Parts	6,536.0	6,437.3	5,215.7
Chemicals & Chemical Products	5,944.6	6,154.3	5,374.7
Petroleum Products	5,512.9	5,477.4	3,971.6
Manufactures of Metal	3,307.0	3,852.2	3,383.1
Transport Equipment	3,089.7	2,919.9	2,436.3
Iron & Steel Products	2,123.1	2,462.7	1,719.8
Optical & Scientific Equipment	1,977.4	2,035.1	1,718.3
Processed Food	1,627.2	1,868.7	1,588.3
Crude Petroleum	1,588.9	1,137.0	726.3

TABLE 5: MAJOR IMPORT SOURCES

Markets	Jan 2017 ^p	Dec 2016 ^p	Jan 2016 ^p
	RM Million	RM Million	RM Million
Total Imports	65,529.6	66,833.7	56,460.1
China	14,773.3	14,408.9	11,688.8
Singapore	6,508.2	6,138.2	6,554.5
USA	5,753.2	5,165.2	4,455.6
Japan	4,597.6	5,221.2	4,148.3
Taiwan	4,141.1	3,994.1	3,033.1
Indonesia	3,446.8	3,019.3	2,355.9
Thailand	3,410.1	3,978.3	3,429.2
ROK	2,682.1	2,930.4	2,847.6
Germany	1,955.8	2,012.1	1,948.1
Viet Nam	1,915.6	2,096.3	1,509.2

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:
 p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2011-2017

