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MALAYSIA EXTERNAL TRADE STATISTICS, JAN 2021

TRADE PERFORMANCE FOR JANUARY 2021

Exports Maintained Positive Growth - Highest Value for January

Malaysia's exports in January 2021 maintained its positive growth for five consecutive months, registering an increase of 6.6% to RM89.63 billion compared to January 2020. This also marked the highest export value for the month of January thus far. The expansion was supported by increase in global demand notably for electrical and electronic (E&E) and rubber products as well as front-loading activities prior to the festive season. Higher exports was seen to China, the United States (US), Viet Nam, Singapore and Hong Kong SAR.

Imports in January 2021 expanded by 1.3% y-o-y to RM73.02 billion. Total trade rose by 4.1% to RM162.65 billion, the highest value registered for the month of January. Trade surplus surged by 38% to RM16.6 billion, sustaining a double-digit growth for eight consecutive months.

Compared to December 2020, total trade, exports, imports and trade surplus decreased by 4.8%, 6.4%, 2.7% and 19.8%, respectively.

Export Performance of Major Sectors

E&E & Rubber Products Boosted Export Growth

In January 2021, exports of manufactured goods contributed to 88.5% of total exports, posted a double-digit growth of 11.7% y-o-y to RM79.36 billion. The growth was supported mainly by higher exports of E&E products which was driven by rising demand for various electronic products notably in automotive industry, 5G network and smart devices.

Exports of rubber products especially rubber gloves, showed resilient performance, registering triple-digit growth for five consecutive months. Increase in exports was also registered for manufactures of metal, chemicals and chemical products as well as optical and scientific equipment.

Exports of agriculture goods (5.6% share) amounted to RM5 billion compared to a year ago, decreased by 7.2% mainly due to lower exports of palm oil and palm oil based agriculture products. Exports of mining goods (5.5% share) was valued at RM4.93 billion, shrank by 31% y-o-y mainly on lower exports of liquefied natural gas (LNG) and crude petroleum.

Major exports in January 2021:

- □ E&E products, valued at RM36.65 billion (40.9% of total exports), increased by 13.1%;
 □ Rubber products, RM6.36 billion, 7.1% of total exports, surged by 187.4%;
 □ Chemicals and chemical products, RM4.7 billion, 5.2% of total exports, increased by 10.6%;
- □ Petroleum products, RM4.56 billion, 5.1% of total exports, decreased by 32.4%; and
- □ Manufactures of metal, RM3.71 billion, 4.1% of total exports, increased by 19.9%.

On a month-on-month (m-o-m) basis, exports of manufactured, agriculture and mining goods declined by 3.2%, 40.2% and 1.8%, respectively.

MALAYSIA EXTERNAL TRADE STATISTICS, JAN 2021 (cont'd)

Trade Performance with Major Markets

ASEAN - Exports of E&E Products Remained Resilient

Trade with ASEAN in January 2021 which constituted 26.5% of Malaysia's total trade, expanded by 7.4% to RM43.03 billion compared to January 2020. Exports grew for two straight months, recording a 7.3% growth to RM25.73 billion in January 2021 buoyed by higher exports of E&E products. Imports from ASEAN picked up by 7.6% to RM17.29 billion. Breakdown of exports to ASEAN countries:

□ Singapore RM12.92 billion, ↓5%
□ Thailand RM4.29 billion, ↓5%
□ Viet Nam RM3.55 billion, ↑52.8%
□ Indonesia RM2.68 billion, ↓0.3%
☐ Philippines RM1.57 billion, ↑6.2%
☐ Brunei RM340.9 million, ↑81.3%
☐ Myanmar RM231.8 million, ↓28.1%
□ Cambodia RM144.3 million, ↓10.1%
□ Lao PDR RM4.1 million, ↓27.6%

Exports to markets in ASEAN that recorded expansion were Singapore, which increased by RM621 million attributed to higher exports of E&E products, Viet Nam (†RM1.22 billion, E&E products), the Philippines (†RM91.5 million, petroleum products) and Brunei (†RM152.9 million, crude petroleum). On a m-o-m basis, trade, exports and imports were up by 0.9%, 0.6% and 1.5% respectively.

China - Double-Digit Export Growth for Three Successive Months

Trade with China in January 2021 surged by 13.3% y-o-y to RM29.9 billion, accounting for 18.4% of Malaysia's total trade. Exports to China recorded a double digit growth since November 2020, expanding by 26% to RM13.11 billion in January 2021. The increase was due to higher exports of E&E products, iron and steel products as well as other manufactures especially solid-state storage devices (SSD). Imports from China expanded by 5% to RM16.79 billion. Compared to December 2020, trade, exports and imports declined by 11%, 15.8% and 6.9%, respectively.

The US - Eight Consecutive Months of Double-Digit Export Expansion

In January 2021, trade with the US contributed 9.8% to Malaysia's total trade, recording a growth of 3.4% y-o-y to RM15.94 billion. Exports to the US recorded a double-digit growth for eight months in a row, surged by 18.4% to RM10.31 billion in January 2021. Higher exports was recorded for rubber products, wood products as well as optical and scientific equipment. Imports from the US slipped by 16.1% to RM5.62 billion. Compared to December 2020, trade, exports and imports fell by 2.7%, 4% and 0.2% respectively.

Exports to the EU Continued its Upward Momentum

Total trade with the European Union (EU) which accounted for 8.1% of Malaysia's total trade in January 2021, accelerated by 3.3% y-o-y to RM13.22 billion. Exports continued its upward momentum since September 2020, registering a double-digit growth of 11.4% to RM8.02 billion driven mainly by higher exports of rubber products. Imports from the EU edged down by 7.2% to RM5.19 billion. Among the top 10 EU markets which accounted for 91.1% of Malaysia's total exports to the EU, exports to seven countries recorded increase namely, Germany (\uparrow 7.7%), the Netherlands (\uparrow 1.1%), France (\uparrow 56.2%), Belgium (\uparrow 26.8%), Poland (\uparrow 97.6%), the Czech Republic (\uparrow 8.4%) and Slovenia (\uparrow 78.8%).

Compared to December 2020, trade and exports picked up by 1.3% and 2.5% respectively, while imports was down by 0.6%.

MALAYSIA EXTERNAL TRADE STATISTICS, JAN 2021 (cont'd)

Japan – Double-Digit Export Growth of Manufactured Goods

In January 2021, trade with Japan which constituted 7.2% of Malaysia's total trade recorded an expansion of 4.1% y-o-y to RM11.66 billion. Exports was valued at RM6.48 billion, decreased marginally by 1.2% on account of lower exports of LNG. However, the contraction was cushioned by higher exports of manufactured goods which registered a double-digit growth of 16.9%, attributed to E&E products, rubber products as well as optical and scientific equipment. Imports from Japan increased by11.6% to RM5.17 billion. On a m-o-m basis, exports grew by 5.9%, while trade and imports contracted by 5.2% and 16.3% respectively.

Trade with FTA Partners

In January 2021, trade with Free Trade Agreement (FTA) partners which made up 67.3% of Malaysia's total trade grew by 6% y-o-y to RM109.49 billion. Exports to FTA partners increased by 6.5% to RM60.67 billion and imports rose by 5.4% to RM48.82 billion. Increase in exports was recorded to Hong Kong SAR, by 8.9% to RM6.06 billion due to higher exports of E&E products, Australia, (†15.4% to RM2.8 billion, petroleum products), Chile (†110.5% to RM93.7 million, chemicals and chemical products) and Turkey (†3.4% to RM702.1 million, rubber products). Compared to December 2020, trade, exports and imports contracted by 5.5%, 7% and 3.5%, respectively.

<u>Import Performance</u>

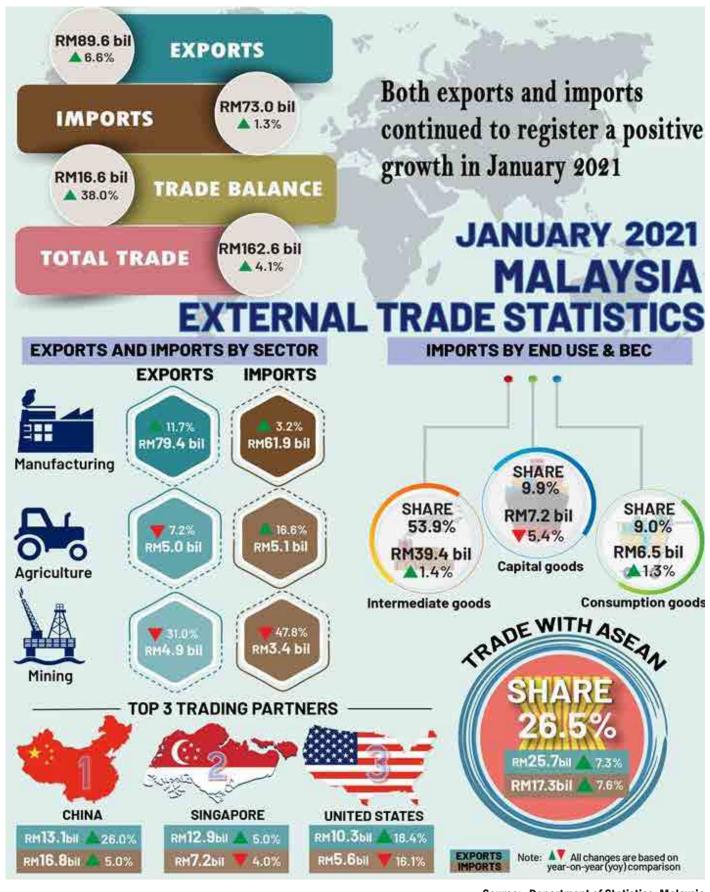
Total imports in January 2021 grew by 1.3% y-o-y to RM73.02 billion from RM72.08 billion in January 2020. The three main categories of imports by end use which accounted for 72.8% of total imports were:

- □ Intermediate goods, valued at RM39.39 billion or 53.9% of total imports, expanded by 1.4%, following higher imports of processed industrial supplies, particularly non-monetary gold;
- □ Capital goods, valued at RM7.24 billion or 9.9% of total imports, declined by 5.4%, due mainly to reduced imports of capital goods (except transport equipment), primarily electrical machinery, equipment and parts; and
- □ Consumption goods, valued at RM6.54 billion or 9% of total imports, rose by 1.3%, as a result of higher imports of primary food and beverages mainly for household consumption, especially coffee, tea and spices.

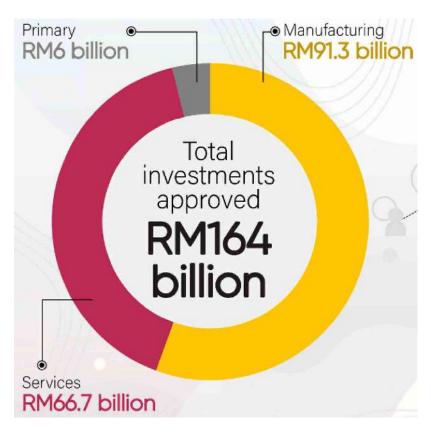
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SENIOR MINISTER
MINISTRY INTERNATIONAL TRADE AND INDUSTRY
26 FEBRUARY 2021

EXTERNAL TRADE, JANUARY 2021

Malaysia's exports in January 2021 maintained its positive growth for five consecutive months, registering an increase of 6.6% to RM89.63 billion compared to January 2020. This also marked the highest export value for the month of January thus far. The expansion was supported by increase in global demand notably for electrical and electronic (E&E) and rubber products as well as front-loading activities prior to the festive season. Higher exports was seen to China, the United States (US), Viet Nam, Singapore and Hong Kong SAR.



APPROVED INVESTMENT, 2020





Malaysia recorded a total of RM164 billion in approved investments through 4,599 projects in the manufacturing, services and primary sectors in 2020. These investments are expected to create 114,673 new jobs in various sectors of the economy once implemented.

In contrast, a total of 5,287 projects with investments of RM211.4 billion were approved in 2019. This decline was weighed by the services and primary sectors which were directly impacted by declines in global demands due to the pandemic and the Movement Control Order (MCO) implementation.

In 2020, domestic direct investments (DDI) accounted for the bulk of the total approved investments with a contribution of 60.9 per cent (RM99.8 billion), while foreign direct investments (FDI) made up the remaining RM64.2 billion (39.1%).

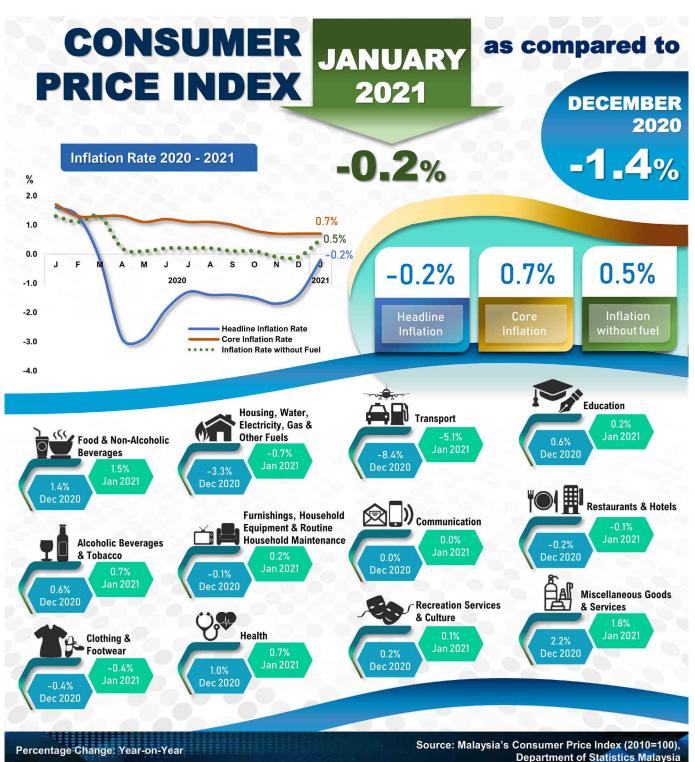
The manufacturing sector led the way for total investments approved in 2020, recording RM91.3 billion, followed by the services sector RM66.7 billion and the primary sector with RM6.0 billion.

Selangor (RM38.7b) recorded the highest investments approved last year, followed by Sabah (RM21.0b), Sarawak (RM19.6b), Wilayah Persekutuan Kuala Lumpur (RM17.1b) and Pulau Pinang (RM16.0b). These five states alone contributed more than 60 per cent of the total approved investments for 2020.

Source: MIDA http://www.mida.gov.my

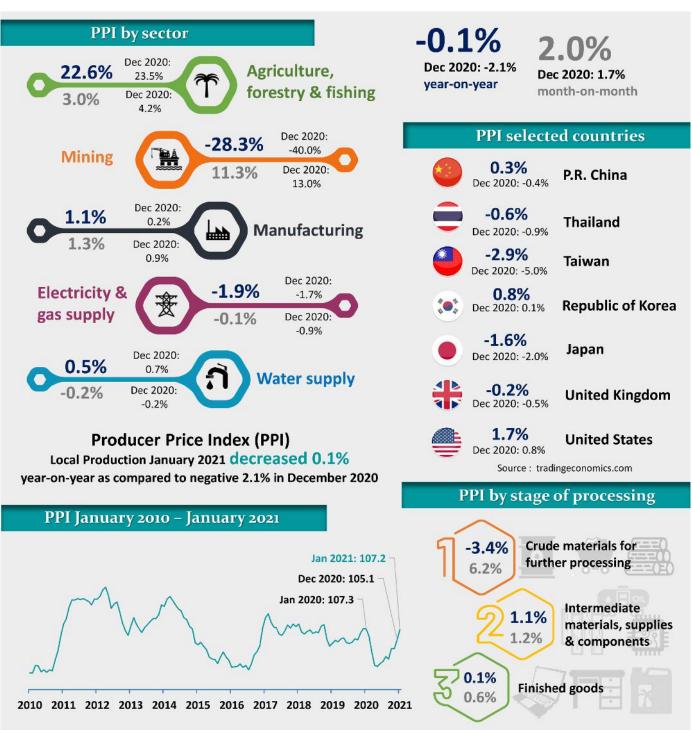
CPI, JANUARY 2021

Consumer Price Index (CPI) declined 0.2 per cent in January 2021 to 122.1 as against 122.4 in the same month of the preceding year. The decrease in the overall index was attributed by the decline in Transport (-5.1%); Housing, Water, Electricity, Gas & Other Fuels (-0.7%); Clothing & Footwear (-0.4%) and Restaurants & Hotels (-0.1%) which contributed 44.5 per cent to overall weight. Nevertheless, Food & Non-Alcoholic Beverages increased by 1.5 per cent to 136.1 as compared to 134.1 in corresponding month of the preceding year. This group contributes 29.5 per cent of CPI weight. Similarly, Miscellaneous Goods & Services inclined by 1.8 per cent, followed by Alcoholic Beverages & Tobacco (0.7%); Health (0.7%); Furnishings, Household Equipment & Routine Household Maintenance (0.2%) and Education (0.2%).



PPI, JANUARY 2021

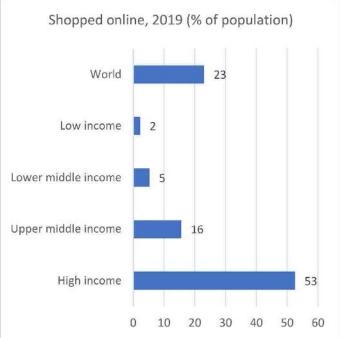
Producer Price Index (PPI) local production improved with a growth of negative 0.1 per cent in January 2021 as compared to negative 2.1 per cent in December 2020. Index of Agriculture, forestry & fishing remained increased at a slower pace 22.6 per cent due to the reduction of prices in the main commodity. Meanwhile, the index of Manufacturing sector registered an increase of 1.1 per cent, higher than the previous month (December 2020: 0.2%). Similarly, index of Water supply increased 0.5 per cent. In contrast, Mining sector improved with a negative growth of 28.3 per cent as compared to the previous month (December 2020: -40.0%), contributed by the increase in prices of oil and gas commodities. However, Electricity & gas supply decreased 1.9 per cent.



GLOBAL E-COMMERCE

GLOBAL ONLINE SHOPPERS, 2017-19 & PENETRATION BY INCOME GROUP, 2019





In 2019, an estimated 1.5 billion people, or 27 per cent of the world's population aged 15 years and older, shopped online. This represented a 7 per cent increase over 2018. The proportion of those shopping online is much less in countries at low levels of income. While over half the population in high-income countries shopped online the figure was only 2 percent in low-income nations.

TOP 10 DEVELOPING ECONOMIES IN THE UNCTAD B2C E-COMMERCE INDEX 2020

2020 Rank	Economy	Share of individuals using the Internet (2019 or latest)	Share of individuals with an account (15+, 2017)	Secure Internet servers (normalized, 2019)	UPU postal reliability score (2019 or latest)	2020 Index value	Index value change (2019-20 data)	Rank 2019
4	Singapore	89	98	94	97	94.4	-0.3	3
10	China, Hong Kong SAR	92	95	88	92	91.8	0.3	14
18	Korea, Republic of	96	95	68	100	89.8	0	19
30	Malaysia	84	85	71	85	81.3	1.5	31
37	United Arab Emirates	99	88	61	64	78.2	0.0	28
42	Thailand	67	82	59	97	76	0.5	48
44	Iran	70	94	57	79	75.0	-1.5	45
49	Saudi Arabia	96	72	43	78	72.3	0	49
50	Qatar	100	66	50	73	72.1	0	47
54	Oman	92	74	43	73	70.6	0	60

Source: The UNCTAD B2C E-Commerce Index 2020

WORLD LARGEST EXPORTER DARK RED MERANTI, LIGHT RED MERANTI AND MERANTI BAKAU, SAWN OR CHIPPED LENGTHWISE, SLICED OR PEELED, WHETHER OR NOT PLANED, SANDED OR END-JOINTED, OF A THICKNESS OF > 6 MM

MALAYSIA US\$ 98.52m 83.3%





In 2019, Malaysia's export of Dark red meranti, light red meranti and meranti bakau, sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness of > 6 mm recorded US\$ 98.52 million which was 83.3 % share of the world exports



Notes:
-*HS440725
-% refer to share in world exports





MALAYSIA'S TOP FIVE EXPORT DESTINATION





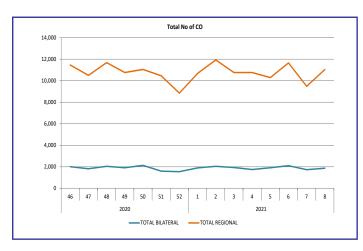


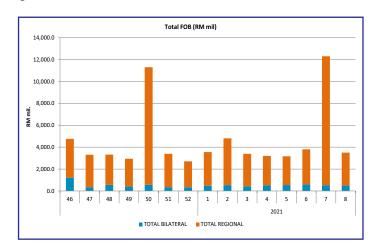




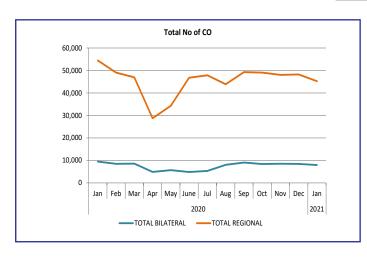
Number and FOB Value of PCO as at 21 February 2021 Weekly / Monthly/ Annually

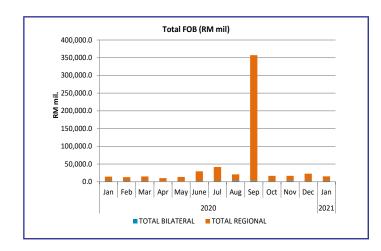
Weekly



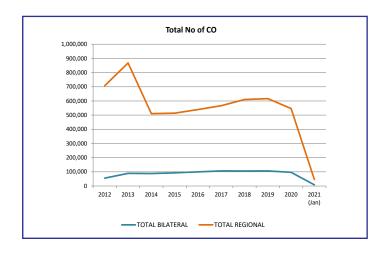


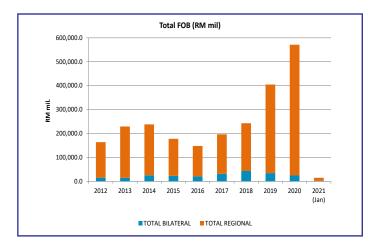
Monthly





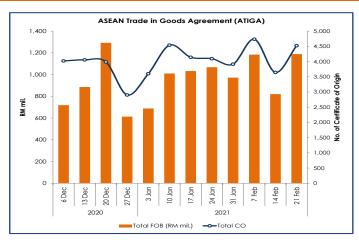
Annually



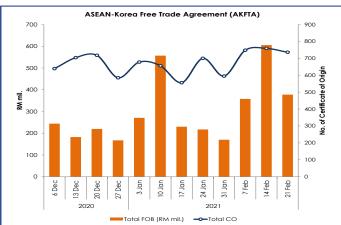


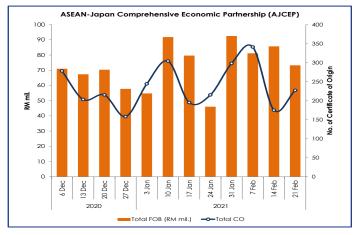
Note: *Provisional Data Source: Ministry of International Trade and Industry, Malaysia

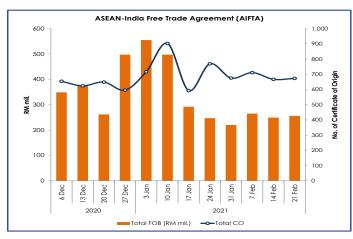
Regional FTA Number and Value of Preferential Certificates of Origin (PCOs)

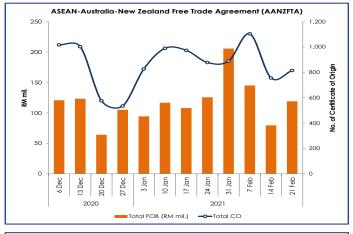




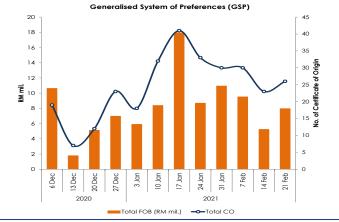








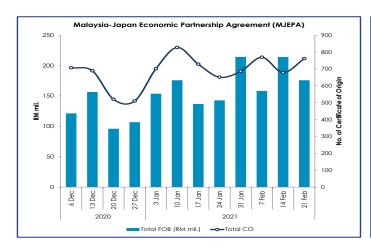


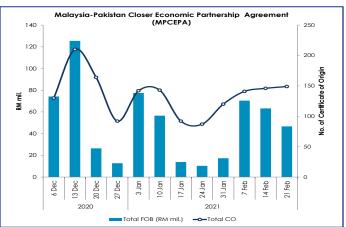


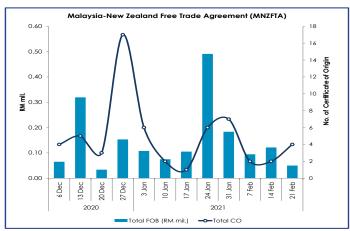
Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan, Norway and Cambodia

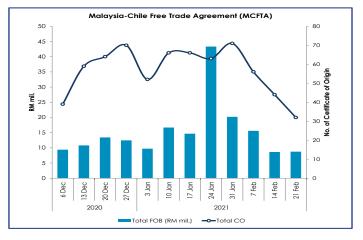
Note: *Provisional Data Source: Ministry of International Trade and Industry, Malaysia

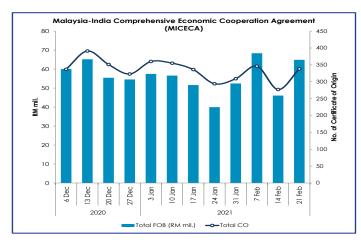
Bilateral FTA Number and Value of Preferential Certificates of Origin (PCOs)

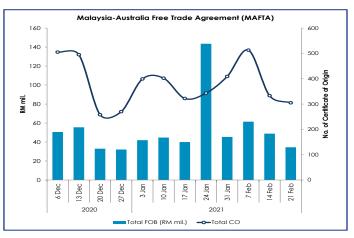


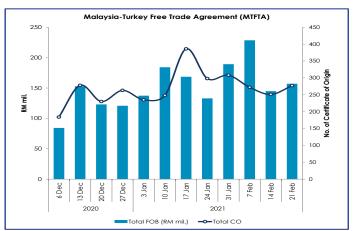








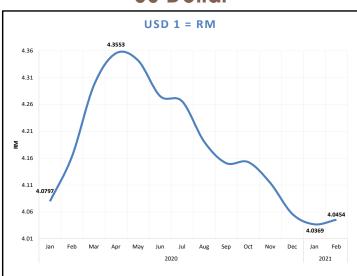




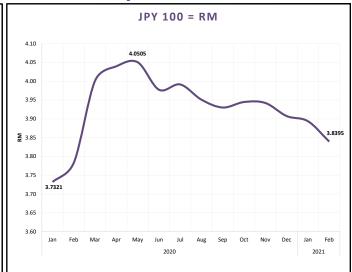
Note: *Provisional Data

Malaysian Ringgit Exchange Rate with Selected Countries, January 2020 - February 2021

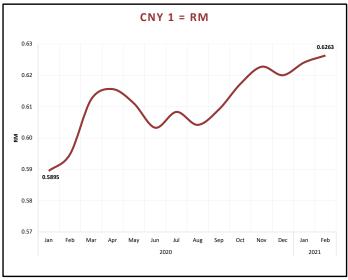
US Dollar



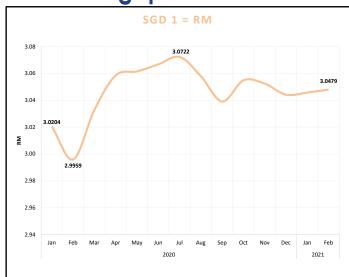
Japanese Yen



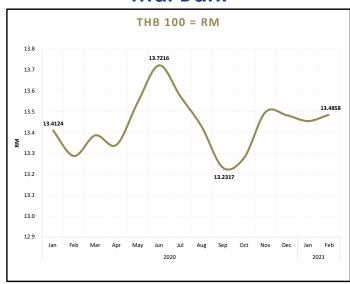
Chinese Yuan



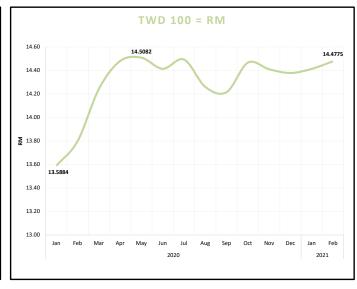
Singapore Dollar



Thai Baht



New Taiwan Dollar



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



5.1%* 26 Feb 2021

Highest 2020/2021

26 Feb 2021 : US\$66.1 03 Jan 2020 : US\$68.6

15 Jan 2021: US\$55.1 24 Apr 2020 : US\$21.4

Lowest 2020/2021

Average Price 2020 : US\$43.5

CRUDE PALM OIL -per MT-



2.0%* US\$987.8 26 Feb 2021 2020/2021

8 Jan 2021: US\$987.8 24 Dec 2020 : US\$944.2

22 Jan 2021: US\$884.7 8 May 2020: US\$473.0

2020/2021

Average Price 2020ⁱ: US\$668.3

RUBBER SMR 20 -per MT-



.3%* US\$1,846.5 26 Feb 2021

Average Price 2020 : US\$1,333.4

COCOA SMC 2 -per MT-



6.1%* US\$1,568.1 26 Feb 2021

Average Price 2020 : US\$1,576.6

SUGAR -per lbs-



26 Feb 2021



Average Price 2020 : US¢12.9

COAL -per MT-



^0.3%* US\$66.2

26 Feb 2021

Average Price 2020 i: US\$47.7

SCRAP IRON HMS -per MT-



9%* US\$470.0 (hiah)

US\$450.0 (low)

26 Feb 2021

Average Price 2020 : US\$307.9 (high) Average Price 2020 : US\$284.7 (low)

Domestic Prices 26 Feb 2021



Billets (per MT) RM2,350- RM2,450

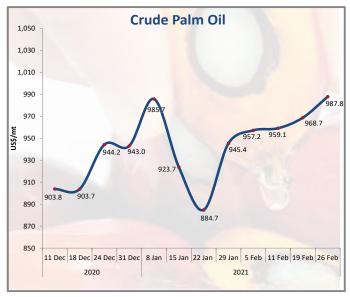
Steel Bars (per MT) RM2,600 - RM2,750

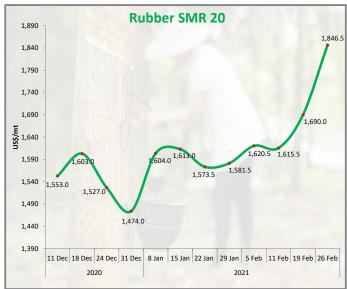
Notes: All figures have been rounded to the nearest decimal point

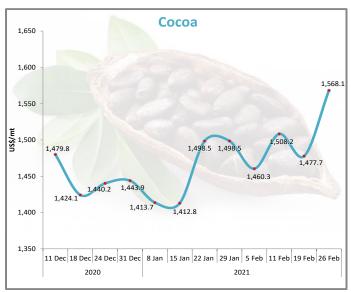
- Refer to % change from the previous week's price
- i Average price in the year except otherwise indicated

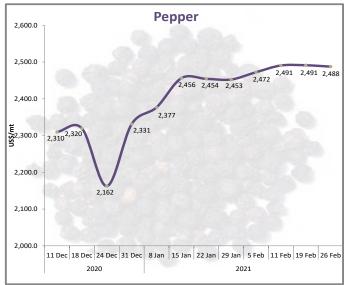
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

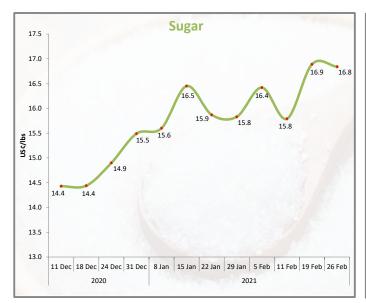
Commodity Price Trends

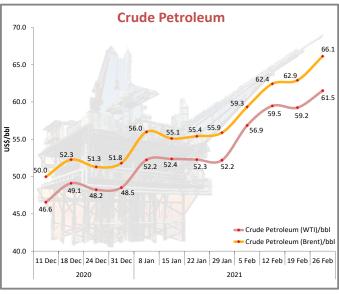






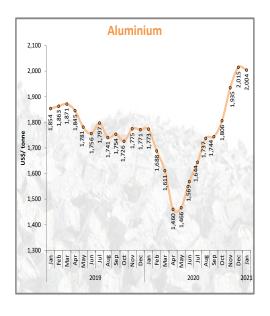


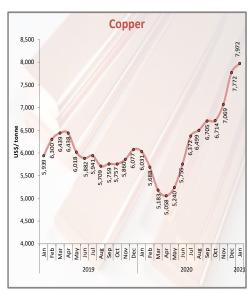


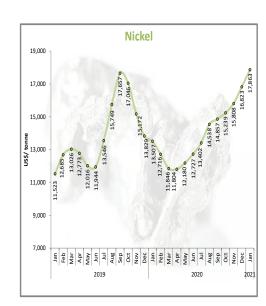


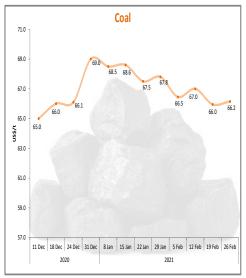
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

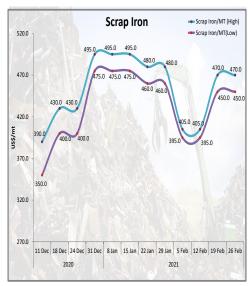
Commodity Price Trends

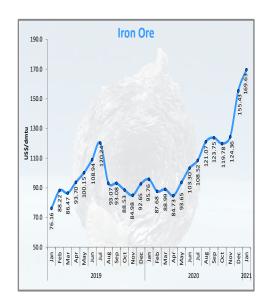


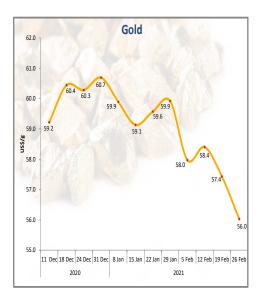


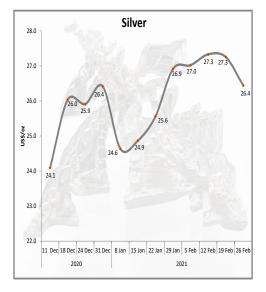


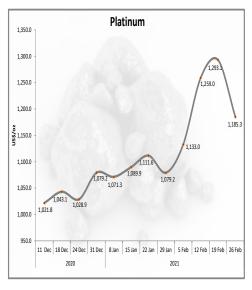












Sources: Ministry of International Trade and Industry Malaysia, , Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY



INDUSTRY4WRD RELATED INCENTIVES

Having the extra capital allows SMEs to flourish and prosper. Find the suitable fund for your company

01 LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- · targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- www.midf.com.my

Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: Al, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- www.bpmb.com.my

Coming Soon!

- 1. Intervention Fund*
- 70:30 matching grant up to RM500,000.
- 2. Industry4WRD DISF*
- . 60:40 matching grant

*participation in Industry4WRD RA is a prerequisite to apply

Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- www.mida.gov.my

D2 GRANTS

Digital Transformation Acceleration Program

(DTAP) Pilot Grant

- 1:1 matching grant
- targets large corporate and mid-tier companies in Malaysia
- assists companies to tap on the expertise of Digital Transformation Labs (DTL)
- www.mdec.my

Automation Capital Allowance (Automation CA)



For Labour Intensive Industries:

 Automation CA of 200% on the first RM4 million expenditure incurred within 5 years For other industries:

- Automation CA of 200% on the first RM2 million expenditure incurred within 5 years
- www.mida.gov.my

For more information, kindly click the following links:

https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab 547 2202



All you need to know about Industry4WRD RA



What is it?

Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

Who is eligible?



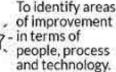


- Incorporated under the Companies
 Act (1965/2016)/ Registration of
 Business Act (1956)
- Hold a valid license
- (v) In operation for more than 3 years

What are the benefits?









Receive comprehensive readiness report.



Be entitled to apply for financial incentives.

Incentives for RA

- 500 SMEs will be selected for free assessment.
- Others will get tax exemption on RA fees up to RM27k.





Apply online at www.miti.gov.my/ industry4wrd

/bbr/



Process Flow

A FEW SIMPLE STEPS

Evaluation by Committees



Onsite Assessment



Receive RA Report

Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrd@m pc.gov.my









Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links: https://www.miti.gov.my/index.php/pages/view/industry4WRD

COVID-19 & MCO 2.0

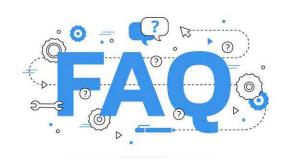








FAQ & ENQUIRY





























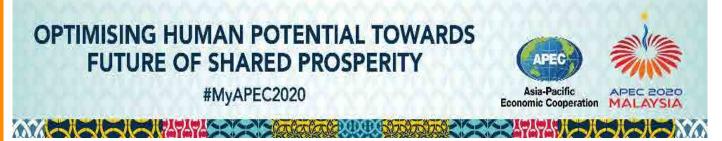


Bagi sebarang pertanyaan berkaitan MITI seperti operasi sektor ekonomi atau amalan BDR/WFH sila hubungi talian hotline MITI seperti di atas.

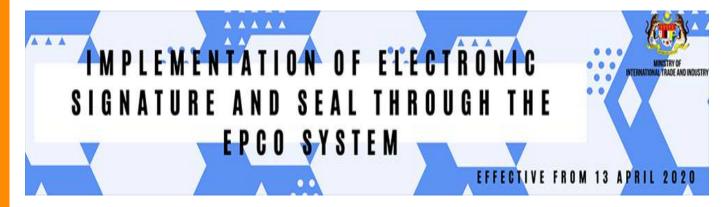


For more information, please contact:





For more information, kindly click the following links: https://www.myapec2020.my/en/



For more information, kindly click the following links: https://bit.ly/2RUyG8l

HOW COMPANY CAN CHECK THE STATUS OF ATIGA E-FORM D TRANSACTIONS IN THE ELECTRONIC PREFERENTIAL CERTIFICATE OF ORIGIN (EPCO) SYSTEM

For more information, kindly click the following links: https://bit.ly/2ZhxmRp







WE ARE GOING FULLY ONLINE!

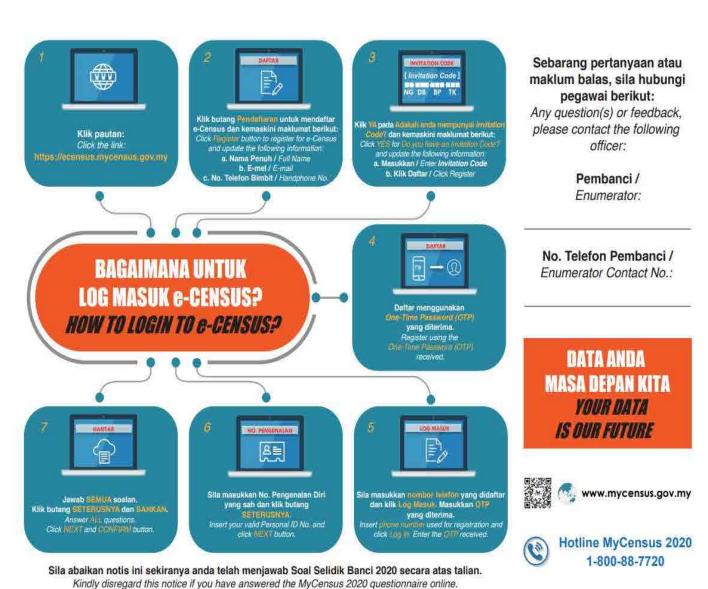
Due to the recent announcement of Movement Control Order (MCO/PKP) by the Government, the Population and Housing Census 2020 will not conduct the face-to-face interview. Please be counted by participating in e-Census at:

http://ecensus.mycensus.gov.my

Please contact @MyCensus2020 helpdesk for further assistance.

Hotline: 1-800-88-7720

Stay Home | Keep Calm | Your Data | Our Future



MITI Weekly Bulletin (MWB) Mobile Apps



MITI MWB APPs is now available for IOS, Android and Windows platforms.

MWB APPs can be downloaded from Gallery of Malaysian Government Mobile APPs (GAMMA) at the link: http://gamma.malaysia.gov.my/#/appDetails/85



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http://www.miti.gov.my/index.php/forms/form/13