

VOLUME 63528 April 2021 | NO. ISSN :2180-0448

TRADE PERFORMANCE FOR MARCH 2021 AND THE PERIOD OF JANUARY- MARCH 2021

Trade, Exports and Imports Hit New Record High

Malaysia's trade performance continued its upward trajectory in March 2021, registering the highest monthly value for trade, exports and imports. Total trade expanded by 25.6% to RM185.74 billion compared to March 2020. Exports accelerated by 31%, surpassing RM100 billion mark to reach RM104.95 billion. Imports increased by 19.2% to RM80.79 billion and trade surplus surged by 96.1% to RM24.15 billion. Trade, exports, imports and trade surplus recorded double-digit growth for two consecutive months.

Exports was boosted by higher global demand notably for electrical and electronic (E&E) products mainly semiconductors used in 5G technology and high performance computing as well as rubber products. Exports to major markets namely ASEAN, China, the United States (US) and the European Union (EU) registered a new all-time high. Compared to February 2021, total trade, exports, imports and trade surplus grew by 18.1%, 19.8%, 15.9% and 35.1%, respectively.

Total trade for the first quarter (Q1) of 2021 grew by 14.8% to RM505.65 billion, compared to Q1 2020. Exports increased by 18.2% to RM282.14 billion and imports rose by 10.8% to RM223.51 billion. Trade surplus expanded by 58.6% to RM58.63 billion. Compared to the fourth quarter (Q4) of 2020, total trade, exports and imports registered an increase of 4.7%, 3.9% and 5.6%, respectively. Trade surplus declined by 2.1%.

Export Performance of Major Sectors

Exports of Manufactured Goods Reached a New High

Exports of manufactured goods in March 2021 reached its highest monthly value at RM91.21 billion or 86.9% of total exports, grew by 34.9% year-on-year (y-o-y). The expansion was due mainly to higher shipments of E&E products, rubber products, manufactures of metal, chemicals and chemical products as well as machinery, equipment and parts. These products recorded the highest export value thus far.

Exports of agriculture goods (7.1% share) surged by 43.8% to RM7.48 billion compared to March 2020 buoyed mainly by higher exports of palm oil and palm oilbased agriculture products.

Exports of mining goods (5% share) declined by 24.1% y-o-y to RM5.23 billion on account of lower exports of liquefied natural gas (LNG), crude petroleum as well as metalliferous ores and metal scrap.

Major exports in March 2021:

- ☐ E&E products, valued at RM39.54 billion and constituted 37.7% of total exports, increased by 47.1% from March 2020;
 - □ Rubber products, RM7.32 billion, 7% of total exports, surged by 210.6%;
- ☐ Chemicals and chemical products, RM6.32 billion, 6% of total exports, increased by 32.3%;

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□ Palm oil and palm oil-based	agriculture	products,	RM5.46	billion,	5.2%	of	total
exports, increased by 54.1%; and							

☐ Manufactures of metal, RM5.32 billion, 5.1% of total exports, increased by 88.4%.

On a month-on-month (m-o-m) basis, exports of manufactured, agriculture and mining goods expanded by 20.2%, 31.4% and 0.8%, respectively.

During the first three months of 2021, exports of manufactured goods rose by 21.9% to RM245.9 billion compared to the same period of 2020, on account of higher exports of E&E products, rubber products, manufactures of metal, chemicals and chemical products, machinery, equipment and parts as well as optical and scientific equipment.

Exports of agriculture goods grew by 15.2% to RM18.17 billion attributed to higher exports of palm oil and palm oil-based agriculture products. Exports of mining goods contracted by 21.9% to RM15.36 billion due to lower exports of LNG and crude petroleum.

<u>Trade Performance with Major Markets</u>

ASEAN - E&E Products Continued to Boost Exports

In March 2021, trade with ASEAN contributed RM47.76 billion or 25.7% to Malaysia's total trade, increased by 22.3% y-o-y. Exports continued its double-digit expansion of 17.4% to RM28.52 billion, backed mainly by higher exports of E&E products. Imports from ASEAN accelerated by 30.3% to RM19.24 billion.

Breakdown of exports to ASEAN countries:

- □ Singapore RM14.97 billion, increased by 31.6%
- ☐ Thailand RM4.38 billion, ↑29.0%
- □ Viet Nam RM4.24 billion, ↑101.1%
- ☐ Indonesia RM2.75 billion, ↓46.4%
- ☐ Philippines RM1.64 billion, ↑6.5%
- ☐ Brunei RM244.9 million, ↑34.8%
- □ Cambodia RM154.6 million, ↑6.9%
- ☐ Myanmar RM146.6 million, ↓65.4%
- ☐ Lao PDR RM5.4 million, ↓24.7%

Exports to major markets in ASEAN that recorded expansion include Singapore, which increased by RM3.6 billion due to higher exports of E&E products, Thailand (†RM985.1 million, chemicals and chemical products), Viet Nam (†RM2.13 billion, E&E products) and the Philippines (†RM99.9 million, E&E products). Compared to February 2021, trade, exports and imports were up by 16.6%, 16.8% and 16.4%, respectively.

During Q1 2021, trade with ASEAN increased by 14.3% to RM131.73 billion, compared to the same period of 2020. Exports to this region rose by 12.8% to RM78.68 billion following higher exports of E&E products as well as chemicals and chemical products. Imports from ASEAN increased by 16.5% to RM53.05 billion.

China – Five Consecutive Months of Double-Digit Export Growth

In March 2021, trade with China surged by 36.1% y-o-y to RM33.86 billion, representing 18.2% to Malaysia's total trade. Exports to China recorded a double-digit growth for

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five consecutive months, surged by 46.6% to RM16.07 billion on higher exports of E&E products, manufactures of metal as well as iron and steel products. Imports from China expanded by 27.8% to RM17.8 billion.On a m-o-m basis, trade, exports and imports recorded growth of 17.8%, 25.4% and 11.6%, respectively.

Trade with China during the period of January to March 2021 grew by 31.3% to RM92.53 billion compared to the same period of 2020. Exports expanded by 36.3% to RM41.99 billion, boosted by higher exports of E&E products, manufactures of metal as well as iron and steel products. Imports from China rose by 27.3% to RM50.53 billion.

The US – Exports of Rubber and E&E Products Remained Strong

Trade with the US in March 2021 rose by 41.8% y-o-y to RM18.26 billion, accounting for 9.8% of Malaysia's total trade. Exports continued to expand with a double-digit growth of 67.5% to RM12.31 billion. Higher shipments were recorded mainly for rubber products and E&E products. Imports from the US increased by 7.6% to RM5.94 billion. Compared to February 2021, trade, exports and imports were higher by 21.3%, 23.3% and 17.4%, respectively.

During the first three months of 2021, trade with the US rose by 17.1% to RM49.24 billion compared to the same period of 2020. Exports increased by 35.9% to RM32.62 billion driven by higher exports of rubber products and E&E products. Imports from the US was lower by 8% to RM16.62 billion.

The EU – Trade, Exports and Imports Recorded Double-Digit Growth

Total trade with the EU which constituted 8.7% of Malaysia's total trade in March 2021 rose by 38.9% y-o-y to RM16.21 billion. Exports surged by 45.9% to RM9.85 billion, underpinned by higher exports of rubber products, E&E products as well as transport equipment. This was the fourth consecutive months of double-digit expansion to the EU. Imports from the EU grew by 29.2% to RM6.36 billion.

All top 10 EU markets which accounted for 91.3% of Malaysia's total exports to the EU recorded increases namely, the Netherlands (\uparrow 26.3%), Germany (\uparrow 55.8%), Italy (\uparrow 54.1%), Belgium (\uparrow 69%), France (\uparrow 52.5%), Spain (\uparrow 44.7%), Poland (\uparrow 160.9%), the Czech Republic (\uparrow 61%), Slovenia (\uparrow 111.5%) and Sweden (\uparrow 96.5%). Compared to February 2021, trade, exports and imports grew by 27.1%, 27.3% and 26.9%, respectively.

For the first three months of 2021, trade with the EU expanded by 17.6% to RM42.18 billion from the same period of 2020. Exports grew by 24% to RM25.61 billion on account of higher exports of rubber products and transport equipment. Imports from the EU rose by 8.9% to RM16.57 billion.

Japan - Manufactured Goods Continued to Drive Exports

In March 2021, trade with Japan which constituted 7.4% of Malaysia's total trade increased by 21% y-o-y to RM13.8 billion. Exports grew for two straight months, recording a growth of 14.4% to RM6.74 billion. Exports of manufactured goods continued to expand since September 2020, surged by 45.8% to RM4.81 billion mainly on higher exports of E&E products, rubber products, optical and scientific equipment as well as manufactures of metal. Imports from Japan grew by 28.1% to RM7.05 billion. On a m-o-m basis, trade, exports and imports increased by 20.9%,

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17.5% and 24.3%, respectively.

For the period of January to March 2021, trade with Japan expanded by 10.6% to RM36.86 billion compared to the same period of 2020. Exports rose by 5% to RM18.96 billion on account of higher exports of E&E products, rubber products, manufactures of metal as well as optical and scientific equipment. Imports from Japan increased by 17.2% to RM17.9 billion.

Trade with FTA Partners

In March 2021, trade with Free Trade Agreement (FTA) partners which made up 66.7% of Malaysia's total trade rose by 26% y-o-y to RM123.97 billion. Exports to FTA partners grew by 25.8% to RM69.49 billion and imports expanded by 26.3% to RM54.47 billion.

Increase in exports was recorded to Hong Kong SAR, by 39% to RM 6.79 billion due to higher exports of E&E products, India (\uparrow 70.6% to RM3.59 billion, palm oil and palm oil-based agriculture products), Turkey (\uparrow 164.4% to RM1.43 billion, manufactures of metal), Chile (\uparrow 94% to RM74.2 million, rubber products) and the Republic of Korea (\uparrow 0.9% to RM3.12 billion, E&E products). Compared to February 2021, trade, exports and imports rose by 17.5%, 19.1% and 15.6%, respectively.

Trade with FTA partners for the first three months of 2021 which accounted for 67% of Malaysia's total trade increased by 17% to RM338.93 billion. Exports grew by 16.2% to RM188.54 billion and imports expanded by 18% to RM150.39 billion.

<u>Import Performance</u>

Total imports in March 2021 grew by 19.2% y-o-y to RM80.79 billion from March 2020. The three main categories of imports by end use which accounted for 73.1% of total imports were:

□ Intermediate goods, valued at RM43.65 billion or 54% of total imports, incre	ased
by 12.4%, following higher imports of processed industrial supplies particularly	non-
monetary gold;	

 Capital goods, valued at RM8.32 billion or 10.3% of total imports, grew by 93.4%
due mainly to higher imports of capital goods (except transport equipment), primarily
parts of machinery and mechanical appliances; and

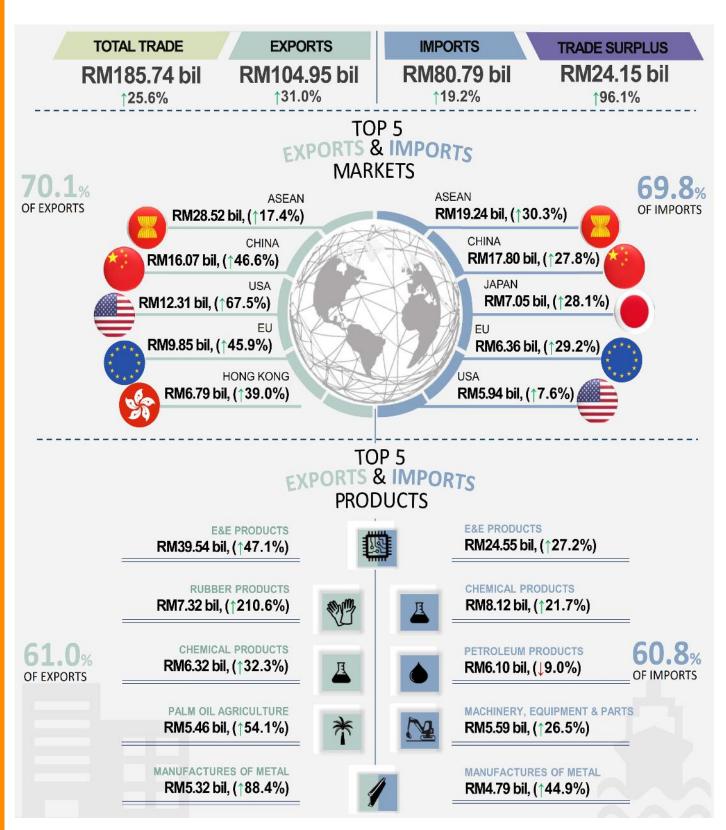
□ Consumption goods, valued at RM7.12 billion or 8.8% of total imports, re	ose by 13%,
as a result of higher imports of durables, especially jewellery.	

During January to March 2021, imports increased by 10.8% to RM223.51 billion from the same period of 2020. Imports of intermediate goods grew by 4.6% to RM121.38 billion, capital goods (RM23.15 billion, \uparrow 32.7%) and consumption goods (RM19.56billion, \uparrow 10.1%).

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY 28 APRIL 2021

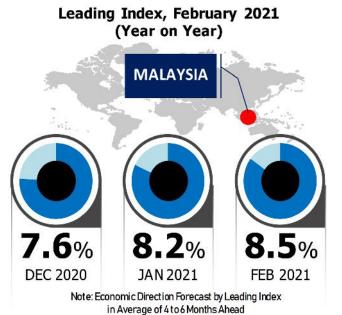
EXTERNAL TRADE, MARCH 2021

Malaysia's trade performance continued its upward trajectory in March 2021, registering the highest monthly value for trade, exports and imports. Exports recorded positive growth for seven consecutive months since September 2020, surpassing the RM100 billion mark for the first time. Exports was driven by higher global demand notably for E&E products and rubber products.

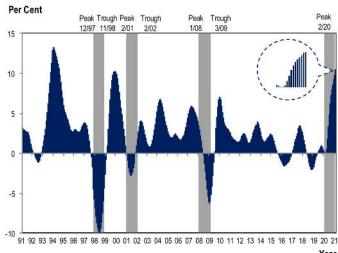


LEADING INDEX, FEB 2021

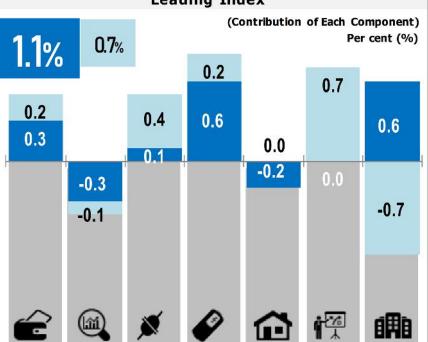
Malaysia's Leading Index (LI) continued to record a positive growth in February 2021 from a year earlier. The increase of 8.5 per cent to 111.2 points in the reference month from 102.5 points in February 2020 was buoyed by Bursa Malaysia Industrial Index, reflecting a growth in Health Care Index, Transportation & Logistic Index and Utilities Index. The LI monthly change showed a similar trend by posting 1.1 per cent in the reference month, contributed mainly by a better performance in Real Imports of Other Basic Precious & Other Non-ferrous Metals (0.6%) and Number of New Companies Registered (0.6%). In addition, the growth rate of smoothed LI is consistently above trend and moving upwards. Therefore, the LI signals Malaysia is heading towards economic uptick in the forthcoming months.



Annual Growth Rate of Leading Index (Smoothed) and Business Cycle (Grey Shaded Areas), Jan 1991 to Feb 2021



Month on Month Percentage Change by Leading Index



Notes: Feb 2021 Jan 2021 Real Money Supply, M1 Bursa Malaysia **Industrial Index** Real Imports of Semi Conductors Real Imports of Other Basic Precious & Other Non-ferrous Metals Number of Housing Units Approved Expected Sales Value, Manufacturing Number of New Companies Registered

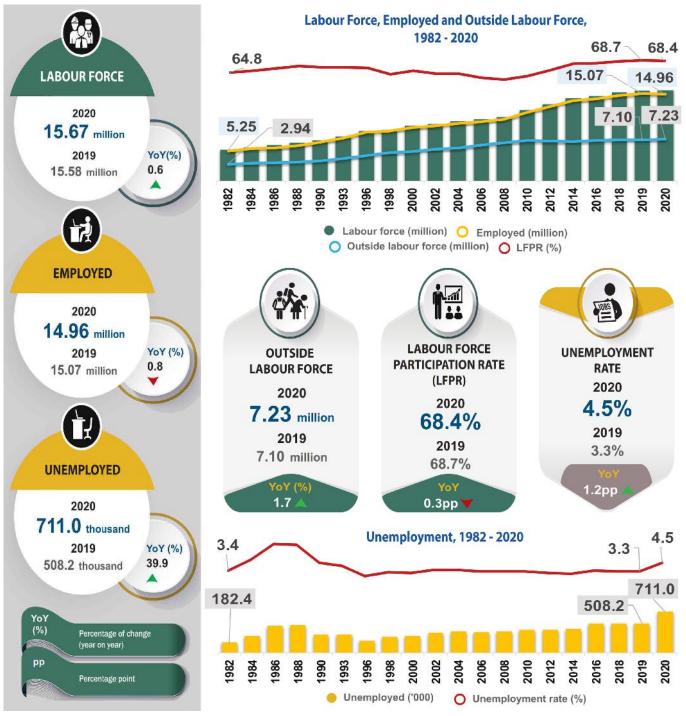
Source: Malaysian Economic Indicators: Leading, Coincident & Lagging Indexes, February 2021

Department of Statistics Malaysia

LABOUR FORCE, 2020

Uneven situation of Malaysia's labour force in due to the health crisis and economic consequences while, in it is foreseen a gradual improvement with the encouraging sign of the economy.

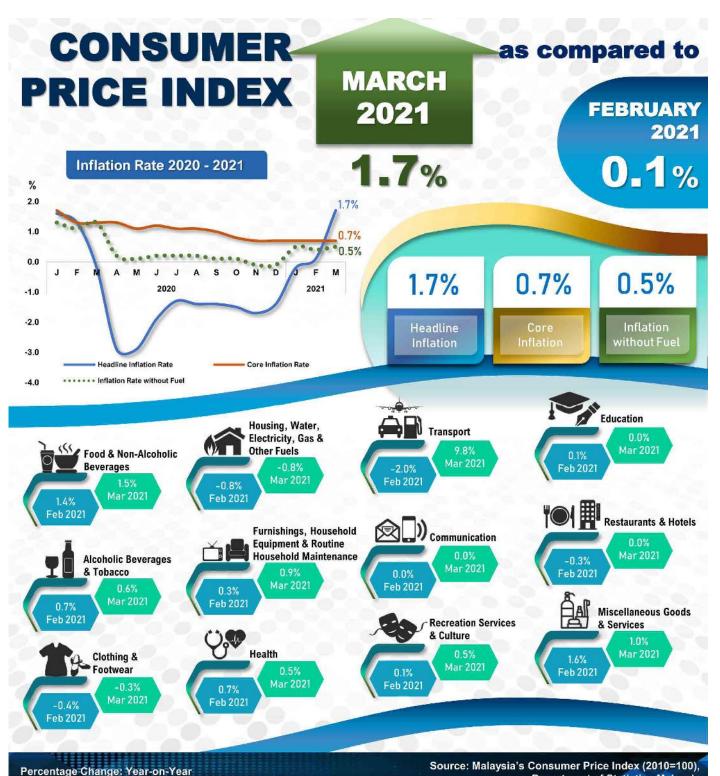
In 2020, the number of Malaysia's labour force which comprised of the employed and unemployed persons augmented by 0.6 per cent or equivalent to 86.1 thousand persons to 15.7 million personsas against in the previous year (2019: 15.6 million persons). Nevertheless, unlike the precrisis period, the increased in labour force during the year was attributed by a rising number of unemployed persons. The labour force participation rate (LFPR) in 2020 edged down by 0.3 percentage points to 68.4 per cent (2019: 68.7%).



Department of Statistics Malaysia

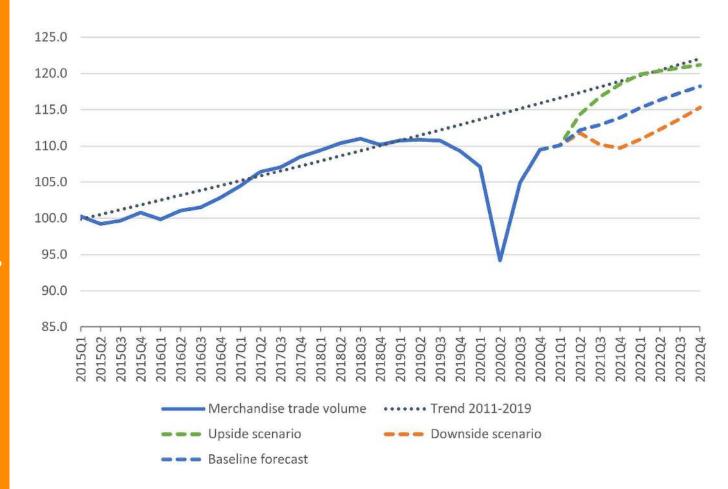
CPI, FEB 2021

Consumer Price Index (CPI) increased 1.7 per cent in March 2021 to 122.9 as against 120.9 in the same month of the preceding year. The increase in the overall index was driven by the index of Transport (9.8%); Food & Non-Alcoholic Beverages (1.5%); Miscellaneous Goods & Services (1.0%); Furnishings, Household Equipment & Routine Household Maintenance (0.9%); Alcohol Beverages & Tobacco (0.6%); Health (0.5%) and Recreation Services & Culture (0.5%) which contributed 64.0 per cent to overall weight.

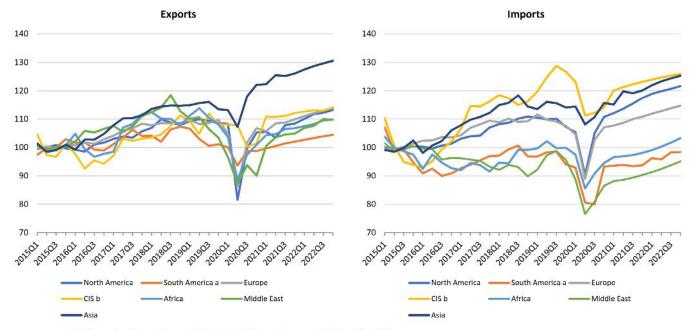


WORLD TRADE VOLUME INDEX

WORLD MERCHANDISE TRADE VOLUME, 2015Q1 - 2022Q4 (2015=100)



<u>MERCHANDISE EXPORTS AND IMPORTS BY REGION,</u> <u>2015 Q1-2022 Q4 (2015 = 100)</u>



- a Refers to South and Central America and the Caribbean.
- b Refers to Commonwealth of Independent States, including certain associate and former member States.

Source: https://www.wto.org/

WORLD LARGEST EXPORTS OF WHITE LAUAN, WHITE MERANTI, WHITE SERAYA, YELLOW MERANTI AND ALAN, SAWN OR CHIPPED LENGTHWISE, SLICED OR PEELED, WHETHER OR NOT PLANED, SANDED OR END-JOINTED, OF A THICKNESS OF > 6 MM

In 2019, Malaysia's export of White Iauan, white meranti, white seraya, yellow meranti and alan, sawn or chipped lengthwise, sliced or peeled, whether Aor not planed, sanded or end-jointed, of a thickness of > 6 mm recorded US\$ 32.32 million which was 96.4 % share of the world exports.

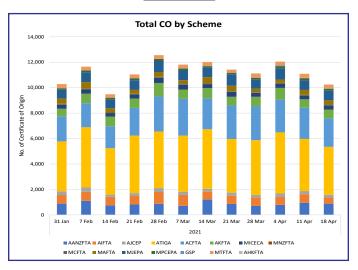


MALAYSIA'S TOP FIVE EXPORT DESTINATION

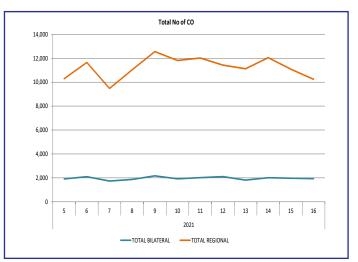


Number of PCO as at 18 April 2021 Weekly / Monthly/ Annually

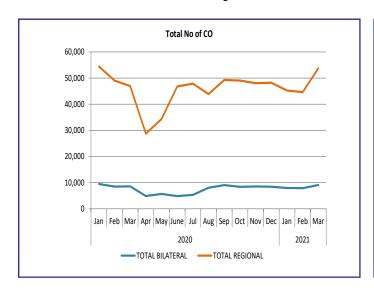
Weekly Total Scheme



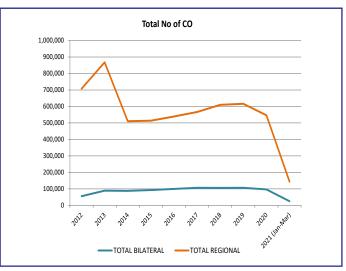
Weekly



Monthly



Annually

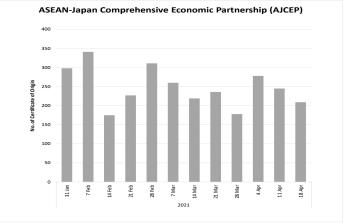


Note: *Provisional Data Source: Ministry of International Trade and Industry, Malaysia



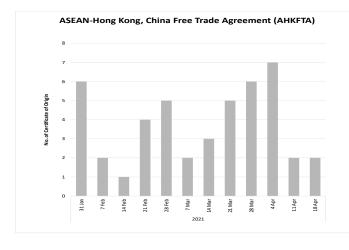


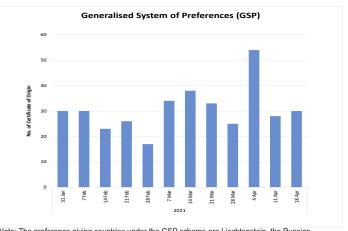








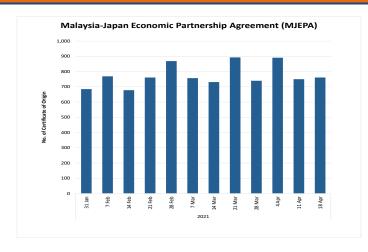


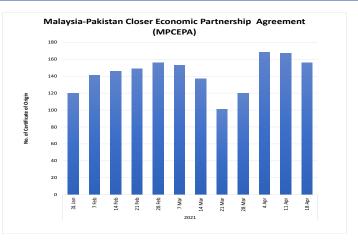


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan, Norway and Cambodia

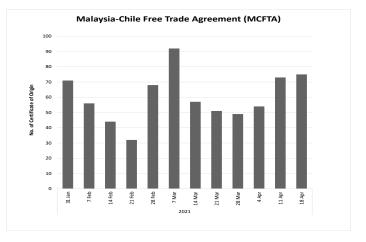
Note: *Provisional Data Source: Ministry of International Trade and Industry, Malaysia

Bilateral FTA Number of Preferential Certificates of Origin (PCOs)



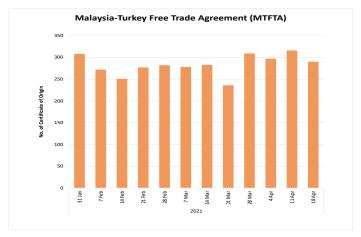










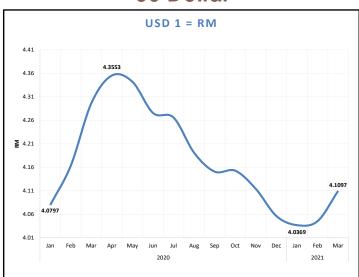


Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

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

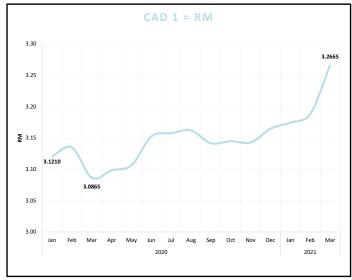
US Dollar



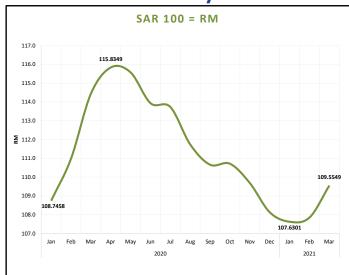
Swiss Franc



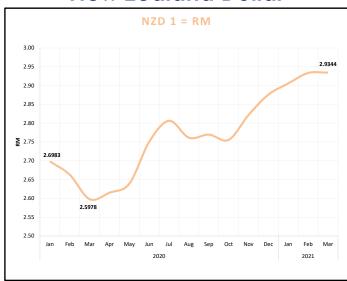
Canadian Dollar



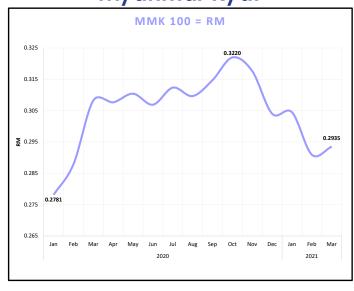
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



0.7%* 23 Apr 2021

Highest 2020/2021

5 Mar 2021: US\$69.4

03 Jan 2020 : US\$68.6

15 Jan 2021 : US\$55.1

24 Apr 2020: US\$21.4

Lowest 2020/2021

Average Price 2020 i: US\$43.5

CRUDE PALM OIL





5.6%* US\$1,077.1

23 Apr 2021

Highest 2020/2021

23 Apr 2021 : US\$1,077.1 24 Dec 2020 : US\$944.2

22 Jan 2021: US\$884.7

8 May 2020: US\$473.0 Lowest 2020/2021

Average Price 2020ⁱ: US\$668.3

RUBBER SMR 20 -per MT-



US\$1,666.5 23 Apr 2021

Average Price 2020 i: US\$1,333.4

COCOA SMC 2 -per MT-



.2%* US\$1,453.2 23 Apr 2021

Average Price 2020 : US\$1,576.6

SUGAR -per lbs-

US\$16.9

23 Apr 2021



Average Price 2020 i: US\$12.9

COAL -per MT-



0.3%*

23 Apr 2021

Average Price 2020 i: US\$47.7

SCRAP IRON HMS -per MT-



(=)%* US\$440.0 (high)

US\$426.0 (low)

23 Apr 2021

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

Domestic Prices 23 Apr 2021



Billets (per MT) RM2,450- RM2,550

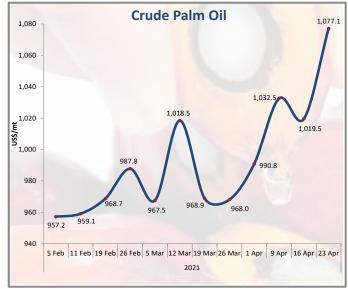
Steel Bars (per MT) RM2,750 - RM2,900

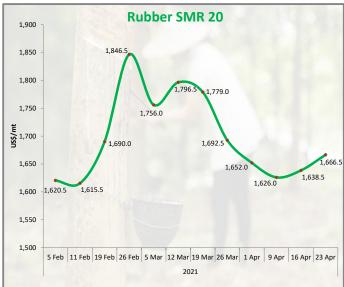
Notes: All figures have been rounded to the nearest decimal point

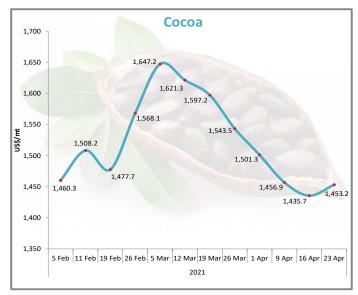
- Refer to % change from the previous week's price
- i Average price in the year except otherwise indicated

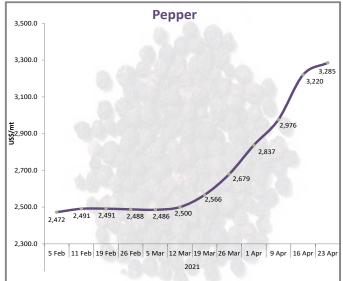
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

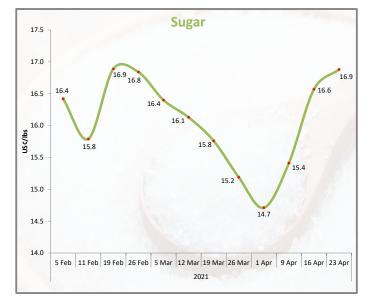
Commodity Trice

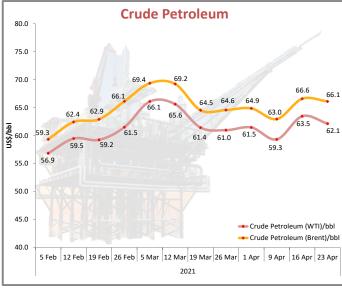






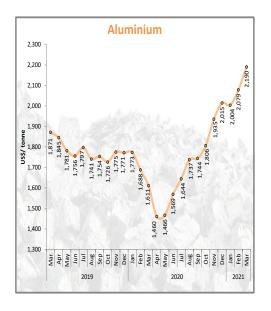


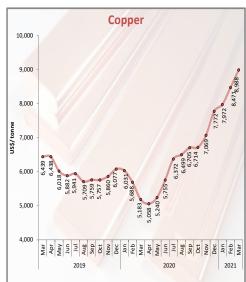


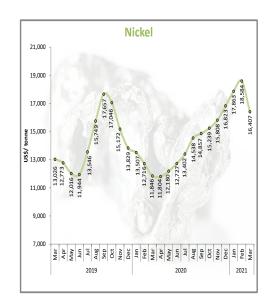


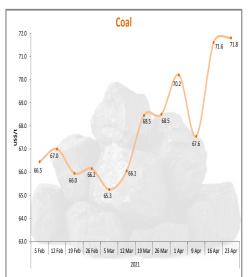
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

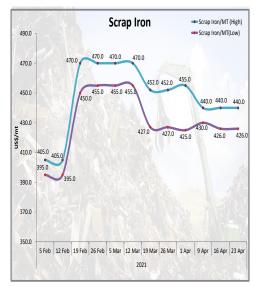
Commodity Price Trends

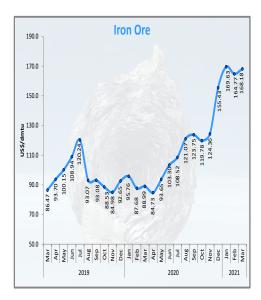


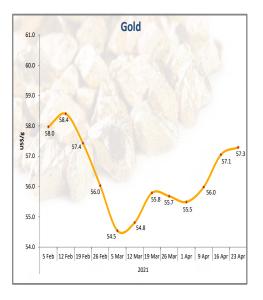


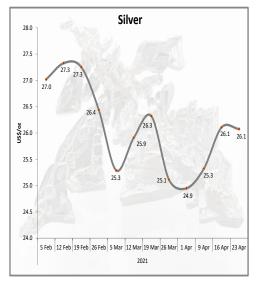


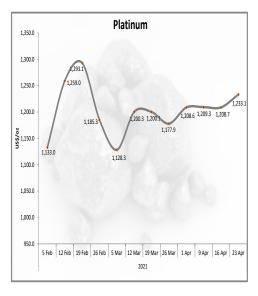












Sources: Ministry of International Trade and Industry Malaysia, , Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY





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

2

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?



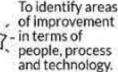


- Incorporated under the Companies Act (1965/2016)/ Registration of Business Act (1956)
- Hold a valid license
- In operation for more than 3 years

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.







Enquiries

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









Process Flow

A FEW SIMPLE STEPS



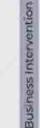
Evaluation by Committees



Onsite Assessment



Receive RA Report





Develop Intervention Proposal



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

SAFE@WORK













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COVID & MCO















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



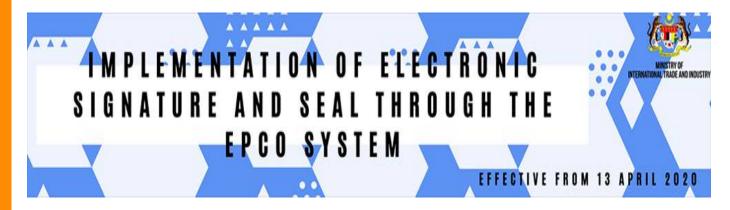
For more information, please contact:







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



For more information, kindly click the following links: https://bit.ly/2RUyG81



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





1-800-88-7720



WE ARE GOING BOTH WORLDS!

Due to the recent announcement of Movement Control Order (MCO/PKP) by the Government, the Population and Housing Census 2020 will continue in dual mode; face-to-face interview and online until 30th June 2021.

Please be counted by participating in e-Census at:

http://ecensus.mycensus.gov.my

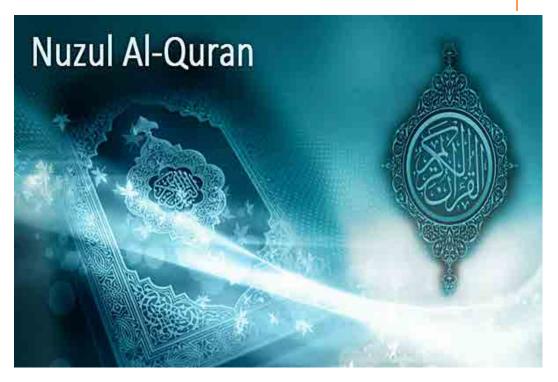
Please contact @MyCensus2020 helpdesk for further assistance.

Hotline: 1-800-88-7720

Stay Home | Keep Calm | Your Data | Our Future



Sila abaikan notis ini sekiranya anda telah menjawab Soal Selidik Banci 2020 secara atas talian. Kindly disregard this notice if you have answered the MyCensus 2020 questionnaire online.



NUZUL AL-QURAN GREETINGS FROM ALL OF US IN MIT!

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



Dear Readers,

Kindly click the link below for any comments in this issue. MWB reserves the right to edit and republish letters as reprints.

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