

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.

Maor 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.






MALAYSIA

Trade Performance, January 2017

(RM million)

| | January 2017 | January 2016 | Change 2017/ 2016 | Change % 2017/ 2016 |
|---------------|--------------|--------------|-------------------|---------------------|
| Exports | 70,241.5 | 61,851.8 | 8,389.7 | 13.6 |
| Imports | 65,529.6 | 56,460.1 | 9,069.6 | 16.1 |
| Trade Balance | 4,711.9 | 5,391.7 | -679.9 | -12.6 |
| Total Trade | 135,771.1 | 118,311.9 | 17459.3 | 14.8 |

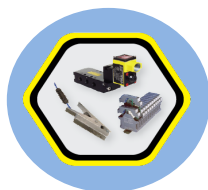
Major Trading Partners, January 2017

| | | | | |
|----------|--|-----------------------|-----------------------|---------|
| Top Five | PRC  | Jan 2017 RM23.3bil | Jan 2016 RM18.2bil | ↑ 28.2% |
| | Singapore  | Jan 2017 RM17.2bil | Jan 2016 RM15.6bil | ↑ 10.6% |
| | USA  | Jan 2017 RM12.4bil | Jan 2016 RM10.8bil | ↑ 15.3% |
| | Japan  | Jan 2017 RM11.4bil | Jan 2016 RM9.7bil | ↑ 17.8% |
| | Thailand  | Jan 2017 RM7.5bil | Jan 2016 RM7.5bil | ↑ 0.8% |

Source : Department of Statistics, Malaysia

January
2017

Major Export Products



Electrical & Electronic Products
 Jan 2017 : RM24.9 bil
 Jan 2016 : RM22.4 bil
 Change : 11.4%



Petroleum Products
 Jan 2017 : RM6.1 bil
 Jan 2016 : RM3.4 bil
 Change : 81.7%



Chemicals & Chemical Products
 Jan 2017 : RM5.0 bil
 Jan 2016 : RM4.3 bil
 Change : 15.2%



Palm Oil & Palm Oil-Based Agriculture Products
 Jan 2017 : RM4.2 bil
 Jan 2016 : RM3.5 bil
 Change : 21.7%



LNG
 Jan 2017 : RM3.3 bil
 Jan 2016 : RM3.2 bil
 Change : 2.8%

Note:
% Y-o-Y Growth

Major Import Products



Electrical & Electronic Products
 Jan 2017 : RM19.6 bil
 Jan 2016 : RM17.5 bil
 Change : 11.5%



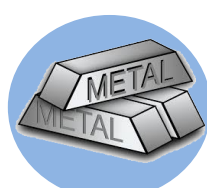
Machinery, Equipment & Parts
 Jan 2017 : RM6.5 bil
 Jan 2016 : RM5.2 bil
 Change : 25.3%



Chemicals & Chemical Products
 Jan 2017 : RM5.9 bil
 Jan 2016 : RM5.4 bil
 Change : 10.6%

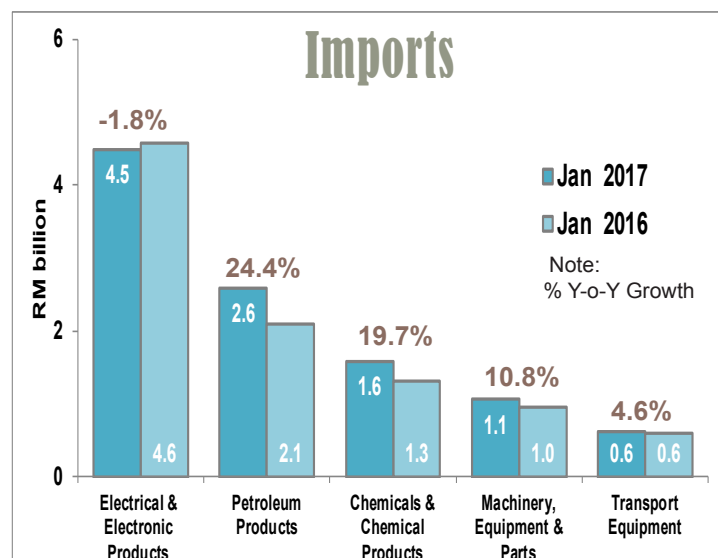
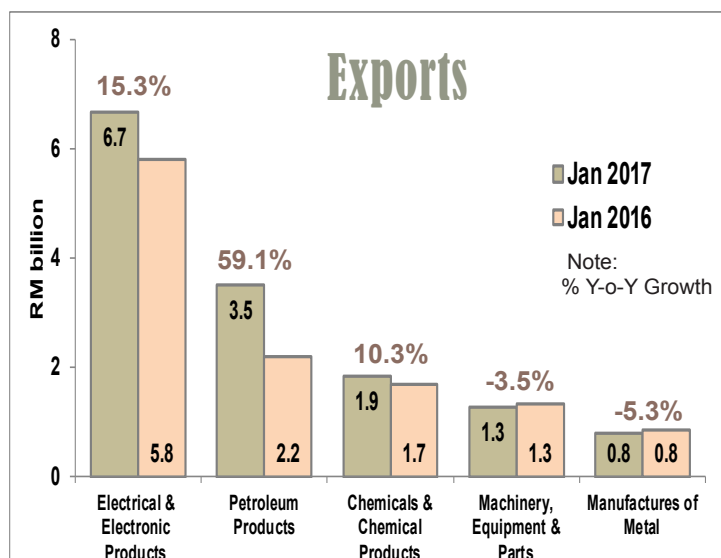


Petroleum Products
 Jan 2017 : RM5.5 bil
 Jan 2016 : RM4.0 bil
 Change : 38.8%



Manufactures of Metal
 Jan 2017 : RM3.3 bil
 Jan 2016 : RM3.4 bil
 Change : -2.2%

Top Five Malaysia's Export/Import Products to ASEAN Countries, January 2017



Source : Department of Statistics, Malaysia

eCommerce

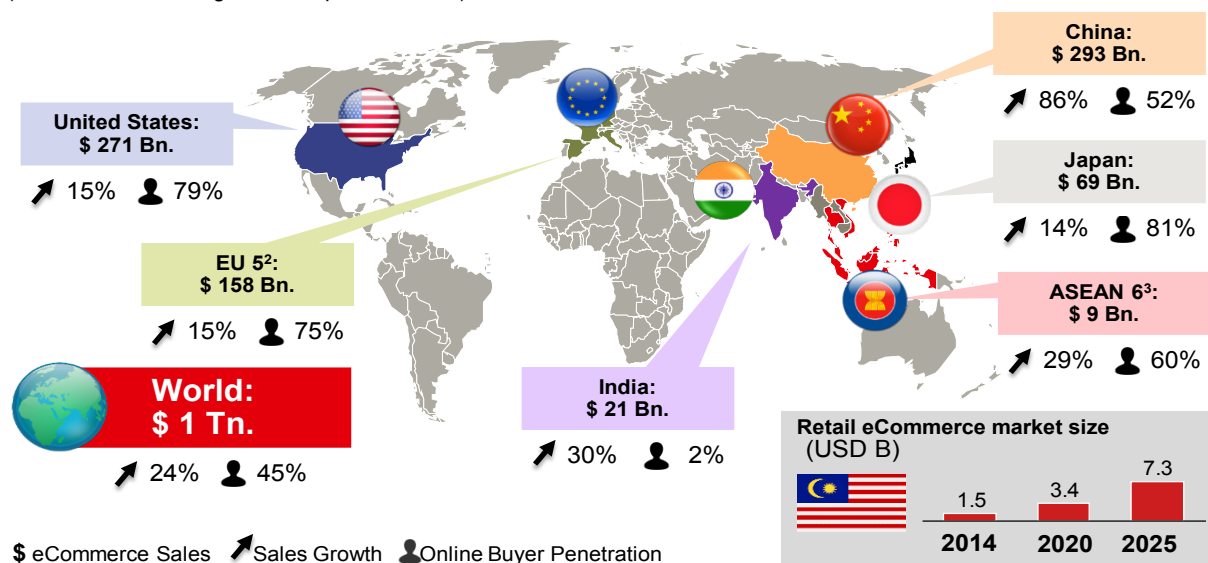


"Kita mahu meningkatkan penggunaan e-dagang. Tumpuan kita adalah untuk menarik PKS menyertai platform e-dagang kerana ia telah menjadi hampir wajib bagi setiap perniagaan untuk menjadi sebahagian daripadanya."

Dato' Sri Mustapa Mohamed
Menteri Perdagangan Antarabangsa Dan Industri (MITI)

eCommerce is growing globally, Malaysia B2C eCommerce market is expected to grow to US\$ 3.4 billion by 2020

B2C eCommerce Sales Growth (2015, USD, % sales growth compared to 2010)



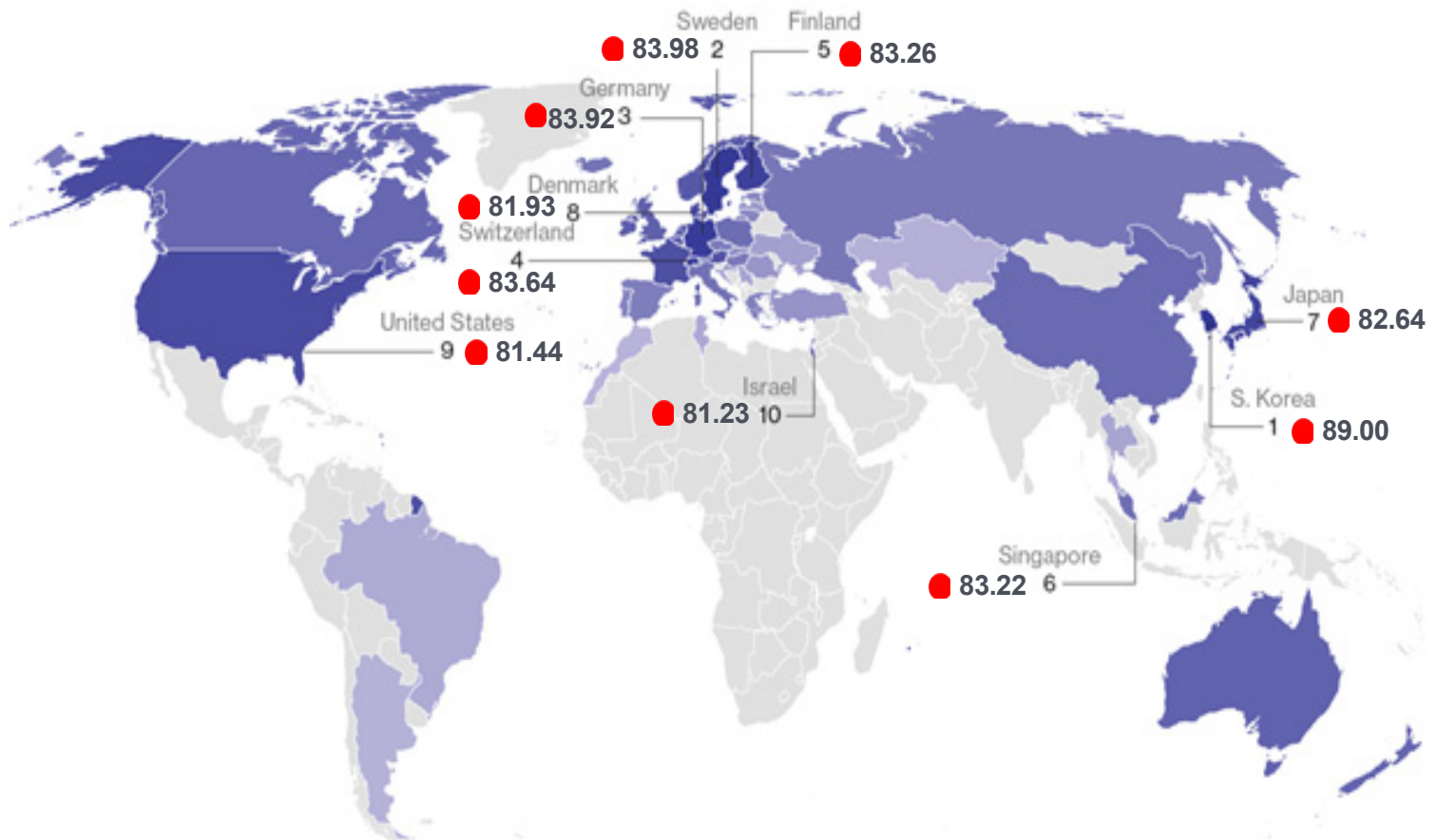
1. Retail value RSP excluding sales tax
2. Includes Germany, France, U.K., Italy and Spain
3. Includes Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam
Source: Euromonitor, Statista, A.T. Kearney estimates

Project e² 1

Source: National eCommerce Strategic Roadmap (NeSR)

International Report

THE BLOOMBERG INNOVATION INDEX 2017



Malaysia

Rank: 23

Score : 66.98

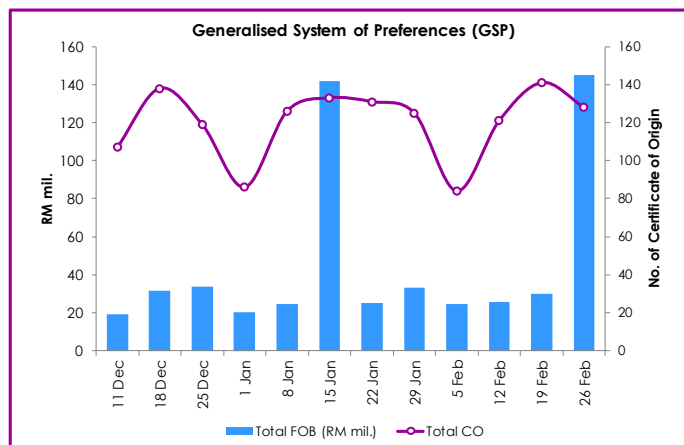
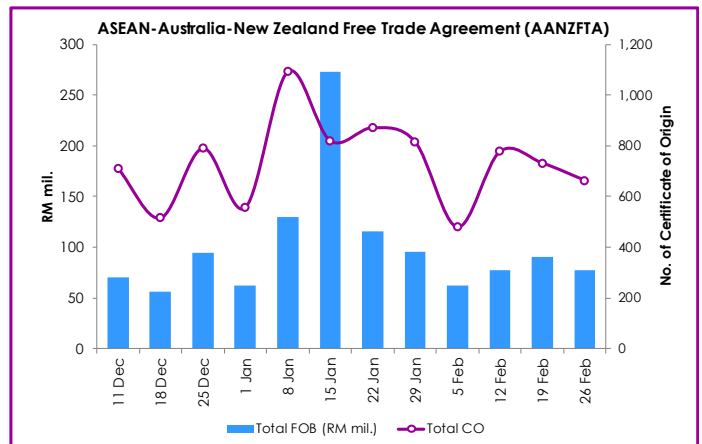
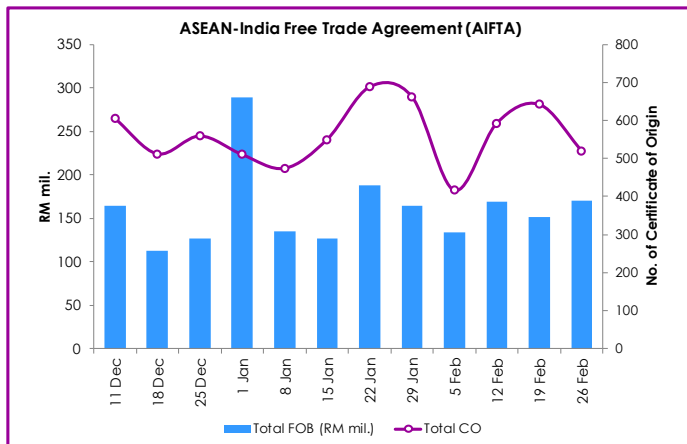
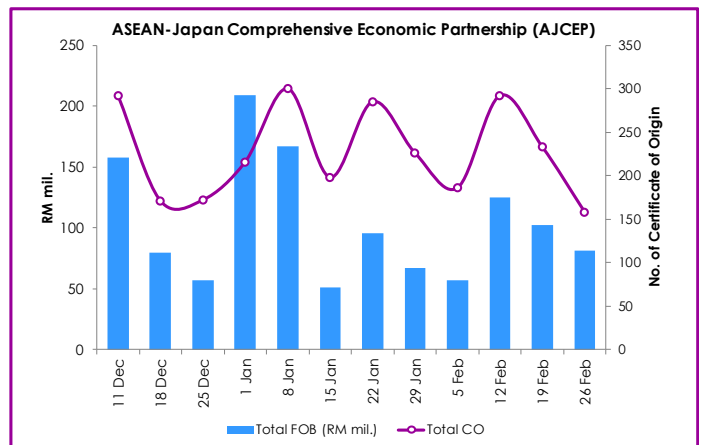
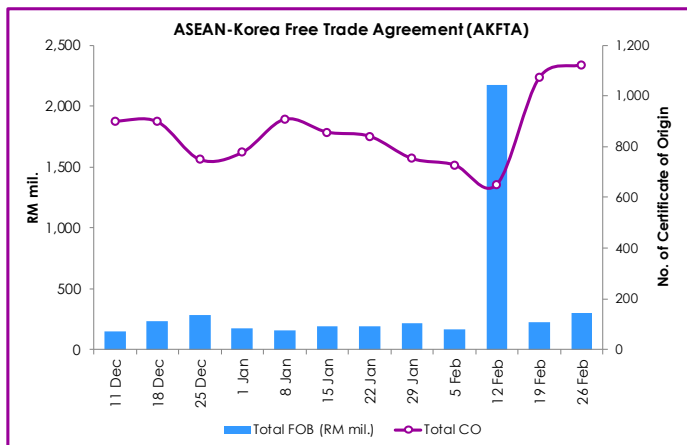
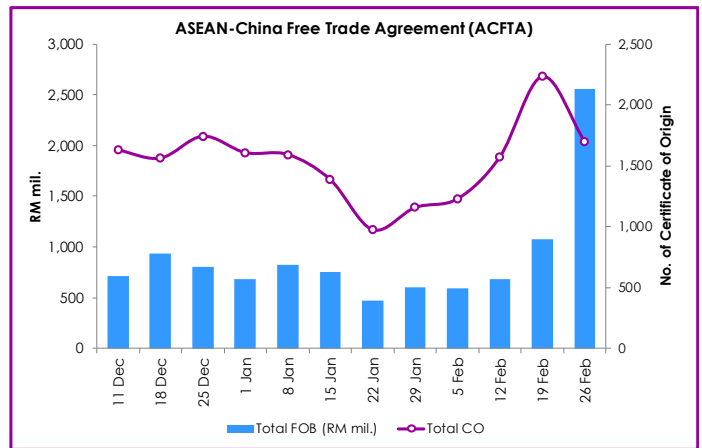
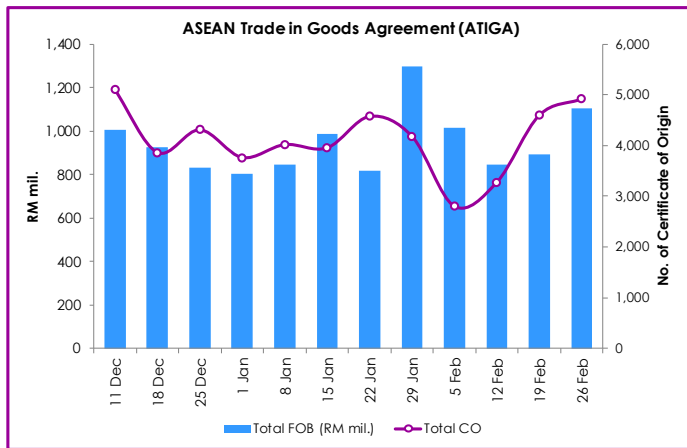
Note:

● Score

The Global Innovation Index (GII) aims to capture the multi-dimensional facets of innovation and provide the tools that can assist in tailoring policies to promote long-term output growth, improved productivity, and job growth. The GII helps to create an environment in which innovation factors are continually evaluated.

Source: <https://www.bloomberg.com/news/articles/2017-01-17/sweden-gains-south-korea-reigns-as-world-s-most-innovative-economies>

Number and Value of Preferential Certificates of Origin (PCOs)

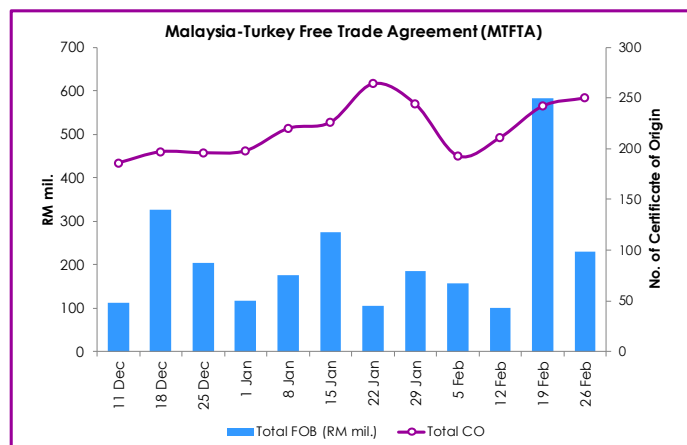
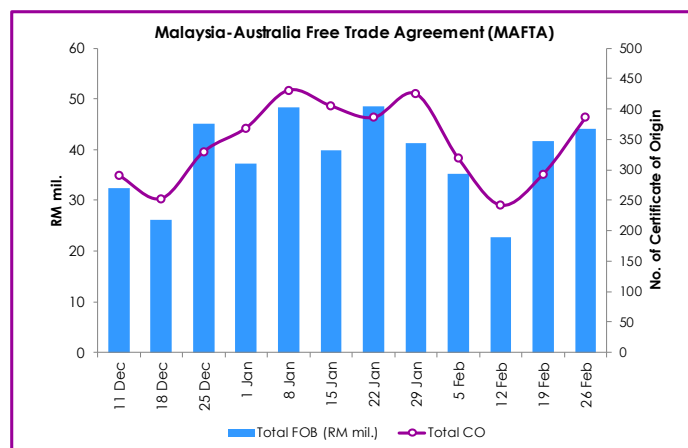
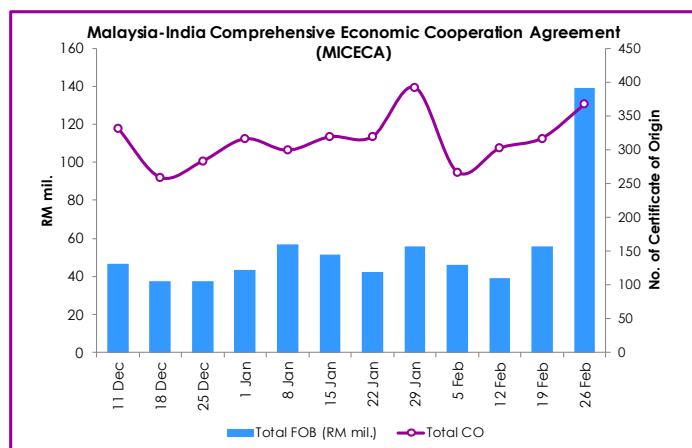
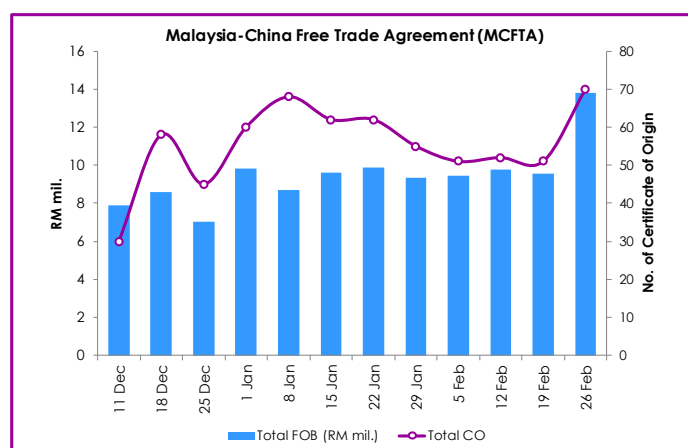
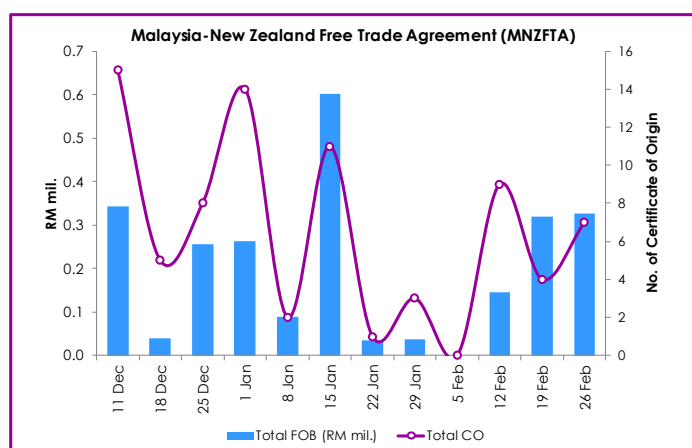
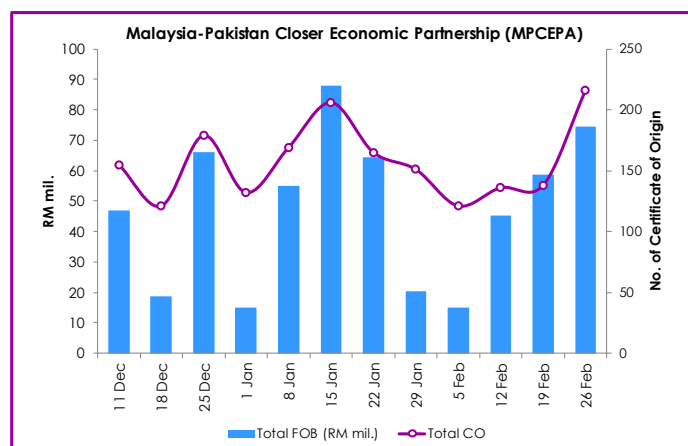
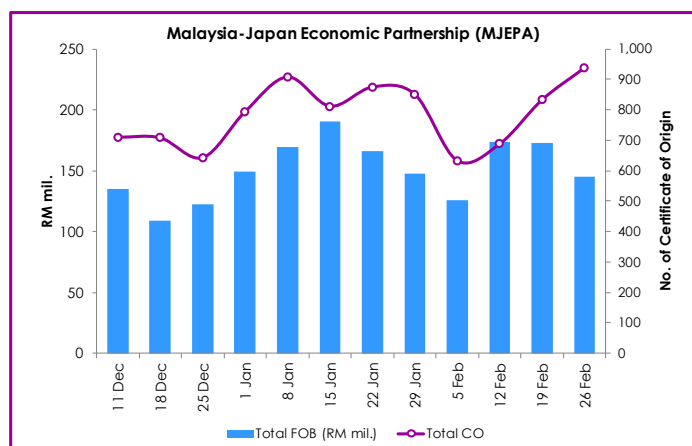


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: * Provisional data

Source: Ministry of International Trade and Industry, Malaysia

Number and Value of Preferential Certificates of Origin (PCOs)

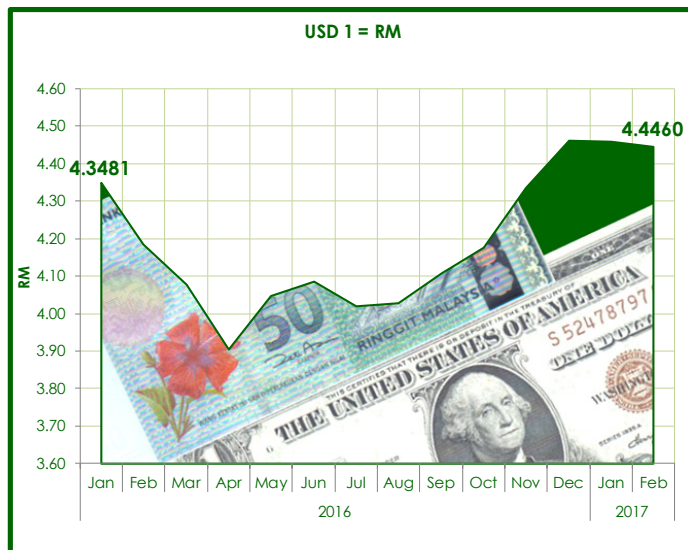


Note: * Provisional data

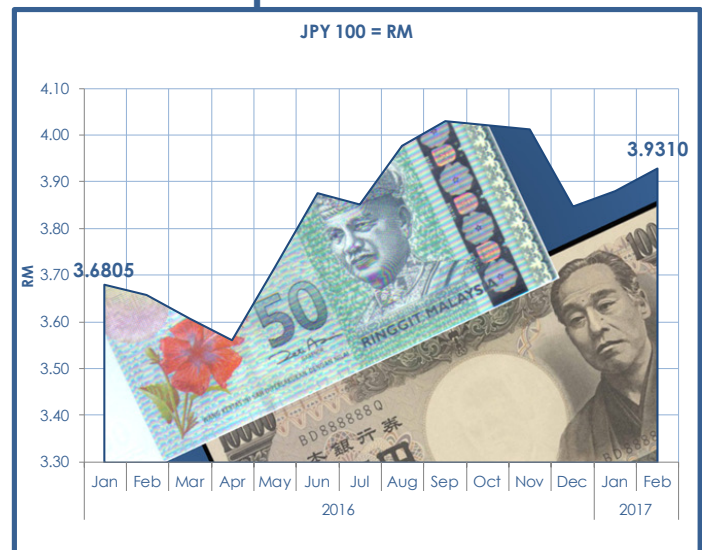
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2016 - February 2017

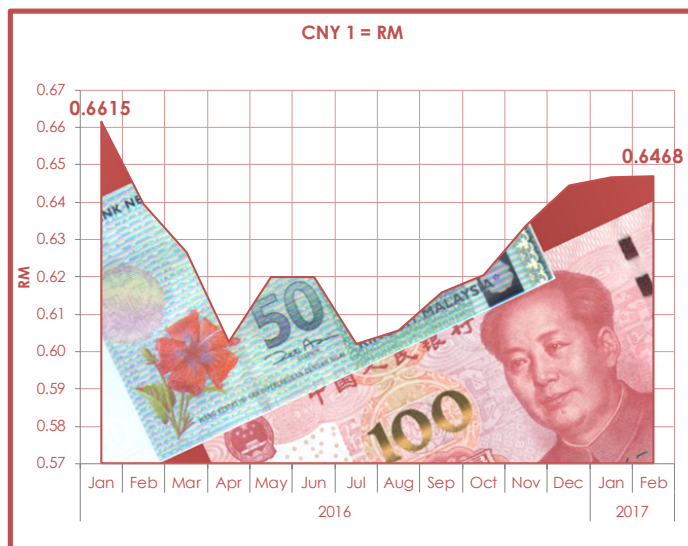
US Dollar



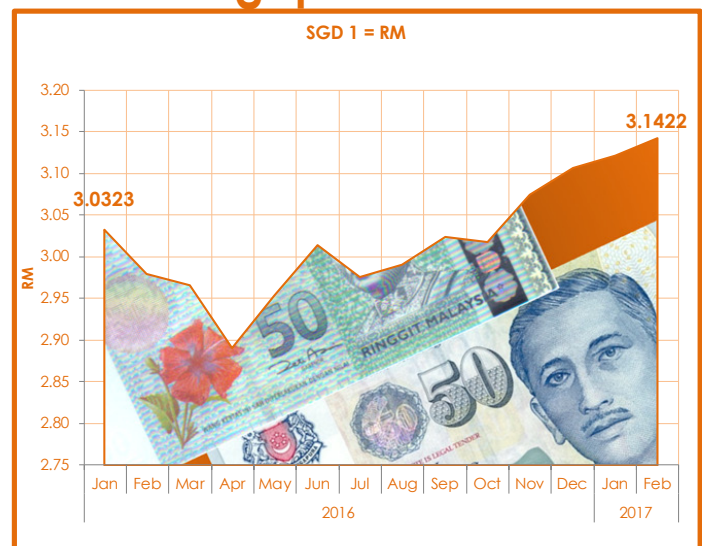
Japanese Yen



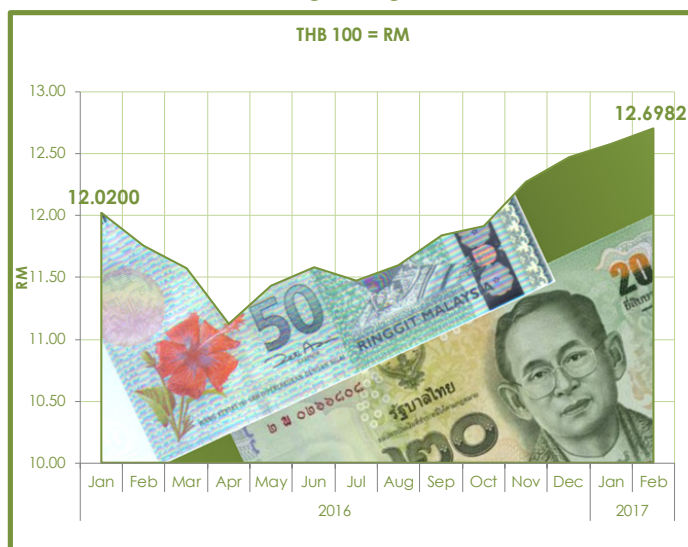
Chinese Yuan



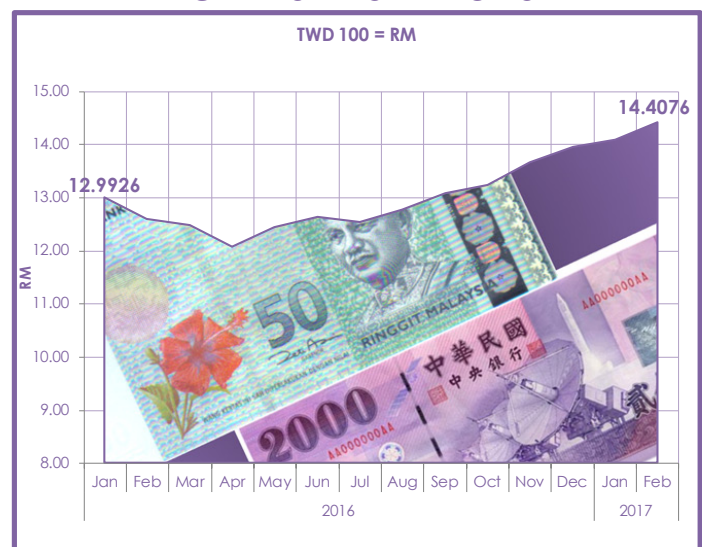
Singapore Dollar



Thai Baht



New Taiwan Dollar



Source : Bank Negara, Malaysia

Commodity Prices



CRUDE PETROLEUM (BRENT) -per bbl-

3 Mar 2017 : US\$55.9, ▼ 0.2%*
Average Priceⁱ : 2016: US\$45.3
2015: US\$53.6



CRUDE PALM OIL -per MT-

3 Mar 2017 : US\$740.5, ▼ 5.0%*
Average Priceⁱ : 2016: US\$702.2
2015: US\$616.9



SUGAR -per lbs-

3 Mar 2017 : US¢ 19.5, ▼ 1.5%*
Average Priceⁱ : 2016: US¢18.2
2015: US¢13.2

RUBBER SMR 20 -per MT-

3 Mar 2017 : US\$2,108.5, ▲ 2.4%*
Average Priceⁱ : 2016: US\$1,394.5
2015: US\$1,364.3



COCOA SMC 2 -per MT-

3 Mar 2017 : US\$1,380.3, ▼ 6.3%*
Average Priceⁱ : 2016: US\$1,609.8
2015: US\$2,077.0



COAL -per MT-

3 Mar 2017 : US\$44.1, unchanged
Average Priceⁱ : 2016: US\$45.6
2015: US\$49.9



SCRAP IRON HMS -per MT-

3 Mar 2017 : US\$310.0 (high), unchanged
US\$290.0 (low), unchanged
Average Priceⁱ : 2016: US\$243.2
2015: US\$239.6

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, Bloomberg and Czarnikow Group.

HIGHEST and LOWEST 2016/2017

Crude Petroleum (Brent) -per bbl-



Highest

6 Jan 2017 : US\$57.1
30 Dec 2016 : US\$56.8

Lowest

13 Jan 2017 : US\$55.5
15 Jan 2016 : US\$28.9

Crude Palm Oil -per MT-



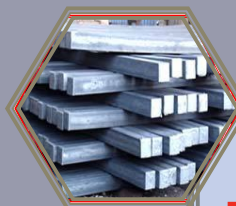
Highest

20 Jan 2017 : US\$843.0
30 Dec 2016 : US\$797.5

Lowest

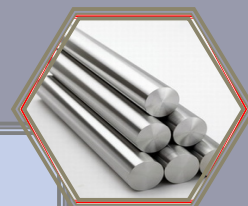
3 Mar 2017 : US\$740.5
15 Jan 2016 : US\$545.5

Domestic Prices 3 March 2017



Billets (per MT)

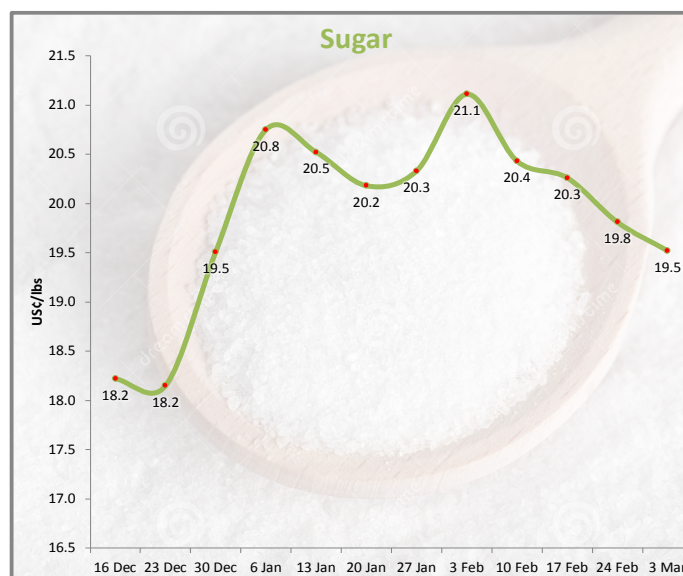
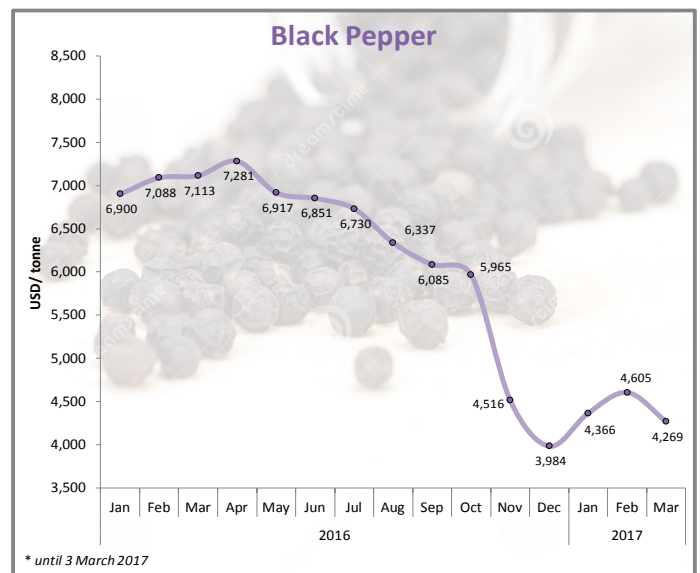
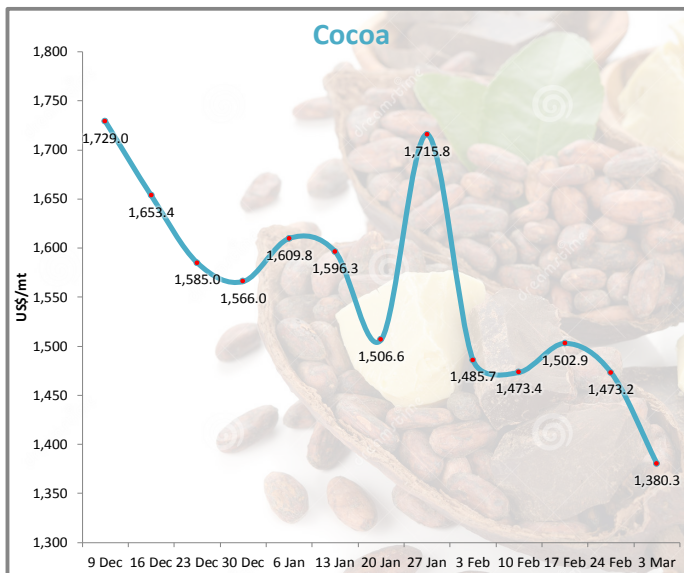
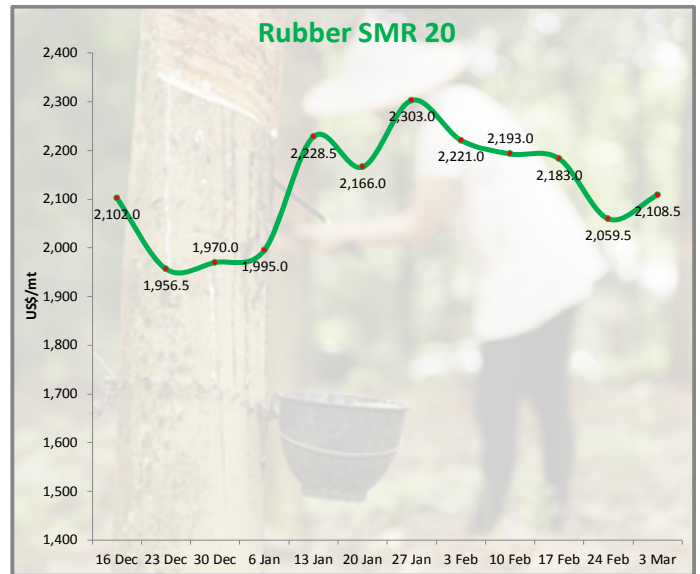
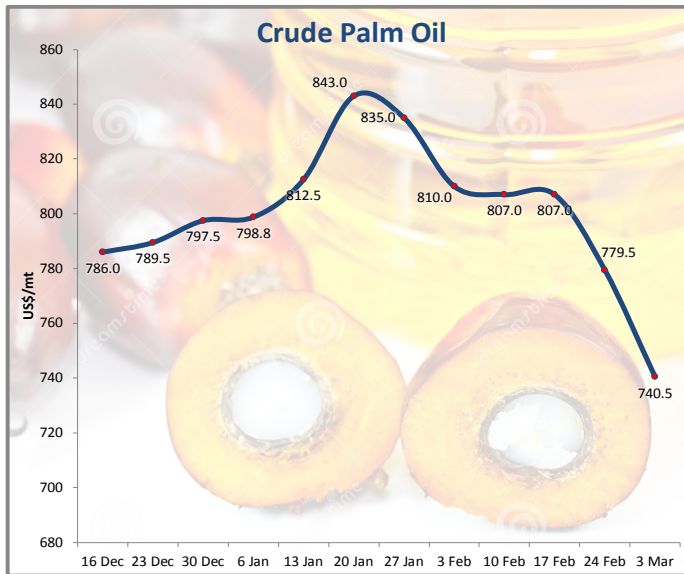
RM1,950 – RM2,050



Steel Bars (per MT)

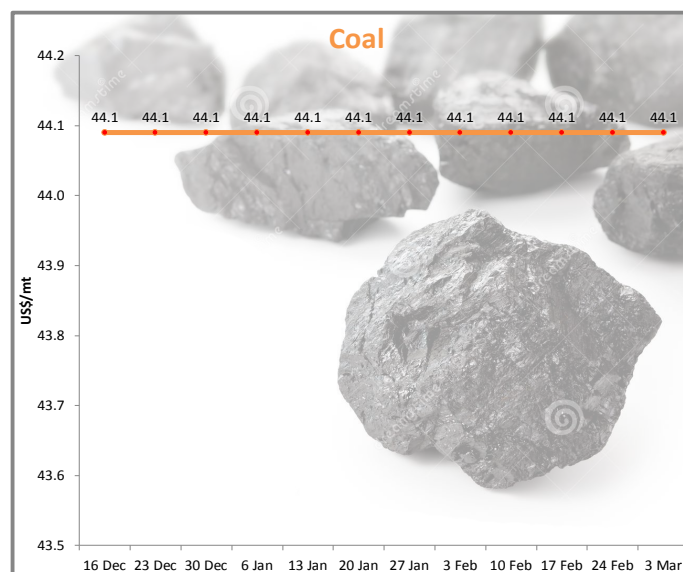
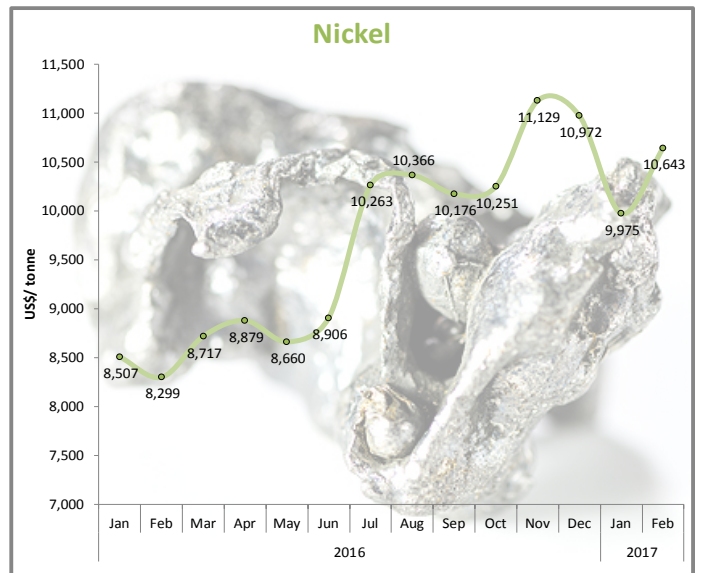
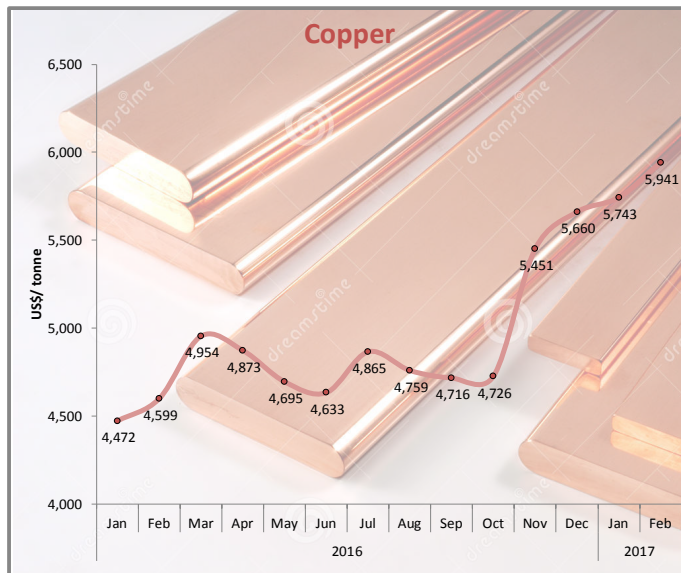
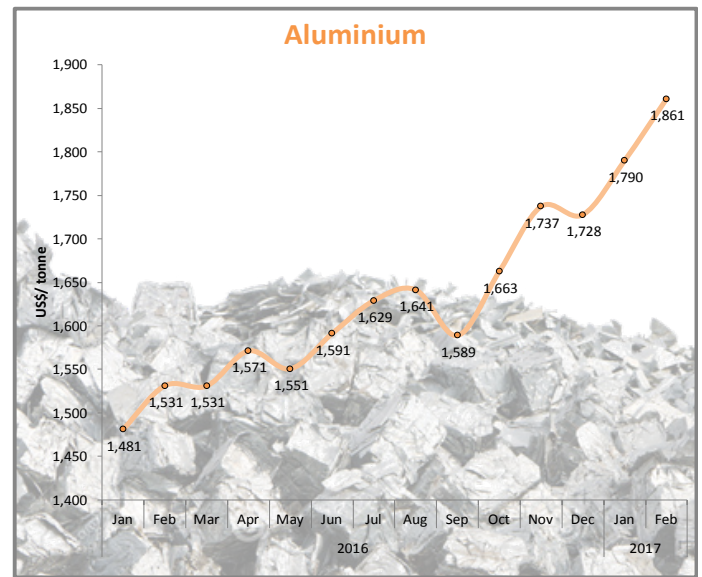
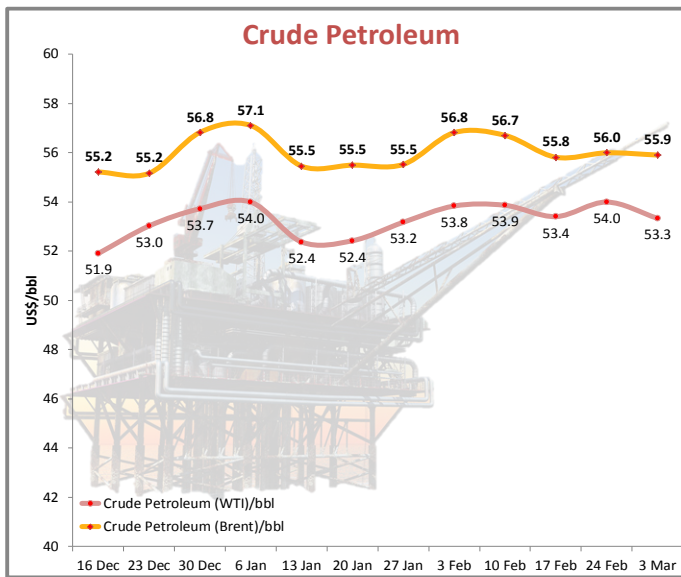
RM2,150 – RM2,300

Commodity Price Trends



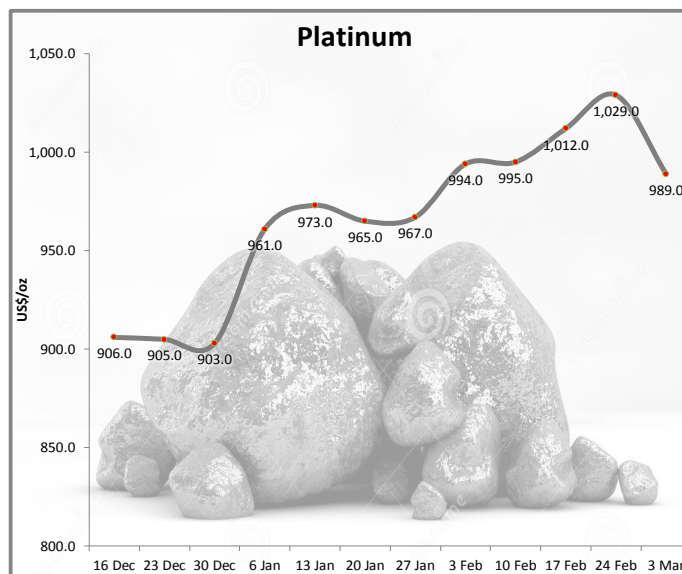
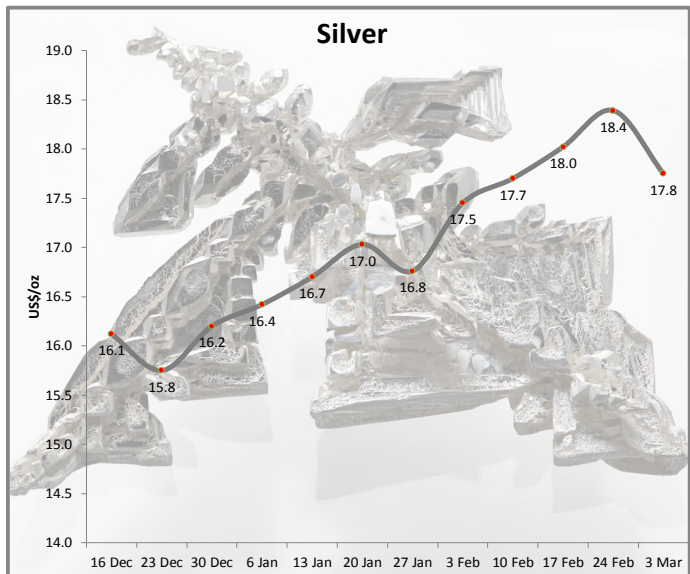
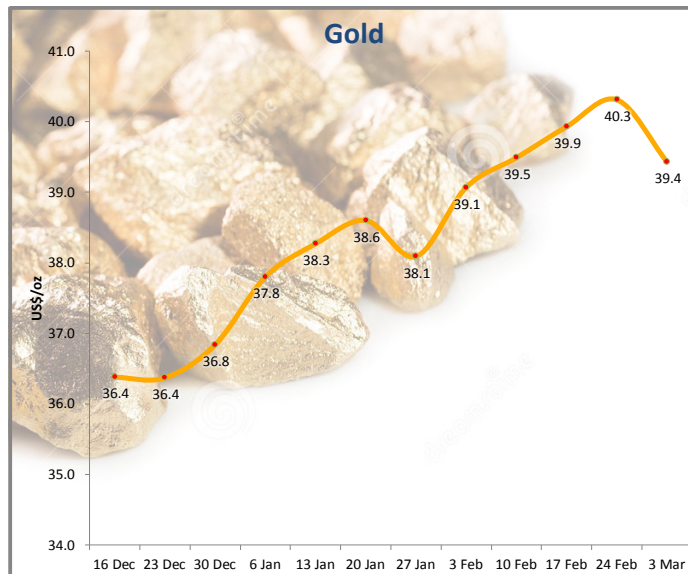
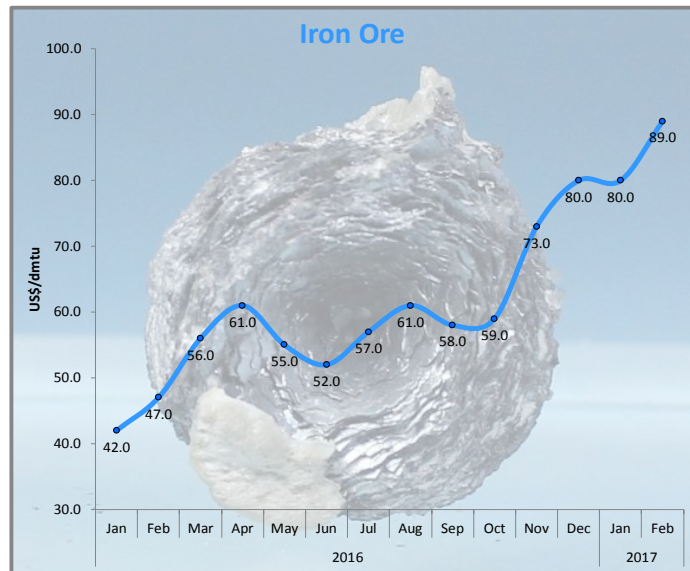
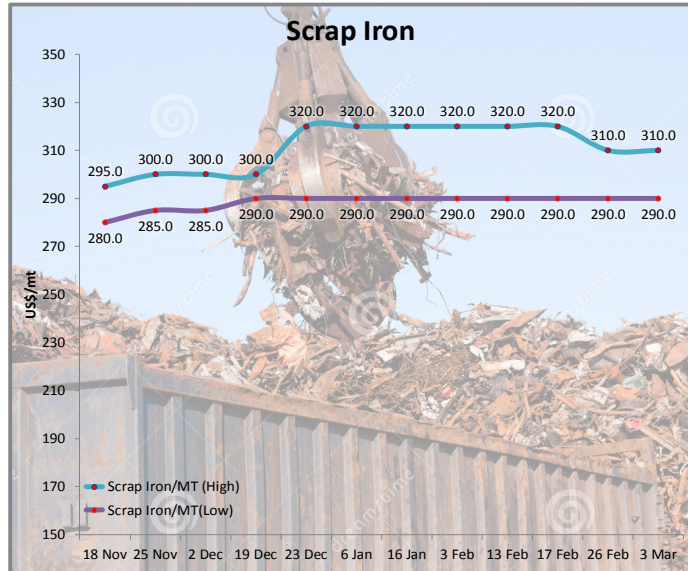
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

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.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.

MITI Programme

Zalora Launch Its ASEAN Regional E-Fulfillment Hub in Malaysia Officiated by YB Dato' Sri Mustapa Mohamed, 3 March 2017



ANNOUNCEMENT

Anugerah Kecemerlangan Industri 2016



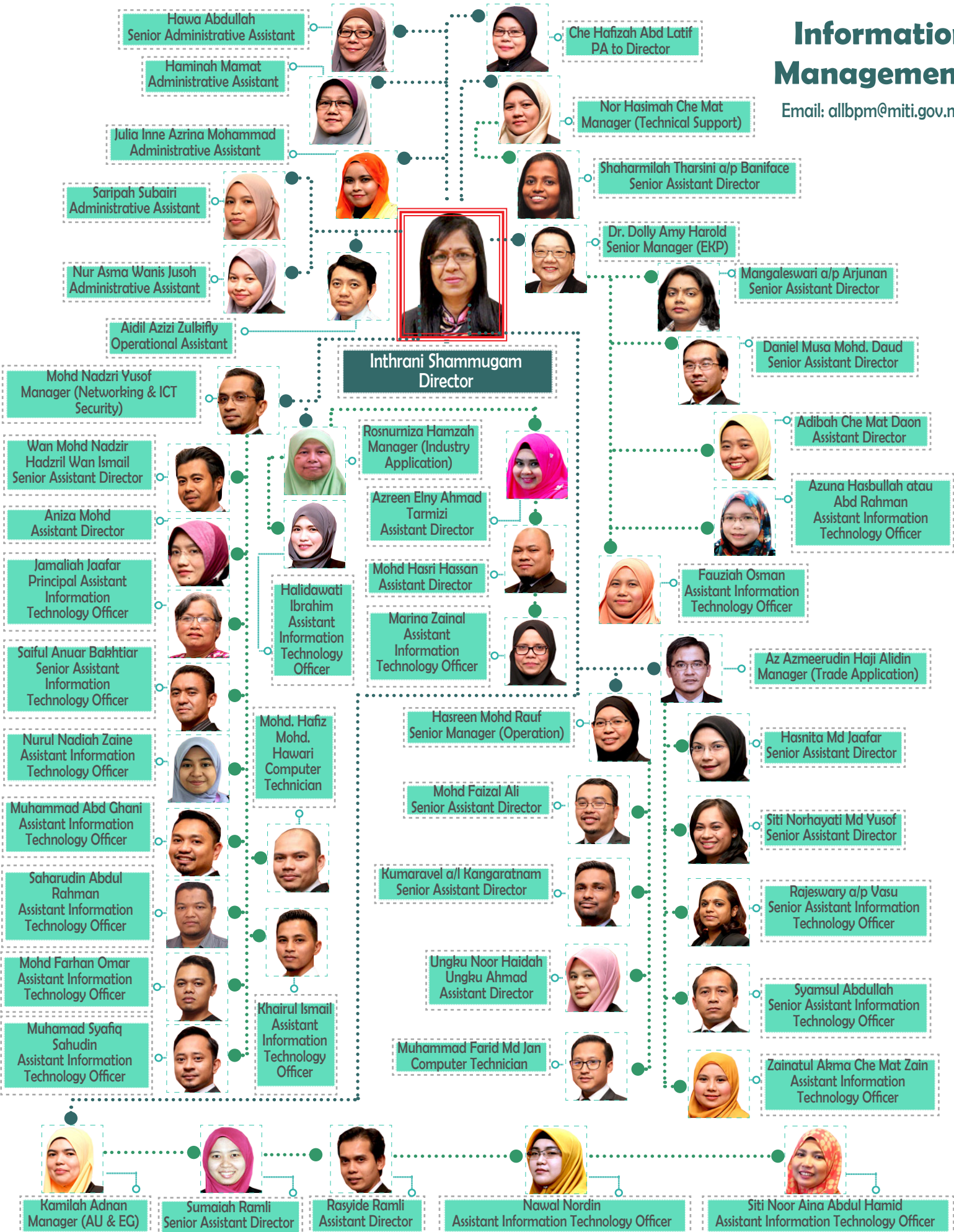
Asia Pacific's Premier Maritime and Aerospace Showcase 2017



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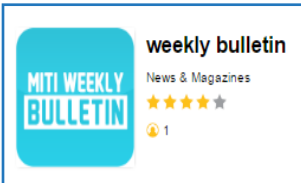


In Memory of MH 370

08.03.2014



MITI WEEKLY BULLETIN (MWB) MOBILE APPS



MITI MWB APPs is now available for IOS, Android and Windows platforms. MWB APPs can be download from **Gallery of Malaysian Government Mobile APPs (GAMMA)** at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>



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