



**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
MALAYSIA**

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MALAYSIA EXTERNAL TRADE STATISTICS

**TRADE PERFORMANCE FOR THE MONTH OF JULY 2015 AND THE PERIOD OF
JANUARY- JULY 2015 #**

Exports Remained High in July 2015 at RM63.23 billion

Despite a challenging external environment, Malaysia's exports posted growth in July 2015, expanding 3.5% or RM2.12 billion to RM63.23 billion compared with July 2014. Imports increased by 5.9% to RM60.85 billion, while trade grew by 4.6% to RM124.08 billion.

Malaysia continued to register a trade surplus valued at RM2.38 billion in July 2015, making it the 213th consecutive month of trade surplus since November 1997. The moderation in trade surplus reflected mainly the higher imports required for production and investment purposes which will contribute towards exports going forward.

Expansion in exports to the People's Republic of China (PRC), the United States of America (USA), Vietnam, Indonesia, Thailand, Japan and the European Union (EU) supported the higher exports in July 2015.

Exports in the first seven months of 2015 contracted by 2.2% to RM431.57 billion while imports declined by 1.4% to RM387.49 billion compared to the corresponding period of 2014. Trade surplus remained sizeable at RM44.07 billion. Malaysia's total trade moderated to RM819.06 billion. Similar moderation in trade performance was also registered by other countries in Asia.

Performance of Major Sectors

Overall, major manufacturing subsectors experienced positive growth on a y-o-y basis. Mining and major commodity subsectors had lower exports due to significantly lower prices relative to last year.

Manufactured Goods Drives Exports

Exports of manufactured goods remained strong, with a growth of 5.9% or RM2.83 billion to RM50.74 billion in July 2015. The increase in exports of manufactured goods was driven mainly by higher exports of electrical and electronic (E&E) products especially electronic integrated circuits. E&E experienced robust growth with an increase of RM2.49 billion or 12.1%. Apart from E&E products, increases in exports were also recorded for other manufactured products, namely chemicals and chemical products, manufactures of metal, machinery, appliances and parts, jewellery as well as textiles, clothings and footwear.

Exports of mining goods decreased by 16.2% to RM5.89 billion, accounting for 9.3% of Malaysia's total exports. Export performance for this sector was affected by the decline in exports of liquefied natural gas (LNG) and crude petroleum.

Exports of agricultural goods expanded by 7.8% to RM6.2 billion contributed by the higher exports of crude natural rubber which gained by RM182.8 million or 60.7% on y-o-y and RM107 million or 28.4% on m-o-m. Exports of palm oil increased marginally by 0.2% to RM4.06 billion on a y-o-y basis.

Major exports in July 2015 were:

- Electrical and electronic products valued at RM23.1 billion, with a share of 36.5% of total exports, increased by 12.1% from July 2014;
- Chemicals and chemical products (RM4.84 billion, 7.7%, ↑19.9%);
- Petroleum products (RM4.35 billion, 6.9%, ↓34.4%);
- Palm oil which includes crude palm oil; fractionated palm oil; palm kernel oil, olein and stearin (RM4.06 billion, 6.4%, ↑0.2%); and
- LNG (RM3.09 billion, 4.9%, ↓23.6%).

For the first seven months of 2015, exports of manufactured goods grew by 1.9% to RM343.6 billion with 79.6% share of total exports. Exports of mining goods decreased by 21% to RM48.01 billion, (11.1% share) and exports of agricultural goods down by 6.8% to RM37.3 billion, (8.6% share).

Higher exports of manufactured goods were recorded for E&E products by RM8.58 billion, machinery, appliances and parts (↑RM2.56 billion), manufactures of metal (↑RM1.84 billion), chemicals and chemical products (↑RM1.82 billion) and rubber products (↑RM916.8 million).

Performance of Major Markets

Robust Export to the PRC

Despite the economic slowdown in **the PRC**, demand for manufactured goods remained resilient. In July 2015, total trade with the PRC expanded by 16.7% to RM20.63 billion. Exports to the PRC rose by 32.7% or RM2.31 billion to RM9.38 billion on a y-o-y basis.

The main contributor to the increase was E&E products which expanded by 23.7% to RM4.22 billion attributed to the greater exports of electronic integrated circuits. Increases in exports were also recorded for other products, namely, petroleum products, chemicals and chemical products (polymer of ethylene in primary forms) as well as crude natural rubber. Imports from the PRC was valued at RM11.25 billion, an

increase of 6% from July 2014. Main imports from the PRC comprised E&E products, machinery, appliances and parts as well as manufactures of metal.

Malaysia's trade with the PRC for the first seven months of 2015 increased by 8.8% to RM127.33 billion. Exports rose 6% to RM55.73 billion while imports increased 11.2% to RM71.6 billion. Expansion in exports to the PRC was contributed mainly by higher exports of petroleum products, aluminium ores and concentrates, chemicals and chemical products as well as E&E products.

Exports to the EU Grew 3.9%

Trade with the EU increased by 10.3% to RM12.56 billion, as growth in key export markets strengthened. Exports to the EU recorded a growth of 3.9% or RM232.1 million to RM6.21 billion in July 2015. Six leading export markets in the EU registered significant growth, namely, the United Kingdom, the Netherlands, Belgium, Sweden, Poland and Spain. The expansion in exports was underpinned mainly by higher exports of E&E products, by RM223.9 million, especially exports of computers and data processing equipment to the Netherlands. Other products that registered significant increases in exports were rubber products, chemicals and chemical products (alcohols, phenols and their derivatives), iron and steel products (flat rolled products of alloy steel) as well as manufactures of metal (zinc alloys). Imports from the EU amounted to RM6.36 billion, an increase of 17.4% compared with July 2014. Main imports from the EU comprised E&E products as well as chemicals and chemical products.

In January-July 2015, trade with the EU, increased by 2.1% compared with the same period of 2014. Exports to the EU grew by 3.2% mainly due to higher exports of E&E products especially computers and data processing equipment to the Netherlands. Exports to the EU was valued at RM42.81 billion while imports amounted to RM40.46 billion.

Double Digit Expansion in Exports to the USA

Trade with **the USA** rose 13% to RM10.74 billion in July 2015. Exports to the USA surged 20.2% to RM6.1 billion y-o-y. Imports increased by 4.7% to RM4.64 billion. Almost all products registered increases in exports to the USA, including commodities such as palm oil and crude natural rubber. Strong demand for manufactured goods led to the increase in exports of E&E products (photosensitive semiconductor devices), rubber gloves, wooden furniture, machinery, appliances and parts (machines and apparatus for manufacture of semiconductors), transport equipment (aircraft parts) as well as textiles, clothings and footwear.

Exports to the USA in the first seven months of 2015 remained strong, expanding by 10.7% to RM40.04 billion. Imports grew by 0.9% to RM30.87 billion. This resulted in a higher total trade of RM70.91 billion, an increase of 6.2% compared with the same period of 2014.

Exports to Japan Rebounded by 4.4%

Trade with **Japan** rose 2.7% to RM10.27 billion in July 2015. Exports to Japan grew by 4.4% to RM5.8 billion y-o-y, improving from 25.1% decline in June 2015. This was driven by the increase in exports of chemicals and chemical products, E&E products (electronic integrated circuits), manufactures of metal and crude petroleum. Export performance on a m-o-m basis was also encouraging with an expansion of RM1.01 billion or 21.1% contributed by higher exports of LNG which increased by 61.6% or RM846.8 million. Imports increased by 0.6% to RM4.47 billion compared with July 2014.

In January-July 2015, trade with Japan contracted by 8.7% to RM73.28 billion, with export and import value of RM42.4 billion and RM30.88 billion, respectively.

ASEAN Accounted for 27.4% of Exports

On a y-o-y basis, exports to ASEAN amounted to RM17.35 billion, accounting for 27.4% of Malaysia's total exports. A decline of 2.6% was attributed by lower exports of petroleum products by 46.6% or RM2.1 billion. However, higher exports were registered for E&E products (electronic integrated circuits), chemicals and chemical products (alcohols, phenols and their derivatives) as well as machinery, appliances and parts (parts for civil engineering and contractor's plant and equipment). Trade with ASEAN remained firm at RM32.86 billion with higher imports from ASEAN by 2.6% to RM15.51 billion.

Breakdown of exports to ASEAN countries as follows:

- Singapore RM 8.65 billion, decreased by 12.5%
- Thailand RM 3.22 billion, ↑9.5%
- Indonesia RM 2.34 billion, ↑13.5%
- Vietnam RM 1.45 billion, ↑28.6%
- Philippines RM 1.21 billion, ↓7.7%
- Myanmar RM 210.4 million, ↑8.5%
- Brunei RM196.8 million, ↓10.2%
- Cambodia RM 71.6 million, ↑10.1%
- Lao PDR RM 3.9 million, ↓3.1%

Exports to Singapore contracted by RM1.23 billion due to lower exports of petroleum products particularly refined petroleum products amid lower oil prices and slower industrial production. Exports to Thailand expanded by RM278.4 million driven by higher exports of crude petroleum as well as chemicals and chemical products especially alcohols, phenols and their derivatives. Exports to Indonesia grew by RM278.5 million with higher exports of crude petroleum, while higher exports to Vietnam by RM322.6 million was contributed by E&E products.

In January-July 2015, trade with ASEAN declined by 2% to RM222.35 billion, accounted for 27.1% of Malaysia's total trade, with export and import values of RM121.2 billion and RM101.15 billion, respectively.

Higher Exports to FTA Partners

In July 2015, total trade with **Free Trade Agreement (FTA)** partners was RM77.57 billion, higher by 4.6% with exports of RM40.03 billion and imports totalling RM37.54 billion. Higher exports were recorded to the PRC, Vietnam, Indonesia, Thailand and Japan. Exports to Chile rose 13%, contributed mainly by higher exports of wooden furniture.

Total trade with FTA partners was valued at RM515.13 billion, accounting for 62.9% of Malaysia's trade during the first seven months of 2015. Exports to FTA partners amounted to RM272.14 billion, decreased by 3.7% while imports, at RM242.99 billion, increased by 0.3%.

Imports

Imports Expanded by 5.9% with Higher Demand for Intermediate Goods

Imports grew by 5.9% y-o-y in July 2015 to RM60.85 billion. Intermediate goods which accounted for 60.3% or RM36.67 billion of total imports, increased by 5.7%, while capital goods which made up 12.3% or RM7.51 billion, grew 3.2%. Consumption goods which accounted for 8.7% or RM5.27 billion of total imports, registered a double digit growth of 25.7%.

In July 2015, imports of intermediate goods increased by RM1.98 billion due to higher imports of electronic integrated circuits and petroleum oils. Imports of capital goods grew by RM230 million with higher imports of aircrafts and cellular phones, while higher imports of consumption goods by RM1.08 billion was contributed by medicament.

During the first seven months of 2015, imports declined by 1.4% to RM387.49 billion. Intermediate goods remained firm at RM229.88 billion, while capital goods declined by 2% to RM54.3 billion and consumption goods grew double digit at 16.7% to RM34.03 billion.

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, which do not fully conform to 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, 4th September 2015.***

+ *This report can be accessed through the homepages of the Ministry of International Trade and Industry (<http://www.miti.gov.my>) and Malaysia External Trade Development Corporation (<http://www.matrade.gov.my>).*

The July 2015 data is provisional and subject to revision in later issue.

TABLE 1: SUMMARY OF MALAYSIA'S EXTERNAL TRADE

Year/ Period	<u>Total Exports</u> (RM Million)	<u>Total Imports</u> (RM Million)	<u>Trade Balance</u> (RM Million)	<u>Total Trade</u> (RM Million)
2014 ^P				
January	63,973.9	57,618.8	6,355.1	121,592.8
February	58,912.2	48,475.5	10,436.8	107,387.7
March	64,963.9	55,434.5	9,529.4	120,398.5
April	66,239.5	57,497.2	8,742.3	123,736.7
May	64,817.7	59,172.3	5,645.4	123,990.0
June	61,225.6	57,120.6	4,105.0	118,346.2
July	61,118.4	57,479.8	3,638.5	118,598.2
August	63,881.8	60,019.8	3,862.0	123,901.6
September	64,523.9	55,194.1	9,329.8	119,718.0
October	65,051.9	63,904.0	1,147.8	128,955.9
November	63,727.3	52,600.4	11,126.9	116,327.7
December	67,692.4	58,465.3	9,227.1	126,157.7
2014^P	766,128.5	682,982.4	83,146.1	1,449,111.0
2015 ^P				
January	63,604.8	54,647.7	8,957.1	118,252.5
February	53,168.7	48,613.6	4,555.1	101,782.3
March	66,466.4	58,644.6	7,821.8	125,111.1
April	60,381.7	53,516.6	6,865.1	113,898.3
May	60,453.9	54,941.0	5,512.9	115,395.0
June	64,258.4	56,280.1	7,978.3	120,538.5
July	63,233.5	60,850.3	2,383.2	124,083.9
2014 (Jan-July)^P	441,251.2	392,798.8	48,452.4	834,050.1
2015 (Jan-July)^P	431,567.6	387,494.0	44,073.6	819,061.6

TABLE 2: MAJOR EXPORT PRODUCTS

Products	July 2015 ^p	June 2015 ^p	July 2014 ^p
	RM Million	RM Million	RM Million
Total Exports	63,233.5	64,258.4	61,118.4
Electrical & Electronic Products	23,097.0	23,145.0	20,610.1
Chemicals & Chemical Products	4,844.5	4,610.5	4,040.0
Petroleum Products	4,352.4	4,522.2	6,635.3
Palm Oil (includes crude palm oil; fractionated palm oil; and palm kernel oil, olein and stearin)	4,055.3	4,505.8	4,045.8
LNG	3,091.1	2,848.8	4,046.3
Machinery, appliances & parts	2,833.0	3,104.3	2,295.7
Manufactures of Metal	2,619.3	3,366.2	1,912.5
Optical & Scientific Equipment	2,089.4	2,114.9	2,148.2
Crude Petroleum	1,901.4	2,066.2	2,550.2
Rubber Products	1,502.7	1,558.1	1,425.6

TABLE 3: MAJOR EXPORT MARKETS

Markets	July 2015 ^p	June 2015 ^p	July 2014 ^p
	RM Million	RM Million	RM Million
Total Exports	63,233.5	64,258.4	61,118.4
PRC	9,379.6	9,653.5	7,065.9
Singapore	8,647.8	8,737.0	9,881.8
USA	6,102.2	5,772.5	5,076.4
Japan	5,803.3	4,792.0	5,558.8
Thailand	3,223.7	3,810.6	2,945.3
India	2,966.6	2,880.9	2,916.5
Hong Kong	2,962.9	3,299.2	3,134.1
Indonesia	2,340.4	2,621.9	2,061.9
Australia	2,117.9	1,971.6	2,295.6
Netherlands	1,964.4	1,911.6	1,851.7

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- JULY)

Products	Jan-Jul 2015 ^p	Jan-Jul 2014 ^p
	RM Million	RM Million
Total Exports	431,567.6	441,251.2
Electrical & Electronic Products	152,581.8	144,000.1
Chemicals & Chemical Products	31,166.9	29,345.3
Petroleum Products	30,283.0	43,102.0
LNG	28,289.2	36,995.5
Palm Oil (includes crude palm oil; fractionated palm oil; and palm kernel oil, olein and stearin)	24,432.9	27,021.6
Machinery, Appliances & Parts	20,001.7	17,446.4
Manufactures of Metal	17,210.6	15,371.9
Crude Petroleum	14,937.9	20,055.0
Optical & Scientific Equipment	14,232.1	13,831.4
Rubber Products	11,167.9	10,251.1

TABLE 5: MAJOR EXPORT MARKETS (JANUARY- JULY)

Markets	Jan-Jul 2015 ^p	Jan-Jul 2014 ^p
	RM Million	RM Million
Total Exports	431,567.6	441,251.2
Singapore	59,721.8	62,751.7
PRC	55,732.6	52,600.6
Japan	42,395.1	48,121.5
USA	40,044.2	36,175.7
Thailand	24,669.0	23,005.4
Hong Kong	21,347.6	21,695.3
India	17,984.4	17,375.2
Indonesia	16,486.3	18,617.9
Australia	15,798.6	19,499.8
ROK	14,030.6	15,575.0

TABLE 6: MAJOR IMPORT PRODUCTS

Products	July 2015 ^p	June 2015 ^p	July 2014 ^p
	RM Million	RM Million	RM Million
Total Imports	60,850.3	56,280.1	57,479.8
Electrical & Electronic Products	17,349.0	16,186.7	15,902.4
Petroleum Products	7,375.2	4,622.8	7,529.8
Chemicals & Chemical Products	5,469.4	5,785.7	5,307.1
Machinery, Appliances & Parts	5,111.4	4,848.4	4,714.7
Manufactures of Metal	3,867.0	3,650.1	3,912.5
Transport Equipment	2,757.0	2,769.8	2,375.7
Crude Petroleum	1,901.9	973.3	2,133.8
Iron & Steel Products	1,875.9	1,842.4	2,083.7
Optical & Scientific Equipment	1,687.3	1,733.9	1,831.8
Processed Food	1,457.5	1,561.8	1,275.9

TABLE 7: MAJOR IMPORT SOURCES

Markets	July 2015 ^p	June 2015 ^p	July 2014 ^p
	RM Million	RM Million	RM Million
Total Imports	60,850.3	56,280.1	57,479.8
PRC	11,250.1	11,214.2	10,609.5
Singapore	7,477.9	6,641.8	7,528.2
USA	4,635.7	4,986.6	4,429.2
Japan	4,470.5	4,504.8	4,442.5
Taiwan	3,493.7	2,842.3	2,982.5
Thailand	3,426.4	3,329.2	3,228.9
ROK	2,903.5	2,105.6	2,618.0
Indonesia	2,261.6	2,957.2	2,552.8
Germany	2,121.3	1,876.5	1,874.2
Australia	1,920.5	1,231.4	1,840.3

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY-JULY)

Products	Jan-Jul 2015 ^p	Jan-Jul 2014 ^p
	RM Million	RM Million
Total Imports	387,494.0	392,798.8
Electrical & Electronic Products	111,864.0	104,765.1
Chemicals & Chemical Products	37,191.3	36,263.1
Petroleum Products	35,639.8	48,973.5
Machinery, appliances & parts	33,470.9	33,194.2
Manufactures of Metal	25,846.1	22,045.7
Transport Equipment	20,854.3	22,646.9
Iron & Steel Products	13,318.8	14,465.8
Optical & Scientific Equipment	11,812.3	11,909.0
Processed Food	10,036.6	9,941.2
Crude Petroleum	8,816.6	16,028.8

TABLE 9: MAJOR IMPORT MARKETS (JANUARY-JULY)

Markets	Jan-Jul 2015 ^p	Jan-Jul 2014 ^p
	RM Million	RM Million
Total Imports	387,494.0	392,798.8
PRC	71,596.3	64,387.5
Singapore	45,806.5	50,747.8
Japan	30,881.9	32,133.0
USA	30,870.7	30,600.2
Thailand	22,936.8	23,090.2
Taiwan	20,564.2	20,225.8
ROK	17,468.5	19,430.3
Indonesia	17,422.2	16,203.8
Germany	13,351.7	12,921.9
Australia	10,467.4	12,074.7

Source: Department of Statistics, Malaysia
Compiled By: MATRADE

Notes:

p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2008-2015

