



**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
MALAYSIA**

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MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR JANUARY 2019 #

Highest January Exports at RM85.41 billion

Malaysia's trade in January 2019 expanded by 2.1% to reach a value of **RM159.3 billion** from January 2018. Expansion in trade were seen with China, Taiwan, Saudi Arabia, the Republic of Korea (ROK), Thailand, the United Arab Emirates (UAE) and the United States (US).

Exports posted a stronger year-on-year (y-o-y) growth compared to imports, registering an expansion of 3.1% to RM85.41 billion. This was the highest export value ever recorded for the month of January, surpassing RM82.82 billion registered in January 2018. Imports grew by 1% to RM73.89 billion, resulting in a trade surplus of RM11.52 billion, 19.2% higher compared to January 2018. This was the 255th consecutive month of trade surplus recorded since November 1997.

On a month-on-month (m-o-m) basis, total trade, exports and imports increased by 1.9%, 2.2% and 1.4%, respectively.

Export Performance of Major Sectors

Manufactured & Mining Goods Continued to Lead Export Growth

Export expansion in January 2019 was driven mainly by growth in manufactured and mining sector. Exports of manufactured goods recorded a y-o-y growth of 2.9% and mining goods posted a double-digit growth of 23.5%. Meanwhile, exports of agriculture goods contracted by 13.6%.

In January 2019, exports of manufactured goods were valued at RM70.25 billion, accounting for 82.3% share of Malaysia's total exports. The main contributors to the increase in exports were electrical and electronic (E&E) products which increased by 8.2%, followed by chemicals and chemical products (↑16.7%), jewellery (↑90.8%), optical and scientific equipment (↑7.1%), textiles, apparels and footwear (↑10.7%), as well as wood products (↑5.6%).

Exports of mining goods totalled RM8.96 billion and constituted 10.5% of Malaysia's total exports. Expansion in exports was contributed mainly by growth in exports of liquefied natural gas (LNG), which was attributed to higher Average Unit Value (AUV) and volume.

Exports of agriculture goods amounted to RM5.62 billion and accounted for 6.6% of total exports. Contraction in exports was mainly due to the decline in exports of palm oil and palm oil-based agriculture products, particularly palm oil. Exports of palm oil declined by 16.6% to RM3.27 billion, due to lower AUV.

Major exports in January 2019:

- E&E products, valued at RM34.28 billion and constituted 40.1% of total exports, increased by 8.2% from January 2018;
- Chemicals and chemical products, RM5.18 billion, 6.1% of total exports, increased by 16.7%;
- LNG, RM5.16 billion, 6% of total exports, increased by 37.5%;

- Petroleum products, RM4.61 billion, 5.4% of total exports, decreased by 24.1%; and
- Palm oil and palm oil-based agriculture products, RM3.72 billion, 4.4% of total exports, decreased by 19.5%.

Compared to December 2018, exports of manufactured, mining and agriculture goods expanded by 0.7%, 7.5% and 17.8%, respectively.

Trade Performance with Major Markets

Growing Exports to ASEAN

Trade with ASEAN in January 2019 which constituted 26.3% of Malaysia's total trade declined by 2.2% to RM41.97 billion compared to January 2018. Exports to ASEAN grew by 3.4% to RM24.98 billion, mainly on the back of higher exports for E&E products, LNG, optical and scientific equipment and crude petroleum.

Breakdown of exports to ASEAN countries:

- Singapore RM12.17 billion, **increased** by 5.4%
- Thailand RM5.64 billion, ↑17.1%
- Viet Nam RM2.79 billion, ↓8.6%
- Indonesia RM2.43 billion, ↓13.8%
- Philippines RM1.37 billion, ↓7.6%
- Myanmar RM237.7 million, ↑46.7%
- Brunei RM193.0 million, ↑5.4%
- Cambodia RM149.5 million, ↑63.4%
- Lao PDR RM2.9 million, ↑5.5%

Exports to major markets in ASEAN that recorded significant increases were **Thailand**, which expanded by RM823.3 million due to higher exports of E&E products while **Singapore** (↑RM627 million, E&E products) and **Myanmar** (↑RM75.7 million, petroleum products).

Imports from ASEAN were lower by 9.6% to RM16.99 billion. Major imports were E&E products, petroleum products, chemicals and chemical products, as well as machinery, equipment and parts.

On a m-o-m basis, trade and exports were higher by 2.1% and 6.7%, respectively, while imports declined by 4%.

Exports to China Rebounded

In January 2019, trade with China which absorbed 18.2% of Malaysia's total trade rose by 14.1% y-o-y to RM28.92 billion. Exports increased by 9.1% to RM11.02 billion on account of higher exports of LNG, chemicals and chemical products, palm oil and palm oil-based agriculture products, petroleum products, as well as metalliferous ores and metal scrap.

Imports from China surged by 17.5% to RM17.9 billion. Major imports were E&E products, machinery, equipment and parts, petroleum products, as well as chemicals and chemical products.

Compared to December 2018, trade and imports expanded by 7.2% and 15.7%, respectively, while exports contracted by 4.2%.

Manufactured Goods Dominated Exports to the EU

Trade with the European Union (EU) slipped by 1.5% y-o-y to RM15.29 billion or 9.6% of Malaysia's total trade. Exports to the EU grew by 4.3% to RM8.73 billion in January 2019. In terms of products, higher exports were contributed by manufactured goods primarily E&E products, palm oil-based manufactured products, transport equipment, as well as textiles, apparels and footwear. Exports of manufactured goods to the EU rose by 7.1% to RM7.96 billion, accounting for 91.1% of Malaysia's total exports to the region.

Among the top 10 EU markets which accounted for 91.7% of Malaysia's total exports to the EU, exports to 6 countries registered increases namely, **Spain** (↑98.5%), **the Czech Republic** (↑82.9%), **the Netherlands** (↑3.2%), **Poland** (↑25.8%), **Belgium** (↑8.5%) and **France** (↑2%).

Imports from the EU contracted by 8.2% to RM6.56 billion. Main imports from this region were E&E products, machinery, equipment and parts, as well as chemicals and chemical products.

On a m-o-m basis, trade and exports to the EU rose by 2.5% and 10%, respectively, while imports decreased by 5.9%.

Exports to the US Remained Firm

Total trade with the US posted an increase of 2.7% y-o-y to RM13.29 billion and accounted for 8.3% of Malaysia's total trade. Exports rose by 9.4% to reach RM7.95 billion underpinned mainly by higher exports of manufactured goods which increased by 9.9%. Manufactured exports accounted for 96.1% or RM7.64 billion of Malaysia's total exports to the US. Expansion in exports were seen for E&E products, optical and scientific equipment, wood products, as well as machinery, equipment and parts.

Imports from the US decreased by 5.9% to RM5.33 billion and the main import products were E&E products, machinery, equipment and parts, as well as chemicals and chemical products.

Compared to December 2018, exports increased by 0.9%, while trade and imports were down by 2.5% and 7.3%, respectively.

Exports to Japan Rose M-o-M

In January 2019, trade with Japan which constituted 7.2% of Malaysia's total trade slipped by 1.8% y-o-y to RM11.51 billion. Exports decreased by 5% to RM6.67 billion owing mainly to lower exports of LNG, crude petroleum, E&E products as well as iron

and steel products. However, higher exports were recorded for petroleum products, chemicals and chemical products, wood products and transport equipment.

Imports from Japan registered an increase of 2.9% to RM4.85 billion. Major imports were E&E products, transport equipment, as well as machinery, equipment and parts.

On a m-o-m basis, trade grew by 0.6% and exports accelerated by 9.5%, while imports reduced by 9.6%.

Resilient Trade with FTA Partners

In January 2019, trade with Free Trade Agreement (FTA) partners increased by 2.3% to a total value of RM99.94 billion and accounted for 62.7% of Malaysia's total trade. Exports to FTA partners amounted to RM52.61 billion, an increment of 3.2% and imports grew by 1.2% to RM47.33 billion.

Increases in exports were recorded to China, Thailand, the ROK, Singapore, Myanmar, Cambodia, New Zealand, Pakistan, Brunei and Lao PDR. These countries collectively contributed 63.7% of Malaysia's exports to FTA partners.

Exports to **the ROK** surged by 30.5% to RM3.31 billion, attributed mainly to higher exports of LNG, **Cambodia** (↑63.4% to RM149.5 million, petroleum products), **New Zealand** (↑12.5% to RM403.8 million, crude petroleum) and **Pakistan** (↑8.1% to RM394.1 million, palm oil-based manufactured products).

Compared to December 2018, trade, exports and imports rose by 1.7%, 1.1% and 2.3%, respectively.

Other Markets Registering Higher Exports

In January 2019, **other markets with significant growth in exports were Taiwan and the UAE**. Exports to **Taiwan** recorded a sturdy growth of 22.3% y-o-y to RM2.84

billion, mainly driven by higher exports of E&E products. Exports to **the UAE** expanded by 32% to RM896.9 million, on account of higher exports of jewellery.

Import Performance

Total imports in January 2019 increased by 1% y-o-y to RM73.89 billion from RM73.15 billion in January 2018. The three main categories of imports by end use which accounted for 71.7% of total imports were:

- **Intermediate goods**, valued at RM37.46 billion or 50.7% share of total imports, decreased by 0.8%, following lower imports of parts and accessories of capital goods (except transport equipment) particularly electrical machinery, equipment and parts;
- **Capital goods**, valued at RM8.98 billion or 12.2% of total imports, declined by 3.3%, due mainly to lower imports of industrial transport equipment particularly aircraft and parts; and
- **Consumption goods**, valued at RM6.52 billion or 8.8% of total imports, increased by 3.3%, as a result of higher imports of non-durables mainly for pharmaceutical products.

Note:

It should be noted that, conceptually, the export and import figures in the external trade statistics are different from that in the goods account of the balance of payments compilation. The compilation of international merchandise trade statistics is usually based on customs records, which essentially reflect the physical movement of goods across borders, and follow international guidelines on concepts and definitions i.e. International Merchandise Trade Statistics: Concepts and Definitions 2010 (IMTS 2010) which is different from the principles of the System of National Accounts (SNA) and the Balance of Payments Compilation. Goods are defined in the SNA as “physical objects for which a demand exists, over which ownership rights can be established and whose ownership can be transferred from one institutional unit to another by engaging in transactions on markets”.

“This is a preliminary release, full details would be published in the “MONTHLY EXTERNAL TRADE STATISTICS” report by the Department of Statistics, Malaysia, to be disseminated at 1200 hours, Monday, 4th March 2019 and can be downloaded through statistic at the Department of Statistics, Malaysia’s portal (<https://estatistik.dosm.gov.my>).”

+ *This media release can be accessed through the portal of Malaysian External Trade Statistics, Ministry of International Trade and Industry (<http://www.miti.gov.my>) and Malaysia External Trade Development Corporation (<http://www.matrade.gov.my>).*

The January 2019 data is provisional and subject to revision in later issue.

With effect from reference month April 2018, selection of codes for exports and imports of palm oil and palm oil-based products has been reviewed and revised for better representation of the product and this has resulted in some changes to the data.

TABLE 1: SUMMARY OF MALAYSIA'S EXTERNAL TRADE

<u>Year/ Period</u>	<u>Total Exports (RM Million)</u>	<u>Total Imports (RM Million)</u>	<u>Trade Balance (RM Million)</u>	<u>Total Trade (RM Million)</u>
2018^P				
January	82,820.1	73,152.8	9,667.3	155,972.8
February	70,342.6	61,325.0	9,017.6	131,667.5
March	84,467.0	69,778.7	14,688.3	154,245.7
April	84,246.7	71,225.2	13,021.5	155,472.0
May	82,110.4	73,993.6	8,116.8	156,104.0
June	78,610.8	72,609.9	6,000.9	151,220.7
July	86,154.4	77,827.4	8,327.0	163,981.8
August	81,810.2	80,197.1	1,613.1	162,007.3
September	82,953.0	67,720.0	15,233.0	150,673.0
October	96,363.9	80,050.5	16,313.4	176,414.4
November	84,861.0	77,018.6	7,842.4	161,879.6
December	83,538.4	72,861.9	10,676.4	156,400.3
2018 (Jan-Dec)^P	998,278.4	877,760.7	120,517.6	1,876,039.1
2019^P				
January	85,409.5	73,887.7	11,521.7	159,297.2

Note: Total may not add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Jan 2019 ^p	Dec 2018 ^p	Jan 2018 ^p
	RM Million	RM Million	RM Million
Total Exports	85,409.5	83,538.4	82,820.1
Electrical & Electronic Products	34,277.7	32,809.6	31,681.0
Chemicals & Chemical Products	5,179.9	5,354.3	4,437.3
LNG	5,164.6	4,118.2	3,754.9
Petroleum Products	4,605.0	5,136.5	6,069.1
Palm Oil & Palm Oil-Based Agriculture Products	3,719.3	2,958.1	4,622.9
Machinery, Equipment & Parts	3,265.9	3,367.6	3,314.5
Manufactures of Metal	3,180.2	3,238.3	3,209.9
Optical & Scientific Equipment	3,072.6	3,246.1	2,869.9
Crude Petroleum	2,463.2	3,293.9	2,489.7
Rubber Products	2,000.1	2,237.4	2,175.8

TABLE 3: MAJOR EXPORT MARKETS

Markets	Jan 2019 ^p	Dec 2018 ^p	Jan 2018 ^p
	RM Million	RM Million	RM Million
Total Exports	85,409.5	83,538.4	82,820.1
Singapore	12,169.4	11,891.6	11,542.4
China	11,021.5	11,505.4	10,102.0
USA	7,953.6	7,879.7	7,272.8
Japan	6,665.1	6,084.1	7,019.4
Hong Kong SAR	6,467.9	6,502.1	6,978.2
Thailand	5,638.7	4,429.7	4,815.4
ROK	3,312.9	2,973.3	2,537.9
India	2,947.1	3,116.2	2,965.7
Taiwan	2,842.9	2,591.4	2,325.1
Viet Nam	2,787.6	2,877.1	3,048.5

TABLE 4: MAJOR IMPORT PRODUCTS

Products	Jan 2019 ^p	Dec 2018 ^p	Jan 2018 ^p
	RM Million	RM Million	RM Million
Total Imports	73,887.7	72,861.9	73,152.8
Electrical & Electronic Products	21,920.0	21,950.1	22,447.0
Chemicals & Chemical Products	7,280.7	6,944.1	6,510.6
Machinery, Equipment & Parts	6,797.0	6,200.4	6,614.4
Petroleum Products	5,538.6	6,316.8	6,920.7
Manufactures of Metal	4,287.3	4,003.6	4,495.2
Transport Equipment	3,313.1	3,527.0	3,275.5
Iron & Steel Products	2,831.2	2,400.2	2,203.1
Crude Petroleum	2,246.0	1,890.9	1,544.8
Processed Food	1,916.7	1,854.6	1,796.0
Optical & Scientific Equipment	1,838.3	1,964.8	1,852.1

TABLE 5: MAJOR IMPORT SOURCES

Markets	Jan 2019 ^p	Dec 2018 ^p	Jan 2018 ^p
	RM Million	RM Million	RM Million
Total Imports	73,887.7	72,861.9	73,152.8
China	17,897.4	15,466.5	15,232.5
Singapore	7,605.1	7,610.4	9,094.7
Taiwan	5,385.4	5,161.2	4,689.3
USA	5,334.0	5,754.1	5,668.6
Japan	4,845.5	5,362.3	4,707.5
Thailand	3,744.1	4,150.6	3,841.8
Indonesia	3,103.9	3,096.2	3,260.3
ROK	3,074.6	3,107.8	2,950.0
Germany	2,356.5	2,113.2	2,466.5
Saudi Arabia	2,234.0	1,502.9	1,044.8

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:
 p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2013-2019

