



**MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY**

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR JANUARY 2020 #

Trade Surplus at RM12 billion, Highest January Trade Surplus in 9 Years

Malaysia recorded a trade surplus of RM12 billion in January 2020, 4.2% higher compared to January 2019. This was the highest monthly trade surplus for the month of January since January 2011 and the 267th consecutive month of surplus.

Exports totalled RM84.08 billion, a marginal decrease of 1.5% compared to January 2019. Imports slipped by 2.4% to RM72.08 billion.

Total trade amounted to RM156.17 billion, a contraction of 2% from January 2019. Lower trade was seen with China, Thailand, Hong Kong SAR, Viet Nam and Taiwan, while higher trade was recorded with the United States (US), Australia, Republic of Korea (ROK) and Indonesia.

On a month-on-month (m-o-m) basis, total trade, exports, imports and trade surplus decreased by 2.6%, 2.7%, 2.4% and 4%, respectively.

Export Performance of Major Sectors

Manufactured Exports Registered 1.1% Growth

In January 2020, exports of manufactured goods logged an expansion of 1.1% to a total value of RM71 billion and accounted for 84.4% share of Malaysia's total exports. The main contributors to the increase in exports were petroleum products which increased by 45.8%, iron and steel products (↑43%), rubber products (↑10.7%), followed by machinery, equipment and parts (↑5.7%).

Exports of mining goods posted a decline of 20.1% to RM7.15 billion and constituted 8.5% of Malaysia's total exports. Lower exports were attributed mainly by the contraction in exports of liquefied natural gas (LNG), which was led by lower Average Unit Value (AUV) and volume.

Exports of agriculture goods registered a decrease of 4.2% to RM5.39 billion and accounted for 6.4% of total exports. Contraction in exports was mainly due to the decline in exports of sawn timber and moulding. Exports of palm oil and palm oil-based agriculture products however recorded a marginal increase of 0.5%.

Major exports in January 2020:

- Electrical and electronic (E&E) products, valued at RM32.41 billion and constituted 38.6% of total exports, decreased by 5.5% from January 2019;
- Petroleum products, RM6.71 billion, 8% of total exports, increased by 45.8%;
- Chemicals and chemical products, RM4.25 billion, 5.1% of total exports, decreased by 17.7%;
- LNG, RM3.99 billion, 4.7% of total exports, decreased by 22.8%; and
- Palm oil and palm oil-based agriculture products, RM3.74 billion, 4.4% of total exports, increased by 0.5%.

Compared to December 2019, exports of mining goods rose by 0.1%, while manufactured and agriculture goods reduced by 2.6% and 6.2%, respectively.

Trade Performance with Major Markets

ASEAN – Exports to Singapore Rebounded After Posting 2 Consecutive Months of Contraction

Trade with ASEAN in January 2020 which constituted 25.6% of Malaysia's total trade declined by 4.6% to RM40.03 billion compared to January 2019. Exports to ASEAN decreased by 4.1% to RM23.95 billion, owing mainly to lower exports of E&E products, crude petroleum, LNG as well as chemicals and chemical products. Higher exports were seen for petroleum products, iron and steel products, transport equipment as well as textiles, apparels and footwear.

Breakdown of exports to ASEAN countries:

- Singapore RM12.27 billion, **increased** by 0.9%
- Thailand RM4.52 billion, ↓19.8%
- Indonesia RM2.69 billion, ↑10.8%
- Viet Nam RM2.32 billion, ↓16.7%
- Philippines RM1.48 billion, ↑7.8%
- Myanmar RM322.6 million, ↑35.7%
- Brunei RM188.0 million, ↓2.6%
- Cambodia RM160.6 million, ↑7.4%
- Lao PDR RM5.6 million, ↑96.0%

Exports to major markets in ASEAN that recorded significant increases were **Indonesia**, which expanded by 10.8% due to higher exports of petroleum products, **Singapore** (↑0.9%, petroleum products) and **the Philippines** (↑7.8%, iron and steel products). Exports to Singapore also registered a positive monthly y-o-y growth after 2 consecutive months of contraction.

Imports from ASEAN were lower by 5.4% to RM16.08 billion. Lower imports were recorded for E&E products, machinery, equipment and parts as well as chemicals and chemical products, while higher imports were registered for petroleum products, palm oil and palm oil-based agriculture products as well as LNG.

On a m-o-m basis, trade, exports and imports declined by 2%, 1.2% and 3.1%, respectively.

China – Exports of Manufactured and Agriculture Rose

In January 2020, trade with China which absorbed 16.9% of Malaysia's total trade contracted by 8.7% y-o-y to RM26.4 billion. Exports declined by 5.7% to RM10.4 billion owing to lower exports of LNG, metalliferous ores and metal scrap, chemicals and chemical products as well as E&E products. However, exports of manufactured goods increased by 5.4% particularly for iron and steel products, manufactures of metal as well as optical and scientific equipment. Exports of agriculture goods were also higher by 1%, buoyed by the increase in exports of seafood, natural rubber, vegetable oil and saw log.

Imports from China reduced by 10.6% to RM16 billion. Lower imports were recorded for petroleum products, machinery, equipment and parts as well as iron and steel products, while higher imports were registered for wood products, palm oil and palm oil-based agriculture products and manufactures of plastics.

Compared to December 2019, imports rose by 0.3%, while trade and exports contracted by 10.9% and 23.9%, respectively.

Trade with the US – Positive Growth Since March 2019

Total trade with the US posted an increase of 16% y-o-y to RM15.41 billion and accounted for 9.9% of Malaysia's total trade. This was the 11th consecutive month Malaysia's trade with the US recorded expansion. Exports to the US rose by 9.5% to reach RM8.71 billion underpinned mainly by higher exports of manufactured goods which increased by 10.9%. Manufactured exports accounted for 97.3% or RM8.47 billion of Malaysia's total exports to the US. Expansion in exports were seen for E&E products, wood products, manufactures of metal, machinery, equipment and parts as well as non-metallic mineral products.

Imports from the US expanded by 25.6% to RM6.7 billion, led by higher imports of crude petroleum, transport equipment, manufactures of metal, chemicals and chemical products as well as metalliferous ores and metal scrap.

Compared to December 2019, trade and imports were higher by 3.7% and 16.1%, respectively, while exports decreased by 4.2%.

Exports to the EU Grew Month-on-Month

Trade with the European Union (EU) slipped by 6.7% y-o-y to RM14.26 billion or 9.1% of Malaysia's total trade. Exports to the EU dropped by 7.4% to RM8.09 billion in January 2020. In terms of products, lower exports were recorded mainly for E&E products, manufactures of metal, transport equipment as well as iron and steel products. Meanwhile, higher exports were seen for petroleum products, palm oil-based manufactured products, rubber products as well as machinery, equipment and parts.

Among the top 10 EU markets which accounted for 91.1% of Malaysia's total exports to the EU, exports to 3 countries registered increases namely, **United Kingdom** (↑16.7%), **Hungary** (↑20.8%) and **Poland** (↑1.8%).

Imports from the EU contracted by 5.9% to RM6.17 billion. Lower imports were recorded for transport equipment, machinery, equipment and parts as well as optical and scientific equipment, while higher imports were registered for E&E products, non-metallic mineral products as well as manufactures of metal.

On a m-o-m basis, exports to the EU rose by 5.8%, while trade and imports decreased by 1.2% and 9%, respectively.

Japan – Double Digit Growth in Agriculture Exports

In January 2020, trade with Japan which constituted 7.2% of Malaysia's total trade slipped by 2.7% y-o-y to RM11.2 billion. Exports decreased by 1.6% to RM6.56 billion owing mainly to lower exports of wood products, LNG, chemicals and chemical products as well as machinery, equipment and parts. Meanwhile, higher exports were recorded for manufactures of metal, E&E products as well as petroleum products.

Exports of agriculture goods also reached a double digit growth of 20.5% to RM241.6 million, underpinned mainly by higher exports of palm oil and palm oil-based agriculture products, cushioning the drops in all other major sectors.

Imports from Japan registered a decrease of 4.4% to RM4.63 billion. Lower imports were recorded for transport equipment, chemicals and chemical products as well as manufactures of metal, while higher imports were registered for petroleum products, optical and scientific equipment as well as machinery, equipment and parts.

On a m-o-m basis, exports rose by 23.7%, while trade and imports reduced by 2.9% and 25.6%, respectively.

FTA Partners – Exports to Australia Recorded Positive Growth After 8 Months of Decline

In January 2020, trade with Free Trade Agreement (FTA) partners decreased by 4% to a total value of RM103.29 billion and accounted for 66.1% of Malaysia's total trade. Exports to FTA partners amounted to RM56.96 billion, a contraction of 3.6% and imports declined by 4.6% to RM46.33 billion.

Increases in exports were recorded to Indonesia, Australia, India, Singapore, Philippines, the ROK, Turkey, Myanmar, Pakistan, Cambodia and Lao PDR. These countries collectively contributed 47.5% of Malaysia's exports to FTA partners.

Exports to **Australia** surged by 7.8% to RM2.43 billion, attributed mainly to higher exports of crude petroleum, **India** (↑5.8% to RM3.12 billion, petroleum products), **the ROK** (↑2.9% to RM3.41 billion, E&E products) and **Turkey** (↑15.3% to RM679.1 million, manufactures of metal).

Compared to December 2019, trade, exports and imports decreased by 3.2%, 3.5% and 2.9%, respectively.

Other Markets Registering Higher Exports

In January 2020, **other markets with significant growth** in exports were **Switzerland, Saudi Arabia** and **Bangladesh**. Exports to **Switzerland** recorded a sturdy growth of 248.3% y-o-y to RM429.5 million, mainly driven by higher exports of metalliferous ores and metal scrap. Exports to **Saudi Arabia** expanded by 83.2% to RM491.2 million, on account of higher exports of palm oil and palm oil-based agriculture products and exports to **Bangladesh** (↑35.4% to RM697.6 million, petroleum products).

Import Performance

Total imports in January 2020 decreased by 2.4% to RM72.08 billion from RM73.89 billion in January 2019. The three main categories of imports by end use which accounted for 73.5% of total imports were:

- **Intermediate goods**, valued at RM38.86 billion or 53.9% share of total imports, increased by 3.7%, following higher imports of primary fuel and lubricants particularly mineral fuels and oils;
- **Capital goods**, valued at RM7.65 billion or 10.6% of total imports, declined by 15%, due mainly to lower imports of capital goods (except transport equipment) particularly parts of machinery and mechanical appliances; and
- **Consumption goods**, valued at RM6.45 billion or 9% of total imports, decreased by 1%, as a result of lower imports of semi-durables mainly for apparels and clothing accessories.

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, Wednesday, 4th March 2020 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 2020 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.

FTA partners comprises of 19 countries: China, Singapore, Japan, Thailand, Republic of Korea, Indonesia, India, Australia, Viet Nam, Philippines, New Zealand, Turkey, Pakistan, Myanmar, Cambodia, Brunei, Chile, Lao PDR and Hong Kong SAR.

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)
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2019^P				
January	85,399.9	73,885.7	11,514.2	159,285.5
February	66,599.5	55,543.1	11,056.4	122,142.5
March	84,063.2	69,678.9	14,384.2	153,742.1
April	85,155.0	74,345.6	10,809.4	159,500.6
May	84,138.2	75,062.7	9,075.5	159,201.0
June	76,143.2	65,631.0	10,512.2	141,774.2
July	87,958.4	73,682.5	14,275.9	161,640.9
August	81,357.4	70,460.9	10,896.4	151,818.3
September	77,721.3	69,367.2	8,354.0	147,088.5
October	90,594.0	73,268.2	17,325.8	163,862.1
November	80,872.3	74,261.3	6,610.9	155,133.6
December	86,374.9	73,880.2	12,494.8	160,255.1
2019 (Jan-Dec)^P	986,377.1	849,067.3	137,309.8	1,835,444.4
2020^P				
January	84,082.3	72,083.7	11,998.6	156,166.0
<i>Change m-o-m (%)</i>	<i>-2.7</i>	<i>-2.4</i>	<i>-4.0</i>	<i>-2.6</i>
<i>Change y-o-y (%)</i>	<i>-1.5</i>	<i>-2.4</i>	<i>4.2</i>	<i>-2.0</i>
2018^f	1,003,586.9	879,804.0	123,782.9	1,883,390.9
2019^P	986,377.1	849,067.3	137,309.8	1,835,444.4
<i>Change (%)</i>	<i>-1.7</i>	<i>-3.5</i>	<i>10.9</i>	<i>-2.5</i>

Note: Total may not add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	January 2020 ^p	December 2019 ^p	January 2019 ^p	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	84,082.3	86,374.9	85,399.9	-2.7	-1.5
Electrical & Electronic Products	32,413.9	31,050.2	34,290.3	4.4	-5.5
Petroleum Products	6,712.0	6,998.0	4,605.0	-4.1	45.8
Chemicals & Chemical Products	4,252.8	4,970.1	5,167.4	-14.4	-17.7
LNG	3,986.9	3,557.2	5,164.6	12.1	-22.8
Palm Oil & Palm Oil Based Agriculture Products	3,738.9	3,970.4	3,719.3	-5.8	0.5
Machinery, Equipment & Parts	3,444.3	3,630.5	3,259.9	-5.1	5.7
Manufactures Of Metal	3,094.0	3,165.6	3,181.6	-2.3	-2.8
Optical & Scientific Equipment	3,073.7	3,634.1	3,068.6	-15.4	0.2
Rubber Products	2,214.5	2,385.5	2,000.1	-7.2	10.7
Crude Petroleum	2,194.4	2,494.6	2,463.2	-12.0	-10.9

TABLE 3: MAJOR EXPORT MARKETS

Markets	January 2020 ^p	December 2019 ^p	January 2019 ^p	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	84,082.3	86,374.9	85,399.9	-2.7	-1.5
Singapore	12,267.9	11,572.7	12,159.8	6.0	0.9
China	10,398.0	13,667.5	11,021.5	-23.9	-5.7
USA	8,707.7	9,086.2	7,953.6	-4.2	9.5
Japan	6,561.6	5,304.7	6,665.1	23.7	-1.6
Hong Kong SAR	5,560.7	5,322.6	6,467.9	4.5	-14.0
Thailand	4,520.0	4,120.2	5,638.7	9.7	-19.8
ROK	3,410.4	3,247.7	3,312.9	5.0	2.9
India	3,117.3	2,707.5	2,947.1	15.1	5.8
Taiwan	2,954.6	3,338.9	2,842.9	-11.5	3.9
Indonesia	2,690.2	3,312.9	2,428.6	-18.8	10.8

TABLE 4: MAJOR IMPORT PRODUCTS

Products	January 2020 ^p	December 2019 ^p	January 2019 ^p	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	72,083.7	73,880.2	73,885.7	-2.4	-2.4
Electrical & electronic products	20,519.7	20,836.0	21,932.7	-1.5	-6.4
Petroleum Products	6,511.9	6,745.4	5,538.6	-3.5	17.6
Chemicals & chemical products	6,452.6	6,582.9	7,270.2	-2.0	-11.2
Machinery, Equipment & Parts	5,571.9	5,895.1	6,794.7	-5.5	-18.0
Manufactures of Metal	4,600.6	4,271.4	4,287.3	7.7	7.3
Crude Petroleum	3,646.6	2,738.3	2,246.0	33.2	62.4
Transport Equipment	2,645.4	3,347.8	3,313.1	-21.0	-20.2
Iron & Steel Products	2,497.4	2,601.1	2,831.2	-4.0	-11.8
Optical & Scientific Equipment	1,797.5	2,137.1	1,836.1	-15.9	-2.1
Processed food	1,749.1	1,774.2	1,916.7	-1.4	-8.7

TABLE 5: MAJOR IMPORT SOURCES

Sources	January 2020 ^p	December 2019 ^p	January 2019 ^p	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	72,083.7	73,880.2	73,885.7	-2.4	-2.4
China	16,000.4	15,956.2	17,897.4	0.3	-10.6
Singapore	7,535.3	7,217.5	7,607.0	4.4	-0.9
USA	6,700.0	5,772.2	5,334.0	16.1	25.6
Taiwan	4,647.5	4,775.5	5,385.4	-2.7	-13.7
Japan	4,634.0	6,230.6	4,845.5	-25.6	-4.4
ROK	3,485.4	3,054.0	3,074.6	14.1	13.4
Indonesia	3,196.9	3,430.0	3,103.9	-6.8	3.0
Thailand	2,870.6	3,498.2	3,743.4	-17.9	-23.3
Germany	2,365.3	2,142.0	2,356.5	10.4	0.4
India	2,282.1	2,427.6	2,206.7	-6.0	3.4

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:
 p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2014 - January 2020

