



**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
MALAYSIA**

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MALAYSIA EXTERNAL TRADE STATISTICS

**TRADE PERFORMANCE FOR AUGUST 2020 AND THE PERIOD OF JANUARY-
AUGUST 2020 #**

Double Digit Year-on-Year Growth in August Trade Surplus

In August 2020, Malaysia's trade surplus registered a double digit growth of 19.7% to RM13.23 billion compared to August 2019, exceeding RM10 billion for the seventh time in year 2020.

Trade totalled RM145.06 billion, a decrease of 4.6% compared to August 2019. Lower trade was recorded particularly with Thailand, Bangladesh, Indonesia and Japan. Meanwhile, higher trade was registered with the United States (US), China and Saudi Arabia. Exports amounted to RM79.14 billion, decreased by 2.9% while imports slipped by 6.5% to RM65.92 billion.

On a month-on-month (m-o-m) basis, total trade, exports and imports contracted by 9.3%, 14.5% and 2.2%, respectively. Trade surplus dipped by 47.5%.

For the first 8 months of 2020, trade surplus rose by 2.9% to RM102.98 billion compared to the same period of 2019. Total trade was valued at RM1.138 trillion, a decline of 6.5% mainly on lower trade with Thailand, Singapore, India and Japan.

Higher trade however was registered with the Republic of Korea (ROK), the US, Bahrain and China. Exports during the period totalled RM620.64 billion, reduced by 5.8% while imports totalled RM517.66 billion, contracted by 7.3%.

Export Performance of Major Sectors

E&E and Rubber Products Cushioned Manufactured Exports

Exports of manufactured goods in August 2020 accounted for RM68.57 billion or 86.6% of total exports, fell marginally by 0.1%, year-on-year (y-o-y). This was due mainly to lower exports of manufactures of metal and chemicals and chemical products. The contraction however was cushioned by higher exports of electrical and electronic (E&E) products and rubber products.

Exports of agriculture goods (7.2% share) was valued at RM5.71 billion, decreased by 4.5% y-o-y, mainly on lower exports of sawn timber and moulding as well as natural rubber. Meanwhile, exports of palm oil and palm oil-based agriculture products registered an increase.

Exports of mining goods (5.8% share) amounted to RM4.55 billion, dropped by 25.9% y-o-y mainly on lower exports of liquefied natural gas (LNG).

Major exports in August 2020:

- E&E products, valued at RM31.93 billion and constituted 40.3% of total exports, increased by 7.6% from August 2019;
- Petroleum products, RM4.57 billion, 5.8% of total exports, decreased by 15.9%;
- Palm oil and palm oil-based agriculture products, RM4.1 billion, 5.2% of total exports, increased by 0.4%;
- Rubber products, RM3.74 billion, 4.7% of total exports, increased by 66.8%; and
- Chemicals and chemical products, RM3.65 billion, 4.6% of total exports, decreased by 23.4%.

Compared to July 2020, exports of manufactured, agriculture and mining goods declined by 15.3%, 13% and 2.7%, respectively.

In January to August 2020, exports of manufactured goods shrank by 3.7% to RM533.38 billion compared to the same period of 2019, held by lower exports of E&E products, chemicals and chemical products, manufactures of metal as well as petroleum products. However, higher demand was recorded for rubber products, other manufactures especially solid-state storage devices (SSD), transport equipment as well as optical and scientific equipment. Exports of agriculture goods slipped by 0.6% to RM43.96 billion on account of lower exports of sawn timber and moulding as well as natural rubber, while exports of palm oil and palm oil-based agriculture products increased. Exports of mining goods declined by 27.2% to RM40.46 billion due to lower exports of LNG, crude petroleum as well as petroleum condensates and other petroleum oil.

Trade Performance with Major Markets

Exports of E&E and Petroleum Products Continued to Expand to ASEAN in August 2020

Trade with ASEAN in August 2020 which contributed RM35.64 billion or 24.6% to Malaysia's total trade, dipped by 10.4% compared to August 2019. Exports amounted to RM21.09 billion, edged down by 8% due to lower exports of crude petroleum, manufactures of metal, chemicals and chemical products as well as machinery, equipment and parts. Growth in exports however was recorded for E&E products and petroleum products. Imports from ASEAN fell by 13.7% to RM14.55 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM11.03 billion, increased by 0.8%
- Thailand RM3.27 billion, ↓23.0%
- Viet Nam RM2.77 billion, ↓6.4%
- Indonesia RM2.06 billion, ↓20.8%
- Philippines RM1.43 billion, ↓4.3%
- Myanmar RM225.0 million, ↑21.8%

- Brunei RM184.7 million, ↓8.9%
- Cambodia RM116.5 million, ↓59.7%
- Lao PDR RM3.5 million, ↑23.6%

Exports to markets in ASEAN that recorded expansion include **Singapore**, which increased by RM90.4 million due to higher exports of E&E products, **Myanmar** (↑RM40.3 million, chemicals and chemical products) and **Lao PDR** (↑RM0.7 million, textiles, apparels and footwear).

On a m-o-m basis, trade, exports and imports recorded a contraction of 13%, 17.7% and 5.3%, respectively.

During the first 8 months of 2020, trade with ASEAN was valued at RM285.93 billion, slipped by 11.9% compared to the same period of 2019. Exports to this region contracted by 7.9% to RM174.91 billion as a result of lower exports of crude petroleum, manufactures of metal as well as chemicals and chemical products. However, increases in exports were recorded for transport equipment, other manufactures (SSD) and palm oil and palm oil-based agriculture products. Imports was down by 17.4% to RM111.02 billion.

Exports to China Sustained Double Digit Growth for 3 Consecutive Months

In August 2020, trade with China increased by 4.3% y-o-y to RM27.7 billion, contributing 19.1% to Malaysia's total trade. Exports to China sustained double digit growth for 3 consecutive months, surged by 20.9% to RM13.97 billion. This was boosted mainly by higher exports of E&E products, iron and steel products as well as other manufactures (SSD). Imports from China was down by 8.5% to RM13.73 billion.

Compared to July 2020, trade, exports and imports contracted by 5.9%, 10.3% and 1%, respectively.

Trade with China in the first 8 months of 2020 picked up by 0.7% to RM206.3 billion compared to the same period of 2019. Exports to China accelerated by 9.9% to

RM98.98 billion due to higher shipment of iron and steel products, other manufactures (SSD), manufactures of metal as well as palm oil and palm oil-based agriculture products. Imports from China contracted by 6.5% to RM107.32 billion.

Sturdy Demand for Manufactured Goods from the US in August 2020

Trade with the US in August 2020 grew by 8.2% y-o-y to RM15.63 billion, representing 10.8% of Malaysia's total trade. Exports to the US continued to expand for 3 consecutive months, recording a double digit growth of 13.6% to RM9.46 billion driven mainly by expansion in exports of manufactured goods. Higher demand for manufactured goods was seen especially for rubber products, wood products, optical and scientific equipment, machinery, equipment and parts as well as other manufactures (SSD). Imports from the US expanded by 0.9% to RM6.17 billion.

Compared to July 2020, trade, exports and imports shrank by 10.6%, 15.3% and 2.3%, respectively.

During the period of January to August 2020, trade with the US expanded by 6.1% to RM113.51 billion compared to the same period of 2019. Exports climbed by 7.3% to RM66.77 billion aided by higher demand for rubber products, wood products and other manufactures (SSD). Imports from the US climbed by 4.5% to RM46.74 billion.

Rubber Products and Palm Oil Cushioned Export Decline to the EU in August 2020

Total trade with the European Union (EU) which constituted 8.2% of Malaysia's total trade in August 2020, decreased by 9.1% y-o-y to RM11.93 billion. Exports totalled RM6.96 billion, declined by 4.3%, underpinned mainly by lower exports of E&E products as well as manufactures of metal. Meanwhile, increases in exports were registered for rubber products as well as palm oil and palm oil-based agriculture products. Imports from the EU slid by 15% to RM4.97 billion.

Among the top 10 EU markets which accounted for 90.7% of Malaysia's total exports to the EU, exports to 7 countries recorded increases namely, **Germany** (↑7.6%), **Italy**

(↑24.9%), **Spain** (↑4.9%), **Slovenia** (↑57.5%), **the Czech Republic** (↑27%), **Poland** (↑11.9%) and **Hungary** (↑0.5%).

On a m-o-m basis, trade and exports shrank by 4.5% and 9.8% respectively, while imports increased by 4.1%.

For the first 8 months of 2020, trade with the EU amounted to RM91.7 billion, a decline of 15.9% compared to the same period of 2019. Exports totalled RM52.94 billion, a decrease of 12.4% owing to lower exports of E&E products. Higher exports however was recorded for rubber products as well as palm oil and palm oil-based agriculture products. Imports from the EU amounted to RM38.76 billion, a decrease of 20.2%.

Slower Trade with Japan in August 2020

In August 2020, trade with Japan which constituted 6.4% of Malaysia's total trade fell by 10.5% y-o-y to RM9.23 billion. Exports decreased by 13.8% to RM4.31 billion following lower exports of LNG and manufactures of metal. Growth in exports was recorded for crude petroleum, optical and scientific equipment, rubber products as well as palm oil and palm oil-based agriculture products. Imports from Japan slipped by 7.2% to RM4.92 billion.

On a m-o-m basis, trade and exports decreased by 6.7% and 17% respectively, while imports increased by 4.7%.

For the period of January to August 2020, trade with Japan slumped by 7.9% to RM78.75 billion compared to the same period of 2019. Exports dropped by 9.6% to RM40.39 billion mainly on lower exports of LNG. Higher exports however was registered for crude petroleum, rubber products, optical and scientific equipment as well as palm oil and palm oil-based agriculture products. Imports from Japan fell by 6% to RM38.36 billion.

Trade with FTA Partners

In August 2020, trade with Free Trade Agreement (FTA) partners which accounted for 65.3% of Malaysia's total trade recorded a decline of 5.5% y-o-y to RM94.77 billion. Exports to FTA partners amounted to RM53.3 billion, decreased by 1.7% while imports contracted by 10% to RM41.47 billion.

Increases in exports however were recorded to **the ROK**, by 1.5% to RM2.83 billion and **Turkey** (↑6% to RM575.6 million) on account of higher exports of E&E products.

Compared to July 2020, trade, exports and imports were down by 9.8%, 15.1% and 2%, respectively.

Trade with FTA partners for the first 8 months of 2020 which accounted for 66.5% of Malaysia's total trade reduced by 6.4% to RM757.01 billion. Exports during this period amounted to RM424.05 billion, a decline of 5.5% while imports totalled RM332.96 billion, lower by 7.5%.

Import Performance

Total imports in August 2020 contracted by 6.5% y-o-y to RM65.92 billion from RM70.46 billion in August 2019. The three main categories of imports by end use which accounted for 75.9% of total imports were:

- **Intermediate goods**, valued at RM36.86 billion or 55.9% share of total imports, decreased by 5.6%, following lower imports of processed industrial supplies, particularly iron and steel;
- **Capital goods**, valued at RM6.81 billion or 10.3% of total imports, decreased by 15.5%, due mainly to reduced imports of capital goods (except transport equipment), primarily parts of machinery and mechanical appliances; and

- **Consumption goods**, valued at RM6.39 billion or 9.7% of total imports, rose by 2.9%, as a result of higher imports of durables, especially parts of machinery and mechanical appliances.

During January to August 2020, imports amounted to RM517.66 billion, decreased by 7.3% from the same period of 2019. Imports of **intermediate goods** totalled RM278.27 billion, decreased by 9.3%, **capital goods** (RM59.93 billion, ↓8.5%) and **consumption goods** (RM47.64 billion, ↓1.7%).

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 on Friday, 2nd October 2020 and can be downloaded through statistic at the Department of Statistics, Malaysia’s portal (<https://www.dosm.gov.my/v1>).

+ *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 August 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.

With effect from reference month of February 2020, the United Kingdom no longer be a Member State of the European Union (EU).

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)
2019^f				
January	86,340.8	73,921.7	12,419.2	160,262.5
February	67,683.1	55,567.2	12,115.8	123,250.3
March	85,677.0	69,681.4	15,995.6	155,358.4
April	86,227.9	74,376.8	11,851.0	160,604.7
May	84,678.6	75,108.5	9,570.0	159,787.1
June	76,690.9	65,630.3	11,060.6	142,321.2
July	89,764.9	73,796.3	15,968.6	163,561.2
August	81,513.3	70,460.9	11,052.4	151,974.2
September	78,251.5	69,437.6	8,813.9	147,689.1
October	90,861.0	73,288.8	17,572.2	164,149.7
November	80,947.4	74,261.1	6,686.2	155,208.5
December	86,435.7	73,880.2	12,555.6	160,315.9
2019 (Jan-Dec)^f	995,071.9	849,410.8	145,661.1	1,844,482.7
2020^P				
January	84,114.1	72,081.0	12,033.1	156,195.1
February	74,451.0	61,831.6	12,619.4	136,282.6
March	80,118.9	67,804.8	12,314.1	147,923.7
April	64,786.6	68,420.2	-3,633.6	133,206.9
May	62,649.6	52,262.9	10,386.7	114,912.5
June	82,819.5	61,966.0	20,853.5	144,785.5
July	92,559.0	67,383.2	25,175.8	159,942.1
August	79,143.4	65,915.3	13,228.0	145,058.7
Change m-o-m (%)	-14.5	-2.2	-47.5	-9.3
Change y-o-y (%)	-2.9	-6.5	19.7	-4.6
2019 ^f (Jan-Aug)	658,576.4	558,543.1	100,033.2	1,217,119.5
2020^P (Jan-Aug)	620,642.0	517,664.9	102,977.1	1,138,306.9
Change (%)	-5.8	-7.3	2.9	-6.5

Note: Total may not add up due to rounding

TABLE 2: MAJOR EXPORT PRODUCTS (AUGUST)

Products	August 2020 ^p	July 2020 ^p	August 2019 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	79,143.4	92,559.0	81,513.3	-14.5	-2.9
Electrical & Electronic Products	31,933.2	39,540.4	29,666.7	-19.2	7.6
Petroleum Products	4,568.8	6,004.0	5,431.2	-23.9	-15.9
Palm Oil & Palm Oil Based Agriculture Products	4,098.0	4,756.4	4,079.9	-13.8	0.4
Rubber Products	3,735.6	4,008.0	2,239.7	-6.8	66.8
Chemicals & Chemical Products	3,651.6	3,845.7	4,767.1	-5.0	-23.4
Optical & Scientific Equipment	3,571.4	4,148.9	2,778.0	-13.9	28.6
Machinery, Equipment & Parts	3,070.3	3,791.7	3,461.0	-19.0	-11.3
Manufactures of Metal	2,749.5	3,381.1	3,964.7	-18.7	-30.7
Iron & Steel Products	2,080.2	2,031.4	1,686.5	2.4	23.3
Crude Petroleum	1,968.4	1,973.8	1,968.6	-0.3	-0.01

TABLE 3: MAJOR EXPORT MARKETS (AUGUST)

Markets	August 2020 ^p	July 2020 ^p	August 2019 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	79,143.4	92,559.0	81,513.3	-14.5	-2.9
China	13,974.8	15,574.5	11,557.9	-10.3	20.9
Singapore	11,030.5	12,889.7	10,940.1	-14.4	0.8
USA	9,455.1	11,159.6	8,323.5	-15.3	13.6
Hong Kong SAR	4,957.6	6,773.9	4,988.6	-26.8	-0.6
Japan	4,310.6	5,196.1	5,003.5	-17.0	-13.8
Thailand	3,268.5	4,459.2	4,246.5	-26.7	-23.0
India	2,885.5	2,961.6	3,612.1	-2.6	-20.1
ROK	2,828.3	3,310.3	2,785.8	-14.6	1.5
Viet Nam	2,772.1	3,129.3	2,962.5	-11.4	-6.4
Taiwan	2,252.5	3,611.0	2,558.2	-37.6	-12.0

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY-AUGUST)

Products	Jan-Aug 2020 ^p	Jan-Aug 2019 ^f	Change
	RM Million	RM Million	%
Total Exports	620,642.0	658,576.4	-5.8
Electrical & Electronic Products	237,847.0	247,757.2	-4.0
Petroleum Products	43,774.3	47,071.8	-7.0
Chemicals & Chemical Products	32,712.1	38,458.4	-14.9
Palm Oil & Palm Oil Based Agriculture Products	31,421.0	29,569.7	6.3
Optical & Scientific Equipment	25,913.5	24,592.3	5.4
Machinery, Equipment & Parts	25,310.2	27,723.3	-8.7
Rubber Products	23,351.5	16,779.2	39.2
Manufactures of Metal	22,977.6	28,034.1	-18.0
LNG	21,147.6	28,763.9	-26.5
Iron & Steel Products	15,706.4	14,471.7	8.5

TABLE 5: MAJOR EXPORT MARKETS (JANUARY-AUGUST)

Markets	Jan-Aug 2020 ^p	Jan-Aug 2019 ^f	Change
	RM Million	RM Million	%
Total Exports	620,642.0	658,576.4	-5.8
China	98,983.4	90,087.7	9.9
Singapore	88,621.7	89,302.0	-0.8
USA	66,768.1	62,231.4	7.3
Hong Kong SAR	42,240.6	44,131.5	-4.3
Japan	40,387.2	44,681.8	-9.6
Thailand	29,208.7	39,181.8	-25.5
ROK	23,565.8	22,178.2	6.3
Taiwan	22,030.8	23,613.7	-6.7
Indonesia	20,825.6	19,811.8	5.1
Viet Nam	19,738.8	23,633.0	-16.5

TABLE 6: MAJOR IMPORT PRODUCTS (AUGUST)

Products	August 2020 ^p	July 2020 ^p	August 2019 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	65,915.3	67,383.2	70,460.9	-2.2	-6.5
Electrical & Electronic Products	21,781.4	23,469.3	20,858.9	-7.2	4.4
Chemicals & Chemical Products	5,857.9	5,746.8	7,482.4	1.9	-21.7
Machinery, Equipment & Parts	4,998.2	5,185.0	5,717.8	-3.6	-12.6
Petroleum Products	4,409.2	5,082.4	5,679.7	-13.2	-22.4
Manufactures of Metal	3,877.6	4,367.7	3,562.9	-11.2	8.8
Transport Equipment	2,017.8	1,662.9	3,565.6	21.3	-43.4
Optical & Scientific Equipment	1,967.6	1,994.5	2,028.5	-1.4	-3.0
Processed Food	1,896.7	1,716.9	1,735.1	10.5	9.3
Iron & Steel Products	1,700.8	1,988.8	2,930.9	-14.5	-42.0
Crude Petroleum	1,398.2	1,666.3	1,555.7	-16.1	-10.1

TABLE 7: MAJOR IMPORT SOURCES (AUGUST)

Sources	August 2020 ^p	July 2020 ^p	August 2019 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	65,915.3	67,383.2	70,460.9	-2.2	-6.5
China	13,728.2	13,863.0	14,998.5	-1.0	-8.5
Singapore	6,381.4	7,022.0	7,161.6	-9.1	-10.9
USA	6,171.1	6,313.6	6,113.2	-2.3	0.9
Taiwan	5,253.6	5,492.7	4,681.8	-4.4	12.2
Japan	4,919.5	4,698.7	5,304.0	4.7	-7.2
Thailand	2,839.5	2,688.8	3,627.1	5.6	-21.7
Indonesia	2,601.3	2,969.2	3,206.8	-12.4	-18.9
India	2,390.7	2,602.4	2,155.6	-8.1	10.9
ROK	2,300.8	2,530.5	3,299.6	-9.1	-30.3
Germany	1,966.0	1,932.9	2,294.8	1.7	-14.3

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY-AUGUST)

Products	Jan-Aug 2020 ^p	Jan-Aug 2019 ^f	Change
	RM Million	RM Million	%
Total Imports	517,664.9	558,543.1	-7.3
Electrical & Electronic Products	162,723.2	161,164.4	1.0
Chemicals & Chemical Products	47,332.9	55,191.0	-14.2
Petroleum Products	40,827.5	48,978.5	-16.6
Machinery, Equipment & Parts	38,144.0	46,308.9	-17.6
Manufactures of Metal	29,023.7	29,399.0	-1.3
Transport Equipment	25,248.1	27,324.6	-7.6
Iron & Steel Products	16,127.2	20,236.3	-20.3
Crude Petroleum	15,243.5	17,822.1	-14.5
Optical & Scientific Equipment	14,575.9	15,607.0	-6.6
Processed Food	14,220.2	13,384.4	6.2

TABLE 9: MAJOR IMPORT SOURCES (JANUARY-AUGUST)

Sources	Jan-Aug 2020 ^p	Jan-Aug 2019 ^f	Change
	RM Million	RM Million	%
Total Imports	517,664.9	558,543.1	-7.3
China	107,317.4	114,834.2	-6.5
Singapore	48,268.3	57,144.8	-15.5
USA	46,741.2	44,714.4	4.5
Japan	38,363.9	40,805.7	-6.0
Taiwan	37,566.3	38,376.4	-2.1
ROK	32,867.7	25,714.4	27.8
Indonesia	22,535.5	25,576.0	-11.9
Thailand	20,747.9	29,723.3	-30.2
India	16,678.2	14,913.5	11.8
Germany	15,645.7	18,127.9	-13.7

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:

p - provisional data

f - final data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2014 – AUGUST 2020

