

## MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY MALAYSIA

Embargo until 1200 hours, Friday, 27<sup>th</sup> August 2021

#### MALAYSIA EXTERNAL TRADE STATISTICS

# TRADE PERFORMANCE FOR JULY 2021 AND THE PERIOD OF JANUARY- JULY 2021 #

#### Highest Trade, Exports and Imports for the Month of July

Malaysia's trade performance maintained its upward movement in July 2021 as trade increased by 13% to RM180.96 billion compared to July 2020. This was the sixth consecutive month of double-digit growth since February 2021. Exports grew by 5% to RM97.32 billion, the 11<sup>th</sup> consecutive month of year-on-year (y-o-y) expansion since September 2020. Imports rose by 24% to RM83.64 billion while trade surplus contracted 45.8% to RM13.68 billion. Trade, exports and imports registered the highest monthly value for July.

The export growth was backed by higher shipments of petroleum products, palm oil and palm oil-based agriculture products as well as chemicals and chemical products driven by robust external demand. Exports to major markets namely ASEAN, the European Union (EU) and Japan recorded positive growth.

On a month-on-month (m-o-m) basis, imports increased by 0.5% while trade, exports and trade surplus declined by 4.1%, 7.7% and 38.5%, respectively.

For the first seven months of 2021, trade expanded by 23.9% to RM1.237 trillion from the same period last year. Exports grew by 25.9% to RM682.9 billion and imports rose by 21.6% to RM554.17 billion. Trade surplus surged by 48.8% to RM128.74 billion.

#### **Export Performance of Major Sectors**

#### All Sectors Recorded Export Growth

In July 2021, exports of manufactured goods which represented 85.1% of total exports, rose by 2.3% y-o-y to RM82.85 billion. Petroleum products, chemicals and chemical products as well as palm oil-based manufactured products registered more than RM1 billion expansion in exports.

Exports of agriculture goods (8.7% share) recorded a double-digit growth of 29.2% to RM8.47 billion compared to July 2020 supported mainly by higher exports of palm oil and palm oil-based agriculture products.

Exports of mining goods (5.8% share) rose by 18.3% y-o-y to RM5.65 billion, the fourth straight month of double-digit growth. The increase was buoyed mainly by higher exports of liquefied natural gas (LNG).

#### Major exports in July 2021:

- Electrical and electronic (E&E) products, valued at RM34.74 billion and accounted for 35.7% of total exports, decreased by 12.1% from July 2020;
- Petroleum products, RM10.37 billion, 10.7% of total exports, increased by 72.7%;
- Palm oil and palm oil-based agriculture products, RM6.7 billion, 6.9% of total exports, increased by 41.2%;
- Chemicals and chemical products, RM5.39 billion, 5.5% of total exports, increased by 40.3%; and
- Rubber products, RM4.54 billion, 4.7% of total exports, increased by 13.3%.

Compared to June 2021, exports of mining goods rose by 13.8% while exports of manufactured and agriculture goods were down by 9.3% and 3.8%, respectively.

For the period of January to July 2021, exports of manufactured goods was up by 27.3% to RM592.18 billion compared to the same period of 2020, driven by higher exports of E&E products, rubber products, petroleum products, manufactures of metal as well as chemicals and chemical products. Exports of agriculture goods increased by 32.6% to RM50.79 billion underpinned by higher exports of palm oil and palm oil-based agriculture products. Exports of mining goods rose by 2.1% to RM37.3 billion on account of higher exports of crude petroleum.

#### **Trade Performance with Major Markets**

#### ASEAN - Trade, Exports and Imports Remained Steady

In July 2021, trade with ASEAN grew by 10.5% y-o-y to RM45.3 billion, contributed 25% to Malaysia's total trade. Exports expanded by 7.9% to RM27.65 billion, owing to higher exports of petroleum products. Imports from ASEAN rose by 14.7% to RM17.65 billion.

#### Breakdown of exports to ASEAN countries:

•	Singapore	RM14.04 billion, increased by 9%
•	Thailand	RM4.41 billion, ↓1.5%
•	Viet Nam	RM3.53 billion, ↑12.7%
•	Indonesia	RM3.03 billion, ↑26.3%
•	Philippines	RM1.70 billion, ↓16.4%
•	Brunei	RM657.8 million, ↑104.8%
•	Myanmar	RM148.1 million, ↓39.1%
•	Cambodia	RM137.6 million, ↓5.9%
•	Lao PDR	RM7.8 million, †116.6%

Exports to major markets in ASEAN that recorded expansion were **Singapore** which increased by RM1.15 billion and **Indonesia** (†RM632 million), due to higher exports of petroleum products and **Viet Nam** (†RM397.8 million, E&E products).

Compared to June 2021, trade and exports grew by 0.7% and 2.3%, respectively while imports contracted by 1.6%.

In the first seven months of 2021, trade with ASEAN rose by 25.8% to RM315.22 billion compared to the same period of 2020. Exports to this region edged up by 23.2% to RM189.58 billion following higher exports of E&E products, petroleum products, chemicals and chemical products, manufactures of metal as well as machinery, equipment and parts. Imports from ASEAN expanded by 29.8% to RM125.64 billion.

#### China - Trade Recorded Eighth Consecutive Month of Double-Digit Growth

In July 2021, trade with China recorded a double-digit growth of 15% y-o-y to RM33.89 billion which made up 18.7% of Malaysia's total trade. This was the eighth consecutive month of double-digit expansion. Exports to China contracted by 8.1% to RM14.34 billion due to lower exports of petroleum products. However, higher exports was seen for chemicals and chemical products as well as palm oil and palm oil-based agriculture products. Imports from China expanded by 40.9% to RM19.54 billion.

Compared to June 2021, trade, exports and imports decreased by 10.6%, 18.3% and 4%, respectively.

Trade with China during the first seven months of 2021 increased by 29.8% to RM233.4 billion compared to the same period of 2020. Exports edged up by 21.2% to RM103.22 billion supported by higher exports of E&E products, manufactures of metal as well as LNG. Imports from China increased by 37.6% to RM130.18 billion.

#### The US – Exports of Rubber Products Remained Strong

Trade with the United States (US) in July 2021 increased by 1.8% y-o-y to RM17.79 billion, representing 9.8% of Malaysia's total trade. Exports fell marginally by 1.1% to RM11.04 billion on lower exports of E&E products, wood products as well as petroleum products. The contraction however was cushioned by higher exports of

rubber products which increased by 69.9%. Imports from the US expanded by 6.9% to RM6.75 billion.

On a m-o-m basis, imports grew by 6.1% while trade and exports slipped by 7.7% and 14.5%, respectively.

During the first seven months of 2021, trade with the US rose by 23.1% to RM121.01 billion compared to the same period of 2020. Exports expanded by 37.9% to RM79.11 billion led by increase in exports of rubber products, E&E products, optical and scientific equipment as well as machinery, equipment and parts. Imports from the US grew by 2.4% to RM41.91 billion.

#### The EU – Trade, Exports and Imports Sustained

Trade with the EU which accounted for 8.3% of Malaysia's total trade in July 2021 increased by 19.7% y-o-y to RM14.94 billion. Exports grew by 2.4% to RM7.9 billion led by higher exports of palm oil and palm oil-based products as well as petroleum products. Imports from the EU expanded by 47.7% to RM7.05 billion.

Breakdown of exports to the top 10 EU markets which accounted for 92.3% of Malaysia's total exports to the EU were:

•	Netherlands	RM2.72 billion, increased by 43.5%
•	Germany	RM2.04 billion, ↓17.6%
•	Italy	RM615.4 million, ↑36.3%
•	Belgium	RM455.1 million, ↑15.4%
•	Spain	RM343.5 million, ↓12%
•	France	RM313.5 million, ↓33.6%
•	Hungary	RM241.5 million, †18.4%
•	Czech Republic	RM225.2 million, ↓13.2%
•	Poland	RM181.3 million, ↓10.8%
•	Slovenia	RM153.7 million, ↓28.1%

Exports to the EU major markets that grew were **the Netherlands** which increased by RM823.8 million due to higher demand for palm oil and palm oil-based agriculture

products, **Italy** (†RM163.8 million, palm oil-based manufactured products) and **Belgium** (†RM60.6 million, petroleum products).

On a month-on-month basis, imports increased by 2.9% while trade and exports declined by 5.6% and 12.1%, respectively.

During the first seven months of 2021, trade with the EU rose by 26.7% to RM101.25 billion compared to the same period of 2020. Exports increased by 27.8% to RM58.83 billion on the back of higher exports of rubber products, E&E products as well as palm oil-based manufactured products. Imports from the EU was up by 25% to RM42.41 billion.

#### Japan – Five Consecutive Months of Double-Digit Export Expansion

In July 2021, trade with Japan which comprised 6.4% of Malaysia's total trade expanded by 15.7% y-o-y to RM11.53 billion. Exports was up by 11.4% to RM5.85 billion, the fifth consecutive month of double-digit y-o-y expansion since March 2021 attributed to higher exports of LNG. Imports from Japan increased by 20.5% to RM5.68 billion.

Compared to June 2021, exports rose by 1.8% while trade and imports decreased by 4.5% and 10.3%, respectively.

For the first seven months of 2021, trade with Japan rose by 21.2% to RM85.46 billion compared to the same period of 2020. Exports grew by 17.2% to RM42.88 billion boosted by higher exports of E&E products, rubber products and manufactures of metal. Imports from Japan increased by 25.5% to RM42.58 billion.

#### Trade with FTA Partners

In July 2021, trade with Free Trade Agreement (FTA) partners which made up 64.5% of Malaysia's total trade increased by 10.9% y-o-y to RM116.68 billion. Exports to FTA

partners grew by 2.9% to RM64.7 billion and imports expanded by 22.7% to RM51.98 billion.

Increase in exports was recorded to **Australia**, by 42.3% to RM2.83 billion due to higher exports of petroleum products, **Turkey** ( $\uparrow$ 58% to RM874.4 million, palm oil and palm oil-based agriculture products), **India** ( $\uparrow$ 7.4% to RM3.17 billion, chemicals and chemical products), **New Zealand** ( $\uparrow$ 40.7% to RM326.1 million, processed food) and **Chile** ( $\uparrow$ 7.4% to RM58.1 million, non-metallic mineral products).

Compared to June 2021, trade, exports and imports declined by 6.4%, 6% and 6.9%, respectively.

Trade with FTA partners during the first seven months of 2021 which constituted 66.6% of Malaysia's total trade, grew by 23.6% to RM823.43 billion compared to the same period of 2020. Exports expanded by 22.4% to RM454.86 billion and imports rose by 25.2% to RM368.57 billion.

#### **Import Performance**

Total imports in July 2021 expanded by 24% y-o-y to RM83.64 billion. The three main categories of imports by end use which accounted for 73.6% of total imports were:

- Intermediate goods, valued at RM46.66 billion or 55.8% of total imports, increased by 42.7%, following higher imports of processed industrial supplies particularly iron and steel;
- Capital goods, valued at RM8.47 billion or 10.1% of total imports, grew by 25.6%, due mainly to higher imports of capital goods (except transport equipment), primarily parts for machinery and mechanical appliances; and
- **Consumption goods,** valued at RM6.46 billion or 7.7% of total imports, rose by 1.3%, as a result of higher imports of non-durables, especially rubber products and articles.

During the period of January to July 2021, imports increased by 21.6% to RM554.17 billion from the same period of 2020. Imports of **intermediate goods** grew by 24.4% to RM305.22 billion, **capital goods** (RM58.41 billion, †9.2%) and **consumption goods** (RM48.06 billion, †15.9%).

#### 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, 3<sup>rd</sup> September 2021 and can be downloaded through statistic at the Department of Statistics, Malaysia's portal (<a href="https://www.dosm.gov.my/v1">https://www.dosm.gov.my/v1</a>).

- + This media release can be accessed through the portal of Malaysian External Trade Statistics, Ministry of International Trade and Industry (<a href="http://www.miti.gov.my">http://www.miti.gov.my</a>) and Malaysia External Trade Development Corporation (<a href="http://www.matrade.gov.my">http://www.matrade.gov.my</a>).
- \* The July 2021 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</u> <u>Exports</u> (RM Million)	<u>Total</u> <u>Imports</u> (RM Million)	<u>Trade</u> <u>Balance</u> (RM Million)	<u>Total</u> <u>Trade</u> (RM Million)
2020 <sup>f</sup>	<del> </del>		<del></del>	
January	84,288.4	72,249.9	12,038.6	156,538.3
February	74,604.1	62,160.4	12,443.6	136,764.5
March	80,229.2	68,737.3	11,491.9	148,966.5
April	64,911.0	69,375.5	-4,464.5	134,286.6
May	62,801.0	52,942.9	9,858.1	115,743.9
June	82,905.4	62,995.8	19,909.6	145,901.2
July	92,682.1	67,424.2	25,257.8	160,106.3
August	80,754.3	65,974.9	14,779.4	146,729.2
September	88,892.1	66,956.0	21,936.2	155,848.1
October	91,190.2	68,931.0	22,259.2	160,121.2
November	84,721.3	67,616.6	17,104.6	152,337.9
December	95,847.6	75,116.8	20,730.8	170,964.4
2020 (Jan-Dec)f	983,826.8	800,481.3	183,345.4	1,784,308.1
2021 <sup>p</sup>				
January	89,625.5	73,023.0	16,602.5	162,648.5
February	87,567.1	69,690.0	17,877.0	157,257.1
March	104,997.6	80,794.1	24,203.6	185,791.7
April	105,590.2	85,231.3	20,358.9	190,821.4
May	92,313.4	78,559.8	13,753.6	170,873.3
June	105,486.8	83,230.4	22,256.4	188,717.2
July	97,320.7	83,637.2	13,683.4	180,957.9
Change m-o-m (%)	-7.7	0.5	-38.5	-4.1
Change y-o-y (%)	5.0	24.0	-45.8	13.0
Jan-July 2020 <sup>f</sup>	542,421.2	455,886.1	86,535.1	998,307.3
Jan-July 2021 <sup>p</sup>	682,901.3	554,165.8	128,735.4	1,237,067.1
Change y-o-y (%)	25.9	21.6	48.8	23.9

Note: Total may not add up due to rounding

TABLE 2: MAJOR EXPORT PRODUCTS (JULY)

Products	Jul 2021 <sup>p</sup>	Jun 2021 <sup>p</sup>	Jul 2020 <sup>f</sup>	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	97,320.7	105,486.8	92,682.1	-7.7	5.0
E&E Products	34,742.3	37,158.5	39,546.0	-6.5	-12.1
Petroleum Products	10,365.9	9,592.4	6,004.0	8.1	72.7
Palm Oil & Palm Oil Based					
Agriculture Products	6,697.0	7,069.0	4,744.1	-5.3	41.2
Chemicals & Chemical Products	5,394.1	6,622.9	3,845.7	-18.6	40.3
Rubber Products	4,544.7	7,260.2	4,010.2	-37.4	13.3
Manufactures of Metal	4,042.1	4,941.5	3,381.0	-18.2	19.6
Optical & Scientific Equipment	3,762.9	4,074.8	4,168.1	-7.7	-9.7
Machinery, Equipment & Parts	3,472.4	4,130.7	3,807.2	-15.9	-8.8
LNG	3,208.3	2,386.3	1,888.9	34.4	69.9
Palm Oil-Based Manufactured Products	2,988.7	3,121.2	1,670.8	-4.2	78.9
Froducis	∠,900.7	3,121.2	1,070.8	-4.2	10.9

TABLE 3: MAJOR EXPORT MARKETS (JULY)

Markets	Jul 2021 <sup>p</sup>	Jun 2021 <sup>p</sup>	Jul 2020 <sup>f</sup>	Change m-o-m	Change y-o-y
	RM Million	<b>RM Million</b>	RM Million	%	%
Total Exports	97,320.7	105,486.8	92,682.1	-7.7	5.0
China	14,343.8	17,559.7	15,613.5	-18.3	-8.1
Singapore	14,043.6	12,600.7	12,889.7	11.5	9.0
USA	11,039.5	12,914.5	11,165.6	-14.5	-1.1
Hong Kong SAR	6,028.0	6,414.6	6,773.9	-6.0	-11.0
Japan	5,851.3	5,746.6	5,253.7	1.8	11.4
Thailand	4,405.8	4,736.8	4,470.8	-7.0	-1.5
Viet Nam	3,527.4	3,789.3	3,129.6	-6.9	12.7
Taiwan	3,245.8	3,705.2	3,606.9	-12.4	-10.0
India	3,166.4	3,934.8	2,949.4	-19.5	7.4
ROK	3,146.5	3,006.4	3,315.4	4.7	-5.1

**TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- JULY)** 

Products	Jan-Jul 2021 <sup>p</sup>	Jan-Jul 2020 <sup>f</sup>	Change
	RM Million	RM Million	%
Total Exports	682,901.3	542,421.2	25.9
E&E Products	248,454.6	205,934.9	20.6
Petroleum Products	52,770.3	39,151.8	34.8
Rubber Products	46,003.7	19,619.6	134.5
Chemicals & Chemical Products	38,893.8	29,108.3	33.6
Palm Oil & Palm Oil Based Agriculture Products	38,230.0	27,315.8	40.0
Manufactures of Metal	31,210.3	20,253.6	54.1
Machinery, Equipment & Parts	27,115.4	22,284.9	21.7
Optical & Scientific Equipment	26,172.3	22,348.6	17.1
LNG	19,124.9	20,229.5	-5.5
Palm Oil-Based Manufactured Products	17,201.8	12,216.2	40.8

TABLE 5: MAJOR EXPORT MARKETS (JANUARY-JULY)

Markets	Jan-Jul 2021 <sup>p</sup>	Jan-Jul 2020 <sup>f</sup>	Change
	RM Million	RM Million	%
Total Exports	682,901.3	542,421.2	25.9
China	103,217.8	85,191.3	21.2
Singapore	95,788.7	77,524.5	23.6
USA	79,107.6	57,364.9	37.9
Japan	42,878.6	36,585.7	17.2
Hong Kong SAR	41,569.1	37,281.4	11.5
Thailand	29,935.3	25,975.1	15.2
Viet Nam	25,530.5	16,975.0	50.4
India	23,660.3	14,367.2	64.7
Taiwan	22,288.2	19,718.6	13.0
ROK	20,943.6	20,793.2	0.7

**TABLE 6: MAJOR IMPORT PRODUCTS (JULY)** 

Products	Jul 2021 <sup>p</sup>	Jun 2021 <sup>p</sup>	Jul 2020 <sup>f</sup>	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	83,637.2	83,230.4	67,424.2	0.5	24.0
E&E Products	26,067.6	24,947.4	23,481.1	4.5	11.0
Petroleum Products	7,933.5	8,711.6	5,081.3	-8.9	56.1
Chemicals & Chemical Products	7,846.6	8,660.9	5,749.2	-9.4	36.5
Machinery, Equipment & Parts	5,870.1	5,760.2	5,201.3	1.9	12.9
Manufactures of Metal	4,213.7	5,016.8	4,367.3	-16.0	-3.5
Metalliferous Ores & Metal scrap	3,077.6	1,034.5	915.7	197.5	236.1
Iron & Steel Products	2,773.9	3,082.9	1,988.5	-10.0	39.5
Transport Equipment	2,772.6	2,927.7	1,662.9	-5.3	66.7
Crude Petroleum	2,388.3	847.8	1,666.3	181.7	43.3
Optical & Scientific Equipment	2,238.3	2,251.3	1,998.5	-0.6	12.0

**TABLE 7: MAJOR IMPORT SOURCES (JULY)** 

Sources	Jul 2021 <sup>p</sup>	Jun 2021 <sup>p</sup>	Jul 2020 <sup>f</sup>	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	83,637.2	83,230.4	67,424.2	0.5	24.0
China	19,542.6	20,351.2	13,865.6	-4.0	40.9
Singapore	6,858.6	6,072.8	7,022.1	12.9	-2.3
USA	6,747.5	6,358.7	6,314.1	6.1	6.9
Taiwan	6,644.9	6,093.1	5,494.4	9.1	20.9
Japan	5,675.5	6,324.4	4,711.6	-10.3	20.5
Indonesia	4,608.5	5,028.9	2,982.0	-8.4	54.5
ROK	4,114.5	4,789.9	2,533.4	-14.1	62.4
Thailand	3,177.4	3,611.0	2,690.1	-12.0	18.1
Germany	2,417.8	2,046.8	1,932.9	18.1	25.1
Brazil	2,371.3	851.4	878.8	178.5	169.8

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY-JULY)

Products	Jan-Jul 2021 <sup>p</sup>	Jan-Jul 2020 <sup>f</sup>	Change
	RM Million	RM Million	%
Total Imports	554,165.8	455,886.1	21.6
E&E Products	169,136.5	141,081.2	19.9
Chemicals & Chemical Products	53,932.3	42,302.0	27.5
Petroleum Products	50,040.6	36,444.6	37.3
Machinery, Equipment & Parts	39,132.4	33,537.0	16.7
Manufactures of Metal	31,732.7	26,199.8	21.1
Transport Equipment	19,935.3	23,265.2	-14.3
Iron & Steel Products	18,747.0	14,795.8	26.7
Optical & Scientific Equipment	15,274.7	12,633.2	20.9
Processed Food	13,642.8	12,325.3	10.7
Rubber Products	10,679.6	4,942.7	116.1

TABLE 9: MAJOR IMPORT SOURCES (JANUARY-JULY)

Sources	Jan-Jul 2021 <sup>p</sup>	Jan-Jul 2020 <sup>f</sup>	Change
	RM Million	RM Million	%
Total Imports	554,165.8	455,886.1	21.6
China	130,178.0	94,589.5	37.6
Singapore	50,226.6	41,902.3	19.9
Japan	42,583.8	33,923.4	25.5
USA	41,906.5	40,912.0	2.4
Taiwan	40,867.4	32,685.4	25.0
Indonesia	29,988.3	20,034.7	49.7
ROK	27,211.5	31,464.8	-13.5
Thailand	25,484.9	18,056.4	41.1
India	15,231.8	14,314.9	6.4
Germany	14,637.3	13,718.3	6.7

Source: Department of Statistics, Malaysia

Tabulated by: MATRADE

Notes:

p - provisional data

f - final data

### CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2015 – JULY 2021

