



**MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY**

**Embargo until 1200 hours,
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MALAYSIA EXTERNAL TRADE STATISTICS

**TRADE PERFORMANCE FOR JULY 2023 AND THE PERIOD OF JANUARY- JULY
2023 #**

Trade Surplus Remained Buoyant in July

Malaysia's trade surplus in July 2023 increased by 7.9% year-on-year (y-o-y) to RM17.09 billion and was the 39th consecutive month of trade surplus since May 2020. Total trade fell by 14.4% to RM216.41 billion affected by softer global demand and lower commodity prices. Exports decreased by 13.1% to RM116.75 billion and imports contracted by 15.9% to RM99.66 billion. The performance was similar to other regional markets notably Indonesia, China, Taiwan and the Republic of Korea (ROK) which recorded negative trade growth for July 2023.

Despite the decline, exports of electrical and electronic (E&E) products remained robust while exports to major trading partners notably China and the United States (US) rebounded in July 2023.

Compared to June 2023, imports grew by 1.3% while trade, exports and trade surplus edged down by 2.7%, 5.8% and 33.1%, respectively.

For the period of January to July 2023, trade was down by 6.1% to RM1.505 trillion compared to the same period of last year. Exports dropped by 5.9% to RM820 billion,

imports fell by 6.5% to RM684.65 billion and trade surplus shrank by 2.5% to RM135.35 billion, respectively.

Export Performance of Major Sectors

Exports of E&E Products Maintained an Upward Trend

In July 2023, exports of manufactured goods which made up 86.7% or RM101.25 billion of total exports reduced by 9.8% y-o-y due to lower demand for petroleum products, palm oil-based manufactured products as well as machinery, equipment and parts. Meanwhile, exports of E&E products recorded positive growth.

Exports of agriculture goods (6.5% share) totalled RM7.56 billion, slipped by 28.1% compared to July 2022 on the back of lower exports of palm oil and palm oil-based agriculture products affected significantly by weaker export prices of palm oil.

Exports of mining goods (6.3% share) declined by 33.6% y-o-y to RM7.34 billion on slower exports of liquefied natural gas (LNG) and crude petroleum.

Major exports in July 2023:

- E&E products, valued at RM50.45 billion and accounted for 43.2% of total exports, increased by 7.3% compared to July 2022;
- Petroleum products, RM9.64 billion, 8.3% of total exports, ↓48.7%;
- Chemicals and chemical products, RM5.83 billion, 5% of total exports, ↓9.1%;
- Palm oil and palm oil-based agriculture products, RM5.56 billion, 4.8% of total exports, ↓34.4%; and
- Optical and scientific equipment, RM4.88 billion, 4.2% of total exports, ↓4.2%.

On a month-on-month (m-o-m) basis, exports of agriculture and mining goods expanded by 1.8% and 6.2%, respectively while exports of manufactured goods was lower by 6.9%.

In January to July 2023, exports of manufactured goods edged down by 4% to RM702.11 billion compared to the same period of 2022, owing mainly to slower exports of palm oil-based manufactured products, manufactures of metal and rubber products. However, strong exports of E&E products and petroleum products cushioned the impact of the decline.

Exports of mining goods shrank by 6.7% to RM59.81 billion on the back of lower shipments of crude petroleum as well as petroleum condensates and other petroleum oil.

Exports of agriculture goods declined by 25.6% to RM53.2 billion, dragged down mainly by lower exports of palm oil and palm oil-based agriculture products following decrease in export prices of palm oil.

Trade Performance with Major Markets

ASEAN – Slower Trade Growth

In July 2023, trade with ASEAN represented 28.1% or RM60.8 billion of Malaysia's total trade, eased by 17% y-o-y. Exports shrank by 18.8% to RM34.53 billion, mainly due to lower exports of petroleum products while higher exports was recorded for crude petroleum. Imports from ASEAN contracted by 14.6% to RM26.27 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM17.81 billion, decreased by 19.7%;
- Thailand RM5.05 billion, ↓17.7%;
- Viet Nam RM4.35 billion, ↑0.2%;
- Indonesia RM4.13 billion, ↓18.3%;
- Philippines RM2.04 billion, ↓31.3%;
- Brunei RM665.4 million, ↓32.3%;
- Myanmar RM275.0 million, ↓62.1%;
- Cambodia RM212.7 million, ↑41.8%; and
- Lao PDR RM9.8 million, ↑9.9%.

Exports to ASEAN major markets that recorded increase was Vietnam which grew by RM9.4 million led by strong exports of E&E products.

Compared to June 2023, imports expanded by 8.4% while trade and exports were lower by 1.8% and 8.4%, respectively.

For the period of January to July 2023, trade with ASEAN reduced by 6.1% to RM415.82 billion compared to the corresponding period of 2022. Exports contracted by 3.9% to RM245.21 billion attributed to slower shipment of chemicals and chemical products, palm oil and palm oil-based agriculture products as well as machinery, equipment and parts. Nevertheless, strong exports was posted for E&E products and petroleum products. Imports from ASEAN dipped by 9% to RM170.61 billion.

China – Exports Recovered from Negative Growth

In July 2023, trade with China which constituted 17.2% or RM37.13 billion of Malaysia's total trade slipped by 8.4% y-o-y. Exports to China rebounded by 6.1% to RM16.8 billion, boosted by strong exports of E&E products, petroleum products as well as paper and pulp products. Imports from China edged down by 17.7% to RM20.33 billion.

Compared to June 2023, trade, exports and imports grew by 3.3%, 0.1% and 6.1%, respectively.

Trade with China during the first seven months of 2023 was down by 7.1% to RM252.81 billion compared to the same period of 2022. Exports fell by 6.8% to RM108.89 billion due to reduced exports of iron and steel products, palm oil and palm oil-based agriculture products as well as E&E products. Nevertheless, higher exports was posted for paper and pulp products, metalliferous ores and metal scrap as well as chemicals and chemical products. Imports from China contracted by 7.3% to RM143.92 billion.

The US – Exports Picked Up Supported by Robust Exports of E&E Products

Trade with the US in July 2023 which represented 9.8% of Malaysia's total trade weakened by 6.7% y-o-y to RM21.27 billion. Exports improved by 2.2% to RM13.59 billion following strong demand for E&E products. Imports from the US slipped by 19.3% to RM7.67 billion.

On a m-o-m basis, trade and imports were up by 5.2% and 16.8%, respectively while exports dropped by 0.3%.

For the period of January to July 2023, trade with the US was down by 5.4% to RM139.62 billion compared to the same period of 2022. Exports edged down by 1.5% to RM91.16 billion on lower exports of wood products, rubber products as well as iron and steel products. The contraction however was softened mainly by robust exports of E&E products. Imports from the US fell by 11.8% to RM48.46 billion.

The EU – Exports of E&E Products Cushioned the Impact of Export Contraction

In July 2023, trade with the European Union (EU) absorbed 7.8% of Malaysia's total trade, contracted by 1.2% y-o-y to RM16.83 billion. Exports amounted to RM9.01 billion, declined by 5.8% on account of lower shipment of petroleum products, palm oil-based manufactured products as well as machinery, equipment and parts. However, expansion in exports was registered for E&E products while imports from the EU expanded by 4.8% to RM7.82 billion.

Breakdown of exports to the top 10 EU markets which accounted for 91.8% of Malaysia's total exports to the region were:

- Netherlands RM3.21 billion, increased by 12%;
- Germany RM2.44 billion, ↑5.6%;
- Belgium RM604.7 million, ↑8.8%;
- Italy RM514.5 million, ↓22.9%;
- France RM427.0 million, ↓54.5%;
- Spain RM355.5 million, ↓30.3%;
- Poland RM230.9 million, ↓36.1%;

- Czech Republic RM221.7 million, ↓16.8%;
- Hungary RM158.5 million, ↓4.1%; and
- Slovenia RM99.9 million, ↓13.2%.

Exports to the EU major markets that recorded growth were **the Netherlands**, which increased by RM343.8 million, **Germany** (↑RM129.5 million) and **Belgium** (↑RM49.1 million) due to strong exports of E&E products, respectively.

Compared to June 2023, trade and exports decreased by 1.8% and 5.5%, respectively while imports was up by 2.9%.

In January to July 2023, trade with the EU dropped by 4.5% to RM118.63 billion compared to the same period of 2022. Exports reached RM65.03 billion, a contraction of 11% led by slower exports of palm oil and palm oil-based agriculture products, rubber products and E&E products. However, the decrease was offset by strong exports of petroleum products as well as optical and scientific equipment. Imports from the EU rose by 4.8% to RM53.6 billion.

Japan – Slower Trade Growth

In July 2023, trade with Japan which accounted for 5.4% or RM11.59 billion of Malaysia's total trade edged down by 23.8% y-o-y. Exports was down by 26.9% to RM5.8 billion attributed mainly to lower shipment of LNG. However, export growth was recorded for optical and scientific equipment as well as chemicals and chemical products. Imports from Japan was lower by 20.5% to RM5.79 billion.

On a m-o-m basis, trade, exports and imports contracted by 11.6%, 15.6% and 7.3%, respectively.

For the first seven months of 2023, trade with Japan dipped by 9.4% to RM91.69 billion compared to the corresponding period of 2022. Exports declined by 8.5% to RM49.5 billion following lower exports of LNG while higher demand was seen for crude petroleum. Imports from Japan slipped by 10.5% to RM42.19 billion.

Trade with FTA Partners

In July 2023, trade with Free Trade Agreement (FTA) partners which composed 67.6% or RM146.37 billion of Malaysia's total trade shrank by 14.3% y-o-y. Exports to FTA partners declined by 11.4% to RM81.94 billion and imports eased by 17.7% to RM64.42 billion.

In term of markets, increases in exports were recorded to **the ROK** which rose by 6.2% to RM4.4 billion underpinned by strong demand for E&E products. In addition, exports to **New Zealand** expanded by 94.2% to RM634.8 million due to higher exports of petroleum products.

Compared to June 2023, imports grew by 5.5% while trade and exports decreased by 1.4% and 6.3%, respectively.

Trade with FTA partners during the first seven months of 2023 slipped by 6.2% to RM1.019 trillion compared to the same period of last year. Exports edged down by 3.8% to RM575.36 billion and imports was down by 9.1% to RM443.29 billion.

Import Performance

Total imports in July 2023 was lower by 15.9% y-o-y to RM99.66 billion. The three main categories of imports by end use, which accounted for 68.7% of total imports were:

- **Intermediate goods**, valued at RM48.89 billion or 49.1% of total imports, decreased by 20.9% y-o-y, following lower imports of parts and accessories for non-transport capital goods;
- **Capital goods**, valued at RM10.53 billion or 10.6% of total imports, contracted by 3.6%, due to lower imports of industrial transport equipment; and

- **Consumption goods**, valued at RM9.01 billion or 9% of total imports, increased by 5.9%, as a result of higher imports of processed food and beverages mainly for household consumption.

During the period of January to July 2023, imports shrank by 6.5% to RM684.65 billion compared to the corresponding period of 2022. Imports of intermediate goods contracted by 14.5% to RM347.91 billion compared to the same period last year, capital goods (↑0.6% to RM67.53 billion) and consumption goods (↓0.2% to RM58.76 billion).

Notes:

- *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 Monday, 28th August 2023 and can be downloaded through statistic at the Department of Statistics, Malaysia’s portal (<https://newss.statistics.gov.my/newss-portalx/ep/epLogin.seam>).*
- *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 July 2023 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 22 countries: China, Singapore, Japan, Thailand, Republic of Korea, Indonesia, India, Australia, Viet Nam, Philippines, New Zealand, Turkiye, Pakistan, Myanmar, Cambodia, Brunei, Chile, Lao PDR, Hong Kong SAR, Canada, Mexico and Peru.*
- *With effect from reference month of February 2020, the United Kingdom no longer be a Member State of the European Union (EU).*
- *Commencing from reference month of June 2022, Harmonised Commodity description and Coding system 2022 (HS2022) also known as Customs Duties Order (PDK) 2022 was used for the processing of external trade statistics (merchandise). This coding classification replaced the HS2017 which were in use from April 2017 to May 2022. However, for Standard International Trade Classification (SITC) Rev.4 is still in use with appropriate update.*
- *Total figure may not add up due to rounding.*

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)
2022^f				
January	111,060.0	92,822.5	18,237.5	203,882.5
February	101,741.7	82,589.3	19,152.5	184,331.0
March	131,488.1	105,244.1	26,244.0	236,732.2
April	127,482.9	104,107.5	23,375.4	231,590.3
May	120,589.6	107,791.3	12,798.3	228,381.0
June	144,275.5	121,093.5	23,182.0	265,369.0
July	134,325.5	118,486.7	15,838.8	252,812.3
August	141,518.9	124,231.3	17,287.5	265,750.2
September	144,249.6	112,410.4	31,839.2	256,660.0
October	131,977.2	113,518.1	18,459.1	245,495.4
November	129,693.9	107,890.4	21,803.5	237,584.3
December	131,606.3	103,626.2	27,980.0	235,232.5
2022 (Jan-Dec) ^f	1,550,009.3	1,293,811.4	256,197.9	2,843,820.7
2023^P				
January	112,655.3	94,524.7	18,130.5	207,180.0
February	112,268.5	92,699.9	19,568.6	204,968.4
March	129,668.2	102,979.8	26,688.5	232,648.0
April	105,192.9	92,566.7	12,626.2	197,759.6
May	119,510.3	103,812.0	15,698.3	223,322.3
June	123,951.7	98,403.1	25,548.7	222,354.8
July	116,751.6	99,660.9	17,090.8	216,412.5
<i>Change m-o-m (%)</i>	-5.8	1.3	-33.1	-2.7
<i>Change y-o-y (%)</i>	-13.1	-15.9	7.9	-14.4
Jan-Jul 2022 ^f	870,963.4	732,134.9	138,828.5	1,603,098.2
Jan-Jul 2023^P	819,998.6	684,647.1	135,351.5	1,504,645.7
<i>Change y-o-y (%)</i>	-5.9	-6.5	-2.5	-6.1

Note: Total figure may not add up due to rounding

TABLE 2: MAJOR EXPORT PRODUCTS (JULY)

Products	July 2023 ^p	June 2023 ^p	July 2022 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	116,751.6	123,951.7	134,325.5	-5.8	-13.1
E&E Products	50,454.0	54,112.7	47,026.5	-6.8	7.3
Petroleum Products	9,643.5	12,585.1	18,812.4	-23.4	-48.7
Chemicals & Chemical Products	5,826.6	5,584.5	6,412.3	4.3	-9.1
Palm Oil & Palm Oil Based Agriculture Products	5,556.9	5,438.1	8,465.6	2.2	-34.4
Optical & Scientific Equipment	4,884.0	4,692.9	5,096.4	4.1	-4.2
Manufactures of Metal	4,809.5	5,050.3	5,481.8	-4.8	-12.3
Machinery, Equipment & Parts	4,303.7	4,554.0	5,449.9	-5.5	-21.0
LNG	3,760.0	3,714.3	6,235.0	1.2	-39.7
Iron & Steel Products	2,645.9	3,099.1	2,664.6	-14.6	-0.7
Processed Food	2,467.4	2,509.9	2,417.6	-1.7	2.1

TABLE 3: MAJOR EXPORT MARKETS (JULY)

Markets	July 2023 ^p	June 2023 ^p	July 2022 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	116,751.6	123,951.7	134,325.5	-5.8	-13.1
Singapore	17,806.9	21,055.5	22,167.8	-15.4	-19.7
China	16,802.2	16,777.1	15,841.8	0.1	6.1
USA	13,593.3	13,637.7	13,298.3	-0.3	2.2
Hong Kong SAR	8,090.3	8,058.8	8,420.5	0.4	-3.9
Japan	5,798.7	6,867.0	7,937.8	-15.6	-26.9
Thailand	5,049.1	4,371.2	6,133.8	15.5	-17.7
ROK	4,395.6	4,955.0	4,139.3	-11.3	6.2
Viet Nam	4,348.4	4,118.5	4,339.0	5.6	0.2
Indonesia	4,127.8	4,539.6	5,051.5	-9.1	-18.3
India	4,019.6	3,726.0	4,879.5	7.9	-17.6

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- JULY)

Products	Jan-Jul 2023 ^p	Jan-Jul 2022 ^f	Change
	RM Million	RM Million	%
Total Exports	819,998.6	870,963.4	-5.9
E&E Products	337,290.3	328,930.1	2.5
Petroleum Products	84,061.2	81,521.9	3.1
Chemicals & Chemical Products	40,972.9	46,409.8	-11.7
Palm Oil & Palm Oil Based Agriculture Products	39,799.1	57,723.3	-31.1
LNG	34,275.2	35,066.1	-2.3
Manufactures of Metal	32,972.5	39,744.8	-17.0
Machinery, Equipment & Parts	31,470.9	34,397.0	-8.5
Optical & Scientific Equipment	31,204.8	31,185.5	0.1
Palm Oil-Based Manufactured Products	18,273.1	25,524.8	-28.4
Iron & Steel Products	17,263.2	20,315.1	-15.0

TABLE 5: MAJOR EXPORT MARKETS (JANUARY-JULY)

Markets	Jan-Jul 2023 ^p	Jan-Jul 2022 ^f	Change
	RM Million	RM Million	%
Total Exports	819,998.6	870,963.4	-5.9
Singapore	132,285.5	128,388.4	3.0
China	108,885.8	116,835.0	-6.8
USA	91,155.2	92,584.0	-1.5
Hong Kong SAR	52,037.1	51,979.1	0.1
Japan	49,504.7	54,100.9	-8.5
Thailand	35,042.2	39,142.6	-10.5
ROK	32,029.0	30,043.1	6.6
Australia	29,357.9	25,773.2	13.9
Indonesia	29,144.0	29,598.2	-1.5
Viet Nam	26,745.5	31,766.5	-15.8

TABLE 6: MAJOR IMPORT PRODUCTS (JULY)

Products	July 2023 ^p	June 2023 ^p	July 2022 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	99,660.9	98,403.1	118,486.7	1.3	-15.9
E&E Products	28,272.7	27,073.6	33,629.0	4.4	-15.9
Petroleum Products	10,830.5	10,149.5	16,500.7	6.7	-34.4
Chemicals & Chemical Products	8,643.0	8,458.1	9,914.9	2.2	-12.8
Machinery, Equipment & Parts	7,780.7	7,337.4	7,447.0	6.0	4.5
Manufactures of Metal	5,214.0	5,067.8	5,709.3	2.9	-8.7
Crude Petroleum	4,932.2	8,116.1	4,915.4	-39.2	0.3
Transport Equipment	4,615.0	4,088.5	5,151.3	12.9	-10.4
Optical & Scientific Equipment	2,786.1	2,501.9	2,519.8	11.4	10.6
Iron & Steel Products	2,707.0	2,552.4	2,883.5	6.1	-6.1
Processed Food	2,441.6	2,349.9	2,498.3	3.9	-2.3

TABLE 7: MAJOR IMPORT SOURCES (JULY)

Sources	July 2023 ^p	June 2023 ^p	July 2022 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	99,660.9	98,403.1	118,486.7	1.3	-15.9
China	20,327.9	19,152.4	24,695.0	6.1	-17.7
Singapore	13,334.9	11,844.4	14,353.9	12.6	-7.1
USA	7,672.7	6,568.0	9,505.4	16.8	-19.3
Taiwan	5,975.7	6,864.6	9,816.4	-12.9	-39.1
Japan	5,794.3	6,251.0	7,285.8	-7.3	-20.5
Indonesia	4,945.8	5,072.9	7,313.4	-2.5	-32.4
Thailand	4,469.2	4,352.8	5,114.8	2.7	-12.6
ROK	3,985.0	3,305.4	4,835.8	20.6	-17.6
Saudi Arabia	3,700.0	5,546.6	3,882.5	-33.3	-4.7
Australia	3,071.9	3,168.4	4,165.1	-3.0	-26.2

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY-JULY)

Products	Jan-Jul 2023 ^p	Jan-Jul 2022 ^f	Change
	RM Million	RM Million	%
Total Imports	684,647.1	732,134.9	-6.5
E&E Products	197,714.9	222,907.8	-11.3
Petroleum Products	78,857.7	78,749.3	0.1
Chemicals & Chemical Products	61,119.7	68,697.3	-11.0
Machinery, Equipment & Parts	49,132.4	49,148.8	-0.03
Manufactures of Metal	36,755.9	37,459.3	-1.9
Crude Petroleum	35,655.0	24,503.9	45.5
Transport Equipment	30,486.5	26,953.7	13.1
Iron & Steel Products	18,168.0	21,282.4	-14.6
Optical & Scientific Equipment	17,268.6	17,053.8	1.3
Processed Food	16,150.9	16,710.6	-3.3

TABLE 9: MAJOR IMPORT SOURCES (JANUARY-JULY)

Sources	Jan-Jul 2023 ^p	Jan-Jul 2022 ^f	Change
	RM Million	RM Million	%
Total Imports	684,647.1	732,134.9	-6.5
China	143,924.8	155,204.2	-7.3
Singapore	80,109.0	78,981.4	1.4
USA	48,461.5	54,932.8	-11.8
Taiwan	47,987.9	57,495.8	-16.5
Japan	42,185.5	47,138.9	-10.5
Indonesia	35,053.1	43,634.9	-19.7
Thailand	30,981.3	33,024.4	-6.2
ROK	30,483.3	33,829.4	-9.9
Saudi Arabia	25,966.0	16,895.2	53.7
Australia	20,599.2	21,480.9	-4.1

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:

f - final data

p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2017 – JULY 2023#

