

**Embargo until 1200 hours,
Wednesday, 7th December 2016**

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR THE PERIOD OF JANUARY- OCTOBER 2016 AND THE MONTH OF OCTOBER 2016 #

October Exports Highest in 2016

Malaysia's **exports** in **October 2016** amounted to RM69.2 billion, the highest recorded thus far in 2016. Compared to **September 2016**, **exports** increased by 1.7%. Total **trade** increased by 0.1% to RM128.63 billion while **imports** were lower by 1.7% to RM59.44 billion. **Trade surplus** widened to RM9.76 billion from RM7.56 billion in September 2016. The October surplus was the **228th consecutive month** of trade surplus since November 1997.

Due to the high-base effect of October 2015, **exports** for the month declined by 8.6% year-on-year while **imports** decreased by 6.6%. Overall, **trade** was lower by 7.7% to RM128.63 billion.

Malaysia's total **trade** was sustained almost at the same level for the **first ten months of 2016**, amounting to RM1.206 trillion compared with RM1.210 trillion in the corresponding period in 2015. During the period, **exports** were lower by 0.6% to RM637.55 billion from RM641.52 billion and **imports** decreased marginally by 0.1% to RM568.03 billion from RM568.48 billion. **Trade surplus** of RM69.52 billion was recorded, compared to RM73.04 billion in the same period of 2015.

Export Performance of Major Sectors

Overall, exports of both manufactured and agricultural goods increased in the **first ten months of 2016**. Exports of mining goods, however, declined.

Export Composition

For the **first ten months of 2016**, exports of **manufactured goods** increased by 2% to RM526.22 billion with higher exports recorded for electrical and electronic (E&E) products, optical and scientific equipment, chemicals and chemical products, machinery, equipment and parts, processed food as well as transport equipment. Manufacturing exports contributed 82.5% to total exports as compared to 80.4% during the same period last year.

Exports of **agricultural goods** rose by 1.6% to RM56.93 billion mainly on higher exports of palm oil and palm-based agriculture products. Exports of palm oil increased by 0.1% to RM33.7 billion, attributed to higher Average Unit Value (AUV).

Exports of **mining goods** declined by 24% to RM50.08 billion attributed to lower exports of liquefied natural gas (LNG) and crude petroleum, due to lower AUV.

Major exports in January-October 2016 were:

- E&E products, valued at RM234.46 billion and constituting 36.8% of total exports, increased by 1.9% from the corresponding period in 2015;
- Chemicals and chemical products, RM48.17 billion, 7.6% of total exports, increased by 4.9%;
- Palm oil and palm-based agriculture products, RM38.95 billion, 6.1% of total exports, increased by 2.3%;
- Machinery, equipment and parts, RM31.6 billion, 5% of total exports, increased by 5.8%; and
- Petroleum products, RM43.6 billion, 6.8% of total exports, decreased by 3.1%.

In **October 2016**, exports of **manufactured goods** decreased by 6.7% or RM4.08 billion to RM56.91 billion with lower exports of manufactures of metal by 43.8% or RM1.92 billion, machinery, equipment and parts (↓19.8% or RM717.7 million), petroleum products (↓7.4% or RM402.2 million), rubber products (↓13.3% or RM264.3 million), chemicals and chemical products (↓4.7% or RM248.2 million) and wood products (↓13.3% or RM205.7 million).

Exports of **agricultural goods** increased by 2.9% to RM6.57 billion from October 2015, driven mainly by higher exports of palm oil and palm-based agriculture products, by RM164.5 million. Exports of palm oil in October 2016 grew by 0.9% to RM3.94 billion, compared with RM3.91 billion in October last year.

Exports of **mining goods** dropped by 34.8% to RM5.2 billion, due to the decline in exports of LNG and crude petroleum. Exports of LNG and crude petroleum contracted by 40.2% and 27.9%, respectively due to lower AUV and volume.

On a **month-on-month basis**, all sectors registered increases. Manufactured goods increased by 1.5% or RM860.5 million, agricultural goods (↑2.4% or RM152 million) and mining goods (↑2.2% or RM111.1 million).

Performance of Major Markets

Exports to ASEAN Remained Strong at 4.2% growth

In **January-October 2016**, exports to **ASEAN** grew by 4.2% or RM7.62 billion to reach a value of RM188.27 billion. This was supported by growth in exports of E&E products, petroleum products, manufactures of metal, processed food, machinery, equipment and parts as well as chemicals and chemical products. Meanwhile, **imports** from ASEAN fell by 6.5% to RM140.3 billion while **trade** with ASEAN decreased by 0.6% to RM328.58 billion compared with the same period of 2015.

Among major ASEAN markets, increase in exports was recorded for Viet Nam, Singapore, Myanmar, the Philippines, Cambodia and Laos. Exports to **Viet Nam** expanded by RM5.21 billion contributed mainly by petroleum products, **Singapore** (↑RM3.4 billion, E&E products) and **Myanmar** (↑RM814 million, petroleum products).

Breakdown of **exports to ASEAN countries** in the first ten months of 2016 is as follows:

- Singapore RM 93.04 billion, **increased** by 3.8%
- Thailand RM 36.02 billion, ↓1.7%

- Indonesia RM 22.54 billion, ↓6.2%
- Viet Nam RM 19.34 billion, ↑36.9%
- Philippines RM 11.39 billion, ↑5.0%
- Myanmar RM 3.11 billion, ↑35.4%
- Brunei RM 1.75 billion, ↓23.2%
- Cambodia RM 1.02 billion, ↑41.0%
- Lao PDR RM 64.1 million, ↑52.0%

In **October 2016**, **exports** to **ASEAN** declined by 2.6% or RM530 million to RM19.98 billion. Exports to ASEAN accounted for 28.9% of Malaysia's total exports, expanding from 27.1% registered in October last year. The decrease in exports was led by lower exports of crude petroleum, chemicals and chemical products, machinery, equipment and parts as well as optical and scientific equipment. **Imports** from ASEAN fell by 11% to RM15.37 billion while **trade** decreased by 6.4% to RM35.35 billion. Compared to **September 2016**, exports to ASEAN declined marginally by 0.5%.

Exports to the USA Up 9.7%

In the **first ten months of 2016**, **trade** with the **United States of America (USA)** rose 5.4% to RM112.08 billion. **Exports** expanded by 9.7% or RM5.84 billion to RM66.39 billion while **imports** were lower by 0.3% to RM45.68 billion. The exports increase was contributed mainly by manufactured goods which expanded by 10.6% to RM63.43 billion with higher exports recorded for almost all major products particularly E&E products, optical and scientific equipment, transport equipment, chemicals and chemical products, manufactures of metal as well as wood products.

In **October 2016**, **exports** to the USA shrank by 3.5% to RM7.04 billion due to lower exports of E&E products, palm oil and palm-based agriculture products as well as rubber products. **Imports** were down by 21.4% to RM4.34 billion and **trade** declined by 11.2% to RM11.39 billion. On a **month-on-month basis**, exports to the USA increased by 1.6%.

Exports to China Rebounded 3.4% in October 2016

From **January to October 2016**, trade with **China** rose 1.2% to RM191.65 billion, with **exports** and **imports** amounting to RM77.4 billion and RM114.25 billion, respectively. Exports to China decreased by 7.2%, on account of lower exports of petroleum products, E&E products, palm oil and palm-based agriculture products as well as LNG. However, expansion in exports were recorded for chemicals and chemical products, optical and scientific equipment, crude petroleum, transport equipment and processed food. **Imports** from China were higher by 7.9%.

In **October 2016**, trade with China amounted to RM21.05 billion, a growth of 0.3% or RM54.4 million. This accounted for 16.4% of Malaysia's total trade. After seven consecutive months of decline, **exports** to China in October rebounded 3.4% due to higher exports of E&E products by RM966.3 million. **Imports** amounted to RM11.54 billion, a decline of 2.2%. Compared with **September 2016**, exports to China expanded by 6%.

Exports to the EU down by 0.4%

In **January-October 2016**, exports to the **European Union (EU)** decreased by 0.4% to RM65.09 billion. **Imports** were lower by 2.2% to RM56.78 billion. As a result, trade with the EU declined by 1.3% to RM121.87 billion, compared to the corresponding period of 2015. The decline in exports was due mainly to lower exports of E&E products which decreased by 3.8% or RM1.26 billion. However, the decline was offset by increases in exports of machinery, equipment and parts, optical and scientific equipment, chemicals and chemical products, transport equipment as well as apparels.

In **October 2016**, trade with the EU amounted to RM13.24 billion, a decrease of 11.2%. **Exports** to the EU contracted by 12% to RM7.22 billion and **imports** decreased by 10.3% to RM6.03 billion. Lower exports to the EU was mainly attributed to E&E products, petroleum products as well as chemicals and chemical products. On a **month-on-month basis**, exports to the EU improved by 4.9%.

Trade with Japan Dropped by 6.8%

For the **first ten months of 2016**, trade with **Japan** was valued at RM97.84 billion as compared with RM104.95 billion in the same period of 2015. **Exports** to Japan contracted by 14.7% to RM51.24 billion due to lower exports of LNG, by 34.6% or RM8.34 billion. LNG accounted for 30.8% of Malaysia's total exports to Japan, declined from 40.2% in the same period last year. Higher exports, however, were registered for exports of manufactures of metal, processed food, textiles, machinery, equipment and parts as well as iron and steel products. **Imports** expanded by 3.8% to RM46.6 billion.

Trade with Japan in **October 2016** amounted to RM9.74 billion, a decrease of 16.7% from October 2015. **Exports** to Japan decreased by 29.1% to RM4.89 billion underpinned by lower exports of LNG, by RM1.43 billion, and E&E products, RM240.4 million. **Imports** from Japan rose 1.1% to RM4.85 billion

Trade with FTA Partners

During **January to October of 2016**, trade with **Free Trade Agreement (FTA) partners** was valued at RM757.37 billion or 62.8% of Malaysia's trade. **Exports** amounted to RM395.22 billion while **imports** totalled RM362.15 billion. Increase in exports were recorded to Viet Nam, Singapore, Turkey, Myanmar, the Philippines, Pakistan, Cambodia and Laos.

During the period, exports to **Turkey** surged by 93.5% or RM2.65 billion to RM5.49 billion and exports to **Pakistan** rose by 12.1% to RM3.91 billion. The increase was contributed mainly by higher exports of palm oil and palm-based agriculture products. In **October 2016**, trade with FTA partners was RM81.84 billion, accounting for 63.6% of Malaysia's trade. **Exports** to FTA partners amounted to RM43.16 billion while **imports** from FTA partners were valued at RM38.69 billion.

Growth in Other Markets

For the **first ten months of 2016**, markets that recorded significant growth in exports of more than RM500 million were **Mexico**, increased by RM1.33 billion, attributed mainly to E&E products, **Bangladesh** (↑RM1.03 billion, palm oil and palm-based agriculture products) and **Nigeria** (↑RM677 million, petroleum products).

Imports

During **January to October 2016**, **imports** were valued at RM568.03 billion, contracted by 0.1% from the same period last year. The **three main categories** of imports by end use were:

- **Intermediate goods**, valued at RM324.91 billion or 57.2% share of total imports, decreased by 2.3%, due mainly to lower imports of petroleum products;
- **Capital goods** (RM82.26 billion, 14.5% share, up 3.6%), due mainly to higher imports of floating structures; and
- **Consumption goods** (RM54.45 billion, 9.6% share, up 8.2%), with higher imports of food products.

In **October 2016**, **imports** were lower by 6.6% to RM59.44 billion. Imports of **intermediate goods** amounted to RM33.73 billion, a decline of 8.9%, **capital goods** (RM8.93 billion, ↓2%) and **consumption goods** (RM5.35 billion, ↓8%).

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, 7th December 2016 and can be downloaded through e-services 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 October 2016 data is provisional and subject to revision in later issue.

With effect from reference month September 2015, there are some minor changes to the selection of codes for exports and imports of major and selected products/commodities by sectors.

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>
2015^f				
January	62,971.4	54,641.3	8,330.1	117,612.7
February	52,473.8	48,644.0	3,829.8	101,117.8
March	65,510.8	58,607.1	6,903.7	124,117.9
April	60,046.8	53,707.7	6,339.0	113,754.5
May	60,419.5	55,076.9	5,342.6	115,496.4
June	64,309.9	56,499.0	7,810.9	120,808.8
July	63,319.1	60,830.3	2,488.7	124,149.4
August	66,572.6	56,332.7	10,239.9	122,905.3
September	70,152.3	60,503.4	9,648.9	130,655.7
October	75,741.4	63,635.8	12,105.6	139,377.2
November	67,563.4	57,384.9	10,178.5	124,948.4
December	68,274.1	59,915.4	8,358.7	128,189.5
2015 (Jan-Dec)^f	777,355.1	685,778.4	91,576.6	1,463,133.5
2016^p				
January	61,851.8	56,460.1	5,391.7	118,311.9
February	56,719.7	49,368.1	7,351.6	106,087.9
March	66,586.2	55,393.6	11,192.6	121,979.7
April	61,346.9	52,291.9	9,054.9	113,638.8
May	59,943.4	56,660.1	3,283.3	116,603.5
June	66,449.6	60,932.0	5,517.6	127,381.5
July	59,850.1	57,942.8	1,907.4	117,792.9
August	67,579.3	59,071.9	8,507.4	126,651.2
September	68,032.3	60,471.6	7,560.7	128,503.9
October	69,195.7	59,439.0	9,756.7	128,634.6
2015 (Jan-Oct)^f	641,517.5	568,478.1	73,039.4	1,209,995.6
2016 (Jan-Oct)^p	637,554.8	568,031.0	69,523.8	1,205,585.8

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Oct 2016 ^P	Sep 2016 ^P	Oct 2015 ^f
	RM Million	RM Million	RM Million
Total Exports	69,195.7	68,032.3	75,741.4
Electrical & Electronic Products	26,562.2	26,232.7	26,244.6
Chemicals & Chemical Products	5,042.7	5,090.1	5,290.9
Petroleum Products	5,020.5	4,882.8	5,422.7
Palm Oil & Palm-Based Agriculture Products	4,610.7	4,575.1	4,446.2
Machinery, Equipment & Parts	2,906.0	2,797.5	3,623.7
LNG	2,690.6	2,684.5	4,501.2
Optical & Scientific Equipment	2,575.1	2,347.8	2,710.6
Manufactures of Metal	2,463.2	2,620.7	4,385.2
Processed Food	1,767.7	1,693.8	1,754.2
Crude Petroleum	1,752.9	1,832.6	2,432.2

TABLE 3: MAJOR EXPORT MARKETS

Countries	Oct 2016 ^P	Sep 2016 ^P	Oct 2015 ^f
	RM Million	RM Million	RM Million
Total Exports	69,195.7	68,032.3	75,741.4
Singapore	9,706.9	10,407.6	10,494.9
China	9,504.9	8,967.0	9,191.5
USA	7,043.4	6,932.5	7,297.6
Japan	4,892.6	5,367.9	6,900.8
Thailand	3,747.3	3,615.6	4,114.1
Hong Kong	3,325.6	3,248.3	2,904.1
India	2,746.7	2,815.0	3,133.5
Indonesia	2,636.4	2,213.4	2,501.9
ROK	2,155.4	1,743.7	2,881.6
Netherlands	2,143.2	1,911.2	2,178.3

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- OCTOBER)

Products	Jan-Oct 2016 ^p	Jan-Oct 2015 ^f
	RM Million	RM Million
Total Exports	637,554.8	641,517.5
Electrical & Electronic Products	234,455.2	230,009.8
Chemicals & Chemical Products	48,167.6	45,916.0
Petroleum Products	43,598.9	44,998.5
Palm Oil & Palm-Based Agriculture Products	38,952.7	38,092.9
Machinery, Equipment & Parts	31,602.8	29,859.9
Manufactures of Metal	27,426.4	27,985.3
LNG	25,120.0	36,837.1
Optical & Scientific Equipment	23,561.6	21,246.3
Crude Petroleum	17,267.4	21,250.2
Rubber Products	16,495.9	16,651.4

TABLE 5: MAJOR EXPORT MARKETS (JANUARY- OCTOBER)

Countries	Jan-Oct 2016 ^p	Jan-Oct 2015 ^f
	RM Million	RM Million
Total Exports	637,554.8	641,517.5
Singapore	93,039.6	89,643.4
China	77,403.0	83,413.7
USA	66,391.2	60,546.5
Japan	51,242.2	60,073.6
Thailand	36,018.9	36,645.1
Hong Kong	30,801.6	30,544.7
India	26,288.2	26,424.6
Indonesia	22,536.3	24,036.7
Australia	21,323.7	23,300.7
Viet Nam	19,337.2	14,127.6

TABLE 6: MAJOR IMPORT PRODUCTS

Products	Oct 2016 ^p	Sep 2016 ^p	Oct 2015 ^f
	RM Million	RM Million	RM Million
Total Imports	59,439.0	60,471.6	63,635.8
Electrical & Electronic Products	17,526.2	18,093.5	19,216.3
Machinery, Equipment & Parts	5,770.3	5,500.3	5,298.2
Chemicals & Chemical Products	5,321.6	5,767.3	5,580.1
Petroleum Products	4,631.7	5,098.8	6,350.7
Transport Equipment	3,839.0	3,269.5	3,577.6
Manufactures of Metal	3,200.2	3,556.9	4,048.1
Iron & Steel Products	2,043.4	1,989.1	1,727.3
Optical & Scientific Equipment	1,916.4	1,858.1	2,045.1
Processed Food	1,706.6	1,557.2	1,653.3
Textiles, Apparels & Footwear	1,349.5	1,456.8	1,512.4

TABLE 7: MAJOR IMPORT SOURCES

Countries	Oct 2016 ^p	Sep 2016 ^p	Oct 2015 ^f
	RM Million	RM Million	RM Million
Total Imports	59,439.0	60,471.6	63,635.8
China	11,542.8	12,307.0	11,801.9
Singapore	6,668.1	6,285.6	7,469.1
Japan	4,849.2	4,806.5	4,794.7
USA	4,342.0	4,302.5	5,520.8
Taiwan	3,537.6	3,822.5	3,599.1
ROK	3,504.3	2,744.7	3,005.6
Thailand	3,485.6	3,583.8	4,041.1
Indonesia	2,804.7	2,554.1	2,891.2
Germany	2,222.5	1,785.6	2,029.0
Australia	1,620.5	1,619.2	1,539.9

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY- OCTOBER)

Products	Jan-Oct 2016 ^p	Jan-Oct 2015 ^f
	RM Million	RM Million
Total Imports	568,031.0	568,478.1
Electrical & Electronic Products	171,444.0	166,089.6
Chemicals & Chemical Products	56,053.4	53,609.0
Machinery, Equipment & Parts	52,441.1	49,304.5
Petroleum Products	41,786.2	53,693.8
Transport Equipment	34,840.4	30,349.4
Manufactures of Metal	31,876.9	37,180.8
Iron & Steel Products	18,430.0	18,754.6
Optical & Scientific Equipment	17,921.6	17,552.0
Processed Food	14,986.5	14,514.8
Textiles, Apparels & Footwear	14,801.5	12,640.5

TABLE 9: MAJOR IMPORT SOURCES (JANUARY- OCTOBER)

Countries	Jan-Oct 2016 ^p	Jan-Oct 2015 ^f
	RM Million	RM Million
Total Imports	568,031.0	568,478.1
China	114,246.6	105,923.5
Singapore	60,016.6	68,234.5
Japan	46,595.1	44,879.5
USA	45,684.6	45,823.0
Thailand	34,521.4	33,940.8
Taiwan	33,907.0	30,734.0
ROK	30,753.1	25,774.7
Indonesia	23,716.6	25,347.8
Germany	19,682.8	19,438.4
Viet Nam	14,880.1	15,345.4

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:

f – final data

p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2009-2016

