

**Embargo until 1200 hours,
Wednesday, 6th December 2017**

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR THE MONTH OF OCTOBER 2017 AND THE PERIOD OF JANUARY- OCTOBER 2017 #

October 2017 – the Highest Trade Surplus Since April 2016

Malaysia's **total trade in October 2017 surged by 19.8% to RM154.26 billion** compared with the year before. The main contributors to the growth were trade with ASEAN, China, the United States of America (USA), Hong Kong SAR, Japan, the European Union (EU) and Taiwan.

Exports in October 2017 rose significantly by 18.9% to RM82.41 billion, **exceeding RM80 billion mark for the third time in 2017**. Imports rose by 20.9% to RM71.85 billion. Trade surplus widened to RM10.56 billion, **the highest value since April 2016**, making it the 240th consecutive month of trade surplus since November 1997.

On a month-on-month (m-o-m) basis, total trade, exports and imports expanded by 4.3%, 5.3% and 3.2%, respectively.

Total trade for the first ten months of 2017 amounted to RM1.465 trillion, grew by 21.5% compared with the same period of 2016. Exports totalled RM772.66 billion, an increase of 21.1% while imports stood at RM692.51 billion, rose by 21.9%. Trade surplus of RM80.15 billion was recorded, higher by 14.4% compared to the corresponding period of 2016.

Export Performance of Major Sectors

Positive Export Growth in All Sectors

Exports of **manufactured goods** in October 2017 increased by 19.5% or RM11.11 billion to RM68.07 billion, accounting for 82.6% of Malaysia's total exports. The expansion was mainly on account of higher exports of electrical and electronic (E&E) products and petroleum products, collectively contributing 54.8% to total manufactured exports. All major subsectors registered double digit growth in exports except for processed food and wood products.

Exports of **mining goods** grew by 27.3% to RM6.7 billion, constituting 8.1% of Malaysia's total exports. The growth was mainly driven by increased exports of crude petroleum, on the back of higher Average Unit Value (AUV) and volume.

Exports of **agriculture goods** increased by 6.3% from October 2016 to RM6.98 billion, with a share of 8.5% of total exports. Exports of palm oil and palm oil-based agriculture products which grew by 7.9% to RM4.98 billion was the main contributor to the expansion.

Major exports in **October 2017** were:

- E&E products valued at RM31.11 billion, constituting 37.7% of total exports, increased by 16.9% from October 2016;
- Petroleum products, RM6.17 billion, 7.5% of total exports, increased by 21.4%;
- Chemicals and chemical products, RM5.93 billion, 7.2% of total exports, increased by 17.5%;
- Palm oil and palm oil-based agriculture products, RM4.98 billion, 6% of total exports, increased by 7.9%; and
- Manufactures of metal, RM3.39 billion, 4.1% of total exports, increased by 38%.

M-o-m, exports of manufactured goods was up by 3.7%, agriculture goods (↑10.8%) and mining goods (↑21%).

In the first ten months of 2017, exports of **manufactured goods** expanded by 20.5% to RM634.22 billion compared with the corresponding period of 2016, mainly led by exports of E&E products, petroleum products, chemicals and chemical products, rubber products as well as iron and steel products. Exports of **mining goods** rose by 29.4% to RM65.38 billion, attributed to increased exports of liquefied natural gas (LNG) and crude petroleum on higher AUV and volume. **All products in the mining sector recorded double-digit growth during the period.** Exports of **agriculture goods** rose by 14.8% to RM65.37 billion, with higher exports of palm oil and natural rubber, supported by higher AUV.

Performance of Major Markets

ASEAN Driving Export Growth

In October 2017 trade with ASEAN rose by 22.4% to RM43.28 billion, compared with October 2016, accounting for 28.1% of Malaysia's total trade. Exports recorded double-digit growth of 19.5% to RM23.9 billion. The rise in exports was **attributed mainly to strong export performance of E&E products** which increased by RM1.4 billion, followed by, crude petroleum, transport equipment, chemicals and chemical products, optical and scientific equipment as well as LNG. Imports from ASEAN surged by 26.1% to RM19.38 billion.

Breakdown of exports to ASEAN countries in October 2017 is as follows:

- Singapore RM 11.27 billion, **increased** by 16.1%
- Thailand RM 4.88 billion, ↑30.2%
- Indonesia RM 3.24 billion, ↑21.9%
- Viet Nam RM 2.27 billion, ↑12.9%
- Philippines RM 1.50 billion, ↑23.7%
- Myanmar RM 432.7 million, ↑9.4%
- Brunei RM 199.4 million, ↑28.0%
- Cambodia RM 97.7 million, ↓4.6%
- Lao PDR RM 3.3 million, ↓31.2%

Exports to **Singapore** grew by RM1.57 billion, contributed largely by higher exports of E&E products. Exports to **Thailand** rose by RM1.13 billion due to increase in exports of crude petroleum while exports to **Indonesia** expanded by RM582 million, attributed to exports of transport equipment.

On a m-o-m basis, exports, imports and total trade grew by 5.4%, 5% and 5.2%, respectively.

In January-October 2017, trade with ASEAN expanded by 23% to RM404.4 billion from the same period of 2016. Exports to this region rose by 20.1% to RM226.28 billion. **All main sectors posted strong growth in exports, particularly for manufactured goods**, led by E&E products, petroleum products, chemicals and chemical products, transport equipment, machinery, equipment and parts as well as optical and scientific equipment. Imports increased by 27% to RM178.12 billion.

Sturdy demand from China in October

In October 2017, trade with China increased by 18.8% y-o-y to RM25.02 billion, making up 16.2% of Malaysia's total trade. **Exports to the country expanded by 20.5% to RM11.45 billion**, led by higher exports of LNG, manufactures of metal, petroleum products, chemicals and chemical products, rubber products as well as crude petroleum. **Exports to China in October posted stronger y-o-y growth compared to imports for seven consecutive months.** Imports from China increased by 17.4% to RM13.57 billion.

Compared to September 2017, exports, imports and total trade up by 0.5%, 2.1% and 1.4%, respectively.

Trade with China in January-October 2017 expanded by 24.1% to RM237.96 billion compared with the same period of 2016. Exports to China surged by 33.5% to RM103.32 billion, due to higher exports of E&E products, petroleum products, LNG, chemicals and chemical products as well as rubber products. Imports from China increased by 17.8% to RM134.64 billion.

EU- Exports Driven by Manufactured Goods

Malaysia's trade with the EU in October 2017 amounted to RM14.94 billion or 9.7% of Malaysia's total trade, an increase of 12.8% from October 2016. Exports to the EU expanded by 9.3% to RM7.89 billion **driven by exports of manufactured goods**, particularly E&E products which rose by 14.5% to RM4.21 billion. Other manufactured subsectors that registered increases were iron and steel products, transport equipment, chemicals and chemical products, manufactures of metal, machinery, equipment and parts as well as rubber products. Imports grew by 17% to RM7.05 billion.

Among the top 10 EU markets, exports to 9 markets registered increases, with 5 recording double-digit growth, namely, **France** (↑10.9%), **Italy** (↑47.3%), **Spain** (↑43.9%), **Hungary** (↑83.8%) and **Poland** (↑37.4%). **Slovenia** recorded an outstanding growth of 143% or RM134.5 million.

On a m-o-m basis, imports and total trade increased by 16.8% and 6.5%, respectively while exports slipped by 1.3%.

In the first ten months of 2017, trade with the EU recorded a growth of 16.8% to RM142.34 billion compared to the corresponding period of 2016. **Exports to the EU increased by 21.1% to RM78.79 billion**, attributed to higher exports of E&E products, iron and steel products, palm oil and palm oil-based agriculture products, rubber products as well as optical and scientific equipment. Imports from the EU rose by 12% to RM63.54 billion.

Exports to the USA Remained Resilient

Malaysia's trade with the USA in October 2017 surged by 17.3% y-o-y to RM13.36 billion and accounted for 8.7% of Malaysia's total trade. **Exports grew by 13.8% to RM8.02 billion, underpinned by expansion in exports of manufactured and agriculture goods**. The main contributors to the increase were E&E products, optical and scientific equipment, chemicals and chemical products, iron and steel products,

palm oil and palm oil-based agriculture products, wood products, rubber products as well as manufactures of metal. Imports were up by 23% to RM5.34 billion.

Compared to September 2017, exports, imports and total trade expanded by 4.4%, 3.8% and 4.2%, respectively.

In January-October of 2017, trade with the USA grew by 18.9% to RM133.24 billion from the same period of 2016. Exports to the USA rose by 11.7% to RM74.18 billion **with growth recorded for almost all products**. Imports from the USA increased by 29.2% to RM59.06 billion.

Japan – Double Digit Export Growth

Trade with Japan in October 2017 surged by 17.9% y-o-y to RM11.53 billion, constituting 7.5% of Malaysia's total trade. Exports to Japan increased by 20.4% to RM5.93 billion, **supported mainly by increased exports of manufactured goods**, namely, E&E products, iron and steel products, chemicals and chemical products as well as wood products. Mining goods also contributed to the increase in exports to Japan, particularly, LNG and crude petroleum. Imports were up by 15.4% to RM5.6 billion.

On a m-o-m basis, exports, imports and total trade were higher by 1.7%, 5% and 3.3%, respectively.

During the first ten months of 2017, trade with Japan stood at RM114.6 billion, increased by 16.7% from the corresponding period a year ago. Exports to Japan totalled RM61.96 billion, expanded by 20.1% due to higher exports of E&E products, LNG, chemicals and chemical products, textiles, apparels and footwear, iron and steel products as well as petroleum products. Imports from Japan expanded by 13% to RM52.64 billion.

Robust Growth in Trade with FTA Partners

In October 2017, trade with Free Trade Agreement (FTA) partners expanded by 19.1% y-o-y to RM97.6 billion and accounted for 63.3% of Malaysia's total trade. Exports to FTA partners amounted to RM51.17 billion, up by 18.4% while imports grew by 20% to RM46.43 billion.

Exports to **Australia** surged by 26% to RM2.68 billion, attributed mainly to higher exports of crude petroleum, **Turkey** (↑39.2% to RM1.02 billion, palm oil and palm oil-based agriculture products), **the Republic of Korea (ROK)** (↑12.1% to RM2.43 billion, E&E products), **Pakistan** (↑19.9% to RM563.5 million, palm oil and palm oil-based agriculture products), **New Zealand** (↑8.7% to RM540.3 million, petroleum products) and **Chile** (↑17.9% to RM64.9 million, chemicals and chemical products).

Compared to September 2017, total trade, exports and imports increased by 3.8%, 5% and 2.5%, respectively.

During January-October of 2017, total trade with FTA partners grew by 22.4% to RM927.47 billion, accounting for 63.3% of Malaysia's total trade. Exports amounted to RM486.74 billion, an increase of 23% and imports totalled RM440.73 billion, expanding by 21.7%. **Growth in exports were recorded to all FTA partners except for Lao PDR.**

Import Performance

In October 2017, imports increased by 20.9% y-o-y to RM71.85 billion. The three main categories of imports by end use were:

- **Intermediate goods**, valued at RM38.91 billion or 54.1% of total imports, increased by 14.8%, following higher imports of processed industrial supplies, particularly plastics articles;

- **Capital goods**, valued at RM9.18 billion or 12.8% of total imports, expanded by 5.1%, due mainly to higher imports of capital good (except transport equipment), particularly machinery and mechanical appliances; and
- **Consumption goods**, valued at RM5.95 billion or 8.3% of total imports, increased by 11.1%, as a result of higher imports of processed food and beverages mainly for household consumption especially edible preparations.

During the first ten months of 2017, imports amounted to RM692.51 billion, an increase of 21.9% from the corresponding period of 2016. **Intermediate goods** totalled RM400.21 billion, increased by 23.1%, **capital goods** (RM93.26 billion, ↑13.7%) and **consumption goods** (RM58.26 billion, ↑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 at 1200 hours, Wednesday, 6th December 2017 and can be downloaded through eStatistik 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 2017 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

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)
2016^f				
January	61,850.8	56,455.2	5,395.6	118,306.0
February	56,716.7	49,365.9	7,350.7	106,082.6
March	66,555.0	55,391.0	11,164.0	121,946.0
April	61,319.2	52,285.6	9,033.6	113,604.8
May	59,990.4	56,772.6	3,217.8	116,763.1
June	66,508.3	60,926.5	5,581.8	127,434.8
July	60,067.3	57,967.6	2,099.7	118,034.9
August	67,667.6	59,044.7	8,622.9	126,712.3
September	68,182.1	60,468.8	7,713.3	128,650.9
October	69,334.2	59,452.0	9,882.2	128,786.3
November	72,971.0	63,857.6	9,113.5	136,828.6
December	75,801.5	66,831.1	8,970.4	142,632.6
2016 (Jan-Dec)^f	786,964.2	698,818.7	88,145.5	1,485,782.8
2017^P				
January	70,269.8	65,529.6	4,740.2	135,799.5
February	71,793.4	63,061.0	8,732.4	134,854.5
March	82,624.8	77,224.6	5,400.2	159,849.4
April	73,871.7	65,213.5	8,658.2	139,085.2
May	79,418.1	73,901.0	5,517.1	153,319.2
June	73,083.1	63,191.4	9,891.7	136,274.4
July	78,628.4	70,591.7	8,036.8	149,220.1
August	82,304.2	72,294.4	10,009.8	154,598.5
September	78,258.1	69,654.2	8,603.8	147,912.3
October	82,412.1	71,851.6	10,560.5	154,263.7
2016 (Jan-Oct)^f	638,191.7	568,130.0	70,061.6	1,206,321.7
2017 (Jan-Oct)^P	772,663.8	692,513.0	80,150.7	1,465,176.8

Note: Total may not add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Oct 2017 ^p	Sep 2017 ^p	Oct 2016 ^f
	RM Million	RM Million	RM Million
Total Exports	82,412.1	78,258.1	69,334.2
Electrical & Electronic Products	31,109.3	30,873.4	26,622.3
Petroleum Products	6,166.4	6,004.9	5,077.9
Chemicals & Chemical Products	5,931.9	5,235.8	5,048.9
Palm Oil & Palm Oil-Based Agriculture Products	4,975.0	4,497.1	4,610.4
Manufactures of Metal	3,394.0	3,252.3	2,459.6
Machinery, Equipment & Parts	3,228.0	3,021.0	2,823.2
Optical & Scientific Equipment	3,095.9	2,688.6	2,573.1
LNG	2,928.7	3,045.1	2,755.8
Crude Petroleum	2,854.7	1,744.8	1,752.9
Rubber Products	2,249.9	2,080.2	1,722.3

TABLE 3: MAJOR EXPORT MARKETS

Markets	Oct 2017 ^p	Sep 2017 ^p	Oct 2016 ^f
	RM Million	RM Million	RM Million
Total Exports	82,412.1	78,258.1	69,334.2
China	11,453.3	11,393.2	9,504.8
Singapore	11,273.0	11,248.7	9,706.9
USA	8,017.3	7,675.8	7,043.4
Japan	5,932.1	5,834.7	4,927.7
Hong Kong SAR	5,151.8	4,579.1	3,325.6
Thailand	4,879.1	3,866.9	3,747.3
Indonesia	3,241.7	3,228.5	2,659.7
Australia	2,681.0	2,350.1	2,128.3
India	2,590.4	2,617.5	2,746.3
ROK	2,425.7	2,179.4	2,163.7

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- OCTOBER)

Products	Jan-Oct 2017 ^p	Jan-Oct 2016 ^f
	RM Million	RM Million
Total Exports	772,663.8	638,191.7
Electrical & Electronic Products	282,557.4	234,590.9
Petroleum Products	60,540.9	43,678.5
Chemicals & Chemical Products	55,838.7	48,253.2
Palm Oil & Palm Oil-Based Agriculture Products	45,092.6	38,952.4
Machinery, Equipment & Parts	33,740.3	31,352.5
LNG	32,903.9	25,585.5
Manufactures of Metal	30,910.6	27,393.1
Optical & Scientific Equipment	26,703.9	23,560.0
Crude Petroleum	22,825.7	17,270.3
Rubber Products	22,001.4	16,495.9

TABLE 5: MAJOR EXPORT MARKETS (JANUARY- OCTOBER)

Markets	Jan-Oct 2017 ^p	Jan-Oct 2016 ^f
	RM Million	RM Million
Total Exports	772,663.8	638,191.7
Singapore	112,746.3	93,040.1
China	103,318.9	77,417.9
USA	74,184.5	66,391.1
Japan	61,955.8	51,566.1
Thailand	41,905.3	36,011.7
Hong Kong SAR	37,491.7	30,801.6
India	29,129.8	26,284.4
Indonesia	28,872.2	22,726.1
Australia	26,574.0	21,323.3
Viet Nam	22,467.5	19,334.3

TABLE 6: MAJOR IMPORT PRODUCTS

Products	Oct 2017 ^p	Sep 2017 ^p	Oct 2016 ^f
	RM Million	RM Million	RM Million
Total Imports	71,851.6	69,654.2	59,452.0
Electrical & Electronic Products	21,759.2	22,267.1	17,528.4
Petroleum Products	7,183.0	6,000.6	4,647.1
Machinery, Equipment & Parts	6,899.7	6,403.1	5,769.7
Chemicals & Chemical Products	6,721.2	6,566.6	5,321.5
Manufactures of Metal	3,819.6	4,118.3	3,195.9
Transport Equipment	3,257.0	3,435.5	3,841.4
Iron & Steel Products	2,252.1	2,295.4	2,045.6
Optical & Scientific Equipment	2,206.9	2,004.3	1,915.4
Processed Food	1,820.4	1,425.1	1,706.7
Crude Petroleum	1,430.3	1,104.8	1,130.1

TABLE 7: MAJOR IMPORT SOURCES

Markets	Oct 2017 ^p	Sep 2017 ^p	Oct 2016 ^f
	RM Million	RM Million	RM Million
Total Imports	71,851.6	69,654.2	59,452.0
China	13,567.9	13,289.8	11,558.2
Singapore	9,102.6	8,550.3	6,667.9
Japan	5,595.8	5,327.8	4,849.2
USA	5,341.3	5,143.7	4,342.0
Taiwan	4,674.3	5,224.9	3,537.6
Thailand	3,978.3	3,985.3	3,483.3
ROK	3,126.8	3,617.7	3,508.0
Indonesia	3,091.0	2,910.2	2,804.7
Germany	2,938.4	1,905.1	2,222.5
India	2,457.6	2,648.5	1,410.5

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY- OCTOBER)

Products	Jan-Oct 2017 ^p	Jan-Oct 2016 ^f
	RM Million	RM Million
Total Imports	692,513.0	568,130.0
Electrical & Electronic Products	209,021.6	171,442.2
Chemicals & Chemical Products	66,036.6	56,051.5
Machinery, Equipment & Parts	64,659.4	52,436.8
Petroleum Products	63,103.5	41,913.1
Manufactures of Metal	35,832.6	31,876.5
Transport Equipment	34,174.2	34,849.5
Iron & Steel Products	22,611.0	18,430.6
Optical & Scientific Equipment	20,810.1	17,921.3
Processed Food	17,208.1	14,986.2
Textiles, Apparels & Footwear	14,587.0	14,800.7

TABLE 9: MAJOR IMPORT SOURCES (JANUARY- OCTOBER)

Markets	Jan-Oct 2017 ^p	Jan-Oct 2016 ^f
	RM Million	RM Million
Total Imports	692,513.0	568,130.0
China	134,643.8	114,288.0
Singapore	76,132.5	59,994.2
USA	59,058.7	45,695.8
Japan	52,642.1	46,594.6
Taiwan	45,104.8	33,896.7
Thailand	39,917.5	34,499.3
Indonesia	31,515.8	23,716.6
ROK	30,862.2	30,756.6
India	22,231.6	13,546.3
Germany	21,656.6	19,682.8

Source: Department of Statistics, Malaysia
 Tabulated By: MATRADE

Notes:

f - final data

p - provisional data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2011-2017

