Embargo until 1200 hours,
Friday, 3rd May 2019

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR MARCH 2019 AND THE PERIOD OF JANUARY-MARCH 2019

The Highest Month-On-Month Export Growth Since April 2010

Malaysia's trade in March 2019 decreased marginally by 0.3% to RM153.73 billion compared to March 2018. Lower trade was recorded with Japan, ASEAN, India, Hong Kong SAR, the European Union (EU), the Republic of Korea (ROK) and Turkey. Meanwhile, higher trade was registered with China, Saudi Arabia, Taiwan, Australia, and the United States (US).

Exports in March 2019 was valued at RM84.05 billion, a slight decrease of 0.5% from RM84.47 billion recorded in March 2018. Imports contracted by 0.1% to RM69.68 billion. Trade surplus stood at RM14.37 billion, lower by 2.2% from a year ago and was the 257th consecutive month of trade surplus since November 1997.

On a month-on-month (m-o-m) basis, total trade surged by 25.9% while exports grew by 26.2%, the fastest export growth registered since April 2010. Imports and trade surplus expanded by 25.4% and 30%, respectively.

Total trade for the first quarter (Q1) of 2019 was valued at RM435.16 billion, a decline of 1.5% compared to RM441.89 billion registered in Q1 2018. Exports totalled RM236.05 billion, a decrease of 0.7% while imports amounted to RM199.11 billion, contracted by 2.5%. A trade surplus of RM36.94 billion was recorded for the period, increased by 10.7%.

Compared to the fourth quarter (Q4) 2018, total trade, exports and imports contracted by 12%, 10.8%, 13.4%, respectively. Trade surplus expanded by 6.1%.

Export Performance of Major Sectors

Manufactured Goods Supported Exports in March 2019

Exports of manufactured goods in March 2019 which accounted for 84.2% of total exports expanded by 1.5% to RM70.81 billion. This was attributed to higher exports of petroleum products, optical and scientific equipment, chemicals & chemical products, processed food as well as paper and pulp products.

Exports of mining goods (8.6% share) contracted by 7.4% to RM7.21 billion, on account of lower exports of crude petroleum due to lower volume. Increases in exports were seen for liquefied natural gas (LNG) which attributed to higher volume and Average Unit Value (AUV) as well as metalliferous ores and metal scrap.

Exports of agriculture goods (6.5% share) dropped by 10.4% to RM5.48 billion. This was mainly on the back of lower exports of palm oil and palm oil-based agriculture products, particularly palm oil which decreased by 14.1% to RM3.08 billion, due to lower volume and AUV.

Major exports in March 2019:

- E&E products, valued at RM31.23 billion and constituted 37.2% of total exports, decreased by 1.9% from March 2018;
- Petroleum products, RM6.25 billion, 7.4% of total exports, increased by 26.2%;
- Chemicals and chemical products, RM5.04 billion, 6% of total exports, increased by 4.1%;
- LNG, RM3.87 billion, 4.6% of total exports, increased by 17.2%; and
- Machinery, equipment & parts, RM3.67 billion, 4.4% of total exports, decreased by 9%.

Compared to February 2019, exports of manufactured, mining and agriculture goods surged by 26.8%, 24.2% and 22.2%, respectively.

During Q1 2019, exports of manufactured goods expanded by 0.3% to RM196.88 billion compared to Q1 2018, supported by higher exports of E&E products, chemicals and chemical products, jewellery, optical and scientific equipment, paper and pulp products as well as processed food. Exports of mining goods increased by 3.8% to RM21.97 billion, contributed by higher exports of LNG. Exports of agriculture goods contracted by 12.5% to RM15.59 billion, owing mainly to lower exports of palm oil and palm oil-based agriculture products.

Trade Performance with Major Markets

Exports to ASEAN Continued to Expand

Trade with ASEAN in March 2019 which absorbed 26.7% of Malaysia's total trade or RM41.11 billion, slipped by 2.9% y-o-y. Exports to ASEAN grew by 1.3% to RM23.58 billion, driven by higher exports of LNG, transport equipment, optical and scientific equipment, iron and steel products as well as manufactures of metal. Imports from ASEAN totalled RM17.52 billion, 7.9% lower from March 2018.

Breakdown of exports to ASEAN countries:

- Singapore RM10.46 billion, decreased by 6.9%
- Thailand RM5.42 billion, ↑15.6%
- Viet Nam RM3.07 billion, ↑16.7%
- Indonesia RM2.56 billion, ↓9.4%
- Philippines RM1.34 billion, ↑0.7%
- Myanmar RM305.1 million, ↑25.6%
- Cambodia RM223.7 million, ↑94.8%
- Brunei RM199.4 million, ↓7.2%
- Lao PDR RM2.8 million, ↓6.4%

Exports to major markets in ASEAN that recorded expansion were **Thailand**, which expanded by RM729.9 million due to higher exports of LNG, **Viet Nam** (↑RM439.1 million, E&E products) and **Cambodia** (↑RM108.8 million, petroleum products).

On a m-o-m basis, trade, exports and imports were higher by 25%, 25.9% and 23.9%, respectively.

In Q1 2019, trade with ASEAN contracted by 4.2% to RM115.95 billion compared to Q1 2018. Exports to this region was down by 0.7% to RM67.28 billion, on the back of lower exports of petroleum products. Meanwhile, increases in exports were recorded for E&E products, LNG as well as optical and scientific equipment. Imports were lower by 8.7% to RM48.67 billion.

Exports to China Rebounded in March 2019

In March 2019, trade with China which made up 16.5% of Malaysia's total trade rose by 13.6% y-o-y to RM25.44 billion. Exports grew by 11.8% to RM11.67 billion steered by higher exports of petroleum products, E&E products, chemicals and chemical products, LNG as well as metalliferous ores and metal scrap. Imports from China increased by 15.1% to RM13.76 billion.

Compared to February 2019, trade, exports and imports were higher by 44%, 37.3% and 50.2%, respectively.

Trade with China in Q1 2019 expanded by 4.5% to RM72.02 billion compared to Q1 2018. Exports to China grew by 6.9% to RM31.2 billion, contributed by higher exports of LNG, chemicals and chemical products, petroleum products, manufactures of metal as well as palm oil and palm oil-based agriculture products. Imports from China rose by 2.7% to RM40.83 billion.

Exports to the EU Grew in Q1 2019

Total trade with the EU posted a decrease of 2.8% y-o-y to RM15.56 billion and accounted for 10.1% of Malaysia's total trade in March 2019. Exports to the EU contracted by 5% to RM8.62 billion on the back of lower exports of manufactures of metal, E&E products, palm oil-based manufactured products, textiles, apparels and footwear as well as transport equipment. Higher exports to the EU were seen for

petroleum products, optical and scientific equipment, other vegetable oil as well as processed food. Imports from the EU increased by 0.02% to RM6.95 billion.

Among the top 10 EU markets which accounted for 91.5% of Malaysia's total exports to the EU, exports to 3 countries registered increases namely, **the Netherlands** (↑2.3%), **Spain** (↑28.5%) and **Poland** (↑13.4%).

On a m-o-m basis, trade, exports and imports were higher by 16.6%, 12.1% and 22.6%, respectively.

In Q1 2019, trade with the EU declined by 3.2% to RM44.21 billion compared to Q1 2018. Exports grew by 0.7% to RM25.03 billion, driven by higher exports of E&E products, petroleum products, other vegetable oil, palm oil-based manufactured products as well as machinery, equipment and parts. Imports from the EU contracted by 8% to RM19.17 billion.

Trade Up with the US

Trade with the US in March 2019 rose by 2.1% y-o-y to RM13.46 billion or 8.8% of Malaysia's total trade. Exports slipped by 3.6% to RM7.63 billion mainly due to lower exports of transport equipment, petroleum products, manufactures of metal as well as chemicals and chemical products. However, higher exports were recorded for optical and scientific equipment, rubber products, palm oil-based manufactured products, iron and steel products as well as processed food. Imports from the US expanded by 10.6% to RM5.83 billion.

Compared to February 2019, trade, exports and imports increased by 20.4%, 20.8% and 19.8%, respectively.

In Q1 2019, trade with the US stood at RM37.93 billion, an increase of 0.8% compared to Q1 2018. Exports shrank by 1% to RM21.9 billion underpinned mainly by lower exports of manufactures of metal and transport equipment. Meanwhile,

increases in exports were recorded for E&E products, optical and scientific equipment as well as rubber products. Imports from the US rose by 3.3% to RM16.02 billion.

Exports of Manufactured Goods to Japan Continued to Expand

In March 2019, trade with Japan which accounted for 7.1% of Malaysia's total trade fell by 11.4% y-o-y to RM10.97 billion. Exports slipped by 11.3% to RM5.92 billion mainly on lower exports of LNG and crude petroleum. Expansion in exports were registered for manufactured goods which increased by 4.1% and made up 66.9% of Malaysia's total exports to Japan. Exports of E&E products, petroleum products, wood products, jewellery as well as processed food recorded increases. Imports from Japan decreased by 11.6% to RM5.05 billion.

On a m-o-m basis, trade, exports and imports rose by 7.8%, 9.6% and 5.8%, respectively.

For Q1 2019, trade with Japan down by 5% to RM32.65 billion compared to Q1 2018. Exports to Japan stood at RM17.98 billion, declined by 6.6% on lower exports of LNG, crude petroleum as well as optical and scientific equipment. Higher exports however were registered for wood products, petroleum products and transport equipment. Imports from Japan contracted by 3% to RM14.67 billion.

Trade with FTA Partners

In March 2019, trade with Free Trade Agreement (FTA) partners which accounted for 61.6% of Malaysia's total trade decreased marginally by 0.7% to a total value of RM94.75 billion. Exports to FTA partners amounted to RM51.62 billion, an increase of 0.9% y-o-y and imports declined by 2.6% to RM43.13 billion.

Increases in exports were recorded to **Australia,** up by 2.9% to RM2.54 billion, attributed mainly to higher exports of petroleum products and **Pakistan** (↑14.3% to RM483.4 million, petroleum products).

Compared to February 2019, trade, exports and imports rose by 26.5%, 25.9% and 27.1%, respectively.

Trade with FTA partners in Q1 2019 which accounted for 62% of Malaysia's total trade reduced by 2.1% to RM269.61 billion. Exports for this period amounted to RM145.23 billion, a decline of 0.2% while imports contracted by 4.3% to RM124.38 billion.

Import Performance

Total imports in March 2019 decreased marginally by 0.1% y-o-y to RM69.68 billion from RM69.78 billion in March 2018. The three main categories of imports by end use which accounted for 74.9% of total imports were:

- **Intermediate goods**, valued at RM38.01 billion or 54.6% share of total imports, increased by 3.2%, following higher imports of primary fuel and lubricants, particularly mineral fuel and oils;

- **Capital goods,** valued at RM8.31 billion or 11.9% of total imports, declined by 11.8%, due mainly to lower imports of industrial transport equipment particularly ships, boats and floating structures; and

- **Consumption goods,** valued at RM5.9 billion or 8.5% of total imports, increased by 10.5%, as a result of higher imports of durables mainly for jewellery.

During Q1 2019, imports amounted to RM199.11 billion, a decrease of 2.5% from the Q1 2018. **Intermediate goods** totalled RM107.35 billion, dropped by 0.01%, **capital goods** (RM23.91 billion, ↓9.8%) and **consumption goods** (RM16.97 billion, ↑1.1%).

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, Friday, 3rd May 2019 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 March 2019 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 China, Singapore, Japan, Thailand, Republic of Korea, Indonesia, India, Australia, Viet Nam, Philippines, New Zealand, Turkey, Pakistan, Myanmar, Cambodia, Brunei, Chile and Lao PDR.

TABLE 1: SUMMARY OF MALAYSIA'S EXTERNAL TRADE

Year/ Period	Total Exports (RM Million)	Total Imports (RM Million)	Trade Balance (RM Million)	Total Trade (RM Million)
2018[p]				
January	82,820.1	73,152.8	9,667.3	155,972.8
February	70,342.6	61,325.0	9,017.6	131,667.5
March	**84,467.0**	**69,778.7**	**14,688.3**	**154,245.7**
April	84,246.7	71,225.2	13,021.5	155,472.0
May	82,110.4	73,993.6	8,116.8	156,104.0
June	78,610.8	72,609.9	6,000.9	151,220.7
July	86,154.4	77,827.4	8,327.0	163,981.8
August	81,810.2	80,197.1	1,613.1	162,007.3
September	82,953.0	67,720.0	15,233.0	150,673.0
October	96,363.9	80,050.5	16,313.4	176,414.4
November	84,861.0	77,018.6	7,842.4	161,879.6
December	83,538.4	72,861.9	10,676.4	156,400.3
2018 (Jan-Dec)[p]	**998,278.4**	**877,760.7**	**120,517.6**	**1,876,039.1**
2019[p]				
January	85,399.9	73,885.7	11,514.2	159,285.5
February	66,599.5	55,543.1	11,056.4	122,142.5
March	**84,048.5**	**69,678.7**	**14,369.8**	**153,727.2**
2018[p]				
Q1	**237,629.6**	**204,256.4**	**33,373.2**	**441,886.1**
Q2	244,968.0	217,828.8	27,139.2	462,796.7
Q3	250,917.6	225,744.5	25,173.1	476,662.1
Q4	264,763.2	229,931.0	34,832.2	494,694.2
2019[p]				
Q1	**236,047.8**	**199,107.4**	**36,940.4**	**435,155.2**

Note: Total may not add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Mar 2019p	Feb 2019p	Mar 2018p
	RM Million	RM Million	RM Million
Total Exports	**84,048.5**	**66,599.5**	**84,467.0**
Electrical & Electronic Products	31,228.1	25,813.3	31,834.0
Petroleum Products	6,253.3	4,319.0	4,953.2
Chemicals & Chemical Products	5,038.7	3,926.7	4,841.4
LNG	3,870.3	3,145.1	3,301.2
Machinery, Equipment & Parts	3,666.0	2,825.0	4,029.7
Manufactures of Metal	3,633.4	2,608.3	3,773.9
Palm Oil & Palm Oil-Based Agriculture Products	3,556.1	3,041.9	4,118.4
Optical & Scientific Equipment	3,470.4	2,196.8	2,911.0
Crude Petroleum	2,404.8	1,904.8	3,615.4
Rubber Products	2,279.0	1,981.4	2,287.6

TABLE 3: MAJOR EXPORT MARKETS

Markets	Mar 2019p	Feb 2019p	Mar 2018p
	RM Million	RM Million	RM Million
Total Exports	**84,048.5**	**66,599.5**	**84,467.0**
China	11,674.2	8,502.0	10,441.6
Singapore	10,462.8	9,110.7	11,236.4
USA	7,630.9	6,317.9	7,918.6
Japan	5,919.1	5,398.5	6,670.1
Hong Kong SAR	5,588.8	3,978.6	6,314.2
Thailand	5,420.3	3,951.8	4,690.4
India	3,539.1	2,664.8	3,649.7
Viet Nam	3,073.3	2,064.3	2,634.2
Taiwan	2,975.2	2,063.5	2,235.2
ROK	2,760.9	2,245.6	2,800.1

TABLE 4: MAJOR EXPORT PRODUCTS (QUARTERLY)

Products	Q1 2019p	Q4 2018p	Q1 2018p
	RM Million	RM Million	RM Million
Total Exports	**236,047.8**	**264,763.2**	**237,629.6**
Electrical & Electronic Products	91,331.7	102,369.3	88,124.6
Petroleum Products	15,177.3	20,737.0	17,438.4
Chemicals & Chemical Products	14,132.8	16,063.8	13,382.4
LNG	12,180.0	12,750.1	9,953.3
Palm Oil & Palm Oil-Based Agriculture Products	10,317.3	10,781.1	12,400.6
Machinery, Equipment & Parts	9,751.0	10,016.2	10,368.2
Manufactures of Metal	9,423.3	11,154.8	10,201.5
Optical & Scientific Equipment	8,735.7	9,814.8	8,441.1
Crude Petroleum	6,772.8	9,949.5	8,540.1
Rubber Products	6,260.5	6,894.9	6,432.6

TABLE 5: MAJOR EXPORT MARKETS (QUARTERLY)

Markets	Q1 2019p	Q4 2018p	Q1 2018p
	RM Million	RM Million	RM Million
Total Exports	**236,047.8**	**264,763.2**	**237,629.6**
Singapore	31,733.4	38,367.8	32,162.5
China	31,197.7	38,274.5	29,184.1
USA	21,902.3	23,865.5	22,125.3
Japan	17,982.7	18,607.7	19,247.5
Hong Kong SAR	16,035.3	19,761.0	17,907.5
Thailand	15,010.9	15,070.8	13,627.6
India	9,151.0	8,969.3	9,418.9
ROK	8,319.4	9,523.4	7,862.7
Viet Nam	7,925.1	9,312.3	8,279.8
Taiwan	7,881.6	9,384.6	6,402.5

TABLE 6: MAJOR IMPORT PRODUCTS

Products	Mar 2019p	Feb 2019p	Mar 2018p
	RM Million	RM Million	RM Million
Total Imports	**69,678.7**	**55,543.1**	**69,778.7**
Electrical & Electronic Products	20,851.4	17,232.5	20,919.8
Chemicals & Chemical Products	6,869.0	5,362.4	6,528.7
Petroleum Products	6,344.9	3,864.6	5,715.1
Machinery, Equipment & Parts	5,393.8	4,414.2	6,113.8
Manufactures of Metal	3,614.4	2,885.3	3,709.9
Transport Equipment	3,550.9	3,109.5	4,209.4
Iron & Steel Products	2,285.2	1,865.2	2,682.3
Crude Petroleum	2,083.2	1,929.5	1,641.5
Optical & Scientific Equipment	2,053.9	1,464.5	1,943.4
Processed Food	1,610.4	1,270.2	1,572.0

TABLE 7: MAJOR IMPORT SOURCES

Sources	Mar 2019p	Feb 2019p	Mar 2018p
	RM Million	RM Million	RM Million
Total Imports	**69,678.7**	**55,543.1**	**69,778.7**
China	13,762.3	9,165.4	11,957.5
Singapore	7,826.6	5,968.9	8,390.7
USA	5,825.7	4,863.0	5,267.5
Japan	5,052.2	4,774.4	5,717.7
Taiwan	4,690.0	3,757.7	4,768.6
Thailand	3,955.5	3,610.6	4,337.0
ROK	3,207.3	2,485.9	3,509.6
Indonesia	2,930.3	2,674.0	3,531.5
Germany	2,143.0	1,828.1	2,345.0
Saudi Arabia	1,827.1	1,176.1	1,239.9

TABLE 8: MAJOR IMPORT PRODUCTS (QUARTERLY)

Products	Q1 2019p	Q4 2018p	Q1 2018p
	RM Million	RM Million	RM Million
Total Imports	**199,107.4**	**229,931.0**	**204,256.4**
Electrical & electronic products	60,016.6	67,607.2	61,138.9
Chemicals & chemical products	19,501.5	21,701.3	18,897.4
Machinery, Equipment & Parts	16,602.7	18,610.5	18,132.6
Petroleum Products	15,748.1	25,505.7	18,606.9
Manufactures of Metal	10,787.0	12,282.2	11,553.5
Transport Equipment	9,973.5	11,230.3	11,180.4
Iron & Steel Products	6,981.6	7,504.4	7,155.1
Crude Petroleum	6,258.7	5,698.2	4,151.4
Optical & Scientific Equipment	5,354.5	5,952.9	5,351.2
Processed food	4,797.4	5,435.5	4,776.6

TABLE 9: MAJOR IMPORT SOURCES (QUARTERLY)

Sources	Q1 2019p	Q4 2018p	Q1 2018p
	RM Million	RM Million	RM Million
Total Imports	**199,107.4**	**229,931.0**	**204,256.4**
China	40,825.1	44,914.3	39,752.3
Singapore	21,402.5	26,971.5	24,697.8
USA	16,022.8	17,062.1	15,506.5
Japan	14,672.1	16,330.2	15,129.1
Taiwan	13,833.1	16,792.9	13,295.3
Thailand	11,309.5	12,424.3	11,609.5
ROK	8,767.8	10,415.4	8,975.3
Indonesia	8,708.3	10,990.7	9,599.5
Germany	6,327.6	6,814.2	6,580.0
Saudi Arabia	5,237.2	5,557.8	2,878.1

Source: Department of Statistics, Malaysia
Tabulated by: MATRADE

Notes:
p - provisional data
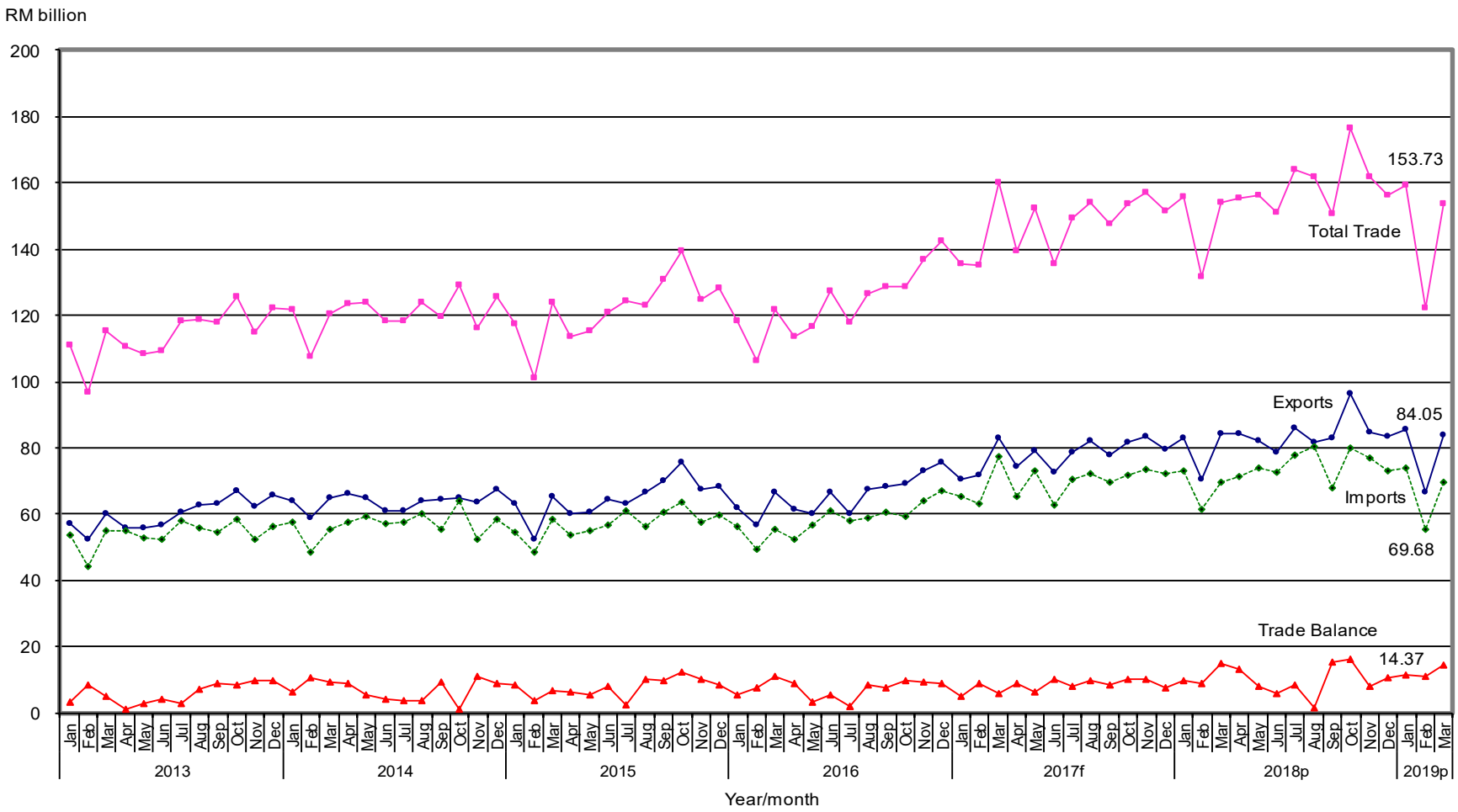
CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2013 – MARCH 2019