

**Embargo until 1200 hours,
Friday, 4th October 2019**

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR AUGUST 2019 AND THE PERIOD OF JANUARY- AUGUST 2019 #

Trade Surplus Sustained Above RM10 Billion

Malaysia's trade surplus in August 2019 was valued at RM10.92 billion, surged by 655.2% compared to August 2018 and marked the 262nd consecutive months of trade surplus since November 1997.

Exports slipped by 0.8% year-on-year (y-o-y) to RM81.36 billion. Lower exports were recorded to Hong Kong SAR, Australia, Taiwan, China, New Zealand, the Republic of Korea (ROK) and ASEAN. Meanwhile, increases in exports were registered to Bangladesh, India, the United States (US) and the European Union (EU).

Imports amounted to RM70.43 billion, a contraction of 12.5% from August 2018. Total trade was valued at RM151.79 billion, lower by 6.6% y-o-y.

On a month-on-month (m-o-m) basis, total trade, exports, imports and trade surplus registered a decline of 6.1%, 7.5%, 4.4% and 23.5%, respectively.

For the first 8 months of 2019, total trade stood at RM1.209 trillion, declining by 2.1% compared to the same period of 2018. Exports amounted to RM650.81 billion, decreased marginally by 0.4% while imports contracted by 4% to RM558.26 billion. Trade surplus increased by 28.7% to RM92.55 billion.

Export Performance of Major Sectors

Manufactures of Metal Led Manufactured Exports in August 2019

Exports of manufactured goods in August 2019 which accounted for 84.4% of total exports, grew by 0.1% to RM68.64 billion. The expansion was contributed mainly by higher exports of manufactures of metal, transport equipment, iron and steel products, petroleum products, processed food as well as machinery, equipment and parts.

Exports of mining goods (7.4% share) was valued at RM6.01 billion, declined by 20.7% on account of lower exports of crude petroleum registering lower volume and Average Unit Value (AUV).

On a positive note, exports of agriculture goods rose by 13% to RM5.98 billion (7.4% share), buoyed by higher exports of palm oil and palm oil-based agriculture products. Exports of palm oil recorded an increase of 31.4% to RM3.65 billion following higher volume.

Major exports in August 2019:

- Electrical and electronic (E&E) products, valued at RM29.67 billion and constituted 36.5% of total exports, decreased by 7.4% from August 2018;
- Petroleum products, RM5.43 billion, 6.7% of total exports, increased by 7%;
- Chemicals and chemical products, RM4.77 billion, 5.9% of total exports, decreased by 4.5%;
- Palm oil & palm oil-based agriculture products, RM4.08 billion, 5% of total exports, increased by 23.3%; and
- Manufactures of metal, RM3.96 billion, 4.9% of total exports, increased by 19.2%.

Compared to July 2019, exports of agriculture goods increased double-digit by 21.4%, while manufactured and mining goods exports declined by 9.4% and 9%, respectively.

During January to August 2019, exports of manufactured goods grew by 0.7% to RM548.34 billion compared to the same period of 2018, led by higher exports of iron and steel products, E&E products, processed food as well as chemicals and chemical products. Exports of mining goods contracted by 3.8% to RM54.51 billion due mainly to lower exports of crude petroleum. Exports of agriculture goods decreased by 4.2% to RM43.05 billion on account of lower exports of palm oil and palm oil-based agriculture products.

Trade Performance with Major Markets

Exports to ASEAN Remained Firm for the First 8 Months

Trade with ASEAN in August 2019 which made up 26.2% of Malaysia's total trade decreased by 8.5% y-o-y to RM39.78 billion. Exports to ASEAN decreased by 1.2% to RM22.92 billion, owing to lower exports of E&E products, petroleum products, jewellery as well as palm oil and palm oil-based agriculture products. Meanwhile, machinery, equipment and parts, iron and steel products and crude petroleum recorded expansion. Imports from ASEAN contracted by 16.9% to RM16.87 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM10.94 billion, decreased by 7.2%
- Thailand RM4.25 billion, ↓8.3%
- Viet Nam RM2.96 billion, ↑24.6%
- Indonesia RM2.59 billion, ↑10.3%
- Philippines RM1.49 billion, ↓1.8%
- Cambodia RM289.0 million, ↑144.5%
- Brunei RM201.3 million, ↑10.7%
- Myanmar RM184.7 million, ↓16.4%
- Lao PDR RM2.8 million, ↓53.8%

Exports to major markets in ASEAN that recorded expansion were **Viet Nam**, which increased by RM585.8 million due to higher exports of manufactures of metal,

Indonesia (↑RM242.4 million, iron and steel products) and **Cambodia** (↑RM170.8 million, petroleum products).

On a m-o-m basis, trade, exports and imports recorded a decline of 7%, 9.1% and 4% respectively.

From January to August 2019, trade with ASEAN contracted by 3.5% to RM321.88 billion compared to the same period of 2018. Exports to this region expanded by 0.6% to RM187.48 billion, led by higher exports of iron and steel products, E&E products, machinery, equipment and parts, liquefied natural gas (LNG) as well as petroleum condensates and other petroleum oil. Imports slipped by 8.6% to RM134.39 billion.

Exports of Palm Oil and Palm Oil-Based Agriculture Products to China Doubled in August

In August 2019, trade with China which represented 17.4% of Malaysia's total trade or RM26.47 billion, decreased by 7.9% y-o-y. Exports was valued at RM11.49 billion, reduced by 2.8% on lower exports of E&E products, crude petroleum, metalliferous ores and metal scrap as well as chemicals and chemical products. However, exports of palm oil and palm oil-based agriculture products recorded an increase of 102.8%. Other products that recorded increases were manufactures of metal as well as iron and steel products. Imports from China declined by 11.5% to RM14.97 billion.

Compared to July 2019, trade, exports and imports dipped by 7.1%, 13.9% and 1.2%, respectively.

Trade with China for the period of January to August 2019 stood at RM203.73 billion, contracting by 1.2% compared to the same period of 2018. Exports to China reduced marginally by 0.1% to RM88.96 billion, due to lower exports of E&E products, rubber products, crude petroleum as well as optical and scientific equipment. However, exports expansion was seen for LNG, chemicals and chemical products, iron and

steel products as well as manufactures of metal. Imports from China registered a decrease of 2% to RM114.77 billion.

EU – Exports Rose by 5.3% y-o-y

Trade with the EU which contributed 9.5% to Malaysia's total trade in August 2019, fell by 7.8% y-o-y to RM14.47 billion. Exports amounted to RM8.05 billion, increasing by 5.3% on account of larger exports of E&E products, palm oil-based manufactured products, transport equipment and processed food. Imports from the EU totalled RM6.42 billion, decreased by 20.3%.

Among the top 10 EU markets which accounted for 89.6% of Malaysia's total exports to the EU, exports to 4 countries recorded increases namely, **the Netherlands** (↑42.5%), **the United Kingdom (UK)** (↑12.9%), **Spain** (↑14.0%) and **Hungary** (↑1.6%).

On a m-o-m basis, trade, exports and imports fell by 1.6%, 0.7% and 2.9%, respectively.

For the first 8 months of 2019, trade with the EU was valued at RM118.69 billion, decreased by 4% compared to the same period of 2018. Exports amounted to RM65.46 billion, contracted by 1.4% due to lower exports of manufactures of metal, palm oil and palm oil-based agriculture products as well as chemicals and chemical products. Increases in exports were recorded for E&E products, petroleum products as well as machinery, equipment and parts. Imports from the EU decreased by 7.1% to RM53.24 billion.

Fifth Consecutive Month of Export Growth to the US

Trade with the US in August 2019 grew by 3.8% y-o-y to RM14.44 billion, accounting for 9.5% of Malaysia's total trade. Exports to the US continued to grow for 5 straight months with an expansion of 6.8% y-o-y to RM8.32 billion in August 2019 which was

buoyed by higher exports of E&E products, transport equipment, wood products as well as manufactures of plastics. Imports from the US rose marginally by 0.1% to RM6.11 billion.

Compared to July 2019, trade and imports increased by 2.8% and 7.5%, respectively while exports contracted by 0.4%.

During the first 8 months of 2019, trade with the US expanded by 4.9% to RM106.48 billion compared to the same period of 2018. Exports grew by 4.3% to RM61.77 billion driven by higher exports of E&E products, wood products, manufactures of plastics, processed food and rubber products. Imports from the US increased by 5.6% to RM44.71 billion.

Exports to Japan Up 2.4% y-o-y

In August 2019, trade with Japan which represented 6.8% of Malaysia's total trade stood at RM10.26 billion, a decrease of 1.4% y-o-y. Exports totalled RM4.96 billion, increasing by 2.4% due to higher exports of manufactures of metal, E&E products, metalliferous ores and metal scrap as well as transport equipment. Imports from Japan contracted by 4.7% to RM5.3 billion.

On a m-o-m basis, trade, exports and imports declined by 2.5%, 4.6% and 0.4%, respectively.

For the period of January to August 2019, trade with Japan was valued at RM84.84 billion, decreased by 3.9% compared to the same period of 2018. Exports amounted to RM44.05 billion, a decline of 4.1% due to lower exports of LNG, optical and scientific equipment as well as palm oil-based manufactured products. Increases in exports were recorded for transport equipment, manufactures of metal, textiles, apparels and footwear as well as processed food. Imports from Japan were lower by 3.7% to RM40.8 billion.

Trade with FTA Partners

In August 2019, trade with Free Trade Agreement (FTA) partners which constituted 61.9% of Malaysia's total trade stood at RM93.95 billion, a decline of 6.6% y-o-y. Exports to FTA partners was valued at RM49.09 billion, a decrease of 2.4% and imports totalled RM44.86 billion, a contraction of 10.8%.

Increases in exports were recorded to **India**, by 18.4% to RM3.61 billion, **Pakistan** (↑26% to RM375.4 million) and **Turkey** (↑13.8% to RM543.2 million), mainly attributed by higher uptake of palm oil and palm oil-based agriculture products.

Compared to July 2019, trade, exports and imports recorded a decrease of 6.4%, 8.7% and 3.8%, respectively.

Trade with FTA partners for the first 8 months of 2019 which made up 62% of Malaysia's total trade amounted to RM749.14 billion, declined by 2.5%. Exports were valued at RM398.81 billion, a marginal decrease of 0.6% while imports reduced by 4.7% to RM350.33 billion.

Import Performance

Total imports in August 2019 contracted by 12.5% to RM70.43 billion from RM80.54 billion in August 2018. The three main categories of imports by end use which accounted for 75.7% of total imports were:

- **Intermediate goods**, valued at RM39.02 billion or 55.4% share of total imports, decreased by 13.9%, following lower imports of processed industrial supplies particularly non-monetary gold;
- **Capital goods**, valued at RM8.06 billion or 11.4% of total imports, down by 31%, due mainly to lower imports of capital good (except transport equipment) particularly parts of machinery and mechanical appliances; and

- **Consumption goods**, valued at RM6.22 billion or 8.8% of total imports, contracted by 12.8%, as a result of lower imports of semi-durables particularly knitted apparel and clothing accessories.

During January to August 2019, imports amounted to RM558.26 billion, declined by 4% from the same period of 2018. **Intermediate goods** totalled RM306.84 billion, decreased by 0.05%, **capital goods** (RM65.59 billion, ↓13.3%) and **consumption goods** (RM48.38 billion, ↑0.4%).

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, 4th October 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 August 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	<u>Total Exports</u> (RM Million)	<u>Total Imports</u> (RM Million)	<u>Trade Balance</u> (RM Million)	<u>Total Trade</u> (RM Million)
2018^f				
January	83,252.4	73,201.3	10,051.1	156,453.7
February	70,552.3	61,416.8	9,135.6	131,969.1
March	84,855.7	69,896.7	14,959.0	154,752.4
April	84,636.4	71,373.5	13,262.9	156,009.9
May	82,862.0	74,039.6	8,822.4	156,901.6
June	78,845.2	72,746.2	6,098.9	151,591.4
July	86,474.6	78,349.1	8,125.5	164,823.8
August	81,982.2	80,536.1	1,446.1	162,518.3
September	83,341.9	67,770.9	15,571.0	151,112.9
October	97,122.0	80,270.5	16,851.6	177,392.5
November	85,542.5	77,046.3	8,496.2	162,588.8
December	84,119.5	73,156.9	10,962.6	157,276.5
2018 (Jan-Dec)^f	1,003,586.9	879,804.0	123,782.9	1,883,390.9
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	84,063.2	69,678.9	14,384.2	153,742.1
April	85,155.0	74,345.6	10,809.4	159,500.6
May	84,138.2	75,062.7	9,075.5	159,201.0
June	76,143.2	65,631.0	10,512.2	141,774.2
July	87,958.4	73,682.5	14,275.9	161,640.9
August	81,355.0	70,433.7	10,921.4	151,788.7
Change m-o-m (%)	-7.5	-4.4	-23.5	-6.1
Change y-o-y (%)	-0.8	-12.5	655.2	-6.6
2018 (Jan-Aug) ^f	653,460.8	581,559.4	71,901.5	1,235,020.2
2019 (Jan-Aug)^P	650,812.3	558,263.2	92,549.2	1,209,075.5
Change (%)	-0.4	-4.0	28.7	-2.1

Note: Total may not necessarily add up due to rounding.

TABLE 2: MAJOR EXPORT PRODUCTS

Products	August 2019 ^P	July 2019 ^P	August 2018 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	81,355.0	87,958.4	81,982.2	-7.5	-0.8
Electrical & Electronic Products	29,666.2	36,043.7	32,051.5	-17.7	-7.4
Petroleum Products	5,431.2	6,423.2	5,074.2	-15.4	7.0
Chemicals & Chemical Products	4,765.2	4,884.1	4,990.0	-2.4	-4.5
Palm Oil & Palm Oil-Based Agriculture Products	4,079.9	3,023.8	3,309.3	34.9	23.3
Manufactures of Metal	3,961.0	3,591.7	3,323.8	10.3	19.2
Machinery, Equipment & Parts	3,462.4	3,736.7	3,217.0	-7.3	7.6
LNG	2,899.7	3,348.0	3,266.3	-13.4	-11.2
Optical & Scientific Equipment	2,777.4	3,069.7	3,167.6	-9.5	-12.3
Rubber Products	2,236.7	2,024.4	2,295.2	10.5	-2.5
Crude Petroleum	1,975.9	2,076.3	3,293.6	-4.8	-40.0

TABLE 3: MAJOR EXPORT MARKETS

Markets	August 2019 ^P	July 2019 ^P	August 2018 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Exports	81,355.0	87,958.4	81,982.2	-7.5	-0.8
China	11,490.5	13,339.3	11,826.9	-13.9	-2.8
Singapore	10,938.6	12,345.5	11,783.5	-11.4	-7.2
USA	8,323.6	8,361.2	7,793.6	-0.4	6.8
Hong Kong SAR	4,988.6	6,624.2	5,900.2	-24.7	-15.4
Japan	4,958.6	5,200.3	4,842.0	-4.6	2.4
Thailand	4,248.4	4,853.5	4,630.5	-12.5	-8.3
India	3,612.1	3,043.9	3,051.6	18.7	18.4
Viet Nam	2,962.5	3,161.5	2,376.6	-6.3	24.6
ROK	2,747.7	2,900.1	3,027.2	-5.3	-9.2
Indonesia	2,594.2	2,565.8	2,351.8	1.1	10.3

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY- AUGUST)

Products	Jan-Aug 2019 ^p	Jan-Aug 2018 ^f	Change
	RM Million	RM Million	%
Total Exports	650,812.3	653,460.8	-0.4
Electrical & Electronic Products	247,584.7	245,781.4	0.7
Petroleum Products	47,054.8	49,257.6	-4.5
Chemicals & Chemical Products	37,971.0	36,751.7	3.3
Palm Oil & Palm Oil- Based Agriculture Products	28,397.8	30,166.0	-5.9
Manufactures of Metal	28,034.7	30,328.6	-7.6
LNG	27,873.7	25,087.1	11.1
Machinery, Equipment & Parts	27,505.6	27,546.5	-0.1
Optical & Scientific Equipment	23,763.0	23,542.6	0.9
Crude Petroleum	18,327.4	24,004.5	-23.7
Rubber Products	16,733.2	17,448.9	-4.1

TABLE 5: MAJOR EXPORT MARKETS (JANUARY- AUGUST)

Markets	Jan-Aug 2019 ^p	Jan-Aug 2018 ^f	Change
	RM Million	RM Million	%
Total Exports	650,812.3	653,460.8	-0.4
Singapore	89,115.5	89,735.5	-0.7
China	88,958.5	89,043.8	-0.1
USA	61,769.6	59,205.7	4.3
Hong Kong SAR	44,073.6	48,112.7	-8.4
Japan	44,048.0	45,919.9	-4.1
Thailand	38,696.6	37,641.3	2.8
India	26,458.6	24,691.5	7.2
Taiwan	23,486.8	20,406.3	15.1
Viet Nam	22,976.3	22,360.7	2.8
ROK	21,808.4	21,533.2	1.3

TABLE 6: MAJOR IMPORT PRODUCTS

Products	August 2019 ^p	July 2019 ^p	August 2018 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	70,433.7	73,682.5	80,536.1	-4.4	-12.5
Electrical & Electronic Products	20,854.2	20,733.0	24,994.5	0.6	-16.6
Chemicals & Chemical Products	7,482.1	7,124.3	7,454.6	5.0	0.4
Machinery, Equipment & Parts	5,713.4	6,323.6	6,946.1	-9.6	-17.7
Petroleum Products	5,679.7	6,052.0	5,541.8	-6.2	2.5
Transport Equipment	3,564.9	3,206.0	4,767.7	11.2	-25.2
Manufactures of Metal	3,545.2	3,667.6	4,038.7	-3.3	-12.2
Iron & Steel Products	2,930.7	2,737.1	2,789.5	7.1	5.1
Optical & Scientific Equipment	2,027.6	2,123.2	2,197.5	-4.5	-7.7
Processed Food	1,735.4	1,806.7	1,890.0	-3.9	-8.2
Crude Petroleum	1,555.7	2,795.7	3,253.9	-44.4	-52.2

TABLE 7: MAJOR IMPORT SOURCES

Sources	August 2019 ^p	July 2019 ^p	August 2018 ^f	Change m-o-m	Change y-o-y
	RM Million	RM Million	RM Million	%	%
Total Imports	70,433.7	73,682.5	80,536.1	-4.4	-12.5
China	14,974.8	15,163.8	16,920.4	-1.2	-11.5
Singapore	7,160.1	7,096.8	8,746.4	0.9	-18.1
USA	6,114.6	5,687.3	6,110.3	7.5	0.1
Japan	5,303.4	5,323.0	5,566.0	-0.4	-4.7
Taiwan	4,681.8	4,860.6	6,089.5	-3.7	-23.1
Thailand	3,627.2	3,497.4	4,495.4	3.7	-19.3
ROK	3,299.6	3,887.9	3,357.1	-15.1	-1.7
Indonesia	3,206.8	3,747.0	3,797.5	-14.4	-15.6
Germany	2,294.6	2,501.5	2,396.4	-8.3	-4.2
India	2,155.6	1,712.7	1,906.1	25.9	13.1

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY- AUGUST)

Products	Jan-Aug 2019 ^p	Jan-Aug 2018 ^f	Change
	RM Million	RM Million	%
Total Imports	558,263.2	581,559.4	-4.0
Electrical & Electronic Products	161,113.6	173,283.8	-7.0
Chemicals & Chemical Products	55,177.5	54,082.6	2.0
Petroleum Products	49,006.2	53,474.0	-8.4
Machinery, Equipment & Parts	46,307.2	49,928.2	-7.3
Manufactures of Metal	29,355.9	30,346.9	-3.3
Transport Equipment	27,324.6	31,682.4	-13.8
Iron & Steel Products	20,245.4	20,945.4	-3.3
Crude Petroleum	17,822.1	15,150.1	17.6
Optical & Scientific Equipment	15,600.9	15,470.2	0.8
Processed Food	13,383.4	13,004.6	2.9

TABLE 9: MAJOR IMPORT SOURCES (JANUARY- AUGUST)

Sources	Jan-Aug 2019 ^p	Jan-Aug 2018 ^f	Change
	RM Million	RM Million	%
Total Imports	558,263.2	581,559.4	-4.0
China	114,766.6	117,157.6	-2.0
Singapore	57,192.8	66,911.2	-14.5
USA	44,711.4	42,321.1	5.6
Japan	40,796.6	42,345.8	-3.7
Taiwan	38,363.1	41,427.9	-7.4
Thailand	29,692.3	32,285.8	-8.0
ROK	25,695.0	25,811.5	-0.5
Indonesia	25,477.8	26,477.7	-3.8
Germany	18,113.8	17,662.7	2.6
Australia	15,074.1	13,883.0	8.6

Source: Department of Statistics, Malaysia

Tabulated by: MATRADE

Notes:

p - provisional data

f - final data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2013 – AUGUST 2019

