

**Embargo until 1200 hours,
Friday, 6th May 2016**

MALAYSIA EXTERNAL TRADE STATISTICS

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

Trade Surplus Expanded to RM23.94 billion in Q1 2016

Malaysia's trade surplus registered a double digit growth of 12.2% to reach a value of RM23.94 billion during the **first quarter (Q1) of 2016**. **Total trade** were valued at RM346.38 billion compared with RM345.15 billion recorded during the same period of last year.

Exports rebounded to RM185.16 billion, an increase of 1% as compared to a decline of 2.5% recorded in Q1 2015. Growth in exports was recorded to major markets namely, ASEAN, the United States of America (USA), the European Union (EU) and Turkey. **Imports** were sustained at RM161.22 billion compared with RM161.91 billion recorded in January to March 2015.

For the month of **March 2016**, **trade surplus** surged by 52.2% to RM11.19 billion from RM7.35 billion in February 2016, making it the 221st consecutive month of trade surplus since November 1997. On a year-on-year basis, trade surplus rose 43.1%. **Exports** increased marginally to RM66.59 billion from RM66.47 billion recorded in March 2015. **Imports** decreased by 5.5% to RM55.39 billion, with **total trade** of RM121.98 billion recorded, a decline of 2.5%.

On a **month-on-month basis**, exports, imports and total trade registered a double digit growth of 17.4%, 12.2% and 15%, respectively.

Export Performance of Major Sectors

Overall, exports both of manufactured and agricultural goods increased during **Q1 2016**. Exports of mining goods, however, declined.

Manufactured Goods Drives Exports

Exports of **manufactured goods** during the **first quarter** grew by 6.4% or RM9.18 billion to RM151.93 billion, accounting for 82.1% of Malaysia's exports. The higher exports was driven mainly by increased exports of manufactures of metal, electrical and electronic (E&E) products, machinery, equipment and parts as well as optical and scientific equipment.

Exports of **agricultural goods** in **Q1 2016** expanded by 6.5% to RM15.27 billion, attributed mainly to higher exports of palm oil, which amounted to RM8.57 billion, an increase of 6.6% or RM532.9 million, contributed mainly by higher export volume.

Exports of **mining goods** decreased by 32.5% to RM16.88 billion with lower exports of liquefied natural gas (LNG) and crude petroleum. Lower exports of LNG was caused by the contraction in the Average Unit Value (AUV) and volume, while crude petroleum due to lower AUV.

Major exports in the first quarter of 2016 were:

- E&E products valued at RM66.54 billion which constituted 35.9% of total exports, increased by 3.6% from the corresponding period of 2015;
- Chemicals and chemical products (RM13.72 billion), 7.4% of total exports, increased by 6.2%;
- Petroleum products (RM11.11 billion), 6% of total exports, a decrease of 12.2%;
- Palm oil and palm based agriculture products (RM9.98 billion), 5.4% of total exports, an increase of 7.8%; and
- Machinery, equipment and parts (RM9.85 billion), 5.3% of total exports, an increase of 23%.

In **March 2016**, exports of manufactured goods increased by 4.6% to RM55.1 billion contributed mainly by higher exports of manufactures of metal especially nickel, machinery, equipment and parts, optical and scientific equipment, processed food, textiles, apparels and footwear, chemicals and chemical products as well as E&E products. Exports of agricultural goods recorded a value of RM5.49 billion, an increase of 6%. Exports of mining goods amounted to RM5.64 billion, a decrease of 32.1%.

Performance of Major Markets

Exports to ASEAN Up 6.5%

During the period of **January-March 2016**, trade with ASEAN increased by 2.6% to RM94.87 billion from the same period in 2015, accounting for 27.4% of Malaysia's total trade. **Exports** grew by 6.5% to RM53.65 billion, supported by higher exports of manufactured goods especially E&E products, manufactures of metal, machinery, equipments and parts as well as chemicals and chemical products. These products altogether amounted to RM28.86 billion or 53.7% share of Malaysia's exports to ASEAN. **Imports** however, contracted by 2.1% to RM41.22 billion.

Breakdown of **exports to ASEAN countries** as follows:

- Singapore RM 26.27 billion, **increased** by 2.7%
- Thailand RM 11.00 billion, ↑6.2%
- Indonesia RM 6.57 billion, ↑1.7%
- Viet Nam RM 4.56 billion, ↑24.3%
- Philippines RM 3.42 billion, ↑17.0%
- Myanmar RM 919.8 million, ↑42.2%
- Brunei RM 512.2 million, ↓1.1%
- Cambodia RM 376.3 million, ↑83.6%
- Lao PDR RM 21.4 million, ↑43.5%

Exports to **Singapore** increased by RM695.5 million to RM26.27 billion due mainly to higher exports of E&E products. Exports to **Thailand** grew by RM644.8 million, supported by higher exports of E&E products as well as petroleum products.

Exports to **Viet Nam** increased by RM890.8 million, contributed mainly by higher exports of petroleum products, manufactures of metal as well as machinery, equipment and parts. Exports to **Indonesia** expanded by RM106.8 million with higher exports of chemicals and chemical products, E&E products as well as manufactures of metal.

In **March 2016**, exports to **ASEAN** grew by 5.6% to reach a value of RM19.19 billion, contributing 28.8% to Malaysia's total exports. The increase was due to higher exports of E&E products (electronic integrated circuits), manufactures of metal (aluminium alloys), processed food, machinery, equipment and parts (air conditioner) as well as chemicals and chemical products (alcohols, phenols and their derivatives). Growth in exports was registered to all ASEAN markets except for Indonesia and Brunei. **Imports** from ASEAN were down 13.1% to RM14.15 billion while **trade** with ASEAN declined by 3.2% to RM33.33 billion.

Strong Export Growth to the USA

During the **Q1 of 2016**, trade with the **USA** increased by 11.1% to RM33.09 billion. **Exports** recorded a double digit growth of 13.1% to RM19.07 billion while **imports** expanded by 8.4% to RM14.02 billion. The robust export performance to the USA was contributed mainly by E&E products. Other products that contributed to the increase in exports to the USA were transport equipment, wood products, manufactures of metal, as well as optical and scientific equipment.

In **March 2016**, trade with the USA expanded by 3.2% to RM11.63 billion. **Exports** grew by 11.8% to RM6.8 billion while **imports** totalled RM4.83 billion, decreased by 6.9%. Products which contributed to the increase in exports were E&E products, machinery, equipment and parts, transport equipment (parts for aircraft) as well as chemicals and chemical products (alcohols, phenols and their derivatives).

Trade with China Rose 4.6%

In the **first three months of 2016**, trade with **China** registered a growth of 4.6% to RM51.32 billion. **Exports** increased by 1.3% to RM20.81 billion and **imports** expanded by 7% to RM30.51 billion. The increase in exports to China was attributed mainly to manufactures of metal, metalliferous ores, chemicals and chemical products as well as optical and scientific equipment.

In **March 2016**, trade with China increased by 3.5% to RM17.76 billion. **Exports** to China valued at RM7.81 billion, decreased by 5.9% due to lower exports of E&E products (electronic integrated circuits), petroleum products, metalliferous ores as well as LNG. However, higher exports were registered for manufactures of metal, optical and scientific equipment as well as palm oil and palm based agriculture products. On a **month-on-month basis**, exports to China surged by 20.4%, due mainly to higher exports of E&E products.

Imports from China were valued at RM9.95 billion, an increase of 12.3% from March 2015.

Exports to the EU Up 7.9%

Exports to the EU continued to expand in **Q1 of 2016**, achieving a growth of 7.9% to RM19.33 billion. Machinery, equipment and parts, palm oil and palm based agriculture products, optical and scientific equipment, rubber products, textiles and apparels as well as chemicals and chemical products were the main contributors to the increase in exports. Among the top 10 EU markets, 7 markets registered growth in exports. Markets which recorded double digit growth were Germany (↑24.7%), France (↑17%), Italy (↑30.4%), Belgium (↑19.4%), Spain (↑44%) and Sweden (↑12.8%). **Imports** declined by 8.1% to RM15.99 billion while **trade** amounted to RM35.32 billion, the same level as that in the preceding year at RM35.31 billion.

Exports to the EU in **March 2016** grew by 6.5% to RM6.72 billion. In terms of products, higher exports to the EU were registered for machinery, equipment and

parts (parts for civil engineering and contractor's plant), palm oil and palm based agriculture products, optical and scientific equipment (instruments and appliances used in medical, surgical, dental or veterinar), apparels, rubber products as well as transport equipment (parts for aircraft). **Imports** from the EU were lower by 11.4% to RM5.44 billion. **Trade** with the EU contracted by 2.3% to RM12.16 billion.

Japan - 4th Largest Trading Partner

During the **first three months of 2016**, trade with **Japan** amounted to RM31 billion with **exports** and **imports** value of RM17.29 billion and RM13.71 billion, respectively. The decline in exports to Japan by 20.6% in **Q1 2016** was due mainly to lower exports of LNG. However, higher exports to Japan were registered for manufactured goods, namely, textiles, non-metallic mineral products, manufactures of metal as well as processed food.

Trade with Japan in **March 2016** was valued at RM11.24 billion, a decline of 7.5%. **Exports** totalled RM6.17 billion while **imports** increased by 3.9% to RM5.06 billion. Exports to Japan declined by 15.1% due to lower exports of LNG and E&E products.

On a **month-on-month basis**, exports to Japan registered a double digit growth of 10.2% contributed by higher exports of LNG, manufactures of metal and crude petroleum.

Trade with FTA Partners

During **first quarter 2016**, trade with **FTA partners** amounted to RM216.98 billion, accounting for 62.6% of Malaysia's trade. **Exports** to FTA partners recorded a value of RM115.5 billion while **imports**, RM101.48 billion.

Higher exports were recorded to Viet Nam, Turkey, Singapore, Thailand, Philippines and Myanmar during the period of **January to March 2016**. Exports to **Turkey** surged by 123.1% to RM1.55 billion due to increase in exports of palm oil and palm based

agriculture products, chemicals and chemical products as well as manufactures of metal.

In **March 2016**, total trade with **Free Trade Agreement (FTA) partners** was valued at RM76.08 billion with exports valued at RM41.63 billion and imports totalled RM34.45 billion.

Imports

Total imports in **January-March 2016** declined by 0.4% to RM161.22 billion. The **three main categories** of imports by end use were:

- **Intermediate goods**, valued at RM93.85 billion or 58.2% **share** of total imports, decreased by 3.1%, due mainly to lower imports of petroleum products;
- **Capital goods** (RM21.43 billion, 13.3% share, down 12.9%), due mainly to lower imports of aircraft; and
- **Consumption goods** (RM15.78 billion, 9.8% share, up 24.6%), with higher imports of food products.

In **March 2016**, imports decreased by 5.5% to RM55.39 billion. The **three main categories** by end use were intermediate goods which valued at RM31.6 billion, capital goods (RM7.42 billion) and consumption goods (RM5.34 billion).

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, 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, 6th May 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 March 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.

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)
2015^P				
January	63,604.8	54,647.7	8,957.1	118,252.5
February	53,168.7	48,613.6	4,555.1	101,782.3
March	66,466.4	58,644.6	7,821.8	125,111.1
April	60,381.7	53,516.6	6,865.1	113,898.3
May	60,453.9	54,941.0	5,512.9	115,395.0
June	64,258.4	56,280.1	7,978.3	120,538.5
July	63,216.7	60,850.3	2,366.3	124,067.0
August	66,499.0	56,336.9	10,162.1	122,835.9
September	70,161.3	60,470.9	9,690.4	130,632.2
October	75,810.2	63,645.6	12,164.6	139,455.7
November	67,627.6	57,393.1	10,234.5	125,020.6
December	68,297.9	60,050.2	8,247.6	128,348.1
2015 (Jan-Dec)^P	779,946.6	685,390.7	94,555.9	1,465,337.3
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
2015^P				
Q1	183,240.0	161,906.0	21,334.0	345,146.0
Q2	185,094.1	164,737.7	20,356.4	349,831.8
Q3	199,876.9	177,658.2	22,218.8	377,535.1
Q4	211,735.6	181,088.9	30,646.7	392,824.4
2016^P				
Q1	185,157.7	161,221.8	23,935.9	346,379.5

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Mar 2016 ^p	Feb 2016 ^p	Mar 2015 ^p
	RM Million	RM Million	RM Million
Total Exports	66,586.2	56,719.7	66,466.4
Electrical & Electronic Products	24,117.2	20,076.8	24,013.5
Chemicals & Chemical Products	5,080.1	4,297.4	4,878.0
Petroleum Products	4,304.9	3,453.7	4,455.1
Machinery, Equipment & Parts	3,629.0	2,947.6	3,059.9
Palm oil and palm based agriculture products	3,601.6	2,927.0	3,347.3
Manufactures of Metal	3,418.9	2,740.8	2,174.3
LNG	3,062.0	3,217.0	5,442.9
Optical & Scientific Equipment	2,530.7	2,084.4	2,293.1
Crude Petroleum	1,753.5	1,572.8	1,928.3
Processed Food	1,696.5	1,426.7	1,467.5

TABLE 3: MAJOR EXPORT MARKETS

Markets	Mar 2016 ^p	Feb 2016 ^p	Mar 2015 ^p
	RM Million	RM Million	RM Million
Total Exports	66,586.2	56,719.7	66,466.4
Singapore	9,324.1	7,943.6	9,052.8
China	7,810.6	6,485.7	8,300.5
USA	6,804.8	5,929.4	6,086.0
Japan	6,171.9	5,600.4	7,271.3
Thailand	3,674.5	3,280.8	3,501.8
Hong Kong	3,340.1	2,671.1	3,617.5
India	2,871.8	2,097.4	2,775.5
Australia	2,445.2	2,041.2	2,234.7
Indonesia	2,254.5	2,022.3	2,443.2
Viet Nam	2,004.5	1,268.5	1,471.0

TABLE 4: MAJOR EXPORT PRODUCTS (QUARTERLY)

Products	Q1 2016 ^p	Q4 2015 ^p	Q1 2015 ^p
	RM Million	RM Million	RM Million
Total Exports	185,157.7	211,735.6	183,240.0
Electrical & Electronic Products	66,544.4	74,159.7	64,236.8
Chemicals & Chemical Products	13,724.8	14,508.0	12,928.8
Petroleum Products	11,112.2	14,952.6	12,662.1
Palm oil & palm based agriculture products	9,979.3	11,950.2	9,254.2
Machinery, Equipment & Parts	9,852.8	9,914.5	8,011.1
LNG	9,483.9	12,409.9	16,500.4
Manufactures of Metal	8,679.5	11,304.7	6,077.1
Optical & Scientific Equipment	7,043.8	7,555.0	6,088.9
Crude Petroleum	5,005.7	7,257.2	6,476.0
Rubber Products	4,809.1	5,519.1	4,504.5

TABLE 5: MAJOR EXPORT MARKETS (QUARTERLY)

Markets	Q1 2016 ^p	Q4 2015 ^p	Q1 2015 ^p
	RM Million	RM Million	RM Million
Total Exports	185,157.7	211,735.6	183,240.0
Singapore	26,269.3	29,240.0	25,573.8
China	20,806.9	27,302.7	20,538.4
USA	19,068.6	20,420.0	16,857.5
Japan	17,287.5	19,552.8	21,781.2
Thailand	11,001.3	11,856.6	10,356.5
Hong Kong	8,904.3	9,211.3	9,200.4
India	7,532.0	8,370.8	7,311.7
Australia	6,661.1	8,304.2	7,054.6
Indonesia	6,566.4	7,569.3	6,459.5
ROK	6,160.5	7,169.1	7,141.7

TABLE 6: MAJOR IMPORT PRODUCTS

Products	Mar 2016 ^p	Feb 2016 ^p	Mar 2015 ^p
	RM Million	RM Million	RM Million
Total Imports	55,393.6	49,368.1	58,644.6
Electrical & Electronic Products	17,329.6	15,355.6	16,032.8
Chemicals & Chemical Products	5,830.8	4,945.1	5,829.4
Machinery, Equipment & Parts	4,983.1	4,377.6	5,267.9
Petroleum Products	3,534.2	3,339.7	5,403.0
Transport Equipment	2,894.9	3,110.1	3,892.4
Manufactures of Metal	2,855.0	2,983.4	3,357.5
Optical & Scientific Equipment	1,989.1	1,538.1	1,956.2
Iron & Steel Products	1,677.2	1,370.4	2,419.5
Processed Food	1,617.4	1,262.9	1,483.3
Textiles, Apparels & Footwear	1,271.8	1,167.9	790.5

TABLE 7: MAJOR IMPORT SOURCES

Markets	Mar 2016 ^p	Feb 2016 ^p	Mar 2015 ^p
	RM Million	RM Million	RM Million
Total Imports	55,393.6	49,368.1	58,644.6
China	9,953.7	8,867.2	8,862.9
Singapore	5,613.5	5,331.0	7,511.5
Japan	5,063.5	4,498.1	4,871.9
USA	4,829.7	4,733.4	5,186.5
Thailand	3,811.3	3,199.3	3,654.4
Taiwan	3,423.0	2,456.9	2,755.1
Indonesia	2,476.8	2,249.4	3,159.5
ROK	2,350.9	2,214.3	2,830.2
Germany	1,944.0	1,854.2	1,774.0
Viet Nam	1,567.1	1,168.4	1,262.9

TABLE 8: MAJOR IMPORT PRODUCTS (QUARTERLY)

Products	Q1 2016 ^p	Q4 2015 ^p	Q1 2015 ^p
	RM Million	RM Million	RM Million
Total Imports	161,221.8	181,088.9	161,906.0
Electrical & Electronic Products	50,231.4	54,456.2	46,218.9
Chemicals & Chemical Products	16,150.6	16,799.4	15,475.9
Machinery, Equipment & Parts	14,576.4	15,366.3	13,995.3
Petroleum Products	10,845.4	16,611.9	14,799.6
Manufactures of Metal	9,221.4	10,954.7	11,245.1
Transport Equipment	8,441.3	9,601.8	9,569.4
Optical & Scientific Equipment	5,245.4	6,125.7	5,064.3
Iron & Steel Products	4,767.3	4,730.0	6,075.9
Processed Food	4,468.5	4,868.9	4,268.1
Textiles, Apparels & Footwear	4,056.5	4,850.6	2,397.9

TABLE 9: MAJOR IMPORT MARKETS (QUARTERLY)

Markets	Q1 2016 ^p	Q4 2015 ^p	Q1 2015 ^p
	RM Million	RM Million	RM Million
Total Imports	161,221.8	181,088.9	161,906.0
China	30,509.7	35,209.4	28,520.5
Singapore	17,499.1	21,438.9	18,727.3
USA	14,018.7	15,041.3	12,933.1
Japan	13,709.8	13,503.1	13,289.9
Thailand	10,439.8	11,819.6	9,641.3
Taiwan	8,913.0	9,563.8	8,704.6
ROK	7,412.8	8,475.8	7,300.2
Indonesia	7,082.2	8,553.7	7,517.5
Germany	5,746.3	5,965.3	5,103.0
Viet Nam	4,244.8	5,344.7	4,060.1

Source: Department of Statistics, Malaysia
Compiled By: MATRADE

Notes:

p - provisional data

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

