

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

MALAYSIA EXTERNAL TRADE STATISTICS

TRADE PERFORMANCE FOR THE MONTH OF NOVEMBER 2018 AND THE PERIOD OF JANUARY- NOVEMBER 2018 #

21st Consecutive Year of Trade Surplus

Malaysia's trade remained steady in November 2018, growing by 3.2% to RM162.03 billion compared to the same month last year. Higher trade was seen with ASEAN, Taiwan, France, Hong Kong SAR, Saudi Arabia, the Republic of Korea (ROK), Russian Federation, India and Qatar.

Exports posted a growth of 1.6% year-on-year (y-o-y) to RM84.79 billion in November 2018, while imports were up by 5% to RM77.24 billion. This resulted in a 24% contraction in trade surplus to RM7.55 billion. This surplus marked the 253rd consecutive month of trade surplus since November 1997.

On a month-on-month (m-o-m) basis, **total trade, exports and imports** were lower by 8.2%, 12% and 3.5%, respectively. **Trade surplus** narrowed by 53.7%.

In the first 11 months of 2018, total trade expanded by 6.2% to RM1.72 trillion compared to the same period in 2017. **Exports** rose to RM914.67 billion, an increase of 6.9% and **imports** grew by 5.3% to RM805.12 billion. **Trade surplus** registered a double-digit growth of 20.2% to reach a value of RM109.55 billion during the period.

Export Performance of Major Sectors

Manufactured & Mining Goods Continued to Lead Export Growth

In November 2018, exports of manufactured goods rose by 2.2% y-o-y to RM70.35 billion and accounted for 83% of Malaysia's total exports. This was supported by higher exports of petroleum products, chemicals and chemical products, optical and scientific equipment as well as iron and steel products which compensated the contraction in exports of electrical and electronic (E&E) products. E&E products decreased by RM528.2 million or 1.7%, the first decline since March 2018.

Exports of mining goods expanded by 16.1% to RM8.33 billion, accounting for 9.8% of total exports in November 2018. Higher exports were recorded for liquefied natural gas (LNG) and crude petroleum due mainly to higher Average Unit Value (AUV).

Exports of agriculture goods which accounted for 6.6% of total exports declined by 17.6% to RM5.56 billion. This was mainly due to lower exports of palm oil and palm oil-based agriculture products, particularly palm oil, on account of lower AUV.

Major exports in November 2018:

- E&E products valued at RM31.18 billion, constituting 36.8% of total exports, decreased by 1.7% from November 2017;
- Petroleum products, RM7.47 billion, 8.8% of total exports, increased by 41.2%;
- Chemicals and chemical products, RM5.03 billion, 5.9% of total exports, increased by 15.1%;
- LNG, RM4.56 billion, 5.4% of total exports, increased by 26.4%; and
- Palm oil and palm oil-based agriculture products, RM3.7 billion, 4.4% of total exports, decreased by 21.1%.

Compared to October 2018, exports of manufactured goods contracted by 13.1%, mining goods by 4.2% and agriculture goods by 9%.

In the first 11 months of 2018, exports of manufactured goods which constituted 83.7% of total exports expanded by 9.2% to RM765.78 billion compared to the corresponding period of 2017. Higher exports were recorded for E&E products, chemicals and chemical products, manufactures of metal, petroleum products as well as optical and scientific equipment. Exports of mining goods (8.7% share) increased by 8% to RM79.41 billion, mainly led by higher exports of crude petroleum. Meanwhile, exports of agriculture goods (6.8% share) decelerated by 13.8% to RM62.23 billion, owing to lower exports of palm oil and palm oil-based agriculture products as well as natural rubber.

Trade Performance with Major Markets

Exports to ASEAN Sustained Positive Growth for 6 Consecutive Months

Trade with ASEAN in November 2018 increased by 4% y-o-y to RM45.84 billion and constituted 28.3% of Malaysia's total trade. Exports expanded by 6.4% to RM26.17 billion, underpinned by higher exports of crude petroleum, E&E products and petroleum products. These three products contributed 56.1% of Malaysia's exports to ASEAN. Imports from ASEAN were up by 0.9% to RM19.67 billion.

Breakdown of exports to ASEAN countries in November 2018:

- Singapore RM 13.10 billion, **increased** by 7.1%
- Thailand RM 4.75 billion, ↑3.7%
- Viet Nam RM 3.34 billion, ↑39.0%
- Indonesia RM 2.81 billion, ↓13.2%
- Philippines RM 1.48 billion, ↓0.7%
- Myanmar RM 370.5 million, ↑10.3%
- Brunei RM 189.4 million, ↓1.7%
- Cambodia RM 116.7 million, ↑7.1%
- Lao PDR RM 3.6 million, ↓19.2%

Exports to major markets in ASEAN that recorded significant increases were **Viet Nam**, which expanded by RM938.5 million due to higher exports of petroleum

products while **Singapore** (↑RM872.2 million) and **Thailand** (↑RM170.7 million), led by higher exports of crude petroleum.

On a m-o-m basis, trade with ASEAN slipped by 6.1%. Exports and imports also declined by 4.1% and 8.6%, respectively.

For the first 11 months of 2018, trade with ASEAN grew by 4.6% to RM468.16 billion compared to the same period of 2017. Exports to this region rose by 4.8% to RM261.97 billion, aided by higher exports of E&E products, crude petroleum, manufactures of metal, chemicals and chemical products as well as transport equipment. Imports increased by 4.4% to RM206.2 billion.

Exports to China Continued to Expand

Trade with China which absorbed 16.4% of Malaysia's total trade declined marginally by 0.2% y-o-y to RM26.51 billion in November 2018. Exports to China rose by 3.9% to RM11.65 billion, benefiting from higher exports of chemicals and chemical products, petroleum products as well as LNG. Imports from China were lower by 3.3% to RM14.85 billion.

Compared to October 2018, trade and exports contracted by 10.8% and 22.9%, respectively, while imports were up by 1.8%.

Trade with China in the first 11 months of 2018 expanded by 8.5% to RM286.86 billion compared to the same period last year. For this period, exports to China recorded a strong growth of 11.3% to RM127.4 billion, buoyed by higher exports of chemicals and chemical products, E&E products, LNG, manufactures of metal as well as optical and scientific equipment. Imports from China rose by 6.3% to RM159.46 billion.

Moderate Performance in Trade with the EU

Malaysia's trade with the European Union (EU) in November 2018 amounted to RM15.37 billion or 9.5% of Malaysia's total trade, an increase of 1% compared to November 2017. Exports were lower by 7.7% to RM7.52 billion, owing mainly to lower shipments of E&E products. However, better export performance were seen in exports of palm oil-based manufactured products, chemicals and chemical products, optical and scientific equipment, machinery, equipment and parts as well as transport equipment. Imports from the EU were up by 10.9% to RM7.85 billion.

Among the top 10 EU markets which accounted for 90.8% of Malaysia's total exports to the EU, only 3 countries recorded expansion namely, Spain (↑81.2%), Italy (↑38.2%) and Poland (↑16.2%).

On a m-o-m basis, trade with the EU declined by 2.6%. Exports decreased by 12.1% while imports were up by 8.7%.

In January-November 2018, trade with the EU soared by 7.2% to RM168.68 billion compared to the same period last year. Exports grew by 4.3% to RM90.66 billion, steered by higher exports to Germany, Italy and Spain. The increase in exports were driven by higher exports of manufactures of metal, chemicals and chemical products, rubber products as well as iron and steel products. Imports from the EU rose by 10.7% to RM78.02 billion.

Trade with the US – Positive Growth since July 2018

Malaysia's trade with United States of America (US) in November 2018 recorded a marginal growth of 0.7% to RM12.77 billion and accounted for 7.9% of Malaysia's total trade. Exports to the US stood at RM7.28 billion, reduced by 3.6% with softer demand for manufactured goods, particularly E&E products. E&E products contributed 51.3% of Malaysia's exports to the US. Higher exports, however, were registered for optical and scientific equipment, rubber products, machinery, equipment and parts as well as wood products. Imports grew by 7.1% to RM5.49 billion.

Compared to October 2018, trade, exports and imports were down by 11.7%, 15.7% and 5.8%, respectively.

In January-November 2018, trade with the US amounted to RM141.97 billion, a marginal increase of 0.1% compared to the corresponding period in 2017. Exports to the US were up by 1.3% to RM82.78 billion supported by higher exports of optical and scientific equipment, transport equipment, manufactures of metal, machinery, equipment and parts as well as rubber products. Imports from the US declined by 1.6% to RM59.19 billion.

Slower Trade with Japan in November 2018

In November 2018, trade with Japan which constituted 7% of Malaysia's total trade posted a decline of 5.2% y-o-y to RM11.41 billion. Exports to Japan contracted by 8.9% to RM5.92 billion, on account of lower exports of LNG and crude petroleum, coupled with sluggish demand for manufactured goods, namely, E&E products, manufactures of metal, optical and scientific equipment, iron and steel products as well as palm oil-based manufactured products. Imports from Japan decreased by 0.9% to RM5.49 billion.

On a m-o-m basis, trade and exports decelerated by 5.6% and 10.4%, respectively, while imports increased by 0.3%.

For the first 11 months of 2018, trade with Japan amounted to RM121.13 billion, lower by 4.8% from the same period last year. Exports to Japan valued at RM62.98 billion, sliding by 8.9% attributed to lower exports of LNG and E&E products. However, higher exports were registered for chemicals and chemical products, manufactures of metal, iron and steel products as well as petroleum products. Imports from Japan dropped by 0.1% to RM58.15 billion.

Trade with FTA Partners

In November 2018, trade with Free Trade Agreement (FTA) partners which accounted for 63.5% of Malaysia's total trade registered an increase of 1.4% to RM102.96 billion. Exports to FTA partners grew by 1% to RM54.21 billion, supported by higher exports to Asian countries particularly Viet Nam, Singapore, China, Thailand, Myanmar and Cambodia. These countries collectively contributed 61.6% of Malaysia's exports to FTA partners. Imports expanded by 1.7% to RM48.75 billion.

Compared to October 2018, trade with FTA partners fell by 7.7%. Exports and imports also slipped by 10.4% and 4.5%, respectively.

Trade with FTA partners for the first 11 months of 2018 which accounted for 62.4% of Malaysia's total trade rose by 4.1% to RM1.073 trillion. Exports for this period amounted to RM563.56 billion, an increase of 4.4% while imports totalled RM509.47 billion, growing by 3.7%.

Other Markets Registering Higher Exports

In November 2018, **other markets with significant growth in exports were Taiwan and Hong Kong SAR**. Exports to **Taiwan** recorded a sturdy growth of 54.4% y-o-y to RM3.06 billion, mainly driven by higher exports of LNG. Exports to **Hong Kong SAR** expanded by 17.4% to RM5.93 billion, on account of higher exports of E&E products as well as petroleum products.

Import Performance

In November 2018, **imports increased by 5% y-o-y to RM77.24 billion**. The three main categories of imports by end use which accounted for 74.2% of total imports were:

- **Intermediate goods**, valued at RM40.25 billion or 52.1% of total imports, decreased by 0.3%, as a result of lower imports of parts and accessories of

capital goods (except transport equipment), particularly electrical machinery, equipment and parts;

- **Capital goods**, valued at RM10.49 billion or 13.6% of total imports, increased by 0.4%, led by higher imports of transport equipment for industrial use, particularly aircraft; and
- **Consumption goods**, valued at RM6.61 billion or 8.6% of total imports, up by 0.9%, on account of higher imports of durables, particularly jewellery.

During January-November 2018, imports amounted to RM805.12 billion, grew by 5.3% from the corresponding period of 2017. **Intermediate goods** totalled RM420.79 billion, dropped by 4.5%, **capital goods** (RM102.61 billion, ↓0.8%) and **consumption goods** (RM66.19 billion, ↑2.1%).

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, 4th January 2019 and can be downloaded through statistic at the Department of Statistics, Malaysia’s portal (<https://estatistik.dosm.gov.my>).”

+ 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 November 2018 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.

Year/ Period	<u>Total Exports (RM Million)</u>	<u>Total Imports (RM Million)</u>	<u>Total Trade (RM Million)</u>	<u>Trade Balance (RM Million)</u>
2017^f				
January	70,309.4	65,439.6	135,749.0	4,869.8
February	71,979.3	63,058.5	135,037.8	8,920.8
March	82,890.9	77,240.3	160,131.2	5,650.6
April	74,243.4	65,210.7	139,454.2	9,032.7
May	79,216.0	72,973.4	152,189.4	6,242.6
June	72,823.6	62,627.4	135,451.0	10,196.2
July	78,747.8	70,589.6	149,337.4	8,158.3
August	82,024.8	72,113.0	154,137.9	9,911.8
September	77,861.5	69,650.4	147,511.9	8,211.1
October	81,862.2	71,851.1	153,713.3	10,011.1
November	83,485.9	73,551.9	157,037.8	9,934.1
December	79,482.0	72,116.3	151,598.2	7,365.7
2017 (Jan-Dec)^f	934,926.8	836,422.2	1,771,349.0	98,504.6
2018^p				
January	82,820.1	73,152.8	155,972.8	9,667.3
February	70,342.6	61,325.0	131,667.5	9,017.6
March	84,467.0	69,778.7	154,245.7	14,688.3
April	84,246.7	71,225.2	155,472.0	13,021.5
May	82,110.4	73,993.6	156,104.0	8,116.8
June	78,610.8	72,609.9	151,220.7	6,000.9
July	86,154.4	77,827.4	163,981.8	8,327.0
August	81,810.2	80,197.1	162,007.3	1,613.1
September	82,953.0	67,720.0	150,673.0	15,233.0
October	96,363.9	80,050.5	176,414.4	16,313.4
November	84,791.7	77,237.4	162,029.1	7,554.2
2017 (Jan-Nov)^f	855,444.8	764,305.9	1,619,750.8	91,138.9
2018 (Jan-Nov)^p	914,670.7	805,117.6	1,719,788.3	109,553.1

Note: Total may not add up due to rounding

TABLE 2: MAJOR EXPORT PRODUCTS

Products	Nov 2018 ^p	Oct 2018 ^p	Nov 2017 ^f
	RM Million	RM Million	RM Million
Total Exports	84,791.7	96,363.9	83,485.9
Electrical & electronic products	31,179.2	38,377.7	31,707.4
Petroleum Products	7,468.3	8,132.3	5,289.6
Chemicals & chemical products	5,032.7	5,676.8	4,374.0
LNG	4,562.0	4,069.9	3,608.9
Palm oil & palm oil based agriculture products	3,703.5	4,119.6	4,694.4
Manufactures of Metal	3,537.2	4,379.3	3,665.0
Machinery, Equipment & Parts	3,323.2	3,325.1	3,337.1
Optical & Scientific Equipment	3,176.6	3,395.5	2,875.2
Crude Petroleum	2,863.9	3,791.7	2,433.5
Rubber Products	2,259.6	2,397.9	2,321.2

TABLE 3: MAJOR EXPORT MARKETS

Markets	Nov 2018 ^p	Oct 2018 ^p	Nov 2017 ^f
	RM Million	RM Million	RM Million
Total Exports	84,791.7	96,363.9	83,485.9
Singapore	13,103.5	13,372.6	12,231.2
China	11,652.4	15,116.8	11,217.0
USA	7,280.0	8,636.6	7,555.6
Hong Kong SAR	5,930.1	7,322.5	5,053.3
Japan	5,918.9	6,607.4	6,496.3
Thailand	4,749.5	5,891.2	4,578.8
ROK	3,554.3	2,994.9	3,559.8
Viet Nam	3,342.9	3,093.2	2,404.5
Taiwan	3,055.8	3,736.0	1,979.6
Australia	2,836.9	3,942.4	3,303.7

TABLE 4: MAJOR EXPORT PRODUCTS (JANUARY-NOVEMBER)

Products	Jan-Nov 2018 ^p	Jan-Nov 2017 ^f
	RM Million	RM Million
Total Exports	914,670.7	855,444.8
Electrical & electronic products	348,002.9	314,331.9
Petroleum Products	71,392.4	65,687.9
Chemicals & chemical products	52,366.8	43,217.4
Palm oil & palm oil based agriculture products	41,745.3	49,958.7
Manufactures of Metal	41,432.5	34,511.4
Machinery, Equipment & Parts	37,253.8	36,996.4
LNG	36,017.5	37,184.4
Crude Petroleum	33,380.4	25,543.9
Optical & Scientific Equipment	33,085.9	29,562.7
Rubber Products	24,172.5	24,172.7

TABLE 5: MAJOR EXPORT MARKETS (JANUARY- NOVEMBER)

Markets	Jan-Nov 2018 ^p	Jan-Nov 2017 ^f
	RM Million	RM Million
Total Exports	914,670.7	855,444.8
China	127,399.3	114,415.0
Singapore	127,244.1	125,047.2
USA	82,784.7	81,740.1
Hong Kong SAR	68,093.6	42,545.4
Japan	62,980.0	69,098.9
Thailand	52,331.1	46,467.4
India	33,177.4	31,933.4
Viet Nam	31,331.9	24,858.3
ROK	30,706.5	25,344.2
Australia	30,342.8	29,858.3

TABLE 6: MAJOR IMPORT PRODUCTS

Products	Nov 2018 ^p	Oct 2018 ^p	Nov 2017 ^f
	RM Million	RM Million	RM Million
Total Imports	77,237.4	80,050.5	73,551.9
Electrical & electronic products	22,038.2	23,619.4	22,463.3
Petroleum Products	9,830.1	9,358.8	6,670.0
Chemicals & chemical products	7,045.0	7,712.2	6,503.6
Machinery, Equipment & Parts	6,169.2	6,242.2	7,311.4
Transport Equipment	4,347.9	3,573.0	3,057.5
Manufactures of Metal	4,028.0	4,250.6	4,052.2
Iron & Steel Products	2,663.2	2,441.0	2,535.3
Optical & Scientific Equipment	1,937.3	2,050.3	2,066.3
Processed food	1,780.2	1,800.7	1,846.1
Crude Petroleum	1,465.7	2,341.5	1,408.9

TABLE 7: MAJOR IMPORT SOURCES

Markets	Nov 2018 ^p	Oct 2018 ^p	Nov 2017 ^f
	RM Million	RM Million	RM Million
Total Imports	77,237.4	80,050.5	73,551.9
China	14,853.6	14,594.3	15,353.1
Singapore	9,187.7	10,173.4	8,842.2
Japan	5,492.3	5,475.6	5,544.2
USA	5,486.1	5,821.8	5,123.7
Taiwan	5,397.2	6,234.6	4,987.8
Thailand	4,187.5	4,086.2	4,183.5
Indonesia	3,717.3	4,177.1	3,476.9
ROK	3,467.1	3,840.5	3,010.3
India	2,797.9	2,933.1	2,427.7
Germany	2,313.8	2,387.2	2,590.7

TABLE 8: MAJOR IMPORT PRODUCTS (JANUARY-NOVEMBER)

Products	Jan-Nov 2018 ^p	Jan-Nov 2017 ^f
	RM Million	RM Million
Total Imports	805,117.6	764,305.9
Electrical & electronic products	239,698.6	231,487.5
Petroleum Products	79,899.4	69,617.5
Chemicals & chemical products	75,785.5	68,315.5
Machinery, Equipment & Parts	67,418.4	71,938.5
Manufactures of Metal	42,106.4	39,894.2
Transport Equipment	41,854.3	35,655.6
Iron & Steel Products	28,580.1	25,153.5
Optical & Scientific Equipment	21,310.8	22,876.9
Crude Petroleum	19,755.5	14,624.4
Processed food	18,096.0	19,023.9

TABLE 9: MAJOR IMPORT SOURCES (JANUARY-NOVEMBER)

Markets	Jan-Nov 2018 ^p	Jan-Nov 2017 ^f
	RM Million	RM Million
Total Imports	805,117.6	764,305.9
China	159,459.0	149,945.4
Singapore	95,261.5	84,979.5
USA	59,189.6	60,136.0
Taiwan	58,402.7	50,092.4
Japan	58,150.3	58,188.8
Thailand	44,446.0	44,078.7
Indonesia	37,174.6	34,989.5
ROK	35,808.7	36,548.7
Germany	24,264.2	24,263.5
India	24,184.8	24,625.9

Source: Department of Statistics, Malaysia
 Tabulated by: MATRADE

Notes:

p - provisional data

f – final data

CHART 1: MALAYSIA'S MONTHLY EXTERNAL TRADE PERFORMANCE, 2012 - NOVEMBER 2018

