

MALAYSIA'S TRADE PERFORMANCE, JULY 2022

Malaysia's total trade continued its double-digit growth in July 2022, expanded by 39.8 per cent, reaching RM252.6 billion as compared to RM180.7 billion in the preceding year. Exports increased by 38.0 per cent to RM134.1 billion in July 2022. Imports amounted to RM118.6 billion, rose by 41.9 per cent year-on-year (y-o-y). Trade balance continued to record a surplus, with a value of RM15.5 billion, an increase of 14.3 per cent from the previous year.

Comparing to June 2022, total trade, exports, imports and trade balance decreased by 6.5 per cent, 8.2 per cent, 4.5 per cent and, 29.1 per cent, respectively.

For the period of January to July 2022, total trade, exports, imports and trade surplus continued to record positive growth. Total trade grew by 29.9 per cent, supported by the expansion in exports (+27.8%) as well as imports (+32.5%). At the same time, trade surplus grew by 7.4 per cent.

A. EXPORTS

Exports Maintained its Double-Digit Growth, Surged by 38.0 per cent in July 2022

1. Performance of Exports

Malaysia's exports was recorded at RM134.1 billion, increased by 38.0 per cent as compared to July 2021. The increase was driven by both domestic exports and re-exports. Domestic exports stood at RM102.1 billion and contributed 76.2 per cent to total exports, grew by 33.4 per cent. On the same note, re-exports with a value of RM32.0 billion, increased by 55.1 per cent y-o-y. Meanwhile, for monthly comparison, exports fell by 8.2 per cent or RM12.0 billion. Analysis of the seasonally adjusted terms month-on-month (m-o-m), exports decreased by 12.4 per cent or RM18.5 billion to reach RM134.1 billion.

Chart 1 Domestic Exports, Re-Exports (RM billion) and Annual Change (%)

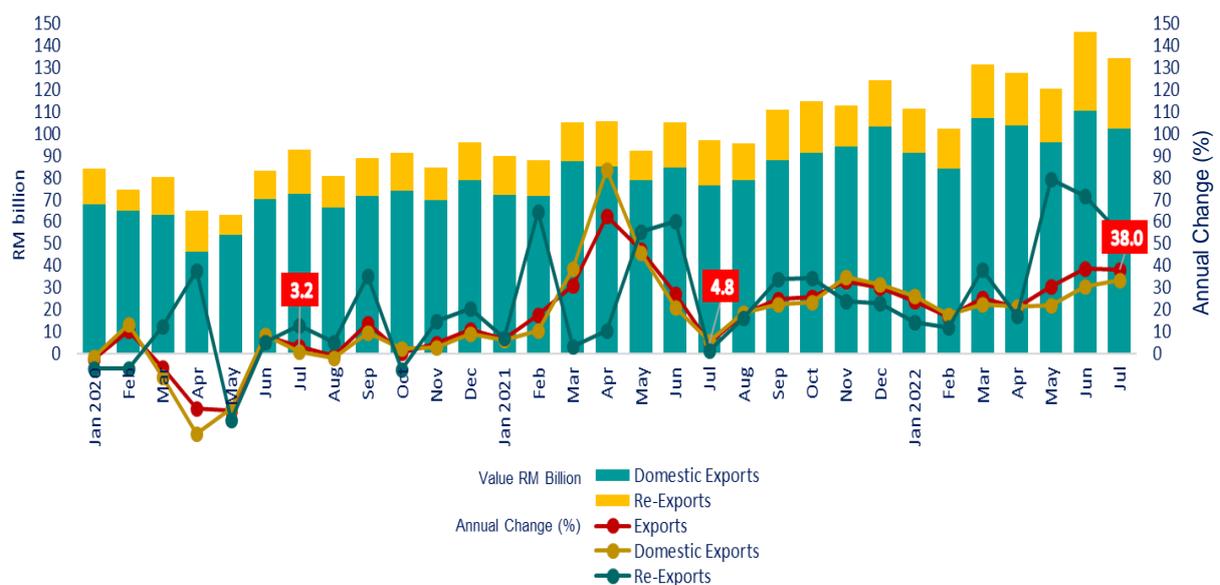
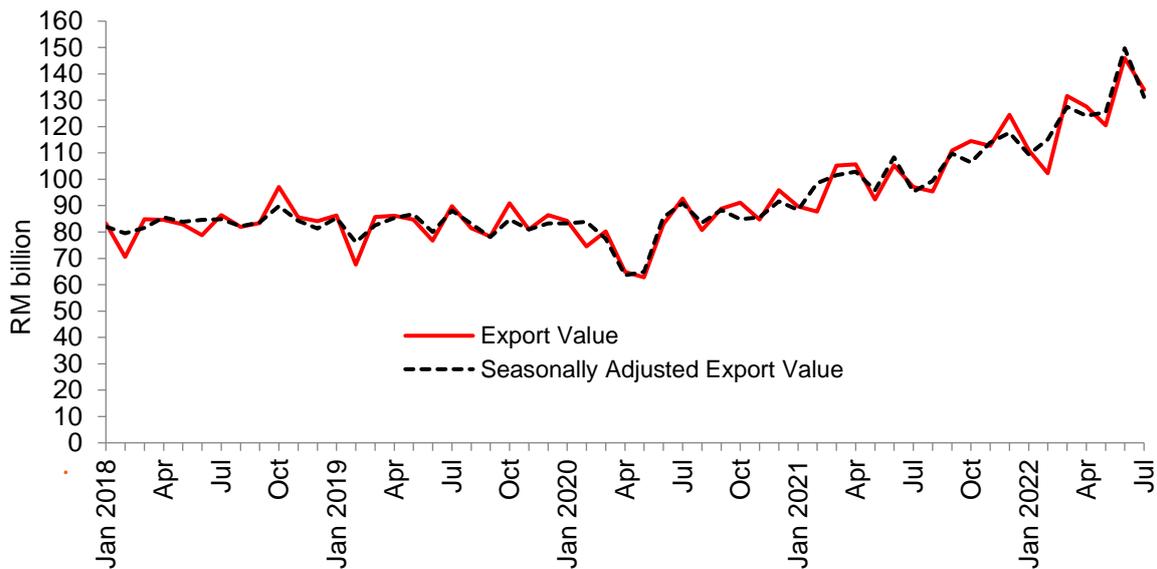


Chart 2 Actual Export Value and Seasonally Adjusted Export Value, RM billion



2. Export Performance for Major Country of Destination

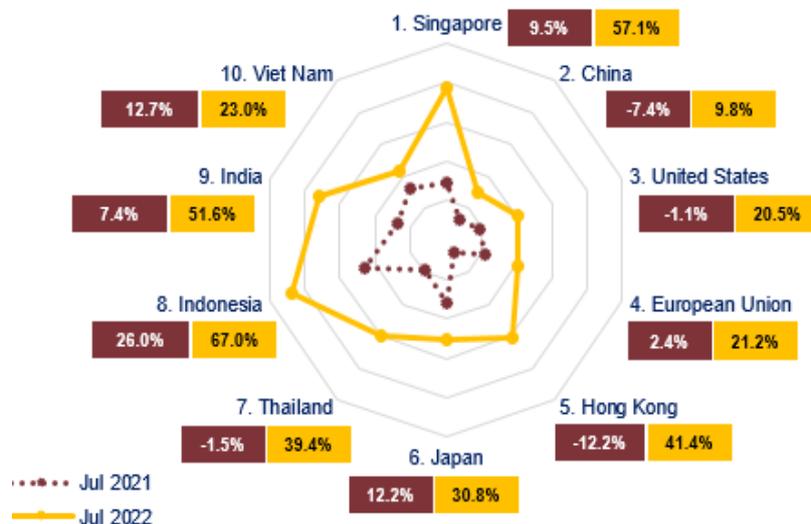
Singapore and China were the major country of destinations in July 2022 with a total contribution of 28.4 per cent to Malaysia's exports.

Exports to Singapore with a value of RM22.2 billion, represented 16.5 per cent of total exports, registering an increase of 57.1 per cent or RM8.1 billion, y-o-y. The growth was mainly supported by higher exports of electrical & electronic products (E&E) (+RM3.2 billion, +50.0%); petroleum products (+RM2.3 billion, +80.1%) and machinery, equipment & parts (+RM607.3 million, +67.7%).

China was the second major country of destination in July 2022 with a value of RM15.9 billion and accounted for 11.8 per cent of Malaysia's total exports, grew by 9.8 per cent or RM1.4 billion y-o-y. It was spearheaded by the higher exports of E&E products (+RM1.4 billion, +29.7%) and liquefied natural gas (LNG) (+RM793.6 million, +102.6%).

Exports to most of major country of destinations increased by double-digit, except for China that rose by 9.8 per cent.

Chart 3 Annual Change of Exports by Major Country of Destination, July 2021 and July 2022

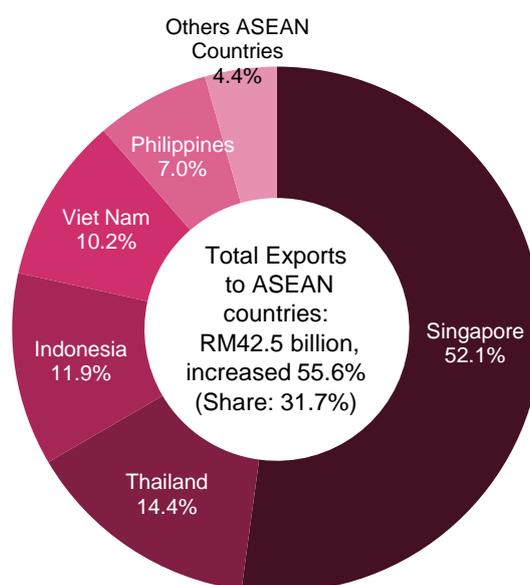


3. Exports to ASEAN Countries

Exports to ASEAN countries represented 31.7 per cent of Malaysia's total exports, recorded a value of RM42.5 billion with a growth of 55.6 per cent. This increment was contributed mainly from E&E products as it widened by 41.4 per cent or RM4.1 billion, followed by petroleum products (+RM4.1 billion, +76.6%); machinery, equipment & parts (+RM1.1 billion, +76.7%); crude petroleum (+RM769.6 million, +155.2%); iron & steel products (+RM726.4 million, +178.6%); and LNG products (+RM632.5 million, +346.0%).

Singapore held 52.1 per cent of total exports among ASEAN countries, expanded by 57.1 per cent over the previous year.

Chart 4 Percentage Share of Exports, July 2022



4. Export Performance for Economic Sectors

Exports of manufactured products increased 35.4 per cent or RM29.4 billion in July 2022, accounted for 83.7 per cent of total exports. The main contributor to the expansion was E&E products (+RM12.2 billion, +35.2%), followed by petroleum products (+RM8.4 billion, +80.3%); machinery, equipment & parts (+RM2.0 billion, +56.9%); manufacture of metal (+RM1.4 billion, +35.7%); optical & scientific equipment (+RM1.4 billion, +36.3%); chemical & chemical products (+RM1.0 billion, +19.1%); and palm oil-based manufactured products (+RM807.6 million, +27.0%).

Meanwhile, exports of mining products which contributed 8.1 per cent of total exports posted a growth of 100.4 per cent to RM10.8 billion. This was supported by higher exports of LNG products (+RM2.7 billion, +82.0%); crude petroleum (+RM1.1 billion, +74.0%); and metalliferous ores & metal scrap (+RM948.4 million, +314.2%).

Exports of agriculture products registered a growth of 24.1 per cent or RM2.0 billion, contributed 7.8 per cent in July 2022. The increase was in accordance with higher exports of palm oil & palm oil-based agriculture products, grew by 26.2 per cent from RM6.7 billion to RM8.5 billion. In addition, this performance was also supported by sawn timber & moulding (+RM94.9 million, +48.6%); natural rubber (+RM66.6 million, +18.9%); and seafood, fresh, chilled or frozen (+RM26.9 million, +14.2%).

Exhibit 1 Exports by Sector, July 2021 and July 2022



5. Exports of Selected Major Products

The strong export performance in July 2022 was influenced by the increases in the following products as compared to July 2021:

- E&E products (35.0% of total exports), expanded by 35.2 per cent (+RM12.2 billion) to RM47.0 billion;
- Refined petroleum products, which accounted for 13.3 per cent of total exports, surged by RM8.1 billion or 83.6 per cent to RM17.9 billion in line with the increase in average unit value (+65.7%) as well as export volume (+10.8%);
- LNG, accounting for 4.5 per cent of total exports, increased RM2.7 billion or 82.0 per cent as a result of the increase in average unit value (+63.2%) and export volume (+11.5%);
- Palm oil & palm oil-based products (9.1% of total exports) grew by RM2.6 billion (+26.5%) to RM12.3 billion. Exports of palm oil, the major commodity in this group of products rose by RM1.8 billion or 31.6 per cent along with the rise of average unit value (+56.4%). In contrary, export volume fell by 15.9 per cent;
- Crude petroleum, which constituted 1.9 per cent from total exports increased by RM1.1 billion or 74.0 per cent to RM2.5 billion in tandem with the increase in average unit value (+81.6%). On the other hand, export volume registered a negative growth of 4.2 per cent;
- Timber and timber-based products, which contributed 1.5 per cent to total exports rose by 58.1 per cent or RM760.9 million to RM2.1 billion; and
- Natural rubber (0.3% of total exports) went up by RM66.6 million or 19.0 per cent as a result of the increase in export volume (+10.5%) and average unit value (+7.6%).

Exhibit 2 Exports by Selected Major Product, July 2021 and July 2022

Share	 35.0%		 13.3%		 9.1%		 4.5%		 1.9%		 1.5%		 0.3%	
	RM billion	y-o-y (%)	RM billion	y-o-y (%)	RM billion	y-o-y (%)	RM billion	y-o-y (%)	RM billion	y-o-y (%)	RM billion	y-o-y (%)	RM billion	y-o-y (%)
July 2022	47.0	+35.2	17.9	+83.6	12.3	+26.5	6.1	+82.0	2.5	+74.0	2.1	+58.1	0.4	+19.0
July 2021	34.7	-12.1	9.7	+96.3	9.7	+51.1	3.3	+76.4	1.5	-26.0	1.3	+39.2	0.4	+42.0

B. IMPORTS

Imports continued to increase by 41.9 per cent to RM 118.6 billion in July 2022

1. Performance of Imports

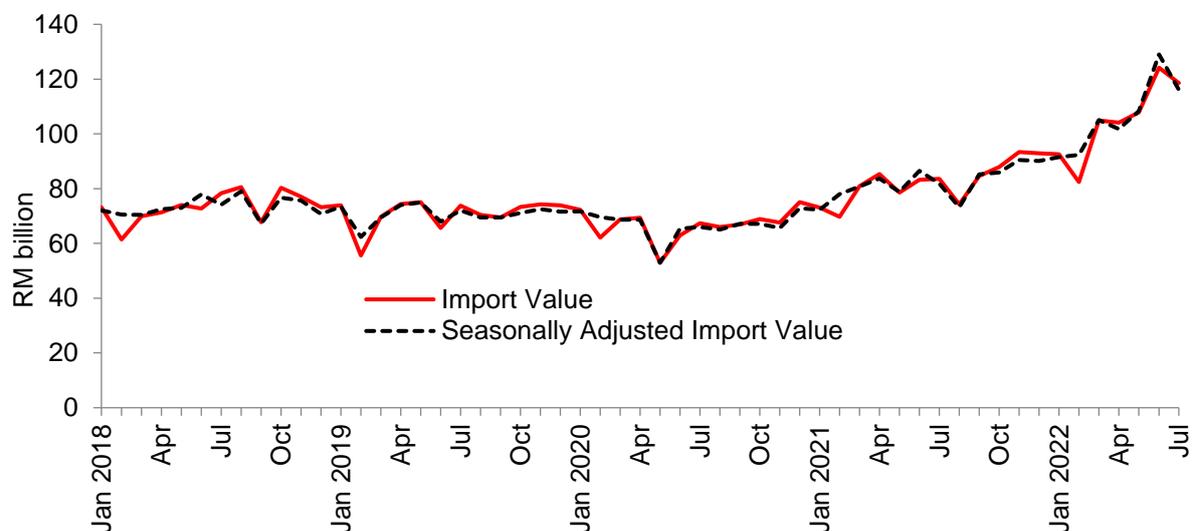
Import growth continued to outpace export growth in July 2022, grew 41.9 per cent or RM35.0 billion to RM118.6 billion. On a m-o-m basis, imports dropped by 4.5 per cent or RM5.6 billion. Analysis of the seasonally adjusted terms m-o-m, imports decreased by 10.0 per cent to RM118.6 billion.

On a y-o-y basis, imports by end use registered a positive growth with the increases in the intermediate goods (+32.2%); capital goods (+29.6%) and consumption goods (+33.2%).

Chart 5 Imports, Value (RM billion) and Annual Change (%)



Chart 6 Actual Import Value and Seasonally Adjusted Imports Value, RM billion



2. Import Performance for Major Country of Origin

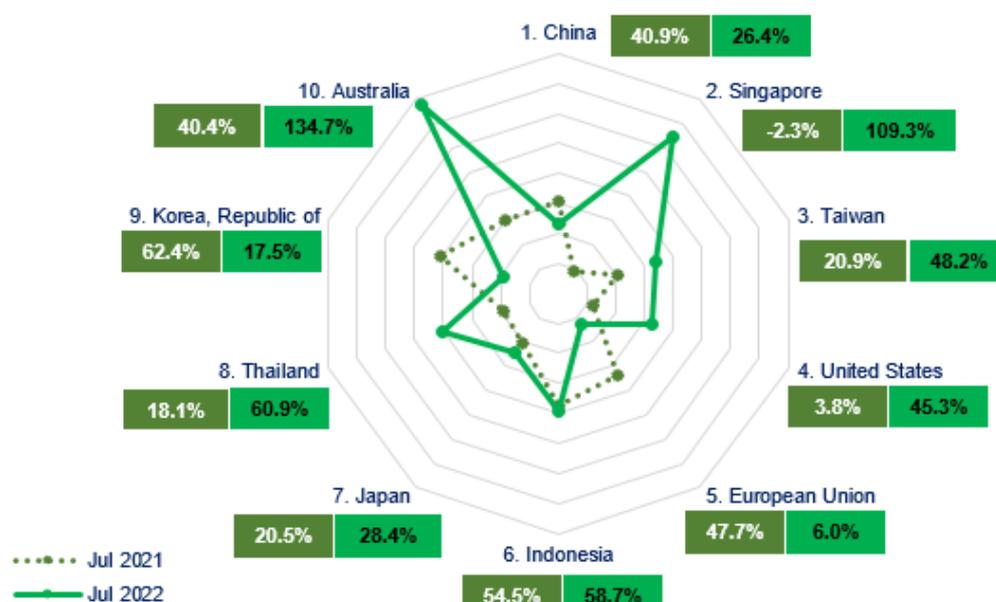
China and Singapore remained as the two major countries of origin for Malaysia's imports in July 2022, with a total contribution of 32.9 per cent to total imports.

Imports from China represented by 20.8 per cent of Malaysia's imports, grew by 26.4 per cent to reach RM24.7 billion. This growth was stimulated by E&E products which increased by 24.2 per cent or RM1.8 billion; petroleum products (+RM715.6 million, +59.4%); chemical and chemical products (+RM698.8 million, +35.5%) and machinery, equipment & parts (+RM543.8 million, +24.5%).

Imports from Singapore was valued at RM14.4 billion, comprised 12.1 per cent of Malaysia's imports, increased by 109.3 per cent or RM7.5 billion y-o-y. The growth was mainly attributed to higher imports of petroleum products (+RM5.0 billion, +230.6%) and E&E products (+RM1.3 billion, +63.2%).

Imports from most major country of origins noted significant growth in July 2022, except for the European Union that increased of 6.0 per cent.

Chart 7 Annual Change of Imports by Major Country of Origin, July 2021 and July 2022

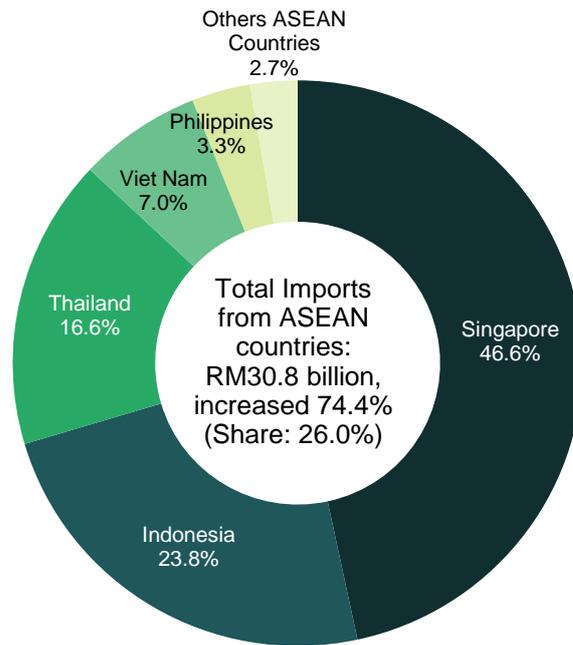


3. Imports from ASEAN Countries

Imports from ASEAN countries continued to increase with double-digit growth of 74.4 per cent in July 2022 to RM30.8 billion. It constituted 26.0 per cent from Malaysia's total imports. The growth was mainly attributed to higher imports of petroleum products (+RM5.9 billion, +222.1%); E&E products (+RM1.8 billion, +41.8%); machinery, equipment & parts (+RM575.3 million, +77.2%) palm oil-based manufactured products (+RM559.8 million, +95.9%) and chemical & chemical products (+RM554.7 million, +39.9%).

Among ASEAN countries, 46.6 per cent of Malaysia's imports was from Singapore, expanded by 109.3 per cent or RM7.5 billion as compared to the previous year.

Chart 8 Percentage Share of Imports, July 2022



4. Import Performance for Economic Sectors

Expansion in imports was led by higher imports of all main sectors in July 2022.

Manufactured products which constituted 82.1 per cent of total imports, increased by 38.6 per cent from RM70.3 billion to RM97.4 billion y-o-y. This performance was driven by higher imports of petroleum products (+RM8.6 billion, +108.0%); E&E products (+RM7.6 billion, +29.0%); transport equipment (+RM2.4 billion, +85.7%); chemical & chemical products (+RM2.1 billion, +26.5%); machinery, equipment & parts (+RM1.6 billion, +26.7%); and manufacture of metal (+RM1.5 billion, +35.9%).

Imports of mining products amounted to RM12.4 billion, increased by 67.6 per cent as compared to previous year and thus accounting for 10.5 per cent of Malaysia's total imports. It was supported by higher import of crude petroleum (+RM2.5 billion, +105.8%) and LNG products (+RM830.0 million, +741.8%).

Imports of agriculture products (5.2% of total imports) expanded by 23.6 per cent or RM1.2 billion y-o-y to RM6.2 billion, underpinned by higher imports of palm oil & palm oil-based agriculture products (+RM445.0 million, +60.7%); other vegetable oils (+RM183.3 million, +39.1%); and seafood, fresh, chilled or frozen (+RM156.7 million, +64.9%).

Exhibit 3 Imports by Sector, July 2021 and July 2022



5. Imports for End Use & Broad Economic Categories (BEC) Classification

Total imports in July 2022 was valued at RM118.6 billion, rose by 41.9 per cent y-o-y. The three main categories of imports by End Use which accounted for 68.6 per cent of total imports were:

Intermediate goods, was valued at RM61.8 billion or 52.1 per cent of total imports, increased by 32.2 per cent on account of higher imports of industrial supplies, processed (+RM6.8 billion, +38.2%); fuel & lubricants, primary (+RM5.3 billion, +145.8%); parts & accessories of capital goods (except transport equipment) (+RM2.7 billion, +19.1%); and parts & accessories of transport equipment (+RM1.3 billion, +62.2%);

Capital goods, stood at RM11.0 billion (9.3% of total imports) grew by 29.6 per cent, attributable to the higher imports of transport equipment, industrial (+RM2.0 billion, +935.7%) as well as capital goods (except transport equipment) (+RM508.3 million, +6.2%); and

Consumption goods, amounted to RM8.5 billion (7.2% of total imports), registered a growth of 33.2 per cent, resulting from higher imports of food & beverages, processed, mainly for household consumption (+RM739.8 million, +39.0%); semi-durables goods (+RM515.3 million, +50.5%); and non-durables goods (+RM341.1 million, +20.1%).

C. EXPORTS AND IMPORTS BY LOCATION

Exports in July 2022 increased RM36.9 billion (+38.0%) compared to the same month of the previous year. Higher exports were recorded in most states such as Johor (+RM9.3 billion), Selangor (+RM9.1 billion), Pulau Pinang (+RM7.6 billion), W.P. Kuala Lumpur (+RM4.8 billion), Sarawak (+RM4.2 billion), Kedah (+RM1.0 billion), Negeri Sembilan (+RM772.5 million), W.P. Labuan (+RM693.0 million), Sabah (+RM599.5 million) and Perlis (+RM42.7 million). However, exports decreased in Perak (-RM568.6 million), Pahang (-RM408.2 million), Terengganu (-RM337.8 million), Melaka (-RM278.6 million) and Kelantan (-RM115.8 million).

At the same time, imports also increased RM35.0 billion (+41.9%) in July 2022 compared to the same month of the previous year. Higher imports were mainly from Selangor (+RM8.5 billion), W.P. Kuala Lumpur (+RM7.1 billion), Johor (+RM7.1 billion), Pulau Pinang (+RM6.1 billion), Negeri Sembilan (+RM1.6 billion), Sarawak (+RM1.6 billion), Kedah (+RM1.5 billion), Pahang (+RM1.1 billion), Sabah (+RM224.8 million), Terengganu (+RM135.7 million) and Perlis (+RM49.9 million). However, imports decreased in Perak (-RM632.7 million), Kelantan (-RM247.9 million), Melaka (-RM17.9 million) and W.P. Labuan (-RM12.3 million).

Among the top five major exporting states, Pulau Pinang remained as the top exporter with a share of 27.9 per cent, followed by Johor (23.2%), Selangor (18.0%), Sarawak (8.7%) and W.P. Kuala Lumpur (5.7%). Meanwhile, as for imports, Selangor became the largest contributor with a share of 25.1 per cent, followed by Pulau Pinang (21.4%), Johor (20.6%), W.P. Kuala Lumpur (11.0%) and Kedah (5.1%).