

MALAYSIA'S TRADE PERFORMANCE, JUNE 2022

Malaysia's total trade continued its strong performance in June 2022, with a value of RM270.4 billion and subsequently recorded a growth of 43.4 per cent from RM188.5 billion in the same period of preceding year. Exports and imports reached a new high value of RM146.2 billion and RM124.2 billion, respectively. In terms of growth, exports expanded 38.8 per cent while imports surged 49.3 per cent. Trade surplus amounted to RM21.9 billion, decreased 0.8 per cent as compared to June 2021.

From a monthly comparison perspective, trade surplus posted an outstanding performance with 72.7 per cent. Exports grew 21.3 per cent, while total trade 18.4 per cent and imports 15.2 per cent.

For the first half of 2022, total trade, exports and imports remained double-digit growth momentums. Total trade expanded 28.2 per cent, supported by the increases in exports (+26.1%) and imports (+30.9%). Meanwhile, trade surplus rose by 6.7 per cent.

A. EXPORTS

Malaysia's trade hit a new high value, with a consistent double-digit performance in June 2022

1. Performance of Exports

Malaysia's exports remained strong with a new high value of RM146.2 billion, went up by 38.8 per cent in June 2022. The performance was driven by increases in domestic exports 30.6 per cent and accelerated growth of re-exports with 72.2 per cent. Domestic exports dominated total exports with an amount of RM110.6 billion and thus contributed 75.7 per cent, while re-exports totalled RM35.6 billion with a share of 24.3 per cent. On the other hand, exports recorded an increase of 21.3 per cent as compared to May 2022. Analysis of the seasonally adjusted terms month-on-month (m-o-m), exports rose by 19.5 per cent (+RM24.4 billion) to RM149.8 billion.

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

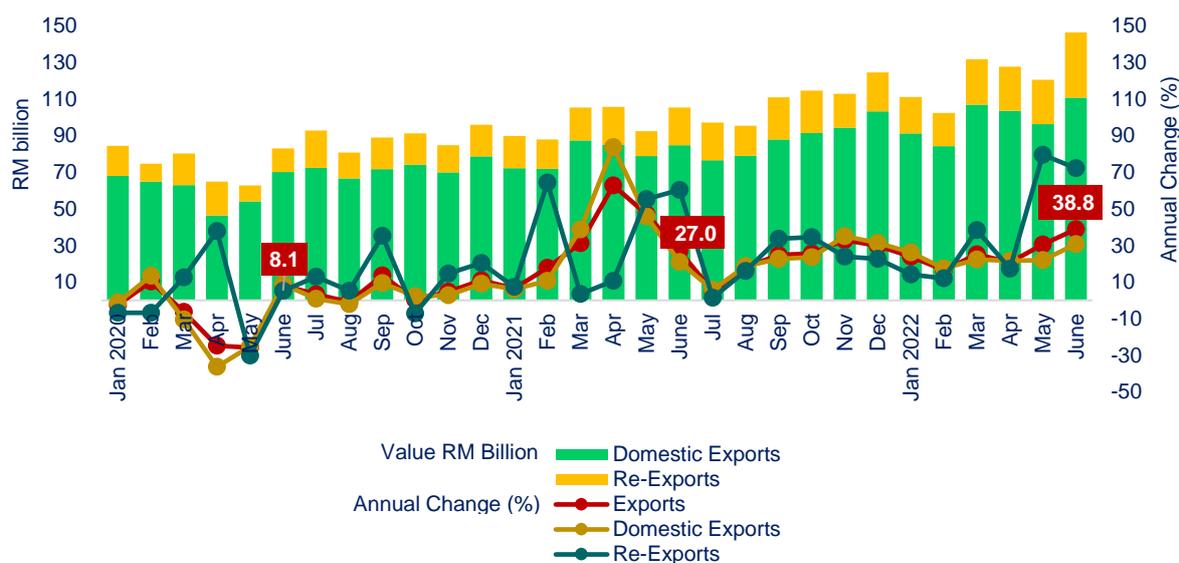


Chart 2 Actual Export Value and Seasonally Adjusted Export Value, RM billion



2. Export Performance for Major Country of Destination

Singapore and China were the major country of destinations in June 2022 with a total contribution of 27.3 per cent to Malaysia's exports.

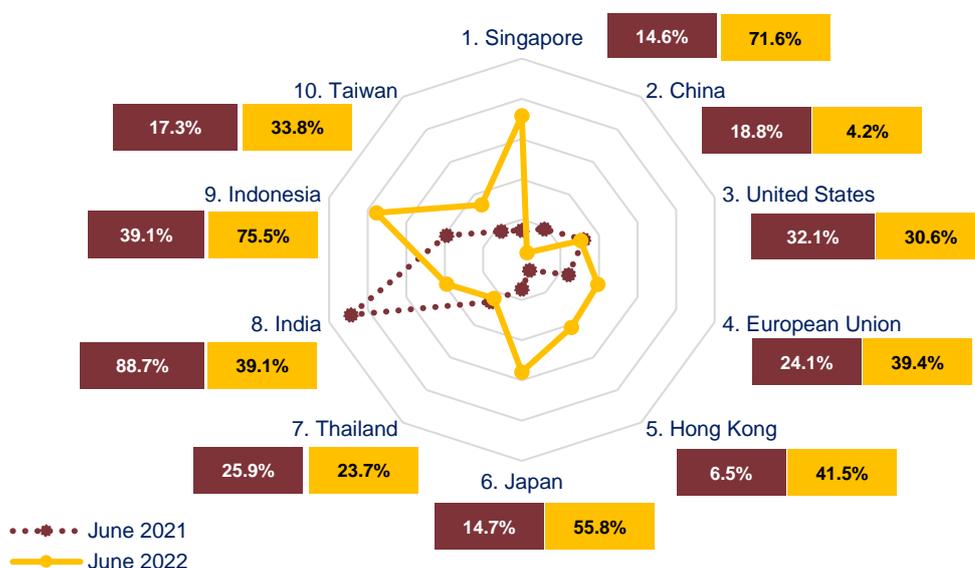
Exports to Singapore stood at RM21.5 billion, subsequently constituted 14.7 per cent from total exports, sped up at 71.6 per cent (+RM9.0 billion) as compared to June 2021. The expansion was boosted by higher exports of electrical & electronic (E&E) products (+RM3.9 billion, +65.5%), petroleum products (+RM2.5 billion, +147.9%), machinery, equipment & parts (+RM634.9 million, +64.5%) and optical and scientific equipment (+RM248.1 million, +51.2%).

Meanwhile, exports to China represented 12.6 per cent of Malaysia's total exports in June 2022 with a value of RM18.3 billion, posted a moderate growth of 4.2 per cent or RM742.4 million, year-on-year (y-o-y). The growth was influenced mainly by higher exports of E&E products (+RM1.7 billion, +30.9%). It was followed by other manufactures (+RM916.5 million, +89.9%) as well as liquefied natural gas (LNG) (+RM348.5 million, +36.1%).

United States was the third major country of destination with a contribution of 11.5 per cent from total exports, posted a growth of 30.6 per cent to RM16.9 billion.

Exports to all major country of destinations registered double-digit growths as compared to June 2021, except for China.

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



3. Exports to ASEAN Countries

Exports with ASEAN constituted 28.5 per cent of Malaysia's total exports in June 2022, expanded by 55.2 per cent from RM26.8 billion in the same period of preceding year to RM41.6 billion. This increment was stimulated mainly from petroleum products as it widened by RM4.8 billion (+136.0%), followed by E&E products (+RM4.5 billion, +47.0%), crude petroleum (+RM1.2 billion, +252.0%), machinery, equipment & parts (+RM792.6 million, +46.0%), iron & steel products (+RM696.0 million, +137.6%) and LNG (+RM664.0 million, +391.6%).

Singapore remained its domination among other ASEAN countries of destination for exports, with a contribution of 51.8 per cent or RM21.5 billion, expanded by 71.6 per cent over the previous year. On the other hand, exports value to Thailand amounted RM5.9 billion (+23.7%), Indonesia (RM5.3 billion, +75.5%), Viet Nam (RM4.4 billion, +16.5%), Philippines (RM2.7 billion, +27.5%), Myanmar (RM866.6 million, +360.4%), Brunei Darussalam (RM574.2 million, +167.9%), Lao PDR (RM278.3 million, +4,164.4%) dan Cambodia (RM130.3 million, -40.1%).

Chart 4 Percentage Share of Exports, June 2022



4. Export Performance for Economic Sectors

Exports of manufactured products was the main catalyst to Malaysia's total exports with a share of 83.5 per cent. It logged an expansion of 33.8 per cent to RM122.1 billion. The main contributor to the increase were E&E products (+RM15.2 billion, +40.9%), followed by petroleum products (+RM9.9 billion, +104.1%), machinery, equipment & parts (+RM1.4 billion, +35.0%), manufacture of metal (+RM1.0 billion, +20.6%) and optical & scientific equipment (+RM1.0 billion, +24.6%). In contrary, exports of rubber products declined by RM4.6 billion or 63.4 per cent.

At the same time, exports of agriculture goods registered an increase from RM8.8 billion in June 2021 to RM12.9 billion (+46.8%) in June 2022 and accounted for 8.8 per cent of total exports. The increase was in accordance with higher exports of palm oil & palm oil-based agriculture products which expanded 51.7 per cent to reach RM10.7 billion.

Exports of mining products which amounted RM10.5 billion, represented 7.2 per cent of total exports recorded a robust growth of 116.3 per cent (+RM5.7 billion) as compared to June in the previous year. This was supported by higher exports of LNG (+RM3.8 billion, +153.1%) and crude petroleum (+RM1.4 billion, +82.2%).

Exhibit 1 Exports by Sector, June 2021 and June 2022



5. Exports of Selected Major Products

The expansion in exports in June 2022 has been seen in the positive growth of the following products:

- E&E products (35.8% of total exports), grew by 40.9 per cent (+RM15.2 billion) to RM52.3 billion;
- Refined petroleum products, which accounted for 12.7 per cent of total exports, expanded by RM10.7 billion (+133.7%) to RM18.6 billion in line with the increase in average unit value (+61.0%) and export volume (+45.1%);
- Palm oil & palm oil-based products (10.0% of total exports) rose by RM4.4 billion (+42.8%) to RM14.6 billion. Exports of palm oil, the major commodity in this group of products improved by RM2.4 billion or 38.8 per cent along with the rise of average unit value (+32.8%) and export volume (+4.5%);
- LNG, accounting for 4.3 per cent of total exports, increased RM3.8 billion or 153.1 per cent consistent with the growth in average unit value (+65.2%) and export volume (+53.2%);
- Crude petroleum, which constituted 2.1 per cent to total exports increased by RM1.4 billion or 82.2 per cent to RM3.1 billion in tandem with the increase in average unit value (+73.1%) as well as export volume (+5.2%);
- Timber & timber-based products, which contributed 1.5 per cent to total exports elevated by 53.9 per cent or RM757.9 million to RM2.2 billion; and
- Natural rubber, which constituted 0.3 per cent to total exports gained by RM111.7 million or 32.5 per cent to RM455.0 million, consistent with the increase in average unit value (+10.0%) and export volume (+20.5%).

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

Share	 35.8% Electrical and Electronic Products		 12.7% Refined Petroleum Products		 10.0% Palm Oil and Palm Oil-based Products		 4.3% Liquified Natural Gas		 2.1% Crude Petroleum		 1.5% Timber and Timber-based Products		 0.3% Natural Rubber	
	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 (%)
June 2022	52.3	+40.9	18.6	+133.7	14.6	+42.8	6.3	+153.1	3.1	+82.2	2.2	+53.9	0.5	+32.5
June 2021	37.2	+14.1	8.0	+114.5	10.2	+56.6	2.5	+16.7	1.7	+88.9	1.4	-27.7	0.3	+60.8

B. IMPORTS

Imports remained its double-digit growth with 49.3 per cent in June 2022

1. Performance of Imports

Malaysia's imports reached all-time high value at RM124.2 billion and thus grew strong at 49.3 per cent as compared to the same period in 2021. In comparison to May 2022, imports increased 15.2 per cent (+RM16.4 billion). Referring to seasonally adjusted terms m-o-m, imports rose 19.2 per cent to RM129.1 billion.

Imports by end use registered a positive y-o-y growth with the increases in the intermediate goods (+46.9%), consumption goods (+25.6%) and capital goods (+30.4%).

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

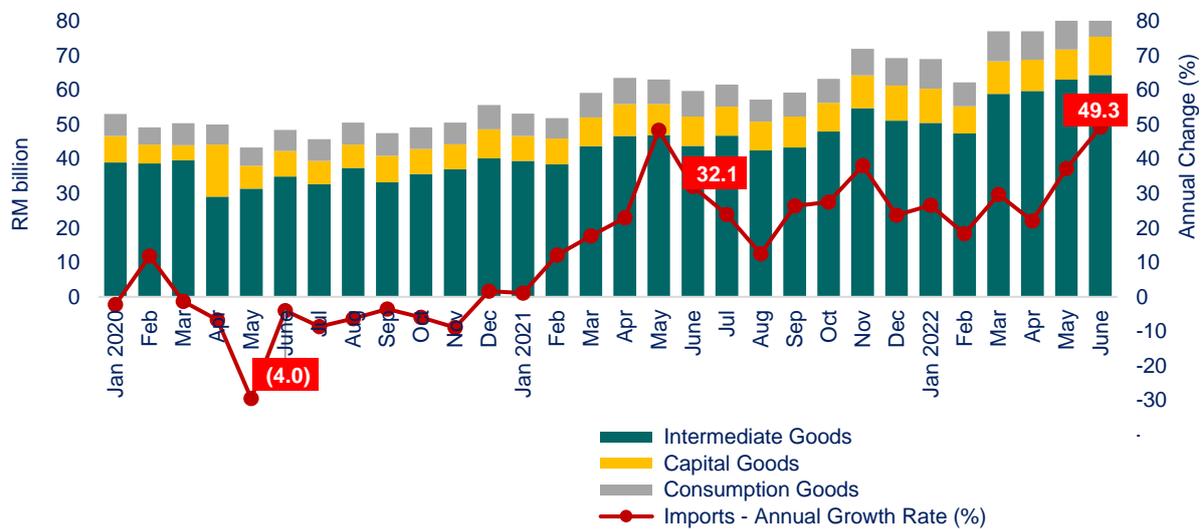
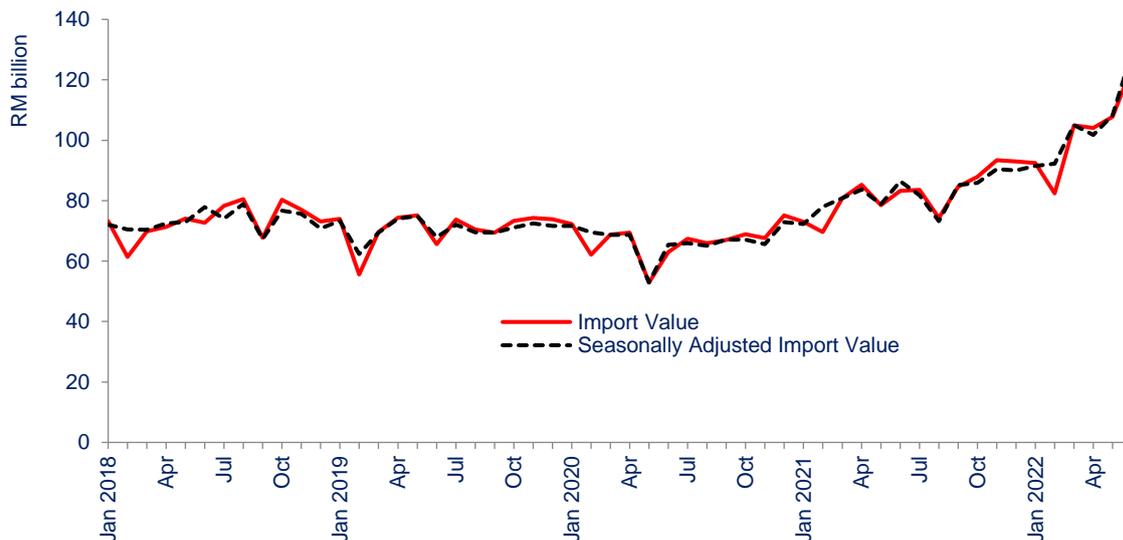


Chart 6 Actual Import Value and Seasonally Adjusted Imports Value, RM billion



2. Import Performance for Major Country of Origin

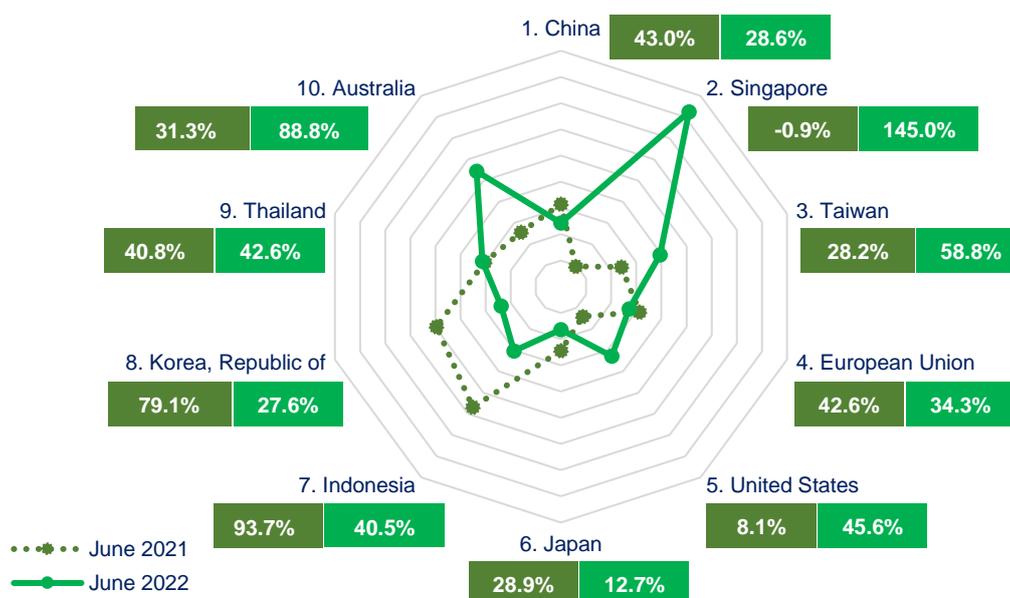
China and Singapore were the two main countries of origin for Malaysia's imports in June 2022, with a total contribution of 33.0 per cent to total imports.

Imports from China which represented 21.1 per cent of Malaysia's imports, expanded by 28.6 per cent to RM26.2 billion. This was mainly attributed to E&E products, which increased by 28.8 per cent (+RM2.1 billion). In addition, machinery, equipment & parts (+RM679.5 million, +31.9%), iron & steel products (+RM591.0 million, +115.5%) and chemical & chemical products (+RM501.7 million, +22.5%) also contributed to the increase.

Imports from Singapore recorded a robust growth of 145.0 per cent (+RM8.8 billion) to RM14.8 billion, contributed 12.0 per cent of Malaysia's imports. The growth was driven by higher imports of petroleum products (+RM5.2 billion, +288.0%) and E&E products (+RM1.7 billion, +92.3%).

Imports from Taiwan amounted RM9.7 billion with an increase of 58.8 per cent in June 2022, thus covered 7.8 per cent from Malaysia's total imports.

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

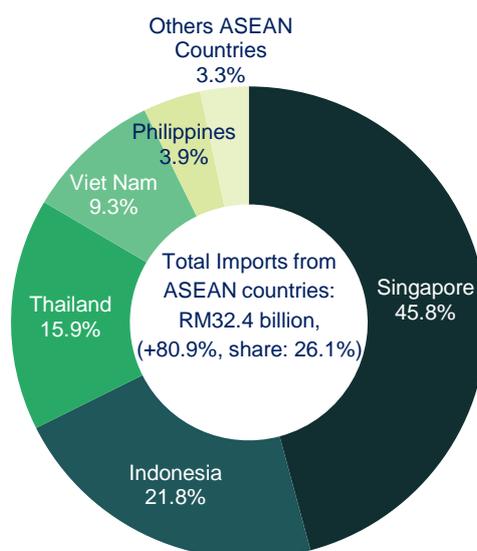


3. Imports from ASEAN Countries

Imports from ASEAN grew at 80.9 per cent in June 2022, to RM32.4 billion and thus contributed 26.1 per cent to total imports. The growth was mainly attributed from higher imports of petroleum products (+RM5.9 billion, +224.0%), E&E products (+RM2.8 billion, +68.3%), metalliferous ores & metal scrap (+RM606.7 million, +1,096.2%), chemical & chemical products (+RM478.9 million, +30.2%) and machinery, equipment & parts (+RM411.0 million, +47.9%).

Among ASEAN countries of origin, Singapore represented 45.8 per cent with a value of RM14.8 billion (+145.0%). Imports from Indonesia totalled RM7.1 billion (+40.5%), Thailand (RM5.2 billion, +42.6%), Viet Nam (RM3.0 billion, +39.7%), Philippines (RM1.3 billion, +45.9%), Brunei Darussalam (RM773.1 million, +2,315.0%), Myanmar (RM201.0 million, +93.9%), Cambodia (RM60.5 million, +38.7%) and Lao PDR (RM31.5 million, +98.6%).

Chart 8 Percentage Share of Imports, June 2022



4. Import Performance for Economic Sectors

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

Manufactured products which covered 84.8 per cent of total imports, increased by 44.6 per cent to RM105.4 billion as compared to RM72.9 billion in June previous year. This was supported by higher imports of petroleum products (+RM11.7 billion, +134.6%), E&E products (+RM9.3 billion, +37.4%), transport equipment (+RM2.6 billion, +88.2%), machinery, equipment & parts (+RM2.1 billion, +36.3%), chemical & chemical products (+RM1.9 billion, +22.2%) and manufacture of metal (+RM1.5 billion, +30.5%).

Imports of mining products amounted to RM10.0 billion, increased by 167.2 per cent compared with June 2021 and accounting for 8.0 per cent of Malaysia's total imports. The increase was stimulated by crude petroleum (+RM2.6 billion, +304.1%), coal (+RM1.6 billion, +111.4%) and metalliferous ores & metal scrap (+RM908.3 million, +87.8%).

Imports of agriculture products (4.9% of total imports) registered 8.5 per cent growth (+RM473.5 million) to RM6.0 billion, underpinned by the increases in imports of cereal (+RM209.0 million, +28.7%) and other vegetable oils (+RM167.1 million, +34.5%). In contrast, imports of palm oil & palm oil-based agriculture products declined 26.4 per cent to RM802.1 million.

Exhibit 3 Imports by Sector, June 2021 and June 2022



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

Total imports in June 2022 were valued at RM124.2 billion, lifted up by 49.3 per cent y-o-y. The three main categories of imports by End Use which accounted for 68.3 per cent of total imports were:

Intermediate goods, amounted RM64.4 billion or 51.8 per cent of total imports, increased by 46.9 per cent spearheaded by higher imports of industrial supplies, processed (+RM8.2 billion, +44.6%), fuel & lubricants, primary (+RM4.3 billion, +197.3%) and parts & accessories of capital goods (except transport equipment) (+RM3.6 billion, +26.9%);

Capital goods, valued at RM11.2 billion (9.0% of total imports) recorded a growth of 30.4 per cent, driven by imports of transport equipment, industrial (+RM1.6 billion, +219.8%) and capital goods (except transport equipment) which increased by 13.2 per cent (+RM1.0 billion); and

Consumption goods, stood at RM9.2 billion (7.4% of total imports), posted an increase of 25.6 per cent, following from higher imports of food & beverages, processed, mainly for household consumption (+RM599.4 million, +26.5%) and semi-durables goods (+RM527.2 million, +47.5%).

C. EXPORTS AND IMPORTS BY LOCATION

Exports in June 2022 increased RM40.8 billion (+38.8%) compared to the same month of the previous year. Higher exports were recorded in most states such as Pulau Pinang (+RM16.3 billion), Johor (+RM13.0 billion), Sarawak (+RM6.1 billion), Selangor (+RM4.2 billion), W.P. Labuan (+RM720.7 million), Kedah (+RM617.9 million), W.P. Kuala Lumpur (+RM577.1 million), Sabah (+RM408.9 million), Negeri Sembilan (+RM92.8 million), Kelantan (+RM32.5 million) and Perlis (+RM27.6 million). However, exports decreased in Terengganu (-RM983.0 million), Pahang (-RM303.6 million), Melaka (-RM226.0 million) and Perak (-RM47.7 million).

At the same time, imports also increased RM41.0 billion (+49.3%) in June 2022 compared to the same month of the previous year. Higher imports were mainly from Johor (+RM10.4 billion), Pulau Pinang (+RM9.5 billion), Selangor (+RM9.1 billion), W.P. Kuala Lumpur (+RM5.5 billion), Negeri Sembilan (+RM1.9 billion), Sarawak (+RM1.2 billion), Kedah (+RM1.1 billion), Pahang (+RM718.3 million), W.P. Labuan (+RM243.5 million), Melaka (+RM228.6 million), Perak (+RM221.9 million), Sabah (+RM139.6 million) and Perlis (+RM32.7 million). However, imports decreased in Terengganu (-RM197.9 million) and Kelantan (-RM137.5 million).

Among the top five major exporting states, Pulau Pinang remained as the top exporter with a share of 31.2 per cent, followed by Johor (24.0%), Selangor (16.9%), Sarawak (8.5%) and W.P. Kuala Lumpur (3.9%). Meanwhile, as for imports, Selangor was the largest contributor with a share of 26.4 per cent, followed by Johor (22.7%), Pulau Pinang (21.9%), W.P. Kuala Lumpur (9.4%) and Kedah (4.9%).