

MALAYSIA'S TRADE PERFORMANCE, MAY 2022

Malaysia's trade performance remained resilient and maintained its upward momentum in May 2022. Total trade increased by 33.6 per cent from RM170.9 billion in the preceding year to RM228.4 billion, the 16th consecutive month of double-digit growth since February 2021. Consistent with the trade's performance, exports and imports also registered double-digit growths of 30.5 per cent and 37.3 per cent, respectively as compared to May 2021. Malaysia's imports recorded all-time high at RM107.9 billion, in line with the surge in intermediate goods by 34.1 per cent, signified a positive sign of domestic economic activity. Trade value continued to record a surplus, with a value of RM12.6 billion, decreased by 8.3 per cent from the previous year.

In comparison to April 2022, the performance of total trade, exports and trade surplus showed declines of 1.4 per cent, 5.6 per cent and 46.3 per cent, respectively. Meanwhile, imports increased by 3.6 per cent.

For the period of January to May 2022, total trade, exports, imports and trade surplus continued to record positive growths. Total trade went up by 25.1 per cent, supported by the expansion in exports (+23.5%) as well as imports (+27.0%). Consequently, trade surplus recorded a higher value of RM101.1 billion.

A. EXPORTS

Exports Maintained Double-Digit Growth, Surged by 30.5 per cent in May 2022

1. Performance of Exports

Malaysia's exports in May 2022 widened to RM120.5 billion, registering a double-digit growth of 30.5 per cent year-on-year (y-o-y) and maintained the positive growth for 21st consecutive months since September 2020. Export value growth in May 2022 was supported by both, domestic exports and re-exports. Domestic exports was valued at RM96.0 billion contributed 79.7 per cent to total exports, grew by 22.1 per cent, y-o-y. Meanwhile, re-exports registered RM24.4 billion, increased by 79.1 per cent as compared to the previous year. In comparison to April 2022, exports posted a decrease of 5.6 per cent or RM7.1 billion. Analysis of the seasonally adjusted terms m-o-m, exports rose by 1.1 per cent or RM1.3 billion to RM125.4 billion.

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

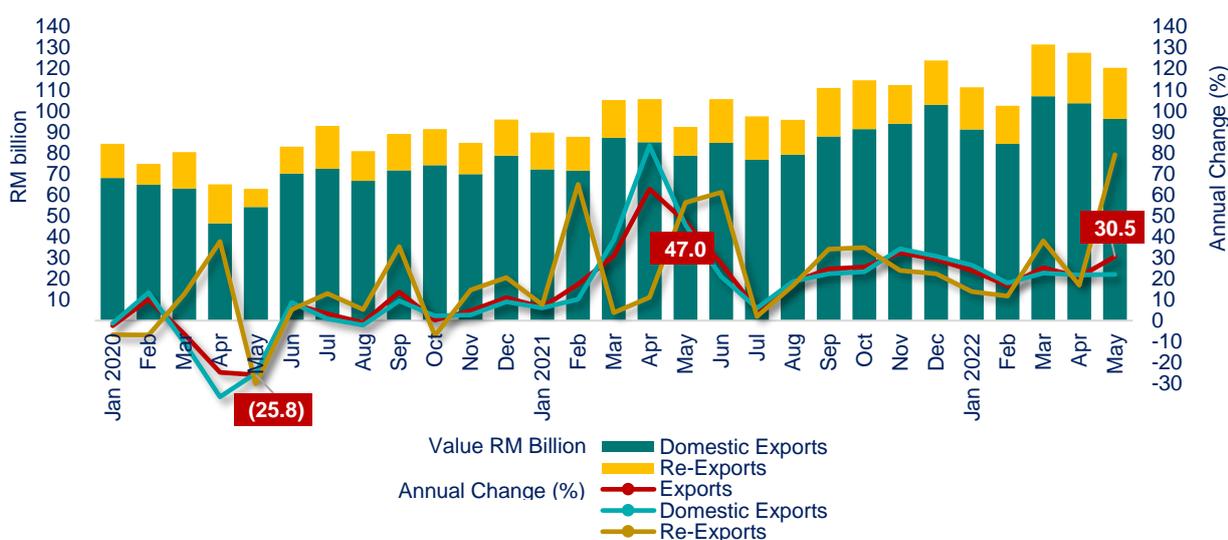
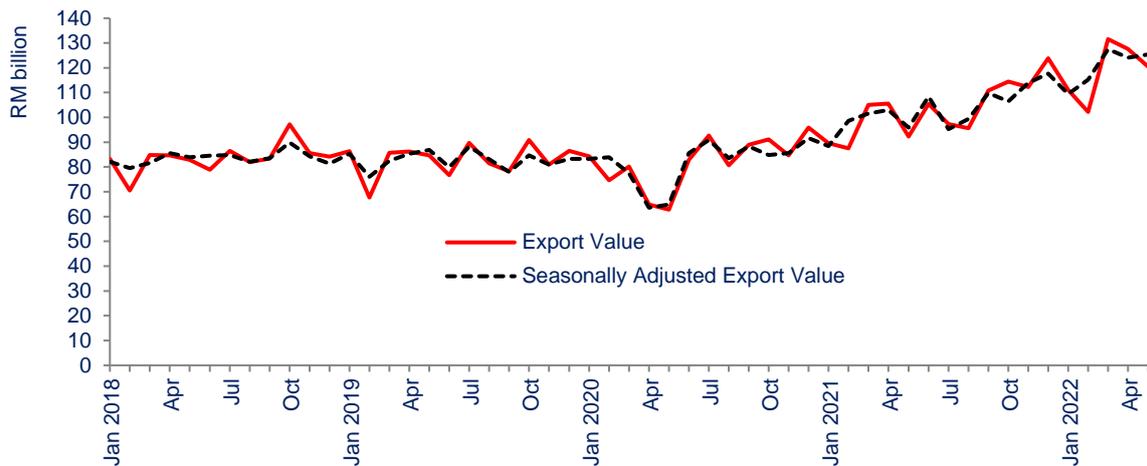


Chart 2 Actual Export Value and Seasonally Adjusted Export Value, RM billion



2. Export Performance for Major Country of Destination

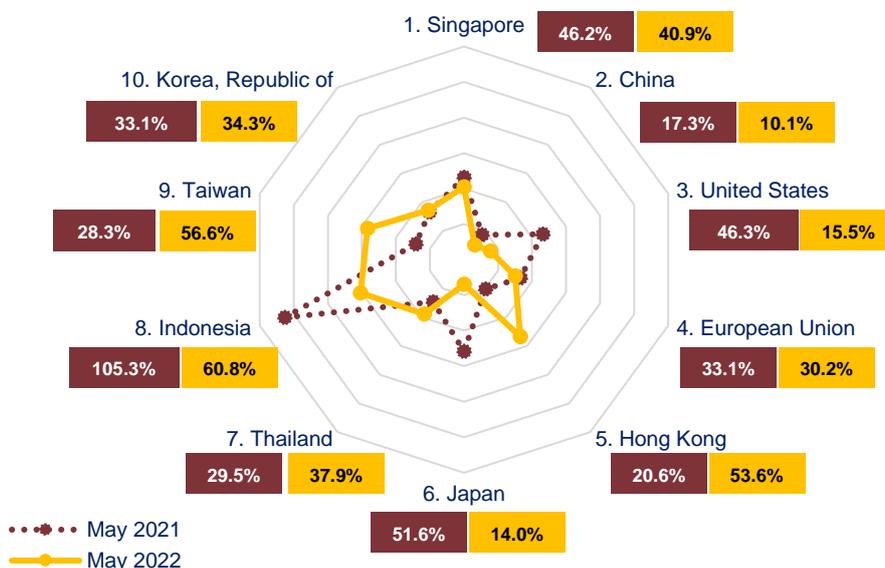
Singapore and China were the major country of destinations in May 2022 with a total contribution of 27.9 per cent to Malaysia's exports.

Exports to Singapore with a value of RM18.3 billion, represented 15.2 per cent of total exports, registering an increase of 40.9 per cent or RM5.3 billion, y-o-y. The expansion was boosted by higher exports of electrical & electronic (E&E) products (+RM3.3 billion, +53.0%), petroleum products (+RM1.2 billion, +80.9%), machinery, equipment & parts (+RM306.7 million, +33.1%) and manufacture of metal (+RM195.3 million, +46.2%).

Exports to China in May 2022 amounted to RM15.3 billion and accounted for 12.7 per cent of Malaysia's total exports, grew by 10.1 per cent or RM1.4 billion y-o-y. The growth was supported mainly by higher exports of E&E products (+RM2.0 billion, +48.1%), palm oil & palm oil-based agriculture products (+RM223.6 million, +46.1%) and liquefied natural gas (LNG) (+RM201.3 million, +20.7%). However, exports of iron & steel products decreased by RM696.2 million or 78.3 per cent.

Out of ten major country destinations, Hong Kong, Thailand, Taiwan and Republic of Korea registered higher annual growth as compared to growth in May 2021.

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



3. Exports to ASEAN Countries

Exports with ASEAN in May 2022 which constituted 30.7 per cent of Malaysia's total exports, expanded by 44.2 per cent from RM25.7 billion in May 2021 to RM37.0 billion. This increment was contributed mainly from E&E products as it widened by 52.7 per cent or RM4.7 billion, followed by petroleum products (+RM2.8 billion, +82.6%), palm oil & palm oil-based agriculture products (+RM539.7 million, +102.7%), chemical & chemical products (+RM438.8 million, +20.8%) and machinery, equipment & parts (+RM421.3 million, +26.3%). Among ASEAN countries, Singapore dominated as country of destination for exports, with a contribution of 49.6 per cent or RM18.3 billion, expanded by 40.9 per cent over the previous year.

Chart 4 Percentage Share of Exports, May 2022



4. Export Performance for Economic Sectors

Exports of manufactured products in May 2022, logged an expansion of 27.3 per cent to a total value of RM100.4 billion and accounted for 83.3 per cent share of Malaysia's total exports. The main contributor to the increase were E&E products (+RM14.3 billion, +45.3%), followed by petroleum products (+RM5.6 billion, +81.2%), palm oil-based manufactured products (+RM1.6 billion, +74.7%) and chemical & chemical products (+RM902.3 million, +17.2%).

Exports of agriculture goods registered an increase of 43.9 per cent from RM7.5 billion in May 2021 to RM10.8 billion and accounted for 8.9 per cent of total exports. The increase was in accordance with higher exports of palm oil & palm oil-based agriculture products which expanded 53.9 per cent to reach RM8.9 billion.

Meanwhile, exports of mining products which represented 7.3 per cent of total exports recorded a positive growth of 54.9 per cent from RM5.7 billion in May 2021 to RM8.8 billion. This was supported by higher exports of LNG (+RM1.8 billion, +60.6%) and crude petroleum (+RM980.3 million, +52.8%).

Exhibit 1 Exports by Sector, May 2021 and May 2022



5. Exports of Selected Major Products

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

- E&E products (38.1% of total exports), expanded by 45.3 per cent (+RM14.3 billion) to RM45.9 billion;
- Refined petroleum products, which accounted for 9.3 per cent of total exports, expanded by RM5.4 billion or 91.4 per cent to RM11.3 billion in line with the increase in average unit value (+93.9%), but export volume decreased (-1.3%);
- Palm oil & palm oil-based products (10.5% of total exports) grew by RM4.7 billion (+59.5%) to RM12.6 billion. Exports of palm oil, the major commodity in this group of products rose by RM2.8 billion or 55.6 per cent along with the rise of average unit value (+28.6%) and export volume (+20.9%);
- LNG, accounting for 4.0 per cent of total exports, increased RM1.8 billion or 60.6 per cent consistent with the growth in average unit value (+71.2%) as export volume decreased (-6.1%);
- Crude petroleum, which constituted 2.4 per cent to total exports grew by RM980.3 million or 52.8 per cent to RM2.8 billion in tandem with the increase in average unit value (+86.2%). In contrary, export volume declined (-17.9%); and
- Timber & timber-based products, which contributed 1.6 per cent to total exports increased by 1.1 per cent or RM20.1 million to RM1.9 billion.

However, exports of natural rubber, which constituted 0.3 per cent to total exports dropped RM2.6 million or 0.8 per cent to RM334.1 million as a result of the decrease in export volume (-10.2%). Nevertheless, average unit value increased (+10.5%).

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

Share	38.1%		10.5%		9.3%		4.0%		2.4%		1.6%		0.3%	
	Electrical and Electronic Products		Palm Oil and Palm Oil-based Products		Refined Petroleum Products		Liquefied Natural Gas		Crude Petroleum		Timber and Timber-based Products		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 (%)
May 2022	45.9	+45.3	12.6	+59.5	11.3	+91.4	4.8	+60.6	2.8	+52.8	1.9	+1.1	0.3	-0.8
May 2021	31.6	+34.3	7.9	+51.1	5.9	+83.3	3.0	+41.2	1.9	+141.0	1.9	+47.6	0.3	+71.3

B. IMPORTS

Imports continued to record an increase of 37.3 percent in May 2022

1. Performance of Imports

Malaysia's imports recorded all-time high at RM107.9 billion in May 2022, expanded by 37.3 per cent as compare to the same month previous year. In comparison to April 2022, imports also posted an increase of 3.6 per cent or RM3.8 billion. Based on seasonally adjusted terms, imports rose 6.5 per cent to RM108.4 billion.

On a y-o-y basis, imports by end use registered a positive growth with the increases in the intermediate goods and consumption goods.

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

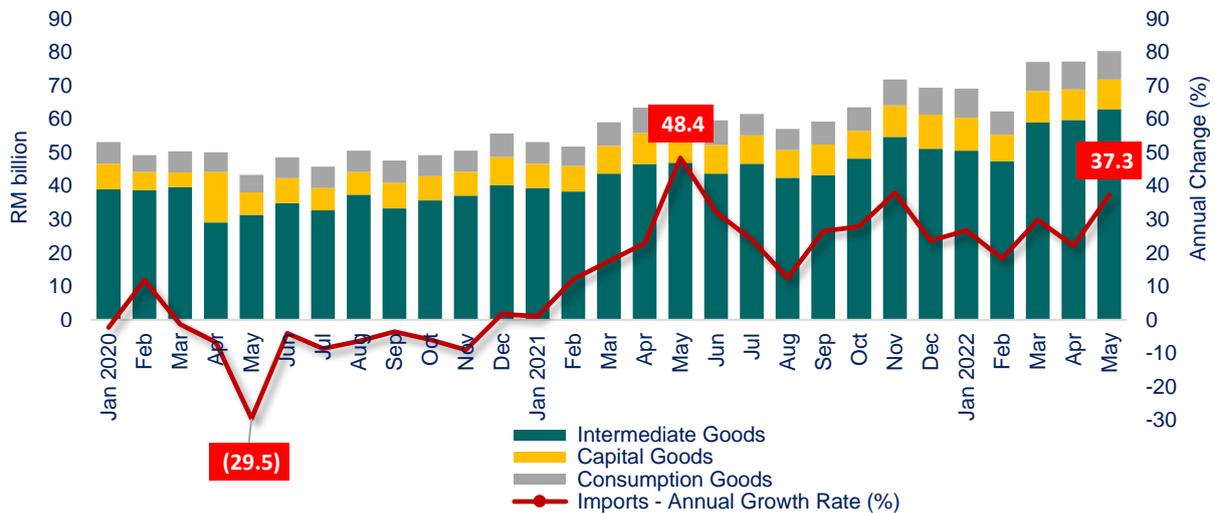
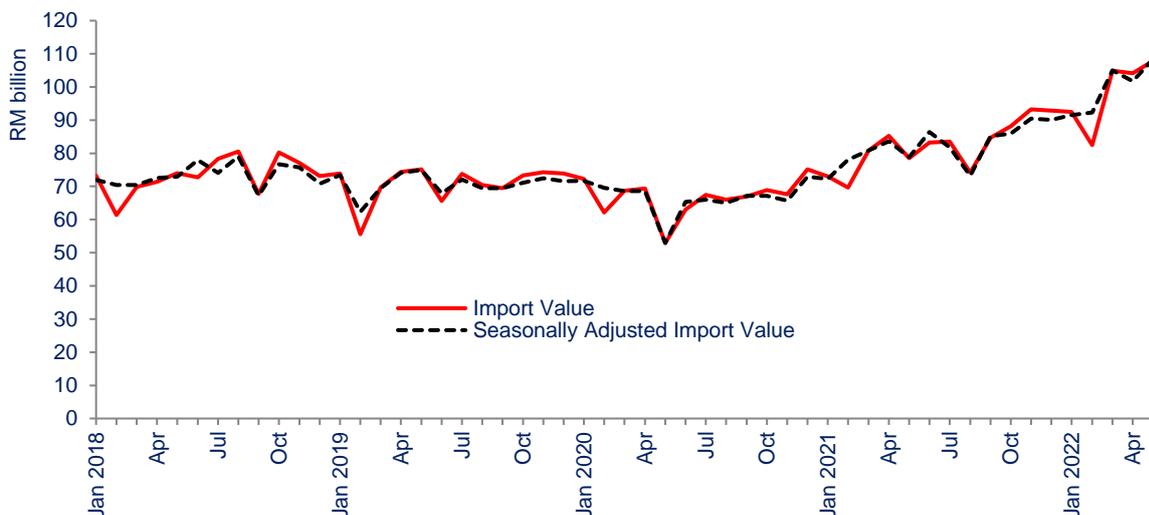


Chart 6 Actual Import Value and Seasonally Adjusted Imports Value, RM billion



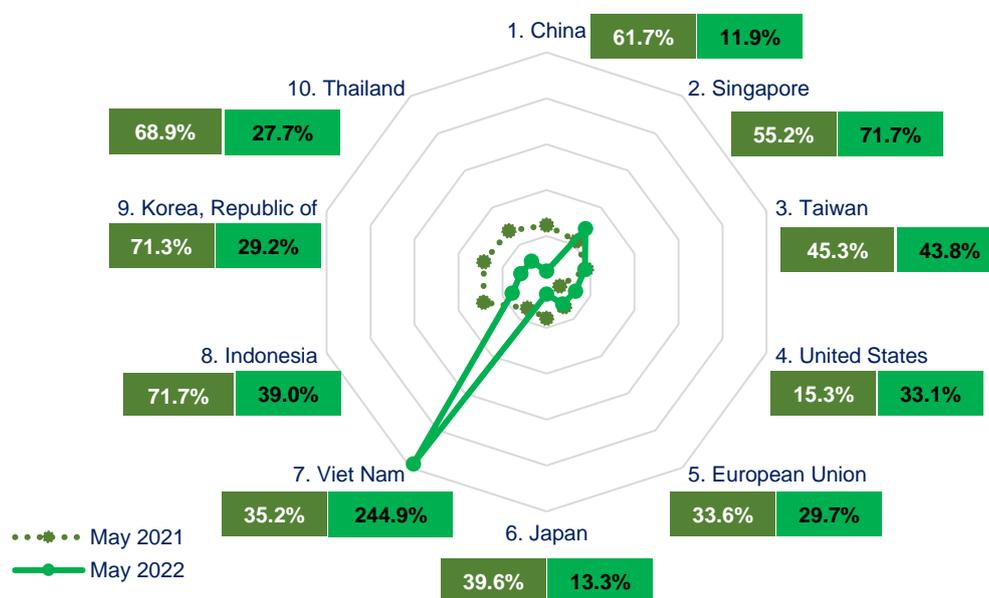
2. Import Performance for Major Country of Origin

China and Singapore were the two main countries of origin for Malaysia's imports in May 2022, contributed 31.9 per cent to total imports.

Imports from China which represented 20.3 per cent of Malaysia's imports, expanded by 11.9 per cent or RM2.3 billion to RM21.9 billion. This was contributed mainly by significant growth in imports of E&E products, increased by 14.5 per cent or RM1.1 billion. It was followed by petroleum products (+RM935.5 million, +99.5%) and chemical & chemical products (+RM533.9 million, +32.2%).

Imports from Singapore was valued at RM12.5 billion, made up 11.6 per cent of Malaysia's imports, grew by 71.7 per cent or RM5.2 billion y-o-y. The growth was mainly attributed from higher imports of petroleum products (+RM2.3 billion, +110.2%) and E&E products (+RM1.4 billion, +69.4%).

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

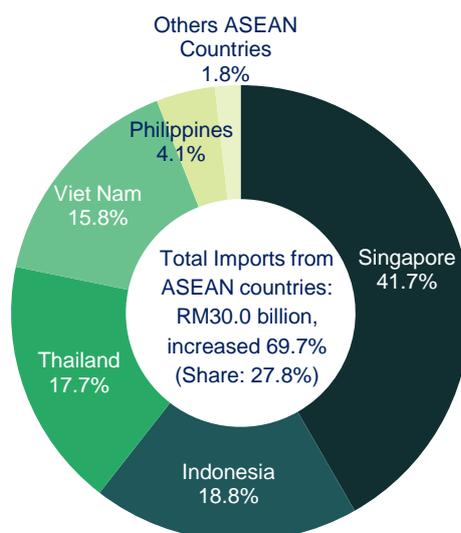


3. Imports from ASEAN Countries

Imports from ASEAN in May 2022 were higher by 69.7 per cent, y-o-y to RM30.0 billion with a share of 27.8 per cent to total imports. The growth was mainly attributed from higher imports of E&E products (+RM5.5 billion, +138.3%), petroleum products (+RM2.5 billion, +89.2%), coal (+RM1.1 billion, +257.5%), gold (+RM842.1 million, +127.3%) and chemical & chemical products (+RM376.6 million, +24.0%).

Among ASEAN countries of origin, 41.7 per cent of Malaysia's imports was from Singapore, expanded by 71.7 per cent or RM5.2 billion as compared to the previous year.

Chart 8 Percentage Share of Imports, May 2022



4. Import Performance for Economic Sectors

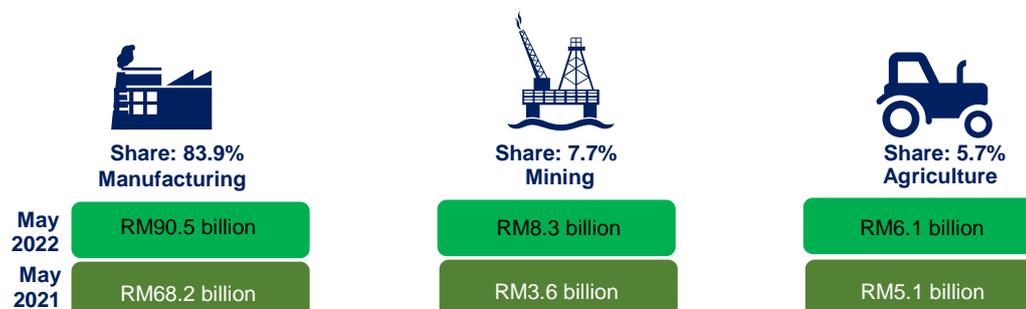
Expansion in imports was led by higher imports of all main sectors in May 2022.

Manufactured products which constituted 83.9 per cent of total imports, increased by 32.6 per cent from RM68.2 billion to RM90.5 billion y-o-y. This was supported by higher imports of E&E products (+RM11.5 billion, +48.0%), petroleum products (+RM5.2 billion, +75.6%), chemical & chemical products (+RM1.6 billion, +20.8%), transport equipment (+RM793.6 million, +29.9%), manufacture of metal (+RM753.0 million, +17.2%), processed food (+RM720.2 million, +41.5%) and machinery, equipment & parts (+RM677.2 million, +11.4%).

Imports of mining products amounted to RM8.3 billion, increased by 127.9 per cent compared with May 2021 and accounting for 7.7 per cent of Malaysia's total imports. The expansions were seen for imports of coal (+RM2.5 billion, +287.2%), crude petroleum (+RM1.3 billion, +113.3%) and metalliferous ores & metal scrap (+RM551.9 million, +48.6%).

Imports of agriculture products (5.7% of total imports) registered a double-digit growth of 20.7 per cent or RM1.1 billion y-o-y to RM6.1 billion, underpinned by the increases in imports of other vegetables oil (+RM394.7 million, +127.3%) and cereal (+RM279.2 million, +34.7%).

Exhibit 3 Imports by Sector, May 2021 and May 2022



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

Total imports in May 2022 was valued at RM107.9 billion, went up 37.3 per cent y-o-y. The three main categories of imports by End Use which accounted for 74.4 per cent of total imports were:

Intermediate goods, was valued at RM62.9 billion or 58.4 per cent of total imports, increased by 34.1 per cent on account of higher imports of parts & accessories of capital goods (except transport equipment) (+RM5.3 billion, +33.3%), industrial supplies, processed (+RM4.7 billion, +24.6%) and fuel & lubricants, primary (+RM3.8 billion, +192.3%);

Capital goods, stood at RM8.8 billion (8.2% of total imports) shrank by 0.8 per cent, attributable to the lower imports of capital goods (except transport equipment) by RM304.1 million or 3.6 per cent; and

Consumption goods, amounted to RM8.5 billion (7.9% of total imports), recorded an increase of 19.3 per cent, resulting from higher imports of non-durables goods (+RM515.9 million, +31.4%) and food & beverages, processed, mainly for household consumption (+RM435.2 million, +20.8%).

C. EXPORTS AND IMPORTS BY LOCATION

Exports in May 2022 increased RM28.2 billion (+30.5%) compared to the same month of the previous year. Higher exports were recorded in most states such as Pulau Pinang (+RM13.3 billion), Johor (+RM5.2 billion), Sarawak (+RM3.6 billion), W.P. Kuala Lumpur (+RM2.9 billion), Selangor (+RM2.2 billion), W.P. Labuan (+RM1.1 billion), Kedah (+RM1.1 billion), Sabah (+RM903.5 million), Pahang (+RM56.1 million) and Perlis (+RM30.1 million). However, exports decreased in Melaka (-RM951.0 million), Perak (-RM443.8 million), Terengganu (-RM375.1 million), Negeri Sembilan (-RM193.9 million) and Kelantan (-RM25.0 million).

At the same time, imports also increased RM29.3 billion (+37.3%) in May 2022 compared to the same month of the previous year. Higher imports were mainly from Pulau Pinang (+RM10.7 billion), Johor (+RM5.2 billion), Selangor (+RM3.8 billion), W.P. Kuala Lumpur (+RM3.4 billion), Kedah (+RM1.8 billion), Negeri Sembilan (+RM1.2 billion), Pahang (+RM837.4 million), Perak (+RM739.9 million), Sarawak (+RM573.2 million), Terengganu (+RM258.5 million) and Sabah (+RM215.4 million). However, imports decreased in Melaka (-RM137.0 million), Perlis (-RM14.3 million), Kelantan (-RM8.5 million) and W.P. Labuan (-RM1.2 million).

Among the top five major exporting states, Pulau Pinang remained as the top exporter with a share of 31.0 per cent, followed by Johor (21.0%), Selangor (16.8%), Sarawak (8.8%) and W.P. Kuala Lumpur (4.5%). Meanwhile, as for imports, Pulau Pinang became the largest contributor with a share of 26.3 per cent, followed by Selangor (24.1%), Johor (19.1%), W.P. Kuala Lumpur (8.8%) and Kedah (5.8%).