

Exports in October at 12-month high at RM90.59bil

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PETALING JAYA: Malaysia's exports in October hit a 12-month high at RM90.59bil boosted by higher exports of optical and scientific equipment despite a contraction in electrical and electronic (E&E) products.

According to the Ministry of International Trade and Industry (Miti) report issued yesterday, exports fell by 6.7% year-on-year (y-o-y) from RM97.12bil in October 2018 due to high base effect.

"Higher exports were registered to Singapore, Taiwan, the US and Russian Federation while lower exports were recorded to Australia, China, Japan, Thailand and India," Miti said.

RAM Ratings had expected Malaysia's exports to contract by 8.2% and imports to contract by 6.8% and in October, resulting in a trade surplus of RM14.4 bil.

A Bloomberg survey expected a 12.3% contraction in exports and 7% decline in imports.

Miti data showed exports of manufactured goods – 85.8% of total exports – contracted by 4.5% to RM77.76bil.

However, exports of optical and scientific equipment hit a new monthly record high of RM4.03bil, with a double digit expansion of 17.6% from October 2018.

Transport equipment as well as non-metallic mineral products exports also increased.

Exports of petroleum products, electrical and electronic (E&E) products, manufactures of metal and chemicals and chemical products declined.



Higher exports: A file picture showing shipping containers at Westports in Port Klang. Miti says higher exports were registered to Singapore, Taiwan, the US and Russia. — AFP

Meanwhile, total imports in October 2019 fell by 8.7% to RM73.27bil from RM80.27bil in October 2018.

Miti said imports of intermediate goods, valued at RM37.52bil or 51.2% share of total imports, decreased by 5.1% on-year. Capital goods, valued at RM8.48bil or 11.6% of total imports, fell by 11.5% and consumption goods, valued at RM6.13bil or 8.4% of total imports, contracted by 5%.

Trade surplus rose by 2.8% to RM17.33bil from RM16.85bil a year ago.

MIDF Research said trade surplus of RM

17.3bil was the highest monthly surplus ever recorded.

"This came in despite a -6.7% y-o-y fall in export during the month with import declining at harder pace of -8.7% y-o-y.

The research house pointed exports to two world's largest economies continued to deteriorate.

"Malaysia's exports to China fell for the third straight months and recorded double digit fall in October. Exports to the US, although still positive but consistently moderating since June 2019."