

Malaysia's trade surplus in Q1 2020 rises 0.1pc to RM36.99b, says Miti

KUALA LUMPUR, May 4 — Malaysia recorded a trade surplus of RM36.99 billion in the first quarter (Q1) 2020, 0.1 per cent higher compared to the same period in 2019, the highest trade surplus recorded for Q1 since 2011, said the International Trade and Industry Ministry (Miti).

The total trade, exports and imports contracted 8.1 per cent, 7.4 per cent and 8.9 per cent, respectively compared to the previous quarter while the trade surplus expanded by 1.5 per cent.

Total trade during the Q1 2020 grew 1.2 per cent to RM440.38 billion compared to Q1 2019.

Higher trade was recorded with Indonesia, the United States (US), South Korea, Saudi Arabia and Singapore.

Exports during the period registered an increase of 1.1 per cent to RM238.68 billion, the highest export recorded for Q1 thus far, while imports rose 1.3 per cent to RM201.69 billion.

Imports amounted to RM201.69 billion during Q1 2020, an increased of 1.3 per cent from the same period of 2019.

According to Miti, the country's March 2020 trade was valued at RM147.9 billion, a decrease of 3.8 per cent compared to March 2019.

Lower trade was recorded with Thailand, Hong Kong, Vietnam, Germany and Singapore. Nevertheless, higher trade was registered with Indonesia, Saudi Arabia, South Korea and Japan.

Exports contracted 4.7 per cent to RM80.12 billion and imports declined 2.7 per cent to RM67.78 billion.

The trade surplus in March 2020 was valued at RM12.34 billion, a decreased of 14.2 per cent compared with March 2019, which was the 269th consecutive month of trade surplus since November 1997.

Meanwhile, trade, exports and imports in March this year rose by 8.5 per cent, 7.6 per cent and 9.6 per cent respectively compared with the previous month, while trade surplus was down by 2.2 per cent.

In March 2020, exports of manufactured goods which constituted 84.4 per cent of total exports, declined by 4.5 per cent year-on-year (y-o-y) to RM67.62 billion.

This was due to contraction in exports of electrical and electronic (E&E) products, manufactures of metal, machinery, equipment and parts, optical and scientific equipment as well as jewellery.

However, the better export performance was seen in exports of transport equipment, petroleum products, other manufactures especially solid-state storage devices (SSD), iron and steel products, rubber products as well as paper and pulp products.

Miti said trade with Asean in March 2020 contracted five per cent y-o-y to RM39.06 billion, accounting for 26.4 per cent share of Malaysia's total trade.

Exports to Asean grew three per cent to RM24.29 billion, buoyed by higher exports of manufactured goods, particularly, transport equipment, petroleum products as well as iron and steel products which compensated the contraction in exports of E&E products.

Imports from Asean decreased by 15.7 per cent to RM14.77 billion.

Meanwhile, trade with China which represented 16.8 per cent of Malaysia's total trade or RM24.88 billion, decreased by 2.2 per cent y-o-y in March 2020.

Exports to China contracted by 6.1 per cent to RM10.96 billion, weighed down by lower exports of E&E products and petroleum products. Imports grew by 1.2 per cent to RM13.92 billion.

On a month-to-month (m-o-m) basis, trade, exports and imports surged by 29.6 per cent, 16.1 per cent and 42.7 per cent.

Trade with China for Q1 2020 stood at RM70.48 billion, a 2.1 per cent decline compared with the same period of 2019.

On trade with the US in March 2020 which constituted 8.7 per cent of Malaysia's total trade, it decreased by 4.3 per cent y-o-y to RM12.87 billion. Exports to the US declined by 3.6 per cent to RM7.35 billion, contracting for the first time in 12 months on account of softer demand for manufactured goods.

Trade with the European Union (EU), which contributed 7.9 per cent to Malaysia's total trade, also registered an 18 per cent decrease y-o-y to RM11.67 billion.

Meanwhile, in March 2020, trade with Japan continued to expand for two consecutive months, rising by 3.8 per cent y-o-y to RM11.39 billion and accounted for 7.7 per cent of Malaysia's total trade.

On the contrary, trade with Free Trade Agreement (FTA) partners which made up 66.5 per cent of Malaysia's total trade saw a 3.3 per cent decline y-o-y to RM98.35 billion. Exports to FTA partners recorded RM55.23 billion, a decrease of 3.5 per cent while imports contracted by 3.1 per cent to RM43.12 billion.

Miti also said that Malaysia's total imports in March 2020 fell 2.7 per cent to RM67.78 billion from March 2019. — Bernama