

MALAYSIA'S TRADE PERFORMANCE, DECEMBER 2021

Malaysia's total trade in December 2021 surged by 26.8 per cent, reaching RM216.7 billion as compared to RM171.0 billion in the previous year. Exports continued to increase with double-digit growth of 29.2 per cent to RM123.8 billion as compared to December 2020. Imports rose by 23.6 per cent year-on-year (y-o-y) in December 2021 amounted at RM92.9 billion. Trade value continued to record a surplus, with a value of RM31.0 billion, an increase of 49.5 per cent from the previous year. On a month-on-month (m-o-m) basis, exports, total trade and trade surplus recorded positive growths of 10.4 per cent, 5.5 per cent and 63.6 per cent, respectively. However, imports decreased marginally by 0.4 per cent.

The overall performance for the fourth quarter (Q4) of 2021 also experienced significant increase as compared to Q4 of 2020. Exports, imports, total trade and trade surplus expanded by 29.0 per cent, 29.6 per cent, 29.2 per cent and 26.9 per cent, respectively.

The strong growth of exports (+26.0%) and imports (+23.3%) in 2021 have boosted Malaysia's total trade performance by 24.8 per cent to RM2.2 trillion, compared with RM1.8 trillion in 2020. The trade surplus widened by 37.7 per cent from RM183.3 billion in the preceding year to RM252.6 billion.

A. EXPORTS

1. Performance of Exports

Malaysia's exports reached a new high, RM123.8 billion in December 2021, expanded by 29.2 per cent as compared to the previous year. The expansion was driven by both domestic exports and re-exports. Domestic exports stood at RM102.7 billion and contributed 83.0 per cent to total exports, grew by 30.7 per cent. On the same note, re-exports with a value of RM21.1 billion, grew by 22.3 per cent y-o-y. In comparison to November 2021, exports rose 10.4 per cent or RM11.6 billion. Analysis of the seasonally adjusted terms m-o-m, exports increased by 5.9 per cent or RM6.7 billion to RM119.0 billion.

**Exports Reached
a New High,
RM123.8 billion,
Expanded by
29.2 per cent in
December 2021**

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

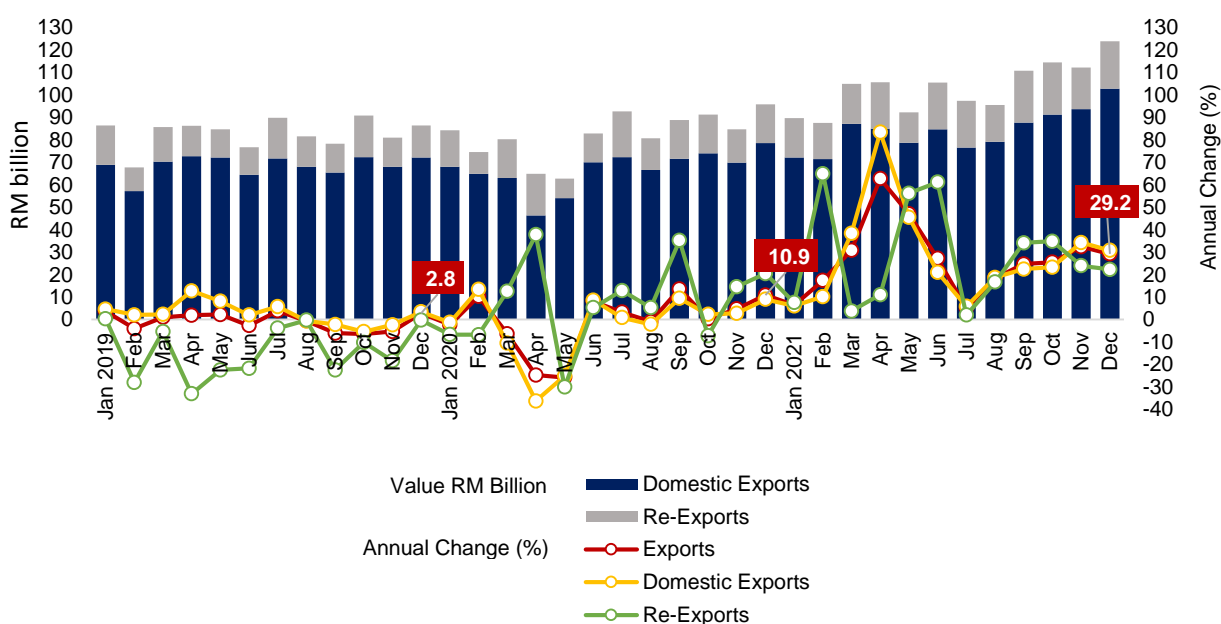
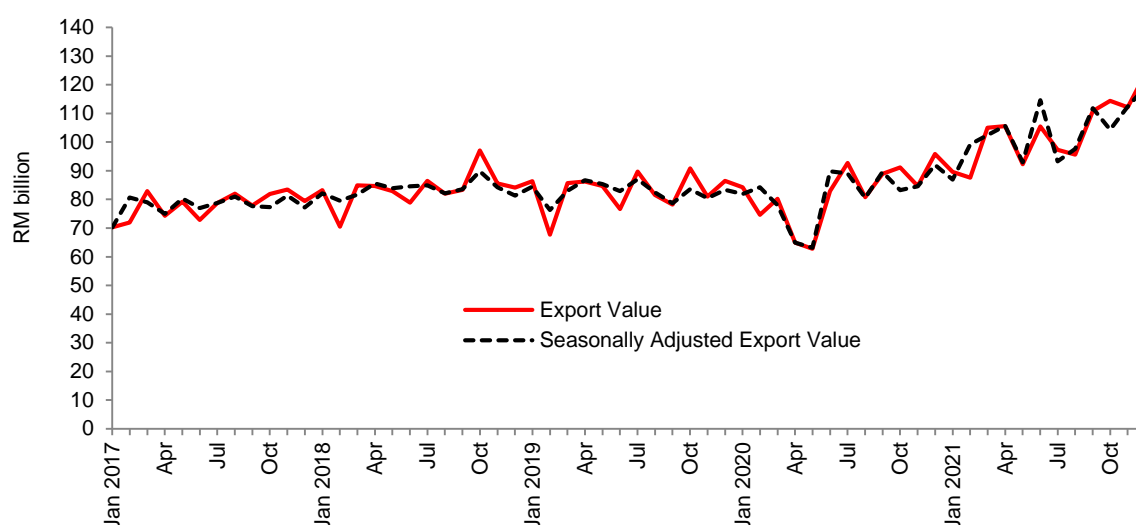


Chart 2: Actual Export Value and Seasonally Adjusted Export Value, RM billion



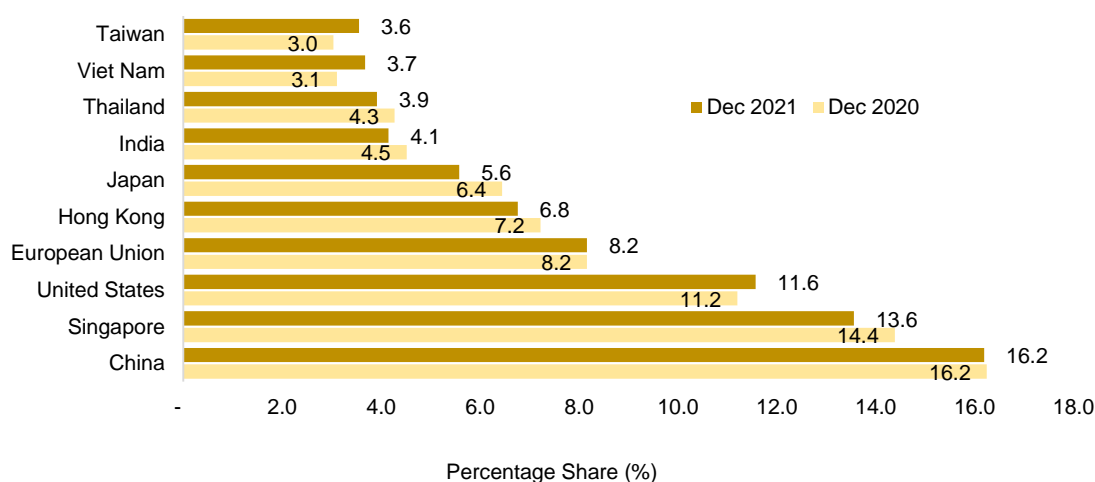
2. Export Performance for Major Country of Destination

China and Singapore were the major country of destinations in December 2021 with a total contribution of 29.8 per cent to Malaysia's exports.

Exports to China with a value of RM20.1 billion, represented 16.2 per cent of total exports, registering at 28.8 per cent or RM4.5 billion increase y-o-y. The rise was led by higher exports of electrical & electronic products (E&E) (+RM 2.0 billion, +38.7%), liquefied natural gas (LNG) (+RM1.0 billion, +163.2%), iron & steel products (+RM635.1 million, +92.3%) and palm oil-based manufactured products (+RM379.7 million, +124.5%).

Exports to Singapore in December 2021 amounted to RM16.8 billion and accounted for 13.6 per cent of Malaysia's total exports, grew by 21.8 per cent or RM3.0 billion y-o-y. The expansion was boosted by higher exports of E&E products (+RM1.8 billion, +25.0%), machinery, equipment & parts (+RM482.0 million, +57.4%) and transport equipment (+RM187.5 million, +137.1%).

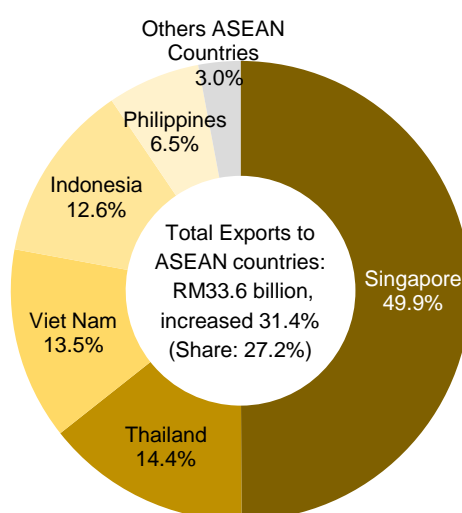
Chart 3: Percentage Share of Exports by Major Country of Destination, December 2020 and December 2021



3. Exports to ASEAN Countries

ASEAN countries contributed 27.2 per cent of Malaysia's total exports in December 2021, rose 31.4 per cent from RM25.6 billion in December 2020 to RM33.6 billion. This increment was contributed mainly from E&E products as it widened by 28.1 per cent or RM2.8 billion as well as petroleum products which expanded by 56.6 per cent or RM1.6 billion. Among ASEAN countries, Singapore dominated as country of destination for exports, with a contribution of 49.9 per cent or RM16.8 billion, expanded by 21.8 per cent over the previous year.

Chart 4: Percentage Share of Exports, December 2021



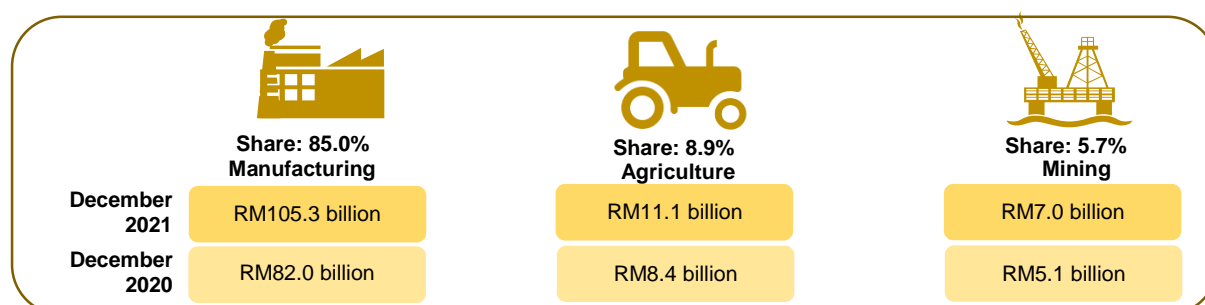
4. Export Performance for Economic Sectors

Exports of manufactured products in December 2021, which constituted 85.0 per cent of total exports, expanded by 28.4 per cent or RM23.3 billion y-o-y to RM105.3 billion. The main contributors to the expansion were E&E products (+RM13.2 billion, +36.1%), followed by chemical & chemical products (+RM1.8 billion, +36.3%), palm oil-based manufactured products (+RM1.8 billion, +90.3%) and petroleum products (+RM1.4 billion, +25.6%).

Exports of agriculture products, which contributed 8.9 per cent of total exports increased by 32.5 per cent from RM8.4 billion in December 2020 to RM11.1 billion. The increase was in accordance with higher exports of palm oil & palm oil-based agriculture products which grew by 38.3 per cent from RM6.5 billion to RM9.0 billion.

Meanwhile, exports of mining products which represented 5.7 per cent of total exports recorded positive growth of 37.0 per cent from RM5.1 billion in December 2020 to RM7.0 billion. This was supported by higher exports of LNG (+RM1.5 billion, +52.2%).

Exhibit 1: Exports by Sector, December 2020 and December 2021



5. Exports of Selected Major Products

The expansion in exports for December 2021 has been seen in the positive growth of the following products:

- E&E products (40.3% of total exports), expanded by 36.1 per cent (+RM13.2 billion) to RM49.9 billion;
- Palm oil & palm oil-based products (10.3% of total exports) grew by RM4.3 billion (+50.3%) to RM12.8 billion. Exports of palm oil, the major commodity in this group of products rose by RM2.2 billion or 38.5 per cent along with the rise of average unit value (+56.9%), but export volume decreased (-11.7%);
- LNG, accounting for 3.6 per cent of total exports, increased RM1.5 billion or 52.2 per cent consistent with the growth in average unit value (+62.6%). In contrary, export volume declined (-6.4%);
- Refined petroleum products, which accounted for 5.0 per cent of total exports, expanded by RM1.3 billion or 27.7 per cent to RM6.2 billion in line with the increase in average unit value (+88.2%), but export volume decreased (-32.2%); and
- Timber & timber-based products, which contributed 2.0 per cent to total exports increased by 10.0 per cent or RM222.0 million to RM2.4 billion.

However, exports of the following products decreased:

- Crude petroleum, which constituted 1.1 per cent to total exports declined by RM17.3 million or 1.2 per cent to RM1.4 billion in tandem with the decrease in export volume (-49.6%), but average unit value increased (+96.0%); and
- Natural rubber (0.3% of total exports) dropped RM34.0 million or 9.1 per cent as a result of the decrease in export volume (-25.3%), but average unit value increased (+21.7%).

Exhibit 2: Exports by Selected Major Product, December 2020 and December 2021

	Share		40.3%		10.3%		5.0%		3.6%		2.0%		1.1%		0.3%	
			Electrical and Electronic Products		Palm Oil and Palm Oil-based Products		Refined Petroleum Products		Liquefied Natural Gas		Timber and Timber-based Products		Crude Petroleum		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 (%)	RM billion	y-o-y (%)
December 2021	49.9	+36.1	12.8	+50.3	6.2	+27.7	4.4	+52.2	2.4	+10.0	1.4	-1.2	0.3	-9.1		
December 2020	36.7	+18.1	8.5	+47.4	4.8	-21.6	2.9	-21.3	2.2	+9.9	1.4	-42.9	0.4	+27.9		

B. IMPORTS

1. Performance of Imports

Malaysia's imports in December 2021 totalled RM92.9 billion, continued to register a growth of 23.6 per cent or RM17.7 billion. On a m-o-m basis, imports decreased marginally by 0.4 per cent or RM403.3 million. Based on seasonally adjusted terms, imports dropped 0.8 per cent to RM89.7 billion.

Imports continued to increase by 23.6 percent to RM92.9 billion in December 2021

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

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

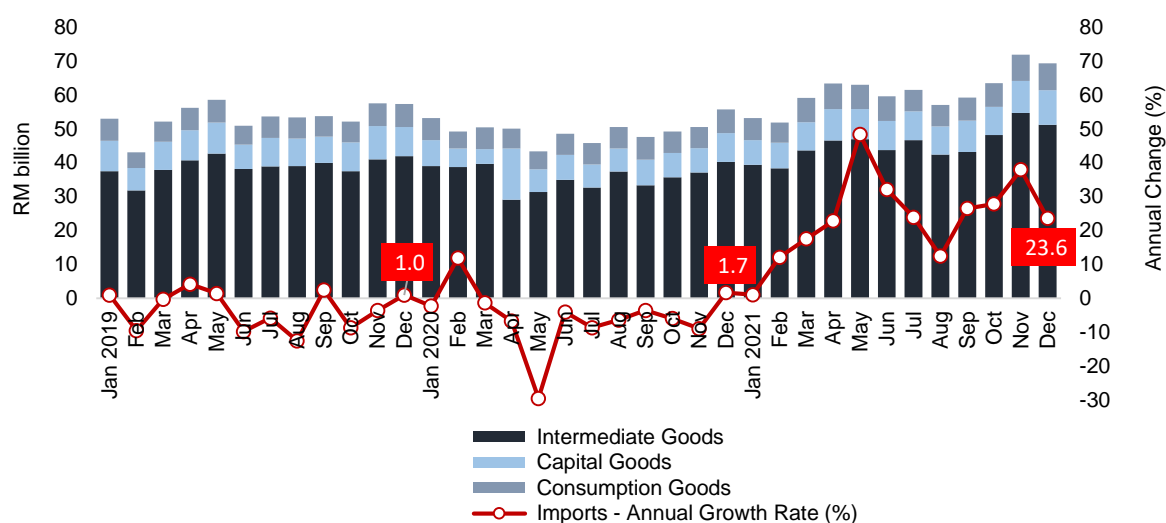
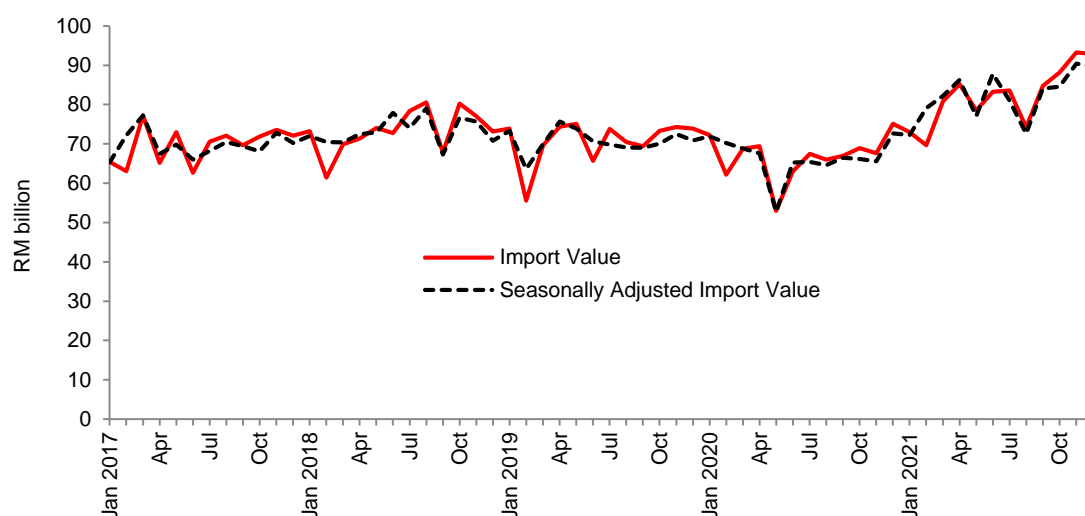


Chart 6: Actual Import Value and Seasonally Adjusted Imports Value, RM billion



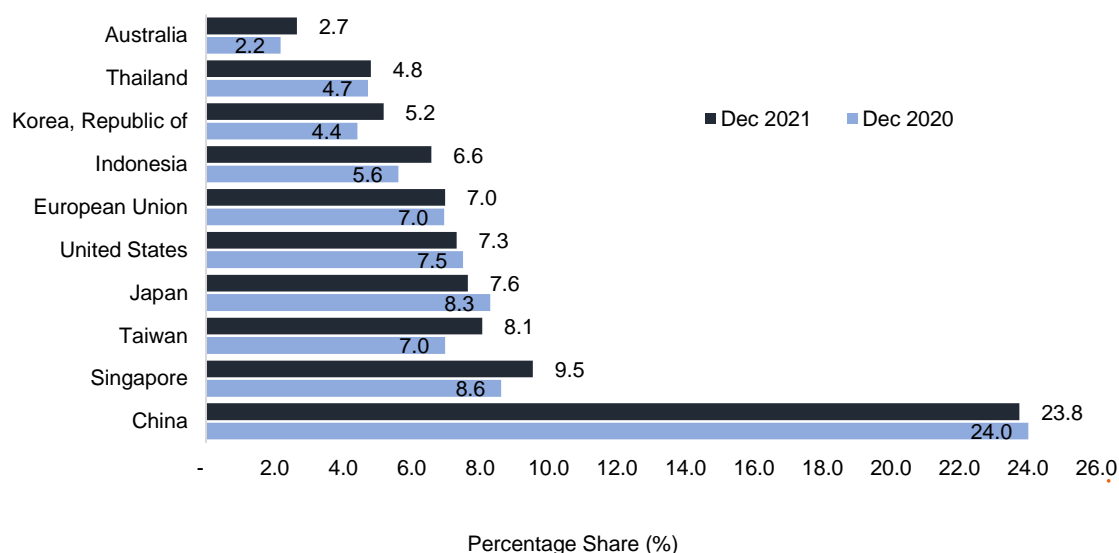
2. Imports Performance for Major Country of Origin

China and Singapore were the two main countries of origin for Malaysia's imports in December 2021, contributed 33.3 per cent to total imports.

Imports from China which represented 23.8 per cent of Malaysia's imports, expanded by 22.3 per cent or RM4.0 billion to RM22.1 billion. This was contributed mainly by significant growth in imports of E&E products, increased by 33.8 per cent or RM2.3 billion, chemical & chemical products (+RM937.6 million, +60.4%), machinery, equipment & parts (+RM378.7 million, +17.6%) and manufacture of metal (+RM372.2 million, +35.4%).

Imports from Singapore was valued at RM8.9 billion, made up 9.5 per cent of Malaysia's imports, grew by 36.9 per cent or RM2.4 billion y-o-y. The growth was mainly attributed from higher imports of petroleum products (+RM1.7 billion, +161.5%), E&E products (+RM353.9 million, +16.1%) and machinery, equipment & parts (+RM190.2 million, +42.6%).

Chart 7: Percentage Share of Imports by Major Country of Origin, December 2020 and December 2021

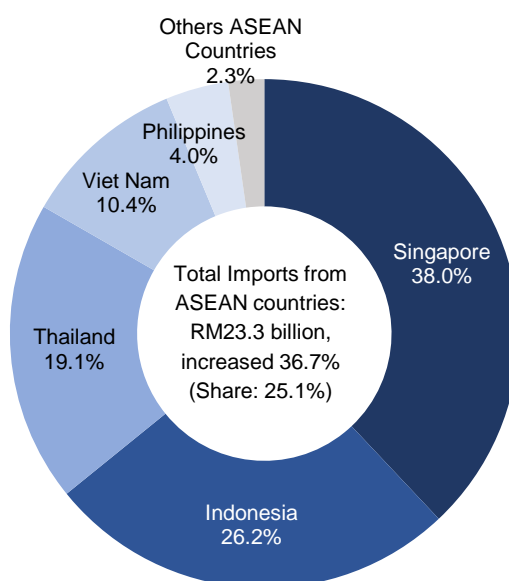


3. Imports from ASEAN Countries

Imports from ASEAN countries in December 2021 amounted to RM23.3 billion with a share of 25.1 per cent to total imports, increased by 36.7 per cent as compared to December 2020. The growth was mainly attributed from higher imports of petroleum products (+RM1.9 billion, +126.3%), E&E products (+RM1.1 billion, +25.0%), iron & steel products (+RM549.3 million, +166.6%), metalliferous ores & metal scrap (+RM370.3 million, +194.4%) and palm oil-based manufactured products (+RM273.3 million, +82.5%).

Among ASEAN countries of origin, 38.0 per cent of Malaysia's imports were from Singapore, expanded by 36.9 per cent or RM2.4 billion as compared to previous year.

Chart 8: Percentage Share of Imports, December 2021



4. Import Performance for Economic Sectors

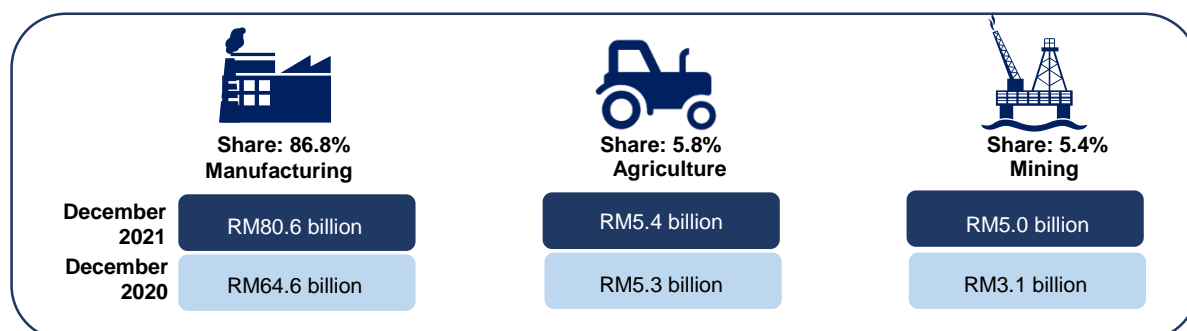
Expansion in imports was led by higher imports of all main sectors in December 2021.

Manufactured products which constituted 86.8 per cent of total imports, increased by 24.7 per cent from RM64.6 billion to RM80.6 billion y-o-y. This was supported by higher imports of E&E products (+RM7.1 billion, +30.1%), chemical & chemical products (+RM1.9 billion, +25.4%), petroleum products (+RM1.7 billion, +35.8%) and machinery, equipment & parts (+RM1.5 billion, +25.8%).

Imports of agriculture products (5.8% of total imports) increased marginally by 0.4 per cent or RM23.0 million y-o-y to RM5.4 billion, underpinned by the increases in imports of seafood, fresh, chilled or frozen (+RM76.3 million, +21.5%) and sawn timber & mouldings (+RM32.0 million, +50.5%).

Imports of mining products amounted to RM5.0 billion, increased by 61.6 per cent compared with December 2020 and accounting for 5.4 per cent of Malaysia's total imports. The expansions were seen for imports of coal (+RM1.9 billion, +265.9%) and metalliferous ores & metal scrap (+RM241.6 million, +19.7%).

Exhibit 3: Imports by Sector, December 2020 and December 2021



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

Total imports in December 2021 was valued at RM92.9 billion, rose 23.6 per cent y-o-y. The three main categories of imports by End Use which accounted for 74.7 per cent of total imports were:

Intermediate goods, was valued at RM51.1 billion or 55.1 per cent of total imports, increased by 27.1 per cent on account of higher imports of industrial supplies, processed (+RM4.6 billion, +26.1%), parts & accessories of capital goods (except transport equipment) (+RM3.0 billion, +25.9%), fuel & lubricants, primary (+RM1.7 billion, +115.9%) and fuel & lubricants, processed, others (+RM848.1 million, +86.9%).

Capital goods, stood at RM10.2 billion (11.0% of total imports) grew by 21.0 per cent, attributable to the higher imports of capital goods (except transport equipment) (+RM1.8 billion, +22.1%) and transport equipment, industrial (+RM9.6 million, +2.1%); and

Consumption goods, amounted to RM8.0 billion (8.6% of total imports), recorded an increase of 13.1 per cent, resulting from higher imports of semi-durables goods (+RM365.4 million, +33.4%), food & beverages, processed, mainly for household consumption (+RM335.2 million, +17.0%), and durables goods (+RM100.1 million, +8.8%).