

RM1.876 TRILLION

TOTAL TRADE UP BY 5.9PC LAST YEAR

Exports almost reach RM1 trillion mark, widening trade surplus to RM120b

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MALAYSIA has posted its largest trade surplus since 2012, as total trade grew 5.9 per cent to RM1.876 trillion last year.

Exports reached almost RM1 trillion, which at RM998.01 billion — a 6.7 per cent expansion from last year — outperformed the 4.9 per cent increase in imports to RM877.74 billion.

The higher-than-expected exports widened Malaysia's trade surplus by 22.1 per cent to RM120.27 billion, the fastest in 10 years.

This was the 21st consecutive year of trade surplus since 1998,



the International Trade and Industry Ministry said.

"Despite the uncertainties in the global environment, exports rose by 6.7 per cent to reach RM998.01 billion, surpassing the forecast export growth of 4.4 per cent in the Economic Outlook 2019," the ministry said.

The ministry had targeted a

growth of five per cent collectively for trade, exports and imports this year.

"We are forecasting a growth of five per cent across these three segments despite expected slowdown in global growth this year, on the back of multiple external factors, such as policies uncertainties in major economies and

rising interest rate," incoming Malaysia External Trade Development Corp chief executive officer Datuk Wan Latiff Wan Musa said at a briefing yesterday.

"Five per cent is not a conservative target given that some research houses are expecting 3.6 to five per cent growth in trade this year."

Malaysia saw higher trade deals with Hong Kong (up 45.2 per cent), China (up 8.1 per cent), Asean (up 4.7 per cent), Taiwan (22.1 per cent), the European Union (up 4.8 per cent), Saudi Arabia (45.2 per cent), Korea (up 7.2 per cent), Australia (up 4.8 per cent), Bangladesh (up 27.3 per cent) and the United States (up 1.1 per cent).

The ministry said average monthly exports last year was valued at RM83 billion.

Segments-wise, manufactured and mining exports expanded 9.1

per cent and 7.1 per cent, respectively, compensating for the lower performance of agriculture goods.

Exports of electrical and electronics products also saw continued growth, driven by wider application of semiconductors in technology advancement.

MIDF Research said exports of palm oil and liquefied natural gas had contracted year on year by 17.3 per cent and 3.1 per cent, respectively from a solid double digit growth recorded in the prior year.

"The poor palm oil export performance could be due to the declining price, on top of losing market share to our competitors, such as Indonesia."

It expected palm oil sales to improve starting this month, buoyed by higher demands from India as a result of import taxes cut on crude and refined palm oil from Asean countries.



Datuk Wan Latiff Wan Musa