

Trade Snapshot - Apr 2025: Solid Growth, but Momentum May Be Frontloaded

Malaysia's external trade performance in April 2025 showed a strong rebound, with total trade expanding by 18.2% year-on-year to RM261.94 billion—the highest monthly value since August 2022. Exports grew by 16.4% to RM133.56 billion, driven primarily by a surge in electrical and electronic (E&E) products and machinery-related shipments. Imports also registered a double-digit increase (+20.0% YoY), reflecting sustained demand for intermediate and capital goods.

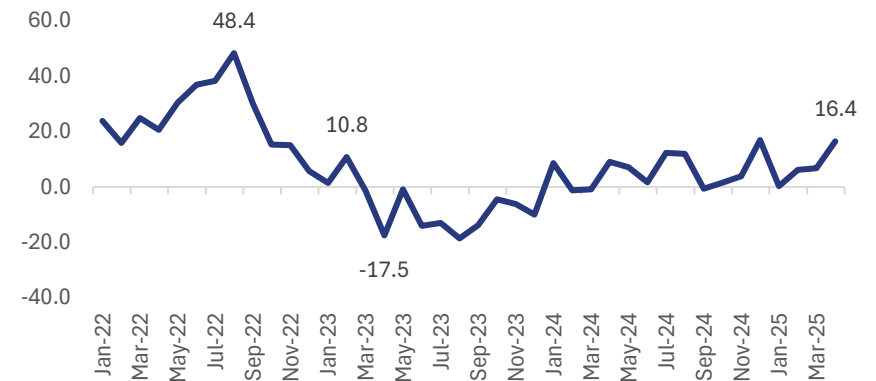
The double-digit export expansion was underpinned by strong external demand, particularly from the **United States, Taiwan, and China**, suggesting Malaysia continues to benefit from shifting global supply chains and **frontloading of orders ahead of anticipated tariff escalation**. However, with the external environment still clouded by trade policy uncertainty and moderating global growth, the sustainability of this momentum in the second half of 2025 remains a key question.

Headline Trade Performance

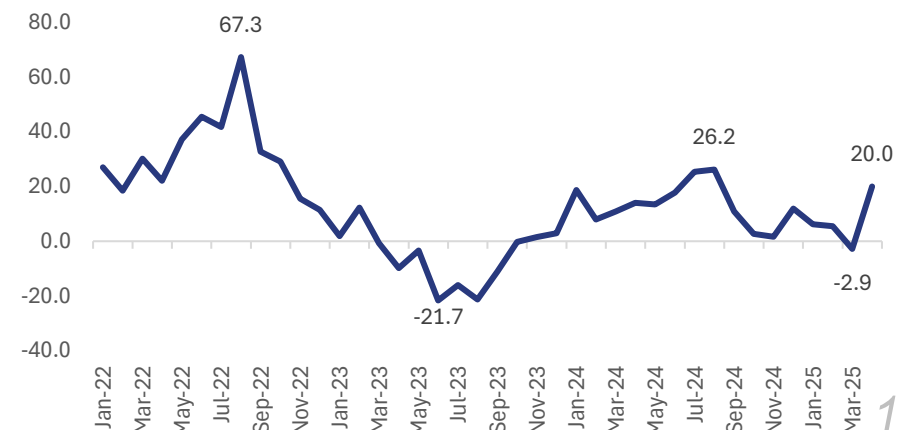
- Total Trade: RM261.94 billion (+18.2% YoY)
- Exports: RM133.56 billion (+16.4% YoY)
- Imports: RM128.37 billion (+20.0% YoY)
- Trade Surplus: RM5.19 billion, marking the 60th consecutive month of surplus since May 2020

The sharper surge in imports, mainly due to inbound capital goods, led to a narrowing of the trade surplus compared to previous months.

Malaysia's Exports (%yoy)



Malaysia's Imports (%yoy)



Source: Department of Statistics Malaysia, BMMB Economics

Export Growth Strengthens on E&E Demand and Market Diversification

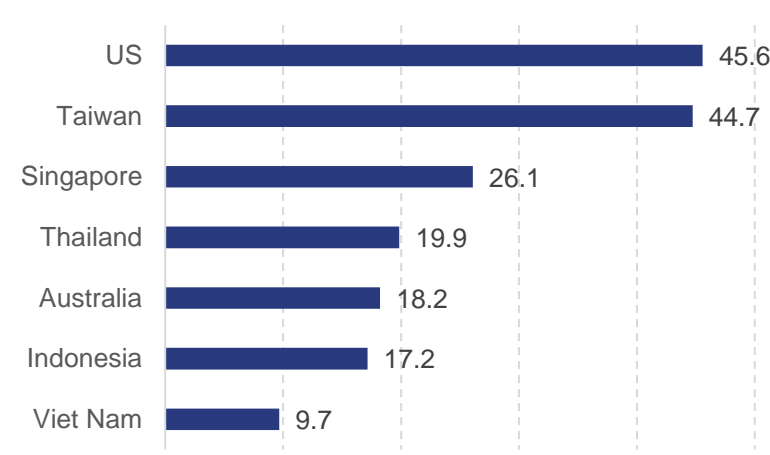
Export drivers and key markets

Export growth in April 2025 was led by a sharp surge in **electrical and electronic (E&E) products**, which **rose 35.4% YoY** to RM60.23 billion, accounting for 45.1% of total exports. This was followed **by machinery, equipment, and parts, which climbed 31.0%** to RM6.5 billion, reflecting sustained demand for investment-related goods. Exports of palm oil and palm-based products registered a modest increase of 1.8% to RM6.31 billion. Other sectors, including processed food (+31.3% YoY) and transport equipment (+31.3% YoY), also contributed to overall growth.

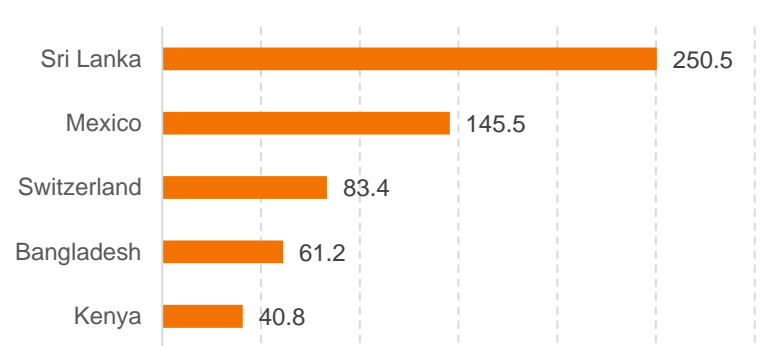
By key markets, exports to the US surged by **45.6% YoY** to RM19.22 billion, supported by **strong demand for E&E products, processed food, and machinery. Shipments to China expanded by 13.9%** to RM44.17 billion, while exports to ASEAN rose 11.2% to RM67.63 billion, reflecting continued regional trade recovery. Exports to Taiwan also recorded a sharp increase of 44.7% to RM7.22 billion, likely driven by deeper integration into tech-related supply chains. The strong performance in the US and Taiwan underscores **Malaysia's growing role in the global electronics ecosystem amid ongoing supply chain realignments.**

Malaysia also recorded **sharp increases in exports to several non-traditional markets**, reflecting ongoing efforts to diversify export destinations. The strongest gain was seen in Sri Lanka, with exports surging by 250.5%, followed by Mexico (+145.5%), Switzerland (+83.4%), Bangladesh (+61.2%). These developments suggest growing traction in Malaysia's export diversification strategy beyond its traditional trade partners.

Key Export Markets (%yoy)



Non-traditional markets (%yoy)



Source: Department of Statistics Malaysia, BMMB Economics

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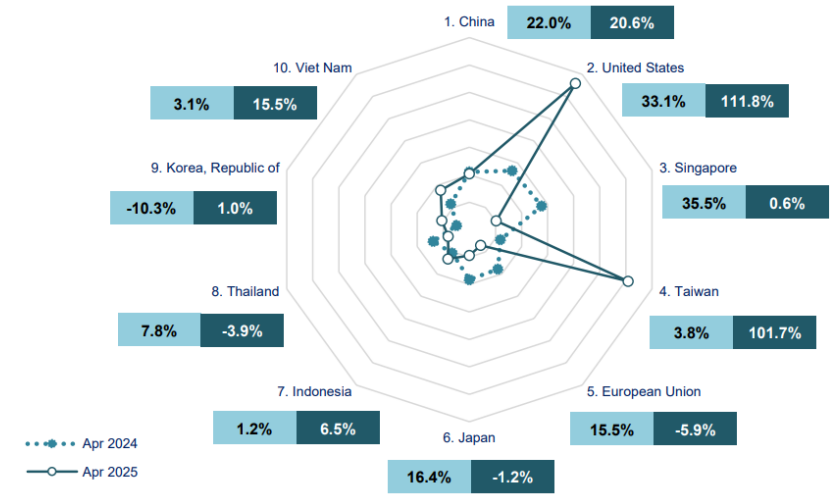
Robust Import Growth Reflects Investment Activity and Strong Demand from China and the US

Import performance and major country of origin

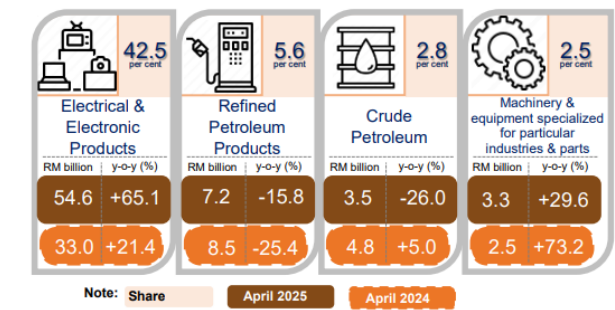
Imports grew by 20.0% year-on-year to RM128.4 billion in April 2025, with the **increase largely driven by capital goods**, which surged 114.1% to RM23.56 billion. This sharp rise was mainly attributed to higher shipments of non-transport capital goods, **signalling continued investment activity**. In contrast, imports of intermediate goods registered a slight decline of 1.7% to RM58.2 billion, weighed down by lower imports of primary fuel and lubricants. Consumption goods also dipped marginally by 0.7% to RM9.68 billion, reflecting softer demand for processed food and beverages. Overall, the composition of imports suggests resilient domestic production and may point to **early signs of restocking or strategic inventory accumulation by firms**.

In April 2025, **China and the US remained Malaysia's top two sources of imports**, collectively accounting for 37.6% of total imports. Imports from China rose by 20.6% year-on-year to RM29.8 billion (23.2% share), **led by electrical and electronic (E&E) products (+33.2%)**, machinery and equipment (+25.7%), and transport equipment (+70.8%). Meanwhile, imports from the US surged by 111.8% to RM18.5 billion (14.4% share), driven by a **sharp increase in E&E products (+316.7%)**, followed by machinery and equipment (+51.8%) and transport equipment (+58.5%). Imports from most of Malaysia's top 10 trading partners registered year-on-year growth, with the exception of the European Union, Japan, and Thailand.

Imports for Major Country of Origin, Apr 2024 and Apr 2025



Imports of Selected Major Products



Source: Department of Statistics Malaysia, MITI, BMMB Economics

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Strategic Tailwinds Support Trade, but Outlook Hinges on Tariff Risks

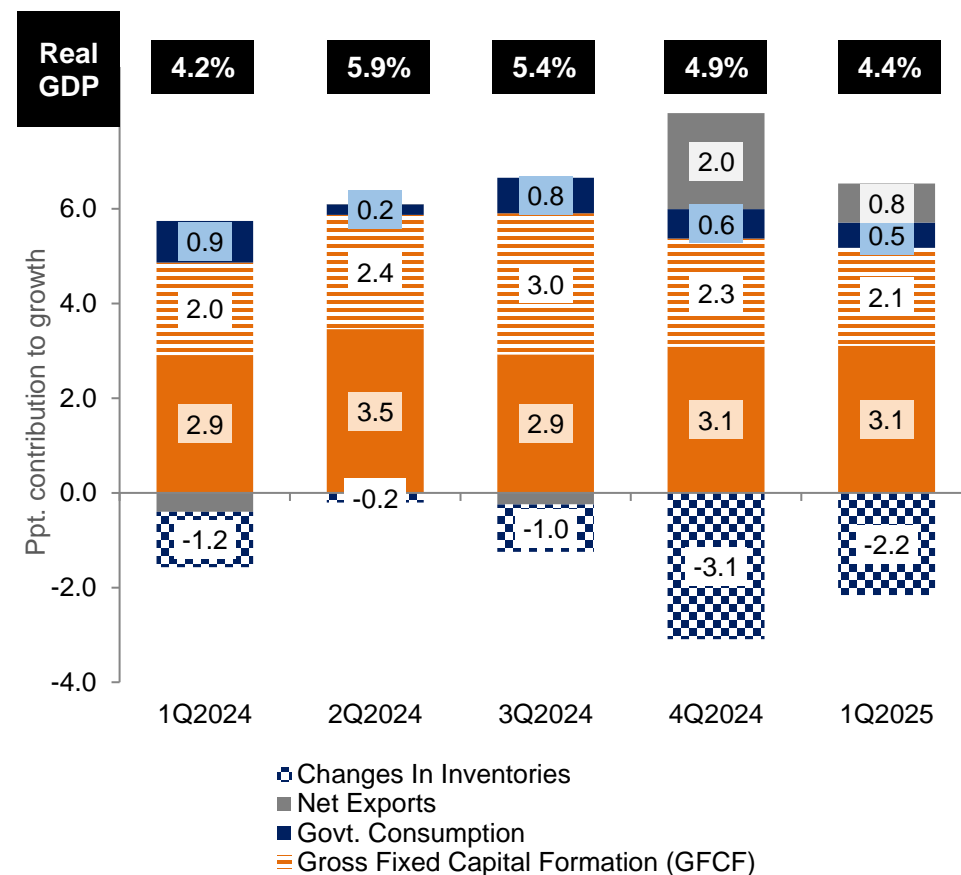
Strategic Insights

Malaysia's recent trade performance reflects a mix of cyclical strength and strategic positioning. The surge in exports—particularly to the US—likely includes frontloading of orders ahead of potential tariff hikes, raising the risk of a pullback once the current 90-day pause ends. At the same time, Malaysia is benefiting from supply chain shifts in high-tech sectors such as semiconductors and electronics, as global firms diversify away from traditional hubs like China and Taiwan. However, trade policy risks remain elevated, with uncertainty around US-China tariffs posing potential headwinds in 2H2025.

Outlook

The sharp export growth may be partly driven by one-off factors such as frontloading; therefore, we do not rule out the **possibility of stronger-than-expected GDP growth** in 2Q2025. Looking ahead, trade momentum could moderate due to the potential implementation of new tariffs by key trading partners and the high base effect from 2H2024. Nonetheless, Malaysia's **ongoing efforts to diversify its export markets and leverage nearshoring trends are expected to offer some resilience**. We are closely monitoring Malaysia's bilateral trade negotiations—including with the US and regional partners—and evolving US-China policy shifts that may affect trade flows. Encouragingly, 83% of Malaysia's exports to the US consist of relatively price-inelastic goods, which should help cushion the impact of softer global trade conditions. In view of these dynamics, we maintain our 2025 GDP growth forecast at 4.1%, with the balance of risks tilted to the downside but buffered by resilient domestic demand and selective external strength.

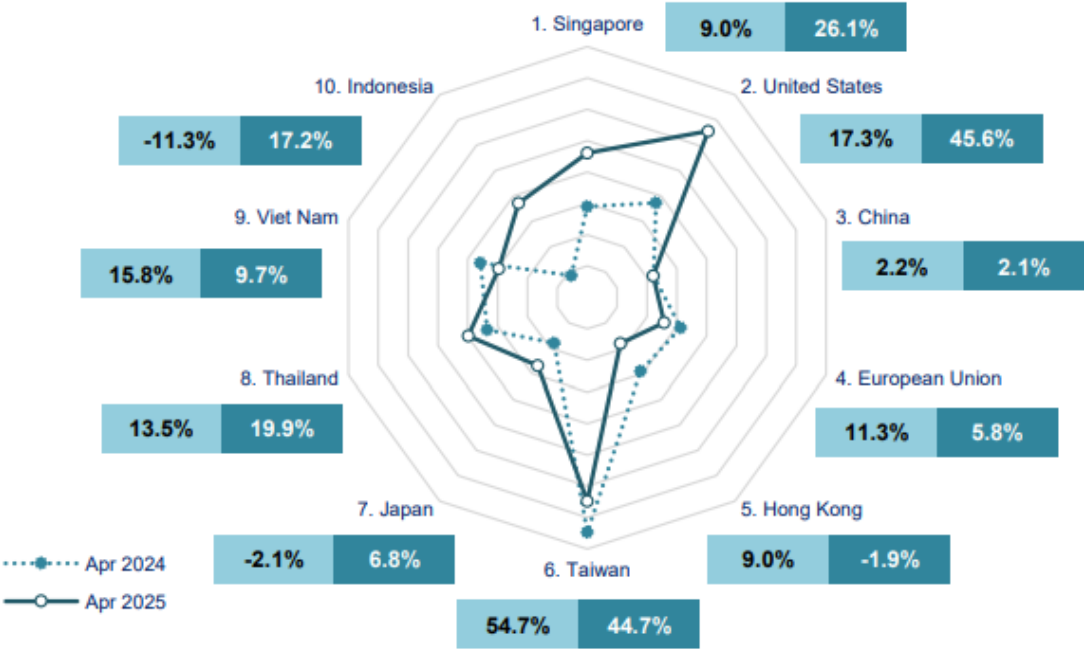
GDP and Contribution to Growth



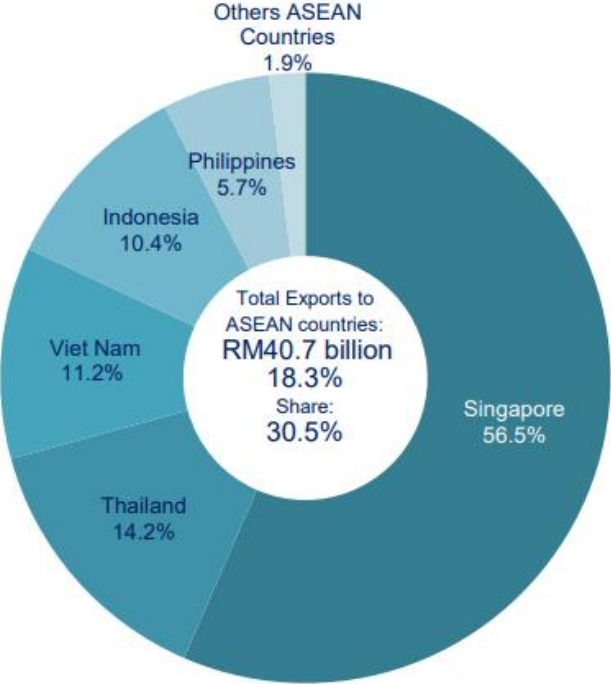
Source: Department of Statistics Malaysia, Matrade, BMMB Economics

Appendix: Export Performance for Major Country of Destination

Annual Change of Exports for Major Country of Destination, April 2024 and April 2025



Percentage Share of Exports to ASEAN Countries, April 2025

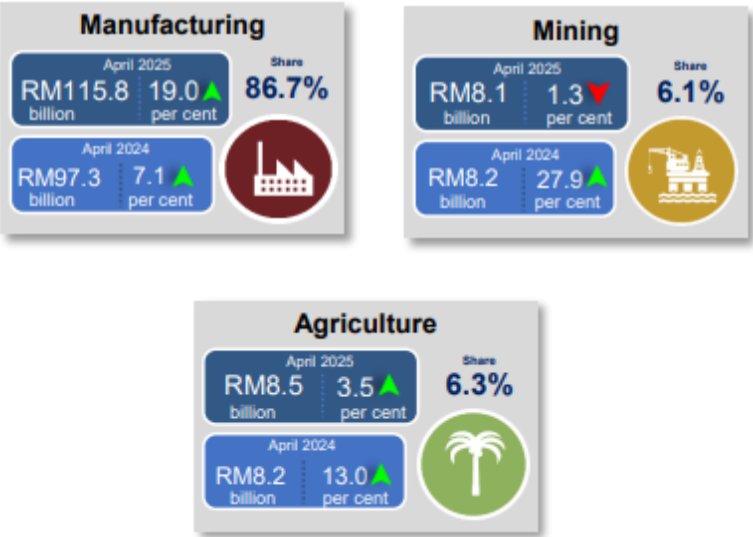


Extracted from DOSM Monthly External Trade Statistics – April 2025

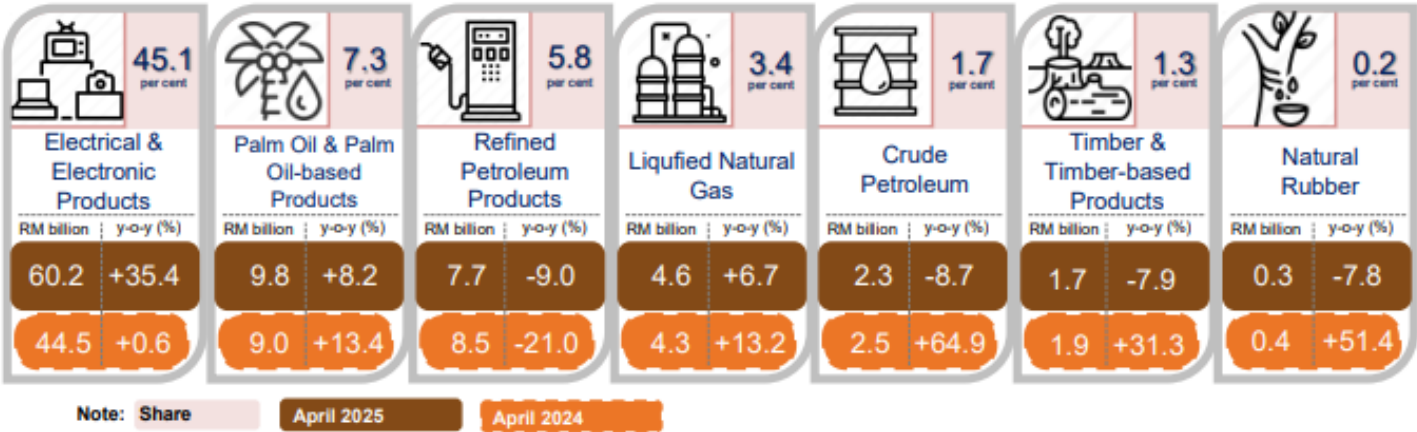
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Appendix: Export Performance by Sector and Selected Products

Exports by Sector, April 2024 and April 2025



Exports of Selected Major Product, April 2024 and April 2025



Extracted from DOSM Monthly External Trade Statistics – April 2025

Appendix: Summary of Malaysia’s External Trade

Year/ Period	Total Exports (RM Million)	Total Imports (RM Million)	Trade Balance (RM Million)	Total Trade (RM Million)
2024 ^P				
January	122,410.5	112,238.0	10,172.5	234,648.5
February	111,356.9	100,116.4	11,240.5	211,473.3
March	128,564.5	115,845.3	12,719.2	244,409.9
April	114,695.2	106,953.5	7,741.7	221,648.7
May	128,037.4	118,082.5	9,954.9	246,120.0
June	126,016.5	111,740.3	14,276.2	237,756.8
July	131,117.0	124,715.5	6,401.4	255,832.5
August	129,003.5	123,489.8	5,513.7	252,493.4
September	123,557.4	110,790.0	12,767.4	234,347.4
October	128,138.7	116,269.3	11,869.4	244,408.1
November	126,309.9	111,259.5	15,050.4	237,569.4
December	138,475.8	119,342.1	19,133.6	257,817.9
2024 (Jan-Dec) ^P	1,507,683.4	1,370,842.4	136,841.0	2,878,525.8
2025 ^P				
January	122,814.0	119,155.1	3,658.9	241,969.2
February	118,241.9	105,624.9	12,616.9	223,866.8
March	137,303.6	112,534.8	24,768.8	249,838.4
April	133,561.2	128,374.2	5,186.9	261,935.4
Change m-o-m (%)	-2.7	14.1	-79.1	4.8
Change y-o-y (%)	16.4	20.0	-33.0	18.2
Jan-Apr 2024	477,027.1	435,153.2	41,873.9	912,180.3
Jan-Apr 2025	511,920.6	465,689.1	46,231.5	977,609.8
Change y-o-y (%)	7.3	7.0	10.4	7.2

Note: Total figure may not add up exactly due to rounding

Extracted from MITI External Trade Statistics – April 2025

Malaysia’s Monthly External Trade Performance, 2019 – April 2025

