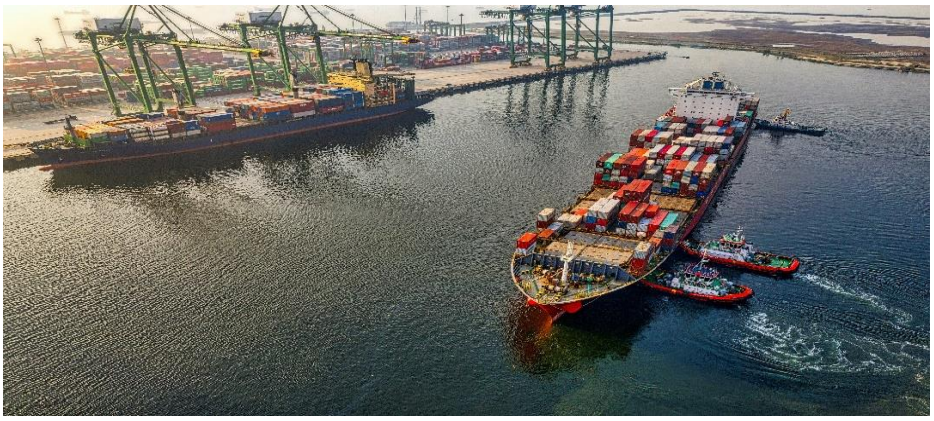
Exports Surged by +54.5%yoy in Sep-26, Driven by E&E and Mining

Economic Review
Sep-26 External Trade



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Economic Review

- Malaysia's total trade growth accelerated to +53.7%yoy in Sep-26 (Aug-26: +43.4%yoy), growing at double-digit pace for the sixth straight month. Export growth strengthened to +54.5%yoy (Aug-26: +45.4%yoy), and imports also rose faster by +52.7%yoy (Aug-26: +41.1%yoy).
- E&E products remained the main export driver, growing by +69.2%yoy and contributing +32.4ppt, or about 59%, of overall export growth in Sep-26. Other manufactures (+10.6ppt), crude & refined petroleum products (+2.9ppt) and optical & scientific equipment (+1.8ppt) also contributed positively.
- By destination, exports to Taiwan (+175.2%yoy), the US (+89.9%yoy) and Hong Kong (+86.3%yoy) remained strong, while shipments to ASEAN accelerated to +46.2%yoy (Aug-26: +40.1%yoy). Exports to China (+22.1%yoy) and the EU (+24.7%yoy) continued to expand.
- For 2026, taking into account the stronger-than-expected performance in recent months, we upgrade our growth projection for exports and imports to +32% and +26%, respectively. We expect trade growth to moderate towards year-end, while supply disruptions, elevated input costs, weaker final demand and renewed trade tensions remain key downside risks.

External trade surged further in Sep-26

Malaysia's total trade growth accelerated to +53.7%yoy in Sep-26 (Aug-26: +43.4%yoy), supported by faster growth in both exports and imports. Export growth strengthened to +54.5%yoy (Aug-26: +45.4%yoy), driven by domestic exports (+54.7%yoy; Aug-26: +46.0%yoy) and re-exports (+53.7%yoy; Aug-26: +43.3%yoy). Imports also rose faster by +52.7%yoy (Aug-26: +41.1%yoy), led by stronger purchases of intermediate and consumption goods. The latest data indicate that Malaysia's external trade momentum remained robust amid sustained demand mainly for E&E products and other manufactured goods.

E&E contributed about 56% of export growth

Outbound shipments continued to be driven by E&E products, which rose by +69.2%yoy and contributed +30.3ppt, or about 59%, of total export growth in Sep-26. Other key contributors were among others: other manufactures (+10.6ppt); crude & refined petroleum products (+2.9ppt); optical & scientific equipment (+1.8ppt); machinery, equipment & parts (+1.7ppt); and LNG (+1.2ppt). In contrast, palm oil & palm oil-based products remained a drag on export growth, declining by -6.5%yoy (Aug-26: -15.6%yoy).

Trade surplus widened to +RM33.7b, highest in 4 months

On a monthly basis, exports rebounded by +12.6%mom in Sep-26 (Aug-26: -1.3%mom), driven largely by manufactured goods (12.1%mom), particularly E&E products (+19.2%mom), as well as surge in crude petroleum exports (+144.8%mom). Meanwhile, imports rebounded by +11.3%mom (Aug-26: -4.7%mom), underpinned mainly by imports of E&E products (+8.2%mom); machinery, equipment & parts (+17.4%mom); and chemicals & chemical products (+20.5%mom). On balance, the trade surplus widened to +RM33.7b (Aug-26: +RM28.1b). For 9MCY26, total trade expanded by +30.1%yoy, with exports and

imports increasing by +34.0%yoy and +25.7%yoy, respectively. The cumulative trade surplus widened +115.7%yoy to +RM232.4b (9MCY25: +RM107.7b).

Upgrade our 2026 forecast

For 2026, given the stronger-than-expected performance in recent months, we upgrade our growth projection for exports to +32% (2025: +6.6%) and imports to +26% (2025: +6.0%). Sustained demand for E&E and technology-related products should remain supportive, alongside higher imports of inputs for manufacturing and investment activities. Nevertheless, we expect trade growth to moderate towards year-end as favourable base effects fade, while supply disruptions, elevated input costs, weaker final demand and renewed trade tensions remain key downside risks.

E&E and mining exports led growth

Apart from E&E exports (+69.2%yoy), stronger gains were recorded for crude petroleum (+68.9%yoy; Aug-26: -19.3%yoy), LNG (+45.7%yoy), optical & scientific equipment (+43.2%yoy), machinery, equipment & parts (+38.4%yoy) and petroleum products (+33.2%yoy). Rubber products (+14.9%yoy) and transport equipment (+15.7%yoy) also expanded, although the latter moderated from Aug-26 (+34.3%yoy). In contrast, exports of palm oil & palm oil-based products remained in contraction (-6.5%yoy; Aug-26: -15.6%yoy) on the back of weak demand, as reduced shipments to markets like Tanzania, Nigeria, Philippines, Afghanistan and Pakistan more than offset the higher exports to India.

Taiwan exports surged above +175%yoy

By destination, exports to Taiwan surged by +175.2%yoy in Sep-26 (Aug-26: +105.2%yoy), while shipments to the US remained strong at +89.9%yoy, albeit easing from +139.0%yoy in Aug-26. Exports to Hong Kong accelerated to +86.3%yoy (Aug-26: +79.7%yoy), while growth to Japan moderated to +40.3%yoy (Aug-26: +55.6%yoy). Exports to India rebounded to +43.7%yoy (Aug-26: +9.2%yoy) and Australia returned to growth at +19.1%yoy (Aug-26: -30.2%yoy). Shipments to China continued to expand by +22.1%yoy (Aug-26: +22.9%yoy).

ASEAN demand strengthened further

Exports to ASEAN strengthened to +46.2%yoy in Sep-26 (Aug-26: +40.1%yoy). The expansion was supported by faster shipments to Thailand (+57.3%yoy; Aug-26: +34.9%yoy) and Vietnam (+55.0%yoy; Aug-26: +30.3%yoy), while exports to Singapore remained robust at +50.4%yoy. Shipments to the Philippines (+18.0%yoy) and Indonesia (+9.9%yoy) also increased, although at a more moderate pace. Exports to the EU accelerated to +24.7%yoy (Aug-26: +20.0%yoy), indicating continued demand across major trading partners. Robust exports to most of Malaysia's major markets were driven by shipments of E&E products.

Intermediate goods led import growth

Import growth accelerated to +52.7%yoy in Sep-26 (Aug-26: +41.1%yoy), driven by stronger intermediate goods imports (+69.6%yoy; Aug-26: +50.5%yoy). Capital goods imports rose by +20.9%yoy (Aug-26: +37.2%yoy), on the back of higher demand of non-transport capital goods. On another note, imports of consumption goods rebounded by +18.2%yoy (Aug-26: -1.7%yoy). In value terms, intermediate goods imports increased to RM92.1b (Aug-26: RM90.7b), with capital and consumption goods at RM22.3b and RM10.9b, respectively. Strong demand for production inputs remains consistent with sustained manufacturing activity, while capital goods imports continue to support investment-related demand. We anticipate consumption goods imports will continue to grow, supported by resilient domestic demand.

Trade growth remained volume-driven

Volume growth remained an important driver of Malaysia's external trade performance. The latest available data for Aug-26 indicate continued volume growth in both exports (Aug-26: +34.8%yoy; Jul-26: +27.7%yoy) and imports (Aug-26: +35.5%yoy; Jul-26: +31.9%yoy). This suggests that the strong expansion in nominal trade reflected higher shipment volumes and to a lesser extent inflated price effects.

Price effects also remained supportive, as nominal export and import growth continued to outpace their respective volume growth in recent months. Import prices have turned to inflation since Apr-26, rising on average by +4.9%yoy between Apr-26 and Aug-26 (1QCY26: -3.2%yoy). The pace of inflation in export prices was relatively higher, rising by average +7.8%yoy in the same 4-month period to Aug-26 (1QCY26: +1.6%yoy). In particular, the ongoing geopolitical tensions in West Asia have kept crude oil prices persistently elevated, resulting in stronger inflation to both export and import prices. Nevertheless, we expect

volumes will remain an important driver to the trade outlook, although commodity-price volatility and disruptions to global trade and supply could still affect nominal trade values.

Trade surplus widened as exports increased faster

Trade surplus widened to +RM33.7b in Sep-26 (Aug-26: +RM28.1b), on the back of a faster monthly increase for exports. This can be attributable to: (a) larger surpluses in trade of E&E products (+RM22.3b; Aug-26: +RM11.2b) and palm oil (+RM8.3b; Aug-26: +RM7.2b), and (b) smaller deficits for crude petroleum (-RM3.0b; Aug-26: -RM5.7b). In contrast, LNG trade surplus shrank to +RM4.1b (Aug-26: +RM5.7b), while several products such as machinery, equipment & parts (-RM5.4b; Aug-26: -RM3.4b), chemicals & chemical products (-RM4.3b; Aug-26: -RM2.5b), and manufactures of metal (-RM1.6b; Aug-26: -RM0.09b) recorded larger deficits. Malaysia will continue to maintain overall trade surplus given the sizeable surplus in trade of E&E and major commodities such as palm oil and LNG, and to certain extent rubber products. However, the size of surplus may be capped by large imports of intermediate and capital goods, with the sustained deficits for products such as machinery, parts & equipment; chemicals & chemical products and transport equipment.

Table 1: Malaysia's External Trade Summary

	Monthly Data						Cumulative Data	
	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	9MCY25	9MCY26
Exports (RM b)	**183.3**	**183.9**	**177.9**	**193.6**	**191.0**	**215.1**	**1,172.6**	**1,571.3**
YoY%	37.3	44.7	45.5	38.0	45.4	54.5	5.0	34.0
MoM%	23.2	0.3	(3.2)	8.8	(1.3)	12.6		
Imports (RM b)	**154.0**	**144.0**	**162.1**	**171.0**	**162.9**	**181.4**	**1,064.9**	**1,338.9**
YoY%	20.0	14.4	43.1	36.3	41.1	52.7	4.1	25.7
MoM%	23.9	(6.5)	12.6	5.5	(4.7)	11.3		
Total Trade (RM b)	**337.3**	**327.8**	**340.1**	**364.6**	**354.0**	**396.5**	**2,237.5**	**2,910.2**
YoY%	28.8	29.6	44.3	37.2	43.4	53.7	4.6	30.1
MoM%	23.5	(2.8)	3.7	7.2	(2.9)	12.0		
Trade Balance (RM b)	**29.2**	**39.9**	**15.8**	**22.5**	**28.1**	**33.7**	**107.7**	**232.4**
YoY%	476.5	3228.4	74.8	52.4	77.1	64.9	15.8	115.7
MoM%	19.3	36.4	(60.4)	42.8	24.6	20.1		

Note: MoM is a non-seasonally adjusted figure
Source: MATRADE, Macrobond, MBSBR

Table 2: Malaysia's Exports and Imports Breakdown

	Monthly Data						Cumulative Data	
	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	9MCY25	9MCY26
Exports								
Re-Exports (RM b)	**71.7**	**40.7**	**39.3**	**52.2**	**40.1**	**53.1**	**259.8**	**399.7**
YoY%	113.7	57.8	48.7	41.1	43.3	53.7	20.8	53.9
MoM%	89.1	(43.2)	(3.4)	32.8	(23.3)	32.5		
Domestic Exports (RM b)	**111.6**	**143.1**	**138.6**	**141.3**	**151.0**	**162.0**	**912.9**	**1171.6**
YoY %	11.7	41.4	44.6	36.9	46.0	54.7	1.3	28.3
MoM%	0.7	28.3	(3.2)	2.0	6.8	7.3		
Imports								
Intermediate (RM b)	**47.2**	**75.0**	**85.3**	**80.0**	**90.7**	**92.1**	**533.5**	**645.8**
YoY%	(18.9)	15.1	41.2	40.8	50.5	69.6	-5.1	21.1
MoM%	(19.4)	58.8	13.8	(6.2)	13.4	1.5		
Capital (RM b)	**18.6**	**18.6**	**23.4**	**22.5**	**21.6**	**22.3**	**159.9**	**174.8**
YoY%	(20.8)	(18.0)	61.9	23.8	37.2	20.9	29.8	9.3
MoM%	15.2	(0.3)	25.8	(3.8)	(4.1)	3.5		
Consumption (RM b)	**10.3**	**9.9**	**11.0**	**11.0**	**9.3**	**10.9**	**87.2**	**91.7**
YoY%	5.7	(2.4)	17.2	5.2	(1.7)	18.2	-0.3	5.2
MoM%	14.3	(3.9)	11.7	(0.4)	(15.6)	17.9		

Source: MATRADE, Macrobond, MBSBR

Table 3: Malaysia Exports by Key Country / Region (YoY%)

	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
China	9.4	42.4	29.2	43.6	31.2	22.9	22.1
US	19.5	41.8	99.7	114.1	81.5	139.0	89.9
Japan	(2.6)	9.3	37.2	53.3	23.5	55.6	40.3
Taiwan	45.7	87.8	89.7	50.6	97.5	105.2	175.2
India	17.5	51.4	16.7	24.8	46.5	9.2	43.7
Hong Kong	19.7	68.4	111.8	51.0	59.2	79.7	86.3
Australia	7.1	53.7	23.0	22.9	(19.9)	(30.2)	19.1
EU	(4.1)	43.8	45.0	29.7	37.0	20.0	24.7
ASEAN	9.2	35.3	0.2	46.3	28.7	40.1	46.2
Singapore	(7.6)	23.1	44.5	91.5	17.9	61.4	50.4
Thailand	21.2	35.0	30.5	63.0	40.3	34.9	57.3
Indonesia	(1.1)	37.3	42.0	61.9	37.2	15.7	9.9
Vietnam	39.2	66.1	29.6	49.9	78.3	30.3	55.0
Philippines	3.3	32.3	31.9	15.0	27.7	18.1	18.0

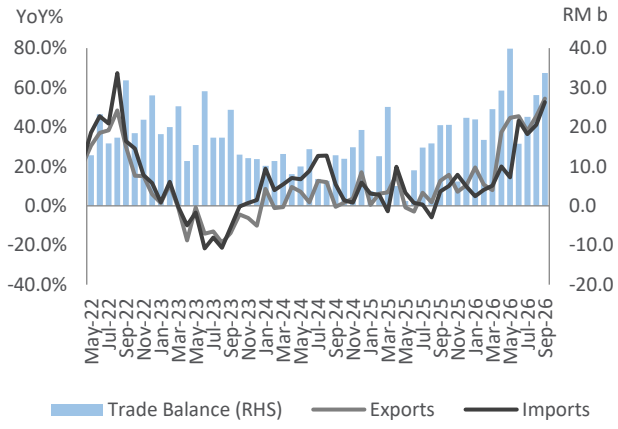
Source: Macrobond, MBSBR

Table 4: Malaysia's Exports by Major Products (YoY%)

	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
E&E	15.1	46.6	70.0	57.0	51.0	66.5	69.2
Machinery, Equipment & Parts	2.1	26.5	15.4	18.4	41.4	27.8	38.4
Optical & Scientific Equipment	29.3	49.5	45.0	42.8	36.1	23.5	43.2
Palm oil & palm oil-based products	(5.8)	9.1	(11.8)	(1.5)	13.5	(15.6)	(6.5)
Crude Petroleum	4.9	(20.4)	(67.1)	110.2	(79.4)	(19.3)	68.9
Petroleum Products	32.3	74.4	63.8	46.2	26.9	21.7	33.2
LNG	(17.5)	4.8	111.5	83.3	14.1	51.8	45.7
Rubber products	(22.1)	18.4	(3.2)	16.7	18.7	11.1	14.9
Transport equipment	6.4	(27.1)	6.1	8.7	15.4	34.3	15.7

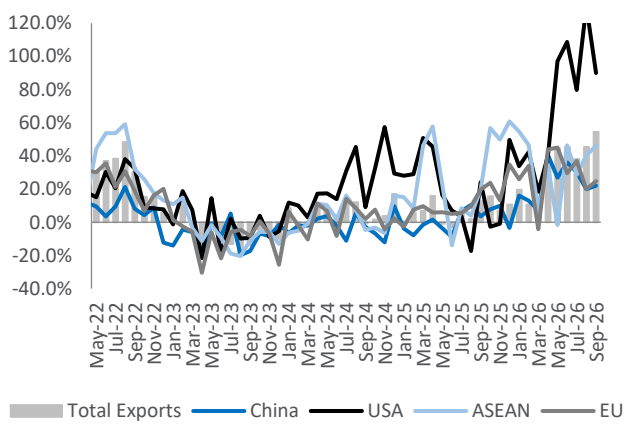
Source: Macrobond, MBSBR

Chart 1: Exports & Imports (YoY%) vs Trade Balance (RM b)



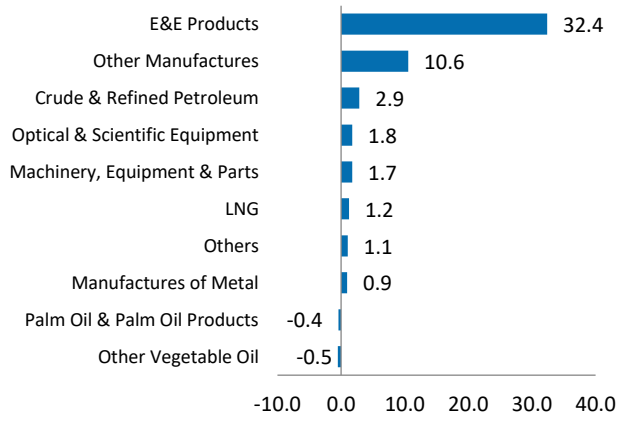
Source: MATRADE, Macrobond, MBSBR

Chart 2: Exports Growth by Major Destination (YoY%)



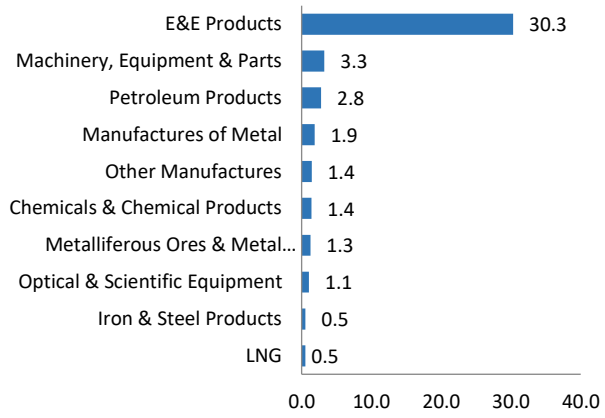
Source: MATRADE, Macrobond, MBSBR

Chart 3: Contribution to Total Exports Growth in Sep-26 by Key Products (%-points)



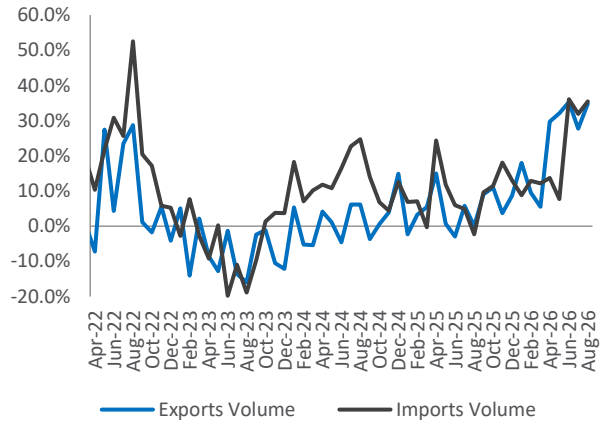
Source: MATRADE, Macrobond, MBSBR

Chart 4: Contribution to Total Imports Growth in Sep-26 by Key Products (%-points)



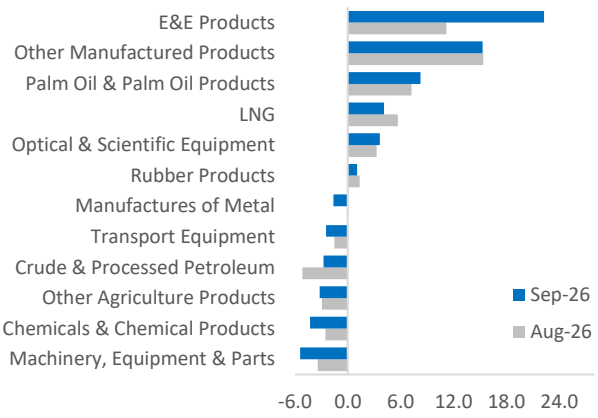
Source: MATRADE, Macrobond, MBSBR

Chart 5: Exports vs Imports Volume (YoY%)



Note: The latest available trade volume data is Aug-26
Source: DOSM, MBSBR

Chart 6: Sep26 Trade Balance by Selected Products (RM b)



Source: MATRADE, Macrobond, MBSBR

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