

**Malaysia exports up 7.1% in July**  
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The government said today its exports, the mainstay of the country's economy, increased 7.1 percent year-on-year in July, easing from the previous month as the global economy slows down.

The trade ministry said exports grew to RM59.24 billion (\$19.80 billion) while imports reached RM49.79 billion, up 2.9 percent year on year.

The export growth was led by higher shipments of palm oil, liquefied natural gas, and chemicals and chemical products, which accounted for more than one-fifth of all exports.

The pace of exports was slower than June's 8.6 percent year-on-year increase and down from the 13.5 percent growth seen in July 2010.

Yeah Kim Leng, group chief economist with financial firm RAM Holdings, called July's export performance "moderate, within expectation" as Europe and the United States struggle with debt crises and Japan recovers from its earthquake and tsunami disasters.

"The gradual pace is reflective of the turbulence of the global economy," he told AFP. "Of course there will be a couple of months that will be turbulent, where uncertainty persists."

Total trade in the January-July period stood at RM724.09 billion, up 7.7 percent from the same period last year, while exports increased 6.9 percent over the seven-month period.

The top five export destinations in July were China, Singapore, Japan, the United States and Thailand.

Exports to the United States declined by 14.9 percent to RM4.77 billion in July due partly to lower shipments of electrical and electronic products, a key export to that market.

Last month, the central bank announced Malaysia's economy grew 4.0 percent in the second quarter, its slowest pace in nearly two years, on softening global export demand and a moderation in public sector spending.

It has forecast full-year growth of between five and six percent.

Although hit hard by the global slowdown, Southeast Asia's third-largest economy rebounded with an impressive 7.2 percent growth in 2010.

Since taking power in 2009 premier Najib Razak has unveiled a series of measures to stimulate the economy, including promises of major infrastructure projects and financial market liberalisation.

- AFP