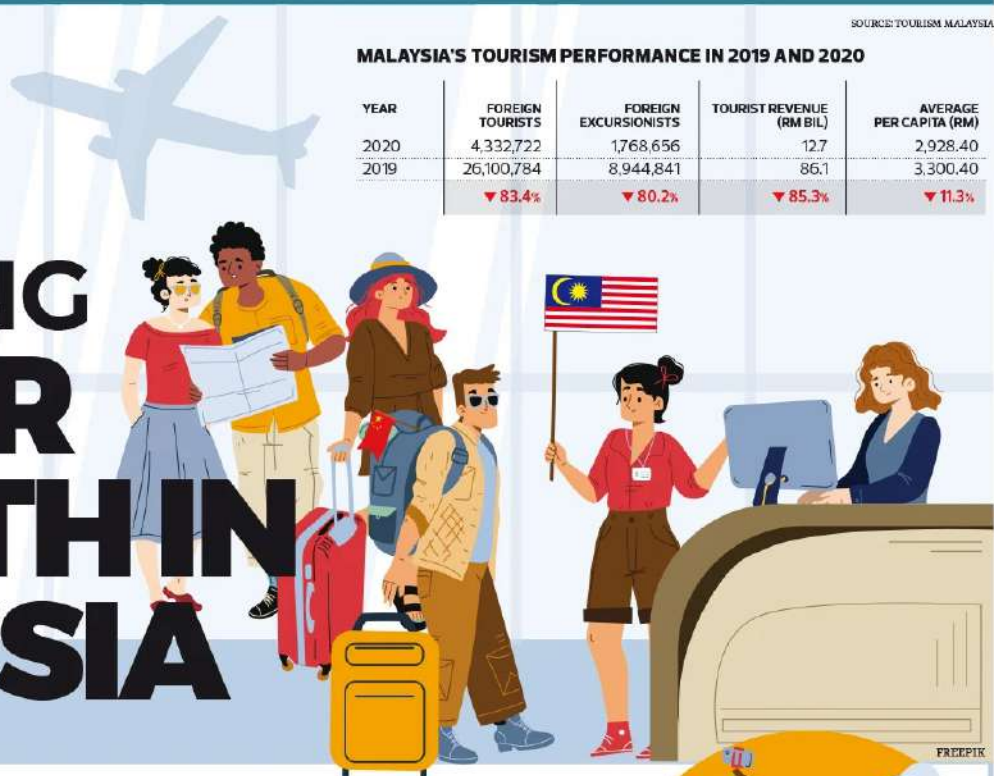


INFOGRAPHIC

COMPILED BY KANG SIEW LI | INFOGRAPHIC BY NURUL AIDA MOHD NOOR/THE EDGE

SOURCE: TOURISM MALAYSIA

CHINA'S REOPENING TO SPUR GROWTH IN MALAYSIA



MALAYSIA'S TOURISM PERFORMANCE IN 2019 AND 2020

YEAR	FOREIGN TOURISTS	FOREIGN EXCURSIONISTS	TOURIST REVENUE (RM BIL)	AVERAGE PER CAPITA (RM)
2020	4,332,722	1,768,656	12.7	2,928.40
2019	26,100,784	8,944,841	86.1	3,300.40
	▼ 83.4%	▼ 80.2%	▼ 85.3%	▼ 11.3%

It was referred to as "the elephant that is still missing in the room" at a recent Association of Asia Pacific Airlines assembly. As one of the last major hurdles to the full recovery of the travel industry in the region, all eyes are on China's reopening of its borders on Jan 8, allowing Chinese citizens to travel abroad again.

This includes Malaysia. Optimism is growing that China's reopening will boost the local economy through consumption and investment amid concerns of new Covid-19 variants spreading.

According to the Malaysian Association of Tour and Travel Agents, initial estimates indicate that 1.2 million people from China will visit our country this year, likely generating about RM3.6 billion in tourism receipts.

In the December 2022 edition of its Waypoint Industry report, the Malaysian Aviation Commission (Mavcom) noted that China's zero-Covid policy has had repercussions on Malaysia's traffic numbers given the importance of this large market to the aviation industry. Thus, the resumption of international travel for China is expected to lead to a significant improvement in tourist arrivals for Malaysia as flights between the two countries accounted for 9.2% of the passenger traffic in 2019, the regulator said.

"With 3.1 million tourist arrivals from China in 2019, the expected return of Chinese travellers by 2023 will also provide a significant boost for the international passenger traffic," said Mavcom. "China has provided the third-highest number of tourist arrivals to Malaysia since 2012 behind Singapore and Indonesia, translating into 17.5% of the total tourism receipts for Malaysia in 2019."

Data from the Malaysia Tourism Promotion Board (Tourism Malaysia) showed that international tourist arrivals to the country declined by a sharp 83.4% to 4.33 million in 2020 from 26.1 million in 2019. Likewise, Malaysia's tourism revenue in 2020 plunged 85.3% to RM12.69 billion from RM86.14 billion the year before. The decline was due to the closure of the nation's borders to international tourists from March 18, 2020, after the World Health Organization declared the Covid-19 outbreak as a pandemic on March 11, 2020.

In a Dec 28, 2022 report, Kenanga Research projected a fourfold jump in tourist arrivals to 9.6 million in 2023 from an estimated 2.5 million in 2022.

thanks to the resumption of both business and leisure air travel globally as the pandemic comes to an end, the revocation of all on-arrival quarantine and testing requirements in Malaysia from Aug 1, 2022, and the eventual gradual reopening of China, which historically contributed to an estimated 12% of total tourist arrivals in Malaysia.

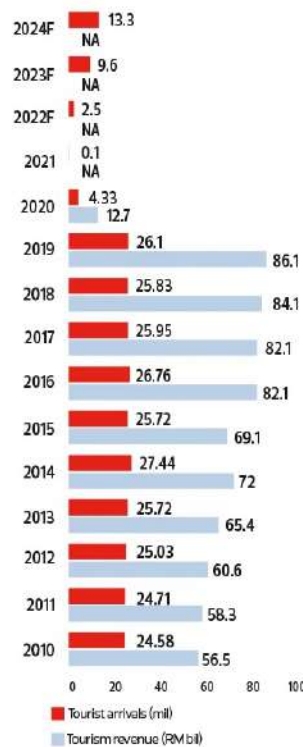
In terms of trade, China has been Malaysia's largest trading partner for 13 consecutive years. Malaysia's trade with China for the period of January to November 2022 rose 17.5% year on year to RM445.26 billion. China accounted for 17% of the country's total trade of RM2.613 trillion during that period, according to Malaysia External Trade Development Corp (Matrade).

"Exports to China edged up by 12% to RM192.71 billion on account of higher exports of electrical and electronic products, liquefied natural gas as well as palm oil and palm oil-based agriculture products. Imports from China, meanwhile, climbed by 22% to RM252.55 billion," Matrade added.



SOURCE: TOURISM MALAYSIA/KENANGA RESEARCH

TOURIST ARRIVALS AND TOURISM REVENUE ACCORDING TO YEAR



SOURCE: TOURISM MALAYSIA

TOP 10 MARKETS THAT CONTRIBUTED TO MALAYSIA'S INTERNATIONAL TOURIST ARRIVALS IN 2019 AND 2020

2019		2020	
1.	Singapore	1.	Singapore
2.	Indonesia	2.	Indonesia
3.	China	3.	China
4.	Thailand	4.	Thailand
5.	Brunei	5.	India
6.	India	6.	Brunei
7.	South Korea	7.	South Korea
8.	Japan	8.	Japan
9.	Australia	9.	Australia
10.	Vietnam	10.	The Philippines

SOURCE: DEPARTMENT OF STATISTICS MALAYSIA

MALAYSIA'S TOP EXPORT MARKETS (JAN-NOV 2022)

MARKETS	JAN-NOV 2022P (RM MIL)	JAN-NOV 2021 (RM MIL)	CHANGE (%)
Total exports	1,420,418.0	1,116,589.4	27.2
Singapore	211,753.0	157,059.0	34.8
China	192,706.9	172,041.4	12.0
The US	152,137.5	127,912.5	18.9
Japan	90,332.7	68,863.9	31.2
Hong Kong	87,516.2	68,327.5	28.1
Thailand	60,774.8	47,314.7	28.4
Indonesia	51,731.4	34,927.8	48.1
India	49,998.6	40,058.5	24.8
South Korea	49,603.6	34,214.5	45.0
Vietnam	48,950.1	41,073.3	19.2

MALAYSIA'S TOP IMPORT MARKETS (JAN-NOV 2022)

MARKETS	JAN-NOV 2022P (RM MIL)	JAN-NOV 2021 (RM MIL)	CHANGE (%)
Total imports	1,192,529.6	894,395.5	33.3
China	252,549.1	206,961.0	22.0
Singapore	124,988.1	84,773.5	47.4
Taiwan	98,066.4	67,719.0	44.8
The US	93,381.4	67,926.3	37.5
Japan	76,528.1	66,841.7	14.5
Indonesia	68,525.6	49,931.4	37.2
South Korea	54,842.6	45,272.2	21.1
Thailand	51,643.4	40,918.9	26.2
Australia	36,135.2	20,097.8	79.8
Saudi Arabia	35,150.0	11,609.1	202.8

p - provisional data

Tabulated by Matrade