

Malaysia

Capital: Kuala Lumpur
Population: 27,496,000 (2008 estimate)
GDP:* \$357.9 billion (2007 estimate)
Currency: Ringgit
Language: Malay



Summary

There is almost no bilateral trade in automobiles between U.S. and Malaysia. The U.S. exports effectively zero cars to Malaysia, and it also imports zero cars from Malaysia.

The total industry volume (TIV) of motor vehicles sold in Malaysia for the year 2007 registered 487,176 units against 490,768 units registered in 2006. Passenger vehicle sales totaled 442,885 units -- represents 91% share of the TIV in 2007.

Current Market Trends

U.S. investments in the Malaysian automotive industry are relatively small. Ford had a joint venture plant in Malaysia that assembled Ford cars and also other makes such as BMW and Mazda. However, Ford has recently sold the entire equity to its local partner. Delphi Automotive Systems and TRW Automotive have a plant each in Malaysia. Delphi manufactures wire harness, and TRW manufactures steering gear and suspension parts.

Ford Malaysia has been selling a few thousand (annually) Ford motor vehicles (CBUs from Philippines, and CKD packs from Japan and Thailand) in Malaysia in the last few years.

Hicomobil Sdn Bhd, which imports and distributes Chevrolet cars, has been selling a few thousand (annually) CBUs of Chevrolets imported from Thailand and South Korea in the last few years.

Market Entry

Local manufacturers Proton (established in 1983 and produced its first car in 1985) and Perodua (established in 1993 and produced its first car in 1994) have dominated the Malaysian car market for more than 10 years. Currently, the two companies, along with foreign makers that assemble their vehicles here, account for 90 percent of the cars sold in Malaysia. Besides Proton and Perodua, national cars currently also include Naza group's Naza Ria and Naza Citra and Inokom's Atos.

Main Competitors

Malaysia is the only country in Southeast Asia producing its own cars, but its policy of protecting the national carmakers (Proton and Perodua) has discouraged foreign car manufacturers to set up plants in the country. However, as stated in the National Automotive Policy (unveiled in March 2006), the Malaysian government wants the local car industry to have two strong national car-makers in Proton and Perodua, complemented by a number of foreign vehicle manufacturers (potentially with local joint-venture partners) who would upscale their assembly operations and at the same time rationalize the models assembled, to drive sustainable industry linkage.

Current Demand

There are opportunities for U.S. companies with technology and expertise to help local manufacturers Proton and Perodua to upscale their assembly operations and rationalize the models assembled.

Resources and Key Contacts

Malaysia's New National Automotive Policy (May 2006)

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