

## **An Analysis of Myanmar's Trade Flows**

**Khin Thida Nyein**

*Professor, Department of Economics, Monywa University of Economics*

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**ABSTRACT:** *This study investigates how Myanmar trades with other countries during the period of 2005/06 and 2016/17. Regarding trade with ASEAN countries, it is found that trade relationship between Myanmar and Singapore is the largest among ASEAN countries. Trade connectivity with Malaysia takes the second place. The volume of trade between Myanmar and Lao PDR is relatively very small. Myanmar's trade with Lao PDR, the Philippines, Vietnam and Brunei are favorable. However, Myanmar's trade with Singapore, Malaysia, Cambodia and Indonesia are unfavorable. Regarding trade with neighboring countries, it is found that trade volume between Myanmar and Thailand is the largest amount from 2005/06 to 2010/11. However, trade flow between Myanmar and China becomes the largest among four trading countries during the period of 2011/12 and 2016/17. India can take only the third place among four trading countries because of the insurgent area in India border side. Myanmar's trade with Thailand, India and Bangladesh are favorable. However, it is found that Myanmar's trade with China is unfavorable.*

**KEYWORDS:** *export, import, border trade, capital goods, intermediate goods, consumer goods*

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Date of Submission: 07-05-2018

Date of acceptance: 21-05-2018

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### **I INTRODUCTION**

#### **1.1 Background**

In the globalization era, trade has become an important instrument for contributing to national income due to foreign capital inflows among countries. Accordingly, international trade has been expanded recently. Therefore, it can be said that countries in the world cannot be possible to gain economic growth without trade because countries cannot produce everything their societies need. As the countries open up their economies, they need to consider trade policy as the major concern.

After Myanmar has changed its economic system from a centrally planned economic system to a market oriented one in late 1988, a series of structural reforms including trade sector reforms has been introduced. The objectives of economic reforms are to allow private sector participation in various sectors, to reduce the degree of government intervention, to allow trading with the rest of the world, and to invite investments from foreign countries. In order to facilitate trade promotion, export/import policy and procedures are based on the principle of liberalization in line with the economic system of Myanmar. This study examines trade flows of the country in the period from 2005/06 to 2016/17.

#### **1.2 Objectives of the Study**

This study aims to analyze:

- (1) the trade flows between Myanmar and other ASEAN countries, and
- (2) the export and import situation between Myanmar and its neighboring countries.

#### **1.3 Method of Study**

This study uses descriptive analysis to describe the export and import situations between Myanmar and its trading countries, namely neighboring countries and other ASEAN countries.

### **II TRADE REGIME**

Trade is an essential sector in striving to achieve economic growth of a country. According to many scholars, trade is an engine of growth. Based on classical and neo-classical trade theories, international trade largely contribute to economic growth. Almost every country in the world trades with each other through particular harbor and airport, based on the rules and regulations of respective governments. In addition, neighboring countries trade with each other via border areas based on market conditions, political situation, foreign exchange policy, transportation and border relation between neighbors.

After Myanmar introduced market oriented economic system, in order to encourage private sector participation in foreign trade and support fully from every perspective, trade liberalization measures<sup>1</sup> were introduced as follows:

- ❖ To be in line with the changing economic system, the private individuals or enterprises are allowed to carry out the export import business which was previously monopolized by the state.
- ❖ Border Trade was regulated in order to develop and strengthen the bilateral trade relations with the five neighboring countries. Department of Border Trade was established and its 11 branch offices providing one-stop service for border trade matters in collaboration with various departments concerned.
- ❖ Export and Import procedure was realigned.
- ❖ Lowered the technical barriers to trade and simplified export/import procedures geared towards trade facilitation and promotion.
- ❖ Incentives are being given to exporters by allowing 100% retention of export earnings for importation of goods.
- ❖ Trade notifications are being issued by specifying necessary rules in conformity to the changing internal and external business environment.
- ❖ Exemption of commercial tax and customs duty on the imported items like fertilizers, agricultural machineries and implements, insecticides and pesticides, medicines and raw materials.
- ❖ The role of Chambers of Commerce and Industry had reactivated and recognized the Union of Myanmar Federation of Chambers of Commerce and Industry – UMFCCI for the promotion of trade and industry of the private sector.

### 2.1 Trade Flow between Myanmar and ASEAN Countries

At this moment in time, the trading countries of Myanmar are ASEAN countries, rest of Asia, Middle East, America, North West Europe, Southern Europe, Eastern Europe, Africa, Oceania and others. The export commodities are agricultural products, marine products, animal products, forest products, metal, finished products and others. The import commodities are capital goods, intermediate goods and consumer goods. Trade flow with ASEAN countries excluding Thailand is analyzed in this part.

**Table ( 1 ) Trade Flow between Myanmar and ASEAN Countries**  
US \$ million

S.N	Year	Cambodia		Singapore		the Philippines		Vietnam	
		Trade	%	Trade	%	Trade	%	Trade	%
1	2005-06	0.016	0.001	823.758	66.153	18.132	1.456	48.321	3.880
2	2006-07	0.093	0.006	1217.12	71.994	20.058	1.186	71.105	4.206
3	2007-08	0.032	0.002	1222.31	64.892	19.913	1.057	97.707	5.187
4	2008-09	0.397	0.014	1881	65.582	25.434	0.887	59.204	2.064
5	2009-2010	0.263	0.011	1873.17	75.341	41.356	1.663	81.033	3.259
6	2010-11	1.398	0.044	2102.31	66.588	39.272	1.244	114.078	3.613
7	2011-12	1.477	0.035	3058.88	73.139	48.959	1.171	143.38	3.428
8	2012-13	0.389	0.010	2826.77	76.110	44.012	1.185	155.959	4.199
9	2013-14	0.946	0.018	3604.25	67.097	33.353	0.621	281.014	5.231
10	2014-15	1.22	0.018	4895.9	71.020	28.2	0.409	321.334	4.661
11	2015-16	0.898	0.016	3696.33	66.404	28.998	0.521	346.858	6.231
12	2016-17	2.968	0.056	2967.08	55.673	56.483	1.060	494.036	9.270

Source: Custom + DOBT

US \$ million

S.N	Year	Brunei		Malaysia		Lao PDR		Indonesia		Total
		Trade	%	Trade	%	Trade	%	Trade	%	
1	2005-06	0.852	0.06842	231.303	18.5752	0.016	0.00128	122.829	9.86398	1245.23

<sup>1</sup> Ministry of Commerce, 2006

2	2006-07	1.04	0.06152	198.85	11.7623	0.006	0.00035	182.301	10.7834	1690.57
3	2007-08	1.216	0.06456	234.571	12.4533	0.068	0.00361	307.792	16.3406	1883.6
4	2008-09	0.987	0.03441	662.124	23.0852	0.44	0.01534	238.587	8.31844	2868.17
5	2009-2010	0.779	0.03133	312.145	12.5548	0.00007	2.82E-06	177.504	7.13942	2486.25
6	2010-11	0.375	0.01188	583.118	18.4697	0.019	0.0006	316.599	10.0279	3157.17
7	2011-12	1.343	0.03211	455.448	10.89	0.027	0.00065	472.756	11.3038	4182.27
8	2012-13	0.903	0.02431	458.879	12.3552	0.372	0.01002	226.767	6.10564	3714.06
9	2013-14	4.284	0.07975	948.56	17.6586	0.401	0.00747	498.856	9.28681	5371.66
10	2014-15	0.749	0.01087	1008.98	14.6363	0.709	0.01028	636.558	9.23398	6893.65
11	2015-16	1.046	0.01879	750.042	13.4743	0.496	0.00891	741.795	13.3261	5566.47
12	2016-17	0.857	0.01608	980.378	18.3955	0.45	0.00844	827.206	15.5214	5329.46

Source: Custom + DOBT

As shown in the above table, trade relationship between Myanmar and Singapore is the largest among ASEAN countries. Trade connectivity with Malaysia takes the second place. It can be seen that volume of trade between Myanmar and Lao PDR is relatively very small. Trade flow between Myanmar and each trading country is also focused on the subsequent section.

#### Trade Flow between Myanmar and Cambodia

Myanmar trades with Cambodia very thinly. Trade balance is negative, meaning that Myanmar's export to Cambodia is less than import from Cambodia. As shown in Table, the main export items are agricultural products, finished products and others. The main import item is intermediate goods.

**Table ( 2 ) Trade Flow between Myanmar and Cambodia**  
US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	0	0.016	-0.016	0.016
2	2006-07	0.032	0.061	-0.029	0.093
3	2007-08	0.032	0	0.032	0.032
4	2008-09	0.334	0.063	0.271	0.397
5	2009-2010	0.081	0.182	-0.101	0.263
6	2010-11	0.043	1.355	-1.312	1.398
7	2011-12	0.361	1.116	-0.755	1.477
8	2012-13	0.02	0.369	-0.349	0.389
9	2013-14	0.234	0.712	-0.478	0.946
10	2014-15	0.462	0.758	-0.296	1.22
11	2015-16	0.015	0.883	-0.868	0.898
12	2016-17	2.653	0.315	2.338	2.968

Source: Custom + DOBT

**Table ( 3 ) Export Commodities to Cambodia**  
US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	0	0	0	0.3	0	0	0	0	0	0.312	0	0.537
2	Marine Products	0	0	0	0	0	0	0	0	0	0	0	0
3	Animal Products	0	0	0	0	0	0	0	0	0	0	0	0

4	Forest Products	0	0	0	0	0	0	0	0	0	0.006	0	0.023
5	Metal	0	0	0	0	0	0	0	0	0	0	0.007	0
6	Finished Products	0	0.022	0	0.001	0.062	0.043	0	0	0.21	0.065	0.002	0.051
7	Others	0	0.01	0.032	0.033	0.019	0	0.361	0.02	0.024	0.079	0.006	2.042

Source: Custom + DOBT

**Table ( 4 ) Import Commodities from Cambodia**

US \$ million

S . N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	0.002	0.052	0	0.041	0.079	1.309	0.673	0.057	0.501	0.105	0.513	0.053
2	Intermediate goods	0.013	0.009	0	0.021	0.079	0.045	0.414	0.249	0.205	0.575	0.273	0.223
3	Consumer goods	0.001	0	0	0.001	0.024	0.001	0.029	0.063	0.006	0.078	0.097	0.039

Source: Custom + DOBT

**Trade Flow between Myanmar and Singapore**

Trade connectivity between Myanmar and Singapore is relatively strong. Trade balance is negative. It can be said that Myanmar's export to Singapore is unfavorable. As shown in Table, the main export items are agricultural products, finished products, marine products and others. Intermediate goods are the main import item, following consumer goods and capital goods.

**Table ( 5 ) Trade Flow between Myanmar and Singapore**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	262.852	560.906	-298.054	823.758
2	2006-07	182.592	1034.524	-851.932	1217.116
3	2007-08	400.561	821.744	-421.183	1222.305
4	2008-09	830.793	1050.205	-219.412	1880.998
5	2009-2010	670.569	1202.602	-532.033	1873.171
6	2010-11	456.988	1645.32	-1188.332	2102.308
7	2011-12	542.751	2516.133	-1973.382	3058.884
8	2012-13	291.35	2535.424	-2244.074	2826.774
9	2013-14	694.027	2910.222	-2216.195	3604.249
10	2014-15	758.5351	4137.368	-3378.8329	4895.9031
11	2015-16	725.434	2970.898	-2245.464	3696.332
12	2016-17	472.764	2494.315	-2021.551	2967.079

Source: Custom + DOBT

**Table ( 6 ) Export Commodities to Singapore**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	28.58	40.58	67.86	105.5	148.9	156.4	251.7	167	145.5	101.1	83.45	73.45
2	Marine Products	21.68	32.47	70.88	110.3	75.69	49.27	33.01	44.95	28.31	28.93	39.98	35.87
3	Animal Products	0.515	0.145	0.544	0.305	1.282	1.496	0.688	2.482	2.113	1.434	0.368	0.44
4	Forest Products	35.42	31.52	33.68	35.49	29.23	40.87	51.99	31.75	54.23	19.07	23.64	14.78
5	Metal	0.762	2.144	4.7	1.895	0.145	9.062	0.188	0.403	1.317	10.32	2.297	7.741
6	Finished Products	71.52	14.62	56.28	35.63	24.77	2.736	4.404	9.969	132.4	145.4	65.1	82.48
7	Others	104.4	61.11	166.6	541.7	390.6	197.2	200.8	34.76	330.1	452.3	510.6	258

Source: Custom + DOBT

**Table (7) Import Commodities from Singapore**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	66.41	110.9	242.8	141.2	321.3	82.24	353.9	614.3	466.6	1229	902.7	208.1
2	Intermediate goods	422.5	762.2	499.5	709.6	749.9	1464	2031	1702	2108	2504	1600	2019
3	Consumer goods	71.99	161.5	79.46	199.4	131.5	98.6	131.3	219.6	335.4	404.7	468.2	267.3

Source: Custom + DOBT

**Trade Flow between Myanmar and the Philippines**

Trade relationship between Myanmar and the Philippines is notable. Trade balance is positive although there is negative in some years. It can be said that Myanmar's export to the Philippines is favorable. As shown in Table, agricultural products and others are the main export items. Consumer goods are the main import item, following intermediate goods and capital goods.

**Table (8) Trade Flow between Myanmar and the Philippines**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	12.582	5.55	7.032	18.132
2	2006-07	10.278	9.78	0.498	20.058
3	2007-08	7.664	12.249	-4.585	19.913
4	2008-09	8.993	16.441	-7.448	25.434
5	2009-2010	27.211	14.145	13.066	41.356
6	2010-11	22.3	16.972	5.328	39.272
7	2011-12	34.323	14.636	19.687	48.959
8	2012-13	26.017	17.995	8.022	44.012
9	2013-14	12.25	21.103	-8.853	33.353
10	2014-15	12.778	15.422	-2.644	28.2
11	2015-16	8.232	20.766	-12.534	28.998
12	2016-17	40.985	15.498	25.487	56.483

Source: Custom + DOBT

**Table (9) Export Commodities to the Philippines**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	4.202	6.773	5.42	6.056	26.3	21.41	33.68	20.33	10.4	10.47	7.049	8.35
2	Marine Products	0.054	0.064	0.034	0	0.002	0	0.018	0.049	0.045	0.084	0.009	0.166
3	Animal Products	0	0	0	0	0	0	0	0	0	0	0	0
4	Forest Products	0.031	0.078	0.464	0.025	0.007	0	0.036	0	0.348	0.008	0	0.013
5	Metal	0	0	0	0	0	0	0	3.225	0.727	0.826	0	0
6	Finished Products	0.017	0.007	0.008	0.011	0	0.04	0.549	1.501	0.507	1.064	1.037	2.662
7	Others	8.278	3.356	1.738	2.901	0.905	0.852	0.044	0.912	0.224	0.326	0.137	29.79

Source: Custom + DOBT

**Table (10) Import Commodities from the Philippines**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	0.281	0.529	1.553	2.906	1.234	0.986	0.907	2.147	6.619	1.748	5.116	2.458
2	Intermediate goods	0.632	2.675	1.082	4.037	2.895	2.385	2.008	2.281	3.062	2.027	7.676	3.167
3	Consumer goods	4.637	6.576	9.614	9.498	10.02	13.6	11.72	13.57	11.42	11.65	7.974	9.873

Source: Custom + DOBT

**Trade Flow between Myanmar and Vietnam**

Myanmar trade with Vietnam is sizeable. Trade balance is positive although it is negative from 2014/15 to 2016/17. It indicates that Myanmar's export to Vietnam is constructive. As shown in Table, the main export items are agricultural products. The main import item is capital goods, following intermediate goods and consumer goods.

**Table ( 11 ) Trade Flow between Myanmar and Vietnam**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	38.455	9.866	28.589	48.321
2	2006-07	58.226	12.879	45.347	71.105
3	2007-08	80.192	17.515	62.677	97.707
4	2008-09	39.556	19.648	19.908	59.204
5	2009-2010	54.752	26.281	28.471	81.033
6	2010-11	67.031	47.047	19.984	114.078
7	2011-12	81.09	62.29	18.8	143.38
8	2012-13	81.243	74.716	6.527	155.959
9	2013-14	111.155	169.859	-58.704	281.014
10	2014-15	80.181	241.153	-160.972	321.334
11	2015-16	56.669	290.189	-233.52	346.858
12	2016-17	88.253	405.783	-317.53	494.036

Source: Custom + DOBT

**Table ( 12 ) Export Commodities to Vietnam**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	7.747	5.725	14.47	10.42	13.22	31.81	52.43	52.99	58.8	53.4	31.86	48.54
2	Marine Products	4.634	3.073	4.449	3.606	5.02	2.878	4.113	3.687	3.517	2.204	3.512	7.054
3	Animal Products	0.086	0.051	0.168	0.141	0.852	0.686	0.439	1.384	1.919	0.828	1.973	1.941
4	Forest Products	19.53	35.68	55.09	23.87	33.35	27.62	14.05	16.47	34.18	0.367	1.156	0.352
5	Metal	5.845	13.11	5.77	0.908	0.984	1.362	7.351	3.027	3.189	10.32	8.004	17.37
6	Finished Products	0.013	0	0.232	0.097	1.18	2.303	2.329	2.394	2.264	2.678	3.261	4.737
7	Others	0.596	0.588	0.011	0.519	0.15	0.366	0.373	1.291	7.292	10.39	6.904	8.262

Source: Custom + DOBT

**Table ( 13 ) Import Commodities from Vietnam**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	1.272	1.454	6.477	6.231	9.989	18.92	24.08	25.52	69.16	98.57	125.1	166.3
2	Intermediate goods	6.831	5.199	7.683	10.09	11.76	19.6	28.42	33.19	72.87	89.53	91.35	132.1
3	Consumer goods	1.763	6.226	3.355	3.329	4.533	8.519	9.795	16	27.83	53.06	73.72	107.3

Source: Custom + DOBT

**Trade Flow between Myanmar and Brunei**

Trade relationship between Myanmar and Brunei is thin. Trade balance is positive, meaning that Myanmar's export to Brunei is favourable. As shown in Table, the main export item is marine products. Intermediate goods are main import item.

**Table ( 14 ) Trade Flow between Myanmar and Brunei**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	0.852	0	0.852	0.852
2	2006-07	1.04	0	1.04	1.04
3	2007-08	1.216	0	1.216	1.216
4	2008-09	0.987	0	0.987	0.987
5	2009-2010	0.751	0.028	0.723	0.779
6	2010-11	0.374	0.001	0.373	0.375
7	2011-12	1.326	0.017	1.309	1.343
8	2012-13	0.903	0	0.903	0.903
9	2013-14	4.284	0	4.284	4.284

10	2014-15	0.726	0.023	0.703	0.749
11	2015-16	0.318	0.728	-0.41	1.046
12	2016-17	0.58	0.277	0.303	0.857

Source: Custom + DOBT

**Table ( 15 ) Export Commodities to Brunei**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	0	0.015	0	0	0	0	0	0.655	0.233	0.514	0.133	0.164
2	Marine Products	0.763	0.925	1.208	0.722	0.134	0.035	0.151	0.064	0.563	0.162	0.155	0.368
3	Animal Products	0	0	0	0	0	0	0	0	0	0	0	0
4	Forest Products	0.035	0.061	0	0	0	0.015	0	0	0.078	0.05	0.03	0.022
5	Metal	0	0	0	0	0	0	0	0	3.371	0	0	0
6	Finished Products	0.014	0.019	0	0.232	0.585	0.296	1.13	0.183	0	0	0	0.026
7	Others	0.04	0.02	0.008	0.033	0.032	0.028	0.045	0.001	0.039	0	0	0

Source: Custom + DOBT

**Table ( 16 ) Import Commodities from Brunei**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	0	0	0	0	0	0	0.004	0	0	0	0.724	0.051
2	Intermediate goods	0	0	0	0	0	0	0	0	0	0.023	0	0.201
3	Consumer goods	0	0	0	0	0.028	0.001	0.013	0	0	0	0.004	0.025

Source: Custom + DOBT

**Trade Flow between Myanmar and Malaysia**

Myanmar trades with Malaysia very considerably. Trade balance is negative, meaning that Myanmar's export to Malaysia is less than import from Malaysia. As shown in Table, the main export items are agricultural products, finished products, marine products and metal. The main import item is intermediate goods, following consumer goods and capital goods.

**Table ( 17 ) Trade Flow between Myanmar and Malaysia**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	92.897	138.406	-45.509	231.303
2	2006-07	88.474	110.376	-21.902	198.85
3	2007-08	119.027	115.544	3.483	234.571
4	2008-09	311.507	350.617	-39.11	662.124
5	2009-2010	152.615	159.53	-6.915	312.145
6	2010-11	437.801	145.317	292.484	583.118
7	2011-12	152.038	303.41	-151.372	455.448
8	2012-13	97.977	360.902	-262.925	458.879
9	2013-14	108.868	839.692	-730.824	948.56
10	2014-15	264.999	743.978	-478.979	1008.977
11	2015-16	161.32	588.722	-427.402	750.042
12	2016-17	159.009	821.369	-662.36	980.378

Source: Custom + DOBT

**Table ( 18 ) Export Commodities to Malaysia**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	43.03	39.34	65.4	60.26	111.8	128.6	85.33	56.52	68.65	56.14	65.56	79.68
2	Marine Products	20.81	21.79	26.16	20.75	20.27	22.17	36.51	22.89	14.27	9.628	11.85	14.47
3	Animal Products	0.091	0	0.327	0.215	0.093	0.816	0.143	0.038	0.897	0.576	0.007	0.005
4	Forest Products	13.83	8.216	9.133	10.37	2.917	3.632	4.317	3.902	3.085	3.633	9.059	11.25
5	Metal	3.232	1.671	6.806	0.557	8.396	3	0.375	0.548	0.571	1.498	16.66	13.91

6	Finished Products	5.134	9.585	9.531	8.44	7.525	7.694	6.638	10.86	14.04	37.7	28.29	27
7	Others	6.773	7.867	1.675	210.9	1.664	271.8	18.73	3.223	7.36	155.8	29.89	12.68

Source: Custom + DOBT

**Table (19) Import Commodities from Malaysia**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	7.508	13.27	19.58	228.5	21.97	25.56	39.62	43.03	54.38	79.68	74.01	102.3
2	Intermediate goods	70.15	53.6	56.14	68.26	57.45	53.15	65.23	136.1	536.6	353.3	318.1	497.8
3	Consumer goods	60.75	43.51	39.83	53.88	80.12	66.61	198.6	181.8	248.7	311	196.6	221.3

Source: Custom + DOBT

**Trade Flow between Myanmar and Lao PDR**

Myanmar trades with Lao PDR very lightly. Trade balance is positive, meaning that Myanmar's export to Lao PDR is greater than import from Lao PDR. As shown in Table, agricultural products are main export items. The main import items are intermediate goods, following capital goods and consumer goods.

**Table (20) Trade Flow between Myanmar and Lao PDR**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	0.015	0.001	0.014	0.016
2	2006-07	0.006	0	0.006	0.006
3	2007-08	0.068	0	0.068	0.068
4	2008-09	0.036	0.404	-0.368	0.44
5	2009-2010	0.00007	0	0.00007	0.00007
6	2010-11	0.019	0	0.019	0.019
7	2011-12	0.027	0	0.027	0.027
8	2012-13	0.148	0.224	-0.076	0.372
9	2013-14	0.394	0.007	0.387	0.401
10	2014-15	0.685	0.024	0.661	0.709
11	2015-16	0.395	0.101	0.294	0.496
12	2016-17	0.041	0.409	-0.368	0.45

Source: Custom + DOBT

**Table (21) Export Commodities to Lao PDR**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	0.012	0	0.067	0	0	0.014	0.026	0.105	0.252	0.607	0.075	0.027
2	Marine Products	0	0	0	0	0	0	0	0	0	0	0	0
3	Animal Products	0	0	0	0	0	0	0	0	0	0	0	0
4	Forest Products	0	0.002	0	0	0	0	0	0	0	0.066	0.308	0
5	Metal	0	0	0	0	0	0	0	0	0	0	0	0
6	Finished Products	0.002	0.003	0	0.034	0	0.005	0.001	0.037	0.008	0	0.012	0.001
7	Others	0.001	0.001	0.001	0.002	7E-05	0	0	0.006	0.134	0.012	0	0.013

Source: Custom + DOBT

**Table (22) Import Commodities from Lao PDR**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	0	0	0	0.025	0	0	0	0.224	0	0	0.101	0.032
2	Intermediate goods	0.001	0	0	0.104	0	0	0	0	0.007	0.024	0	0.376
3	Consumer goods	0	0	0	0.275	0	0	0	0	0	0	0	0.001

Source: Custom + DOBT

**Trade Flow between Myanmar and Indonesia**

Trade connectivity between Myanmar and Indonesia is noticeably large. Trade balance is negative, meaning that Myanmar's export to Indonesia is unfavorable. As shown in Table, the main export items are

metal, agricultural products and finished products. Consumer goods are main import item, following intermediate goods and capital goods.

**Table ( 23 ) Trade Flow between Myanmar and Indonesia**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	65.358	57.471	7.887	122.829
2	2006-07	88.227	94.074	-5.847	182.301
3	2007-08	86.576	221.216	-134.64	307.792
4	2008-09	28.248	210.339	-182.091	238.587
5	2009-2010	37.43	140.074	-102.644	177.504
6	2010-11	41.113	275.486	-234.373	316.599
7	2011-12	40.936	431.82	-390.884	472.756
8	2012-13	31.538	195.229	-163.691	226.767
9	2013-14	60.04	438.816	-378.776	498.856
10	2014-15	86.045	550.513	-464.468	636.558
11	2015-16	139.836	601.959	-462.123	741.795
12	2016-17	125.046	702.16	-577.114	827.206

Source: Custom + DOBT

**Table ( 24 ) Export Commodities to Indonesia**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	14.82	26.21	26.03	22.91	21.47	32.31	34.95	28.31	34.38	35.41	26.6	43.69
2	Marine Products	0.738	2.404	3.154	3.143	5.377	3.093	0.082	0.318	0.554	0.606	0.546	0.764
3	Animal Products	0	0	0.721	0	0	0	0.043	0.026	0.023	0	0.06	0.1
4	Forest Products	1.188	2.315	1.798	0.525	0.942	0.179	0.049	0.238	0.584	0.579	0.495	0.711
5	Metal	22.53	33.13	29.37	1.36	9.095	1.461	0	1.513	23.21	45.49	105.8	62
6	Finished Products	0.459	0.097	0.212	0.075	0.221	0.037	0.036	0.357	0.499	3.436	5.275	16.62
7	Others	25.63	24.07	25.3	0.232	0.324	4.029	5.777	0.779	0.798	0.524	1.024	1.15

Source: Custom + DOBT

**Table ( 25 ) Import Commodities from Indonesia**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	4.352	6.633	13.51	15.69	19.36	21.79	83.69	14.67	25.42	49.94	59.58	46.95
2	Intermediate goods	33.19	36.48	43.9	44.38	53.25	115.3	150.9	69.05	137.1	124.6	142.7	174.6
3	Consumer goods	19.93	50.97	163.8	150.3	67.46	138.4	197.3	111.5	276.3	376	399.7	480.6

Source: Custom + DOBT

## 2.2 Trade Flow between Myanmar and Neighboring Countries

Generally, nations trade with each other through particular harbor and airport under the control of respective governments. Neighboring countries, however, trade with each other via border areas based on market conditions, political situation, foreign exchange policy, transportation and border relation between neighbors.

Since the very beginning of Myanmar's history, Myanmar has been trading with its neighbors. According to historical records, Myanmar exported cotton, salt, feather, best nest and ivory to China, and imported silk, velvet, gold bars, pepper, various types of fruits jam and kitchen utensils from China. Main export from Myanmar to China was cotton and main export from China to Myanmar was silk, accounted for nearly half of the value of total trade in old days. Looking at trade relationship between Myanmar and India, Myanmar exported rice to India, and imported spices from India. Historical records said that the value of total import was sterling pounds 50865, and the value of total export was about sterling pounds 55106 in 1852.

Since the period of British colony from 1885 to 1948, border trade between Myanmar and China has been developing. Myanmar's total trade value with China and India was 34.14 million Rupees in 1924-25. After independence in 1948, Myanmar's foreign trade significantly developed as the government allowed import and export licenses. Companies and industries owned by Myanmar nationals developed significantly, and the

amount of rice export were very huge. In addition, as Myanmar developed industries, Maung Bamar vest, Mya Hlwar Yone shawls, Myanmar nylons and tetron were very significant. Under the Revolutionary council in 1962, the economic system of Myanmar was centrally planned economic system. Accordingly, only the government took the monopoly power in trade sector until the period of 1988. Domestic needs were not satisfied; therefore, informal trade revealed during that period. After 1988, Myanmar changed economic system from the centrally planned economic system to market-oriented one.

In accordance with economic system of the country, the governments of two neighboring countries had implemented formal trade in order to eliminate informal trade, systematically develop trade and achieve strong friendship between two neighboring countries.

Myanmar started to implement formal trade with China in December, 1988. Border trade among Myanmar – Thailand, Myanmar – India, and Myanmar – Bangladesh actually implemented in 1991.

In addition, in accordance with the guidance of the Ministry of Commerce, the Department of Border Trade was established in 1996 in order to closely provide trade activities among neighboring countries. The main tasks of Department of Border Trade are as follows:

- To boost bilateral trade with neighbors through formal border trade channels
- To issue export and import licenses in accordance with Border Trade Services
- To raise strong friendship with neighboring countries
- To give assistance to private entrepreneurs to support border trade
- To facilitate border trade by smoothening commodities flows.

Border trade offices have been opened are Muse (105 mile), Lwejel, Chinshwehaw along Myanmar – China border, Tachileik, Kawthaung, Myawaddy, Myeik (FOB)<sup>1</sup> along Myanmar – Thailand border, Tamu, Rhil along Myanmar – India border, and Maungtaw, Sittway (FOB)<sup>1</sup> along Myanmar – Bangladesh border. Border Trade Posts<sup>2</sup> which are existed in border areas are as follows:

**(a) Myanmar - China Border Area**

(i) Muse (105 mile)	21.1.98
(ii) Lwejel	23.8.98
(iii) Chinshwehaw	19.10.03

**(b) Myanmar - Thailand Border Area**

(i) Tachileik	16.3.96
(ii) Myawaddy	16.9.98
(iii) Kawthaung	1.6.96
(iv) Myeik(FOB)	1.7.99

**(c) Myanmar-India Border Area**

(i) Tamu	12.4.05
(ii) Rhi	10.12.03

**(d) Myanmar-Bangladesh Border Area**

(i) Sittwe	11.12.98
(ii) Maungdaw	5.9.95

Myanmar trades with its neighboring countries by using not only sea-borne trade but also border trade. The trade situation between Myanmar and its neighboring countries is shown in the following table.

**Table ( 26 ) Trade Flow between Myanmar and Its Neighboring Countries**

US \$ million

S.N	Year	Thailand		India		China		Bangladesh		Total
		Trade	%	Trade	%	Trade	%	Trade	%	
1	2005-06	1593.542	52.12	569.258	18.62	833.627	27.27	60.9664	1.99	3057.393
2	2006-07	2712.256	54.59	893.848	17.99	1302.073	26.20	60.631	1.22	4968.808
3	2007-08	3193.684	54.12	886.241	15.02	1693.359	28.69	128.034	2.17	5901.318
4	2008-09	3024.649	51.13	948.765	16.04	1824.896	30.85	117.426	1.98	5915.736
5	2009-2010	3576.443	52.93	1206.682	17.86	1892.869	28.01	80.782	1.20	6756.776
6	2010-11	3614.267	44.13	1067.056	13.03	3372.076	41.17	136.6361	1.67	8190.035
7	2011-12	4518.966	41.17	1371.366	12.49	5001.145	45.56	84.805	0.77	10976.28
8	2012-13	4697.37	42.63	1320.396	11.98	4957.555	44.99	43.266	0.39	11018.59
9	2013-14	5666.484	39.32	1636.933	11.36	7033.124	48.80	75.014	0.52	14411.56
10	2014-15	5711.192	33.99	1340.58	7.98	9712.09	57.80	39.229	0.23	16803.09
11	2015-16	4866.067	27.64	1711.517	9.72	10992.44	62.44	33.385	0.19	17603.41
12	2016-17	4288.174	25.11	1942.854	11.37	10805.49	63.26	43.959	0.26	17080.47

Source: Custom + DOBT

<sup>2</sup> Ministry of Commerce

As seen above table, trade volume between Myanmar and Thailand is the largest amount from 2005/06 to 2010/11. However, trade flow between Myanmar and China becomes the largest among four trading countries during the period of 2011/12 and 2016/17. India can take the third place among four trading countries because of the insurgent area in India border side. Trade volume with Bangladesh is the smallest amount between two trading countries.

**Trade Flow between Myanmar and Thailand**

In order to explore the trade flow between Myanmar and each neighboring country, trade volume, export and import commodities between Myanmar and Thailand, firstly, are presented as follow.

**Table ( 27 ) Trade Flow between Myanmar and Thailand**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	1393.606	199.936	1193.67	1593.542
2	2006-07	2407.344	304.912	2102.432	2712.256
3	2007-08	2809.647	384.037	2425.61	3193.684
4	2008-09	2628.205	396.444	2231.761	3024.649
5	2009-2010	3197.876	378.567	2819.309	3576.443
6	2010-11	2905.179	709.088	2196.091	3614.267
7	2011-12	3823.827	691.139	3132.688	4514.966
8	2012-13	4000.577	696.793	3303.784	4697.37
9	2013-14	4304.019	1362.465	2941.554	5666.484
10	2014-15	4031.756	1679.436	2352.32	5711.192
11	2015-16	2893.182	1972.885	920.297	4866.067
12	2016-17	2202.233	2085.941	116.292	4288.174

Source: Custom + DOBT

As can be seen in the above table, the amount of trade between Myanmar and Thailand is substantial. Balance of trade is positive, indicating that Myanmar's export is favorable. Finished products, marine products and agricultural products are main export items. Capital goods are main import items, following consumer goods and intermediate goods.

**Table ( 28 ) Export Commodities to Thailand**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	9.365	6.775	14.25	19.16	48.51	58.12	42.95	94.7	66.91	48.94	60.91	84.8
2	Marine Products	97.35	119.2	110.1	94.6	115.5	126.3	142.3	147.7	160.2	143.9	165.9	214.7
3	Animal Products	1.085	0.509	0.312	0.339	0.339	1.205	1.096	2.889	3.458	3.082	2.88	3.76
4	Forest Products	87.84	82.59	59.18	98.46	55.38	83.91	89.73	49.31	108.2	9.132	13.33	22.65
5	Metal	90.04	76.75	46.27	22.31	19.54	93.41	35.98	27.18	23.76	32.18	39.3	48.08
6	Finished Products	1087	2114	2564	2388	2949	2528	3504	3671	3381	3717	2559	1788
7	Others	20.31	6.58	9.116	5.181	9.733	14.34	7.59	7.585	560.7	77.05	51.95	40.58

Source: Custom + DOBT

**Table ( 29 ) Import Commodities from Thailand**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	69.47	91.6	104.3	111.5	126.6	415.1	338.9	279.5	597.3	795	825.3	837
2	Intermediate goods	98.26	124.3	197.5	177.5	158.7	195.5	233	196.8	435.4	414.7	384	431.4
3	Consumer goods	32.21	89.03	82.26	107.4	93.3	98.49	119.3	220.5	329.8	469.8	763.6	817.5

Source: Custom + DOBT

**Trade Flow between Myanmar and India**

Look at trade flow between Myanmar and India, volume of trade is considerable. Trade balance is positive, meaning that Myanmar has favorable situation in export. Main export items are agricultural products and forest products. Myanmar mainly imports consumer goods from India. Capital goods and intermediate goods are also imported.

**Table ( 30 ) Trade Flow between Myanmar and India**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	489.34	79.918	409.422	569.258
2	2006-07	733.912	159.936	573.976	893.848
3	2007-08	727.25	158.991	568.259	886.241
4	2008-09	802.37	146.395	655.975	948.765
5	2009-2010	1013.15	193.534	819.614	1206.68
6	2010-11	871.595	195.461	676.134	1067.06
7	2011-12	1045.99	325.381	720.604	1371.37
8	2012-13	1018.69	301.704	716.988	1320.4
9	2013-14	1143.4	493.533	649.867	1636.93
10	2014-15	745.804	594.776	151.028	1340.58
11	2015-16	904.162	807.355	96.807	1711.52
12	2016-17	943.477	999.377	-55.9	1942.85

Source: Custom + DOBT

**Table ( 31 ) Export Commodities to India**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	238.3	460	451.6	548.4	656.9	485.5	642.1	589.6	495.6	681	740.8	768.4
2	Marine Products	1.19	0.63	1.389	0.354	0.584	0.497	0.632	2.256	7.474	1.838	1.786	2.49
3	Animal Products	0.687	2.034	0.603	0.688	1.781	2.474	2.426	2.351	0.654	0.498	0.61	0.285
4	Forest Products	236.9	259.5	268.8	198.3	313.5	372.5	388.9	410.9	572.3	40.74	120.5	129.1
5	Mine	0.853	0.1	0.005	0.004	0.048	0.02	1.457	1.614	9.516	1.896	2.307	4.801
6	Finished Products	2.354	1.29	0.996	1.101	14.5	1.212	0.931	1.861	44.76	6.469	8.638	12.76
7	Others	9.074	10.37	3.885	53.53	25.85	9.33	9.625	10.15	13.12	13.4	29.48	25.7

Source: Custom + DOBT

**Table ( 32 ) Import Commodities from India**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	17.78	51.57	69.5	60.91	81.52	60	100.2	96.68	116.2	242	123	166.2
2	Intermediate goods	34.63	47.6	27.88	31.09	44.64	38.24	108.3	67.45	198.2	110.3	83.65	140.3
3	Consumer goods	27.5	60.77	61.61	54.39	67.38	97.23	116.8	136.6	175.9	239.2	598.2	692.9

Source: Custom + DOBT

**Trade Flow between Myanmar and China**

As Myanmar and China are neighboring countries, Myanmar trades with China via both routes; namely sea-borne trade and border trade. The volume of trade between China and Myanmar are substantial, as seen in the table. Seeing that balance of trade is negative, it can be said that Myanmar is facing with unfavorable situation in trade with China. The commodities which are mainly exported to China are agricultural products, finished products, other commodities and metal. The commodities which are mainly imported from China are capital goods. Intermediate goods and consumer goods are also imported from China.

**Table ( 33 ) Trade Flow between Myanmar and China**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	332.034	501.593	-169.559	833.627
2	2006-07	571.225	730.848	-159.623	1302.073
3	2007-08	697.683	995.676	-297.993	1693.359
4	2008-09	617.0781	1207.818	-590.7399	1824.8961

5	2009-2010	634.974	1257.895	-622.921	1892.869
6	2010-11	1203.5593	2168.517	-964.9577	3372.0763
7	2011-12	2214.298	2786.847	-572.549	5001.145
8	2012-13	2238.069	2719.486	-481.417	4957.555
9	2013-14	2913.672	4119.452	-1205.78	7033.124
10	2014-15	4692.461	5019.629	-327.168	9712.09
11	2015-16	4596.959	6395.48	-1798.521	10992.439
12	2016-17	5055.486	5750	-694.514	10805.486

Source: Custom + DOBT

**Table ( 34 ) Export Commodities to China**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	124.6	275.9	400.6	388.2	357.6	603.7	897.1	1452	1595	1646	1352	1443
2	Marine Products	96.97	148.2	161.7	104.2	98.31	139.3	317.4	243.5	188.2	124.9	123.7	165.1
3	Animal Products	3.189	6.118	9.132	5.505	17.19	80.89	84.88	21.86	4.862	0.763	0.774	3.329
4	Forest Products	20.23	58.15	69.78	52.05	66.76	46.3	44.98	42.08	98.47	10.79	15.57	22.55
5	Metal	5.128	3.348	29.21	17.88	39.61	275.1	792.4	341.5	763.5	1105	504.9	678.5
6	Finished Products	10.38	3.491	4.72	9.972	5.528	13.53	34.61	77.03	153.9	1565	2156	1477
7	Others	71.57	76.03	22.56	39.27	49.97	44.76	42.89	59.98	109.2	238.2	29.01	1259

Source: Custom + DOBT

**Table ( 35 ) Import Commodities from China**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	202.5	308	410	589.4	620.5	1289	1657	1363	1929	2990	4270	3253
2	Intermediate goods	242.5	257.3	450.7	460.9	473.8	671.5	868.5	1044	1473	1351	1491	1793
3	Consumer goods	56.65	165.6	135.1	157.5	163.6	207.7	266.2	312	716.9	679.1	634.6	703.8

Source: Custom + DOBT

**Trade Flow between Myanmar and Bangladesh**

As Myanmar and Bangladesh are neighboring countries, there are trade via both sea-borne trade and border trade between two countries. As shown in the table, the volume of trade between Bangladesh and Myanmar are not much. Trade balance is positive; therefore, it can be said that Myanmar has a favorable situation in trade with Bangladesh. Marine products are mainly exported to Bangladesh, following agricultural products. The commodities which are mainly imported are consumer goods. Capital goods and intermediate goods are also imported although the volume of imports is not much.

**Table ( 36 ) Trade Flow between Myanmar and Bangladesh**

US \$ million

S.N	Year	Export	Import	T/B	Trade
1	2005-06	55.9024	5.064	50.8384	60.9664
2	2006-07	56.563	4.068	52.495	60.631
3	2007-08	121.517	6.517	115	128.034
4	2008-09	110.71	6.716	103.994	117.426
5	2009-2010	69.342	11.44	57.902	80.782
6	2010-11	125.0211	11.615	113.4061	136.6361
7	2011-12	70.586	14.219	56.367	84.805
8	2012-13	31.088	12.178	18.91	43.266
9	2013-14	59.089	15.925	43.164	75.014
10	2014-15	30.079	9.15	20.929	39.229
11	2015-16	18.127	15.258	2.869	33.385
12	2016-17	23.996	19.963	4.033	43.959

Source: Custom + DOBT

**Table ( 37 ) Export Commodities to Bangladesh**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Agricultural Products	10.76	5.623	60.74	63.31	5.504	59.34	12.42	1.848	10.88	5.344	7.234	5.884
2	Marine Products	13.75	22.43	26.36	18.7	15.55	13.48	22.73	3.973	8.33	9.164	7.875	13.51
3	Forest Products	26.17	24.61	31.2	26	44.03	49.43	32.86	23.7	36.37	0.33	0.702	1.049
4	Metal	0.729	0.052	0.002	0	0	0	0	0.303	0	0	0	2.03
5	Finished Products	4.316	2.57	3.205	2.669	4.11	2.575	2.524	1.256	1.913	1.735	1.775	1.412
6	Others	0.182	1.281	0.022	0.039	0.143	0.193	0.057	0.308	1.297	13.51	0.541	0.11

Source: Custom + DOBT

**Table ( 38 ) Import Commodities from Bangladesh**

US \$ million

S.N	Particulars	2005-06	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Capital goods	0.072	0.035	1.731	1.63	4.643	3.558	6.267	4.038	2.731	1.58	0.454	2.079
2	Intermediate goods	2.801	1.663	0.867	1.004	2.192	0.897	0.687	2.075	4.551	1.401	1.665	1.203
3	Consumer goods	2.191	2.37	3.919	4.082	4.605	6.996	7.245	6.065	8.643	6.169	13.14	16.68

Source: Custom + DOBT

### III CONCLUSION

This study analyzes the export and import situation between Myanmar and its neighboring countries during the period of 2005/06 and 2016/17.

Regarding trade with ASEAN countries, trade relationship between Myanmar and Singapore is the largest among ASEAN countries. However, Trade balance is negative, meaning that Myanmar's export to Singapore is unfavorable. Trade connectivity with Malaysia takes the second place. Myanmar trades with Malaysia very considerably. Nevertheless, trade balance is negative; indicating that Myanmar's export to Malaysia is less than import from Malaysia. It can be seen that volume of trade between Myanmar and Lao PDR is relatively very small. However, as trade balance is positive, it can be said that Myanmar's export to Lao PDR is favorable. Myanmar trades with Cambodia very thinly, and trade balance is negative. Therefore, Myanmar has unfavorable trade. Trade relationship between Myanmar and the Philippines is notable. Trade balance is positive although there is negative in some years. It can be said that Myanmar's export to the Philippines is favorable. Myanmar trades with Vietnam are sizeable. Trade balance is positive although it is negative from 2014/15 to 2016/17. It indicates that Myanmar's export to Vietnam is constructive. Trade relationship between Myanmar and Brunei is thin. Trade balance is positive, meaning that Myanmar's export to Brunei is favorable. Trade connectivity between Myanmar and Indonesia is noticeably large. Trade balance is negative, meaning that Myanmar's export to Indonesia is unfavorable.

Regarding trade with neighboring countries, trade volume between Myanmar and Thailand is the largest amount from 2005/06 to 2010/11. However, trade flow between Myanmar and China becomes the largest among four trading countries during the period of 2011/12 and 2016/17. The amount of trade between Myanmar and Thailand is substantial. Balance of trade is positive, indicating that Myanmar's export is favorable. The volume of trade between China and Myanmar are substantial. Seeing that balance of trade is negative, it can be said that Myanmar is facing with unfavorable situation in trade with China. India can take the third place among four trading countries because of the insurgent area in India border side. Look at trade flow between Myanmar and India, volume of trade is considerable. Trade balance is positive, meaning that Myanmar has favorable situation in export. Trade volume with Bangladesh is the smallest amount between two trading countries. Trade balance is positive; therefore, it can be said that Myanmar has a favorable situation in trade with Bangladesh.

### ACKNOWLEDGEMENT

I would like to heartily thank to Professor Dr. Soe Win (Rector, Monywa University of Economics) and Professor Dr. Ni Ni Aung (Head of Department of Economics, Monywa University of Economics) for constantly encouraging me to write research papers. At the same time, I am deeply indebted to Dr. Win Tun (Director General, Ministry of Education) who gave me a meticulous encouragement to write research papers.

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Khin Thida Nyein ." An Analysis of Myanmar's Trade Flows "International Journal of Business and Management Invention (IJBMI) , vol. 07, no. 05, 2018, pp. 46-60