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**BILATERAL TRADE
BETWEEN MALAYSIA AND THAILAND**

by

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SYNOPSIS

The objective of doing this project paper is to examine the trade pattern between Malaysia and Thailand. The second objective is to relate the findings with international trade theories. Besides that, trade balance of bilateral trade between the two nations will also be examined. This will help us to determine the main causes of trade imbalance between the two nations.

Malaysia's imports from Thailand comprised mainly food products especially rice. In 1985, Malaysia's imports of food from Thailand constituted 73.3 per cent of total imports from Thailand. But, in 1995 machinery and transport equipments which comprised mainly electrical integrated circuits was major product in which Malaysia's imports from Thailand.

Mineral fuels and lubricants which comprised mainly of crude oil and refined petroleum was Malaysia's main exports to Thailand. In 1985 84.64 per cent of total exports to Thailand was mineral fuels & Lubricant. There were some changes to the pattern of exports to Thailand, from 1985 to 1990, mineral fuel and lubricants was Malaysia's major export to Thailand. However in 1995, electrical machinery and appliances which comprise mainly electrical integrated circuits were the main exports.

This project paper will be divided into 5 chapters. The first chapter serves as an introduction. Chapter two is a literature review of international trade. Chapter three will discuss about the social, political and economic background of Malaysia and Thailand. Chapter four will elaborate the trade pattern between the two countries and chapter five is the conclusion.

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5 CONCLUSION