Universiti Teknologi MARA

Analysis of China and Southeast Asian Countries Trades Before and After the US and China Trade Wars from the Year 2016 to 2019 using Trade Box

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Report submitted in fulfillment of the requirements for Bachelor of Science (Hons.) Management Mathematics Faculty of Computer and Mathematical Sciences

August 2020

STUDENT'S DECLARATION

I certify that this report and the research to which it refers are the product of my own work and that any ideas or quotation from the work of other people, published or otherwise are fully acknowledged in accordance with the standard referring practices of the discipline.

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AUGUST 5, 2020

ABSTRACT

The trade wars between the United States and China are an ongoing economic battle between these two major economies. The U.S-China trade war is causing significant pressure for businesses around the world. This study concentrates on analysing China and the Southeast Asian countries, Brunei, Malaysia, Cambodia, Vietnam, Thailand, Laos, Myanmar, Timor-Leste, Philippines, Singapore and Indonesia trades before and after US-China trade wars over 4 years periods between 2016 and 2019 using the Trade Box. The Azhar and Elliot (AE) index which is the modification of the Grubel Lloyd (GL) index has been used to identify trade patterns and the existence of the adjustment pressure. The analysis showed that Cambodia, Vietnam, Myanmar, Timor-Leste, Philippines, and Singapore are identified as a net importer of the goods and services. However, China, Malaysia, Brunei, Thailand, Laos, and Indonesia are identified as a net exporter of goods and services with increasing total trades during the period. China, Brunei, Malaysia, Cambodia, Vietnam, Thailand, Laos, Myanmar, Timor-Leste, Philippines, Singapore, and Indonesia have no adjustment pressure during the analysed period. These countries are not affected by the US and China trade war looking from their economic resources' perspective.

Keywords: Import, Export, Grubel Lloyd Index, Azhar and Elliot Index, Industry Trade Box, Adjustment Pressure.

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