



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
FOR STATISTICS OF FOREIGN DIRECT INVESTMENT (FDI) IN MALAYSIA AND
MALAYSIA'S DIRECT INVESTMENT ABROAD (DIA) 2023

Malaysia recorded FDI of RM40.4 billion and DIA of RM40.6 billion in 2023, primarily in the Services sector

PUTRAJAYA, 26 JUNE 2024 – Foreign investment into Malaysia recorded net inflows of RM40.4 billion in 2023 while investment abroad registered RM40.6 billion. The Department of Statistics, Malaysia (DOSM) reported today on the release of **Statistics of Foreign Direct Investment (FDI) in Malaysia and Malaysia's Direct Investment Abroad (DIA) for 2023**.

Dato' Sri Dr. Mohd Uzir Mahidin, the Chief Statistician of Malaysia, stated, "The FDI inflows in 2023 decreased from RM75.4 billion in the previous year, mainly in equity and investment fund shares, reflecting the global economic slowdown. This was in line with the UNCTAD's 2024 Global Investment Trends Monitor report which highlighting that the FDI flows to developing countries declined approximately 9 per cent, totalling USD 841 billion in 2023. Notably, developing Asia dropped around 12 per cent to USD 584 billion, with ASEAN's FDI decreased about 16 per cent."

However, the cumulative value of foreign investment, known as the FDI position rose to RM926.0 billion at the end of 2023, making up 50.8 per cent (2022: 49.0%) of Gross Domestic Product (GDP), primarily attributed to non-transaction categories. Meanwhile, DIA recorded a decrease in net outflow from RM62.8 billion in the preceding year, while the stock increased to RM664.4 billion, representing 36.4 per cent (2022: 33.8 per cent) of GDP.

Looking at the sectoral distribution, the Services sector emerged as the primary recipient of FDI, with a net inflow of RM35.4 billion, surpassing the Manufacturing sector. Within Services, Information & communication contributed the highest share which in line with emerging digital global business and data centre related activities, followed by Financial & insurance/takaful sub-sector. The Manufacturing sector remained the highest contributor to total income despite

lower net inflows, generating RM41.9 billion, largely driven by the Electrical, transport equipment, and other manufacturing sub-sector. Cumulatively, both Services and Manufacturing sectors held the significant value in position which stood at RM468.2 billion and RM391.3 billion, respectively.

Geographically, Asia region remained the dominant source of FDI, contributing RM54.3 billion in 2023 with a position valued at RM508.4 billion. Leading investors from this region included Singapore, Hong Kong, and Japan. The Americas, particularly the United States, earned the highest income from FDI, totaling RM41.4 billion.

Explaining on Malaysia's investments abroad, Dato' Sri Dr. Mohd Uzir Mahidin said, "The DIA net outflows were mostly contributed by Services sector with a value of RM34.5 billion, primarily in Financial & insurance/takaful activities and Utilities. This sector also generated the highest income at RM23.9 billion, followed by Mining & quarrying RM10.7 billion. Seemingly, the Services sector remained the primary contributor of DIA in 2023 by registering the accumulated position at RM461.1 billion, trailed by Mining & quarrying at RM80.5 billion and Manufacturing at RM60.0 billion.

In terms of region, Asia remained the leading destination of DIA flows in 2023 with a value of RM29.9 billion, particularly to Singapore and Indonesia. The highest income also generated by Asia, amounting to RM24.0 billion, especially from Singapore, Indonesia and Viet Nam. Hence, the DIA position of Asia stood at RM365.1 billion at the end of 2023, the highest contributor among other regions. The Americas was the second largest contributor for DIA outflows and income, both amounting to RM7.5 billion, with a total position of RM156.2 billion.

On average, the return on investment (ROI) for FDI companies in 2023 decreased from RM0.12 in the previous year to RM0.10 for every RM1.00 of investment. Concurrently, Malaysian companies received RM0.06 for every RM1.00 of investment made abroad.

The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides a catalog of data and visualisations to facilitate users' analysis of various data and can be accessed through <https://open.dosm.gov.my>.

DOSM will conduct the Agricultural Census in 2024. Please visit <https://www.myagricensus.gov.my/> for more information. The theme is "Agriculture Census, Key to Agricultural Development."

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is “Statistics is the Essence of Life”. DOSM commemorates its 75th Diamond Jubilee in 2024.

Chart 1: Malaysia’s investment performance, 2010 – 2023

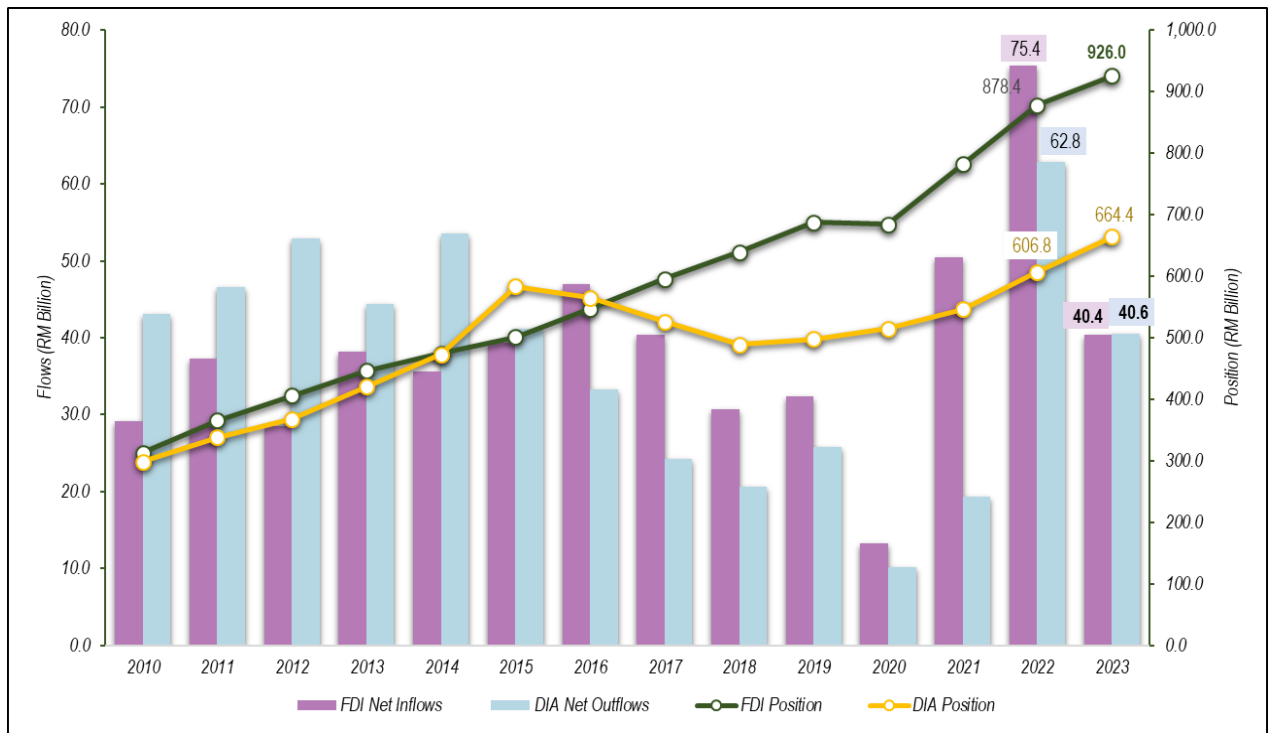


Exhibit 1: Direct investment of Malaysia, 2023

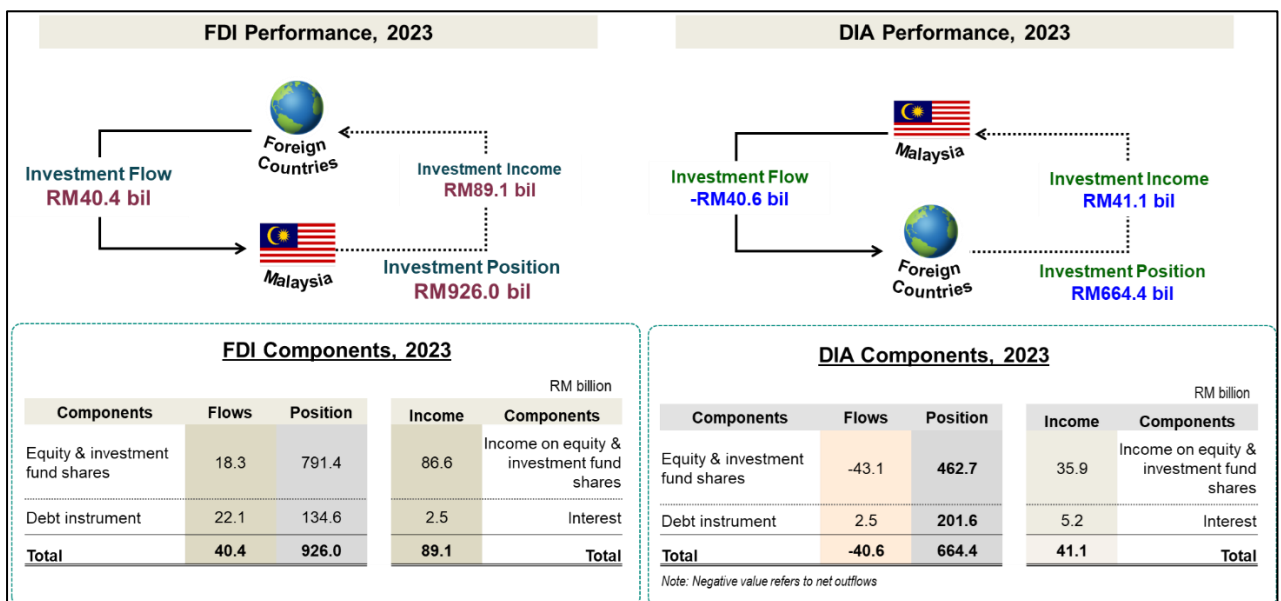


Exhibit 2: FDI by Major Countries and Sectors, 2023

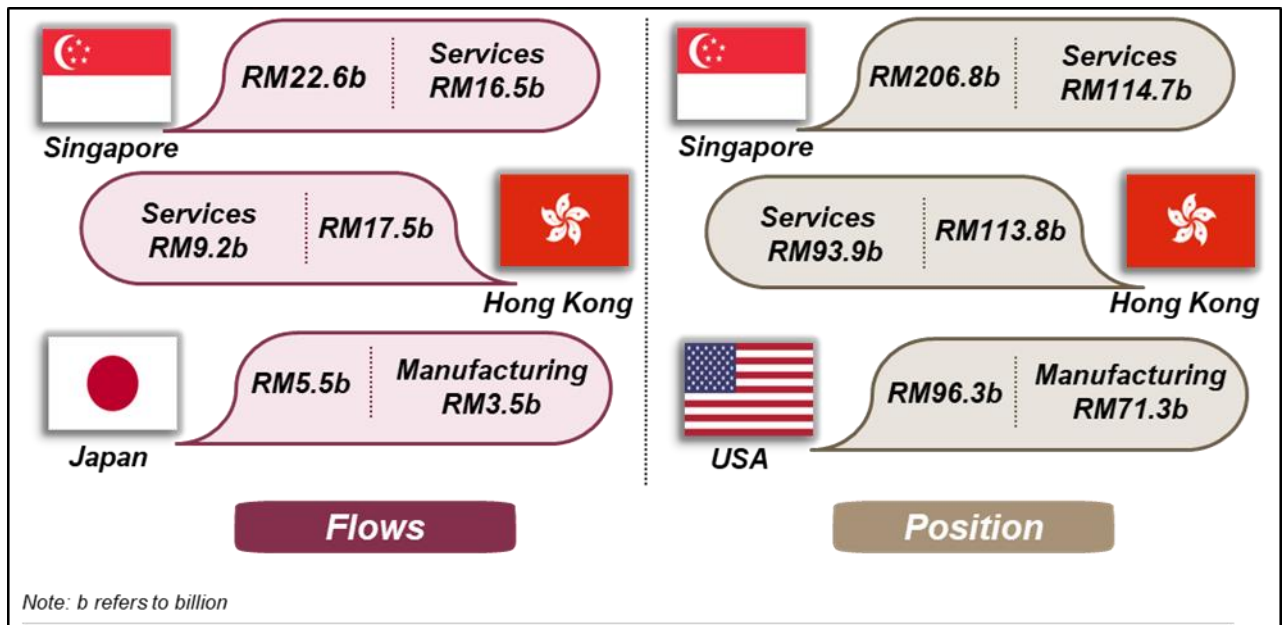
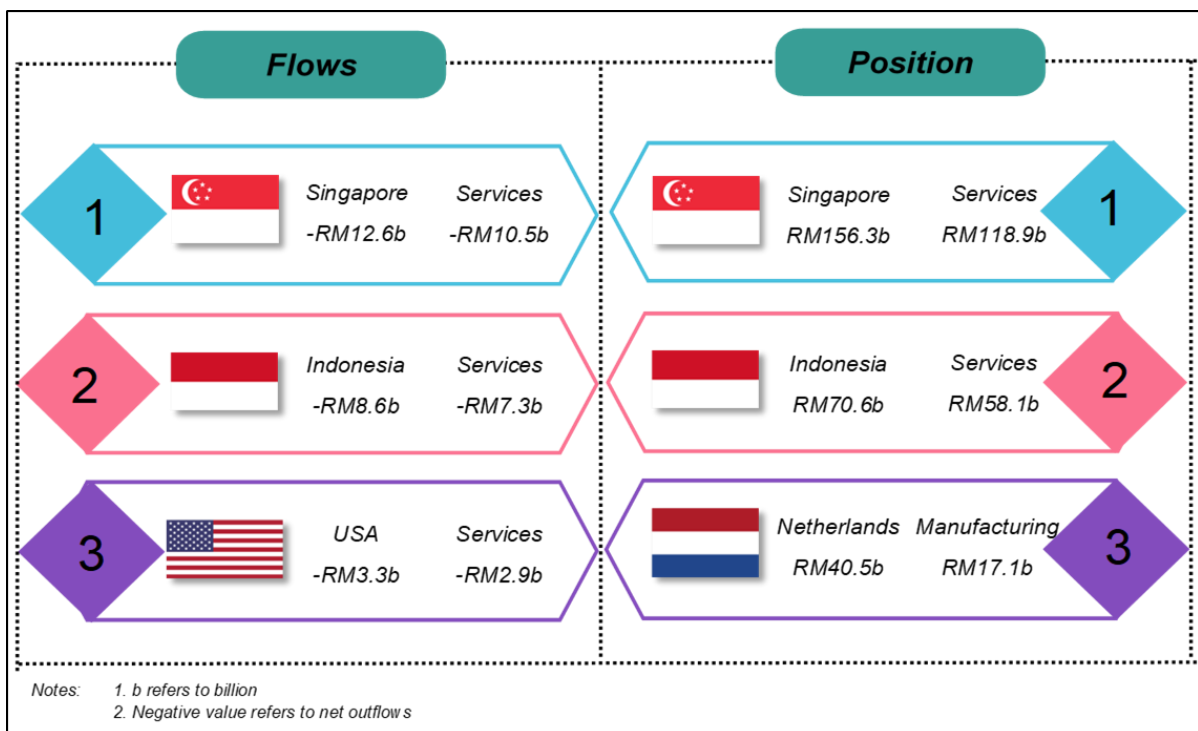


Exhibit 3: DIA by Major Countries and Sectors, 2023



Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
26 JUNE 2024**