



**MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA**

PRESS STATEMENT

**STATISTICS OF FOREIGN DIRECT INVESTMENT (FDI) IN MALAYSIA AND
MALAYSIA'S DIRECT INVESTMENT ABROAD (DIA) 2022**

Malaysia's FDI recorded RM74.6 billion while DIA registered RM58.6 billion, the highest ever recorded since 2021 and 2014, respectively

PUTRAJAYA, 16 JUNE 2023 – Foreign investment into Malaysia recorded net inflows of RM74.6 billion in 2022 as compared to RM50.4 billion in the previous year, while investment abroad registered RM58.6 billion (2021: RM19.4 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 2022. As at the end of 2022, FDI position registered a higher value of RM879.1 billion.

According to the Department of Statistics Malaysia, the encouraging performance in both FDI's and DIA's has shown the favourable economic situation in the country that attracted foreign companies to continue their investments and similarly, local companies to expand and diversify their business activities abroad.

Based on the FDI performance by sector, Manufacturing sector expanded by RM17.1 billion to record net inflows of RM49.5 billion which attributed to the largest flows in FDI. Manufacturing sector attracting 66.4 per cent of total investment, particularly in Electrical, transport equipment and other manufacturing sub-sector. Meanwhile, Services was the second highest contributor mainly in Financial activities, followed by Mining sector which mainly in the form of equity & investment fund shares.

The Americas region surpassed the Asia as the highest region of FDI for 2022 with net inflows of RM42.6 billion, mainly from the United States of America (USA), which amounted to RM37.8 billion. Meanwhile, Asia region has been the predominant source for FDI position with a value of RM449.0 billion, followed by Europe at RM224.5 billion and the Americas at RM187.3 billion as at the end of 2022.

FDI position had increased to RM879.1 billion at the end of 2022 as against RM782.0 billion last year. The Services sector remained the largest recipient at 48.8 per cent or RM429.1 billion, driven by Financial and wholesale activities. This was followed by Manufacturing sector which accounted for 43.5 per cent of total FDI, particularly in Electrical, transport equipment and other manufacturing sub-sector.

Similar to FDI performance, the DIA flows rose by RM39.3 billion to record RM58.6 billion attributed to higher outflows in equity and profit retained abroad. Services remains as a primary sector for DIA, contributing 72.2 per cent of the total investment especially in Financial activities. Meanwhile, the Mining & quarrying and Manufacturing sectors contributed 12.5 per cent and 10.2 per cent, respectively.

Asia overtook Europe as the leading region of DIA flows in 2022 with a value of RM23.5 billion notably to Indonesia and Singapore. This was followed by Europe and the Americas at RM21.0 billion and RM12.0 billion, respectively. Overall, the main contributing countries to DIA flows were mainly channelled to the Netherlands, Indonesia and Singapore.

As at the end of 2022, the DIA position stood at RM607.5 billion (2021: RM546.5 billion) in which Singapore, Indonesia and the Netherlands were the top three destinations for investors.

After the COVID-19 pandemic subsided and the global economy slowly recovered from its impact, further analysis of the income gained on investments in 2022 reveals that both FDI and DIA investors continued to experience high returns on their investments. On average, the return on investment (ROI) for FDI companies in 2022 slightly decreased to RM0.12 from RM0.13 in 2021 for every RM1.00 of investment. Conversely, Malaysian companies received RM0.08 for every RM1.00 of investment

made abroad. It is noteworthy that the Services sector attained the highest income from FDI, while Manufacturing sector secured the highest income from DIA.

The Department of Statistics Malaysia (DOSM) is conducting the Economic Census in 2023. DOSM greatly appreciates the cooperation of respondents in providing information and ensuring the success of this census. Please visit www.dosm.gov.my for more information.

DOSM has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisation to facilitate users in analysing various data. OpenDOSM NextGen is an open source data sharing platform and accessible through <https://open.dosm.gov.my> portal.

Please be informed that the Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20 each year. MyStats Day theme is “Connecting the World with Data We Can Trust”.

DOSM will release Preliminary GDP Estimates commencing the second quarter of 2023. The preliminary estimate is an initiative by DOSM to provide an overview of the economic performance four (4) weeks in advance before the Quarterly GDP is released.

Chart 1: Malaysia's investment performance for 2010 – 2022 (RM billion)

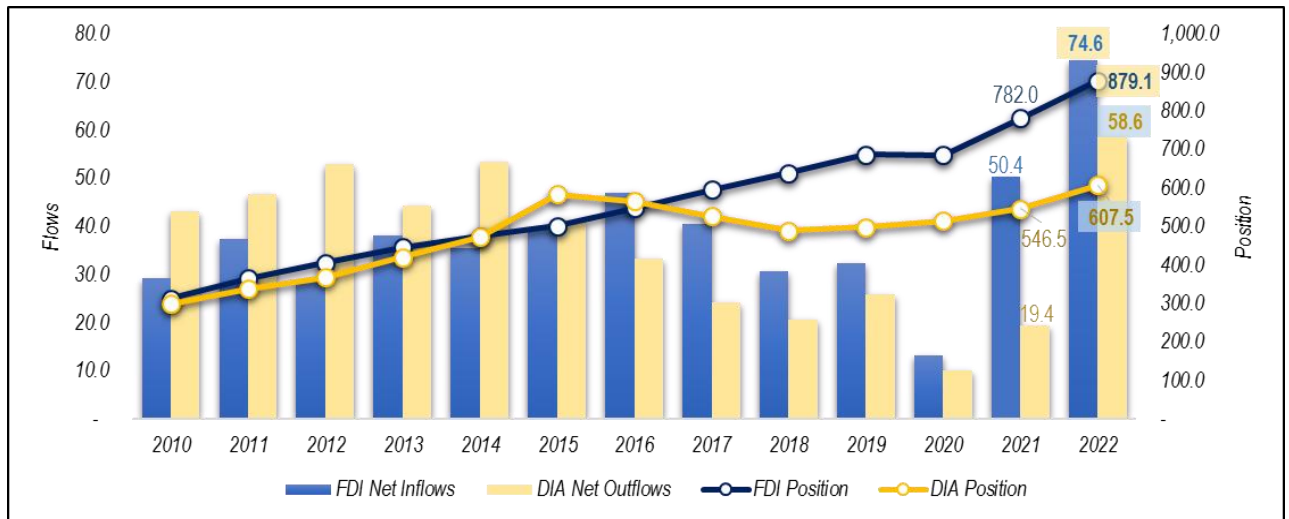
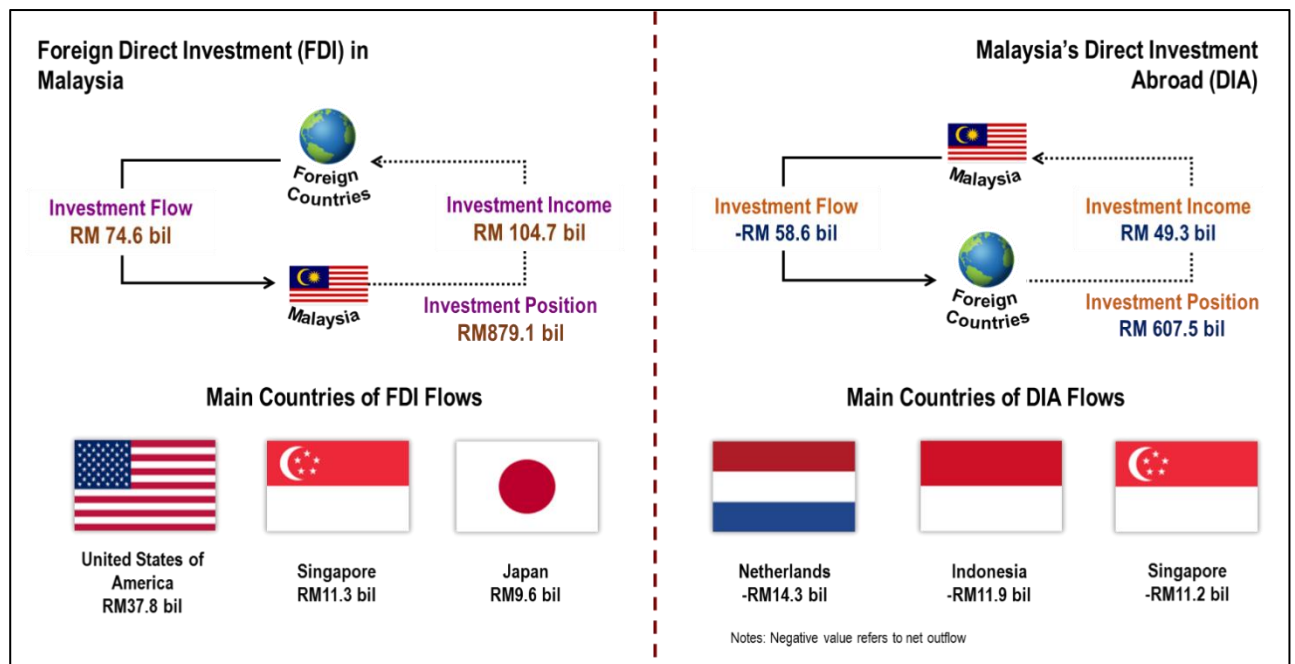


Exhibit 1: Direct investment of Malaysia, 2022



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