



MALAYSIA

MALAYSIA: FDI & DIA STATISTICS



QUARTERLY BULLETIN | FIRST QUARTER 2021

**JABATAN PERANGKAAN MALAYSIA
DEPARTMENT OF STATISTICS, MALAYSIA**

Key Highlights on FDI & DIA in First Quarter 2021

FDI in Malaysia registered a higher net inflow of RM9.1 billion as compared to RM6.8 billion in Q4 2020.

Malaysia's DIA recorded a higher net outflow of RM7.8 billion from RM5.2 billion in Q4 2020.

FDI

FLOWS BY REGION

DIA

**ASIA**

RM6.2 billion

1

**EUROPE**

RM4.1 billion

2

**AFRICA**

RM0.1 billion

3

**ASIA**

-RM3.3 billion

**AMERICAS**

-RM2.0 billion

**EUROPE**

-RM1.9 billion

FDI

TOP SECTOR

DIA



01

SERVICES

RM3.9 billion



02

MANUFACTURING

RM3.5 billion



03

MINING & QUARRYING

RM1.4 billion



01

SERVICES

-RM3.5 billion



02

MINING & QUARRYING

-RM2.3 billion



03

MANUFACTURING

-RM1.2 billion

FDI

TOP COUNTRY

DIA

SINGAPORE

RM2.9b

**UNITED KINGDOM**

RM1.9b

**NETHERLANDS**

RM1.3b

**CANADA**

-RM1.4b

**INDONESIA**

-RM1.1b

**SINGAPORE**

-RM1.1b

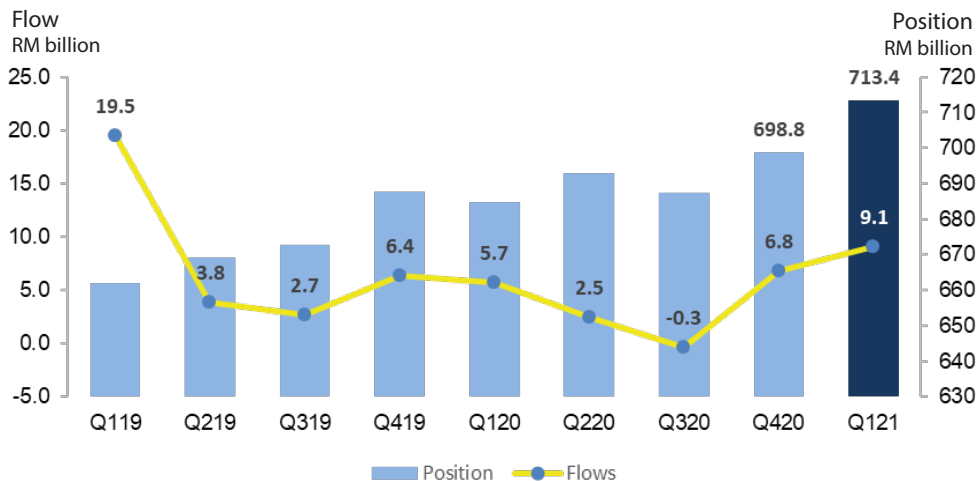
Notes:

- Negative value refers to net outflow
- 'b' refer to billion
- Any differences in the aggregated data are due to rounding

FDI HIGHLIGHTS

- FDI in Malaysia hit a higher net inflow of RM9.1 billion in Q1 2021 from RM6.8 billion in preceding quarter due to higher inflow in equity and investment fund shares. The inflow was primarily channelled into Services sector particularly in Financial and Wholesale & retail trade, followed by Manufacturing and Mining & quarrying sectors.

Exhibit 1: Foreign Direct Investment in Malaysia, Q1 2019 - Q1 2021

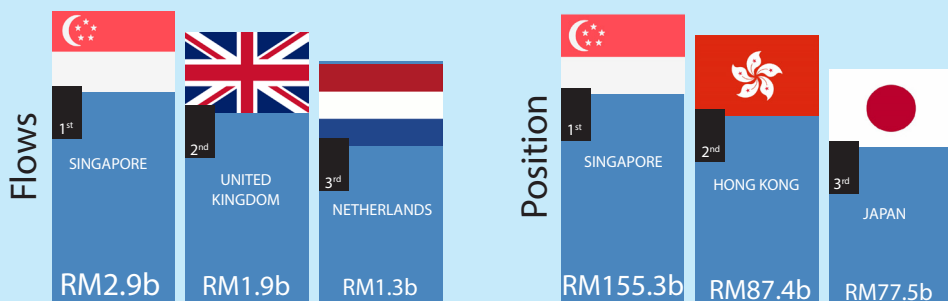


FDI by Top Country

In Q1 2021, the inflow of FDI was mainly from Singapore at RM2.9 billion, followed by United Kingdom (RM1.9 billion) and Netherlands (RM1.3 billion).

As for FDI position, Singapore remained the largest investor with RM155.3 billion (21.8%), followed by Hong Kong (RM87.4 billion) and Japan RM77.5 billion. These three countries accumulated RM320.2 billion (44.9%) to total FDI position (**Exhibit 2**).

Exhibit 2: FDI by Top Country



FDI by Region

In Q1 2021, the top three regions of FDI flows were Asia at RM6.2 billion, followed by Europe (RM4.1 billion) and Africa (RM0.1 billion) as shown in **Exhibit 3**.

Meanwhile, Asia region remained the largest FDI position with a cumulative share of 54.6 per cent, followed by Europe at 28.0 per cent and Americas at 15.6 per cent. These three regions contributed 98.2 per cent of total FDI position in Malaysia.

Exhibit 3: Share of FDI by Region

EUROPE

Flows : RM4.1b(45.4%)
Position : RM199.7b(28.0%)

AMERICAS

Flows : -RM1.3b(-14.7%)
Position : RM111.4b(15.6%)

AFRICA

Flows : RM0.1b(1.2%)
Position : RM1.6b(0.2%)

OTHERS

Flows : *RM0.0b(0.0%)
Position : RM2.2b(0.2%)

ASIA

Flows : RM6.2b(68.3%)
Position : RM389.9b(54.6%)

OCEANIA

Flows : *RM0.0b(0.0%)
Position : RM10.3b(1.4%)

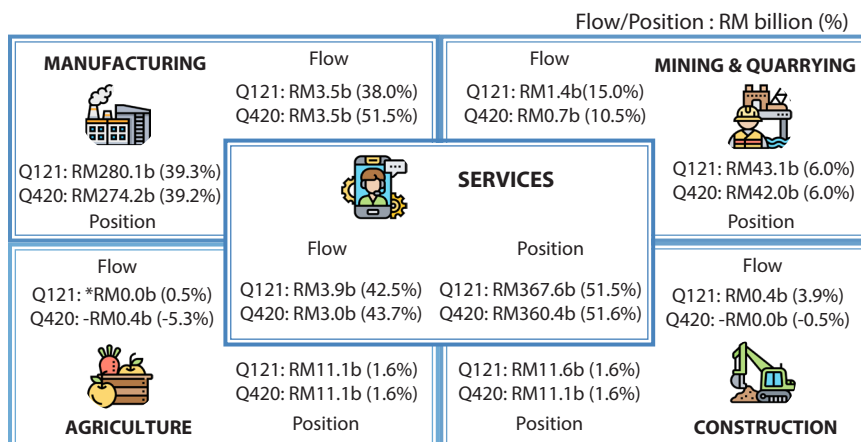
* refer to amount less than RM50 million

FDI by Sector

FDI inflow in Malaysia was mainly channelled into Services sector which accounted for 42.5 per cent or RM3.9 billion mainly in Financial activities and Wholesale & retail trade. This was followed by Manufacturing (RM3.5 billion) and Mining & Quarrying (RM1.4 billion).

Total FDI position was primarily in Services sector with a value of RM367.6 billion (51.5%), followed by Manufacturing at RM280.1 billion (39.3%) and Mining & Quarrying sectors at RM43.1 billion (6.0%).

Exhibit 4: Share of FDI by Sector

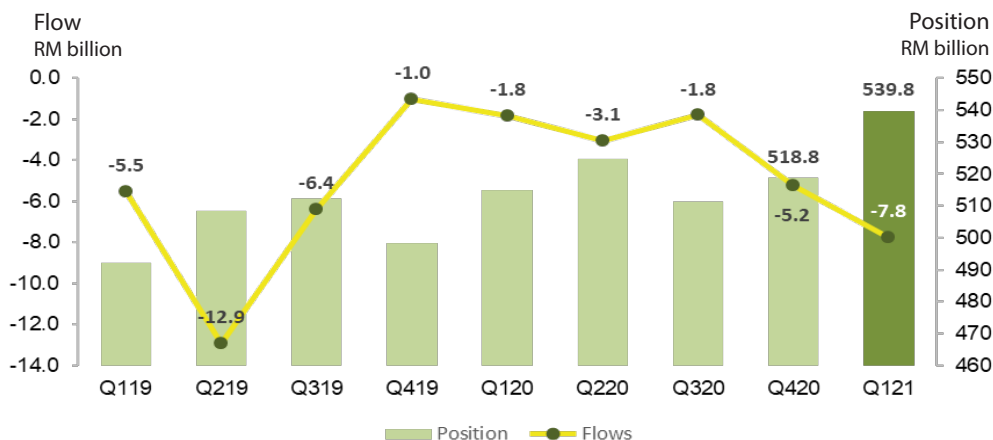


* refer to amount less than RM50 million

DIA HIGHLIGHTS

- Overseas investment by Malaysian investors recorded RM7.8 billion, increased by RM2.5 billion due to higher outflow in Equity and investment fund shares.
- Similarly, DIA position increased to RM539.8 billion as at end of first quarter 2021 as shown in Exhibit 5.

Exhibit 5: Malaysia's Direct Investment Abroad, Q1 2019 - Q1 2021

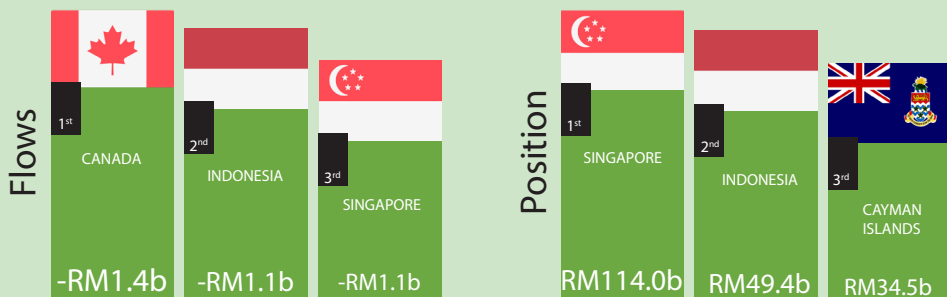


DIA by Top Country

Main destinations for DIA flows in Q1 2021 were Canada (RM1.4 billion), Indonesia (RM1.1 billion) and Singapore (RM1.1 billion), as shown in **Exhibit 6**.

In terms of position, Singapore received the biggest chunk of direct investment from Malaysia with RM114.0 billion, followed by Indonesia (RM49.4 billion) and Cayman Islands (RM34.5 billion). These three countries accumulated RM197.9 billion (36.7%) of total DIA position in Malaysia.

Exhibit 6: DIA by Top Country



DIA by Region

Asia remained the leading region for DIA flows in the first quarter with a value of RM3.3 billion, followed by Americas RM2.0 billion and Europe RM1.9 billion.

Similarly, Asia remained the largest region for DIA position, which amounted to RM281.7 billion (52.2%), followed by Americas at 23.4 per cent (RM126.5 billion) and Europe at 18.9 per cent (RM101.8 billion).

Exhibit 7: Share of DIA by Region

EUROPE

Flows : -RM1.9b(25.0%)
Position : RM101.8b(18.9%)

AMERICAS

Flows : -RM2.0b(-25.5%)
Position : RM126.5b(23.4%)

AFRICA

Flows : -RM0.2b(2.8%)
Position : RM5.6b(1.0%)

OTHERS

Flows : -RM0.1b(1.0%)
Position : RM0.3b(0.0%)

ASIA

Flows : -RM3.3b(42.2%)
Position : RM281.7b(52.2%)

OCEANIA

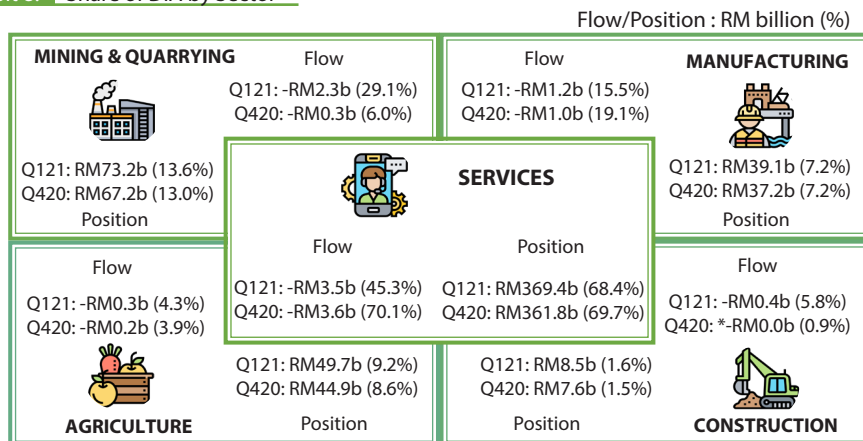
Flows : -RM0.3b(3.6%)
Position : RM24.0b(4.5%)

DIA by Sector

Services remained the largest contributor in Malaysia's DIA flows with a share of 45.3 per cent (RM3.5 billion) mainly in Financial activities, followed by Mining & Quarrying (29.1%) and Manufacturing sectors (15.5%).

Services sector was the main contributor to DIA position with a value of RM369.4 billion (68.4%), followed by Mining & Quarrying at 13.6 per cent (RM49.7 billion) and Agriculture at 9.2 per cent (RM44.9 billion).

Exhibit 8: Share of DIA by Sector



* refer to amount less than RM50 million

Source: Department of Statistics Malaysia

For more information, visit <https://www.dosm.gov.my>

Time Series FDI, 2019 - Q1 2021 (RM Million)

Year	2019 ^f	2020 ^f	Q119 ^f	Q219 ^f	Q319 ^f	Q419 ^f	Q120 ^f	Q220 ^f	Q320 ^f	Q420 ^f	Q121 ^p
Flows	32,364	14,639	19,466	3,849	2,697	6,352	5,736	2,470	-347	6,781	9,137
Position	687,781	698,757	662,130	669,311	672,634	687,781	684,728	692,761	687,238	698,757	713,432
Income	60,513	44,645	13,532	13,844	15,419	17,717	9,827	8,716	12,870	13,232	13,071

Time Series DIA, 2019 - Q1 2021 (RM Million)

Year	2019 ^f	2020 ^f	Q119 ^f	Q219 ^f	Q319 ^f	Q419 ^f	Q120 ^f	Q220 ^f	Q320 ^f	Q420 ^f	Q121 ^p
Flows	-25,810	-11,883	-5,506	-12,912	-6,364	-1,027	-1,817	-3,054	-1,806	-5,206	-7,750
Position	498,367	518,844	492,072	508,537	512,312	498,367	514,930	524,740	511,478	518,844	539,827
Income	29,690	18,420	6,329	9,499	7,520	6,342	3,215	5,665	2,627	6,913	7,478

Notes:

- Flows refers to acquisition and disposal of financial assets and liabilities during a reference period.
- Position refers to total stock of direct investment as at end of reference period.
- Income refers to repatriation of earnings to direct investors.
- f = final, r = revised, p = preliminary.



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