



DEPARTMENT OF STATISTICS MALAYSIA



QUARTERLY BULLETIN

**FOREIGN DIRECT INVESTMENT IN MALAYSIA (FDI)
& MALAYSIA'S DIRECT INVESTMENT ABROAD (DIA)**



Second Quarter, 2019

Key Highlights on

FDI & DIA in Second Quarter 2019

FDI in Malaysia registered a lower net inflow of **RM4.4 billion** from RM21.7 billion in Q1 2019

FDI FLOWS BY REGION



ASIA
RM3.7b
83.9%



EUROPE
RM0.4b
8.7%



AMERICAS
RM0.2b
5.3%

TOP SECTOR

1

Services
RM3.3 billion



2

Manufacturing
RM2.0 billion



3

Agriculture
RM0.1 billion



TOP COUNTRY



HONG KONG
RM5.2b



**UNITED STATES
OF AMERICA**
RM1.6b



IRELAND
RM0.9b

Malaysia's DIA recorded a higher net outflow of **RM12.6 billion** as against RM5.5 billion in Q1 2019

DIA FLOWS BY REGION



EUROPE
-RM4.3b
34.4%



AMERICAS
-RM3.9b
30.6%



ASIA
-RM3.2b
25.6%

TOP SECTOR

1

Services
-RM9.1 billion



2

Mining & quarrying
-RM3.5 billion



3

Construction
-RM0.2 billion



TOP COUNTRY



NETHERLANDS
-RM1.8b



**UNITED
KINGDOM**
-RM1.2b



**CAYMAN
ISLANDS**
-RM1.2b

Notes:

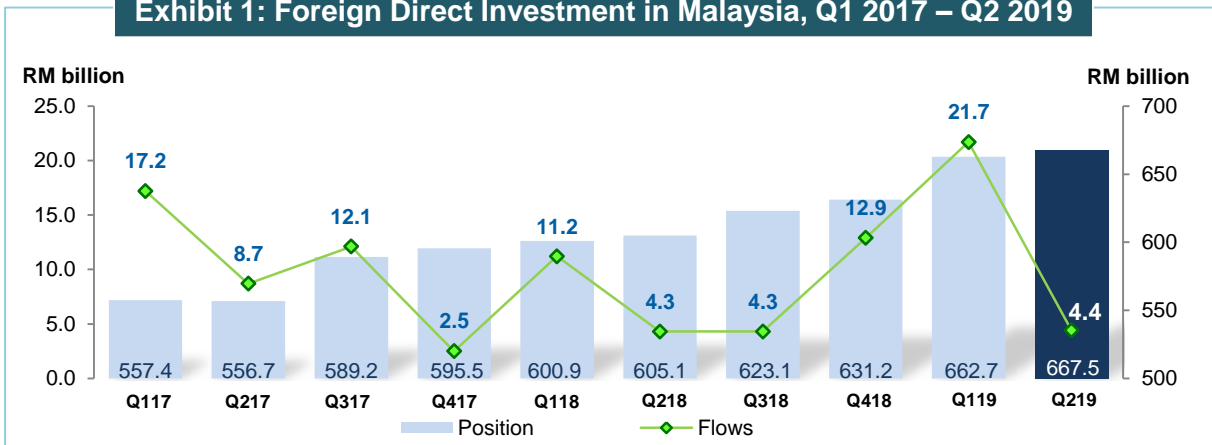
- Negative value refers to net outflow
- 'b' refer to billion

FOREIGN DIRECT INVESTMENT (FDI)

Highlights

- FDI flows in Malaysia recorded RM4.4 billion in the second quarter of 2019, as compared to RM21.7 billion last quarter.
- FDI position registered a higher value of RM667.5 billion as against RM662.7 billion as at end of previous quarter, as shown in Exhibit 1.

Exhibit 1: Foreign Direct Investment in Malaysia, Q1 2017 – Q2 2019

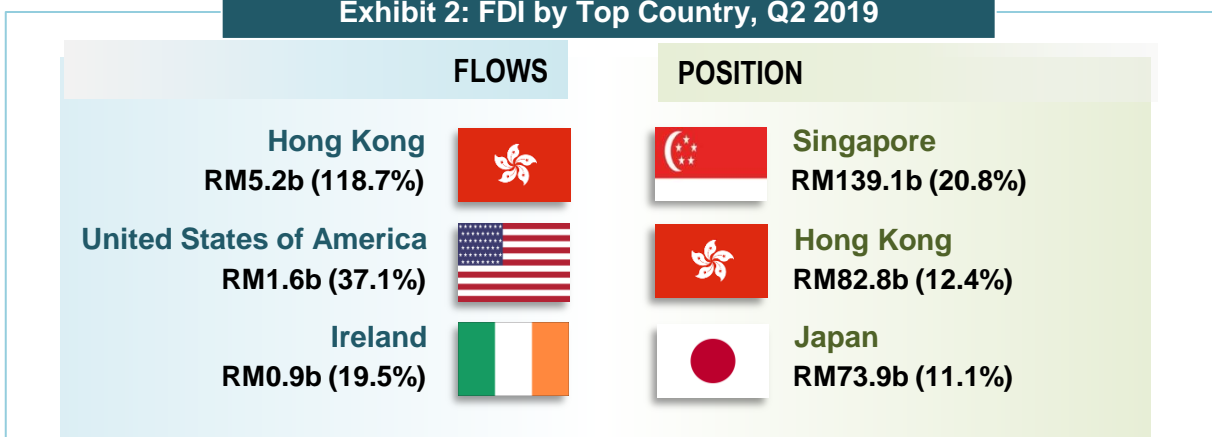


FDI by Top Country

The top three countries contributed to FDI flows were from Hong Kong (RM5.2 billion), United States of America (RM1.6 billion) and Ireland (RM0.9 billion). These countries collectively contributed RM7.7 billion, as shown in **Exhibit 2**.

FDI position were mainly led by Singapore with a value of RM139.1 billion, followed by Hong Kong (RM82.8 billion) and Japan (RM73.9 billion). These three top countries collectively contributed RM295.9 billion or 44.3 per cent to total FDI position.

Exhibit 2: FDI by Top Country, Q2 2019








FDI by Region

The top region of FDI flows was from Asia with the share of 83.9 per cent, followed by Europe (8.7%) and Americas (5.3%), as shown in **Exhibit 3**.





As for FDI position, Asia remained as the largest region with cumulative share of 52.9 per cent, followed by Europe (29.4%) and Americas (15.8%). These three regions contributed RM655.2 billion as at end of second quarter 2019.

Exhibit 3: Share of FDI by Region, Q2 2019

					
	ASIA	EUROPE	AMERICAS	AFRICA	OTHERS
FLOWS	83.9%	8.7%	5.3%	0.0%	2.1%
	RM3.7b	RM0.4b	RM0.2b	RM0.0b	RM0.1b
POSITION	52.9%	29.4%	15.8%	0.2%	1.7%
	RM353.1 b	RM196.5b	RM105.6b	RM1.4b	RM10.9b

FDI by Sector

Exhibit 4: Share of FDI by Sector, Q2 2019

	FLOWS		POSITION	
	Q119	Q219	Q119	Q219
 Services	RM11.1b (51.1%)	RM3.3b (74.9%)	RM328.2b (49.5%)	RM332.9b (49.9%)
 Manufacturing	RM5.9b (27.2%)	RM2.0b (46.5%)	RM264.7b (39.9%)	RM265.8b (39.8%)
 Mining & quarrying	RM4.6b (21.2%)	-RM0.6b (-13.5%)	RM48.9b (7.4%)	RM48.2b (7.2%)
 Others	RM0.1b (0.5%)	-RM0.3b (-7.9%)	RM20.8b (3.2%)	RM20.6b (3.1%)

FDI flows were mainly channelled to the Services sector which amounted RM3.3 billion (74.9%), particularly in Real estate activities, followed by Manufacturing sector (46.5%), as shown in **Exhibit 4**.

The main recipient of FDI position were mainly in Services (49.9%), followed by Manufacturing (39.8%) sector. Financial & insurance / takaful, Real estate activities and Wholesale & retail trade were the major contributors for Services sector.

DIRECT INVESTMENT ABROAD (DIA)

Highlights

- Malaysia's DIA flows recorded a higher net outflow of RM12.6 billion in the second quarter of 2019 from RM5.5 billion in previous quarter.
- As at end of second quarter 2019, DIA position stood at RM509.8 billion as against RM486.2 billion in last quarter.

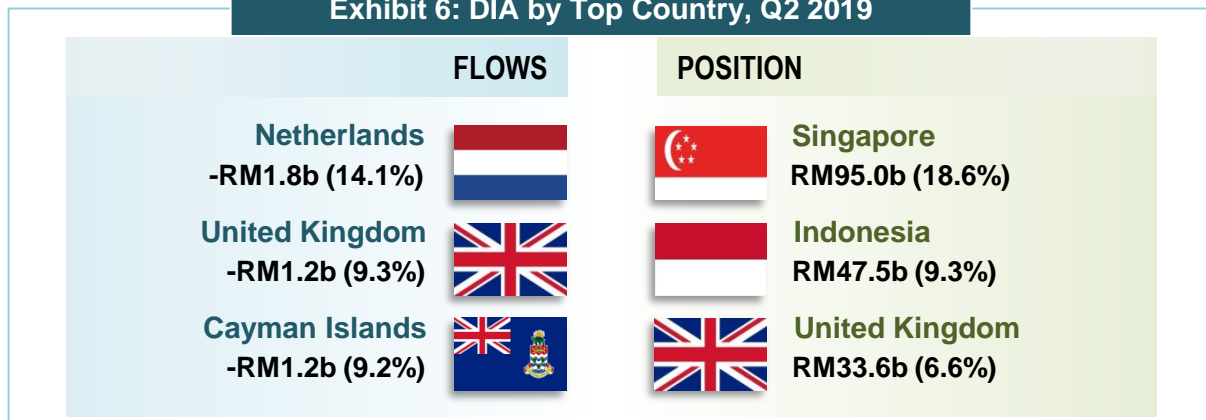
Exhibit 5: Malaysia's Direct Investment Abroad, Q1 2017 – Q2 2019



DIA by Top Country

Netherlands was the top destination of DIA flows in the current quarter with RM1.8 billion (14.1%), followed by United Kingdom (9.3%) and Cayman Islands (9.2%). These three countries accounted for RM4.1 billion (Q119: RM0.7 billion) of DIA flows, as depicted in Exhibit 6.

Exhibit 6: DIA by Top Country, Q2 2019



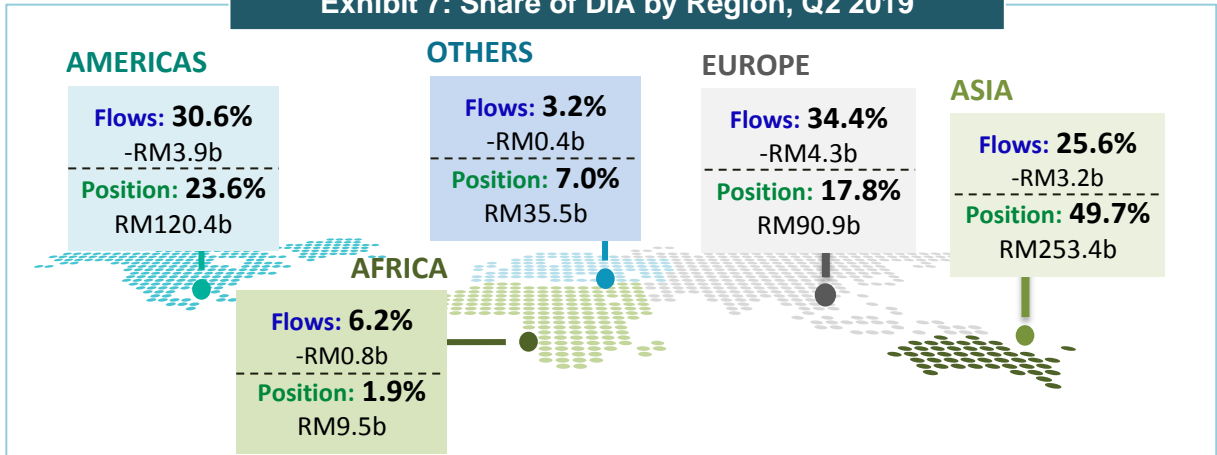
As at end of second quarter 2019, Singapore held the largest DIA position which accounted for 18.6 per cent (RM95.0b), followed by Indonesia (9.3%) and United Kingdom (6.6%).

DIA by Region

Europe region was the top destination for DIA flows which registered a value of RM4.3 billion (34.4%). This was followed by Americas (30.6%) and Asia (25.6%), as shown in **Exhibit 7**.





DIA was mainly channelled to Asia region with a cumulative value of RM253.4 billion or 49.7 per cent, followed by Americas (23.6%) and Europe (17.8%). These three regions collectively contributed RM464.7 billion or 91.1 per cent to total DIA position.

Exhibit 7: Share of DIA by Region, Q2 2019



DIA by Sector

Exhibit 8: Share of DIA by Sector, Q2 2019

	FLOWS		POSITION	
	Q119	Q219	Q119	Q219
 Services	-RM2.3b (41.9%)	-RM9.1b (71.7%)	RM312.7b (64.3%)	RM333.5b (65.4%)
 Mining & quarrying	-RM2.1b (38.1%)	-RM3.5b (27.4%)	RM86.9b (17.9%)	RM87.4b (17.2%)
 Manufacturing	-RM1.1b (21.0%)	-RM0.0b (0.2%)	RM37.8b (7.8%)	RM37.9b (7.4%)
 Others	RM0.1b (-1.0%)	-RM0.1b (0.7%)	RM48.9b (10.0%)	RM50.9b (10.0%)

DIA flows was predominantly in Services sector with a value of RM9.1 billion (71.7%), followed by Mining & quarrying sector at RM3.5 billion (27.4%), as shown in **Exhibit 8**. Financial & insurance / takaful and Accomodation & food service activities were the main contributors for Services sector.

As for DIA position, Services sector was the major contributor which registered RM333.5 billion (65.4%), followed by Mining & quarrying RM87.4 billion (17.2%).