



NEWSLETTER

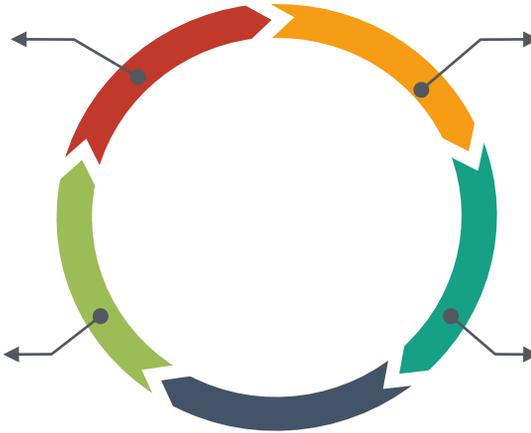
What is Capital Stock?

Capital stock estimates information about the **stock of capital** in an economy at a particular point of the time.

Capital stock consists of all fixed assets such as machinery, equipment, building and other structures used by enterprises to provide inputs of capital services into processes of production.

Compilation is by kind of economic activity and type of assets

Capital stock is measured at both current and constant prices.



To calculate capital-output ratio or rates of return on capital

To measure potential output

To measure capital productivity

To measure capacity utilisation



Importance of Capital Stock

Manual References



Measuring Capital
OECD Manual 2001

System of National Accounts 2008



Measuring Capital
OECD Manual 2009

Australian System of National Accounts Concepts, Sources and Methods 2015



Compilation

Kind of economic activity

Agriculture

Mining and quarrying

Manufacturing (6 groups)

Construction

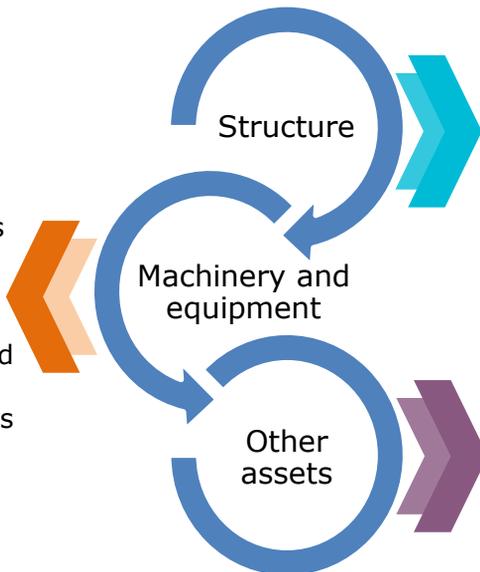
Services (6 groups)

1. Food, beverages and tobacco
2. Textiles and wood products
3. Petroleum, chemicals, rubber and plastic products
4. Non-metallic mineral products, basic metal and fabricated metal products
5. Electrical, electronic and optical products
6. Transport equipment, other manufacturing and repair

1. Utilities
2. Wholesale and retail trade
3. Food & beverage and accommodation
4. Transportation & storage and information & communication
5. Finance, insurance, real estate and business services
6. Other services

Types of assets

1. Motor vehicles
2. Commercial vehicles
3. Other transport equipment
4. Computers
5. Other machinery and equipment
6. Furniture and fittings



1. Residential
2. Non-residential
3. Other structure

1. Livestock
2. Capitalised planting
3. Mineral exploration and evaluation
4. Research and development
5. Cost of ownership transfer
6. Weapon systems
7. Entertainment, literary and artistic originals

Capital Stock Statistics comprises of

GKS (Gross Capital Stock) represents accumulated investment less the accumulated value of the assets no longer operating (that is retired or discarded).

NKS (Net Capital Stock) represents accumulated investment less retirements and accumulated depreciation for assets still operating.

PKS (Productive Capital Stock) is derived from the gross value of assets of different ages due to differences in their efficiencies.

COFC (Consumption of Fixed Capital) is the assets used up in the production process during an accounting period.



CAPITAL STOCK STATISTICS 2018



RM3.1 trillion
(2017 : RM2.9 trillion)



4.2%
(2017 : 4.5%)

The wealth of Malaysia's economy

Gross Capital Stock (GKS)

Net Capital Stock (NKS)



RM4.8 trillion
(2017 : RM4.6 trillion)



4.4%
(2017 : 4.7%)

The accumulated investment of fixed assets



End year value



Annual percentage change

Share of NKS by type of assets



Structure

78.8%
2017: 78.5%



Machinery and equipment

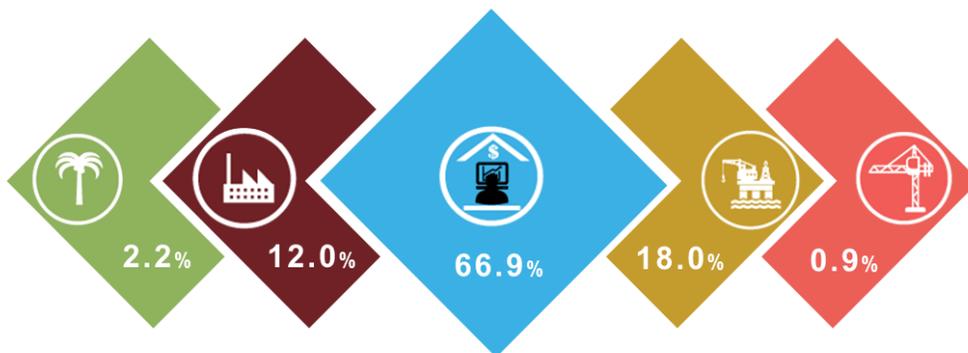
12.6%
2017: 12.8%



Other assets

8.6%
2017: 8.7%

Share of NKS by kind of economic activity and type of assets, 2018



| Economic Activity | Structure (%) | Machinery and equipment (%) | Other assets (%) |
|----------------------|---------------|-----------------------------|------------------|
| Agriculture | 40.4% | 14.7% | 44.9% |
| Manufacturing | 53.0% | 36.5% | 10.5% |
| Services | 86.4% | 9.1% | 4.5% |
| Mining and quarrying | 73.7% | 8.0% | 18.3% |
| Construction | 47.7% | 48.4% | 3.9% |

Note:

1. Capital stock statistics provides information on accumulated investment in terms of fixed assets.
2. The statistics is expressed in constant 2015 prices.

