

Foreign investment inflows for 2023 reach RM40.4bil

KUALA LUMPUR: Malaysia recorded foreign direct investment (FDI) net inflows of RM40.4bil in 2023 from RM75.4bil the previous year, says the Statistics Department.

Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said the decrease in FDI net inflow was mainly in equity and investment fund shares, reflecting the global economic slowdown.

"This was in line with the United Nations

Conference on Trade and Development's 2024 *Global Investment Trends Monitor* report which highlighted that the FDI inflows to developing countries had declined about 9% to US\$841bil in 2023.

"Notably, FDI to developing Asia dropped around 12% to US\$584bil, with ASEAN's FDI decreasing about 16%," he said in a statement yesterday.

However, the department said, the

cumulative value of foreign investment, known as the FDI position, rose to RM926.0bil at the end of 2023, making up 50.8% of gross domestic product versus 49% in 2022, primarily attributed to non-transaction categories.

It said, on average, the return on investment for FDI companies in 2023 fell to 10 sen for every RM1 of investment from 12 sen in the previous year. — Bernama