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FOREWORD

A set of key indicators is used to monitor economic situation of a country. The indicators also describe how the country fares internationally. The status of Foreign Direct Investment (FDI), unemployment rate and structure of Input-Output tables are part of the said key indicators.

FDI is often used as a measure in ascertaining the attractiveness of economy in a particular country. The FDI's contribution into an economy spurs the employment and increased production in the sectors involved. Malaysia is among the countries which attracts FDI and benefitted from its contribution. In identifying sectors contributing the most in the economy, there are approaches available for this purpose. The popular method widely used by statisticians is the application of Input-Output tables. This method provides the linkages among sectors and the impacts to the economy. Unemployment rate, on the other hand, is an indicator that describes the state of health of the economic condition of a country.

This journal specifically focuses on foreign direct investment in Malaysia, a comparison of un-weighted and weighted linkages approach in identifying key sectors of the Malaysian economy applied to the Input-Output tables and forecast model for unemployment rate.

The first article highlighted the findings of the Quarterly Survey of International Investment and Services in relation to FDI statistics and the trend of FDI for Malaysia. The FDI was analysed based on international investment position statistics which represents stocks of external financial assets and liabilities at a particular point of time and focused on relevant indicators namely component, sector and country. The author(s) also elaborated on investment income of FDI by component and sector.

The identifying of key sectors in Malaysian economy was the focus in the second article. The author examined the Rasmussen un-weighted and weighted approaches applied to the Input-Output tables. Both backward and forward linkages were used to identify the key sectors which have high impacts on the overall economy. The un-

weighted method showed the strength of interdependence between the key sectors with the suppliers and users. Whereas, the weighted method, revealed the structural change took place within the study period.

In the third article, the author determines the most suitable technique using several models to generate the forecast of unemployment rate using data from the Labour Force Survey. The author generalized that the smallest value of Means Square Error obtained, signified the suitability of the technique for forecasting. However, each model has unique characteristics fit for a particular data series.

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