



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
FOR MALAYSIA'S BALANCE OF PAYMENTS STATISTICS
FIRST QUARTER OF 2023

Malaysia's Current Account Balance continued to record a surplus with a value of RM4.3 billion in 1Q 2023, despite lower net exports of goods

PUTRAJAYA, 12 May 2023 - Malaysia's Current Account Balance (CAB) continued to record a surplus with a value of RM4.3 billion or 1.0 per cent to Gross Domestic Product (GDP) in the first quarter of 2023, down from RM27.5 billion (5.9% of GDP) in the previous quarter. Meanwhile, Financial account registered a net outflow of RM2.4 billion as compared to RM1.1 billion in the preceding quarter. The Department of Statistics, Malaysia (DOSM) reported today in its **Balance of Payments and International Investment Position Statistics for the First Quarter of 2023** which presents Malaysia's cross-border transactions with the rest of the world.

Statistics released by DOSM show that the CAB surplus this quarter was mainly supported by net exports of Goods. **Goods account** recorded a net export of RM39.9 billion in the first quarter of 2023, shrank 30.9 per cent quarter-on-quarter. Exports of goods amounted to RM261.5 billion, decreased by 17.6 per cent as against the final quarter of 2022. The main exports were Electrical & electronics (E&E), Petroleum and chemicals products, especially to Singapore, China and the United States of America (USA). At the same time, imports of goods fell by 14.6 per cent quarter-on-quarter to RM221.6 billion. Malaysia's major imports were Intermediate, Capital and Consumption goods, particularly from China, Singapore and Taiwan.

Elaborating further on the Balance of Payments statistics, Dato' Sri Dr. Mohd Uzir Mahidin, the Chief Statistician Malaysia said, "**Services account** posted a higher deficit of RM12.8 billion in the first quarter of 2023, as Travel witnessed a lower surplus and Construction turned around from a surplus to record a deficit. Exports of services valued at

RM41.0 billion as compared to RM43.8 billion in the previous quarter. Exports of Travel comprises the expenditure of foreign visitors which was the mainstay of Services exports logged the highest value at RM12.3 billion, a moderate growth of 0.4 per cent as against the previous quarter. The second highest export was recorded by Other Business Services at RM8.5 billion and followed by Transport at RM6.9 billion. Meanwhile, imports of services accounted for RM53.8 billion, down from RM56.0 billion in the fourth quarter last year. The major imports of services were Transport at RM14.3 billion, Other Business Services at RM12.0 billion and Travel expenditure of Malaysia visitors abroad at RM11.0 billion.”

Concurrently, **Primary Income account** recorded a higher deficit of RM16.9 billion as compared to RM11.6 billion in the final quarter of 2022. This was mainly due to the lower receipts of RM16.7 billion, particularly from Direct investment, while payments amounted to RM33.6 billion. In the meantime, **Secondary Income account** posted a lower deficit of RM5.9 billion as opposed to RM6.5 billion last quarter. The smaller deficit was led by the higher receipts of RM10.2 billion this quarter, a faster growth of 76.1 per cent quarter-on-quarter as against payments of RM16.0 billion.

Dato’ Sri Dr. Mohd Uzir Mahidin also added, “**Financial account** recorded a net outflow of RM2.4 billion as compared to RM1.1 billion in the preceding quarter. This was mainly led by outflows in Portfolio investment at RM33.3 billion and Financial derivatives at RM0.9 billion. Meanwhile, Other investment registered a lower net inflow of RM20.9 billion as compared to RM36.6 billion in the previous quarter, while Direct Investment turned around to record a net inflow of RM10.9 billion from a net outflow RM9.3 billion in the final quarter last year.”

Direct Investment Abroad (DIA) logged a net outflow of RM1.1 billion as compared to RM28.5 billion in the fourth quarter of 2022. The major contributors to the outflow were Services particularly in Electricity, followed by Manufacturing and Agriculture sectors. The top three DIA destinations were Singapore, the USA and Viet Nam.

“In the meantime, a lower net inflow of RM12.0 billion was recorded in **Foreign Direct Investment (FDI)** as compared to RM19.2 billion in the preceding quarter. Services was the largest sector in FDI predominantly in Financial activities, followed by Mining & quarrying and Manufacturing sectors. The main FDI sources were from Mauritius, Switzerland and Hong Kong,” said the Chief Statistician.

Pertaining to the accumulated investment, he said, “As at the end of first quarter of 2023, **FDI position** posted RM893.2 billion while **DIA position** was RM617.0 billion. Malaysia’s

International Investment Position (IIP) registered a net asset of RM84.5 billion, while Malaysia's international reserves stood at RM509.8 billion."

The Department of Statistics Malaysia (DOSM) is conducting the Economic Census in 2023. DOSM greatly appreciates the cooperation of respondents to provide information and ensuring the success of this census. Please visit www.dosm.gov.my for more information.

DOSM has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisation to facilitate users in analysing various data. OpenDOSM NextGen is an open source data sharing platform and accessible through <https://open.dosm.gov.my> portal.

Please be informed that the Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20 each year. MyStats Day theme is "Connecting the World with Data We Can Trust".

Chart 1: Current Account Balance (CAB), 2000-2022 and Q1 2019 – Q1 2023

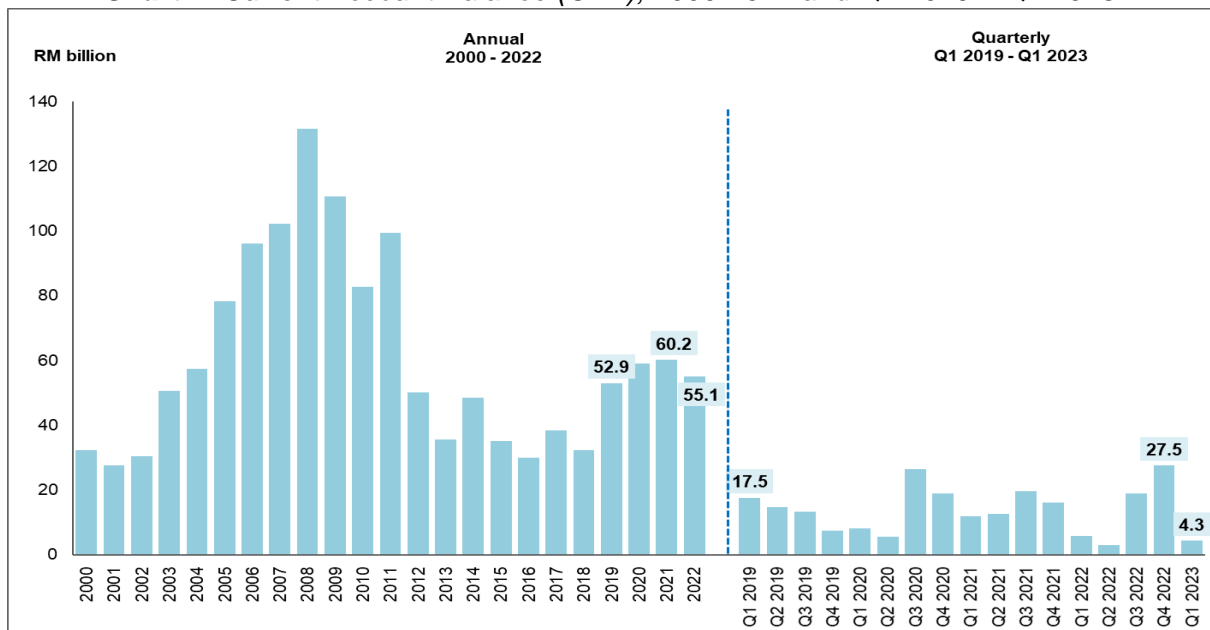


Chart 2: Percentage CAB to Gross Domestic Product (GDP), 2010-2022 and Q1 2019 – Q1 2023

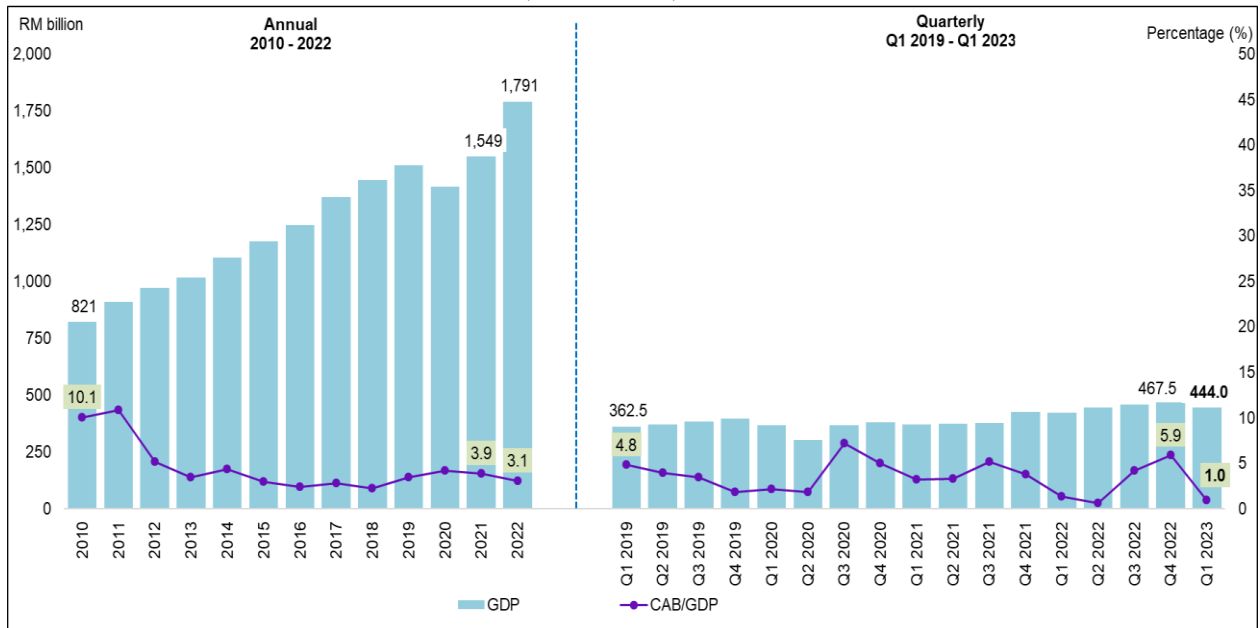


Chart 3: Exports of Services, 2000-2022 and Q1 2019 – Q1 2023

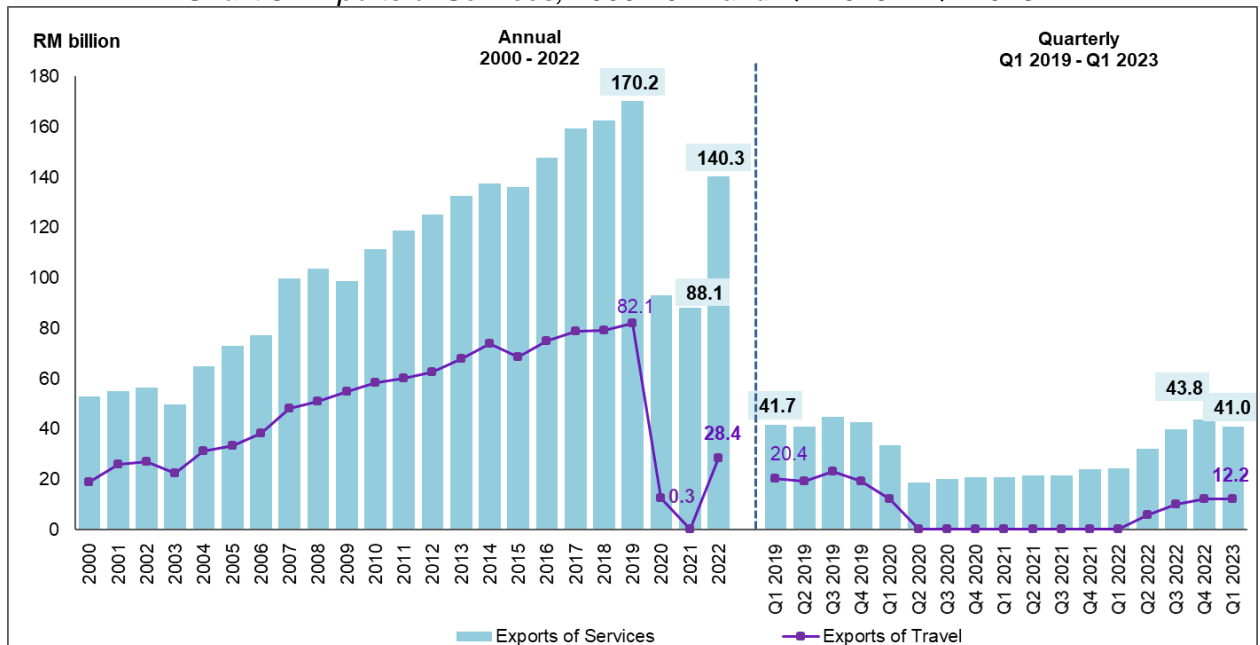


Chart 4: Expenditure of Foreign Visitors in Malaysia and Malaysia Visitors Abroad, 2005 - 2022 and Q1 2019 – Q1 2023

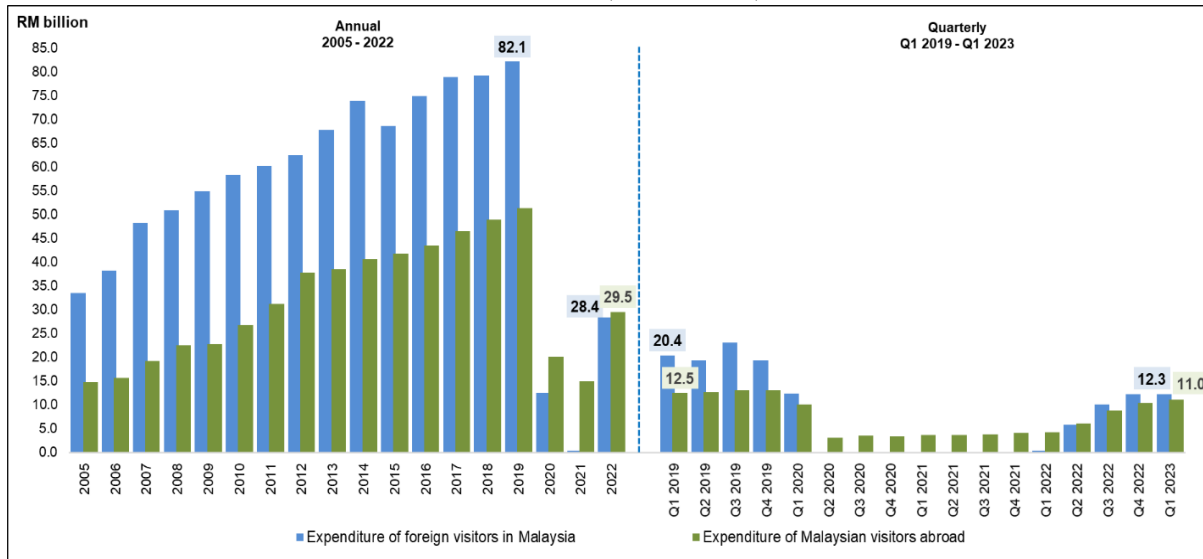


Chart 5: Direct Investment Abroad (DIA) Flows and Position, 2005 – 2022 and Q1 2019 – Q1 2023

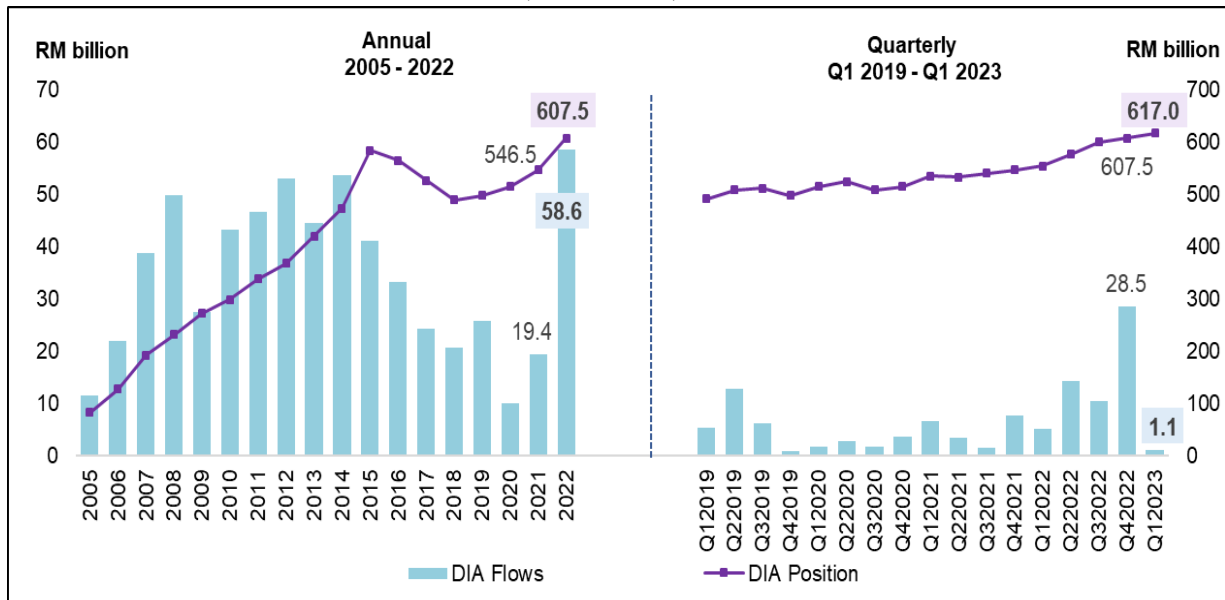


Chart 6: Foreign Direct Investment (FDI) in Malaysia Flows and Position, 2005 – 2022 and Q1 2019 – Q1 2023

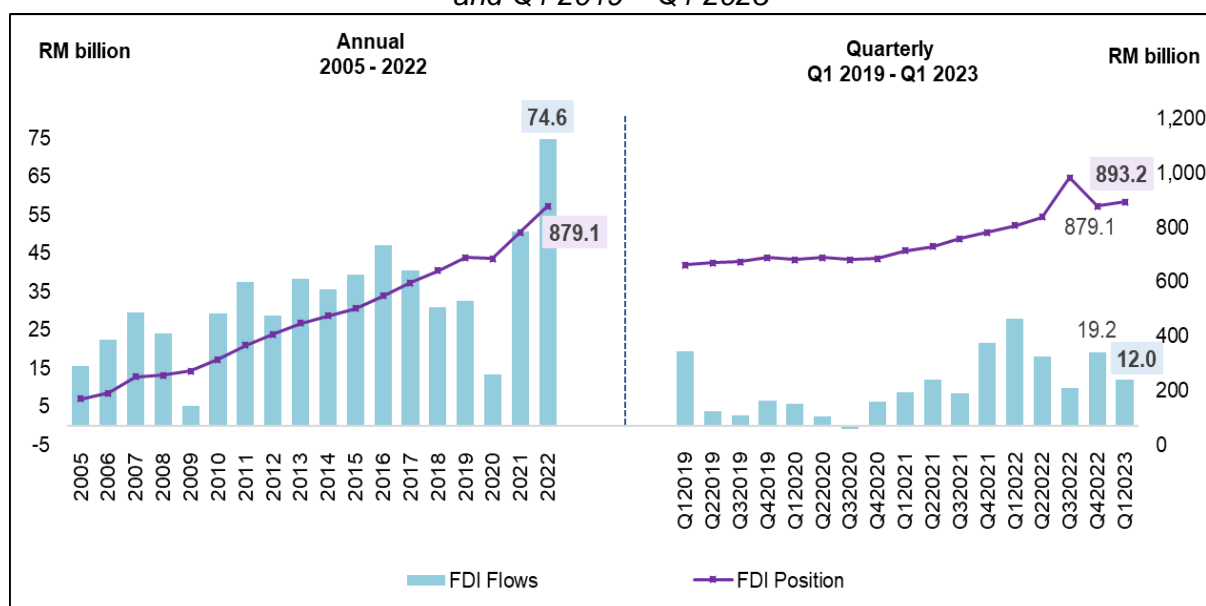


Exhibit 1: Direct Investment, Q1 2023

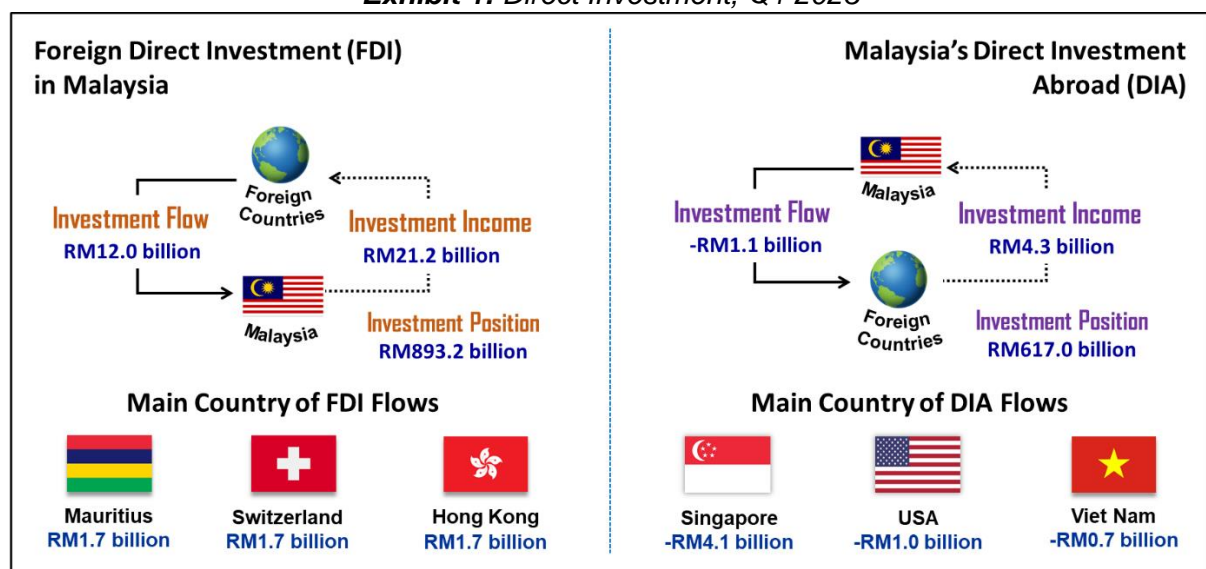
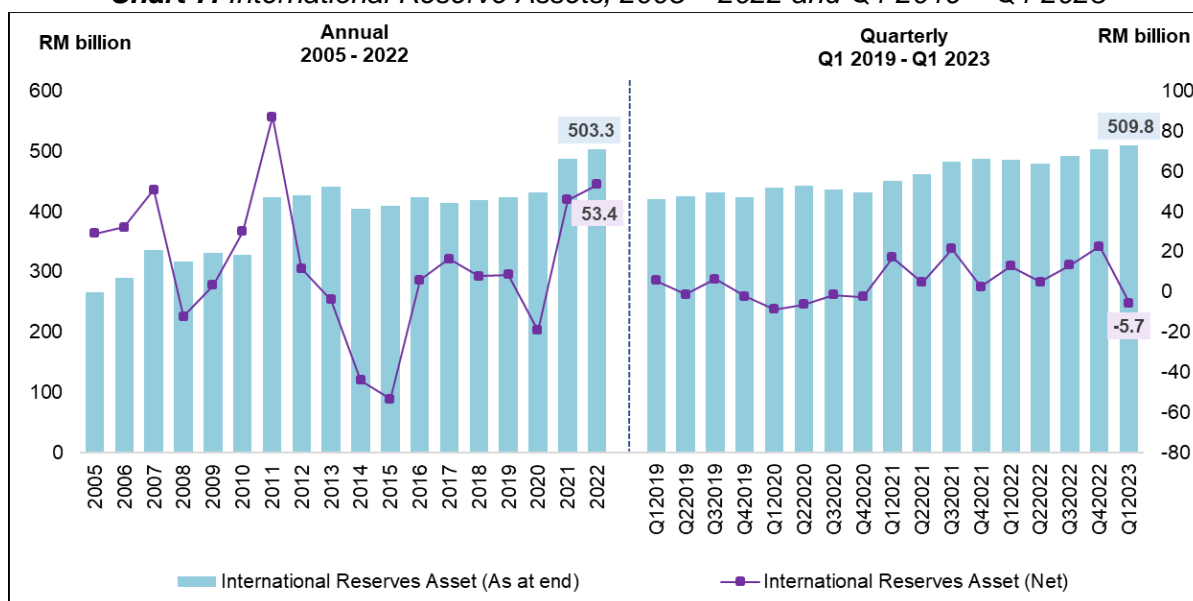


Chart 7: International Reserve Assets, 2005 – 2022 and Q1 2019 – Q1 2023



Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
 DEPARTMENT OF STATISTICS, MALAYSIA
 12 MAY 2023**