



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

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

Malaysia's Current Account Balance upheld a surplus of RM9.1 billion, with surged goods, recovery in inbound Travel and increased foreign investments

PUTRAJAYA, 17 November 2023 - Malaysia's Current Account Balance (CAB) in the third quarter of 2023 increased marginally by 0.3 per cent quarter-on-quarter to record a surplus of RM9.1 billion, equivalent to 2.0 per cent of the Gross Domestic Product (GDP). Meanwhile, **Financial account** turned around to a net inflow of RM14.9 billion as against a net outflow of RM11.6 billion in the preceding quarter. In the January to September period, the CAB reached a surplus of RM22.5 billion, while Financial account recorded a net inflow of RM1.0 billion. The Department of Statistics, Malaysia (DOSM) reported today in its **Balance of Payments and International Investment Position Statistics for the Third Quarter of 2023** which gauges Malaysia's cross-border transactions with the rest of the world.

Regarding the Current Account composition, the Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "The CAB surplus in the third quarter of 2023 was predominantly driven by higher net exports of Goods, followed by lower deficits in Services and Secondary income account".

On a quarterly basis, the net exports of **Goods account** noted an uptick in the third quarter, surging to RM32.7 billion from RM29.5 billion in the previous quarter. Goods export rose by 2.2 per cent in contrast with the second quarter 2023 to record RM260.4 billion. The main exports were Electrical & electronics (E&E), Petroleum products and Chemicals & chemical products, especially to Singapore, China and the United States of America (USA). Similarly, Goods import also showed an increment of 1.0 per cent quarter-on-quarter to reach RM227.7 billion, mainly contributed by Intermediate goods. China, Singapore and the USA were the top sources of import".

Looking at Services trade performance, the Chief Statistician Malaysia stated that the **Services recorded a lower deficit** of RM10.3 billion in the third quarter of 2023, primarily credited to a consistent revival of inbound travel commencing in the same period last year. Services export increased by 5.9 per cent quarter-on-quarter to record RM50.6 billion. Meanwhile, Services import exhibited a similar trend, with a modest quarterly growth of 3.1 per cent, amounting to RM60.9 billion. Travel surplus for this quarter stood at RM5.4 billion, representing a substantial increase of 41.6 per cent compared to the previous quarter. Other components that contributed to lower deficit were Construction, Charges of intellectual property, and Financial services.

On the income front, the **Primary income account** posted higher deficit of RM11.0 billion compared to RM6.3 billion in the previous quarter. Meanwhile, the deficit in the **Secondary income account** shrank from RM2.8 billion to RM2.2 billion in the third quarter of 2023.

The Chief Statistician Malaysia also added, “The **Financial account** recorded a turnaround from a net outflow of RM11.6 billion in the previous quarter to a net inflow of RM14.9 billion in the third quarter of 2023. This reversal was mainly driven by an inflow in Other investment at RM34.6 billion against the preceding quarter, attributable to higher interbank borrowing by residents with Financial Institutions abroad. At the same time, Portfolio investment switched to a net outflow of RM14.1 billion, owing to subscription of foreign equity securities and bonds by residents. Furthermore, Direct Investment recorded a higher net outflow of RM6.1 billion, contributed by equity and investment fund shares.”

The net outflow in **Direct Investment Abroad (DIA)** rose to RM13.4 billion as compared to RM8.0 billion in the previous quarter. The major contributors of DIA were the Services sector, particularly in Financial activities, followed by Mining & quarrying and Agriculture sectors. The top three destinations for DIA were Indonesia, Angola and Viet Nam. Simultaneously, **Foreign Direct Investment (FDI)** posted a higher net inflow of RM7.2 billion as against RM3.1 billion in the preceding quarter. The largest recipient of FDI were Services, mainly in Financial activities and Mining & quarrying sectors. Hong Kong, China and the United Kingdom were the primary sources of FDI.

As at the end of third quarter of 2023, the cumulative investment positions for **FDI** and **DIA** were RM914.9 billion and RM659.6 billion, respectively. The total financial assets position valued at RM2,399.5 billion, while total liabilities was RM2,296.3 billion. Hence, **Malaysia's International Investment Position (IIP)** made up a net asset of RM94.9 billion as at the end of this quarter, while **Malaysia's International Reserves** stood at RM517.1 billion.

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.

DOSM will conduct the Agricultural Census in 2024. Please visit <https://www.myagricensus.gov.my/> for more information. The theme is “Agriculture Census, Key to Agriculture Development.”

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is “Statistics is the Essence of Life”.

Chart 1: Current Account Balance (CAB), 2010-2022 and Q1 2019 – Q3 2023

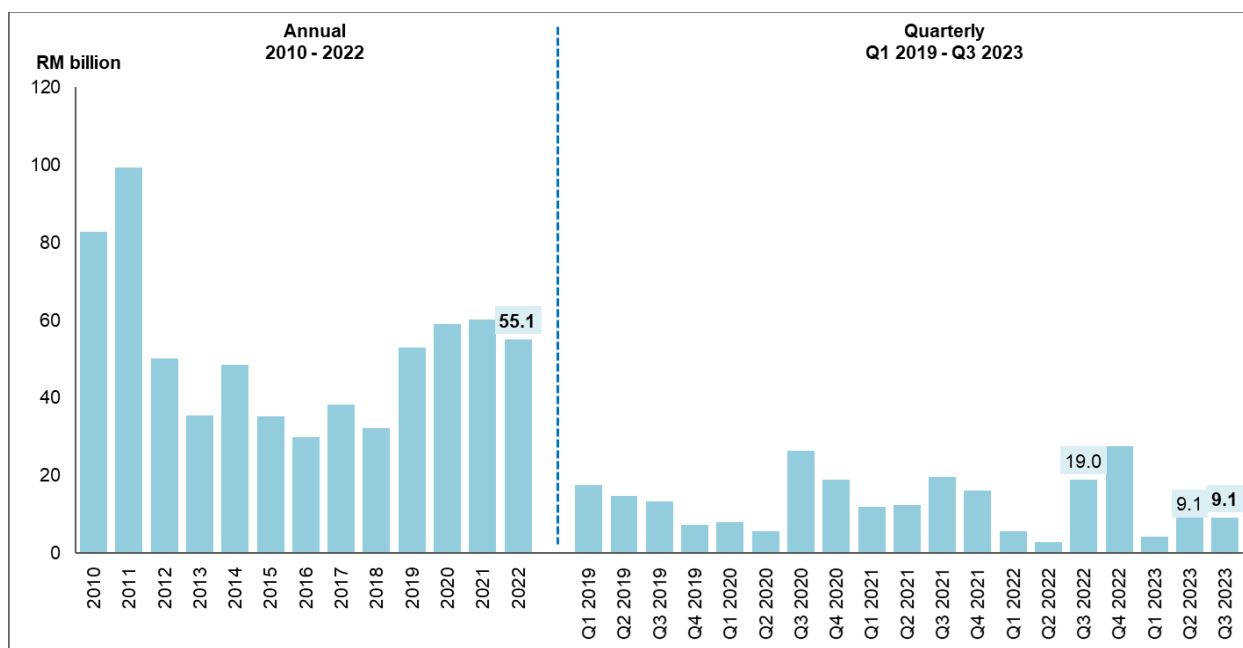


Chart 2: Percentage CAB to GDP, 2010-2022 and Q1 2019 – Q3 2023

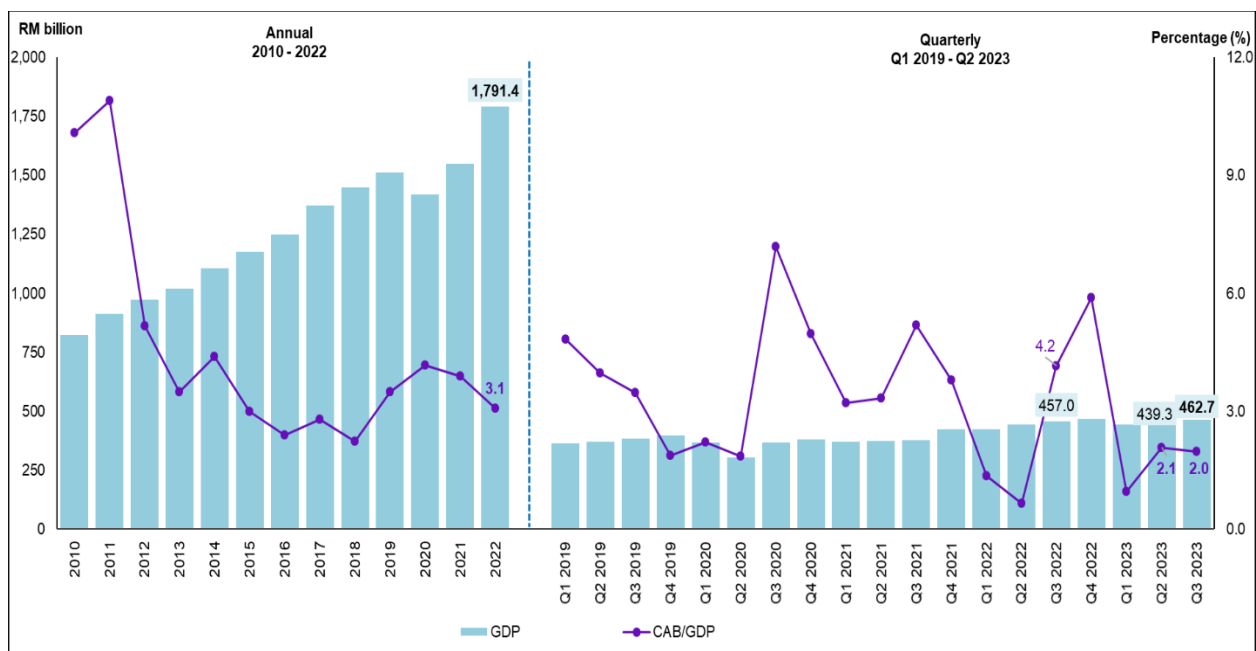


Chart 3: Exports of Services, 2010-2022 and Q1 2019 – Q3 2023

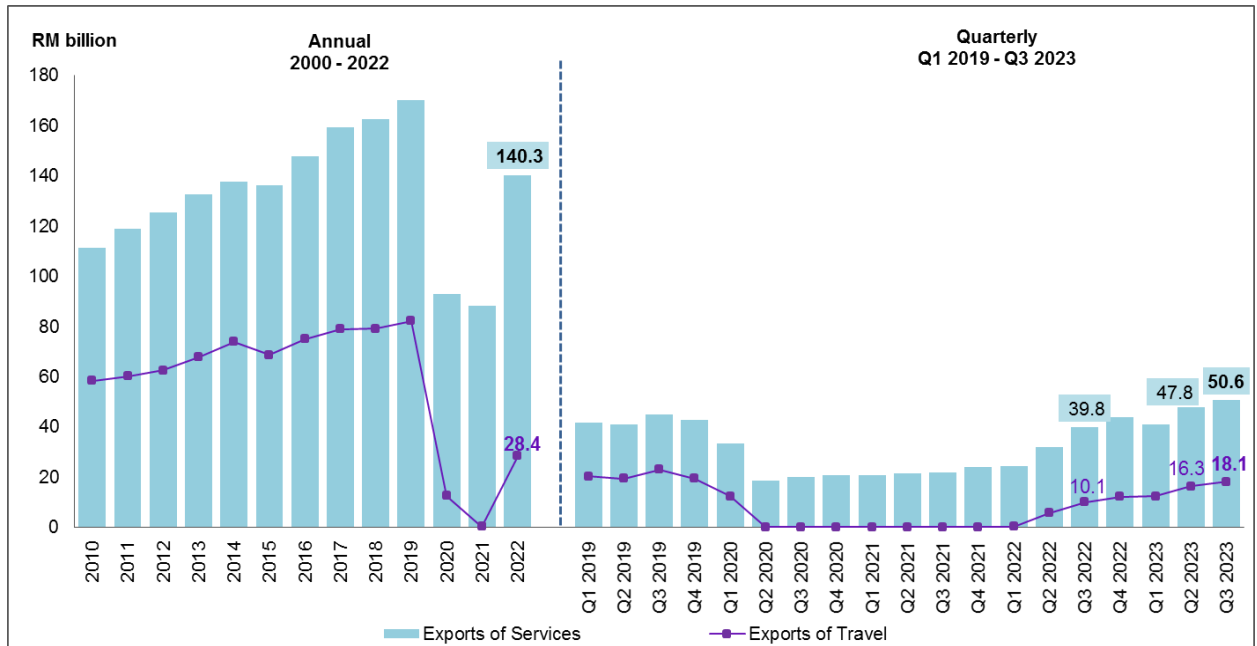


Chart 4: Expenditure of Foreign Visitors in Malaysia and Malaysian Visitors Abroad, 2010 - 2022 and Q1 2019 – Q3 2023

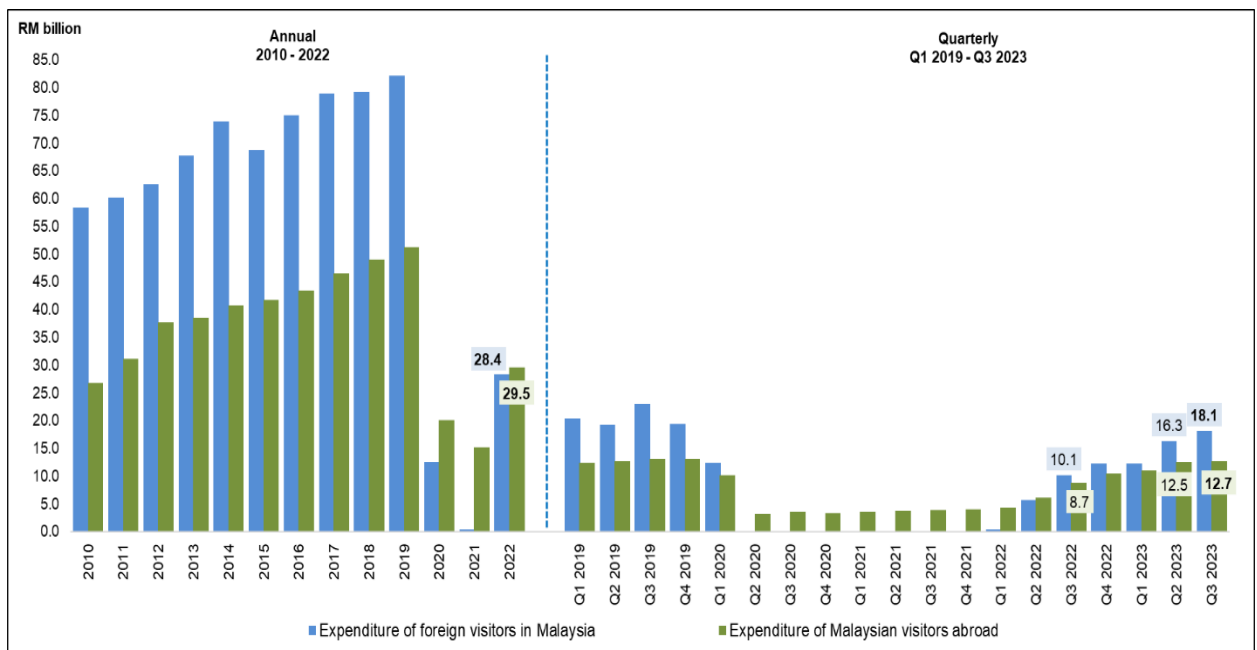


Chart 5: Direct Investment Abroad (DIA) Flows and Position, 2010 – 2022 and Q1 2019 – Q3 2023

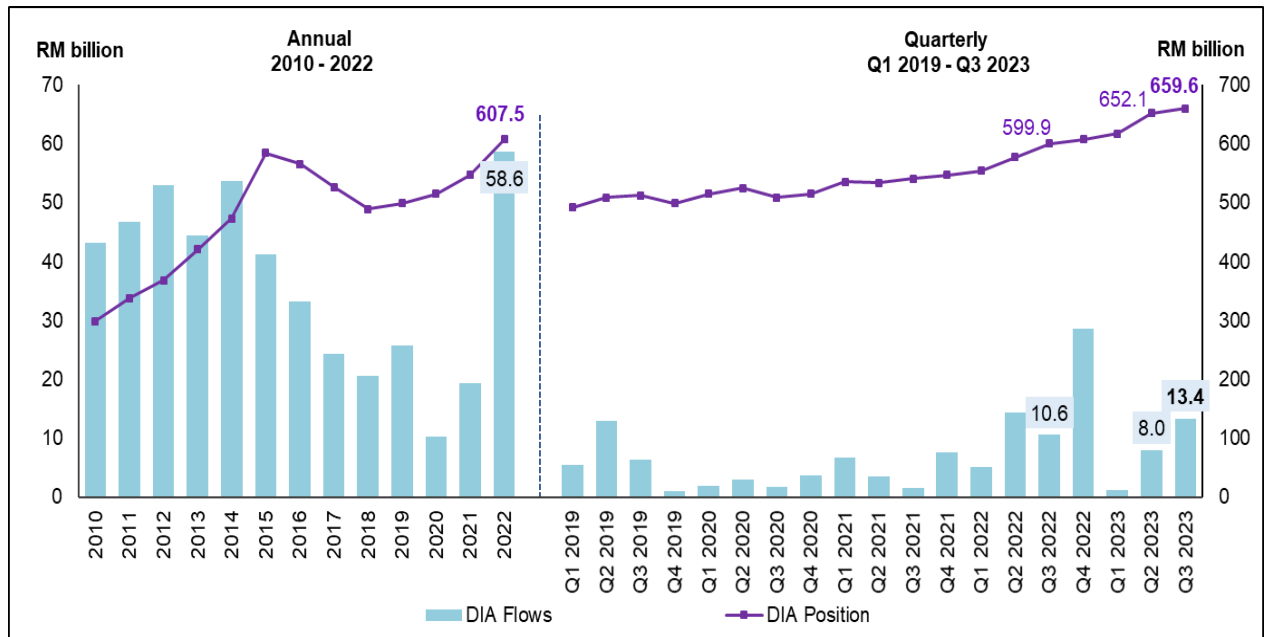


Chart 6: Foreign Direct Investment (FDI) in Malaysia Flows and Position, 2010 – 2022 and Q1 2019 – Q3 2023

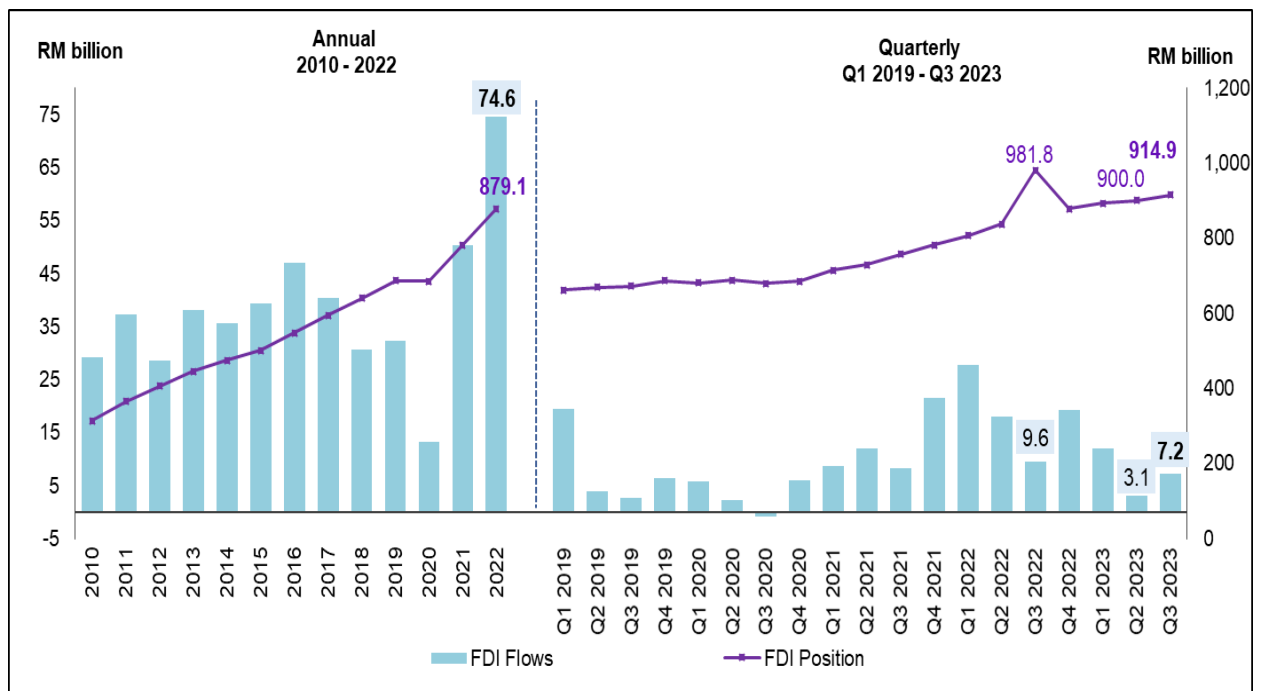


Exhibit 1: Direct Investment, Q3 2023

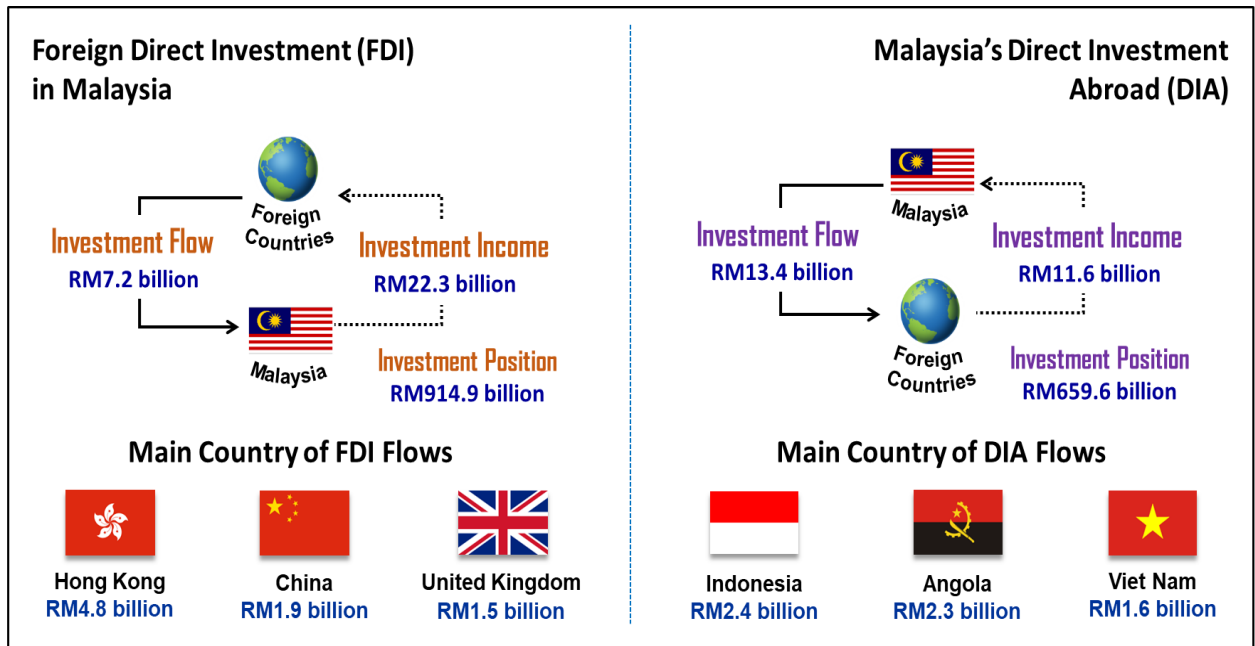


Chart 7: International Investment Position (Net), 2010 – 2022 and Q1 2019 – Q3 2023

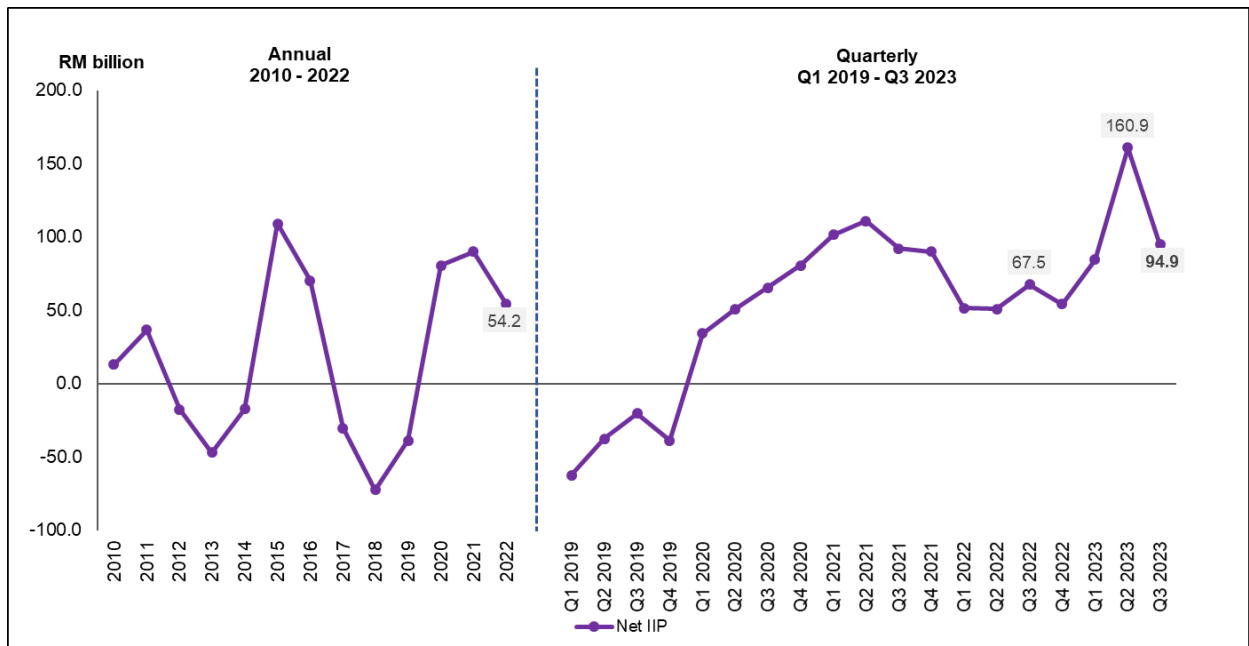


Chart 8: International Investment Position (Total Assets and Total Liabilities), 2010 – 2022 and Q1 2019 – Q3 2023

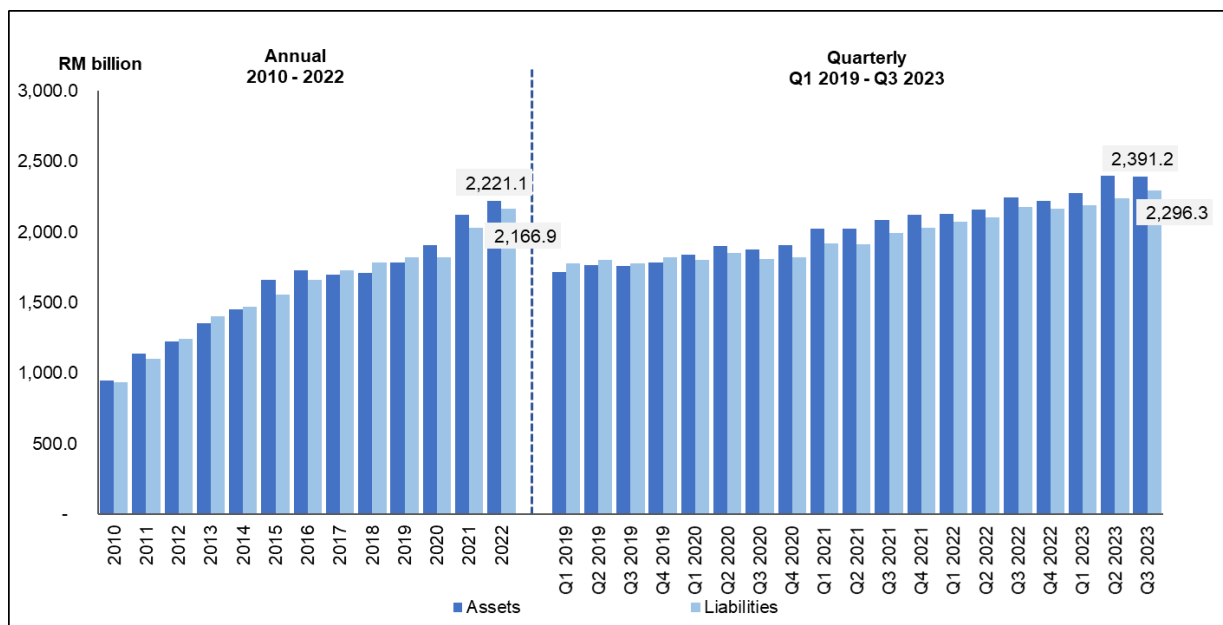


Chart 9: International Reserve Assets (Net), 2010 – 2022 and Q1 2019 – Q3 2023

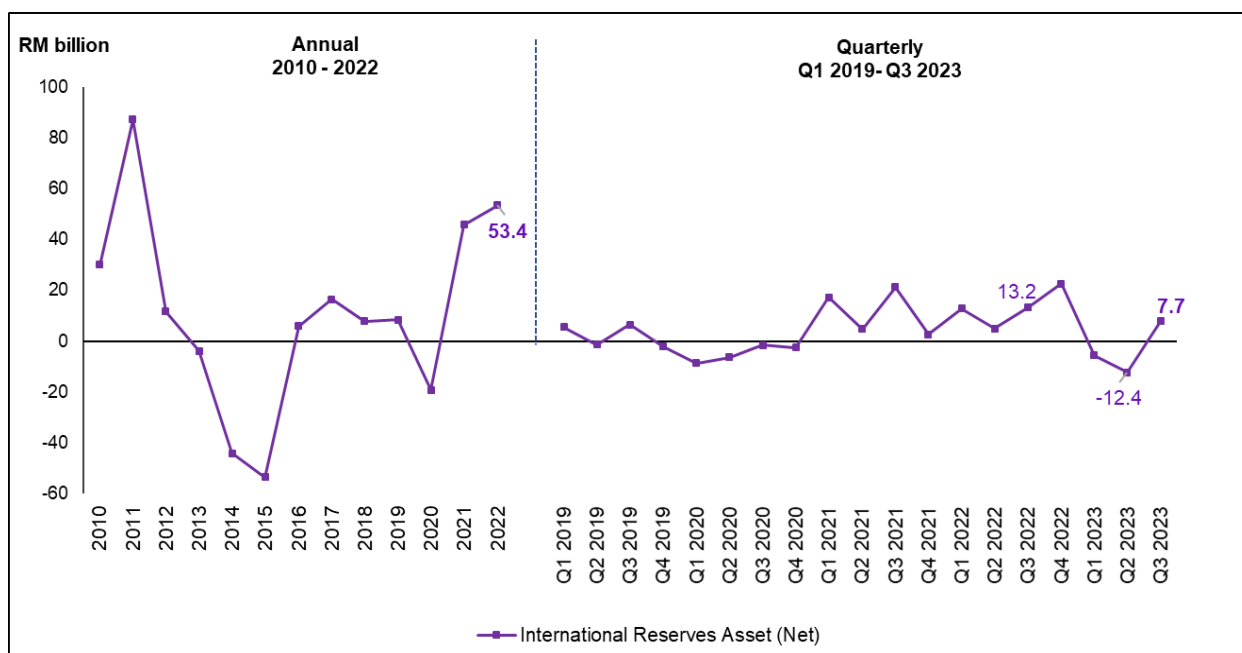
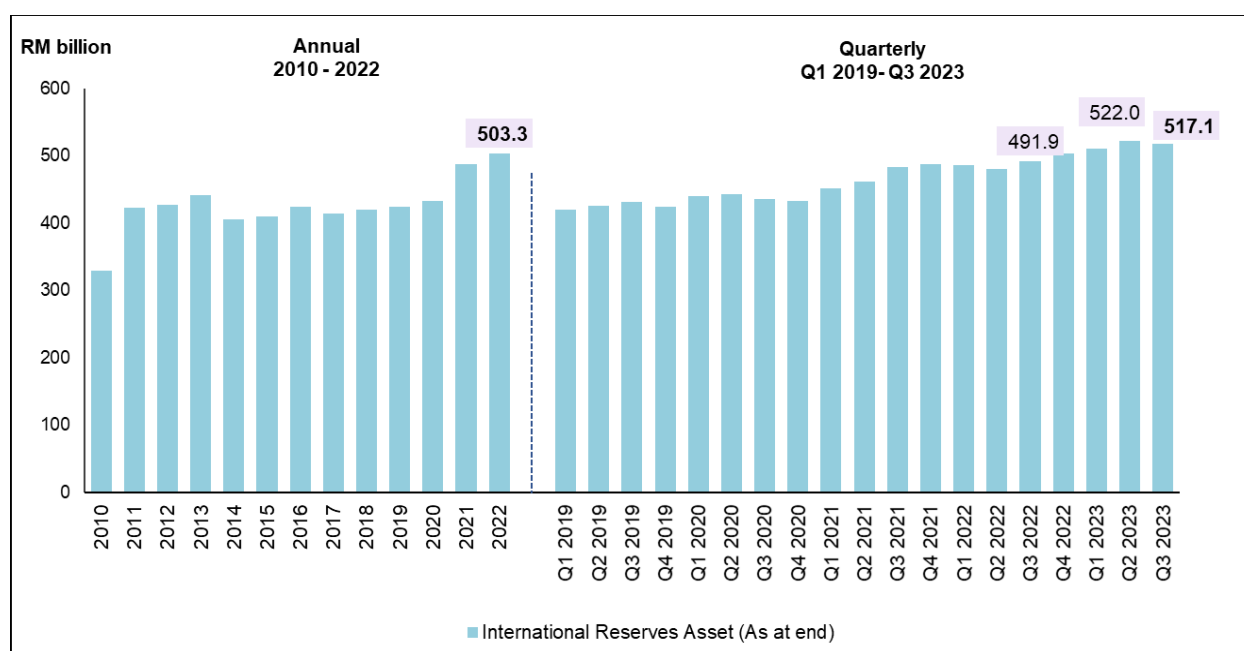


Chart 10: International Reserve Assets (as at end), 2010 – 2022 and Q1 2019 – Q3 2023



Released by:

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