



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

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

Malaysia reached RM22.8 billion current account surplus in 2023, with lower surplus of RM253.4 million in Q4 2023

PUTRAJAYA, 16 February 2024 - Malaysia's Current Account Balance (CAB) in the fourth quarter of 2023 recorded a surplus of RM253.4 million, while the **Financial account** turned around to a net outflow of RM19.9 billion. For the year 2023, the CAB reached a surplus of RM22.8 billion, while the Financial account recorded a net outflow of RM18.9 billion. The Department of Statistics, Malaysia (DOSM) reported today in its **Balance of Payments and International Investment Position Statistics for the Fourth Quarter of 2023** which gauges Malaysia's cross-border transactions with the rest of the world.

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "The CAB surplus of RM253.4 million in the fourth quarter of 2023 was supported by the Travel component. The quarterly comparison showed that the **Goods account** recorded a net export of RM30.8 billion compared to RM32.7 billion in the previous quarter. Exports of goods rose by 6.0 per cent to record RM275.9 billion. The main exports were Electrical & electronics (E&E), Petroleum products and Palm oil & palm oil-based products, especially to Singapore, China and the United States of America (USA). Similarly, Goods import also showed an increment of 7.6 per cent quarter-on-quarter to reach RM245.1 billion, mainly contributed by Intermediate goods. China, Singapore and the USA were the top sources of import."

Concurrently, **Services** recorded a lower deficit of RM7.4 billion in the fourth quarter of 2023, primarily credited to an increment in inbound travel. Services export increased by 8.7 per cent quarter-on-quarter to record RM55.0 billion. Meanwhile, Services import exhibited a similar trend, with a rise of 2.5 per cent, amounting to RM62.4 billion. Travel surplus for this quarter stood at RM6.5 billion, representing an increase of 18.9 per cent compared to the previous

quarter. In addition, the lower deficit in Services also supported by higher surplus in Construction at RM1.2 billion as against RM0.5 billion in the preceding quarter.

Nevertheless, the **Primary income account** registered a widening deficit of RM20.9 billion compared to RM11.0 billion in the previous quarter. This account refers to the Malaysia's income receipts and payments on financial and other assets, including compensation of employees. The higher deficit was attributed to the increase in net payments from direct investment, amounting to RM16.9 billion. Similarly, the **Secondary income account** also recorded a higher deficit of RM2.3 billion in the fourth quarter of 2023.

Elaborating further on the Balance of Payments statistics, the Chief Statistician Malaysia added, "The **Financial account** turned around from a net inflow of RM14.9 billion in the previous quarter to a net outflow of RM19.9 billion in the fourth quarter of 2023. This reversal was mainly due to an outflow in Other investment at RM14.4 billion and Financial derivatives at RM3.8 billion. At the same time, Portfolio investment recorded a net outflow of RM6.4 billion, while Direct Investment posted a net inflow of RM4.7 billion this quarter."

On the directional front, **Foreign Direct Investment (FDI)** net inflows surged from RM7.2 billion to RM17.1 billion in the fourth quarter of 2023, driven by higher inflows in Equity and Debt instruments. Services remained the dominant sector of FDI, mainly in Health and Information & communication sub-sectors, followed by Manufacturing. The major FDI sources were Singapore, Hong Kong and Japan. Simultaneously **Direct Investment Abroad (DIA)** posted a net outflow of RM12.4 billion as compared to RM13.4 billion in the previous quarter, contributed by outflows in Equity & investment fund shares. The main sectors of DIA were Services, particularly in Electricity and Financial sub-sectors, followed by Mining and Construction. Notably, DIA outflows were primarily channelled to Singapore, Indonesia and the Netherlands.

In summarising the year 2023 performance, Dato' Sri Dr. Mohd Uzir Mahidin stated that, "The country's **Current Account Balance (CAB)** continued to record a surplus of RM22.8 billion in 2023 as compared to RM55.1 billion a year ago. The CAB surplus which made up 1.2 per cent to Gross Domestic Product (GDP) was largely buoyed by net exports of goods at RM132.9 billion."

Looking at the services trade performance in 2023, this account logged a deficit of RM41.9 billion, narrowing by 25.7 per cent as against a RM56.4 billion deficits in the previous year. Travel made the largest contribution, with an excess of RM17.0 billion as compared to a

deficit of RM1.2 billion in 2022. Exports of Travel increased significantly from RM28.4 billion in the preceding year to RM67.5 billion in 2023, reaching 82.2 per cent of pre-pandemic levels (2019). Moreover, the Transport component also showed a lower deficit of RM30.6 billion propelled by higher receipts in air passengers.

Meanwhile, Financial account switched to a net outflow of RM18.9 billion from a net inflow of RM12.4 billion in 2022, due to outflows in Portfolio investment and Financial derivatives. The FDI recorded a net inflow of RM39.5 billion, while DIA posted a net outflow of RM34.9 billion.

Pertaining to the accumulated investment, he said, “As at the end of 2023, **FDI position** recorded RM926.3 billion while **DIA position** was RM662.8 billion. The total financial assets position valued at RM2.40 trillion, while total liabilities was RM2.28 trillion. **Malaysia’s International Investment Position (IIP)** accounted for a net asset of RM119.4 billion, while **Malaysia’s international reserves** stood at RM520.7 billion.”

The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides a catalog of data and visualisations to facilitate users' analysis of various data and can be accessed through <https://open.dosm.gov.my>.

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 Agricultural 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”.

The Central Database (PADU) was launched on 2 January 2024. PADU contains individual and household profiles covering citizens and permanent residents of Malaysia. The main goal of PADU is to ensure that Malaysians are not left behind from citizen centric initiatives implemented by the Government. Your kind cooperation is requested to register and update PADU by 31 March 2024. Please visit <https://www.padu.gov.my> for more information related to PADU or contact the following hotlines:

- i) Department of Statistics Malaysia : 1-800-88-7720 /1-800-88-7721
- ii) Online Enquiries through SISPA: <https://padu.spab.gov.my>.

Chart 1: Current Account Balance (CAB), 2010-2023 and Q1 2019 – Q4 2023

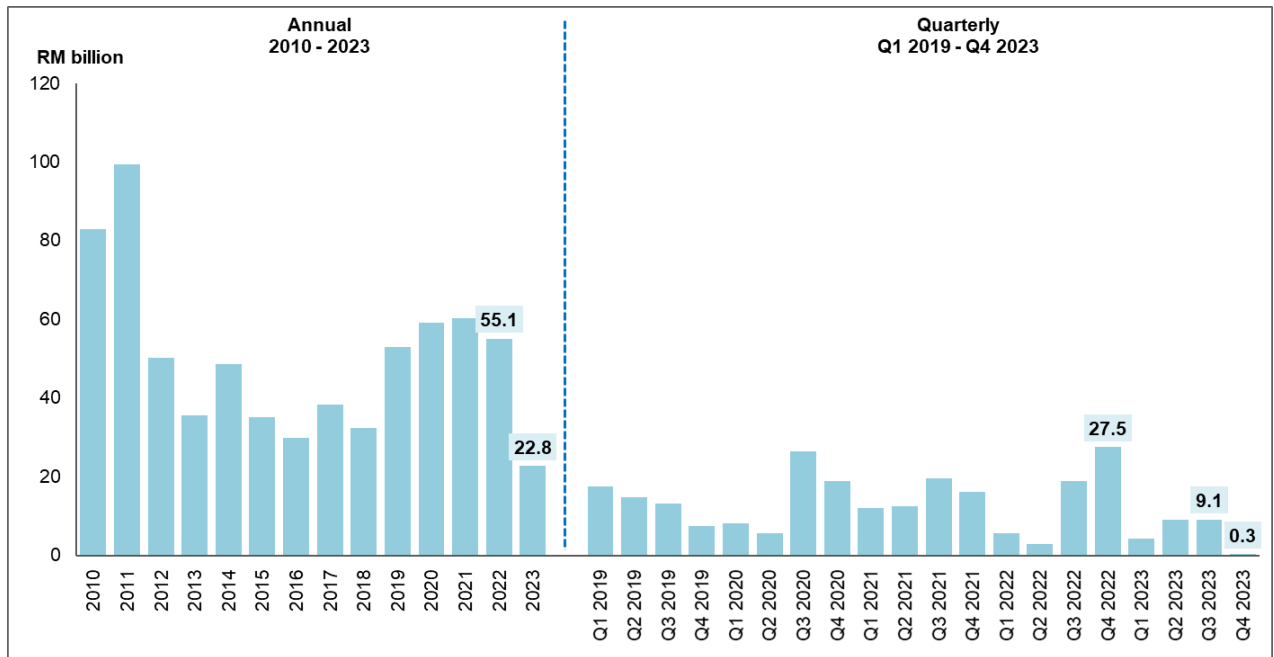


Chart 2: Percentage CAB to GDP, 2010-2023 and Q1 2019 – Q4 2023

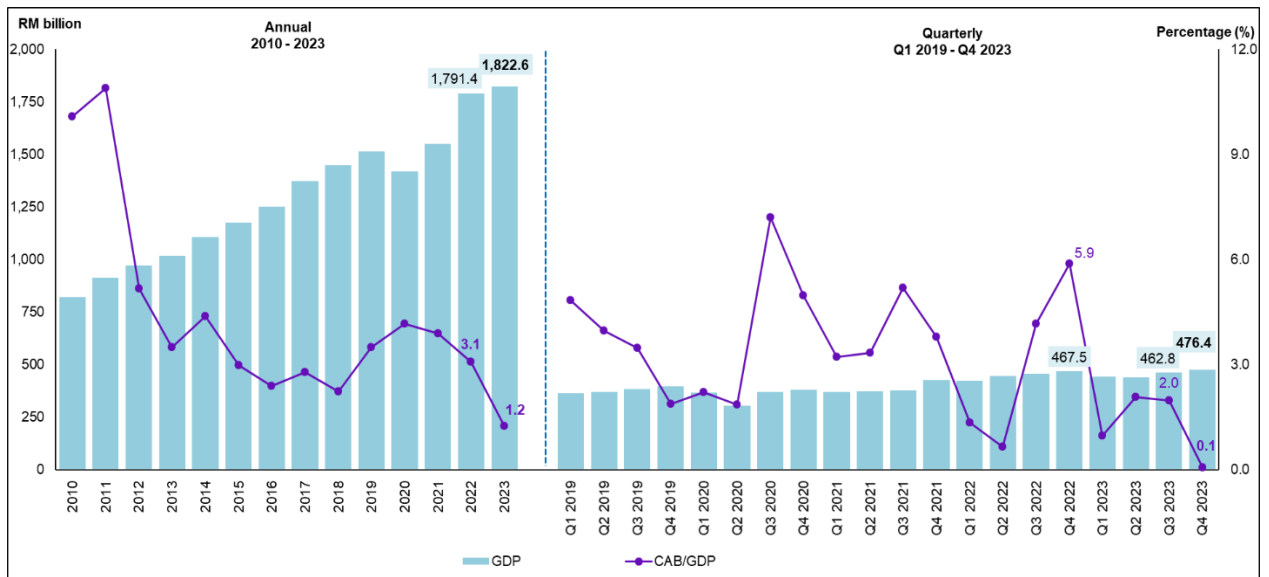


Chart 3: Exports of Services, 2010-2023 and Q1 2019 – Q4 2023

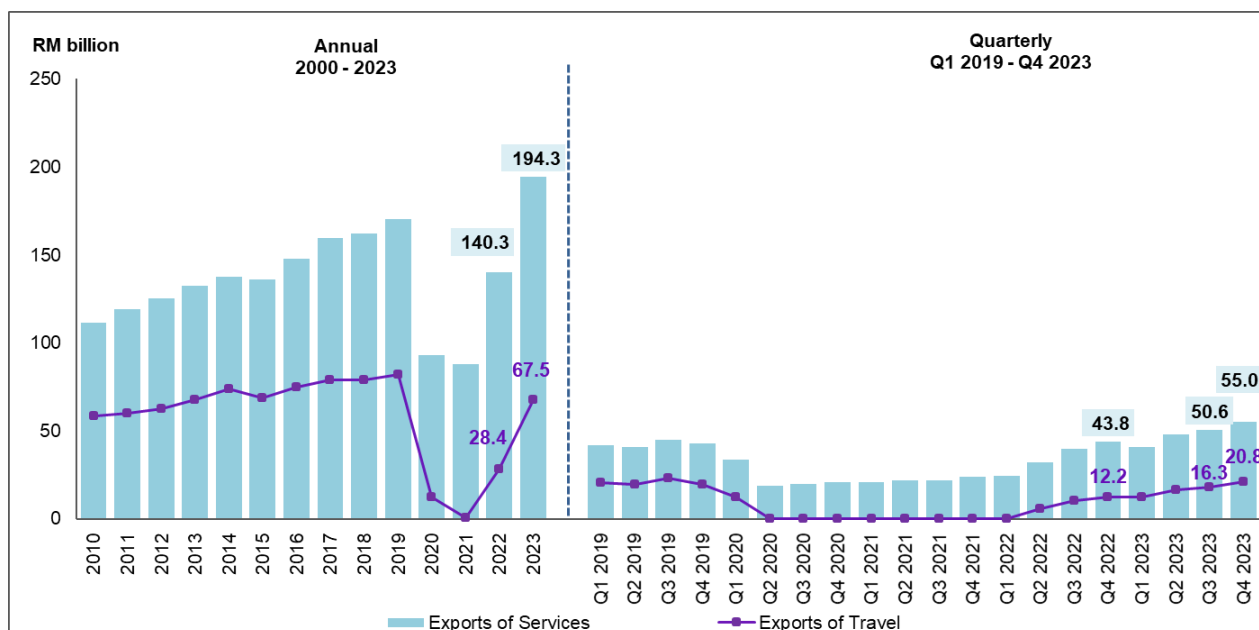


Chart 4: Expenditure of Foreign Visitors in Malaysia and Malaysian Visitors Abroad, 2010 - 2023 and Q1 2019 – Q4 2023

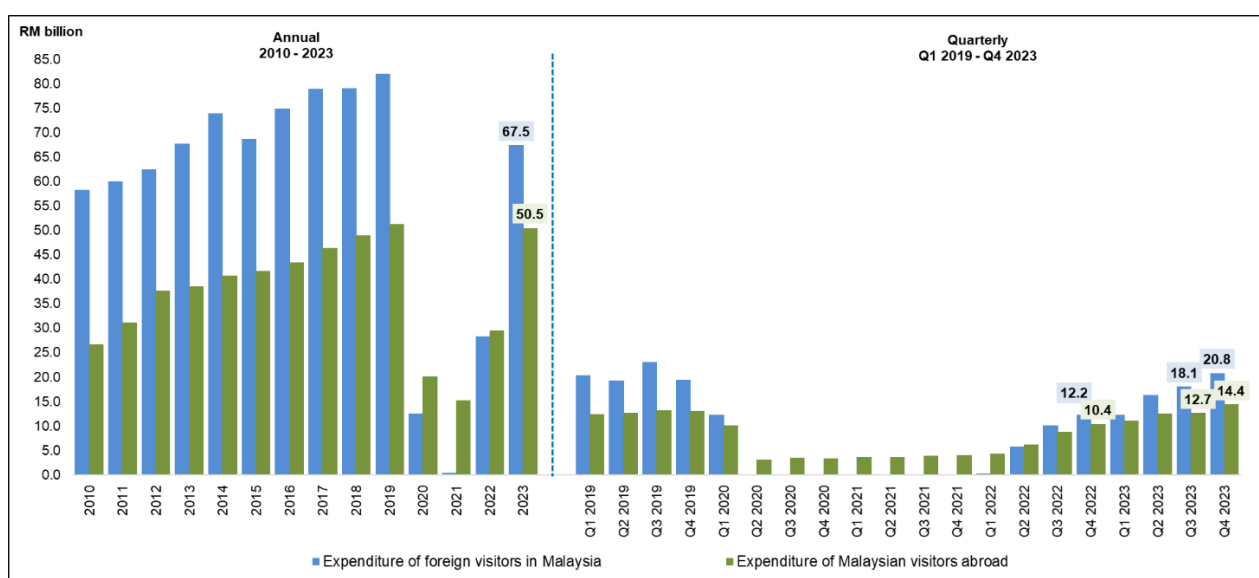


Chart 5: Direct Investment Abroad (DIA) Flows and Position, 2010 – 2023 and Q1 2019 – Q4 2023

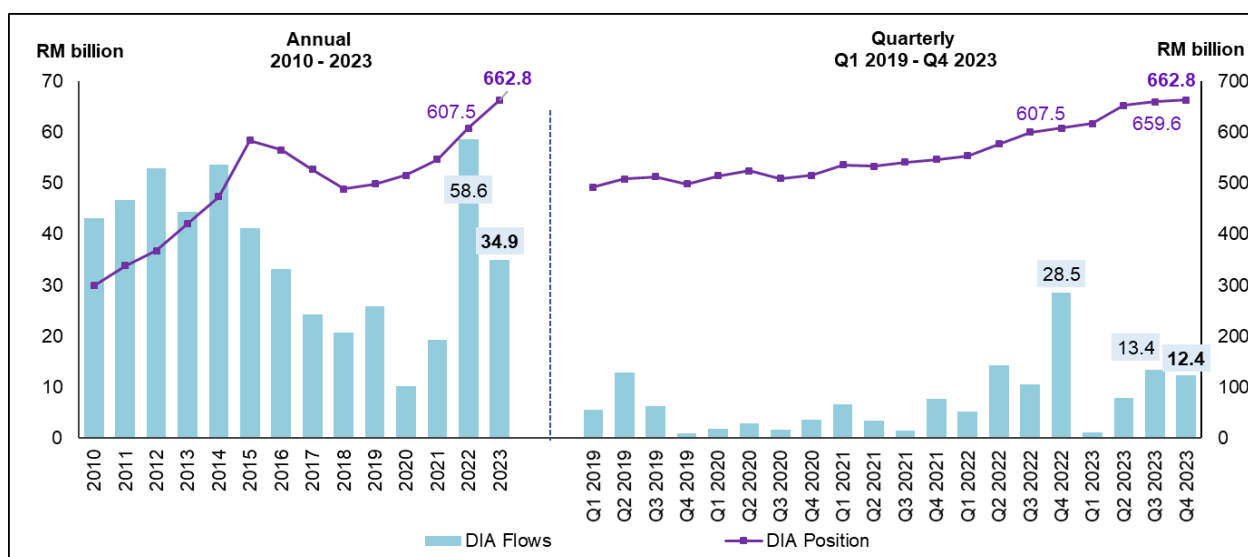


Chart 6: Foreign Direct Investment (FDI) in Malaysia Flows and Position, 2010 – 2023 and Q1 2019 – Q4 2023

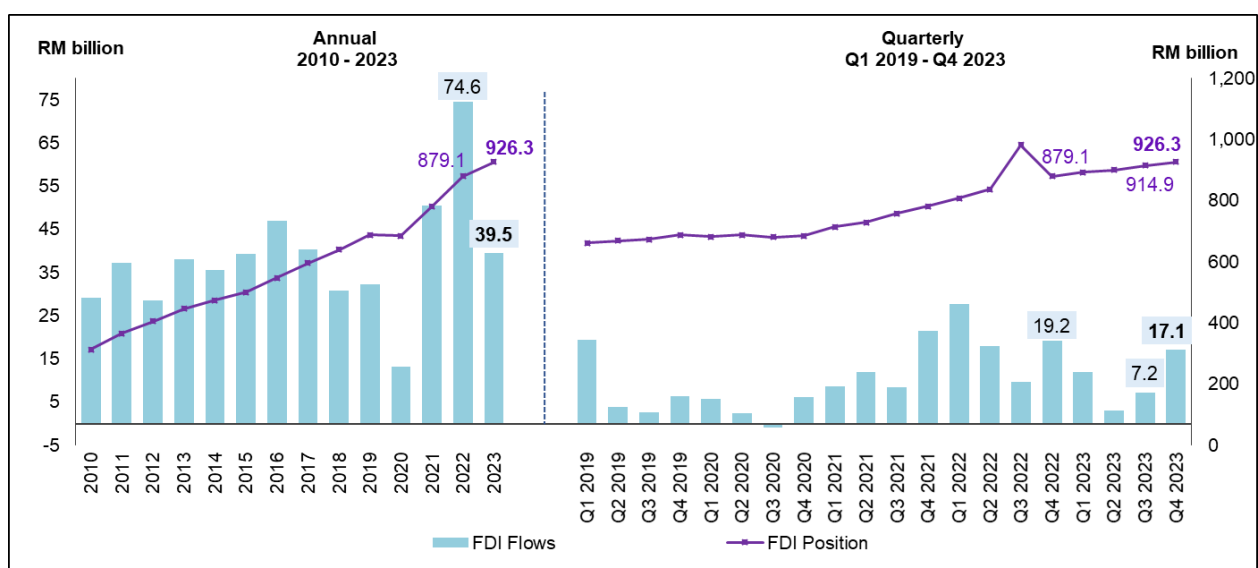


Exhibit 1: Direct Investment, Q4 2023

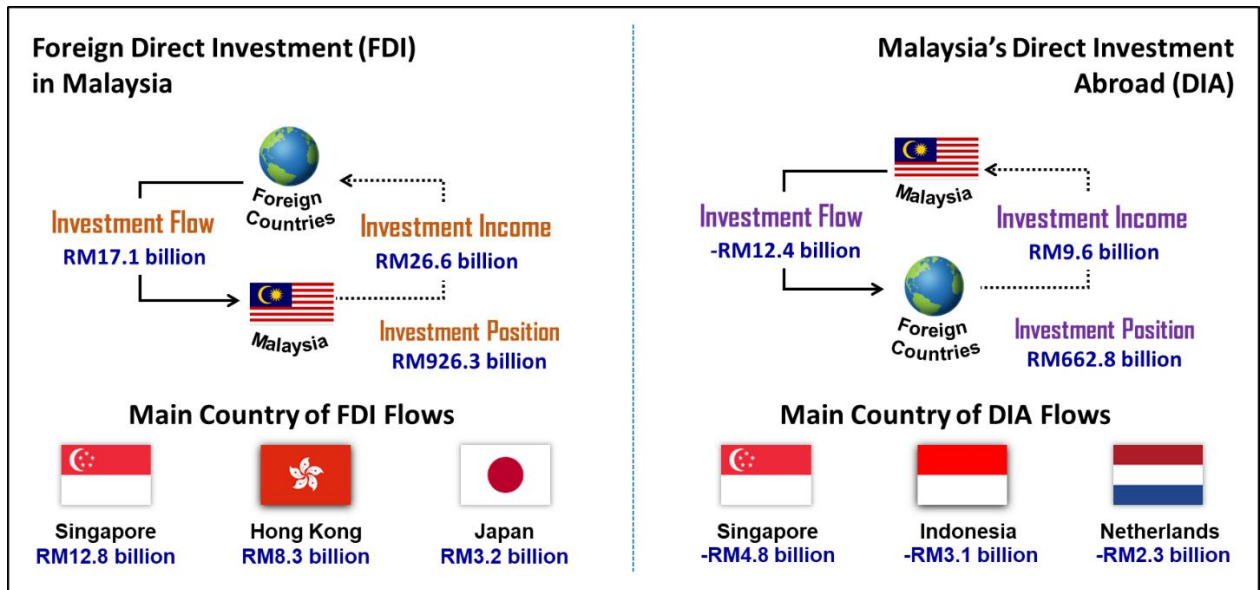


Chart 7: International Investment Position (Net), 2010 – 2023 and Q1 2019 – Q4 2023

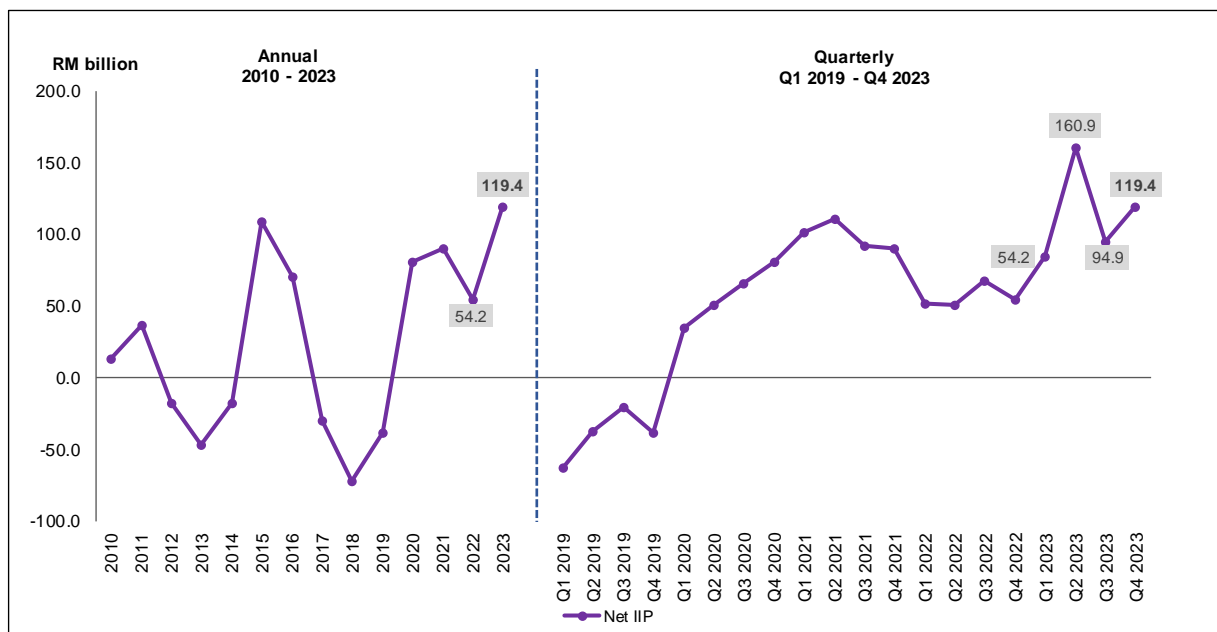


Chart 8: International Investment Position (Total Assets and Total Liabilities), 2010 – 2023 and Q1 2019 – Q4 2023

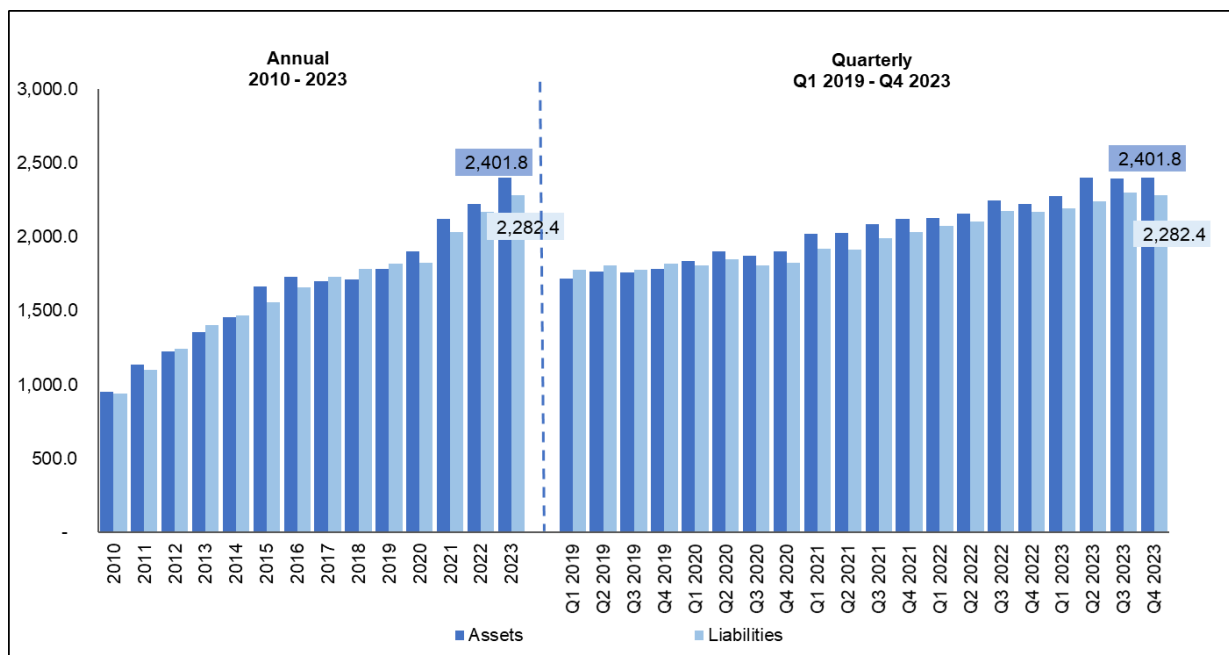


Chart 9: International Reserve Assets (Net), 2010 – 2023 and Q1 2019 – Q4 2023

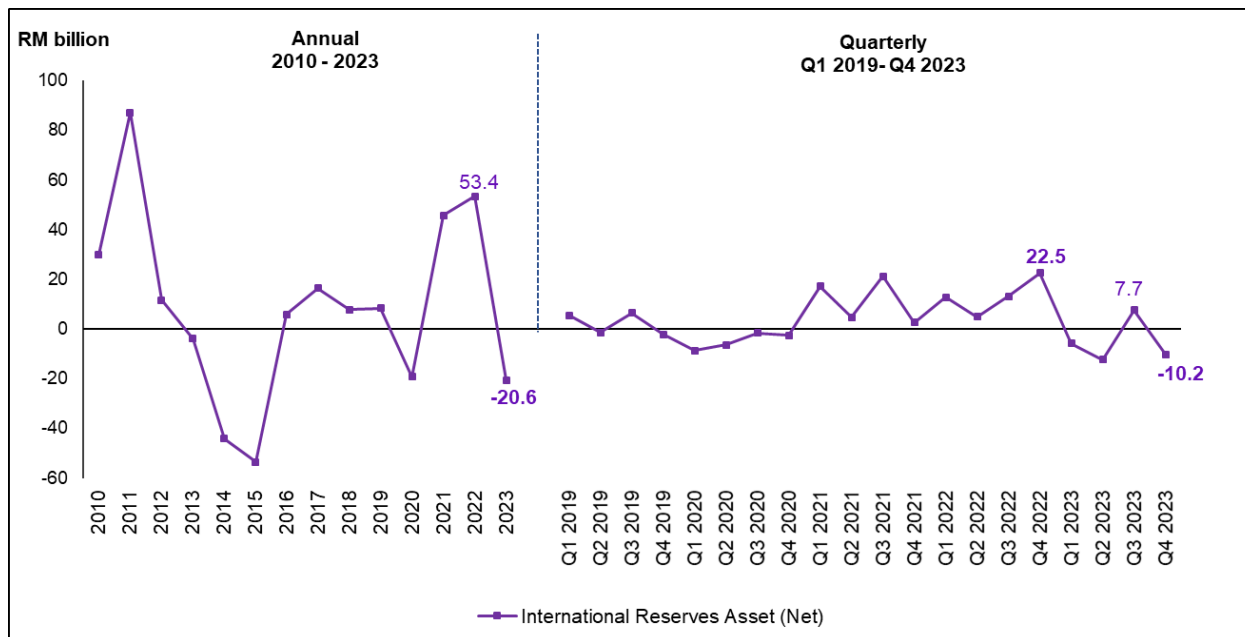
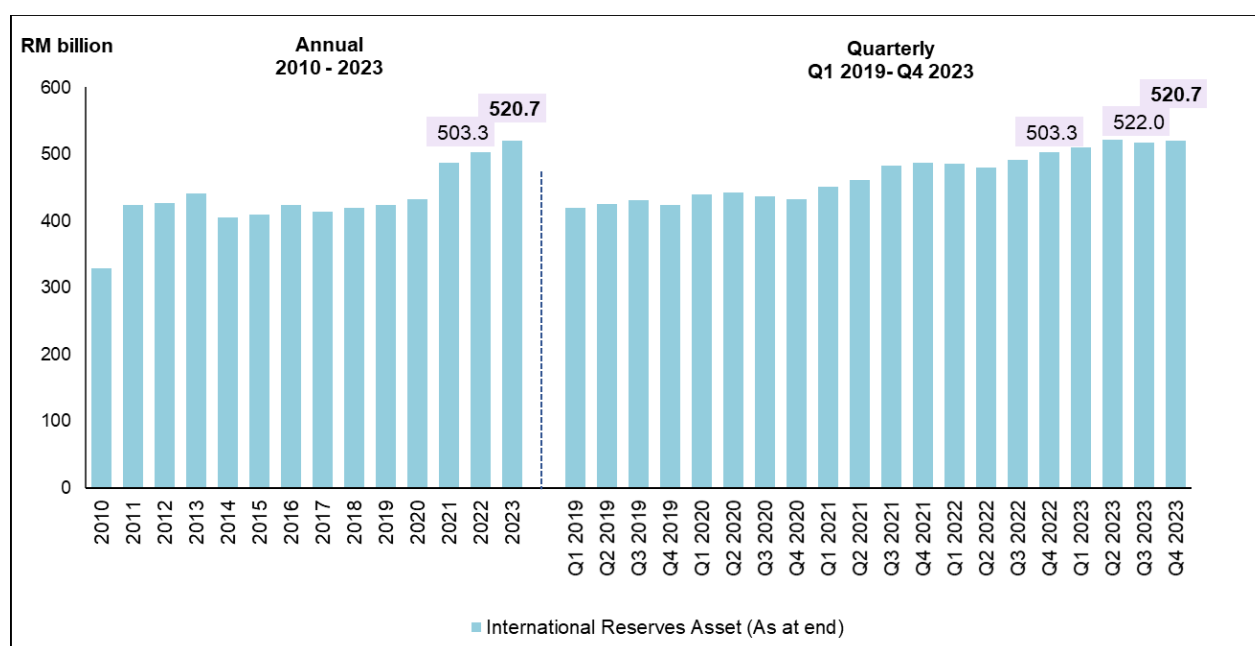


Chart 10: International Reserve Assets (as at end), 2010 – 2023 and Q1 2019 – Q4 2023



Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS, MALAYSIA
16 FEBRUARY 2024**