New Straits Times - Lim: Malaysia Remains Attractive To Foreign Investors

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PUTRAJAYA, 20 AUGUST -Malaysia continues to be an attractive investment destination as total stock of foreign direct investment (FDI) rose by 10.3 per cent to RM667.5 billion in the second quarter of 2019, compared with RM605.1 billion a year ago.

Finance Minister Lim Guan Eng said the steady rise in total FDI stock showed the continuing attractiveness of Malaysia as an international investment destination amid rising trade tensions across the world.

“Sustained economic growth is one of the reasons behind rising FDI stock,” he said in a statement here today.

Lim said Malaysia’s gross domestic product (GDP) for the quarter expanded 4.9 per cent year-on-year, an acceleration from 4.5 per cent growth in the first quarter of 2019, at a time when various regional economies are experiencing synchronised growth slowdown.

He said the 4.9 per cent GDP quarterly growth was better than market expectations of 4.7 per cent as compiled by Bloomberg.

According to Lim, the International Investment Position and the Balance of Payments defined FDI as lasting investment made by foreign parties into domestic companies giving the former lasting controlling stake and this adhered to the definition provided by the International Monetary Fund (IMF).

Last week, the Malaysian Investment Development Authority (MIDA) announced that approved FDI across all sectors rose 97.2 per cent to RM49.5 billion in the first half of 2019, from RM25.1 billion in the same period last year.

Specifically, Lim said approved manufacturing FDI rose by 74.2 per cent to RM33.1 billion during the first half of 2019, from RM19.0 billion a year ago. Of the RM33.1 billion investment, RM11.7 billion came from the United

States, making the country the biggest source of approved manufacturing FDI during the period, followed by China (RM4.8 billion), Singapore (RM3.1 billion) and Japan (RM2.1 billion).

Lim said MIDA stated that the RM33.1 billion approved manufacturing FDI would create 30,449 jobs in the near future.

“The government will maintain its business-friendly approach to attract investment into the country and create quality jobs for all Malaysians,” he added. -- Bernama