

Malaysia's Realised Private Investments To Hit RM110 Billion In 2012

KUALA LUMPUR, Feb 21 (Bernama) -- Malaysia's realised private investments this year are expected to increase to RM110 billion from about RM94 billion in 2011, International Trade and Industry Minister Datuk Seri Mustapa Mohamed said today.

He said the growth would be bolstered by firmer domestic direct investments (DDI) especially in the oil and gas sector.

"Based on progress achieved so far and projects to be implemented, we're confident that the targeted amount will be achieved. A large chunk of the investment, about 40 percent of it, come from oil and gas sector," he told a media conference here.

Meanwhile, total investments approved in the manufacturing, services and primary sectors last year surged by 40.7 per cent from RM105.6 billion (4,368 projects) in 2010 to reach RM148.6 billion (4,964 projects) in 2011.

They are expected to create about 149,496 employment opportunities.

Domestic investments in 2011 continued to exceed foreign direct investments (FDI), accounting for RM82.3 billion or 55.4 per cent of the total approved investments, while foreign investments totalled RM66.3 billion or 44.6 per cent.

The electrical and electronics (E&E) industry remained the leading industry in terms of number of projects approved as well as investment value in the manufacturing sector with Japan, Korea, the US, Singapore and Saudi Arabia the leading sources of foreign investments in the sector.

Mustapa said that last year, about 72 percent of foreign investments came from Asian countries and the trend was expected to maintain in 2012. "This year, we can see an increase in intra-Asean investments as well as investments from Japan, Korea, China, India and the Middle East. Europe still continues to show interest especially from Germany, Italy, France and Spain," he said.

On the primary sector, 161 projects with investments of RM28.1 billion were approved last year with foreign investments totalled RM16 billion or about 57 per cent from the total amount.

The mining sector accounted the largest share of investments and the strong performance of the oil and gas sub-sector indicated that Malaysia was well poised to become one of the leading oil and gas hubs in the region. Mustapa said the FDI inflow to Malaysia surged by 12.3 per cent to RM32.9 billion last year from RM29.3 billion in 2010.

The manufacturing sector accounted for the largest FDI inflow, making up 50.1 per cent of the total FDI, followed by services (27.3 per cent), mining and quarrying (22.2 per cent), and agriculture, forestry and fishing (0.4 per cent).

"We did well in FDI as well as in terms of total investment. Overall, 2011 has been good year and we forecast that this year we can maintain the figure," Mustapa said.

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