

# Accumulated fixed asset investment increases

**PETALING JAYA:** The Gross Capital Stock (GKS) or the accumulated investment in the country's fixed assets, increased by 2.8% to RM5.4 trillion in 2022 and the Net Capital Stock (NKS), which symbolises Malaysia's economic wealth, was RM3.4 trillion, according to Capital Stock Statistics 2022.

Chief Statistician Malaysia Datuk Seri Dr Mohd Uzir Mahidin said, "NKS grew by 2.4% in 2022, compared with 1.8% in the previous year. This is in line with the recovery of Gross Fixed Capital Formation (GFCF), which rebounded to 6.8% in 2022, after a marginal decrease of 0.8% in the previous year. Overall, all economic sectors recorded positive growth except for mining & quarrying, which experienced a marginal 0.02% contraction, an improvement from the previous year's negative 0.3%."

On NKS performance by kind of

economic activity, the value of fixed assets in the services sector was the highest among other economic activities, with RM2.3 trillion, which contributed 68.6% in 2022. This sector's growth accelerated to 3% supported by increases in wholesale and retail trade; food and beverage and accommodation and utilities, which recorded 7.5%, 7.3% and 7.1% growth, respectively.

NKS for the manufacturing sector amounted to RM395.2 billion and expanded by 2.7% (2021: 1.5%), driven by the subsector of food, beverages and tobacco which increased 6.1% (2021: 4.1%).

Furthermore, net capital stock in the construction sector grew to 3.4% from 3.5% in the preceding year, while net capital stock in the agriculture sector moderated to 0.6% from 0.9% in 2021.

The moderation of NKS in the agriculture sector is in line with the performance of

fixed asset investment in the agriculture sector, which showed a decline of 8.9% (2020) and 3.8% in 2021, followed by a slight increase of 0.2% in 2022.

Mohd Uzir said the acquisition of fixed assets by asset type, led by structure, contributed 80.9% and recorded a growth of 2.7% in 2022 (2021: 2.5%). This was followed by machinery and equipment assets, which contributed 10.9%, indicating an increase of 1.5% compared to a decline of 1.9% in the previous year.

The 12th Malaysia Plan (12MP), he said, emphasises the goal of improving economic sustainability to achieve sustainable growth through increased productivity.

"Productivity growth can be achieved by increasing output. It is imperative that the government could encourage investment in fixed assets that can contribute to productivity growth," he added.