Deciphering Malaysia's Investment Cycles



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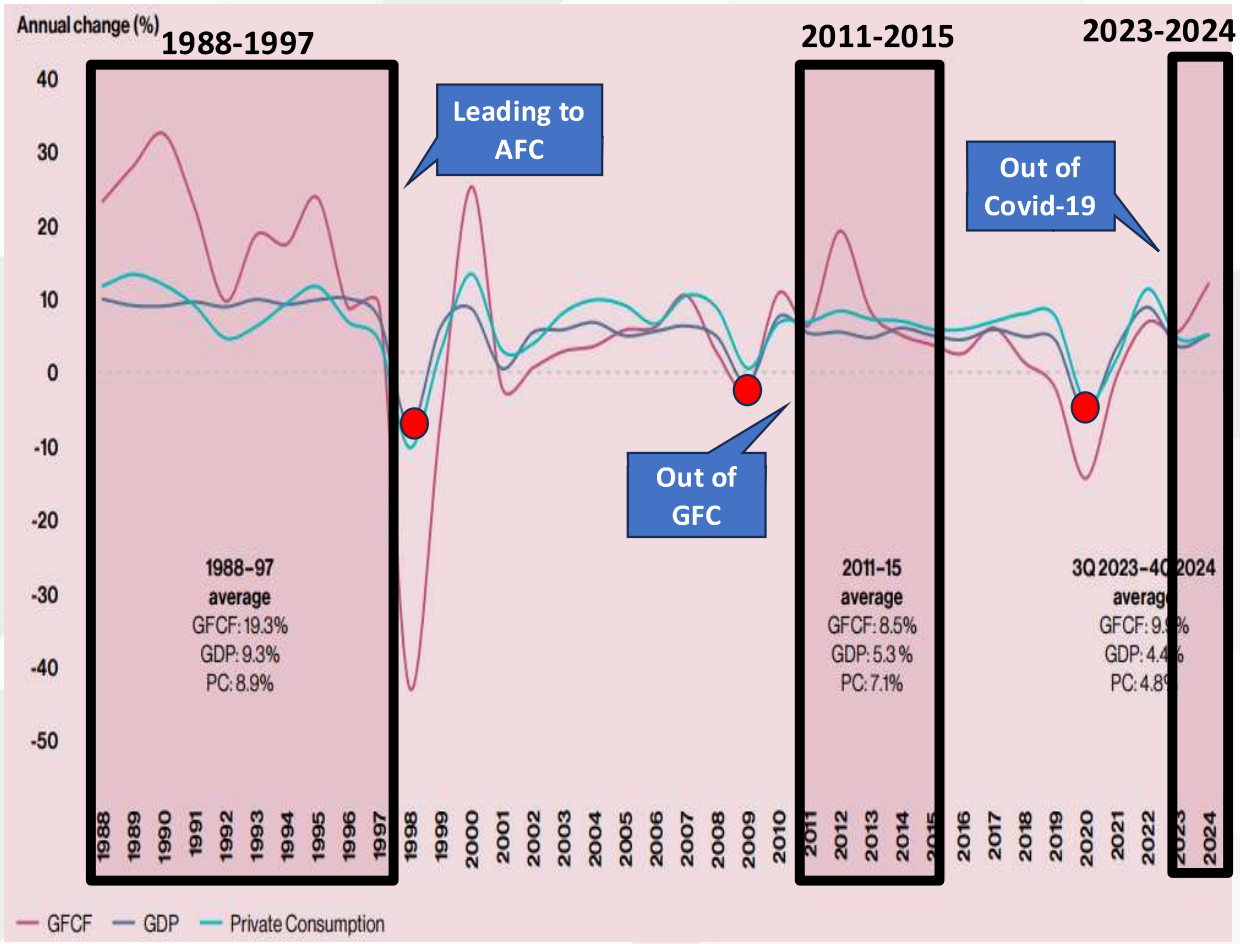
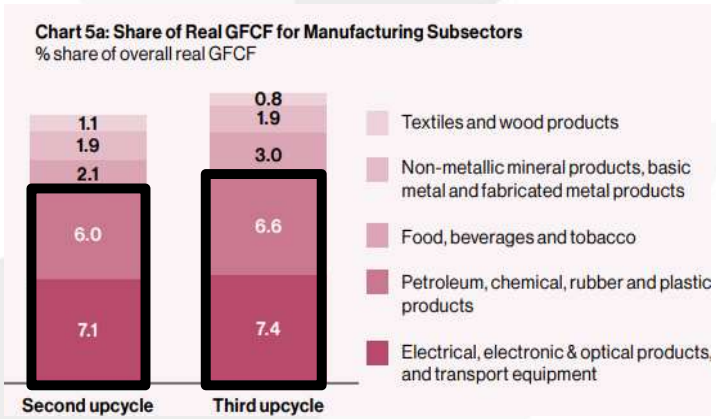
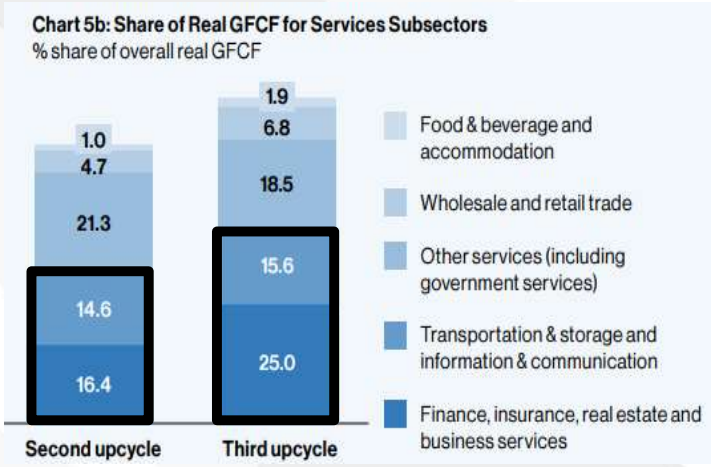
The 3 periods of Investment Upcycles

Growth: High Growth of GFCF



Structure: Quality High-value GFCF





What do we Expect From Investment?



Source : NIMP 2030

Structure

Resource Based → Production Based → Knowledge Based → 4th IR

1st Upcycle
Priorities
Offerings

2nd Upcycle
Priorities
Offerings

3rd Upcycle
Priorities?
Offerings?



PM rolls out New Industrial Master Plan 2030

By Adib Povera, Ashiqin Ariffin - September 1, 2023 @ 11:58am

Prime Minister Datuk Seri Anwar Ibrahim (centre) launches the country's New Industrial Master Plan 2030 (NIMP). -





MISSION 1: Advanced economic complexity

MISSION 2: Tech up for a digitally vibrant nation

MISSION 3: Push for Net Zero

MISSION 4: Safeguard economic security and inclusivity

4 ENABLERS: Financing; Talents; EoDB; Governance

Sumber : NIMP 2030

Economic Complexity

Same sector but different complexity



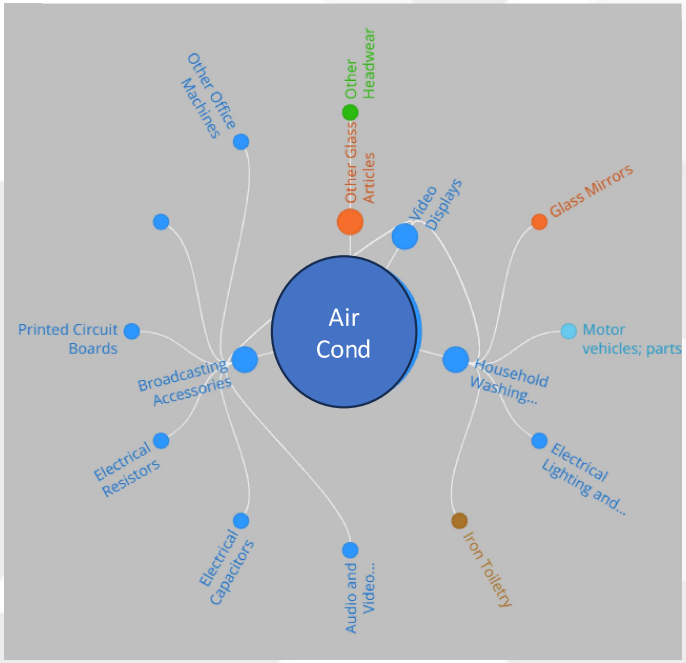
Basics
Low Complexity
RM500 mil

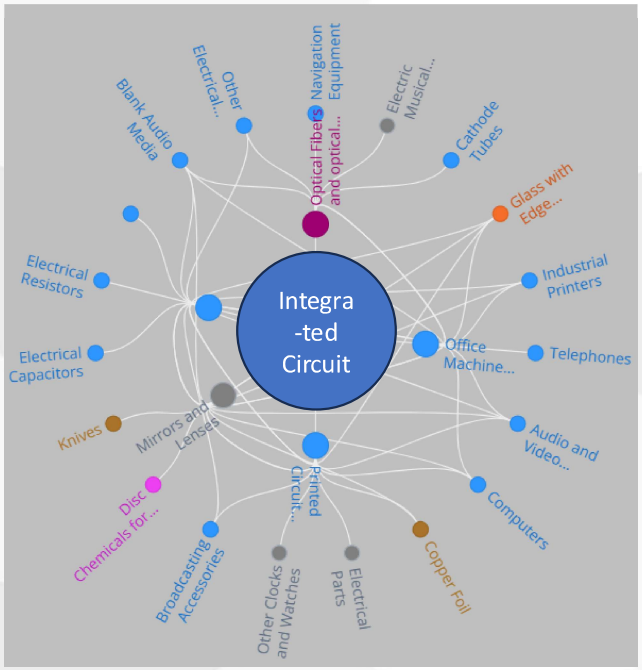


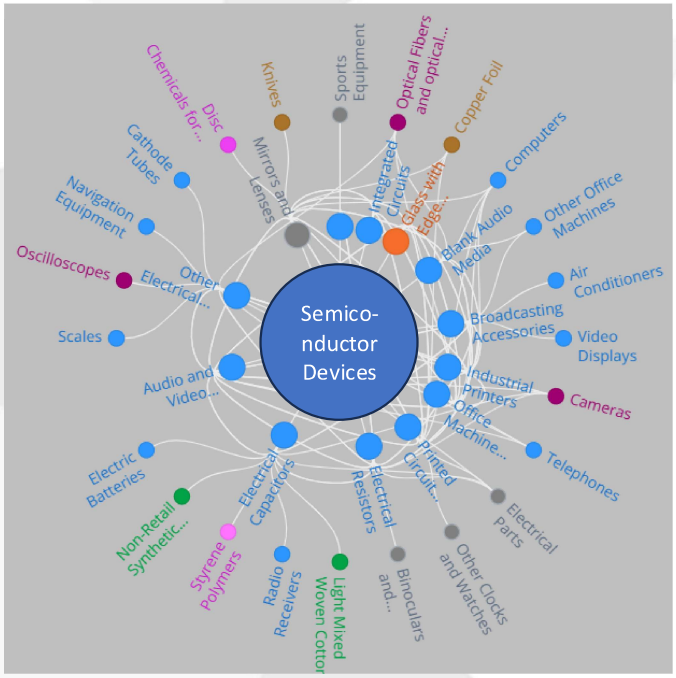
Sophisticated
High Complexity
RM500 mil

Sector: RM 1 bil
Complexity: RM500 mil

Increasing economic complexity allows economies to diversify, produce more sophisticated products, and experience higher economic growth, leading to greater wealth and improved human development. It also fosters innovation, creates high-skilled jobs, and can improve environmental performance.



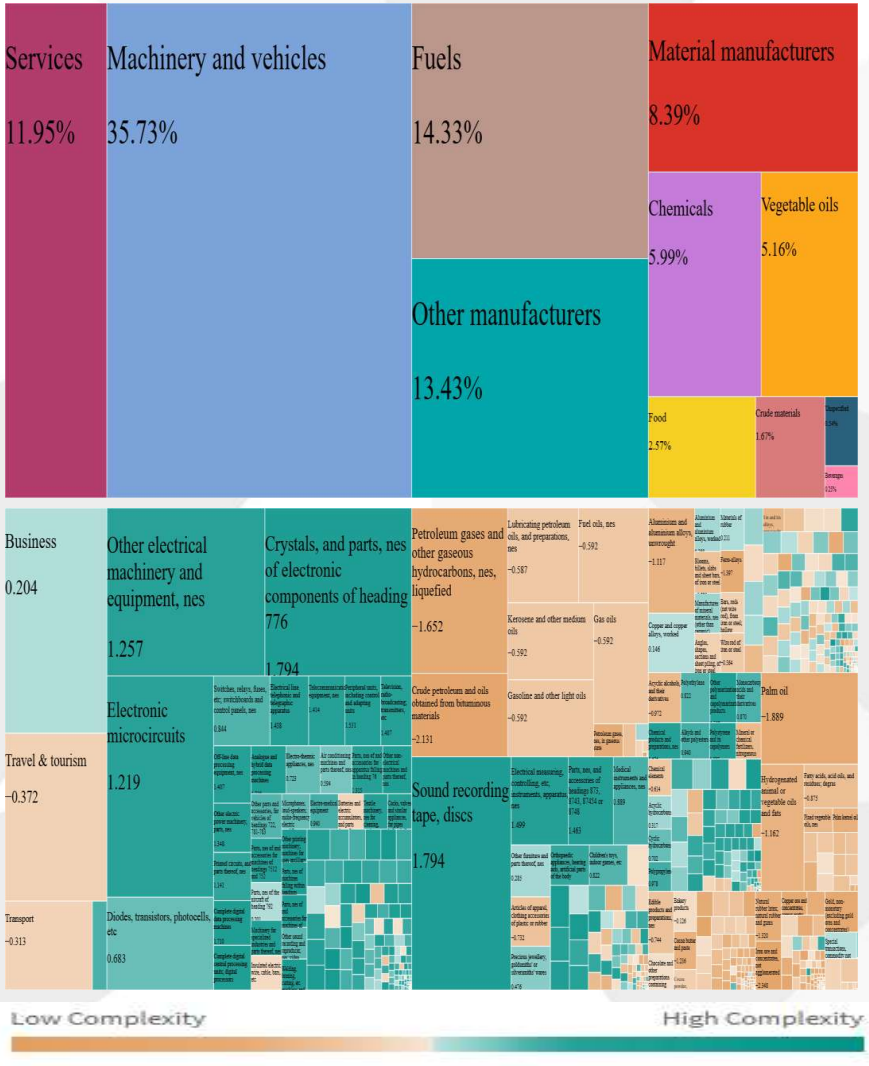




Increasing Complexity – Diverse network of products

Source : The Observatory of Economic Complexity

Malaysia's Exports 2023



Source : Economic Atlas, Harvard

Deciphering Malaysia's Investment Cycles

1. What do expect from investment-beyond monetary?
2. Growth is good BUT structure is better (for now especially).
3. NIMP 2030's Four (4) Missions & Four (4) Enablers must be firmly embedded in our assessment of progress.
4. Our policies, strategies, and actions must be parallel to our missions, i.e. the end goals.
5. Advancing Complexity is a vital mission – it is yet understood and subscribed by all. This must be a common language with respect to deciphering our investment cycles.
6. We should have similar tree diagram for our investment.


Sekian, Terima Kasih.
Thank you.