

**Current account surplus rises to RM30.4bil**  
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Malaysia's current account surplus in the first quarter (Q1) of 2010 rose by RM3.0 billion or 11.1 per cent to RM30.4 billion from RM27.4 billion in the previous quarter.

It was equivalent to 16.6 per cent of Gross Domestic Product.

The increase was mainly due to higher surplus on goods by RM7.1 billion to RM45.0 billion, from RM37.9 billion registered in the fourth quarter of 2009, and lower net payments on services of RM94.2 billion, from RM142.2 billion previously, the Department of Statistics said in a statement today.

Meanwhile, both income and current transfers registered higher net outlays of RM8.9 billion (Q4 2009: RM5.6 billion) and RM5.6 billion (Q4 2009: RM4.8 billion), respectively.

Year-on-year, the current account surplus declined by RM0.8 billion or 2.7 per cent, from RM31.3 billion in the last quarter of 2009, to RM30.4 billion, the department said.

The decline was attributed to higher leakages on both income and current transfers and reversal of services to net payments, thus offsetting higher goods surplus.

The department said in the first quarter of this year, the overall balance recorded a deficit of RM19.6 billion against RM3.0 billion registered in Q4 2009, an increase of RM16.6 billion, as current account remained positive while the financial account recorded higher outflows of RM19.5 billion.

The overall balance in 2009 reversed from an inflow of RM3.3 billion to an outflow of RM19.6 billion.

The capital account posted outflows of RM65.0 million in Q1 from RM33.0 million recorded in the Q4 2009 as a result of capital transfers which experienced a net outflow of RM36.0 million (Q4 2009: RM23.0 million).

In the Q4 2009, the net outflow from the financial account rose to RM19.5 billion, from RM17.4 billion a quarter ago, because of other investments of RM32.3 billion.

In contrast, portfolio and direct investments recorded inflows of RM11.6 billion and RM1.2 billion, respectively, it said.

Year-on-year, the financial account net flows narrowed to RM19.5 billion from RM31 billion, a year ago, due to a large turnaround in portfolio investment from -RM12.6 billion to +RM11.6 billion in the quarter under review.

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