

MALAYSIA WEEKLY ECONOMIC NEWS

(18 February 2019 – 22 February 2019)

Topics	Highlights
<p>Consumer confidence dips but Malaysians still positive on outlook</p>	<p>Malaysia has placed seventh globally on the Consumer Confidence Index (CCI), with an index score of 118 points in the fourth quarter of 2018 (4Q18), according to The Conference Board Global Consumer Confidence Survey, which is produced in collaboration with Nielsen. According to the survey, while there is a nine-point decrease from the previous quarter, the country still posted the biggest year-on-year gain among the 64 countries measured, up 24 points versus 4Q17. Driven by 3 indicators, namely consumer's perception on local job prospects, personal finances and intentions/ readiness to spend. Overall, perception on job prospects and intentions/ willingness to spend remain stable. The economy continues to rank as the top concern among Malaysians followed by job security, debt, and work-life balance. Action taken by Malaysian to control expenses include spending less on new clothes, cutting down on outside entertainment as well as switching to cheaper grocery brand.</p> <p style="text-align: right;"><i>(Source: The Borneo Post, 18 February 2019)</i></p>
<p>Malaysia's CPI Jan 2019</p>	<p>The overall index for Consumer Price Index decreased 0.7 percent in January 2019 to the 120.5 as compared to 121.3 in the corresponding month of previous year. The decrease in the index of Transport (-7.8 percent) which contributed to 14.6 percent of overall weight was countered by the increase in the index for Housing, Water, Electricity, Gas & Other Fuels (+2.0 percent) and Food and non-alcoholic beverages (+1.0 percent). The lower average price of RON 95 in January 2019 recorded RM1.98 per litre as compared to the RM2.28 price of the same year.</p> <p style="text-align: right;"><i>(Source: DOSM, 22 February 2019)</i></p>
<p>Malaysia Business Confidence heading down in Q1 2019</p>	<p>Malaysia business confidence in the first quarter of 2019 softens with the confidence indicator easing -2.2 percent after increasing 7.1 percent in fourth quarter 2018. The Statistics department said the industry, construction, wholesale and retail trade sectors expected their business situation to decline in the first quarter of 2019 with the confidence indicator as -3.6 percent, -18.9 percent and -8.2 percent respectively. However, the services sector anticipated that the business to improve at a moderate rate with smaller confidence indicator of +5.9 percent compared with +18.8 percent recorded in the last quarter. Meanwhile, the business performance from January to June 2019, is expected to turn less optimistic with the overall net balance registering +0.6 per cent compared with +12.3 per cent recorded in the previous survey results period. The department said respondents in the industry and services sectors anticipated positive business conditions for the period under review but lower at +0.5 per cent and +7.5 per cent, respectively.</p> <p style="text-align: right;"><i>(Malay Mail, 28 Feb 2019)</i></p>