

# MALAYSIA WEEKLY ECONOMIC NEWS

(21 October 2019 – 25 October 2019)

Topics	Highlights
<p><b>PUNB: 75% of 2019 Budget allocation given to Bumiputera entrepreneurs</b></p>	<p>Perbadanan Usahawan Nasional Bhd (PUNB) has committed 75% of its RM200 million allocation in the 2019 Budget as well as its internal funds to finance Bumiputera entrepreneurs' business development activities. On Bumiputera entrepreneurs performance under its scheme, they had performed quite well and had shown a lot of improvement, benefiting from the funds disbursed to them. In another development, in an effort to expedite the financing process and avoid confusion among applicants, Izwan said he had decided to decategorise the funds to make it more open and standard and this was done over the past six months. PUNB's funds were previously segregated into eight categories, namely Prosper Teras (core) scheme, Prosper retail, Prosper mobile truck retail, Prosper wholesale, Prosper young entrepreneurs, budding young entrepreneurs, Small and Medium Enterprise, and business premise.</p> <p style="text-align: right;"><i>(Source: The Star, 24 October 2019)</i></p>
<p><b>Malaysia ranks 12th in World Bank Doing Business 2020 report</b></p>	<p>The World Bank Doing Business 2020 Report has ranked Malaysia in 12th position amongst 190 economies worldwide, a further improvement from the 15th spot the previous year. Minister Datuk Darell Leiking said the improved ranking was due to the public and private sector members' collaboration and commitment within the technical working groups under the Special Task Force to Facilitate Business (PEMUDAH) to improve the ease-of-doing-business environment. Darell said PEMUDAH consistently launches improvement initiatives that impact positively on the ease of doing business by promoting regulatory efficiency, productivity and good governance. He said Malaysia's improved performance in the Doing Business 2020 Report attests that the on-going reform initiatives are on the right track to further enhance competitiveness, productivity and governance in the ease of doing business as well as to promote investments, which will accelerate national economic development and prosperity.</p> <p style="text-align: right;"><i>(Source: The Star, 24 October 2019)</i></p>
<p><b>KL, Selangor, Penang exceed national inflation rate</b></p>	<p>The consumer price index (CPI) in Kuala Lumpur rose by 1.7% in September from a year ago while that of Selangor and Putrajaya, Penang increased by 1.5%, according to the Statistics Department. Chief Statistician Malaysia, Datuk Seri Dr Mohd Uzir Mahidin said the CPI in September rose by 1.1% in September to 121.8 from 120.5 a year ago. "Out of 552 items covered in CPI, 372 items showed an increase in September 2019 as against September 2018. On the contrary, 133 items declined while 47 items were unchanged," he said. On a monthly basis, CPI remained unchanged at 121.8 as compared with August 2019.</p> <p style="text-align: right;"><i>( Source: The Star, 23 October 2019)</i></p>
<p><b>IMF: Strong ownership, enhanced dialogue needed in economic reform</b></p>	<p>A major push for structural reform in an economy requires strong ownership by all stakeholders of the reform agenda as well as enhanced dialogue between the government with business and civil society, says the International Monetary Fund. "Policymakers should factor in any harm reforms might have on income distribution and take well-communicated upfront steps to offset such side effects. "Strong social safety nets and active labour market programmes that help displaced workers find new jobs can help in this regard, given that reforms often mean simultaneous job creation and destruction," it said. In its research, the IMF said reforms are generally benign or even favourable politically when implemented swiftly after elections so that governments could reap the rewards from the medium-term economic gains.</p> <p style="text-align: right;"><i>(Source: The Star, 21 October 2019)</i></p>