

MALAYSIA WEEKLY ECONOMIC NEWS

(30 September 2019 – 4 October 2019)

Topics	Highlights
<p>August exports fall 0.8% to RM81.36b, below forecast</p>	<p>Malaysia's trade performance disappointed in August as exports slipped by 0.8% on-year (y-o-y) to RM81.36bil compared a Bloomberg survey of a 2.7% increase due to weaker exports of mining products. Compared to July 2019, trade, exports and imports dipped by 7.1%, 13.9% and 1.2%, respectively. MITI said exports of manufactured goods in August 2019, which accounted for 84.4% of total exports, grew by 0.1% to RM68.64bil. The expansion was contributed mainly by higher exports of manufactures of metal, transport equipment, iron and steel products, petroleum products, processed food as well as machinery, equipment and parts. Exports of mining goods (7.4% share) fell by 20.7% to RM6.01bil due to lower exports of crude petroleum registering lower volume and average unit value (AUV). However, exports of agriculture goods rose by 13% to RM5.98bil (7.4% share), buoyed by higher exports of palm oil and palm oil-based agriculture products. Exports of palm oil rose by f 31.4% to RM3.65bil following higher volume.</p> <p style="text-align: right;"><i>(Source: The Star, 4 October 2019)</i></p>
<p>Care sector could yield significant returns</p>	<p>Higher investment in the care sector could yield significant returns, including an increase in women labour force participation to 63% within five years, said Khazanah Research Institute (KRI) on Thursday. In its latest report, the research house noted that higher investment in the care sector could create over 16,000 jobs in the childcare industry and higher real gross domestic product (GDP) growth as much as 0.4% annually. KRI research associate Nazihah Muhamad Noor said in terms of labour participation, it could grow by 1.6 percentage point. "These are a very conservative estimate as we are assuming only 10% of women that are not working taking part in this programme," she told reporters.</p> <p style="text-align: right;"><i>(Source: The Star, 3 October 2019)</i></p>
<p>RCEP talks expected to conclude by year-end</p>	<p>International Trade and Industry Minister Datuk Darell Leiking has expressed optimism that the Regional Comprehensive Economic Partnership (RCEP) negotiations can conclude by year-end. He was confident that outstanding matters such as market access would continue to enjoy progress and would not hold back announcement of a substantive conclusion to RCEP talks next month. The statement said Malaysia's participation in RCEP is based on solidarity with Asean and the belief in fair trade, mutually beneficial to all countries involved. "This includes taking into consideration domestic sensitivities, constitutional constraints and different levels of economic development. "Malaysia fully shares the aspiration of Asean member countries to achieve the conclusion of RCEP and deepen regional integration with its economic partners," he added.</p> <p style="text-align: right;"><i>(Source: The Star, 2 October 2019)</i></p>
<p>With more investments, plastic recyclers see RM20b in annual revenue</p>	<p>Plastic recyclers expect their contributions to the economy to increase to between RM15bil and RM20bil annually if there is more investment in technology, infrastructure and upgraded capacity. The Malaysian Plastics Manufacturers Association (MPMA) and Malaysian Plastics Recyclers Association (MPRA) said Malaysia needed to go hi-tech in order for the plastics recycling industry to develop into a sustainable economy. "Policies and practices to support viable recycling industries for all materials are crucial to strengthen Malaysia's waste management system and prevent improperly disposed plastics from polluting the environment," the MPMA and MPRA said in the joint white paper "An advanced plastics recycling industry for Malaysia". They said the plastics recycling industry had contributed RM4.5bil to the Malaysian economy and they foresaw growth opportunity by converting waste to wealth and for catalysing the development of a circular economy.</p> <p style="text-align: right;"><i>(Source: The Star, 1 October 2019)</i></p>