

MALAYSIA WEEKLY ECONOMIC NEWS

(11 September 2017 – 15 September 2017)

Topics	Highlights
<p>Factory output up more than expected in July</p>	<p>Malaysia's factory output grew more than expected in July with a strong boost from shipments of electrical and electronics (E&E) as well as petroleum and petroleum-related products. The provisional data from the Statistics Department showed that the industrial production index (IPI) that measures factory output rose 6.1% in July from the same month a year ago versus market expectations of a 5.1% increase. The Statistics Department said the IPI's performance was driven by growth in the manufacturing, electricity and mining sectoral indices. Economists also expect the growth in exports to sustain into August, which the latest IPI data supports.</p> <p style="text-align: right;"><i>(Source: The Star, 12 September 2017)</i></p>
<p>Business events industry to produce more than RM3.9bil in GNI</p>	<p>Malaysia's business events industry is expected to generate more than RM3.9bil in gross national income and bring in 2.9 million visitors by 2020, said Tourism and Culture Minister, Datuk Seri Mohamed Nazri Abdul Aziz. He said the industry would also offer 16,720 jobs and last year alone, 5.1% of tourist arrivals came from business event visitors. Mohamed Nazri said the industry was also linked to all National Key Economic Areas in high-growth sectors, including health, finance, investment and education. He said topping the list was the medical and pharmaceutical sectors with 22 events, 20,900 delegates and RM166.45mil in estimated economic impact.</p> <p style="text-align: right;"><i>(Source: The Star, 11 September 2017)</i></p>
<p>Malaysia to raise issue of rubber price stability at conference</p>	<p>Malaysia will bring up the issue of the stability in world rubber prices at the coming International Rubber Tripartite Conference to be held in Bangkok, Thailand, on Sept 15. In a statement, the Plantation Industries and Commodities Ministry said Minister Datuk Seri Mah Siew Keong would lead the Malaysian delegation to the conference. The ministry said the issue of volatile global rubber pricing was a huge concern for local industry players which included some 450,000 rubber smallholders. He said Malaysia was the fifth largest global producer of natural rubber after Thailand, Indonesia, Vietnam and China in 2016. He said the rubber glove industry was also encouraged to use local latex to manufacture their products and reduce imports from neighboring countries. The Government has targeted to increase rubber plantation areas by 2020 and the size of the tanned area was also targeted to expand to one million hectares (ha) compared to 670,000ha currently.</p> <p style="text-align: right;"><i>(Source: Bernama, 11 September 2017)</i></p>
<p>US firms optimistic about Asean outlook</p>	<p>A special Asean 50th anniversary edition of the 2018 Asean Business Outlook Survey revealed that 56% of US companies' senior executives based in the region expected their profits to increase this year over that of last year, while 74% expected higher profits in 2018. It said 58% of the companies reported that Asean markets had become more important for their companies' global bottom lines for the past two years, and 62% said that their level of trade and investment in Asean increased during the period. Commenting on the survey, American Malaysian Chamber of Commerce (AMCHAM) executive director Siobhan Das said Malaysia continued to be an important US trading partner and serve, not only as a major US investment destination, but also a critical part of many global supply chains.</p> <p style="text-align: right;"><i>(Source: Bernama, 13 September 2017)</i></p>