

MALAYSIA WEEKLY ECONOMIC NEWS

(16 April 2018 – 20 April 2018)

Topics	Highlights
<p>Malaysia's economy to grow the fastest in the region after Philippine in Q1</p>	<p>Economists predict Malaysia's economy to grow at the fastest pace in Southeast Asia region after the Philippines in the 1Q of 2018. Malaysia is expected to register 5.6% growth in GDP in 1Q 2018, higher than emerging economies' GDP growth expectation of 5.4%. According to Bloomberg, Malaysia is forecasted to come in as the third fastest growing economy among emerging economies, below Philippines and Romania. JP Morgan Chase in its latest report said Malaysia's economy in the first quarter is expected to register strong growth, to be driven by stronger manufacturing exports. The banking group maintained Malaysia's overall GDP growth year-on-year at 5.8%, the highest on the street.</p> <p style="text-align: right;"><i>(Source: News Straits Times, 20 April 2018)</i></p>
<p>1 million job opportunities through MyApprenticeship</p>	<p>The MyApprenticeship programme will provide 1 million additional job opportunities for Malaysians, said Prime Minister Datuk Seri Najib Abdul Razak. The programme provided opportunities for apprenticeship in both the public and private sectors till 2019, targeting women and youths. It is a big agenda of the country to produce skilled and competent workers in various fields besides assuring jobs that promised higher income. To make MyApprenticeship a success, the government needed to forge close collaboration between the public sector, GLCs and the private sector to provide apprenticeship opportunities through asystematic training system. The government had also agreed to give double deduction tax incentive to all companies coming on board to realise the MyApprenticeship programme.</p> <p style="text-align: right;"><i>(Source: The Sun Daily, 20 April 2018)</i></p>
<p>Malaysia's March inflation rate at 1.3%, slowest in 20 months</p>	<p>Malaysia's consumer price index in March rose by 1.3% from a year earlier (Feb '18: 1.4%), its slowest pace in nearly two years. March's annual inflation rate was below the 1.6% forecast in a Reuters poll, and at its slowest since July 2016 when it was at 1.1%. However, by States, Selangor and Putrajaya recorded higher inflation at 1.6%, Melaka (+1.5%) and Kuala Lumpur (+1.4%). Inflation in March was kept in check by lower transport costs, which offset higher prices of food and non-alcoholic beverages. Headline inflation has moderated after staying above 3% every month last year, peaking at 5.1% in March 2017. Malaysia's central bank left its key interest rate unchanged last month, after hiking it in January for the first time in over three years, as inflationary pressures eased.</p> <p style="text-align: right;"><i>(Source: Malay Mail, 18 April 2018)</i></p>
<p>World Bank lifts Malaysia's economic growth forecast to 5.4%</p>	<p>The World Bank has raised its forecast for Malaysia's 2018 economic growth to 5.4% from October's 5% projection but warned risks from shifts in external demand and financial market conditions could hurt prospects of the trade-reliant country. Malaysia's exports growth is likely to be sustained in the first half of this year in line with the rise in global trade, the multilateral agency said in its latest East Asia and Pacific Economic Update. Economic growth, however, could moderate to 5.1% in 2019 and 4.8% in 2020. Global financial market shocks or weak exports could have 'disproportionately negative spillovers' on Malaysia. Domestically, risks relate primarily to relatively high level of household and public debt, as well as uncertainties surrounding forthcoming general election. The World Bank said that Malaysia could achieve high-income status between 2020 and 2024.</p> <p style="text-align: right;"><i>(Source: The Star Online, 16 April 2018)</i></p>