

MALAYSIA WEEKLY ECONOMIC NEWS

(15 January 2018 – 19 January 2018)

Topics	Highlights
<p>Labuan IBFC to trigger local economy</p>	<p>The federal Government strives to turn the Labuan International Business and Financial Centre (IBFC) into a business and financial hub that can help trigger more meaningful economic activities on the island. It was time for Labuan IBFC to take a relook at its operational journey to enable it to provide an additional spillover and integrate its operations with the local economy. For over 30 years, Labuan, as a duty-free island, and Labuan IBFC, have played an important role in the country.</p> <p style="text-align: right;"><i>(The Star, 15 January 2018)</i></p>
<p>Dacsee optimistic about Malaysian prospects</p>	<p>Ride-sharing platform Decentralized Alternative Cabs Serving & Empowering Everyone (Dacsee) has recruited 4,800 drivers in 10 days, ahead of its official launch in April. Dacsee is optimistic about the company's potential in Malaysia and is aggressively promoting the business. Dacsee, which was recently launched in Thailand, aims to expand into Indonesia, India and China. In Malaysia, the platform is being adopted by local technology partner DMD Technology Sdn Bhd, which is spearheading the localization, customisation and integration in the country.</p> <p style="text-align: right;"><i>(The Star, 16 January 2018)</i></p>
<p>Digital boom a catalyst to increase Malaysia's economic growth</p>	<p>The rising digital disruption and robust e-commerce penetration in Malaysia are expected to boost the country's overall economic growth, in tandem with the significant increase in consumers' spending power. Internet economy is also expected to allow Malaysia to diversify and not rely mainly on normal raw materials export, while creating a good source of demand. Malaysia is still way behind other developed countries and other emerging markets for the digital space to contribute significantly to the gross domestic product (GDP). Malaysia's GDP growth expanded 6.2% in the third quarter of 2017, the highest since 2Q14, driven by domestic demand and particularly, private sector spending.</p> <p style="text-align: right;"><i>(The Malaysian Reserve, 18 January 2018)</i></p>
<p>RAM Ratings reaffirms Malaysia's sovereign ratings to "stable"</p>	<p>RAM Ratings has reaffirmed Malaysia's respective global, ASEAN and Malaysia domestic-scale sovereign ratings. The ratings reflect the country's resilient economic growth and the Government's fiscal consolidation efforts while the country's external indicators were still supportive of its current ratings, although high government and household debt levels remain concerns. Malaysia's economic growth, estimated at 5.8% in 2017, exceeds initial expectation of 4.5% due to rapid export growth amid a broad-based recovery in global economic conditions. Resilient growth in 2017 is also indicative of the domestic economy adjusting to previous structural reforms.</p> <p style="text-align: right;"><i>(The Star, 19 January 2018)</i></p>

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 25 January 2018