

MALAYSIA WEEKLY ECONOMIC NEWS

(4 March 2019 – 8 March 2019)

Topics	Highlights
<p>Business Confidence to remain weak after 1H</p>	<p>Business Confidence to remain weak after 1H</p> <p>The weaker business confidence expectations for the first half (1H) of 2019 is expected to continue for at least another quarter or two before sentiments approved. The less optimistic view is because of the global outlook as well as the underlying domestic issue in Malaysia. The trade protectionist mindset will still be there, therefore businesses will still wary going forward. The Statistic Department has also stated that business confidence in the first quarter 2019 has softened with the confidence indicator dropping to -2.2% after rising 7.1% in the fourth quarter of 2018. Besides that, change in government has also contributed to the negative business confidence due to unclear business direction. Besides that, the firm will also be adopting the wait-and-see approach, whereby they will only spend when others do. On the domestic front, only consumer-related businesses is holding up growth and will feel slightly better whereas other businesses related to construction and housing development would continue to feel uneasy. However, some economist are hopeful of a turnaround following the recent set up of Economics Action Council.</p> <p>(The Edge Market, 4 Mac 2019)</p>
<p>Bursa Malaysia almost flat at close</p>	<p>Bursa Malaysia almost flat at close</p> <p>Bursa Malaysia was almost flat at today's close, with some buying in selected heavyweights but offset by selling in small caps, a dealer said. The benchmark index opened 4.49 points weaker at 1,682.33 and moved between 1,682.33 and 1,690.23 throughout the day. On the scoreboard, market breadth was negative with 460 losers to 428 gainers, while 388 counters remained unchanged, 602 untraded and 20 others suspended. Volume was lower at 3.06 billion units worth RM2.41 billion from 3.16 billion units valued at RM2.5 billion recorded yesterday. Phillip Capital Management senior vice-president (investment) Datuk Dr Nazri Khan Adam Khan said the local bourse is a defensive market and is currently receiving local buying support. Another dealer echoed a similar sentiment, saying there was interest in heavyweights on the exchange, but it was weighed down by the cautious sentiment among investors. Separately, Bursa Malaysia Securities Bhd today issued an Unusual Market Activity query to Lafarge Malaysia Bhd on the sharp rise in the company's share prices.</p> <p>(Source: Bernama, 7 March 2019)</p>
<p>Malaysia's exports inched up 3.1% in January</p>	<p>Malaysia's exports inched up 3.1% in January</p> <p>The exports of manufacturing and mining goods underpinned export growth. Malaysia's exports edged up 3.1% YoY in January, outperforming export growth across most ASEAN countries including Singapore and Indonesia which witnessed YoY declines of 10.1% and 4.7% respectively, according to a report by UOB Global Economics & Market Research. The strong performance was attributed to strong demand from China, EU, US, Thailand, South Korea and Taiwan, with strong orders coming ahead of the Lunar New Year holidays in February. However, cautionary measure on other structural issues involving competition, technology transfer, and intellectual property protection.</p> <p>(Source: Singapore Business, 5March 2019)</p>