

MALAYSIA WEEKLY ECONOMIC NEWS

(11 November 2019 – 15 November 2019)

Topics	Highlights
<p>Economy grew slower at 4.4% in 3Q but within forecast</p>	<p>Malaysia's economy expanded by 4.4% in the third quarter of 2019 (3Q2019), which was line with a Bloomberg survey, due to slower growth in service and manufacturing. The 3Q GDP growth was slower than the 4.9% in 2Q, according to a statement released by the Department of Statistics Malaysia. Bank Negara Malaysia Governor Datuk Nor Shamsiah Mohd Yunus said for the nine months, the economy expanded by 4.6%. She said the pace of growth was expected to be sustained for the remainder of the year and going into 2020. Household spending will remain the key driver of growth, supported by continued employment and income growth. "Private investment growth is projected to remain modest, supported partly by realization of approved projects, while public investment will be a smaller drag to growth following planned higher capital spending mainly in the transportation segment," she add.</p> <p style="text-align: right;"><i>(Source: The Star, 15 November 2019)</i></p>
<p>Malaysia's population in 3Q up 0.06% to 32.63 million</p>	<p>Malaysia's population rose by 0.06% in the third quarter ended Sept 30, 2019 to 32.63 million from a year ago while the Statistics Department data showed the number of people aged 65 and above was on the rise. Chief Statistician Datuk Seri Dr Mohd Uzir Mahidin said on Thursday of the 32.63 million people, citizens accounting for 29.64 million or 90.3% and the remaining 23.18% were non-citizens. The number of males rose from 16.74 million (in 3Q 2018) to 16.85 million while the number of females increased from 15.69 million to 15.78 million. The sex ratio remained at 107 males per 100 females. "Selangor remained as the most populous state in the third quarter 2019 with 6.54 million people. Labuan recorded the lowest at 99,400," he said in the report on Demographic Statistics for 3Q 2019. In 3Q 2019, there were 124,150 live births, down by 3% from a year ago when there were 127,956 live births.</p> <p style="text-align: right;"><i>(Source: The Star, 14 November 2019)</i></p>
<p>September IPI up 1.7%, in line with survey</p>	<p>Weakness in the electrical and electronics (E&E) segment continued to weigh down the manufacturing sector as the industrial production index (IPI) expanded at 1.7% in September. The growth, which is similar to the 1.7% increase in August on-year, is in line with a Bloomberg survey. In August, the IPI recorded a 1.9% increase on-year. The IPI growth in September was driven by the increase in the indices of manufacturing (2.5%) and electricity (4.1%). However, the mining index fell by 1.6%. On a year-on-year basis, manufacturing output – which is the largest component in the IPI – increased at a slower pace of 2.5% in September from 3.6% in August 2019. The Statistics Department said major sub-sectors contributing to the increase in September were transport equipment and other manufactures (6.3%); non-metallic mineral products, basic metal and fabricated metal products (3.8%) and petroleum, chemical, rubber and plastic products (2.1%).</p> <p style="text-align: right;"><i>(Source: The Star, 12 November 2019)</i></p>
<p>Food delivery firm delivers on growth</p>	<p>According to a Statista on-line food delivery survey for Malaysia, the revenue of the online food delivery segment is expected to hit US\$145mil (RM599mil) in 2019. DeliverEat founder and chief operating officer Leong Shir Mein says the business is booming mainly because food delivery is gaining wider acceptance as people are starting to experience the convenience of the process. "Each person spends at least RM10 nowadays for a meal," she notes. She adds that the market education carried out by various food delivery players over time has also changed trends among consumers. "Initially, people thought that we could only deliver fast food such as burgers, pizzas and fried chicken. Now they realise that we deliver for more than 2,000 restaurants, and we can also deliver for hawkers. The number of restaurants will double over the next 12 months," she says.</p> <p style="text-align: right;"><i>(Source: The Star, 11 November 2019)</i></p>