

MALAYSIA WEEKLY ECONOMIC NEWS

(16 September 2019 – 20 September 2019)

Topics	Highlights
<p>Haze taking its toll on businesses</p>	<p>While restaurants and traders are suffering from the haze, online food delivery companies are laughing all the way to the bank. One of Penang's most famous nasi kandar outlets, Nasi Kandar Line Clear, was among those that saw a drastic drop in customers because of the haze. The restaurant in Penang Road, which is usually crowded, was a sight of empty chairs and tables, with only a few customers. The owner of Weld Quay Oo Qio dessert stall also claimed that he suffered a 40% drop in business due to the haze. Koay Beng Tatt, 36, who inherited the business from his grandfather, said he only a few regular customers have been patronising his stall lately. "But now with the haze, most people are seeking shelter indoors," Koay said. Meanwhile, online food delivery companies are seeing brisk business, with one, DeliverEat Sdn Bhd, seeing a surge of 40% in daily orders. "We have daily meal orders of 8,000, but this has now increased to more than 11,000 over the last few days. "People are health-conscious and are not taking any chances. "Furthermore, it is convenient to order out," said its co-founder Leong Shir Mein. Leong also said she ensures that her riders are always wearing their facemasks during their delivery rounds.</p> <p style="text-align: right;"><i>(Source: The Star, 20 September 2019)</i></p>
<p>Move to hold rates may attract foreign inflows into Malaysia</p>	<p>The move to hold the key benchmark rate unchanged may attract foreign capital flows into Malaysian bonds but much will be dictated by external headwinds after the latest data showed lower foreign holdings of local bonds. Economists and bond analysts concurred that global monetary easing would see capital flows into emerging markets, including Malaysia, as investors seek higher yields across regional markets. They agreed that the global environment and local developments in the market may impact foreign holdings of Malaysian bonds, particularly the Malaysian Government Securities (MGS). In August, foreign holdings of local bonds eased slightly, breaking the upward trend in foreign ownership seen in the last two months (June and July). The local bond market recorded a total net foreign outflow of RM0.9bil (July: +RM5.8 bil). Meanwhile, total foreign holdings of local bonds stood at RM188.2bil (July: RM188.3bil), representing 12.6% of total outstanding, according to Malaysian Rating Corp Bhd (MARC) in its latest Monthly Bond Market & Rating Snapshot. The local bond market registered heavy foreign outflows in April and May due to possible exclusion of Malaysia from the World Government Bond Index (WGBI) and US-China trade tensions.</p> <p style="text-align: right;"><i>(Source: The Star, 16 September 2019)</i></p>
<p>Pepper board eyes overseas markets</p>	<p>The Malaysian Pepper Board is targeting to generate sales revenue of RM10mil a year in value-added pepper products, which are currently being rebranded. The board's director-general Stanley Liew (pic) is optimistic that the targeted sales could be achieved in five years as the board has planned for an aggressive campaign to not only boost sales in domestic markets but push a wide range of products in export markets. "Currently, the board's annual sales revenue of these pepper products are more than RM1mil. We have yet to export them," he told. "The formulas for these new products from our research team have been tested. It is for us to produce them commercially and market them." He said as Sarawak pepper is renowned for its quality and well sought by visitors, the board plans to introduce gift and tourist packs to increase sales. According to Liew, a leading marketing and branding consultant appointed by the board has come up with recommendations on ways to rebrand the pepper products, including a new logo and prestige packaging, as well as strategies to market them to boost sales.</p> <p style="text-align: right;"><i>(Source: The Star, 16 September 2019)</i></p>