MALAYSIA WEEKLY ECONOMIC NEWS

(16 October 2017 – 20 October 2017)

Topics	Highlights
Malaysia to further boost halal industry credentials	Malaysia, which is already playing a leading role in the global halal industry, will explore new initiatives to further boost the Islamic economy. Deputy Prime Minister YBhg. Datuk Seri Dr Ahmad Zahid Hamidi said the halal industry could help make the country more competitive and the economy more sustainable. One of the initiatives is to make Malaysia's halal brand more international and the centre of halal global excellence. *(The Star, 17 October 2017)*
Private health and social sector growing by leaps and bounds	Malaysia's private healthcare and social work services sector has been growing by leaps and bounds, the Department of Statistics 2016 Economic Census revealed. The country has some 14,930 private establishments providing general and specialised medical services, dental services, hospital services, dialysis centres, child day-care, residential care and maternity homes among others, in 2015. These establishments contributed RM16.8 billion to Malaysia's economy in 2015, compared to RM10.4 billion from 9,152 such establishments in 2010. Some 121,088 people were employed in this sector in 2015, out of which 88.5% are full-time employees, 2.2% are paid part-time employees while the remaining 9.3% are owners or unpaid family workers. Women dominated this sector with 83,887 engaged persons (69.3%), compared to men at 37,201 (30.7%) in 2015. (The Star, 19 October 2017)
MIER ups 2017 GDP growth forecast to 5.4%	The Malaysian Institute of Economic Research (MIER) has revised upwards Malaysia's gross domestic product (GDP) to 5.4% for 2017, driven by domestic and stronger external demands. The revision was 0.6% higher from its July forecast of 4.8%. The economy performed strongly in the first half of the year, with the 5.7% GDP growth driven by domestic demand. However, MIER forecasted that household and private investments in the second half of 2017 will not be growing as fast as the first half. The domestic demand was expected to grow by 4.8% this year, an upward revision of 0.2%, while private consumption was expected to grow by 6.1%, an upward revision of 0.1%. *(The Star, 19 October 2017)*
Malaysia attracts lower approved investments as services sector slows	Malaysia recorded a 28.2% year-on-year drop in approved investments in all sectors excluding construction to RM65.4 billion for the first half-year (H1) of 2017, according to the Malaysian Investment Development Authority (MIDA). These investments in the services, manufacturing and primary sectors involved 2,294 projects that would create 61,930 job opportunities. The agency attributed the fall in investments mainly to a 41% plunge in the number of approved investments recorded for the services sector, in line with the slowdown in the property market. Approved investments for the manufacturing sector had also fallen, which was partly due the large amount of investments that went into Pengerang, Johor, and the Refinery and Petrochemical Integrated Development (Rapid) project. It also conceded that Malaysia was unable to compete with several countries in the region in terms of labour cost. *(The Star, 19 October 2017)*

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