

MALAYSIA WEEKLY ECONOMIC NEWS

(12 April 2021 – 16 April 2021)

Topics	Highlights
<p>Economic reforms aligned with global benchmarks</p>	<p>The government has ensured that economic reforms are aligned with global benchmarks, including the environment, social and governance (ESG) goals. Senior Minister and International Trade and Industry Minister Datuk Seri Mohamed Azmin Ali said the outcomes on this front will also reflect Malaysia's commitment in facilitating investors, enhancing efficiency and improving the ease of doing business. "It bears stressing that the agenda of defining Malaysia's investment value proposition is encapsulated in our National Investment Aspiration, a forward-looking strategy aimed at attracting quality investments driven by innovation, high-technology, green economy and greater inclusion of domestic supply chains," he said.</p> <p style="text-align: right;"><i>(Source: The Star, 16 April 2021)</i></p>
<p>Inter-zone tourism allowed in Sabah, but only through ministry-registered firms</p>	<p>The Sabah government will allow tourism-related movement between zones in the state as long as it is handled by tourism agencies or companies registered with the Tourism, Arts and Culture Ministry. State Local Government and Housing Minister Datuk Seri Masidi Manjun said transportation is restricted to ministry-registered tourism vehicles, and individual travel between zones for tourism activities is not allowed. This is based on the updated standard operating procedures (SOP) for the recovery movement control order (MCO) for Sabah which is in effect from Thursday (April 15) until April 28. "Tourism companies must get police permission to move between zones and the movement must be direct to the destination (point to point). Stopping at other areas or zones is not allowed.</p> <p style="text-align: right;"><i>(Source: The Star, 16 April 2021)</i></p>
<p>We are open to FTAs as long as it is a fair deal to us, PM tells industry players</p>	<p>Malaysia is open to all free trade agreements (FTAs) as long as it is fair and benefits the nation, Prime Minister Tan Sri Muhyiddin Yassin told industry players. At a closed-door meeting with major industry players from the private sector at the International Trade and Industry Ministry headquarters on Thursday (April 15), Muhyiddin said that the private sector need not worry when the government decides to ratify certain FTAs. "In addition, we will continue to engage constructively in regional economic integration initiatives, including through an active pursuit of FTAs, which bring tangible benefits to Malaysia," said Muhyiddin. He said this was why Malaysia signed the Regional Comprehensive Economic Cooperation Agreement (RCEP), which grants preferential access to a market worth 29% of the global GDP.</p> <p style="text-align: right;"><i>(Source: The Star, 15 April 2021)</i></p>
<p>OPR likely to stay at 1.75%</p>	<p>The overnight policy rate (OPR) is likely to stay unchanged at 1.75% following an anticipated recovery in the economy. There are market expectations that Bank Negara would initiate further cuts of up to 25 basis points to the OPR at the beginning of this year, which did not materialise. If there had been a cut in OPR, AmBank Research said that the 3-month Klibor would have trended down to 1.69% from 1.94% presently. "Recent macro indicators have shown signs of economic recovery taking place," the research house said. Klibor generally refers to the interbank lending rate, or interest rate imposed by banks when they are lending funds to each other. As a trading nation, Malaysia's economy is benefiting from improving global trade and growth.</p> <p style="text-align: right;"><i>(Source: The Star, 14 April 2021)</i></p>