

MALAYSIA WEEKLY ECONOMIC NEWS

(19 April 2021 – 23 April 2021)

Topics	Highlights
<p>CPI up 1.7% to 122.9 in March 2021</p>	<p>Malaysia's Consumer Price Index (CPI) increased 1.7% to 122.9 in March 2021 from 120.9 in the same month last year, said the Department of Statistics Malaysia (DoSM). This was a positive increase for two consecutive months since February 2021. The increase in the overall index was driven by the index of transport (9.8%), food and non-alcoholic beverages (1.5%), miscellaneous goods and services (1.0%) and furnishings, household equipment and routine household maintenance (0.9%). Out of 552 items covered in the CPI, 338 items showed an increase in March 2021. However 141 items declined while 73 items were unchanged.</p> <p style="text-align: right;"><i>(Source: The Star, 23 April 2021)</i></p>
<p>Business Conditions Index up on economic recovery</p>	<p>Malaysia's Business Conditions Index (BCI) increased by 28.8 points year-on-year (y-o-y) to 111.8 points in the first quarter (Q1) ended March 2021, indicating that manufacturers had regained their confidence since the outbreak of the Covid-19 in Q1 2020. The Malaysian Institute of Economic Research (Mier) said the expansionary mode was also partly driven by the recovery in the domestic and global economy, the launch of the National Covid-19 Immunisation Programme and the provision of the economic stimulus packages to manufacturers. On a quarter-on-quarter (q-o-q) basis, Mier said the BCI slipped 3.6 points to 111.8 points, attributable to the decline in sales following the drop in domestic and external orders, as well as the falling production due to lower demand from local and foreign sources.</p> <p style="text-align: right;"><i>(Source: The Star, 23 April 2021)</i></p>
<p>Uneven labour force conditions leads to unemployment rate reaching 4.5% in 2020</p>	<p>The uneven Malaysia's labour force situation in 2020 was profoundly caused by the health crisis and economic consequences, leading the unemployment rate to reach 4.5% compared to 3.3% in 2019, said the Department of Statistics Malaysia (DOSM). Throughout 2020, the global labour market was in uncertainty, resulting in job losses and reduction in working hours, as well as source of income, following the COVID-19 pandemic and strict containment measures adopted. During the health crisis, the monthly unemployment rate was hovering between 3.9% and 5.3%, an addition of more than 200,000 of unemployed persons. The resumption of more business activities with adherence to strict standard operating procedures under the Movement Control Order (MCO) towards the end of the year has helped balance the health interest with economic and businesses recovery.</p> <p style="text-align: right;"><i>(Source: The Star, 22 April 2021)</i></p>
<p>Microsoft regional data centre to create 19,000 jobs</p>	<p>The establishment of Microsoft Corp's first datacentre region in Malaysia under its "Bersama Malaysia Initiative" costing at least US\$1 billion over the next five years is expected to create 19,000 jobs, including 4,000 IT-related jobs among its cloud users. According to the International Data Corporation, the ripple effects of the datacentre region investment could translate into US\$6.90 (about RM28.47) of revenue generated in the local cloud ecosystem for every US\$1 of Microsoft Malaysia's cloud revenue by 2024. Under the initiative, he said Microsoft has also formed five partnerships with government agencies and local companies, including the Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), Human Resources Development Fund, Petronas, Celcom, and Grab.</p> <p style="text-align: right;"><i>(Source: The Star, 19 April 2021)</i></p>