

MALAYSIA WEEKLY ECONOMIC NEWS

(25 October 2021 – 29 October 2021)

Topics	Highlights
<p>PPI for local production up 12.3% in September</p>	<p>Malaysia's Producer Price Index increased by 2.3% year-on-year (y-o-y) in September 2021, mainly due to a 68.1% y-o-y surge in the mining index. The increase in the PPI was also supported by the growth in the agriculture, forestry and fishing, as well as the manufacturing indices, which expanded by 24.8% and 7.7% y-o-y, respectively. However, the electricity and gas supply, as well as water supply indices decreased by 0.2% and 0.8% y-o-y, respectively. On a month-on-month (m-o-m) comparison, the PPI rose by 0.4% in September 2021 compared to the previous month. The agriculture, forestry and fishing index grew at a modest rate of 0.3% m-o-m, due to a slower increase in prices of oil palm fresh fruit bunches. Meanwhile, the electricity and gas supply, as well as water supply indices recorded a drop of 0.5% and 0.1% m-o-m, respectively.</p> <p style="text-align: right;"><i>(Source: The Star, 29 October 2021)</i></p>
<p>September exports hit record monthly high of RM110.83bil</p>	<p>Double-digit growth in Malaysia's September exports to Asean, China, the US and Japan boosted the country's total exports by 24.7% to a new monthly high of RM110.83bil. On the back of the improved export performance, trade surplus grew 19.1% y-o-y to a record monthly value of RM26.13bil, International Trade and Industry Ministry (Miti) data shows. September's performance also contributed to a record quarter for exports, which rose 15.8% y-o-y to RM303.74bil in 3Q. Meanwhile, imports in September climbed 26.5% y-o-y to RM84.7bil, bringing the country's total trade in September to a monthly record of RM195.54bil, up 25.5% from a year ago.</p> <p style="text-align: right;"><i>(Source: The Star, 28 October 2021)</i></p>
<p>InvestPenang, HSBC ink MoU to attract high-quality investment</p>	<p>InvestPenang and HSBC Bank Malaysia Bhd (HSBC) have inked a memorandum of understanding (MoU) to focus on bringing high-quality foreign direct investments into Penang and Malaysia, while tapping into each party's comparative advantage as leverage. InvestPenang director Datuk Seri Lee Kah Choon said the global supply chain reconfiguration and technological advancement have moved the needle in terms of business establishment. This strategic public-private partnership aims to elevate the state's existing efforts in attracting high-quality investors, by riding on HSBC's international network which provides access to more than 90 per cent of global gross domestic product (GDP), trade and capital flows and key markets in more than 60 countries, while capitalising on InvestPenang's investment promotion initiatives.</p> <p style="text-align: right;"><i>(Source: The Star, 26 October 2021)</i></p>
<p>Improving exports of merchandise</p>	<p>The newly launched National Trade Blueprint (NTBp) by Prime Minister Datuk Seri Ismail Sabri Yaakob aims to position Malaysia as a dynamic and pre-eminent trading nation through sustainable export development. This will support the realisation of the country's export target of RM1.252 trillion in 2025 as set by the 12th Malaysia Plan (12MP). The blueprint's framework is guided by four strategic priorities, three strategic themes and eight strategic thrusts with 40 recommendations to improve and enhance Malaysia's trade competitiveness. Among the specific areas under the ecosystem covered by the NTBp are trade facilitation and logistics, standards and conformance, trade promotion and market access, sustainability and innovation, digitalisation and technology as well as investment and branding.</p> <p style="text-align: right;"><i>(Source: The Star, 26 October 2021)</i></p>