LI Signals Growth Momentum to Soften

MONTHLY ECONOMIC REVIEW
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Economic Review



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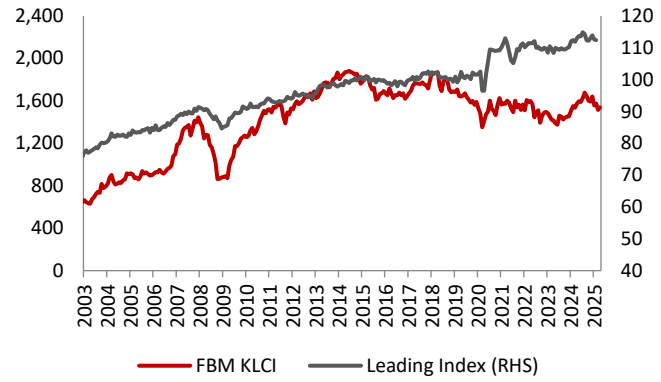
- LI was unchanged in Feb-25. Malaysia's economy continues to grow at a moderate pace, although growth momentum will likely soften with the leading index (LI) in Feb-25 unchanged from a year ago (Jan-25: +0.4%yoy). The coincident index (CI), on the other hand, posted stronger growth of +2.0%yoy (Jan-25: +0.1%yoy), reaching 127.2 points (Jan-24: 124.7 points).
- GDP growth moderated more than expected in 1QCY25. Based on advance estimate, Malaysia's GDP growth moderated further to +4.4%yoy in 1QCY25 (4QCY24: +5.0%yoy). In addition to sharper contraction in the mining sector, growth eased in services, manufacturing and construction sectors.
- Stronger export performance in Mar-25. Malaysia's total trade continued to expand by +2.2%yoy in Mar-25 (Feb-25: +5.9%yoy), albeit at a slower pace. The growth was driven by stronger export performance, which rose +6.8%yoy (Feb-25: +6.2%yoy), sustaining the improving momentum from the previous month.
- Retail spending growth eased, but wholesale gains led to stronger distributive trade. Malaysia's retail spending growth eased to +5.8%yoy in Feb-25 (Jan-25: +8.2%yoy). However, the overall distributive trade growth improved to +5.1%yoy (Jan-25: +4.6%yoy) on the back of stronger rise in the wholesale trade (+5.3%yoy; Jan-25: +4.8%yoy) and rebound in motor vehicles sales (+1.5%yoy; Feb-25: -9.1%yoy).
- Malaysia's GDP growth to moderate to +4.0% this year. We forecast Malaysia's GDP will experience a more moderate of +4.0% this year (2024: +5.1%), driven by sustained growth in the domestic spending. Our latest projection also assumed the external trade will grow at slower pace, taking into account the expected slowdown in demand growth from major markets like the US following the tariff hikes announced by the US government.

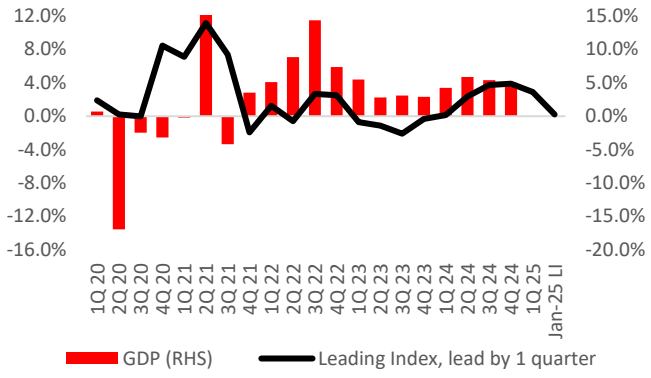
LI was unchanged in Feb-25. Malaysia's economy continues to grow at a moderate pace, although growth momentum will likely soften with the leading index (LI) in Feb-25 unchanged from a year ago (Jan-25: +0.4%yoy). The slowdown in LI was mainly driven by the sharp double-digit contraction in the *Number of Housing Units Approved* (-34.5%yoy) and the *Real Imports of Other Basic Precious & Other Non-ferrous Metals* (-21.5%yoy). Contrastingly, on a monthly basis, the leading index dropped at softer pace of -0.2%mom (Jan-25: -1.1%mom). The slower decline stemmed from the rebound in *Real Imports of Semiconductors* (+0.5%mom; Jan-25: -0.2%mom) and *Imports of Other Basic Precious and Non-ferrous Metals* (+0.2%mom; Jan-25: -0.6%mom). Meanwhile, the sustained decline was driven by continued contraction in other five out of seven LI components. The coincident index (CI), on the other hand, posted stronger growth of +2.0%yoy (Jan-25: +0.1%yoy), supported by broad-based gains across all CI components. On a monthly basis, the CI expanded by +1.9%mom (Jan-25: -1.4%mom), driven by a sharp growth in *Capacity Utilisation in the Manufacturing Sector* (+2.3%mom; Jan-25: -1.9%mom). Nonetheless, the index performance was also weighed down by reduced *Real Contributions to EPF* (-0.4%mom; Jan-25: +0.4%mom). The smoothed long-term trend shows that the LI in Feb-25 remained below 100.0 points, suggesting moderate economic growth prospects for Malaysia in the near term. Amid challenges from higher tariff and potentially weaker external demand, strong domestic demand, resilient household spending, and higher investments are expected to support national economic growth this year.

Chart 1: Leading Index vs KLCI (Points)



Source: Bloomberg, MIDFR

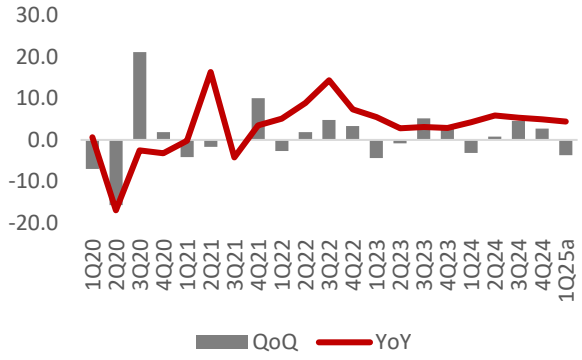
Chart 2: Leading Index vs GDP (YoY%)



Source: Bloomberg, MIDFR

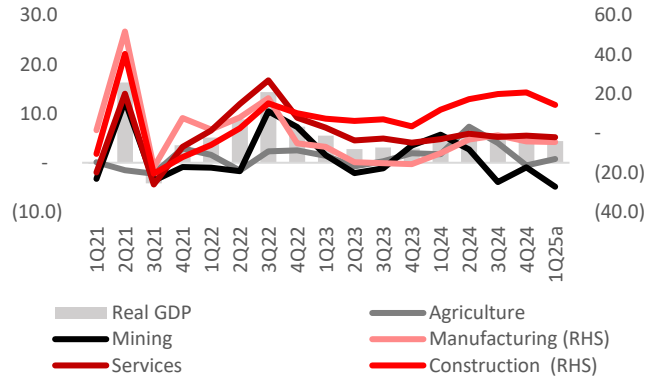
GDP growth moderated more than expected in 1QCY25. Based on advance estimate, Malaysia's GDP growth moderated further to +4.4%yoy in 1QCY25 (4QCY24: +5.0%yoy). The services sector continued to grow albeit slightly slower at +5.2%yoy (4QCY24: +5.5%yoy) underpinned by growth in wholesale & retail trade, logistics & storage and information & communication services. Meanwhile, growth in the manufacturing sector eased marginally to +4.2%yoy (4QCY24: +4.4%yoy), following higher output in E&E and optical devices, oil & fats products, food processing as well as petroleum, chemical, rubber and plastic products. Meanwhile, the mining & quarrying industry contracted at a sharper pace of -4.9%yoy (4QCY24: -0.9%yoy) due to reduced output of crude oil and natural gas. The agricultural sector, on the other hand, rebounded to +0.7%yoy (4QCY24: -0.5%yoy) due to higher growth in fishery and other agriculture sub-sectors, offsetting weaker palm oil production. Construction continued to contribute positive and sustained double-digit growth albeit relatively slower at +14.5%yoy (4QCY24: +20.7%yoy), supported by growth in specialized construction activities and residential sector. The moderation in GDP growth is in line with our expectations as signaled by slower IPI growth. However, the pick-up in exports and higher trade surplus in Mar-25 suggest a potential upward revision to 1QCY25 GDP as companies frontloaded production and deliveries ahead of the announcement of reciprocal tariffs by the US, which could hurt external trade outlook going forward.

Chart 3: Real GDP Growth: YoY vs. QoQ (%)



Source: Bloomberg, MIDFR

Chart 4: Real GDP Growth by Major Sector (YoY%)

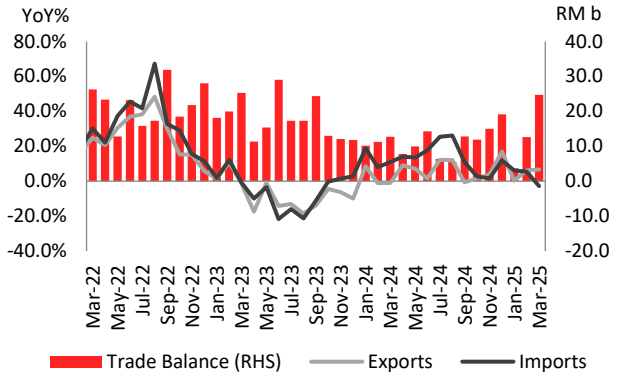


Source: Bloomberg, MIDFR

Stronger export performance in Mar-25. Malaysia's total trade continued to expand by +2.2%yoy in Mar-25 (Feb-25: +5.9%yoy), albeit at a slower pace. The growth was driven by stronger export performance, which rose +6.8%yoy (Feb-25: +6.2%yoy), sustaining the improving momentum from the previous month. The higher exports, mainly stemmed from higher shipments of E&E products (+25.1%yoy; Feb-25: 18.2%yoy), maintaining double-digit growth for five consecutive months. The rise in E&E demand reflects increased front-loading activities in anticipation of Trump's reciprocal tariffs. On the other hand, there was a steeper decline in petroleum products by -32.5%yoy (Feb-25: -11.7%yoy), whereas LNG shipment fell softer by -11.0%yoy (Feb-25: -24.5%yoy). Re-exports grew faster by +12.1%yoy (Feb-25: +7.7%yoy) while domestic export growth eased slightly to +5.6%yoy (Feb-25: +5.9%yoy).

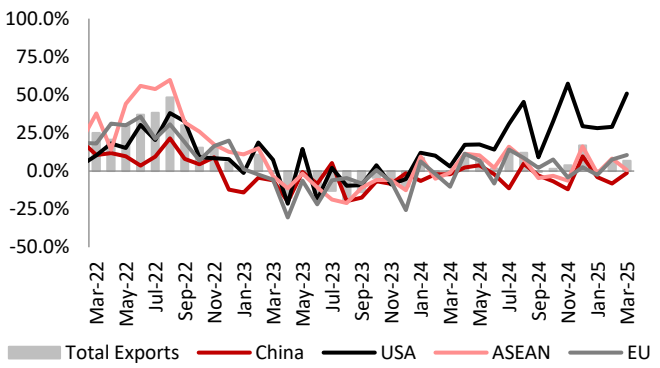
Meanwhile, imports fell by -2.8%yoy (Jan-25: +6.2%yoy) on the back of slower rise in E&E imports (+23.1%yoy) and reduced purchases of refined petroleum products (-46.9%yoy) and crude petroleum (-28.5%yoy). On a monthly basis, exports rebounded with a double-digit growth of +16.1%mom (Feb-25: -3.7%yoy), faster than +6.6%mom expansion in imports (Feb-25: -11.4%mom), which led to a broadening of trade surplus to +RM24.7b (Feb-25: +RM12.6b), the highest since Jun-23. Looking ahead, Malaysia's exports will continue to grow, driven by stable demand for E&E products. However, the pace of growth will be constrained by weaker demand outlook. Heightened uncertainties stemming from the escalating global trade war and weaker demand from key trading partners—following Trump's announcement of sweeping reciprocal tariffs—pose potential risks to Malaysia's trade outlook.

Chart 5: Exports & Imports (YoY%) vs Trade Balance (RM b)



Source: Macrobond, MIDFR

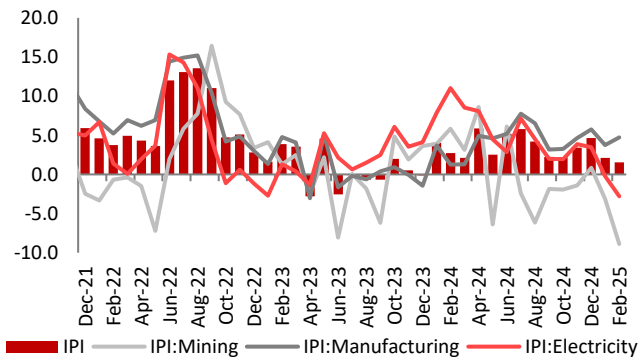
Chart 6: Exports Growth by Major Destination (YoY%)



Source: Macrobond, MIDFR

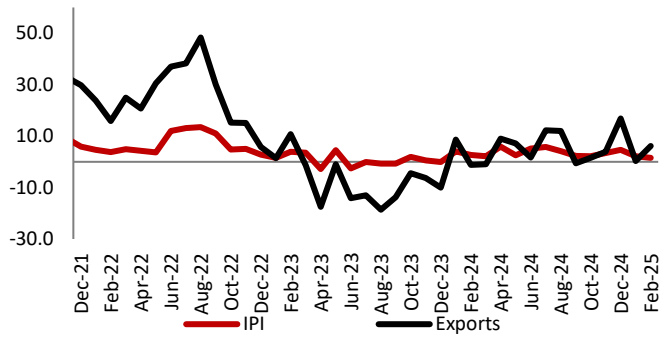
IPI grew slower than expected. Malaysia's IPI growth moderated further to +1.5%yoy in Feb-25 (Jan-25: +2.1%yoy) but marking the 13th consecutive month of expansion since Jan-24. The reading was weaker than expected as we anticipated a stronger IPI growth (around +3.0%yoy) in view of better export performance. However, it was not a surprise that the relatively weaker performance was largely due to a sharper contraction in the mining output (-8.9%yoy; Jan-25: -3.1%yoy) in view of continued weakness in the production of crude oil and natural gas. In addition, steeper decline in electricity output (-2.8%yoy; Jan-25: -0.2%yoy) also contributed to the modest IPI growth. On a positive note, manufacturing recorded higher output, growing faster at +4.8%yoy (Jan-25: +3.7%yoy) due to increased output for food products (+11.6%yoy), machinery equipment (+8.4%yoy), and E&E products (+8.0%yoy). Motor vehicle output, however, remained weak albeit registering a slower decline of -9%yoy (Jan-25: -17.3%yoy). We anticipate IPI to continue expanding this year as firms increase production to fulfill rising demand. However, the pace of growth will likely moderate as production in certain sectors may be slowed as companies adopt cautious stance amid escalating trade tensions, following the recent import tariff hikes by the US government.

Chart 7: IPI Performances by Sector (YoY%)



Source: Macrobond, MIDFR

Chart 8: IPI vs Exports (YoY%)

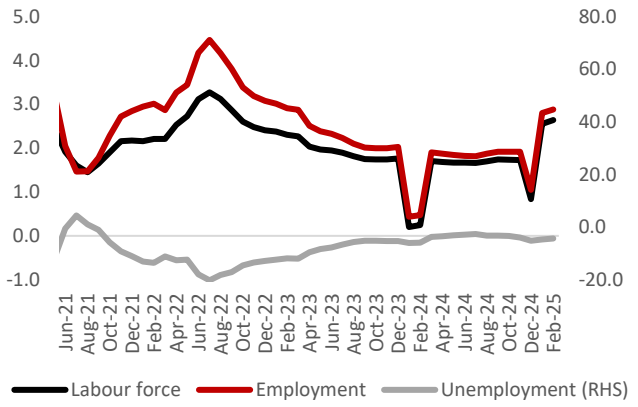


Source: Macrobond, MIDFR

The unemployment rate was unchanged at 3.1%. Malaysia's labour market remained stable and encouraging as the unemployment rate was unchanged at 3.1% in Feb-25. This stability was underpinned by the growing labour force (+2.6%yoy) and higher employment growth (+2.9%yoy). Notably, this marks the 43rd consecutive month since Aug-21 in which employment growth has

consistently outpaced the expansion of the labour force. Consequently, the number of unemployed individuals declined further to 533K (Jan-25: 534K), the lowest level since Feb-20. Unemployment count declined at a softer pace of -4.3%yoy but remained on decreasing trend since Sep-21. Among youths aged 15-24, the unemployment rate was also unchanged at 10.3%. By employment type, employees comprised the largest share of total employment at 75.2% in the month, followed by own-account workers (18.7%) and employers (3.3%). All three groups contributed to overall employment growth, rising by +2.8%yoy, +3.4%yoy, and +1.9%yoy, respectively. The labour force participation rate climbed to a higher at 70.7%, indicating a continued rise in workforce entry. Consistent employment growth and a stable unemployment rate suggest that more people successfully secured jobs. Looking ahead, positive employment growth will be sustained on the back of growing economic activities and increased domestic demand. Even so, we are wary of risks particularly for the export-oriented sectors because US tariff hikes could hurt employment and wage growth amid intensified trade tensions.

Chart 9: Labour Market Key Indicators (YoY%)



Source: Macrobond, MIDFR

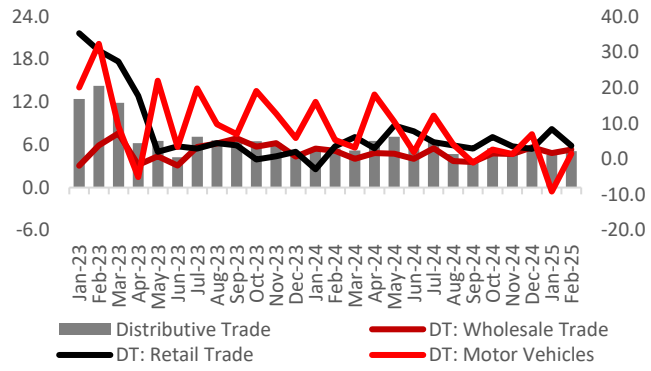
Chart 10: Unemployment Rate (%) vs. Job Vacancies



Source: Macrobond, MIDFR

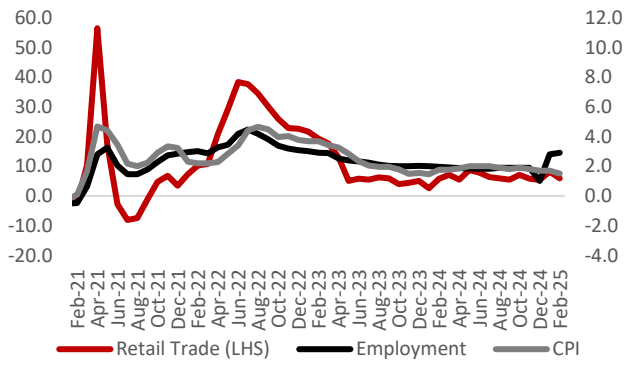
Retail spending growth eased, but wholesale gains led to stronger distribution trade. Malaysia's retail spending growth eased to +5.8%yoy in Feb-25 (Jan-25: +8.2%yoy). However, the overall distributive trade growth improved to +5.1%yoy (Jan-25: +4.6%yoy) on the back of stronger rise in the wholesale trade (+5.3%yoy; Jan-25: +4.8%yoy) and rebound in motor vehicles sales (+1.5%yoy; Feb-25: -9.1%yoy). Meanwhile, the volume of distributive trade continued to expand by +3.9%yoy in Feb-25 (Jan-25: +3.8%yoy), supported by sustained volume growth in the wholesale trade (+4.9%yoy; Jan-25: 4.5%yoy) and albeit softer volume growth for retail trade (+4.3%yoy; Jan-25: +6.6%yoy). On the other hand, the volume contraction for motor vehicle sales significantly slowed to -0.8%yoy (Jan-25: -11.1%yoy). We expect domestic spending to stay strong, supported by a resilient labour market, manageable inflation, government cash assistance, higher wages, and structural reforms that boost disposable income. Although U.S. tariffs could pose a risk to Malaysia's labour market, the 90-day delay and ongoing negotiations may help ease pressures in the near term.

Chart 11: Distributive Trade (DT) Sales Growth by Component (YoY%)



Source: Macrobond, MIDFR

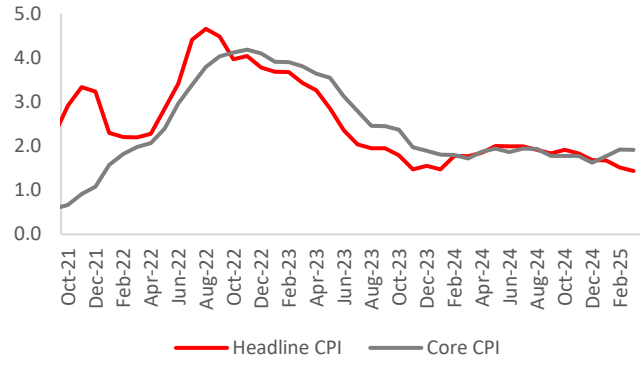
Chart 12: DT vs. CPI Inflation vs. Employment (YoY%)



Source: Macrobond, MIDFR

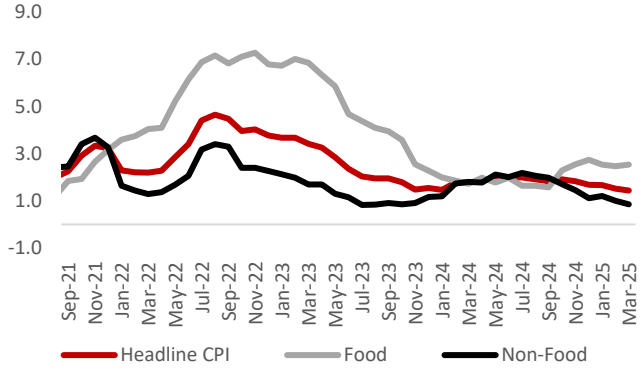
Headline inflation moderated to +1.4%yoy in Mar-25. Malaysia's headline CPI inflation moderated to +1.4%yoy in Mar-25, marking the lowest point since Feb-21. The inflation for food away from home eased slightly to +4.5%yoy (Feb-25: +4.6%yoy), and prices for food at home picked up to +0.6%yoy (Feb-25: +0.5%yoy), as the fish & other seafood and oils & fats, which both increased by +1.7%yoy respectively. Meanwhile, sugar, confectionery & desserts and ready-made food & other food products increased by +1.1%yoy and +3.1%yoy. Non-food inflation eased further to +0.9%yoy (Feb-25: +1.0%yoy) due to deflation in clothing & footwear, information & communication, and slower inflation in housing, water, electricity, gas & other fuels. Meanwhile, core CPI remained unchanged at +1.9%yoy in Mar-25, which signals still mild underlying price pressures. For 1QCY25, overall inflation was slower at +1.5%, compared to the same period last year (1QCY24: +1.8%). The current low-price pressures observed in food, non-food, and core inflation imply that the impact of last year's government policy changes, specifically targeted subsidies, higher utility tariffs, and the SST rate hike, on overall inflation remains minimal. Despite the planned fuel subsidy rationalisation and other policy changes slated for this year, we expect moderate inflation will likely extend to 2QCY25 as controlled cost pressures and stable crude oil prices will effectively limit any significant upward price pressure.

Chart 13: Headline vs. Core CPI (YoY%)



Source: Macrobond, MIDFR

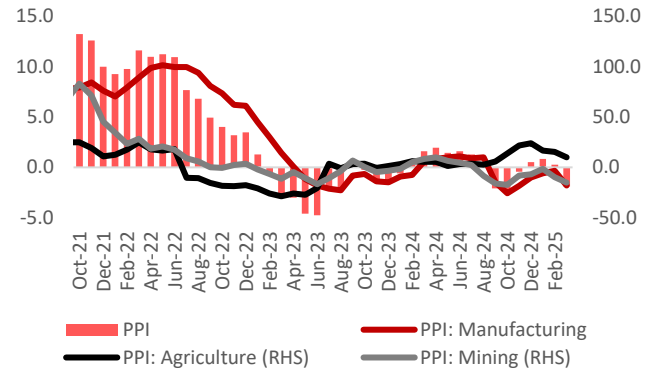
Chart 14: Food vs Non-Food CPI (YoY%)



Source: Macrobond, MIDFR

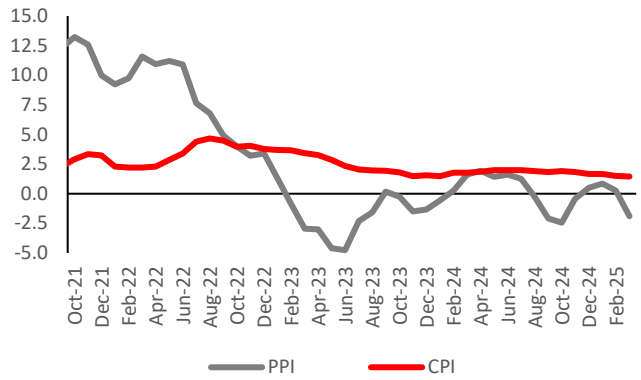
PPI deflated in Mar-25. Malaysia's producer prices recorded a -1.9%yoy deflation in Mar-25 (Feb-25: +0.3%yoy), marking the first contraction since Nov-24. The deflation was attributable to sharper declines in the mining sector (-15.0%yoy; Feb-25: -9.7%yoy), mainly dragged by the fall in prices for natural gas (-16.2%yoy) and crude petroleum extraction (-14.5%yoy) and the manufacturing sector (-1.8%yoy; Feb-25: -0.3%yoy), which recorded seven consecutive months of deflation. The reduced manufacturing PPI was due to lower costs for computer, electronic, and optical products (-5.1%yoy) and production of coke and refined petroleum products (-16.2%yoy). PPI for the electricity & gas supply industry also fell slightly faster at -0.5%yoy (Feb-25: -0.3%yoy). However, PPI inflation in the agriculture, forestry, and fishing sector slowed to +9.9%yoy (Feb-25: +15.2%yoy), after five months of double-digit growth. Prices in the water supply industry also registered slower inflation of +0.7%yoy (Feb-25: +2.9%yoy). On a monthly basis, PPI inflation fell by -0.6%mom in Mar-25 (Feb-25: +0.1%mom) due to declining prices across major industries i.e. the mining (-3.8%mom; Feb-25: -3.2%mom), manufacturing (-0.3%mom; Feb-25: +0.3%mom), agriculture, forestry, and fishing (-0.5%mom; Feb-25: +1.4%mom), and water supply (-0.1%mom; Feb-25: -1.8%mom). By stage of processing, PPI dropped across all stages: crude materials for further processing (-4.5%yoy) and intermediate materials, supplies & components (-1.5%yoy), and finished goods (-0.6%yoy). With PPI turning into deflation and remaining well below CPI inflation (Mar-25: +1.4%yoy), we expect limited pass-through of price pressures from movement in production costs. Nonetheless, Malaysia could encounter inflationary headwinds stemming from government decisions such as subsidy cuts, higher minimum wages, and rising utility costs. However, potential delays in policy implementation, particularly in subsidy rationalisation amid tariff-related disruptions, may contain inflation at a more moderate level.

Chart 15: PPI for Selected Sectors (YoY%)



Source: Macrobond, MIDFR

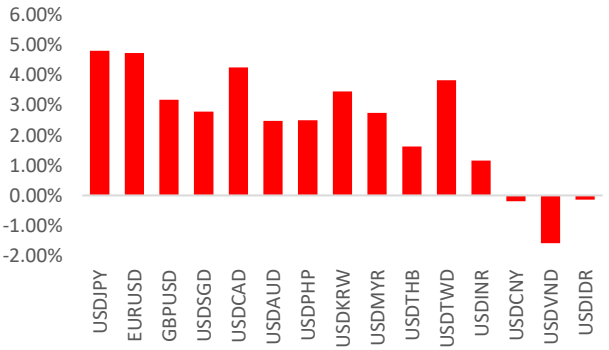
Chart 16: PPI vs CPI (YoY%)



Source: Macrobond, MIDFR

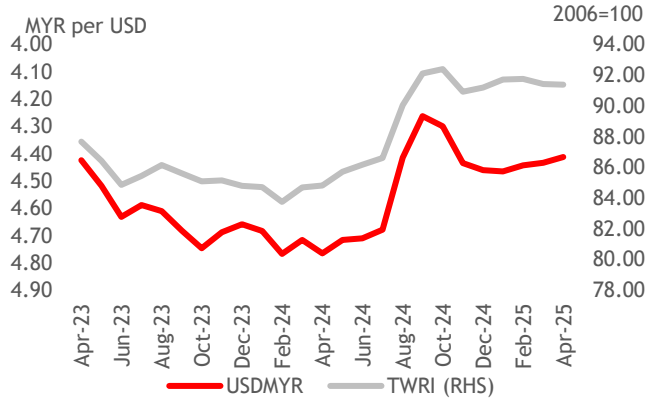
The ringgit appreciated against the US dollar in Apr-25, marking the fourth consecutive month of appreciation. The ringgit appreciated against the US dollar by +0.6%mom and ended the month at RM4.434 (previous: RM4.463); the ringgit appreciated by +0.8%ytd. This appreciation was partly attributable to the depreciation of US dollar observed throughout the period. Volatility within the US currency market prompted outflows towards alternative safe-haven assets, from which the ringgit benefited. The reduced demand for US dollar was influenced by uncertainties surrounding the changing US trade policies, as sentiment on the economic outlook deteriorated further. The implementation of new US tariffs carries the potential to amplify inflationary pressures over the medium term, despite the announced 90-day pause on reciprocal tariffs and ongoing negotiations with the US trading partners. While recent statements and speeches by the Fed Chair indicated that tariffs could lead to a more persistent increase in prices and reiterated the FOMC's stance of not to be in a hurry to adjust rates amidst prevailing uncertainty, we continue to forecast a cumulative interest rate reduction of -75bps, distributed across three meetings in the latter half of this year. On that note, the narrowing disparity in interest rates between Malaysia and the US will continue to support ringgit's appreciation. Relatively, ringgit will also benefit from the positive growth fundamentals, despite recent data showing a more moderate GDP growth of +4.4%yoy in 1QCY25 (4QCY24: +5.0%yoy), which was below market expectations.

Chart 17: Monthly FX Rate Changes for Selected Currencies Against US Dollar (%)



Source: Macrobond, MIDFR

Chart 18: USDMYR vs. US Dollar Index vs. MIDF Trade-Weighted Index Monthly Average

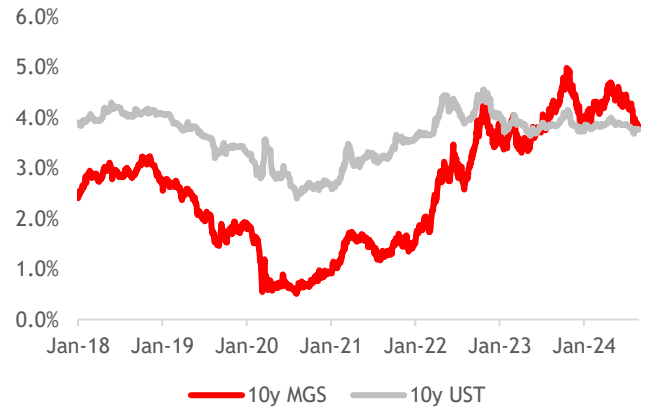


Source: Macrobond, MIDFR

10y MGS yield moved lower last month. The MGS yield curve moved lower last month, tracking the movement in the UST market. However, the pace of decline in the MGS yield was relatively faster compared to the US treasury yields. The 3-year MGS declined by -26.9bps and ended the month at 3.59%. Meanwhile, the 10-year MGS yield closed lower by -12.1bps to 3.65%. The 10-year period gradually moved lower in Apr-25 throughout the month, while averaging around 3.69%. With OPR and inflation rate in Malaysia remaining relatively stable, changes in the MGS yields continued to be more influenced by developments in the financial markets. In Mar-25, foreign holdings of Malaysian bonds rose +RM3.2b to RM278.5b (Feb-25: RM275.2b). As a result, we estimated that the

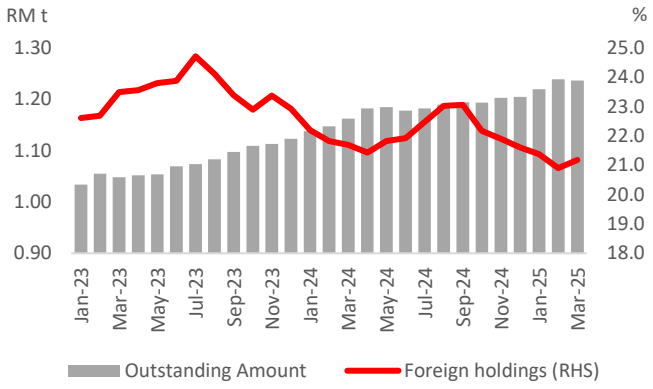
ratio of foreign holdings out of the total outstanding government bonds increased to 21.2% (Feb-25: 20.9%), remaining below the pre-pandemic level (2019 average: 23.1%) and lower than 21.7% a year ago.

Chart 19: 10y MGS vs 10y UST Yields (%)



Source: Macrobond, MIDFR

Chart 20: Share of Foreign Holding (%) vs Outstanding MGS/MGII (RM t)



Source: Macrobond, MIDFR

Malaysia's GDP growth to moderate to +4.0% this year. We forecast Malaysia's GDP will experience a more moderate growth of +4.0% this year (2024: +5.1%), continued to be driven by sustained rise in domestic spending. Our latest projection also assumed the external trade will grow at slower pace, taking into account the expected slowdown in demand from major markets like the US following the tariff hikes announced by the US government. We opine Malaysia can still sustain growth even if the intensified trade tensions will further hurt external trade outlook as we expect domestic consumption will continue to grow on the back of positive labour market conditions, rising income, continued cash assistance programme from the government and increased tourist spending. However, we do not rule out that the policy uncertainties and significantly weaker external demand will further constrain activities in the export-oriented sectors, which could pose a larger drag for selected sectors such as manufacturing, mining and agriculture sectors. While we do not see the need to shift towards policy easing at the moment, there is sufficient rooms for BNM and the government to provide supports to the economy if growth momentum weakens significantly.

Table 1: Selected Macroeconomic Data: Past Performance and Latest Projection (%)

(YoY %) Unless Stated Otherwise	2021	2022	2023	2024	2025F
Real GDP	3.3	8.9	3.6	5.1	4.0
Govt. Consumption	5.8	5.1	3.3	4.7	5.0
Private Consumption	1.8	11.3	4.7	5.1	4.8
Gross Fixed Capital Formation	(0.7)	6.8	5.5	12.0	6.1
Govt. Investment	(11.0)	5.3	8.6	11.1	6.4
Private Investment	2.8	7.2	4.6	12.3	6.0
Exports of goods & services;	18.5	14.5	(8.1)	8.5	3.8
Goods Exports	21.4	11.0	(12.7)	5.5	2.5
Services Exports	(8.2)	58.3	33.0	25.9	9.9
Imports of goods & services;	21.2	16.0	(7.4)	8.9	2.5
Goods Imports	23.8	14.4	(11.7)	9.4	2.1
Services Imports	7.7	25.7	15.8	7.3	4.5
Net Exports	(4.0)	(1.5)	(16.2)	2.2	22.0
Agriculture etc.	(0.3)	1.3	0.7	3.1	0.3
Mining & Quarrying	0.9	3.5	0.5	0.9	(0.6)
Manufacturing	9.5	8.1	0.7	4.2	2.3
Construction	(5.2)	5.1	6.1	17.5	12.8
Services	2.2	11.0	5.1	5.4	5.1
Exports of Goods (f.o.b)	26.1	24.9	(8.0)	5.7	2.0
Imports of Goods (c.i.f)	23.3	31.0	(6.4)	13.2	1.6
Headline CPI Inflation (%)	2.5	3.4	2.5	1.8	2.5
Current Account, % of GDP	3.9	3.0	1.5	1.7	1.9
Fiscal Balance, % of GDP	(6.4)	(5.6)	(5.0)	(4.1)	(3.5)
Federal Government Debt, % of GDP	63.2	60.3	64.3	64.6	62.9
Unemployment Rate (%)	4.58	3.82	3.43	3.26	3.10
Brent Crude Oil (Avg), USD per barrel	71.5	102.0	82.2	79.9	63.0-70.0
Crude Palm Oil (Avg), MYR per tonne	4,486	5,262	3,813	4,194	4,300
USD/MYR (Avg)	4.14	4.40	4.56	4.56	4.34
USD/MYR (End-period)	4.17	4.35	4.59	4.47	4.25
MGS 10-Yr Yield (Avg)	3.23	4.07	3.86	3.83	3.68
MGS 10-Yr Yield (End-period)	3.59	4.04	3.73	3.84	3.60
Overnight Policy Rate (%)	1.75	2.75	3.00	3.00	3.00

Source: Macrobond, National Sources, MIDFR

APRIL 2025 KEY ECONOMIC EVENTS

1 Apr: Sumbangan Asas Rahmah credited on April 1; recipients describe it as Syawal windfall. The increase in the amount of Sumbangan Asas Rahmah (Sara) financial assistance to RM2,100 that was credited to eligible recipients on Tuesday, compared to RM1,200 last year, has been described as a "Syawal gift".

3 Apr: Malaysian manufacturers sound alarm over US tariff, call for strategic govt action The Federation of Malaysian Manufacturers (FMM) has issued a stark warning regarding the US' decision to impose a 24% reciprocal tariff on Malaysian exports from April 9, saying it could lead to significant reduction in export volumes, job losses and supply chain disruptions

7 Apr: ASEAN Urged to Scale Up Private Capital Investments for Climate Projects - BNM Governor. Bank Negara Malaysia governor Datuk Seri Abdul Rasheed Ghaffour today has called on ASEAN member states to scale up private sector investments in climate projects given the scale of the region's investment needs.

10 Apr: Ringgit Remains Resilient Despite Uncertainties Due to US Tariffs - BNM. Uncertainties in the foreign exchange market will continue to prevail until there is greater clarity on policy direction, particularly regarding the tariff lengths, said Bank Negara Malaysia (BNM) governor Datuk Seri Abdul Rasheed Ghaffour.

14 Apr: Malaysia reaffirms non-retaliatory trade policy, export diversification amid US tariffs — Zafrul. Malaysia will not resort to retaliatory tariffs and reaffirms its commitment to open trade in response to the US latest move to impose tariffs on certain imports, including goods from the country, according to the Minister of Investment, Trade and Industry (Miti).

21 Apr: Nearly 90% of Johor's RM27.4b 1Q investments were in special economic zone, says Zafrul. The Johor-Singapore Special Economic Zone (JS-SEZ) has become a magnet for investment, as shown by its first-quarter performance, where close to 90% of the RM27.4 billion new investments in Johor were in the economic zone.

23 Apr: Zafrul lands in US, to meet with US Trade Rep Jamieson Greer over tariffs. Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz and his team have arrived in the US to urge US officials to review tariffs on Malaysian imports.

25 Apr: World Bank projects Malaysia's 2025 GDP growth at 3.9%. The World Bank has projected Malaysia's economic growth to slow in 2025, citing the challenging global environment. With all possible caveats, we (World Bank) project Malaysia's 2025 [GDP] growth rate at 3.9%," World Bank lead economist for Malaysia Dr Apurva Sanghi said in a post on X on Friday.

29 Apr: Malaysia, Japan Exploring Broader Economic Ties, Including In AI, Automotive. Malaysia and Japan are exploring broader economic cooperation, including in artificial intelligence (AI)development and future of the automotive industry, amid ongoing global uncertainties.

3 Apr: Malaysia hit with 24% US reciprocal tariff effective April 9 Effective April 9; Malaysia will face a 24% reciprocal tariff from the US as part of a broad trade policy targeting countries with which it has large trade deficits.

6 Apr: PM Anwar assures Malaysians the country won't slip into recession following US tariffs. Datuk Seri Anwar Ibrahim has given an assurance to Malaysians that the country will not slip into a recession for now following the imposition of tariffs by the United States, as the country's economy remains resilient.

9 Apr: ASEAN Emerges as A Central Player In Global Economy After Overcoming Series of Adversities - PM Anwar ASEAN, which has faced a series of global uncertainties, has emerged from a quiet corner of the global economy to become central to it, said Prime Minister Datuk Seri Anwar Ibrahim.

12 Apr: Penang diversifying exports to offset US tariff impact, says CM. Penang is actively diversifying and expanding its export markets to safeguard the sustainability of both the domestic and national economic chains.

15 Apr: China's Xi arrives in Malaysia for three-day state visit. Chinese President Xi Jinping arrived in Malaysia on Tuesday for a three-day state visit at the invitation of the King, Sultan Ibrahim Sultan Iskandar.

22 Apr: New US tariffs on solar imports threaten to phase out Chinese solar panel makers in Malaysia. Solar photovoltaic (PV) module manufacturers in Malaysia owned by China-based players could face the risk of being phased out due to the latest US-imposed duties on solar imports from the country, an industry group representing the sector said.

24 Apr: Malaysia's 2025 GDP May Be Revised Downward Due To Tariffs, Says BNM Governor. Malaysia's GDP growth forecast for 2025, currently projected at between 4.5 per cent and 5.5 per cent, may need to be revised downward due to the impact of tariffs, said Bank Negara Malaysia (BNM).

26 Apr: MOH closely monitoring new US tariffs, focusing on medical devices, pharmaceutical products. The Health Ministry (MOH) is closely monitoring two key issues following the tariffs imposed by US President Donald Trump, particularly those affecting medical devices and pharmaceutical products.

29 Apr: Malaysia to delay new taxes as manufacturers fear tariff hit. Malaysia is delaying a planned expansion of its sales and service tax, providing a temporary reprieve for manufacturers bracing for higher US tariffs.

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