Rising LI Still Signals Economy to Continue Growing in the Short Run

Monthly Economic Review
June 2025

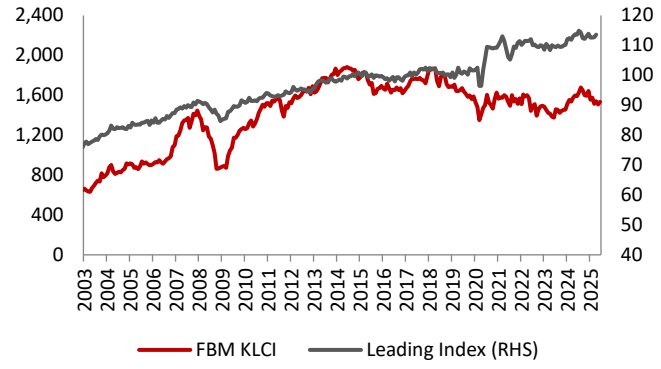


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- Continued modest rise in LI in Apr-25. Malaysia's economy is expected to maintain its positive growth trajectory, given the continued rise in leading index (LI) albeit at slightly softer pace of +0.5%yoy in Apr-25 (Mar-25: +0.7%yoy).
- Exports weakened in May 25. Malaysia's total trade moderated by +2.6%yoy in May-25 (Apr-25: +18.1%yoy) from the previous month's double-digit growth. The sharp growth slowdown was attributable to the decline in exports of -1.1%yoy (Apr-25: +16.4%yoy), marking the first drop since Sep-24.
- Distributive trade ticked down as festive demand wanes. Malaysia's overall distributive trade continued to grow albeit easing to +4.7%yoy in Apr-25 (Mar-25: +5.7%yoy), the softest pace since Jan-25 with broad-based moderation seen across all categories.
- Economy to grow at 4.0% with domestic demand as the key driver. We forecast Malaysia's GDP will grow at +4.0% this year (2024: +5.1%), easing from robust growth last year. While domestic demand will remain as growth driver, the uncertainties on the external front will continue to affect the external trade outlook.

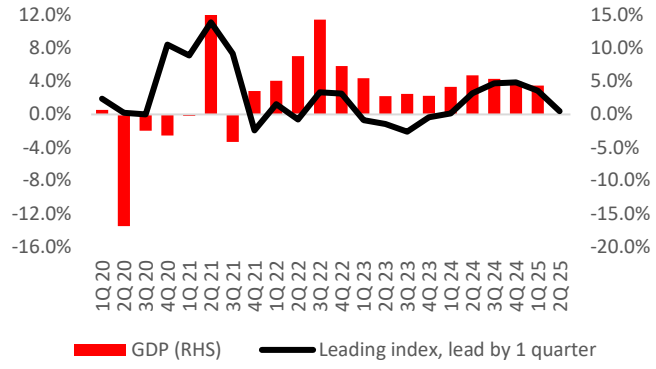
Continued modest rise in LI in Apr-25. Malaysia's economy is expected to maintain its growth trajectory, given the continued rise in leading index (LI) albeit at slightly softer pace of +0.5%yoy in Apr-25 (Mar-25: +0.7%yoy). The sustained LI growth was attributable to the double-digit expansion in *Real Imports of Semiconductors* (+27.2%yoy) and the *Number of New Companies Registered* (+24.1%yoy). On a monthly basis, the LI rose faster by +0.8%mom (Mar-25: +0.1%mom), marking its second straight monthly gains and the strongest reading since Dec-24. The monthly rise was driven by gains in *Real Imports of Other Basic Precious and Other Non-Ferrous Metals* (+0.3%mom) and rebounds in *Real Imports of Semiconductors* (+0.3%mom) and *New Company Registrations* (+0.5%mom). However, declines were seen in the *Bursa Malaysia Industrial Index* (-0.1%mom), *Housing Approvals* (-0.1%mom), and *Real Money Supply* (-0.1%mom). On the other hand, the coincident index (CI), which reflects current economic performance, recorded a softer growth of +1.0%yoy (Mar-25: +1.4%yoy), reaching 126.7 points (Mar-25: 126.8 points). The sustained growth was underpinned by increases across most CI components, especially the *Capacity Utilisation in Manufacturing* (+3.4%yoy). On a monthly basis, the CI decline slowed to -0.1%mom during the month (Mar-25: -0.2%mom), marking the second consecutive month of contraction. The decline was mainly due to contraction in the *Real Contributions to EPF* (-0.5%mom) and the *Volume of Retail Trade* (-0.4%mom). The smoothed long-term trend shows that the LI in Apr-25 remained below 100 points, suggesting the positive economic momentum will continue to be moderate. Overall, the growth will likely be supported mainly by resilient consumption activity thanks to the favourable labour market conditions and sustained rise in domestic demand. These resilient domestic fundamentals are expected to help cushion the impact of external trade uncertainties and rising geopolitical tensions.

Chart 1: Leading Index vs KLCI (Points)



Source: Bloomberg, MIDFR

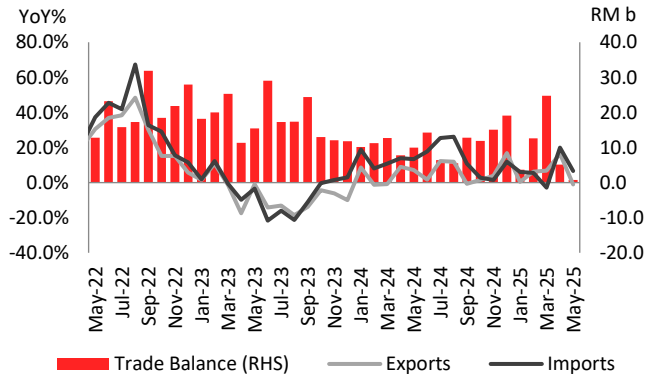
Chart 2: Leading Index vs GDP (YoY%)



Source: Bloomberg, MIDFR

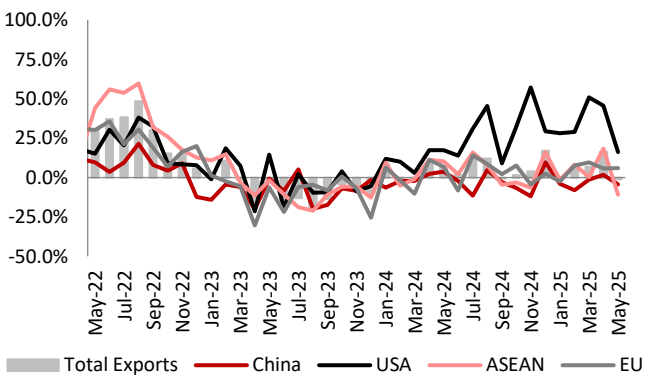
Exports weakened in May 25. Malaysia's total trade moderated by +2.6%yoy in May-25 (Apr-25: +18.1%yoy) from the previous month's double-digit growth. The sharp growth slowdown was attributable to the decline in exports of -1.1%yoy (Apr-25: +16.4%yoy), marking the first drop since Sep-24. Outbound shipments for E&E products recorded the softest growth in seven months (+7.0%yoy; Apr-25: +35.3%yoy), while petroleum products contracted double-digits (-28.9%yoy; Apr-25: -9.3%yoy). In contrast, palm oil expanded slightly faster by +8.9%yoy (Apr-25: +8.2%yoy). Re-exports growth slowed down to +16.1%yoy (Apr-25: +45.9%yoy), while domestic exports contracted by -4.7%yoy (Apr-25: +9.0%yoy). Meanwhile, import growth moderated to +6.6%yoy (Apr-25: +20.0%yoy) from the previous month's robust growth, which was the fastest since Aug-24. The moderation reflected mainly the slower expansion in inbound shipments of manufactured goods such as E&E (39.4%yoy; Apr-25: +65.1%yoy) and machinery (+0.6%yoy; Apr-25: +17.6%yoy). On a monthly basis, exports fell steeper by -5.2% mom (Apr-25: -2.8% mom), while imports dropped by -2.0% mom (Apr-25: +14.1 % mom), resulting in a narrower trade surplus of +RM0.8b (Apr-25: +RM5.1b), the lowest in over 3 decades. Overall, the weaker trade data in May-25 reflects a limited boost from front-loading activities, suggesting that firms may be adopting a wait-and-see approach amid uncertainties surrounding the trade negotiations and ongoing geopolitical tensions. In other words, the front-loading boost to Malaysia's exports in the coming months may not be as strong as previously anticipated. Meanwhile, import growth is likely to remain firm in the near term as companies continue stockpiling with the reciprocal tariffs paused for 90 days until early next month.

Chart 3: Exports & Imports (YoY%) vs Trade Balance (RM b)



Source: Macrobond, MIDFR

Chart 4: Exports Growth by Major Destination (YoY%)

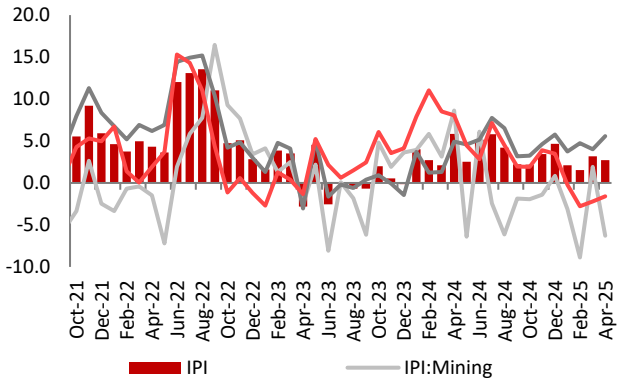


Source: Macrobond, MIDFR

IPI growth eased to +2.7%yoy in Apr-25. Malaysia's IPI expanded for the 16th straight month but at slower pace of +2.7%yoy in Apr-25 (Mar-25: +3.2%yoy), below our estimate (+3.1%yoy) and market forecast (+4.1%yoy). In line with the stronger export performance, manufacturing output growth accelerated to +5.6%yoy (Mar-25: +4.0%yoy), the fastest expansion in 4 months underpinned by stronger production in both export- and domestic-oriented sectors. Mining and electricity output, however, posed a drag on the overall IPI growth in Apr-25. Mining output declined again by -6.9%yoy (Mar-25: +1.9%yoy) due to reduced production of crude petroleum and natural gas, while electricity generation contracted by -3.3%yoy for the 4th consecutive month on the back

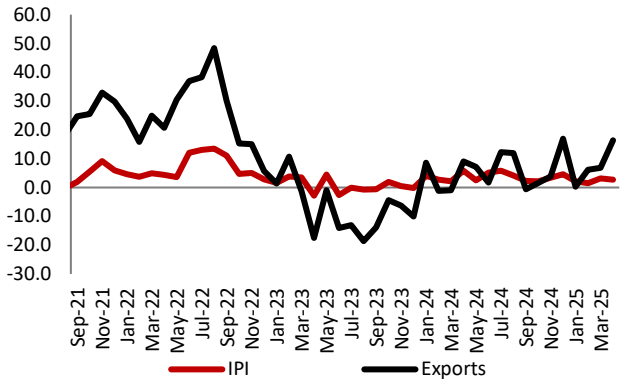
of reduced electricity consumption. Although we remain cautious that uncertainties from higher tariffs and tighter trade rules will negatively affect production activities, the stronger manufacturing growth indicated still limited impact on Malaysia's manufacturing sector output. Like other regional countries, Malaysia's trade sector also benefited from the temporary pause of reciprocal tariffs and frontloading by firms amid the ongoing trade talks.

Chart 5: IPI Performances by Sector (YoY%)



Source: Macrobond, MIDFR

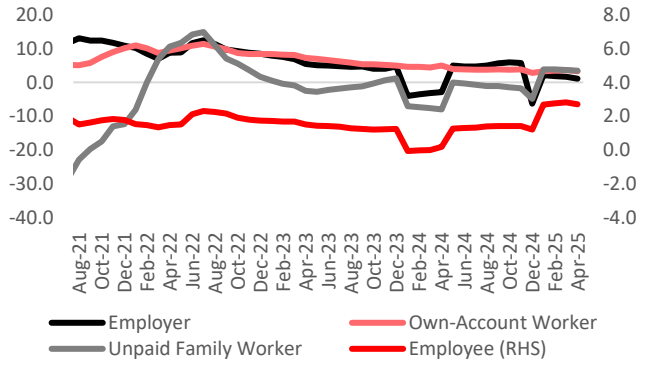
Chart 6: IPI vs Exports (YoY%)



Source: Macrobond, MIDFR

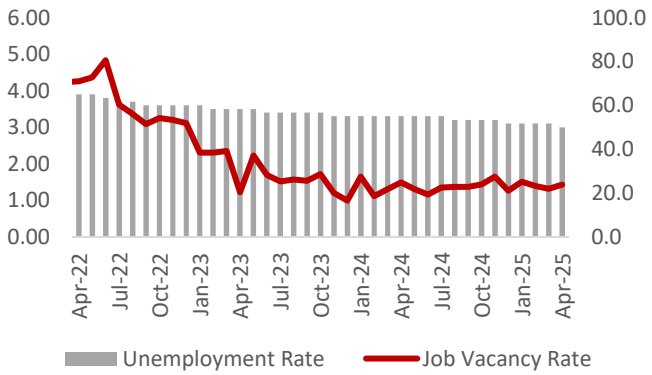
Unemployment rate edged down to 3.0%. Malaysia's labour market improved as the unemployment rate edged down to 3.0% in Apr-25, the lowest in 10 years after staying at 3.1% for four consecutive months. This improvement was supported by steady employment growth (+2.8%yoy; Mar-25: +3.0%yoy), which continued to outpace labour force growth (+2.5%yoy; Mar-25: +2.7%yoy) for the 45th consecutive month since Aug-21. The number of unemployed individuals fell to 526K (Mar-25: 530K), the lowest level since Feb-20. Meanwhile, unemployment fell by -5.5%yoy (Mar-25: -4.9%yoy), the sharpest drop in 13 months, extending the downtrend since Sep-21. The unemployment rate among youths aged 15 to 24 remained elevated at 10.3% for the fourth consecutive month, highlighting ongoing difficulties in youth job placement and labour market entry. The labour force participation rate edged higher at 70.8% (Mar-25: 70.7%), indicating rising workforce entry amid growing economic activity. Steady employment growth coupled with lower unemployment rate suggests more job seekers are successfully securing employment, though youth employment remains a persistent challenge. Looking ahead, favourable labour market conditions are expected to support domestic demand and underpin economic growth despite external trade uncertainties. However, we remain cautious on export-oriented sectors, as higher tariffs may dampen employment and wage growth. Even so, targeted government support could help firms sustain hiring despite heightened uncertainties and a potentially weaker global demand outlook.

Chart 7: Labour Market Key Indicators (YoY%)



Source: Macrobond, MIDFR

Chart 8: Unemployment Rate (%) vs. Job Vacancies

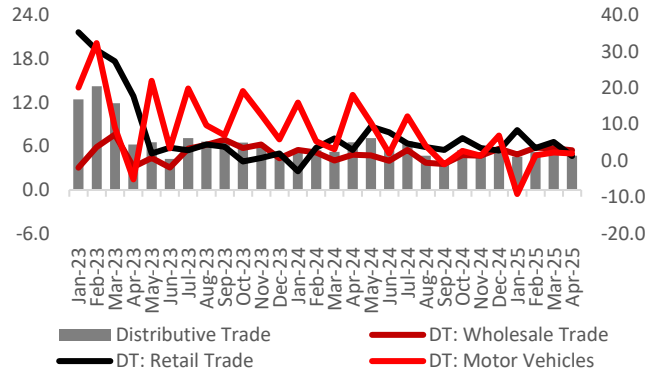


Source: Macrobond, MIDFR

Distributive trade ticked down as festive demand wanes. Malaysia's overall distributive trade continued to grow albeit easing to +4.7%yoy in Apr-25 (Mar-25: +5.7%yoy), the softest pace since Jan-25 with broad-based moderation seen across all categories. Retail trade growth moderated to +4.7%yoy (Mar-25: +6.6%yoy), reflecting softer rise in consumer spending amid fading impact of earlier

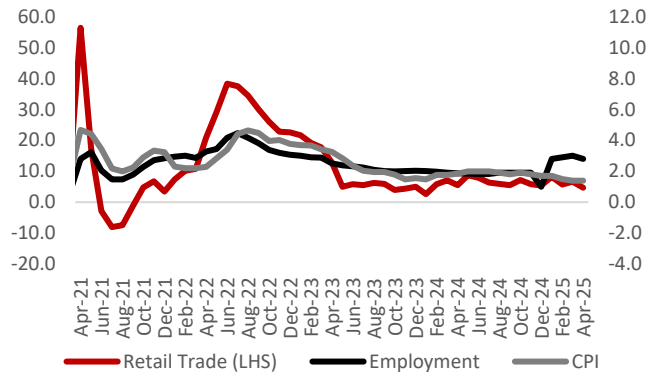
festive-driven demand. In addition, motor vehicles sales and wholesale trade continued to expand but eased slightly to +2.1%yoy; (Mar-25: +2.3%yoy) and +5.5%yoy (Mar-25: +5.7%yoy), respectively. The moderation was also seen in the volume change; where distributive trade volume grew slower by +4.3%yoy (Mar-25: +5.0%yoy) attributable to slower volume growth for retail trade (+3.4%yoy; Mar-25: +4.9%yoy) and motor vehicle sales (+0.8%yoy; Mar-25: +0.9%yoy). Nonetheless, volume growth for the wholesale trade strengthened slightly (+6.6%yoy; Mar-25: +6.3%yoy). The weaker performance in motor vehicle sales broadly signals normalisation as high base effects begin to set in. Meanwhile, sustained growth in wholesale and retail trade highlights robust domestic consumption, which remains a key driver of economic growth this year. Looking ahead, we expect sustained expansion in consumption, underpinned by a robust labour market characterised by higher employment and wage growth, particularly in domestic-oriented sectors. Stable inflation, supported by accommodative monetary policy and targeted fiscal measures, is expected to strengthen consumer purchasing power and boost spending confidence

Chart 9: Distributive Trade (DT) Sales Growth by Component (YoY%)



Source: Macrobond, MIDFR

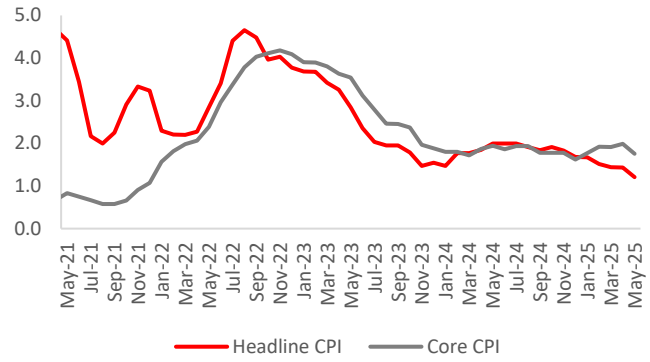
Chart 10: DT vs. CPI Inflation vs. Employment (YoY%)



Source: Macrobond, MIDFR

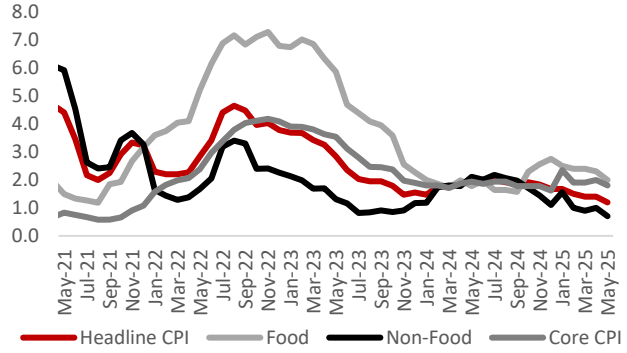
Headline inflation edged lower to +1.2%yoy in May-25. Malaysia's headline CPI inflation moderated to +1.2%yoy in May-25, and below our estimate and market consensus of +1.4%yoy and marking the lowest print since Mar-21. The inflation for food away from home ticked higher to +4.4%yoy (Apr-25: +4.3%yoy), while prices of foods at home were flat last month as vegetable prices contracted by -5.5%yoy and the milk and other dairy products & eggs also fell by -1.9%yoy. Meanwhile, prices of fish & other seafood and oils & fats both increased by +1.9%yoy and +1.7%yoy, respectively. On the other hand, non-food inflation moderated to +0.7%yoy in May-25 (Apr-25: +1.0%yoy) due to the slower inflation for housing, water, electricity, gas & other fuels (+1.7%yoy; Apr-25: +2.0%yoy); personal care, social protection & miscellaneous goods & services (+3.8%yoy; Apr-25: +4.1%yoy); and recreation, sports and culture (+0.9%yoy; Apr-25: +1.3%yoy). Meanwhile, core CPI moderated to +1.8%yoy in May-25 (Apr-25: +2.0%yoy), still signaling mild underlying price pressure. The observed low-price pressures across food, non-food, and core inflation suggest that minimal the impact of last year's government policy changes (specifically the shift to targeted subsidies, higher utility tariffs and the SST rate hike) on overall inflation. Despite anticipated fuel subsidy rationalisation and other policy adjustments this year, we forecast that moderate inflation will likely extend into 2HCY25. On top of that, the expansion of the SST coverage may provide upward price pressures which can be stronger than previously expected. This projection is underpinned by expectations of contained cost pressures and moderating crude oil prices in the previous month, which effectively limit significant upward inflationary forces.

Chart 11: Headline vs. Core CPI (YoY%)



Source: Macrobond, MIDFR

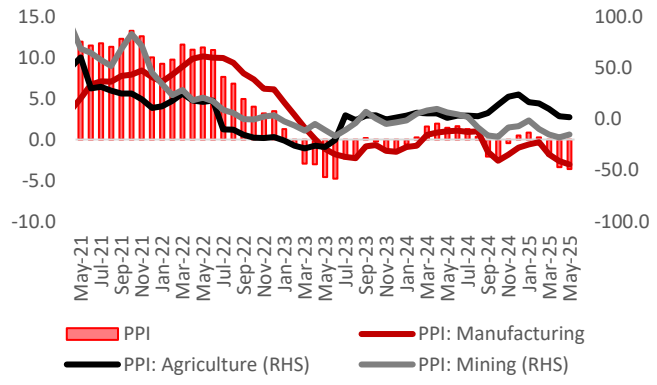
Chart 12: Key CPI Data (YoY%)



Source: Macrobond, MIDFR

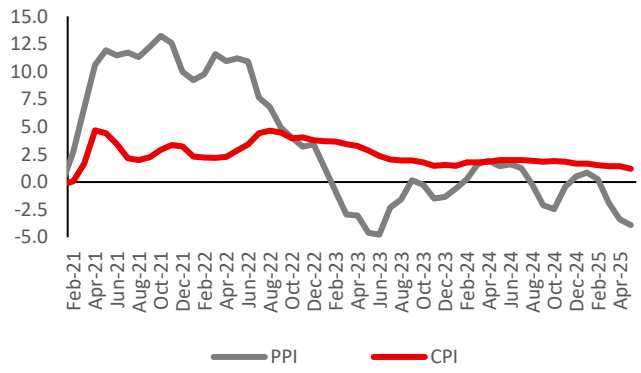
PPI declined further in May-25. The downtrend in Malaysia's producer prices persisted with a deceleration of -3.6%yoy in May-25 (Apr-25: -3.4%yoy), marking the third month of decline and the steepest drop since Jun-23. The weaker price pressure was primarily due to the persistent double-digit price drop in the mining sector (-15.0%yoy; Apr-25: -17.8%yoy), mainly driven by the decline in crude petroleum (-15.7%yoy) and natural gas (-13.1%yoy) prices. Prices for manufacturing fell sharper by -3.0%yoy (Apr-25: -2.6%yoy), marking nine consecutive months of deflation. This was largely due to the steep drop in costs for production of coke and refined petroleum products (-15.4%yoy) and computer, electronic & optical products (-6.9%yoy). Likewise, electricity & gas supply prices fell faster by -1.1%yoy (Apr-25: -0.6%yoy), whereas water supply prices dropped by -0.2%yoy (Apr-25: +0.9%yoy). In contrast, prices in the agriculture, forestry, and fishing sector continued to grow, albeit at a softer pace of +1.8%yoy (Apr-25: +2.6%yoy), largely driven by the perennial crops sub-sector, which recorded a +4.5%yoy increase. On a monthly basis, PPI fell slightly quicker by -1.1%mom in May-25 (Apr-25: -1.0%mom). The main contributors of the weaker price pressure were the decline in prices for agriculture, forestry, and fishing (-5.4%mom; Apr-25: -6.0%mom), the mining sector (-2.3%mom; Apr-25: -1.2%mom), manufacturing (-0.5%mom; Apr-25: -0.5%mom). In contrast, water supply prices rose marginally by +0.2%mom (Apr-25: +1.3%mom), while electricity and gas supply prices grew by +0.6%mom (Apr-25: +0.3%mom). PPI declined for all stages of processing, including crude materials for further processing (-8.7%yoy), intermediate materials, supplies & components (-2.4%yoy), and finished goods (-2.4%yoy). The gap between PPI deflation and CPI inflation widened further in May-25, as CPI growth eased to +1.2%yoy, the slowest pace since Feb-21. This suggests limited pass-through of upstream price pressures to consumers. The postponement of the RON95 fuel subsidy rationalisation to 2H25 is expected to provide temporary relief and help sustain private consumption amid a stable inflation environment. Although the Ministry of Finance aims to implement the subsidy reform in 2H25, we anticipate a delay to 4QCY25 due to outstanding issues such as eligibility criteria and delivery mechanisms. Nevertheless, inflationary pressures may build towards year-end, stemming from the recent SST expansion effective 1st July 2025 and the looming higher utility costs for businesses.

Chart 13: PPI for Selected Sectors (YoY%)



Source: Macrobond, MIDFR

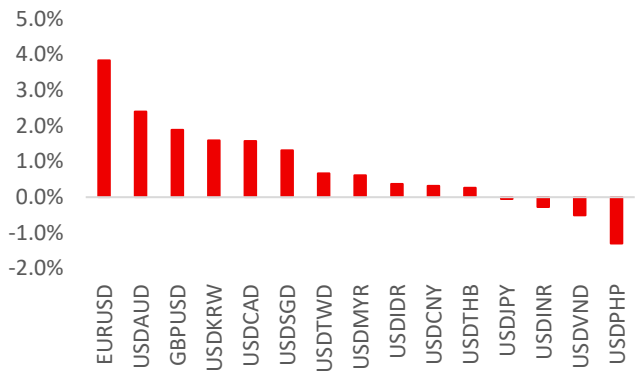
Chart 14: PPI vs CPI (YoY%)



Source: Macrobond, MIDFR

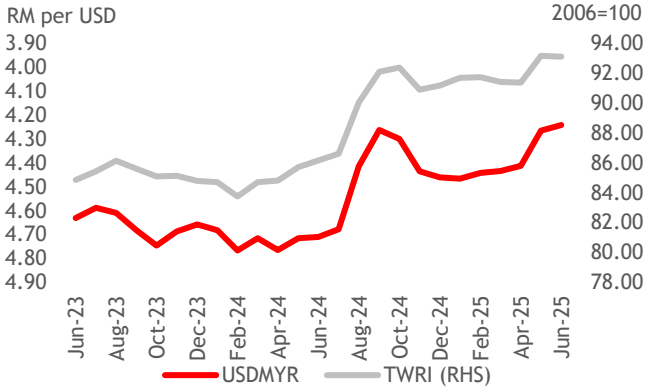
Ringgit appreciated for the seventh consecutive month. The ringgit appreciated further by +0.6%mom to RM4.210 by end-Jun-25 (end-May-25: RM4.236). In the first 6 months, the ringgit has increased by +5.1%ytd (May-25: +5.3%ytd). The recent appreciation of the ringgit primarily reflects a weakening US Dollar, driven by heightened volatility in the US market due to uncertainties surrounding the US trade policies, evolving economic and inflation outlook, and persistent geopolitical tensions in the Middle East. As a result, demand for US dollar declined with capital being re-allocated towards alternative safe assets, including the ringgit. This was also driven by heightened concerns about the US government's credit and fiscal outlook, following the sovereign downgrade by Moody's in the previous month, which resulted in a surge in the US treasury yields and reflected the higher risk in the US debt market. Domestically, the ringgit performance was backed by Malaysia's stable economic fundamentals, characterised by more modest inflation, still growth outlook and a steady monetary policy setting by BNM. Moreover, ongoing government fiscal reforms, including expansion of the scope for Sales and Service Tax (SST) and further subsidy rationalisation, are anticipated to bolster investor confidence. Despite the US Fed's cautious approach to policy adjustments on the back of resilient economy and concerns about renewed price pressures from tariff hikes, we project the Fed may reduce its fed funds rate by -50bps later this year to support the US economic growth. The interest rate differential between Malaysia and the US which is expected to narrow will also provide positive momentum for the ringgit's appreciation, possibly at a more gradual pace. For the year 2025, we continue to expect ringgit would end stronger at around RM4.25 (end-2024: RM4.59).

Chart 15: Monthly FX Rate Changes for Selected Currencies Against US Dollar (%)



Source: Macrobond, MIDFR

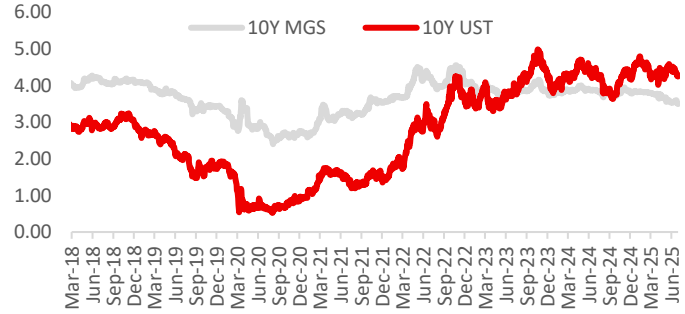
Chart 16: USDMYR vs. US Dollar Index vs. MIDF Trade-Weighted Index Monthly Average



Source: Macrobond, MIDFR

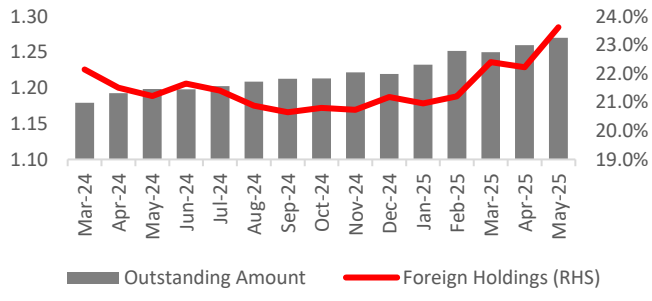
10y MGS yield moved lower last month. The MGS yield curve moved lower last month, tracking the movement of the UST. The 3-year MGS declined by -1.6bps to 3.137%, while the 10-year MGS yield fell by -4.3bps to 3.486% in Jun-25. The 10-year yield gradually moved lower since mid-month. Although we predict OPR will be kept unchanged, the continued inflows into the debt market and the decline in MGS yields reflected the market expectations pricing in for possible easing by BNM at the next policy meetings. Foreign holding of Malaysian debt securities increased in May-25; with holdings of Malaysian bonds rising by +RM13.4b to a new high of RM302.1b (Apr-25: RM288.6b). As a result, we estimated that the ratio of foreign holdings out of the total outstanding government bonds (including both MGS and sukuk) increased to 23.6% (Apr-25: 22.2%), slightly above the pre-pandemic level (2019 average: 23.1%) and higher than 21.5% a year ago.

Chart 17: 10y MGS vs 10y UST Yields (%)



Source: Macrobond, MIDFR

Chart 18: Share of Foreign Holding (%) vs Outstanding MGS/MGII (RM t)



Source: Macrobond, MIDFR

Economy to grow at 4.0% with domestic demand as key driver. We forecast Malaysia's GDP will grow at +4.0% this year (2024: +5.1%), easing from robust growth last year. While domestic demand will remain as growth driver, the uncertainties on the external front will continue to affect the external trade outlook. In 1QCY25, Malaysia's GDP growth moderated to a more normalised pace, growing at +4.4%yoy (4QCY24: +4.9%yoy) which was supported by increased domestic spending. We expect Malaysia's domestic growth fundamentals to remain intact. In addition to the stable and relatively low inflation environment, the sustained expansion in private consumption has been underpinned by a robust job market on the back of higher employment and wage growth, particularly in domestic-oriented sectors. The continued growth in the domestic spending will help to cushion the impact of global trade uncertainties and heightened geopolitical tensions. Additionally, the expanding tourism sector, driven by rising tourist arrivals, will boost spending and support overall consumption. Investment activity will remain supported by the ongoing multi-year projects and the continued realisation of approved investments. Going forward, we foresee continued investment inflows supporting growth across key sectors. Nonetheless, we continue to remain cautious of geopolitical and macroeconomic headwinds, as well as heightened global trade tensions, which could weigh on consumer, business, and investor sentiment. Although US-China trade tensions have eased, most planned tariff measures remain in place, continuing to weigh on the global trade environment. If Malaysia secures lower tariffs across the board and for key strategic sectors, the broader economic outlook could be brighter from improvement external trade (as in Scenario 4 in our previous publication).

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	4.4
Gross Fixed Capital Formation	(0.7)	6.8	5.5	12.0	6.6
Govt. Investment	(11.0)	5.3	8.6	11.1	5.6
Private Investment	2.8	7.2	4.6	12.3	6.8
Exports of goods & services;	18.5	14.5	(8.1)	8.5	4.2
Goods Exports	21.4	11.0	(12.7)	5.5	3.1
Services Exports	(8.2)	58.3	33.0	25.9	9.6
Imports of goods & services;	21.2	16.0	(7.4)	8.9	4.0
Goods Imports	23.8	14.4	(11.7)	9.4	3.8
Services Imports	7.7	25.7	15.8	7.3	4.8
Net Exports	(4.0)	(1.5)	(16.2)	2.2	6.8
Agriculture etc.	(0.3)	1.3	0.7	3.1	0.9
Mining & Quarrying	0.9	3.5	0.5	0.9	(1.1)
Manufacturing	9.5	8.1	0.7	4.2	3.7
Construction	(5.2)	5.1	6.1	17.5	12.8
Services	2.2	11.0	5.1	5.4	4.6
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	4.5
Headline CPI Inflation (%)	2.5	3.4	2.5	1.8	2.2
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)	-3.9
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	3.00
Brent Crude Oil (Avg), USD per barrel	71.5	102.0	82.2	79.9	65.0 – 68.0
Crude Palm Oil (Avg), MYR per tonne	4,486	5,262	3,813	4,194	4,100
USD/MYR (Avg.)	4.14	4.40	4.56	4.56	4.30
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	3.59
MGS 10-Yr Yield (End-period)	3.59	4.04	3.73	3.84	3.50
Overnight Policy Rate (%)	1.75	2.75	3.00	3.00	3.00

Source: Macrobond, National Sources, MIDFR

JUNE 2025 KEY ECONOMIC EVENTS

3 June: Malaysia's Manufacturing PMI Slightly Higher At 48.8 In May 2025 -- S&P Global. The seasonally adjusted S&P Global Malaysia manufacturing purchasing manager's index (PMI) inched up to 48.8 in May, compared to 48.6 in April, signalling a sustained, though softer moderation in operating conditions.

3 June: Negeri Sembilan to speed up investment approvals via 'Fast Lane' initiative, says MB. Negeri Sembilan is introducing a 'Fast Lane' initiative aimed at speeding up the approval process for potential investors, according to Menteri Besar Datuk Seri Aminuddin Harun.

5 June: Johor's 1Q FDI jumps nearly seven-fold to RM27.4b, fuelled by JS-SEZ momentum. The impact of the Johor-Singapore Special Economic Zone (JS-SEZ) is already being felt, with Johor recording RM27.4 billion in foreign direct investment (FDI) in the first quarter of this year.a further — albeit modest — deterioration in sector conditions.

9 June: Expanded SST to kick in on July 1 with 5%-10% sales tax on selected, non-essential goods, says MOF. The expanded sales and service tax will now kick in on July 1, according to the Ministry of Finance, which will see a sales tax of 5%-10% imposed on selected and non-essential goods.

11 June: Mida: Malaysia approves investments totalling RM89.8b in 1Q, still chasing projects worth RM48.5b. Malaysia has approved RM89.8 billion in investments in the first three months of 2025, marking a 3.7% increase from the same period last year, a government agency said on Wednesday.

12 June: Tariffs below 10% sought for sectors strategic for Malaysia and US, says Zafrul. Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Abdul Aziz said his lead on another round of negotiations in Washington, US on June 18 is mainly to focus on reduction in US-imposed tariffs on Malaysian exports, particularly in sectors deemed strategic to both economies.

12 June: BNM to fully roll out Qualified Resident Investor programme on July 1. Bank Negara Malaysia (BNM) on Thursday announced the full rollout of the Qualified Resident Investor programme for eligible corporates, effective July 1, 2025.

13 June: Israel launches strikes on Iran's nuclear sites and other targets; Iran launches retaliatory drone strike. Israel's military said it targeted Iranian nuclear facilities and research scientists in dozens of pre-emptive airstrikes early Friday morning local time, the first wave of what it said could be a day's long attack — and leading Iran to launch a wave of more than 100 drones at Israel in retaliation.

17 June: RON95 Subsidy Cut To Come First, Carbon Tax Expected In 2026 – Amir Hamzah. The government will prioritise the rationalisation of RON95 petrol subsidy this year before introducing a carbon tax in 2026, said Finance Minister II Datuk Seri Amir Hamzah Azizan.

18 June: Govt expects RM5 bil additional revenue from expanded SST in July-December 2025. The government expects the expanded sales and service tax (SST) to generate an estimated RM5 billion additional revenues in six months starting July, according to Finance Ministry secretary general of Treasury Datuk Johan Mahmood Merican, noting the move is part of its strategy to strengthen fiscal resilience.

18 June: Fed holds key rate steady, still sees two more cuts this year. The Federal Reserve on Wednesday kept interest rates steady amid expectations of higher inflation and lower economic growth ahead and still pointed to two reductions later this year.

19 June: Tariff talks with US went well, says Anwar. Prime Minister Datuk Seri Anwar Ibrahim said discussions between Malaysia and the US on the imposition of US unilateral tariffs went smoothly.

20 June: New Electricity Tariff: Over 23.6m Domestic Users in Peninsular Malaysia to Enjoy Fairer Rates. More than 23.6 million domestic users in Peninsular Malaysia will benefit from fairer and more progressive electricity rates due to the newly approved electricity tariff schedule approved by the government, the Energy Commission (EC) announced today.

22 June: US joins Israel in attacking Iran, strikes Fordow, Isfahan, Natanz sites. President Donald Trump has announced that the United States forces struck three Iranian nuclear sites in a "very successful attack", adding that the heavily fortified Fordow nuclear facility is "gone".

23 June: Iran's parliament backs blocking Strait of Hormuz. Its closure would alienate Tehran further. Iran may be threatening to close the Strait of Hormuz, but experts told CNBC that it's also the one with the most to lose.

25 June: Ceasefire between Israel and Iran appears to hold as Trump vents frustration with both sides. A fragile ceasefire between Iran and Israel appeared to hold Tuesday after initially faltering, and U.S. President Donald Trump expressed frustration with both sides, saying they had fought "for so long and so hard" that they do not know what they are doing.

26 June: PM launches Kota Madani smart city project in Putrajaya. Prime Minister Datuk Seri Anwar Ibrahim on Thursday officiated the launch of the Kota Madani development project in Precinct 19 — a major smart city initiative designed to be people-centric and environmentally sustainable.

30 June: ECERDC records RM6.4b realised investments in 1H2025 — Anwar. The East Coast Economic Region Development Council (ECERDC) has successfully recorded RM6.4 billion in realised investments in the first six months of this year, said Prime Minister Datuk Seri Anwar Ibrahim.

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197501002077 (24878-X).

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