LI Fell Again Pointing to Softer Growth Momentum

Monthly Economic Review
September 2025



Author
MBSB Research
research@midf.com.my

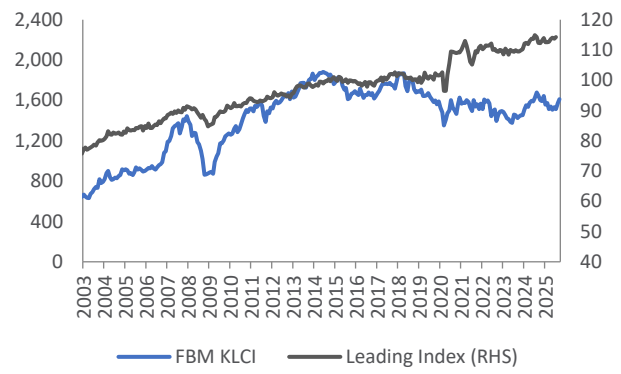
Economic Review

- Malaysia's leading index (LI) declined by -0.5%yoy in Jul-25 (Jun-25: +0.1%yoy) mainly due to double-digit contraction in two components: Real Imports of Other Basic Precious & Non-Ferrous Metals (-16.3%yoy) and Bursa Malaysia Industrial Index (-13.4%yoy).
- Malaysia's total trade fell by -1.9%yoy in Aug-25 (Jul-25: +3.6%yoy), reversing growth seen in the previous month and marking the second decline for the year.
- Malaysia's IPI expanded faster by +4.2%yoy in Jul-25 (Jun-25: +2.9%yoy). We had anticipated a stronger growth in IPI considering the rebound in exports during the month and the lower base in Jul-24.
- Malaysia's labour market remained firm and healthy in Jul-25 as the unemployment rate was sustained at 3.0%, maintaining the lowest rate in 10 years. This resilience was supported by the slight improvement in employment growth
- Malaysia's distributive trade increased by +5.0%yoy in Jul-25 (Jun-25: +4.8%yoy), bolstered by the higher expansion in all major components: retail trade (+5.6%yoy), wholesale trade (+5.4%yoy) and motor vehicles sales (+1.6%yoy).
- We maintain our 2025 Malaysia's GDP growth projection at +4.3%, moderate from a robust growth last year (2024: +5.1%). We foresee the external trade weakness, particularly due to the US on the back of higher tariffs, will be a drag to growth in 2HCY25, considering the fall in shipments to the US in Aug-25 following the start of the 19% tariffs on goods from Malaysia.

LI weakened again in Jul-25, growth momentum to moderate

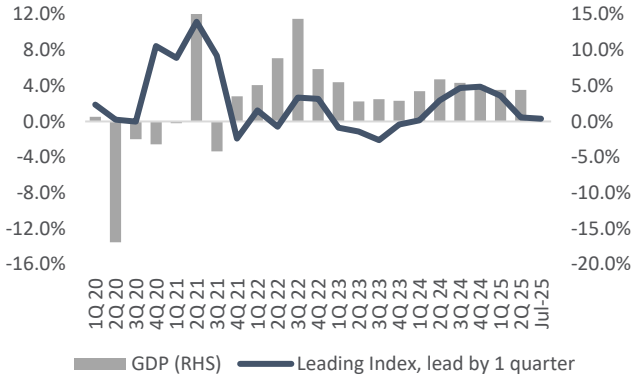
Malaysia's leading index (LI) declined by -0.5%yoy in Jul-25 (Jun-25: +0.1%yoy) mainly due to double-digit contraction in two components: Real Imports of Other Basic Precious & Non-Ferrous Metals (-16.3%yoy) and Bursa Malaysia Industrial Index (-13.4%yoy). On a monthly basis, the leading index edged up by +0.5%mom (Jun-25: -0.3%mom), underpinned by strong performance in five of the seven LI components, led by Real Imports of Semiconductors (+0.5%mom) and Number of New Companies Registered (+0.3%mom). On the other hand, the coincidence index (CI), which reflects current economic performance, recorded a faster growth of +2.2%yoy in Jul-25 (Jun-25: +1.7%yoy). Broad-based gains were recorded across all components of the CI, especially Real Contributions to EPF (+5.4%yoy) which suggests increased income. Similarly, on a monthly basis, the CI increased robustly by +1.2%mom in Jul-25 (Jun-25: +0.4%mom), mainly driven by the +0.3%mom expansion in both Industrial Production Index (IPI) and Real Contributions to EPF. The smoothed long-term trend shows that the LI remained below 100.0 points in Jul-25, suggesting growth momentum would be more moderate in the short run. Looking ahead, external trade headwinds are expected to persist amid potential softer demand from major trading partners and more tariffs introduced on specific products. Nonetheless, resilient domestic consumption will remain a key anchor for Malaysia's economy to grow sustainably, supported by low and stable inflation, rising wages, increased tourist arrivals, and the recent monetary policy easing.

Chart 1: Leading Index vs KLCI (Points)



Source: MATRADE, Macrobond, MBSBR

Chart 2: Leading Index vs GDP (YoY%)

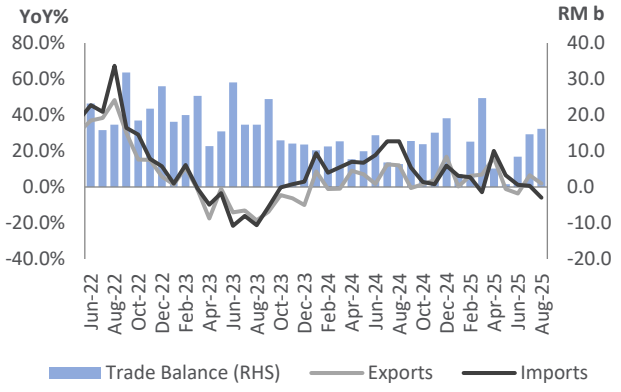


Source: MATRADE, Macrobond, MBSBR

Trade contracted in Aug-25 amid weaker imports and softer exports

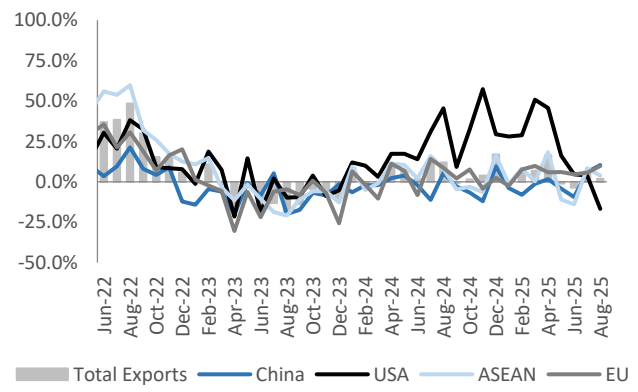
Malaysia's total trade fell by -1.9%yoy in Aug-25 (Jul-25: +3.6%yoy), reversing growth seen in the previous month and marking the second decline for the year. The weaker trade performance stemmed from the decrease in imports (-5.9%yoy; Jul-25: +0.6%yoy), marking the lowest reading since Sep-23, and the moderation in exports (+1.9%yoy; Jul-25: +6.5%yoy). Softer export growth was attributable by moderation but still double-digit growth in re-exports (+22.6%yoy; Jul-25: +41.9%yoy), in contrast to continued contraction in domestic exports for the 4th consecutive month (-2.5%yoy; Jul-25: -2.3%yoy). Increased shipments of E&E products; machinery, equipment & parts as well; and a rebound in palm oil exports more than offset the continued declines in exports of LNG, crude petroleum and petroleum products. In 8MCY25, total trade expanded slower by +3.8%yoy (8MCY24: +10.9%yoy), with the overall value reaching nearly RM2.0tril. During this period, exports growth also eased to +3.9%yoy (8MCY24: +6.0%yoy) reaching RM1.0t, still outpacing the sharper moderation in imports which rose by +3.6%yoy (8MCY24: +16.7%yoy) to nearly RM0.95t. Consequently, the trade surplus widened to +RM86.1b (8MCY24: +RM80.2b).

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



Source: MATRADE, Macrobond, MBSBR

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



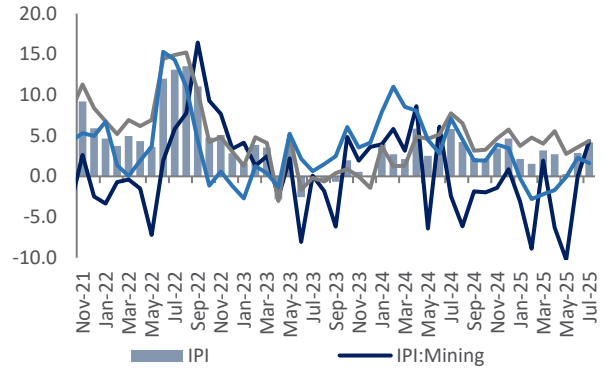
Source: MATRADE, Macrobond, MBSBR

IPI growth accelerated further in Jul-25

Malaysia's IPI expanded faster by +4.2%yoy in Jul-25 (Jun-25: +2.9%yoy). We had anticipated a stronger growth in IPI considering the rebound in exports during the month and the lower base in Jul-24. By major sector, the stronger IPI expansion was supported by a more robust expansion in manufacturing and mining output. Electricity generation continued to increase, albeit moderate slightly to +1.6%yoy, on the back of higher energy consumption. The stronger manufacturing output (+4.4%yoy; Jun-25: +3.6%yoy) was driven by stronger output of export-oriented products such as E&E, oils & fats, wood products and furniture. Meanwhile, the increased mining output (+4.3%yoy; Jun-25: -0.0%yoy) was attributable to

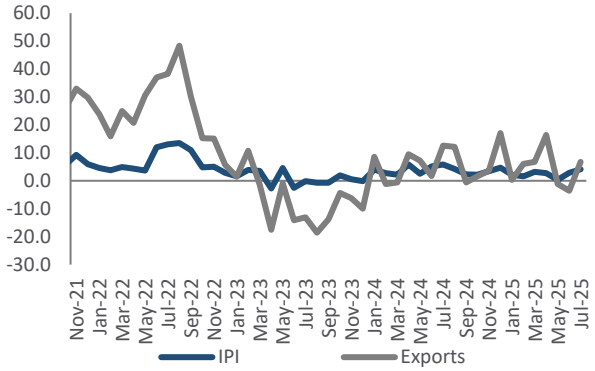
the stronger production of natural gas and a rebound in crude petroleum output. Despite the stronger production growth in Jul-25, we maintain the growth in overall IPI in the coming months will remain modest. In 7MCY25, IPI growth moderated to an average of +2.4%yoy (7MCY24: +4.0%yoy).

Chart 5: IPI Performances by Sector (YoY%)



Source: Macrobond, MBSBR

Chart 6: IPI vs Exports (YoY%)

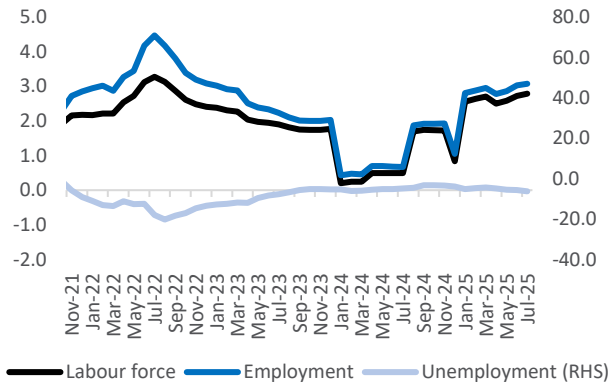


Source: Macrobond, MBSBR

Malaysia's labour market remains healthy

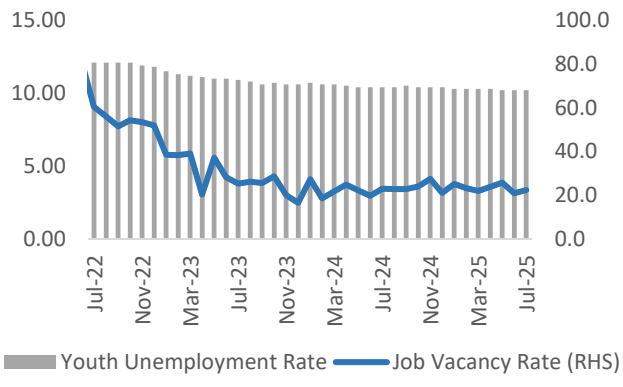
Malaysia's labour market remained firm and healthy in Jul-25 as the unemployment rate was sustained at 3.0%, maintaining the lowest rate in 10 years. This resilience was supported by the slight improvement in employment growth (+3.1%yoy; Jun-25: +3.0%yoy), which continued to outpace labour force growth (+2.8%yoy; Jun-25: +2.7%yoy) for the 48th consecutive month since Aug-21. The jobless rate remained stable despite the number of unemployed individuals ticked up to 522K (Jun-25: 519K). Compared to a year ago, the unemployment count fell by -5.7%yoy (Jun-25: -6.3%yoy). The unemployment rate among youths aged 15 to 24 was unchanged at 10.2% during the month but remained elevated, reflecting the persistent challenges faced by graduates and young job seekers in securing employment and entering the labour market. Looking ahead, resilience in the labour market is expected to underpin domestic consumption, a key buffer against the external trade uncertainties. However, risks remain for export-oriented sectors, as higher US tariffs could dampen hiring and wage growth. Potential tariffs on semiconductors may raise costs, weaken demand, and trigger job cuts or stalled hiring.

Chart 7: Labour Market Performances (YoY%)



Source: Macrobond, MBSBR

Chart 8: Youth Jobless Rate vs. Job Vacancies Rate (%)



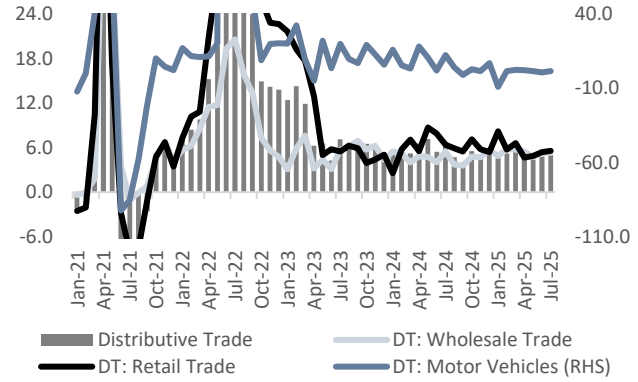
Source: Macrobond, MBSBR

Resilient domestic demand in Jul-25

Malaysia's distributive trade increased by +5.0%yoy in Jul-25 (Jun-25: +4.8%yoy), bolstered by the higher expansion in all major components: retail trade (+5.6%yoy), wholesale trade

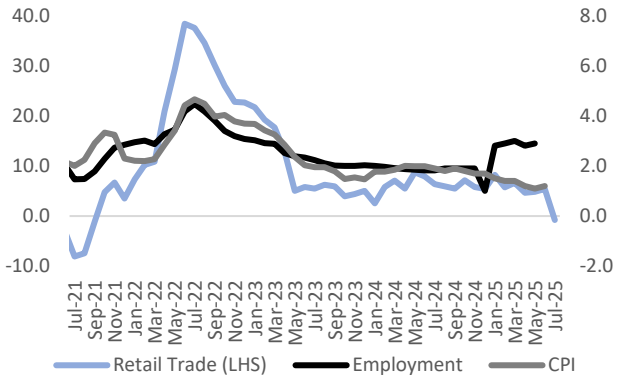
(+5.4%yoy) and motor vehicles sales (+1.6%yoy). There was a higher volume change; where distributive trade volume rose faster by +4.5%yoy (Jun-25: +4.3%yoy), stemming from the higher volume growth for retail trade (+4.4%yoy) and motor vehicles (+0.2%yoy), which recovered from declines seen in the previous two months. Meanwhile, wholesale trade recorded a sustained volume growth of +5.7%yoy (Jun-25: +5.8%yoy). Overall, the reading during the month suggests consumer spending and domestic demand remain robust. In 7MCY25, Malaysia's distributive trade rose softer by +4.9%yoy (7MCY24: +5.9%yoy) with faster expansion seen for wholesale trade (+5.3%yoy; 7MCY24: +5.4%yoy). However, growth in retail trade and motor vehicles sales moderated to +5.3%yoy and +0.1%yoy, respectively. Going forward, we expect continued expansion for consumption, supported by a healthy labour market with higher employment and positive wage growth, especially in domestic-oriented services sectors. On another note, low and stable inflationary pressure as well as the pre-emptive OPR cut in Jul-25 will provide additional support to consumers' purchasing power. Robust recovery in Malaysia's tourism sector will also bolster spending in various services sub-sectors such as F&B, transport, wholesale & retail trade, and accommodation.

Chart 9: Distributive Trade (DT) Growth (YoY%)



Source: Macrobond, MBSBR

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

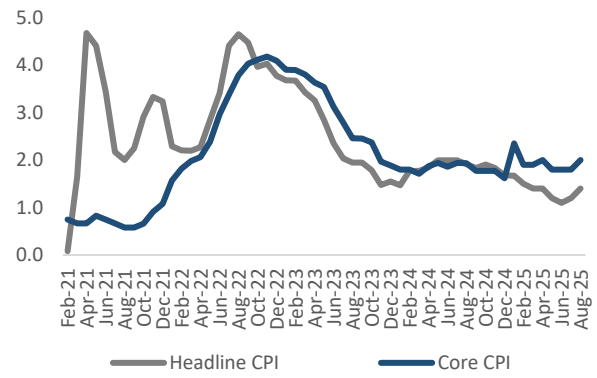


Source: Macrobond, MBSBR

Malaysia's headline CPI inflation edged higher to +1.3%yoy in Aug-25 (Jul-25: +1.2%yoy), the highest in 4 months. The stronger reading indicates inflation continued to accelerate gradually from +1.1%yoy in Jun-25, which was the lowest print of the year. The inflation for food away from home remained elevated at +4.3%yoy, similar to the previous month. In contrast, to prices of food at home remained in contraction but at a lesser pace (-0.1%yoy; Jul-25: -0.3%yoy) attributable to lower prices of vegetables (-6.5%yoy; Jul-25: -6.6%yoy) and milk, other dairy products & eggs (-1.4%yoy; Jul-25: -1.1%yoy). Meanwhile, prices of fish & other seafood (+2.3%yoy; Jul-25: +1.8%yoy) and oils & fat (+1.4%yoy; Jul-25: +1.5%yoy) continued to inflate during the month. Non-food inflation also picked up slightly to +0.9%yoy in Aug-25 (Jul-25: +0.8%yoy) driven by stronger inflation in restaurants & accommodation services (+3.5%yoy; Jul-25: +3.1%yoy) and insurance & financial services (+5.6%yoy; Jul-25: +5.5%yoy). Meanwhile, core CPI picked up to +2.0%yoy in Aug-25 (Jul-25: +1.8%yoy), marking the fastest reading in 4 months but still signaling mild underlying price pressures. However, on monthly basis, the core inflation jumped to +0.4%mom (Jul-25: +0.1%mom), the highest level since Feb-25. The modest price pressures seen across food, non-food, and core inflation categories indicated that the combined effect of last year's government policy changes, including the shift to targeted subsidies, higher utility tariffs, and the SST rate increase, has been less impactful on overall inflation than originally expected. We expect moderate inflation to continue into the later part of the 2HCY25 following the government's latest announcement. With the overall inflation in 8MCY25 remaining milder than our earlier projection, we revised down inflation forecast for 2025 to +1.4% from +1.8%, anticipating a more gradual rise in price pressures in the latter part of the year.

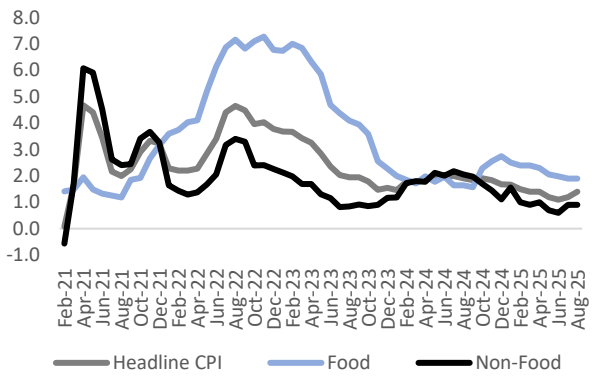
Headline inflation edged slightly higher to +1.3%yoy in Aug-25.

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



Source: Macrobond, MBSBR

Chart 12: Key CPI Data (YoY%)

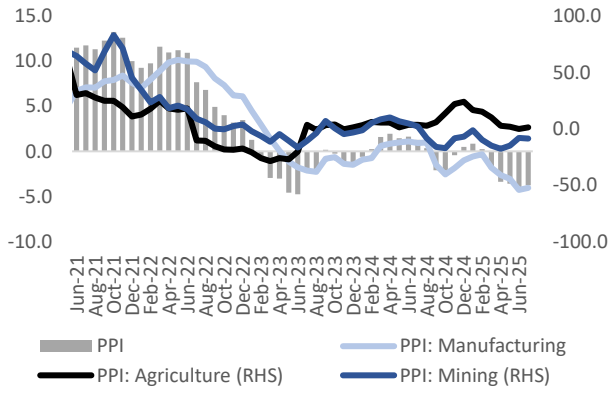


Source: Macrobond, MBSBR

PPI deflated for the sixth consecutive month albeit at slower pace

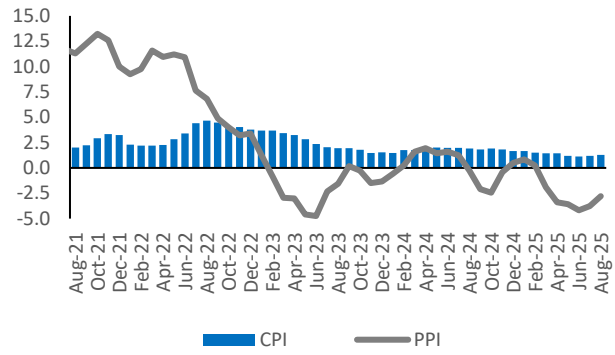
The downward pressure in Malaysia's producer prices persisted with a softer decline of -2.8%yoy in Aug-25 (Jul-25: -3.8%yoy), marking the sixth straight month of deflation but the mildest fall since Mar-25. The moderation was driven by a slower drop in mining PPI (-3.4%yoy; Jul-25: -8.7%yoy), largely reflecting a smaller contraction in crude petroleum extraction (-5.1%yoy). Meanwhile, PPI for the manufacturing sector continued to deflate by -4.0%yoy, dragged by coke & refined petroleum products (-14.9%yoy) and computer, electronic & optical products (-7.7%yoy). In contrast, agriculture, forestry & fishing surged (+7.3%yoy; Jul-25: +1.1%yoy), boosted by perennial crops (+11.6%yoy), while electricity & gas supply recorded slightly faster PPI inflation of +4.1%yoy (Jul-25: +4.0%yoy) and water supply PPI rebounded, with an increase by +3.4%yoy (Jul-25: -0.1%yoy). On a monthly basis, producer prices edged up by +0.1%mom (Jul-25: +0.3%mom), marking the second consecutive month of increases suggesting upstream cost pressures are gradually increasing, in contrast to sustained weakness in the manufacturing sector on the back of subdued external demand. With PPI inflation continued to hover above the PPI, further declines in cost pressures limited an upward price surge. We reiterate there is no urgent and compelling reason to adjust OPR for now because inflation has remained under control and domestic economic activities are expected to continue growing, supported by increased consumption and investment, healthy labour market and fiscal supports.

Chart 13: PPI for Selected Sectors (YoY%)



Source: Macrobond, MBSBR

Chart 14: PPI vs CPI (YoY%)



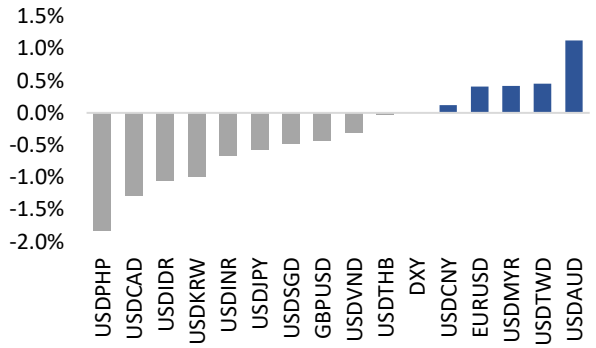
Source: Macrobond, MBSBR

Ringgit gained for the second consecutive month in Sep-25

The ringgit appreciated by +0.4%mom in Sep-25, closing the month at RM4.207 (end-Aug-25: RM4.225). In the first 9 months this year, the ringgit gained against the US dollar on the back of expectations for further rate cuts by the Fed. The ringgit traded within the RM4.18 – RM4.23 range last month, while the ringgit saw two occasions of temporary strengthening,

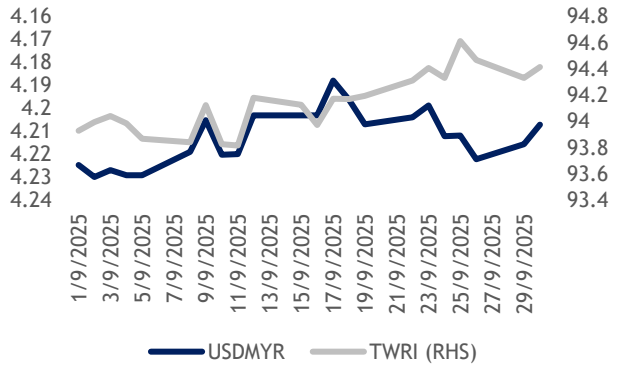
which broke the RM4.20 level, but later rebounded back above the level. On the 17 September 2025, USDMYR strengthened and closed at RM4.18, the strongest level since early Oct-24. Domestically, recent data affirmed economic activity remained resilient, consistent with BNM's decision to maintain the OPR and provide forward guidance for sustained economic growth. However, BNM simultaneously highlighted downside risks to the growth outlook, citing a potential global trade slowdown, weaker overall market sentiment, and lower-than-expected commodity production. Supporting this domestic strength was still robust figures in industrial production, distributive trade, and healthy labour market. Meanwhile, the continuous low and mild inflation environment would remain supportive to domestic consumption, on top of the boost from the recent mini fiscal measures, which will end by the end of the year. The ringgit strengthened against the currencies of Malaysia's major trading partners as our MBSB Trade-Weighted Ringgit Index (TWRI) increased by +0.5%mom to 94.41 (Aug-25: 93.90). The appreciation was mainly against the Philippines peso (+1.8%mom), Indonesian rupiah (+1.4%mom), and the Japanese yen (+1.2%mom).

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



Source: Bloomberg, Macrobond, MBSBR

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

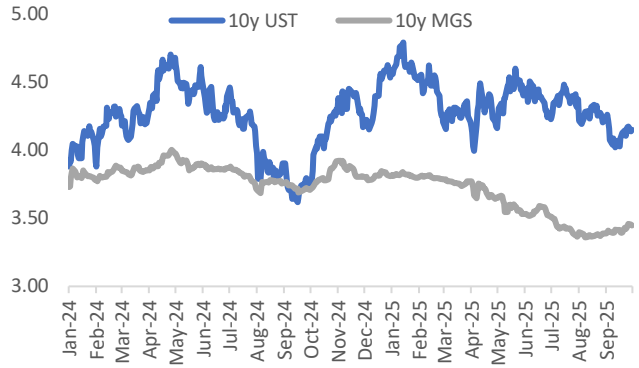


Source: Bloomberg, MBSBR

10y MGS yield increased last month

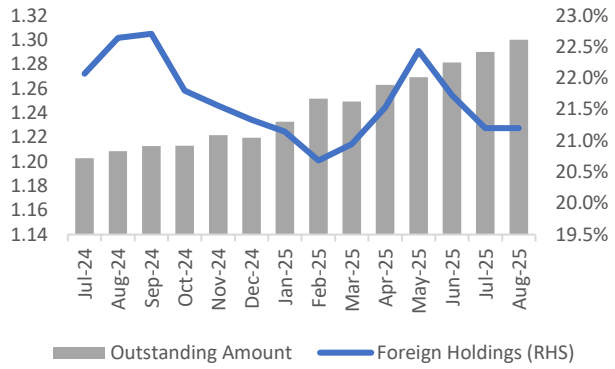
The MGS yield curve moved higher last month, another month of decoupling trend contrary to the downward shift in the UST yields. The 10-year MGS yield increased by +6bps to 3.448% in Sep-25, gradually moving higher towards the end of the month as the spreads between the 10-year yield against the OPR continued to normalise. The recovery in the MGS moved slightly higher over last month on the back of easing market expectations for another OPR cut by the BNM, which was also driven by BNM's slightly positive comments on the economic outlook, improving market sentiment. Based on the latest available data, foreign holdings of Malaysian bonds increased by +RM3.1b to RM294.2b (Jul-25: RM291.1b), but the ratio of foreign holdings remained unchanged in Aug-25 at 21.2% of total outstanding government bonds. We expect foreign funds to have returned to the domestic debt market given the slight appreciation of the ringgit amid the continued foreign net selling in the equity market last month.

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



Source: Macrobond, MBSBR

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



Source: Macrobond, MBSBR

GDP growth to moderate to +4.3%, with downside risks

We maintain our 2025 Malaysia's GDP growth projection at +4.3%, moderate from a robust growth last year (2024: +5.1%). We foresee the external trade weakness, particularly due to the US on the back of higher tariffs, will be a drag to growth in 2HCY25, considering the fall in shipments to the US in Aug-25 following the start of the 19% tariffs on goods from Malaysia. The trade outlook could weaken further with the introduction of more sector-specific tariffs. As part of measures to minimize the pressures on trade, the government and exporters could explore establishing new export markets and forge greater integration in terms of trade and investment with other countries. On the domestic front, we expect continued resilience in the domestic spending and investment activities to drive overall growth, cushioning the impacts from external trade slowdown. The reduction in subsidized RON95 price will also help to support household's spending on other discretionary items, in addition to other factors such the pre-emptive OPR cut in Jul-25, still mild price pressures, healthy job market and larger disbursement of cash handouts (including one-off SARA allocations).

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	4.3
Govt. Consumption	5.8	5.1	3.3	4.7	5.1
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	6.6
Private Investment	2.8	7.2	4.6	12.3	9.6
Exports of goods & services;	18.5	14.5	(7.9)	8.3	3.7
Goods Exports	21.4	11.0	(12.5)	5.3	1.9
Services Exports	(8.2)	58.3	32.9	25.5	12.4
Imports of goods & services;	21.2	16.0	(6.8)	8.2	4.3
Goods Imports	23.8	14.4	(10.9)	8.9	2.1
Services Imports	7.7	25.7	16.1	5.7	4.5
Net Exports	(4.0)	(1.5)	(22.2)	9.2	(4.7)
Agriculture etc.	(0.3)	1.3	0.7	3.1	1.2
Mining & Quarrying	0.9	3.5	0.5	0.9	(3.5)
Manufacturing	9.5	8.2	0.7	4.2	3.5
Construction	(5.2)	5.1	6.1	17.5	12.2
Services	2.2	11.3	5.1	5.3	4.9
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	1.8
Current Account, % of GDP	3.9	3.2	1.1	1.4	1.4
Fiscal Balance, % of GDP	(6.4)	(5.6)	(5.0)	(4.1)	(3.8)
Federal Government Debt, % of GDP	63.2	60.3	64.3	64.6	64.0
Unemployment Rate (%)	4.6	3.8	3.4	3.3	3.0
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	4,100
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	3.68
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	2.75

Source: Macrobond, Bloomberg, National Sources, MBSBR

SEPTEMBER 2025 KEY ECONOMIC EVENTS

1 Sep: Malaysia to explore new markets for semiconductors as part of diversification efforts: PM. Malaysia is exploring new markets for its semiconductor industry as part of its diversification efforts to move into new and non-traditional markets, said Prime Minister Datuk Seri Anwar Ibrahim. To this extent, he said China has advanced phenomenally in this field, and Malaysia is eager to learn and explore possible collaborations.

4 Sep: BNM maintains OPR at 2.75%. Malaysia's central bank on Thursday kept the benchmark interest rate unchanged as widely expected while flagging uncertainties in growth outlook from lingering external risks. At the current level, BNM said it "considers the monetary policy stance to be appropriate and supportive of the economy amid price stability".

12 Sep: Govt to launch new solar programme for electricity bill offset this December. The government will launch a new rooftop solar initiative this December, allowing consumers to offset their electricity bills with the power generated. The initiative, dubbed the Solar Accelerated Transition Action Programme (Solar ATAP), is a continuation of the Net Energy Metering (NEM) programme that expired in June, the Ministry of Energy Transition and Water Transformation said in a statement.

12 Sep: DOSM: Malaysia's tourism grows, hits RM291.9b in 2024. Malaysia's tourism industry generated RM291.9b, contributing 15.1% to the economy in 2024, according to the Tourism Satellite Account 2024 statistics released by DOSM. Chief statistician Datuk Seri Dr Mohd Uzir Mahidin stated that in 2023, the sector contributed 14.9% to GDP and generated RM271.9b.

13 Sep: Malaysia adds another US$100 mil to forex shield, pushing it to new decade high. Malaysia's international reserves have continued to climb in September, reaching a new 10-year high of US$122.8 billion, according to the latest data from Bank Negara Malaysia (BNM), boosting the country's defence against market volatility and external shocks.

25 Sep: RCEP eyes expansion as four countries signal interest ahead of October summit. The Regional Comprehensive Economic Partnership (RCEP) Summit in October is set to discuss potential new members to join the world's largest trade pact continues to grow. Minister Tengku Datuk Seri Zafrul Abdul Aziz said four countries have formally expressed their intention to join RCEP.

25 Sep: Anwar, Trump keen to witness signing of Malaysia-US trade pact in October: Zafrul. US President Donald Trump and Prime Minister Datuk Seri Anwar Ibrahim are keen to witness the signing of a trade agreement between their countries during Malaysia's chairmanship of the 47th Asean Summit in late October.

26 Sep: Anwar to launch Visit Malaysia 2026 in Melaka tomorrow, marking global tourism push. Melaka City will be the focus of locals but the international community as well with the launch of Visit Malaysia 2026 (VM2026), to be officiated by Prime Minister Datuk Seri Anwar Ibrahim in Klebang tomorrow night.

30 Sep: Budi95 rolls out nationwide, 16 million Malaysians benefit from cheaper RON95. Since 12 am today, 16 million Malaysians will start receiving benefits under the Budi Madani RON95 (Budi95) initiative to ease daily expenses. The initiative sets the price of RON95 petrol at RM1.99 per litre, down from RM2.05, with each individual eligible for up to 300 litres a month.

3 Sep: MOF: Sara spending hits RM192.4 mil in three days. Over 2.9m Malaysians have spent RM192.4m on basic necessities using RM100 one-off SARA credits in the first three days of the programme, according to the Ministry of Finance (MOF). The third day of the programme, Tuesday (Sept 2), saw more than 1.1m transactions worth RM75.3 million in sales being transacted as of 10.30pm, compared with RM50 million on its first day (Aug 31).

9 Sep: New customised incentive mechanism set to support investments in Malaysia's automotive sector: MITI. The Ministry of Trade and Industry (MITI) is finalising the New Customised Incentive Mechanism (NCM), aimed at providing a more transparent and attractive tax and incentive structure to strengthen Malaysia's automotive industry.

12 Sep: Malaysia faces higher meat, chicken and egg prices as SST bites, say feed importers. The Association of Commodities Importers for Animal Feed Malaysia (ACiAFM) has called on the government to rethink imposing the SST on certain imported feed raw materials, warning that the move will push up the cost of chicken, eggs and meat. According to The Star, around 30% ingredients used in feed —including soybeans, wheat pollard, canola meal and vitamin premixes— are now subject to a 5% SST.

13 Sep: Malaysia's Open-Door Policy Delivers RM376 Billion Economic Boost. Malaysia's open-door policy is paying off, delivering a combined RM376b to the economy in 2024 through foreign residents and a resurgent tourism sector, Housing and Local Government Minister Nga Kor Ming said. Foreign residents contributed over RM84.2b last year, while tourism revenues surged 41% to RM291.9b, equivalent to 15.1% of GDP.

17 Sep: Fed announces first rate cut in nine months, signals more reductions to come. The Federal Reserve cut its benchmark interest rate Wednesday for the first time since December and signaled more cuts are likely this year. Central bankers opted for a quarter-point cut this time around, matching expectations on Wall Street.

25 Sep: Budi95: Gov't to save between RM2.5b and RM4b annually: Amir Hamzah. Budi95 targeted petrol subsidy is expected to help the government save between RM2.5b and RM4b annually, depending on global crude oil prices. The estimate is based on crude oil trading at around USD75 (RM315.74) per barrel.

26 Sep: Malaysia actively engages US on tariff issues, furniture products, says Tengku Zafrul. Malaysia is actively engaging with the US on tariff-related issues, particularly tariffs on furniture products, while continuing efforts to strengthen the country's economic fundamentals, said Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz.

29 Sep: MITI launches Steel Industry Roadmap 2035 to revamp industry. The Ministry of Investment, Trade and Industry (MITI) has launched the Steel Industry Roadmap 2035 (SIR2035), which provides a "sequential pathway" to stabilise, restructure, and transform Malaysia's steel industry.

30 Sep: Vance tells US heading towards government shutdown after lawmaker meeting. Vice President JD Vance after a meeting with congressional leadership on Monday said he thought the US government would shut down due to lack of agreement between Republicans and Democrats. Senate Minority Leader Chuck Schumer said that Democratic lawmakers laid out healthcare issues to President Donald Trump in the meeting.

MBSB RESEARCH (formerly known as MIDF Research) is part of
MBSB Investment Bank Berhad (formerly known as MIDF Amanah Investment Bank)
(Bank Pelaburan) (A Participating Organisation of Bursa Malaysia Securities Berhad)

DISCLOSURES AND DISCLAIMER

This report has been prepared by MBSB INVESTMENT BANK BERHAD (formerly known as MIDF Amanah Investment Bank Berhad) 197501002077 (24878-X).

It is for distribution only under such circumstances as may be permitted by applicable law.

Readers should be fully aware that this report is for information purposes only. The opinions contained in this report are based on information obtained or derived from sources that we believe are reliable. MBSB INVESTMENT BANK BERHAD (formerly known as MIDF AMANAH INVESTMENT BANK BERHAD) makes no representation or warranty, expressed or implied, as to the accuracy, completeness or reliability of the information contained therein and it should not be relied upon as such.

This report is not, and should not be construed as, an offer to buy or sell any securities or other financial instruments. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. All opinions and estimates are subject to change without notice. The research analysts will initiate, update and cease coverage solely at the discretion of MBSB INVESTMENT BANK BERHAD (formerly known as MIDF AMANAH INVESTMENT BANK BERHAD).

The directors, employees and representatives of MBSB INVESTMENT BANK BERHAD (formerly known as MIDF AMANAH INVESTMENT BANK BERHAD) may have an interest in any of the securities mentioned and may benefit from the information herein. Members of the MBSB Group and their affiliates may provide services to any company and affiliates of such companies whose securities are mentioned herein This document may not be reproduced, distributed or published in any form or for any purpose.