

Malaysia

- Malaysia's Gross Domestic Product (GDP) growth eased from 4.5% in 2Q2018 to a 2-year low of 4.4% in 3Q2018 on the back of lower exports. Exports declined by 0.8% in 3Q2018 compared to a growth of 2.0% in 2Q2018 due to a contraction in commodity exports such as palm oil and liquefied natural gas (LNG).
- Malaysia's exports rose by 6.7% in September compared to a decline of 0.3% in August due to lower exports of intermediate goods. Meanwhile, imports contracted by 2.7% compared to a growth of 11.2% over the same period. The trade surplus widened to RM15.3 billion in September from RM1.6 billion in August.
- Industrial production growth inched up to 2.3% in September from 2.2% in August on the back of higher manufacturing and electricity output.
- Loans growth edged up to 5.7% in September from 5.4% in August amid higher loan demand from the financial and manufacturing sectors.
- The inflation rate increased to 0.6% in October from 0.2% in September amid higher food prices and transportation costs.
- Malaysia's GDP growth is projected to edge higher from 4.8% in 2018 to 4.9% in 2019 on the back of resilient consumer spending.

Malaysia's Selected Economic Indicators

	2016	2017	2018F*	2019F*
Real GDP Growth (%)	4.2	5.9	5.0	4.9
Inflation (%)	2.1	3.7	1.3	2.0
Overnight Policy Rate (%)	3.00	3.00	3.25	3.25

*Bloomberg consensus forecast

