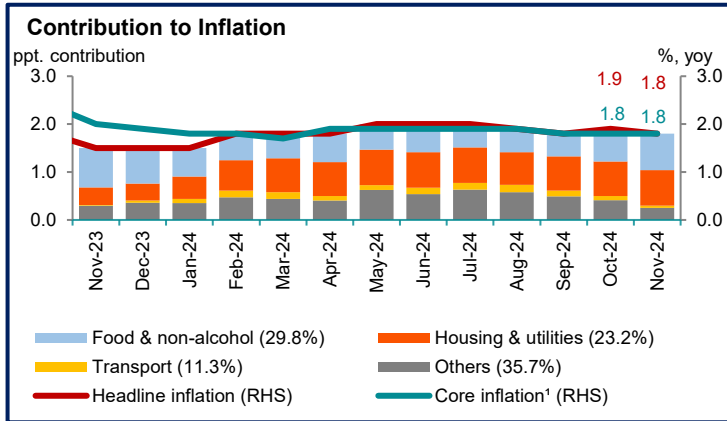


### Headline inflation declined amid lower inflation for mobile communication services



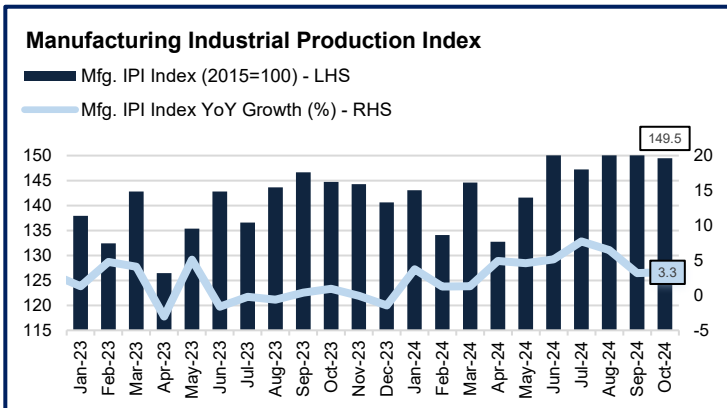
- In November, headline inflation declined to 1.8% (October 2024: 1.9%), while core inflation<sup>1</sup> remained stable at 1.8% (October 2024: 1.8%).
- Notably, the lower headline inflation was largely due to a continued downtrend in mobile communication services inflation<sup>2</sup>, which declined to -11.4% (October 2024: -5.2%) during the month.
- This was partly offset by higher inflation for food away from home (4.8%; October 2024: 4.1%) and streaming services (8.9%; October 2024: 5.3%).

<sup>1</sup> Core inflation is computed by excluding price-volatile and price-administered items

<sup>2</sup> The decline in inflation for mobile communication services was due to promotional pricing for mobile postpaid plans and upgrades to data quotas.

Source: Department of Statistics, Malaysia (DOSM) and BNM estimates

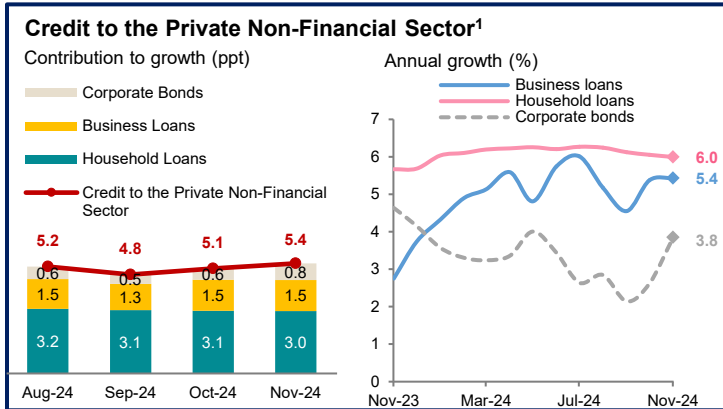
### Manufacturing production expanded in October 2024



- The manufacturing industrial production index grew by 3.3% in October 2024 (September 2024: 3.2%).
- The export-oriented clusters expanded further, lifted by higher production of both E&E and primary-related products.
- Growth in the domestic-oriented clusters rose further, reflecting higher production of construction-related materials as well as food, beverage and tobacco products.

Source: Department of Statistics, Malaysia (DOSM)

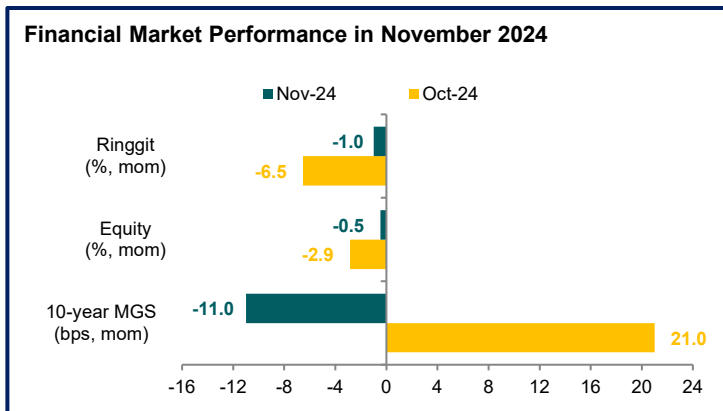
### Higher growth in credit to the private non-financial sector in November



- Credit to the private non-financial sector grew by 5.4% (October 2024: 5.1%), driven mainly by higher growth in corporate bonds (3.8%; October 2024: 2.6%).
- Growth in business loans was unchanged at 5.4% (October 2024: 5.4%). By purpose, loan growth for investment-related loans remained forthcoming, particularly among SME borrowers (9.4%; October 2024: 9.2%). Meanwhile, loans for working capital purposes moderated to 3.5% (October 2024: 3.8%).
- For households, loan growth continued to be sustained at 6.0% (October 2024: 6.1%), amid broadly steady growth across loan purposes.

<sup>1</sup> Comprises loans to households and non-financial corporations from the banking system and development financial institutions (DFIs), and corporate bonds issued by non-financial corporations (including short-term papers). Note: Numbers may not add up due to rounding.  
Source: Bank Negara Malaysia

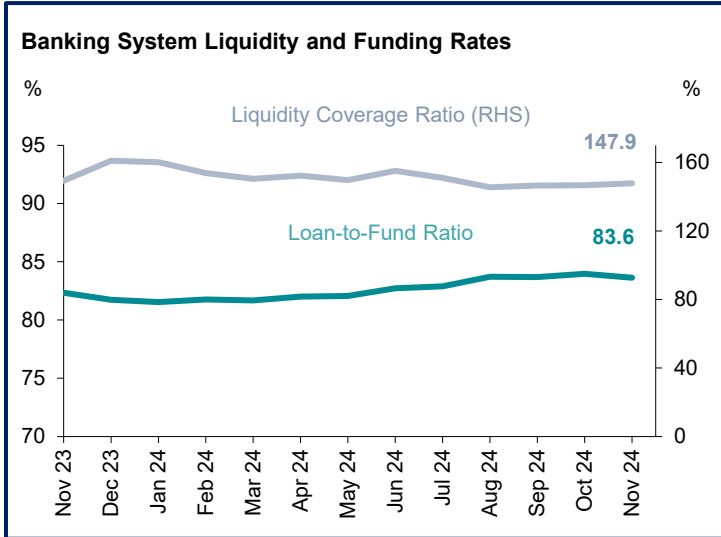
### Domestic financial markets were primarily influenced by cautious global investor sentiment



- Global investor sentiment turned cautious, primarily influenced by uncertainties surrounding potential policies from the upcoming US administration and market expectations regarding the pace of future interest rate cuts by the US Federal Reserve.
- Against this backdrop, the US dollar strengthened, exerting depreciation pressure on regional currencies (regional\* average: -3.4%), including the ringgit (-1.0%).
- The FBM KLCI also registered a marginal decline of 0.5% driven by foreign equity outflows. Meanwhile, the 10-year MGS yield declined by 11 basis points.

Note: The exchange rate data is the noon-rate in the Kuala Lumpur Interbank Foreign Exchange Market  
\*Regional countries comprise Singapore, Thailand, the Philippines, Indonesia and Republic of Korea.  
Source: Bank Negara Malaysia, Bursa Malaysia

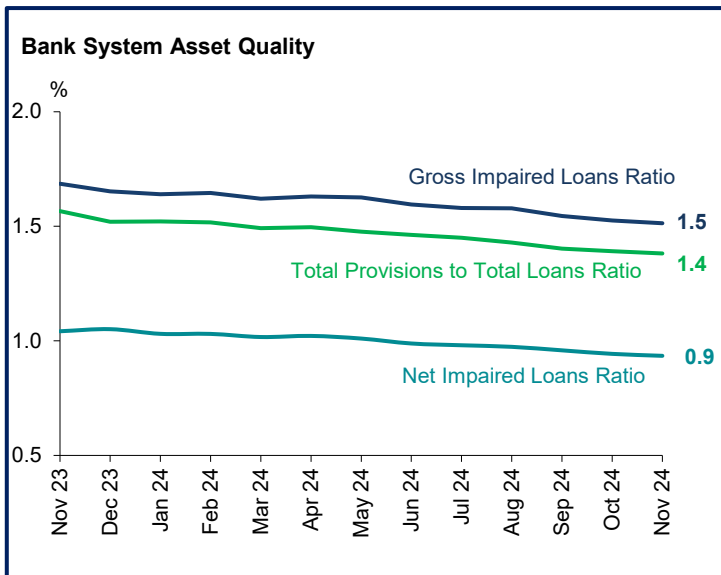
### Banking system liquidity position remained supportive of financial intermediation



Source: Bank Negara Malaysia

- The banking system continued to record healthy liquidity buffers with an aggregate Liquidity Coverage Ratio of 147.9% (October 2024: 146.8%).
- The aggregate loan-to-fund ratio remained broadly stable at 83.6% (October 2024: 84%).

### Banking system asset quality remains sound



Source: Bank Negara Malaysia

- Overall gross and net impaired loans ratios remained stable at 1.5% and 0.9% respectively.
- Loan loss coverage ratio (including regulatory reserves) continued to be prudent at 128.1% of impaired loans (October 2024: 126.6%).