

PM tips 5-6% growth this year
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Prime Minister Najib Abdul Razak said he expected the economy to expand by 5.0-6.0 percent this year despite the challenges of slower global growth and rising crude oil prices.

"In terms of outlook, Malaysia's economy is expected to expand between five and six percent," Najib told a press conference after a meeting with central bank officials.

"We're committed to achieve the six percent growth for this year and we have taken measures to ensure this is achievable," he said, referring to stimulus measures the government has announced.

However, Najib said the economy faced challenges including a slowdown in global growth, which would hurt the crucial exports sector, and rising the prices of crude oil and commodities.

The economy slowed to 4.8 percent growth in the fourth quarter of 2010, hit by falling exports, but for the whole year it posted a better-than-expected 7.2 percent expansion.

The full-year figure beat the government's target of 7.0 percent and followed a contraction of 1.7 percent in 2009 when the economy was hit by the global economic crisis.

Bank Negara Malaysia has previously tipped a 6.0 percent growth rate for 2011.

Najib has unveiled a series of economic reforms since taking power in 2009, aimed at creating 3.3 million jobs and pushing the country towards developed-nation status by 2020.

He has promised major infrastructure projects and financial market liberalisation, and vowed to stimulate the private sector to attract much-needed foreign investment.

- AFP