

## **PM: Indicators show nation's economy on right track**

**MalaysiaKini.com**

**Aug 31<sup>st</sup>, 2015**

A growing Malaysian economy at a time of regional and global economic uncertainty is one of the key indicators that the country's economy is still on the right and solid track, said Prime Minister Najib Razak.

The prime minister said this was among the five leading economic indicators which backed up that fact.

For example, he said, last year the economy grew at a rate of six percent and this year it is expected to achieve five percent.

"Unlike in 1998, during the Asian economic crisis, when our economy contracted by negative seven percent," he said in a National Day 2015 Message at the Kuala Lumpur Convention Centre tonight.

The prime minister said the second indicator was that the economic fundamentals were stronger today because Malaysia had learnt from the effects of the 1998 crisis.

"An example is that the government's fiscal deficit reduced from negative 6.7 percent in 2009 to 3.2 percent this year.

"Hence, the banking and financial system continues to have strong capitalisation and ample liquidity. The rate of non-performing loans and inflation are low and manageable," he said before an audience of nearly 3,000 people representing various segments of society at the Plenary Hall of the KLCC.

The National Day 2015 Message by the prime minister was broadcast live nationwide by TV1 of Radio Television Malaysia (RTM). The National Day Message event for the second year running was organised by the Communications and Multimedia Ministry through the Malaysian National News Agency (Bernama).

In a speech that lasted for about 40 minutes, Najib said the third indicator was the success of national policies, particularly through the National Transformation Policy, that had led to a decline in the poverty rate, from 49.3 percent in 1970 to just 0.6 percent in 2014.

### **Actual picture of situation**

"The Gross Domestic Product increased by 47.7 percent from 2009 to 2014, while as many as 1.8 million jobs have been created since the launch of the Economic Transformation Programme in 2010," he said.

The fourth indicator was that Malaysia is still recognised in the eyes of the world because it was able to effectively manage the economy well in the face of many challenges.

"This is proven by the ratings and reports of the international financial agencies such as Fitch Ratings, Moody's, Standard & Poor's as well as the actual picture of the economic situation and the current economic management," he said.

The people, he said, should understand that all research and findings on the achievements of Malaysia were not fictitious.

And, the international ratings agencies which provided the ratings were credible organisations and their ratings were conclusive and their findings and recommendations were accepted worldwide, he added.

Najib said Malaysia had also ranked 12th out of 60 countries in the World Competitiveness Yearbook 2014.

"But I am aware that concerns have arisen as a result of the depreciation of the currency. It should be recognised that this is a global phenomenon and almost all countries are not immune to the effects of the sharp fall in oil and commodity prices and contraction of the world economy, including China, Malaysia's largest trading partner," he said.

To that end, he said, he had established a special committee comprising 10 economists and corporate leaders who would promptly consider all plans and actions immediately until the economic crisis abated.

"What's important [...] I can assure you that the government will not lose focus, but will continue to safeguard and advance the interests and well-being of the people," he said.

The prime minister said that as for the fifth indicator, many efforts had been implemented by the government, such as the establishment of the Urban Transformation Centres (UTC), Rural Transformation Centres (RTC), 1Malaysia People's Aid (BR1M), 1Malaysia People's Shops and the like that have helped to ease their burden and improve their welfare.

"Evidently, Malaysia is not a failed state as claimed, it is not going bankrupt. In fact, we are still stable with strong fundamentals and will continue to survive and be competitive," he said.

- Bernama