

PM buoyed by strong 7.7% growth forecast
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The 7.7 per cent economic growth forecast by JP Morgan for Malaysia this year could be due to proven strong economic indicators shown by the country in the first quarter of this year, Najib Razak said today.

najib and budgetThe prime minister said these were based on the country's industrial production, exports and energy consumption for the first three months and energy consumption alone increased 21 percent in March.

"Alhamdulillah, if we can get 7.7 per cent growth (as forecast by JP Morgan)," he told Malaysian reporters after attending the just-concluded 16th Asean Summit at the National Convention Centre in Hanoi today.

JPMorgan revised Malaysia's Gross Domestic Product (GDP) growth forecast to 7.7 per cent, from 6.8 per cent previously, believed to be the highest GDP forecast among economists.

In a report issued this week, JP Morgan attributed the revision to strong regional production data in the first quarter of this year alongside the positive outlook for manufacturing particularly in the technology sector.

No revision to government's growth forecast

JP Morgan also noted fundamental improvements in the electrical and electronic sector based on encouraging purchasing managers index and export data in Malaysia.

"This showed that strong economic recovery could materialise," Najib said when asked to comment on the international rating agency's revised forecast.

However, the prime minister said that the government will not revise upwards its growth forecast.

"We will not revise. Malaysia will still maintain its prudent and conservative forecast of between 4.5 per cent and 5.5 per cent for the year," he said.