

POSITIVE ECONOMIC OUTLOOK

RATINGS SHOW RESPONSIBLE MANAGEMENT, SAYS PM

Anwar: Madani Economy reform agenda producing results

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THE reaffirmation of Malaysia's sovereign credit ratings and positive economic outlook showcase the government's responsible economic management, said Prime Minister Datuk Seri Anwar Ibrahim.

Anwar, who is also finance minister, said the Madani Economy reform agenda was producing positive results.

This comes after the reaffirmation of Malaysia's sovereign credit ratings by S&P Global Ratings at A- and Fitch Ratings at BBB+.

Both agencies have kept a "stable" outlook.

"Our ratings on Malaysia are underpinned by the country's strong external position and monetary policy flexibility. In addition, its economic growth rate trend is faster than sovereigns of similar income level," said S&P.

Meanwhile, Fitch projects

Malaysia's gross domestic product (GDP) growth to recover to 4.4 per cent in 2024 and 4.5 per cent in 2025, up from 3.6 per cent in 2023, driven by strong domestic demand and investments in the manufacturing sector.

It expects Malaysia's current account surplus to increase to 2.1 per cent of GDP in 2024 and 2.4 per cent in 2025.

The Finance Ministry said this reflected the continued confidence of international stakeholders in Malaysia's robust and resilient growth, despite a challenging external environment and rising geopolitical conflicts.

This includes ongoing institutional reforms to enhance ease of doing business and competitiveness.

Additionally, there is continued progress in projects and policy reforms under the New Industrial Master Plan 2030, the National Energy Transition Roadmap, and the Mid-Term Review of the 12th Malaysia Plan.

"With a buoyant labour market and stronger trade and investment performance already pushing the first quarter's GDP growth beyond market expectations to 4.2 per cent, the government is confident that the full-year 2024's economic growth will be within its official growth target range of 4.0 per cent to 5.0 per cent," Anwar said.