

'RESILIENT ECONOMY'

'RECESSION UNLIKELY DESPITE U.S. TARIFFS'

Malaysia's sound fundamentals will enable us to weather this challenge, says PM

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THE government does not foresee a recession in Malaysia due to United States' tariffs on imports from Malaysia and other countries, said Prime Minister Datuk Seri Anwar Ibrahim.

"Our economy remains resilient," Anwar said in a televised broadcast yesterday.

It was reported that concerns about a global recession were growing, driven by US tariffs and revisions to the gross domestic product (GDP) growth of the US, Europe and China.

"Our macroeconomic founda-

tions remain strong, including our robust household spending, strong domestic investment, healthy tourism receipts and the continued implementation of national master plans," Anwar said.

"Our sound economic fundamentals, therefore, will enable us to weather this challenge from a position of strength and preparedness."

He, however, said should the tariff be implemented, the government would need to review its 2025 GDP projection.

Currently, the government expects the economy to grow between 4.5 and 5.5 per cent.

In his address, he said the medium- to long-term impact of the tariffs on Malaysian imports would be challenging, but the government was ready to mitigate the issue.

He added that Malaysia would not resort to retaliatory tariffs. It would instead engage with the US to find a mutually acceptable, fair and equitable solution.

In **George Town**, Penang Chief Minister Chow Kon Yeow said his administration has submitted in-

dustry players' feedback on the tariffs to Anwar and the investment, trade and industry minister.

Chow said the companies are concerned about the tariffs as the state is an industrial hub.

He added that as it was still early days, there was a need to study the issue and the impact on the country.

He said there were those who expressed optimism as the tariffs imposed on Malaysia are lower than those on neighbouring countries, including Vietnam, Thailand and Indonesia.

"And because of the lower tariffs, some commentators say that we will actually become a more attractive investment destination. However, these are all just initial views."

Last week, the US imposed a 24 per cent tariff on imports from Malaysia, which is among a slew of countries hit by reciprocal levies by President Donald Trump's administration.

On Saturday, Anwar said he was engaging with key figures close to Trump about the tariffs.