

'BRACE FOR GLOBAL UNCERTAINTIES'

Malaysia has strong fundamentals, to rally Asean for stronger negotiating position, says Anwar

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MALAYSIA must enhance its preparedness to face global economic uncertainties, including the impact of the United States stock market crash that resulted in trillions of dollars in losses, said Prime Minister Datuk Seri Anwar Ibrahim.

He said although the country's economic fundamentals were strong, several unexpected developments required immediate attention, including the sudden tariffs imposed by the US and trade relations with the country.

Anwar also described the new tariffs as unjustified and with a questionable premise.

"This tariff decision reflects weak justification, and the method of determining which countries are affected is highly questionable."

"Clearly, this decision has not been properly thought through," he said during the Prime Minister's Department's monthly assembly here yesterday.

Anwar added that Malaysia and other Asean members would present a unified front to tackle the tariffs.

He said an Asean consensus would significantly strengthen tariff negotiations with the US.

"My responsibility, along with the Foreign Ministry, is to contact our Asean counterparts."

"Each country has its own position, but we stand together as a strong, united group."

"I have already reached out to our partners, such as the Philippines, Brunei and Thailand, to express that while we each have our own positions, we will align our efforts as one cohesive bloc."

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Prime Minister Datuk Seri Anwar Ibrahim with Indonesian President Prabowo Subianto at Seri Perdana in Putrajaya on Sunday. PIC COURTESY OF PRIME MINISTER'S DEPARTMENT

"This unity will give us a stronger negotiating base," he said.

Anwar said Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz would chair a Special Asean Economic Ministers' Meeting.

The meeting is expected to discuss the broader implications of the US tariffs on regional trade and investment flows and macroeconomic stability, and coordinate Asean's response to uphold the region's economic interests for an open, fair and rules-based trading system.

"We must be more vigilant. From an economic fundamentals standpoint, we are in a much stronger position," Anwar said.

"The growth figures previously announced were promising, but there have been some unexpected developments, including the issue of tariffs."

"Our exports to the US are significant. The export of semiconductors alone could reach

US\$100 billion. That accounts for 65 per cent of the country's semiconductor production.

"Trade relations with the US remain among the highest, competing with China and, more recently, Germany. This is why we must consider all possibilities," he said.

Last Wednesday, the US imposed significant tariffs on most countries in the world in a sweeping policy shift aimed at addressing what President Donald Trump has described as "decades of trade imbalance".

Imports from Malaysia were hit with a 24 per cent tariff.

In a Facebook post on Sunday, Anwar said he and Indonesian President Prabowo Subianto held a closed-door meeting to discuss regional issues, including the impact of the US tariffs.

Anwar said they also discussed joint efforts to provide humanitarian aid to earthquake victims in Myanmar.

Prabowo and his delegation arrived at the Bunga Raya Complex of Kuala Lumpur International Airport at 5.52pm on Sunday for a meeting with Anwar.

It was Prabowo's third visit to Malaysia since taking office in October last year