

'No drop in investors' confidence'

PM: Investments rose 10.7% from Jan-Sept 2024, charting economic growth

KUALA LUMPUR: Malaysia's economic indicators have shown improvement, says Datuk Seri Anwar Ibrahim, dismissing claims by Opposition MPs that investors' confidence has eroded due to policy uncertainties and flip-flops.

The Prime Minister said Bursa Malaysia, which has a market capitalisation of RM2 trillion, had reported minimal foreign fund outflow compared to its regional peers such as Thailand and Indonesia, following the Donald Trump-led US administration.

"The Gross Domestic Product (GDP) for the first nine months of (2024) has been encouraging. Investments rose 10.7% compared to the corresponding period in 2023. This is a significant increase," he said.

Anwar cited investment commitments from multinational companies such as Amazon, Microsoft, and Infineon Technologies.

"This reflects investors' confidence," he said during the Prime Minister's Question Time at the Dewan Rakyat yesterday.

He said research houses such as Nomura Global Markets, JP Morgan and HSBC had increased ratings for Malaysian public-listed companies.

Anwar said the stock market did decline in February, much like other regional bourses.

"However, companies and financial institutions continued to report big profits," he said, reading out the profits registered by major banks.

"What sort of a dream is the

perception that investors' confidence has eroded because of the addendum (issue)? Where are the numbers from?" Anwar asked.

He was responding to a question from Wan Ahmad Fayhsal Wan Ahmad Kamal (PN-Machang) on reasons why many foreign investors had been selling their shares in the country recently.

To a supplementary question, Wan Ahmad Fayshal cited a Bursa Malaysia report and said foreign outflows from Bursa Malaysia had been high since Anwar became Prime Minister. He then asked whether the reason for the outflow was the perception of corruption and the addendum issue, among others.

Anwar reiterated that all economic indicators had increased,

adding that the bond market had also reported a positive performance.

"He (Wan Ahmad Fayshal) did not listen to my explanation. It is all right if that is his view. This is why Machang is not developed," he said.

Wan Ahmad Fayshal then responded by saying that he was a first-time MP, to which Anwar retorted that he would consider increasing allocations for the development of Machang.

Anwar said what was important was strong economic fundamentals such as economic growth, increased investments and the strength of the ringgit.

To another supplementary question by Datuk Seri Hamzah Zainudin (PN-Larut) on the need for reforms on Bursa Malaysia to

provide foreign investors with the "flavour" to invest in the local capital markets, Anwar said he agreed with the proposal.

"There have been changes to the leadership of Bursa Malaysia which indicate reforms. There are early proposals," he said.

At the Parliament's media centre, Hamzah, who is Opposition Leader, said the main issue he wanted to highlight was investors' confidence in the country.

"There are a lot of issues related to it (investors' confidence), not just about the royal addendum (related to former prime minister Datuk Seri Najib Razak).

"I actually do not want to fully blame the Prime Minister. Perhaps we can sit down and discuss how to improve investors' confidence," he said.