

Malaysia To Register 5 Per Cent GDP Growth
Bernama
January 11, 2012

KUALA LUMPUR, Jan 11 (Bernama) -- The Malaysian economy is expected to register a gross domestic product (GDP) growth of five per cent this year, said AmResearch Sdn Bhd.

The research firm said it was also confident the country could sustain an additional growth of five per cent to six per cent in the final quarter of 2011.

Its senior economist, Manokaran Mottain, said Malaysia's economic growth would likely remain robust despite the ongoing uncertainties in the global economy.

"We hold our view that domestic demand, especially private consumption and investment, would support GDP growth in the quarters ahead," he said in the Economic Update here Wednesday.

He said the implementation of the Economic Transformation Programme projects announced last year as well as a further roll-out of new projects identified for this year would sustain domestic economic momentum.

Manokaran said fiscal policy played an important role in the country's performance, though the government was still committed to prudent management without destabilising growth momentum.

"Under Budget 2012, the government is committed to reducing the fiscal deficit to 4.7 per cent of GDP this year from an estimated 5.4 per cent in 2011," he said.

He said lower inflation levels as well as favourable labour market conditions would also help provide further support on the back of the potential decline in external demand.

Manokaran said volatility was expected to continue in both domestic manufacturing sector and external demand in the coming months amid the ongoing crisis in the eurozone.

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