

**Malaysia able to withstand current economic challenge, says minister**  
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Malaysia is able to withstand current economic challenges due to its strong fundamentals, Minister in the Prime Minister's Department Datuk Seri Abdul Wahid Omar said.

He said that the current environment faced by the country was fundamentally different from the circumstances during the 1997/1998 financial crisis.

"Back in 1997/98, Malaysia's international reserves were below US\$30 billion, which were sufficient to cover only 3.2 months of retained imports.

"We had trade deficits and corporate (bodies) were highly geared then, with many borrowing in US dollars, while their income and assets were in ringgit," he said when launching the Innovate Malaysia Design Competition 2015 here today.

Wahid said currently, even after the recent outflows, Malaysia's international reserves were at least three times larger at US\$96.7 billion as at July 31, 2015.

The country's trade surplus reached RM41 billion for the first half of 2015 despite lower oil and commodity prices, while the corporate balance sheet was much healthier, he added.

Wahid said the country's labour market conditions were stable with a low unemployment rate of three%, while banks were well-capitalised, with good asset quality where impaired loans ratio was low at 1.2%.

Meanwhile, he said collaborative efforts between the industry and academia were important in optimising the country's talent pool in support of the Economic Transformation Programme.

"As highlighted in the National Education Blueprint 2015-2025 (Higher Education), addressing the mismatch between graduates and employer demands calls for greater industry-academia collaboration and industry participation in the academic space," he added.

Innovate Malaysia is a multi-discipline engineering design competition opens to final-year undergraduate engineering and computer science students in local universities.

Organised by Altera, Intel, Keysight, MathWorks, Microsoft, National Instruments and SilTerra, the contest attracts more than 400 students from over 30 institutions of higher learning. – Bernama, August 19, 2015.

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