

Malaysia's International Reserves Strong Against Global Economic Shocks
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KUALA LUMPUR, Oct 27 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak said macro-economic fundamentals which were resilient and strong international reserves were factors which supported the national economic growth and acted as buffers against the global economic shocks.

He said on Sept 30, the nation's international reserves were at RM415.1 billion compared to RM357.7 billion recorded last year.

"The situation is sufficient to support 8.6 months of retained imports and 1.2 times short-term foreign debts."

Najib, who is also Finance Minister, said this in a written reply to Zuraida Kamaruddin (PKR-Ampang) who wanted to know if the national economy was improving or not as the country was experiencing a decline in international reserves and depreciation of the Ringgit.

Najib stressed that the national economy remained strong despite the uncertain external environment including the drop in world crude oil prices, the volatility of the financial market, the depreciation of the Ringgit and the sluggish regional economy.

He said during the first half of 2015, the national economy recorded a real Gross Domestic Product of 5.3 per cent, supported by domestic demand, especially private sector spending.

In the case of supply, Najib said growth was supported by the overall growth of all economic sectors.

"The government has implemented structural changes to strengthen the national economy by exploring new markets, enhancing the transition to high value-added activities, liberalising the service sector, increasing productivity, creativity and innovations, and increasing domestic demand in order to reduce the effects of the sluggish external demand," he said.

Najib said in the effort to drive economic development, attention must be given to improving public service delivery to help the private sector spur economic growth, and boosting the participation of entrepreneurs including in the small and medium-scale industries, in economic activities.

He added that the government had also announced several proactive measures following concerns over the external challenges, thus proving its commitment in ensuring the national economy remained stable and able to immediately react in the event of unforeseen developments.

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