



## **DoSM: Malaysia's economy gears up as more states move to next phase of NRP**

KUALA LUMPUR, Sept 30 -- Malaysia's economy is gearing up as more states are moving into the next phase of the National Recovery Plan (NRP), said the Department of Statistics Malaysia (DOSM).

Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said effective health strategies and the adoption of the new normal are vital for businesses to become more resilient amid the resumption of more business activities and longer operating hours.

He said a slowdown in the nation's main economic activities was seen in July 2021, however, brighter economic foresight is anticipated by the end of 2021.

"Thereafter, the economic recovery will not only be revitalised at the end of 2021 but will also create a brighter future for Malaysia in the years ahead," he said in a statement today in conjunction with the publication of the latest Malaysian Economic Statistics Review (MESR).

Mohd Uzir noted that selected economic indicators posted a moderate year-on-year improvement in July 2021 as the nation transitioned into the first phase of the NRP on June 15, 2021.

"Malaysia's trade remained in positive momentum in July 2021, albeit at a slower rate of 13.0 per cent, with exports growing by 5.0 per cent while imports surged by 24.0 per cent, resulting in a decline of 45.8 per cent in trade surplus.

"The Industrial Production Index (IPI) shrank 5.2 per cent as against the same month of the preceding year after eight successive months of positive growth, mainly attributed to a 6.5 per cent fall in the manufacturing index," he said.

Mohd Uzir noted that a setback in growth trajectory was experienced in the service sector following the nationwide lockdown and movement restrictions as the sales value of wholesale and retail trade dropped 14.7 per cent to RM92.7 billion in July 2021.

In terms of prices, the Consumer Price Index increased by 2.2 per cent mainly contributed by the transport group, he said.

"Malaysia's Producer Price Index for local production in July 2021 rose by 11.7 per cent due to a hike in the mining index following an increase in prices of natural gas and crude oil commodities," he added.

Mohd Uzir noted that the uneven performance of the nation's economy indicates Malaysia is still grappling with the prevailing COVID-19 pandemic.

"The Leading Index (LI) dropped 4.0 per cent year-on-year in July 2021 to register 105.0 points, while on a monthly basis, the LI fell by 0.6 per cent.

"The downward trend of the LI since March 2021 reflects uncertainty over the economic outlook," he said.

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