



MEDIA RELEASE

MINISTER OF FINANCE MALAYSIA

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THE HIGHEST MANUFACTURING PMI IN SIX MONTHS WILL HELP MALAYSIA ACHIEVE ITS 2019 GDP GROWTH TARGET OF 4.7%

The Manufacturing Purchasing Managers' Index (PMI) for Malaysia rose to its highest level in 6 months to 49.3 points in October 2019, from 47.9 points in September 2019. The highest manufacturing PMI in six months will help Malaysia achieve its 2019 GDP growth target of 4.7%.

The sudden PMI jump from 47.9 points in September to 49.3 points in October is one of the highest increases in recent times and it gives confidence to continued sustainable growth for the country. Many other economies are facing growth challenges caused by the trade war, with Singapore even stating that they would be lucky to record any positive economic growth this year.

The strong October PMI is due to new orders and stronger manufacturing output. Additionally, business outlook strengthened, and this has led to more manufacturing firms planning for expansion. As a result, total employment among manufacturers rose.

The latest labour force statistics shows that the labour force participation rate throughout the Malaysian economy rose to 68.6% in August 2019, a 0.1 percentage point increase from July 2019. Total employed persons in August 2019 increased by 1.9% year-on-year to 15.19 million people, while unemployment rate remained low and stable at 3.3%.

As shared during the tabling of the 2020 Budget, the Government projects the 2019 Malaysian GDP to rise resiliently at 4.7%. Based on the strong first half GDP expansion at 4.7%, the biggest trade surplus for the first 9-month period worth RM100.9 billion, and the rising manufacturing PMI readings, the Government is confident that the Malaysian economy will grow 4.7% in 2019 as projected. If the trade dispute between China and the United States de-escalates, then there will be grounds for optimism of a more robust economic growth for Malaysia.

Sayangi Malaysiaku!

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