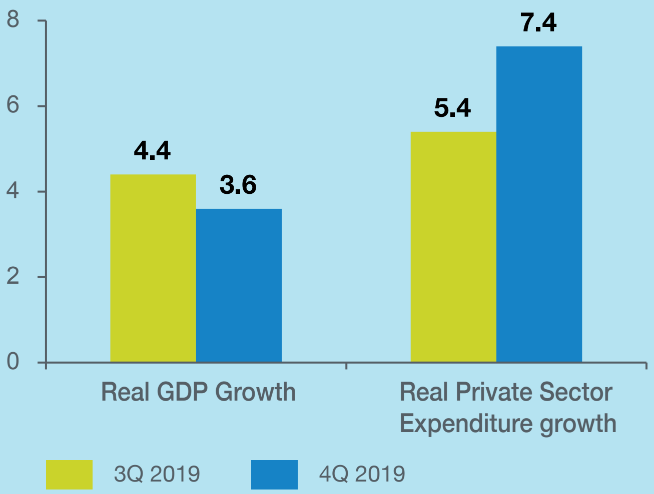
Key Highlights on
Economic and Financial Developments in 4Q 2019

The Malaysian economy grew by 3.6% in the fourth quarter

Growth was underpinned by stronger private sector expenditure, amid supply disruptions in the commodities sector



Continued income and employment growth anchored household spending

Private investment improved to 4.2% (3Q'19: 0.3%)

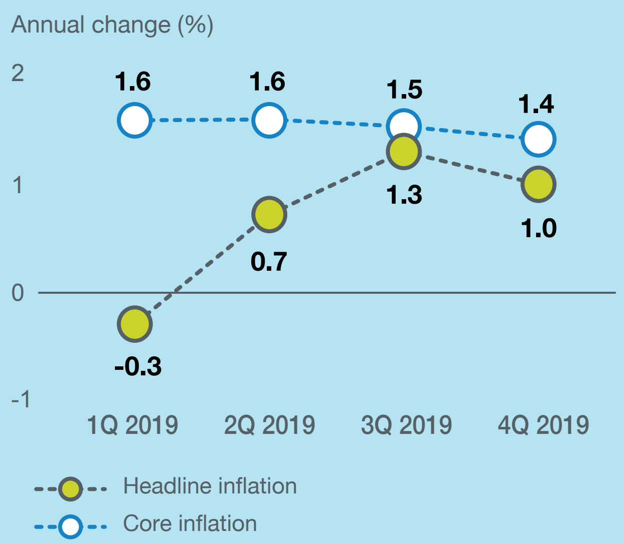
Commodities sector affected by supply disruptions

- Agriculture contracted by 5.7% (3Q'19: +3.7%)
- Mining remained in contraction (-2.5%, 3Q'19: -4.3%)

Headline inflation averaged lower in the fourth quarter

Lower headline inflation as the impact of the SST implementation lapsed

Headline and Core Inflation[1]



[1] Core inflation is computed by excluding price-volatile and price-administered items. It also excludes the estimated direct impact of consumption tax policy changes.

Lapse in the impact of the SST implementation

Fuel inflation continued to exert downward pressure as domestic retail fuel price ceilings were maintained

Core inflation was stable amid the absence of strong demand pressures and moderate expansion in private sector wages

Source: Department of Statistics Malaysia, Bank Negara Malaysia unless stated otherwise
For more information, visit www.bnm.gov.my