# Contents


P4 **Key Highlights**

P7 **International Economic Environment**

P9 **Developments in the Malaysian Economy**

*P18* *Box Article 1: Rethinking Investment Incentives*
*P26* *Box Article 2: Imbalances in the Property Market*

P33 **Monetary and Financial Developments**

*P37* *Box Article 3: Financial Conditions Index for Malaysia*

P43 **Managing Risks to Financial Stability**

P53 **The Bank's Policy Considerations**

P55 **Macroeconomic Outlook**

**Feature Article**

*P58* *Feature Article 1: Better Boards - The Path Towards Stronger Corporate Governance in Financial Institutions*

P63 **Annex**