Key Highlights on

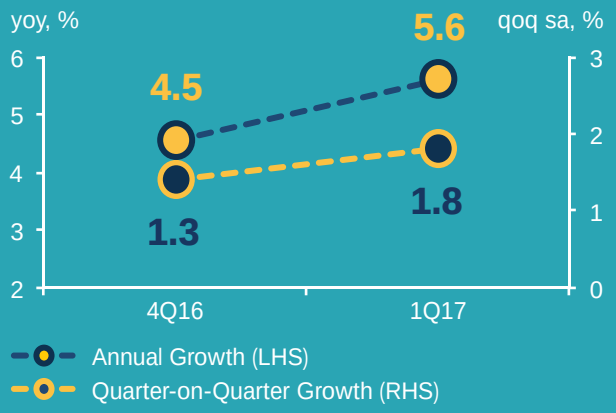
Economic and Financial Developments in 1Q2017

Higher GDP growth at 5.6%

Private sector spending grew by 8.2% (4Q16: 5.9%)

On the supply side, the agriculture sector turned around to register positive growth of 8.3% (4Q16: -2.5%)

Real GDP Growth



Rise in inflation mainly reflected the increase in global oil prices

Inflation in the transport category was higher

Crude Oil Prices

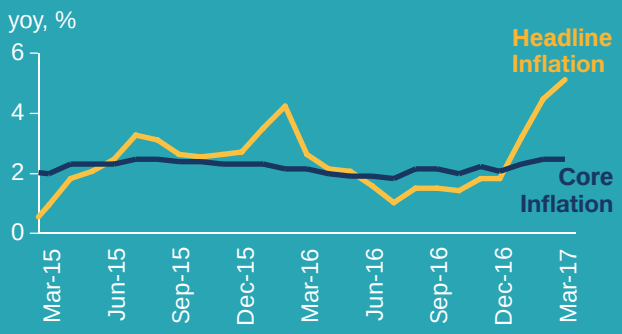
1Q17: USD55/barrel
1Q16: USD35/barrel

RON95 Petrol

1Q17: RM2.23/litre
1Q16: RM1.73/litre

However, the increase in core inflation remained modest

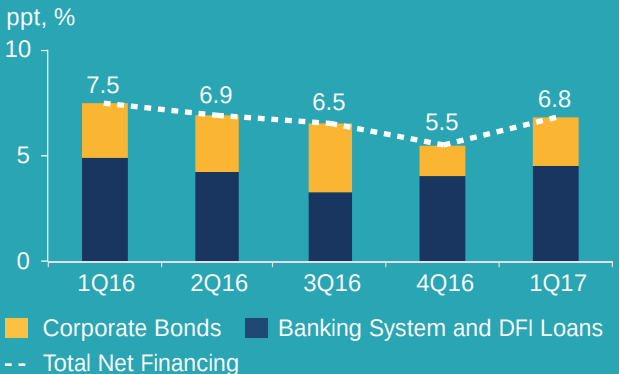
Headline and Core Inflation



Financing conditions remained supportive of economy

Financing to the private sector improved during the quarter

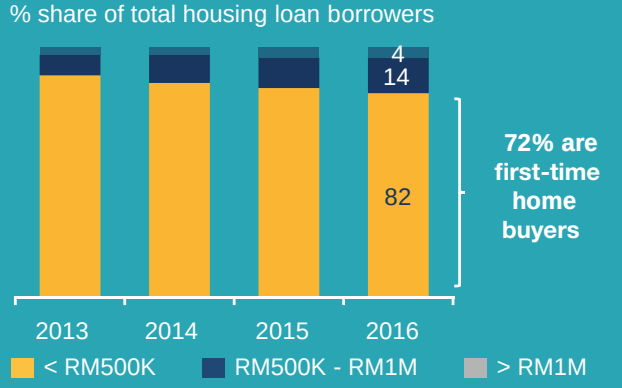
Contribution to Net Financing Growth*



*Net financing is comprised of outstanding banking system and DFIs loans and outstanding corporate bonds

Eligible borrowers continued to have access to financing

Debunking the Myth: Property Measures Have Led to Higher Loan Rejection Rates



72% are first-time home buyers

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

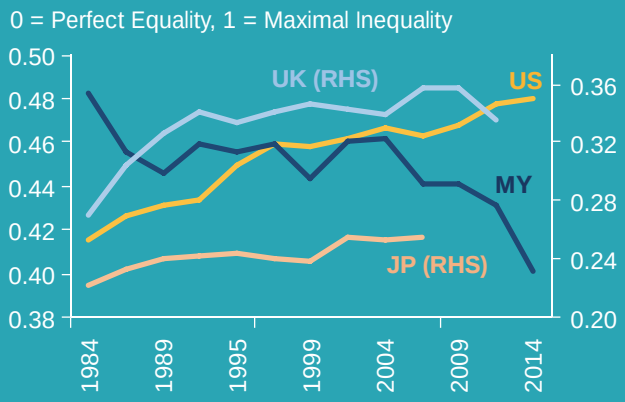
Key Highlights on

Feature Articles

Central Banking and Inequality: The Current State of the Conversation

Globally, both wealth and income inequality have risen

GINI Coefficient



Source: Chartbook of Economic Inequality, EPU, Census Bureau

Incorporating inequality into policy deliberations may help achieve a more effective monetary policy

Issue of inequality matters as distributions of income and wealth affect policy outcomes

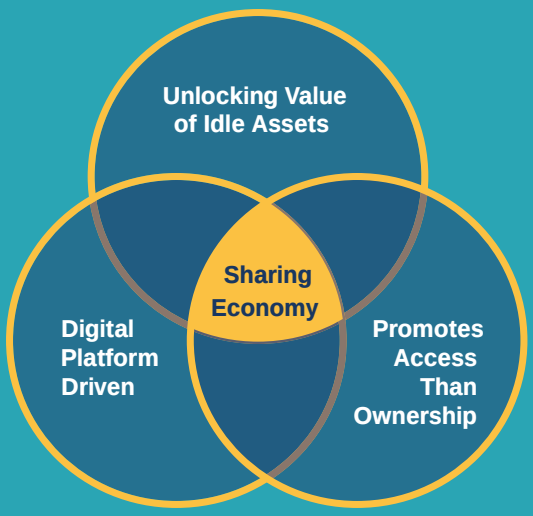
Initiatives to lessen income inequality:

- ✓ Advancing financial inclusion
- ✓ Enhancing financial education and financial empowerment
- ✓ Increasing affordable housing supply
- ✓ Mitigating rising cost of living

The Sharing Economy – Harnessing the Value of Idle Assets

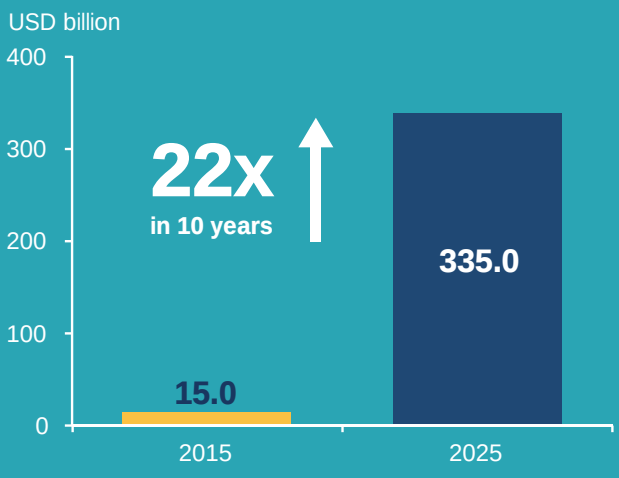
The 'sharing economy' reduces resource underutilisation

Characteristics of the Sharing Economy



Clear and coherent policy stance is important for the sharing economy industry to thrive

Global Revenue of the Sharing Economy



Note: Projections by PricewaterhouseCoopers, "The Sharing Economy" published in 2015

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