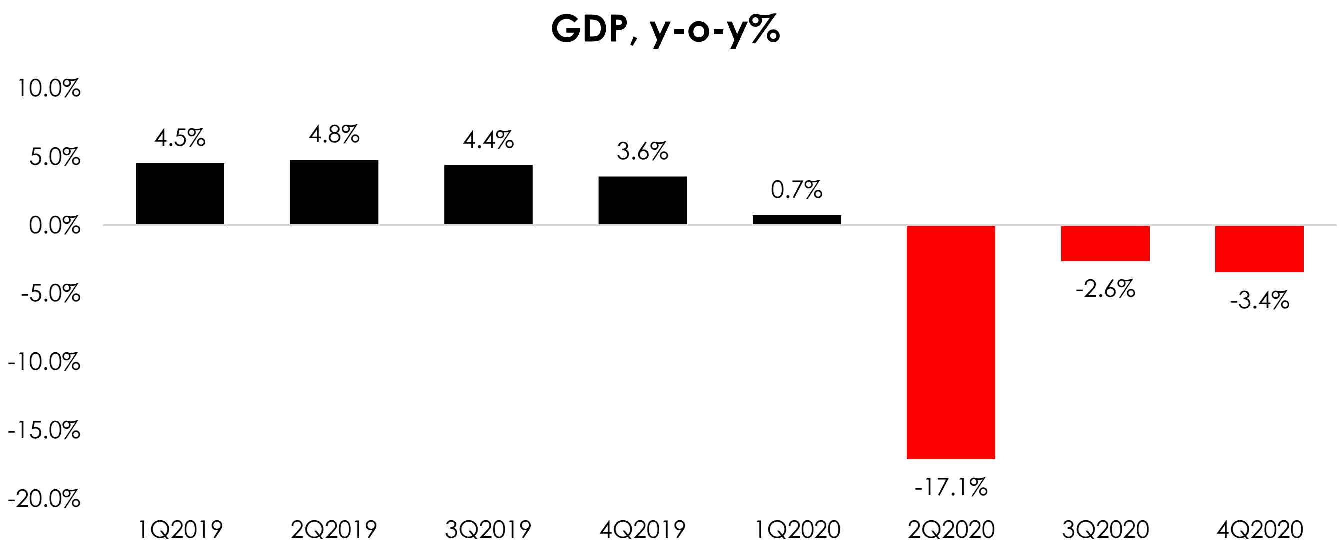
GDP-ECONOMIC GROWTH DECLINED BY 5.6% IN 2020

11 FEBRUARY 2021

ECONOMIC RESEARCH

DR. MOHD AFZANIZAM ABDUL RASHID
ADAM MOHAMED RAHIM
SHAFIZ BIN JAMALUDDIN
NOR JANNAH ABDULLAH

MALAYSIA'S GDP SHRANK BY 5.6% IN 2020 DENTED BY TIGHTENING OF COVID-19 RELATED MEASURES



Source: CEIC

2020: -5.6%

2019: 4.3%

Key Factors:

- ✓ **Tightening of movement restrictions**
- ✓ **Commodity supply disruptions due to labour shortages and facility closures**

- ✓ Malaysia's Gross Domestic Product (GDP) continued to decline by 3.4% year-on-year (y-o-y) in 4Q2020 **(Consensus: -3.1%, Bank Islam: -3.1%)**, marking the third consecutive quarter of contraction due to enforcement of Conditional Movement Control Order (CMCO) in October and November last year amid the sudden surge of Covid-19 cases.
- ✓ Following the CMCO, a deeper GDP contraction was seen in October (-4.7%) and November (-4.0%) before decreasing at a slower rate of -1.7% in December. It is clear that the tightening of movement restrictions had affected economic activities during 4Q2020.
- ✓ As such, this brought the full year GDP to drop by 5.6% in 2020 (2019: 4.3%), the weakest since Asian's financial crisis in 1998.
- ✓ The contraction was seen across most sectors except for manufacturing as stricter Covid-19 related measures severely affected business operation and production capacity.
- ✓ We anticipate that the re-introduction of MCO 2.0 which commenced on 13 January 2021 would weigh on the economy's recovery during first quarter this year.
- ✓ However, the economic activities are likely to pick up its momentum on the following quarter as mass vaccination campaign is expected to roll out by end of this month with 500,000 medical and non-medical frontline workers will receive jabs in the first phase, which is expected to end by April.

DEMAND SIDE – GOVERNMENT SPENDING HAS CUSHIONED THE OVERALL DOWNTURN

BANK ISLAM

Gross Domestic Product (GDP)

4Q2020:
-3.4%
3Q2020:
-2.6%

Private Consumption

4Q2020:
-3.4%
3Q2020:
-2.1%

Private Investment

4Q2020:
-7.0%
3Q2020:
-9.3%

Exports

4Q2020:
-1.8%
3Q2020:
-4.7%

Public Consumption

4Q2020:
2.7%
3Q2020:
6.9%

Public Investment

4Q2020:
-19.8%
3Q2020:
-18.6%

Imports

4Q2020:
-3.3%
3Q2020:
-7.8%

Sources: BNM, CEIC

Growth

Contraction

Source: BNM

DEMAND SIDE – PRIVATE SECTOR IS LIKELY TO TAKE A BACK SEAT

01 Private Consumption

- Household spending was subdued due to the weaknesses in income and employment conditions during 4Q2020.
- Lower consumption was seen in restaurants & hotels, recreation services & cultural and furnishing, household equipment & routine household maintenance.
- Spending was also affected by tighter movement restrictions in selected states.

02 Public Consumption

- Public consumption continued to expand albeit moderately, supported by spending in emoluments.
- Lower spending in supplies and services.

03 Gross Fixed Capital Formation (GFCF)

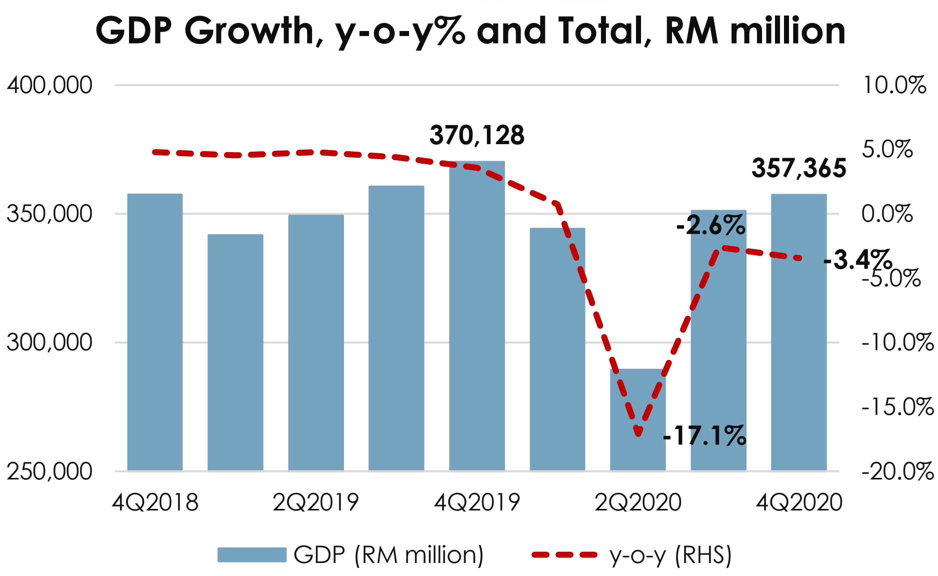
- Weaker capital spending from both public and private sectors.
- Investment in structures and machinery & equipment (M&E) contracted by 13.1% and 9.0% in 4Q2020, extending the 12.9% and 8.3% fall in 3Q2020.

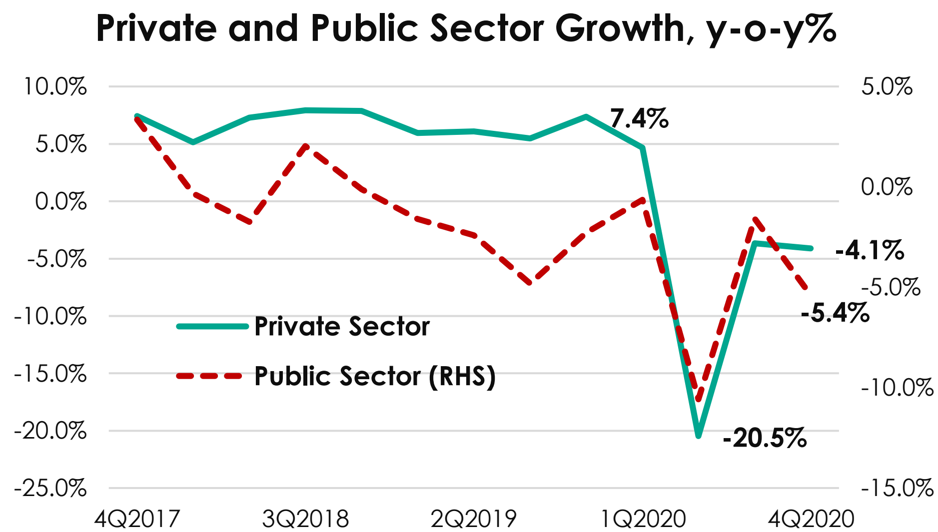
04 Net Exports

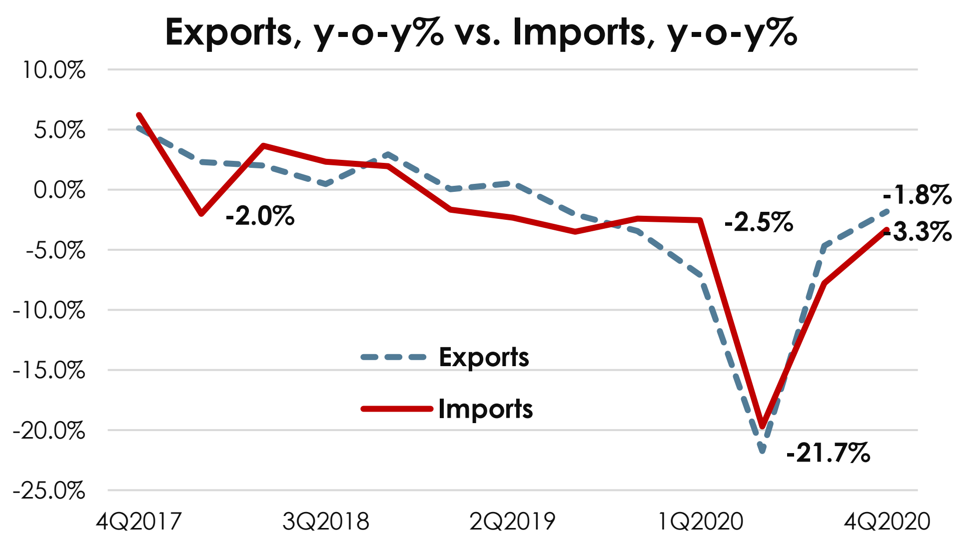
- Improvement in trade activity and higher external demand.
- Continued expansion in manufactured exports particularly for Electrical and Electronic products (E&E) which has supported the net exports growth (4Q2020: 12.4% vs. 3Q2020: 21.9%).

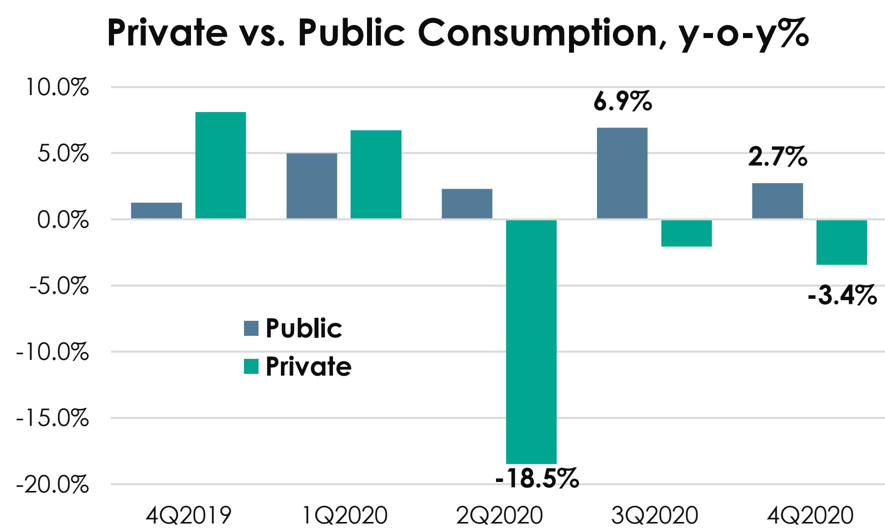
Sources: CEIC, Bank Islam

DEMAND SIDE – PUBLIC CONSUMPTION RECORDED POSITIVE GROWTH IN 4Q2020





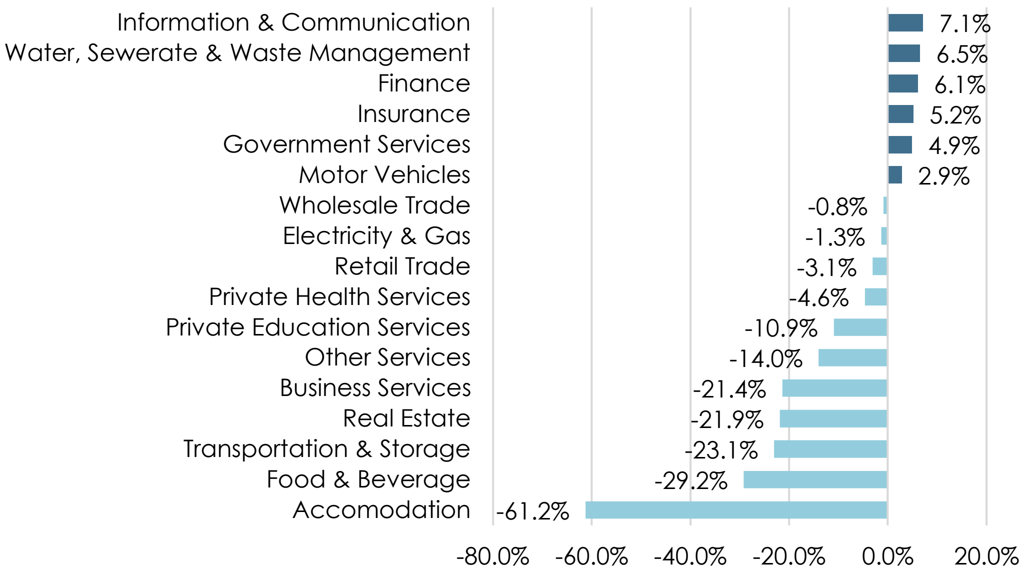




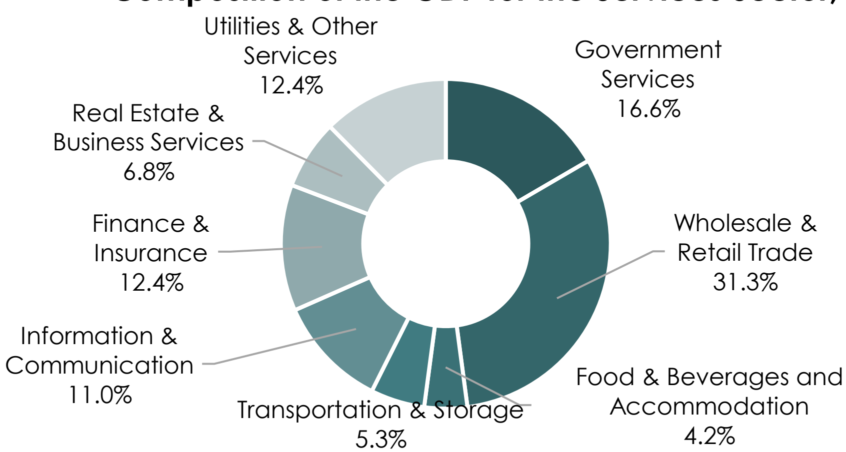
Source: CEIC

SUPPLY SIDE – SERVICES AND AGRICULTURE SECTORS DEEPENED FURTHER DURING 4Q2020

Services sub-sector, y-o-y%



Composition of the GDP for the Services Sector, %

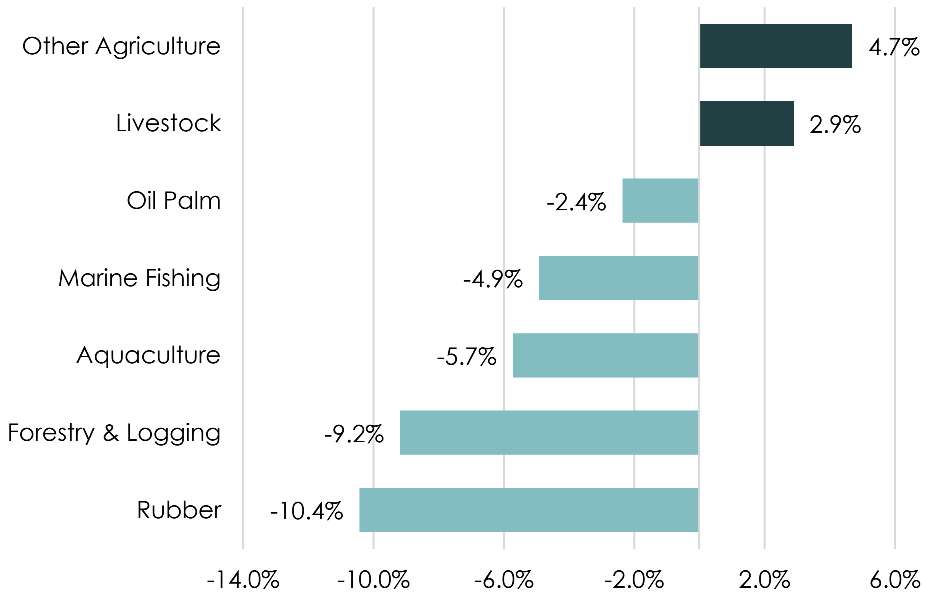


Sources: CEIC, DOSM

- ✓ Within the economic sector, the services sector shrank by 4.9% in 4Q2020 (3Q2020: -4.0%) in light of re-imposition of CMCO which has restricted human mobility and disrupted business operations.
- ✓ The contraction was heavily weighed by the tourism-related industries such as accommodation (4Q2020: -61.2% vs. 3Q2020: -53.9%), food & beverage (4Q2020: -29.2% vs. 3Q2020: -23.2%) and transportation & storage (4Q2020: -23.1% vs. 3Q2020: -16.6%).
- ✓ In addition, weaker sentiments and tighter Covid-19 related measures have dented consumer spending which reflected the decline in retail trade (4Q2020: -3.1% vs. 3Q2020: -2.4%) in final quarter last year.
- ✓ Nonetheless, information & communication sub-sector expanded by 7.1% in 4Q2020 (3Q2020: 5.4%) attributed by shift in working culture, as well as rise in the new normal of online learning.

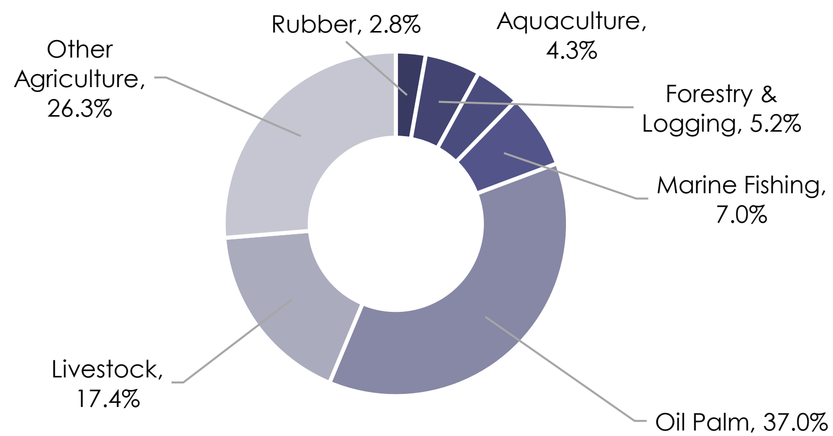
SUPPLY SIDE – SERVICES AND AGRICULTURE SECTOR DEEPENED FURTHER DURING 4Q2020

Agriculture sub-sector, y-o-y%



Sources: CEIC, DOSM

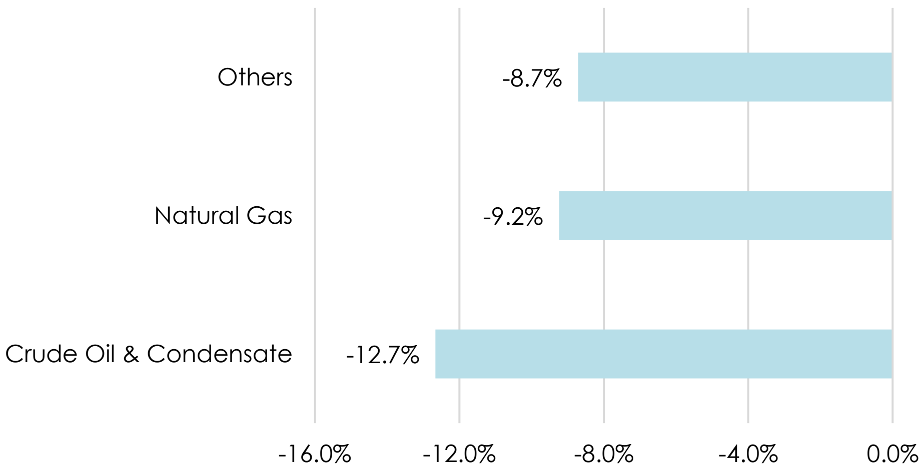
Composition of the GDP for the Agriculture Sector, %



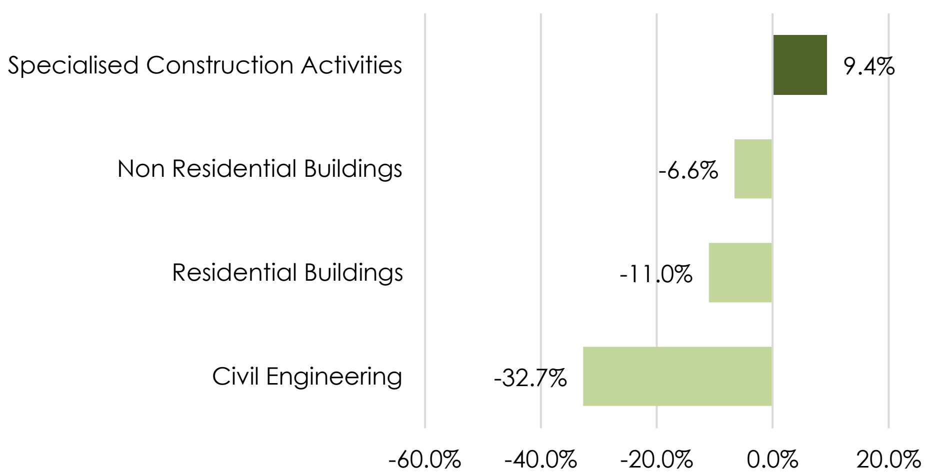
- ✓ As for the agriculture sector, the performance deteriorated by 0.7% in 4Q2020 (3Q2020: -0.5%) amid lower oil palm output (4Q2020: -2.4% vs. 3Q2020: 2.6%) which contributed 37.0% to the GDP of the agriculture sector.
- ✓ This was mainly due to bad weather conditions coupled with labour shortages which have caused production constraints.
- ✓ On the other hand, rubber and forestry & logging continued to decrease by 10.4% (3Q2020: -24.0%) and 9.2% (3Q2020: -18.9%) in 4Q2020 albeit at a slower pace.

SUPPLY SIDE – DOUBLE-DIGIT DECLINE SEEN IN MINING AND CONSTRUCTION SECTORS

Mining sub-sector, y-o-y%



Construction sub-sector, y-o-y%



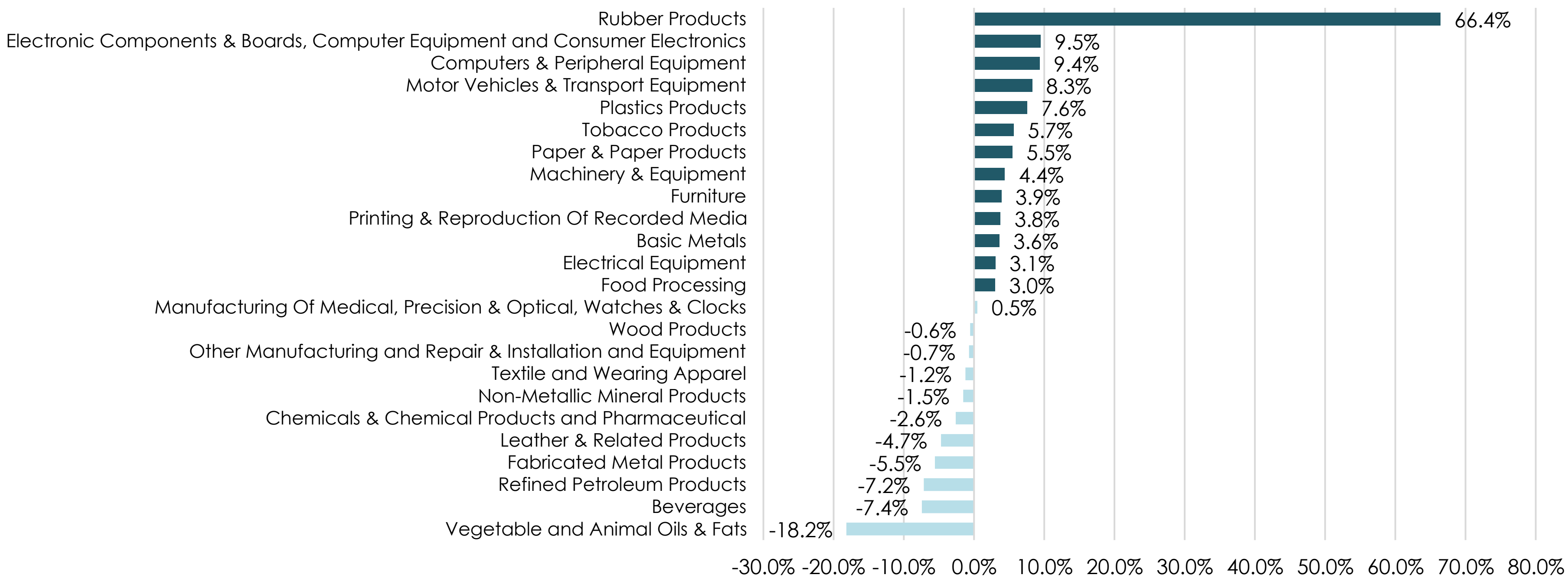
- ✓ Activity in the mining sector fell significantly by 10.6% in 4Q2020 compared to -6.8% in 3Q2020 largely due to maintenance closures of oil & gas facilities.
- ✓ Within the sub-sector, the crude oil & condensate and natural gas plummeted by 12.7% (3Q2020: -5.4%) and 9.2% (3Q2020: -7.7%) in 4Q2020.
- ✓ Similarly, the construction sector dropped further by 13.9% in 4Q2020 from -12.4% in 3Q2020 attributable to the sudden surge Covid-19 cases that has caused labour shortages and sites shutdowns. The largest fall can be seen in civil engineering sub-sector which nosedived by 32.7% in 4Q2020 from -16.7% in the preceding quarter.
- ✓ Meanwhile, the contraction in residential buildings (4Q2020: -11.0% vs. 3Q2020: -12.3%) and non-residential buildings (4Q2020: -6.6% vs. 3Q2020: -16.4%) sub-sectors eased in 4Q2020.
- ✓ On the contrary, special trade increased by 9.4% in 4Q2020 from 1.8% in 3Q2020, supported by small-scale projects under the PRIHATIN stimulus package.

Sources: CEIC, DOSM

SUPPLY SIDE – MANUFACTURING SECTOR GREW POSITIVELY AS DEMAND FOR E&E SURGED

BANK ISLAM

Manufacturing sub-sector, y-o-y%



Sources: CEIC, DOSM

- ✓ As for manufacturing, it continued to grow positively by 3.0% in 4Q2020 (3Q2020: 3.3%) driven by electronic components & boards, communication equipment and consumer electronics (4Q2020: 9.5% vs. 3Q02020: 10.2%) amid strong global demand for semiconductors components.
- ✓ In addition, robust demand for rubber products (4Q0202: 66.4% vs. 3Q2020: 62.6%) has partially cushioned the weakness in consumer related segment.

CURRENT ACCOUNT SURPLUS WIDENED IN 2020

RM Billion	1Q2019	2Q2019	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020	2019	2020
Current Account	**16.9**	**14.3**	**12.1**	**7.5**	**9.5**	**7.6**	**26.1**	**19.0**	**50.9**	**62.1**
% GDP	4.7%	3.9%	3.1%	1.9%	2.6%	2.5%	7.1%	5.0%	3.4%	4.4%
Goods	33.4	28.3	29.4	32.3	28.9	25.9	41.5	42.9	123.3	139.1
Services	(1.7)	(3.4)	(1.8)	(4.0)	(8.0)	(12.5)	(13.3)	(14.2)	(10.9)	(48.0)
Primary Income	(9.2)	(5.9)	(9.9)	(15.2)	(6.0)	(4.0)	(9.2)	(7.1)	(40.3)	(26.2)
Secondary Income	(5.6)	(4.7)	(5.5)	(5.5)	(5.4)	(1.9)	7.1	(2.5)	(21.3)	(2.8)
Financial Account	**(13.3)**	**(18.9)**	**(1.5)**	**(0.1)**	**(13.3)**	**(19.8)**	**(35.2)**	**(10.8)**	**(33.8)**	**(79.1)**
Direct Investment	13.9	(9.2)	(3.4)	4.4	3.4	(1.2)	(3.1)	0.8	5.6	(0.2)
Asset	(8.5)	(11.8)	(5.9)	(5.6)	(1.8)	(1.4)	(9.4)	(4.7)	(31.9)	(17.3)
Liabilities	22.4	2.6	2.5	10.0	5.2	0.2	6.3	5.4	37.5	17.1
Portfolio Investment	6.5	(10.6)	(23.6)	(1.3)	(41.3)	22.2	(23.1)	(6.9)	(29.0)	(49.1)
Asset	(8.6)	(3.9)	(16.9)	(12.4)	(15.1)	(2.0)	(20.7)	(19.7)	(41.7)	(57.6)
Liabilities	15.0	(6.7)	(6.7)	11.0	(26.2)	24.3	(2.4)	12.8	12.6	8.5
Financial Derivatives	(0.2)	(0.5)	0.8	(0.6)	2.5	0.6	(0.5)	(0.9)	(0.5)	1.6
Other Investment	(33.4)	1.4	24.7	(2.5)	22.1	(41.3)	(8.5)	(3.7)	(9.9)	(31.4)
Errors and Omissions	**1.9**	**3.2**	**(4.1)**	**(9.9)**	**(4.7)**	**5.9**	**7.7**	**(10.8)**	**(9.0)**	**(2.0)**
Overall Balance	**5.5**	**(1.4)**	**6.4**	**(2.2)**	**(8.6)**	**(6.3)**	**(1.6)**	**(2.7)**	**8.4**	**(19.4)**

Sources: CEIC, BNM

- ✓ Malaysia's Current Account Balance registered a lower surplus balance of RM19.0 billion (5.0% of GDP) in 4Q2020 from RM26.1 billion (7.1% of GDP) in the previous quarter due higher Services deficit and negative balance in Primary and Secondary Income.
- ✓ The Services account deficit increased to RM14.2 billion in 4Q2020 from RM13.3 billion in 3Q2020 due to higher payment for transportation services, as well as continued weakness in travel receipts.
- ✓ Meanwhile, net outflows slowed down under the Financial Account, registering a deficit of RM10.8 billion in 4Q2020 (3Q2020: –RM35.2 billion) due to the net inflow in Direct Investment (4Q2020: RM0.8 billion vs. 3Q2020: -RM3.1 billion) and a lower outflow in Portfolio Investment (4Q2020: -RM6.9 billion vs. 3Q2020: -RM23.1 billion).
- ✓ As such, the Overall Balance deficit has widened to RM2.7 billion in 4Q2020 (3Q2020: -RM1.6 billion).
- ✓ Notwithstanding this, the Current Account Balance in 2020 recorded a higher surplus balance of RM62.1 billion (4.4% of GDP) from RM50.9 billion (3.4% of GDP) in the previous year, partly due to higher Goods surplus (2020: RM139.1 billion vs. 2019: RM123.3 billion).

NET EXPENDITURE DECLINED IN 2020

BANK ISLAM

RM Billion	1Q2019	2Q2019	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020	2019	2020
Revenue	63.7	62.1	68.8	69.9	45.3	56.4	46.4	76.9	264.4	225.1
Q-o-Q %	-5.2%	-2.5%	10.8%	1.6%	-35.1%	24.6%	-17.8%	65.7%	-	-
Y-o-Y %	17.2%	18.3%	16.7%	4.0%	-28.8%	-9.1%	-32.5%	10.1%	13.5%	-14.9%
Operating Expenditure	59.5	65.3	68.8	69.8	62.0	51.4	56.3	54.9	263.3	224.6
Q-o-Q %	2.3%	9.9%	5.3%	1.4%	-11.1%	-17.2%	9.6%	-2.5%	-	-
Y-o-Y %	8.3%	3.8%	25.0%	20.1%	4.3%	-21.3%	-18.1%	-21.4%	14.0%	-14.7%
Current Balance	**4.2**	**-3.2**	**0.0**	**0.1**	**-16.7**	**5.1**	**-9.9**	**22.0**	**1.1**	**0.5**
Net Expenditure	11.3	12.1	9.6	19.6	10.9	7.0	12.1	20.2	52.6	50.1
Q-o-Q %	-59.5%	6.5%	-20.8%	104.7%	-44.4%	-36.0%	73.6%	66.9%	-	-
Y-o-Y %	5.5%	33.2%	27.7%	-30.1%	-4.0%	-42.3%	26.5%	3.2%	-4.9%	-4.7%
Covid-19 Fund							5.5	9.3	-	38.0
Overall Balance	**-7.1**	**-15.3**	**-9.6**	**-19.5**	**-28.2**	**-24.6**	**-27.6**	**-7.4**	**-51.5**	**-87.6**
Q-o-Q %	-62.4%	115.3%	-37.4%	103.2%	44.7%	-12.8%	12.3%	-73.2%	-	-
Y-o-Y %	-37.2%	-21.5%	164.6%	2.9%	296.5%	60.7%	188.1%	-62.0%	-3.5%	70.1%
Overall Balance % of GDP	2.0%	4.1%	2.5%	4.9%	7.7%	8.2%	7.5%	2.0%	3.4%	6.9%

Sources: CEIC, BNM

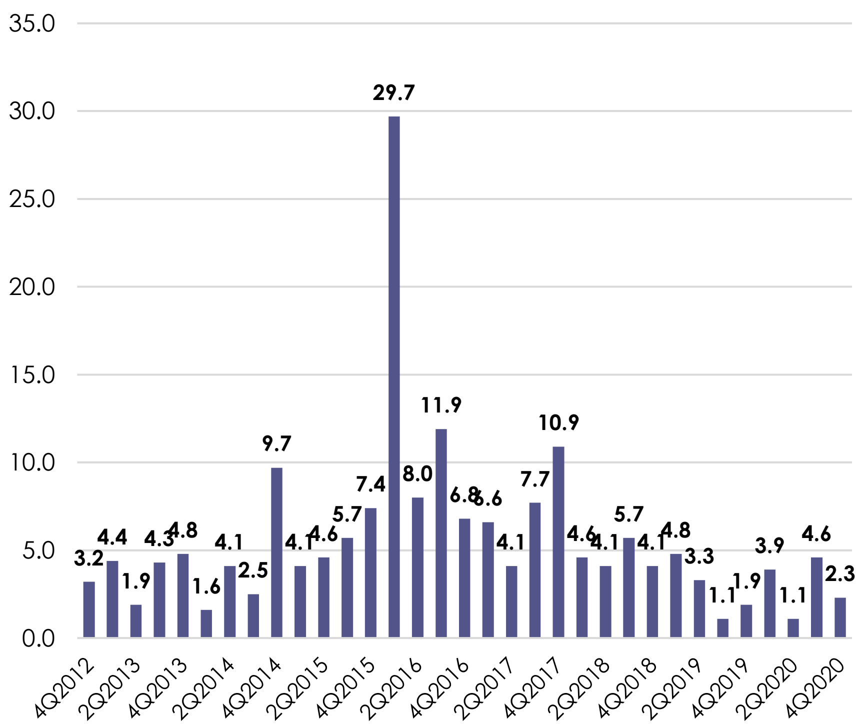
- ✓ Federal government revenue increased by 10.1% y-o-y to RM76.9 billion during 4Q2020 (4Q2019: RM69.9 billion) weighed by low crude oil production, as well as lower passenger car sales tax. This brings the 2020 federal government revenue to RM225.1 billion (-14.9% y-o-y) compared to RM264.4 billion (13.5% y-o-y) in 2019.
- ✓ On the other hand, the net expenditure jumped by 3.2% y-o-y to RM20.2 billion in 4Q2020 (4Q2019: RM19.6 billion). Nevertheless, the net expenditure was reduced by 4.7% to RM50.1 billion in 2020 (2019: RM52.6 billion).
- ✓ Similarly, the issuance of local govvies (MGS and GII) accelerated to RM49.8 billion in 4Q2020 (4Q2019: RM23.4 billion) as government seeks funds to finance higher expenditure. Cumulatively, the issuance of local govvies in 2020 has reached 157.3 million from RM118.6 million in 2019.
- ✓ Looking ahead, the extension of the flexibility for banking institutions to use MGS and GII to meet the Statutory Reserve Requirement (SRR) until 31 December 2022 will ensure sufficient liquidity to support financial intermediation activity.

Quarterly Contract Awards To Listed Contractors

Type of Award	4Q2019 (RM Million)	3Q2020 (RM Million)	4Q2020 (RM Million)	Year-on-year (y-o-y) Growth (%)	Quarter-on-quarter (q-o-q) Growth (%)	2019	2020	Year-on-year (y-o-y) Growth (%)
Domestic	1,853.0	4,603.0	2,353.0	27.0%	-48.9%	11,019.0	11,925.0	8.2%
Foreign	127.0	856.0	15,193.0	11863.0%	-84.6%	1,707.0	28,861.0	1590.7%
Total	**1,980.0**	**5,459.0**	**17,546.0**	**786.2%**	**-70.9%**	**12,726.0**	**40,786.0**	**220.5%**

Source: Bursa announcement compilations

Quarterly Trend of Domestic Contract Awards (RM Billion)



Source: Bursa announcement compilations

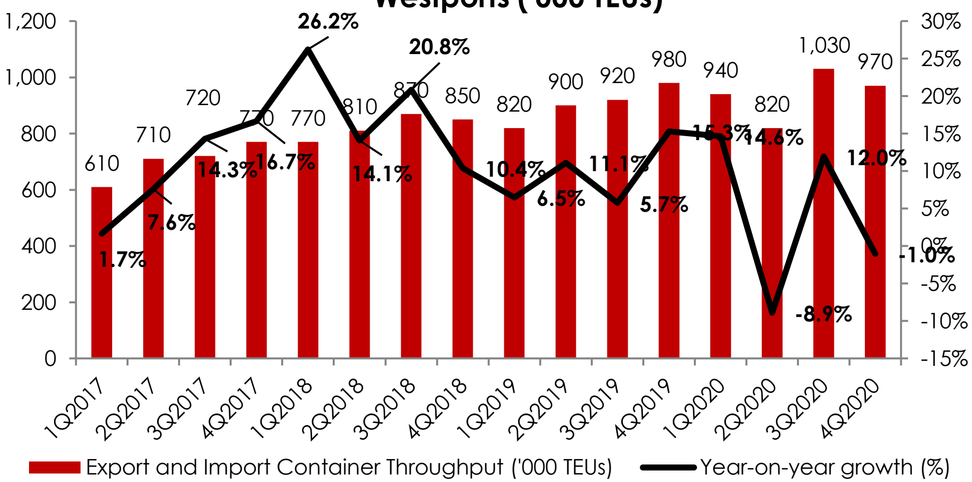
- ✓ Domestic contract awards to listed contractors increased by 27.0% y-o-y to RM2.4 billion in 4Q2020 (3Q2020: RM4.6 billion).
- ✓ Contract flows in 4Q2020 cooled off after rebounding in 3Q2020 with recovery momentum slowing down possibly due to Covid-19 flare ups during the quarter. We believe that the rebound in 3Q2020 was also boosted on the back of converting pent-up or delayed awards resulting from Covid-19 lockdown in 2Q2020.
- ✓ For the full year of 2020, domestic job awards increased by 8.2% y-o-y (2019: -39.9% y-o-y) despite a pandemic marred year.
- ✓ It also seems that local contractors have clinched substantial amounts of foreign contract awards which surged by 1,590.7% y-o-y in 2020 (2019: 320.4% y-o-y).
- ✓ Looking ahead, the higher development expenditure allocated in 2021 of RM69.0 billion (2020: RM50.0 billion) should drive higher new contract wins in 2021 and 2022 after the slowdown in 2018 to 2020.
- ✓ On further scrutiny, the government may focus on implementing the Mass Rapid Transit 3 (MRT 3) project given the discontinuation of the Kuala Lumpur-Singapore High Speed Railway project. More details on the cost and implementation timeline for the MRT 3 project could be unveiled in the 12th Malaysia Plan 2021-2025 (12MP) which is expected to be announced in 1Q2021.

INDUSTRIAL PROSPECTS-PORT OPERATORS

BANK ISLAM

- ✓ Port operators such as Westports in Port Klang saw a 1.0% y-o-y decline in export and import container throughput to reach 970,000 TEUs during 4Q2020 (4Q2019: 980,000 TEUs). Nevertheless, Westports' full year export and import container throughput grew by 3.3% y-o-y to 3,750,000 TEUs in 2020 (2019: 3,630,000 TEUs) due to 3Q2020 which recorded the highest quarterly container throughput in history of 1,020,000 TEUs. Meanwhile, overall container throughput (gateway and transhipment) was lower by 3.2% y-o-y in 2020 (2019: 14.1% y-o-y).
- ✓ We assume Westports and other port operators will benefit from the reopening of economies should the vaccine roll out be implemented smoothly. Therefore, contribution from intra-Asia trade lanes should recover in 2021after dropping by 6.7% y-o-y in 2020 amid a slew of lockdowns in the region.
- ✓ Moreover, the Port Klang Authority had reached an agreement with shipping companies to ensure that ships continue to stop at Port Klang by providing adequate slots for export containers from the port.
- ✓ Taking into account of the expected organic growth in the wake of the anticipated economic recovery, Westports is expecting overall container throughput to increase at a single-digit rate in 2021. This growth rate is in conformity with our exports growth forecast of 4.5% in 2021.

Quarterly Export and Import Container Throughput at Westports ('000 TEUs)



Source: Westports

Contribution of Trade Lanes to Westports' Overall Container Throughput

Trade Lane	Annual Container Throughput in 2019 (million TEUs)	Annual Container Throughput in 2020 (million TEUs)	Year-on-year growth (%)	Share in 2020 (%)
Intra-Asia	6.9	6.4	-6.7%	61.3%
Asia-Europe	1.8	1.8	-1.1%	17.0%
Asia-Australasia	0.9	0.9	3.4%	8.8%
Asia-America	0.6	0.7	20.7%	6.7%
Asia-Africa	0.5	0.4	-8.7%	4.0%
Others	0.2	0.2	9.1%	2.3%
Total	**10.8**	**10.5**	**-3.2%**	**100.0%**

- ✓ Malaysian shares pared gains today as its economy fell at a faster-than-expected pace in the fourth quarter, while other emerging Asian markets were muted in thin trade, with multiple countries already shut for the Lunar New Year holidays.
- ✓ The FBM KLCI index only gained by 0.2% to settle at 1,599.4 points on 11 February 2021. The index had earlier touched an intra-day high of 1,602.5 points.
- ✓ Market breadth across the local bourse was positive, with 547 counters up compared to the 452 that went unchanged and 383 that posted declines. The total trade volume across Bursa Malaysia however slumped to 3.2 billion securities valued at RM2.1 billion compared with yesterday's 4.8 billion securities worth RM3.6 billion.
- ✓ Banks which are members of the FBM KLCI index such as Hong Leong Bank, Public Bank recorded some gains amid hopes of an economic recovery.
- ✓ Interestingly, the FBM Small Cap index closed 1.2% higher on Thursday despite the notion that retail participation would usually dwindle ahead of a long weekend.
- ✓ Overall, the 5.6% decline in the nation's economic growth in 2020 indicates an inevitable growth in 2021 from a lower base coupled with stronger corporate earnings as movement restrictions are not that tight compared to last year.
- ✓ As such, we maintain our 2021 year-end FBM KLCI target at 1,715 points amidst the recovery in corporate earnings driven by brighter business sentiment coming from upcoming vaccination campaigns.

Market Reaction During GDP Announcement

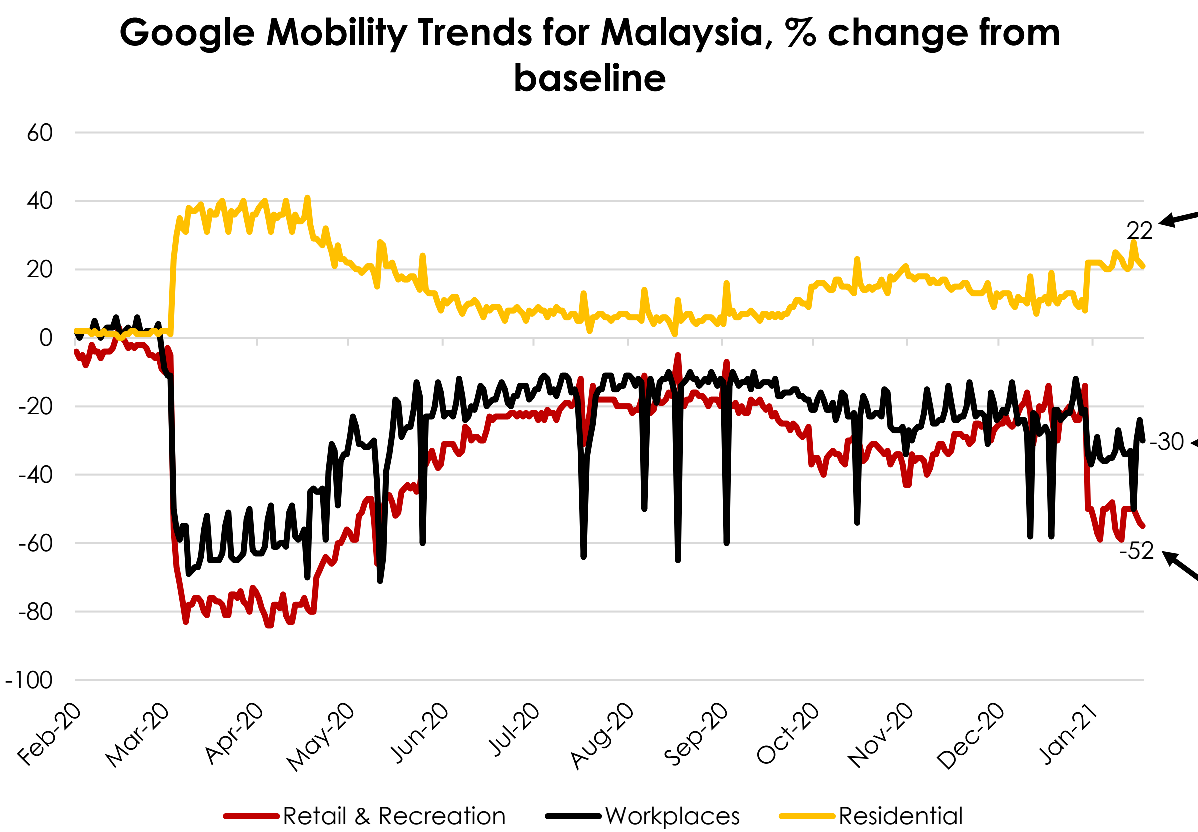
Quarter	Date	Year-on-year GDP Growth (%)	Consensus	Exceed/Meet/Below Consensus	FBM KLCI Movement
1Q2019	16-May-19	4.5%	4.3%	Exceed	-0.8%
2Q2019	16-Aug-19	4.9%	4.7%	Exceed	-0.1%
3Q2019	15-Nov-19	4.4%	4.4%	Meet	0.1%
4Q2019	12-Feb-20	3.6%	4.1%	Below	-0.6%
1Q2020	13-May-20	0.7%	-1.0%	Exceed	1.3%
2Q2020	14-Aug-20	-17.1%	-10.7%	Below	-0.8%
3Q2020	13-Nov-20	-2.7%	-4.6%	Exceed	-0.1%
4Q2020	11-Feb-21	-3.4%	-3.1%	Below	0.2%

Sources: Bursa Malaysia, BNM

FORWARD LOOKING VIEW

- ✓ We opined that the BNM remain guarded on the economic outlook for this year. The central bank is of the view that the MCO 2.0 is deemed to be less severe from the MCO 1.0 as more economic activities are allowed to be operational. Alongside with fiscal support and accommodative monetary policy amidst improvement in the external sector, the Malaysian economy should be able to record respectable growth in 2021.
- ✓ However, the scarring effect in the labour market with unemployment rate is expected to stay elevated and the duration of MCO 2.0 remain highly uncertain, the downside risks appears to be quite visible. This is exacerbated by the human mobility which is quite restrictive during MCO 2.0, evident from the Google Mobility Trends (refer slide 16) which showed that the trend of people going to retail and recreation areas and workplace areas have declined tremendously by 52.0% compared to the baseline as at 31 January 2021 following the MCO 2.0. Likewise, mobility trends at the workplace also fell 30.0% compared to the baseline as at 31 January 2021 as employers resumed 'work from home' arrangements. Henceforth, the number of hours spent at residential areas increased by 22.0% compared to the baseline as at end of January 2021.
- ✓ The BNM has also indicated that they may want to review the GDP forecast and will announce the figure during the unveiling of the BNM's annual report for 2020 in March. As for the overnight policy rate (OPR), we sense that the option for a reduction in the policy rate is still open and will continue to be data dependent.
- ✓ Looking ahead, economic recovery in the second half of 2021 may pick up depending on the efficiency of the vaccine rollout by the government. Should the vaccination campaign be implemented smoothly, the business sentiment in the country will turn bright as industries badly hit by the pandemic such as tourism and aviation could restart operations.
- ✓ All in all, we are **projecting a 4.0% GDP growth in 2021 after the 5.6% contraction in 2020** amid the combination of a low base effect and resumption of businesses which will hinge on the Covid-19 National Vaccination Plan. Economic growth will also be partly supported by government spending especially with the highest development expenditure allocated in history.

BANK ISLAM



The number of hours spent at home for the residential category increased by 22.0% as at 31 January 2021 compared to the baseline.

The number of visits to the workplace declined by 30.0% as at 31 January 2021 compared to the baseline.

The number of visits for the retail and recreation category declined by 52.0% as at 31 January 2021 compared to the baseline.

The baseline of 0 indicates no movement, while any percentage change above and below from 0 means that people are at specific places (workplaces, residential areas)

Source: Google Mobility Report as at 31 January 2021

BANK ISLAM

Assuring Trust. Delivering Value.

Thank You

APPENDIX: DEMAND AND SUPPLY SIDE

Y-o-Y%	Share (2020)	1Q2019	2Q2019	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020	2019	2020
GDP	**100.0%**	**4.5%**	**4.8%**	**4.4%**	**3.6%**	**0.7%**	**-17.1%**	**-2.6%**	**-3.4%**	**4.3%**	**-5.6%**
Domestic Demand (excluding stocks)	93.9%	4.5%	4.5%	8.2%	4.8%	3.7%	-18.7%	-3.3%	-4.4%	4.3%	-5.7%
Private Sector	**75.2%**	**6.0%**	**6.1%**	**5.5%**	**7.4%**	**4.7%**	**-20.5%**	**-3.6%**	**-4.1%**	**6.2%**	**-6.0%**
-Consumption	59.5%	7.7%	7.8%	7.0%	8.1%	6.7%	-18.5%	-2.1%	-3.4%	7.6%	-4.3%
-Investment	15.7%	0.6%	1.5%	0.4%	4.3%	-2.3%	-26.4%	-9.3%	-7.0%	1.6%	-11.9%
Public Sector	**18.7%**	**-1.6%**	**-2.4%**	**-4.8%**	**-2.3%**	**-0.6%**	**-10.6%**	**-1.6%**	**-5.4%**	**-2.8%**	**-4.6%**
-Consumption	13.4%	6.3%	0.3%	1.0%	1.3%	5.0%	2.3%	6.9%	2.7%	2.0%	4.1%
-Investment	5.2%	-13.7%	-7.8%	-14.6%	-8.0%	-11.3%	-38.7%	-18.6%	-19.8%	-10.8%	-21.4%
Net Exports of Goods and Services	**6.5%**	**13.0%**	**32.9%**	**12.0%**	**-12.4%**	**-37.0%**	**-38.6%**	**21.9%**	**12.4%**	**9.7%**	**-12.3%**
-Exports	61.6%	0.1%	0.5%	-2.1%	-3.4%	-7.1%	-21.7%	-4.7%	-1.8%	-1.3%	-8.8%
-Imports	55.1%	-1.6%	-2.3%	-3.5%	-2.4%	-2.5%	-19.7%	-7.8%	-3.3%	-2.5%	-8.3%

Y-o-Y%	Share 2020	1Q2019	2Q2019	3Q2019	4Q2019	1Q2020	2Q2020	3Q2020	4Q2020	2019	2020
Services	57.7%	6.4%	6.1%	5.8%	6.2%	3.1%	-16.2%	-4.0%	-4.9%	6.1%	-5.5%
Manufacturing	23.0%	4.1%	4.3%	3.6%	3.0%	1.5%	-18.3%	3.3%	3.0%	3.8%	-2.6%
Mining and Quarrying	6.8%	-1.5%	1.0%	-4.1%	-3.4%	-2.0%	-20.0%	-6.8%	-10.6%	-2.0%	-10.0%
Agriculture	7.4%	5.8%	4.3%	4.0%	-5.7%	-8.7%	1.0%	-0.5%	-0.7%	2.0%	-2.2%
Construction	4.0%	0.4%	0.5%	-1.4%	1.0%	-7.9%	-44.5%	-12.4%	-13.9%	0.1%	-19.4%

Sources: BNM, CEIC, Bank Islam