



AmBank Group

Media Release

12 October 2017

Budget 2018 Expected to Benefit

SMEs, Digital Economy and M40, B40 Households

As the Nation prepares for the upcoming Budget 2018 announcement, Dato' Sulaiman Mohd Tahir, Group CEO of AMMB Holdings Berhad and CEO of AmBank (M) Berhad comments on his expectations for the Budget announcement and the outlook for Malaysia.

The Malaysian economy performed strongly in the first half of 2017, clearly demonstrated by GDP growth averaging at 5.7%. Growth was largely supported by a strong export market as well as healthy domestic demand. This positive momentum is expected to continue into the second half. This year's GDP growth is expected to surpass the Government's projection of 4.0%-5.0% in Budget 2017 by a significant margin.

The Budget deficit target for 2017 of 3.0% is likely to be attained given stabilising commodity prices, healthier tax collection, improving global growth paired with ongoing fiscal consolidation. The fiscal deficit for 2018 is expected to reduce to 2.9% to GDP on anticipation of higher revenue from stronger crude oil prices, solid tax collection as well as prudent spending.

Dato' Sulaiman said, "It is our hope that the 2018 Budget will facilitate the advancement of the digital economy, particularly high-technology industries, e-commerce as well as the manufacturing sector in terms of Industry 4.0. Small and medium-sized enterprises together with the digital economy are key growth drivers. These segments should benefit from incentives that can stimulate further growth."

“To address the current socio-economic conditions, we expect the Budget to continue with targeted incentives for households to address the rising cost of living, particularly for the M40 and B40 category. We also anticipate a continued focus on affordable housing with measures supporting home buyers as well as developers.”

“With this year’s theme of ‘Shaping the Future’, we believe the Government will lay the foundation for TN50 in this Budget, with the aim of engaging the younger generation. As such, measures to promote technology such as improving internet connectivity and developing the digital economy is expected to be a highlight in Budget 2018.” Dato’ Sulaiman concluded.

About AmBank Group

AmBank Group is one of Malaysia’s premier financial solutions groups with over 40 years of legacy in understanding Malaysian customers and provides a wide range of both conventional and Islamic financial solutions and services, including retail banking, wholesale banking, as well as the underwriting of general insurance, life assurance and family takaful.

The Group receives strong support from the Australia and New Zealand Banking Group (“ANZ”) (one of Australia’s leading banks) particularly in Board and senior management representations, risk and financial governance, products offering and new business development. In the general insurance business, the Group has partnered with Insurance Australia Group Ltd (“IAG”). In the life assurance and family takaful businesses, the Group has a partnership with MetLife International Holdings Inc. (“MetLife”). The Group continues to benefit in terms of expertise transfer from IAG and MetLife.

AMMB Holdings Berhad is the holding company of AmBank Group and is a public listed company on the Main Market of Bursa Malaysia.

For more information, please visit www.ambankgroup.com

For further information, please contact Syed Anuar Syed Ali, Head, Group Corporate Communications and Marketing, AmBank Group at Tel: 03-2036 1703 or email at sasa@ambankgroup.com