

# KERATAN AKHBAR

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TARIKH : 1 NOVEMBER 2023

AKHBAR : THE SUN

MUKA SURAT : 12

## Bank Negara: September headline inflation down slightly to 1.9%

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**KUALA LUMPUR:** Headline inflation declined slightly to 1.9% in September (August: 2%), driven largely by fresh food, which continued to trend lower during the month (1.6%; August: 2%), Bank Negara Malaysia (BNM) said in a statement yesterday.

Meanwhile, core inflation remained steady at 2.5% in

September (August: 2.5%). Higher inflation for goods such as rice and jewellery were offset by moderation in selected services, including vehicle repair and maintenance, and recreational services.

Credit growth remained supportive of economic activity as credit to the private non-financial sector grew by 4.2% as at end

September 2023 (August: 3.8%), reflecting mainly the higher growth in credit to businesses (September: 3%; August: 2.3%).

Outstanding business loans grew by 1.6% for September (August: 0.7%), following higher growth in working capital loans for both SMEs and non-SMEs. Of note, SME loan growth improved to 6.7% in

September (August: 6.2%).

Meanwhile, the growth in outstanding corporate bonds also increased to 5% in September 2023 (August: 4.4%). For households, outstanding loan growth edged higher to 5.4% for September (August: 5.3%), supported by steady expansion across all loan purposes. This reflected continued loan

demand, with the growth in loan applications higher at 3.8% in September (August: 3%).

Amid extended US dollar strength, the ringgit depreciated by 1.1% (regional average: -1.8%), while Bursa Malaysia's FBM KLCI traded lower by 1.9% following weakened investor sentiment in September, BNM said.