

MARKET COMMENTARY

# Top Economics News

June 2024



## Malaysia

- › Malaysia's headline CPI inflation for May was 2.0% yoy, slightly above consensus estimate at +1.9% yoy. Inflation was mainly driven by housing utilities & other fuels and transport.
- › Malaysia's Manufacturing PMI declined to 4.9 in June (May: 50.2). According to the survey, the country's manufacturing sector continue to improve for second consecutive month, attributable to rising in exports amid the demand remained muted. Furthermore, new order grew for the third consecutive months, driven by higher demand from Asia Pacific countries including Australia, Philippines and Vietnam. On the global front, the global PMI declined to 50.9 in June from 51.0 in May, attributable to lower in new export orders and input cost rose.

## United States

- › U.S. Fed sought more evidence of cooling inflation, June minutes show. Minutes from the two-day FOMC gathering ended 12 June showed officials didn't expect it would be appropriate to lower borrowing costs "until additional information had emerged to give them greater confidence that inflation" is on track to their 2% goal. (Bloomberg)
- › US: ADP: Labor Market Cools as Employers Add 150,000 Jobs. ADP data shows private sector hiring increased yet at softer pace of +150K in Jun-24, 5-month low and weaker than market expectations of +160K. Goods-producing sectors added by +14K payrolls while the services sector upsized by +136K, the softest pick-up in 4-month.

## Euro: Sovereign Debt Crisis Update

- › France begins voting in election that could hand power to far right. French voters began voting on Sunday in the first round of a snap parliamentary election that could usher in the country's first far-right government since World War Two, a potential sea change at the heart of the European Union (Reuters).
- › China and European Union agree to talks in bid to head off trade war. With billions of dollars in trade at stake, China and the European Union have agreed to engage in talks to try to resolve an escalating dispute over tariffs. China's COMMERCE MINISTER, Wang Wentao and Valdis Dombrovskis, the EU trade commissioner will hold discussions on the EU's plans for tariffs on electric cars from China (Business Times).

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