

ECONOMY

**West Asia Conflict: Subsidies Rose from RM700 million to RM3.2 billion in Less Than a Week**

*The Star – 22 March 2026*

RON95 and diesel subsidies in Malaysia jumped from RM700 million to RM3.2 billion in under a week as global oil prices spiked due to disruptions in the Strait of Hormuz. Prime Minister, Datuk Seri Anwar Ibrahim noted prices rose from around US\$70 to nearly US\$120 per barrel and despite being an oil producer, Malaysia relies on imports for nearly half of its supply.

**Local Currency Trade with China, Thailand and Indonesia Surges to RM82.1 billion**

*The Star – 24 March 2026*

Malaysia has substantially increased the use of local currencies in trade with China, Thailand and Indonesia to reduce dependence on the US dollar and conventional systems like Society for Worldwide Interbank Financial Telecommunication (SWIFT). According to Bank Negara Malaysia, the share of trade settled in local currencies has grown significantly since 2009, from 1.2% to 25.6% with China, from 6.4% to 17.2% with Thailand and from 4.5% to 15.8% with Indonesia, as at November 2025.

**Fuel Prices: RON97, Unsubsidised RON95 Up 60 sen, Diesel in Peninsula Up 80 sen**

*The Star – 25 March 2026*

From 26 March to 1 April 2026, diesel prices in Peninsular Malaysia will increase by 80 sen to RM5.52 per litre, while prices in Sabah, Sarawak and Labuan will stay at RM2.15 per litre. The Finance Ministry also announced that RON97 petrol will rise by 60 sen to RM5.15 per litre and unsubsidised RON95 petrol will increase by 60 sen to RM3.87 per litre.

**The Inland Revenue Board (LHDN) Sees Rise in Early Filings**

*The Star – 26 March 2026*

There has been a notable rise in early tax filings for the Year of Assessment 2025, as many taxpayers submit returns to receive refunds sooner. LHDN said while official numbers on filings and refunds will only be available at the end of March 2026, the early trend indicates improved compliance. LHDN added that the increase reflects taxpayers' growing awareness and proactive approach to fulfilling their tax responsibilities.

**Malaysia's Producer Price Index (PPI) Contracts 3.4% In February Amid Broad-Based Declines**

*The Star – 27 March 2026*

Malaysia's PPI dropped 3.4% year-on-year in February 2026, following a 2.9% decline in January 2026, showing ongoing weakness in major sectors. According to the Department of Statistic Malaysia, this decrease was largely due to lower output in agriculture, mining and manufacturing. Agriculture fell 8.7%, mining dropped 8.5% and manufacturing fell 2.7%, especially in petroleum and food products.

## GOVERNMENT

### [Program Madani Rakyat \(PMR\) 2026 to Kick Off in Ipoh](#)

*The Star – 25 March 2026*

PMR 2026 will be launched in Perak from 3 to 5 April 2026, focusing on sustainable cities and quality housing. Prime Minister, Datuk Seri Anwar Ibrahim is expected to officiate the event at Bulatan Sultan Azlan Shah on 4 April 2026. The program will provide a variety of Government services and community initiatives directly to the public, marking Perak as the first stop of this year's nationwide series.

### [Rising Need for Green Energy](#)

*The Star – 25 March 2026*

Malaysia is moving more towards renewable energy because recent conflicts in the Middle East have made oil supply less stable. Deputy Prime Minister II, Datuk Seri Fadillah Yusof said using more electricity and renewable energy can reduce dependence on fossil fuels and create a stronger, more reliable energy system.

### [Government Raises Diesel Assistance to RM300](#)

*The Star – 26 March 2026*

The RM200 Budi Madani cash aid under the diesel subsidy programme has been temporarily increased to RM300. This applies to recipients of the Budi Diesel for Individual and Agri-Commodity programmes starting 17 March 2026, to help them manage higher global fuel prices.

### [800-Litre Budi95 Quota For E-Hailing Maintained to Curb Costs](#)

*The Star – 27 March 2026*

The Malaysian Government will maintain the monthly Budi95 fuel ceiling of 800 litres for e-hailing and gig workers to help stabilise operating costs amid subsidy adjustments. Starting 1 April 2026, quota eligibility per individual will temporarily decrease from 300 litres to 200 litres due to the West Asia conflict, but the fuel price will remain at RM1.99 per litre.

## PROPERTY

### [Malaysia Not Immune to Housing Affordability Pressures, Shifting to Targeted Reforms](#)

*The Edge – 26 March 2026*

Although Malaysia has a relatively high homeownership rate of 76.5%, housing affordability is becoming an increasing concern, particularly for the B40 (bottom 40%) and M40 (middle 40%) income groups. Housing and Local Government Minister, Nga Kor Ming, highlighted this in his speech at Downing College, Cambridge in the United Kingdom on 24 March 2026. The speech marked the culmination of the Asia Real Estate Leaders study tour, organised by the **Real Estate and Housing Developers Association (REHDA) Institute**. He noted that Malaysia is also experiencing global affordability pressures. To address this, the Government is shifting away from broad, one-size-fits-all housing policies toward a more targeted, data-driven approach, with housing prices increasingly aligned to local income levels rather than being determined solely by market forces.

RI - Weekly News is published by REHDA Institute

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