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RI – WEEKLY NEWS

WEEK 28 | 4 – 10 July 2026

ECONOMY

Bank Negara Maintains Policy Rate
The Edge – 9 July 2026

Bank Negara Malaysia (BNM) kept the Overnight Policy Rate (OPR) at 2.75%, judging the current stance appropriate for sustainable growth and price stability. The rate has remained unchanged since a 25-basis-point cut in July 2025. BNM expects Malaysia's economy to grow by 4.0% to 5.0% in 2026, with inflation averaging 1.5% to 2.5%.

Malaysia's May Jobless Rate Steady, Labour Market to Stay Resilient
The Edge – 10 July 2026

Malaysia's unemployment rate remained unchanged at 3% in May 2026, a level generally associated with full employment. The number of employed persons rose slightly by 0.1% to 16.82 million, while the number of unemployed increased marginally to 513,400.

GOVERNMENT

Government Vows to Resolve Felda Second-Generation Housing Issue
The Edge – 5 July 2026

The Government has pledged to resolve the long-standing need for housing sites for second-generation Federal Land Development Authority (Felda) settlers. Prime Minister Datuk Seri Anwar Ibrahim said implementation will require close cooperation with State Governments, as land allocation and basic infrastructure fall under State jurisdiction. The Federal Government will therefore consult the relevant States to facilitate suitable sites and infrastructure before housing projects can proceed.

Foreign Worker Management Centre Now Under Human Resources Ministry
The Edge – 6 July 2026

The management of the foreign worker one-stop centre (OSC) has been transferred to the Ministry of Human Resources following a Cabinet decision on 1 July 2026. Under the new arrangement, quota applications will be processed digitally through the eQuota module in the Foreign Workers Centralised Management System, which is integrated with existing Government databases.

Government Committed to Civil Servants' Affordable Housing Programme
The Edge – 7 July 2026

The Federal Government plans to expand affordable housing initiative for civil servants by developing idle or underused land owned by Government agencies, including Customs land, Immigration land and excess school land. The initiative aims to ease living costs, offset rising property prices and improve access to homeownership. Implementation has already begun, with 1,700 low-cost housing units approved and under construction in Johor.

Government Mulling Law Amendment to Allow Multiple Homes on Felda Lots

The Edge – 7 July 2026

The Government plans to amend the Land (Group Settlement Areas) Act 1960 (Act 530) to permit more than one house on a single residential lot owned by Federal Land Development Authority (Felda) settlers. Felda has been directed to prepare the draft amendments to the Act within two months for Cabinet's approval and tabling in Parliament later this year. Meanwhile, about 8,000 existing homes built on individual lots and occupied since 31 December 2025 will be allowed immediate water and electricity connections while the legal changes are finalised.

Government Expects Stable Construction Material Prices and Supply

The Edge – 9 July 2026

The Government expects construction material prices and supplies to remain stable following the easing of fuel prices as tensions in West Asia moderated. Weekly monitoring showed that price increases for seven key construction materials peaked at 13.3% in March and April, without a sharp overall surge. No cement shortage was reported up to June 2026, while retail cement prices reached a high of RM28 per bag in Labuan and Sarawak. Wholesale cement price stayed at RM24 per bag.

INFRASTRUCTURE

Public-Private Partnership for Phase 3 of East Coast Expressway due to Funding Constraints

The Edge – 8 July 2026

The Federal Government has proposed implementing Phase 3 of the East Coast Expressway (LPT3) through a public-private partnership (PPP) due to financial constraints. Under a request for proposal process, the successful bidder would bear the full development cost. Deputy Works Minister Datuk Seri Dr Ahmad Maslan noted that LPT3 would serve as an additional transport alternative to the East Coast, alongside the upcoming East Coast Rail Link (ECRL), Kota Bharu-Kuala Krai Expressway (KBKK) and Lingkaran Tengah Utama (LTU) Expressway.

Selangor Eyes September Groundbreaking for Carey Island Port, Reviews Potential Operators

The Edge – 10 July 2026

Selangor is prepared to begin construction of the proposed third port terminal on Carey Island as early as September 2026, pending approval of the port licence by the Ministry of Transport. The port is expected to take at least 10 years to become fully operational. The State Government will oversee the development and regulatory coordination of the proposed third port, while a State-owned subsidiary will hold an equity stake in its operations. This is intended to generate recurring income for the State through operating profits in addition to tax revenue.

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