

ECONOMY

Malaysia's Economy Picks Up Pace, Grows at Faster-Than-Expected 6% in 2Q 2026

The Edge – 14 August 2026

Malaysia's GDP grew 6.0% year-on-year in 2Q 2026, exceeding expectations and accelerating from 5.4% in 1Q 2026. Growth was supported by household spending, investment, exports, manufacturing and services. The construction sector expanded 6.5%, while BNM maintained its 2026 GDP growth forecast at 4%-5%.

Unsubsidised Petrol, Diesel Prices to Rise Up to 20 Sen Per Litre from 20 August 2026

The Edge – 19 August 2026

Unsubsidised fuel prices increased by 10 to 20 sen per litre from 20 August 2026, amid higher global crude oil prices and geopolitical tensions. RON95 rose to RM3.77, RON97 to RM4.25 and diesel to RM4.67, while subsidised fuel prices remained unchanged. The Ministry of Finance expects continued price volatility due to global supply disruptions.

Malaysia Targets 10% Foreign Worker Cap by 2030

The Edge – 20 August 2026

Malaysia aims to reduce foreign workers' share of the workforce from 13% in 2026 to 10% by 2030. Deputy Investment, Trade and Industry Minister Sim Tze Tzin urged businesses to adopt automation, digitalisation and productivity-enhancing technologies, supported by Government incentives and automation grants.

GOVERNMENT

Bangsa Johor Rental Deposit Assistance to be Introduced in 2027

The Edge – 15 August 2026

The Johor Menteri Besar said the Johor Government plans to introduce RM1,000 rental deposit assistance in 2027 through the Johor State Housing Development Corporation (PKPJ), targeting about 10,000 recipients at the first phase. Eligible residents and Federal civil servants may receive the assistance alongside RM2,500 in rental aid, bringing total support to RM3,500 per person.

Penang Restricts Temporary Worker Housing to Commercial and Industrial Areas

The Edge – 17 August 2026

Penang will implement new temporary worker housing guidelines starting from 1 September 2026, allowing such accommodation in commercial and industrial areas only. The policy aims to manage workers' housing needs while CLQ capacity remains limited. Operators must obtain a permit from the Local Authorities and comply with accommodation and occupancy requirements.

Penang Chief Minister Seeks Federal Approval for International Financial Centre Proposal

The Edge – 20 August 2026

Penang Chief Minister said the State hopes to secure Federal approval for the Penang International Financial Centre (PIFC) through Budget 2027. The proposed centre aims to strengthen financing access for local SMEs and support the State's technology and semiconductor ecosystem. Penang plans to differentiate the PIFC by leveraging its position as a regional technology hub and attract higher-value activities.

Penang City Council Sets Guidelines on Transfer of Development Rights in George Town

The Star – 21 August 2026

Penang Island City Council (MBPP) has introduced guidelines allowing the transfer of development rights (TDR) for properties within the George Town UNESCO World Heritage Site. The guidelines cap the development rights transferable to a receiving site at a plot ratio of two. Receiving sites must still meet planning and technical requirements, including traffic and social impact assessments, infrastructure and height restrictions.

INFRASTRUCTURE

Butterworth-Kulim Railway Among 14 High-Impact Projects in Penang State Structure Plan 2040 Draft

The Edge – 17 August 2026

The draft Penang State Structure Plan 2040 identifies 14 high-impact projects, including the Butterworth-Kulim railway line, Penang Coastal Ring Road and The Penang Gateway, to improve connectivity and stimulate economic growth. The proposed projects are expected to strengthen transport and logistics networks, ease congestion and support development in property, tourism and other economic sectors in northern Penang.

Government to Build RM60 Million Bridge Linking Bukit Chagar RTS and KTMB Komuter

The Edge – 18 August 2026

The Ministry of Transport said the Government will build a RM60 million bridge linking the Bukit Chagar RTS Link Station with the KTMB Komuter service. The project is expected to take 12 months to complete and improve public transport integration. At least 200 new buses will also be introduced under the Stage Bus Service Transformation (SBST) 2.0 to connect residential areas around Johor Bharu with Bukit Chagar ahead of the RTS Link's scheduled opening on 1 January 2027.

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