

MARKET COMMENTARY

Top Economics News

December 2024



Malaysia

- › Malaysia's CPI, inflation in November eased to 1.8% YoY. The major source of downside surprise was information and communication inflation (6.6% of the CPI basket), which dropped sharply to -3.9% y-o-y in November from -1.7% in October, reflecting some one-off price adjustments in telecommunication services through upgraded data quotas for some post-paid plans.
- › The seasonally adjusted S&P Global Malaysia manufacturing purchasing managers' index (PMI) fell to 48.6 in December 2024, marking the lowest reading since March, and 7th consecutive months of contraction. The decline in Dec-24, was driven by subdued demand and the steepest fall in output in a year.

United States

- › U.S. weekly jobless claims hit eight-month low as labour market remains resilient. The number of Americans filing new applications for unemployment benefits dropped to an eight-month low last week, point to low layoffs at the end of 2024 and consistent with a healthy labour market. Initial claims for state employment benefits dropped 9,000 to a seasonally adjusted 211,000 for the week ended Dec 28, the lowest since April. (Reuters)
- › US manufacturing PMI rises to nine-month high in December. U.S. manufacturing moved closer to recovery in December, with production rebounding and new orders rising further, though factories faced higher prices for inputs as the year ended. The Institute for Supply Management (ISM) said on Friday that its manufacturing PMI increased to 49.3 last month, the highest reading since March, from 48.4 in November. (Reuters)

Euro: Sovereign Debt Crisis Update

- › Eurozone inflation revised down slightly in November. Inflation in the 20-nation eurozone rebounded a little less than previously estimated in November, according to revised official data released on Wednesday. Year-on-year consumer price increases in the single currency area inched back up to 2.2 percent last month, a slight change from the 2.3 percent figure published on November 29, according to the EU's Eurostat data agency. (ZAWYA)
- › Euro Economic growth expected to pick up slightly in 2025. We expect euro area economic growth to pick up slightly in 2025 to 1.0% from 0.8% in 2024. Easing monetary conditions will be the main factor supporting activity, as we expect the ECB to cut interest rates at every one of its policy meetings up to July 2025, bringing the deposit rate down to 1.75%. (pictet)

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