



GLOBAL TRANSACTION ADVISORY GROUP
MARKET INSIGHTS

Malaysia: Opportunities and Risks in the Context of COVID-19

Report Overview:

Is opportunity hiding underneath the economic rubble of COVID-19? Alvarez & Marsal's Global Transaction Advisory Group Managing Director Richard Chen, Senior Director Dawn Duong, and Manager Allison Chen say "yes." In the "Malaysia: Opportunities and risks in the context of COVID-19" report they explain why and discuss:

- Malaysia's economic structure and the drivers behind the country's economic success
- Benefits from utilizing abundant natural resources and a highly educated working population
- The six dimensions for evaluating the impact of COVID-19 on the general economy and within specific sectors
- Driving forces, challenges and how Malaysia has weathered past crises

Electrical & Electronics ("E&E")

E&E is one of the most export-oriented sectors in Malaysia. For over a decade, China has been a major export destination of Malaysia's E&E products, which mainly consist of intermediate inputs for further processing and re-exports.

The report discusses:

- Government investing in and supporting growth of E&E sector in multiple hubs
- Manufacturing capabilities covering the full spectrum of E&E ecosystem
- Local suppliers becoming market leaders
- Benefits for businesses operating in Malaysia
- The shifting global competitive landscape
- Trends and opportunities

Wholesale, Retail & Motor vehicle ("WRM")

Along with the food and beverage (F&B) sector, WRM is the bedrock of Malaysia's vibrant SME ecosystem. It is the largest contributor to Malaysia's GDP and employment. Given that it's mainly driven by private consumption, WRM is also the first sector to be hit by COVID-19.

The report discusses:

- Growth drivers
- COVID-19 impacting domestic demand
- Low household savings exposing financial weaknesses
- Risks and opportunities

Oil & Gas (O&G)

Since 2000, Malaysia has been a net exporter of crude oil and natural gas, but a net importer of refined petroleum products. This is mainly because the capacity of Malaysia's refinery facilities is insufficient to meet the domestic demand for refined petrol products (e.g., gasoline, diesel, kerosene).

The report discusses:

- Malaysia's fiscal health dependency on the O&G market
- Covid-19 pressure on global oil demand and prices

Education

The Government views skilled human capital development as the key for future economic growth. The increasing demand for skilled workers has facilitated the growth in private higher education and vocational education sub-sectors.

The report discusses:

- Private higher education and vocational education to boost future economic growth
- Covid-19 impacts on education

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With over 5,000 people across four continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth

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