

starproperty.my  
**FAIR 2016**  
**i-City Edition**

22 - 24 APR 2016 • 11am - 9pm

## Local retail sector seen growing 4% this year



**Expert talk:** Tan speaking on the local retail sector in his talk held in conjunction with the StarProperty.my fair 2016 i-City edition yesterday.

According to RGM's Malaysia Retail Industry Report last month, the local retail industry recorded a measly year-on-year sales growth of 1.3% in the fourth quarter of last year.

RGM said the year-end school holiday and festive season did not lift the buying spirit of

Malaysian consumers, adding that the higher cost of overseas travelling due to weaker ringgit did not encourage more domestic spending.

"The weak ringgit performance during the last quarter of 2015 had resulted in higher import costs. Higher import costs led to

increased retail prices. Increased retail prices had further deteriorated the purchasing power of Malaysian consumers.

"Despite heavy price discounts and aggressive promotions, retailers could not raise the consumers' spending.

"During this latest quarter, they suffered further decline in profit margin growth," he added.

For the full-year 2015, RGM said the Malaysian retail industry grew by a mere 1.4% as compared to the same period a year ago. The total retail sales turnover for 2015 was RM96.2bil.

"Last year was the worst annual retail growth rate since 2010. In 2009, the retail industry growth rate was 0.8%," RGM said.

According to National Property Information Centre's (Napic) 2015 Property Market Report, the retail sub-sector recorded a slight improvement in occupancy to 82.4% in 2015 from 81.8% in 2014, with a take-up rate amounting to more than 780,000 sq meters.

The StarProperty.my Fair 2016 i-City edition, which is being held at i-City from April 22 to 24, will feature projects including i-Soho, i-Suite, Liberty Tower and Parisien Tower in i-City, and 8Kia Peng at Kuala Lumpur city centre.

Besides talks and fun activities, 1,000 visitors will receive complimentary theme park tickets given daily.

By **EUGENE MAHALINGAM**  
 eugenicz@thestar.com.my

**SHAH ALAM:** Retail Group Malaysia (RGM) is projecting a 4% growth rate for the local retail sector this year, as it believes that consumers will still continue to spend in spite of the global economic uncertainty.

RGM managing director Tan Hai Hsin said while consumers are cautious, they will continue to spend on goods and services that are important and relevant to them.

"People are still spending on their children's education even though it is not cheap. The MATTA Fair is also still doing well as people are still traveling," he said in a talk in conjunction with the StarProperty.my Fair 2016 i-City edition yesterday.

Tan said the outlook for the local retail sector this year is expected to be challenging.

"There is no major stimulus. It's also not an election year, this year. Right now, we're relying on the global economy and if it's down, it will affect us."