

NIMP will benefit all sectors, says MIDF Research

KUALA LUMPUR: The success of the New Industrial Master Plan 2030 (NIMP) will benefit almost all economic sectors, said MIDF Research.

The finance firm said the NIMP 2030 recognised that the roadmap to a high-income nation relied on acquiring and applying productive knowledge to develop sophisticated industries and output, while ensuring sustainable growth.

"We believe that the NIMP 2030 has no clear sector 'winner' as we normally see in the announce-

ment of the government budget.

"However, we should highlight that this view does not construe anything negative. Rather there is an interdependence between sectors as it attempts to raise the economic complexity of the nation.

"Therefore, should the NIMP 2030 be successful, then almost all sectors will be a beneficiary, either directly or indirectly," it said in a research note.

MIDF Research said the key would be the implementation of the initiatives.

It said the emphasis on raising economic complexity was of long-term strategic importance to the nation.

"Tying it to the financial market, this mission could improve Malaysia's return profile, which would drive market valuation higher in the long term.

"In gist, the positive impact on the equity market may manifest, albeit over an extended period," it said.

MIDF Research said in the short term, the NIMP 2030's announcement was not expected to

spur significant buying or selling in the equity market.

It expects the immediate market undertone would continue to be dominated by monetary statements and actions of the United States Federal Reserve.

The firm maintained its the FTSE Bursa Malaysia KLCI (FBM KLCI) end-2023 target at 1,540 points.

It said formulating the NIMP 2030 was underscored by the need to build a robust industrial sector. It said compared with the Industrial Master Plan 3.0, the

NIMP 2030 shifted from a sectoral-based approach to mission-based approach.

The NIMP 2030 has four missions and enhancement by enablers, involving 21 strategies and 62 actions plans.

These missions are supported by four enablers: mobilising the financing ecosystem; fostering talent development and attraction; strengthening best-in-class investor journey for ease of doing business; and, introducing a whole-of-nation governance framework.