



Headline	Property prices unlikely to go down any time soon
MediaTitle	The Star
Date	19 Oct 2016
Section	Nation
Page No	8
Language	English
Journalist	BEHYUEN HUI
Frequency	Daily



## Property prices unlikely to go down any time soon

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**KUALA LUMPUR:** Despite speculation that property prices will go down, it is unlikely to happen in the near future.

The residential property market is showing signs of softening but developers have no plans to lower the prices of homes, according to a survey by the Malaysian Institute of Economic Research (Mier).

Mier, a private think-tank, point-

ed out that 12% of the developers surveyed had adjusted their property prices higher between July and September, while 80% left theirs alone.

"Higher construction costs such as steel, cement, aluminium and higher wages have likely contributed to some of the developers' decision to increase prices lately," it said, adding that 16% of the respondents would likely raise their property prices in the fourth quarter.

At a media briefing earlier on the

country's economic outlook for the third quarter this year, Mier executive director Professor Emeritus Dr Zakariah Abdul Rashid said he was expecting an expansionary budget for 2017 on Friday to boost domestic demand.

He said Malaysia's export demand would be gloomy due to the global economic slowdown, so it had to depend on domestic demand to spearhead economic growth.

He pointed out that the 1Malaysia People's Aid (BR1M) was still need-

ed to boost private consumption and increase disposable income of the Bottom 40 (B40) group, but it should not be extended to the middle 40 (M40) group.

"BR1M is not a good and sustainable measure of pushing the economy forward. It is just a stabilising and short-term measure," he said.

He added that Mier had maintained this year's GDP growth at 4.2% and was optimistic that it would edge up moderately next year between 4.5% and 5.5%.