

MEDIA RELEASE

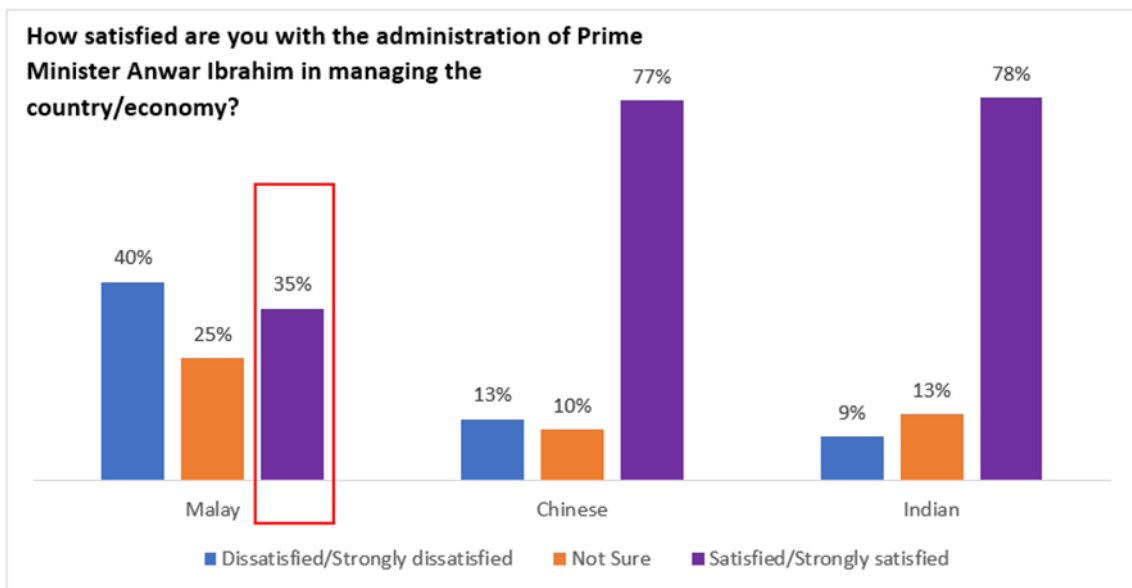
Jacob Lee, Deputy Chairman, Institute of Strategic Analysis and Policy Research (INSAP)

2023 INSAP Public Sentiments Survey

The Institute of Strategic Analysis and Policy Research (INSAP) had conducted a series of face-to-face interviews in selected constituencies in Selangor and Negeri Sembilan in May and June 2023. These interviews consisted of semi-structured discussions with constituent stakeholders, covering various topics and specific questions.

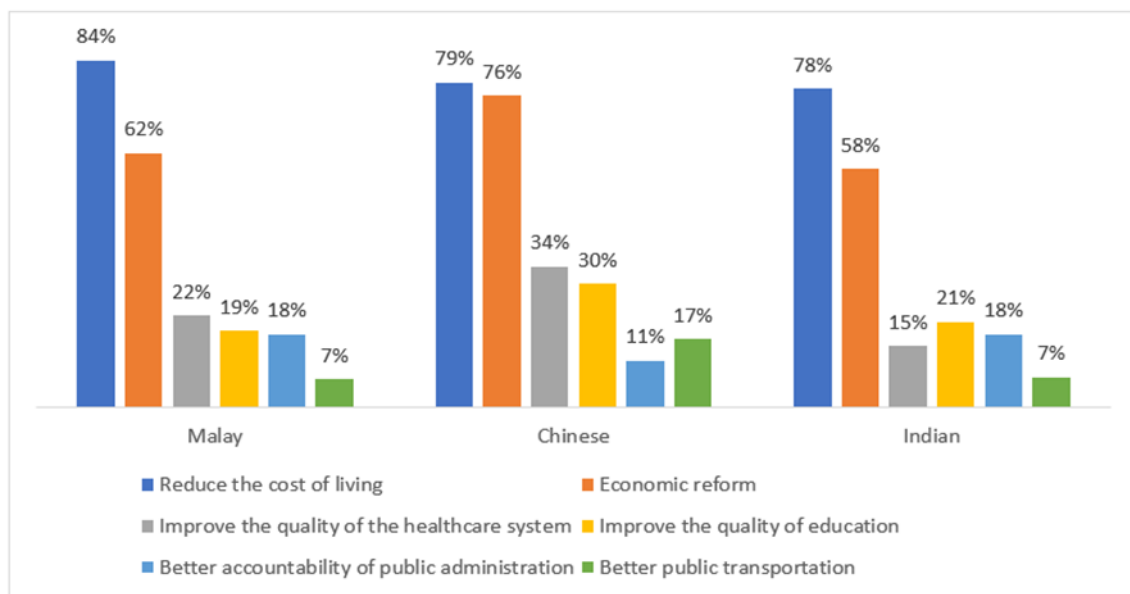
Based on the insights gathered from 292 respondents in these states, INSAP found that nearly all participants expressed frustration regarding the state of the economy, the escalating cost of living, rising credit expenses, and the declining purchasing power. Business owners also highlighted a decline in retail transactions and footfall, raising concerns about their ability to make enough money to service loans and pay employee wages in the coming months.

Although the retail sector is experiencing a resurgence due to the arrival of international and domestic tourists, respondent for small business owners remained cautious and less optimistic outlook for the future as the majority of their customers were local, who were now reducing their spending for goods and services.



Despite widespread concerns about the state of the economy, the recent INSAP survey indicates that a significant majority of over 59% of respondents are satisfied with Prime Minister Anwar Ibrahim's administration and his capable in management of the nation and economy. However, in contrast, satisfaction levels among Malay respondents are lower, with only 35% expressing contentment with Prime Minister Anwar Ibrahim's governance and economic management, while 40% express dissatisfaction.

What measures or initiatives do you want the government to implement NOW?



Insufficient government involvement in current mainstream issues such as cost of living, has exacerbated the adverse impact on the economy. Prime Minister Anwar Ibrahim's government may be relying on the possibility of the Malaysian public's continued forgiveness as they work towards eradicating corruption, restructuring subsidies and government spending, and charting a new economic direction. However, the growing frustration among the populace is evident as more individuals highlight the negative impact of rising commodity prices, recent interest rate hikes, and a lack of clear guidance on resolving the fundamental issues faced by ordinary citizens.

Bank Negara Malaysia reports a significant decline in loan applications for property purchases, with a 23% month-on-month drop in April 2023 following the increase in the Overnight Policy Rate (OPR) in May. On a year-on-year basis, applications fell by 11%, despite reaching a two-year high when the OPR hike was paused in January and March of this year. Furthermore, the imminent removal of subsidies for individuals in certain income groups could further worsen the predicament, as many single-income earners, currently classified as high-income earners but supporting large families or dependents, may also face financial hardships.

Simultaneously, the gradual transfer of increased electricity tariffs from businesses to consumers is underway, prompting warnings from retailers and wholesalers about forthcoming price hikes for goods and food in the upcoming months

In the end, the face-to-face interviews conducted by INSAP revealed that their primary concerns revolve around their ability to sustain themselves amidst stagnant incomes and escalating expenses, rather than the "green wave" or the potential rise of extremism. In this regard, it appears that Khairy Jamaluddin have accurately identified the potential for a "tsunami of discontent" resulting from longstanding frustrations over the lack of action on matters impacting people's livelihoods.

How long affected groups will remain patient and forgiving towards the new administration if delays persist?

INSAP Deputy Chairman, Jacob Lee commented that the current government must take note that Malaysians are increasingly frustrated and losing hope of the promised positive economic revival which was previously advocated during the last general election campaign. It is time for the Unity Government to act and take urgent steps to address the Rakyat's concerns.

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For EDITORS only

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