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# Malaysia among winners as oil prices rise

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COLOMBIA, MALAYSIA, Nigeria, Russia and Saudi Arabia are the clear-cut winners as crude oil prices staged a strong rebound after hitting a trough of US\$44 (Bt1,456) a barrel in June, says Nomura Global Research. In its report issued yesterday it said its view of the impact of the oil price rebound was based on the starting positions of each country's economic fundamentals, scope for policy responses and other idiosyncratic factors in a world of significantly higher oil prices in 2018.

It pointed out the winners are Brazil and Venezuela while there is a neutral impact on Czech Republic, Hong Kong, Hungary, Israel, South Korea, Mexico, Poland, Romania and Singapore.

Nomura Research said the losers Argentina, Chile, China, Egypt, Indonesia, Peru, South Africa, Thailand. The clear-cut losers are India, the Philippines and

Turkey. The research house said crude Brent has risen this year from a trough of \$44 a barrel in June to \$63 and while this pales in comparison to the drop from \$115 to \$45 over June 2014 to January 2015, in percentage growth terms it is still a large rise of 43 per cent.

"It is difficult to disentangle how much of this is due to increased demand from, for example, the synchronised global growth upswing, limits on supply, such as Opec stringently sticking to production quotas and the recent decline in US shale rig count, or indeed other factors like heightened geopolitical uncertainty in the Middle East," it said. Nomura said the economic impact is also hard to gauge, as it depends not only on the size but also on the duration of the oil price rise.

"However, what became clear from the oil price plunge in the second half of 2014 was how it drove a divide in the emerging market universe, favouring commodity importers (notably in Asia) at the expense of large commodity exporters (from Latin America and the Middle East, and Russia).