

Experts share insights on current economic climate

Izah Azahari

A wave of optimism came with the start of 2022 as domestic and border restrictions relaxed, regional and global economies rebounded, raising hope of a return to some sort of normality.

This was said by Standard Chartered Bank Brunei Chief Executive Officer (CEO) Pengiran Aki Ismasufian bin Pengiran Haji Ibrahim during Standard Chartered Bank Brunei's Global Research Briefing at the Indera Samudra Grand Hall of The Empire Brunei yesterday.

Meanwhile, he continued, the global outlook for 2022 has become significantly more affected by the on-going lockdowns in China, while the war in Ukraine has steepened the slowdown in the global economy, leading to higher inflation, tighter financial conditions, supply challenges and heightening policy uncertainty.

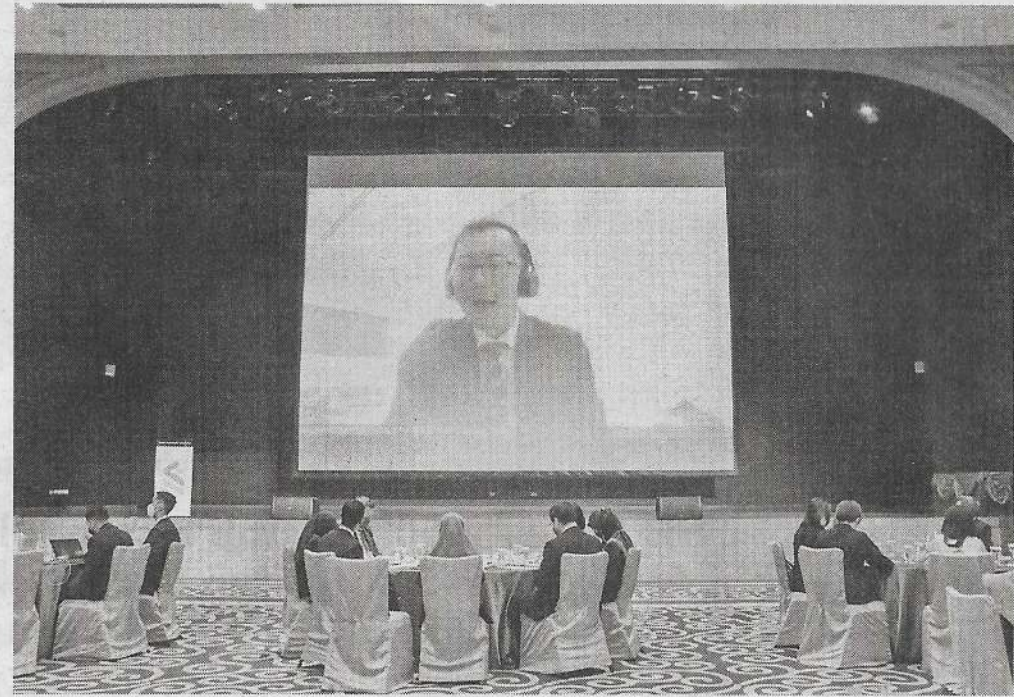
Pengiran Aki said that the International Monetary Fund (IMF) has revised down its 2022 global growth forecast from 4.4 to 3.6 per cent due to spillover effects from Russia's invasion of Ukraine, supply shocks and higher inflation, whereas the domestic economy contracted by 1.6 per cent in 2021.

"Closer to home, however, the Asian Development Bank (ADB) recently raised the outlook for Southeast Asia to five per cent this year from 4.9 per cent amid increased demand due to more relaxed COVID-19 restrictions," he



Standard Chartered Bank Brunei Chief Executive Officer (CEO) Pengiran Aki Ismasufian bin Pengiran Haji Ibrahim delivers his welcoming remarks.
PHOTOS: IZAH AZAHARI

shared, noting that Southeast Asia's consumption growth in all sub-regional economies rebounded strongly in the first five months of 2022 on the gradual lifting of COVID-19 mobility restrictions and the re-opening of markets and borders.



Chief Economist ASEAN and South Asia Edward Lee on screen during a virtual presentation

"The external environment is likely to remain difficult to predict, but the region's long-term fundamentals are indisputable. We have a unique franchise in Asia, spanning three economic engines of China, ASEAN and India, supported by our two strong international financial hubs in Hong Kong and Singapore, making our strategic position second to none," said Pengiran Aki.

The CEO said the bank stands ready to support their clients to capture the structural trends of global supply chain shifts, growing intra-Asian flows, rising affluence, sustainable financing and innovation needs, as well as China's financial opening.

The hybrid event, attended by over 100 corporate clients and stakeholders of the bank, was organised for senior economists

from its global network to share their outlook and insights on the year ahead.

Brunei Darussalam Central Bank Managing Director Hajah Rokiah binti Haji Badar was the guest of honour.

British High Commissioner to Brunei Darussalam John Virgoe, BDCB Deputy Managing Directors, senior officials from both the public and private sectors, clients and stakeholders were also in attendance.

The event continued with the keynote address by BDCB Managing Director.

Meanwhile, Chief Economist ASEAN and South Asia Edward Lee and Head of Asia FX Research Divya Devesh shared viewpoints on global and Brunei's economic outlook for the year and discussed strategies for the current business climate.