



Virtual Event 15-18 June 2020

2020 Asia-Pacific Statistics Week

Leaving no one and nowhere behind

Developing Malaysia Business Cycle Clock (MBCC) for A Better Insights on Economic Cycle

Action Area C. SC5

“It is worth investing in integrated statistics for integrated analysis”.

Presenter:

Siti Nuraini Rusli

Assistant Director

Department of Statistics Malaysia

#apstatsweek2020

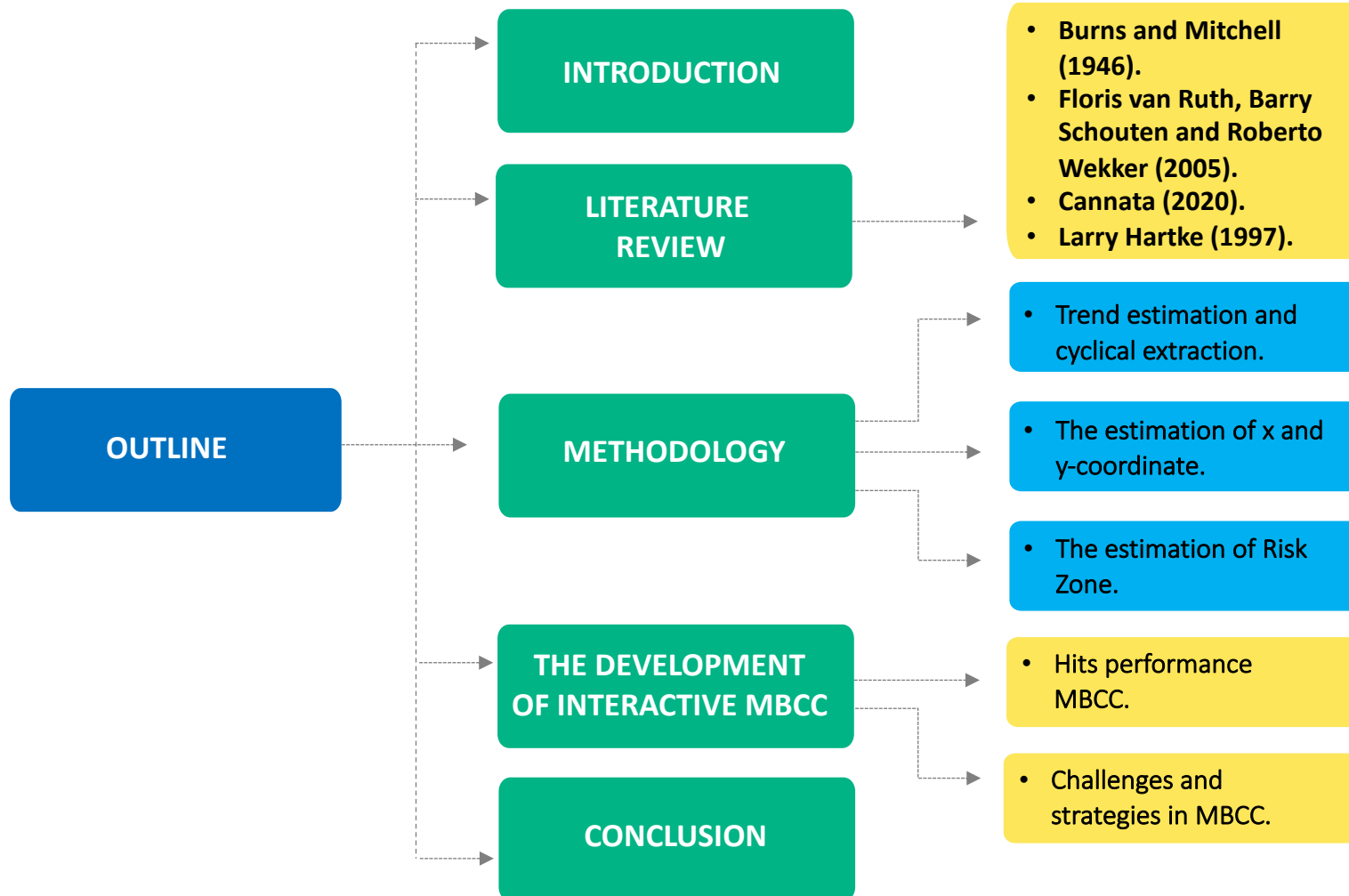


#apstatsweek2020



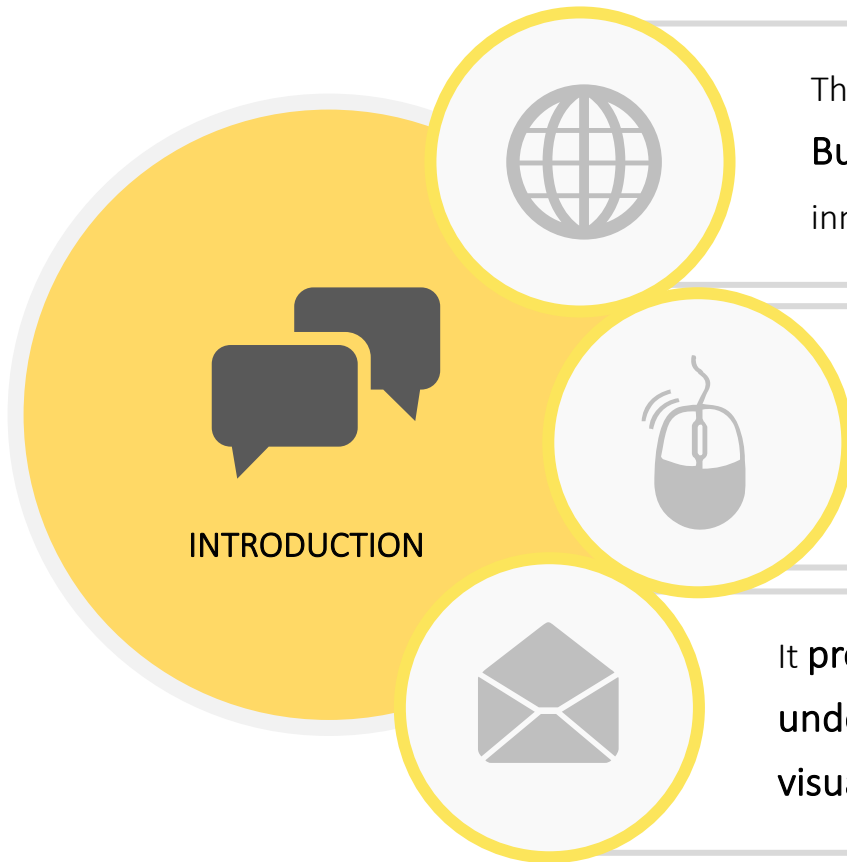
Virtual Event 15-18 June 2020
**2020 Asia-Pacific
Statistics Week**

Leaving no one and nowhere behind





1. INTRODUCTION



This paper describes the **development of Malaysia Business Cycle Clock (MBCC)** which is one of the latest innovations by the Department of Statistics, Malaysia.

The MBCC is **beyond the traditional presentation of time series** on Leading Index and Coincident Index.

It provides a new dimension to the users in **understanding the movement** of the economic cycle visually and interactively.



2. LITERATURE REVIEW

“Business cycles are a type of fluctuation found in the aggregate economic activity of nations ; a cycle consists of expansions occurring at about the same time in many economic activities, followed by similarly general recessions, contractions and revivals which merge into the expansion phase of the next cycle; this sequence of changes is recurrent but not periodic;....”

BCT is a **useful tool for the description of the Dutch business cycle**. Besides that, it **offers a reliable representation of the current state of the business cycle** and is **able to detect major tuning points** in the cycle as they occur.

Business Cycle Clock is a **visualisation tool provided to convey information about the cyclical situation in different phases of economic activity** which visualised using a clock-type graph.

The **effective data dissemination** means that **statistical agencies should fully identify the potential data users community, effectively request their requirements and after that react expeditiously by giving the clients opportune and reasonable factual information** that address those issues as close as could be expected under the circumstances.

1

Burns and Mitchell (1946)
Measuring Business Cycles.

2

Floris van Ruth, Barry Schouten
and Roberto Wekker (2005)
The Statistics Netherlands'
Business Cycle Tracer.

3

Cannata (2020)
Eurostat's Business Cycle Clock:
Methodology and Results.

4

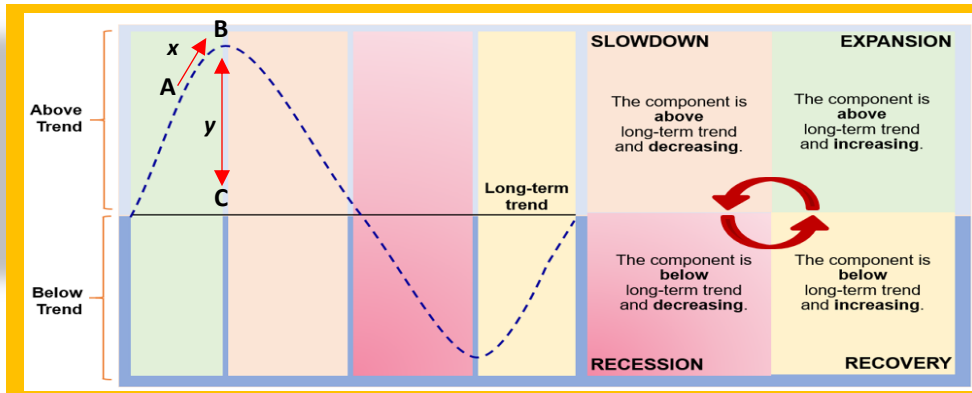
Larry Hartke (1997)
Effective Data Dissemination
Principles and Practices for
Statistical Organisations and
Agencies.



3. METHODOLOGY

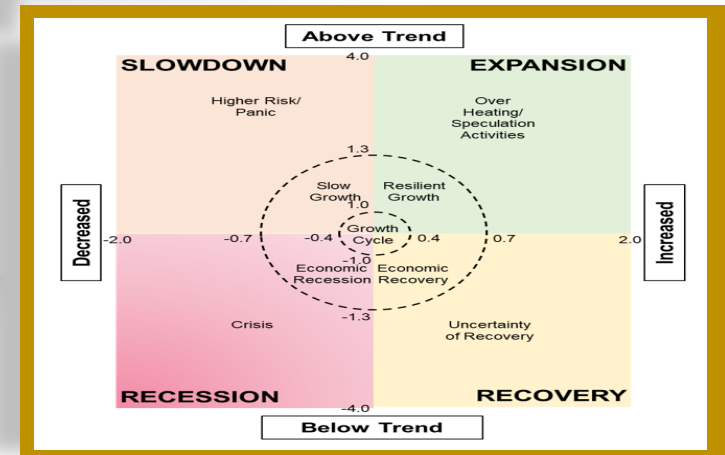
3.1 Trend estimation and cyclical extraction

Hodrick-Prescott (HP) filter to estimate the long-term trend of the selected MBCC components according



3.2 The estimation of x-coordinate and y-coordinate

3.3 The estimation of Risk Zone





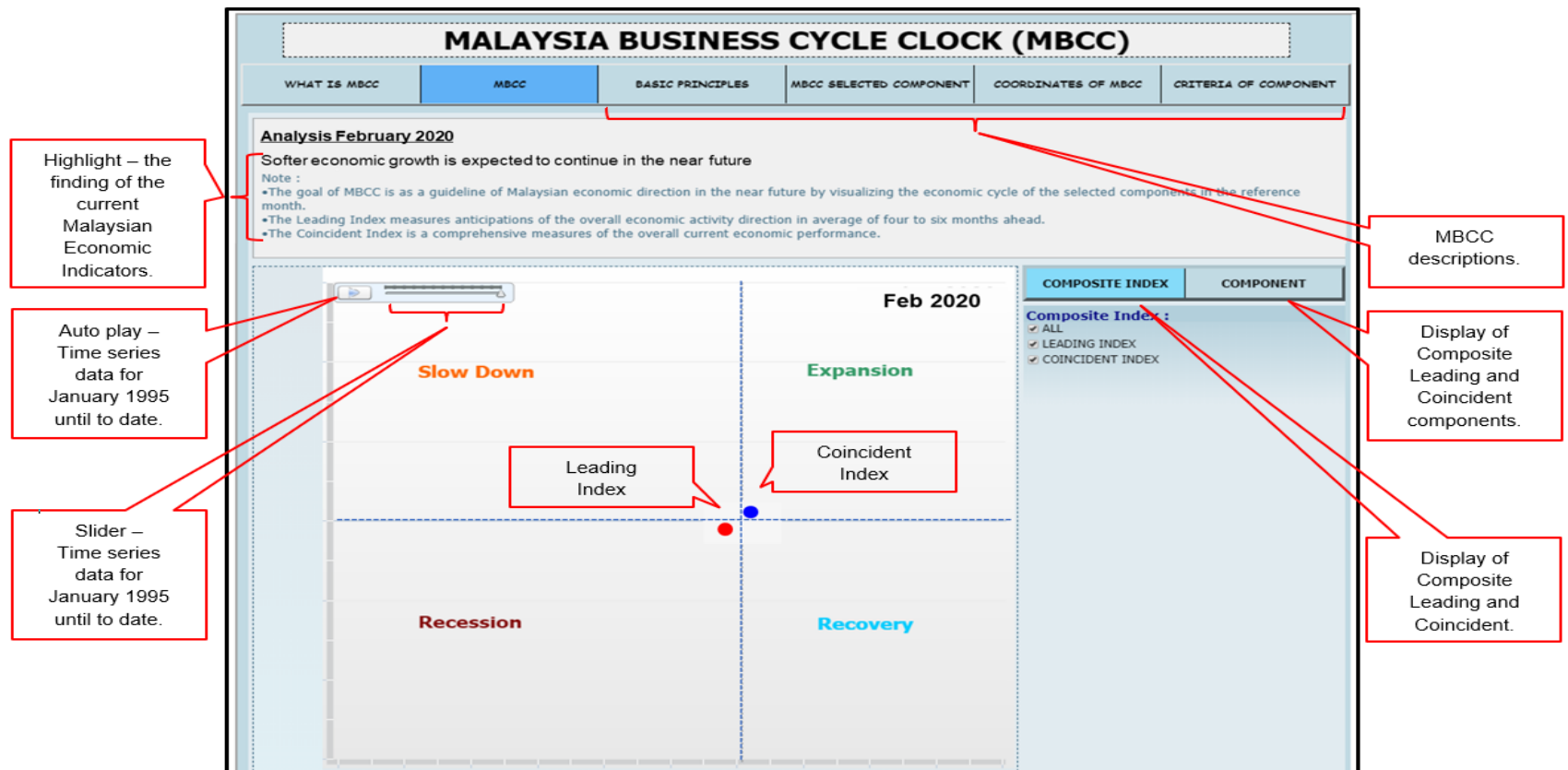
Leaving no one and nowhere behind

4. THE DEVELOPMENT OF INTERACTIVE MBCC



MALAYSIA BUSINESS CYCLE CLOCK

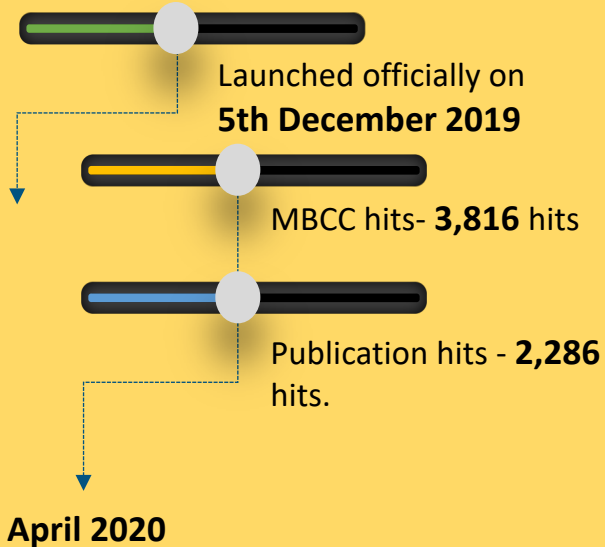
https://www.dosm.gov.my/v1/index.php?r=column/cthree&menu_id=QTc5Y2V3KzdGaEtHSUhb2psK0M2UT09



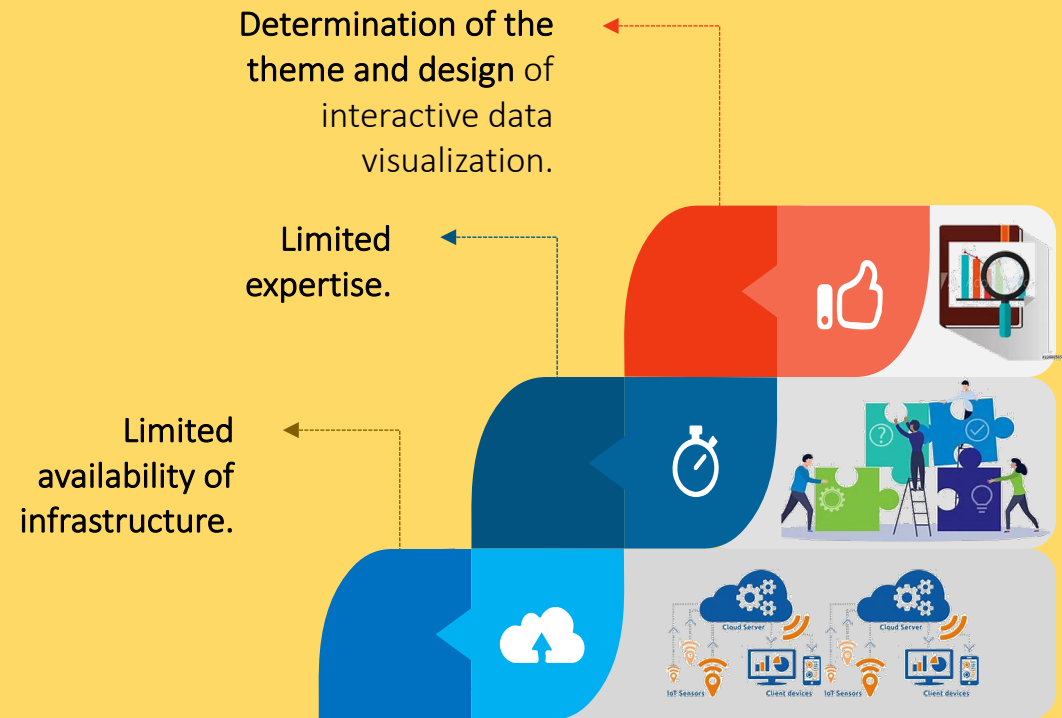


4. THE DEVELOPMENT OF INTERACTIVE MBCC (cont'd)

4.1. Hits performance MBCC



4.2. Challenges and strategies in MBCC





5. CONCLUSION

1 DOSM has taken one step ahead to develop an interactive channel to disseminate its statistics and to strengthen the statistics service delivery.

2 The interactive application which will help users in searching 'live' data will enhance DOSM's service delivery system.

3 Thus, DOSM be able to provide the ability in fulfilling a variety of statistics that are required by the users on daily and real time basis.





Virtual Event 15-18 June 2020
**2020 Asia-Pacific
Statistics Week**

Leaving no one and nowhere behind

Special thanks to **Dr. Abd Latib Talib**, colleagues from
Information Management Division and **Strategic
Communication & International Division** which has
assisted us greatly in developing the visualisations of MBCC.

Thank you.

Any enquiries email to:
nuraini.rusli@dosm.gov.my

#apstatsweek2020



#apstatsweek2020