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## Oil supply stability in focus amid Middle East conflict

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**JOHOR BARU:** The assessment of Malaysia's oil supply security and the potential economic impact of global energy disruptions will be carried out at the upcoming National Economic Action Council meeting, says Economy Minister Akmal Nasrullah Mohd Nasir.

He said the government will continue monitoring the situation through the weekly meeting chaired by the Prime Minister.

"We will assess the country's oil supply capability and discuss mitigation measures to ensure supply security.

"We will also examine industries that may be affected by global energy supply disruptions, including transportation and logistics sectors," he told a press conference after the Rahmah Sales programme at Desa Dato Hajah Hasnah flat yesterday.

Akmal Nasrullah said the ongoing geopolitical conflict could create rising inflationary pressure to the country in the near term due to disruptions in global energy supply chains.

He said the disruptions to inter-

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Akmal Nasrullah Mohd Nasir



national oil and gas supply could increase production, logistics and transportation costs, which may eventually push up the prices of goods in the market.

"Malaysia managed to keep inflation relatively low at around 1.4% throughout 2025.

"However, recent global developments such as the conflict in Iran could create new pressure on prices in the coming months," he added.

Akmal Nasrullah said the impact of global conflicts on Malaysia's economy would depend largely on two key factors

– the intensity of the conflict and how long it continues.

"At the moment, there are still no signs that the conflict in Iran will end soon. That is why the government has taken several approaches to ensure key priorities can still be implemented," he said.

Among them are ensuring that the country's oil supply remains secure, maintaining stable economic policies and safeguarding the well-being of the people.

He said the conflict in the Middle East could have a significant impact on global energy

markets, particularly if they disrupt major shipping routes such as the Strait of Hormuz.

"Any disruption to oil and gas supply will have direct implications for petroleum-based products such as petrol and diesel," he said.

He said oil is also a key component in the production of many goods, both in terms of manufacturing inputs and transportation.

As such, disruptions to supply could increase production costs as well as logistics and supply chain expenses.

"This situation could eventually affect the prices of goods in the market and contribute to inflationary pressure," he added.

In a separate development, Akmal Nasrullah said Malaysia is currently undergoing an energy transition under the National Energy Transition Roadmap, which aims to achieve net-zero carbon emissions by 2050.

He said renewable energy sources such as solar and hydropower have advantages as they are sustainable and generated domestically, which could help in reducing dependence on imported fuels.