

OPTIMISM

Business confidence surges in Q3

KUALA LUMPUR: Malaysia's business sector is turning more optimistic, with confidence improving sharply in the third quarter of 2026.

The overall business confidence indicator rose to 5.9 per cent in the third quarter of 2026 from -1.8 per cent in the second quarter, according to the Statistics Department.

The quarterly Business Tendency Statistics tracks business performance over the past three months and expectations for the coming three and six months, based on the Business Tendency Survey.

All four major sectors expect positive business conditions in the third quarter, with Industry recording the strongest rebound.

- **INDUSTRY:** 8.2 per cent, up from -3.7 per cent
- **SERVICES:** 5.2 per cent, down from 6.2 per cent
- **CONSTRUCTION:** 4.1 per cent, up from -9.5 per cent
- **WHOLESALE & RETAIL TRADE:** 1.2 per cent, up from -7.5 per cent

The department said the broad-based improvement reflects greater confidence in both domestic and external economic activity.

Business sentiment was positive in most states, with Terengganu recording the highest confidence indicator at 10.5 per cent, followed by Kuala Lumpur at 9.5 per cent and Negri Sembilan at 9.4 per cent.

Other states with positive readings included Pahang (7.1 per cent), Selangor (5.8 per cent), Sarawak (5.8 per cent), Perlis (5.4 per cent), Kedah (5.1 per cent), Pulau Pinang (5.0 per cent), Johor (4.9 per cent), Sabah (3.7 per cent), Kelantan (2.1 per cent) and Perak (1.5 per cent).

Putrajaya registered 0.6 per cent.



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