

# Businesses more optimistic about prospects for Q4

Services, industry and construction main sectors that anticipate better conditions, says DoSM

**PUTRAJAYA:** Businesses anticipate better conditions in the fourth quarter of 2023, with a positive confidence indicator of 3.2%, up from 0.7% in the third quarter of 2023, said Chief Statistician Malaysia Datuk Seri Dr Mohd Uzir Mahidin when releasing the Department of Statistics Malaysia (DoSM) report on Business Tendency Statistics for the Fourth Quarter 2023.

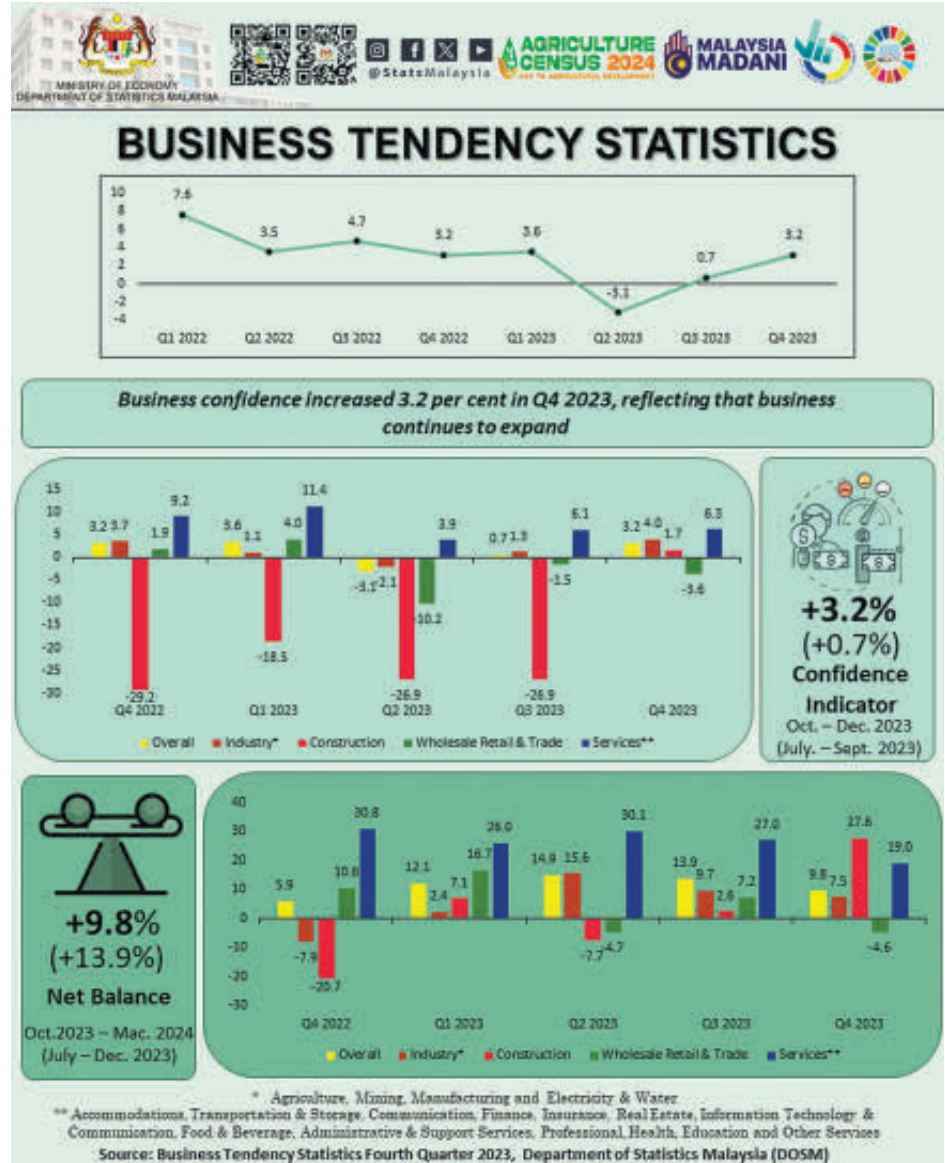
"Services, industry and construction are the three sectors that anticipate better business conditions in the fourth quarter of 2023. The business confidence for services sector remains on a positive trajectory, with the confidence indicator increasing to +6.3% as against +6.1% in the last quarter," he added.

The industry sector, he said continues to be optimistic about business performance, with a confidence indicator of +4% for the corresponding quarter as compared to +1.3% in the third quarter of 2023. Simultaneously, sentiments within construction sector upturn to a positive trajectory for the first time since the first quarter of 2018 by posting +1.7% as against -26.9% in the third quarter of 2023.

However, he added that businesses within the wholesale and retail trade sector expect pessimistic business outlook, with a confidence indicator of -3.6% in the fourth quarter of 2023 as opposed to -1.5% in the last quarter.

Looking ahead, Mohd Uzir said the business outlook for the period of October 2023 until March 2024 remain upbeat despite moderating, with a net balance of +9.8% as against +13.9% recorded previously, with all sectors register positively except the wholesale and retail trade.

"Sentiments in services sector remain positive, with a net balance of +19%. For the next six months, all sub-sectors under services sector anticipate a positive business environment. Industry sector also foresees a brighter business outlook, with a net balance of +7.5% for the period of October 2023 until



March 2024," he added.

After soaring to a positive trajectory for the second half of 2023, the construction sector keeps improving significantly, with a net balance of +27.6% for the upcoming six months.

Wholesale & retail trade expects a challenging business outlook for the following

six months with a net balance of -4.6%. This scenario is due to the pessimist sentiment from the wholesale trade sub-sector.

Nevertheless, retail trade subsector rebounded to a positive trajectory by recording +3.0% for the expected 6 months ahead compared to -12.4% recorded previously.