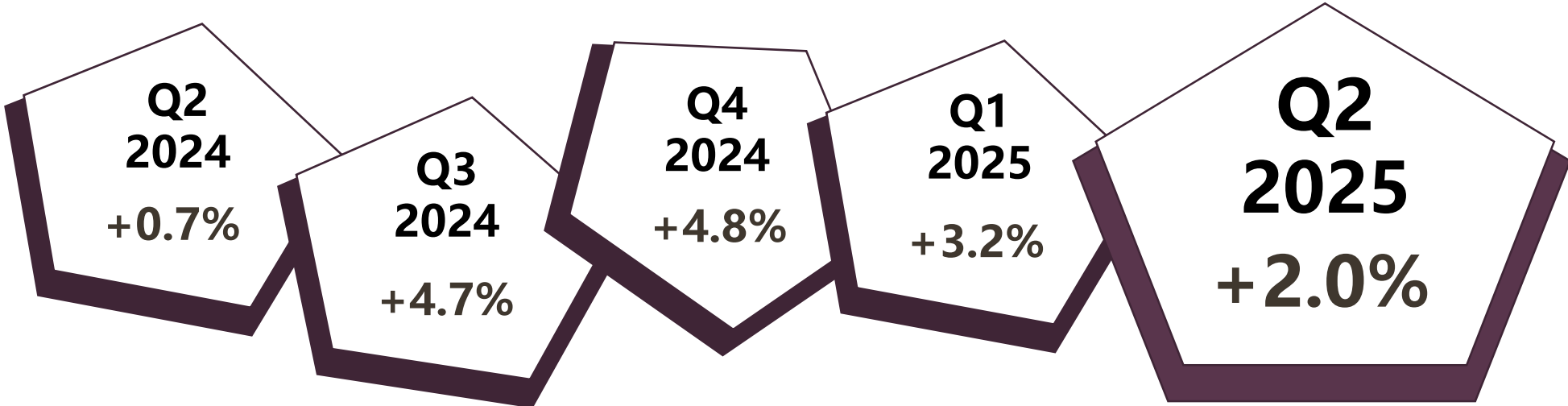


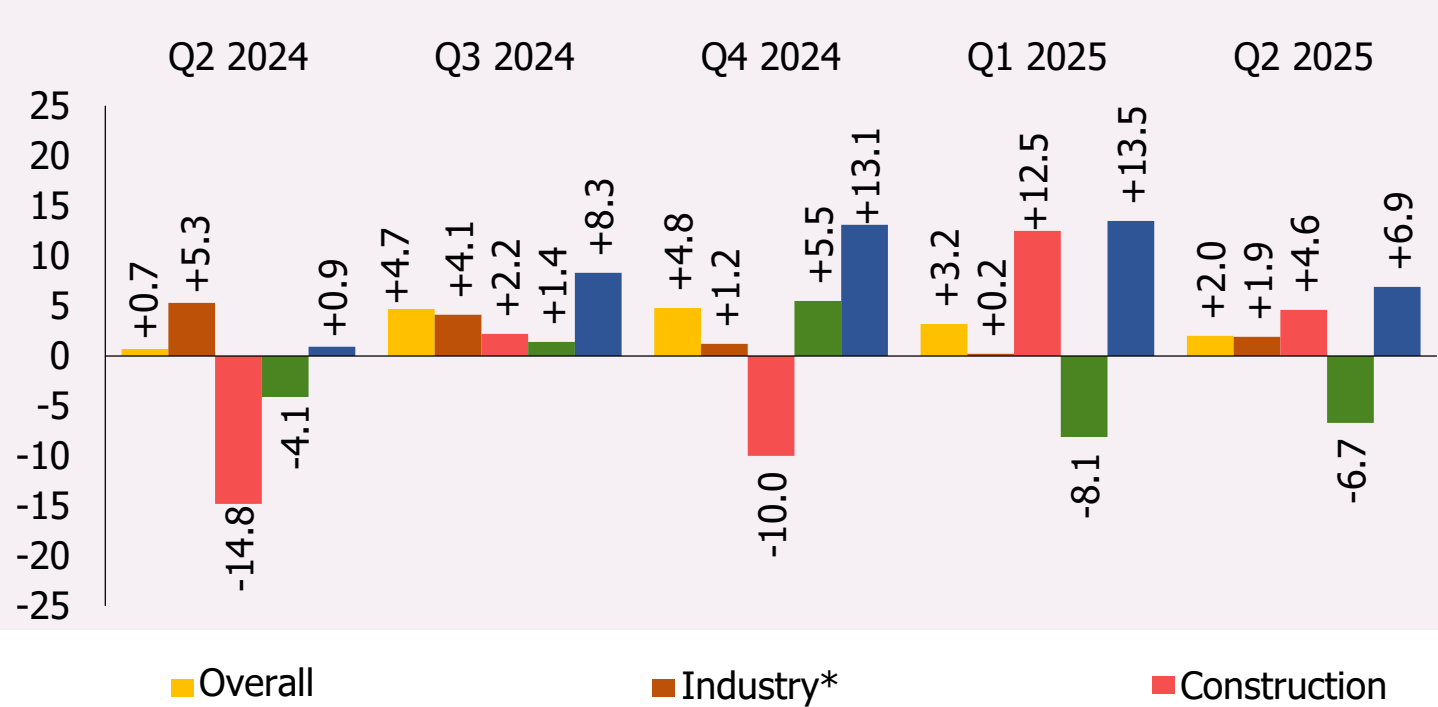


BUSINESS TENDENCY STATISTICS SECOND QUARTER 2025

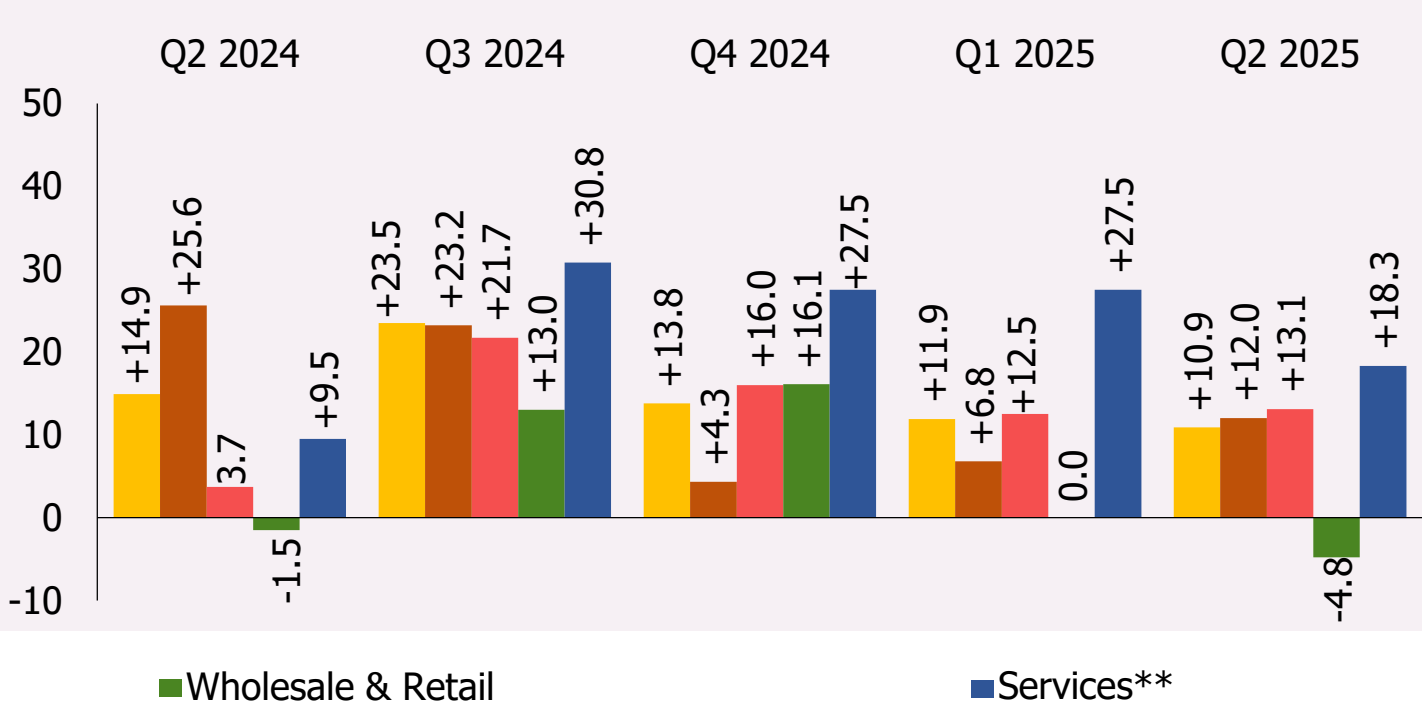


BUSINESS SENTIMENT REMAINS OPTIMISTIC IN THE SECOND QUARTER OF 2025, REFLECTED BY THE POSITIVE CONFIDENCE INDICATOR OF +2.0 PER CENT.

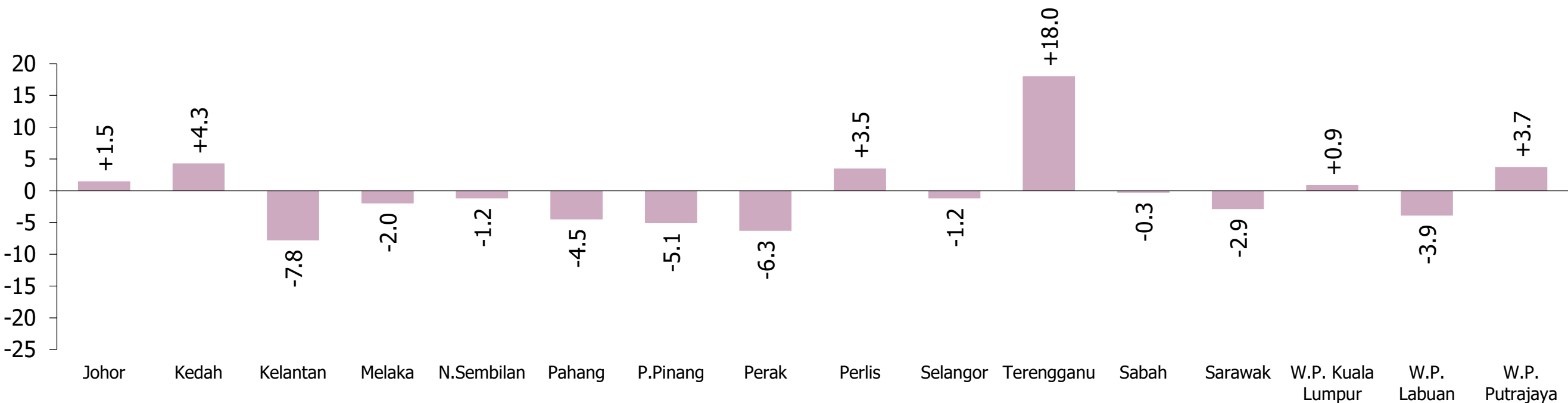
MALAYSIA CONFIDENCE INDICATOR



MALAYSIA NET BALANCE



CONFIDENCE INDICATOR BY STATE FOR Q2 2025

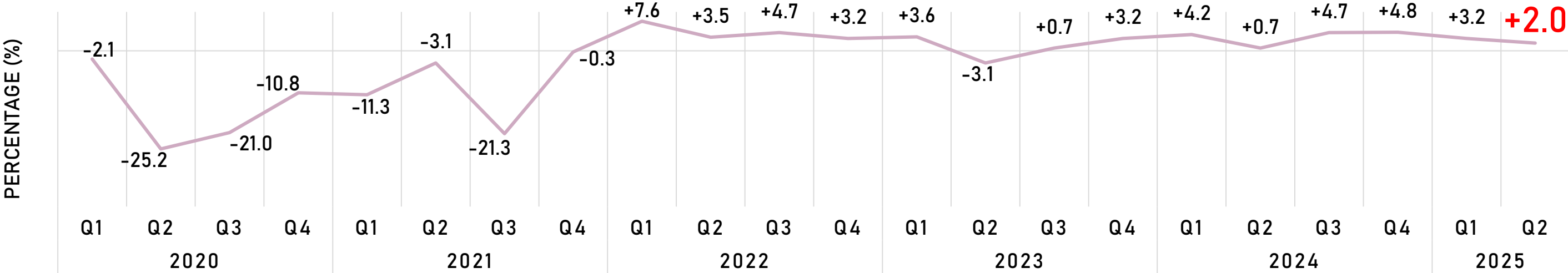


*Agriculture, Mining, Manufacturing and Electricity & Water

** Accommodations, Transportation & Storage, Communication, Finance, Insurance, Real Estate, Information Technology & Communication, Food & Beverage, Administrative & Support Services, Professional, Health, Education and Other Services

Source: Business Tendency Statistics First Quarter 2025, Department of Statistics Malaysia (DOSM)

QUARTERLY CONFIDENCE INDICATOR, MALAYSIA 2019-2025



Business sentiment remains optimistic in the second quarter of 2025, reflected by the positive confidence indicator of +2.0 per cent

- Businesses continue to anticipate a favourable business environment in the second quarter of 2025, supported by a positive confidence indicator of +2.0 per cent, which reflects sustained optimism from the previous quarter of +3.2 per cent.
- Services, Construction and Industry are the sectors that expect steady business conditions in the second quarter of 2025. Confidence in the Services sector remains positive with a confidence indicator of +6.9 per cent, compared to +13.5 per cent in the previous quarter. Simultaneously, sentiment in the Construction sector maintains favourable with +4.6 per cent as against +12.5 per cent in the first quarter of 2025. Meanwhile, the Industry sector remains optimistic about its business prospects, with the confidence indicator improving to +1.9 per cent from +0.2 per cent in the preceding quarter. In contrast, sentiment in the Wholesale and Retail Trade sector indicates a pessimist condition, with the confidence indicator -6.7 per cent in the second quarter of 2025 from -8.1 per cent previously .
- In the perspective of state's business prospects in Q2 2025, the confidence indicators show mixed performance among the states in Malaysia. The states with optimistic sentiment are Johor (+1.5%), Kedah (+4.3%), Perlis (+3.5%), Terengganu (+18.0%), W.P. Kuala Lumpur (+0.9%) and W.P. Putrajaya (+3.7%). However, majority of states showed pessimistic sentiment namely Kelantan (-7.8%), Melaka (-2.0%), Negeri Sembilan (-1.2%), Pahang (-4.5%), Penang (-5.1%), Perak (-6.3%), Selangor (-1.2%), Sabah (-0.3%), Sarawak (-2.9%) and W.P. Labuan (-3.9%).
- Looking ahead to the period of April to September 2025, the overall business outlook continues to reflect positive sentiment with a net balance of +10.9 per cent, compared to +11.9 per cent in the previous period. Sentiment in the Services sector remains sturdy, maintaining a net balance of +18.3 per cent, consistent with the previous quarter. The Construction sector projects an optimistic outlook with a net balance of +13.1 per cent as against +12.5 per cent for the corresponding period. Similarly, the Industry sector anticipates encouraging business conditions with the confidence indicator increases to +12.0 per cent from +6.8 per cent previously. Conversely, the Wholesale and Retail Trade sector reflects a more cautious sentiment, recording a subdued level of confidence regarding business expectations over the next six months .

