



**MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA**

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Nation's Key Economic Indicators Strengthen as Labour Market Thrives

PUTRAJAYA, 31st July 2024 – Today, the Department of Statistics, Malaysia (DOSM) released the **Malaysian Economic Statistics Review (MESR) Vol. 7/2024**. This edition focuses on the recent statistics released in May 2024 and some forthcoming statistics for June 2024. Additionally, this edition includes a new article entitled "An Analysis of the Relationship Between the Transportation Activities and Gross Domestic Product (GDP)", which provides a comprehensive analysis of Malaysia's transportation sector, highlighting its significant role in the country's economic growth and its impact on GDP.

Assessing the current state of the global economy, the International Monetary Fund (IMF) projected global growth rates of 3.2 per cent for 2024 and 3.3 per cent for 2025 in its July 2024 World Economic Outlook, highlighting strong performance in emerging markets, especially across Asia.

Focusing on Malaysia's economic performance, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin mentioned, "Malaysia's advance GDP estimates indicate a 5.8 per cent expansion in the second quarter of 2024, an increase from 4.2 per cent in the preceding quarter. This growth was propelled by the Services, Manufacturing and Agriculture sectors. Overall, the economy grew by 5.0 per cent in the first half of 2024, compared to 4.1 per cent during the same period in 2023".

For the monthly economic indicators performance, the Industrial Production Index (IPI) in May 2024, recorded a year-on-year growth of 2.4 per cent, moderated from 6.1 per cent in April 2024. This growth was mainly driven by the Manufacturing sector, which grew by 4.6 per cent (April 2024: 4.9%) and a 4.2 per cent rise in Electricity output (April 2024: 7.8%). Furthermore, Mining sector decline to 6.9 per cent impact from a double-digit decrease in Natural Gas production at negative 10.3 per cent and a drop of 1.9 per cent in the Crude Oil & Condensate output. Simultaneously, the Manufacturing sector's sales increased by 5.5 per cent year-on-year to RM154.9 billion in May 2024, following a 5.7 per cent growth in the previous month. This growth was largely supported by double-digit increases in the Electrical & Electronics products sub-sector (12.2%), the

Non-metallic mineral products, basic metal & fabricated metal products sub-sector (8.9%) and the Food, beverages & tobacco sub-sector (7.7%).

Examining Malaysia's Wholesale and Retail Trade sector achieved a sales value of RM147.9 billion in May 2024, marking a 7.1 per cent year-on-year growth driven by all sub-sectors: retail trade grew by 8.7 per cent to RM64.0 billion, wholesale trade rose by 4.7 per cent to RM65.1 billion and motor vehicles registered 10.5 per cent increase to RM18.8 billion. The volume index for the wholesale and retail trade sector increased by 5.7 per cent year-on-year, with motor vehicles up by 9.6 per cent, retail trade by 6.8 per cent and wholesale trade by 3.4 per cent.

Assessing the price levels, Malaysia's inflation rate rose to 2.0 per cent in May 2024, with the index reaching 132.8, compared to 130.2 in the same month the previous year. This increase was mainly driven by higher costs in Housing, Water, Electricity, Gas & Other Fuels (3.2%); Restaurant & Accommodation Services (3.2%); and Personal Care, Social Protection & Miscellaneous Goods & Services (3.0%). The inflation rate remained at 2.0 per cent in June 2024, with the index at 133.0, compared to 130.4 in June 2023. Malaysia's Producer Price Index (PPI) in May 2024 increased by 1.4 per cent year-on-year, as against 1.9 per cent in the previous month, with the Mining sector rose by 6.6 per cent (April 2024: 10.0%) and the Agriculture, Forestry & Fishing sector increased by 1.3 per cent (April 2024: 5.4%). Concurrently, the Manufacturing sector grew by 1.0 per cent (April 2024: 0.8%), the Water Supply index surged by 8.7 per cent, and the Electricity & Gas Supply index rose by 1.5 per cent. In June 2024, the PPI went up by 1.6 per cent.

Turning attention to the external sector, Malaysia's merchandise exports in May 2024 maintained positive trajectory, growing by 7.3 per cent year-on-year, from RM119.5 billion to RM128.2 billion. Imports surged by 13.8 per cent to RM118.1 billion, compared to RM103.8 billion in May 2023. As a result, the trade balance fell by 35.4 per cent year-on-year to RM10.1 billion. Total trade reached RM237.8 billion in June 2024, reflecting 8.7 per cent growth compared to the same month the previous year. Imports increased by 17.8 per cent to RM111.8 billion, while exports rose by 1.7 per cent to RM126.0 billion, leading to a trade balance surplus of RM14.3 billion.

Malaysia's labour market scenario in May 2024, the labour force increased by 1.7 per cent, reaching 17.15 million persons, up from 16.86 million in May 2023. The number of employed persons rose by 1.8 per cent to 16.58 million, compared to 16.28 million in the previous year. Accordingly, the Labour Force Participation Rate (LFPR) climbed by 0.3 percentage points to 70.3 per cent, from 70.0 per cent in May 2023, while the unemployment rate remained steady at 3.3 per cent, the same rate as previous month.

In his concluding remarks, Dato' Sri Dr. Mohd Uzir Mahidin stated, "Malaysia's Leading Index (LI) demonstrated robust growth for six consecutive months, increasing by 3.8 per cent year-on-year to 114.2 points in May 2024. The smoothed growth rate of the LI consistently remained above 100.0 points, signalling a resilient economy bolstered by rising tourism and strong external demand."

The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides catalogue data and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

DOSM is conducting the Agriculture Census 2024. Please visit <https://www.myagricensus.gov.my/> for more information. The theme is "Agriculture Census, Key to Agricultural Development."

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is "Statistics is the Essence of Life". DOSM commemorates its 75th Diamond Jubilee in 2024.

Released by:

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