



MEDIA STATEMENT

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MALAYSIA ECONOMIC STATISTICS REVIEW, VOLUME 10/2024

Robust Trade Performance and Rising Employment Mark Malaysia's Economic Progress

PUTRAJAYA, 29th October 2024 – Today, the Department of Statistics, Malaysia (DOSM) released the **Malaysian Economic Statistics Review (MESR), Volume 10/2024**. This edition focuses on the recent statistics released in August 2024 and some forthcoming statistics for September 2024. Furthermore, this edition features an additional article titled "Price Elasticity for Selected Goods and Services", which examines price elasticity, focusing on demand and supply changes due to price shifts, influenced by various factors.

Evaluating the recent global economic condition, OECD Economic Outlook Interim Report for September 2024 forecasts that global GDP will stabilised at 3.2 per cent in 2024 and 2025, influenced by disinflation, rising real incomes, and eased of monetary policies. The World Bank's East Asia and Pacific Economic Update (October 2024) recently anticipates 4.8 per cent growth for the East Asia and Pacific region in 2024, outpacing other emerging markets and advanced economies.

Focusing on Malaysia's economic scenario, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin mentioned, "Malaysia's advance GDP estimates grew by 5.3 per cent in the third quarter of 2024, from a growth of 5.9 per cent in the previous quarter. The growth was recorded by all sectors especially Services and Manufacturing sectors, except for Mining and Quarrying which declined".

For the monthly economic indicators performance, the Industrial Production Index (IPI) in August 2024, demonstrated a year-on-year growth of 4.1 per cent, from a growth of 5.3 per cent in July. The growth was primarily fuelled by a 6.5 per cent increased in Manufacturing output, as against 7.7 per cent the previous month, and Electricity sector with the expansion of 4.1 per cent rise as compared to 7.0 per cent in July. Concurrently, sales of Manufacturing sector rose by 7.7 per cent year-on-year,

amounting RM163.9 billion. The surge was contributed by Food, Beverages, and Tobacco sub-sectors, 16.1 per cent and Electrical and Electronics products, 10.4 per cent. On the Export-oriented industries, which accounted for 72.7 per cent of the total sales, experienced a growth of 7.8 per cent, while domestic-oriented industries increased by 7.6 per cent. The performance was reflected by the ongoing resilience of Malaysia's industrial sector amidst a dynamic economic landscape.

Analysing Malaysia's Services sector, the Wholesale and Retail Trade exhibited a steady performance with the sales increased by 4.7 per cent year-on-year to reach RM149.2 billion in August 2024. The growth was recorded across all sub-sectors namely Retail trade (5.9%), Motor vehicles (4.1%), and Wholesale trade (3.7%).

Assessing the price levels, Malaysia's inflation rate eased at 1.9 per cent in August 2024. This was largely contributed by Restaurant and Accommodation Services group (3.2%) and Personal Care, Social Protection & Miscellaneous Goods and Services group (3.2%). Additionally, Housing, Water, Electricity, Gas, and Other Fuels and Recreation, Sports & Culture groups also grew at 3.1 per cent and 2.0 per cent respectively. The recent statistics on Consumer Price Index (CPI) in September 2024 recorded a slight increase of 1.8 per cent, or 133.2 points of index. In the meantime, Producer Price Index (PPI) posted a marginal increase of 0.3 per cent in August 2024. Most sectors in PPI grew, except for Mining. The Agriculture, Forestry and Fishing sector experienced a growth of 2.7 per cent, and Manufacturing increased by 1.0 per cent. Additionally, the Water Supply Index and the Electricity & Gas Supply Index grew at 8.0 per cent and 1.0 per cent, respectively. However Malaysia's PPI went down by 2.1 in September 2024.

Looking at external frontier, Malaysia's total merchandise trade experienced a robust annual growth of 18.6 per cent in August 2024, reaching RM252.7 billion. Exports rose by 12.1 per cent to RM129.2 billion, and imports surged by 26.2 per cent to RM123.5 billion. The trade surplus narrowed to RM5.7 billion following the imports outpaced exports.

In September 2024, Malaysia's trade performance continued to improve, with a total trade of RM234.8 billion, up from RM224.3 billion in the previous year. Imports increased to RM110.8 billion, while exports saw a marginal decline of 0.3 per cent, totalling RM124.0 billion. Thus, trade surplus recorded RM13.2 billion for September 2024, indicating a dynamic trading environment amid fluctuating import and export levels.

Commenting further on the current labour force situation, he stated, "In August 2024, Malaysia's labour market showed positive trends, with the labour force grew at 1.7 per cent to reach 17.22 million persons, as compared to 16.93 million in August

2023. Employment also increased by 1.9 per cent to 16.66 million, up from 16.35 million in the preceding year. Consequently, the Labour Force Participation Rate (LFPR) rose by 0.3 percentage points year-on-year to 70.4 per cent, as compared to 70.1 per cent in August 2023. Additionally, the unemployment rate down by 0.2 percentage points to 3.2 per cent from 3.4 per cent in the preceding year, indicating accommodative labour market".

Dato' Sri Dr. Mohd Uzir Mahidin also added, "Malaysia's Leading Index (LI) increased by 4.0 per cent year-on-year, reaching 114.3 points in August 2024. The smoothed growth rate of the LI remained above 100.0 points, indicating steady economic expansion supported by solid fundamentals and a positive outlook for external trade. This growth reflects confidence in the economy's resilience and potential".

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

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.

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