



MEDIA STATEMENT

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MALAYSIA ECONOMIC STATISTICS REVIEW, VOLUME 11/2024

Positive performances in the economic growth, labour market and external frontier foster steady economic environment

PUTRAJAYA, 29TH NOVEMBER 2024 – Today, the Department of Statistics, Malaysia (DOSM) released the **Malaysian Economic Statistics Review (MESR), Volume 11/2024**. This edition focuses on the recent statistics released in September 2024, some forthcoming statistics for October 2024 and highlights on Malaysia's economic situation in the third quarter (Q3) of the year. Furthermore, this edition features an additional article titled "A Shift in Malaysia's Agriculture Landscape", which discusses Malaysia's Agricultural sector, challenges, and the 2024 Agriculture Census to improve policies and ensure food security.

Global economic growth remains steady, with the International Monetary Fund (IMF) forecasting a 3.2 per cent growth rate for both 2024 and 2025, as per its October 2024 World Economic Outlook. Medium-term growth is expected to moderate to 3.1 per cent, below pre-pandemic levels, due to structural challenges such as aging populations and low productivity. Nonetheless, strong domestic demand and post-pandemic recovery continue to drive short-term improvements.

In discussing Malaysia's economic performance, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin mentioned, "The economy grew by 5.3 per cent in Q3 2024, slightly lower than the 5.9 per cent growth in the previous quarter. On the supply side, the Services, Manufacturing, and Construction sectors drove the growth, while on the demand side, private consumption and increased spending on gross fixed capital formation played significant roles."

The Industrial Production Index (IPI) in September 2024 increased by 2.3 per cent year-on-year, driven by the Manufacturing (3.2%) and Electricity (3.9%) sectors. However, the Mining sector contracted by 2.2 per cent. For the third quarter of 2024, the IPI grew by 3.9 per cent, supported by Manufacturing and Electricity.

Meanwhile, Malaysia's Manufacturing sector recorded a sales value of RM162.3 billion, a 2.9 per cent year-on-year increase, though slower than the 7.7 per cent growth in August. The growth was propelled by the Electrical & electronics (5.8%), Food, beverages & tobacco (5.6%), and Non-metallic mineral products (5.1%) sub-sectors. For Q3 2024, total sales rose by 6.5 per cent to RM483.2 billion, with significant contributions from Food, beverages & tobacco (12.3%) and Electrical & electronics (8.1%).

Evaluating Malaysia's Services sector, the industry achieved a revenue of RM618.5 billion in Q3 2024, marking a 5.9 per cent year-on-year increase, mainly driven by Wholesale & retail trade, Food & beverage, and Accommodation, contributing RM469.5 billion.

On the inflation front, Malaysia's inflation rate eased to 1.8 per cent in September 2024 following slower inclines in the main groups especially Personal care (3.1%) and Transport (1.1%). However, the Consumer Price Index (CPI) grew by 1.9 per cent in October. Conversely, the Producer Price Index (PPI) fell by 2.1 per cent in September, influenced by significant declines in the Mining (-16.1%) and Manufacturing (-1.5%) sectors.

Looking at external frontier, Malaysia's external transactions in Q3 2024 remained positive, with the Current Account Balance recording a surplus of RM2.2 billion, though lower than RM8.2 billion in Q3 2023. The surplus was driven by net goods exports, while the Services account showed improvement with a reduced deficit of RM1.6 billion, supported by higher surplus in Travel. Foreign Direct Investment (FDI) increased significantly to RM14.5 billion, primarily from Singapore, Hong Kong, and Switzerland. However, Direct Investment Abroad (DIA) saw a higher net outflow of RM18.9 billion, mainly to Saudi Arabia, Indonesia, and Canada.

During Q3 2024, Malaysia's total trade increased by 13.7 per cent to RM743.2 billion, driven by a 7.8 per cent rise in merchandise exports (RM384.1 billion) and a notable 20.8 per cent growth in imports (RM359.0 billion), resulting in a trade surplus of RM25.1 billion. In October 2024, total trade grew modestly by 2.1 per cent to RM244.3 billion, with exports rising by 1.6 per cent to RM128.1 billion and imports by 2.6 per cent to RM116.1 billion, sustaining a trade surplus of RM12.0 billion.

Commenting further on Malaysia's labour market performance, he noted that "Malaysia's labour market continued its positive trajectory in September 2024, with the labour force growing by 0.1 per cent to 17.24 million and the Labour Force Participation Rate (LFPR) rose to 70.5 per cent. Employment increased slightly by 0.2 per cent to 16.69 million, while the unemployment rate remained steady at 3.2 per cent. For Q3 2024, the labour force expanded by 2.6 per cent year-on-year to

17.26 million, with the LFPR improving from 70.1 per cent in Q3 2023 to 70.5 per cent. Employment rose by 2.9 per cent to 16.72 million, and unemployment decreased by 4.4 per cent year-on-year to 547,900, lowering the unemployment rate to 3.2 per cent from 3.3 per cent in the previous quarter”.

Dato' Sri Dr. Mohd Uzir Mahidin highlighted that Malaysia's Leading Index (LI) grew by 1.8 per cent year-on-year to 111.5 points. However, on a monthly basis, the LI fell by 2.6 per cent. Despite the monthly drop, the smoothed long-term trend remained above 100 points, signalling continued economic growth, although global uncertainties may affect the economic outlook.

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.

Released by:

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