



MEDIA STATEMENT

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MALAYSIA ECONOMIC STATISTICS REVIEW, VOLUME 1/2025

The promising performance of labour force and external trade, along with moderate inflation further reinforce the 2025 economic outlook

PUTRAJAYA, 27TH JANUARY 2025 – Today, the Department of Statistics, Malaysia (DOSM) released the **Malaysian Economic Statistics Review (MESR), Volume 1/2025**. This edition focuses on the recent statistics released in November 2024 and some forthcoming statistics for December 2024. Furthermore, this edition features an additional article titled “Urbanisation in Malaysia” which discusses on the relationship between urbanisation and GDP as well as highlights how urban growth boosts economic activities. It emphasises the need for investment in less urbanised states for balanced prosperity.

According to the latest update, the World Bank’s January 2025 Global Economic Prospects report predicts that global economic growth will stabilise at a modest 2.7 per cent for 2025-2026. Emerging Markets and Developing Economies (EMDE) are projected to grow at 4.0 per cent. While, Malaysia’s economy is predicted to grow at 4.5 per cent in 2025. Increased domestic spending and investment activities alongside improved external trade fundamentals highlight Malaysia’s economic potential. For Malaysia, as an export-driven economy, the focus will be on how U.S. policies affect trade dynamics, particularly in semiconductors and commodities like palm oil and oil & gas.

In terms of Malaysia’s economic performance, Chief Statistician Malaysia, Dato’ Sri Dr. Mohd Uzir Mahidin mentioned, “Malaysia’s economy is set to grow at 4.8 per cent in the fourth quarter of 2024, fuelled by strong performances in Services, Manufacturing, and Construction, despite contractions in Agriculture and Mining. Full-year growth for 2024 is projected at 5.1 per cent, supported by robust domestic

demand, a recovering external sector, and strategic investments in renewable energy and digital infrastructure, which are the key factors for fostering sustainable development and ensuring long-term economic resilience.”

In a positive development, Malaysia's Industrial Production Index (IPI) rose by 3.6 per cent year-on-year in November 2024, up from 2.0 per cent in October. The Manufacturing sector led the growth with a 4.6 per cent increase, while Electricity output rose by 3.9 per cent. On a month-on-month basis, the IPI increase marginally by 0.5 per cent in November 2024, following a 1.7 per cent rise in October.

Driving steady momentum, Malaysia's Manufacturing Sector saw a 4.5 per cent growth in November 2024, with sales hitting RM161.9 billion, up from 3.0 per cent the previous month. The surge was led by a 12.3 per cent incline in the Food, Beverages & Tobacco sub-sector (up from 11.2% in October) and a 7.1 per cent rise in Electrical & Electronics Products (up from 3.2%). On a monthly perspective, sales edged up by 0.3 per cent, from RM161.4 billion in October.

Looking at the broader picture of Malaysia's Services sector, the Wholesale & Retail Trade sector posted RM149.3 billion in sales in November 2024, marking a 4.7 per cent year-on-year increase. Retail trade led the way with a 5.8 per cent growth to RM64.8 billion, followed by Wholesale trade at RM66.2 billion (up 4.7%) and Motor vehicles at RM18.3 billion (up 1.4%). However, monthly sales dipped by 0.5 per cent, with all sub-sectors reporting declines.

On the prices perspective, Malaysia's inflation rate moderated to 1.7 per cent in December 2024. This was influenced mainly by a slower increase in the main group of Personal Care, Social Protection & Miscellaneous Goods & Services (3.2%). In view of annual performance, the inflation rate for 2024 recorded 1.8 per cent, marking a two-year consecutive decline in inflation since 2022 mainly contributed by a slower incline of Restaurant & Accommodation Services (3.1%).

Moving on to Malaysia's external trade performance, the country's trade performance ended 2024 with a remarkable double-digit growth of 14.6 per cent to RM257.9 billion, with exports increasing by 16.9 per cent to RM138.5 billion and imports rising 11.9 per cent to RM119.3 billion. On a monthly basis, exports, imports, total trade and trade surplus recorded positive growth of 9.7 per cent, 7.3 per cent, 8.5 per cent and 27.4 per cent, respectively. This positive yearly and monthly performance indicates a signal of stronger economic foundation for the year 2025.

Providing more insight into Malaysia's labour market, he emphasised that " Malaysia's labour force expanded by 1.7 per cent, reaching 17.29 million in November 2024, while the labour force participation rate (LFPR) rose to 70.5 per cent, up from 70.1 per cent a year ago. Furthermore, the number of employed persons grew by 1.9 per cent to 16.75 million. On a month-on-month basis, the labour force increased by 0.1 per cent, adding 24,900 persons, while employed persons rose by 0.2 per cent, with 29,500 more jobs created. The unemployment remained unchanged 3.2 per cent as recorded in the previous month. This strong labour market performance reflects positive growth in November 2024."

Dato' Sri Dr. Mohd Uzir Mahidin highlighted that Malaysia's Leading Index (LI) increased by 2.5 per cent year-on-year to 112.6 points. Despite the LI remaining below the long-term trend of 100.0 points, strong domestic demand and rising semiconductor-related exports are expected to enhance economic growth. Looking forward, Malaysia is well-positioned to sustain economic growth and strengthen resilience in 2025. Supported by strong performance in key sectors, moderated inflation, and robust trade activity, Malaysia can effectively address domestic and global challenges.

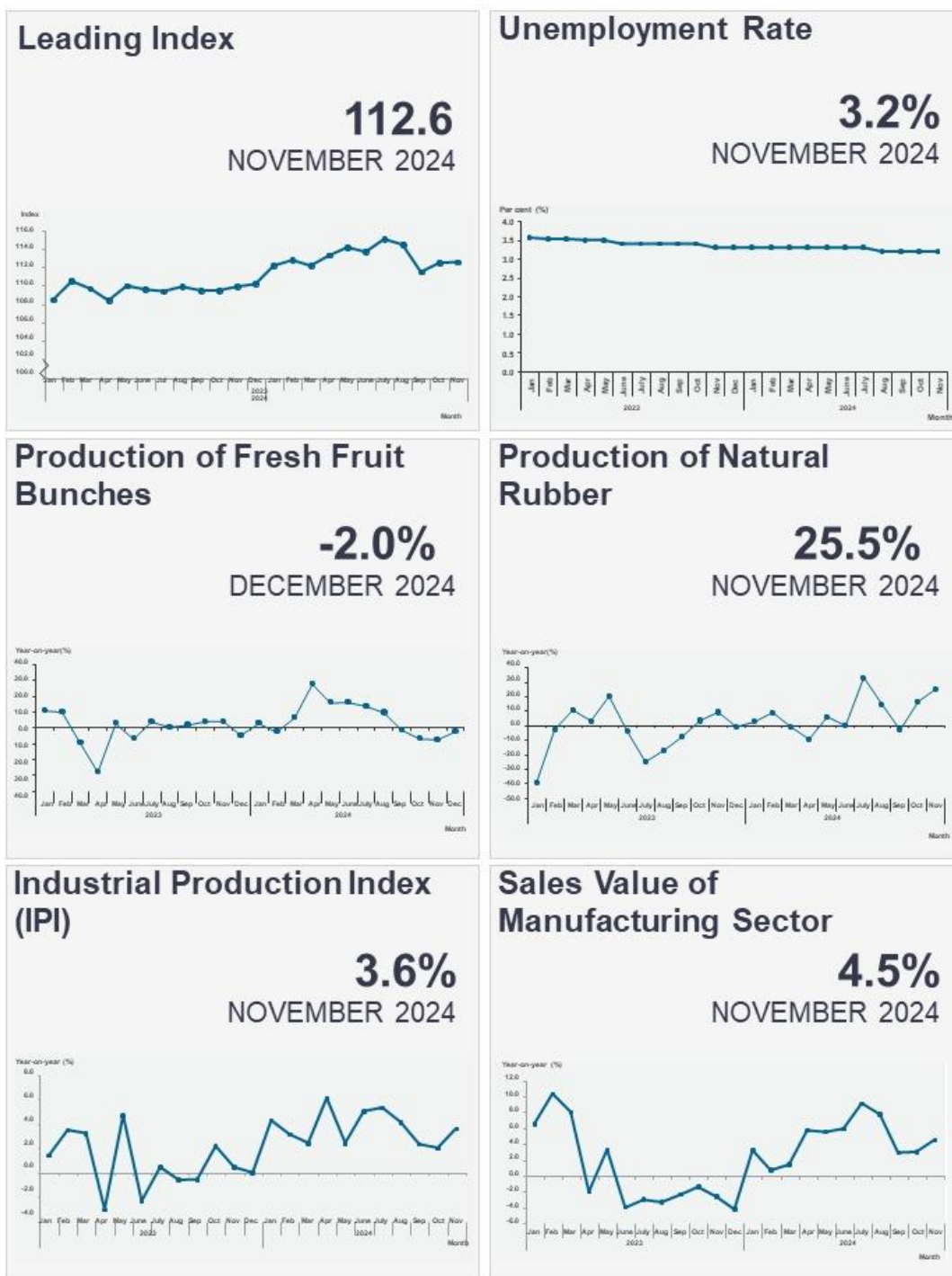
The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th. MyStats Day theme is "Statistics is the Essence of Life" .

Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
27th JANUARY 2025**

Exhibit 1: Monthly Economic Indicator



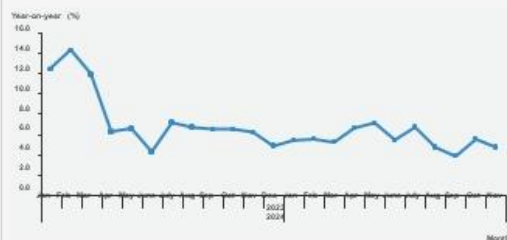
Note:

- 1) Unemployment rate is the proportion of unemployed population to the total population in labour force, expressed in 7age.
- 2) The remaining indicators are expressed in year-on-year percentage change

Sales Value of Wholesale & Retail Trade

4.7%

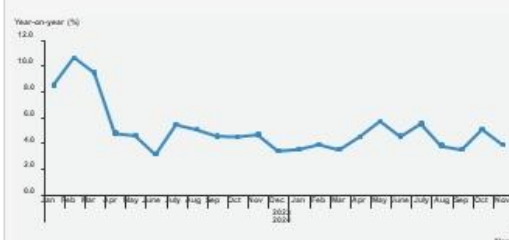
NOVEMBER 2024



Volume Index of Wholesale & Retail Trade

3.9%

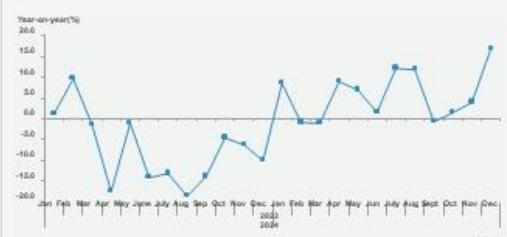
NOVEMBER 2024



Exports

16.9%

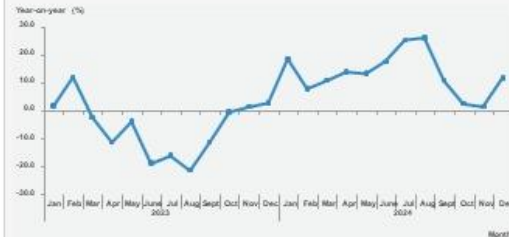
DECEMBER 2024



Imports

11.9%

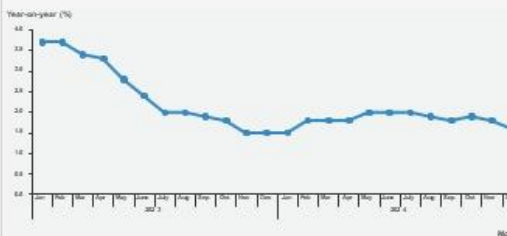
DECEMBER 2024



Consumer Price Index (CPI)

1.6%

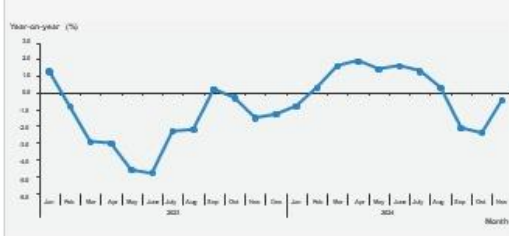
DECEMBER 2024



Producer Price Index (PPI) Local Production

-0.4%

NOVEMBER 2024



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