



MEDIA STATEMENT

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MALAYSIA ECONOMIC STATISTICS REVIEW, VOLUME 3/2025

Manufacturing Sales Hit RM1.9 Trillion as Food & Electronics Sectors Lead Expansion

PUTRAJAYA, 27TH MARCH 2025 – Today, the Department of Statistics, Malaysia (DOSM) released the **Malaysian Economic Statistics Review (MESR), Volume 3/2025**. This edition focuses on the recent statistics released in January 2025 and some forthcoming statistics for February 2025. On top of that, this edition features an additional article titled “Trend Analysis of Exports on Current Account: The Case of Malaysia” which deliberates on how Malaysia’s current account exports influence trade and income, particularly primary income, and explores opportunities for growth through strategic investments in skills, R&D, and service sector support.

Analysing the global economic landscape, the latest World Economic Situation and Prospects (WESP) report, released in January 2025, forecasts a growth rate of 2.8 per cent in 2025 and 2.9 per cent in 2026 amid evolving economic conditions. This remains below the pre-pandemic average of 3.2 per cent, reflecting persistent challenges across major economies. Economic expansion in China and the United States is expected to ease, signalling a slowdown in two of the world’s largest economies. In contrast, Europe, Japan, and the United Kingdom are poised for modest recoveries, as they navigate structural adjustments and policy measures. Meanwhile, Indonesia and India are forecast to sustain strong economic momentum, driven by domestic demand and industrial growth.

Highlighting Malaysia’s economic trajectory, Chief Statistician Malaysia, Dato’ Sri Dr. Mohd Uzir Mahidin emphasised, “Malaysia’s economy grew by 5.1 per cent in 2024, an improvement from 3.6 per cent in 2023. All major sectors recorded growth, with the Services sector leading at 5.4 per cent. The Manufacturing sector expanded by 4.2 per cent, while Construction saw a remarkable increase of 17.5 per cent. The Agriculture sector registered a growth of 3.1 per cent, reflecting steady progress in the sector.

Meanwhile, Mining and quarrying posted a slower rise of 0.9 per cent, contributing to the overall economic expansion.”

Maintaining its upward trend, Malaysia’s industrial production recorded moderate growth in January 2025, with the Industrial Production Index (IPI) rose by 2.1 per cent year-on-year. The increase was primarily driven by the Manufacturing sector, which expanded by 3.7 per cent, though at a slower pace than the 5.8 per cent growth recorded in December 2024. Meanwhile, the Mining sector contracted by 3.1 per cent whereas the Electricity sector recorded a slight decline of 0.1 per cent. On a month-on-month basis, the overall IPI slipped by 0.4 per cent, reflecting a slowdown in industrial activity.

Sustaining its growth trajectory, Malaysia’s Manufacturing sector continued to expand, with total sales reaching RM1.9 trillion in 2024. In January 2025, the sector recorded a 3.5 per cent increase in sales value, reaching RM158.1 billion, following a stronger growth of 5.7 per cent in December 2024. Leading this expansion, the Food, Beverages and Tobacco industry recorded a notable rise of 10.6 per cent. Similarly, the Electrical and electronics sector posted solid growth, climbing 7.3 per cent. Contributing further, Non-metallic mineral products, basic metal, and fabricated metal products registered a moderate increase of 2.1 per cent. However, on a month-on-month basis, this sector recorded a slight dip of 0.2 per cent compared to December 2024.

Taking a broader perspective, Malaysia’s Wholesale and Retail Trade sector recorded RM148.9 billion in sales in January 2025, marking a 4.6 per cent increase compared to the same month last year. This growth was primarily driven by strong performances in retail trade, which expanded by 8.2 per cent, and wholesale trade, which grew by 4.9 per cent. In tandem with this upward trend, the volume index also registered a year-on-year increase of 3.8 per cent, reflecting sustained demand in both retail and wholesale segments. However, on a month-on-month basis, total sales declined by 2.1 per cent as compared to December 2024. This contraction was largely attributed to a significant drop in motor vehicle sales, which plummeted by 19.4 per cent, highlighting a slowdown in consumer spending within the automotive sector.

Amid steady economic conditions, Malaysia’s inflation remained stable at 1.7 per cent in January 2025, holding steady at the same rate recorded in December 2024. Notable price increases were observed in sectors such as Restaurant and accommodation services, Personal care, social protection and miscellaneous goods and services, Recreation, sport and culture, Education, Health, and Transport. However, inflationary pressures were tempered by slower price growth in Housing, water, electricity, gas and other fuels, as well as Food and beverages. Meanwhile, prices in Information and communication saw a decline of 5.3 per cent, while Clothing and footwear fell by

0.3 per cent. On a month-on-month basis, inflation inched up by 0.1 per cent, mirroring the increase seen in the previous month.

Malaysia's trade sector continued to expand in early 2025, supported by resilient export and import performances. In January, total trade grew by 3.1 per cent year-on-year to RM241.9 billion, reflecting sustained demand across key industries. Export growth remained positive, rising to RM122.8 billion, a modest increase of 0.3 per cent. This was bolstered by higher shipments of Electrical and electronic products, palm oil-based goods, and rubber gloves. Imports, on the other hand, saw a stronger increase, climbing 6.2 per cent to RM119.2 billion. The growth was largely fuelled by rising demand for Electrical and electronic products and aircraft equipment, underscoring the country's growing need for high-tech and capital goods. However, despite the year-on-year expansion, trade activity moderated on a month-to-month basis. Compared to December 2024, total trade declined by 6.2 per cent, with exports edged down by 7.2 per cent and imports contracting by 5.1 per cent, indicating a temporary slowdown in external demand.

Pertaining to Malaysia's labour market trends, he emphasised that "Malaysia's labour force saw an expansion in January 2025. The number of employed persons increased by 455.0 thousand, a rise of 2.8 per cent from January 2024, bringing the total to 16.68 million. This steady growth contributed to an employment-to-population ratio of 68.5 per cent, reflecting an increase of 0.4 percentage points from the previous year. Meanwhile, the number of unemployed persons declined by 26.1 thousand, marking a 4.7 per cent drop to 533.8 thousand. The unemployment rate remained unchanged at 3.1 per cent as recorded in the last month, signalling continued stability in the job market. As a result, the overall labour force expanded by 428.9 thousand, growing by 2.3 per cent over the year to reach 17.22 million. The labour force participation rate edged up to 70.6 per cent, underscoring a resilient and active labour market".

Dato' Sri Dr. Mohd Uzir Mahidin highlighted that Malaysia's Leading Index (LI) signalled positive economic growth in January 2025. The index recorded a year-on-year increase of 0.4 per cent, reaching 112.5 points, marking 14 consecutive months of expansion. Despite the annual growth, the index registered a monthly decline of 1.2 per cent as most components weakened. Additionally, the smoothed LI remained below 100.0 points, reflecting cautious economic prospects while global challenges continue to exert pressure on Malaysia's economic outlook.

ASEAN-Malaysia 2025 Chairmanship: Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aim to strengthen the statistical cooperation towards sustainable regional development.

Embargo: Only can be published or disseminated at 1200 hour, Thursday, 27th March 2025

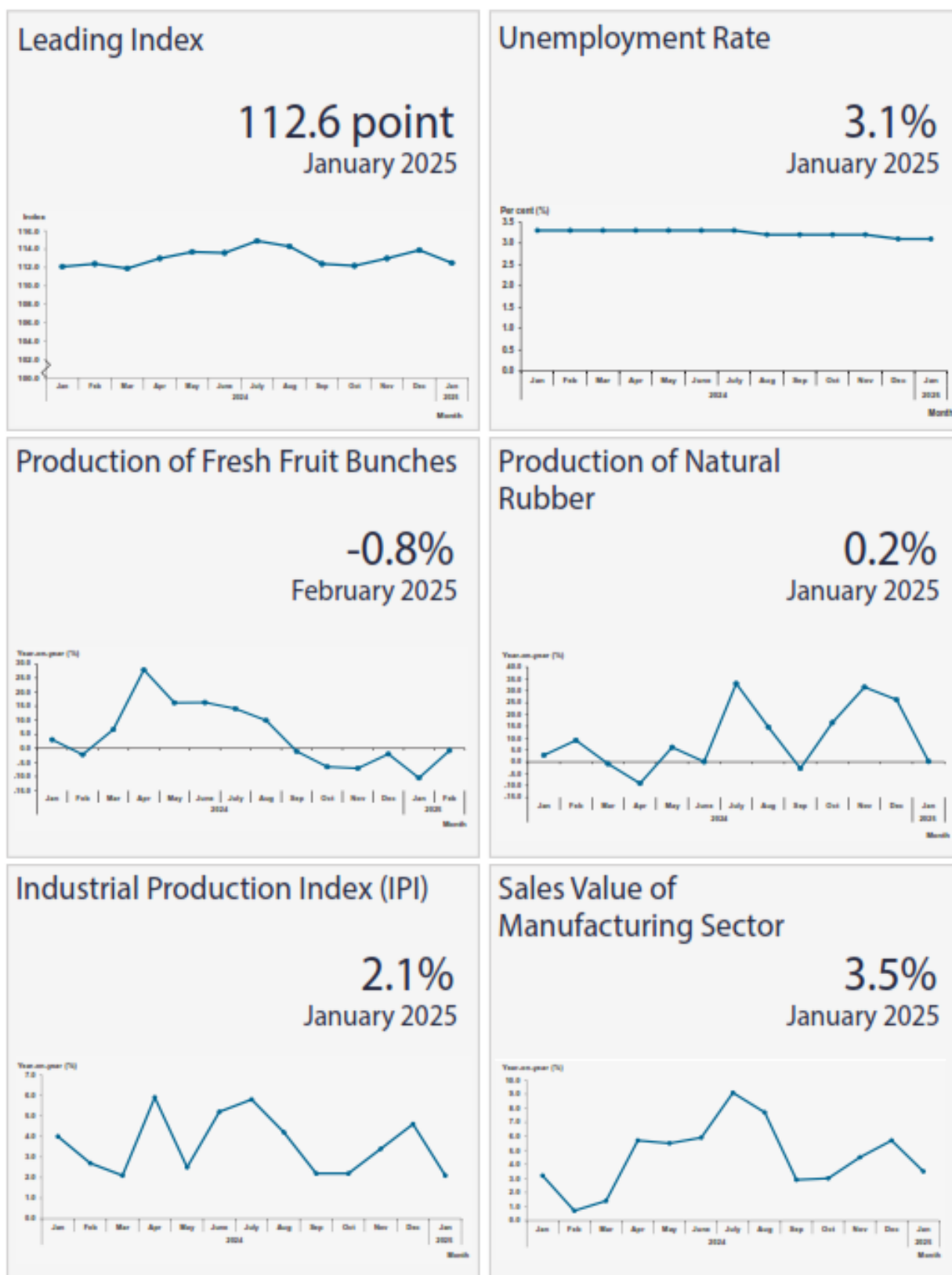
The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life.' Meanwhile, the Fourth World Statistics Day will be celebrated on 20 October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone' .

OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

Released by:

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

Exhibit 1: Monthly Economic Indicator

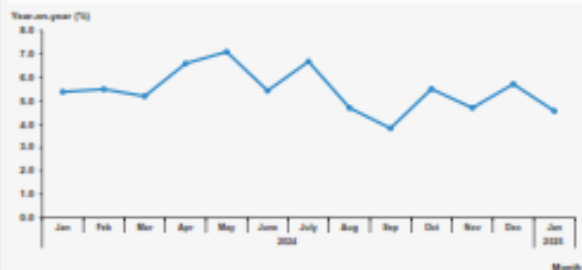


Note:

- 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

4.6%
January 2025



Volume Index of Wholesale & Retail Trade

3.9%
January 2025



Exports

0.3%
January 2025



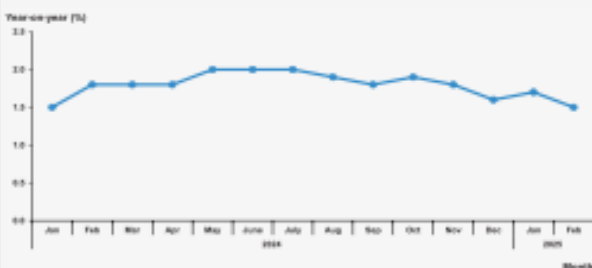
Imports

6.2%
January 2025



Consumer Price Index (CPI)

1.5%
February 2025



Producer Price Index (PPI) Local Production

0.3%
February 2025

