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MEDIA STATEMENT

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BUSINESS TENDENCY STATISTICS THIRD QUARTER 2025

Business sentiment eases in the third quarter of 2025, reflected by a positive confidence indicator of +0.1 per cent

PUTRAJAYA, AUGUST 27, 2025 – The Department of Statistics Malaysia today released **Business Tendency Statistics for the Third Quarter 2025** indicating a slight easing in business sentiment with a confidence indicator of +0.1 per cent. This publication presents expectations on business performance for the upcoming three and six months. The statistics derive from the Business Tendency Survey, conducted quarterly.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin mentioned, "Businesses anticipate a moderation in the business environment in the third quarter of 2025, supported by a positive confidence indicator of +0.1 per cent, which reflects prevailing optimism from the previous quarter's +2.0 per cent" (**Exhibit I**).

Among all the surveyed sectors, Services remains optimistic in the third quarter of 2025, recording a confidence indicator of +1.5 per cent compared to +6.9 per cent in the previous quarter, showing steady confidence despite the moderation. Construction sector

records a confidence indicator of -2.0 per cent in the third quarter of 2025, compared to +4.6 per cent in the preceding quarter, indicating a shift to a more cautious outlook. Meanwhile, Industry sector continues to show steady optimism with a slight increase in confidence to +2.2 per cent from +1.9 per cent in the second quarter of 2025. Turning to Wholesale and Retail Trade sector, the confidence indicator posts -7.3 per cent in the third quarter of 2025, marginally lower than -6.7 per cent in the second quarter of 2025, reflecting persisting caution in the sector. Nevertheless, Retail Trade subsector's confidence indicator rebounds to a positive trajectory, recording +1.9 per cent compared to -8.4 per cent previously (**Exhibit II**).

In the third quarter of 2025, state-level business confidence indicators highlight encouraging resilience, with several states showing notable improvements despite others adapt to short-term challenges. Optimistic sentiment was seen in Johor (+0.5%), Negeri Sembilan (+6.5%), Perlis (+6.6%), Selangor (+5.0%), Terengganu (+17.1%), Sabah (+8.2%), Sarawak (+2.4%), W.P. Kuala Lumpur (+1.6%) and W.P. Putrajaya (+3.1%). Meanwhile, Kedah (-1.6%), Kelantan (-3.9%), Melaka (-8.4%), Pahang (-1.2%), Penang (-14.3%), Perak (-11.1%) and Labuan (-4.6%) posted negative readings, underscoring rising pressures in their business climate as illustrated in **Exhibit III**.

Looking ahead to the July until December 2025 period, the overall business outlook remains positive, posting a net balance of +9.9 per cent compared to +10.9 per cent in the previous half-year (**Exhibit IV**). Services sector shows steady resilience, improving marginally to a net balance of +19.5 per cent from +18.3 per cent. Construction sector's outlook brightens, with the net balance at +14.5 per cent as against +13.1 per cent. Similarly, Industry sector projects a favourable business environment, with the net balance at +11.1 per cent compared to +12.0 per cent in the preceding period. Meanwhile, Wholesale and Retail Trade sector records a net balance of -10.5 per cent from -4.8 per cent in the previous period (**Exhibit V**).

ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which

aims to strengthen the statistical cooperation towards sustainable regional development. Malaysia, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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 20th 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

27 AUGUST 2025

Exhibit I: Quarterly Confidence Indicator, Malaysia, 2022 – 2025

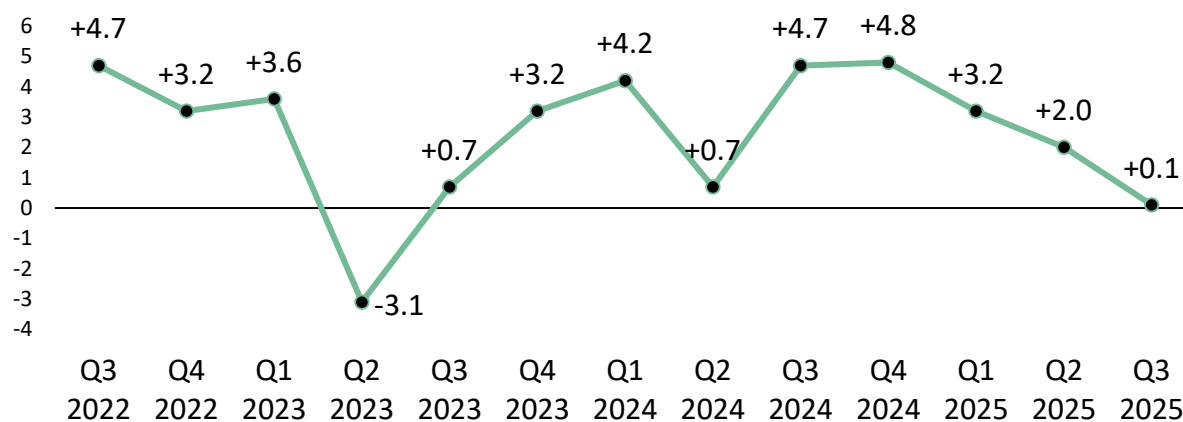


Exhibit II: Quarterly Confidence Indicator by Sector, Malaysia, 2024 – 2025

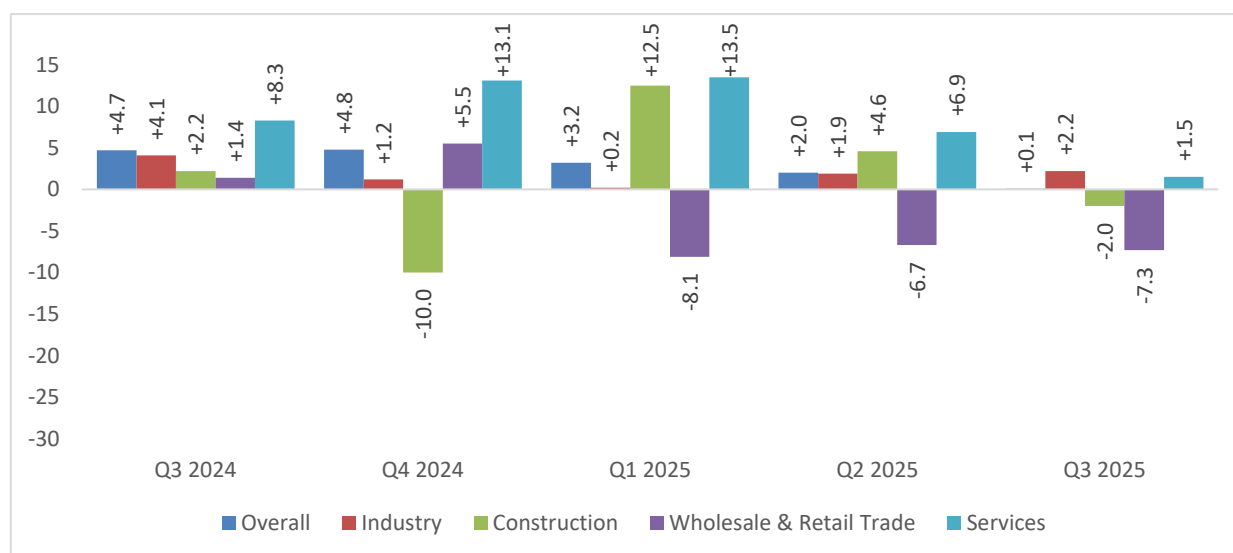


Exhibit III: Confidence Indicator by state for the Third Quarter 2025, Malaysia

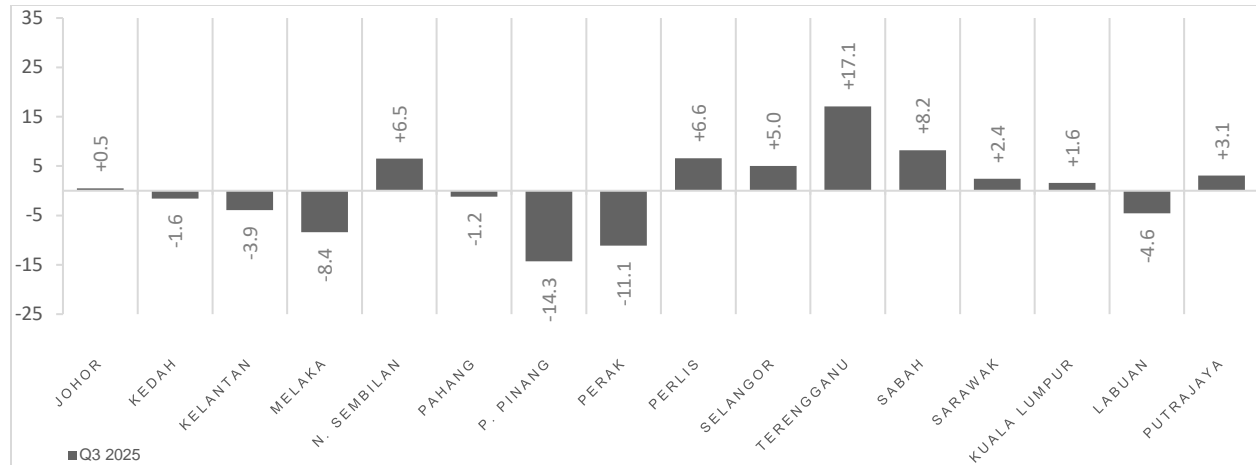


Exhibit IV: Net Balance of Business Performance Expectation For Upcoming Six Months, Malaysia, 2023 – 2025

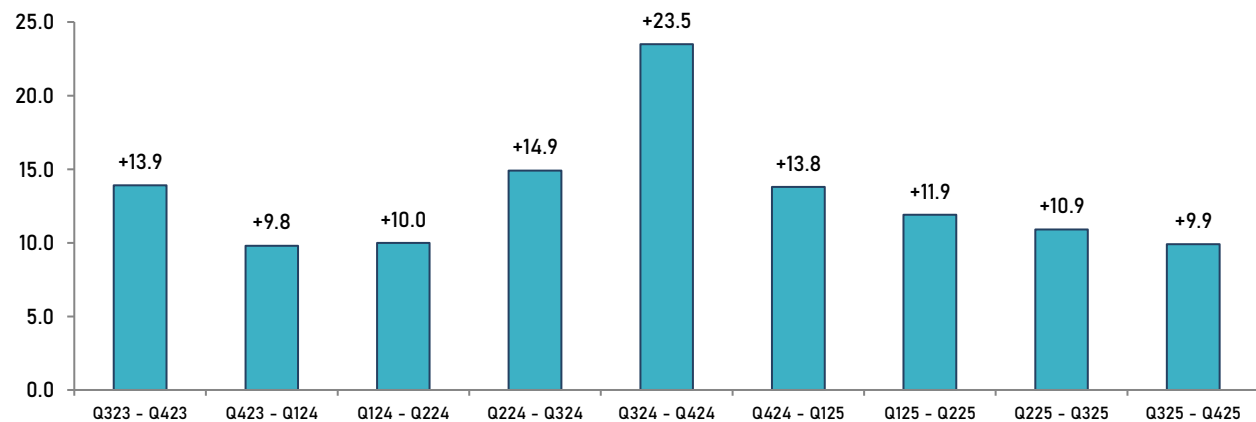


Exhibit V: Quarterly Net Balance by Sector, Malaysia, 2024 – 2025

