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MEDIA STATEMENT

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PERFORMANCE OF SERVICES SECTOR AND E-COMMERCE INCOME, THIRD QUARTER 2025

Malaysia's Services sector increased by 6.3 per cent in the third quarter of 2025, reaching a revenue of RM657.7 billion

PUTRAJAYA, NOVEMBER 11, 2025 *– The Services sector increased by 6.3 per cent year-on-year in the third quarter of 2025, reaching RM657.7 billion in revenue. This is reported by Department of Statistics Malaysia (DOSM) in today's release of* ***The Quarterly Services Statistics, Third Quarter 2025****. The report presents statistics on Services sector, which encompasses the sub-sectors of Wholesale & Retail Trade; Information & Communication; Transportation & Storage; Accommodation; Food & Beverage; Professional; Private Health; Private Education; Arts, Entertainment & Recreation; Real Estate; Administrative & Support Service; Personal Services & Other Activities, and Income of e-Commerce.*

In a statement today, the Chief Statistician of Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, reported that Malaysia's Services sector recorded a robust growth of 6.3 per cent in the third quarter of 2025, supported by sustained expansion in business activities and positive performance across all segments of the sector.

The Wholesale & Retail Trade, Accommodation, and Food & Beverage segments recorded a year-on-year growth of 5.8 per cent in the third quarter of 2025, the highest increase compared with the previous two quarters, with total revenue reaching RM496.8 billion. This growth was supported by increased domestic travel, robust consumer spending bolstered by the Sumbangan Asas Rahmah (SARA) initiative, and higher international arrivals. Under SARA initiative, all Malaysians aged 18 and above received a one-off RM100 cash assistance credited via MyKad, usable from 31 August to 31 December 2025, which further strengthened household purchasing power and spurred consumer-related activities. Domestic travel during public holidays in the third quarter, including Independence Day, Additional Public Holiday on 15 September 2025, Malaysia Day and school holidays, also boosted domestic tourism, thereby stimulating revenue in the accommodation and food sub-sectors. These results highlight the resilience and key role of these segments in supporting the overall growth of the Services sector in the third quarter of 2025.

The Information & Communication and Transportation & Storage segments also registered a commendable year-on-year growth of 6.4 per cent, generating RM91.0 billion in the third quarter of 2025. This expansion was driven by higher revenue across both subsectors. Within this, the Information & Communication sub-sector grew by 4.0 per cent, supported by stronger demand in Telecommunications (3.9%) and Computer Services (1.8%). This performance underscores the ongoing expansion of digital services, aligned with evolving consumer behaviour and the increasing adoption of technology-driven solutions across various aspects of economic and social activities.

Meanwhile, the Transportation & Storage sub-sector maintained positive momentum, recording a year-on-year growth of 9.1 per cent in the third quarter of 2025. This increase was primarily driven by higher revenue growth in land transport, storage & supporting services, and post & courier services activities, which recorded growth of 8.9 per cent, 9.9 per cent, and 9.0 per cent, respectively. This performance reflects continued demand for logistics and land-based delivery services, supported by active domestic trade and the ongoing expansion of e-commerce.

The Professional, Real Estate and Administrative & Support Services segment recorded a year-on-year growth of 8.8 per cent in the third quarter of 2025. The Professional sub-

sector expanded by 8.7 per cent, supported by sustained demand for engineering, architectural, and surveying services in line with ongoing development and infrastructure projects. The Administrative & Support Services sub-sector grew by 10.3 per cent, driven by higher activity in business support and travel-related services. Meanwhile, the Real Estate sub-sector registered a growth of 7.8 per cent, underpinned by continued activity in the housing and property markets. Overall, the continued expansion in this segment reflects strong business confidence and ongoing investment in professional, real estate, and administrative & support services.

The Private Health, Private Education, Arts, Entertainment & Recreation, and Personal Services & Other Activities segment recorded a year-on-year growth of 12.4 per cent in the third quarter of 2025, reflecting strong and sustained consumer demand for services that support wellbeing, education, and lifestyle. The growth was primarily driven by the Private Education (9.8%) and Personal Services (12.1%) sub-sectors, supported by higher enrolment in private higher education and increased demand for personal care and lifestyle-related services. Meanwhile, the Private Health subsector (12.6%) and Arts, Entertainment & Recreation (14.8%) continued to record positive growth in this quarter, indicating steady demand for healthcare and recreational services.

In the quarter-on-quarter analysis, revenue in the Services sector increased by 2.5 per cent compared to the second quarter of 2025. This growth was primarily supported by the Wholesale & Retail Trade, Food & Beverages, and Accommodation segment, which rose by 2.7 per cent, followed by the Information & Communication and Transportation & Storage segment, which increased 1.8 per cent. The Professional, Real Estate, and Administrative & Support Services segment grew by 2.1 per cent, while the Private Healthcare, Private Education, Arts, Entertainment & Recreation, and Other Personal Services segment expanded by 3.7 per cent.

E-commerce income in the third quarter of 2025 totalled RM312.6 billion, registering a year-on-year growth of 1.3 per cent, mainly supported by the Services (0.7%) and Manufacturing (1.0%) sectors. On a quarter-on-quarter basis, e-commerce income recorded a slight decline of 0.4 per cent, reflecting more moderate activity compared with the previous quarter.

Commenting on the employment in the Services sector, the Chief Statistician of Malaysia reported that the total number of persons engaged reached 4.6 million, marking a 2.4 per cent year-on-year increase. This growth was driven by the Transport & Storage sub-sector, (3.9%), followed by the Wholesale & Retail Trade sub-sector (2.9%). On a quarter-on-quarter basis, the number of persons engaged rose by 0.9 per cent, equivalent to an additional 39.8 thousand persons.

In line with higher number of persons engaged, total salaries and wages in the Services sector increased by 4.7 per cent year-on-year, reaching RM34.5 billion in the third quarter of 2025. The rise was mainly supported by the Wholesale & Retail Trade and Transportation & Storage sub-sectors, which recorded grew by 4.4 per cent and 5.0 per cent, respectively. On a quarter-on-quarter basis, salaries and wages rose by 1.6 per cent. Overall, the Services sector in the third quarter of 2025 demonstrated positive growth across all key segments, supported by strong domestic demand, higher international arrivals, and sustained activity in professional, digital, and lifestyle-related services. Employment and salaries & wages within the sector continued to increase, while e-Commerce activity remained resilient despite a slight moderation compared to the previous quarter. These developments highlight the sector's resilience and its vital role in driving Malaysia's economic activity and consumer-driven growth.

Malaysia has, for the first time, successfully secured the top position globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 198 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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.

Chart 1: Performance of Services Sector

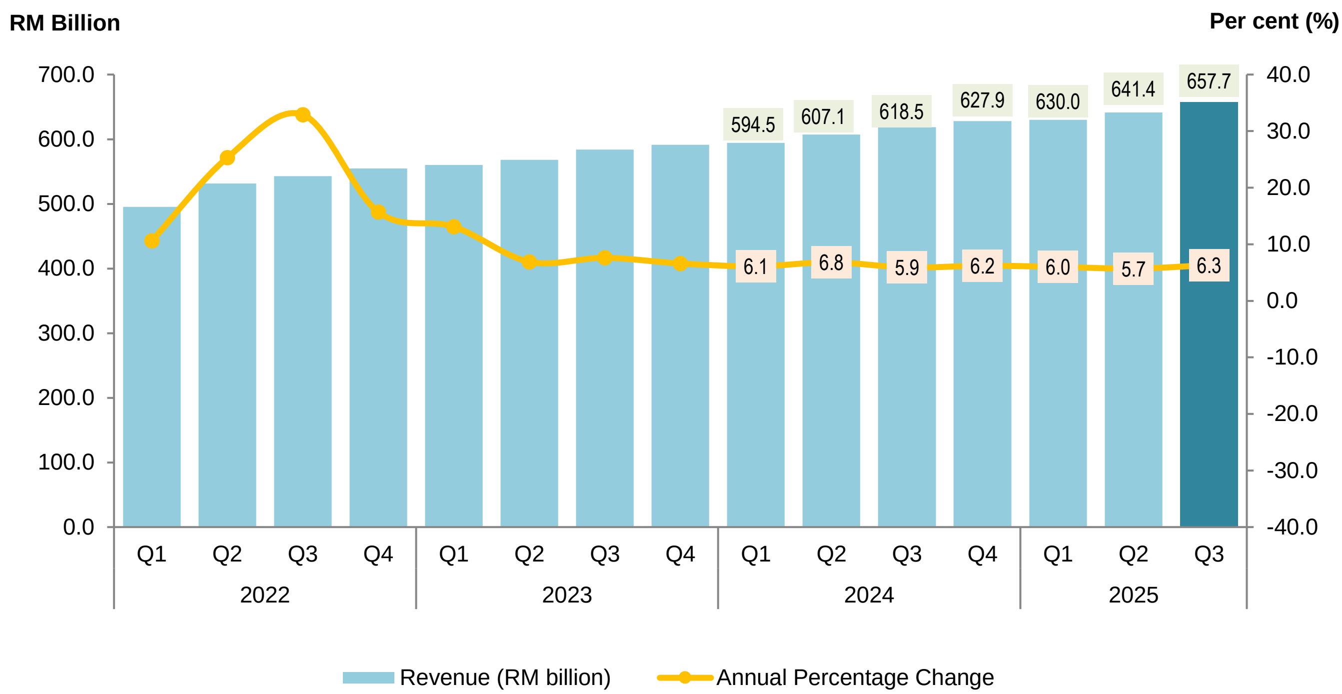


Chart 2: Performance of Wholesale & Retail Trade, Food & Beverages, and Accommodation Segment

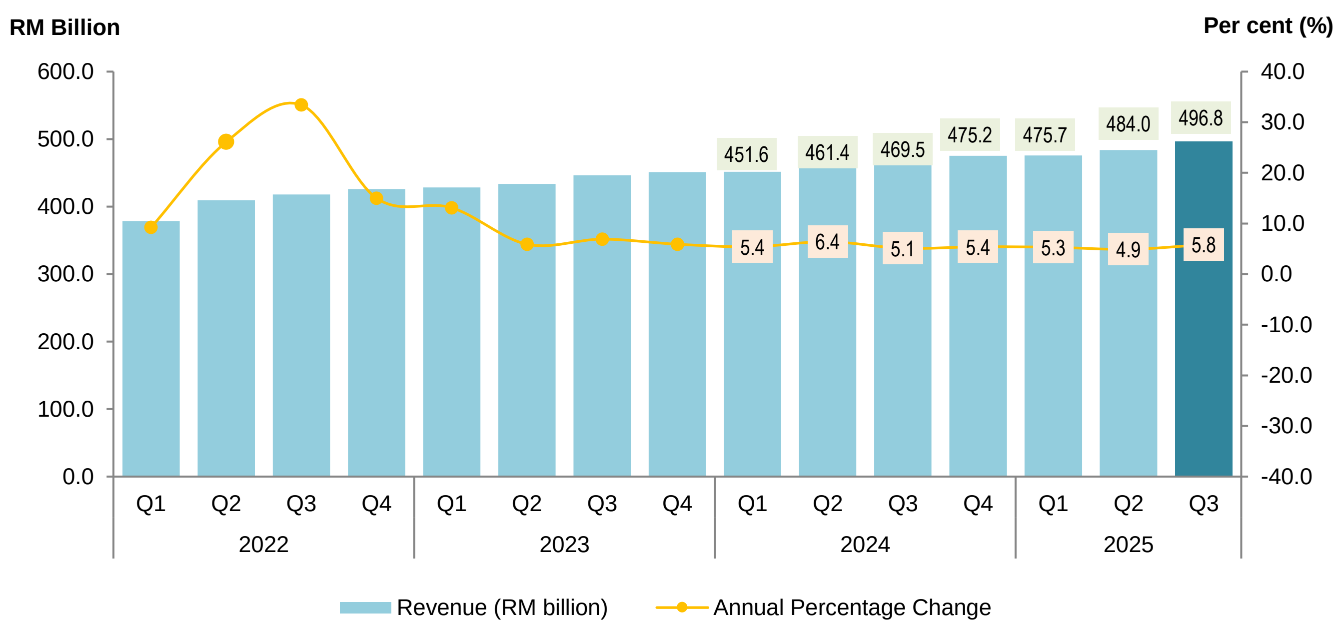


Chart 3: Performance of Information & Communication and Transportation & Storage Segment

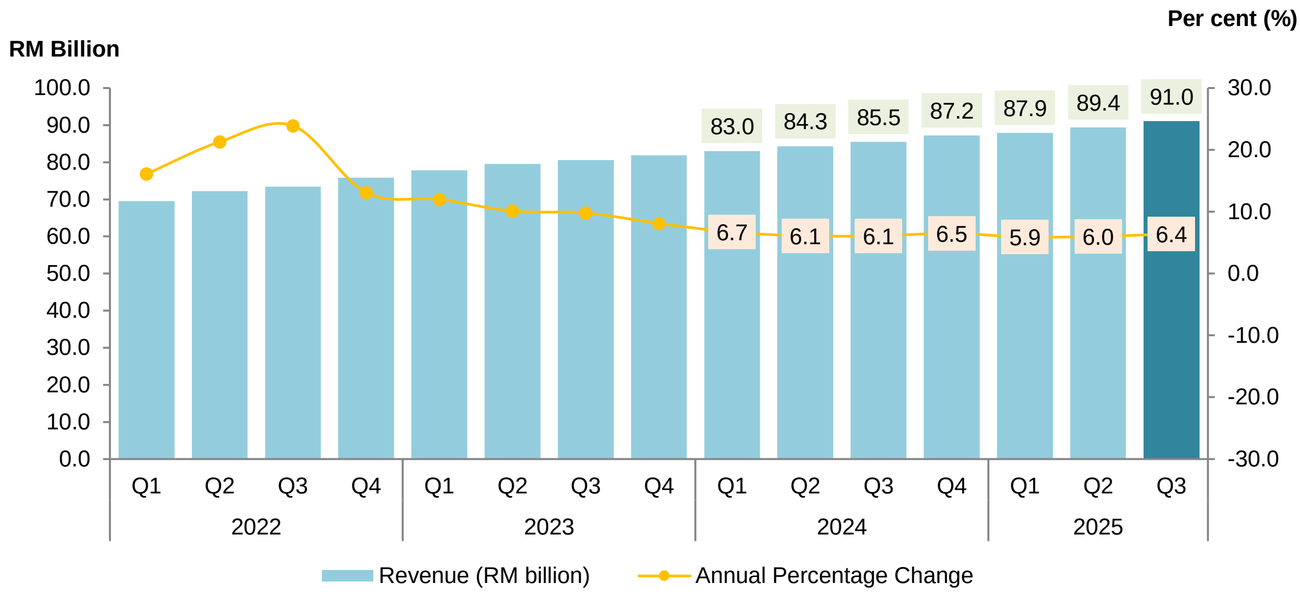


Chart 4: Performance of Private Health, Private Education, Arts, Entertainment & Recreation and Personal Services and Other Activities Segment

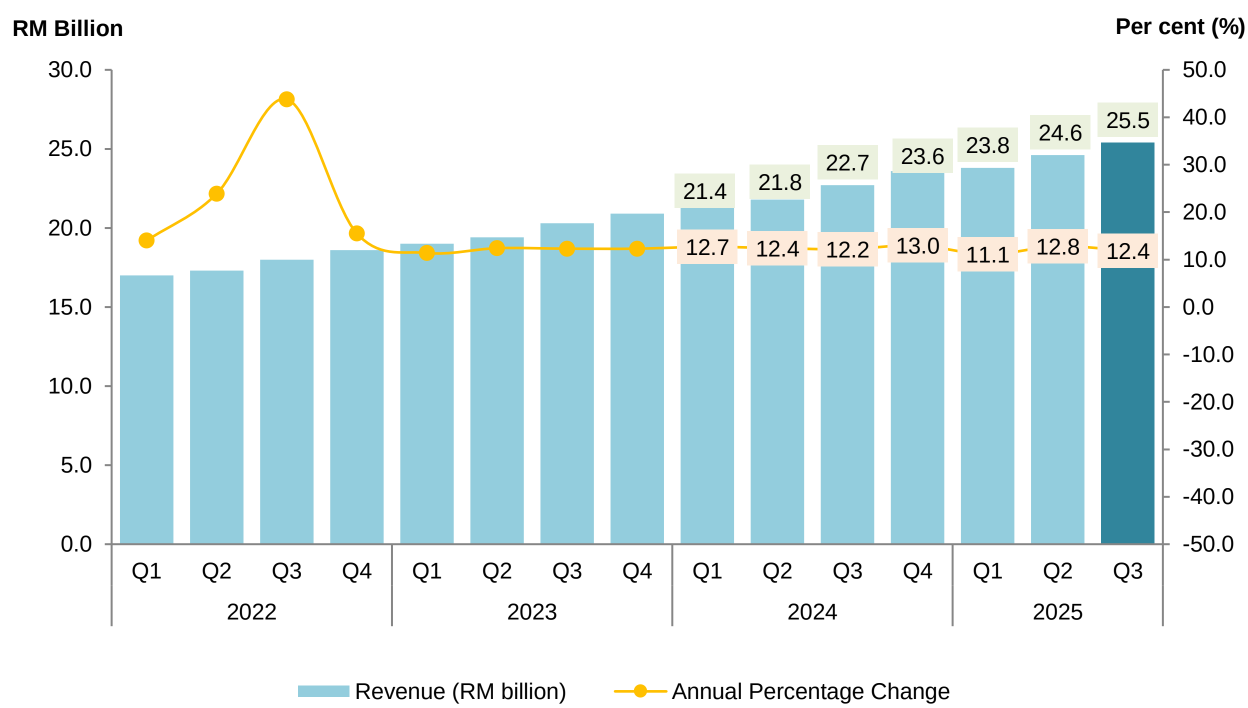


Chart 5: Performance of Professional, Real Estate and Administrative & Support Service Segment

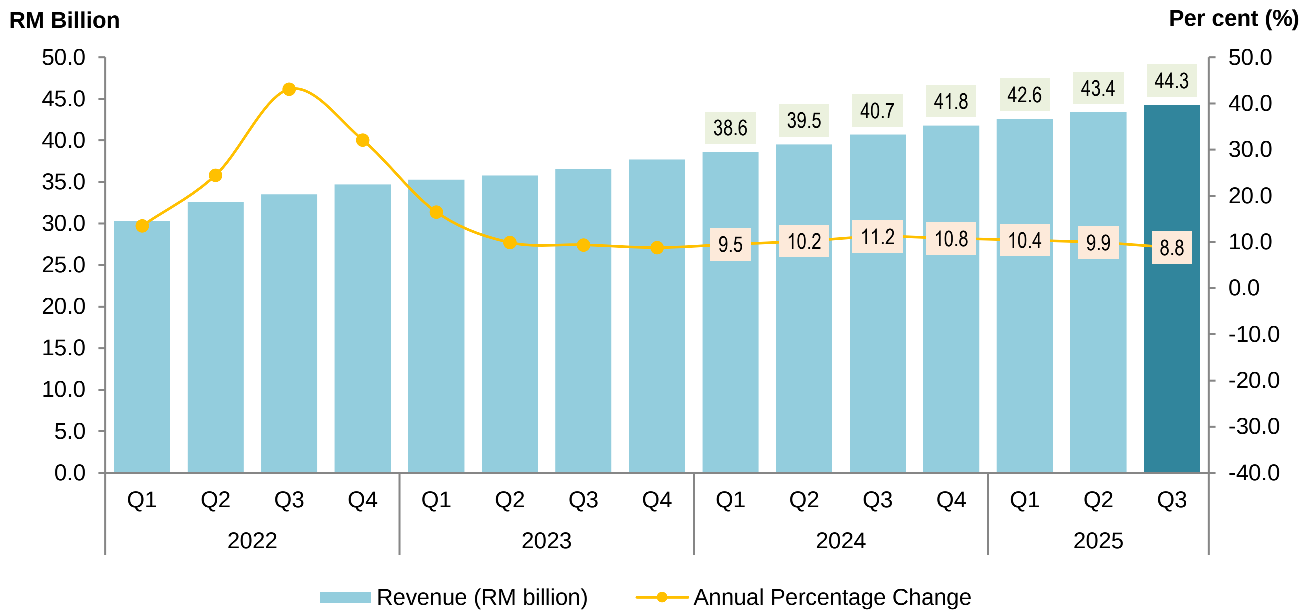
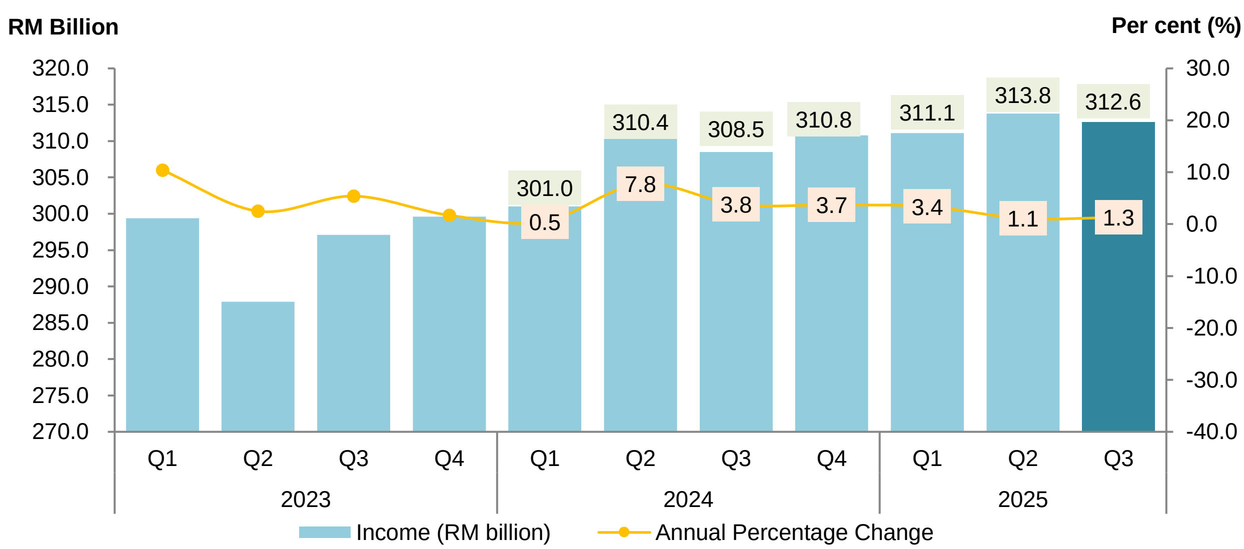


Chart 6: e-Commerce Income



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DEPARTMENT OF STATISTICS MALAYSIA

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