



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

**BUSINESS TENDENCY STATISTICS
FIRST QUARTER 2026**

Businesses project continued optimism in the first quarter of 2026, supported by a confidence indicator of +4.0 per cent.

PUTRAJAYA, 27TH FEBRUARY 2026– The Department of Statistics Malaysia today released Business Tendency Statistics for the First Quarter 2026 indicating that overall business sentiment remains positive in the First Quarter of 2026, as reflected by a Confidence Indicator (CI) of +4.0 per cent, easing from +6.2 per cent in the previous quarter. This publication presents expectations on business performance for the upcoming three and six months. The statistics derived from the Business Tendency Survey, conducted quarterly.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin mentioned, “Businesses foresee a favourable business environment in the first quarter of 2026, backed by a confidence indicator of +4.0 per cent, compared to +6.2 per cent in the previous quarter” **(Exhibit I)**.

All sectors expect positive business conditions in the first quarter of 2026. The business confidence for Services sector remains on a positive region, with the confidence indicator of +6.6 per cent as against +10.0 per cent in the last quarter. Simultaneously, Industry sector continues to be optimistic about the business performance, with a confidence indicator of +3.3 per cent for the corresponding quarter as compared to +5.8 per cent in the fourth quarter of 2025. Meanwhile, sentiments within Construction sector upturn to a positive trajectory by posting +1.4 per cent as against –1.2 per cent in the fourth quarter of 2025. Sentiment in the Wholesale & Retail Trade sector remains positive, registering +2.5 per cent as compared to +3.5 per cent in the previous quarter **(Exhibit II)**.

In the first quarter of 2026, the state-level Business Confidence Indicator shows a mixed pattern, with several states recording notable improvements in confidence while others continue to face pressure in the current business environment. Optimistic sentiment is observed in Johor (+3.0%), Negeri Sembilan (+8.0%), Pulau Pinang (+4.5%), Perlis (+3.7%), Selangor (+13.1%), Terengganu (+10.2%), Sabah (+2.4%),

W.P. Kuala Lumpur (+2.0%), W.P. Labuan (+2.0%) and W.P. Putrajaya (+3.4%). Meanwhile, Kedah (-0.9%), Kelantan (-5.3%), Melaka (-1.9%), Pahang (-9.8%), Perak (-7.5%) and Sarawak (-0.7%) recorded negative readings, indicating that although many states are experiencing improved confidence, several others continue to face challenges that are weighing on their business prospects (**Exhibit III**).

Looking at the business sentiment for the first half of 2026, businesses remain upbeat, albeit at a lower net balance of +10.8 per cent from +12.0 per cent recorded previously (**Exhibit IV**). Positive outlook is underpinned across all sectors, indicating a promising business conditions in the forecasted period. The Services sector anticipates favourable business situation in the forthcoming six months with a net balance of +20.6 per cent as against +16.5 per cent recorded for the period of October 2025 until March 2026. Construction sector also foresees positive business condition with a net balance +12.0 per cent as compared to +11.3 per cent recorded previously. Sentiment within Wholesale & Retail Trade sector also shows optimism with net balance +6.9 per cent as against +10.3 per cent previously. Similarly, Industry sector expects better business situation with a net balance of +6.2 per cent compared to +10.0 per cent (**Exhibit V**).

The Department of Statistics Malaysia (DOSM) is conducting the **Economic Census 2026 (BE2026)**, with themed “*Data Nadi Ekonomi Rakyat*”. The sixth Economic Census, will be carried out from **5th January to 31st October 2026**. BE2026 aims to collect comprehensive and structured data from all registered and unregistered business establishments in Malaysia to assess the nation’s economic performance, structure and characteristics in an evidence-based manner.

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 197 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>.

Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
27 FEBRUARY 2026**

Exhibit I: Quarterly Confidence Indicator, Malaysia, 2023 – 2026

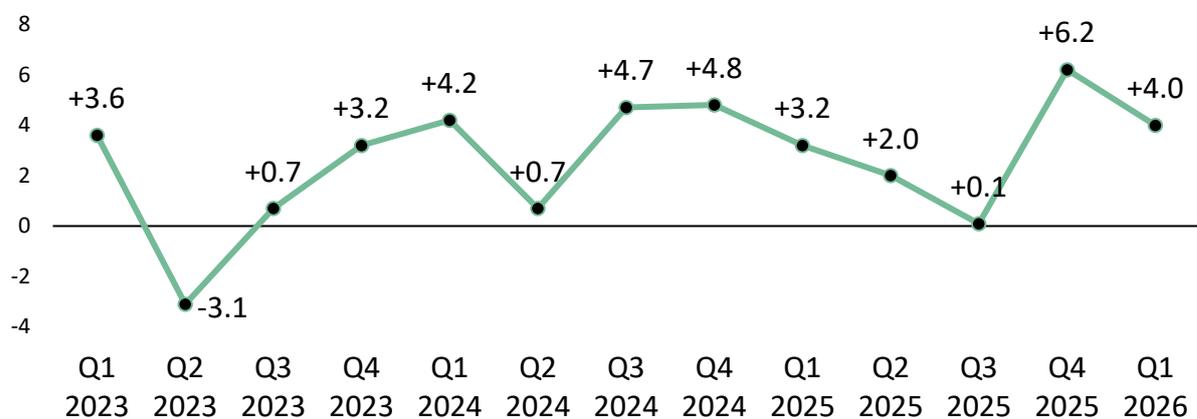


Exhibit II: Quarterly Confidence Indicator by Sector, Malaysia, 2025 – 2026

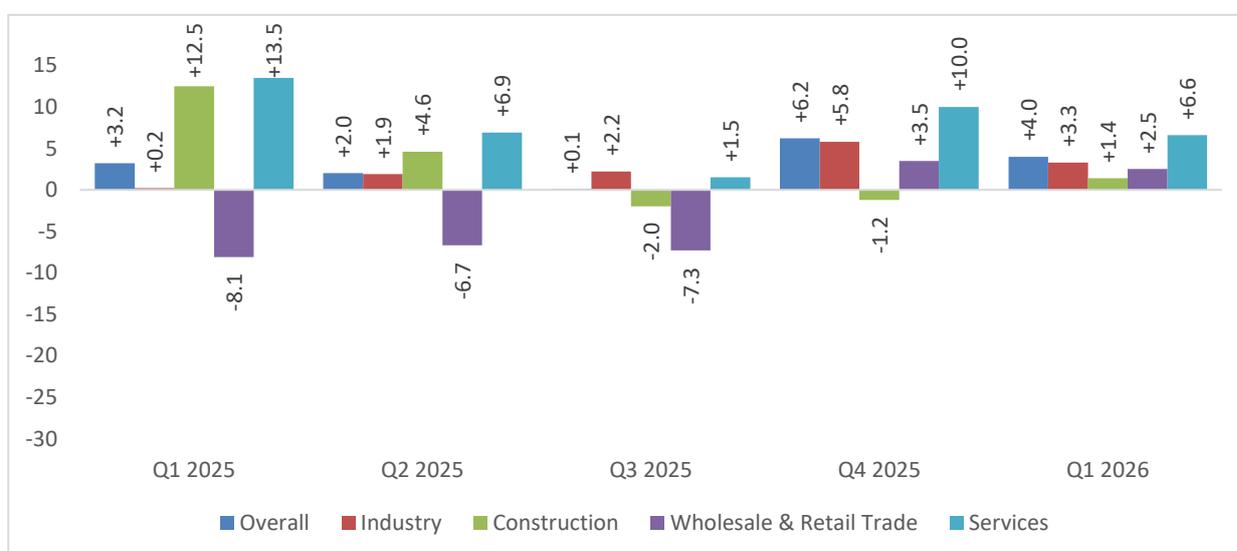


Exhibit III: Confidence Indicator by state for the First Quarter 2026, Malaysia

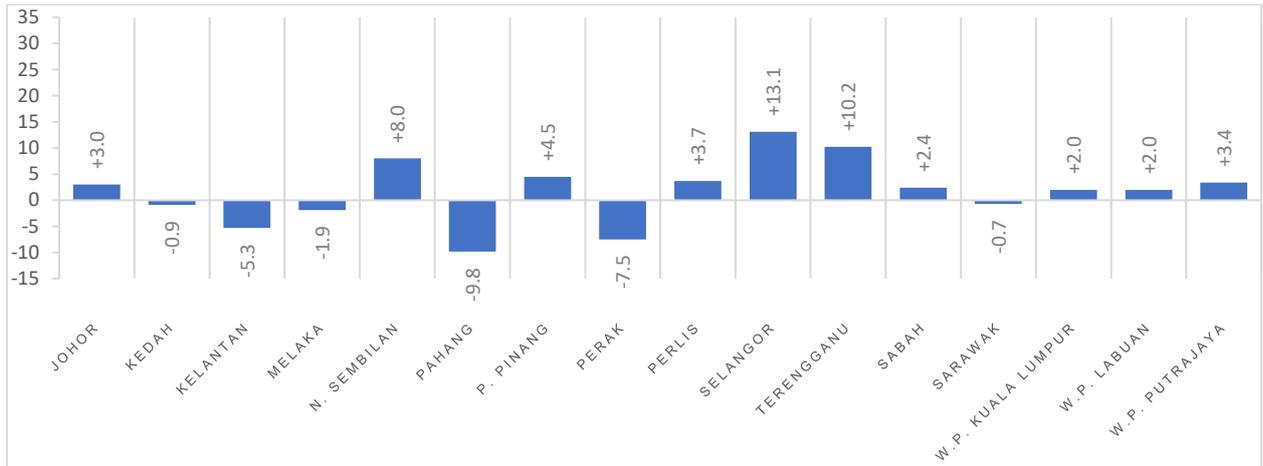


Exhibit IV: Net Balance of Business Performance Expectation For Upcoming Six Months, Malaysia 2024 – 2026

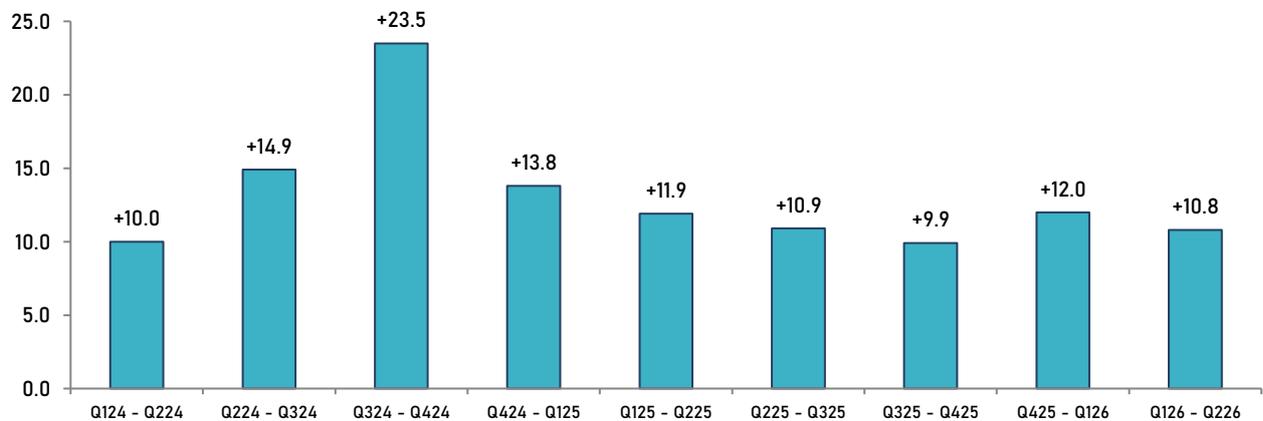


Exhibit V: Quarterly Net Balance by Sector, Malaysia, 2025 – 2026

