MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

MALAYSIA ECONOMIC STATISTICS REVIEW, VOLUME 6/2026

Broad-Based Sectoral Growth Reflects Steady Economy

PUTRAJAYA, 30th JUNE 2026 *– Today, the Department of Statistics, Malaysia (DOSM) released the* **Malaysian Economic Statistics Review (MESR), Volume 6/2026.** *This edition focuses on the recent statistics released in April 2026 and some forthcoming statistics for May 2026. It also includes a special article titled "***From Forecast to Reality: Assessing the Capability of Leading Index in Providing Early Signals***". The article assesses Malaysia's economic outlook using the Leading Index (LI) alongside the Producer Price Index (PPI), Consumer Price Index (CPI), and Industrial Production Index (IPI), highlighting the LI's ability to provide early signals on economic slowdowns and support timely policy interventions.*

In the broader global economic environment, the outlook for 2026 remains cautious amid moderating growth and elevated uncertainty. According to the World Bank, global economic growth is projected to ease to 2.5 per cent in 2026 from 2.9 per cent in 2025, while growth in Emerging Markets and Developing Economies (EMDEs) is forecasted to moderate to 3.6 per cent, with all EMDE regions expected to record slower performance than in the previous year. Nevertheless, the global outlook remains subject to significant downside risks, particularly if energy supply disruptions intensify, which could reduce global growth to as low as 1.3 per cent in 2026. In addition, persistent trade policy uncertainty, escalating geopolitical tensions, and climate-related shocks continue to pose challenges to the global economy and may have implications for open economies such as Malaysia through external trade and financial linkages.

Focusing on recent economic performance, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin stated, "In line with the continued expansion in domestic industrial activity, the Industrial Production Index (IPI) recorded stronger year-on-year growth of 8.2 per cent in April 2026, up from 3.1 per cent in March 2026, despite ongoing external uncertainties. The expansion was primarily driven by the Manufacturing sector, which grew by 8.3 per cent, supported by the turnaround in *the Mining sector to 6.8 per cent following a 6.5 per cent contraction in the previous month. Meanwhile, the Electricity sector recorded a higher growth of 10.5 per cent compared with 4.8 per cent in March 2026. Nevertheless, on a month-on-month basis, the IPI declined by 3.4 per cent after registering a strong 9.3 per cent expansion in the preceding month, indicating some moderation in industrial production during the month".*

Amid sustained activity in the Manufacturing sector, Malaysia's Manufacturing sector continued to record steady growth in April 2026. Total sales value increased by 9.1 per cent year-on-year, accelerating from 5.3 per cent in March 2026, to reach RM175.0 billion. The expansion was driven by the Electrical and Electronics (E&E) sub-sector, which recorded a strong growth of 13.4 per cent. Growth was also supported by the Food, beverages and tobacco sub-sector, which expanded by 9.0 per cent, while the Petroleum, chemical, rubber and plastics sub-sector rebounded with a 4.4 per cent increase after contracting by 5.1 per cent in the previous month. On a month-on-month basis, total manufacturing sales edged up by 1.1 per cent, rising from RM173.1 billion in March 2026, indicating continued improvement in manufacturing activity during the month.

Supported by domestic demand conditions, Malaysia's Wholesale and retail trade sector recorded stable performance in April 2026, with total sales reaching RM174.8 billion, an increase of 15.3 per cent compared to the same month in the previous year. The performance was supported by broad-based growth across all sub-sectors. Wholesale trade led the expansion, recording sales of RM83.5 billion, up RM16.2 billion year-on-year, supported by a 24.1 per cent increase alongside higher trading volume. Retail trade also posted steady gains, reaching RM71.0 billion in sales, an increase of RM4.2 billion or 6.3 per cent year-on-year. Meanwhile, the Motor vehicles sub-sector continued its upward trend, recording sales of RM20.4 billion, an increase of RM2.7 billion or 15.5 per cent compared with the previous year, indicating sustained improvement in demand within the segment.

On the external front, Malaysia's trade performance remained resilient in April 2026, supported by sustained growth in both exports and imports. Total trade surged by 28.6 per cent year-on-year to RM336.7 billion, driven by a strong increase in exports, which rose by 36.9 per cent to RM182.7 billion, alongside a solid 20.0 per cent growth in imports, valued at RM154.0 billion. Consequently, the trade surplus widened significantly to RM28.8 billion, reflecting a substantial increase compared with the same period last year. On a month-on-month basis, exports, imports, total trade, and the trade surplus recorded growth of 22.8 per cent, 23.9 per cent, 23.3 per cent, and 17.4 per cent, respectively, indicating continued strengthening in Malaysia's external trade performance. As for May 2026, total trade maintained its double-digit growth of 29.8 per cent, supported by continued expansion in both exports and imports.

Against the backdrop of sustained domestic activity, Malaysia's inflationary trend continued to edge higher in April 2026, with headline inflation rising by 1.9 per cent year-on-year as the index increased to 136.9 from 134.3 a year earlier. The upward pressure was mainly contributed by Alcoholic Beverages & Tobacco, Information & Communication, Food & Beverages, as well as Furnishings & Household Maintenance. On a monthly basis, headline inflation edged up to 0.4 per cent from 0.3 per cent in March, driven by higher prices in Transport, Information & Communication, Restaurants & Accommodation, Recreation & Culture, Alcoholic Beverages & Tobacco, and Furnishings & Household Maintenance. Meanwhile, inflation in May 2026 continued its upward trend, increasing by 2.0 per cent year-on-year, indicating sustained but gradual price pressures in the economy.

In the producer price segment, Malaysia's Producer Price Index (PPI) recorded an increase in April 2026, rising by 5.4 per cent year-on-year, marking the highest increase since August 2022. The increase was broad-based across all sectors, with the Mining sector registering a robust expansion of 53.4 per cent, driven mainly by higher prices in the Extraction of crude petroleum index. On a month-on-month basis, the PPI continued its upward momentum, increasing by 3.2 per cent following a stronger rise of 4.1 per cent in the previous month. The Mining sector posted a double-digit growth of 19.8 per cent, supported by gains in both the Extraction of crude petroleum and Extraction of natural gas indices. Meanwhile, the PPI further strengthened in May 2026, increasing by 7.8 per cent, indicating continued upward pressure in producer prices.

Dato' Sri Dr. Mohd Uzir Mahidin further highlighted that Malaysia's labour market remained stable in April 2026, with the labour force edging up by 0.1 per cent to 17.33 million persons compared to 17.31 million persons in March 2026. Meanwhile, the labour force participation rate remained unchanged at 70.9 per cent, indicating continued participation in the labour market. The number of employed persons also recorded a marginal increase of 0.1 per cent to 16.82 million persons (March 2026: 16.80 million persons), reflecting stable employment conditions. Consequently, the number of unemployed persons was estimated at 511.8 thousand persons, while the unemployment rate rose by 0.1 percentage points to 3.0 per cent, returning to the level recorded in October 2025. These developments point to continued stability in the labour market during the month.

In the near term, Malaysia's economic outlook is expected to remain broadly steady, supported by continued improvement in the Leading Index (LI), which increased by 1.29 per cent year-on-year to 115.0 points in April 2026 from 113.5 a year earlier, driven mainly by the Number of Housing Units Approved. On a month-on-month basis, the LI also rose by 1.25 per cent, supported by new company *registrations and semiconductor imports, reflecting continued technology-driven activity and demand in the electrical and electronics sector. However, despite the improvement, the LI remained below the 100.0 points long-term trend, indicating that the growth outlook is still subject to external uncertainties. Overall, the near-term outlook points to a cautiously optimistic growth trajectory amid prevailing global uncertainties.*

Malaysia's economic performance reflected a steady but moderate growth environment, supported by resilient domestic activity across key sectors including Services, Manufacturing, Wholesale and Retail Trade, and external trade. Industrial production, manufacturing sales, as well as wholesale and retail trade continued to record solid gains, indicating sustained domestic demand conditions. External trade remained robust, driven by strong growth in exports and imports, while inflationary pressures edged higher alongside an increase in the Producer Price Index (PPI), signalling some upward movement in price conditions. The labour market remained broadly stable despite some moderation in selected indicators. Overall, the growth outlook remains measured, supported by domestic resilience but still subject to external risks and uncertainties.

The Department of Statistics Malaysia (DOSM) is conducting the Economic Census 2026 (BE2026), themed "Data Nadi Ekonomi Rakyat". The sixth Economic Census, running 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.

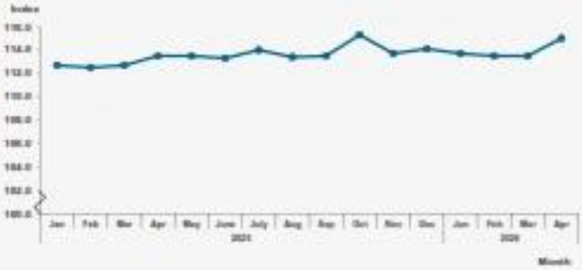
Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
30 JUNE 2026

Appendix 1: Key Economic Indicators

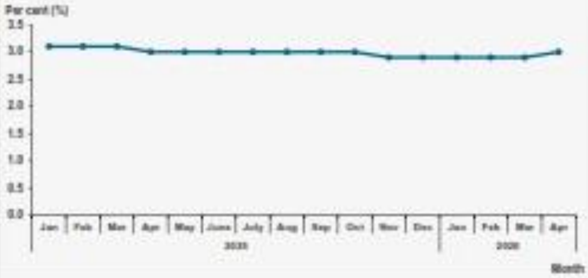
Leading Index

115.0 point
April 2026



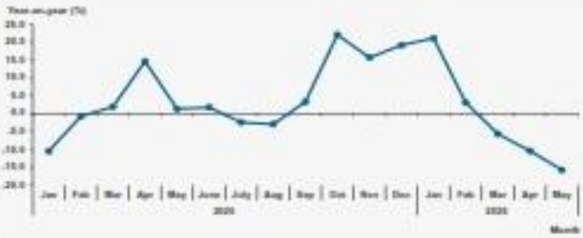
Unemployment Rate

3.0%
April 2026



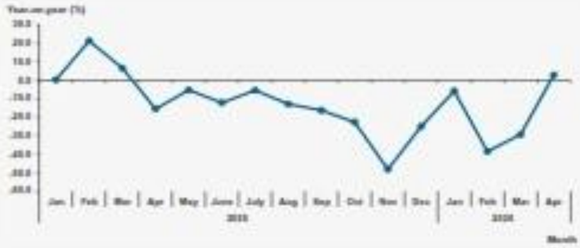
Production of Fresh Fruit Bunches

-15.8%
May 2026



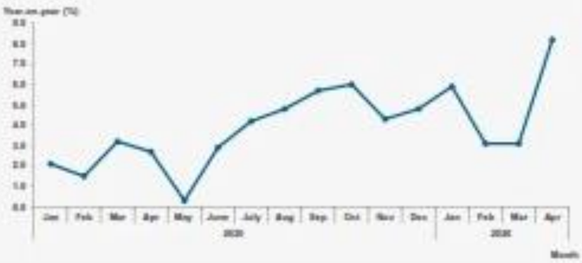
Production of Natural Rubber

2.8%
April 2026



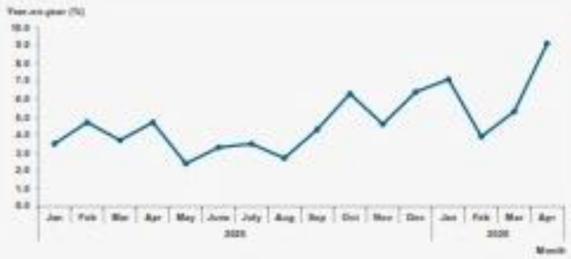
Industrial Production Index (IPI)

8.2%
April 2026



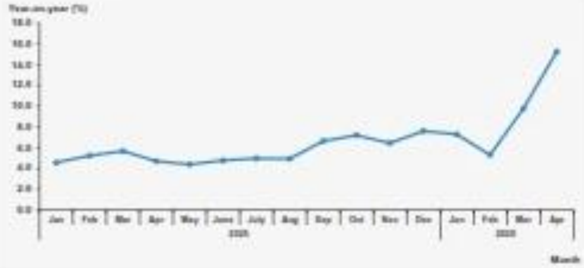
Sales Value of Manufacturing Sector

9.1%
April 2026



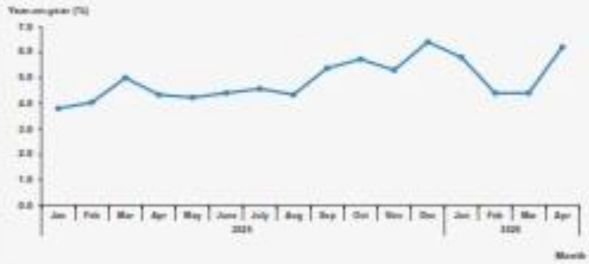
Sales Value of Wholesale & Retail Trade

15.3%
April 2026



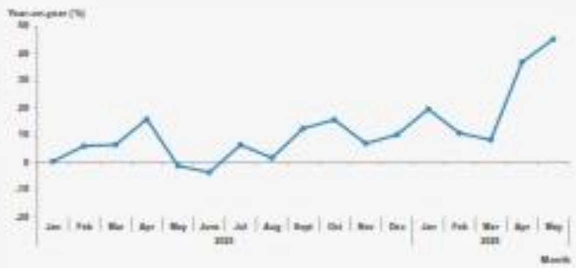
Volume Index of Wholesale & Retail Trade

6.2%
April 2026



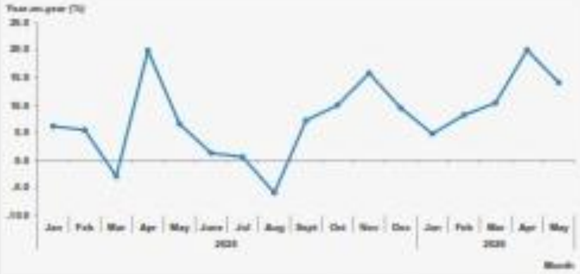
Exports

45.3%
May 2026



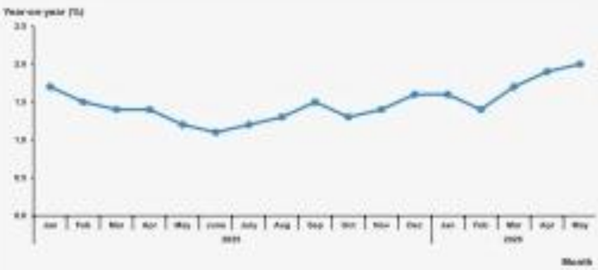
Imports

14.1%
May 2026



Consumer Price Index (CPI)

2.0%
May 2026



Producer Price Index (PPI) Local Production

7.8%
May 2026