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MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

GROSS DOMESTIC PRODUCT SECOND QUARTER OF 2026

Malaysia's economy continued to expand with a growth of 6.0 per cent in the second quarter of 2026

PUTRAJAYA, 14 AUGUST 2026 – The Gross Domestic Product (GDP) expanded by 6.0 per cent, following a 5.4 per cent growth recorded in the preceding quarter. The report of **GDP Second Quarter of 2026** is released today by the Department of Statistics Malaysia (DOSM).

Malaysia's economy expanded 6.0 per cent in the second quarter of 2026, backed by domestic consumption and strong exports performance. Almost all economic sectors posted an increase except for the Agriculture, which contracted during the quarter. In terms of quarter-on-quarter seasonally adjusted, the GDP grew by 2.5 per cent as against a marginal decline of 0.03 per cent in the previous quarter. For the first half of 2026, the economy increased by 5.7 per cent, higher than the 4.5 per cent recorded in the corresponding period of 2025.

The **Services** sector expanded further by 5.9 per cent (Q1 2026: 5.6%) in the second quarter of 2026. The sector's performance was mainly driven by the Wholesale & retail trade sub-sector, which increased 4.7 per cent, supported by the Wholesale trade (4.8%) and the Retail trade (4.1%) segments. The Motor vehicles segment also rose by 7.5 per cent, reflecting increasing sales for motor vehicle including electric vehicles. In addition, the Information & communication sub-sector grew by 8.3 per cent, supported by an increase in the Computer & information services segment, following strong performance in data centre activities. Transport & storage sub-sector expanded by 7.0 per cent in line with the increases in freight and passenger segments.

The performance of **Manufacturing** sector accelerated to 7.3 per cent (Q1 2026: 5.9%), propelled by export-oriented industries. The growth was driven by the sub-sector of Electrical, electronic & optical products which rose by 14.4 per cent amid sustained global demand for electronic components and semiconductors. Moreover, the Petroleum, chemical, rubber & plastic products sub-sector rebounded to 3.2 per cent, while the Non-metallic mineral products, basic metal and fabricated metal products sub-sector grew by 5.5 per cent.

The **Mining & quarrying** sector showed a recovery in this quarter with a growth of 9.2 per cent (Q1 2026: -2.1%) backed by strong increases in Natural gas sub-sector at 19.3 per cent. In the meantime, the Other mining & quarrying and support services sub-sector also expanded by 6.7 per cent while the Crude oil & condensate sub-sector declined by 3.6 per cent.

The **Construction** sector continued to grow at 6.5 per cent (Q1 2026: 7.7%) with all sub-sectors recorded positive growth. The performance led by Specialised construction activities which grew by 10.4 per cent. This was followed by the Non-residential buildings sub-sector which rose by 9.6 per cent, supported by continued development of industrial and technology-related infrastructure.

In contrast, the **Agriculture** sector contracted by 3.7 per cent (Q1 2026: 2.6%), following a decline in most sub-sectors. The overall performance of this sector was largely weighed down by the Oil palm sub-sector which declined 9.5 per cent reflecting lower production of fresh fruit bunches. Nevertheless, the Other agriculture and Livestock sub-sectors continued to record positive growth of 1.1 per cent and 2.9 per cent, respectively.

From the expenditure perspective, **Private final consumption expenditure (PFCE)** which contributed 60.3 per cent of Malaysia's GDP grew by 4.8 per cent, picking up from 4.7 per cent in the preceding quarter. The growth was supported by an increase in households spending, particularly in the Restaurants & hotels (10.9%), followed by Transport (7.1%), Food & non-alcoholic beverages (3.6%) and Communication (3.5%).

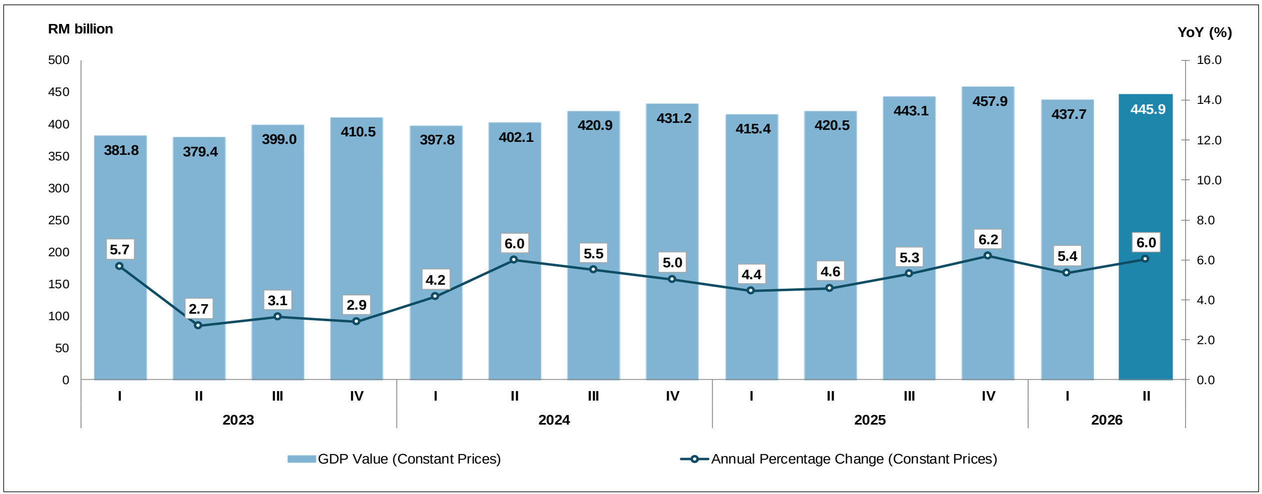
Gross fixed capital formation (GFCF) recorded a growth of 4.6 per cent (Q1 2026: 7.3%), impelled by an increase in investment in the Structure component of 4.6 per cent, particularly in the construction of Non-residential buildings. Additionally, Machinery & equipment component expanded by 4.7 per cent, while Other assets component increased by 4.3 per cent. Investment activities remain resilient with growth supported by both the Public and Private sectors.

Government final consumption expenditure (GFCE) rose by 7.6 per cent (Q1 2026: 4.1%), backed by an increase in spending on supplies and services. On the external front, **Exports** and **Imports** grew by 17.0 per cent (Q1 2026: 5.2%) and 13.9 per cent (Q1 2026: 4.6%) respectively, following a higher global demand on goods and services. Therefore, **Net exports** recorded a stronger growth to 168.5 per cent as compared to 13.5 per cent in the previous quarter.

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.

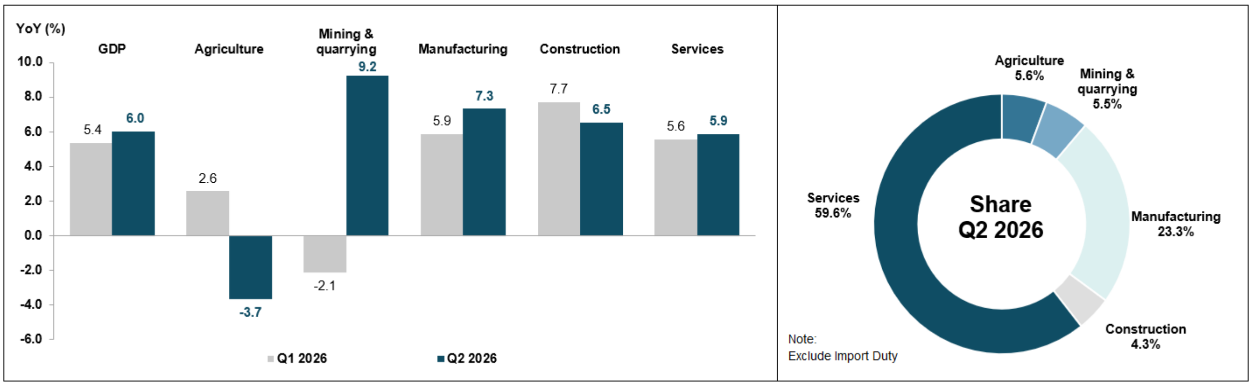
OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through https://open.dosm.gov.my.

Chart 1: Gross Domestic Product, Q1 2023 – Q2 2026



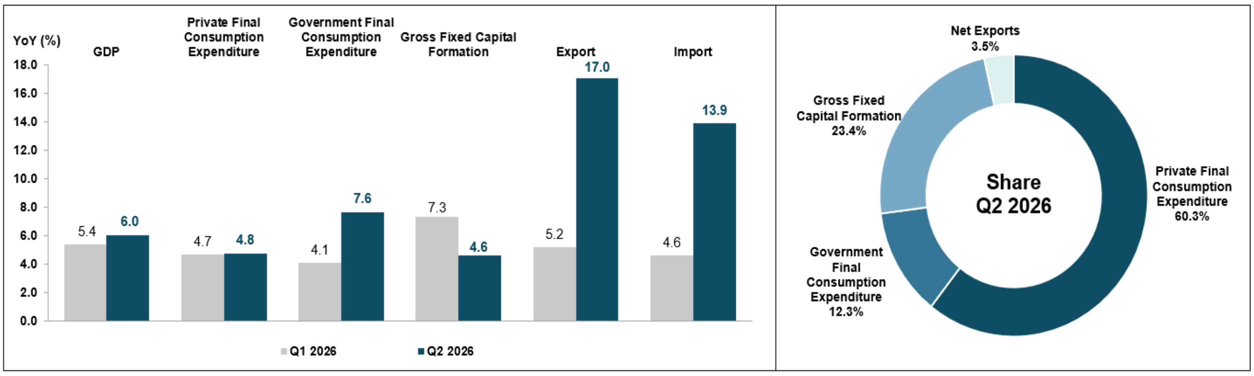
Source: Department of Statistics, Malaysia

Chart 2: Quarterly GDP Growth by Kind of Economic Activity, Q1 2026 & Q2 2026



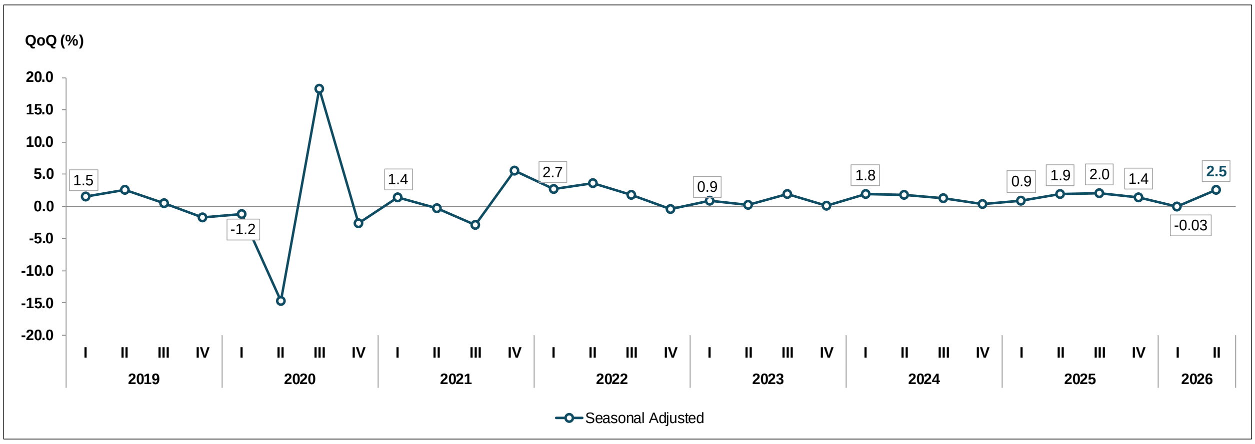
Source: Department of Statistics, Malaysia

Chart 3: Quarterly GDP Growth by Type of Expenditure, Q1 2026 & Q2 2026



Source: Department of Statistics, Malaysia

Chart 4: Seasonally Adjusted GDP
(Percentage Change from Preceding Quarter), Q1 2019 – Q2 2026



Source: Department of Statistics, Malaysia

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