



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

BUSINESS TENDENCY STATISTICS THIRD QUARTER 2026

Business outlook rebounds in Q3 2026, with the confidence indicator rising to 5.9 per cent.

PUTRAJAYA, 27 AUGUST 2026 – Businesses foresee an improving business situation for the third quarter 2026 with positive confidence indicator of 5.9 per cent as compared to -1.8 per cent in the second quarter 2026 (**Exhibit I**). Department of Statistics Malaysia today released the **Business Tendency Statistics for the Third Quarter 2026**. This publication presents expectations regarding business performance for the upcoming three and six months. The statistics are derived from the Business Tendency Survey which is conducted quarterly.

In a statement today, DOSM reports that all sectors expect their business performance to be more favourable in the third quarter of 2026, with the Industry, Services, Construction and Wholesale & Retail Trade sectors showing positive business sentiment. The positive outlook across all sectors, with an overall confidence indicator of +5.9 per cent, reflects increased confidence in external and domestic economic activities.

Industry sector turns optimistic with the confidence indicator registering +8.2 per cent in the third quarter of 2026 as compared to -3.7 per cent in the previous quarter. The confidence indicator for Construction sector climbs to +4.1 per cent in the reference quarter (Q2 2026: -9.5%). Besides, Wholesale & Retail Trade sector also predicts encouraging performance with a confidence indicator of +1.2 per cent as against -7.5 per cent recorded in the second quarter of 2026. Whereas, Services sector expects their business performance to remain optimistic with a confidence indicator of +5.2 per cent as compared to +6.2 per cent in the previous quarter (**Exhibit II**).

The confidence indicator at the state level showed varied levels of business confidence, with most states recording positive readings, namely Johor (+4.9%), Kedah (+5.1%), Kelantan (+2.1%), Negeri Sembilan (+9.4%), Pahang (+7.1%), Pulau Pinang (+5.0%), Perak (+1.5%), Perlis (+5.4%), Selangor (+5.8%), Terengganu

(+10.5%), Sabah (+3.7%), Sarawak (+5.8%), W.P. Kuala Lumpur (+9.5%) and W.P. Putrajaya (+0.6%). Meanwhile, Melaka (-3.9%) and W.P. Labuan (-5.4%) recorded pessimistic confidence indicators (**Exhibit III**).

Looking at the business sentiment for the second half of 2026, businesses remain optimistic, with the net balance rising to +12.9 per cent from +7.9 per cent recorded for the period of April to September 2026 (**Exhibit IV**). The positive outlook across all sectors indicates favourable business conditions in the forecast period. Construction sector anticipates a favourable business situation over the forthcoming six months, with a net balance of +23.3 per cent, compared with -5.4 per cent recorded in the reference period. Industry sector foresees positive business conditions, with a net balance of +14.3 per cent. Sentiment in Services sector also shows optimism, with a net balance of +13.1 per cent. Similarly, Wholesale & Retail Trade sector expects an improved business situation, with a net balance of +5.3 per cent (**Exhibit V**).

In terms of gross revenue, 31.9 per cent of businesses expect an increase in the third quarter of 2026, while 47.4 per cent anticipate no change and 20.7 per cent foresee a decline, resulting in a net balance of +11.2 per cent for the reference quarter (**Exhibit VI**). For employment, 13.9 per cent of businesses expect an increase in their workforce, while 78.3 per cent anticipate maintaining their workforce. Meanwhile, 7.8 per cent expect a reduction, resulting in a net balance of +6.1 per cent in the third quarter of 2026 (**Exhibit VII**).

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>.

Released by:

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

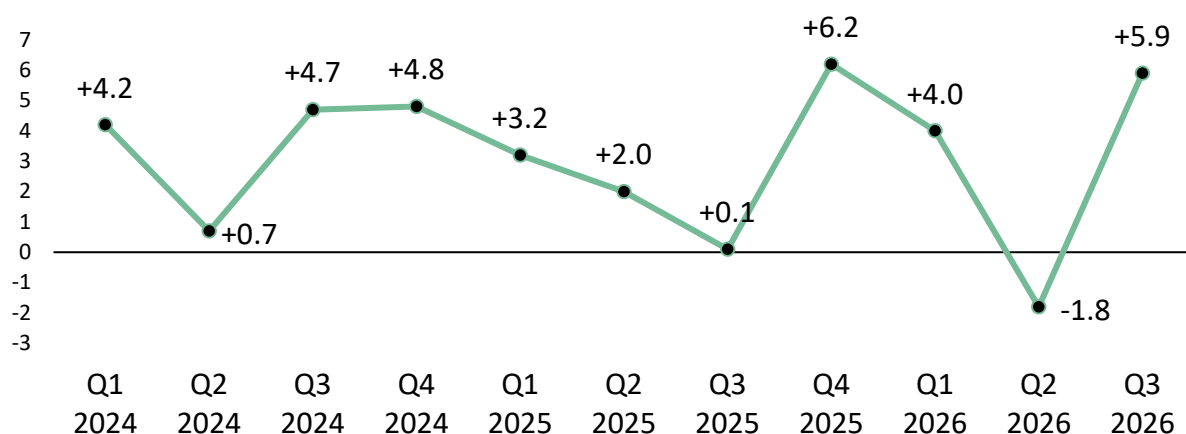
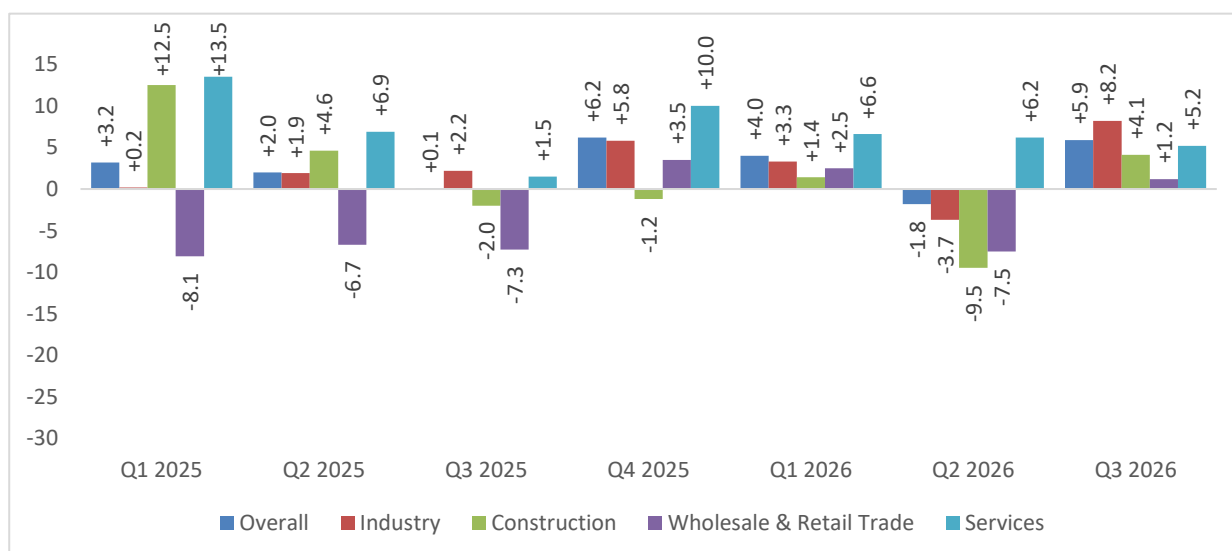
Exhibit I: Quarterly Confidence Indicator, Malaysia, 2024 – 2026**Exhibit II: Quarterly Confidence Indicator by Sector, Malaysia, 2025 – 2026**

Exhibit III: Confidence Indicator by State for the Third Quarter 2026, Malaysia

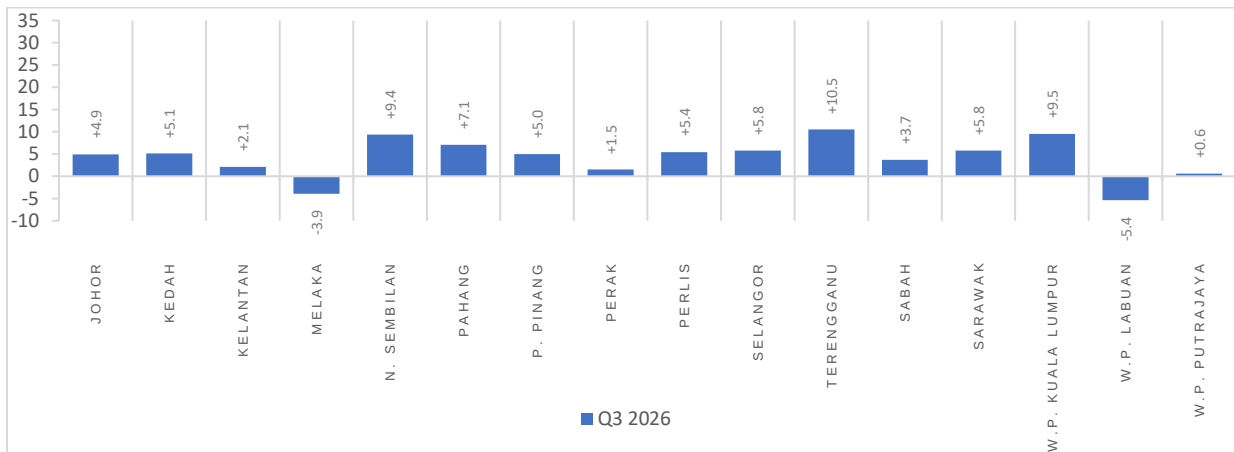


Exhibit IV: Net Balance of Business Performance Expectation For Upcoming Six Months, Malaysia 2024 – 2026

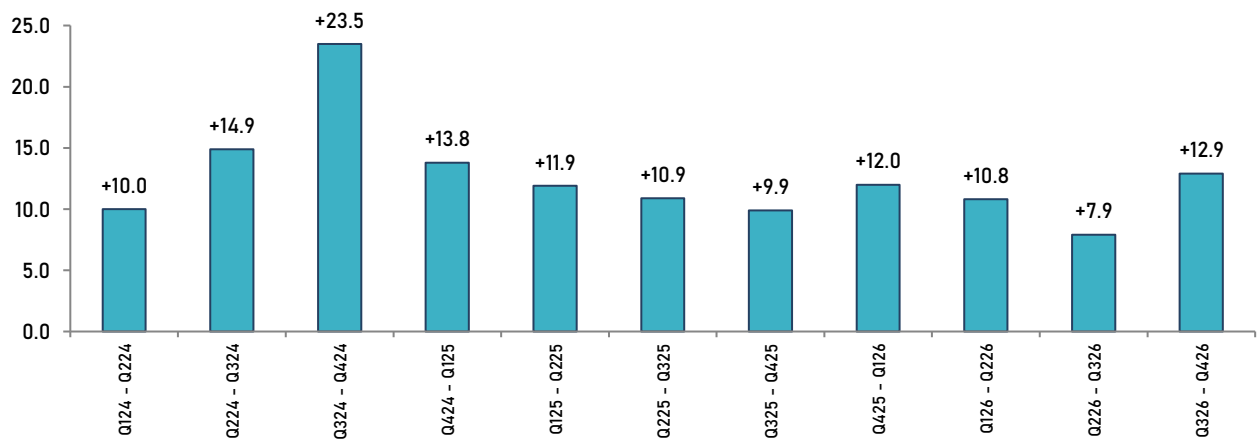
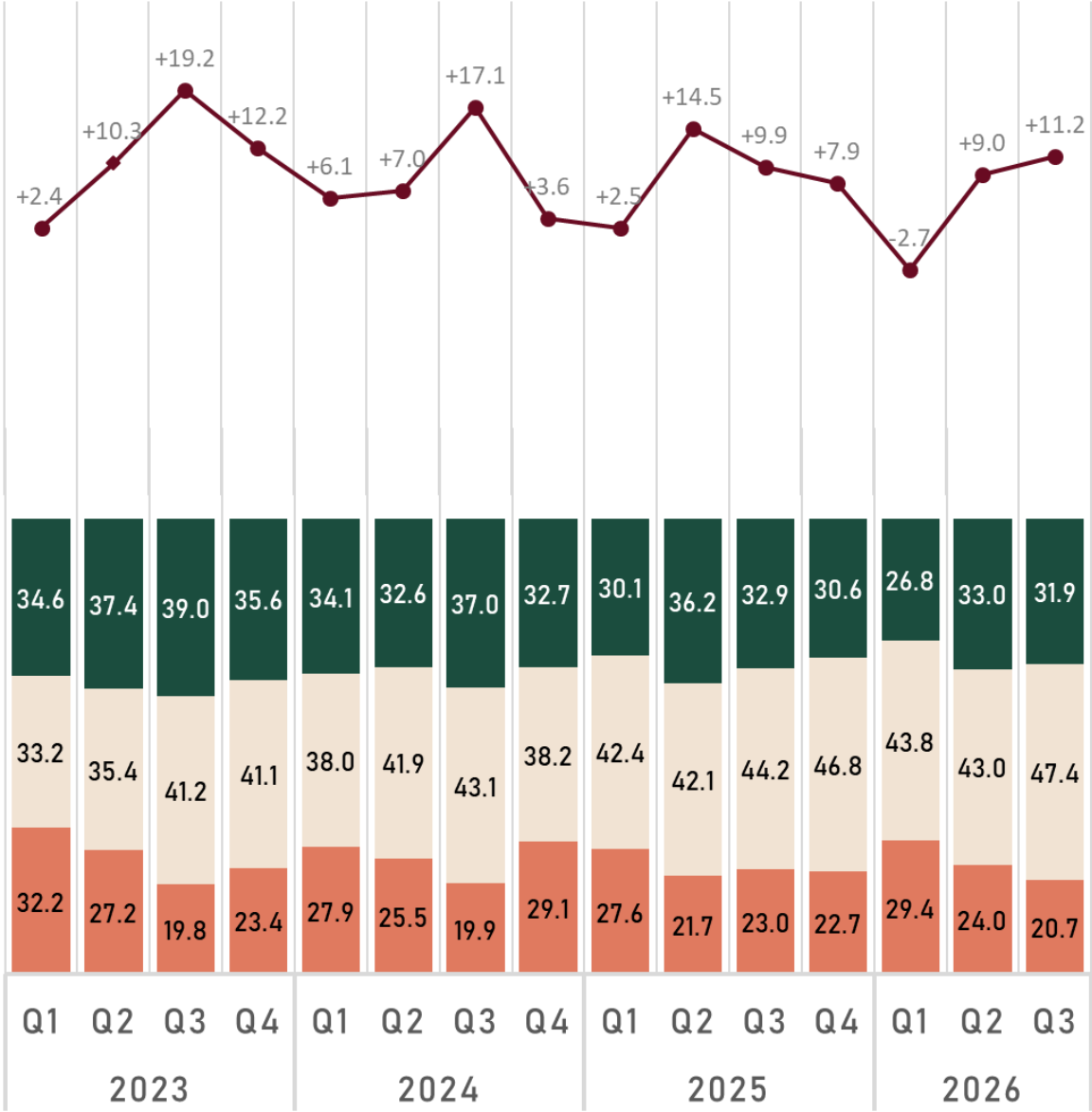


Exhibit V: Quarterly Net Balance by Sector, Malaysia, 2025 – 2026



Exhibit VI: Net Balance of Gross Revenue for the Third Quarter 2026



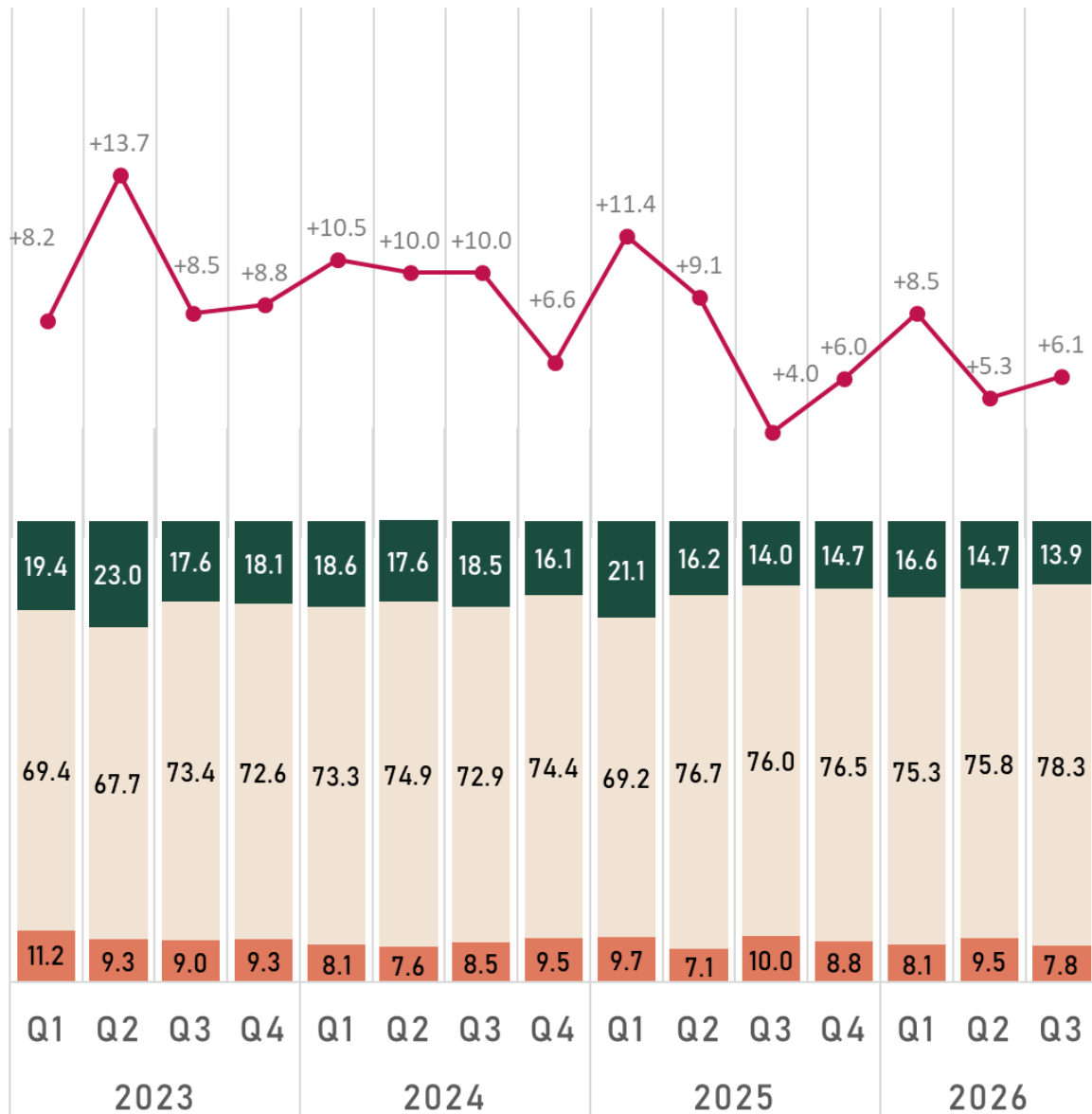
Net Balance

Higher

Same

Lower

Exhibit VII: Net Balance of Employment for the Third Quarter of 2026



Net Balance

Higher

Same

Lower