

Embargo: Only to be published or disseminated at 1200 hour, Thursday, February 23 2023



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
BUSINESS TENDENCY STATISTICS
FIRST QUARTER 2023

Malaysian businesses optimistic about the future business situation with confidence indicator +3.6 per cent in the first quarter 2023

PUTRAJAYA, FEBRUARY 23, 2023 – The Department of Statistics Malaysia today released ***Business Tendency Statistics for the First Quarter 2023***. This publication presents expectations on business performance for the upcoming quarter and six months ahead. The statistics is based on the Business Tendency Survey which is conducted on a quarterly basis.

According to the Chief Statistician Malaysia, Dato' Sri. Dr. Mohd Uzir Mahidin, "Sentiment among Malaysian businesses remained positive in the beginning of 2023. The confidence indicator in the first quarter of 2023 shows slight uptick to +3.6 per cent as against +3.2 per cent registered in the fourth quarter 2022 (***Exhibit I***)".

Among all of the sectors surveyed, Services, Wholesale and Retail Trade and Industry sectors stayed optimistic about their future business condition. The confidence indicator for Services sector posted a better reading with +11.4 per cent in the first quarter 2023 from +9.2 per cent in the previous quarter. Similarly, sentiment within Wholesale and Retail trade sector continued positive in the first quarter 2023 with +4.0 per cent compared to +1.9 per cent in the last quarter. Industry sector also

expects favourable business condition in the first quarter 2023 as the confidence indicator posted +1.1 per cent. Meanwhile, businesses in the Construction sector continued to remain pessimistic with confidence indicator of -18.5 per cent in the reference quarter as against -29.2 per cent in the fourth quarter 2022.

*Looking ahead, business perception for the first half of 2023 improved with a net balance of +12.1 per cent as against +5.9 per cent recorded previously (**Exhibit II**), which all sectors registered at positive territory. Sentiments among Services sector remained positive with a net balance of +26.0 per cent for January to June 2023 compared to +30.8 per cent recorded in last quarter. All sub-sectors under Services sectors expect a promising business situation in the forthcoming six months. Wholesale and Retail Trade sector also foresees brighter business outlook with a net balance of +16.7 per cent from +10.6 per cent for the period of October 2022 until March 2023. Whereas, business outlook within Construction and Industry sectors soared to positive territory in the next six months, ending June 2023. Construction sector turns optimism for the first time since second quarter of 2021 which improved significantly with a net balance of +7.1 per cent from -20.7 per cent. Similarly, Industry sector depicts the same direction with a net balance of +2.4 per cent as against -7.9 per cent recorded previously.*

DOSM has launched OpenDOSM NextGen as a platform that provides a catalogue of data and visualisation to facilitate users in analysing various types of data. OpenDOSM NextGen is an open source data sharing medium and accessible through <https://open.dosm.gov.my> portal.

Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA

DEPARTMENT OF STATISTICS MALAYSIA

23 FEBRUARY 2023

Exhibit I: Quarterly Confidence Indicator, Malaysia, 2018 - 2023**Exhibit II: Net Balance of Business Performance Expectation for Upcoming Six Months, Malaysia, 2019 – 2023**