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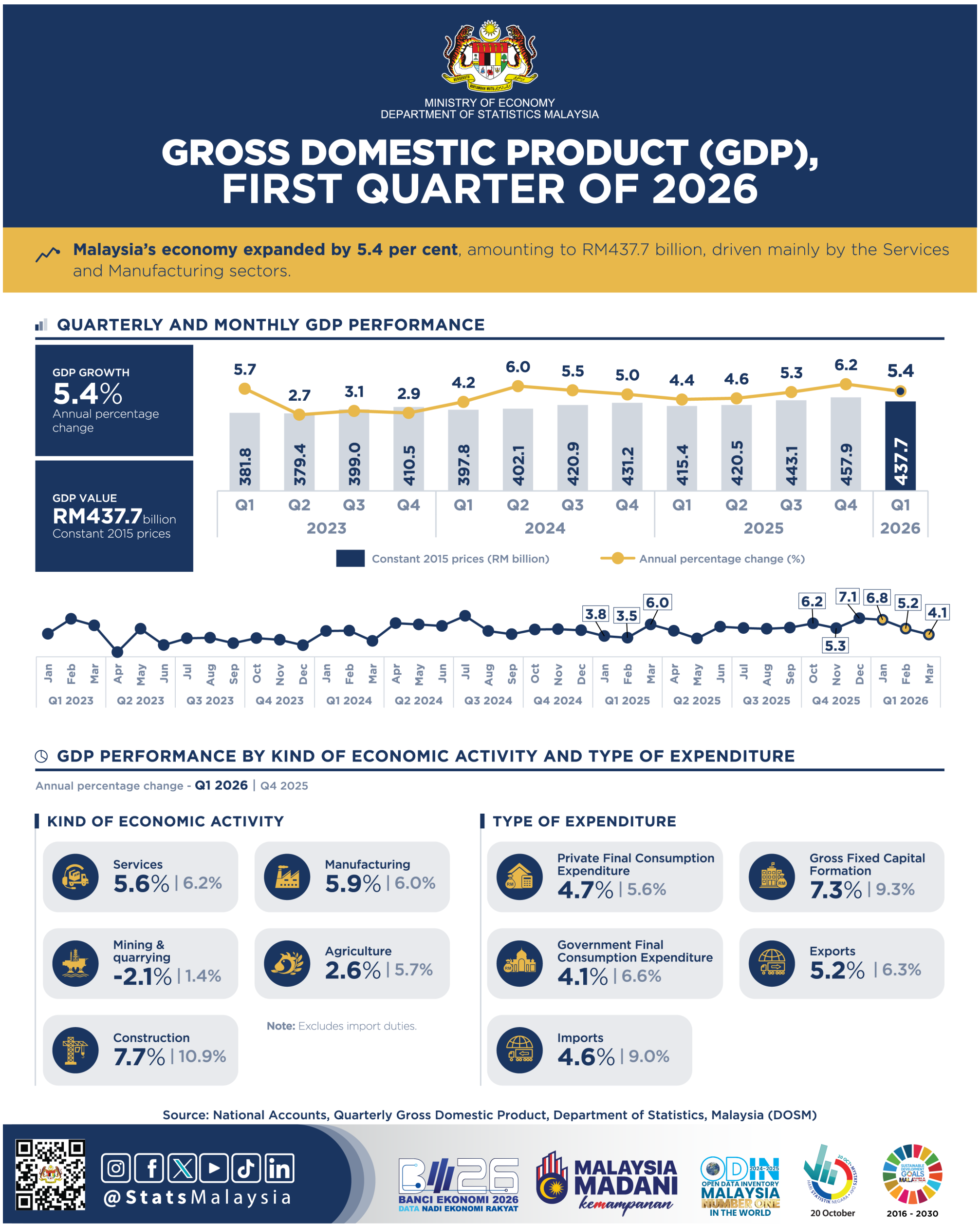
MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

# GROSS DOMESTIC PRODUCT FIRST QUARTER 2026



# Economy remains steady as Malaysia records 5.4 per cent growth in the first quarter of 2026

Malaysia's economy expanded by 5.4 per cent in the first quarter of 2026 as compared to 6.2 per cent in the preceding quarter. In terms of seasonally adjusted, the economy recorded a marginal contraction of 0.01 per cent (Q4 2025: 1.4%). On the supply side, the Services sector remained the main impetus of economic growth during the quarter, while other sectors also recorded positive growth except for the Mining & quarrying sector. On the demand side, economic growth was supported by Private final consumption expenditure and Gross fixed capital formation.

The **Services** sector expanded by 5.6 per cent as compared to 6.2 per cent recorded in the fourth quarter of 2025. In terms of seasonally adjusted, the sector increased by 0.5 per cent (Q4 2025: 1.7%). The sector's performance was primarily supported by the Wholesale & retail trade sub-sector, which grew by 4.8 per cent (Q4 2025: 5.7%), driven by wholesale and retail trade activities. In addition, the Information & communication and Transportation & storage sub-sectors registered steady growth of 8.1 per cent (Q4 2025: 8.8%) and 8.5 per cent (Q4 2025: 8.8%), respectively. The **Manufacturing** sector grew by 5.9 per cent in the first quarter of 2026, as against 6.0 per cent in the preceding quarter. In terms of seasonally adjusted, this sector recorded a marginal growth of 0.6 per cent (Q4 2025: 1.6%). This performance was mainly supported by the Electrical, electronic & optical products segment, which increased by 12.8 per cent (Q4 2025: 12.7%), followed by Vegetable and animal oils & fats and food processing at 9.2 per cent (Q4 2025: 10.0%), as well as Non-metallic mineral products, basic metals and fabricated metal products, which grew 5.0 per cent (Q4 2025: 4.9%). In contrast, the Transport equipment, other manufacturing & repair and Petroleum, chemical, rubber & plastic products declined by 1.9 per cent (Q4 2025: 1.7%) and 1.3 per cent (Q4 2025: -0.3%), respectively during the quarter. The **Mining and quarrying** sector contracted by 2.1 per cent (Q4 2025: 1.4%) in the first quarter of 2026. In terms of seasonally adjusted, the sector further declined by 5.3 per cent (Q4 2025: -4.0%). The sector's performance was mainly affected by contractions in the Crude oil & condensate and Natural gas segments, which declined by 4.2 per cent (Q4 2025: 4.1%) and 2.1 per cent (Q4 2025: -0.9%), respectively. Nevertheless, the Other mining & quarrying and support services grew by 4.9 per cent (Q4 2025: 4.6%). The **Agriculture** sector grew 2.6 per cent in this quarter as compared to 5.7 per cent in the fourth quarter of 2025. Moreover, the sector recorded a contraction of 1.4 per cent (Q4 2025: 2.3%) in terms of seasonally adjusted. The growth was supported mainly by the Oil palm sub-sector, which increased 5.5 per cent (Q4 2025: 16.2%), followed by the Livestock sub-sector, which expanded 8.7 per cent (Q4 2025: 2.7%). Other agriculture and Forestry & logging sub-sectors also registered growth of 1.5 per cent (Q4 2025: 1.0%) and 3.8 per cent (Q4 2025: 7.5%), respectively. In contrast, the Rubber, Marine fishing and Aquaculture sub-sectors recorded declines during the quarter. The **Construction** sector moderated to 7.7 per cent as compared to 10.9 per cent recorded in the previous quarter. In terms of seasonally adjusted, the sector contracted by 1.9 per cent (Q4 2025: 1.3%). The sector's performance was supported by strong performance, particularly in Specialised construction activities, which expanded by a double-digit at 15.9 per cent (Q4 2025: 13.6%), followed by Non-residential buildings grew by 10.1 per cent (Q4 2025: 17.6%). Meanwhile, Residential buildings recorded a growth of 3.9 per cent (Q4 2025: 4.7%) and Civil engineering increased marginally 0.7 per cent (Q4 2025: 6.6%).

**Final consumption expenditure** grew by 4.6 per cent as compared to 5.8 per cent in the previous quarter. **Private final consumption expenditure** increased 4.7 per cent (Q4 2025: 5.6%) in the first quarter of 2026. The performance was supported by higher consumption in Transport, Restaurants & hotel and Food & non-alcoholic beverages. In terms of seasonally adjusted, Private final consumption expenditure grew marginally to 0.6 per cent (Q4 2025: 1.1%). **Government final consumption expenditure** posted a slow growth of 4.1 per cent as compared to 6.6 per cent in the fourth quarter of 2025, contributed by higher spending on supplies and services. In terms of seasonally adjusted, Government final consumption expenditure declined by 1.3 per cent (Q4 2025: 0.1%). **Gross fixed capital formation (GFCF)** rose by 7.3 per cent from a growth of 9.3 per cent in the previous quarter. In terms of seasonally adjusted, GFCF recorded a marginal growth of 0.3 per cent (Q4 2025: 1.6%). The growth was driven by Structure and Machinery & equipment, which increased moderately at 7.0 per cent (Q4 2025: 10.1%) and 8.7 per cent (Q4 2025: 9.2%), respectively. Meanwhile, Other assets increased to 1.3 per cent from 3.5 per cent in the fourth quarter of 2025. In terms of performance by sector, the Private sector (share: 80.3%) expanded to 7.8 per cent (Q4 2025: 9.2%) in this quarter, whilst the Public sector grew by 5.3 per cent from 9.5 per cent in the previous quarter. **Exports** posted a moderated performance, which recorded an increase of 5.2 per cent (Q4 2025: 6.3%). The performance was influenced by exports of goods and services. In terms of seasonally adjusted, Exports marginally increased by 0.3 per cent (Q4 2025: 1.8%) in the first quarter of 2026. **Imports** eased to 4.6 per cent (Q4 2025: 9.0%) due to the performance in the import of goods. In seasonal adjusted terms, Imports registered a decline of 2.8 per cent (Q4 2025: 3.8%)

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