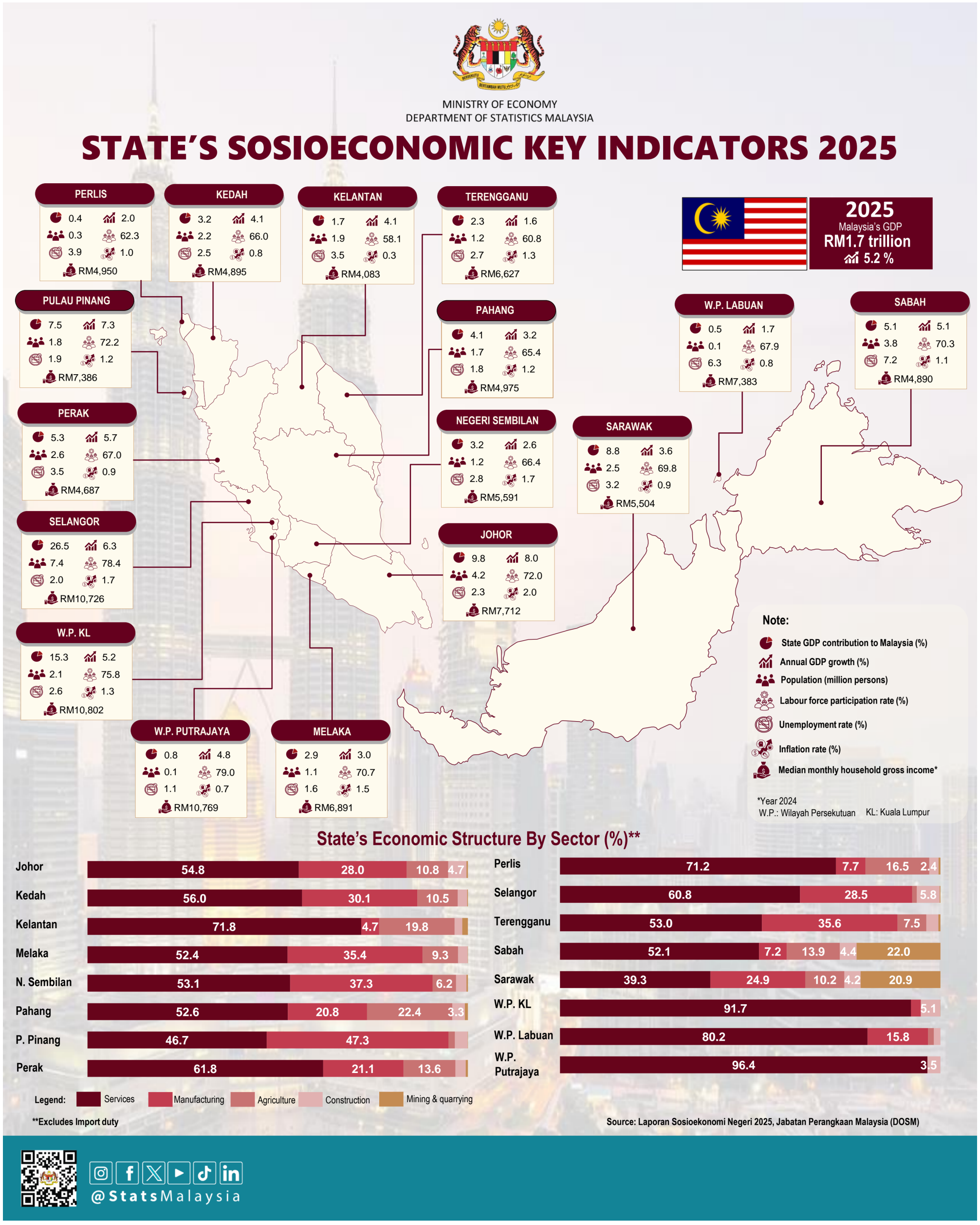
EMBARGO: Only to be published or disseminated at **12:00 hour, Wednesday, 5 August 2026**

MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

STATE SOCIOECONOMIC REPORT, 2025



GROSS DOMESTIC PRODUCT (GDP) PERFORMANCE BY STATE, 2025

Malaysia's economy in 2025 remained resilient, expanding by 5.2 per cent, registered a Gross Domestic Product (GDP) of RM1.74 trillion (2024: RM1.65 trillion). The growth was primarily driven by the Services and Manufacturing sectors, accounted for 82.5 per cent of total GDP, expanding by 5.4 per cent and 4.5 per cent, respectively. The Agriculture sector grew by 2.2 per cent (2024: 3.4%), while the Mining & quarrying sector increased marginally 0.6 per cent (2024: 1.2%). The Construction sector continued to register double-digit growth of 12.2 per cent (2024: 17.6%).

Chart 1: Percentage Change in GDP by state and sector, 2025

States	Agriculture	Mining & quarrying	Manufacturing	Construction	Services	GDP 2025	GDP 2024
Johor	1.1	-2.6	4.0	26.7	9.9	8.0	6.5
Pulau Pinang	1.8	1.1	10.0	13.4	4.1	7.3	4.7
Selangor	4.0	6.8	4.1	16.0	6.0	6.3	6.4
Perak	1.2	7.9	15.2	8.1	3.4	5.7	4.8
WPKL	..	2.5	3.0	6.0	5.2	5.2	6.2
MALAYSIA	2.2	0.6	4.5	12.2	5.4	5.2	5.2
Sabah	0.9	4.9	5.0	28.3	4.5	5.1	1.2
W.P. Putrajaya	..	-	..	0.9	5.0	4.8	5.2
Kelantan	3.6	-1.8	9.3	8.3	4.0	4.1	3.3
Kedah	2.1	-1.9	5.0	-0.6	3.9	4.1	4.2
Sarawak	4.3	2.7	0.1	10.9	5.4	3.6	3.8
Pahang	2.7	-4.9	1.4	-5.3	5.0	3.2	5.8
Melaka	1.8	2.5	1.1	-4.9	4.8	3.0	4.2
Negeri Sembilan	1.2	6.9	1.9	1.2	3.0	2.6	4.6
Perlis	-1.9	2.7	4.2	-8.2	3.1	2.0	3.2
W.P. Labuan	-0.4	-	0.1	2.2	2.1	1.7	5.3
Terengganu	4.2	-2.2	-1.2	-5.8	3.6	1.6	4.5
SUPRA	-	-2.8	-	-	-	-2.8	0.9

Notes:
.. : Not applicable
\- : Not available

All states continued to record positive economic growth in 2025. Four states recorded GDP growth exceeding the national rate of 5.2 per cent, led by Johor (8.0%), followed by Pulau Pinang (7.3%), Selangor (6.3%) and Perak (5.7%). Six states namely Selangor, W.P. Kuala Lumpur, Johor, Sarawak, Pulau Pinang and Perak, were the largest contributors to Malaysia's economy. Collectively, these states accounted for 73.2 per cent of Malaysia's GDP in 2025. In terms of GDP per capita, six states recorded values above the national level (RM59,186), namely W.P. Kuala Lumpur (RM144,827), W.P. Putrajaya (RM126,431), W.P. Labuan (RM88,779), Pulau Pinang (RM80,540), Sarawak (RM73,784) and Selangor (RM70,345).

INFLATION

Malaysia's inflation in 2025 moderated to 1.4 per cent as compared to 1.8 per cent in 2024. The moderate increase was mainly attributed by inflation in Housing, Water, Electricity, Gas & Other Fuels (1.6%), Health (1.2%), Recreation, Sports & Culture (1.1%), Transport (0.4%) and Furnishings, Household Equipment & Routine Household Maintenance (0.2%).

However, Personal Care, Social Protection & Miscellaneous Goods & Services recorded a higher increase at 4.4 per cent (2024: 3.0%). This was followed by Insurance & Financial Services, 3.4 per cent (2024: 0.3%); Restaurants & Accommodation Services, 3.2 per cent (2024: 3.1%); Education, 2.3 per cent (2024: 1.5%); Food & Beverages, 2.1 per cent (2024: 2.0%) and Alcoholic Beverages & Tobacco, 0.9 per cent (2024: 0.7%). Meanwhile, Information & Communication and Clothing & Footwear recorded a contracted of 4.3 per cent and 0.2 per cent in 2025, respectively.

Reviewing performance at the state level, four states recorded inflation rates exceeding the national inflation rate of 1.4 per cent in 2025, namely Johor (2.0%), Selangor (1.7%), Negeri Sembilan (1.7%) and Melaka (1.5%). Meanwhile, Kelantan registered the lowest inflation rate at 0.3 per cent.

EXTERNAL TRADE

Malaysia's total trade in 2025 amounted to RM3.1 trillion as compared to RM2.9 trillion in the previous year, an increase of 6.2 per cent. Of the total trade, exports amounted to RM1.6 trillion, while imports stood at RM1.5 trillion. This performance resulted in trade surplus of RM154.6 billion, an increase of 11.2 per cent from RM139.1 billion in 2024.

Examining trade performance at the state level, the highest trade volume was recorded by Pulau Pinang at RM965.5 billion, followed by Selangor (RM655.4 billion), Johor (RM641.4 billion), W.P. Kuala Lumpur (RM188.2 billion) and Sarawak (RM129.1 billion). These five states contributed 84.3 per cent to Malaysia's total trade.

LABOUR FORCE

Malaysia’s Labour Force Participation Rate (LFPR) increased by 0.2 percentage points to the highest level ever achieved, at 70.8 per cent (2024: 70.6%). In terms of performance by state, the labour force participation rate increased in almost all states as compared to the preceding year. The highest LFPR was recorded by W.P. Putrajaya at 79.0 per cent, followed by Selangor (78.4%), W.P. Kuala Lumpur (75.8%), Pulau Pinang (72.2%) and Johor (72.0%), thus surpassing the national level.

Meanwhile, Malaysia recorded a lower unemployment rate of 3.0 per cent, compared to 3.2 per cent in 2024. The lowest unemployment rate was registered by W.P. Putrajaya of 1.1 per cent, followed by Melaka (1.6%) and Pahang (1.8%). On the other hand, six states recorded unemployment rates above the national level of 3.0 per cent, namely Sabah (7.2%), W.P. Labuan (6.3%), Perlis (3.9%), Kelantan and Perak (both 3.5%) and Sarawak (3.2%).

DOMESTIC TOURISM

Malaysia’s domestic tourism performance improved in 2025, reflected by the higher number of domestic visitors, number of trips and tourism expenditure. A total of 290.1 million domestic visitors were recorded in 2025, representing an increase of 11.5 per cent as compared to the preceding year (2024: 21.7%). Meanwhile, a total of 332.2 million trips were made by domestic visitors within the country with an average of 1.15 trips per visitor.

The increase in the number of domestic visitors and trips also contributed to higher domestic tourism expenditure. In 2025, domestic tourism expenditure amounted to RM121.3 billion, as compared to RM106.7 billion in the previous year, representing an increase of 13.6 per cent (2024: 25.7%). The average expenditure per trip rose to RM365 (2024: RM358), while the average length of stay increased to 2.56 nights (2024: 2.49 nights).

Selangor remained as the most visited state by domestic visitors, with 36.4 million persons, followed by W.P. Kuala Lumpur (35.1 million persons) and Perak (23.6 million persons). Meanwhile, Pahang recorded the highest number of tourists, with 11.0 million persons, followed by Selangor (10.6 million persons), Perak (10.4 million persons), W.P. Kuala Lumpur (10.1 million persons) and Johor (9.8 million persons).

BASIC EXPENDITURE OF DECENT LIVING

The average monthly of Basic Expenditure of Decent Living (PAKW) for households size of 3.7 persons, amounted to RM4,846 in 2024. PAKW in urban areas is higher than in rural areas, which was RM5,169 and RM3,712, respectively.

Selangor recorded the highest average of PAKW with a value of RM6,010, followed by W.P. Kuala Lumpur (RM5,639), W.P. Labuan (RM5,475), Melaka (RM5,392) and W.P. Putrajaya (RM5,377). These states recorded PAKW values exceeded the national level of RM4,846. In contrast, the lowest average PAKW was recorded in Perak with RM3,797, followed by Kedah (RM3,853) and Perlis (RM3,895).

STATE GOVERNMENT STATISTICS

Most state governments recorded an increase in revenue collection in 2024, except for Sabah and Pahang. Sarawak recorded the highest revenue collection amounting to RM14.2 billion, followed by Sabah, RM6.8 billion. Meanwhile, Selangor ranked third with a revenue collection of RM2.9 billion. Within the same period, almost all state governments recorded a surplus, with the highest surplus recorded by Sarawak amounting to RM1.5 billion. This was followed by Sabah (RM470.9 million), Terengganu (RM212.2 million), Selangor (RM142.0 million) and Johor (RM103.6 million). On the other hand, two state governments, namely Pulau Pinang and Perlis, experienced deficits, amounting to RM174.1 million and RM16.1 million respectively.

Contact person:
Baharudin Mohamad
Public Relation Officer
Strategic Communication and International Division
Department of Statistics Malaysia
Tel : +603-8090 4681
Fax : +603-8888 9248
Email : baharudin[at]dosm.gov.my