



## **MEDIA STATEMENT**

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### **MALAYSIA ECONOMIC PERFORMANCE SECOND QUARTER OF 2025**

***Malaysia recorded 4.4 per cent growth in the second quarter, sustained by domestic consumption and investment despite softer external demand***

**PUTRAJAYA, AUGUST 15, 2025** – Malaysia's Gross Domestic Product (GDP) grew by 4.4 per cent in the second quarter of 2025, maintaining the same growth rate recorded in the first quarter. In terms of quarter-on-quarter seasonally adjusted, GDP increased by 2.1 per cent (Q1 2025: 0.7%) in this quarter. The monthly economic performance grew by 4.4 per cent and 3.3 per cent in April and May, respectively, before accelerating to 5.5 per cent in June 2025. Hence, for the first half of 2025, the economy grew by 4.4 per cent as compared to 5.0 per cent for the same period in the previous year. This was reported by the Department of Statistics Malaysia (DOSM) in today's release of GDP figures for the second quarter of 2025.

According to the Chief Statistician of Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "This quarter's economic expansion was underpinned by steady supply side performance, particularly in the Services, Manufacturing and Construction sectors. The resilience of Malaysia's economy was demonstrated by the sustained strength of domestic demand, driven by both consumer spending and industrial output, despite softer external demand. On the consumer front, growth was boosted by festive season spending and higher travel activity, alongside the realisation of investments in construction-related projects, especially data center. The combination of a strong labour market, low unemployment and inflation rates as well as targeted financial assistance measures provided an additional boost to household purchasing power. Overall, domestic consumption remained the key driver of growth, providing a solid foundation for the economy. However, external conditions continued to pose challenges, weighed down by ongoing tariff developments and persistent global political uncertainties."

In terms of sectoral performance, the **Services** sector expanded by 5.1 per cent (Q1 2025: 5.0%) in the second quarter of 2025, driven by the Wholesale & retail trade sub-sector at 4.3 per cent. This growth was underpinned by increases in the wholesale

(6.1%) and retail (3.8%) segments, while motor vehicles rebounded slightly (0.1%) this quarter. Furthermore, the Transportation & storage and Food, beverage and accomodation sub-sectors remained favourable with growth of 8.6 per cent and 9.0 per cent, respectively, benefiting from continued demand in freight segments as well as high tourist arrival numbers. On a quarter-on-quarter seasonally adjusted, the Services sector grew by 2.3 per cent (Q1 2025: 0.7%).

The **Manufacturing** sector eased to 3.7 per cent (Q1 2025: 4.1%) this quarter, driven by domestic-oriented industries, particularly in Food processing products and construction related products. However, the growth in export-oriented industries moderated, weighed down by weaker output in Refined petroleum products. On a quarter-on-quarter seasonally adjusted, the Manufacturing sector increased by 2.1 per cent (Q1 2025: 1.4%).

The **Construction** sector posted a robust 12.1 per cent increase (Q1 2025: 14.2%), extending its streak to six consecutive quarters of double-digit expansion. The sector's strong performance was led by Non-residential buildings, which surged by 17.0 per cent on the back of large-scale industrial, commercial and infrastructure developments. This was followed by Specialised construction activities (10.6%), Civil engineering (9.4%) and Residential buildings (12.2%). On a quarter-on-quarter seasonally adjusted, this sector increased by 5.2 per cent (Q1 2025: 1.1%).

In addition, the **Agriculture** sector rose 2.1 per cent (Q1 2025: 0.7%), attributed to strong performance in the Oil palm sub-sector at 5.3 per cent, supported by production of fresh fruit bunches. Furthermore, the Other agriculture and Livestock sub-sectors both recorded increases of 2.0 per cent and 1.5 per cent, respectively. This sector rose by 4.0 per cent (Q1 2025: 1.2%) on a quarter-on-quarter seasonally adjusted.

The **Mining and quarrying** sector fell by -5.2 per cent (Q1 2025: -2.7%), driven by declines in Natural gas (-8.1%) and Crude oil & condensate (-1.6%) following lower production due to scheduled maintenance. In terms of quarter-on-quarter seasonally adjusted, this sector declined further to -5.5 per cent, from a -1.9 per cent decrease recorded in the previous quarter.

Commenting further, the Chief Statistician of Malaysia stated, “**Private final consumption expenditure** grew by 5.3 per cent, picking up from 5.0 per cent in the preceding quarter. The growth was driven by spending in Restaurants & hotels (14.3%), Transport (9.4%) and Food & non-alcoholic beverages (4.2%), mirroring stronger momentum in travel, tourism and holiday-related spending. On a quarter-on-quarter seasonally adjusted, Private final consumption expenditure rose by 2.1 per cent (Q1 2025: 1.5%).”

**Gross fixed capital formation (GFCF)** or investment in fixed assets, increased by 12.1 per cent from 9.7 per cent in the previous quarter, attributed to investments in Machinery & equipment, which grew by 16.6 per cent, following higher capital expenditure in information and communication technology. Additionally, Structure component expanded by 10.5 per cent, while Other assets grew marginally by 0.3 per cent. From a sectoral perspective, both the Public and Private sectors contributed to the strong investment growth this quarter. On a quarter-on-quarter seasonally adjusted, GFCF recorded significant growth of 6.5 per cent (Q1 2025: 0.8%).

He also mentioned that, “**Government final consumption expenditure** rose by 6.4 per cent (Q1 2025: 4.3%), backed by spending on supplies and services. On a quarter-on-quarter seasonally adjusted, Government final consumption expenditure grew by 1.4 per cent (Q1 2025: 0.1%). Externally, **Imports** rose by 6.6 per cent (Q1 2025: 3.1%) due to higher demand in capital goods while **Exports** grew at slower pace of 2.6 per cent (Q1 2025: 4.1%). Hence, **Net exports** contracted sharply by -72.6 per cent. Malaysia’s economic growth for the second quarter of 2025 was fuelled primarily by domestic consumption amid softer external demand.”

**ASEAN-Malaysia 2025 Chairmanship:** The Department of Statistics Malaysia (DOSM) will chair the 15<sup>th</sup> ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.

Malaysia, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67<sup>th</sup> position in the ODIN 2022/23 assessment.

The Government of Malaysia has declared October 20<sup>th</sup> as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day will be celebrated on 20<sup>th</sup> October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.

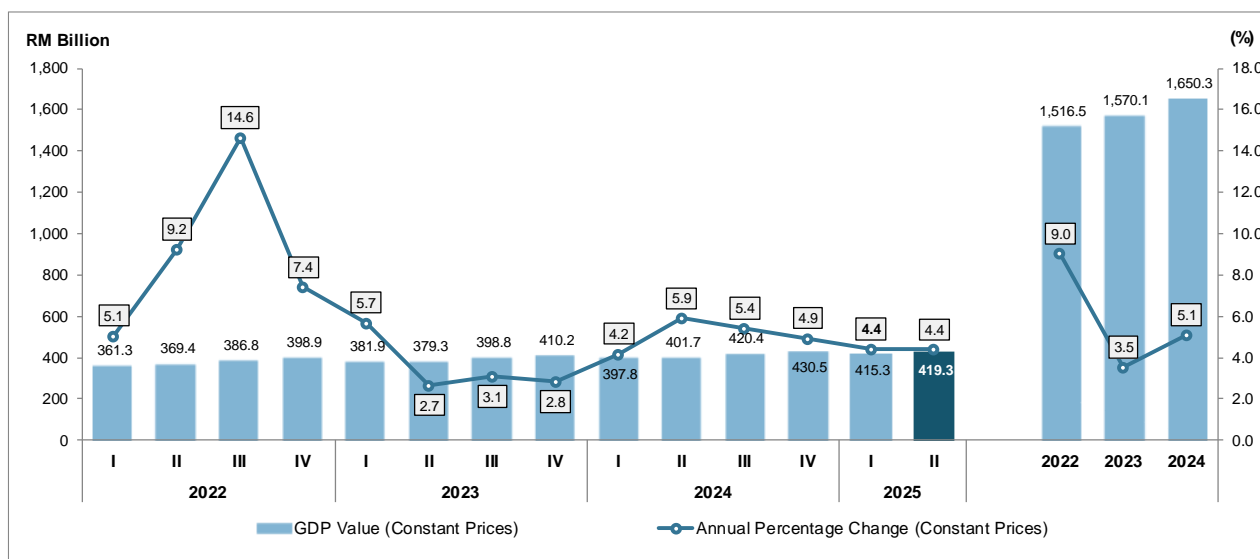
OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

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**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
DEPARTMENT OF STATISTICS MALAYSIA  
15 AUGUST 2025**

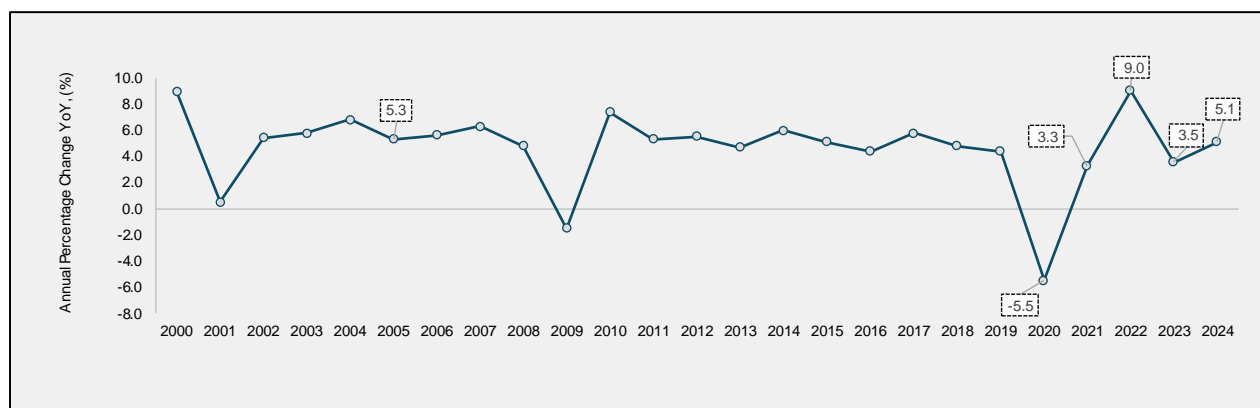
## APPENDIX

**Chart 1: Gross Domestic Product (GDP),  
Q1 2022 – Q2 2025 and 2022 – 2024**



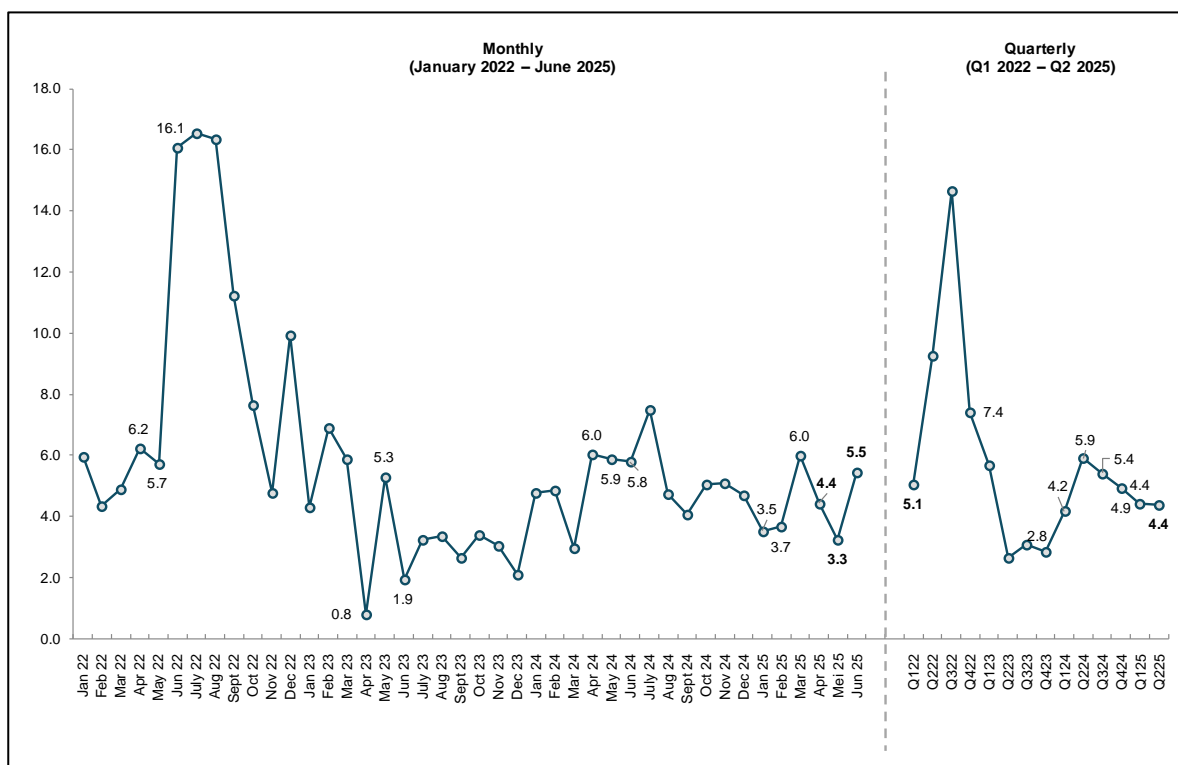
Source: Department of Statistics Malaysia

**Chart 2: Annual GDP Growth, 2000 – 2024**



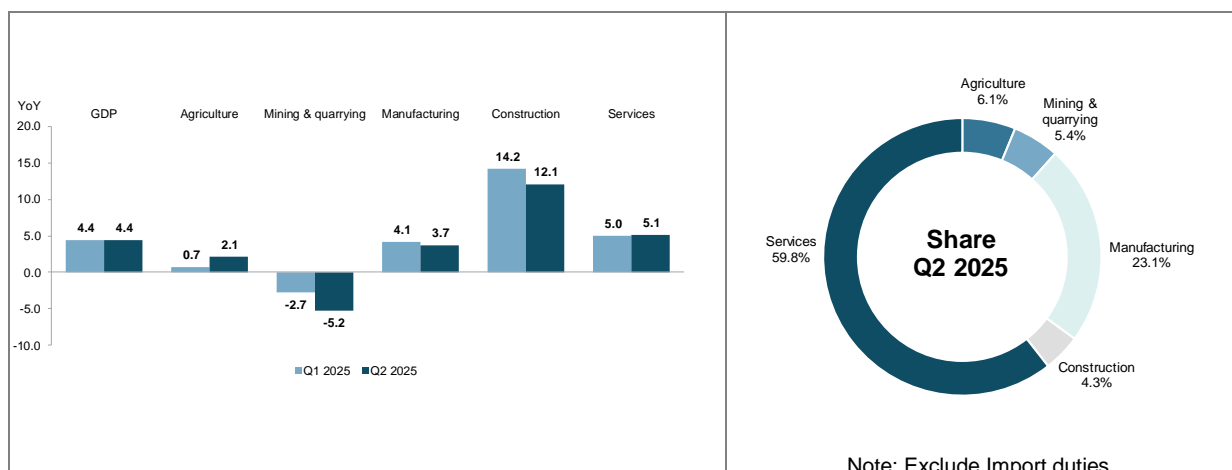
Source: Department of Statistics Malaysia

**Chart 3: Monthly and Quarterly GDP Growth, 2022 – 2025**



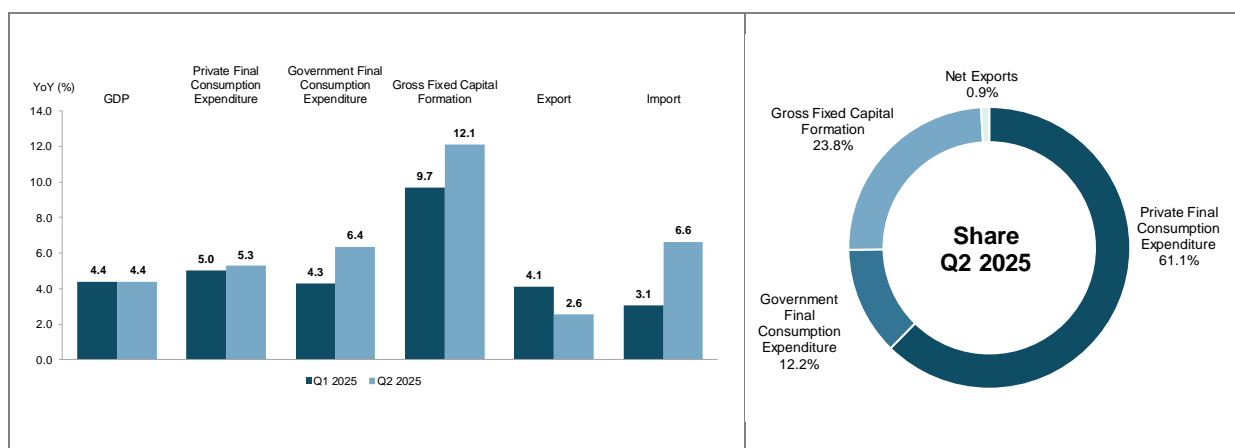
Source: Department of Statistics Malaysia

**Chart 4: Quarterly GDP Growth by Kind of Economic Activity, Q1 2025 & Q2 2025**



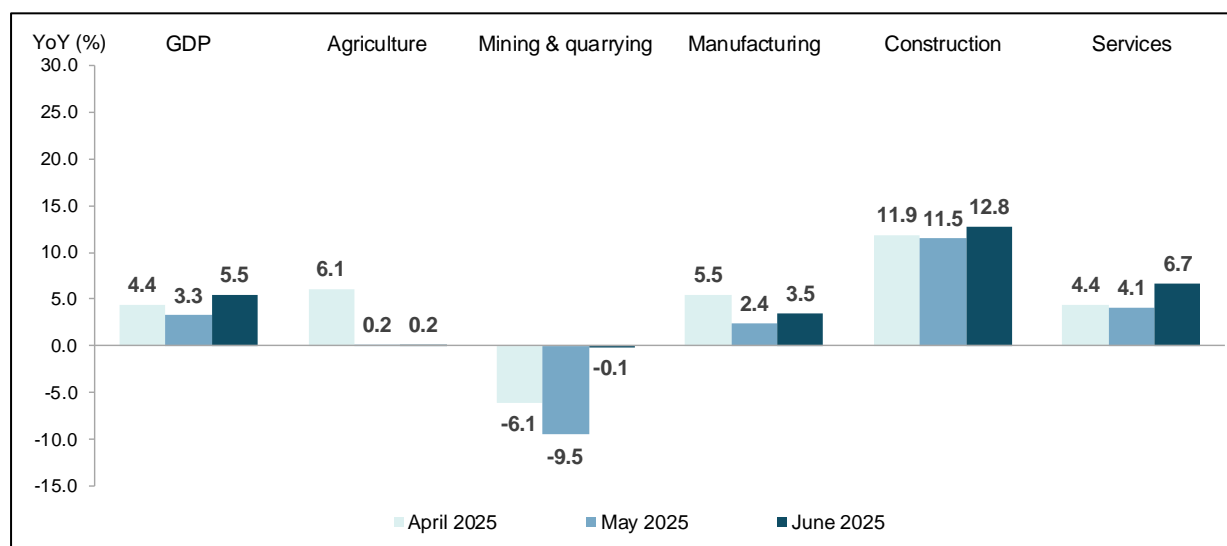
Source: Department of Statistics Malaysia

**Chart 5: Quarterly GDP Growth by Type of Expenditure, Q1 2025 & Q2 2025**



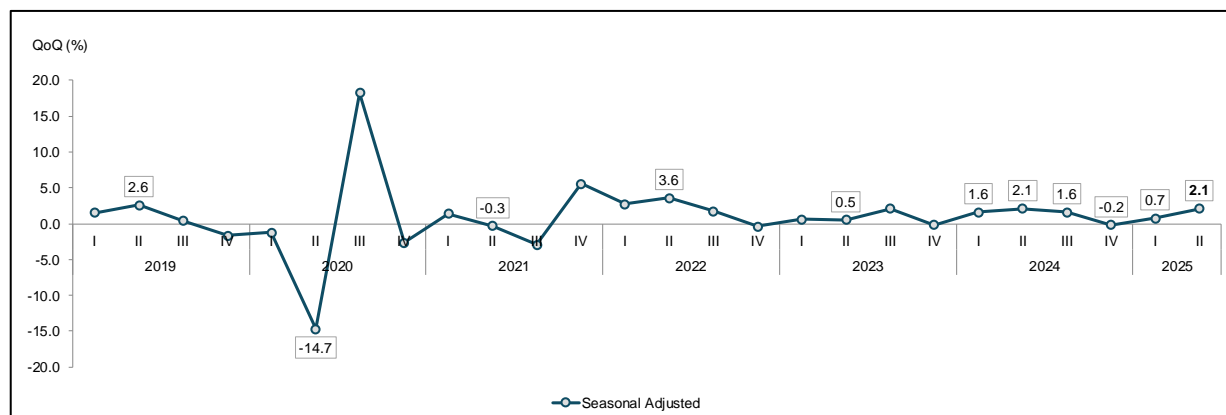
Source: Department of Statistics Malaysia

**Chart 6: Monthly GDP Growth by Kind of Economic Activity, April – June 2025**



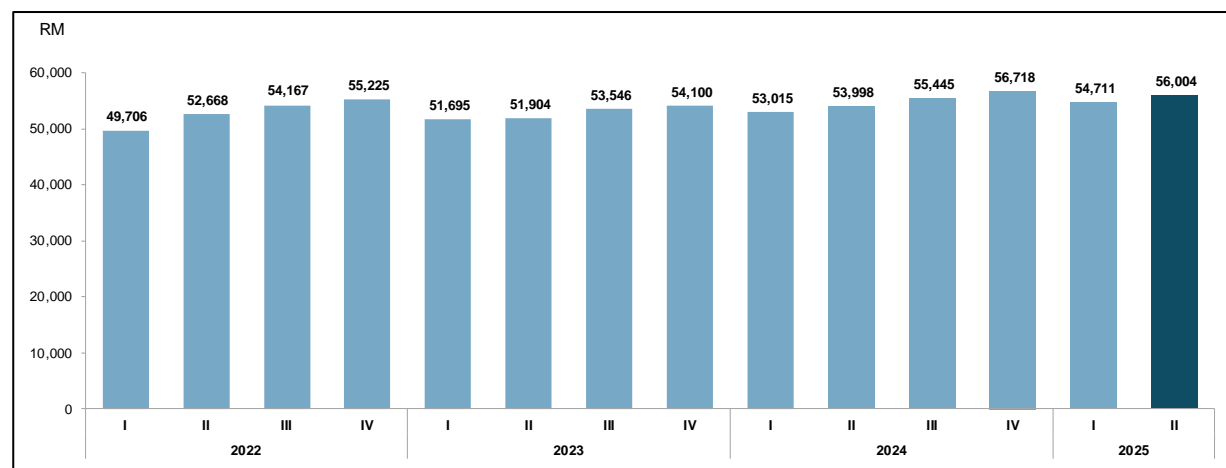
Source: Department of Statistics Malaysia

**Chart 7: Seasonally Adjusted GDP  
(Percentage Change from Preceding Quarter), Q1 2019 – Q2 2025**



Source: Department of Statistics Malaysia

**Chart 8: Gross National Income (GNI) Per Capita, Q1 2022 – Q2 2025**



Source: Department of Statistics Malaysia

**Table 1: GDP Performance for Selected Countries**

Selected Countries	2023	2024	2023				2024				2025	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
ASEAN COUNTRIES												
 Malaysia	3.5	5.1	5.7	2.7	3.1	2.8	4.2	5.9	5.4	4.9	4.4	4.4
 Singapore	1.8	4.4	1.0	1.3	1.9	3.1	3.2	3.4	5.7	5.0	4.1	4.4
 Brunei	1.1	4.1	0.8	-3.1	-0.4	6.8	7.2	5.4	5.7	-1.3	-1.8	n.a
 Thailand	2.0	2.5	2.7	1.9	1.6	1.8	1.7	2.3	3.0	3.3	3.1	n.a
 Indonesia	5.1	5.0	5.0	5.2	4.9	5.0	5.1	5.1	5.0	5.0	4.9	5.1
 Vietnam	5.1	7.1	3.4	4.3	5.5	6.7	6.0	7.3	7.4	7.6	6.9	8.0
 Philippines	5.5	5.7	6.4	4.3	6.0	5.5	5.9	6.5	5.2	5.3	5.4	5.5
OTHER COUNTRIES												
 United State of America	2.9	2.8	2.3	2.8	3.2	3.2	2.9	3.0	2.7	2.5	2.0	2.0 <sup>*</sup>
 European Union	0.5	1.1	1.3	0.6	0.2	0.5	0.7	0.9	1.2	1.5	1.6	1.5 <sup>*</sup>
 Spain	2.7	3.2	3.9	2.4	2.2	2.3	2.7	3.3	3.3	3.3	2.8	2.8
 Italy	0.7	0.7	2.0	0.4	0.3	0.6	0.3	0.7	0.5	0.6	0.7	0.4
 France	1.4	1.2	1.4	1.9	1.6	1.6	1.7	1.0	1.1	0.6	0.6	0.7
 United Kingdom	0.4	1.1	0.8	0.5	0.4	-0.2	0.7	1.1	1.2	1.5	1.3	n.a
 People's Republic of China	5.2	5.0	4.7	6.5	5.0	5.3	5.3	4.7	4.6	5.4	5.4	5.2
 Republic of Korea	1.6	2.0	1.3	1.2	1.5	2.2	3.4	2.2	1.4	1.1	0.0	0.5 <sup>*</sup>

Source: Official website of Selected National Statistical Office

Note:

% year-on-year change

\* advance estimates

n.a not available