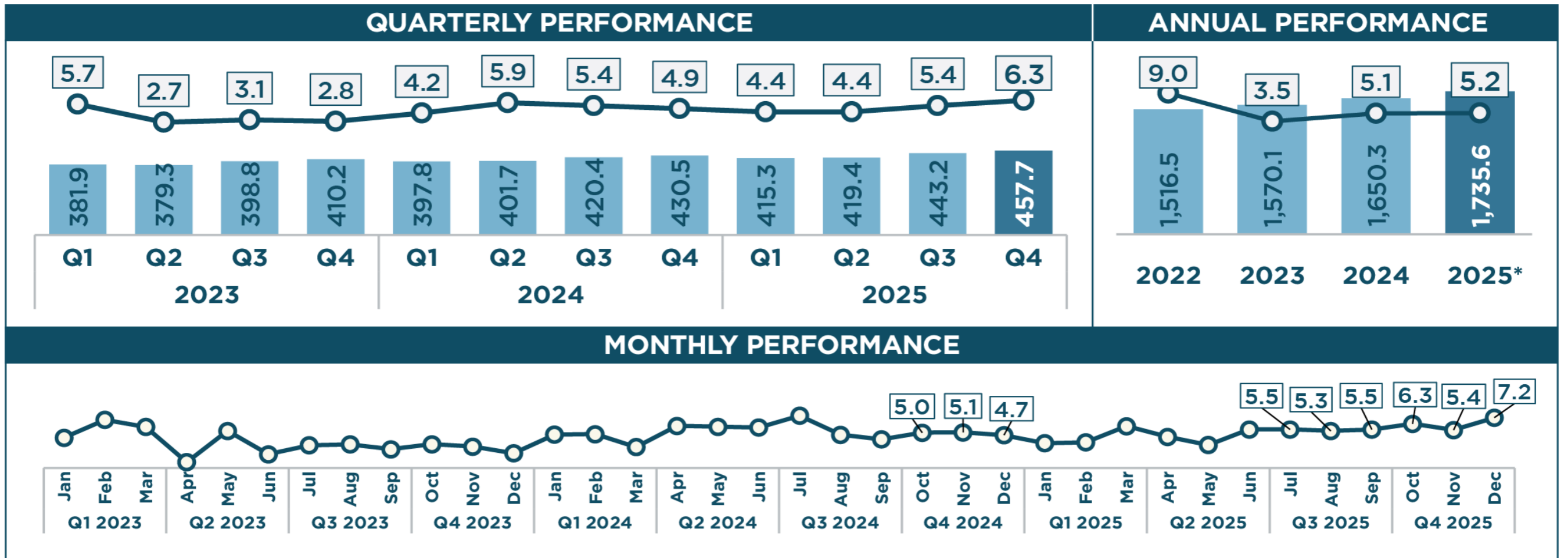




GROSS DOMESTIC PRODUCT (GDP), FOURTH QUARTER OF 2025

Malaysia's economy rose by 6.3 per cent, amounting to RM457.7 billion, driven mainly by the Services and Manufacturing sectors

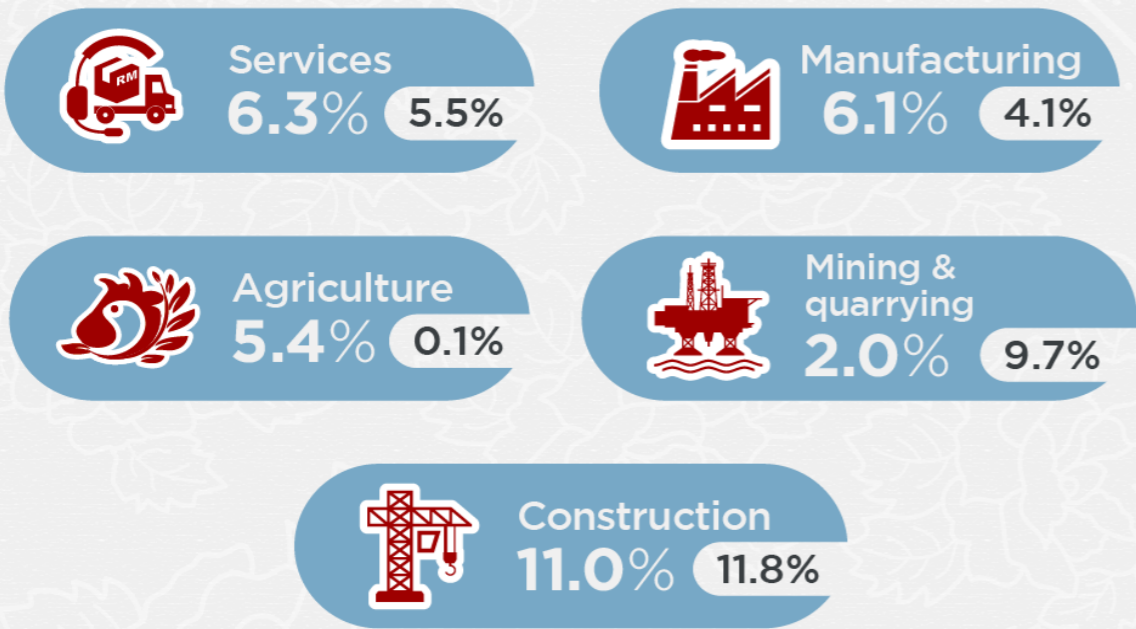


■ Constant 2015 prices (RM billion) ○ Annual percentage change (%) 2025* refers to sum of four quarters

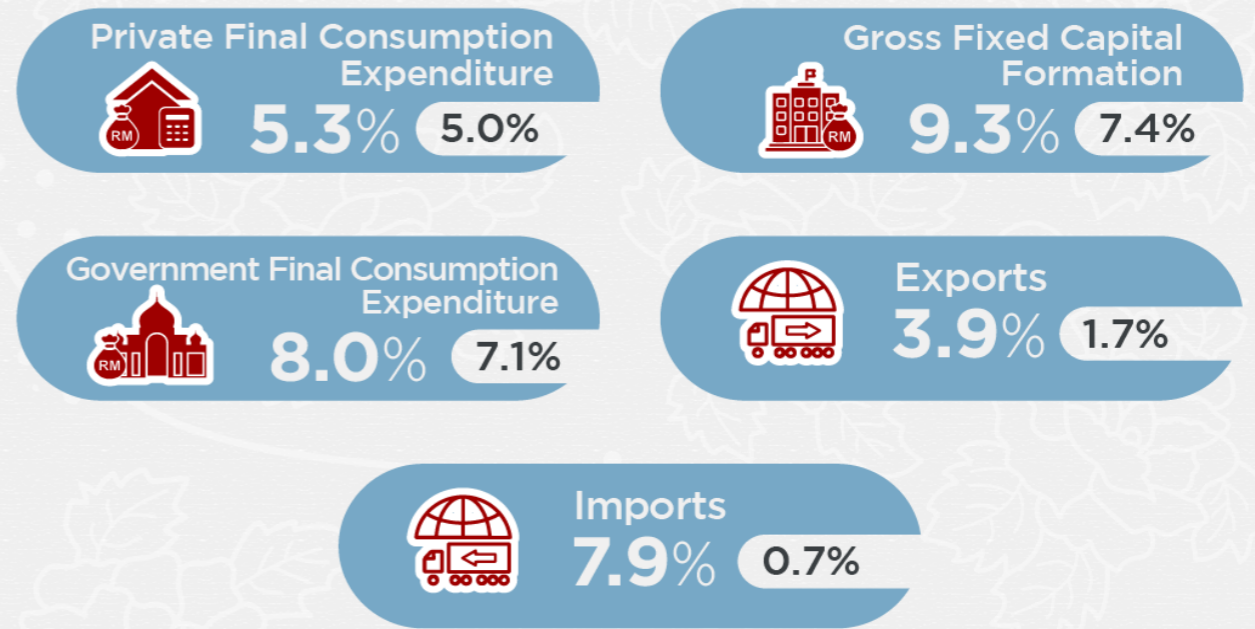
GDP PERFORMANCE BY KIND OF ECONOMIC ACTIVITY AND TYPE OF EXPENDITURE - Annual Percentage Change

Q4 2025 Q3 2025

KIND OF ECONOMIC ACTIVITY

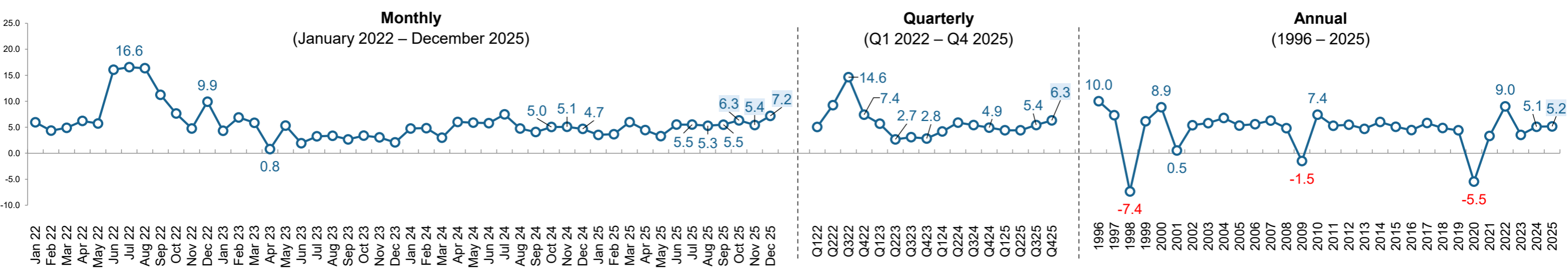


TYPE OF EXPENDITURE



Note: Excludes import duties.

Malaysia's GDP Growth (%)



Malaysia's economy grew at its fastest pace in twelve quarters by registering 6.3 per cent in the final quarter of 2025

- Malaysia's Gross Domestic Product (GDP) **grew by 6.3 per cent** in the fourth quarter (Q4) of 2025 as compared to 5.4 per cent in the preceding quarter.
- This performance was the highest since Q4 2022 (7.4%), underpinned by strong monthly growth in October (6.3%), November (5.4%) and December (7.2%) in 2025. This higher growth also exceeded the advance GDP estimates for Q4 2025 of 5.7 per cent, reflecting stronger economic momentum than initially expected.
- In terms of quarter-on-quarter seasonally adjusted, GDP increased marginally by 0.8 per cent in this quarter from 2.7 per cent in the previous quarter. For the year as a whole, Malaysia's economy grew at 5.2 per cent in 2025, exceeding the 5.1 per cent growth in 2024.

GDP by Production Approach

- The **Services** sector which expanded by 6.3 per cent (Q3 2025: 5.5%). The growth was underpinned by the performance in Wholesale & retail trade which increased by 5.7 per cent, driven mainly by the Wholesale trade (6.5%), Retail trade (4.5%) and Motor vehicles surged to 8.3 per cent (Q3 2025: 2.4%) in line with the continued strong momentum in vehicle production and sales.
- The **Manufacturing** sector expanded by 6.1 per cent (Q3 2025: 4.1%) in this quarter. The better growth in this sector was driven by export-oriented industries particularly Electrical, electronic & optical products which recorded double-digit growth of 12.7 per cent (Q3 2025: 8.4%) as well as Vegetable & animal oils & fats and food processing which increased 10.0 per cent.
- The **Construction** sector remained strong with growth of 11.0 per cent (Q3 2025: 11.8%) attributed by positive performance across all segments. The Non-residential buildings and Specialised construction activities sub-sectors were the main drivers of the sector, recording double-digit growth of 17.6 per cent and 13.7 per cent respectively.
- The **Agriculture** sector expanded by 5.4 per cent in Q4 2025 (Q3 2025: 0.1%). This performance was driven by the Oil palm sub-sector which surged 16.2 per cent (Q3 2025: -0.7%) in tandem with better performance in the production of fresh fruit bunches.



- The **Mining and quarrying** sector recorded slower growth of 2.0 per cent in Q4 2025 (Q3 2025: 9.7%), influenced by moderate growth in the Crude oil & condensate sub-sector of 6.1 per cent (Q3 2025: 8.3%), in line with the performance of crude petroleum exports.

GDP by Expenditure Approach

- **Private final consumption expenditure** grew by 5.3 per cent, up from 5.0 per cent recorded in the previous quarter. The growth was driven by resilient household spending, particularly on Transport and Restaurant & hotel which posted double-digit growth of 10.4 per cent (Q3 2025: 9.5%) and 16.1 per cent (Q3 2025: 14.4%), respectively.
- **Gross fixed capital formation (GFCF)** recorded stronger growth of 9.3 per cent (Q3 2025: 7.4%), supported by higher investment in Structure components which increased by 10.1 per cent, particularly in Non-residential buildings. On a sectoral basis, investment activity in both the public and private sectors improved during the quarter.
- **Government final consumption expenditure** increased by 8.0 per cent (Q3 2025: 7.1%), influenced primarily by increased spending on supplies and services, which contributed to the overall economy growth.
- **Net exports** declined by 45.8 per cent, after a growth of 18.7 per cent in Q3 2025. This was influenced by faster import growth (7.9%) compared with exports (3.9%), attributed by higher import of capital goods.

Revision

- The 5.4 per cent growth in Q3 2025 has been revised from 5.2 per cent following an update to the latest data, particularly developments in data centre activities and improvements in other economic indicators. This revision provides the latest overview of the country's economic performance.

