

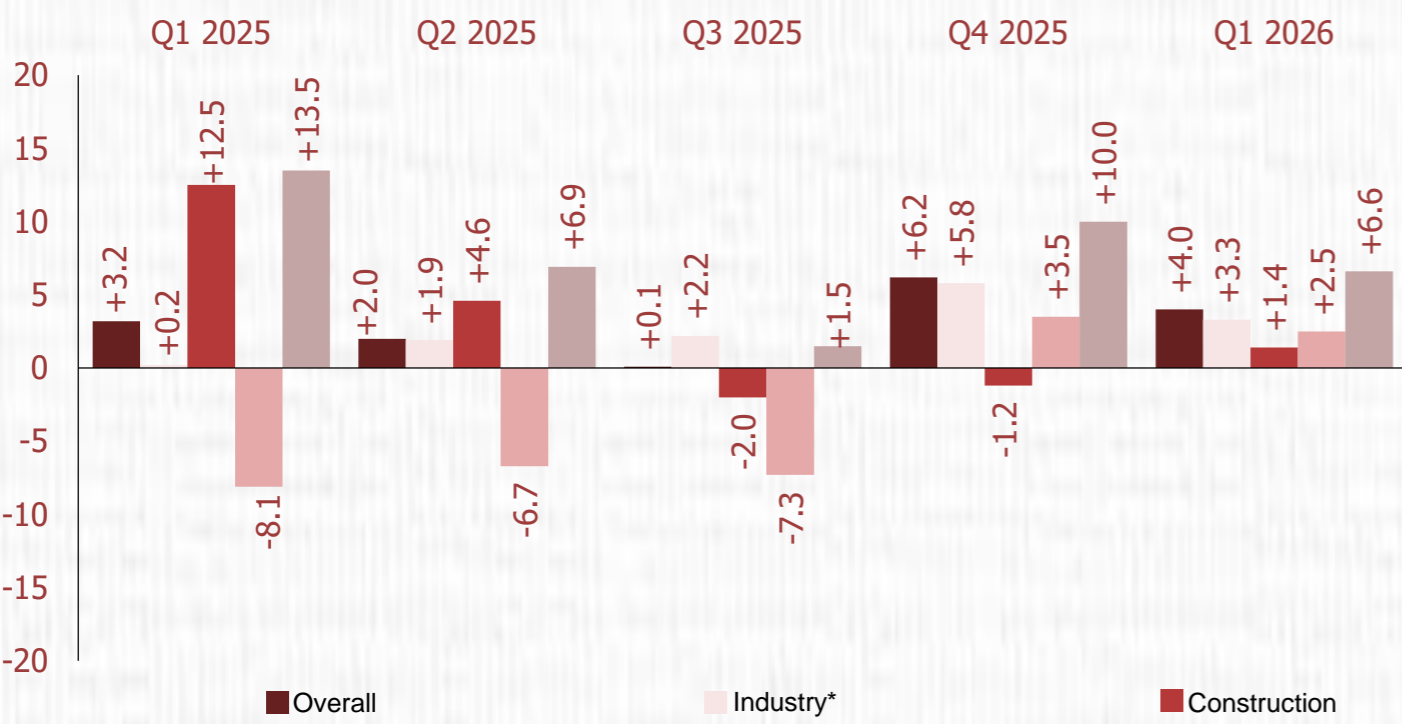


BUSINESS TENDENCY STATISTICS

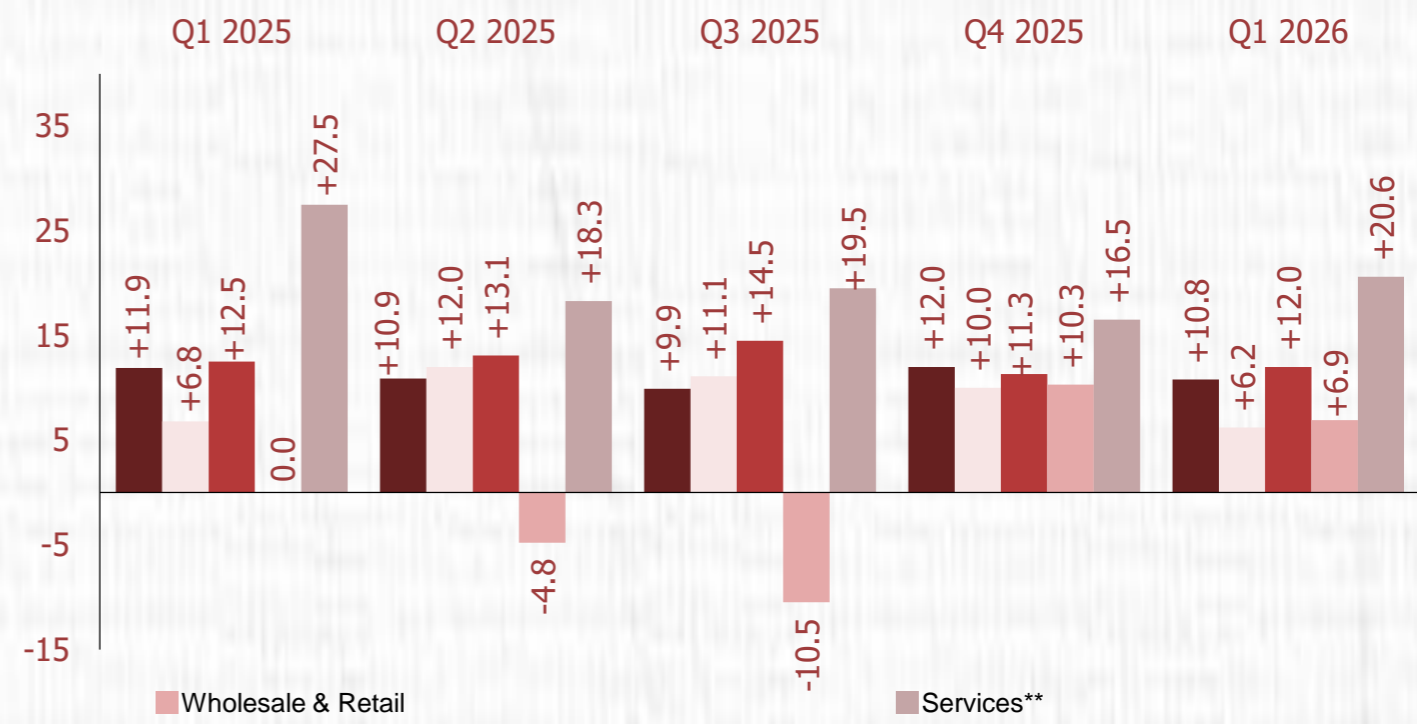


BUSINESSES PROJECT CONTINUED OPTIMISM IN THE FIRST QUARTER OF 2026, SUPPORTED BY A CONFIDENCE INDICATOR OF +4.0 PER CENT

MALAYSIA CONFIDENCE INDICATOR



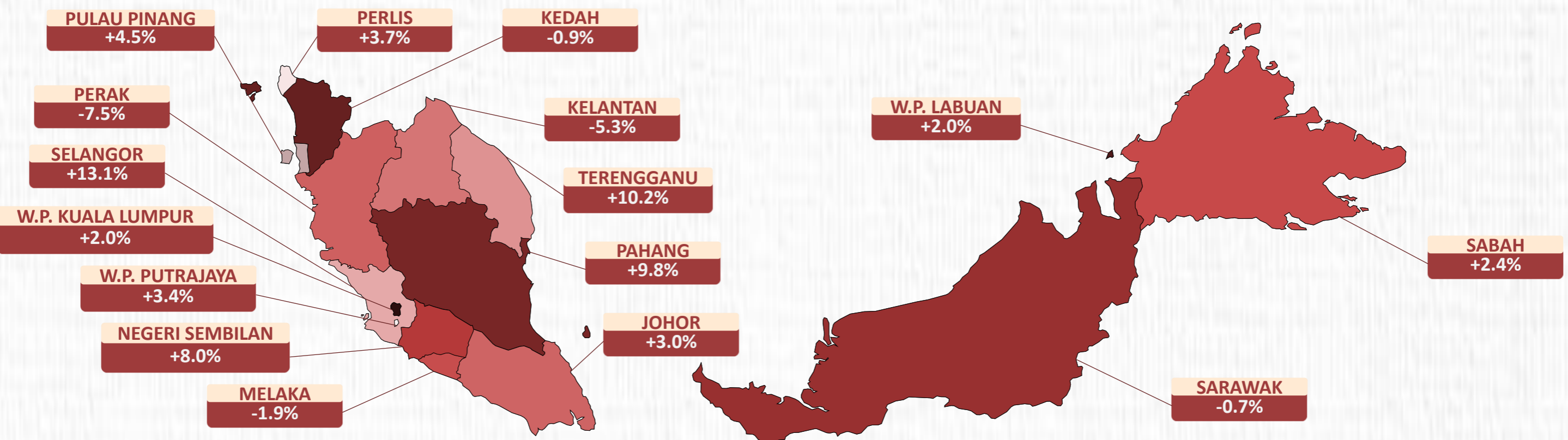
MALAYSIA NET BALANCE



Nota: *Agriculture, Mining, Manufacturing and Electricity & Water

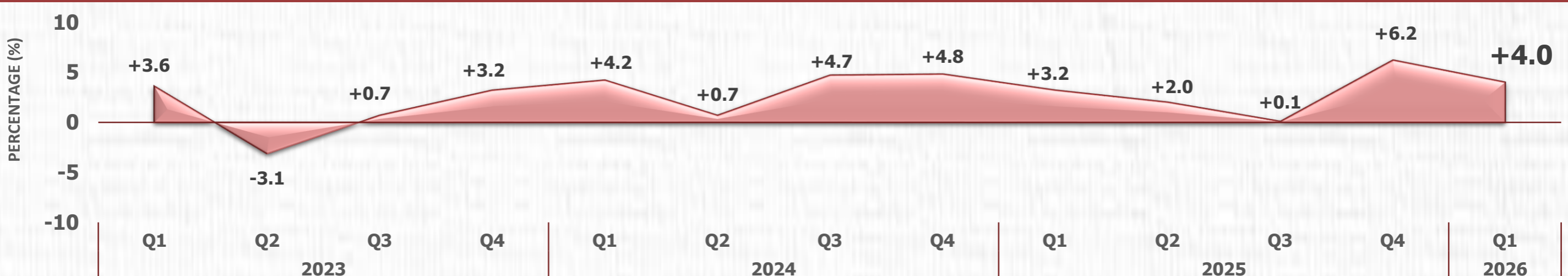
**Accommodations, Transportation & Storage, Communication, Finance, Insurance, Real Estate, Information Technology & Communication, Food & Beverage, Administrative & Support Services, Professional, Health, Education and Other Services

CONFIDENCE INDICATOR BY STATE Q1 2026



Source: Business Tendency Statistics First Quarter 2026, Department of Statistics Malaysia (DOSM)

PETUNJUK KEYAKINAN SUKU TAHUNAN, MALAYSIA 2023 - 2025



Businesses project continued optimism in the first quarter of 2026, supported by a confidence indicator of +4.0 per cent

- Businesses foresee a favourable business environment in the first quarter of 2026, backed by a confidence indicator of +4.0 per cent, compared to +6.2 per cent in the previous quarter.
- All sectors expect positive business conditions in the first quarter of 2026. The business confidence for Services sector remains on a positive region, with the confidence indicator of +6.6 per cent as against +10.0 per cent in the last quarter. Simultaneously, Industry sector continues to be optimistic about the business performance, with a confidence indicator of +3.3 per cent for the corresponding quarter as compared to +5.8 per cent in the fourth quarter of 2025. Meanwhile, sentiments within Construction sector upturn to a positive trajectory by posting +1.4 per cent as against -1.2 per cent in the fourth quarter of 2025. Sentiment in the Wholesale & Retail Trade sector remains positive, registering +2.5 per cent as compared to +3.5 per cent in the previous quarter.
- In the first quarter of 2026, the state-level Business Confidence Indicator shows a mixed pattern, with several states recording notable improvements in confidence while others continue to face pressure in the current business environment. Optimistic sentiment is observed in Johor (+3.0%), Negeri Sembilan (+8.0%), Pulau Pinang (+4.5%), Perlis (+3.7%), Selangor (+13.1%), Terengganu (+10.2%), Sabah (+2.4%), W.P. Kuala Lumpur (+2.0%), W.P. Labuan (+2.0%) and W.P. Putrajaya (+3.4%). Meanwhile, Kedah (-0.9%), Kelantan (-5.3%), Melaka (-1.9%), Pahang (-9.8%), Perak (-7.5%) and Sarawak (-0.7%) recorded negative readings, indicating that although many states are experiencing improved confidence, several others continue to face challenges that are weighing on their business prospects.
- Looking at the business sentiment for the first half of 2026, businesses remain upbeat, albeit at a lower net balance of +10.8 per cent from +12.0 per cent recorded previously.