



7 things Malaysians spend the most money on

Every month, Malaysians spend money on necessities for their families and themselves. This could be food, clothes, home rental, or repaying bank loans. If they are lucky, they have enough cash to spend on treats, indulgences and luxuries.

Data from the Department of Statistics (DOSM) showed an average Malaysian household spent about RM4,535 per month in 2019. Here are seven things Malaysians generally spend their money on, based on data from the Household Expenditure Survey that year published by the DOSM.

1. Housing and amenities

In 2019, Malaysians spent RM1,068 a month on housing, water, electricity, gas and other fuels, which comes up to 23.6% of the total spending of an average household.

Housing remains unaffordable to many Malaysians, as home prices are high compared to what most people earn. But water in Malaysia is one of the cheapest in the world, as is electricity. Being a big exporter of gas and oil, prices for these are also considered low among countries in the region.

Spending on housing and amenities more than doubled in the past decade, growing from RM495 a month in 2010. Most of the increase happened between 2010 and 2014, growing 14.6% every year. This coincided with the highest growth of house prices during that time.

2. Food and drink

Households spent RM783 a month on food and drinks in 2019, encompassing 17.3% of total spending. Malaysians spent the most on fish and seafood at RM169 per month, comprising 3.7% of total spending. Meat came in second at RM109 a month or 2.4%, followed by bread and other cereals at RM108 a month.

Surprisingly, rice came in at only RM42 a month or 0.9%.

Food and beverage spending grew from RM444 a month in 2010. Note, however, that these costs do not include eating out. More on this below.

3. Transportation

Transportation expenses come in third with Malaysians spending RM611 a month, or 13.5% of total spending. Outside of the major cities of the Klang Valley, Penang and Johor, public transportation is still underdeveloped, so cars and motorcycles remain the major mode of transportation for most Malaysians.

Kuala Lumpur was ranked the fifth most expensive city to buy a midsize car in 2019 compared against 54 cities globally. To counteract this, KL also has the fourth cheapest petrol price.

Monthly spending on transportation nearly doubled from RM327 in 2010 to RM611 in 2019. Most of the growth happened between 2010 and 2014, by 12.5% every year.

4. Eating out

It is rarer these days due to the pandemic, but households spent RM604 a month eating out in 2019, encompassing 13.3% of total spending. Malaysians spent more on food at RM508 a month, compared with beverages at RM96. Note, however, that these do not include alcoholic drinks.

Spending on eating out almost tripled from RM233 a month in 2010.

5. Recreational services and culture

Love badminton or tennis? How about working out at the gym or watching a movie? Malaysians spent RM229 a month on recreation and culture, or 5.1% of total spending in 2019.

That year, spending on gyms and sports more than doubled from RM101 in 2010. This is expected to explode when the pandemic is over, considering people have been stuck at home for almost two years now.

6. Communications

In 2019, Malaysians spent RM229 a month on communications, or 5% of total spending.

With the proliferation of mobile phones and data, Malaysians are increasingly investing in higher-end phones. Reliable internet services have also become a necessity. Accordingly, monthly spending on communication doubled from RM124 in 2010.

This spending is expected to increase as mobile phones get more sophisticated, and the pandemic forces more people to work from home and rely on fast internet speeds.

7. Home and maintenance

Want to buy a new table or repair a broken light fixture? In 2019, Malaysians spent RM200 a month on furnishings, household equipment and routine maintenance. This comes up to about 4.4% of total household spending, which includes repairs, tools and equipment, and garden care.

Spending on these also more than doubled from RM89 a month in 2010.

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