



NEWSLETTER

1

What is Index ?

VOLUME INDEX OF SERVICES (IoS)

An index is a weighted average of the proportionate changes in the quantities of a specified set of goods or services between two periods of time. The series of an index starts with a base or a given point in time indicated as a base year (usually expressed as 100) to which all other figures in the time series refer.

Definition of IoS

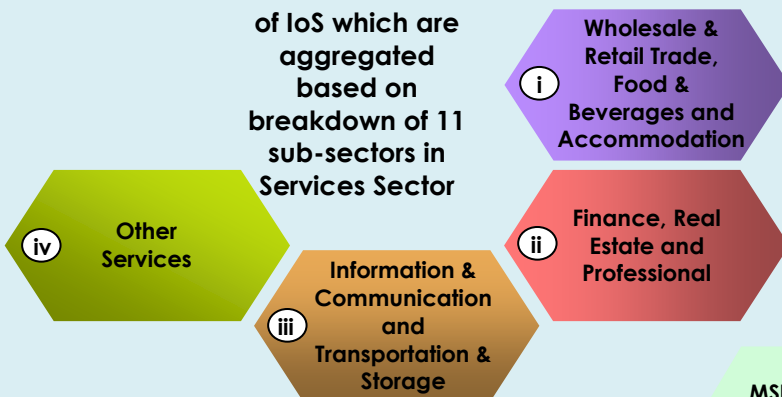
IoS is a weighted average of the real output of industries, where the weights are based on their shares in the value added of the Services Sector.

Objectives of IoS Compilation

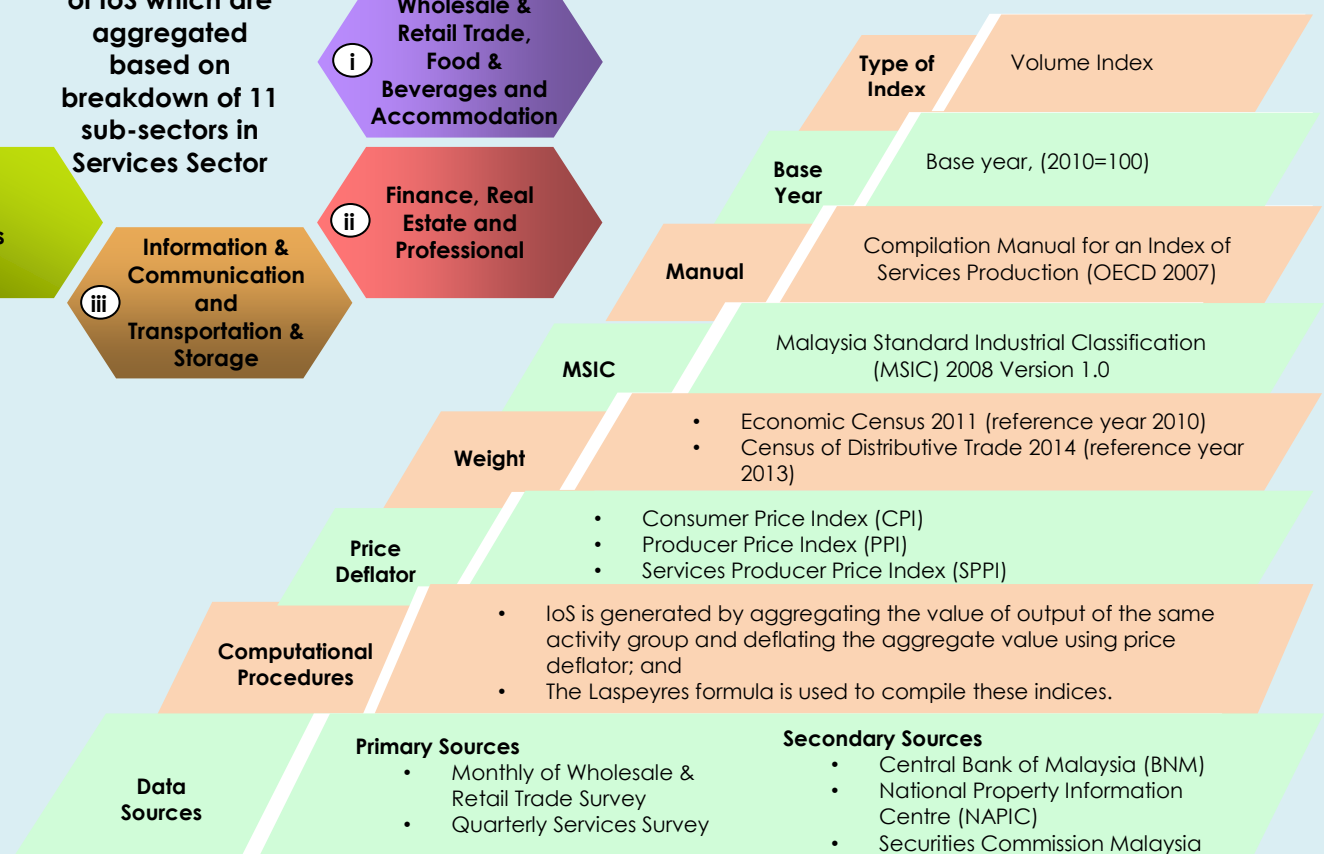
Measure the changes/ performance and pattern on the production of the services sub-sectors (quarterly and annual).

2

Four SEGMENTS of IoS which are aggregated based on breakdown of 11 sub-sectors in Services Sector



Methodology of IoS



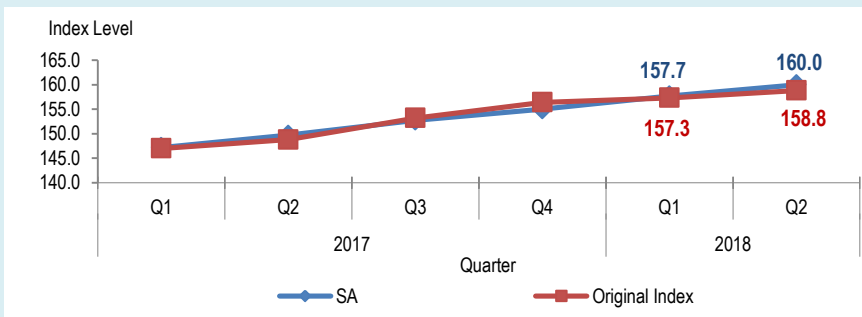


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Seasonal Adjustment of IoS

Malaysian economic time series data are often affected by major festivals such as Eid-ul Fitr, Chinese New Year and Deepavali. Therefore, to estimate and remove moving holiday effect from time-series data, a procedure was developed, namely Seasonal Adjustment for Malaysia (SEAM).

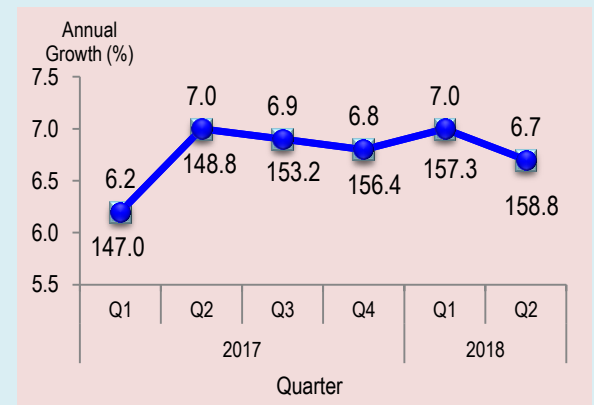
Seasonal adjustment (SA) is a process to identify and to remove the regular within-a-year seasonal pattern, which may also include the influences of moving holidays and working/trading day's effect in each period. The ultimate objective of the process is to highlight the underlying trends and short-term movements in the series. A standard seasonal adjustment package, X-12 ARIMA is used by the Department of Statistics, Malaysia.



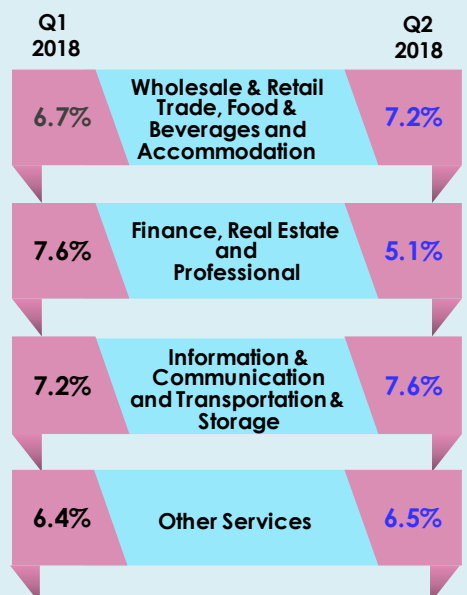
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Highlights

Volume Index of Services rose **6.7%** in second quarter 2018 as compared **7.0%** in first quarter 2018



ANNUAL PERCENTAGE CHANGE BY SEGMENT



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Series of IoS Publication



Publication of IoS is released 6 weeks after reference quarter.

Advance release calendar year 2018

Reference Quarter	Date
First Quarter	10 May 2018
Second Quarter	10 August 2018
Third Quarter	9 November 2018
Fourth Quarter	11 February 2019