

## MEDIA STATEMENT



MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

Block C6 & C7, Complex C,  
Federal Government Administrative Centre, Precinct 1,  
62514 Federal Territory of Putrajaya  
Telephone : 03 - 8090 4681

### **MALAYSIA ECONOMIC PERFORMANCE FOURTH QUARTER OF 2024**

***Malaysia's economy grew 5.0 per cent in the fourth quarter, achieving 5.1 per cent for overall 2024, with double-digit investment growth leading to its best performance in 12 years***

**PUTRAJAYA, FEBRUARY 14, 2025** – Malaysia's Gross Domestic Product (GDP) in the fourth quarter of 2024 grew by 5.0 per cent as compared to 5.4 per cent in the third quarter of 2024. In terms of quarter-on-quarter seasonally adjusted, GDP contracted by -1.1 per cent (Q3 2024: 1.9%) in this quarter. The monthly economic performance grew at 4.7 per cent and 4.9 per cent for October and November, respectively, before accelerating to 5.4 per cent in December 2024. Hence, Malaysia's economic performance increased to 5.1 per cent in 2024 as compared to 3.6 per cent in the previous year. This is reported by the Department of Statistics Malaysia (DOSM) in today's release of GDP for the Fourth Quarter of 2024.

According to the Chief Statistician of Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "The economic growth of 5.0 per cent was driven by the positive momentum of all key sectors except for Agriculture and Mining & quarrying sectors which declined in the fourth quarter of 2024. The substantial investment inflows into key sectors, coupled with easing inflationary pressure and improving labour market with near-decade low unemployment rates, have stimulate the domestic demand, thus strengthening the nation's growth trajectory."

In terms of sectoral performance, the **Services** sector expanded by 5.5 per cent (Q3 2024: 5.2%) in the fourth quarter of 2024. The performance was propelled by the Wholesale & retail trade sub-sector at 4.4 per cent, following growth in all segments namely Wholesale trade (5.4%), Retail trade (4.1%) and Motor vehicles (2.2%). Additionally, Transportation & storage sub-sector showed a better growth in this quarter at 10.7 per cent. These gains were fueled by resilience in consumer spending during the year-end festive season and school holidays that contributed to the continued recovery in the tourism-related industries. On a quarter-on-quarter seasonally adjusted, the Services sector fell -0.8 per cent (Q3 2024: 1.7%).

The **Manufacturing** sector moderated to 4.4 per cent (Q3 2024: 5.6%) in this quarter, driven by the growth in export-oriented industries such as Electrical, electronic & optical products (7.3%) and Petroleum, chemical, rubber & plastic products (3.2%) due to higher external demand. Nonetheless, the domestic-oriented industries grew at a slower pace, influenced by the Transport equipment, other manufacturing and repair following a lower production in motor vehicles & transport equipment. On a quarter-on-quarter seasonally adjusted, the Manufacturing sector decreased by -2.8 per cent (Q3 2024: 2.0%).

The **Construction** sector accelerated further to 20.7 per cent (Q3 2024: 19.9%), marking its fastest expansion since the second quarter of 2021. All segments displayed robust growth led by the Non-residential buildings (23.9%) particularly data centre-related projects in Johor and Selangor. This was followed by the Specialised construction activities (23.6%), Residential buildings (30.3%) and Civil engineering (9.1%). The growth indicates ongoing demand for renovation, maintenance and specialized construction projects across residential, commercial and industrial segments as well as a surge in infrastructure development projects, such as offshore platform installation and highways. On a quarter-on-quarter seasonally adjusted, this sector decreased -2.3 per cent (Q3 2024: 5.7%).

In addition, the **Agriculture** sector slightly declined at -0.5 per cent (Q3 2024: 4.0%), owing to the decrease in the Oil palm sub-sector at -5.3 per cent. Nonetheless, the 3.0 per cent growth in Livestock sub-sector and the strong 23.3 per cent expansion in Rubber sub-sector helped eased the impact of the contraction in the Agriculture sector. This sector registered a decline of -1.8 per cent (Q3 2024: 0.5%) on a quarter-on-quarter seasonally adjusted. The **Mining and quarrying** sector declined in this quarter to -0.9 per cent (Q3 2024: -3.9%), influenced by the contraction in the Crude oil & condensate sub-sector at -6.2 per cent. Nevertheless, the Natural gas sub-sector rebounded to 2.4 per cent, supported by recovery in gas production during this quarter. This sector increased to 5.9 per cent (Q3 2024: -1.1%) in terms of quarter-on-quarter seasonally adjusted.

Commenting further, the Chief Statistician of Malaysia stated that, “**Private final consumption**, grew better in this quarter at 4.9 per cent (Q3 2024: 4.8%), supported by the higher consumption in Transport (12.4%), Restaurants & hotels (13.8%) and Food & non-alcoholic beverages (3.8%). The increase in consumer spending on travel, dining and accommodation showcases the demand for tourism-related activities. Nevertheless, the overall performance of Private final consumption expenditure further declined to -0.8 per cent (Q3 2024: -0.5%) in terms of quarter-on-quarter seasonally adjusted.”

**Gross fixed capital formation (GFCF)** or investment in fixed assets, registered 11.7 per cent (Q3 2024: 15.3%) increase, extending its double-digit growth for the third consecutive quarter. Looking at the performance by type of assets, the expansion of

GFCF was driven by a substantial increase in Structure at 19.5 per cent, marking the highest growth since second quarter of 2021, supported by the realisation of approved investments projects. Meanwhile, Machinery & equipment and Other assets softened to 4.1 per cent and 5.6 per cent, respectively. GFCF by sector showed that both Public and Private continued with a strong growth in this quarter. Nevertheless, GFCF contracted -1.8 per cent from 5.7 per cent growth in terms of quarter-on-quarter seasonally adjusted.

He also mentioned that “**Government final consumption expenditure** eased to 3.3 per cent (Q3 2024: 4.9%), influenced by spending on supplies and services. On a quarter-on-quarter seasonally adjusted, Government final consumption expenditure declined by -1.1 per cent as compared to 5.1 growth in the third quarter of 2024. **Exports** in this quarter outpaced **Imports** at 8.5 per cent (Q3 2024: 11.8%) and 5.7 per cent (Q3 2024: 13.5%), respectively. Therefore, **Net exports** surged to 57.6 per cent from -8.8 per cent in the preceding quarter.”

#### **ECONOMIC PERFORMANCE 2024**

Malaysia’s overall economic growth in 2024 rose to 5.1 per cent (2023: 3.6%). All main sectors registered a better performance, led by the Services and Manufacturing with 5.4 per cent and 4.2 per cent growth, respectively. Furthermore, the Construction sector recorded a notable increase of 17.5 per cent, followed by the Agriculture (3.1%) and Mining & quarrying (0.9%) sectors.

On the demand side, the economic expansion was driven by Private final consumption expenditure, which increased to 5.1 per cent. Furthermore, GFCF marked the highest growth since 2012 at 12.0 per cent (**Chart 7**), reflecting the robust growth in Construction activities. Capital expenditure on machinery and equipment also increased, contributing to the positive performance of GFCF. The Government final consumption expenditure grew better to 4.7 per cent this year. Both Exports and Imports rebounded to 8.5 per cent and 8.9 per cent, respectively with Net exports bounced back to 2.2 per cent, exhibiting a recovery in external demand.

The country’s economy in the year 2024 outgrew several ASEAN counterparts including Singapore 4.0 per cent and Indonesia 5.0 per cent, while the Philippines saw further GDP growth to 5.6 per cent. Malaysia’s economic performance also exceeded several developed nations such as China 5.0 per cent, South Korea 2.0 per cent and the United States 2.8 per cent as in **Table 1**.

Malaysia’s economy in 2025 is expected to remain resilient, driven by strong labour market conditions, robust exports in the electrical and electronics (E&E) sector and implementation of key investment initiatives. Private consumption will be boosted by the implementation of minimum monthly wage hike to RM1,700 starting February 2025, SSPA salary adjustments with an allocation of RM10 billion, along with the

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*implementation of Progressive Wage Policy, with a RM200 million allocation benefiting 50,000 workers. Malaysia's role as the ASEAN chairman in 2025 is expected to spur the growth, as the country will host over 300 meetings which further strengthen the regional cooperation. Tourism industry is set to grow ahead of Visit Malaysia 2026, with a target of 31.4 million foreign visitors. Furthermore, the transition of the school calendar in January 2026 is also expected to influence spending patterns. The stability in labour demand indicates that industries experience steady labour force availability. Alongside strong consumer demand, strategic investments, and global engagement, Malaysia is well-positioned for a positive economic outlook in 2025 despite external uncertainties.*

*The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.*

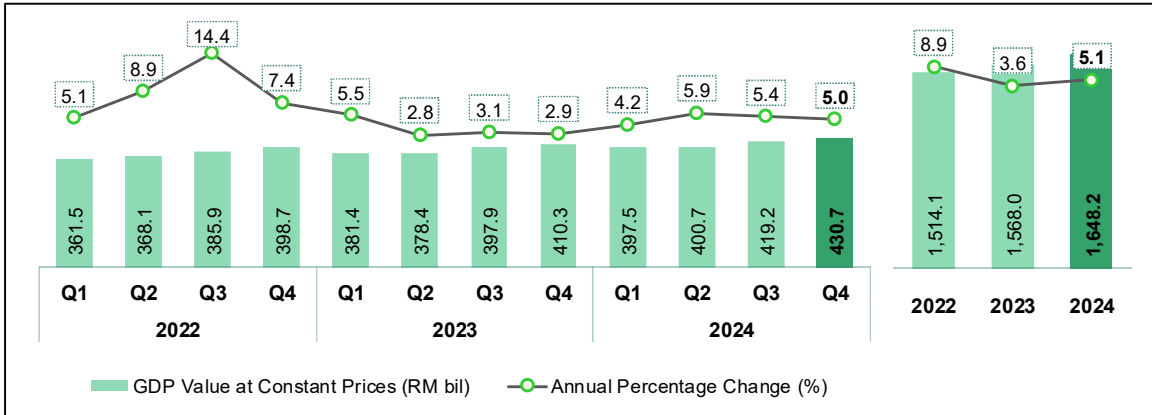
*The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th. MyStats Day theme is "Statistics is the Essence of Life".*

*Released by:*

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
DEPARTMENT OF STATISTICS MALAYSIA  
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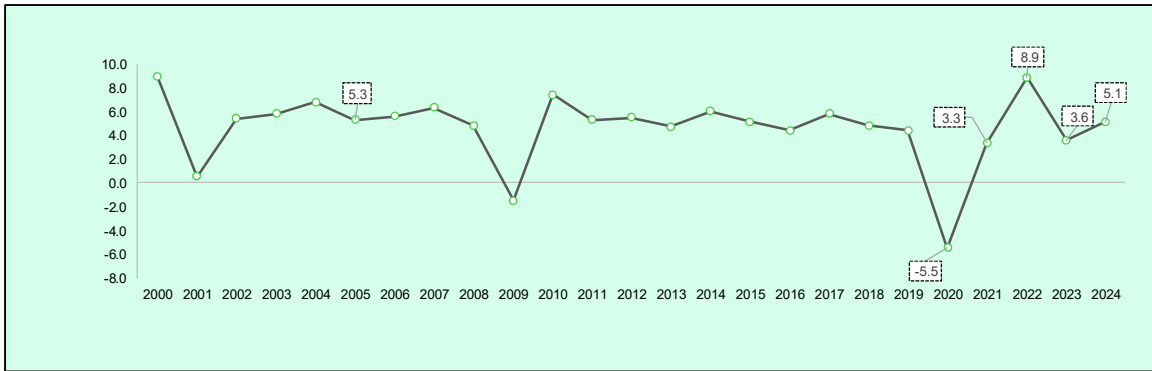
APPENDIX

**Chart 1: Gross Domestic Product (GDP),  
Q1 2022 – Q4 2024 and 2022 – 2024**



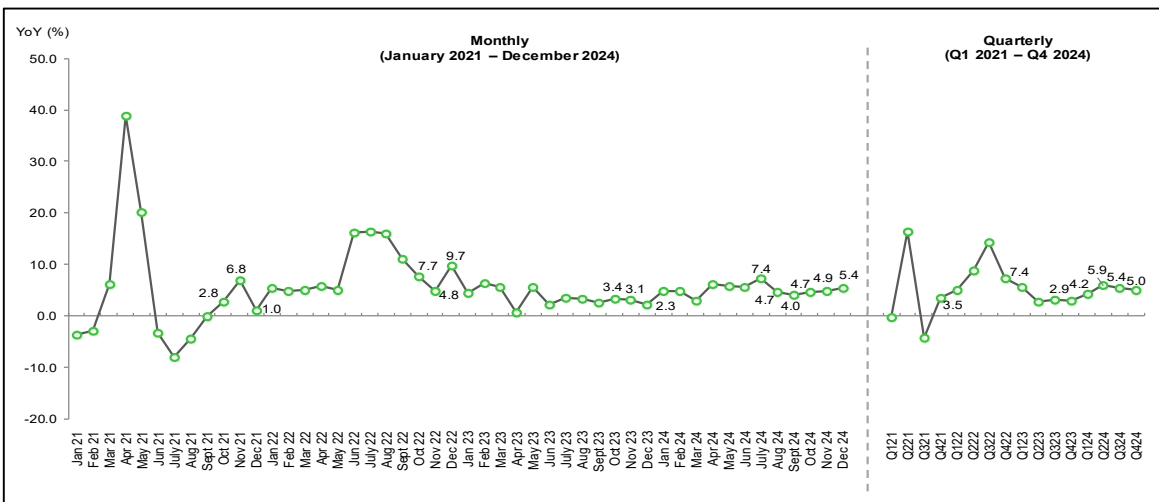
Source: Department of Statistics Malaysia

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



Source: Department of Statistics Malaysia

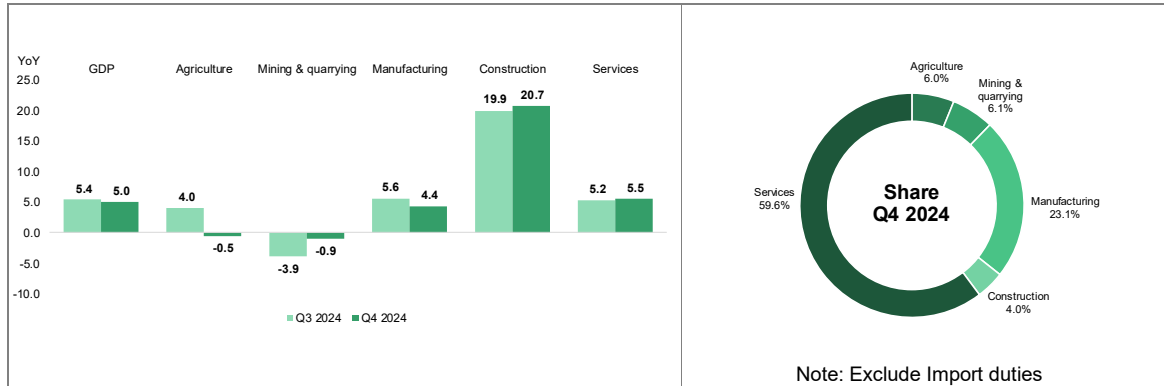
**Chart 3: Monthly and Quarterly GDP Growth, 2021 – 2024**



Source: Department of Statistics Malaysia

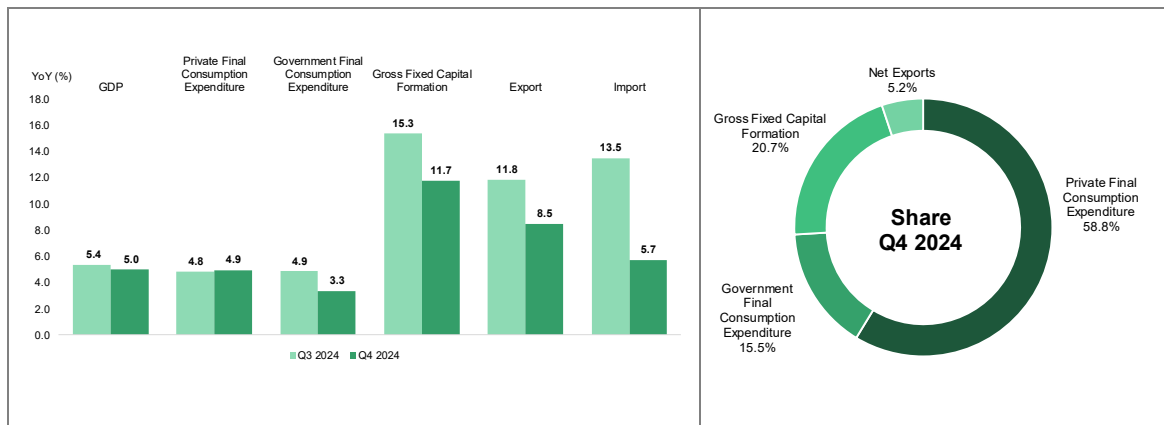
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**Chart 4: Quarterly GDP Growth by Kind of Economic Activity, Q3 2024 & Q4 2024**



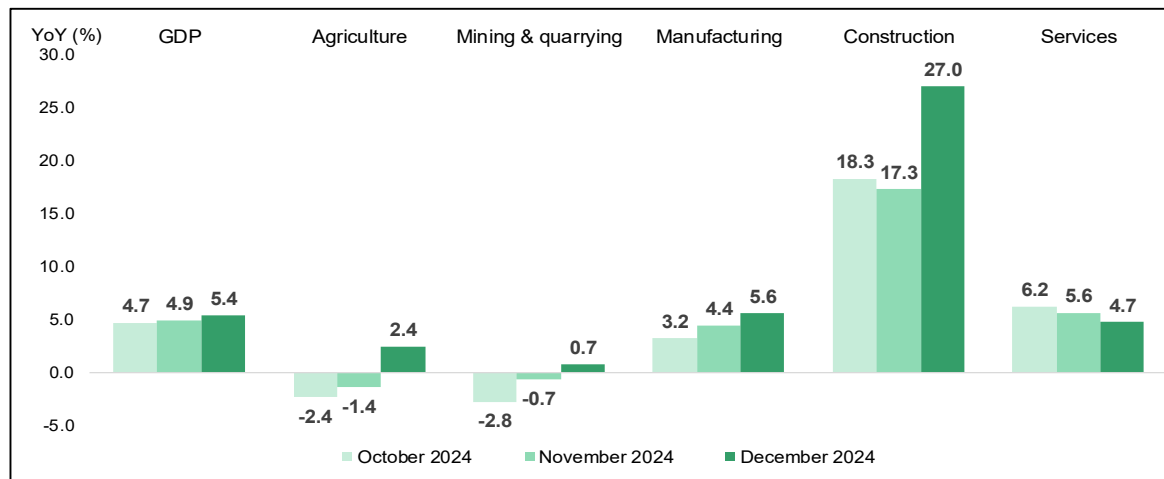
Source: Department of Statistics Malaysia

**Chart 5: Quarterly GDP Growth by Type of Expenditure, Q3 2024 & Q4 2024**



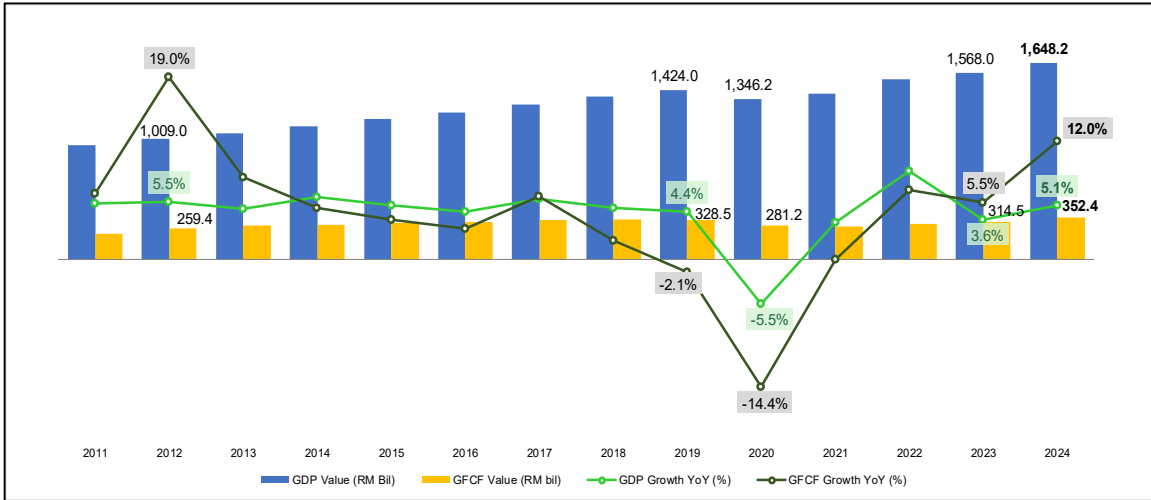
Source: Department of Statistics Malaysia

**Chart 6: Monthly GDP Growth by Kind of Economic Activity, October – December 2024**



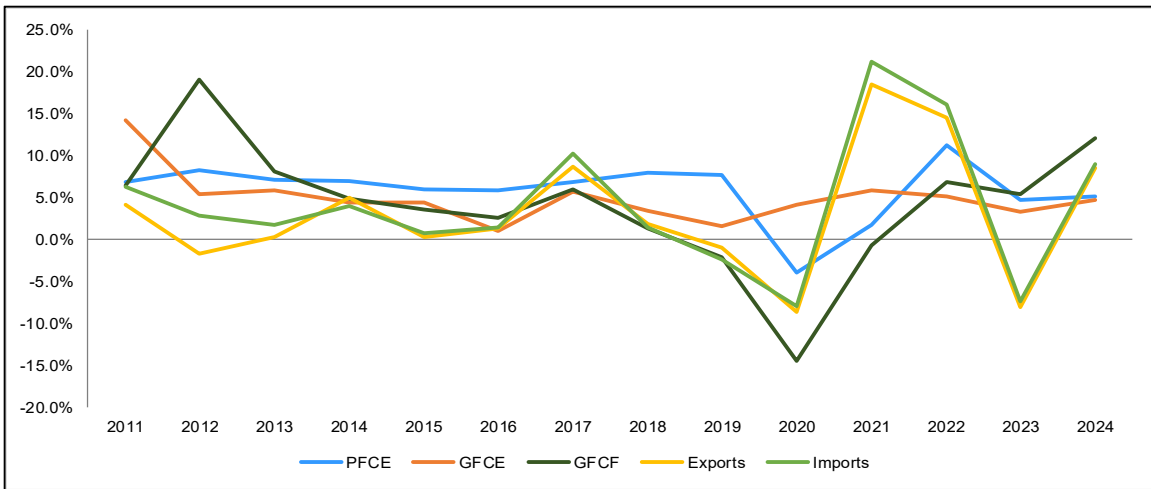
Source: Department of Statistics Malaysia

**Chart 7: Annual Growth Rate of GDP and GFCF, 2011 – 2024**



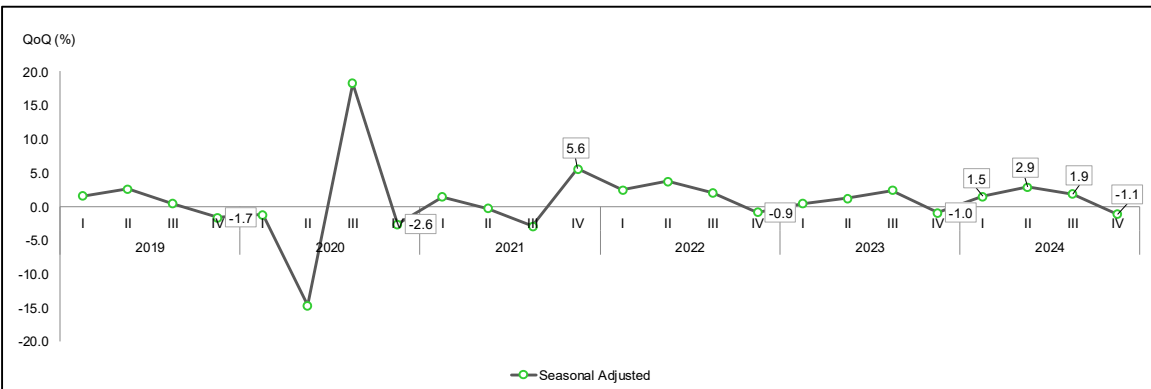
Source: Department of Statistics Malaysia

**Chart 8: Annual GDP Growth by Type of Expenditure, 2011 – 2024**



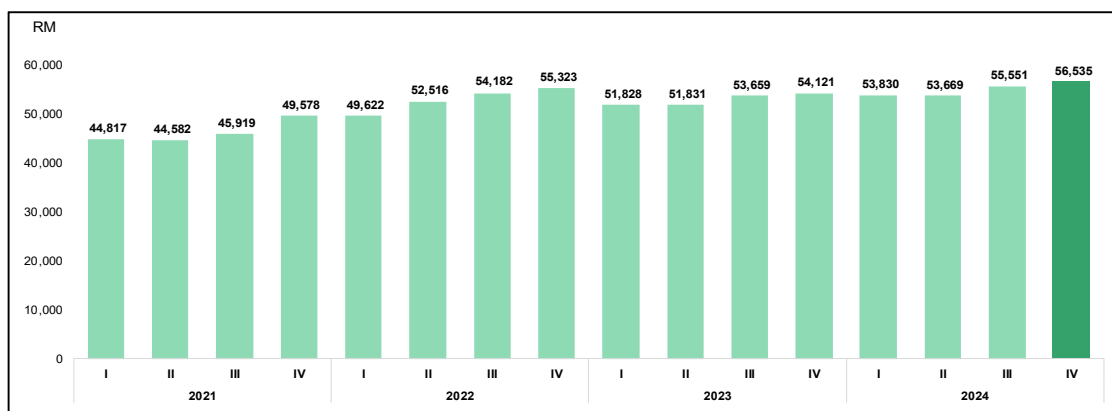
Source: Department of Statistics Malaysia

**Chart 9: Seasonally Adjusted GDP (Percentage Change from Preceding Quarter), Q1 2019 – Q4 2024**



Source: Department of Statistics Malaysia

**Chart 10: Gross National Income (GNI) Per Capita, Q1 2021 – Q4 2024**



Source: Department of Statistics Malaysia

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

Selected Countries	2023	2024	2023				2024			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>ASEAN COUNTRIES</b>										
Malaysia	3.6	5.1	5.5	2.8	3.1	2.9	4.2	5.9	5.4	5.0
Singapore	1.1	4.0*	0.5	0.5	1.0	2.2	3.1	3.2	5.4	4.3*
Indonesia	5.1	5.0	5.0	5.2	4.9	5.0	5.1	5.1	5.0	5.0
Philippines	5.5	5.6	6.4	4.3	6.0	5.5	5.8	6.4	5.2	5.2
<b>OTHER COUNTRIES</b>										
United States of America	2.9	2.8*	2.3	2.8	3.2	3.2	2.9	3.0	2.7	2.5*
European Union	0.4	0.8*	1.2	0.5	0.1	0.3	0.6	0.8	1.0	1.1*
Spain	2.7	3.3	3.9	2.4	2.2	2.3	2.7	3.3	3.5	3.5
Italy	0.7	n.a	2.3	0.5	0.1	0.3	0.3	0.7	0.5	0.5
France	0.9	n.a	1.0	1.3	0.9	1.3	1.4	1.0	1.2	0.7
United Kingdom	0.4	n.a	0.9	0.6	0.3	-0.3	0.3	0.7	0.9	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
Republic of Korea	1.4	2.0*	1.1	1.0	1.4	2.1	3.3	2.3	1.5	1.2*

Source: Official website of Selected National Statistical Office

Note:

- % refers to year-on-year change
- \* refers to advance estimates
- n.a refers to not available