



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 STATISTICS REVIEW, VOLUME 10/2025

Malaysia's Economy Maintains Its Steady Growth: Trade Surplus, and Employment Strengthen in August – September 2025

PUTRAJAYA, 31st OCTOBER 2025 – Today, the Department of Statistics, Malaysia (DOSM) released the **Malaysian Economic Statistics Review (MESR), Volume 10/2025**. This edition focuses on the recent statistics released in August 2025 and some forthcoming statistics for September 2025. On top of that, this edition features an article titled, “New Employment Scenario in the Tourism Industry in Line with Technological Advancement in Malaysia.” The article highlights how technological progress is reshaping Malaysia’s tourism sector by creating new employment opportunities in the digital era. It discusses the transformative role of Artificial Intelligence (AI), Big Data, Virtual Reality (VR), and Augmented Reality (AR) in enhancing tourism operations, while addressing the challenges and strategies to develop a future-ready workforce and foster sustainable industry growth.

The IMF’s latest outlook foresees steady global growth of 3.2 per cent in 2025 and 3.1 per cent in 2026, supported by policy adjustments and reduced trade barriers, though risks and volatility persist. Advanced economies are set to grow modestly at 1.6 per cent in 2026, while emerging and developing economies will continue to lead with around 4.0 per cent growth. In the East Asia and Pacific region, expansion remains moderate amid lingering external and domestic challenges. China’s growth is expected to ease to 4.2 per cent in 2026, while Viet Nam continues to outperform with a robust 8.2 per cent growth, driven by strong manufacturing and services. Singapore’s economy, meanwhile, moderated to 2.9 per cent, reflecting softer trade activity.

Chief Statistician Malaysia, Dato’ Sri Dr. Mohd Uzir Mahidin, said, “Malaysia’s advance GDP estimates grew by 5.2 per cent in the third quarter of 2025 as compared to 4.4 per cent in the previous quarter. All sectors contributed to the economy’s performance, particularly the Services and Manufacturing sectors. Furthermore, the

Mining & quarrying rebounded to positive growth during the quarter. In terms of quarter-on-quarter performance, Malaysia's economy expanded by 5.5 per cent as compared to 1.0 per cent in the second quarter of 2025".

Following Malaysia's steady GDP growth, the Industrial Production Index (IPI) rose 4.9 per cent year-on-year in August 2025, up from 4.2 per cent in July. The improvement was driven by a strong rebound in the Mining sector (16.8%), alongside sustained growth in Manufacturing (2.8%) and Electricity (1.6%). On a monthly basis, the IPI increased 2.4 per cent, with an average growth of 2.7 per cent for the January – August 2025 period.

Accordingly, the Manufacturing sector recorded a 2.7 per cent year-on-year increase in sales value to RM168.3 billion in August 2025 (July 2025: 3.5%), up from RM162.5 billion in the previous month. The growth was driven mainly by the Food, beverages & tobacco sub-sector (9.6%), supported by Electrical & electronics products (3.7%) and Non-metallic mineral products, basic metal & fabricated metal products (3.3%). Month-on-month, sales rose 3.5 per cent, bringing cumulative sales for January – August 2025 to RM1.3 trillion, up 3.5 per cent from the same period last year.

Looking at the Malaysia's Wholesale & Retail Trade performance, it registered total sales of RM156.6 billion in August, recording an annual growth of 4.9 per cent. The performance was primarily supported by the Wholesale trade sub-sector with RM69.6 billion, registering an increase of 5.1 per cent. This was followed by the Retail trade sub-sector which posted a steady growth, with RM67.3 billion in sales, up 5.0 per cent. While, the Motor vehicles sub-sector recorded RM19.6 billion with an increase of 4.0 per cent as against last year. Malaysia's Volume Index of Wholesale & Retail Trade rose 4.3 per cent year-on-year to 165.5 points in August 2025, supported by growth in Wholesale trade (5.5%), Retail trade (3.7%), and Motor vehicles (3.1%). Month-on-month, the index edged up 0.1 per cent, while the seasonally adjusted index slipped 0.5 per cent, indicating a moderation in trade activity during the month.

From a Malaysia's external trade trends, Malaysia's trade performance in August 2025 showed mixed trends across key sectors. Export value rose to RM131.6 billion, an increase of RM2.5 billion or 1.9 per cent year-on-year. In contrast, imports declined by RM7.3 billion or 5.9 per cent to RM115.5 billion. Consequently, total trade eased by RM4.8 billion or 1.9 per cent to RM247.1 billion compared with August 2024. Meanwhile, the trade surplus soared to RM16.1 billion, surging by RM9.8 billion or 153.8 per cent year-on-year, marking the highest annual increase since December 2020. Malaysia's trade performance returned to its stability in September 2025, recording a growth of 9.8 per cent.

Malaysia's inflation edged up slightly to 1.3 per cent year-on-year in August 2025 (July 2025: 1.2%), mainly driven by higher costs in Insurance & financial services (5.6%), Restaurants & accommodation services (3.5%), and Food & beverages (2.0%). On a month-on-month basis, headline inflation rose 0.1 per cent, similar to the increase recorded in July 2025. In September 2025, inflation accelerated slightly to 1.5 per cent, with the Consumer Price Index (CPI) standing at 135.2 points.

In view of producer prices, Malaysia's Producer Price Index (PPI) for Local Production recorded a 2.8 per cent decline year-on-year in August 2025, moderating from a 3.8 per cent fall in the previous month. This was mainly attributed to decreases in Manufacturing (-4.0%) and Mining (-3.4%), while positive growth was seen in Agriculture, Forestry & Fishing (7.3%), Electricity & Gas Supply (4.1%), and Water Supply (3.4%). On a month-on-month basis, the PPI increased marginally by 0.1 per cent, following a 0.3 per cent rise in July, supported by stronger prices in Agriculture (3.3%) and the utility sectors. Malaysia's PPI decreased by 0.8 per cent in September 2025, easing from a 2.8 per cent decline in the previous month.

Dato' Sri Dr. Mohd Uzir Mahidin highlighted that Malaysia's labour market remained stable, supported by steady growth in the labour force, which increased 2.8 per cent year-on-year to 17.51 million persons. The Labour Force Participation Rate (LFPR) inched up to 70.9 per cent (July 2025: 70.8%), reflecting continued participation in economic activities. Employment rose to 16.99 million persons, sustaining an employment-to-population ratio of 68.8 per cent, while the number of unemployed persons declined slightly to 520.0 thousand, keeping the unemployment rate unchanged at 3.0 per cent.

Malaysia's economic outlook continued to moderate, with the Leading Index (LI) declining 0.5 per cent year-on-year to 113.7 points in August 2025. The decrease was mainly attributed to lower imports of basic precious and non-ferrous metals, as well as semiconductors. On a month-on-month basis, the LI contracted 0.8 per cent, reflecting cautious sentiment in global trade. Overall, the LI trend remained below the 100-point threshold, signalling modest growth ahead, underpinned by stable domestic conditions amid external uncertainties.

ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.

Malaysia has, for the first time, successfully recorded the top position globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day was celebrated on 20th October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.

OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

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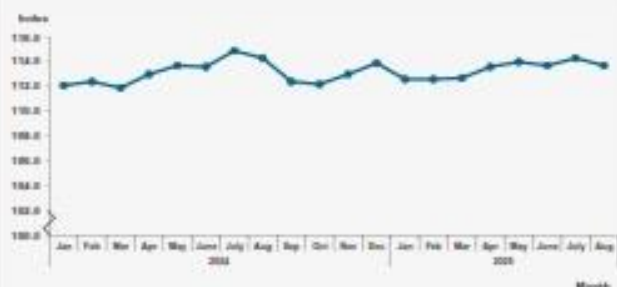
**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
31st October 2025**

Exhibit 1: Monthly Economic Indicator

Leading Index

113.7 point

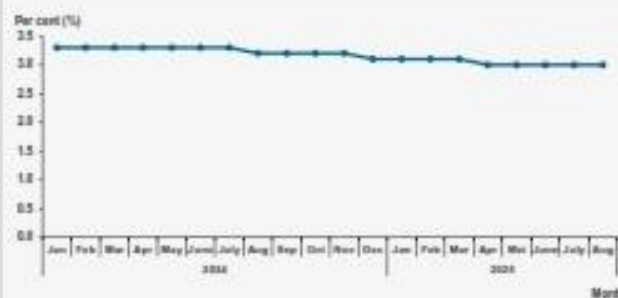
August 2025



Unemployment Rate

3.0%

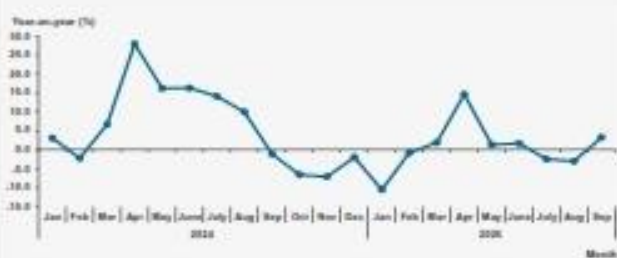
August 2025



Production of Fresh Fruit Bunches

3.3%

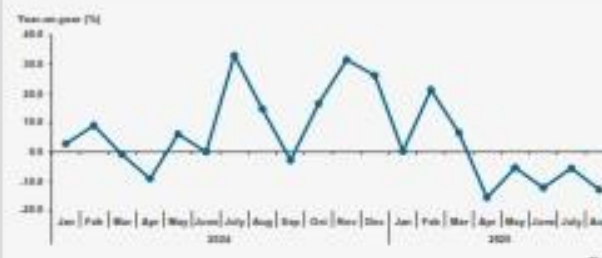
September 2025



Production of Natural Rubber

-12.9%

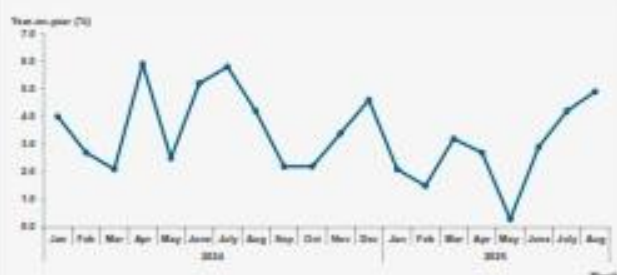
August 2025



Industrial Production Index (IPI)

4.9%

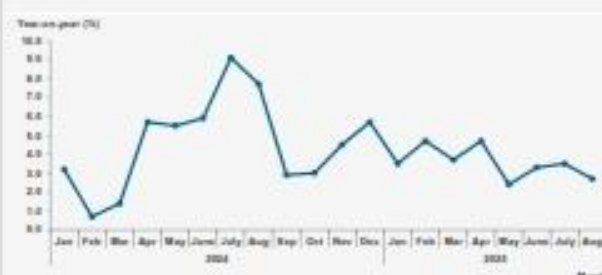
August 2025



Sales Value of Manufacturing Sector

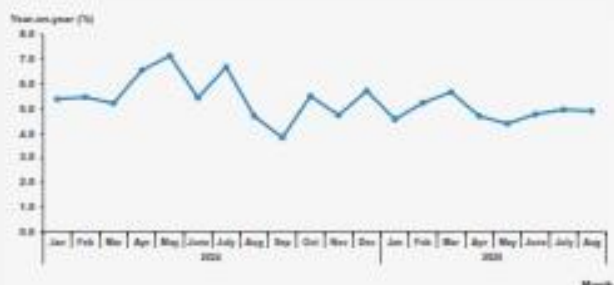
2.7%

August 2025



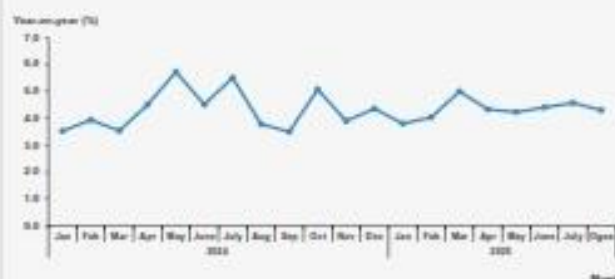
Sales Value of Wholesale & Retail Trade

4.9%
August 2025



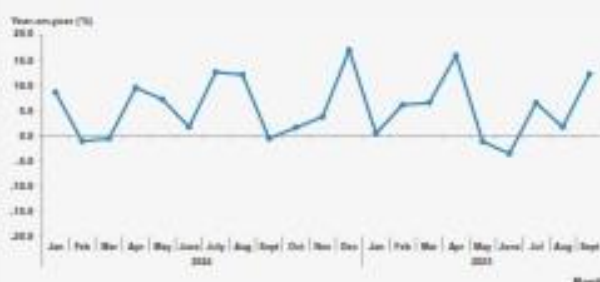
Volume Index of Wholesale & Retail Trade

4.3%
August 2025



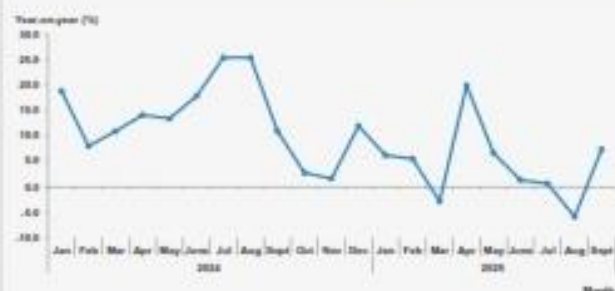
Exports

12.2%
September 2025



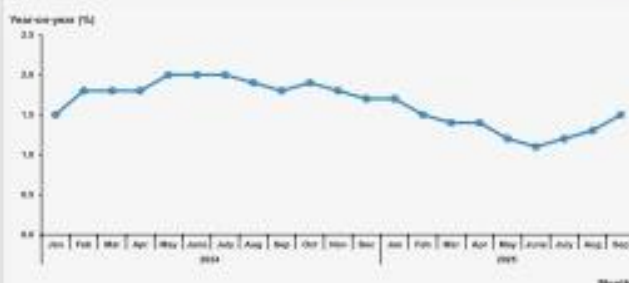
Imports

7.3%
September 2025



Consumer Price Index (CPI)

1.5%
September 2025



Producer Price Index (PPI) Local Production

-0.8%
September 2025

