



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
FOR MALAYSIAN ECONOMIC STATISTICS REVIEW VOL. 1/2023

***Improving labour market and encouraging external demand reflect
Malaysia's economic capability to face global challenges***

PUTRAJAYA, 31st JANUARY 2023 – Today, the Department of Statistics, Malaysia (DOSM) released the ***Malaysian Economic Statistics Review (MESR) Vol. 1/2023***. The publication presents the latest economic scenario based on the official macroeconomic statistics released by DOSM for November and some forthcoming statistics for December 2022. This edition features an article entitled "Malaysia's Trade in Services Trends: Pre and Post COVID-19", which studies the trends in services trade from 2016 to 2021, broken down by major service components and region. The article also presents Malaysia's exports and imports of services with its maritime neighbour, Singapore.

Commenting on the global economic scenario, Dato' Sri Dr. Mohd Uzir Mahidin aforementioned that "The elevated inflation, higher interest rates, reduced investment, and disruptions caused by Russia's invasion of Ukraine have resulted in the World Bank revising its global growth estimate for 2023. Based on the Global Economic Prospects report released in January 2023, global growth is slowing to 1.7 per cent this year as compared to the 3.0 per cent projected six months prior."

Looking at Malaysia's socioeconomic scenario, the economy has the potential to address global challenges, evidenced by its improved labour market and continuous external demand. This also backed up by upward trends for several key indicators, which have consistently shown positive annual growth.

The Chief Statistician further commented, “Recent economic indicators released by DOSM, Malaysia’s trade sustained its robust performance by posting RM238.2 billion in November 2022, with a growth of 15.6 per cent year on year. The exports were valued at RM130.2 billion, surpassing imports valued at RM107.9 billion, yielding a trade surplus of RM22.3 billion. In December 2022, the trade surplus increased to RM27.8 billion, with exports of RM131.9 billion and imports of RM104.1 billion. Summarising the year 2022, Malaysia’s trade exceeded the RM2 trillion mark for the second year in a row and surged 27.8 per cent year-on-year to RM2.8 trillion.”

Adding to this, Malaysia’s Industrial Production Index (IPI) in November 2022 recorded a 4.8 per cent increase compared to the corresponding period in 2021. The increase was propelled by growth in the Manufacturing index (4.8%), Mining index (6.1%) and Electricity index (1.2%). Similarly, the Manufacturing sector’s sales soared by 11.8 per cent to reach RM159.2 billion in November 2022, compared to RM142.4 billion in the same period in 2021. The positive growth was driven by the increase in the subsectors of Electrical & Electronics Products, 19.0 per cent year-on-year (October 2022: 16.6%) and Petroleum, Chemical, Rubber & Plastic Products, 15.0 per cent (October 2022: 23.8%).

He also said that, “The Wholesale & Retail Trade sales value recorded a double-digit growth of 13.9 per cent year-on-year, reaching RM133.9 billion in November 2022. The increase was predominantly contributed by the Retail Trade subsector, which rose 22.8 per cent to RM58.7 billion. This was followed by the Wholesale Trade and Motor Vehicles sub-sectors, which also grew 5.6 per cent (+RM3.1 billion) to RM59.5 billion and 17.2 per cent (+RM2.3 billion) to RM15.7 billion, respectively.”

Commenting on the current labour force situation, he said, “The number of employed persons increased by 498.3 thousand persons, or 3.2 per cent year-on-year, to 16.11 million persons, while the unemployment rate remained at 3.6 per cent for three consecutive months. The government’s adoption of numerous initiatives aimed at increasing employment opportunities and strengthening the labour market has contributed to the consistent performance of the labour market throughout November 2022.”

From a price perspective, the Russia-Ukraine conflict and the upward trend in global commodity prices had a significant impact on Malaysia, resulting in a 4.0 per cent increase in inflation in November 2022 compared to the same month in the previous year. Meanwhile, the inflation rate in December 2022 eased to 3.8 per cent as compared to the same month in 2021. For the full year of 2022, inflation rose to 3.3 per cent, as compared to a rate of 2.5 per cent in the preceding year. Concurrently, the Producer Price Index (PPI) for local production eased further to record 3.2 per cent year-on-year in November 2022 and inched up to 3.5 per cent in December 2022, with the overall PPI increasing 7.8 per cent for the year 2022.

In concluding his statement, Dato' Sri Dr. Mohd Uzir Mahidin said, "Going forward, Malaysia's economic indicators are expected to moderate despite the risk of a global economic slowdown, signalled by the Leading Index (LI), which decreased by 0.4 per cent to 110.5 points in November 2022 compared to 110.9 points in November 2021. Conversely, LI's monthly performance recorded an increase of 0.8 per cent in November 2022, compared to a negative 0.3 per cent in the previous month. Looking at the smoothed long-term trend in November 2022, LI remains below 100.0 points."

DOSM has launched OpenDOSM NextGen as a platform that provides a catalogue of data and visualisation that facilitates users in analysing various types of data. OpenDOSM NextGen is an open source data sharing medium and accessible through <https://open.dosm.gov.my> portal.

Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS, MALAYSIA
31st JANUARY 2023**