MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
FOR MALAYSIA ECONOMIC PERFORMANCE FOURTH QUARTER OF 2023

Malaysia's economy grew by 3.0 per cent in the fourth quarter of 2023 and 3.7 per cent for the overall 2023

PUTRAJAYA, 16 February 2024 – *Malaysia's Gross Domestic Product (GDP) in the fourth quarter of 2023 grew by 3.0 per cent as compared to 3.3 per cent in the third quarter of 2023. In terms of quarter-on-quarter seasonally adjusted, GDP contracted by 2.1 per cent (Q3 2023: 2.6%) in this quarter. The monthly economic performance grew at 3.9 per cent and 3.8 per cent for October and November, respectively, before slowing down to 1.4 per cent in December. Hence, Malaysia's economic performance increased to 3.7 per cent in 2023 as compared to 8.7 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 2023.*

According to the Chief Statistician of Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "The Services sector steered the overall performance, as well as the Mining & quarrying sector, which showed an expansion after a decline in the previous quarter. Furthermore, Household final consumption expenditure and Gross fixed capital formation continued to propel the growth in this quarter".

*He added, "In terms of sectoral performance, the **Services** sector expanded by 4.2 per cent (Q3 2023: 5.0%) in the fourth quarter of 2023. The favourable performance was contributed by the Wholesale & retail trade (4.4%) and Transportation & storage (12.2%) sub-sectors. However, the Finance & insurance sub-sector recorded a contraction of 4.7 per cent (Q3 2023: -0.6%) in this quarter. On a quarter-on-quarter seasonally adjusted, the Services sector decreased 2.4 per cent (Q3 2023: 2.1%)".*

*The **Manufacturing** sector continued to decline, recording a negative 0.3 per cent this quarter as compared to a decrease of 0.1 per cent in the previous quarter. The decrease was mainly influenced by export oriented industries such as Electrical, electronic & optical products (-6.0%); and Petroleum, chemical, rubber & plastic products (-0.6%). Meanwhile, domestic oriented industries continued to grow, namely Vegetable and animal oils & fats and food processing and Non-metallic mineral products, basic metal & fabricated metal products, which increased by 7.2 per cent and 6.2 per cent, respectively in this quarter. On a quarter-on-quarter seasonally adjusted, the Manufacturing sector decreased by 2.9 per cent (Q3 2023: 1.5%).*

The **Mining & quarrying** sector showed a significant increase of 3.8 per cent after recording a contraction of 0.1 per cent in the third quarter. The increase was backed by all sub-sectors, primarily the Natural gas and Crude & condensate sub-sectors which expanded 4.6 per cent and 3.3 per cent, respectively. On quarter-on-quarter seasonally adjusted, this sector increased 1.5 per cent (Q3 2023: 8.6%).

The **Agriculture** sector experienced growth of 1.9 per cent in the fourth quarter of 2023. The growth was led by higher production in the Oil palm sub-sector. In addition, Other agriculture, Livestocks, Fishing and Rubber sub-sectors also showed an increase in this quarter. The Forestry sub-sector continued to decline in the fourth quarter after recording contractions in the last three quarters of 2023. This sector grew 3.5 per cent (Q3 2023: 4.6%) on a quarter-on-quarter seasonally adjusted.

The **Construction** sector grew at a slower pace of 3.6 per cent (Q3 2023: 7.2%). The moderation was influenced by the Specialised construction activities sub-sector which increased marginally 0.5 per cent (Q3 2023: 10.4%). Nevertheless, Civil engineering sub-sector grew further by 16.8 per cent (Q3 2023: 14.6%) in the fourth quarter of 2023. On a quarter-on-quarter seasonally adjusted, this sector recorded a decline of 7.3 per cent (Q3 2023: 3.7%).

Commenting further, the Chief Statistician Malaysia stated that **"Private final consumption or household expenditure**, which contributed 58.9 per cent to GDP, grew 4.2 per cent (Q3 2023: 4.6%) backed by higher expenditure in Transport (10.1%), Food & non-alcoholic beverages (5.9%) and Housing, water, electricity, gas & other fuels (5.6%). On quarter-on-quarter seasonally adjusted, the overall performance posted a decrease of 3.0 per cent (Q3 2023: -0.7%)".

Gross fixed capital formation (GFCF) or investment in fixed assets, grew by 6.4 per cent (Q3 2023: 5.1%) in the fourth quarter of 2023. The performance of GFCF was contributed by Machinery & equipment (9.7%), Structure (4.3%) and Other assets (1.7%). Furthermore, GFCF by sector increased in both Public and Private sectors in this quarter. On a quarter-on-quarter seasonally adjusted, the GFCF registered an increase of 0.3 per cent (Q3 2023: 1.8%).

Government final consumption expenditure grew by 7.3 per cent (Q3 2023: 5.8%), led by higher spending on supplies and services. On a quarter-on-quarter seasonally adjusted, Government final consumption expenditure increased 0.6 per cent (Q3 2023: 4.6%).

He also mentioned that "Both **Exports** and **Imports** declined by 6.3 per cent (Q3 2023: -12.0%) and 2.9 per cent (Q3 2023: -11.1%), respectively. Thus, **Net exports** continued to decline by 35.6 per cent as compared to a decrease of 22.7 per cent in the preceding quarter".

ECONOMIC PERFORMANCE 2023

Malaysia's overall economic growth in 2023 eased at 3.7 per cent (2022: 8.7%) driven by the Services sector with a growth of 5.3 per cent followed by the Construction (6.1%) and Manufacturing (0.7%) sectors. The Manufacturing sector grew at a slower pace of 0.7 per cent (2022: 8.1%) following higher base in the preceding year and weaker global external demand.

On the demand side of the economy, the growth was led by Private final consumption or household expenditure increased by 4.7 per cent, followed by GFCF (5.5%) and Government final consumption expenditure (3.9%). Meanwhile, both Exports and Imports declined by 7.9 per cent and 7.6 per cent, respectively, with Net exports recording a decrease of 11.3 per cent in 2023.

Malaysia's economic performance is in tandem with other ASEAN countries which showed moderate growth in 2023 namely Singapore 1.1 per cent (2022: 3.8%), Indonesia 5.1 per cent (2022: 5.3%) and Philippines 5.6 per cent (2022: 7.6%). Other developed countries also recorded modest growth such as South Korea 1.4 per cent (2022: 2.6%) and United Kingdom 0.1 per cent (2022: 4.3%). However, China expanded further at 5.2 per cent (2022: 3.0%) and the United States increased 2.5 per cent (2022: 1.9%) in 2023.

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

DOSM will conduct the Agricultural Census in 2024. Please visit https://www.myagricensus.gov.my/ for more information. The theme is "Agriculture Census, Key to Agricultural Development."

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

The Central Database (PADU) was launched on 2 January 2024. PADU contains individual and household profiles of citizens and permanent residents in Malaysia. PADU is enthusiastic ensuring all Malaysian are not left behind from the citizen centric initiatives by the Government. Please kindly register and update PADU by 31 March 2024. For more information, please visit https://www.padu.gov.my. If any inquiry, please contact 1-800-88-7721 or log it through SISPAA: https://padu.spab.gov.my.

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DEPARTMENT OF STATISTICS MALAYSIA
16 FEBRUARY 2024
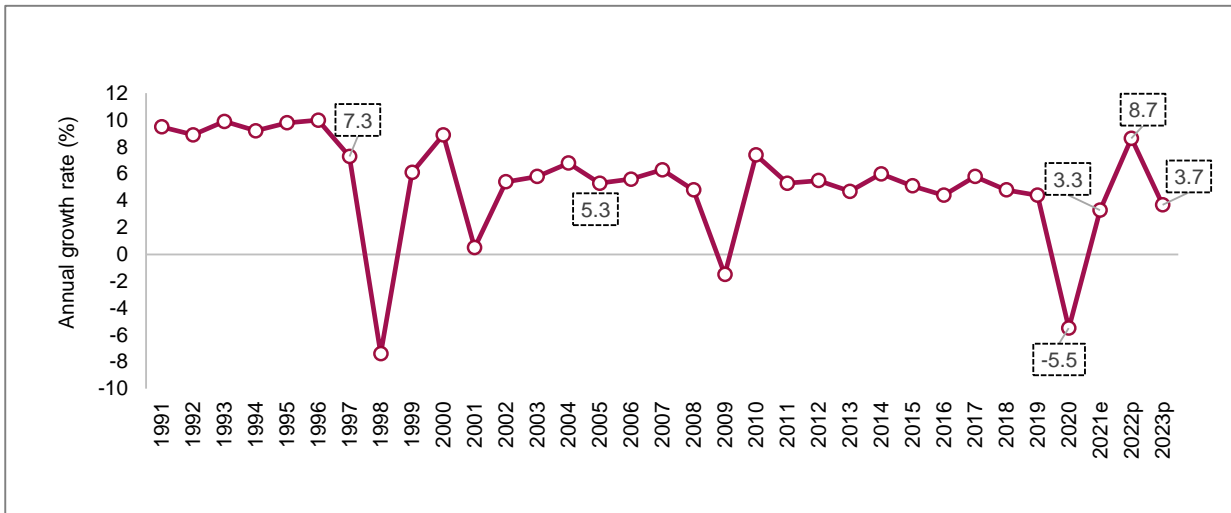
APPENDIX

Chart 1: Gross Domestic Product (GDP), Q1 2021 – Q4 2023 and 2021ᵉ – 2023ᵖ
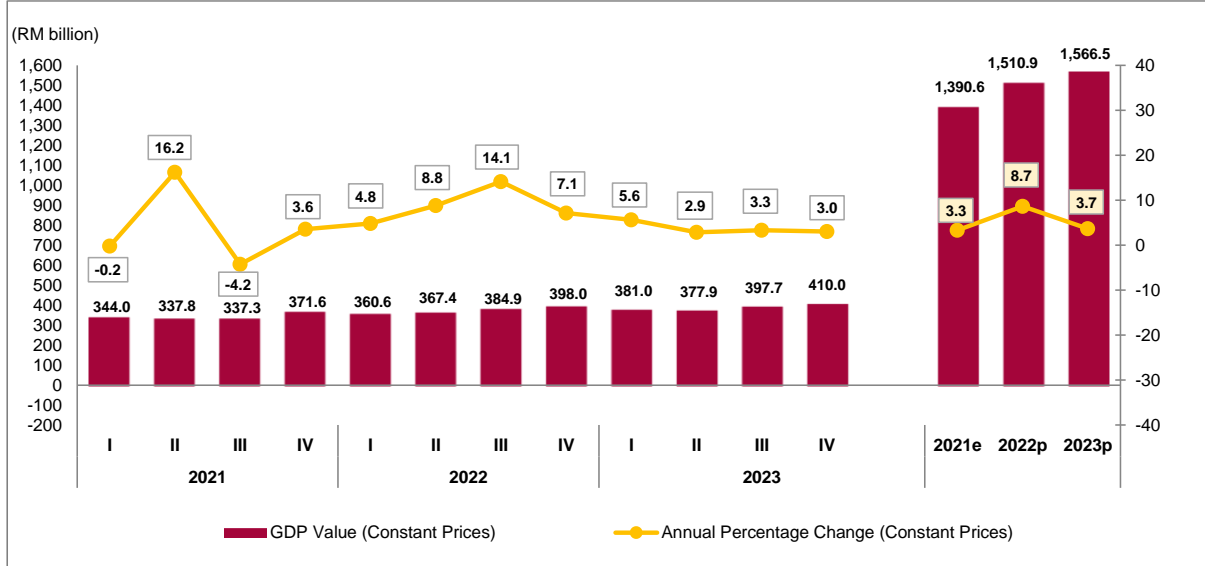
Note: e = estimate; p = preliminary   *Source: Department of Statistics Malaysia*
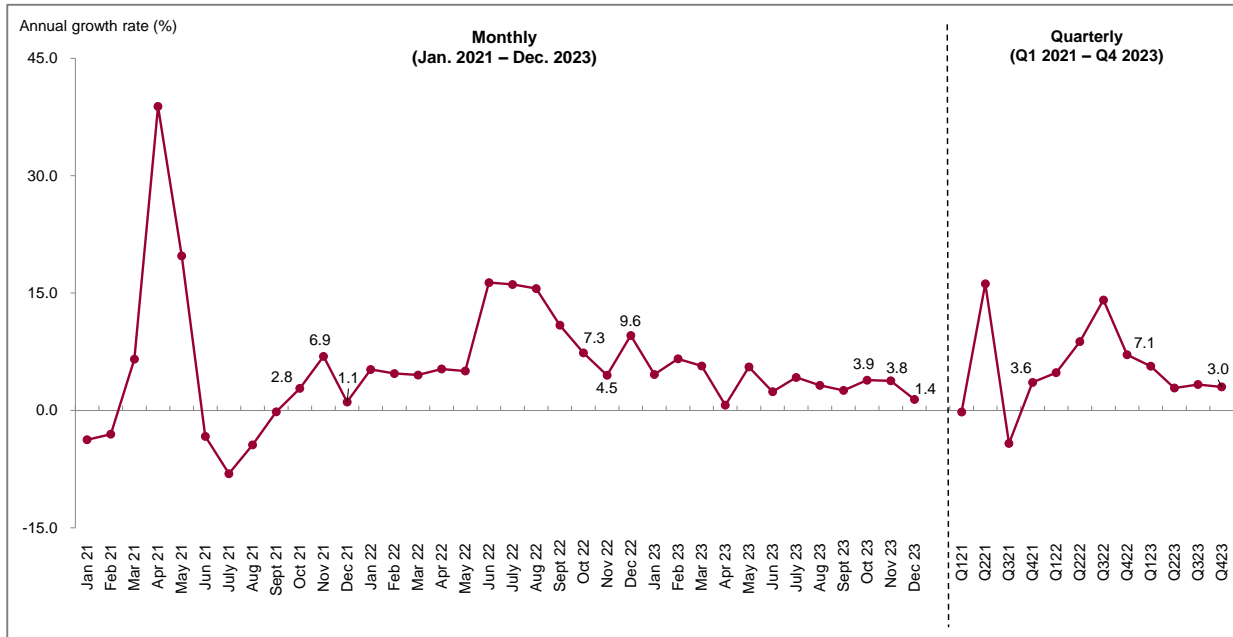
Chart 2: Annual GDP Growth, 1991 – 2023ᵖ

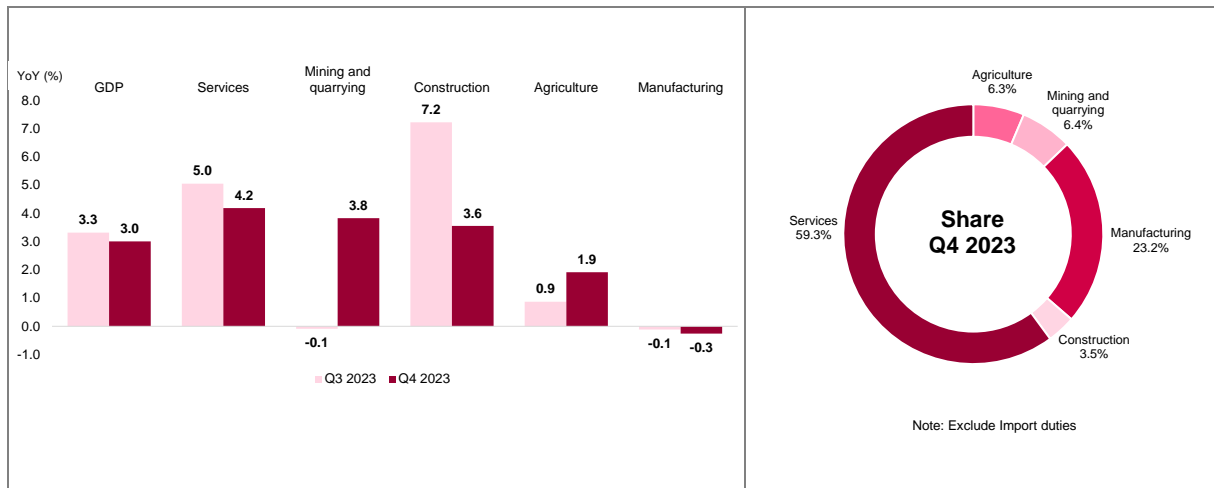*Note: e = estimate; p = preliminary*   *Source: Department of Statistics Malaysia*

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Chart 3: Monthly and Quarterly GDP Growth, 2021ᵉ – 2023ᵖ
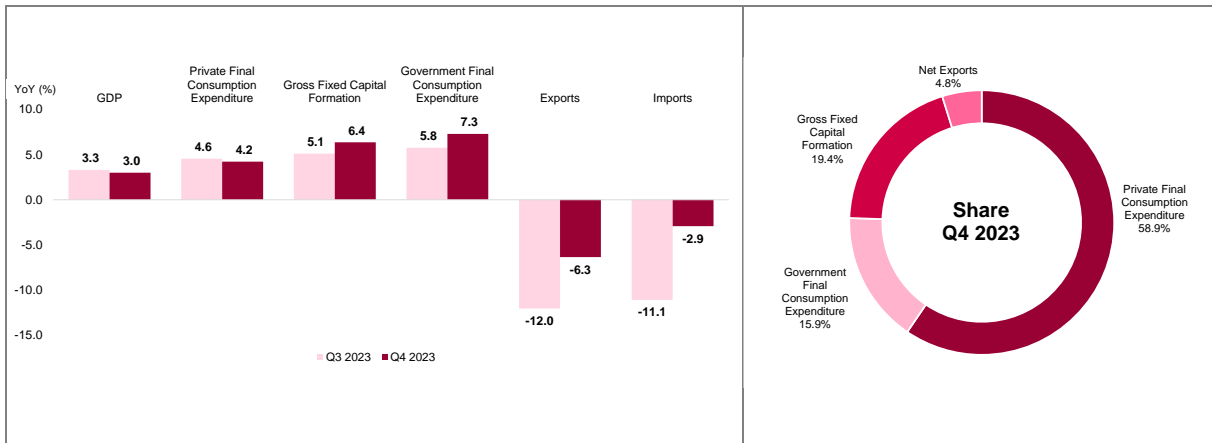

Note: e = estimate; p = preliminary

Source: Department of Statistics Malaysia

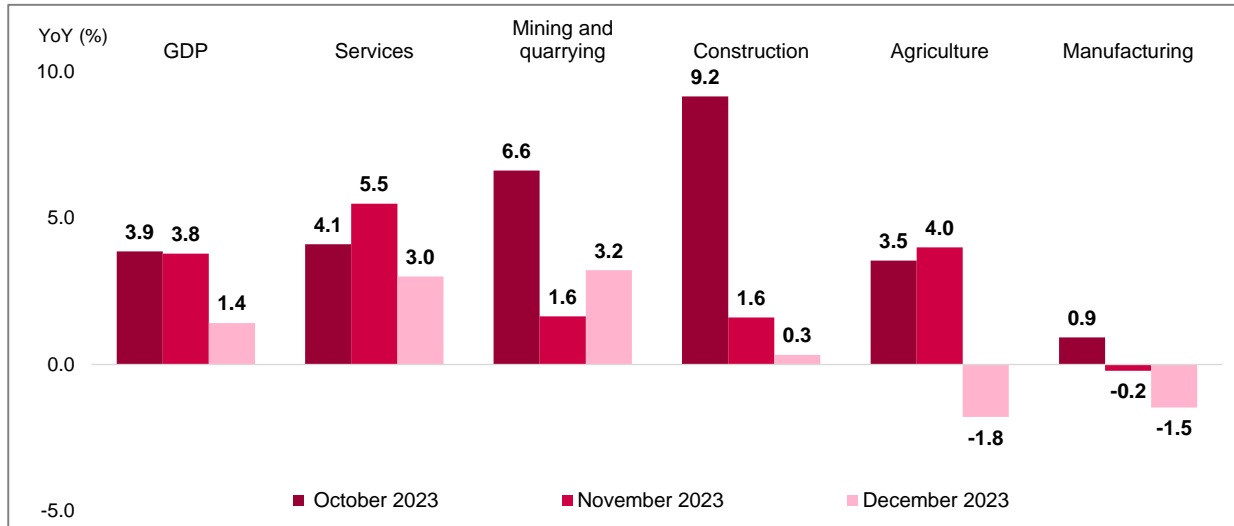**Chart 4: Quarterly GDP Growth by Kind of Economic Activity, Q3 2023 & Q4 2023**

Source: Department of Statistics Malaysia

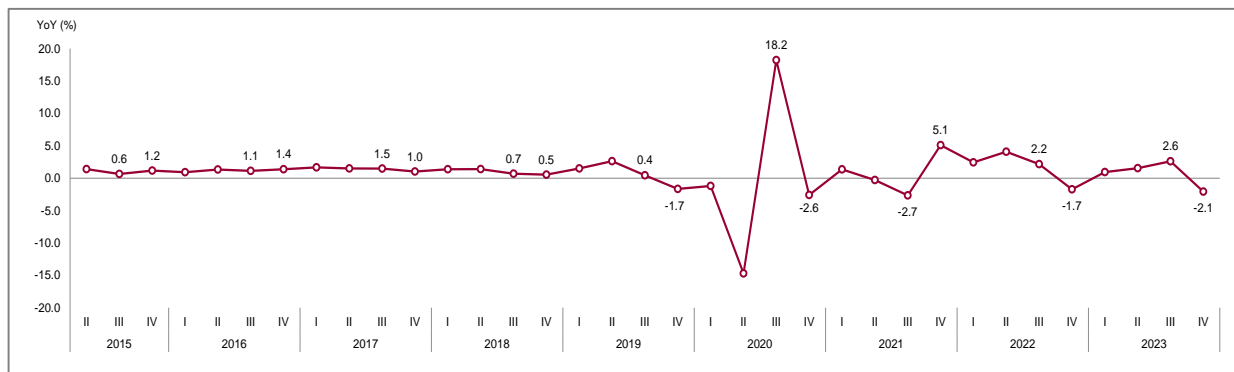### Chart 5: Quarterly GDP Growth by Type of Expenditure, Q3 2023 & Q4 2023

Source: Department of Statistics Malaysia

Chart 6: Monthly GDP Growth by Kind of Economic Activity, October – December 2023
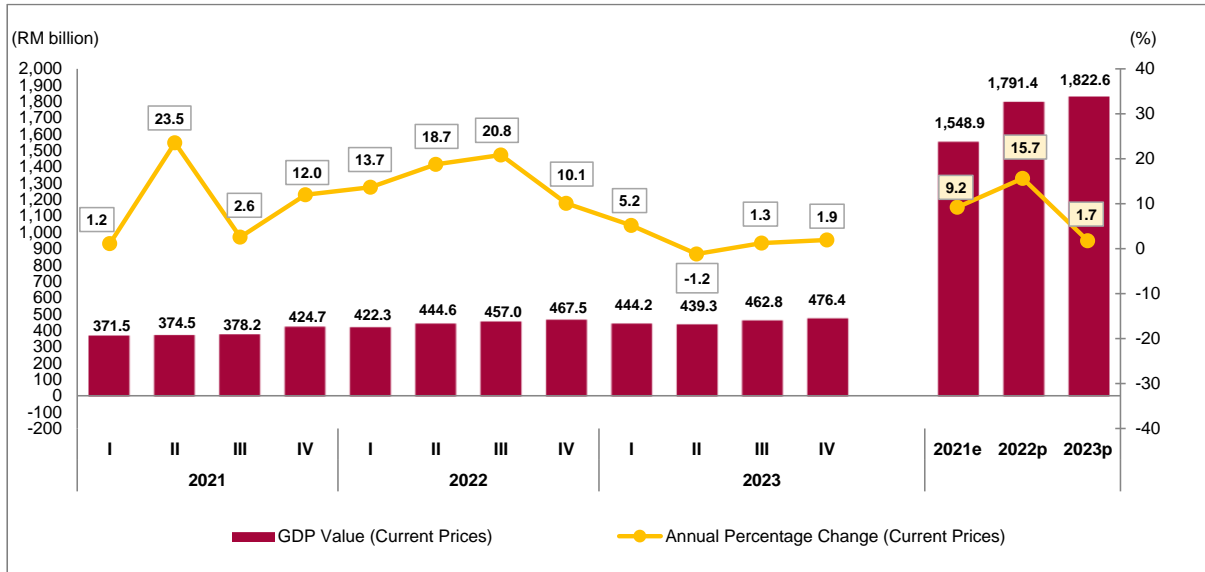

Source: Department of Statistics Malaysia

Chart 7: Seasonally Adjusted GDP (Per centage Change from Preceding Quarter), Q2 2015 – Q4 2023
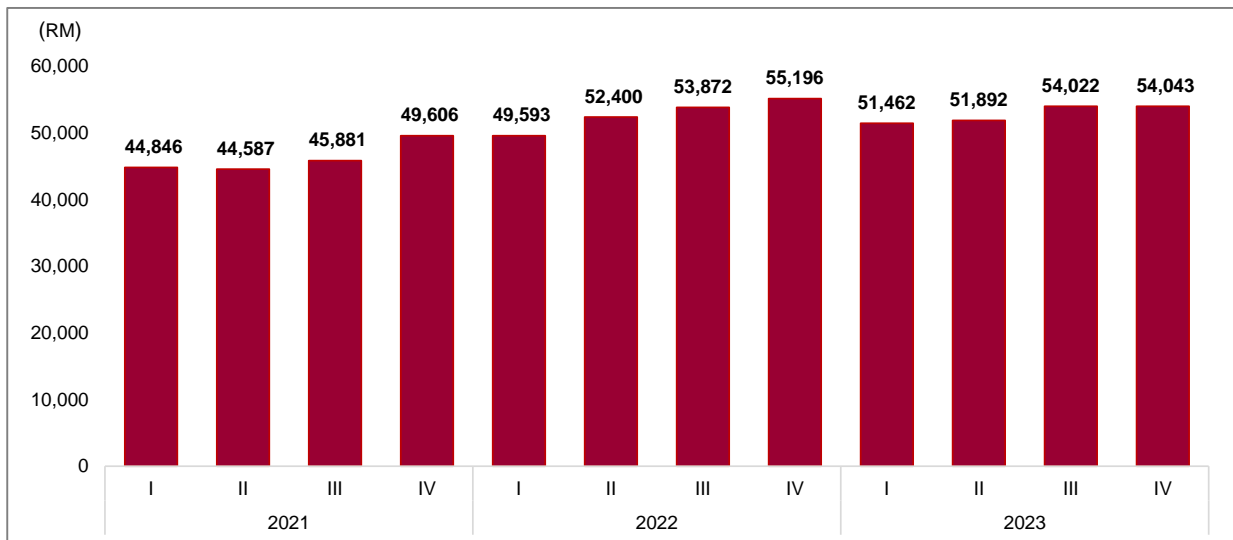

Source: Department of Statistics Malaysia

Chart 8: Nominal GDP, Q1 2021 – Q4 2023 and 2021ᵉ – 2023ᵖ

Note: e = estimate; p = preliminary

Source: Department of Statistics Malaysia

Chart 9: Gross National Income (GNI) Per Capita, Q1 2021 – Q4 2023

Source: Department of Statistics Malaysia

Chart 10: GDP Performance for Selected Countries (%)

GDP Growth Rate YoY (%)	2022	2023	2022				2023			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
ASEAN COUNTRIES										
Malaysia	8.7	3.7	4.8	8.8	14.1	7.1	5.6	2.9	3.3	**3.0**
Singapore	3.8	1.1	4.2	4.6	4.2	2.4	0.5	0.5	1.0	**2.2**
Indonesia	5.3	5.1	5.0	5.5	5.7	5.0	5.0	5.2	4.9	**5.0**
Philippines	7.6	5.6	8.0	7.5	7.7	7.1	6.4	4.3	6.0	**5.6**
OTHER COUNTRIES										
United States of America	1.9	2.5	3.6	1.9	1.7	0.7	1.7	2.4	2.9	**3.1**
European Union	3.4	n.a	5.6	4.2	2.6	1.7	1.1	0.5	0.0	**0.3**
Spain	5.8	2.5	6.8	7.2	5.4	3.8	4.1	2.0	1.9	**2.0**
Italy	3.7	n.a	6.3	5.1	2.6	1.6	2.1	0.3	0.1	**0.5**
France	2.5	n.a	4.3	3.8	1.3	0.8	0.9	1.2	0.6	**0.7**
United Kingdom	4.3	0.1	11.4	3.9	2.1	0.6	0.3	0.3	0.2	**-0.2**
People's Republic of China	3.0	5.2	4.8	0.4	3.9	2.9	4.5	6.3	4.9	**5.2**
Republic of Korea	2.6	1.4	3.1	2.9	3.2	1.4	0.9	0.9	1.4	**2.2**

Note: n.a - not available　　　　　　　　　　*Source: Official website of Selected National Statistical Office*