



MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

**MEDIA STATEMENT**  
**FOR MALAYSIA ECONOMIC PERFORMANCE THIRD QUARTER OF 2023**

**Malaysia's economy grew by 3.3 per cent in the third quarter of 2023**

**PUTRAJAYA, 17 November 2023** – Malaysia's Gross Domestic Product (GDP) in the third quarter of 2023 grew by 3.3 per cent as compared to 2.9 per cent in the second quarter of 2023. In terms of quarter-on-quarter seasonally adjusted, GDP increased by 2.6 per cent (Q2 2023: 1.5%) in this quarter. The monthly economic performance grew at 4.2 per cent for the month of July, moderated to 3.2 per cent in August and 2.5 per cent in September 2023. This is reported by the Department of Statistics Malaysia (DOSM) in today's release of **GDP for the Third Quarter of 2023**.

According to the Chief Statistician of Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, "The Services and Construction sectors steered the overall performance, as well as the Agriculture sector, which showed a slight recovery after a decline in the previous quarter. Furthermore, Household final consumption expenditure and Gross fixed capital formation continued to propel growth in the economy in this quarter. Hence, the cumulative of three quarters of 2023 concluded that Malaysia's economy grew by 3.9 per cent (3Qs 2022: 9.2%)."

He added, "In terms of sectoral performance, the **Services** sector expanded by 5.0 per cent (Q2 2023: 4.7%) in the third quarter of 2023. The favourable performance was attributed to the Wholesale & retail trade (5.4%), Transportation & storage (12.8%) and Business services (8.6%) sub-sectors. Moreover, several key sub-sectors namely Finance and Insurance, showed a smaller contraction of 0.3 per cent (Q2 2023: -1.9%) and 2.4 per cent (Q2 2023: -13.4%), respectively, in this quarter. On a quarter-on-quarter seasonally adjusted, the Services sector increased 2.1 per cent (Q2 2023: 2.7%)."

The **Construction** sector further grew by 7.2 per cent (Q2 2023: 6.2%) in this quarter. The expansion was driven by encouraging growth in Civil engineering (14.6%), Specialised construction activities (10.4%) and Residential buildings (6.2%). On a quarter-on-quarter seasonally adjusted, this sector increased 3.7 per cent (Q2 2023: 4.8%).

The **Agriculture** sector showed signs of recovery with a growth of 0.8 per cent after a decrease of 1.0 per cent in the previous quarter. The growth was attributed to better production in the Oil palm sub-sector. In addition, Livestocks and Other agriculture rose by 1.1 per cent (Q2 2023: 0.5%) and 2.8 per cent (Q2 2023: 6.6%), respectively. Nonetheless, Marine fishing, Aquaculture, Rubber and Forestry & logging sub-sectors decreased in this quarter. Overall, the Agriculture sector on a quarter-on-quarter seasonally adjusted rebounded 4.5 per cent (Q2 2023: -3.5%).

The **Mining & quarrying** sector decreased marginally by 0.1 per cent (Q2 2023: -2.3%), influenced by the Natural gas sub-sector with a decrease of 2.2 per cent (Q2 2023: -3.6%). On quarter-on-quarter seasonally adjusted, this sector increased 8.6 per cent (Q2 2023: -2.7%).

The **Manufacturing** sector also declined marginally by 0.1 per cent (Q2 2023: 0.1%) in this quarter, influenced by export oriented activities namely Electrical, electronic & optical products (-2.5%); and Petroleum, chemical, rubber & plastic products (-2.4%) following higher base last year and weaker external demand. Nevertheless, domestic oriented activities continued to propel growth namely Transport equipment, other manufacturing & repair and Non-metallic mineral products, basic metal & fabricated metal products which increased 4.5 per cent and 5.5 per cent, respectively. On a quarter-on-quarter seasonally adjusted, the Manufacturing sector increased 1.5 per cent (Q2 2023: 0.6%).

Commenting further, the Chief Statistician Malaysia stated that “**Household final consumption expenditure**, which contributed 62.1 per cent to GDP, grew 4.6 per cent (Q2 2023: 4.3%) backed by higher expenditure in Transport (11.0%), Food & non-alcoholic beverages (4.9%) and Housing, water, electricity, gas & other fuels (5.9%). On quarter-on-quarter seasonally adjusted, the overall performance posted a decrease of 0.7 per cent (Q2 2023: 5.9%).”

**Gross fixed capital formation (GFCF)** or investment in fixed assets, grew at 5.1 per cent (Q2 2023: 5.5%) in this quarter. The performance of GFCF was contributed by Structure (6.9%) and Machinery & equipment (4.0%), as well as Other assets (0.6%). 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 1.8 per cent (Q2 2023: 4.7%).

**Government final consumption expenditure** grew by 5.8 per cent (Q2 2023: 3.8%), led by higher spending on supplies and services. On a quarter-on-quarter seasonally adjusted, Government final consumption expenditure increased 4.6 per cent (Q2 2023: 4.0%) in this quarter.

He also mentioned that “In tandem with the performance of several trading partners, both **Exports** and **Imports** declined by 12.0 per cent (Q2 2023: -9.4%) and 11.1 per cent (Q2 2023: -9.7%), respectively, due to weaker global demand on merchandise exports and imports. Thus, **Net exports** further declined by 22.7 per cent as compared to a decrease of 3.7 per cent in the preceding quarter.”

Looking into the economic performance in the ASEAN region particularly Viet Nam and the Philippines, GDP expanded further by 5.3 per cent (Q2 2023: 4.1%) and 5.9 per cent (Q2 2023: 4.3%), respectively. Meanwhile, the GDP of Indonesia increased at a slower rate of 4.9 per cent (Q2 2023: 5.2%). In addition, Singapore’s economy grew 0.7 per cent (Q2 2023: 0.5%) based on its advance estimates. Among advanced economies, GDP growth continues to remain precarious. For instance, the United States and Republic of Korea posted better growth of 2.9 per cent (Q2 2023: 2.4%) and 1.4 per cent (Q2 2023: 0.9%), respectively. While, China moderated to 4.9 per cent (Q2 2023: 6.3%) and the European Union hovered marginally at 0.1 per cent (Q2 2023: 0.4%) in the third quarter of 2023.

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>.

The Department of Statistics Malaysia (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 Agriculture Development”.

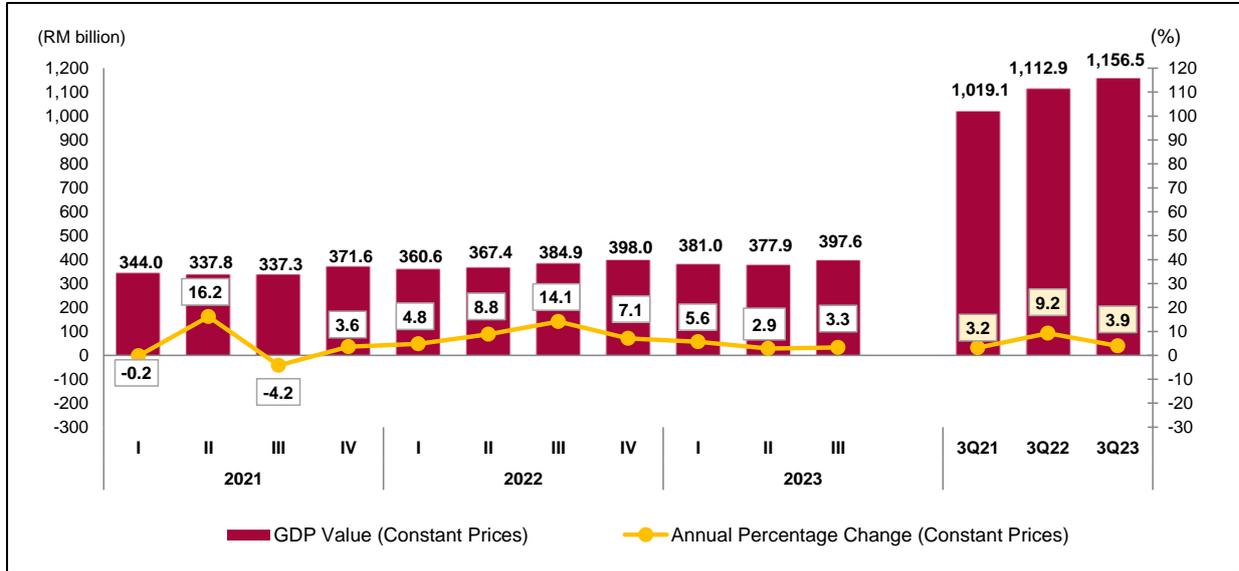
The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is “Statistics is the Essence of Life”.

Released by:

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
DEPARTMENT OF STATISTICS MALAYSIA  
17 NOVEMBER 2023**

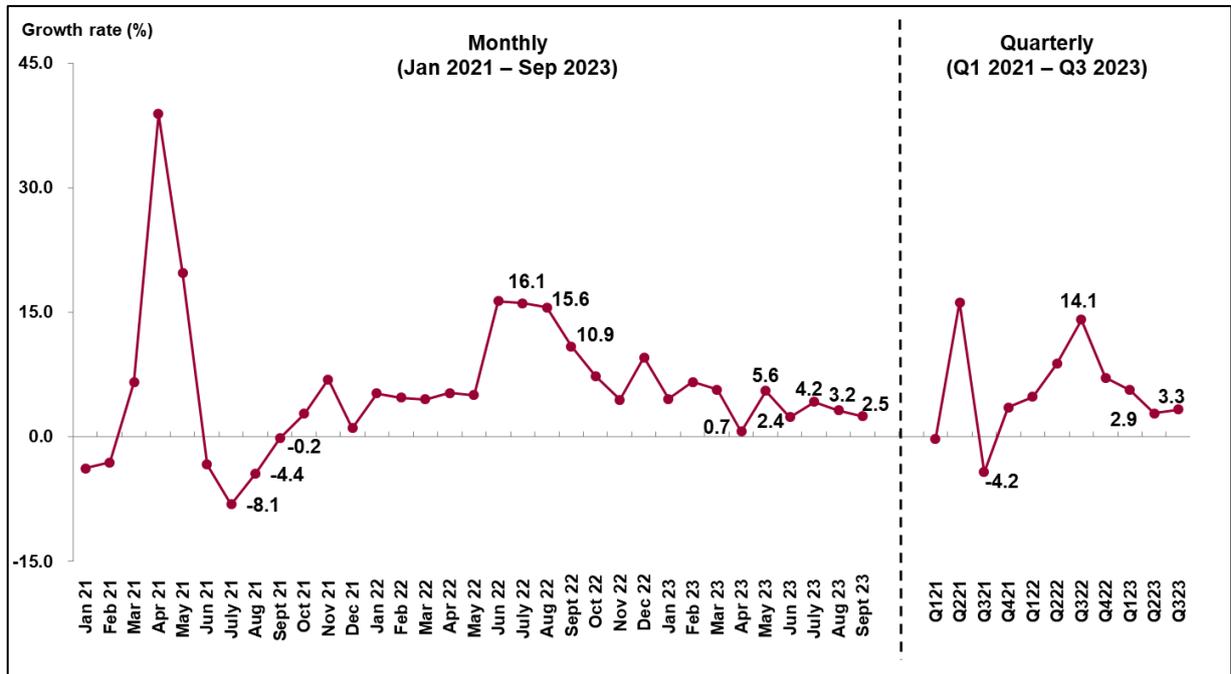
APPENDIX

**Chart 1: Gross Domestic Product (GDP), Q1 2021 – Q3 2023 and 3Q2021 – 3Q2023**



Source: Department of Statistics Malaysia

**Chart 2: Monthly and Quarterly GDP Growth (%)**



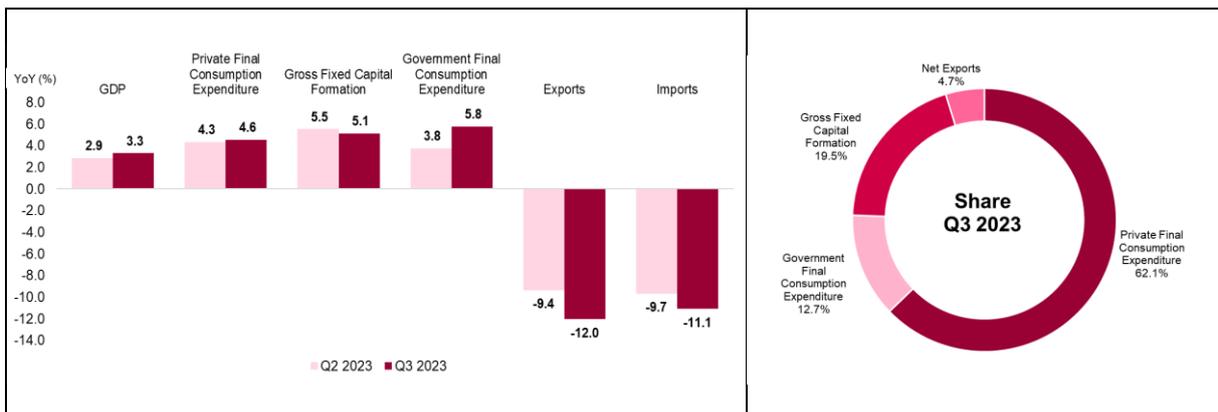
Source: Department of Statistics Malaysia

**Chart 3: Quarterly GDP Growth by Kind of Economic Activity, Q2 2023 & Q3 2023**



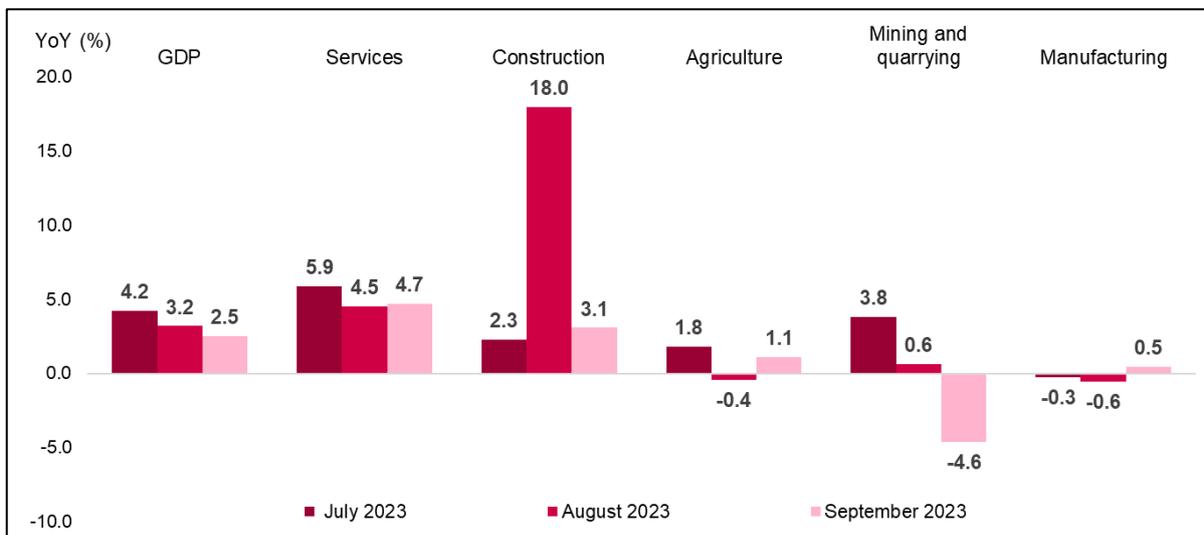
Source: Department of Statistics Malaysia

**Chart 4: Quarterly GDP Growth by Type of Expenditure, Q2 2023 & Q3 2023**



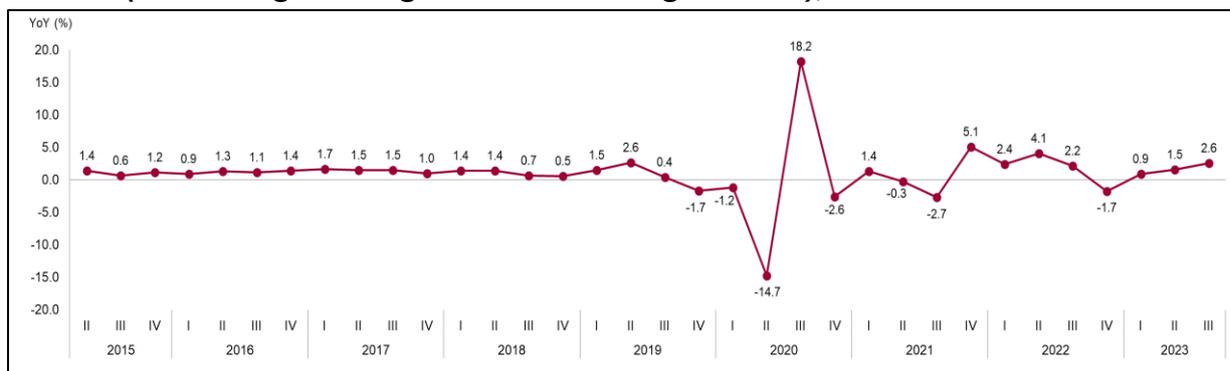
Source: Department of Statistics Malaysia

**Chart 5: Monthly GDP Growth by Kind of Economic Activity, July – September 2023**



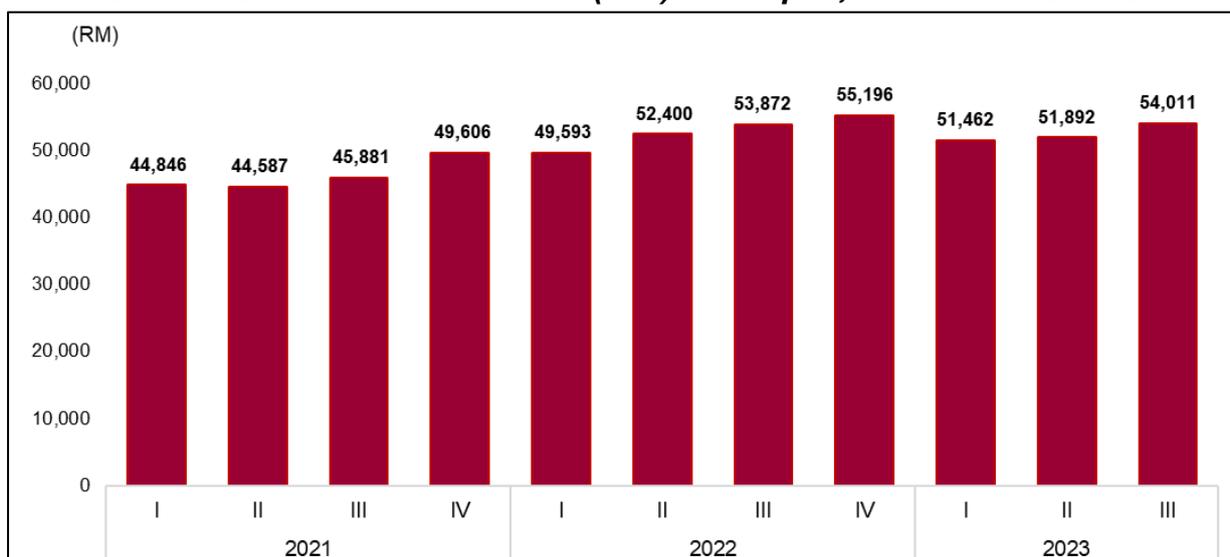
Source: Department of Statistics Malaysia

**Chart 6: Seasonally Adjusted GDP  
(Percentage Change from Preceding Quarter), Q2 2015 – Q3 2023**



Source: Department of Statistics Malaysia

**Chart 7: Gross National Income (GNI) Per Capita, Q1 2021 – Q3 2023**



Source: Department of Statistics Malaysia