



GROSS DOMESTIC PRODUCT (GDP), FOURTH QUARTER OF 2024

Quarterly Performance

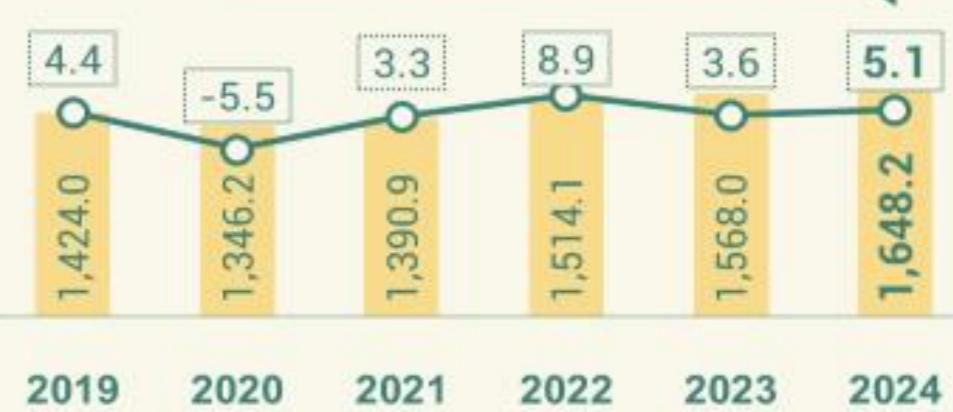
Malaysia's GDP in Q4 2024 increased **5.0%**

GDP value
RM430.7b



Annual Performance

In 2024, Malaysia's GDP grew by **5.1%**



Monthly Performance



Constant 2015 prices (RM b) | Annual percentage change (%) | 2024 refers to sum of four quarters | b refers to billion

Production

Services **5.5%**
(Q3 2024: 5.2%)

Mining & Quarrying **-0.9%**
(Q3 2024: -3.9%)

Construction **20.7%**
(Q3 2024: 19.9%)

GDP Performance - Annual Percentage Change (%)

Manufacturing **4.4%**
(Q3 2024: 5.6%)

Agriculture **-0.5%**
(Q3 2024: 4.0%)

Expenditure

Private Final Consumption Expenditure **4.9%**
(Q3 2024: 4.8%)

Government Final Consumption Expenditure **3.3%**
(Q3 2024: 4.9%)

Gross Fixed Capital Formation **11.7%**
(Q3 2024: 15.3%)

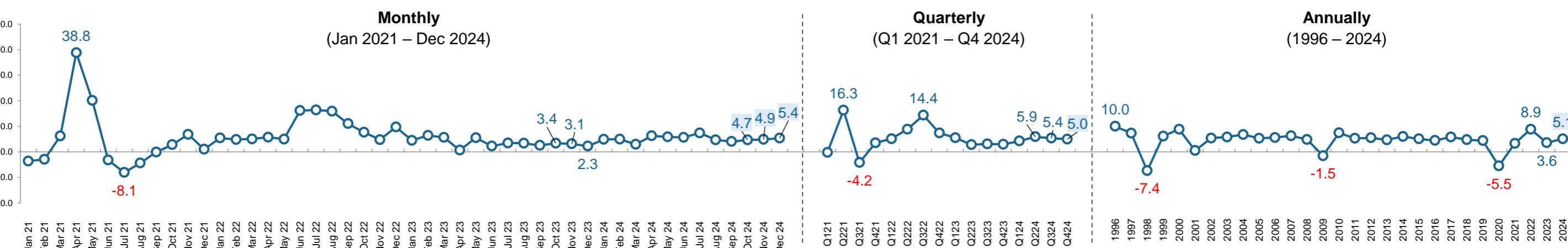
Exports **8.5%**
(Q3 2024: 11.8%)

Imports **5.7%**
(Q3 2024: 13.5%)

Notes: Performance excludes import duties

Source: National Accounts, Gross Domestic Product, Department of Statistics, Malaysia (DOSM)

Malaysia's GDP Growth (%)



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

- **Malaysia's Gross Domestic Product** in the fourth quarter of 2024 **grew by 5.0 per cent** as compared to 5.4 per cent in Q3 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.
- 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 Q4 2024. The **Manufacturing** sector moderated to 4.4 per cent (Q3 2024: 5.6%) in this quarter. The **Construction** sector accelerated further to 20.7 per cent (Q3 2024: 19.9%), marking its fastest expansion since Q2 2021. In addition, the **Agriculture** sector slightly declined at -0.5 per cent (Q3 2024: 4.0%), while the **Mining & quarrying** sector declined in this quarter to -0.9 per cent (Q3 2024: -3.9%).
- **Private final consumption**, grew better in this quarter at 4.9 per cent (Q3 2024: 4.8%). **Gross fixed capital formation** (GFCF) registered 11.7 per cent (Q3 2024: 15.3%) increase, extending its double-digit growth for the third consecutive quarter. **Government final consumption expenditure** eased to 3.3 per cent (Q3 2024: 4.9%). **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.



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- **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, 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.
- 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 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.

