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MEDIA STATEMENT

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BUSINESS TENDENCY STATISTICS SECOND QUARTER 2025

Business sentiment remains optimistic in the second quarter of 2025, reflected by the positive confidence indicator of +2.0 per cent.

PUTRAJAYA, MAY 27, 2025 – The Department of Statistics Malaysia today released ***Business Tendency Statistics for the Second Quarter 2025***. This publication presents expectations on business performance for the upcoming three and six months. The statistics are based on the Business Tendency Survey which is conducted on a quarterly basis. For the first time, this release features confidence indicator by state, providing a view of business sentiment at the state level.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin mentioned, "Businesses continue to anticipate a favourable business environment in the second quarter of 2025, supported by a positive confidence indicator of +2.0 per cent, which reflects sustained optimism from the previous quarter of +3.2 per cent" (***Exhibit I***).

*Services, Construction and Industry are the sectors that expect steady business conditions in the second quarter of 2025. Confidence in the Services sector remains positive with a confidence indicator of +6.9 per cent, compared to +13.5 per cent in the previous quarter. Simultaneously, sentiment in the Construction sector maintains favourable with +4.6 per cent as against +12.5 per cent in the first quarter of 2025. Meanwhile, the Industry sector remains optimistic about its business prospects, with the confidence indicator improving to +1.9 per cent from +0.2 per cent in the preceding quarter. In contrast, sentiment in the Wholesale and Retail Trade sector indicates a pessimist condition, with the confidence indicator -6.7 per cent in the second quarter of 2025 from -8.1 per cent previously (**Exhibit II**).*

*In the perspective of state's business prospects in Q2 2025, the confidence indicators show mixed performance among the states in Malaysia. The states with optimistic sentiment are Johor (+1.5%), Kedah (+4.3%), Perlis (+3.5%), Terengganu (+18.0%), W.P. Kuala Lumpur (+0.9%) and W.P. Putrajaya (+3.7%). However, majority of states showed pessimistic sentiment namely Kelantan (-7.8%), Melaka (-2.0%), Negeri Sembilan (-1.2%), Pahang (-4.5%), Penang (-5.1%), Perak (-6.3%), Selangor (-1.2%), Sabah (-0.3%), Sarawak (-2.9%) and W.P. Labuan (-3.9%) as illustrated in (**Exhibit III**).*

*Looking ahead to the period of April to September 2025, the overall business outlook continues to reflect positive sentiment with a net balance of +10.9 per cent, compared to +11.9 per cent in the previous period (**Exhibit IV**). Sentiment in the Services sector remains sturdy, maintaining a net balance of +18.3 per cent, consistent with the previous quarter. The Construction sector projects an optimistic outlook with a net balance of +13.1 per cent as against +12.5 per cent for the corresponding period. Similarly, the Industry sector anticipates encouraging business conditions with the confidence indicator increases to +12.0 per cent from +6.8 per cent previously. Conversely, the Wholesale and Retail Trade sector reflects a more cautious sentiment, recording a subdued level of confidence regarding business expectations over the next six months (**Exhibit V**).*

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, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 198 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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 will be 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>.

Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA

DEPARTMENT OF STATISTICS MALAYSIA

27 MAY 2025

Exhibit I: Quarterly Confidence Indicator, Malaysia, 2022 – 2025

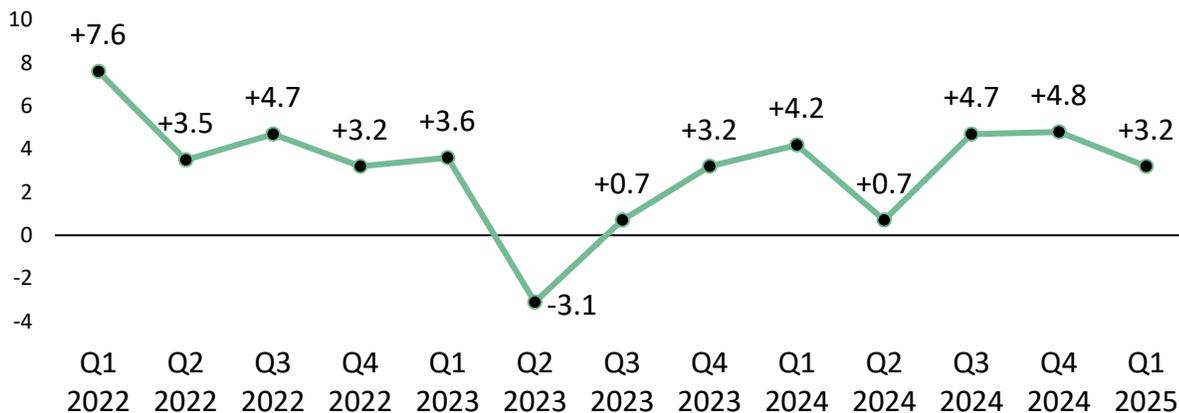


Exhibit II: Quarterly Confidence Indicator by Sector, Malaysia, 2024 – 2025

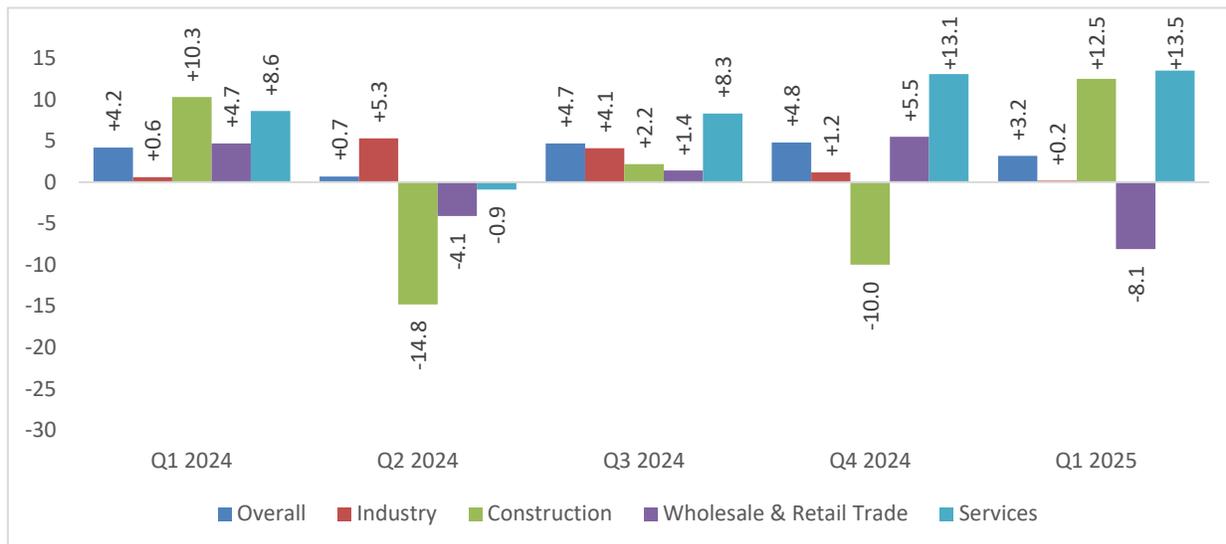


Exhibit III: Confidence Indicator by state for the Second Quarter 2025, Malaysia

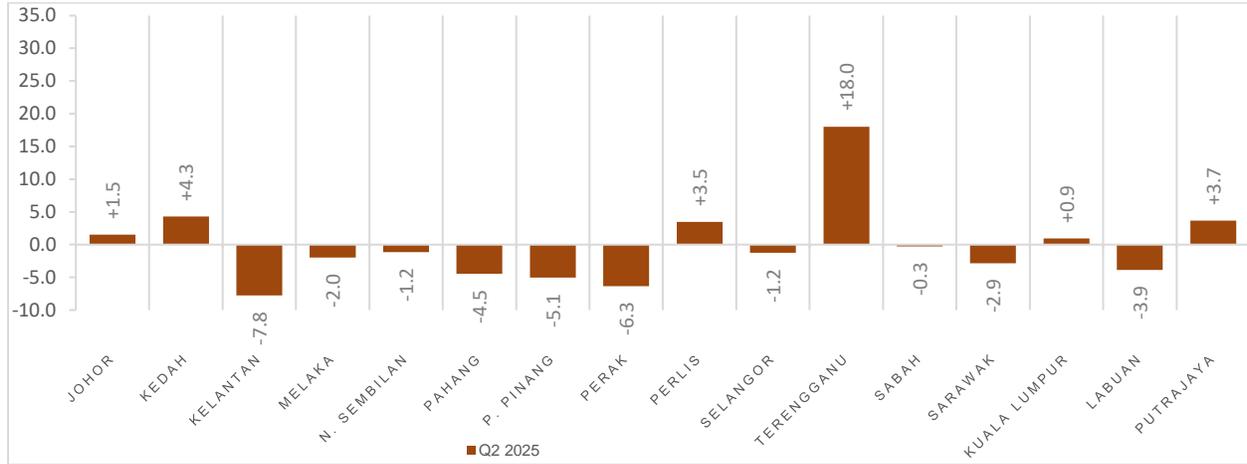


Exhibit IV: Net Balance of Business Performance Expectation For Upcoming Six Months, Malaysia, 2023 – 2025

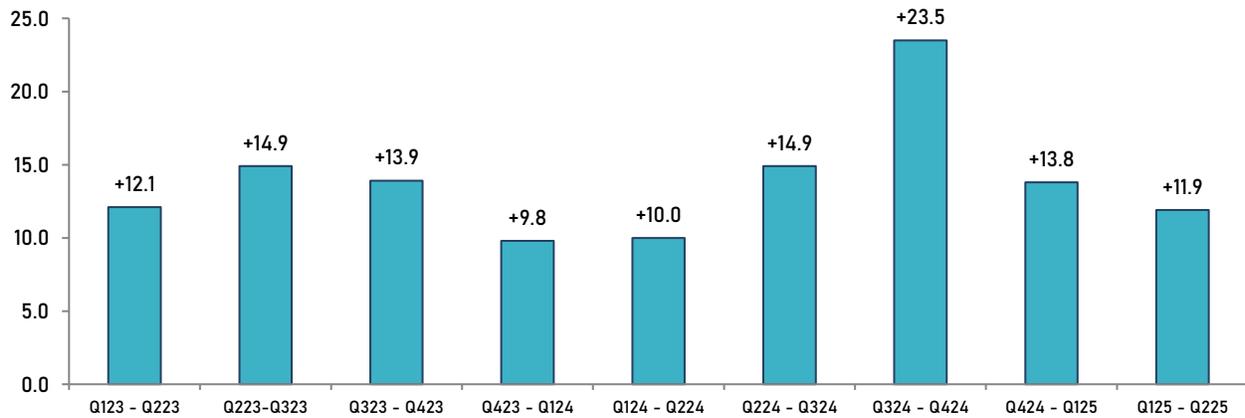


Exhibit V: Quarterly Net Balance by Sector, Malaysia, 2024 – 2025

