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NATIONAL ACCOUNTS, GROSS DOMESTIC PRODUCT





Malaysia's GDP in the fourth quarter of 2022 expanded 7.0 per cent after recorded a double-digit growth of 14.2 per cent in the previous quarter. In terms of quarter-on-quarter seasonally adjusted, GDP decreased 2.6 per cent. The monthly economic performance has grown modestly in the fourth quarter with the growth of 7.0 per cent in October, followed by 5.7 per cent in November and accelerating further to 8.3 per cent in December 2022. In the meantime, economic performance for the fourth quarter of 2022 has surpassed the pre-pandemic level by 7.2 per cent. Overall, Malaysia's economic performance boosted to 8.7 per cent in 2022 as compared to 3.1 per cent in the previous year which is the highest annual growth recorded within the period of 22 years (2000: 8.9%).

Services sector was the main contributor to the Malaysia's economy and rose by 8.9 per cent in the fourth quarter of 2022. The favourable performance was attributed to the Wholesale & retail trade (9.8%), Transportation & storage (22.6%) and Food & beverage and accommodation (25.2%) sub-sectors. On a quarter-on-quarter seasonally adjusted, the Services sector declined 2.6 per cent. Manufacturing sector grew moderately by 3.9 per cent in the fourth quarter of 2022 led by Electrical, electronic & optical products (9.2%) followed by Transport equipment, other manufacturing and repair (4.9%). On a quarter-on-quarter seasonally adjusted, the overall Manufacturing sector declined 2.4 per cent. Mining & quarrying sector rose 6.8 per cent supported by all activities, mainly the Natural gas and Crude oil & condensate sub-sectors which increased 7.4 per cent and 5.2 per cent respectively in this quarter. In terms of seasonally adjusted, this sector dropped 3.7 per cent. Construction sector maintained a double-digit growth of 10.1 per cent in the fourth quarter of 2022. The performance in this sector was contributed by positive growth in all sub-sectors, particularly in Civil engineering (17.9%) and Non-residential buildings (10.7%). On a quarter-on-quarter seasonally adjusted, the Construction sector decreased 7.3 per cent. Agriculture sector slightly grew 1.1 per cent in this quarter, induced by a better performance in the Oil palm (9.6%) sub-sector. This sector recorded an increase of 1.4 per cent on seasonally adjusted terms.

All expenditure components experienced positive performance, dominated by household consumption and Gross fixed capital formation. Private final consumption expenditure which contributed 58.2 per cent to GDP, grew 7.4 per cent attributed to the higher consumption in Transport (11.7%), Housing, water, electricity, gas & other fuels (10.0%) and Recreation services & culture (42.7%) in the fourth quarter of 2022. On a seasonally adjusted quarter-on-quarter terms, the overall performance of Private final consumption expenditure posted a decrease of 2.9 per cent. Gross fixed capital formation (GFCF) or investment on fixed assets increased by 8.8 per cent in this quarter. The performance of GFCF was contributed by Structure (9.9%), Machinery & equipment (8.6%) and Other assets (3.0%). Based on GFCF by sector, both Public and Private sectors recorded an increase in the fourth quarter of 2022. On a quarter-on-quarter seasonally adjusted, the GFCF registered a marginal increase of 0.3 per cent. Both Exports and Imports grew at a moderate pace of 9.6 per cent and 8.1 per cent respectively, due to slower growth in goods and services. Therefore, Net exports rose by 23.4 per cent as compared to 18.7 per cent in the preceding quarter. Government final consumption expenditure moderated by 2.4 per cent supported by slower growth in spending on supplies and services. On a quarter-on-quarter seasonally adjusted, Government final consumption expenditure decreased 5.4 per cent in this quarter.

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