Malaysia's Growth Momentum to Soften as LI Moderate in Nov-25

Monthly Economic Review
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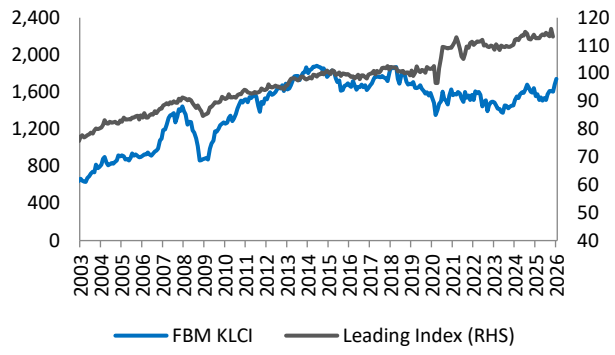
Economic Review

- Malaysia's economic momentum is expected to expand at a softer pace in the short run as indicated by the moderation in the leading index (LI) which rose marginally by +0.2%yoy in Nov-25 (Oct-25: +3.4%yoy). Still, this marks three consecutive months of expansion.
- Based on the advance estimate, Malaysia's GDP growth accelerated to +5.7%yoy in the 4QCY25 (3QCY25: +5.2%yoy), largely driven by the higher growth in the services (+5.4%yoy; 3QCY25: +5.0%yoy) and manufacturing (+6.0%yoy; 3QCY25: +4.1%yoy) sectors.
- Malaysia's total trade continued to grow by +11.1%yoy in Dec-25, marking four consecutive months of double-digit growth. Exports surged by +10.4%yoy (Nov-25: +7.0%yoy), whereas imports remained resilient (and relatively faster), albeit recording a moderation to +12.0%yoy (Nov-25: +15.8%yoy).
- Malaysia's IPI growth eased to +4.3%yoy in Nov-25 (Oct-25: +6.0%yoy), in line with the slower export growth during the month. Nevertheless, the sustained expansion in IPI for the 23rd consecutive month was underpinned by increased output across all major sectors.
- Malaysia's distributive trade growth maintained resilient growth above +6%yoy for the third straight month although the pace of expansion moderated to +6.4%yoy in Nov-25 (Oct-25: +7.2%yoy), stemming from slower expansion across all segments.
- For now, we maintain our forecast that Malaysia's GDP growth would moderate to +4.3% in 2026 (2025e: +4.9%; 2024: +5.1%) as we expect downward drag from net exports. Meanwhile, domestic demand will remain as main growth driver, mitigating any adverse impacts from the still challenging external trade environment.

Slower expansion signals emerge from leading index

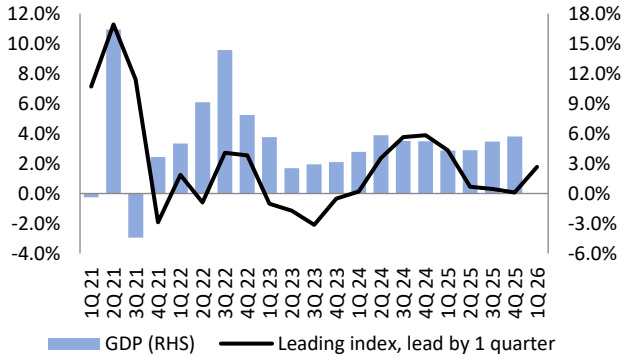
Malaysia's economic momentum is expected to expand at a softer pace in the short run as indicated by the moderation in the leading index (LI) which rose marginally by +0.2%yoy in Nov-25 (Oct-25: +3.4%yoy). Still, this marks three consecutive months of expansion. Growth was supported by the sharp rise in the Number of Housing Units Approved for Construction (+67.5%yoy) and a stable growth in Real Money Supply, M1 (+5.5%yoy). On a monthly basis, the LI declined by -2.4%mom (Oct-25: +2.4%mom), weighed down by weaker performance in Real Imports of Semi-Conductors (-0.9%mom) and Real Imports of Other Basic Precious & Other Non-ferrous Metals (-0.7%mom). On the other hand, the coincident index (CI), which reflects current economic performance, sustained growth albeit at a relatively slower pace of +2.1%yoy in Nov-25 (Oct-25: +2.7%yoy). The still-6%mom), dragged by -0.2%mom contraction in both Industrial Production Index and Real EPF Contributions. The smoothed long-term trend indicates that the LI was below the 100.0-point steady growth was underpinned by the Real Contributions to EPF (+0.8%yoy), in line with the sustained rise in employment. On a monthly basis, the CI fell by -0.5%mom (Oct-25: +0. threshold in Nov-25, signalling slower expansionary momentum ahead. Going forward, we continue to expect Malaysia's economic growth to be underpinned by resilient domestic demand with the support of a healthy labour market, stable inflation, rising income and a vibrant domestic tourism activity. The sustained growth in the domestic economy will help to cushion any slowdown on the external front.

Chart 1: Leading Index vs KLCI (Points)



Source: Macrobond, MBSBR

Chart 2: Leading Index vs GDP (YoY%)

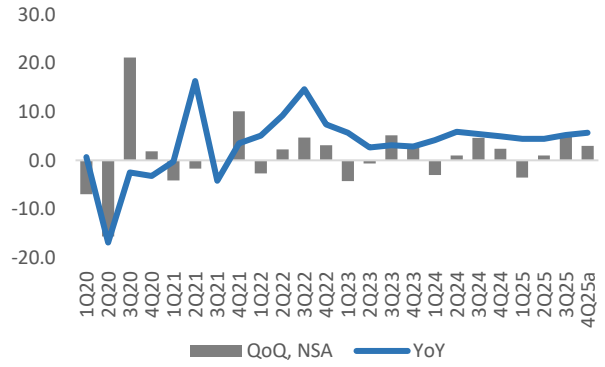


Source: Macrobond, MBSBR

Based on the advance estimate, Malaysia's GDP growth accelerated to +5.7%yoy in the 4QCY25 (3QCY25: +5.2%yoy), largely driven by the higher growth in the services (+5.4%yoy; 3QCY25: +5.0%yoy) and manufacturing (+6.0%yoy; 3QCY25: +4.1%yoy) sectors. The agriculture sector growth even spiked to +5.1%yoy (3QCY25: +0.4%yoy), the fastest growth since 2QCY24. Meanwhile, the growth in the construction sector was sustained at +11.9%yoy (3QCY25: +11.8%yoy), maintaining double-digit growth for the 8th straight quarter. On the other hand, the mining sector growth moderated to +1.1%yoy (3QCY25: +9.7%yoy), still growing for the second consecutive quarter. According to advance estimates, for the full year of 2025, Malaysia recorded GDP growth of +4.9%, higher than our forecast of +4.6% and a slight easing from +5.1% last year. The sustained growth defies concerns about the adverse impacts on external trade and manufacturing output due to the higher tariffs imposed by the US.

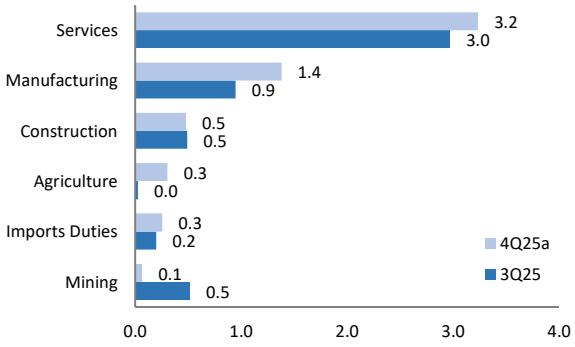
GDP grew at the fastest pace in the final quarter of 2025

Chart 3: Real GDP: Year-on-Year vs. Quarter-on-Quarter (%)



a Advance estimate
Source: Macrobond, MBSBR

Chart 4: Contribution to 4QCY25 GDP Growth by Major Sector (%-point)



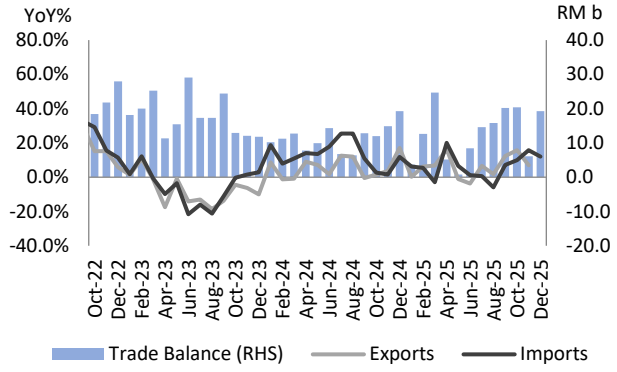
Source: Macrobond, MBSBR

Malaysia's total trade continued to grow by +11.1%yoy in Dec-25, marking four consecutive months of double-digit growth. Exports surged by +10.4%yoy (Nov-25: +7.0%yoy), whereas imports remained resilient (and relatively faster), albeit recording a moderation to +12.0%yoy (Nov-25: +15.8%yoy). Export performance was underpinned by robust re-exports (+35.0%yoy; Nov25: +40.3%yoy), while domestic exports' growth remained sluggish (+4.0%yoy; Nov-25: +0.3%yoy). Sector-wise, there was a stronger pick-up in E&E products and machinery parts, while optical and scientific products moderated. Contraction was recorded in exports of palm oil, crude petroleum, and LNG. In 2025, total trade for the whole year reached RM3.1t mark (2024: RM2.8t), the highest on record, though the rate of growth was softer at +6.3% (2024: +9.2%). The higher trade was underpinned by stronger exports

Total trade reached an all-time high in 2025

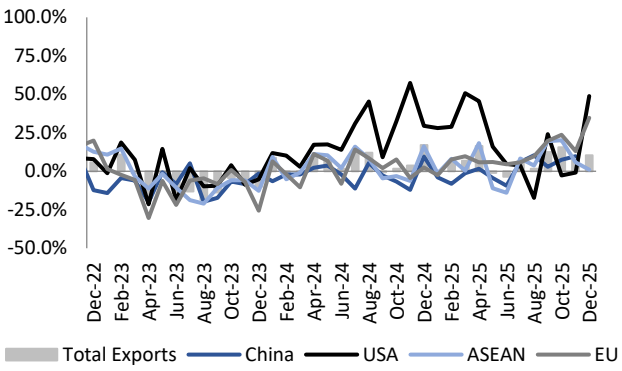
(+6.5%; 2024: +5.8%) mainly due to the surge in re-exports (+24.9%; 2024: -7.0%), in contrast to slower rise in domestic exports (+2.0%; 2024: +9.4%).

Chart 5: Exports & Imports (YoY%) vs Trade Balance (RM b)



Source: Macrobond, MBSBR

Chart 6: Exports Growth by Major Destination (YoY%)

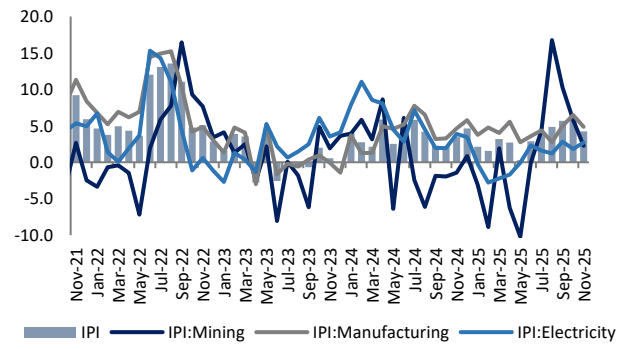


Source: Macrobond, MBSBR

Malaysia's IPI growth eased to +4.3%yoy in Nov-25 (Oct-25: +6.0%yoy), in line with the slower export growth during the month. Nevertheless, the sustained expansion in IPI for the 23rd consecutive month was underpinned by increased output across all major sectors. Manufacturing output grew by +4.9%yoy (Oct-25: +6.5%yoy), attributable to higher production of among others E&E products, machinery & equipment, basic metals and motor vehicles. Meanwhile, mining output rose by +2.3%yoy (Oct-25: +6.0%yoy), contributed by increased production of crude oil and natural gas. The electricity generation even recorded stronger growth of +2.7%yoy (Oct-25: +1.8%yoy), sustaining growth for the 6th straight month. For the 11-month period to Nov-25, Malaysia's IPI has been growing sustainable at +3.5%yoy, only a slight moderation from +3.6%yoy growth in 11MCY24.

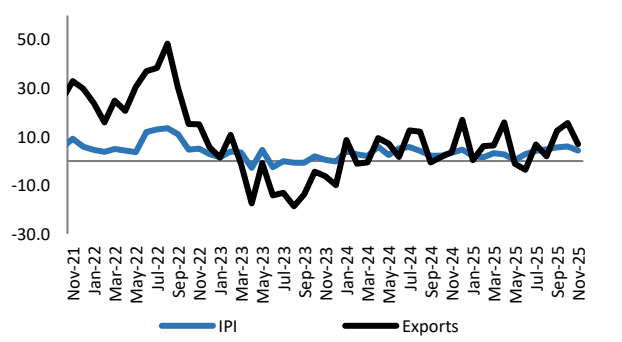
Sustained IPI growth with rising output across all major sectors

Chart 7: IPI Performances by Sector (YoY%)



Source: Macrobond, MBSBR

Chart 8: IPI vs Exports (YoY%)

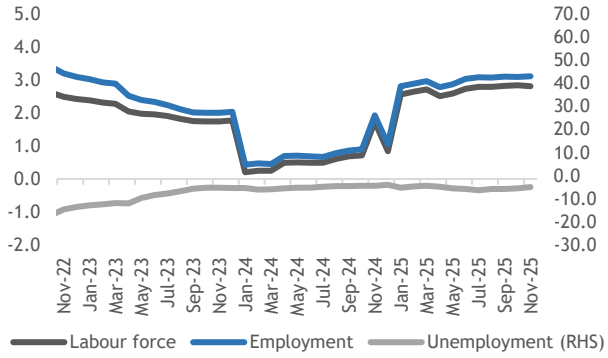


Source: Macrobond, MBSBR

Malaysia's labour market remained resilient in Nov-25, with the unemployment rate easing lower to 2.9%, breaking the recent trend after remaining at 3.0% for six consecutive months, being the lowest level in a decade. The improvements were driven by steady employment growth (+3.1%yoy), which continued to outpace the labour force expansion (+2.8%yoy) since Aug-21, as both indicators maintaining their pace from the previous month. The number of unemployed people slightly moderated to 518K. Meanwhile, the youth unemployment rate (aged 15–24) held steady at 10.1%, for the third consecutive months, underscoring persistently elevated joblessness among young people and challenges for graduates and new entrants in securing employment and transitioning into the labour market.

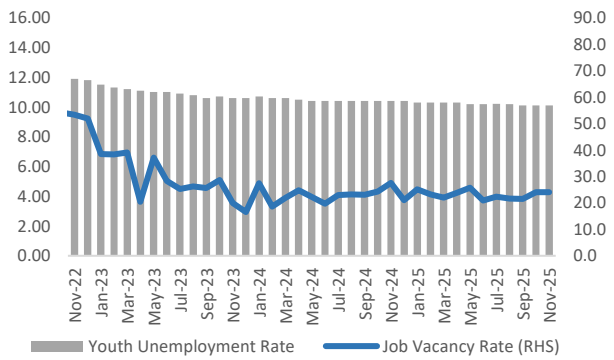
Unemployment rate rate edged lower to 2.9% in Nov-25

Chart 9: Labour Market Performances (YoY%)



Source: Macrobond, MBSBR

Chart 10: Youth Jobless Rate vs. Job Vacancies Rate (%)

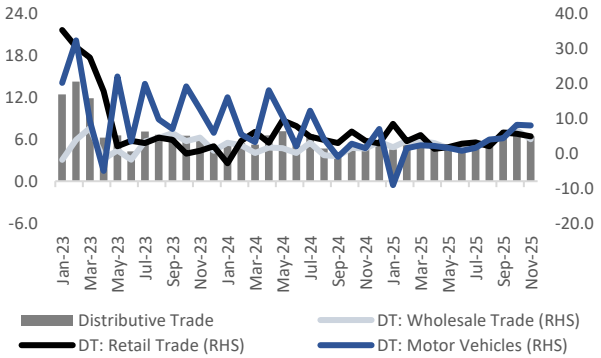


Source: Macrobond, MBSBR

Malaysia's distributive trade growth maintained resilient growth above +6%yoy for the third straight month although the pace of expansion moderated to +6.4%yoy in Nov-25 (Oct-25: +7.2%yoy), stemming from slower expansion across all segments, including wholesale trade (+6.0%yoy; Oct-25: +7.3%yoy), retail trade (+6.4%yoy; Oct-25: +6.8%yoy), and motor vehicles (+8.0%yoy; Oct-25: +8.2%yoy). The volume change in distributive trade also recorded softer expansion by +5.2%yoy (Oct-25: +5.7%yoy), attributable to more moderate volume growth for wholesale trade (+6.0%yoy), retail trade (+4.3%yoy), and motor vehicles (+6.8%yoy). In 11MCY25, Malaysia's distributive trade grew at a slightly softer pace of +5.4%yoy (11MCY24: +5.5%yoy), attributable to marginal moderation in retail trade (+6.0%yoy) and a sharp slowdown in motor vehicles (+2.3%yoy), in contrast to stronger growth in wholesale trade, which expanded by +5.7%yoy (11MCY24: +4.6%yoy). Consumer spending in Dec-25 should be supported by year-end holidays, sales and back-to-school demand, although flooding in some states may cap growth. Spending momentum is expected to strengthen in 1QCY26, driven by Chinese New Year and Hari Raya festivities, alongside higher disposable income from SSPA Phase 2 salary adjustments and government cash transfers, including the SARA Special Transfer (Feb-26).

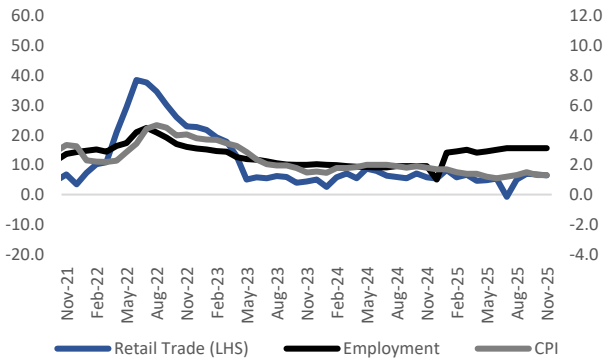
Sustained growth in distributive trade although pace of growth moderated in Nov-25

Chart 11: Distributive Trade (DT) Growth (YoY%)



Source: Macrobond, MBSBR

Chart 12: Retail Trade vs. CPI Inflation vs. Employment (YoY%)



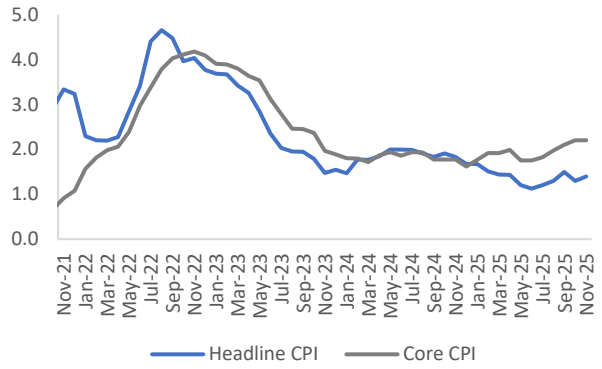
Source: Macrobond, MBSBR

Malaysia's headline CPI inflation edged higher to +1.6%yoy in Dec-25 (Nov-25: +1.4%yoy), indicating that inflation continued its gradual upward trend from the low of +1.1%yoy in Jun-25. The faster inflation in Dec-25 was attributable to an increase in alcoholic beverages & tobacco, which accelerated to +2.5%yoy (Nov-25: +2.4%yoy). Meanwhile, inflation for food at home came in slightly higher at +0.3%yoy (Nov-25: +0.1%yoy) and fish & other seafood at +2.2%yoy (Nov-25: +2.1%yoy). On the other hand, inflation for food away from home eased to +2.7%yoy (Nov-25: +2.8%yoy). Non-food prices inflation also accelerated to

Headline inflation shifts back higher to +1.6%yoy

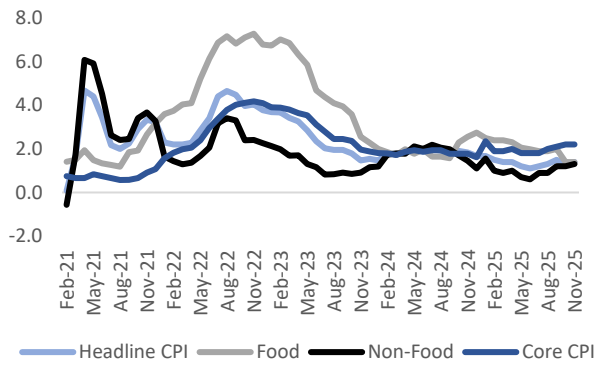
+1.6%yoy (Nov-25: +1.3%yoy), driven by among others the stronger inflation in alcoholic beverages & tobacco (+2.5%yoy; Nov-25: +2.4%yoy), clothing & footwear (+0.1%yoy, Nov-25: -0.1%yoy), and housing, water, electricity, gas & other fuels (+0.9%yoy; Nov-25: +0.7yoy%). Meanwhile, core CPI inflation ticked up further to +2.3%yoy in Dec-25 (Nov-25: +2.2%yoy), but still signaling manageable underlying price pressures. In 2025, full-year CPI inflation moderated to +1.4% (2024: +1.8%), but core CPI rose faster at +2.0 (2024: +1.8%).

Chart 13: Headline vs. Core CPI (YoY%)



Source: Macrobond, MBSBR

Chart 14: Key CPI Data (YoY%)

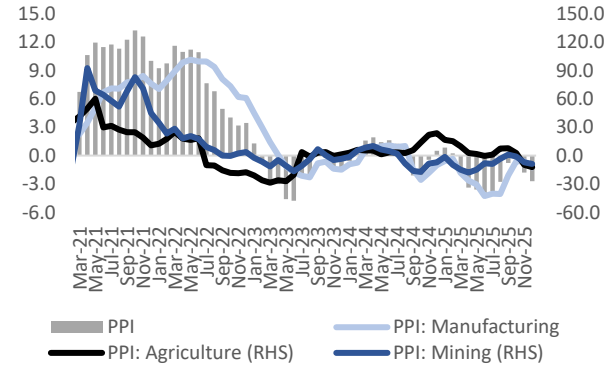


Source: Macrobond, MBSBR

Producer price deflation eased further

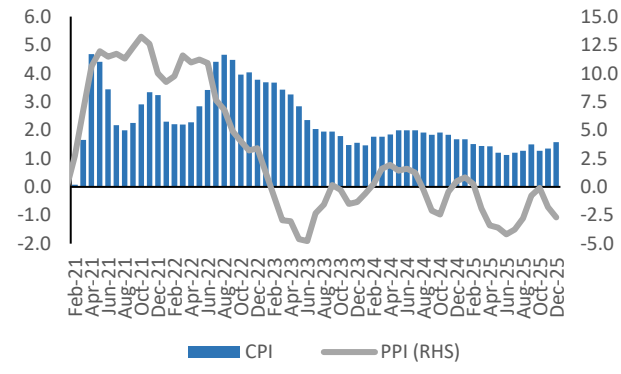
Malaysia's producer prices fell faster by -2.7%yoy in Dec-25 (Nov-25: -1.8%yoy), marking the steepest decline since Aug-25 and extending ten-month streak of deflation. This largely reflected a sharp deceleration in prices for the agriculture, forestry & fishing sector (-12.1%yoy; Oct-25: -9.7%yoy), weighed by the growing of perennial crops index (-19.6%yoy). The deflation in the mining sector also fell steeper by -8.8%yoy (Nov-25: -7.2%yoy), dragged down by extraction of crude petroleum (-7.8%yoy) and natural gas (-11.4%yoy) indices. The manufacturing sector posted a steeper price decline of -1.3%yoy (Nov-25: -0.6%yoy) with a fall in manufacture of coke & refined petroleum products index (-6.2%yoy). However, prices rose for the water supply (+10.9%yoy; Nov-25: +10.1%yoy), while prices for electricity and gas remain steady at +4.1%yoy. On a monthly basis, producer prices fell slightly slower by -0.2%mom (Nov-25: -0.3%yoy). Price declines were observed in mining (-2.0%mom) electricity & gas supply (-0.2%mom), and agriculture (-1.1%mom) sectors. PPI fell steeper across all stages of processing, including intermediate materials, supplies & components (-1.6%yoy) and finished goods (-0.7%yoy), and crude materials for further processing moderated (-8.3%yoy). The gap between PPI deflation and CPI inflation widened in Dec-25, as inflation rose faster by +1.6%yoy (Nov-25: +1.4%yoy). With cost pressures deflating as shown by falling PPI, we expect CPI inflation will remain contained and manageable.

Chart 15: PPI for Selected Sectors (YoY%)



Source: Macrobond, MBSBR

Chart 16: PPI vs CPI (YoY%)

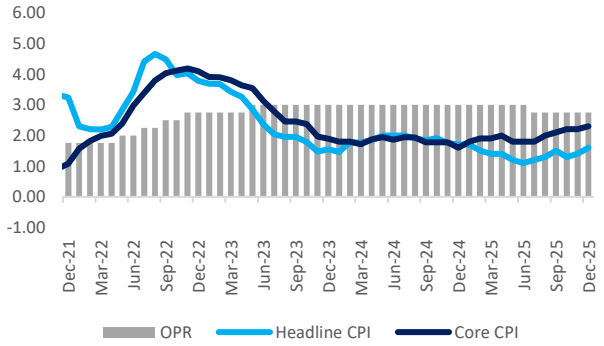


Source: Macrobond, MBSBR

BNM Holds OPR Steady at 2.75% in Jan-25

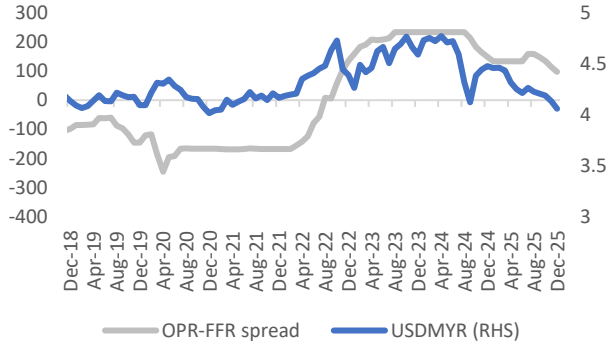
BNM left the Overnight Policy Rate (OPR) unchanged at 2.75% in the Jan-26 Monetary Policy Meeting. This is in view of the stronger than expected global growth and resilient domestic economy, following a milder tariff impact. The current rate is deemed as "appropriate and supportive" of the economy. Overall, the policy statement was largely unchanged from Nov-25 and maintained a neutral stance, with risks evenly balanced on both the upside and downside. This reinforces our expectation of an extended OPR pause for this year. On the global front, according to BNM, the global economy in 2025 performed better than expected, supported by a more moderate tariff outcome, AI-led technology expenditure and firmer fiscal backing. Looking ahead into 2026, growth will be underpinned by resilient domestic demand, easing inflation, tech investments and supportive monetary and fiscal policy. At the domestic level, BNM highlighted that Malaysia's growth in 2025 is skewed towards the upper end of the forecast range, with the positive economic momentum expected to continue into 2026. In view of stable prices, with headline and core inflation averaging at +1.4% and +2.0% in 2025, respectively, BNM expects headline inflation to remain moderate in 2026.

Chart 17: Monetary Policy (%) vs Inflation (YoY%)



Source: Macrobond, MBSBR

Chart 18: OPR-FFR Differentials (bps) & USDMYR

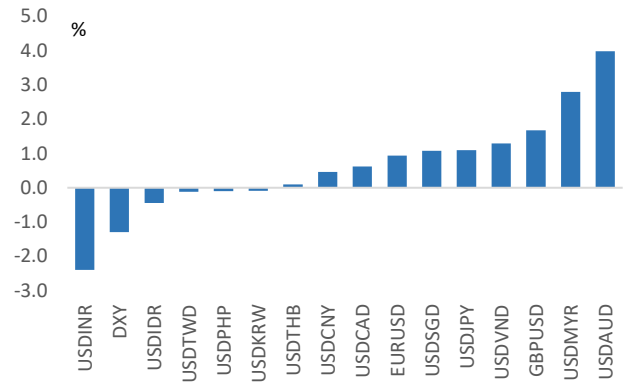


Source: Macrobond, MBSBR

Ringgit resumed its appreciating trend in Jan-26, closing at the highest level since 2018

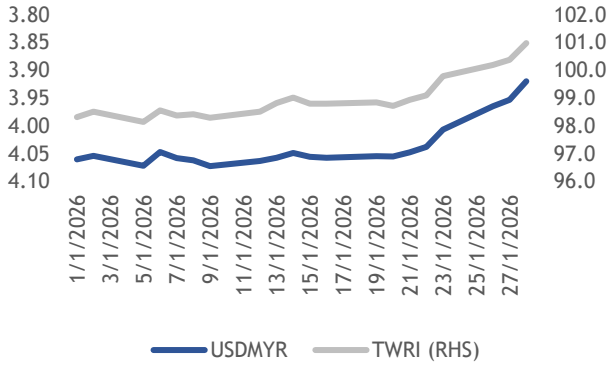
The ringgit appreciated by +2.8%mom in Jan-26, closing the month at RM3.94 (end-Dec-26: RM4.05), the highest level since 2018. In early Jan-26 until the last 10 days of the month, the ringgit movement was quite stable, trading between the range of RM4.04 – RM4.07. However, during this period, the ringgit tested the RM4.04 level several times on the back of better-than-expected domestic data releases such as the better-than-expected advance GDP estimate, and robust IPI and retail sales. On top of that, BNM kept OPR unchanged, and anticipating economic activities will remain robust moving forward while price pressures under control. However, towards final 10-days of the month, the ringgit was traded stronger, gradually strengthening towards the RM4.00 level, which was supported by the weaker performance of the DXY, on the back of weak confidence towards the USD and the prospect of other safe heaven assets such as gold, despite the selloff at the end of the month. Looking ahead, we anticipate the ringgit will maintain its stronger trajectory throughout 2026, driven by the narrowing interest rate differential between Malaysia's OPR and the US Fed's federal funds rate. Under our base case scenario, we forecast a sustained appreciation, with the ringgit averaging RM4.00 in 2026 (2025: RM4.28). We project a year-end target of RM3.95, from RM4.06 at end-2025 and RM4.47 at end-2024. However, we take note that if the ringgit were to strengthen further from the current level and at a sustainable level, we will review and adjust our ringgit projection on a stronger bias.

Chart 19: Monthly Changes for Selected Currencies Against US Dollar (%) in Dec-25



Source: Bloomberg, Macrobond, MBSBR

Chart 20: USDMYR vs. US Dollar Index vs. MBSB Trade-Weighted Index Monthly Average in Dec-25

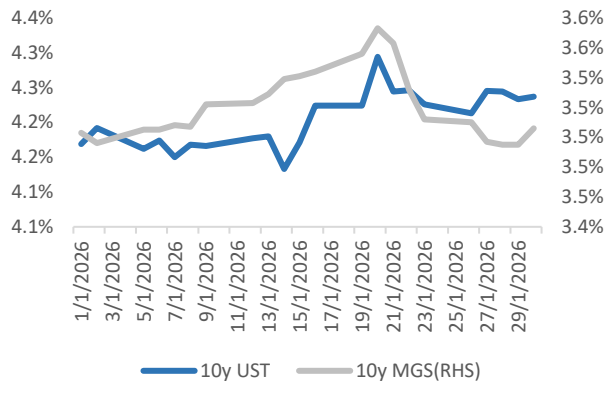


Source: Bloomberg, MBSBR

MGS10Y eased lower towards the end of last month

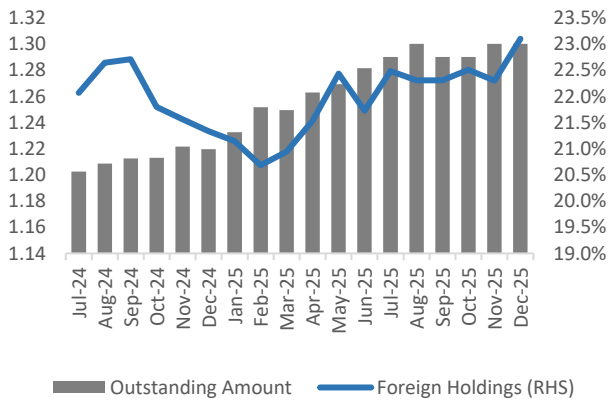
MGS yields generally closed higher in Jan-26, but the MGS10Y closed the month flat at 3.51% vis-à-vis end-Dec-25. The curve experienced upward pressure during the first half of the month, hitting the highest level of 3.57% before retracing lower towards the month-end, tracking the UST10Y. The MGS10Y yield hovered between the range of 3.49% to 3.57% for the month. However, the MGS3Y tracked higher last month closing at 3.015% (Dec-25: 2.997%). Meanwhile, the UST10Y was trading was trading between the of 4.13% - 4.29%, however, the UST10y and the MGS10Y movement decoupled after the mid-month as the MGS10Y yield declined but the UST10Y continue to move higher towards the end of last month. Based on the latest available data, foreign holdings of Malaysian bonds increased by +2.9b to RM300.7b (Oct-25: RM297.7b). The ratio of foreign holdings increased to 23.1% in Dec-25 against Nov-25 (22.3%). In the first few weeks of the month, we saw foreign funds have been entering Malaysia's capital market via the equity market, but flowing outward from the domestic debt market. Given the continued appreciation of the ringgit and the narrowing of the interest rate differentials between the OPR and the US fed funds rate, we expect this would support more flows into Malaysian financial market and ringgit outlook.

Chart 21: 10y MGS vs 10y UST Yields (%)



Source: Macrobond, MBSBR

Chart 22: Share of Foreign Holding (%) vs Outstanding MGS/MGII (RM t)



Source: Macrobond, MBSBR

Malaysia's economy to grow moderately at +4.3% in 2026

For now, we maintain our forecast that Malaysia's GDP growth would moderate to +4.3% in 2026 (2025e: +4.9%; 2024: +5.1%) as we expect downward drag from net exports. Meanwhile, domestic demand will remain as main growth driver, mitigating any adverse impacts from the still challenging external trade environment. Malaysia's domestic growth fundamentals remain positive supported by healthy labour market, growing wages and employment, as well as still mild general inflation. The domestic economic activities will also be underpinned by the progress of multi-year infrastructure projects and increased tourist

arrivals (and spending), following campaigns for the Visit Malaysia Year 2026. As a highly open economy, Malaysia's growth outlook will continue to be weighed down by external uncertainties such as changing trade rules by major trading partners, potential disruption to global supply chain and re-escalation of trade and geopolitical tensions. As a result, Malaysia's trade outlook could still be constrained by the effect of higher US tariffs on final demand and risk of weaker external demand from major markets.

Table 1: Selected Macroeconomic Data: Past Performance and Latest Projection (%)

(YoY %) Unless Stated Otherwise	2022	2023	2024	2025E	2026F
Real GDP	8.9	3.6	5.1	4.9	4.3
Govt. Consumption	5.1	3.3	4.7	5.8	4.9
Private Consumption	11.3	4.7	5.1	5.0	5.3
Gross Fixed Capital Formation	6.8	5.5	12.0	9.2	7.0
Govt. Investment	5.3	8.6	11.1	9.2	7.7
Private Investment	7.2	4.6	12.3	9.2	6.7
Exports of goods & services;	14.5	(7.9)	8.3	3.1	4.3
Goods Exports	11.0	(12.5)	5.3	1.8	3.9
Services Exports	58.3	32.9	25.5	9.2	6.4
Imports of goods & services;	16.0	(6.8)	8.2	3.5	4.7
Goods Imports	14.4	(10.9)	8.9	3.3	4.7
Services Imports	25.7	16.1	5.7	4.4	5.1
Net Exports	(1.5)	(22.2)	9.2	(3.2)	(2.5)
Agriculture etc.	1.3	0.2	3.1	2.2	0.7
Mining & Quarrying	3.5	0.5	0.9	0.5	1.0
Manufacturing	8.2	0.7	4.2	4.5	3.5
Construction	5.1	6.0	17.5	12.4	10.3
Services	11.3	5.1	5.3	5.1	5.6
Exports of Goods (f.o.b)	24.9	(8.0)	5.7	6.0	4.5
Imports of Goods (c.i.f)	31.0	(6.4)	13.2	5.5	5.0
Headline CPI Inflation (%)	3.4	2.5	1.8	1.4	1.8
Current Account, % of GDP	3.2	1.1	1.4	1.4	1.2
Fiscal Balance, % of GDP	(5.6)	(5.0)	(4.1)	(3.8)	(3.6)
Federal Government Debt, % of GDP	60.3	64.3	64.6	64.9	64.6
Unemployment Rate (%)	3.8	3.4	3.3	3.0	3.0
Brent Crude Oil (Avg), USD per barrel	102.0	82.2	79.9	68.2	55.0 – 60.0
Crude Palm Oil (Avg), MYR per tonne	5,262	3,813	4,194	4,305	4,200
USD/MYR (Avg)	4.40	4.56	4.56	4.28	4.00
USD/MYR (End-period)	4.35	4.59	4.47	4.06	3.95
MGS 10-Yr Yield (Avg)	4.07	3.86	3.83	3.58	3.50
MGS 10-Yr Yield (End-period)	4.04	3.73	3.84	3.53	3.53
Overnight Policy Rate (%)	2.75	3.00	3.00	2.75	2.75

Source: Macrobond, Bloomberg, National Sources, MBSBR

JANUARY 2026 KEY ECONOMIC EVENTS

2 Jan: Malaysia's December PMI Remains At 50.1, Unchanged From November - S&P Global. The seasonally adjusted S&P Global Malaysia Manufacturing Purchasing Managers' Index (PMI) for December 2025 remained unchanged at 50.1 from November's reading.

5 Jan: RM100 SARA aid for 22m adults to be credited on Feb 9. The government will continue the Sumbangan Asas Rahmah (SARA) programme this year, providing RM100 for every Malaysian citizen aged 18 and above, to be credited on Feb 9.

5 Jan: Anwar outlines tax-focused measures for 2026. Prime Minister Datuk Seri Anwar Ibrahim has outlined a series of tax-focused measures for 2026, including greater flexibility in income tax compliance and a reduction in service tax on commercial rentals, as part of efforts to reduce operating costs for businesses and ease financial pressures on households.

8 Jan: DOSM: First phase of 2026 Economic Census focuses on informal sector, including online traders. The Economic Census 2026 (BE 2026), currently in its first phase, focuses on the informal sector, including small- and micro-scale enterprises and the rapidly growing online businesses, according to the Department of Statistics Malaysia (DOSM).

15 Jan: 2026 marks implementation of govt reforms, development agenda. The year 2026 marks the implementation of the government's reform and development agenda, with its effects already being felt by households, businesses, and the economy, said Finance Minister II Datuk Seri Amir Hamzah Azizan.

19 Jan: Malaysia To See Continued Growth In 2026 On FDI Inflows, Robust Domestic Economy -- Amir Hamzah. Malaysia's economy is expected to continue growing in 2026, driven by foreign direct investment (FDI) inflows as well as a robust domestic economy, said Finance Minister II Datuk Seri Amir Hamzah Azizan.

21 Jan: Malaysia defends reciprocal trade pact with US despite regional hesitation. Malaysia has defended its decision to proceed with the Agreement on Reciprocal Trade (ART) with the US, arguing that the pact is necessary to preserve market access and protect export competitiveness, even as several Southeast Asian countries have yet to sign or ratify similar arrangements.

23 Jan: Govt Introduced More Than 40 New Policies, Amended Over 80 Laws Over Three Years To Reform Economy. The government has introduced more than 40 new policies and key initiatives and amended over 80 acts, including new legislation enacted during its three-year administration, to implement its promised economic reforms to address the people's cost-of-living issues, according to the Ministry of Economy.

29 Jan: MITI To Implement New Incentive Framework From March 2026. The government will implement the New Incentive Framework (NIF) effective March 1, 2026, beginning with the manufacturing sector and followed by the services sector in the second quarter of 2026, according to the Ministry of Investment, Trade and Industry (MITI).

4 Jan: MATRADE steps up global push for Malaysian exporters with 203 programmes lined up for 2026. The Malaysia External Trade Development Corporation (MATRADE) is stepping up efforts to support the global expansion of Malaysian exporters, with its 2026 roadmap outlining 203 high-impact trade promotion programmes.

5 Jan: DOSM: Economic census 2026 to reset Malaysia's base year to 2025. Malaysia's sixth Economic Census, which will cover about 1.3 million business establishments nationwide, has begun field operations as the country moves to refresh its statistical baseline after the Covid-19 disruption.

6 Jan: BNM announces additional RM2.5b fund for SMEs. Bank Negara Malaysia (BNM) is providing an additional RM2.5 billion under its fund for small and medium enterprises (SMEs), with a focus on channelling these funds to first-time borrowers.

9 Jan: Malaysia to review FTAs as global trade turns inward-looking. Malaysia is reassessing its Free Trade Agreements (FTA) as global trade shifts towards protectionism, with Türkiye chosen as the first country for review.

17 Jan: Treasury Sec-Gen: Targeted subsidies a more realistic approach for tackling rising cost of living. Despite the view that subsidies are inefficient and prices of basic necessities should be determined by market forces, the MADANI Government has chosen a more realistic approach by providing targeted subsidies to help households cope with cost-of-living pressures.

20 Jan: ECERDC secures RM75 bil committed, RM55 bil realised investments. The East Coast Economic Region Development Council (ECERDC) has secured RM75 billion in committed investments and RM55 billion in realised investments, both surpassing their respective targets of RM70 billion and RM49 billion.

22 Jan: Growth of national debt service charges down to 6.4% in 2025 — MOF. The government has succeeded in slowing the growth of debt service charges in 2025 to 6.4%, compared with 12.3% in 2023 and 9% in 2024, as a result of the implementation of fiscal reform measures and prudent debt management

27 Jan: DOSM: National median monthly wage of formal employees rises to RM2,864 in September 2025. The median monthly wage of Malaysia's 7.06 million formal employees increased to RM2,864 in September 2025, up 4.3% from RM2,745 a year earlier, according to the Third Quarter 2025 Employee Wages Statistics (Formal Sector) Report released by the Department of Statistics Malaysia (DOSM) on Tuesday.

30 Dec: BNM: Malaysia's Official Reserve Assets At US$124.12 Bln. Malaysia's official reserve assets amounted to US$125.53 billion, while other foreign currency assets stood at US$266.1 million as at end-December 2025.

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