PRESS RELEASE
MINISTRY OF FINANCE

MALAYSIA'S 2026 GDP GROWTH ON TRACK TO EXCEED 5% FOR THIRD CONSECUTIVE YEAR

The 5.5% expansion in the third quarter of 2026 (Q3 2026) brought Malaysia's economic growth for the first nine months to 5.6%, compared with 4.8% in the corresponding period last year. This puts Malaysia on track to record growth exceeding 5% for the third consecutive year.

The broad-based growth was undergirded by resilient domestic demand, which expanded by 4.8%. Exports surged by 46% in the third quarter of 2026 particularly from electrical and electronics (E&E) products (62.1%) amid the global technology upcycle. In September 2026, Malaysia recorded its highest-ever monthly export value of RM215.1 billion, surpassing the RM200 billion mark for the first time.

The strong economic performance was complemented by continued improvements in the labour market, with unemployment declining to 2.9% in September 2026 from 3.0% in the corresponding month last year. Inflation remained benign at 1.8% in September 2026.

Prime Minister and Finance Minister YAB Dato' Seri Anwar Ibrahim said the MADANI Government's proactive measures to safeguard economic stability and secure fuel supplies amid the West Asia crisis helped Malaysia sustain strong growth despite external uncertainties.

"The Government's decisive response to the West Asia crisis, supported by the reforms undertaken under Ekonomi MADANI, has strengthened our economic resilience and enabled Malaysia to deliver one of the region's leading economic performances despite a challenging global environment," said YAB Dato' Seri Anwar.

Looking ahead, geopolitical tensions and climate-related risks continue to cloud the global outlook. Nevertheless, the MADANI Government remains cautiously optimistic about Malaysia's economic prospects in 2027.

Budget 2027 builds upon the foundations laid by preceding MADANI Budgets to raise the ceiling through stronger growth, investments and infrastructure development, while maintaining fiscal discipline.

"Yet all this would be for naught if we neglected to raise the floor. Through enhanced assistance, lower personal income tax rates and improved public services, the MADANI Government remains indefatigable in its efforts to translate economic growth into better living standards and greater opportunities for the rakyat," said YAB Dato' Seri Anwar.

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