

Malaysia's Economy Grows 5.9% in Q2 2024

Kuala Lumpur, August 19, 2024 – Malaysia's economy expanded by 5.9% year-on-year in the second quarter of 2024, surpassing earlier estimates. This growth exceeded the 5.8% forecast from analysts and the government.

The robust growth was driven by increased household spending, positive labor market indicators, and a rebound in exports and investment. According to Bank Negara Malaysia (BNM) and the Department of Statistics, these factors combined to boost the country's economic performance.

BNM Governor Abdul Rasheed Ghaffour projected that the growth rate for the entire year 2024 will likely exceed the central bank's forecast of 4% to 5%, supported by stronger domestic and external demand. Ghaffour highlighted that household expenditure will continue to be a key driver of growth, alongside ongoing employment and income expansion, supportive fiscal policies, and vigorous investment activities.

In 2023, Malaysia's economy grew by 3.7%, a significant slowdown from the record high of 8.7% in 2022. Government data also revealed a 3.9% increase in exports during the first half of 2024. Despite a recent rise in inflation due to diesel subsidy cuts in June 2024, BNM expects inflation to remain manageable.