

GROSS DOMESTIC PRODUCT

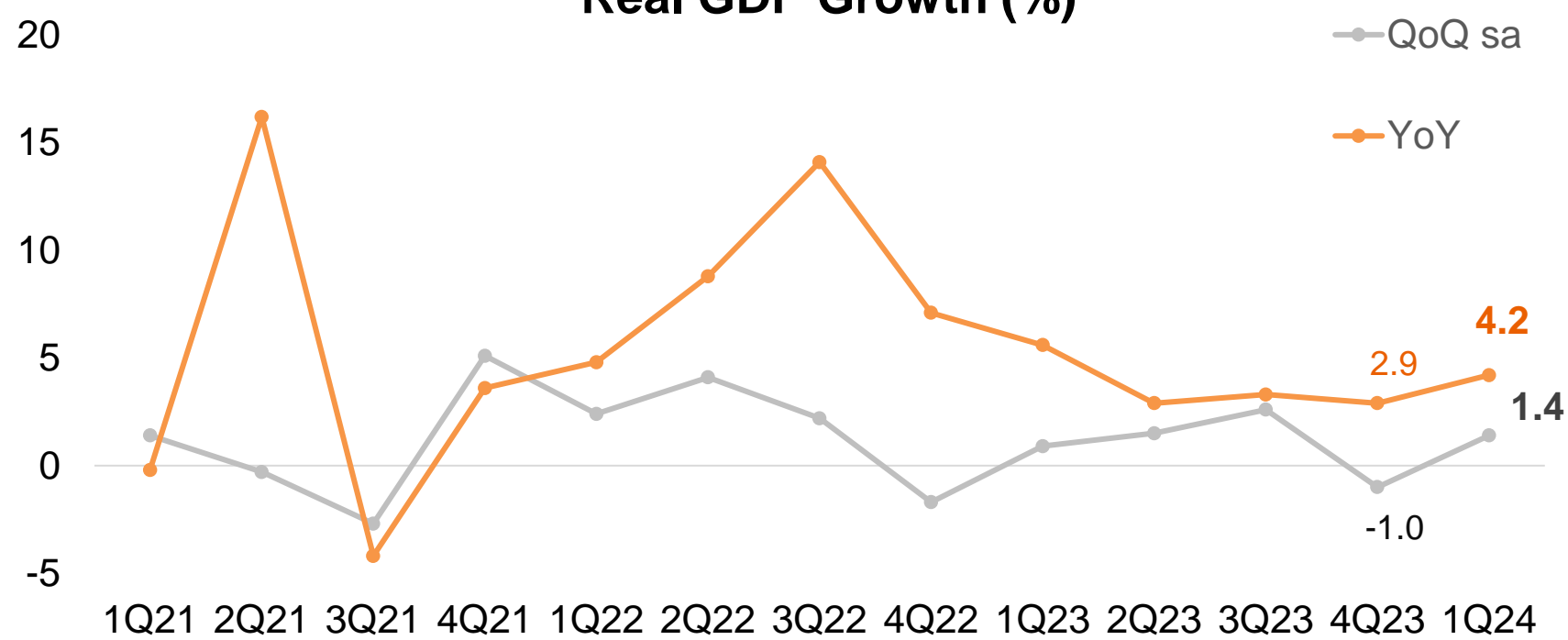
EXPAND BY 4.2% IN 1Q 2024 (4Q: 2.9%)

Malaysia's GDP growth beat advance estimate of 3.9%

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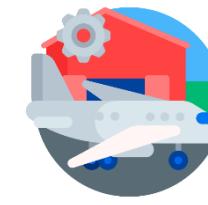
Real GDP Growth (%)



KEY DRIVERS



Higher household spending



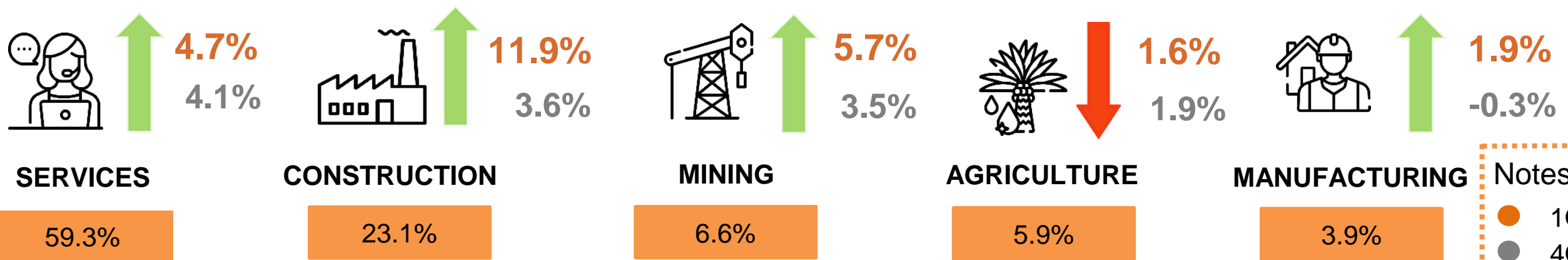
Turnaround in goods exports and more tourist arrivals



Stronger investment activities

ECONOMIC PERFORMANCE (% YoY)

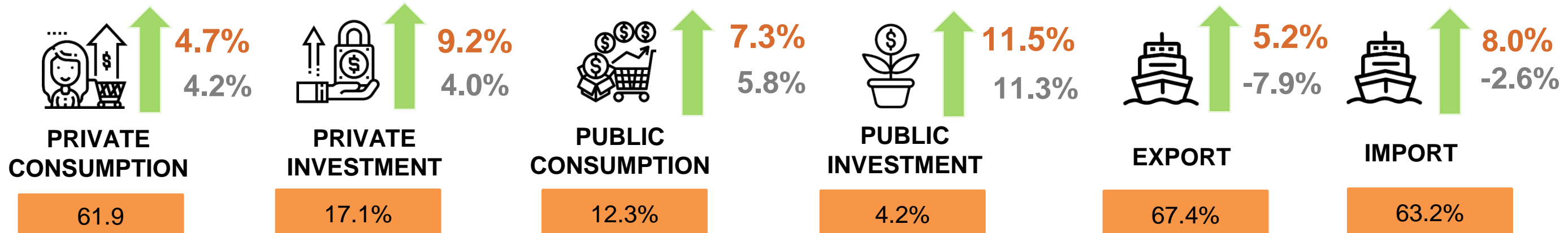
PRODUCTION



Notes:

- 1Q 2024
- 4Q 2023
- share

EXPENDITURE



HIGHLIGHTS

- The 4.2% YoY (4Q: 2.9%) growth came in slightly above our forecast of 4.0% as well as Bloomberg's median consensus of 3.9%.
- **All key sectors except agriculture recorded better YoY performance** compared to 4Q, namely services (4.7%), manufacturing (1.9%), mining (5.7%), and construction (11.9%). Meanwhile, agriculture grew at a slightly slower pace (1.6%) as stronger growth in oil palm subsector (1Q: 2.5% vs 4Q: 1.6%) was partially offset by larger decline in forestry & logging sub-sector (-10.5% vs -5.7%).
- Higher growth in services sector was mainly driven by retail trade (1Q: 3.6% vs 4Q: 2.8%), finance (3.0% vs -2.8%), F&B (3.5% vs 2.9%) and real estate (10.0% vs 6.5%) while **remarkable performance of construction sector was fueled by all segments** (residential & nonresidential buildings, civil engineering and construction activities).
- **By expenditure, improvement was observed in all key components**, notably **private investment** which **surged** by 9.2% YoY, the fastest pace since 4Q 2022 (10.3% YoY). Private consumption which has the largest share of GDP grew steadily by 4.7% but below 7.1% to 8.1% range seen pre-pandemic in 2019.
- Meanwhile, rebound in both exports and imports had led to a softer fall in net exports (1Q: -24.5% vs 4Q: -52.9%). **Exports of goods turned around and grew marginally** by 1.0% YoY (4Q: -12.4%) while those of services soared by 33.8% (4Q: 25.4%).
- On a **QoQ seasonally adjusted basis**, the economy rebounded by 1.4% (4Q: -1.0%).

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