

## 5.2pc GOP GROWTH IN THIRD QUARTER

# 'Top end of growth target achievable'

**KUALA LUMPUR:** Malaysia's strong 5.2 per cent gross domestic product growth in the third quarter of the year puts the country firmly on track to achieve the higher end of its 2025 growth target of 4.0 per cent to 4.8 per cent.

Prime Minister Datuk Seri Anwar Ibrahim said with resilient domestic demand, a stable labour market and continued investments in high-growth, high-value sectors, the country was building a solid foundation for sustained economic momentum throughout the rest of the year.

"Malaysia's economy expanded by 5.2 per cent in the third quarter, compared with 4.4 per cent in the second quarter, driven by robust performance across all sectors. Resilient domestic demand continued to anchor growth, despite lingering external headwinds and global uncertainties," he said in a statement.

Anwar, who is finance minister, added that domestic demand remained the key driver of growth, registering 5.8 per cent, down from seven per cent in the second quarter, supported by strong household spending, favourable labour market conditions and contained inflation.

"At the same time, the government's continuous efforts to raise the rakyat's income levels, sup-

ported by social assistance programmes such as Sumbangan Tunai Rahmah and Sumbangan Asas Rahmah, have also contributed to consumer spending."

Malaysia's economic growth was also sustained by improvements in exports, partly reflecting the effects of front-loading activities.

For the first nine months of 2025, the economy expanded by 4.7 per cent, underscoring the country's resilience and strong fundamentals in withstanding global challenges.

Anwar said the third-quarter performance aligned with improving economic indicators, including the labour market, where total employment grew by 3.1 per cent to 17 million persons, while the unemployment rate remained at three per cent, the same level recorded in the second quarter.

He added that the third-quarter growth was in line with stable inflation, which remained at 1.3 per cent.

The manufacturing sector's sales value rose by 3.5 per cent to RM500.1 billion; the Industrial Production Index increased by 4.9 per cent; and, total trade expanded by 3.7 per cent to RM769.8 billion, with a trade surplus of RM50.3 billion, he added.

"Moreover, the current account of the balance of payments

recorded a surplus of RM12.2 billion, equivalent to 2.5 per cent of gross national income, highlighting the resilience of the goods and services accounts.

"The services account recorded a surplus of RM0.7 billion, after 14 years of deficits.

"Foreign direct investment continued to show a net inflow of RM8.5 billion; and the ringgit held steady at RM4.2070 against the US dollar, rising 0.1 per cent and reinforcing its position among Asia's top-performing currencies."

Anwar affirmed that the government remained committed to advancing the Madani Economy framework by implementing structural and fiscal reforms to improve productivity, enhance competitiveness, and promote digitalisation and high-quality investments.

"The government remains steadfast in reducing the fiscal deficit to 3.8 per cent in 2025 and 3.5 per cent in 2026.

"Moving forward, the 13th Malaysia Plan, complemented by the Fourth Madani Budget, will propel the nation's economic trajectory and further support efforts to safeguard the well-being of the rakyat while ensuring that the benefits of growth are broadly shared."