

3 Mar 2025

中总马来西亚商业和经济状况调查报告

ACCCIM Malaysia's Business and Economic Conditions Survey (M-BECS) Report

2024下半年及2025上半年预测
2H 2024 and 1H 2025F

This survey report is prepared by Socio-Economic Research Centre (operating under SERC Sdn. Bhd.), in collaboration with Universiti Tunku Abdul Rahman (UTAR).

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Executive Summary

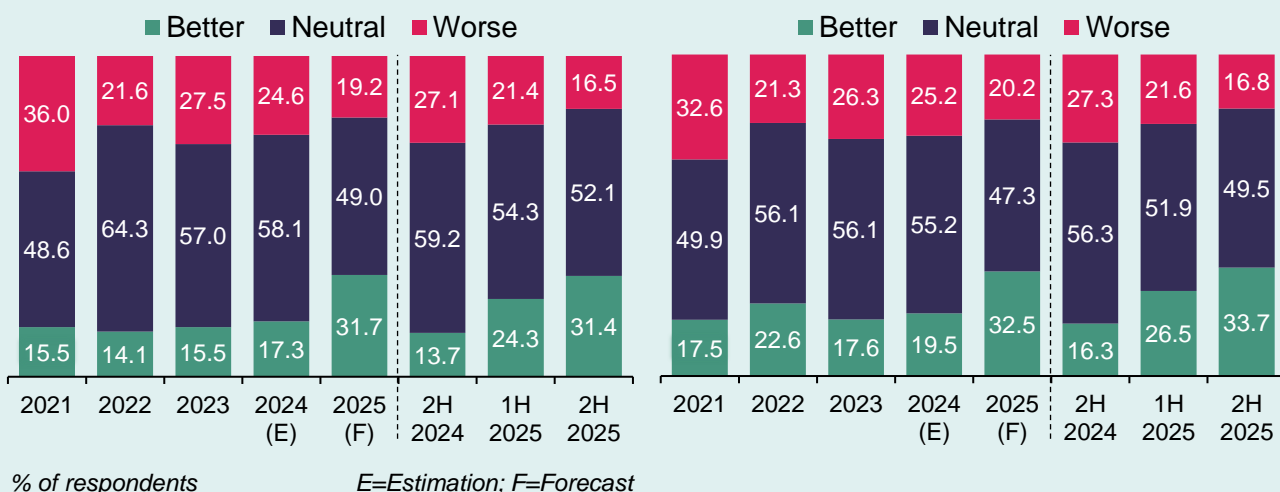


#1 Executive Summary

The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)'s Malaysia's Business and Economic Conditions Survey (M-BECS) covers Jul-Dec 2024 (2H 2024) and expectations for Jan-Jun 2025 (1H 2025). It was conducted during the period between 18 November 2024 and 15 January 2025 and has received a total of 630 responses.

Economic Conditions and Prospects

Business Conditions and Prospects




M-BECS: Overview and Summary of Key Findings

1. The survey showed that businesses were cautiously optimistic about the economy and business conditions in 2H 2024, as well as in 1H and 2H 2025, respectively. While most respondents held a neutral view on economic conditions, the percentage of respondents expecting better economic outlook increased in 2H 2025.
2. The Malaysian economy expanded higher by 5.1% in 2024 (3.6% in 2023), underpinned by sustained domestic demand, especially private investment amid a moderate recovery in exports. We expect real GDP growth to increase by 5.0% in 2025 on continued domestic demand while cautious about exports due to the disruptive trade conflicts among the advanced economies.
3. In 2H 2024, respondents in the wholesale and retail trade (40.0% of the respondents), manufacturing (29.4%), tourism-related (28.6%) and construction sectors (27.4%) indicated a weaker economic performance.
4. Business sentiment closely mirrored the economic outlook, with most respondents having a neutral view in the near- and medium-term. Respondents anticipate a gradual improvement over time.
5. In 2H 2024, respondents in the wholesale and retail trade (42.9%), manufacturing (31.9%), and construction (24.7%) sectors have a slightly more negative sentiment than positive about their business performance. In contrast, the professional and business services were more positive.

6. Overall business performance was generally neutral in 2024, moving in tandem with the continued expansion of the domestic economy. The business outlook for 2025 indicates slight improvement across most sectors amid 29.3% of respondents in the wholesale and retail trade sector remained pessimistic, surpassing those with a positive outlook.
7. **The top five (5) factors that have adversely affected business performance in 2H 2024** were: (i) High operating costs and cash flow problem (50.0%); (ii) Increase in prices of raw materials (41.3%); (iii) The Ringgit's fluctuation (40.2%); (iv) Lower domestic demand (39.0%); and (v) Changing consumer behaviour (36.8%).
8. **Assessment of business conditions in 2H 2024 and 1H 2025F:**
 - a) Neutral cash flows and debtor conditions in 2H 2024 and 1H 2025.
 - b) Domestic and foreign sales showed improved performance and outlook, though over 35% of respondents reported a weaker sales performance in 2H 2024.
 - c) Domestic price levels increased, while export price levels mostly remained stable in 2H 2024. In 1H 2025, businesses are expected to increase their prices.
 - d) Production levels and inventory/stock levels remained unchanged. However, a majority of respondents are operating at a low-capacity utilisation rate of less than 75%.
 - e) Cost of local and imported raw materials continued to increase in 2H 2024 and is expected to maintain an upward trend in 1H 2025.
 - f) Most businesses have retained their manpower, registering positive wage growth.
 - g) Capital expenditure registered continued expansion, indicating a still positive investment outlook.

■ Increase
■ Unchanged
■ Decrease

 5 percentage points below the top (a little different)

2H 2024 (Actual)

1H 2025 (Forecast)

Sales Performance

Overall Sales	42.7%	18.7%	38.6%	45.9%	25.8%	28.3%
Domestic Sales	40.4%	23.5%	36.1%	45.5%	26.7%	27.7%
Foreign Sales	37.2%	34.6%	28.1%	41.3%	35.2%	23.5%

Business Production

Production Level	33.5%	36.7%	29.8%	36.5%	38.9%	24.5%
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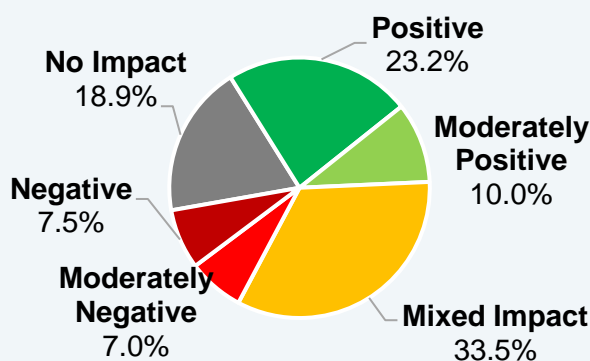
Investment

Capital Expenditure	57.0%	37.0%	5.9%	60.0%	33.3%	6.7%
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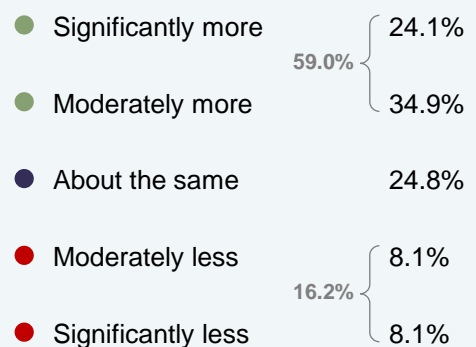
Issue in Sights: China’s Impact on Malaysia’s Businesses

1. The survey showed “positive to mixed impact” of China’s investment and businesses on domestic economy. Close to one-third each of respondents reported a positive impact and mixed impact, respectively, while 14.4% viewed it negatively.
2. It is encouraging to note that 59% of total respondents have perceived that China’s companies surpass other foreign investors in terms of technology and knowledge transfer in Malaysia. Investments in artificial intelligence (AI), green investment, and information and communication technology (ICT) were deemed the most beneficial by the respondents.
3. However, there were reservations about Chinese companies’ talent hiring practices in Malaysia. 36.3% of respondents indicated that Chinese companies primarily filled key positions with Chinese talent, with higher percentages in the construction (53.4%) and manufacturing (37.8%) sectors.
4. The respondents have acknowledged the contributions of Chinese investments in supporting national economic and industrial development (58.1%), technology transfer (54.0%), and generating employment opportunities (45.2%).
5. However, there were concerns about China’s potential adverse impact on local businesses, especially SMEs, which amongst these include heightened competition (82.1%), the crowding-out of domestic SMEs (69.7%), and market share reductions for Malaysian companies (48.6%).
6. The most common strategies adopted by domestic businesses to counter the impact of China’s businesses include focusing on product quality or differentiation (55.7%), improving operational efficiency or cutting costs (40.5%), and expanding into new markets or customer segments (39.2%).
7. Amongst the government’s support and assistance needed to navigate the challenges include encouraging joint ventures with local partnerships (65.1%), addressing unfair trading practices (44.3%), and prioritising companies with higher local content (39.2%).

■ The Magnitude of China’s Impact



■ Technology and Knowledge Transfer: China vs. Others



Issue in Sights: Cost-Related Assessment

1. Raw materials and personnel expenses were cited as the main cost components, together with utilities, rental, and financing interest. As personnel expenses accounted for up to 30% of total costs for most respondents, higher minimum wage, proposed implementation of mandatory EPF contributions for non-citizen workers, and a multi-tiered levy for foreign workers, would burden them either “moderately or highly”.
2. A majority of respondents (65.9%) anticipated that these three measures would result in additional increase in personnel cost up to 20%, while slightly more than one-fifth (20.2%) expected the increase to exceed 20%. Notably, 61.6% of respondents (31.6% moderately and 30.0% highly) viewed the RON95 petrol subsidy rationalisation as adversely impacting their business.
3. The respondents expect that some 2025 Budget measures will ease their financial burden, with the SME soft loan facility being the most favoured measure (as voted by 65.8% of respondents), followed by digital grants (40.8%), Market Development Grant (MDG) (35.7%), SJPP guarantee scheme (32.3%), and micro-financing facility (31.4%).
4. Talent availability remains a critical challenge for the industries, with more than one-third of respondents (35.9%) highly concerned about the shortage of skilled talent. More than half of respondents reported moderate impact from regulatory and compliance burden (55.8%), energy and sustainability costs (55.7%), and access to financing (50.7%).
5. Given these challenges, more than half of respondents have urged the government to provide corporate tax rebate to MSMEs (57.2%), increase allocation for soft loans and grants (56.5%), raise the preferential tax threshold for SMEs (51.6%), and remove mandatory EPF contributions for non-citizen workers (51.3%), in order to ease cost of doing business and facilitate businesses in a challenging environment.

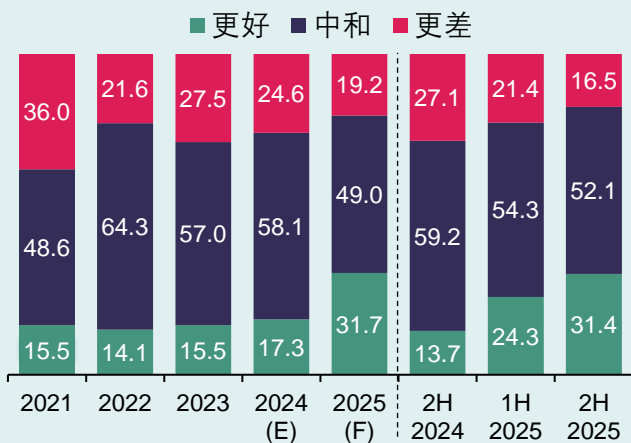
■ Measures announced in Budget 2025 that moderately/highly impact businesses

Measure	Percentage	Impact Category	Percentage	
1. RON95 petrol subsidy rationalisation	61.6%	Additional increase to personnel expenses	No extra increase	14.0%
2. Minimum wage increase to RM1,700	56.1%		1%-10% extra	33.7%
3. Mandatory EPF contribution for non-citizen workers	50.9%		11%-20% extra	32.2%
4. Multi-tiered levy for foreign workers	49.8%		21%-30% extra	12.9%
			Beyond 30% extra	7.3%

#1 调查报告摘要

马来西亚中华总商会（中总）于2024年11月18日至2025年1月15日进行的马来西亚商业和经济状况调查问卷，涵盖2024年7月至12月（2024年下半年）及2025年1月至6月（2025年上半年）的预测。本次调查共收到630份的回复。

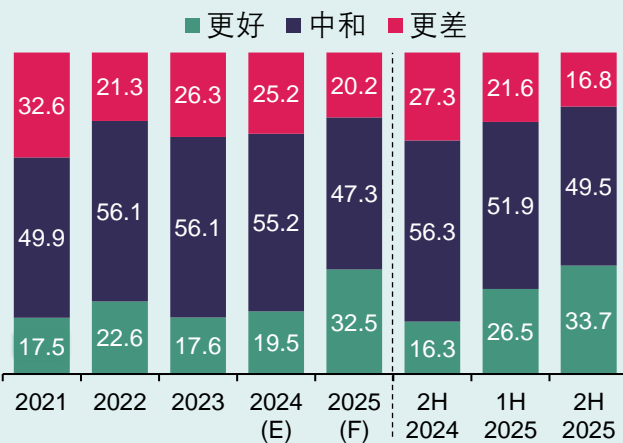
整体经济状况及展望



回复者的比率(%)

E=估计; F=预测

整体商业状况及展望



M-BECS: 调查结果的主要概述与总结

1. 调查显示，企业对2024年下半年以及2025年上半年和下半年的经济和商业状况，持谨慎乐观态度。虽然大多数回复者对经济状况持中和态度，但预计2025年下半年经济前景更好的回复者比例则有所增加。
2. 2024年马来西亚经济增长5.1%（2023年为3.6%），这得益于持续的国内需求，尤其是私人投资，以及出口温和复苏。中总预计，由于国内需求持续增长，2025年实际国内生产总值(GDP)增长率将达到5.0%，同时由于发达经济体之间破坏性的贸易冲突，对出口则持谨慎态度。
3. 2024年下半年，批发和零售贸易（40.0%）、制造业（29.4%）、旅游相关行业（28.6%）和建筑业（27.4%）的回复者表示经济表现较弱。
4. 商业情绪与经济前景密切相关，大多数回复者对近期和中期持中和看法。回复者预计情况会随着时间的推移逐渐改善。
5. 2024年下半年，批发和零售贸易（42.9%）、制造业（31.9%）和建筑业（24.7%）的回复者对其业务表现的负面情绪略多于正面情绪。相比之下，专业和商业服务则更为正面。

6. 2024年，商业表现整体上呈中和态势，与国内经济的持续扩张同步。2025年的商业前景表明，大多数行业略有改善，尽管 29.3% 的批发和零售贸易行业回复者仍持悲观态度，超过持乐观态度的回复者。
7. 对 2024年下半年业务表现产生不利影响的五大因素是：(i) 高营运成本和现金流问题 (50.0%); (ii) 原材料价格上涨 (41.3%); (iii) 令吉波动 (40.2%); (iv) 国内需求下降 (39.0%); (v) 消费者行为改变 (36.8%)。
8. 2024年下半年和2025年上半年预测的商业状况评估：
- 2024年下半年和2025年上半年的现金流和债务人状况呈现中和。
 - 整体国内外销售业绩和前景有所改善，尽管超过 35% 的回复者表示2024年下半年销售业绩较弱。
 - 2024年下半年，国内价格水平上涨，而出口价格水平基本保持稳定。2025年上半年，企业预计将提高价格。
 - 生产水平和库存/存货水平保持不变。然而，大多数回复者的产能利用率较低，不到 75%。
 - 2024年下半年，本地和进口原材料成本继续上涨，预计 2025年上半年将保持上升趋势。
 - 大多数企业保持员工规模，工资则呈正增长。
 - 资本支出持续扩大，表明投资前景仍然乐观。

■ 增加
■ 没有变化
■ 减少

🚩 比最高点低 5 个百分点 (略低)

2H 2024 (实际)

1H 2025 (预测)

业务评估

	2H 2024 (实际)			1H 2025 (预测)		
总销售额	42.7%	18.7%	38.6% 🚩	45.9%	25.8%	28.3%
国内销售额	40.4%	23.5%	36.1% 🚩	45.5%	26.7%	27.7%
国际销售额	37.2%	34.6% 🚩	28.1%	41.3%	35.2%	23.5%

生产量

	2H 2024 (实际)			1H 2025 (预测)		
生产水平	33.5%	36.7%	29.8%	36.5% 🚩	38.9%	24.5%

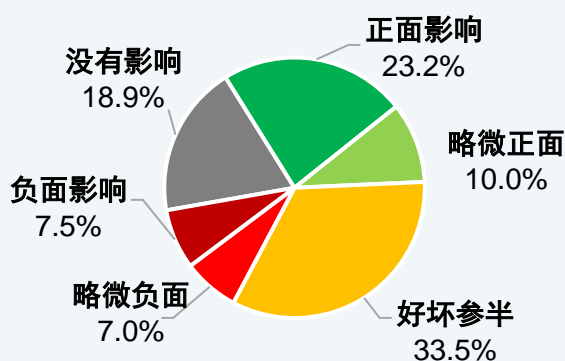
投资

	2H 2024 (实际)			1H 2025 (预测)		
资本支出	57.0%	37.0%	5.9%	60.0%	33.3%	6.7%

探讨的课题：中国对马来西亚企业的影响

1. 调查显示，中国投资和商品对国内经济产生了好坏参半至正面的影响。近三分之一的回复者认为影响正面，近三分之一认为好坏参半，而**14.5%**的回复者认为影响负面。
2. 令人鼓舞的是超过一半的回复者（**59.0%**）表示，与其他外国投资者相比，中国企业向马来西亚企业转移技术和知识的力度更大。中国的投资，特别是在人工智能（AI）、绿色投资、信息和通信技术（ICT）和先进材料等领域，预计将使大马受益。
3. 然而，回复者对中国企业的本地人才招聘策略表示担忧。**36.3%**的回复者表示，中国企业主要聘用中国人才担任关键职位，当中建筑业（**53.4%**）和制造业（**37.8%**）的比例较高。
4. 回复者认可中国投资在支持国家经济和工业发展（**58.1%**）、科技技术转移（**54.0%**）和创造就业机会（**45.2%**）方面的贡献。
5. 尽管中国投资带来一定利好，本地企业仍然担忧其可能带来的负面影响，尤其是对中小企业的冲击，其中包括加剧竞争（**82.1%**）、排挤国内中小企业（**69.7%**）以及大马公司的市场份额将缩减（**48.6%**）。
6. 国内企业为应对中国企业冲击，所采取的最常见策略，包括：专注打造产品的品质或独特性（**55.7%**）、提高营运效率或削减成本（**40.5%**）、以及拓展新市场或客户群体（**39.2%**）。
7. 为帮助应对挑战，政府需要给予本地企业的支持和援助，包括：鼓励外资与本地合作伙伴建立合资企业（**65.1%**）、遏制不公平的贸易行为（**44.3%**）以及优先支持采购更高比例本地材料的公司（**39.2%**）。

中国对马来西亚企业的影响



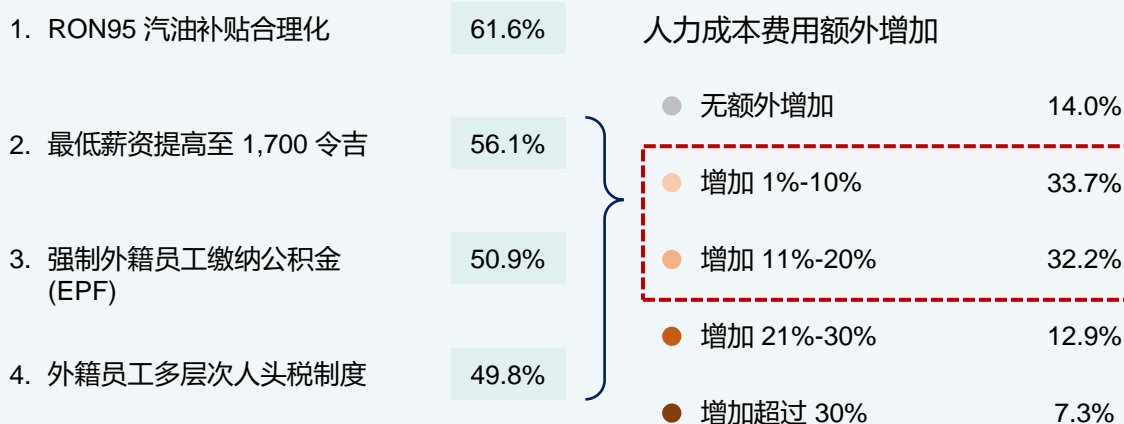
技术和知识转移：中国对比其他国家



探讨的课题: 成本相关评估

1. 原材料和人力成本被列为主要成本构成，此外还有水电费、租金和融资利息。由于人力成本占大多数回复者总成本高达 **30%**，因此提高最低工资、拟议对外籍员工实施强制性公积金缴纳以及对外劳征收多层次人头税，将给他们带来“中等或高度”负担。
2. 大多数回复者（**65.9%**）预计这三项措施，将导致人力成本额外增加高达 **20%**，而略多于五分之一（**20.2%**）的回复者预计增幅将超过 **20%**。值得注意的是，**61.6%** 的回复者（**31.6%** 的回复者认为中等，**30.0%** 的回复者认为高度）认为 **RON95** 汽油补贴合理化将对其业务产生不利影响。
3. 回复者预计，**2025** 年国家财政预算中的一些措施，将减轻他们的财务负担，其中中小企业低息贷款是最受青睐的措施（**65.8%** 的回复者支持），其次是数字补助金（**40.8%**）、市场开发补助金（MDG）（**35.7%**）、**SJPP** 担保计划（**32.3%**）和微型融资设施（**31.4%**）。
4. 人才供应仍然是业界面临的重大挑战，超过三分之一的回复者（**35.9%**）高度关注技术人才的短缺。超过一半的回复者表示，监管和合规负担（**55.8%**）、能源和可持续性成本（**55.7%**）以及融资渠道（**50.7%**）对其产生了中等影响。
5. 鉴于这些挑战，超过一半的回复者敦促政府为微中小型企业提供企业税收回扣（**57.2%**）、增加低息贷款和补助金的拨款（**56.5%**）、提高中小型企业的优惠税率的起征门槛（**51.6%**），并取消外籍员工的强制性公积金缴纳（**51.3%**），以减轻经营成本，并在充满挑战的环境中为企业提供便利。

■ 2025 年国家财政预算中宣布的对企业产生中等/高度影响的措施



Chapter



Introduction



#1 Introduction

The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)'s Bi-Annual Survey on Malaysia's Economic Situation, which was launched in 1992, is being recognised as **an important barometer to gauge the Malaysian business community's assessment and expectations about domestic business and economic conditions.**

Starting 1 January 2019, this survey was renamed as **Malaysia's Business and Economic Conditions Survey (M-BECS).**

This survey, covering **the performance in Jul-Dec 2024 (2H 2024) and expectations for Jan-Jun 2025 (1H 2025),** has three sections:

- i. **Economic and Business Performance and Outlook;**
- ii. **Factors Affecting Business Performance;** and
- iii. **Current Issue Confronting Businesses.**

Significance of M-BECS

- **A complementary role to other surveys.** M-BECS serves to complement as well as fill the gaps of existing market and industry surveys conducted by various private organisations, namely the Malaysian Institute of Economic Research (MIER), the Federation of Malaysian Manufacturers (FMM), RAM Holdings Berhad, etc. It can be used to supplement the Department of Statistics, Malaysia (DOSM) to gauge Malaysia's overall economic and business conditions.
- **An important input for the national development process.** ACCCIM is a major national organisation representing the Malaysian Chinese business community and has been playing an effective contributory role in providing our perspectives on current economic and business conditions as well as their expectations.
- **Gathering of feedback, inputs and suggestions.** The respondents' feedback and suggestions concerning pertinent business and economic issues as well as problems faced, will provide a basis for the preparation of memoranda and policy papers/notes for onward submission to the Government and relevant Ministries and agencies for their consideration.
- **Reference sources for both public and private sectors.** M-BECS also serves as a source of reference for the Government, researchers, business community and investors in the formulation of public policy, business expansion and investment planning.

In particular, it helps the Government to gauge the effectiveness of public policies implemented and hence, would consider making the necessary adjustments for future policy formulation.

#2 Survey Scope and Methodology

The survey period covering **the performance in Jul-Dec 2024 (2H 2024) and expectations for Jan-Jun 2025 (1H 2025)** has gathered respondents' assessment of their business performance and economic outlook, including views about current issues and challenges faced by the Malaysian business community. The survey questionnaire is divided into three sections as follows:

Section A “Business Background”	Section B “Overall Assessment”	Section C “Current Issues”
<ul style="list-style-type: none"> • Profile of businesses – type of principal business activity and its size of business operations; • Share of total sales in domestic vs. overseas market; and • Number of employees and the proportion of local vs. foreign workers to total employment. 	<ul style="list-style-type: none"> • Identify what major factors are affecting the business performance; and • Track the performance and outlook of economic and business conditions. 	<ul style="list-style-type: none"> • China's Impact on Malaysia's Businesses • Cost-Related Assessment

Survey coverage – The questionnaires covered a wide range of nationwide direct and indirect memberships, including 17 Constituent Members and 32 Associate Members, representing Malaysian Chinese companies, individuals, and trade associations. The participation of prominent Chinese businessmen, who are often committee/council members of ACCCIM at the national or state levels ensured a comprehensive representation of the Chinese business community. The questionnaires were distributed using SurveyMonkey as the main distribution channel, while hard copies were provided as an alternative option.

17 Constituent Members



 KLSCCCI	 Negeri Sembilan CCCI	 Penang CCC	 Kelantan CCC	 Perak CCCI
 ACCCI Sarawak	 Johor ACCCI	 ACCCI Pahang	 Klang CCCI	
 Terengganu CCCI	 Sabah UCCC	 Kedah CCCI	 CCC Batu Pahat	
 Kluang CCCI	 North Perak CCCI	 Malacca CCCI	 Perlis CCCI	

#3 Profile of Survey Respondents



A total of **630 responses** were received throughout the survey period (18 Nov 2024 to 15 Jan 2025), covering a broad representation of the economy. The profile of respondents is as follows¹:

% of respondents



By economic sector N = 630

	 SMEs	 Large
Services (64.8%)	91.2%	8.8%
Manufacturing (18.9%)	84.9%	15.1%
Construction (11.6%)	83.6%	16.4%
Agriculture, forestry and fishery (4.4%)	78.6%	21.4%
Mining (0.3%)	0.0%	100.0%

By size of business operations² N = 630

 SMEs	88.3%
Micro enterprises	20.3%
Small enterprises	48.6%
Medium enterprises	19.4%
 Large enterprises	11.7%

By sales orientation N = 630



 Domestic-market orientation	89.5%
 Export-market orientation	10.5%

Note: Domestic-market orientation indicates at least 50% of total sales are generated from the domestic market; Export-market orientation indicates more than 50% of sales are generated from overseas markets.



¹ Numbers may not add up to 100.0% due to rounding, which is also applied to the rest of the report.

² A business will be deemed as an SME if it meets either one of the two specified qualifying criteria, namely sales turnover or full-time employees, whichever is lower basis, as endorsed by the National SME Development Council (NSDC) and published by SME Corporation Malaysia in 2013. For a detailed definition, please refer to Appendix 1.



Wholesale and retail trade (22.2%)

 90.0%	 10.0%
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Professional and business services (17.0%)

 94.4%	 5.6%
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Tourism, shopping, hotels, restaurants, recreation and entertainment (tourism-related) (5.6%)

 94.3%	 5.7%
---	--



Finance and insurance (4.6%)

 89.7%	 10.3%
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Real estate (4.3%)

 88.9%	 11.1%
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Trading (imports and exports) (4.3%)

 81.5%	 18.5%
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Information and Communications Technology (3.8%)

 95.8%	 4.2%
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Transportation, forwarding, and warehousing (3.0%)

 89.5%	 10.5%
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Chapter

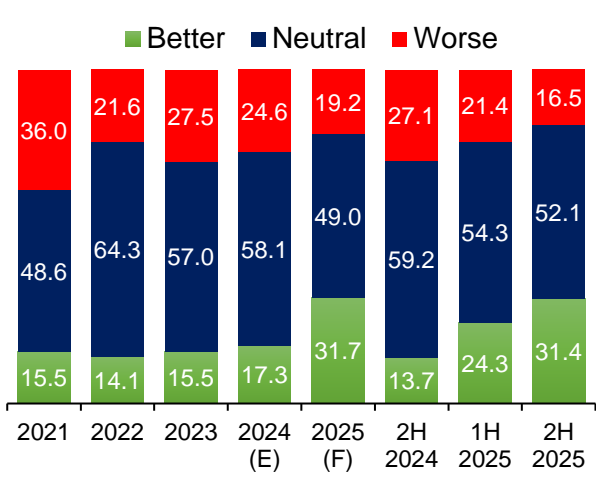
2

Sentiment Tracker



#1 Economic and Business Conditions

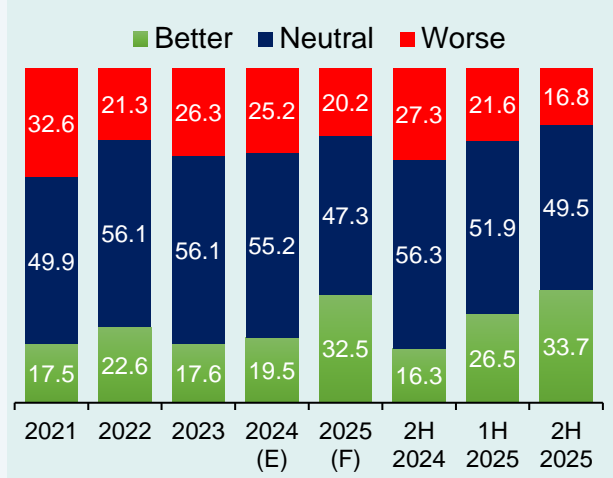
Economic Conditions and Prospects



E=Estimation; F=Forecast

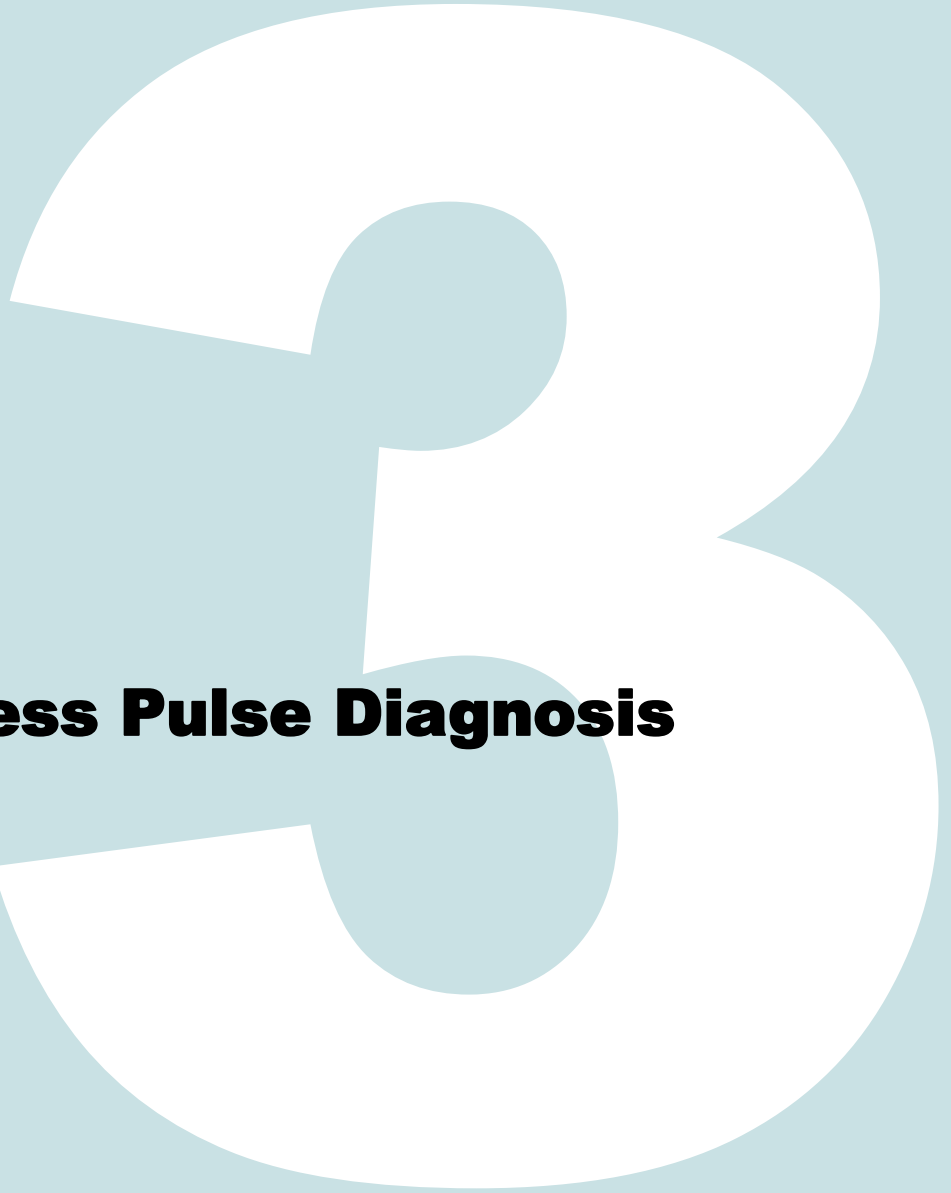
- Most respondents held a neutral view on economic conditions in 2H 2024, 1H and 2H 2025. However, the percentage of respondents expecting better economic outlook increased in 2H 2025.
- Respondents in the wholesale and retail trade (40.0%), manufacturing (29.4%), tourism-related (28.6%) and construction sectors (27.4%) indicated a weaker economic performance in 2H 2024.
- The global economy faces considerable uncertainties, including heightened trade war risks, climate change, regional conflicts, and the proliferation of digital misinformation. The US's tariff measures further clouded the ongoing trade tensions, potentially affecting global economic growth, trade and investment flows. As a highly trade-dependent nation, Malaysia faces risks of dampening exports and disruptions to its supply chains due to the looming threat of escalating trade war.
- Amid the external challenges, continued expansion of domestic demand and investment, as well as diversified products and export markets are expected to provide a buffer in mitigating global impacts on the domestic economy. Malaysia's participation in multilateral and bilateral trade agreements also helps to keep trade flows going through inter- and intra-regional trade.

Business Conditions and Prospects



- Most respondents anticipated a neutral outlook in the near- and medium-term, with a gradual improvement expected over time.
- In 2H 2024, the wholesale and retail trade (42.9%), manufacturing (31.9%), and construction (24.7%) sectors have a slightly more negative sentiment than positive regarding their business condition. In contrast, the professional and business services were more positive.
- Overall business performance was generally neutral in 2024, moving in tandem with the continued expansion of the domestic economy. The business outlook for 2025 indicates slight improvement across most sectors amid 29.3% of total respondents in the wholesale and retail trade sector remained pessimistic, surpassing those with a positive outlook.
- Concerns about increased business costs would cloud their business performance. Policy changes and regulatory requirements such as an increase in minimum wage, the proposed implementation of a multi-tiered foreign workers' levy, mandatory EPF contributions for non-citizen workers, RON95 subsidy rationalisation and a proposed hike in electricity tariffs are expected to bite into businesses.

Chapter



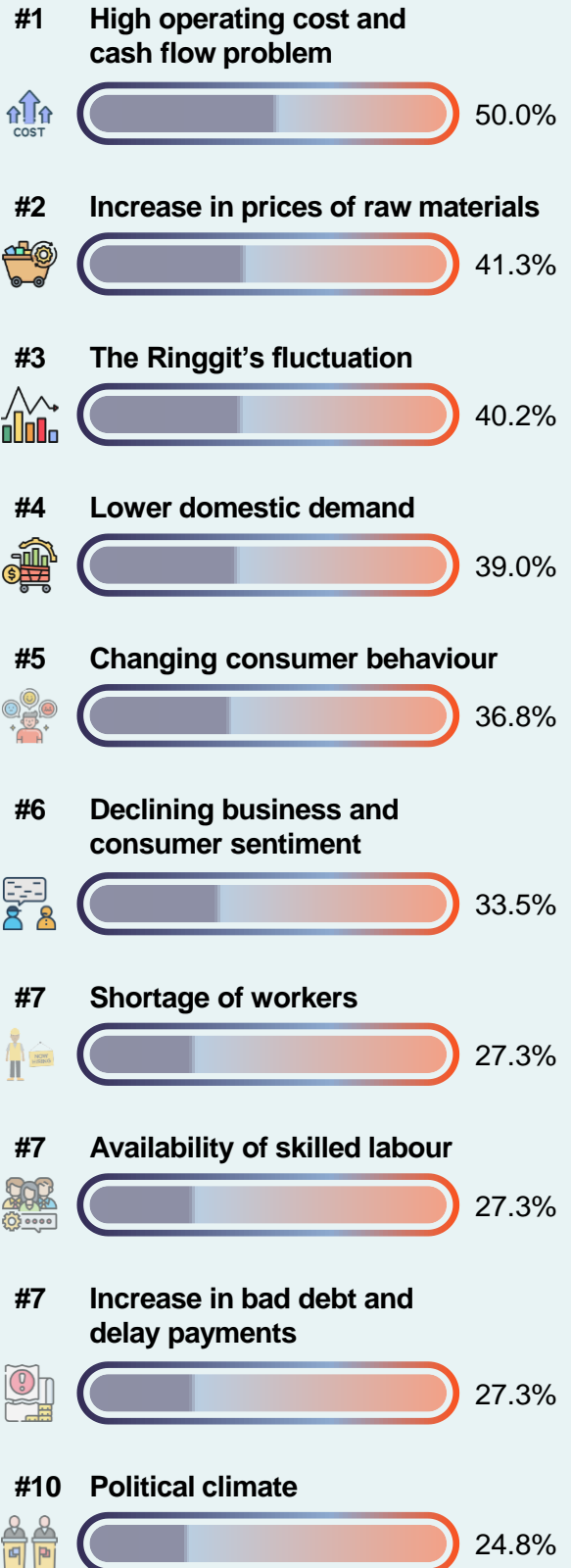
Business Pulse Diagnosis



#1 Factors Affecting Business Performance in 2H 2024

1 - High operating costs and cash flow problem

- High operating costs and cash flow problem was the most cited factor adversely affecting business performance in 2H 2024, with 50.0% of respondents highlighting this concern. Notably, this issue has consistently ranked among the top three challenges over past few years.
- 7 out of 12 industries identified this as their most pressing adverse factor. This was reflected in nearly a quarter of respondents reporting worsened cash flow conditions, exceeding the 21.5% of respondents who had forecasted a “worse” outlook in the previous survey.
- In 2024, businesses faced multiple cost pressures, including a water tariff hike in 1H 2024, persistently high electricity cost for medium and high-voltage users since 2023, rising input prices, and the rationalisation of diesel subsidies started in June 2024.
- As 2025 progresses, businesses will continue to face mounting cost pressures. The minimum wage has increased by 13.3% to RM1,700 per month starting in February. Additional financial burdens are on the horizon, including the proposed implementation of a multi-tiered foreign workers’ levy, mandatory 2% EPF contributions for non-citizen workers, a full-fledge implementation of e-invoicing covering all companies on 1 July 2025, the proposed hike in electricity tariffs in 2H 2025 and the rationalisation of RON95 petrol subsidies by mid-2025.
- Concerns over high operating costs and cash flow problem are expected to persist, impacting businesses’ profit margin, causing domino effect on consumers as the unabsorbed increased costs will pass onto consumers in the form of higher prices of goods and services.



2 - Increase in prices of raw materials

- Increase in prices of raw materials was cited by 41.3% of respondents, maintaining its position as the second most adverse factor. This issue has consistently ranked either first or second since the post-COVID-19 period, particularly among respondents in the manufacturing and construction sectors.
- Prices of most raw materials have remained elevated for some time and are unlikely to decline significantly, despite some moderation in selected commodities. These sustained high costs continue to erode profit margins and put pressure on businesses, particularly for the manufacturers and construction players that rely heavily on raw materials.

3 - The Ringgit's fluctuation

- The Ringgit's fluctuation was voted the third most concerning factor, with 40.2% of respondents selecting this option, down from its top position in the previous survey. However, concerns remained high among the manufacturing sector, where 47.1% of respondents cited this as a key challenge.
- In 2H 2024, the ringgit strengthened against most major trading currencies, though it had experienced some corrections in the last quarter against the US dollar. Overall, the ringgit appreciated by 7.9% in 2024 in terms of the nominal effective exchange rate (NEER). Against the US dollar, the ringgit has appreciated by 2.7% in 2024, and 0.6% for the period between 2 Jan and 14 Feb 2025.
- Businesses saw some relief from high import costs, but volatility in the currency market remains a source of concern, particularly for the import-dependent industries. Uncertainty over global monetary policies and external trade conditions continues to influence exchange rate movements, keeping businesses vigilant about foreign exchange risks.

4 - Lower domestic demand

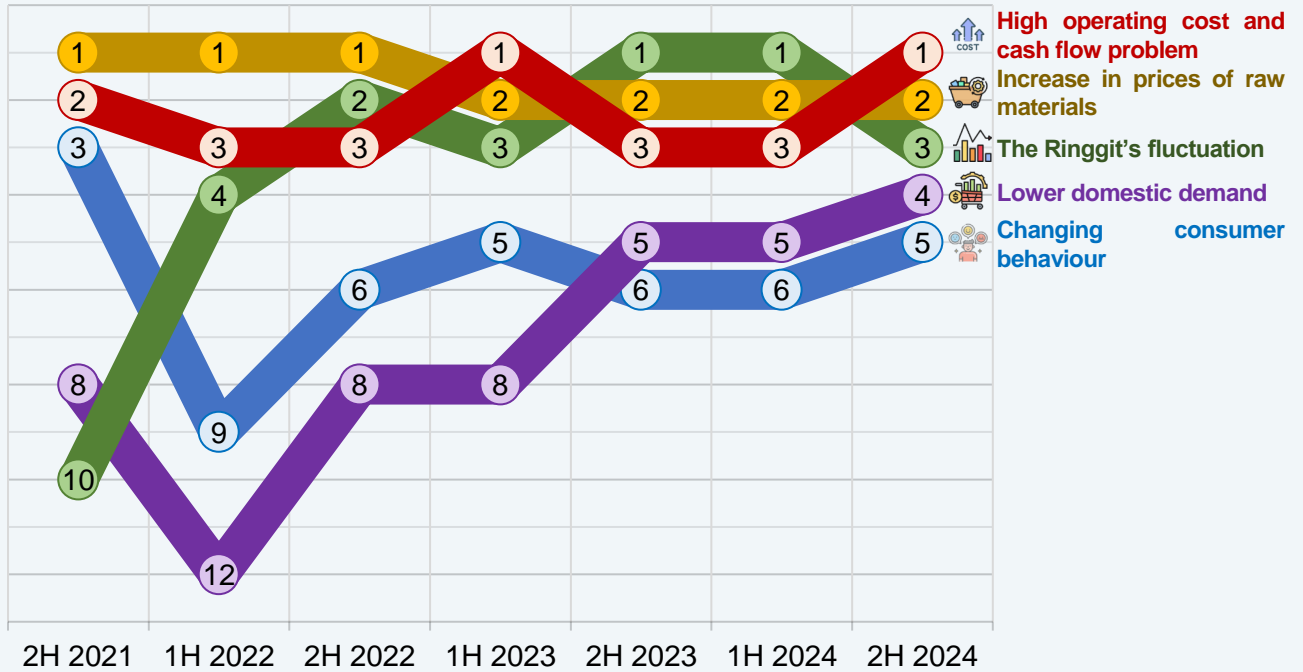
- Lower domestic demand ranked fourth, with 39.0% of respondents citing it as a key concern, up from the fifth position in the previous survey. This indicates a growing challenge, particularly in the wholesale and retail trade, as well as the manufacturing sector, where more than half of respondents identified this factor. The situation worsened compared to the previous survey (56.4% vs. 47.7% for wholesale and retail trade; 52.9% vs. 40.5% for manufacturing).
- In wholesale and retail trade, the decline in domestic demand is likely driven by shifting consumer behaviour. As businesses face rising competition to capture rapidly changing consumer preferences, the sector has identified this as the top adverse factor affecting their performance, with both local and international players increasing their market presence.

5 - Changing consumer behaviour

- Changing consumer behaviour garnered 36.8% of votes, with the wholesale and retail trade sector being the most affected, as 56.4% of respondents from this sector identified it as a key challenge. Over half of those in tourism-related sectors (51.4%) also reported that this factor had adversely impacted their business performance.
- The shift in consumer behaviour presents significant challenges as businesses adapting to rapidly changing preferences. For the wholesale and retail trade sectors, these include a growing demand for online shopping and personalised experiences, requiring businesses to enhance their digital capabilities. In the tourism sector, the rise of Free Independent Traveller (FIT) arrangements has reduced reliance on traditional group tours, prompting businesses to rethink their offerings to cater to more independent travel preferences.

1 Historical Tracker

Rank



2 Factors by Sectors

Manufacturing	Construction	Wholesale and Retail Trade	Professional and Business Services
High operating costs and cash flow problem (54.6%) 	High operating costs and cash flow problem (65.8%) 	Lower domestic demand (56.4%) 	High operating costs and cash flow problem (42.1%)
Increase in prices of raw materials (54.6%) 	Increase in prices of raw materials (64.4%) 	Changing consumer behaviour (56.4%) 	Declining business and consumer sentiment (39.3%)
Lower domestic demand (52.9%) 	Availability of skilled labour (46.6%) 	High operating costs and cash flow problem (52.1%) 	Availability of skilled labour (36.4%)
The Ringgit's fluctuation (47.1%) 	Increase in bad debt and delay payments (45.2%) 	Declining business and consumer sentiment (46.4%) 	The Ringgit's fluctuation (33.6%)
Lower external demand (33.6%) 	Shortage of workers (41.1%) 	The Ringgit's fluctuation (38.6%) 	Shortage of workers (32.7%)

#2 Business Assessment – 2H 2024 and 1H 2025F

■ Better/Increase
■ Neutral/Unchanged
■ Worse/Decrease

5 percentage points below the top (a little different)

	2H 2024 (Actual)			1H 2025 (Forecast)						
Business Management										
1 - Cash Flow Conditions	11.4%	64.1%	24.4%	21.3%	60.3%	18.4%				
2 – Debtors’ Conditions	5.9%	65.4%	28.7%	11.9%	65.2%	22.9%				
Sales Performance										
3 - Overall Sales	42.7%	18.7%	38.6%	45.9%	25.8%	28.3%				
4 - Domestic Sales	40.4%	23.5%	36.1%	45.5%	26.7%	27.7%				
5 - Foreign Sales	37.2%	34.6%	28.1%	41.3%	35.2%	23.5%				
Price Levels										
6 – Domestic Price	53.1%	30.9%	16.0%	56.8%	29.9%	13.3%				
7 – Export Price	34.1%	45.1%	20.8%	39.6%	41.3%	19.1%				
Business Production										
8 - Production Level	33.5%	36.7%	29.8%	36.5%	38.9%	24.5%				
9 - Inventory or Stock Level	37.7%	38.8%	23.5%	34.2%	39.6%	26.2%				
10 - Capacity Utilisation*	8.8%	18.7%	42.6%	29.9%	12.1%	22.5%	39.6%	25.8%		
	* > 90%		75-90%	50-74%	< 50%	> 90%		75-90%	50-74%	< 50%
Cost of Raw Materials**										
11 - Local	10.3%	24.4%	65.3%	9.0%	25.0%	66.0%				
12 - Imported	9.8%	26.2%	64.0%	7.7%	27.9%	64.5%				
	** Decrease Unchanged Increase			Decrease Unchanged Increase						
Manpower										
13 - Number of Employees	30.8%	54.3%	14.9%	39.0%	47.8%	13.2%				
14 - Wage Growth	60.7%	35.8%	3.5%	72.0%	23.8%	4.1%				
Investment										
15 - Capital Expenditure	57.0%	37.0%	5.9%	60.0%	33.3%	6.7%				

■ Assessments

- Neutral cash flows and debtor conditions in 2H 2024 and 1H 2025.
- Domestic and foreign sales showed improved performance and outlook, though over 35% of respondents reported weaker sales performance in 2H 2024.
- Domestic price levels increased, while export price levels mostly remained stable in 2H 2024. In 1H 2025, businesses are expected to increase their prices.
- Production levels and inventory/stock levels remained unchanged. However, a majority of respondents operating at low-capacity utilisation rate of less than 75%.
- Cost of local and imported raw materials continued to increase in 2H 2024 and is expected to maintain an upward trend in 1H 2025.
- Most businesses have retained their manpower, registering positive wage growth.
- Capital expenditure registered continued expansion, indicating still positive investment outlook.

■ Discussion

- Overall, the business performance and outlook for 2025 will be shaped by both domestic and external factors.
- Domestically, businesses have to navigate through an increasing cost environment due to the recently announced regulatory requirements and impending domestic policy reforms. These include the planned expansion of the SST scope in May 2025, RON95 fuel subsidies rationalisation, which is expected to roll out by mid-2025, the full implementation of e-invoicing on 1 July 2025, and the proposed hike in electricity tariffs in 2H 2025. Labour market policies such as a higher minimum wage effective from 1 February, proposed implementation of 2% EPF contributions for non-citizen workers, and a multi-tiered foreign workers' levy system.
- Bunching of high operating costs are expected to burden businesses, disrupting supply chains, impacting profit margins and competitiveness, as well as fuelling consumer inflation.
- On the demand side, higher wage growth for the private sector and civil servants is expected to support consumer spending, potentially benefiting the consumer-oriented sectors. This, coupled with a multi-year private investment expansion, and continued growth in the services, manufacturing and construction sectors bodes well for the economy amid a cautious view of the export sector, due to the looming tariffs war among the advanced economies.
- Externally, Malaysia faces risks such as the potential escalation of trade war and intensified protectionism, heightened geopolitical tensions and military conflicts, and increasing destruction of climate change. These factors contribute to global market uncertainty, which could weigh on exports and investment sentiment, as well as the higher cost of imported raw materials.
- Against this backdrop, the survey results showed that businesses have a cautiously optimistic outlook for 2025. Businesses anticipate improved sales performance and stable financial conditions despite persistent cost pressures from rising prices of raw materials amid the underutilisation of capacity. The continued increases in capital expenditure indicate businesses' confidence to expand and reinvest to secure better future opportunities.



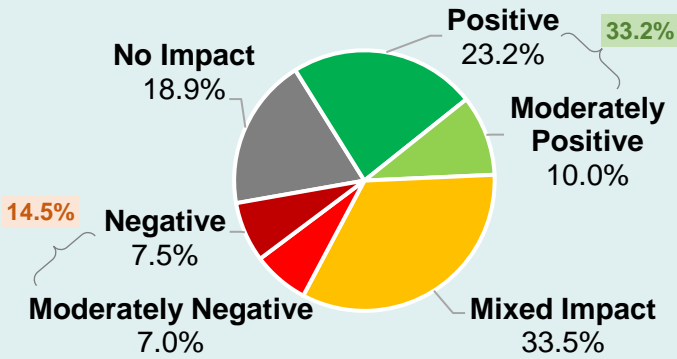
Current Issue 1

Chapter

4

China's Impact on Malaysia's Businesses

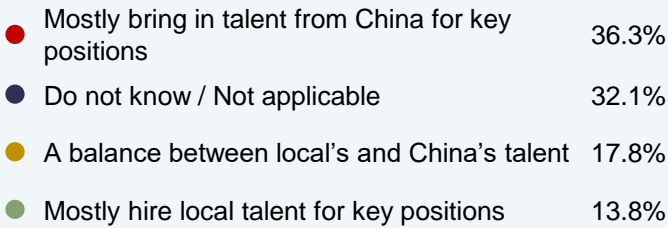
■ The Magnitude of China's Impact



■ Technology and Knowledge Transfer: China vs. Others



■ Priority of Hiring Local Talents



■ Strategy to Compete with China's Businesses



■ Government's Assistance



■ Top 3 Positive Impacts



■ Top 3 Threats



■ Types of China's Investment Benefitting Malaysia



China's Economic Rise and its Implications for The Malaysian Economy

- China's economic ascent over recent decades has been remarkable, transforming rapidly to become a global manufacturing powerhouse and the world's second largest exporter of FDI. Chinese companies have invested heavily in businesses overseas, making it a significant source of outward FDI flows.
- China's significant investment in the manufacturing and technological advancements, particularly in high-tech sectors like electronics, semiconductors, digitalization and artificial intelligence (AIs), has solidified its position as a key player in global value chains. China's status as world factory remains solid amid facing the disruption of global supply chains security.
- China's deepening economic integration with her trading partners means that it can significantly influence global production, trade patterns and investment flows.
- China's lacklustre economic recovery following the COVID-19 pandemic has resulted in declining capacity utilisation rates in almost every sector, from machinery to food, textiles, chemicals, and pharmaceuticals, except non-ferrous metals. Weak demand for downstream products (like iron and steel and non-metallic mineral products) linked to a downturn in the property sector has also led to severe overcapacity.
- China's presence of overcapacity, coupled with weak local demand, has significant implications for the global economy and rebalancing of trade between China and its trading partners. With China being the largest trading partner of Malaysia, it presents both opportunities and challenges for Malaysia.

China's merchandise trade balance (% of GDP)
%



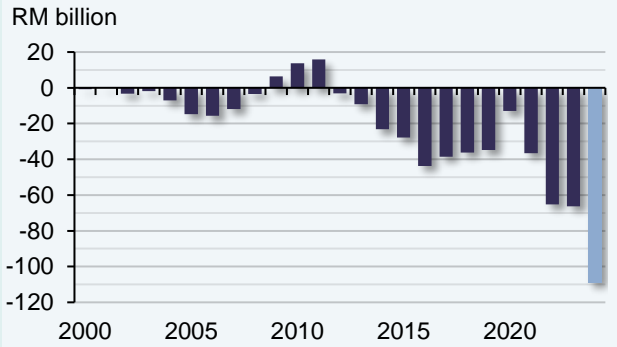
China's capacity utilisation rate
%



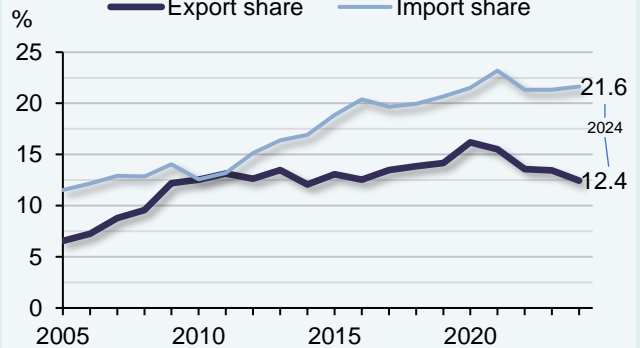
China's Impact on Domestic Businesses is Mixed

- While China is Malaysia's largest trading partner and a significant source of foreign direct investment, this relationship has grown increasingly complex. A key challenge is that Malaysia has been incurring a widening trade deficit with China continuously since 2012, reaching RM108.8 billion in 2024. Malaysia's heavy reliance on imports of intermediate and capital goods from China could pose an inherent risk to the disruption of supply chains.
- Another challenge faced is the heightened competition from China's companies, which are becoming increasingly competitive across various sectors, posing challenges to domestic SMEs.
- The survey showed **"positive to mixed impact"** of **China's investment and businesses on domestic economy**. One-third of total respondents perceived a positive impact and mixed impact, respectively while 14.4% viewed it negatively.

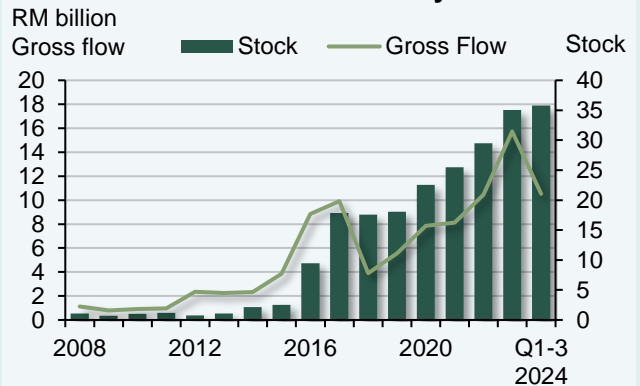
Malaysia incurs trade deficit with China since 2012



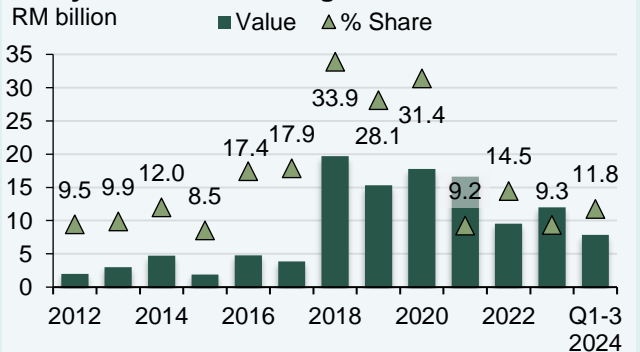
Malaysia's exports and imports (with China) share



China's direct investment to Malaysia

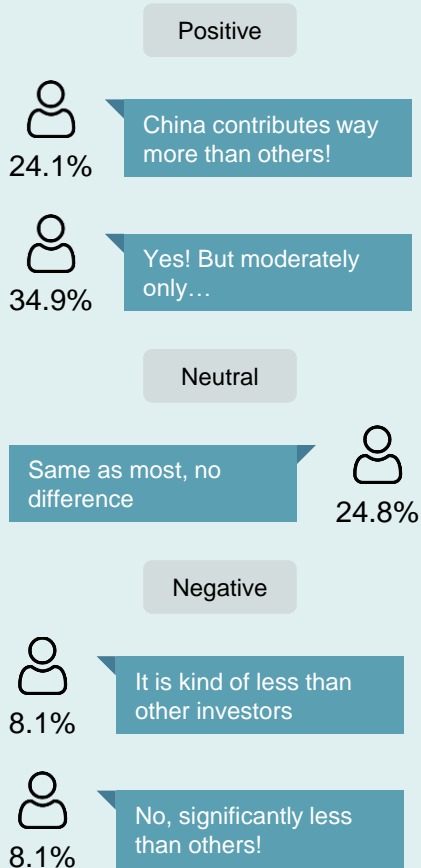


MIDA's approved China investment in Malaysia's manufacturing sector



China's Contribution to Technology and Knowledge Transfer but not Talents

Technology & Knowledge Transfer



- This mixed sentiment applies to specific views about technology transfer, talent acquisition, and market competition. Concerns arose alongside heightened competition, including whether businesses have benefited from technology and knowledge transfer from China and whether China's businesses have hired local talent for key positions, as public sentiment suggests.
- It is encouraging to note that 59.0% of respondents have acknowledged that China's companies surpass other foreign investors in terms of technology and knowledge transfer to Malaysia. This aligns with the types of Chinese investments deemed most beneficial to Malaysia, with artificial intelligence (AI), green investment, and information and communication technology (ICT) topping the list.
- However, the survey also highlighted concerns about the talent hiring practices of China's companies in Malaysia. A majority of respondents (36.3%) indicated that these companies primarily filled key positions with talents from China, particularly in the construction (53.4%) and manufacturing (37.8%) sectors. While this may reflect the need for specialised foreign expertise or experience, it raises concerns about providing opportunities for Malaysians to take up key positions.

Type of China's Investment Benefitting Malaysia, by Sector

	Manufacturing	Construction	Wholesale and Retail	Tourism-Related	Professional Services
#1	Artificial Intelligence (AI)	Artificial Intelligence (AI)	Artificial Intelligence (AI)	Artificial Intelligence (AI)	Artificial Intelligence (AI)
#2	Information and Communication Technology (ICT)	Advanced Materials	Green Investment	Green Investment	Information and Communication Technology (ICT)
#3	Green Investment	Information and Communication Technology (ICT)	Information and Communication Technology (ICT)	Information and Communication Technology (ICT)	Green Investment

Promote Economic and Industrial Development, Technology Transfer, and Employment but Come with Costs

- On the positive side, respondents have acknowledged key contributions of Chinese investment, notably **supporting national economic and industrial development (ranked by 58.0% of total respondents)**, **technology transfer (53.9%)**, and **increased employment opportunities (45.2%)**.
- Nevertheless, businesses have expressed concerns **about potential negative repercussions, primarily posing threats to local businesses** through **heightened competition (82.1%)**, **the crowding-out effect on domestic SMEs (69.7%)**, and **potential market share reduction for Malaysian companies (48.6%)**.
- Some respondents also identified some products, services, and investments that have been positively or negatively impacted by Chinese businesses. These include **IT & technology, retail and services, machinery & equipment, and hardware & construction materials**.
- Some respondents have raised concerns about China's business and market strategies, such as **extremely low selling prices for certain products, including plastic packaging, and direct e-commerce sales to Malaysia**.
- Despite the trade imbalances between Malaysia and China, the long standing deep bilateral relationships between two countries will remain as the Malaysian industries and businesses can leverage on China's competitive edge in the high-tech industries, and digitalisation as well as AIs for assisting Malaysia to advance further. Governments and businesses in two countries have to collaborate and form strategic alliance to achieve win-win and mutual benefits.

Positive Impacts and Threats



- The Malaysian businesses are adapting to the evolving landscape. The most prevalent strategy is **focusing on product quality or differentiation (55.7%)**, followed by **improving operational efficiency or cutting costs (40.5%)** and **expanding into new markets or customer segments (39.2%)**.
- Respondents also expressed a strong desire for the government’s support and facilitation, particularly in **encouraging joint ventures with local partnerships (65.2%)**, **curbing unfair trading practices (44.4%)**, and **prioritising companies with higher local content (39.3%)**.
- Local SMEs are facing pressures from the influx of goods and investment from China. Notably, it comes in a form of price competition pressures due to Chinese companies' lower cost structures, market share erosion from aggressive market penetration strategies, and challenges in accessing capital.

To promote fair trade and competition, several measures can be considered:

65.2%	Encourage joint venture with local partnerships
44.4%	Curb unfair trading practices
39.3%	Prioritise companies sourcing higher levels of local content
39.0%	Set conditions to diffuse technology and skills to local firms
38.5%	Further facilitate market access for Malaysian products

- **Forge smart partnerships between domestic and Chinese enterprises.** For instance, China’s operated warehouse and e-commerce platform, uses Malaysia as a gateway to the regional marketplace.
- **Ramp up enforcement through anti-competition regulations to rein in predatory pricing**, that is business practice of setting prices extremely low in an attempt to eliminate the competition.
- **Employing local content requirements (LCRs)** for sourcing of materials and hiring of local manpower.
- **Encourage integration with domestic SMEs** in local supply chains.
- **A review of “Guidelines on Foreign Participation in the Distributive Trade Services Malaysia”** (Guidelines) with a view to enforcing it, and also has a clearer and expanded Negative List which “prohibits” or “restricts” certain industries, including review the procedures of scrutinizing of business applications by the local authorities (Pihak Berkuasa Tempatan, PBT) in coordination with Ministry of Domestic Trade and Costs of Living (KPDN).
- **Review the openness of selected sectors, particularly in the retail segment**, which entails a review of the current threshold of minimum capital requirement for foreign establishment.



Current Issue 2

Chapter

5

Cost-Related Assessment

Production costs as indicated by respondents (%)

Weight (%)	0	1-10	11-20	21-30	31-40	41-50	>50
Components							
Raw materials	9.7	8.0	16.9	20.1	14.0	12.0	19.2
Personnel expenses	0.6	8.8	30.2	31.6	15.4	4.8	8.5
Utilities	0.6	60.4	29.1	8.5	0.9	0.3	0.3
Rental	10.5	54.1	24.1	8.5	1.7	1.1	0.0
Financing interest	13.3	64.7	13.9	6.1	0.6	0.6	0.9
Others	17.2	50.9	20.9	8.1	1.3	0.6	0.9

➔ Main cost components

Measures announced in Budget 2025 that Impacting Businesses Negatively

	Moderately / Highly
1. RON95 petrol subsidy rationalisation	61.6%
2. Minimum wage increase to RM1,700	56.1%
3. Mandatory EPF contribution for non-citizen workers	50.9%
4. Multi-tiered levy for foreign workers	49.8%

Additional increases to personnel expenses

● No extra increase	14.0%
● 1%-10% extra	33.7%
● 11%-20% extra	32.2%
● 21%-30% extra	12.9%
● Beyond 30% extra	7.3%

Selected Budget 2025 Incentives that Benefitting Businesses

#1 SME soft loan facility	65.8%
#2 Digital grant	40.8%
#3 Market Development Grant (MDG)	35.7%
#4 SJPP guarantee scheme	32.3%
#5 Micro-financing facility	31.4%

The Degree of Concerns/Challenges (%)

Low/None Moderate High

Access to financing	32.6	50.7	16.7
Foreign worker availability	43.2	37.5	19.3
Shortage of talent skills workforce	22.4	41.7	35.9
Regulatory and compliance burden	21.0	55.8	23.2
Energy and sustainability costs	26.0	55.7	18.3

Over Half of Respondents Hoped the Government can

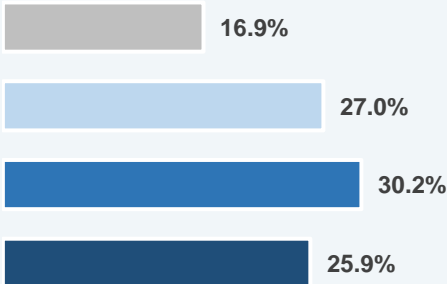
Provide corporate tax rebate to MSMEs	57.2%
Increase allocation for soft loan and grants	56.5%
Increase higher threshold of preferential tax rate for SMEs	51.6%
Remove mandatory contribution to the EPF for non-citizen workers	51.3%

Personnel Expenses is Expected to Increase Further following the Budget Measures

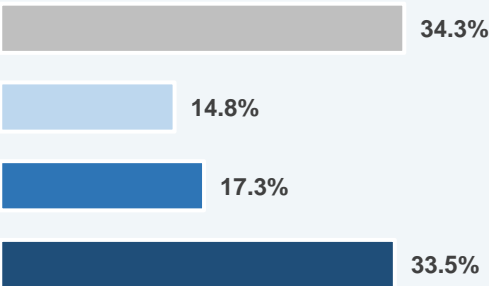
■ Highly ■ Moderately ■ Little ■ None



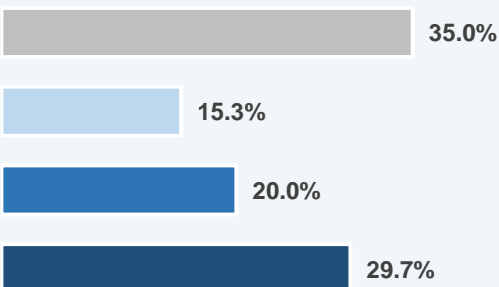
Minimum wage increase to RM1,700



Mandatory EPF contributions for non-citizen workers



Multi-tiered levy for foreign workers



- As personnel expenses accounted for up to 30% of total costs for most respondents, higher minimum wage, proposed implementation of mandatory EPF contributions for non-citizen workers, and a multi-tiered levy for foreign workers, would burden them either moderately or highly, especially for those labour-intensive industries, particularly the manufacturing and construction sectors.
- A majority of respondents (65.9%) anticipated that these three measures would result in additional increase in personnel cost up to 20%, while slightly more than one-fifth (20.2%) expected the increase to exceed 20%.
- Among those expecting additional increases in personnel expenses to exceed 20%, mainly from the manufacturing sector (as voted by 28.6% of respondents) and construction sector (as voted by 23.3% of respondents).

Estimated additional increases in overall personnel expenses

% of respondents	Overall	Manufac-turing	Construc-tion
No extra increase	14.0	5.9	11.0
1%-10% extra	33.7	25.2	35.6
11%-20% extra	32.2	40.3	30.1
21%-30% extra	12.9	21.0	11.0
Beyond 30% extra	7.3	7.6	12.3

An illustration of cost increases in hiring a foreign worker (FW) in the manufacturing sector

Monthly basis (RM)	2024	→ ↑ MW in 2025	→ + KWSP in 2025	→ ↑ Levy* in 2025
Wage*	1,500.00	1,700.00	1,700.00	1,700.00
Levy	154.17	154.17	154.17	183.33
KWSP^	0.00	0.00	34.00	34.00
PERKESO^	25.35	28.85	28.85	28.85
Total	1,679.52	1,883.02	1,917.02	1,946.18
Difference vs. 2024		203.50 (+12.1%)	237.50 (+14.1%)	266.66 (+15.9%)

MW = Minimum wage; KWSP = 2% Mandatory EPF Contribution; Levy = Multi-tiered foreign worker levy
 ^ Employer's contribution

* Assumption:

1. Foreign workers are paid with minimum wage only.
2. Foreign worker levy to increase from RM1,850 to RM2,200 as a result of multi-tiered levy (tiered rate not revealed yet).

- The business community expressed great concern that a combined impact of higher minimum wage (+13.3% to RM1,700 per month), 2% mandatory EPF contributions for non-citizen workers, a multi-tiered foreign workers' levy, and other cascading costs due to domestic policy changes on fuel and SST, as announced in Budget 2025, would exert significant financial pressures on businesses, especially micro, small, and medium enterprises (MSMEs).
- Assuming a foreign worker in the manufacturing sector earns new minimum wage of RM1,700 per month, with the employer's 2% EPF contribution and an annual levy of RM2,200, calculations indicate that the employer incurs an additional hiring cost of RM267 per month. This represents a 15.9% increase compared to 2024.
- Besides, there are possible undue implications arising from the mandatory EPF contribution as follows:
 - (i) Foreign workers could demand higher wages to compensate for a reduction in take-home pay due to the EPF contributions, or potentially opting to work illegally to avoid contributing to the EPF.
 - (ii) The pool of EPF fund contributed by foreign workers would put pressure on the EPF to manage its already huge investible funds to generate better dividend to its contributors. Additionally, foreign workers will eventually withdraw their EPF money and repatriate home.
- Large enterprises have indicated that mandatory EPF contributions for non-citizen workers (44.6%) and a multi-tiered levy (41.9%) would impact their businesses, considering a majority of their workforce are foreign workers. Notably, 23.0% of large enterprise respondents reported having a foreign workforce ratio of at least 50%.

Over half of respondents urged the Government to

57.2%

Provide corporate tax rebate to MSMEs

56.5%

Increase allocation for soft loans and grants

51.6%

Increase higher threshold of preferential tax rate for SMEs

51.3%

Remove mandatory contribution to the EPF for non-citizen workers

Equivalent supportive measures include

36.3%

Increase the threshold for receipt issuance (e-invoice) requirement

36.0%

Two-year moratorium for the implementation of multi-tiered levy for SMEs

33.1%

Extend the Reinvestment Allowance





31.7%

Consolidating business licenses under single portal

What can be done?

- Respondents were asked to state their preference on the Budget 2025's offering of a wide range of tax incentives, deductions, financing grants, etc. to stimulate investment. 65.8% of respondents have indicated the measures' effectiveness to ease cost of doing business, particularly the SME soft loan facility. Accordingly, 56.5% of respondents expressed hope that the Government would increase the allocation for soft loans and grants. For example, businesses have reported that the digital matching grant is often fully utilised before the year-end.
- High business operations cost remained the most critical concern, which is exacerbated by Malaysia's relatively high corporate tax rate. Malaysia's 24% corporate tax rate is one of the highest in the region comparing to neighbouring countries like Vietnam (20%), Thailand (20%), and Indonesia (22%), making Malaysian businesses less competitive amid various cost-increasing measures. It has been proposed that a corporate income tax rebate of 25%, capped at RM20,000, be given to the qualified MSMEs and mid-tier companies, as voted by 57.2% of respondents. Moreover, 51.6% of respondents supported the proposed increase in the threshold for chargeable income from RM150,000 to RM1 million as it will provide SMEs with the tax savings needed to maintain their growth, reinvest, and contribute to their bottom line.
- Additionally, 51.3% of respondents have suggested that mandatory EPF contributions for non-citizen workers be removed, as foreign workers are already covered under PERKESO for social protection and are entitled to medical coverage under the Foreign Worker Hospitalisation and Surgical Scheme. Notably, the survey indicated that over half of the respondents (50.9%) believe their businesses would be moderately to highly negatively impacted by this measure. In Singapore, CPF contributions are only contributed by both Singapore citizens (SCs) and Singapore permanent residents (SPRs) who are working in Singapore under a contract of service and employed under a permanent, part-time or casual basis. General foreign workers are not included. Currently, Malaysian citizens and permanent residents (PRs) must contribute to the EPF, while employees who are not Malaysian citizens/PRs can opt to contribute on a voluntary basis after registering as EPF member from 1 August 1998.

Appendix 1: Summary of Guidelines for SMEs Definition and Respondents' Profile

Size of Enterprise		Criteria	Manufacturing Sector	Services and Other Sectors
SME	 Micro	Sales Turnover	Below RM300,000 <u>OR</u>	Below RM300,000 <u>OR</u>
		Number of Full-Time Employees	Less than 5	Less than 5
	 Small	Sales Turnover	RM300,000 to less than RM15 million <u>OR</u>	RM300,000 to less than RM3 million <u>OR</u>
		Number of Full-Time Employees	5 to less than 75	5 to less than 75
	 Medium	Sales Turnover	RM15 million to RM50 million <u>OR</u>	RM3 million to RM20 million <u>OR</u>
		Number of Full-Time Employees	75 to 200	30 to 75
 Large	Sales Turnover	Above RM50 million <u>OR</u>	Above RM20 million <u>OR</u>	
	Number of Full-Time Employees	Above 200	Above 75	

Respondents' profile: Annual turnover and number of employees by major sectors:

	Primary	Manufacturing	Construction	Services	Total
Annual turnover:					
Less than RM300k	6.7%	2.5%	2.7%	11.8%	8.7%
RM300k to < RM3mil	30.0%	25.2%	27.4%	34.6%	31.7%
RM3mil to < RM15mil	33.3%	23.5%	28.8%	27.5%	27.1%
RM15mil to < RM20mil	3.3%	11.8%	6.8%	9.6%	9.4%
RM20mil to ≤ RM50mil	13.3%	18.5%	21.9%	7.8%	11.7%
More than RM50mil	13.3%	18.5%	12.3%	8.8%	11.3%
Number of full-time employees:					
Less than 5	16.7%	5.9%	15.1%	24.0%	19.2%
5 to < 30	40.0%	35.3%	42.5%	47.3%	44.1%
30 to < 75	10.0%	21.8%	23.3%	17.9%	18.9%
75 to ≤ 200	20.0%	20.2%	12.3%	6.6%	10.5%
More than 200	13.3%	16.8%	6.8%	4.2%	7.3%



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Malaysia's Business and Economic Conditions Survey (M-BECS)

This survey aims to assess **Malaysia's business and economic conditions in the second half-year of 2024** (2H 2024: Jul – Dec 2024) and **prospects for the first half-year of 2025** (1H 2025: Jan – Jun 2025) and beyond.

The survey results will be used as input to **prepare memoranda concerning domestic economic and industry issues, including public policies impacting the business community for submission to the Government and relevant Ministries for their consideration. ALL INFORMATION WILL BE TREATED IN THE STRICTEST CONFIDENCE.**

We seek your kind cooperation to return the duly completed questionnaire to ACCCIM Secretariat by **31 December 2024** (Email: commerce@accim.org.my). Thank you for your support and cooperation.

SECTION A: BUSINESS BACKGROUND

***If you have multiple businesses, please refer to the principal business/sector when answering the questions.*

A1. Constituent Members:

- ₁ KLSCCCI
- ₂ Negeri Sembilan CCCI
- ₃ Penang CCC
- ₄ Kelantan CCC
- ₅ Perak CCCI
- ₆ ACCCI Sarawak
- ₇ Johor ACCCI
- ₈ ACCCI Pahang
- ₉ Klang CCCI
- ₁₀ Terengganu CCCI
- ₁₁ Sabah UCCC
- ₁₂ Kedah CCCI
- ₁₃ CCC Batu Pahat
- ₁₄ Kluang CCCI
- ₁₅ North Perak CCCI
- ₁₆ Malacca CCCI
- ₁₇ Perlis CCCI

Other:

₅₀ _____

Associate Members:

- ₁₈ Federation of Chinese Physicians and Medicine Dealers Associations of Malaysia
- ₁₉ Malaysian Wood Industries Association
- ₂₀ Malaysian Textile Manufacturers Association
- ₂₁ Malaysia Mobile Technology Association
- ₂₂ Malaysian Furniture Council
- ₂₃ Federation of Goldsmith and Jewellers Association of Malaysia
- ₂₄ The Federation of Malaysia Hardware, Machinery & Building Materials Dealers' Association
- ₂₅ Malaysia Fujian Chamber of Commerce and Industry
- ₂₆ Pawnbroker's Association of Malaysia
- ₂₇ Malaysia Retailers Association
- ₂₈ Malaysian Association of Convention & Exhibition Organisers & Suppliers
- ₂₉ Malaysia Teochew Chamber of Commerce
- ₃₀ Malaysian Photovoltaic Industry Association
- ₃₁ Malaysian Nail Technicians & Make Up Association
- ₃₂ Malaysian Hairdressing Association
- ₃₃ Automotive Accessories Traders Association of Malaysia
- ₃₄ Malaysia Guangxi Chamber of Commerce
- ₃₅ Persatuan Anggun Menawan Malaysia
- ₃₆ Malaysian Wood Moulding & Joinery Council
- ₃₇ Malaysia Stationery Importers and Exporters Association
- ₃₈ Malaysia Printers Association
- ₃₉ Federation of Sundry Goods Merchants Associations of Malaysia
- ₄₀ Branding Association of Malaysia
- ₄₁ Persatuan Pemborong Malaysia
- ₄₂ Malaysia-China Chamber of Commerce For Traditional Medicines & Health Products
- ₄₃ Malaysia International Vocational Association
- ₄₄ Malaysia Aquaculture Development Association
- ₄₅ Malaysia Retail Chain Association
- ₄₆ Malaysia Fish Industries General Association
- ₄₇ Malaysia Woodworking Machinery Association
- ₄₈ Malaysia Pallet Association
- ₄₉ Companies of Industry and Trade Association

A2. Type of principal industry or sub-sector: [Please select only ONE (1)]

- ₁ Agriculture, forestry, and fishery
- ₂ Mining and quarrying
- ₃ Manufacturing
- ₄ Construction
- ₅ Wholesale and retail trade
- ₆ Trading (imports and exports)
- ₇ Tourism, shopping, hotels, restaurants, recreation, and entertainment
- ₈ Transportation, forwarding, and warehousing
- ₉ Professional and business services
- ₁₀ Finance and insurance
- ₁₁ Real estate
- ₁₂ Information and Communications Technology (ICT)

A3. Annual turnover:

- ₁ Less than RM300k
- ₂ RM300k to < RM3mil
- ₃ RM3mil to < RM15mil
- ₄ RM15mil to < RM20mil
- ₅ RM20mil to ≤ RM50mil
- ₆ More than RM50mil

A4. Number of full-time employees:

- ₁ Less than 5
- ₂ 5 to 29
- ₃ 30 to 74
- ₄ 75 to 200
- ₅ More than 200

A5. Please indicate the share of total sales generated from overseas market:

- ₁ 0%
- ₂ 1% to 25%
- ₃ 26% to 50%
- ₄ 51% to 75%
- ₅ 76% to 99%
- ₆ 100%

A6. Please indicate the share of foreign employees to total employees:

- ₁ 0%
- ₂ 1% to 25%
- ₃ 26% to 50%
- ₄ 51% to 75%
- ₅ 76% to 99%
- ₆ 100%

SECTION B: OVERALL ASSESSMENT

B1. Overall economic conditions and outlook: (Tick ✓ per row)	<u>Better</u>	<u>Neutral</u>	<u>Worse</u>	B2. Overall business conditions and outlook: (Tick ✓ per row)	<u>Better</u>	<u>Neutral</u>	<u>Worse</u>
2H 2024	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3	2H 2024	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3
1H 2025	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3	1H 2025	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3
2H 2025	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3	2H 2025	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3
Estimation for 2024	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3	Estimation for 2024	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3
Forecast for 2025	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3	Forecast for 2025	<input type="checkbox"/> _1	<input type="checkbox"/> _2	<input type="checkbox"/> _3

B3. Which of the following factors may adversely affect your business performance in 2H 2024?

(Select all that apply)

- | | |
|---|--|
| <input type="checkbox"/> _1 Changing consumer behaviour | <input type="checkbox"/> _10 The Ringgit's fluctuation |
| <input type="checkbox"/> _2 High operating cost and cash flow problem | <input type="checkbox"/> _11 Declining business and consumer sentiment |
| <input type="checkbox"/> _3 Supply chain disruptions | <input type="checkbox"/> _12 Political climate |
| <input type="checkbox"/> _4 Shortage of raw materials | <input type="checkbox"/> _13 Lower external demand |
| <input type="checkbox"/> _5 Increase in prices of raw materials | <input type="checkbox"/> _14 Lower domestic demand |
| <input type="checkbox"/> _6 Shortage of workers | <input type="checkbox"/> _15 Increase in bad debt and delayed payments |
| <input type="checkbox"/> _7 Digital disruption | <input type="checkbox"/> _16 ESG compliance |
| <input type="checkbox"/> _8 Difficult to secure financing | <input type="checkbox"/> _17 Climate-related risk |
| <input type="checkbox"/> _9 Availability of skilled labour | |

B4. Performance and Forecast

Note: N/A = Not Applicable
N/R = Not Relevant

	<u>Current Performance</u> 2H 2024 (Jul – Dec) vs. 1H 2024 (Jan – Jun)			<u>Forecast</u> 1H 2025 (Jan – Jun) vs. 2H 2024 (Jul – Dec)		
	<u>Better</u>	<u>Neutral</u>	<u>Worse</u>	<u>Better</u>	<u>Neutral</u>	<u>Worse</u>
<u>B4.1 Overall</u>						
i. Cash flows conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii. Debtors' conditions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii. Capacity utilisation level ◇ N/A or N/R	<input type="checkbox"/> Less than 50%			<input type="checkbox"/> Less than 50%		
	<input type="checkbox"/> 50% to 74%			<input type="checkbox"/> 50% to 74%		
	<input type="checkbox"/> 75% to 90%			<input type="checkbox"/> 75% to 90%		
	<input type="checkbox"/> More than 90%			<input type="checkbox"/> More than 90%		
iv. Overall sales revenue	Increase	Unchanged	Decrease	Increase	Unchanged	Decrease
	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
<u>B4.2 Domestic sales</u>	Increase	Unchanged	Decrease	Increase	Unchanged	Decrease
i. Sales revenue ◇ N/A or N/R	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
ii. Price level ◇ N/A or N/R	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%

Note: N/A = Not Applicable N/R = Not Relevant	<u>Current Performance</u> 2H 2024 (Jul – Dec) vs. 1H 2024 (Jan – Jun)			<u>Forecast</u> 1H 2025 (Jan – Jun) vs. 2H 2024 (Jul – Dec)		
	Increase	Unchanged	Decrease	Increase	Unchanged	Decrease
<u>B4.3 Foreign sales</u>						
i. Sales revenue	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
ii. Price level	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
<u>B4.4 Business operations</u>						
i. Production volume	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
ii. Inventory or stock level	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
<u>B4.5 Cost of raw materials</u>						
i. Local	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
ii. Imported	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
<u>B4.6 Manpower</u>						
i. Number of employees	<input type="checkbox"/> 1-5	<input type="radio"/>	<input type="checkbox"/> 1-5	<input type="checkbox"/> 1-5	<input type="radio"/>	<input type="checkbox"/> 1-5
	<input type="checkbox"/> 6-10		<input type="checkbox"/> 6-10	<input type="checkbox"/> 6-10		<input type="checkbox"/> 6-10
	<input type="checkbox"/> > 10		<input type="checkbox"/> > 10	<input type="checkbox"/> > 10		<input type="checkbox"/> > 10
ii. Wage growth	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%
<u>B4.7 Other</u>						
i. Capital expenditure	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%	<input type="checkbox"/> 1-5%	<input type="radio"/>	<input type="checkbox"/> 1-5%
◇ N/A or N/R	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%	<input type="checkbox"/> 6-10%		<input type="checkbox"/> 6-10%
	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%	<input type="checkbox"/> > 10%		<input type="checkbox"/> > 10%

SECTION C: CURRENT ISSUES**Issue 1: China's Impact on Malaysia's Businesses**

C1a. Please rate the overall impact of China's investment and goods on your business.

- ₁ No impact
- ₂ Positive
- ₃ Moderately positive
- ₄ Mixed impact
- ₅ Moderately negative
- ₆ Negative

C1b. To what extent does China contribute to technology and knowledge transfer compared to other foreign investors?

- ₁ Significantly more than other foreign investors
- ₂ Moderately more than other foreign investors
- ₃ About the same as other foreign investors
- ₄ Moderately less than other foreign investors
- ₅ Significantly less than other foreign investors

C1c. Do China companies in Malaysia prioritise hiring local talent for key positions, or do they mainly bring in talent from China?

- ₁ Mostly hire local talent for key positions
- ₂ A balance between local's and China's talent
- ₃ Mostly bring in talent from China for key positions
- ₄ Do not know / Not applicable

C1d. What are the top three positive impacts from China's investment? *(Maximum select three)*

- ₁ Boost local demand
- ₂ Business expansion / market access
- ₃ Technology transfer
- ₄ Support national economic and industrial development
- ₅ Increase employment opportunities
- ₆ Other (please specify): _____

C1e. What are the top three threats from China's investment? *(Maximum select three)*

- ₁ Threat to local businesses via competition
- ₂ Reduce market share
- ₃ Less employment opportunities
- ₄ Crowding out effect on domestic SMEs
- ₅ A potential threat to national interest
- ₆ Other (please specify): _____

C1f. What strategies, if any, have you adopted to compete with China's businesses in the Malaysian market? *(Select all that apply)*

- ₁ Lowering prices to remain competitive
- ₂ Focusing on product quality or differentiation
- ₃ Expanding into new markets or customer segments
- ₄ Improving operational efficiency or cutting costs
- ₅ Increasing marketing and customer engagement efforts
- ₆ Partnering with both local and foreign (including China) investors
- ₇ Avoid direct competition and shift market focus
- ₈ No specific strategies implemented
- ₉ Other (please specify): _____

C1g. Which type of China's investment would benefit Malaysia? *(Select all that apply)*

- ₁ Green investment
- ₂ Food processing
- ₃ Semiconductor
- ₄ Advanced materials
- ₅ Real estate
- ₆ Information and communication technology (ICT)
- ₇ Artificial intelligence (AI)
- ₈ Digitalisation
- ₉ Retailing
- ₁₀ No industry benefited significantly
- ₁₁ Other (please specify): _____

C1h. What can Government do to assist Malaysian companies coping with foreign competitors in domestic marketplace? *(Select all that apply)*

- ₁ Encourage joint venture with local partnerships
- ₂ Further facilitate market access for Malaysian products
- ₃ Encourage import substitution
- ₄ Curb unfair trading practices
- ₅ Implement stricter screening and approval processes for foreign investments
- ₆ Set conditions to diffuse technology and skills to local firms
- ₇ Prioritise companies sourcing higher levels of local content
- ₈ Address anti-competitive practices
- ₉ Other (please specify): _____

C1i. In your observation, please specify any products, services, or investments from China that have impacted your business or the industry.

Issue 2: Cost-Related Assessment

C2a. Please indicate the breakdown of production cost structure.*(Reminder: Total percentage shall add up to 100%)*

	0%	1-10%	11-20%	21-30%	31-40%	41-50%	> 50%
1. Raw materials	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆	<input type="checkbox"/> ₇
2. Personnel expenses	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆	<input type="checkbox"/> ₇
3. Utilities	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆	<input type="checkbox"/> ₇
4. Rental	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆	<input type="checkbox"/> ₇
5. Financing interest	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆	<input type="checkbox"/> ₇
6. Others	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆	<input type="checkbox"/> ₇

C2b. Which are the following measures in the 2025 Budget will negatively impact your business?

Impact level	None	Little	Moderately	Highly
1. Minimum wage increase to RM1,700	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄
2. Mandatory EPF contribution for non-citizen workers	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄
3. Multi-tiered levy for foreign workers	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄
4. RON95 subsidy rationalisation	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃	<input type="checkbox"/> ₄

C2c. Please indicate estimated additional increases in overall personnel expenses due to higher minimum wage, mandatory EPF contribution of foreign workers and multi-tiered foreign worker levy.

- ₁ No extra increase
- ₂ 1%-10% extra increase
- ₃ 11%-20% extra increase
- ₄ 21%-30% extra increase
- ₅ Beyond 30% extra increase

C2d. Please indicate the degree of concerns/challenges impacting your business in Malaysia.

	Low/none	Moderate	High
1. Access to financing	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃
2. Foreign worker availability	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃
3. Shortage of talent skills workforce	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃
4. Regulatory and compliance burden	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃
5. Energy and sustainability costs	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₃

C2e. Do you think the following incentives announced in 2025 Budget would ease your operating and capital costs? *(Select all that apply)*

- ₁ Micro-financing facility
- ₂ SME soft loan facility
- ₃ SJPP guarantee scheme
- ₄ Digital grant
- ₅ Market Development Grant (MDG)
- ₆ Incentives under Progressive Wage Policy (PWP)
- ₇ Other (please specify): _____

C2f. What more can the Government do to support the business in easing cost of doing business and business facilitation? *(Select all that apply)*

- ₁ Increase higher threshold of preferential tax rate for SMEs
- ₂ Provide corporate tax rebate to MSMEs
- ₃ Extend the Reinvestment Allowance
- ₄ Increase the threshold for receipt issuance (e-invoice) requirement
- ₅ Higher allocation for soft loan and grants
- ₆ Two-year moratorium for the implementation of multi-tiered levy for SMEs
- ₇ No mandatory contribution to the EPF by non-citizen workers
- ₈ Consolidating business licenses under single portal
- ₉ Other (please specify): _____

Closing Date: 31 December 2024

Company name	:	_____	Respondent's name	:	_____
Email address	:	_____	Contact number	:	_____

Disclaimer: The information provided in this survey will be treated in the strictest confidence.

~ Thank you very much for your cooperation ~

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
Section A: Business Background														
A Size of business operations														
	SME	78.6%	0.0%	84.9%	83.6%	90.0%	81.5%	94.3%	89.5%	94.4%	89.7%	88.9%	95.8%	88.3%
	Large enterprise	21.4%	100.0%	15.1%	16.4%	10.0%	18.5%	5.7%	10.5%	5.6%	10.3%	11.1%	4.2%	11.7%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
A5 Market orientation														
	100% sales from domestic market	46.4%	100.0%	24.4%	79.5%	73.6%	22.2%	60.0%	42.1%	64.5%	65.5%	88.9%	58.3%	58.1%
	76%-99% sales from domestic market	25.0%	0.0%	33.6%	17.8%	21.4%	40.7%	20.0%	26.3%	21.5%	31.0%	11.1%	33.3%	24.8%
	51%-75% sales from domestic market	17.9%	0.0%	16.0%	2.7%	0.7%	11.1%	11.4%	5.3%	4.7%	3.4%	0.0%	4.2%	6.7%
	26%-50% sales from domestic market	10.7%	0.0%	13.4%	0.0%	3.6%	14.8%	5.7%	21.1%	7.5%	0.0%	0.0%	4.2%	6.8%
	1%-25% sales from domestic market	0.0%	0.0%	10.9%	0.0%	0.7%	7.4%	0.0%	5.3%	1.9%	0.0%	0.0%	0.0%	3.0%
	100% sales from overseas market	0.0%	0.0%	1.7%	0.0%	0.0%	3.7%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
A6 Share of total employees														
	100% local employees	17.9%	100.0%	21.0%	37.0%	78.6%	37.0%	51.4%	57.9%	78.5%	79.3%	81.5%	75.0%	56.3%
	76%-99% local employees	17.9%	0.0%	31.1%	26.0%	17.1%	40.7%	20.0%	31.6%	10.3%	17.2%	18.5%	25.0%	21.6%
	51%-75% local employees	17.9%	0.0%	25.2%	13.7%	2.9%	11.1%	11.4%	5.3%	8.4%	3.4%	0.0%	0.0%	10.6%
	25%-50% local employees	10.7%	0.0%	17.6%	13.7%	1.4%	11.1%	8.6%	5.3%	0.9%	0.0%	0.0%	0.0%	7.0%
	1%-25% local employees	35.7%	0.0%	5.0%	8.2%	0.0%	0.0%	5.7%	0.0%	0.9%	0.0%	0.0%	0.0%	4.0%
	100% foreign employees	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	2.9%	0.0%	0.9%	0.0%	0.0%	0.0%	0.5%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
Section B: Overall Assessment														
B1 Economic conditions and prospects														
2H 2024														
	Better	7.1%	0.0%	12.6%	13.7%	6.4%	14.8%	22.9%	10.5%	17.8%	13.8%	33.3%	16.7%	13.7%
	Neutral	60.7%	50.0%	58.0%	58.9%	53.6%	55.6%	48.6%	73.7%	68.2%	62.1%	55.6%	66.7%	59.2%
	Worse	32.1%	50.0%	29.4%	27.4%	40.0%	29.6%	28.6%	15.8%	14.0%	24.1%	11.1%	16.7%	27.1%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
1H 2025														
	Better	10.7%	0.0%	21.0%	27.4%	20.0%	25.9%	25.7%	36.8%	26.2%	44.8%	33.3%	16.7%	24.3%
	Neutral	67.9%	50.0%	55.5%	53.4%	52.1%	44.4%	48.6%	52.6%	59.8%	44.8%	51.9%	58.3%	54.3%
	Worse	21.4%	50.0%	23.5%	19.2%	27.9%	29.6%	25.7%	10.5%	14.0%	10.3%	14.8%	25.0%	21.4%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
2H 2025														
	Better	17.9%	0.0%	26.9%	39.7%	25.7%	37.0%	25.7%	31.6%	39.3%	37.9%	33.3%	37.5%	31.4%
	Neutral	60.7%	50.0%	58.0%	46.6%	52.1%	44.4%	51.4%	52.6%	48.6%	58.6%	59.3%	37.5%	52.1%
	Worse	21.4%	50.0%	15.1%	13.7%	22.1%	18.5%	22.9%	15.8%	12.1%	3.4%	7.4%	25.0%	16.5%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
Estimation for 2024														
	Better	10.7%	0.0%	16.8%	13.7%	11.4%	14.8%	20.0%	15.8%	25.2%	20.7%	37.0%	12.5%	17.3%
	Neutral	53.6%	50.0%	50.4%	60.3%	58.6%	63.0%	62.9%	63.2%	58.9%	62.1%	55.6%	70.8%	58.1%
	Worse	35.7%	50.0%	32.8%	26.0%	30.0%	22.2%	17.1%	21.1%	15.9%	17.2%	7.4%	16.7%	24.6%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
Forecast for 2025														
	Better	21.4%	0.0%	22.7%	35.6%	26.4%	33.3%	28.6%	42.1%	42.1%	48.3%	40.7%	29.2%	31.7%
	Neutral	57.1%	50.0%	59.7%	50.7%	47.1%	40.7%	48.6%	42.1%	39.3%	51.7%	44.4%	54.2%	49.0%
	Worse	21.4%	50.0%	17.6%	13.7%	26.4%	25.9%	22.9%	15.8%	18.7%	0.0%	14.8%	16.7%	19.2%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
B2 Business conditions and prospects														
2H 2024														
	Better	7.1%	0.0%	14.3%	13.7%	8.6%	18.5%	25.7%	15.8%	25.2%	13.8%	33.3%	20.8%	16.3%
	Neutral	57.1%	50.0%	53.8%	61.6%	48.6%	63.0%	48.6%	68.4%	60.7%	69.0%	51.9%	62.5%	56.3%
	Worse	35.7%	50.0%	31.9%	24.7%	42.9%	18.5%	25.7%	15.8%	14.0%	17.2%	14.8%	16.7%	27.3%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
1H 2025														
	Better	10.7%	0.0%	21.8%	28.8%	21.4%	29.6%	25.7%	47.4%	30.8%	48.3%	33.3%	20.8%	26.5%
	Neutral	67.9%	50.0%	52.9%	53.4%	50.0%	40.7%	42.9%	42.1%	57.0%	44.8%	48.1%	58.3%	51.9%
	Worse	21.4%	50.0%	25.2%	17.8%	28.6%	29.6%	31.4%	10.5%	12.1%	6.9%	18.5%	20.8%	21.6%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
2H 2025														
	Better	10.7%	0.0%	30.3%	42.5%	28.6%	29.6%	28.6%	31.6%	44.9%	44.8%	29.6%	37.5%	33.7%
	Neutral	67.9%	50.0%	53.8%	45.2%	45.0%	48.1%	51.4%	52.6%	46.7%	51.7%	59.3%	41.7%	49.5%
	Worse	21.4%	50.0%	16.0%	12.3%	26.4%	22.2%	20.0%	15.8%	8.4%	3.4%	11.1%	20.8%	16.8%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
Estimation for 2024														
	Better	10.7%	0.0%	16.8%	16.4%	10.7%	18.5%	22.9%	21.1%	32.7%	27.6%	33.3%	16.7%	19.5%
	Neutral	57.1%	50.0%	52.9%	60.3%	56.4%	59.3%	54.3%	52.6%	49.5%	58.6%	51.9%	66.7%	55.2%
	Worse	32.1%	50.0%	30.3%	23.3%	32.9%	22.2%	22.9%	26.3%	17.8%	13.8%	14.8%	16.7%	25.2%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
Forecast for 2025														
	Better	21.4%	0.0%	22.7%	38.4%	25.0%	37.0%	25.7%	52.6%	42.1%	51.7%	40.7%	37.5%	32.5%
	Neutral	53.6%	50.0%	57.1%	47.9%	45.7%	33.3%	51.4%	26.3%	43.0%	44.8%	44.4%	50.0%	47.3%
	Worse	25.0%	50.0%	20.2%	13.7%	29.3%	29.6%	22.9%	21.1%	15.0%	3.4%	14.8%	12.5%	20.2%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS													
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)													
	Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
B3 Which of the following factor(s) may adversely affect your business performance in 2H 2024? (Select all that apply)													
Changing consumer behaviour	25.0%	0.0%	31.1%	24.7%	56.4%	37.0%	51.4%	21.1%	29.9%	37.9%	25.9%	37.5%	36.8%
High operating cost and cash flow problem	57.1%	100.0%	54.6%	65.8%	52.1%	29.6%	40.0%	57.9%	42.1%	27.6%	66.7%	29.2%	50.0%
Supply chain disruption	10.7%	0.0%	14.3%	11.0%	7.9%	25.9%	5.7%	31.6%	5.6%	3.4%	11.1%	4.2%	10.3%
Shortage of raw materials	7.1%	0.0%	10.1%	17.8%	6.4%	11.1%	8.6%	5.3%	4.7%	6.9%	22.2%	0.0%	8.9%
Increase in prices of raw materials	46.4%	50.0%	54.6%	64.4%	32.1%	40.7%	40.0%	21.1%	30.8%	10.3%	63.0%	29.2%	41.3%
Shortage of workers	39.3%	0.0%	30.3%	41.1%	19.3%	22.2%	22.9%	21.1%	32.7%	10.3%	14.8%	33.3%	27.3%
Digital disruption	3.6%	0.0%	5.0%	6.8%	10.0%	7.4%	8.6%	5.3%	13.1%	17.2%	3.7%	16.7%	8.9%
Difficult to secure financing	17.9%	50.0%	16.8%	31.5%	17.9%	11.1%	20.0%	10.5%	11.2%	10.3%	48.1%	12.5%	18.6%
Availability of skilled labour	32.1%	50.0%	32.8%	46.6%	15.0%	11.1%	22.9%	15.8%	36.4%	3.4%	22.2%	33.3%	27.3%
The Ringgit's fluctuation	50.0%	0.0%	47.1%	35.6%	38.6%	55.6%	34.3%	42.1%	33.6%	44.8%	37.0%	37.5%	40.2%
Declining business and consumer sentiment	10.7%	50.0%	25.2%	27.4%	46.4%	37.0%	28.6%	10.5%	39.3%	34.5%	40.7%	29.2%	33.5%
Political climate	28.6%	50.0%	21.8%	21.9%	24.3%	7.4%	25.7%	36.8%	25.2%	34.5%	37.0%	25.0%	24.8%
Lower external demand	21.4%	0.0%	33.6%	9.6%	9.3%	18.5%	8.6%	10.5%	5.6%	13.8%	11.1%	4.2%	14.3%
Lower domestic demand	21.4%	100.0%	52.9%	32.9%	56.4%	29.6%	28.6%	26.3%	26.2%	27.6%	40.7%	8.3%	39.0%
Increase in bad debt and delay payments	35.7%	0.0%	27.7%	45.2%	31.4%	25.9%	11.4%	21.1%	25.2%	6.9%	14.8%	16.7%	27.3%
ESG compliance	21.4%	0.0%	13.4%	12.3%	6.4%	7.4%	14.3%	10.5%	4.7%	13.8%	7.4%	8.3%	9.8%
Climate-related risk	35.7%	0.0%	6.7%	16.4%	6.4%	7.4%	17.1%	5.3%	1.9%	0.0%	3.7%	8.3%	8.4%
Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
B4 Performance and forecast													
Performance: 2H 2024 (Jul-Dec 2024) compared to 1H 2024 (Jan-Jun 2024)													
I Overall													
i Cash flows conditions													
Better	10.7%	0.0%	8.4%	9.6%	6.4%	18.5%	14.3%	5.3%	15.0%	13.8%	25.9%	20.8%	11.4%
Neutral	53.6%	50.0%	65.5%	58.9%	59.3%	70.4%	71.4%	73.7%	71.0%	69.0%	59.3%	58.3%	64.1%
Worse	35.7%	50.0%	26.1%	31.5%	34.3%	11.1%	14.3%	21.1%	14.0%	17.2%	14.8%	20.8%	24.4%
Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
ii Debtors' conditions													
Better	3.6%	0.0%	6.7%	4.1%	2.9%	7.4%	8.6%	0.0%	9.3%	6.9%	3.7%	12.5%	5.9%
Neutral	60.7%	50.0%	62.2%	56.2%	62.9%	63.0%	74.3%	73.7%	72.0%	69.0%	77.8%	66.7%	65.4%
Worse	35.7%	50.0%	31.1%	39.7%	34.3%	29.6%	17.1%	26.3%	18.7%	24.1%	18.5%	20.8%	28.7%
Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
iii Capacity utilisation level													
Less than 50%	37.5%	0.0%	24.8%	41.5%	27.8%	21.1%	31.6%	45.5%	33.9%	33.3%	14.3%	33.3%	29.9%
50% to 74%	50.0%	0.0%	46.7%	36.6%	46.3%	57.9%	63.2%	27.3%	33.9%	41.7%	42.9%	0.0%	42.6%
75% to 90%	6.3%	50.0%	21.9%	12.2%	20.4%	15.8%	0.0%	18.2%	17.7%	25.0%	28.6%	44.4%	18.7%
More than 90%	6.3%	50.0%	6.7%	9.8%	5.6%	5.3%	5.3%	9.1%	14.5%	0.0%	14.3%	22.2%	8.8%
Sample size (n)	16	2	105	41	54	19	19	11	62	12	14	9	364
iv Overall sales revenue													
Increased 1%-5%	7.1%	0.0%	17.6%	13.7%	15.7%	11.1%	20.0%	42.1%	12.1%	24.1%	22.2%	12.5%	16.2%
Increased 6%-10%	10.7%	0.0%	10.1%	5.5%	13.6%	18.5%	17.1%	5.3%	12.1%	17.2%	14.8%	0.0%	11.4%
Increased >10%	10.7%	0.0%	14.3%	17.8%	7.9%	14.8%	8.6%	5.3%	23.4%	13.8%	22.2%	33.3%	15.1%
Unchanged	17.9%	50.0%	11.8%	23.3%	15.7%	25.9%	17.1%	15.8%	24.3%	20.7%	18.5%	25.0%	18.7%
Decreased 1%-5%	17.9%	0.0%	16.8%	12.3%	12.1%	11.1%	14.3%	21.1%	13.1%	6.9%	0.0%	12.5%	13.0%
Decreased 6%-10%	21.4%	0.0%	11.8%	9.6%	12.9%	7.4%	8.6%	5.3%	9.3%	6.9%	3.7%	8.3%	10.5%
Decreased >10%	14.3%	50.0%	17.6%	17.8%	22.1%	11.1%	14.3%	5.3%	5.6%	10.3%	18.5%	8.3%	15.1%
Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
II Domestic market													
i Sales revenue													
Increased 1%-5%	18.5%	0.0%	21.7%	18.2%	16.7%	4.2%	22.6%	37.5%	17.2%	15.4%	26.9%	4.3%	18.2%
Increased 6%-10%	0.0%	0.0%	8.7%	9.1%	10.6%	25.0%	6.5%	6.3%	10.1%	26.9%	23.1%	0.0%	10.6%
Increased >10%	0.0%	0.0%	7.8%	12.1%	10.6%	8.3%	9.7%	0.0%	18.2%	11.5%	15.4%	30.4%	11.6%
Unchanged	33.3%	50.0%	22.6%	24.2%	18.2%	25.0%	25.8%	18.8%	28.3%	19.2%	11.5%	39.1%	23.5%
Decreased 1%-5%	25.9%	0.0%	16.5%	6.1%	11.4%	16.7%	16.1%	18.8%	14.1%	3.8%	7.7%	13.0%	13.1%
Decreased 6%-10%	7.4%	0.0%	9.6%	10.6%	13.6%	8.3%	6.5%	12.5%	5.1%	11.5%	3.8%	4.3%	9.2%
Decreased >10%	14.8%	50.0%	13.0%	19.7%	18.9%	12.5%	12.9%	6.3%	7.1%	11.5%	11.5%	8.7%	13.8%
Sample size (n)	27	2	115	66	132	24	31	16	99	26	26	23	587
ii Price level													
Increased 1%-5%	17.9%	0.0%	21.6%	21.5%	29.4%	32.0%	40.0%	18.8%	25.3%	30.4%	34.6%	17.4%	25.9%
Increased 6%-10%	10.7%	0.0%	7.2%	10.8%	19.9%	8.0%	20.0%	6.3%	18.9%	4.3%	19.2%	13.0%	14.0%
Increased >10%	3.6%	0.0%	8.1%	13.8%	13.2%	20.0%	16.7%	12.5%	11.6%	34.8%	23.1%	13.0%	13.3%
Unchanged	25.0%	100.0%	41.4%	33.8%	22.8%	24.0%	20.0%	50.0%	33.7%	17.4%	15.4%	47.8%	30.9%
Decreased 1%-5%	21.4%	0.0%	12.6%	10.8%	8.1%	8.0%	3.3%	0.0%	4.2%	4.3%	3.8%	0.0%	8.1%
Decreased 6%-10%	17.9%	0.0%	5.4%	1.5%	2.9%	4.0%	0.0%	6.3%	4.2%	0.0%	0.0%	8.7%	4.1%
Decreased >10%	3.6%	0.0%	3.6%	7.7%	3.7%	4.0%	0.0%	6.3%	2.1%	8.7%	3.8%	0.0%	3.8%
Sample size (n)	28	2	111	65	136	25	30	16	95	23	26	23	580

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
III Foreign market														
i Sales revenue														
	Increased 1%-5%	0.0%	0.0%	16.5%	18.2%	21.4%	10.0%	25.0%	20.0%	20.0%	33.3%	0.0%	14.3%	16.9%
	Increased 6%-10%	20.0%	0.0%	4.7%	18.2%	17.9%	10.0%	25.0%	10.0%	11.4%	0.0%	0.0%	0.0%	10.4%
	Increased >10%	0.0%	0.0%	8.2%	0.0%	0.0%	10.0%	0.0%	20.0%	25.7%	16.7%	0.0%	28.6%	10.0%
	Unchanged	46.7%	0.0%	32.9%	45.5%	42.9%	30.0%	33.3%	20.0%	25.7%	16.7%	100.0%	57.1%	34.6%
	Decreased 1%-5%	20.0%	0.0%	9.4%	9.1%	7.1%	25.0%	16.7%	10.0%	5.7%	0.0%	0.0%	0.0%	10.4%
	Decreased 6%-10%	6.7%	0.0%	15.3%	9.1%	7.1%	5.0%	0.0%	20.0%	8.6%	16.7%	0.0%	0.0%	10.4%
	Decreased >10%	6.7%	0.0%	12.9%	0.0%	3.6%	10.0%	0.0%	0.0%	2.9%	16.7%	0.0%	0.0%	7.4%
	Sample size (n)	15	0	85	11	28	20	12	10	35	6	2	7	231
ii Price level														
	Increased 1%-5%	0.0%	0.0%	14.1%	9.1%	14.8%	21.1%	18.2%	20.0%	14.3%	0.0%	0.0%	28.6%	14.2%
	Increased 6%-10%	20.0%	0.0%	7.1%	18.2%	14.8%	10.5%	27.3%	20.0%	20.0%	25.0%	0.0%	14.3%	13.7%
	Increased >10%	0.0%	0.0%	0.0%	27.3%	14.8%	10.5%	9.1%	0.0%	11.4%	0.0%	0.0%	0.0%	6.2%
	Unchanged	46.7%	0.0%	49.4%	36.4%	37.0%	47.4%	36.4%	50.0%	42.9%	25.0%	100.0%	42.9%	45.1%
	Decreased 1%-5%	13.3%	0.0%	20.0%	9.1%	7.4%	5.3%	9.1%	0.0%	5.7%	25.0%	0.0%	0.0%	11.9%
	Decreased 6%-10%	13.3%	0.0%	4.7%	0.0%	11.1%	5.3%	0.0%	0.0%	2.9%	0.0%	0.0%	0.0%	4.9%
	Decreased >10%	6.7%	0.0%	4.7%	0.0%	0.0%	0.0%	0.0%	10.0%	2.9%	25.0%	0.0%	14.3%	4.0%
	Sample size (n)	15	0	85	11	27	19	11	10	35	4	2	7	226
IV Business operations														
i Production volume														
	Increased 1%-5%	3.8%	0.0%	17.9%	9.8%	21.3%	15.0%	11.1%	12.5%	12.5%	40.0%	0.0%	10.0%	14.5%
	Increased 6%-10%	0.0%	0.0%	5.1%	14.6%	8.5%	10.0%	5.6%	25.0%	9.4%	0.0%	6.3%	10.0%	7.7%
	Increased >10%	3.8%	0.0%	7.7%	7.3%	12.8%	10.0%	22.2%	0.0%	18.8%	10.0%	25.0%	10.0%	11.3%
	Unchanged	53.8%	50.0%	29.9%	39.0%	29.8%	35.0%	44.4%	37.5%	43.8%	10.0%	43.8%	50.0%	36.7%
	Decreased 1%-5%	15.4%	0.0%	14.5%	12.2%	8.5%	20.0%	0.0%	0.0%	7.8%	20.0%	12.5%	10.0%	11.6%
	Decreased 6%-10%	15.4%	0.0%	7.7%	9.8%	12.8%	0.0%	11.1%	12.5%	4.7%	0.0%	6.3%	10.0%	8.2%
	Decreased >10%	7.7%	50.0%	17.1%	7.3%	6.4%	10.0%	5.6%	12.5%	3.1%	20.0%	6.3%	0.0%	10.0%
	Sample size (n)	26	2	117	41	47	20	18	8	64	10	16	10	379
ii Inventory or stock level														
	Increased 1%-5%	11.5%	0.0%	19.8%	11.1%	9.3%	8.0%	17.6%	0.0%	16.7%	22.2%	22.2%	13.3%	14.2%
	Increased 6%-10%	0.0%	0.0%	8.6%	8.9%	13.6%	20.0%	5.9%	16.7%	11.1%	11.1%	11.1%	6.7%	11.1%
	Increased >10%	11.5%	50.0%	12.1%	4.4%	13.6%	20.0%	11.8%	16.7%	13.0%	0.0%	22.2%	6.7%	12.4%
	Unchanged	53.8%	50.0%	42.2%	51.1%	31.4%	28.0%	47.1%	50.0%	33.3%	22.2%	27.8%	53.3%	38.8%
	Decreased 1%-5%	7.7%	0.0%	9.5%	4.4%	15.3%	16.0%	0.0%	0.0%	7.4%	11.1%	5.6%	13.3%	10.0%
	Decreased 6%-10%	11.5%	0.0%	2.6%	8.9%	8.5%	8.0%	17.6%	16.7%	7.4%	11.1%	5.6%	6.7%	7.3%
	Decreased >10%	3.8%	0.0%	5.2%	11.1%	8.5%	0.0%	0.0%	0.0%	5.6%	22.2%	5.6%	0.0%	6.2%
	Sample size (n)	26	2	116	45	118	25	17	6	54	9	18	15	451
V Cost of raw materials														
i Local														
	Increased 1%-5%	16.0%	0.0%	29.8%	27.9%	25.0%	22.2%	9.5%	0.0%	31.6%	33.3%	30.4%	30.0%	26.3%
	Increased 6%-10%	20.0%	0.0%	16.7%	21.3%	15.0%	5.6%	23.8%	16.7%	19.3%	11.1%	17.4%	30.0%	17.6%
	Increased >10%	20.0%	50.0%	14.0%	26.2%	20.0%	27.8%	38.1%	33.3%	19.3%	11.1%	39.1%	10.0%	21.4%
	Unchanged	32.0%	50.0%	26.1%	18.0%	26.3%	33.3%	23.6%	33.3%	22.8%	11.1%	13.0%	10.0%	24.4%
	Decreased 1%-5%	8.0%	0.0%	8.8%	1.6%	8.8%	0.0%	4.8%	0.0%	5.3%	11.1%	0.0%	10.0%	6.1%
	Decreased 6%-10%	4.0%	0.0%	2.6%	1.6%	2.5%	11.1%	0.0%	16.7%	1.8%	0.0%	0.0%	0.0%	2.6%
	Decreased >10%	0.0%	0.0%	0.0%	3.3%	2.5%	0.0%	0.0%	0.0%	0.0%	22.2%	0.0%	10.0%	1.6%
	Sample size (n)	25	2	114	61	80	18	21	6	57	9	23	10	426
ii Imported														
	Increased 1%-5%	5.3%	0.0%	34.7%	22.4%	16.0%	25.0%	13.3%	25.0%	24.5%	44.4%	21.4%	20.0%	24.0%
	Increased 6%-10%	36.8%	0.0%	17.8%	20.4%	17.3%	20.0%	20.0%	0.0%	16.3%	0.0%	0.0%	30.0%	18.0%
	Increased >10%	15.8%	50.0%	12.9%	32.7%	29.3%	20.0%	33.3%	0.0%	22.4%	0.0%	28.6%	20.0%	22.1%
	Unchanged	36.8%	0.0%	27.7%	18.4%	22.7%	25.0%	33.3%	50.0%	30.6%	22.2%	35.7%	10.0%	26.2%
	Decreased 1%-5%	0.0%	50.0%	4.0%	0.0%	12.0%	5.0%	0.0%	0.0%	2.0%	11.1%	7.1%	0.0%	4.9%
	Decreased 6%-10%	5.3%	0.0%	3.0%	2.0%	1.3%	0.0%	0.0%	0.0%	4.1%	0.0%	7.1%	10.0%	2.7%
	Decreased >10%	0.0%	0.0%	0.0%	4.1%	1.3%	5.0%	0.0%	25.0%	0.0%	22.2%	0.0%	10.0%	2.2%
	Sample size (n)	19	2	101	49	75	20	15	4	49	9	14	10	367
VI Manpower														
i Number of employees														
	Increased 1-5	14.3%	0.0%	15.1%	11.0%	17.1%	14.8%	25.7%	21.1%	18.7%	31.0%	14.8%	20.8%	17.3%
	Increased 6-10	0.0%	0.0%	6.7%	6.8%	6.4%	11.1%	2.9%	5.3%	10.3%	6.9%	3.7%	8.3%	6.8%
	Increased >10	0.0%	0.0%	3.4%	6.8%	3.6%	0.0%	2.9%	10.5%	14.0%	13.8%	14.8%	8.3%	6.7%
	Unchanged	67.9%	100.0%	53.8%	50.7%	63.6%	63.0%	54.3%	52.6%	43.9%	37.9%	55.6%	50.0%	54.3%
	Decreased 1-5	14.3%	0.0%	14.3%	19.2%	4.3%	3.7%	11.4%	10.5%	9.3%	6.9%	11.1%	12.5%	10.5%
	Decreased 6-10	0.0%	0.0%	3.4%	4.1%	2.9%	7.4%	2.9%	0.0%	1.9%	3.4%	0.0%	0.0%	2.7%
	Decreased >10	3.6%	0.0%	3.4%	1.4%	2.1%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0%	1.7%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
ii Wage growth														
	Increased 1%-5%	14.3%	50.0%	34.5%	27.4%	27.5%	25.9%	34.3%	42.1%	23.4%	27.6%	33.3%	16.7%	28.2%
	Increased 6%-10%	28.6%	0.0%	15.1%	13.7%	19.6%	29.6%	17.1%	26.3%	15.0%	27.6%	11.1%	29.2%	18.5%
	Increased >10%	17.9%	0.0%	12.6%	11.0%	10.1%	3.7%	5.7%	5.3%	28.0%	10.3%	18.5%	16.7%	14.0%
	Unchanged	35.7%	50.0%	34.5%	42.5%	41.3%	37.0%	40.0%	21.1%	29.0%	31.0%	33.3%	33.3%	35.8%
	Decreased 1%-5%	0.0%	0.0%	1.7%	1.4%	1.4%	0.0%	0.0%	0.0%	2.8%	3.4%	3.7%	4.2%	1.8%
	Decreased 6%-10%	3.6%	0.0%	0.0%	1.4%	0.0%	3.7%	2.9%	5.3%	1.9%	0.0%	0.0%	0.0%	1.1%
	Decreased >10%	0.0%	0.0%	1.7%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
	Sample size (n)	28	2	119	73	138	27	35	19	107	29	27	24	628

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
VII Other														
i Capital expenditure														
	Increased 1%-5%	8.3%	0.0%	25.2%	16.2%	19.4%	32.0%	14.8%	22.2%	15.2%	22.7%	20.0%	8.7%	19.1%
	Increased 6%-10%	16.7%	0.0%	22.4%	16.2%	13.9%	16.0%	14.8%	27.8%	21.7%	13.6%	16.0%	13.0%	18.0%
	Increased >10%	25.0%	0.0%	15.9%	25.0%	20.4%	8.0%	22.2%	22.2%	23.9%	22.7%	16.0%	13.0%	20.0%
	Unchanged	41.7%	100.0%	29.9%	35.3%	39.8%	40.0%	44.4%	22.2%	34.8%	36.4%	44.0%	56.5%	37.0%
	Decreased 1%-5%	8.3%	0.0%	2.8%	0.0%	0.9%	4.0%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	1.5%
	Decreased 6%-10%	0.0%	0.0%	2.8%	2.9%	2.8%	0.0%	3.7%	0.0%	2.2%	0.0%	4.0%	4.3%	2.4%
	Decreased >10%	0.0%	0.0%	0.9%	4.4%	2.8%	0.0%	0.0%	5.6%	1.1%	4.5%	0.0%	4.3%	2.0%
	Sample size (n)	24	1	107	68	108	25	27	18	92	22	25	23	540
Forecast: 1H 2025 (Jan-Jun 2025) compared to 2H 2024 (Jul-Dec 2024)														
i Overall														
i Cash flows conditions														
	Better	14.3%	0.0%	16.0%	15.1%	17.1%	25.9%	17.1%	21.1%	30.8%	37.9%	22.2%	37.5%	21.3%
	Neutral	57.1%	50.0%	58.8%	67.1%	59.3%	63.0%	68.6%	63.2%	57.9%	55.2%	66.7%	50.0%	60.3%
	Worse	28.6%	50.0%	25.2%	17.8%	23.6%	11.1%	14.3%	15.8%	11.2%	6.9%	11.1%	12.5%	18.4%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
ii Debtors' conditions														
	Better	7.1%	0.0%	10.1%	8.2%	10.0%	14.8%	14.3%	15.8%	16.8%	17.2%	7.4%	16.7%	11.9%
	Neutral	57.1%	100.0%	67.2%	63.0%	62.1%	63.0%	68.6%	57.9%	64.5%	69.0%	77.8%	75.0%	65.2%
	Worse	35.7%	0.0%	22.7%	28.8%	27.9%	22.2%	17.1%	26.3%	18.7%	13.8%	14.8%	8.3%	22.9%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
iii Capacity utilisation level														
	Less than 50%	31.3%	0.0%	19.0%	31.7%	28.3%	25.0%	42.1%	18.2%	27.0%	36.4%	21.4%	22.2%	25.8%
	50% to 74%	43.8%	0.0%	44.8%	36.6%	41.5%	50.0%	57.9%	18.2%	33.3%	36.4%	28.6%	11.1%	39.6%
	75% to 90%	12.5%	100.0%	26.7%	12.2%	20.8%	15.0%	0.0%	45.5%	22.2%	27.3%	35.7%	44.4%	22.5%
	More than 90%	12.5%	0.0%	9.5%	19.5%	9.4%	10.0%	0.0%	18.2%	17.5%	0.0%	14.3%	22.2%	12.1%
	Sample size (n)	16	2	105	41	53	20	19	11	63	11	14	9	364
iv Overall sales revenue														
	Increase 1%-5%	3.6%	0.0%	14.3%	8.2%	18.7%	3.7%	17.1%	26.3%	15.9%	17.2%	11.1%	0.0%	13.8%
	Increase 6%-10%	17.9%	0.0%	13.4%	9.6%	14.4%	22.2%	22.9%	21.1%	9.3%	31.0%	25.9%	12.5%	15.1%
	Increase >10%	10.7%	0.0%	13.4%	20.5%	10.8%	14.8%	8.6%	10.5%	29.9%	13.8%	25.9%	25.0%	17.0%
	Unchanged	35.7%	50.0%	19.3%	35.6%	22.3%	33.3%	22.9%	26.3%	26.2%	24.1%	18.5%	37.5%	25.8%
	Decrease 1%-5%	17.9%	0.0%	16.0%	5.5%	10.1%	14.8%	5.7%	0.0%	6.5%	6.9%	0.0%	8.3%	9.4%
	Decrease 6%-10%	7.1%	0.0%	10.9%	11.0%	11.5%	3.7%	8.6%	10.5%	7.5%	3.4%	3.7%	8.3%	9.1%
	Decrease >10%	7.1%	50.0%	12.6%	9.6%	12.2%	7.4%	14.3%	5.3%	4.7%	3.4%	14.8%	8.3%	9.9%
	Sample size (n)	28	2	119	73	139	27	35	19	107	29	27	24	629
II Domestic market														
i Sales revenue														
	Increase 1%-5%	22.2%	0.0%	15.9%	15.2%	22.1%	16.7%	22.6%	25.0%	17.2%	34.6%	15.4%	4.3%	18.7%
	Increase 6%-10%	7.4%	0.0%	12.4%	16.7%	13.0%	16.7%	12.9%	0.0%	15.2%	26.9%	30.8%	8.7%	14.4%
	Increase >10%	3.7%	0.0%	9.7%	15.2%	8.4%	8.3%	3.2%	12.5%	23.2%	11.5%	15.4%	21.7%	12.5%
	Unchanged	37.0%	50.0%	28.3%	24.2%	22.9%	33.3%	25.8%	37.5%	27.3%	7.7%	19.2%	47.8%	26.7%
	Decrease 1%-5%	14.8%	0.0%	17.7%	12.1%	13.0%	12.5%	16.1%	12.5%	9.1%	0.0%	7.7%	4.3%	12.2%
	Decrease 6%-10%	7.4%	0.0%	7.1%	7.6%	9.9%	4.2%	6.5%	6.3%	5.1%	7.7%	3.8%	4.3%	7.0%
	Decrease >10%	7.4%	50.0%	8.8%	9.1%	10.7%	8.3%	12.9%	6.3%	3.0%	11.5%	7.7%	8.7%	8.6%
	Sample size (n)	27	2	113	66	131	24	31	16	99	26	26	23	584
ii Price level														
	Increase 1%-5%	32.1%	0.0%	27.7%	21.5%	28.7%	28.0%	36.7%	37.5%	26.6%	26.1%	36.0%	17.4%	27.8%
	Increase 6%-10%	10.7%	0.0%	8.0%	12.3%	21.3%	8.0%	13.3%	6.3%	18.1%	13.0%	28.0%	13.0%	14.9%
	Increase >10%	0.0%	0.0%	11.6%	16.9%	14.0%	12.0%	23.3%	12.5%	14.9%	26.1%	16.0%	13.0%	14.2%
	Unchanged	32.1%	100.0%	33.0%	35.4%	24.3%	32.0%	20.0%	31.3%	30.9%	21.7%	20.0%	47.8%	29.9%
	Decrease 1%-5%	10.7%	0.0%	12.5%	4.6%	5.9%	16.0%	6.7%	0.0%	4.3%	4.3%	0.0%	0.0%	6.7%
	Decrease 6%-10%	10.7%	0.0%	3.6%	4.6%	2.2%	4.0%	0.0%	6.3%	4.3%	0.0%	0.0%	8.7%	3.6%
	Decrease >10%	3.6%	0.0%	3.6%	4.6%	3.7%	0.0%	0.0%	6.3%	1.1%	8.7%	0.0%	0.0%	2.9%
	Sample size (n)	28	2	112	65	136	25	30	16	94	23	25	23	579
III Foreign market														
i Sales revenue														
	Increase 1%-5%	14.3%	0.0%	15.3%	8.3%	14.8%	10.0%	25.0%	20.0%	17.1%	50.0%	0.0%	14.3%	16.1%
	Increase 6%-10%	14.3%	0.0%	10.6%	16.7%	14.8%	15.0%	8.3%	40.0%	14.3%	0.0%	0.0%	14.3%	13.5%
	Increase >10%	0.0%	0.0%	8.2%	8.3%	7.4%	5.0%	8.3%	0.0%	34.3%	16.7%	0.0%	28.6%	11.7%
	Unchanged	42.9%	0.0%	35.3%	50.0%	44.4%	40.0%	41.7%	30.0%	14.3%	16.7%	100.0%	42.9%	35.2%
	Decrease 1%-5%	14.3%	0.0%	7.1%	0.0%	3.7%	15.0%	16.7%	0.0%	11.4%	0.0%	0.0%	0.0%	7.8%
	Decrease 6%-10%	7.1%	0.0%	14.1%	8.3%	14.8%	5.0%	0.0%	10.0%	5.7%	0.0%	0.0%	0.0%	9.6%
	Decrease >10%	7.1%	0.0%	9.4%	8.3%	0.0%	10.0%	0.0%	0.0%	2.9%	16.7%	0.0%	0.0%	6.1%
	Sample size (n)	14	0	85	12	27	20	12	10	35	6	2	7	230
ii Price level														
	Increase 1%-5%	20.0%	0.0%	20.2%	18.2%	18.5%	21.1%	0.0%	20.0%	8.6%	0.0%	0.0%	42.9%	17.3%
	Increase 6%-10%	6.7%	0.0%	11.9%	9.1%	14.8%	5.3%	36.4%	10.0%	28.6%	25.0%	0.0%	14.3%	15.1%
	Increase >10%	0.0%	0.0%	1.2%	27.3%	11.1%	5.3%	0.0%	20.0%	14.3%	0.0%	0.0%	14.3%	7.1%
	Unchanged	46.7%	0.0%	41.7%	36.4%	37.0%	52.6%	54.5%	40.0%	37.1%	25.0%	100.0%	14.3%	41.3%
	Decrease 1%-5%	6.7%	0.0%	15.5%	9.1%	3.7%	10.5%	9.1%	0.0%	5.7%	25.0%	0.0%	0.0%	9.8%
	Decrease 6%-10%	13.3%	0.0%	4.8%	0.0%	14.8%	5.3%	0.0%	0.0%	2.9%	0.0%	0.0%	0.0%	5.3%
	Decrease >10%	6.7%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%	10.0%	2.9%	25.0%	0.0%	14.3%	4.0%
	Sample size (n)	15	0	84	11	27	19	11	10	35	4	2	7	225

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
IV Business operations														
i Production volume														
	Increase 1%-5%	11.5%	0.0%	16.5%	12.2%	17.0%	20.0%	0.0%	12.5%	14.1%	40.0%	0.0%	20.0%	14.7%
	Increase 6%-10%	0.0%	0.0%	12.2%	9.8%	2.1%	10.0%	11.8%	25.0%	14.1%	10.0%	6.7%	0.0%	9.6%
	Increase >10%	3.8%	0.0%	5.2%	17.1%	14.9%	5.0%	11.8%	12.5%	25.0%	10.0%	20.0%	10.0%	12.3%
	Unchanged	57.7%	0.0%	37.4%	39.0%	36.2%	35.0%	58.8%	25.0%	34.4%	10.0%	46.7%	60.0%	38.9%
	Decrease 1%-5%	11.5%	0.0%	10.4%	9.8%	12.8%	20.0%	0.0%	12.5%	6.3%	10.0%	13.3%	0.0%	9.9%
	Decrease 6%-10%	11.5%	0.0%	7.0%	7.3%	12.8%	0.0%	5.9%	0.0%	4.7%	0.0%	6.7%	10.0%	6.9%
	Decrease >10%	3.8%	100.0%	11.3%	4.9%	4.3%	10.0%	11.8%	12.5%	1.6%	20.0%	6.7%	0.0%	7.7%
	Sample size (n)	26	2	115	41	47	20	17	8	64	10	15	10	375
ii Inventory or stock level														
	Increase 1%-5%	15.4%	0.0%	19.8%	8.9%	12.8%	12.0%	5.9%	0.0%	14.8%	22.2%	16.7%	13.3%	14.4%
	Increase 6%-10%	3.8%	0.0%	8.6%	8.9%	7.7%	28.0%	5.9%	0.0%	18.5%	11.1%	11.1%	6.7%	10.2%
	Increase >10%	7.7%	50.0%	6.9%	13.3%	9.4%	8.0%	11.8%	0.0%	14.8%	0.0%	16.7%	0.0%	9.6%
	Unchanged	50.0%	0.0%	46.6%	42.2%	31.6%	36.0%	52.9%	66.7%	27.8%	22.2%	33.3%	66.7%	39.6%
	Decrease 1%-5%	11.5%	0.0%	6.9%	11.1%	24.8%	12.0%	11.8%	0.0%	11.1%	11.1%	11.1%	6.7%	13.3%
	Decrease 6%-10%	11.5%	0.0%	6.0%	6.7%	6.0%	4.0%	11.8%	33.3%	9.3%	11.1%	5.6%	6.7%	7.3%
	Decrease >10%	0.0%	50.0%	5.2%	8.9%	7.7%	0.0%	0.0%	0.0%	3.7%	22.2%	5.6%	0.0%	5.6%
	Sample size (n)	26	2	116	45	117	25	17	6	54	9	18	15	450
V Cost of raw materials														
i Local														
	Increase 1%-5%	20.0%	0.0%	30.1%	29.5%	23.1%	27.8%	14.3%	0.0%	24.6%	44.4%	41.7%	20.0%	26.7%
	Increase 6%-10%	20.0%	0.0%	17.7%	18.0%	21.8%	11.1%	19.0%	16.7%	26.3%	0.0%	20.8%	30.0%	19.6%
	Increase >10%	16.0%	0.0%	15.0%	27.9%	19.2%	16.7%	33.3%	33.3%	22.8%	11.1%	20.8%	0.0%	19.8%
	Unchanged	32.0%	50.0%	30.1%	19.7%	24.4%	33.3%	28.6%	33.3%	17.5%	11.1%	16.7%	30.0%	25.0%
	Decrease 1%-5%	8.0%	0.0%	5.3%	3.3%	7.7%	0.0%	4.8%	0.0%	7.0%	11.1%	0.0%	10.0%	5.4%
	Decrease 6%-10%	4.0%	0.0%	0.9%	1.6%	1.3%	11.1%	0.0%	16.7%	1.8%	0.0%	0.0%	0.0%	1.9%
	Decrease >10%	0.0%	50.0%	0.9%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	22.2%	0.0%	10.0%	1.7%
	Sample size (n)	25	2	113	61	78	18	21	6	57	9	24	10	424
ii Imported														
	Increase 1%-5%	5.3%	50.0%	34.0%	24.0%	18.9%	26.3%	20.0%	25.0%	24.5%	22.2%	33.3%	10.0%	24.9%
	Increase 6%-10%	26.3%	0.0%	16.0%	18.0%	23.0%	21.1%	6.7%	0.0%	16.3%	22.2%	6.7%	40.0%	18.3%
	Increase >10%	21.1%	0.0%	15.0%	32.0%	23.0%	21.1%	40.0%	0.0%	28.6%	0.0%	13.3%	0.0%	21.3%
	Unchanged	42.1%	0.0%	33.0%	20.0%	23.0%	26.3%	33.3%	50.0%	20.4%	33.3%	40.0%	30.0%	27.9%
	Decrease 1%-5%	0.0%	0.0%	2.0%	2.0%	9.5%	5.3%	0.0%	0.0%	6.1%	0.0%	6.7%	0.0%	4.1%
	Decrease 6%-10%	5.3%	0.0%	0.0%	4.0%	1.4%	0.0%	0.0%	0.0%	4.1%	0.0%	0.0%	10.0%	1.9%
	Decrease >10%	0.0%	50.0%	0.0%	0.0%	1.4%	0.0%	0.0%	25.0%	0.0%	22.2%	0.0%	10.0%	1.6%
	Sample size (n)	19	2	100	50	74	19	15	4	49	9	15	10	366
VI Manpower														
i Number of employees														
	Increase 1-5	25.0%	0.0%	21.0%	20.5%	19.3%	14.8%	20.0%	26.3%	24.3%	41.4%	33.3%	16.7%	22.4%
	Increase 6-10	3.6%	0.0%	6.7%	5.5%	1.4%	7.4%	5.7%	5.3%	12.1%	10.3%	3.7%	16.7%	6.5%
	Increase >10	7.1%	0.0%	7.6%	13.7%	5.7%	7.4%	2.9%	5.3%	18.7%	10.3%	14.8%	16.7%	10.2%
	Unchanged	53.6%	50.0%	48.7%	41.1%	60.0%	59.3%	54.3%	47.4%	39.3%	27.6%	37.0%	37.5%	47.8%
	Decrease 1-5	3.6%	50.0%	9.2%	11.0%	8.6%	7.4%	8.6%	15.8%	2.8%	6.9%	7.4%	12.5%	8.1%
	Decrease 6-10	7.1%	0.0%	3.4%	4.1%	4.3%	3.7%	5.7%	0.0%	0.9%	3.4%	3.7%	0.0%	3.3%
	Decrease >10	0.0%	0.0%	3.4%	4.1%	0.7%	0.0%	2.9%	0.0%	1.9%	0.0%	0.0%	0.0%	1.7%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
ii Wage growth														
	Increase 1%-5%	10.7%	50.0%	26.9%	30.1%	33.8%	18.5%	31.4%	42.1%	29.0%	27.6%	33.3%	16.7%	28.8%
	Increase 6%-10%	21.4%	0.0%	18.5%	15.1%	27.3%	29.6%	25.7%	15.8%	21.5%	37.9%	14.8%	33.3%	22.7%
	Increase >10%	21.4%	0.0%	27.7%	19.2%	18.0%	7.4%	8.6%	10.5%	27.1%	6.9%	29.6%	20.8%	20.5%
	Unchanged	42.9%	50.0%	21.8%	28.8%	18.7%	40.7%	31.4%	21.1%	18.7%	27.6%	14.8%	25.0%	23.8%
	Decrease 1%-5%	3.6%	0.0%	1.7%	2.7%	2.2%	0.0%	0.0%	0.0%	2.8%	0.0%	7.4%	4.2%	2.2%
	Decrease 6%-10%	0.0%	0.0%	1.7%	1.4%	0.0%	3.7%	2.9%	10.5%	0.9%	0.0%	0.0%	0.0%	1.3%
	Decrease >10%	0.0%	0.0%	1.7%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
	Sample size (n)	28	2	119	73	139	27	35	19	107	29	27	24	629
VII Other														
i Capital expenditure														
	Increase 1%-5%	8.3%	0.0%	20.6%	17.6%	18.7%	24.0%	22.2%	16.7%	14.1%	27.3%	32.0%	17.4%	18.9%
	Increase 6%-10%	16.7%	0.0%	24.3%	20.6%	17.8%	24.0%	11.1%	22.2%	19.6%	13.6%	12.0%	8.7%	18.9%
	Increase >10%	20.8%	0.0%	15.9%	26.5%	20.6%	12.0%	18.5%	22.2%	29.3%	27.3%	32.0%	21.7%	22.2%
	Unchanged	45.8%	50.0%	33.6%	27.9%	35.5%	36.0%	44.4%	33.3%	28.3%	27.3%	24.0%	43.5%	33.3%
	Decrease 1%-5%	4.2%	0.0%	2.8%	0.0%	1.9%	4.0%	0.0%	0.0%	3.3%	0.0%	0.0%	0.0%	1.9%
	Decrease 6%-10%	0.0%	0.0%	1.9%	2.9%	2.8%	0.0%	3.7%	0.0%	2.2%	0.0%	0.0%	4.3%	2.0%
	Decrease >10%	4.2%	50.0%	0.9%	4.4%	2.8%	0.0%	0.0%	5.6%	3.3%	4.5%	0.0%	4.3%	2.8%
	Sample size (n)	24	2	107	68	107	25	27	18	92	22	25	23	540

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
Section C: Current Issues														
Issue 1: China's Impact on Malaysia's Businesses														
C1a) Please rate the overall impact of China's investment and goods on your business.														
	No impact	21.4%	0.0%	14.3%	12.3%	22.9%	14.8%	17.1%	15.8%	22.4%	37.9%	11.1%	16.7%	18.9%
	Positive	25.0%	0.0%	16.0%	19.2%	15.7%	22.2%	28.6%	21.1%	36.4%	31.0%	40.7%	20.8%	23.2%
	Moderately positive	14.3%	100.0%	5.0%	4.1%	10.0%	0.0%	20.0%	10.5%	14.0%	3.4%	22.2%	12.5%	10.0%
	Mixed impact	25.0%	0.0%	42.0%	49.3%	35.0%	44.4%	34.3%	31.6%	19.6%	24.1%	11.1%	33.3%	33.5%
	Moderately negative	7.1%	0.0%	13.4%	4.1%	7.9%	11.1%	0.0%	10.5%	3.7%	0.0%	0.0%	12.5%	7.0%
	Negative	7.1%	0.0%	9.2%	11.0%	8.6%	7.4%	0.0%	10.5%	3.7%	3.4%	14.8%	4.2%	7.5%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C1b) To what extent China contributes to technology and knowledge transfer compared to other foreign investors?														
	Significantly more than other foreign investors	25.0%	0.0%	16.8%	27.4%	22.9%	40.7%	31.4%	15.8%	30.8%	17.2%	22.2%	16.7%	24.1%
	Moderately more than other foreign investors	32.1%	50.0%	39.5%	27.4%	32.9%	22.2%	34.3%	47.4%	33.6%	48.3%	44.4%	33.3%	34.9%
	About the same as other foreign investors	17.9%	50.0%	26.9%	17.8%	25.0%	22.2%	28.6%	26.3%	25.2%	24.1%	18.5%	41.7%	24.8%
	Moderately less than other foreign investors	10.7%	0.0%	8.4%	11.0%	10.7%	14.8%	5.7%	5.3%	4.7%	6.9%	3.7%	0.0%	8.1%
	Significantly less than other foreign investors	14.3%	0.0%	8.4%	16.4%	8.6%	0.0%	0.0%	5.3%	5.6%	3.4%	11.1%	8.3%	8.1%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C1c) Do China companies in Malaysia prioritise hiring local talent for key positions, or do they mainly bring in talent from China?														
	Mostly hire local talent for key positions	17.9%	0.0%	12.6%	12.3%	10.7%	7.4%	11.4%	10.5%	20.6%	20.7%	3.7%	25.0%	13.8%
	A balance between local's and China's talent	17.9%	0.0%	20.2%	13.7%	15.7%	18.5%	20.0%	10.5%	17.8%	13.8%	29.6%	25.0%	17.8%
	Mostly bring in talent from China for key positions	21.4%	100.0%	37.8%	53.4%	32.1%	48.1%	31.4%	47.4%	29.9%	27.6%	40.7%	33.3%	36.3%
	Do not know / Not applicable	42.9%	0.0%	29.4%	20.5%	41.4%	25.9%	37.1%	31.6%	31.8%	37.9%	25.9%	16.7%	32.1%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C1d) What are the top three positive impacts from China's investment? (Maximum select three)														
	Boost local demand	39.3%	0.0%	33.6%	42.5%	30.2%	33.3%	31.4%	26.3%	37.4%	41.4%	29.6%	33.3%	34.5%
	Business expansion / market access	35.7%	0.0%	42.0%	35.6%	44.6%	44.4%	57.1%	52.6%	47.7%	48.3%	44.4%	50.0%	44.4%
	Technology transfer	53.6%	50.0%	65.5%	56.2%	55.4%	55.6%	54.3%	15.8%	48.6%	48.3%	25.9%	70.8%	53.9%
	Support national economic and industrial development	71.4%	100.0%	58.8%	61.6%	51.1%	59.3%	54.3%	68.4%	54.2%	62.1%	70.4%	58.3%	58.0%
	Increase employment opportunities	46.4%	100.0%	38.7%	49.3%	45.3%	44.4%	51.4%	57.9%	51.4%	34.5%	51.9%	16.7%	45.2%
	Other	0.0%	50.0%	2.5%	4.1%	2.9%	7.4%	0.0%	5.3%	1.9%	6.9%	7.4%	4.2%	3.3%
	Sample size (n)	28	2	119	73	139	27	35	19	107	29	27	24	629
C1e) What are the top three threats from China's investment? (Maximum select three)														
	Threat to local businesses via competition	75.0%	100.0%	84.9%	90.4%	86.4%	74.1%	62.9%	84.2%	82.2%	72.4%	77.8%	75.0%	82.1%
	Reduce market share	35.7%	0.0%	54.6%	39.7%	55.0%	37.0%	45.7%	36.8%	51.4%	37.9%	55.6%	45.8%	48.6%
	Less employment opportunities	10.7%	0.0%	8.4%	6.8%	7.9%	7.4%	22.9%	15.8%	14.0%	24.1%	0.0%	20.8%	11.0%
	Crowding out effect on domestic SMEs	75.0%	50.0%	75.6%	82.2%	69.3%	77.8%	65.7%	68.4%	60.7%	55.2%	85.2%	37.5%	69.7%
	A potential threat to national interest	21.4%	0.0%	18.5%	24.7%	19.3%	25.9%	25.7%	26.3%	17.8%	37.9%	14.8%	29.2%	21.4%
	Other	3.6%	50.0%	3.4%	4.1%	5.7%	11.1%	0.0%	0.0%	4.7%	6.9%	0.0%	4.2%	4.4%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C1f) What strategies, if any, have you adopted to compete with China's businesses in the Malaysian market? (Select all that apply)														
	Lowering prices to remain competitive	10.7%	0.0%	23.5%	21.9%	22.9%	25.9%	14.3%	26.3%	15.9%	20.7%	11.1%	16.7%	20.0%
	Focusing on product quality or differentiation	50.0%	50.0%	64.7%	49.3%	57.1%	51.9%	62.9%	36.8%	57.0%	41.4%	48.1%	58.3%	55.7%
	Expanding into new markets or customer segments	17.9%	0.0%	49.6%	34.2%	40.7%	37.0%	22.9%	36.8%	43.0%	37.9%	33.3%	41.7%	39.2%
	Improving operational efficiency or cutting costs	42.9%	0.0%	52.9%	39.7%	40.7%	48.1%	34.3%	52.6%	36.4%	24.1%	22.2%	29.2%	40.5%
	Increasing marketing and customer engagement efforts	25.0%	0.0%	41.2%	35.6%	45.7%	29.6%	25.7%	31.6%	32.7%	17.2%	29.6%	50.0%	36.3%
	Partnering with both local and foreign (including China) investors	21.4%	50.0%	39.5%	32.9%	25.0%	33.3%	22.9%	36.8%	40.2%	10.3%	29.6%	33.3%	31.6%
	Avoid direct competition and shift market focus	14.3%	0.0%	21.8%	24.7%	27.9%	25.9%	20.0%	21.1%	15.0%	20.7%	37.0%	25.0%	22.7%
	No specific strategies implemented	10.7%	50.0%	3.4%	12.3%	7.9%	3.7%	20.0%	15.8%	17.8%	27.6%	18.5%	8.3%	11.6%
	Other	0.0%	0.0%	4.2%	0.0%	1.4%	0.0%	0.0%	0.0%	1.9%	3.4%	0.0%	0.0%	1.6%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C1g) Which type of China's investment would benefit Malaysia? (Select all that apply)														
	Green investment	67.9%	50.0%	47.9%	45.2%	47.9%	33.3%	42.9%	36.8%	48.6%	55.2%	40.7%	33.3%	46.8%
	Food processing	28.6%	0.0%	15.1%	19.2%	18.6%	25.9%	17.1%	26.3%	19.6%	24.1%	25.9%	12.5%	19.4%
	Semiconductor	21.4%	0.0%	41.2%	39.7%	36.4%	40.7%	31.4%	36.8%	29.9%	31.0%	44.4%	37.5%	35.9%
	Advanced materials	21.4%	0.0%	41.2%	63.0%	37.9%	37.0%	40.0%	42.1%	44.9%	41.4%	59.3%	29.2%	42.7%
	Real estate	17.9%	0.0%	13.4%	20.5%	15.0%	29.6%	14.3%	5.3%	19.6%	20.7%	55.6%	20.8%	18.7%
	Information and communication technology (ICT)	25.0%	0.0%	49.6%	50.7%	39.3%	14.8%	40.0%	15.8%	50.5%	41.4%	44.4%	62.5%	43.2%
	Artificial intelligence (AI)	60.7%	0.0%	75.6%	68.5%	62.9%	59.3%	57.1%	52.6%	57.9%	72.4%	66.7%	79.2%	65.2%
	Digitalisation	25.0%	0.0%	42.9%	37.0%	38.6%	29.6%	31.4%	26.3%	44.9%	31.0%	51.9%	62.5%	39.5%
	Retailing	10.7%	0.0%	9.2%	12.3%	17.1%	25.9%	22.9%	15.8%	16.8%	13.8%	22.2%	12.5%	15.2%
	Indifferent	0.0%	50.0%	4.2%	2.7%	5.7%	3.7%	11.4%	10.5%	5.6%	6.9%	0.0%	0.0%	4.9%
	Other	0.0%	0.0%	2.5%	0.0%	2.1%	0.0%	5.7%	0.0%	0.0%	0.0%	3.7%	4.2%	1.6%
	Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL
C1h) What can Government do to assist Malaysian companies coping with foreign competitors in domestic marketplace? (Select all that apply)														
	Encourage joint venture with local partnerships	71.4%	100.0%	63.6%	69.9%	62.1%	59.3%	54.3%	57.9%	65.4%	69.0%	77.8%	75.0%	65.2%
	Further facilitate market access for Malaysian products	39.3%	50.0%	36.4%	32.9%	35.7%	29.6%	45.7%	36.8%	46.7%	34.5%	44.4%	41.7%	38.5%
	Encourage import substitution	10.7%	50.0%	11.0%	15.1%	11.4%	11.1%	14.3%	10.5%	14.0%	20.7%	25.9%	12.5%	13.5%
	Curb unfair trading practices	14.3%	0.0%	43.2%	50.7%	54.3%	48.1%	45.7%	31.6%	42.1%	34.5%	51.9%	29.2%	44.4%
	Implement stricter screening and approval processes for foreign investments	32.1%	0.0%	40.7%	43.8%	37.1%	40.7%	31.4%	21.1%	36.4%	31.0%	44.4%	33.3%	37.4%
	Set conditions to diffuse technology and skills to local firms	10.7%	100.0%	40.7%	52.1%	36.4%	37.0%	31.4%	36.8%	42.1%	41.4%	40.7%	29.2%	39.0%
	Prioritise companies sourcing higher levels of local content	32.1%	100.0%	44.1%	46.6%	36.4%	22.2%	31.4%	42.1%	43.9%	27.6%	40.7%	33.3%	39.3%
	Anti-competitive practices	17.9%	0.0%	18.6%	24.7%	25.0%	22.2%	28.6%	15.8%	13.1%	13.8%	18.5%	12.5%	19.9%
	Other	3.6%	0.0%	1.7%	0.0%	3.6%	0.0%	5.7%	5.3%	1.9%	3.4%	7.4%	4.2%	2.7%
	Sample size (n)	28	2	118	73	140	27	35	19	107	29	27	24	629
C1i) In your observation, please specify any products, services, or investments from China that have impacted your business or the industry.														
	IT and technology	16.7%	0.0%	6.9%	5.3%	9.4%	0.0%	28.6%	0.0%	12.0%	50.0%	0.0%	50.0%	11.4%
	Retail and services	0.0%	0.0%	6.9%	5.3%	9.4%	0.0%	14.3%	0.0%	36.0%	0.0%	0.0%	0.0%	11.4%
	Food and beverage	16.7%	0.0%	10.3%	0.0%	12.5%	50.0%	0.0%	0.0%	4.0%	0.0%	0.0%	16.7%	7.9%
	Logistics and transportation	0.0%	0.0%	3.4%	0.0%	3.1%	0.0%	0.0%	71.4%	0.0%	0.0%	0.0%	16.7%	5.7%
	Car parts and automobile	0.0%	0.0%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	1.4%
	Electronics and semiconductor	0.0%	0.0%	0.0%	5.3%	3.1%	0.0%	14.3%	0.0%	12.0%	0.0%	0.0%	16.7%	5.0%
	Machinery and equipment	16.7%	0.0%	24.1%	10.5%	9.4%	0.0%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	10.0%
	Hardware and construction Materials	0.0%	0.0%	3.4%	26.3%	9.4%	50.0%	0.0%	0.0%	8.0%	50.0%	20.0%	0.0%	10.0%
	E-commerce and online sales	0.0%	0.0%	0.0%	0.0%	9.4%	0.0%	0.0%	14.3%	0.0%	0.0%	20.0%	0.0%	3.6%
	Pharmaceuticals	0.0%	0.0%	0.0%	0.0%	3.1%	0.0%	0.0%	0.0%	4.0%	0.0%	0.0%	0.0%	1.4%
	Household and consumer goods	16.7%	0.0%	6.9%	0.0%	15.6%	0.0%	0.0%	0.0%	0.0%	0.0%	60.0%	0.0%	7.9%
	Packaging-related product	0.0%	0.0%	13.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.9%
	Wholesaling	0.0%	0.0%	0.0%	0.0%	9.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%
	Tourism and services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	42.9%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%
	Construction and engineering	0.0%	0.0%	3.4%	47.4%	3.1%	0.0%	0.0%	0.0%	8.0%	0.0%	0.0%	0.0%	9.3%
	Manufacturing	0.0%	0.0%	17.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.6%
	New energy/green energy or related product	0.0%	0.0%	0.0%	0.0%	3.1%	0.0%	0.0%	14.3%	0.0%	0.0%	0.0%	0.0%	1.4%
	No impact	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.0%	0.0%	0.0%	0.0%	2.9%
	Sample size (n)	6	0	29	19	32	2	7	7	25	2	5	6	140
Issue 2: Cost-Related Assessment														
C2a) Please indicate the breakdown of production cost structure.														
i Raw materials														
	0%	6.7%	0.0%	0.0%	0.0%	11.8%	0.0%	20.0%	22.2%	27.7%	57.1%	6.3%	15.4%	9.7%
	1-10%	6.7%	0.0%	3.5%	9.4%	2.9%	5.0%	20.0%	22.2%	12.8%	0.0%	12.5%	23.1%	8.0%
	11-20%	13.3%	0.0%	14.0%	11.3%	13.2%	15.0%	26.7%	22.2%	31.9%	14.3%	6.3%	30.8%	16.9%
	21-30%	13.3%	0.0%	22.1%	30.2%	22.1%	25.0%	13.3%	22.2%	10.6%	14.3%	18.8%	0.0%	20.1%
	31-40%	26.7%	0.0%	17.4%	17.0%	17.6%	0.0%	0.0%	11.1%	10.6%	14.3%	0.0%	15.4%	14.0%
	41-50%	13.3%	0.0%	14.0%	18.9%	13.2%	5.0%	13.3%	0.0%	2.1%	0.0%	25.0%	7.7%	12.0%
	>50%	20.0%	0.0%	29.1%	13.2%	19.1%	50.0%	6.7%	0.0%	4.3%	0.0%	31.3%	7.7%	19.2%
	Sample size (n)	15	0	86	53	68	20	15	9	47	7	16	13	349
ii Personnel expenses														
	0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
	1-10%	6.7%	0.0%	12.8%	3.8%	9.1%	15.0%	13.3%	0.0%	6.3%	0.0%	12.5%	7.1%	8.8%
	11-20%	13.3%	0.0%	39.5%	28.3%	37.9%	55.0%	20.0%	44.4%	8.3%	0.0%	25.0%	28.6%	30.2%
	21-30%	53.3%	0.0%	33.7%	34.0%	33.3%	30.0%	6.7%	22.2%	27.1%	44.4%	37.5%	14.3%	31.6%
	31-40%	20.0%	0.0%	10.5%	22.6%	13.6%	0.0%	33.3%	33.3%	18.8%	0.0%	12.5%	14.3%	15.4%
	41-50%	6.7%	0.0%	1.2%	5.7%	3.0%	0.0%	6.7%	0.0%	12.5%	0.0%	6.3%	14.3%	4.8%
	>50%	0.0%	0.0%	2.3%	5.7%	1.5%	0.0%	13.3%	0.0%	27.1%	55.6%	6.3%	21.4%	8.5%
	Sample size (n)	15	0	86	53	66	20	15	9	48	9	16	14	351
iii Utilities														
	0%	0.0%	0.0%	0.0%	2.0%	0.0%	0.0%	0.0%	0.0%	2.0%	0.0%	0.0%	0.0%	0.6%
	1-10%	53.3%	0.0%	64.0%	66.7%	65.2%	60.0%	43.8%	44.4%	59.2%	37.5%	75.0%	25.0%	60.4%
	11-20%	33.3%	0.0%	26.7%	27.5%	27.5%	30.0%	31.3%	44.4%	26.5%	37.5%	18.8%	58.3%	29.1%
	21-30%	13.3%	0.0%	9.3%	3.9%	4.3%	10.0%	25.0%	0.0%	12.2%	25.0%	0.0%	8.3%	8.5%
	31-40%	0.0%	0.0%	0.0%	0.0%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.3%	0.9%
	41-50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.3%	0.0%	0.3%
	>50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.1%	0.0%	0.0%	0.0%	0.0%	0.3%
	Sample size (n)	15	0	86	51	69	20	16	9	49	8	16	12	351
iv Rental														
	0%	20.0%	0.0%	19.5%	13.7%	5.8%	5.0%	0.0%	0.0%	2.1%	0.0%	18.8%	7.1%	10.5%
	1-10%	53.3%	0.0%	50.6%	60.8%	56.5%	40.0%	37.5%	50.0%	66.7%	22.2%	56.3%	57.1%	54.1%
	11-20%	26.7%	0.0%	26.4%	19.6%	23.2%	40.0%	12.5%	37.5%	16.7%	44.4%	18.8%	28.6%	24.1%
	21-30%	0.0%	0.0%	3.4%	3.9%	11.6%	15.0%	31.3%	0.0%	10.4%	22.2%	6.3%	7.1%	8.5%
	31-40%	0.0%	0.0%	0.0%	0.0%	2.9%	0.0%	6.3%	12.5%	4.2%	0.0%	0.0%	0.0%	1.7%
	41-50%	0.0%	0.0%	0.0%	2.0%	0.0%	0.0%	12.5%	0.0%	0.0%	11.1%	0.0%	0.0%	1.1%
	>50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Sample size (n)	15	0	87	51	69	20	16	8	48	9	16	14	353
v Financing interest														
	0%	14.3%	0.0%	8.2%	5.7%	20.9%	0.0%	26.7%	22.2%	19.1%	28.6%	6.3%	15.4%	13.3%
	1-10%	78.6%	0.0%	69.4%	77.4%	55.2%	85.0%	40.0%	55.6%	57.4%	28.6%	62.5%	69.2%	64.7%
	11-20%	0.0%	0.0%	20.0%	7.5%	16.4%	15.0%	13.3%	11.1%	10.6%	14.3%	12.5%	15.4%	13.9%
	21-30%	7.1%	0.0%	2.4%	7.5%	6.0%	0.0%	6.7%	11.1%	8.5%	14.3%	18.8%	0.0%	6.1%
	31-40%	0.0%	0.0%	0.0%	1.9%	0.0%	0.0%	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
	41-50%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.0%	14.3%	0.0%	0.0%	0.6%
	>50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.7%	0.0%	4.3%	0.0%	0.0%	0.0%	0.9%
	Sample size (n)	14	0	85	53	67	20	15	9	47	7	16	13	346

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS															
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)															
		Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL	
vi	Others														
		0%	26.7%	0.0%	8.9%	25.0%	10.9%	6.3%	41.7%	12.5%	23.4%	25.0%	35.7%	7.7%	17.2%
		1-10%	53.3%	0.0%	65.8%	50.0%	57.8%	56.3%	16.7%	0.0%	34.0%	37.5%	50.0%	53.8%	50.9%
		11-20%	13.3%	0.0%	16.5%	18.2%	21.9%	37.5%	25.0%	37.5%	23.4%	25.0%	7.1%	30.8%	20.9%
		21-30%	6.7%	0.0%	5.1%	4.5%	9.4%	0.0%	0.0%	37.5%	14.9%	12.5%	7.1%	7.7%	8.1%
		31-40%	0.0%	0.0%	2.5%	2.3%	0.0%	0.0%	8.3%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
		41-50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.3%	12.5%	0.0%	0.0%	0.0%	0.0%	0.6%
		>50%	0.0%	0.0%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.9%
		Sample size (n)	15	0	79	44	64	16	12	8	47	8	14	13	320
C2b	Which are the following measures in the 2025 Budget will negatively impact your business?														
i	Minimum wage increase to RM1,700														
		None	7.1%	50.0%	5.9%	17.8%	17.1%	25.9%	5.7%	15.8%	22.4%	34.5%	14.8%	39.1%	16.9%
		Little	17.9%	50.0%	16.0%	32.9%	32.9%	33.3%	34.3%	21.1%	27.1%	20.7%	40.7%	17.4%	27.0%
		Moderately	35.7%	0.0%	37.0%	15.1%	29.3%	14.8%	48.6%	42.1%	31.8%	27.6%	29.6%	21.7%	30.2%
		Highly	39.3%	0.0%	41.2%	34.2%	20.7%	25.9%	11.4%	21.1%	18.7%	17.2%	14.8%	21.7%	25.9%
		Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	23	629
ii	Mandatory EPF contribution for non-citizen workers														
		None	10.7%	100.0%	11.8%	16.4%	52.9%	40.7%	25.7%	31.6%	49.5%	41.4%	25.9%	56.5%	34.3%
		Little	7.1%	0.0%	10.9%	16.4%	15.7%	22.2%	11.4%	21.1%	16.8%	17.2%	14.8%	13.0%	14.8%
		Moderately	17.9%	0.0%	24.4%	11.0%	15.0%	14.8%	31.4%	21.1%	11.2%	17.2%	25.9%	13.0%	17.3%
		Highly	64.3%	0.0%	52.9%	56.2%	16.4%	22.2%	31.4%	26.3%	22.4%	24.1%	33.3%	17.4%	33.5%
		Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	23	629
iii	Multi-tiered levy for foreign workers														
		None	7.1%	100.0%	14.3%	12.3%	54.3%	37.0%	31.4%	31.6%	48.6%	44.8%	29.6%	60.9%	35.0%
		Little	10.7%	0.0%	14.3%	15.1%	14.3%	22.2%	5.7%	21.1%	19.6%	20.7%	14.8%	8.7%	15.3%
		Moderately	25.0%	0.0%	26.9%	19.2%	17.1%	22.2%	40.0%	26.3%	10.3%	13.8%	18.5%	17.4%	20.0%
		Highly	57.1%	0.0%	44.5%	53.4%	14.3%	18.5%	22.9%	21.1%	21.6%	20.7%	37.0%	13.0%	29.7%
		Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	23	629
iv	RON95 subsidy rationalisation														
		None	10.7%	0.0%	8.4%	1.4%	12.9%	14.8%	17.1%	5.3%	16.8%	13.8%	7.4%	20.8%	11.4%
		Little	25.0%	100.0%	21.0%	20.5%	22.9%	48.1%	37.1%	36.8%	31.8%	17.2%	29.6%	37.5%	27.0%
		Moderately	21.4%	0.0%	34.5%	41.1%	36.4%	22.2%	34.3%	26.3%	24.3%	31.0%	33.3%	16.7%	31.6%
		Highly	42.9%	0.0%	36.1%	37.0%	27.9%	14.8%	11.4%	31.6%	27.1%	37.9%	29.6%	25.0%	30.0%
		Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C2c	Please indicate estimated additional increases in overall personnel expenses due to higher minimum wage, mandatory EPF contribution of foreign workers and multi-tiered foreign worker levy.														
		No extra increase	0.0%	50.0%	5.9%	11.0%	15.7%	22.2%	5.7%	10.5%	18.7%	17.2%	22.2%	37.5%	14.0%
		1%-10% extra increase	25.0%	50.0%	25.2%	35.6%	35.7%	37.0%	37.1%	26.3%	37.4%	37.9%	48.1%	25.0%	33.7%
		11%-20% extra increase	35.7%	0.0%	40.3%	30.1%	35.7%	29.6%	40.0%	52.6%	25.2%	17.2%	14.8%	20.8%	32.2%
		21%-30% extra increase	25.0%	0.0%	21.0%	11.0%	12.1%	0.0%	14.3%	5.3%	11.2%	13.8%	7.4%	0.0%	12.9%
		Beyond 30% extra increase	14.3%	0.0%	7.6%	12.3%	0.7%	11.1%	2.9%	5.3%	7.5%	13.8%	7.4%	16.7%	7.3%
		Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630
C2d	Please indicate the degree of concerns/challenges impacting your business in Malaysia.														
i	Access to financing														
		Low/none	21.4%	0.0%	35.6%	27.4%	37.1%	44.4%	34.3%	31.6%	31.8%	31.0%	14.8%	33.3%	32.6%
		Moderate	60.7%	50.0%	53.4%	45.2%	48.8%	55.6%	60.0%	57.9%	55.1%	48.3%	33.3%	33.3%	50.7%
		High	17.9%	50.0%	11.0%	27.4%	14.3%	0.0%	5.7%	10.5%	13.1%	20.7%	51.9%	33.3%	16.7%
		Sample size (n)	28	2	118	73	140	27	35	19	107	29	27	24	629
ii	Foreign worker availability														
		Low/none	14.3%	100.0%	27.1%	27.4%	59.3%	51.9%	31.4%	47.4%	56.6%	48.3%	25.9%	66.7%	43.2%
		Moderate	35.7%	0.0%	48.3%	39.7%	31.4%	33.3%	42.9%	47.4%	33.0%	37.9%	44.4%	16.7%	37.5%
		High	50.0%	0.0%	24.6%	32.9%	9.3%	14.8%	25.7%	5.3%	10.4%	13.8%	29.6%	16.7%	19.3%
		Sample size (n)	28	1	118	73	140	27	35	19	106	29	27	24	627
iii	Shortage of talent skills workforce														
		Low/none	14.3%	0.0%	10.1%	15.1%	40.0%	22.2%	28.6%	21.1%	20.8%	27.6%	18.5%	12.5%	22.4%
		Moderate	53.6%	50.0%	44.5%	39.7%	37.1%	44.4%	45.7%	57.9%	44.3%	37.9%	29.6%	29.2%	41.7%
		High	32.1%	50.0%	45.4%	45.2%	22.9%	33.3%	25.7%	21.1%	34.9%	34.5%	51.9%	58.3%	35.9%
		Sample size (n)	28	2	119	73	140	27	35	19	106	29	27	24	629
iv	Regulatory and compliance burden														
		Low/none	25.0%	0.0%	9.2%	13.7%	37.1%	25.9%	20.0%	10.5%	22.4%	17.2%	7.4%	20.8%	21.0%
		Moderate	60.7%	100.0%	73.1%	57.5%	46.4%	59.3%	54.3%	52.6%	52.3%	48.3%	40.7%	54.2%	55.8%
		High	14.3%	0.0%	17.6%	28.8%	16.4%	14.8%	25.7%	36.8%	25.2%	34.5%	51.9%	25.0%	23.2%
		Sample size (n)	28	1	119	73	140	27	35	19	107	29	27	24	629
v	Energy and sustainability costs														
		Low/none	21.4%	0.0%	15.1%	11.0%	36.4%	33.3%	25.7%	26.3%	32.7%	37.9%	18.5%	29.2%	26.0%
		Moderate	60.7%	50.0%	68.1%	64.4%	47.9%	55.6%	54.3%	42.1%	51.4%	44.8%	55.6%	54.2%	55.7%
		High	17.9%	50.0%	16.8%	24.7%	15.7%	11.1%	20.0%	31.6%	15.9%	17.2%	25.9%	16.7%	18.3%
		Sample size (n)	28	2	119	73	140	27	35	19	107	29	27	24	630

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS														
FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024) AND OUTLOOK FOR THE 1ST HALF-YEAR OF 2025 (JAN-JUN 2025)														
	Agriculture, forestry and fishery	Mining and quarrying	Manufacturing	Construction	Wholesale and retail trade	Trading (imports and exports)	Tourism, shopping, hotels, restaurants, recreation and entertainment	Transportation, forwarding and warehousing	Professional and business services	Finance and insurance	Real estate	ICT	OVERALL	
C2a	Do you think the following incentives announced in 2025 Budget would ease your operating and capital costs? (Select all that apply)													
	Micro-financing facility	17.9%	0.0%	25.2%	28.8%	32.9%	18.5%	34.3%	47.4%	41.5%	41.4%	26.9%	25.0%	31.4%
	SME soft loan facility	78.6%	100.0%	58.0%	79.5%	67.1%	70.4%	68.6%	68.4%	66.0%	48.3%	53.8%	58.3%	65.8%
	SJPP guarantee scheme	21.4%	50.0%	26.9%	42.5%	31.4%	29.6%	28.6%	21.1%	35.8%	37.9%	42.3%	29.2%	32.3%
	Digital grant	32.1%	100.0%	37.0%	39.7%	41.4%	29.6%	31.4%	31.6%	55.7%	31.0%	26.9%	58.3%	40.8%
	Market Development Grant (MDG)	21.4%	0.0%	38.7%	32.9%	34.3%	25.9%	31.4%	31.6%	45.3%	27.6%	34.6%	45.8%	35.7%
	Incentives under Progressive Wage Policy (PWP)	28.6%	0.0%	18.5%	26.0%	20.0%	18.5%	25.7%	21.1%	25.5%	17.2%	34.6%	16.7%	22.3%
	Other	7.1%	0.0%	8.4%	0.0%	4.3%	0.0%	2.9%	0.0%	1.9%	13.8%	11.5%	4.2%	4.6%
	Sample size (n)	28	2	119	73	140	27	35	19	106	29	26	24	628
C2b	What more can the Government support the business in easing cost of doing business and business facilitation? (Select all that apply)													
	Increase higher threshold of preferential tax rate for SMEs	50.0%	50.0%	41.2%	58.3%	52.9%	40.7%	28.6%	57.9%	60.7%	51.7%	73.1%	54.2%	51.6%
	Provide corporate tax rebate to MSMEs	46.4%	50.0%	59.7%	61.1%	57.9%	44.4%	40.0%	42.1%	61.7%	51.7%	73.1%	62.5%	57.2%
	Extend the Reinvestment Allowance	32.1%	50.0%	43.7%	36.1%	25.7%	18.5%	34.3%	31.6%	29.9%	37.9%	42.3%	29.2%	33.1%
	Increase the threshold for receipt issuance (e-invoice) requirement	28.6%	50.0%	26.9%	36.1%	35.0%	40.7%	45.7%	21.1%	48.6%	31.0%	38.5%	41.7%	36.3%
	Higher allocation for soft loan and grants	57.1%	100.0%	52.1%	66.7%	57.1%	66.7%	57.1%	68.4%	52.3%	55.2%	57.7%	37.5%	56.5%
	Two-year moratorium for the implementation of multi-tiered levy for SMEs	50.0%	0.0%	47.1%	45.8%	27.9%	33.3%	34.3%	26.3%	29.9%	34.5%	38.5%	25.0%	36.0%
	No mandatory contribution to the EPF by non-citizen workers	78.6%	0.0%	70.6%	66.7%	41.4%	44.4%	42.9%	36.8%	43.9%	24.1%	57.7%	29.2%	51.3%
	Consolidating business licenses under single portal	17.9%	0.0%	27.7%	37.5%	32.1%	14.8%	31.4%	31.6%	39.3%	27.6%	42.3%	29.2%	31.7%
	Other	0.0%	0.0%	1.7%	1.4%	5.0%	0.0%	5.7%	5.3%	1.9%	3.4%	3.8%	4.2%	2.9%
	Sample size (n)	28	2	119	72	140	27	35	19	107	29	26	24	628

Note: Numbers may not add up to 100.0% due to rounding.



中总

ACCCIM

马来西亚中华总商会

THE ASSOCIATED CHINESE
CHAMBERS OF COMMERCE
AND INDUSTRY OF
MALAYSIA (ACCCIM)

Address: 6th Floor, Wisma Chinese Chamber,
258, Jalan Ampang, 50450 Kuala Lumpur, Malaysia

Tel: +603-4260 3090 / 3091 / 3092 / 3093 / 3094 / 3095

Fax: +603-4260 3080

Email: accim@accim.org.my

Website: <https://www.accim.org.my>

2024下半年及2025上半年预测
2H 2024 and 1H 2025F