ACCCIM

马来西亚中华总商会

ACCCIM Malaysia's Business and Economic Conditions Survey (M-BECS) Report (1H 2024 and 2H 2024F)

中总2024上半年及 2024下半年预测

马来西亚商业和经济状况 调查报告

31 July 2024
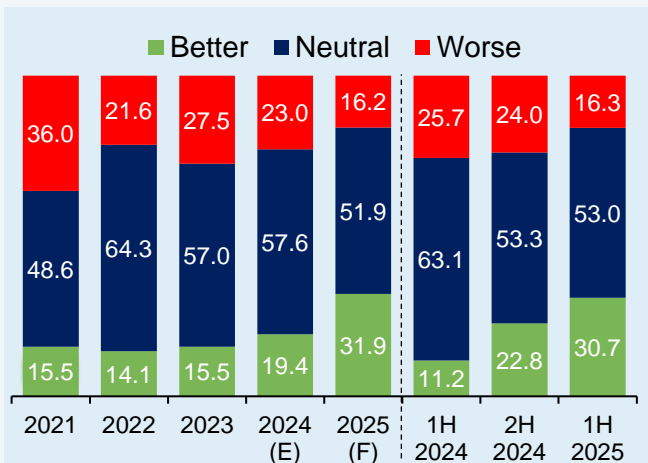
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Executive Summary

The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)'s Malaysia's Business and Economic Conditions Survey (M-BECS) covers Jan-Jun 2024 (1H 2024) and expectations for Jul-Dec 2024 (2H 2024). It was conducted during the period between 8 May 2024 and 17 July 2024 and has received a total of 661 responses.
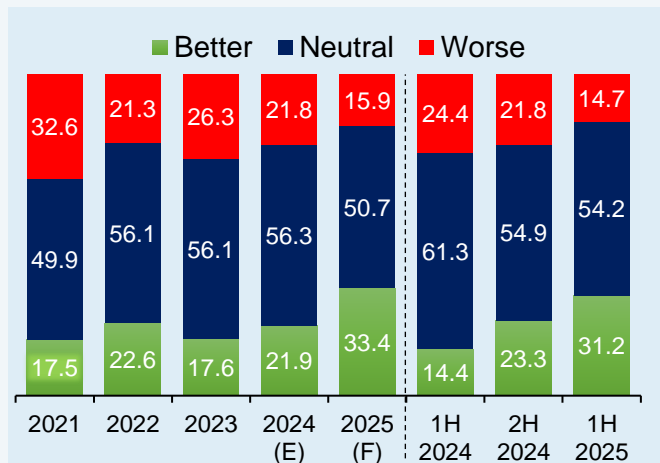
M-BECS: Overview and Summary of Key Findings

1. The survey results showed the respondents have mixed views about business and economic conditions. The continuing trade tensions between advanced economies and ongoing geopolitical conflicts as well as climate change have weighed on global economy. While an embarking of subsidies rationalisation and price reforms are expected to yield long-term benefits, businesses were anxious about the cost implications given the current increasing business costs environment.

2. In 1H 2024, businesses adopted a conservative stance, with 63.1% reporting a neutral outlook for economic conditions. For 2H 2024 and 1H 2025, there is a significant increase in positive sentiment while most are still holding neutral outlook.

3. While businesses indicated mixed views about economic conditions for 2024 and 2025F, the trend showed a gradual improvement over time.

4. 61.3% of respondents perceived neutral business conditions in 1H 2024, with similar trends in 2H 2024 (54.9%) and 1H 2025 (54.2%).

5. The manufacturing (64.3%), construction (61.3%), wholesale and retail trade (61.1%), professional and business services (60.0%), and tourism-related sector (55.0%), reported neutral business performance in 1H 2024. However, more than 20% of businesses within these sectors experienced negative growth, reflecting an overall cautious view.

6. In terms of cash flow conditions, 67.2% of respondents reported a neutral view in 1H 2024, with 23.1% reporting negative conditions. This cautious view is likely to continue into 2H 2024 amid fuel subsidies rationalisation, the impending review of new minimum wage, the multi-tier levy for foreign workers, and the e-invoicing implementation in addition to the already elevated business costs.

Economic Conditions and Prospects

Legend: ■ Better ■ Neutral ■ Worse

	2021	2022	2023	2024 (E)	2025 (F)	1H 2024	2H 2024	1H 2025
Worse	36.0	21.6	27.5	23.0	16.2	25.7	24.0	16.3
Neutral	48.6	64.3	57.0	57.6	51.9	63.1	53.3	53.0
Better	15.5	14.1	15.5	19.4	31.9	11.2	22.8	30.7

Business Conditions and Prospects

Legend: ■ Better ■ Neutral ■ Worse

	2021	2022	2023	2024 (E)	2025 (F)	1H 2024	2H 2024	1H 2025
Worse	32.6	21.3	26.3	21.8	15.9	24.4	21.8	14.7
Neutral	49.9	56.1	56.1	56.3	50.7	61.3	54.9	54.2
Better	17.5	22.6	17.6	21.9	33.4	14.4	23.3	31.2

% of respondents   *E=Estimation; F=Forecast*

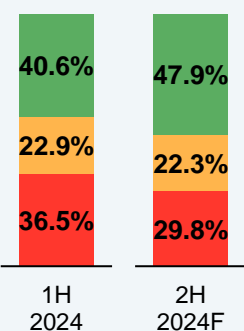## M-BECS: Overview and Summary of Key Findings (cont.)

7. Topping the list of factors that adversely impacting respondents' business performance in 1H 2024 are the "Ringgit's fluctuation" as indicated by 52.3% of respondents. This was followed by "increase in prices of raw material" (48.9%), "high operating cost and cash flow problem" (47.4%), "declining business and consumer sentiment" (34.5%), and "lower domestic demand" (33.7%).

8. Business assessment for 1H 2024 and 2H 2024F:

   a) While 40.6% of respondents experienced an increase in overall sales in 1H 2024, more than one-third of respondents (36.5%) registered negative sales performance, which was worse than expected in the previous survey (25.7%). A higher percentage of respondents (47.8%) projected an increase in overall sales in 2H 2024.

   b) Production levels were either maintained (38.1% respondents) or declined (31.3%). A higher respondents (44.2%) in the manufacturing sector reported lower production. Production level is expected to increase in 2H 2024.

   c) 71.1% and 70.6% of respondents reported an increase in the cost of local and imported raw materials in 1H 2024, respectively. This trend is likely to continue into 2H 2024.

   d) Demand for labour remained firm, with a majority of respondents maintaining their manpower pool, and 32.5% hiring more employees in 1H 2024. Despite a cautious business environment, 60.5% of respondents have increased their employee's wages. The employment prospects remained favourable as 36.2% of businesses indicated hiring interest in 2H 2024.

   e) More than half of respondents (58.0%) have increased their capital expenditure in 1H 2024. The expansion of capital investment is likely to continue, with 57.9% reporting an increase and 37.9% remaining unchanged in 2H 2024.
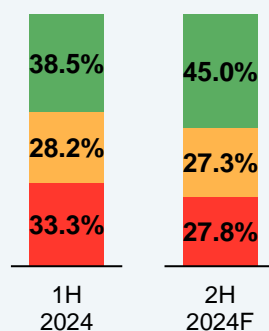
Business Pulse Diagnosis

% of respondents

F=Forecast

Overall sales revenue

	1H 2024	2H 2024F
Increase	40.6%	47.9%
Unchanged	22.9%	22.3%
Decrease	36.5%	29.8%

Domestic sales revenue

	1H 2024	2H 2024F
Increase	38.5%	45.0%
Unchanged	28.2%	27.3%
Decrease	33.3%	27.8%

Domestic price level

	1H 2024	2H 2024F
Increase	56.7%	60.8%
Unchanged	30.5%	29.1%
Decrease	12.8%	10.1%

Legend: ■ Increase ■ Unchanged ■ Decrease

Production

	Decrease	Unchanged	Increase
1H 2024	31.3%	38.1%	30.6%
2H 2024F	25.1%	39.5%	35.4%

Capital Expenditure

	Decrease	Unchanged	Increase
1H 2024	4.3%	37.7%	58.0%
2H 2024F	4.3%	37.9%	57.9%
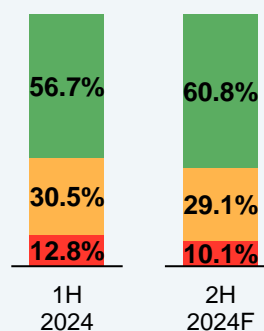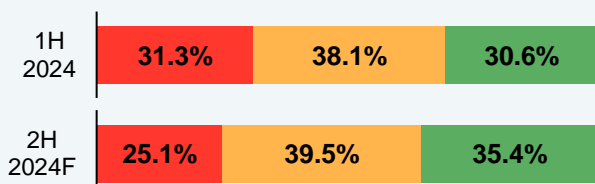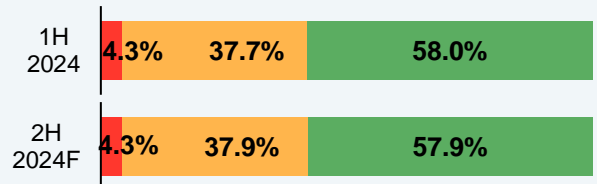
Issue in sights: Manpower Skills and Training

1. The survey provides an insight into the current labour market dynamics and skill requirements across various sectors. The data indicates a U-shaped distribution in the share of low-skilled and skilled workers as well as a left-skewed distribution in the semi-skilled segment. This suggests a job polarization in a company's employment structure, with a concentration on either low-skilled or high-skilled employees.
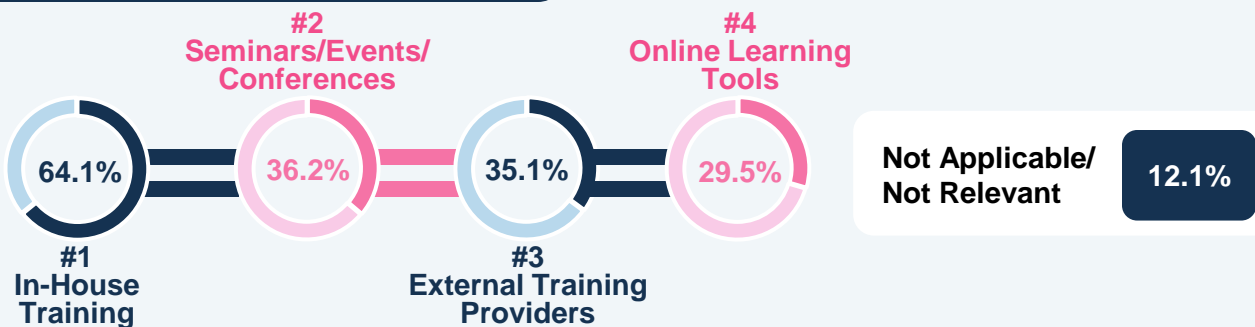
2. While 26.0% of respondents were reporting no shortage of workers, 29.8% and 28.6% of respondents indicated a lack of semi-skilled and skilled workers, respectively.

3. The survey identified marketing (44.3%), data analytics (28.7%), and IT (28.3%) as the top three technical skills lacking in businesses. However, demand for these skills varies across different sectors. Additionally, industries are primarily looking for leadership (47.8%), communication (46.3%), and creativity (42.4%) skills.

4. The underutilisation of HRD funds remains an issue. 43.6% of the respondents (excluding micro enterprise as they are not bounded to HRD levy) do not send their employees to HRD Corp training. Some employers consider the levy as a form of tax, not a resource for providing a comprehensive training to employees.

5. Instead, many micro enterprises (53.8%) and over 60% of companies of all sizes prefer in-house training. However, the effectiveness of these in-house training programs is questionable.

6. 89.7% of employers pay their fresh graduates not more than RM3,000 per month, citing the need to review their performance during the probation period (61.6%) and the lack of specific skills (57.0%) as the main reasons.

Employee Training Platform

#2
Seminars/Events/
Conferences

#4
Online Learning
Tools

64.1% — 36.2% — 35.1% — 29.5%

Not Applicable/
Not Relevant   12.1%

#1
In-House
Training

#3
External Training
Providers

HRD Corp Training Scheme Participation

48.3% participated in HRD Corp Claimable Courses.

Upskilling and upgrading of employees	32.5%
Setup of internal training facilities	25.1%
Future workers training	23.4%

Frequency of HRD Corp Training

43.6% never send their employees to HRD Corp training scheme in a year.

📢 17.9% **twice** a year

📢 16.7% **once** a year

📢 14.9% more than three times

📢 6.8% three times in a year

Note: Data excludes micro enterprise.

内容摘要

马来西亚中华总商会（中总）《马来西亚商业和经济状况调查》（M-BECS） – 涵盖2024 年 1 月至 6 月（2024 年上半年）及 2024 年 7 月至 12 月（2024 年下半年）预测的成果。调查于2024 年 5 月 8 日至 2024 年 7 月 17日期间进行， 共计收到661份回复。

M-BECS：调查结果的主要概述与总结

1. 调查结果显示，回复者对商业和经济状况的看法不一。发达经济体之间持续的贸易紧张局势、持续的地缘政治冲突以及气候变化给全球经济带来了压力。虽然合理化补贴和燃油价格变动有望带来长期效益，但鉴于目前商业成本不断上升的环境，企业对成本影响感到担忧。

2. 2024年上半年，企业采取了谨慎态度，63.1% 的企业对经济状况持中和看法。虽然大多数企业对 2024 年下半年和 2025 年上半年的预期仍相同，但回复企业的积极看法明显增加。

3. 尽管企业对2024年和2025年的经济状况的看法不一，但趋势显示随着时间的推移，状况逐渐改善。

4. 61.3%的回复者认为2024 年上半年的商业状况为中和， 2024年下半年（54.9%）和2025年上半年（54.2%）的趋势也类似。

5. 制造业（64.3%）、建筑业（61.3%）、批发和零售贸易（61.1%）、专业和商业服务（60.0%）以及旅游相关行业（55.0%）于2024年上半年的业务表现为中和。然而，这些行业中超过20%的企业出现负增长，反映出整体谨慎态度。

6. 在现金流状况方面，67.2%的回复者对2024年上半年持中和看法，23.1%的回复者则持负面看法。由于燃料补贴合理化、即将检讨新的最低薪金、对外籍劳工征收多层级税、电子发票的实施，再加上已经高企的业务成本，这种谨慎的看法可能会持续到2024 年下半年。

回复者百分比（%）

整体经济状况及展望

图例：更好（绿）中和（深蓝）更差（红）

	2021	2022	2023	2024（估计）	2025（预测）	2024 上半年	2024 下半年	2025 上半年
更差	36.0	21.6	27.5	23.0	16.2	25.7	24.0	16.3
中和	48.6	64.3	57.0	57.6	51.9	63.1	53.3	53.0
更好	15.5	14.1	15.5	19.4	31.9	11.2	22.8	30.7

整体商业状况及展望

图例：更好（绿）中和（深蓝）更差（红）

	2021	2022	2023	2024（估计）	2025（预测）	2024 上半年	2024 下半年	2025 上半年
更差	32.6	21.3	26.3	21.8	15.9	24.4	21.8	14.7
中和	49.9	56.1	56.1	56.3	50.7	61.3	54.9	54.2
更好	17.5	22.6	17.6	21.9	33.4	14.4	23.3	31.2
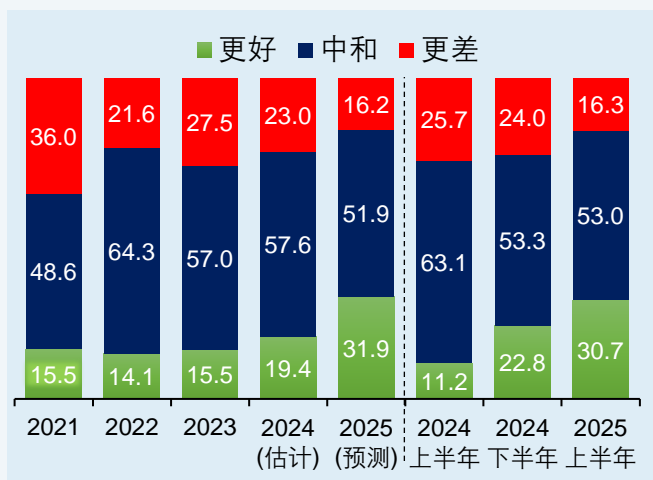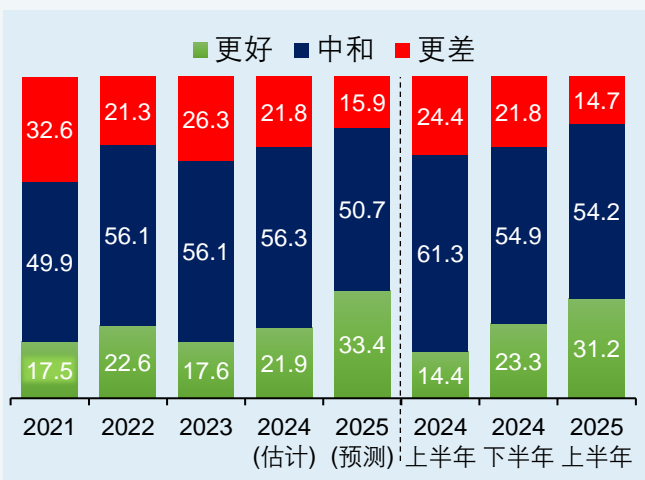
M-BECS：调查结果的主要概述与总结（续）

7. 52.3% 的回复者表示，对2024年上半年企业业绩产生不利影响的因素中，首当其冲的是"令吉波动"。其次是"原料价格上涨"（48.9%）、"高运营成本和现金流问题"（47.4%）、"商业和消费者信心下降"（34.5%）和"国内需求下降"（33.7%）。

8. 2024年上半年和2024 年下半年的业务评估：

   a. 虽然40.6%的回复者认为2024 年上半年整体销售额有所增长，但超过三分之一的回复者(36.5%)的销售业绩为负，这比上次调查的预期(25.7%) 更差。更高比例的回复者(47.8%)预计2024年下半年整体销售额将增加。

   b. 生产水平要么保持不变（38.1% 的回复者），要么下降（31.3%）。制造业中，有较高比例的回复者（44.2%）表示产量下降。预计 2024 年下半年生产水平将上升。
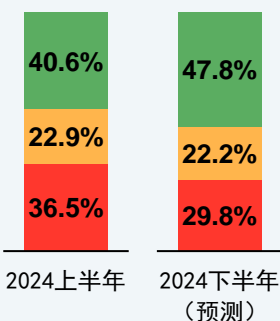
   c. 71.1%和70.6%的回复者分别表示，2024年上半年本地和进口原材料成本有所上涨。这一趋势可能会持续到2024年下半年。

   d. 劳动力需求依然强劲，大多数回复者维持其人力资源，32.5%的回复者将在2024年上半年招聘更多员工。尽管商业环境谨慎，但60.5%的回复者提高了员工工资。就业前景依然乐观，36.2%的企业表示在2024年下半年有招聘意向。

   e. 超过一半的回复者（58.0%）在 2024 年上半年增加了资本支出。资本投资的扩张可能会持续，其中57.9%的回复者报告称2024年下半年将有所增加，37.9%的回复者表示保持不变。

企业营运评估

回复者百分比（%）

总销售额

	2024上半年	2024下半年（预测）
增加	40.6%	47.8%
不变	22.9%	22.2%
减少	36.5%	29.8%

国内销售额

	2024上半年	2024下半年（预测）
增加	38.5%	45.0%
不变	28.2%	27.3%
减少	33.3%	27.8%

国内售价水平

	2024上半年	2024下半年（预测）
增加	56.7%	60.8%
不变	30.5%	29.1%
减少	12.8%	10.1%

图例：
- 增加（绿色）
- 不变（黄色）
- 减少（红色）

生产量

	减少	不变	增加
2024上半年	31.3%	38.1%	30.6%
2024下半年（预测）	25.1%	39.5%	35.4%

资本支出

	减少	不变	增加
2024上半年	4.3%	37.7%	58.0%
2024下半年（预测）	4.3%	37.9%	57.9%
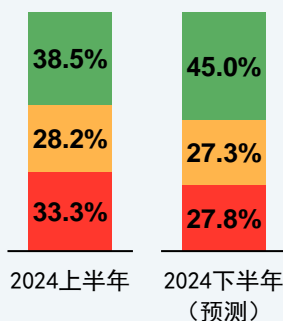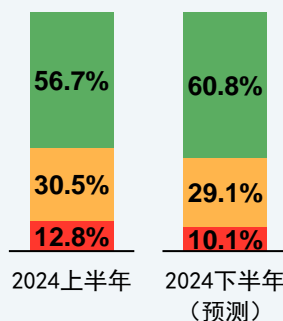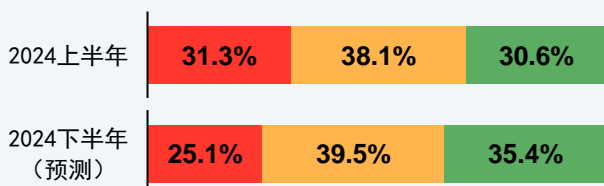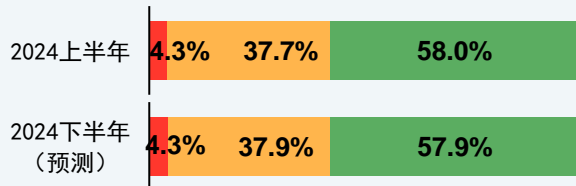
当前课题：人力资源技术与培训

1. 这项调查深入了解了当前劳动力市场动态和各行业的技能需求。数据显示，低级技术和高级技术工人的比例呈U形分布，中级技术工人的比例呈左倾分布。这表明公司的就业结构存在工作两极分化，要么集中在低级技术工人，要么集中在高级技术工人。

2. 26.0%的回复者表示不缺少工人，而分别有29.8%和28.6%的回复者表示缺少中级技术工人和高级技术工人。

3. 调查显示，营销（47.3%）、数据分析（28.7%）和信息技术（28.3%）是企业最缺乏的三大技术技能。然而，不同行业对这些技能的需求各不相同。此外，各行业主要寻求的是领导能力（47.8%）、沟通技巧（46.3%）和创造力（42.4%）技能。

4. 人力资源发展基金利用不足仍然是一个问题。43.6% 的回复者（不包括微型企业，因为大多数微型企业不受人力资源发展基金税缴的约束）没有派员工参加人力资源发展机构的培训计划。一些雇主认为税缴是一种税收形式，而不是为员工提供全面培训的资源。

5. 相反的，许多微型企业（53.8%）和超过65%的各种规模的公司更愿意进行内部培训。然而，这些内部培训项目的有效性有待考证。

6. 89.7%的雇主对应届毕业生支付的起薪不高于3,000令吉，主要原因是需要审核其试用期内的表现（61.6%）以及缺乏特定技能（57.0%）。

员工培训管道

#2 研讨会/活动/会议	**#4** 线上学习平台
64.1%	**36.2%** 35.1% **29.5%**
#1 内部培训	**#3** 外部培训机构

不适用/不相关 **12.1%**
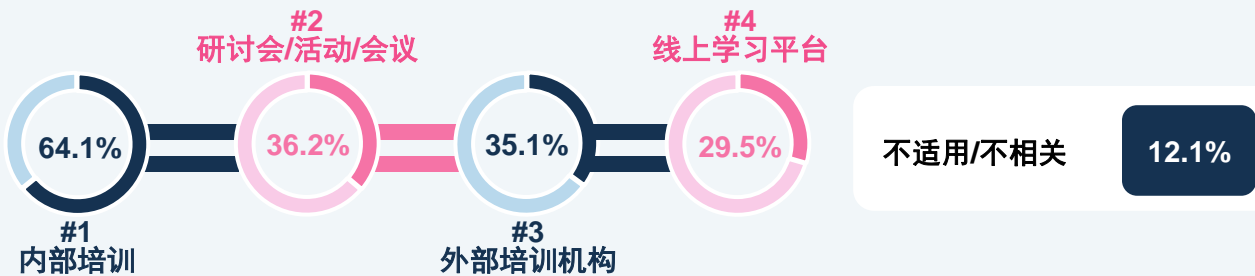
人力资源发展机构培训计划的参与

仅48.3% 参与大马人力资源机构认证/资助的课程

员工技能提升和升级（除了大马人力资源机构认证/资助的课程)	32.5%
内部培训设施设置	25.1%
未来员工培训	23.4%

参与人力资源发展机构培训计划的频率

43.6% 的公司一年内从未派遣员工参加人力资源发展机构培训计划

- 17.9% **每年两次**
- 16.7% **每年一次**
- 14.9% 三次以上
- 6.8% 每年三次

备注：数据不包括微型企业。

Introduction

Background

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 Jan-Jun 2024 (1H 2024) and expectations for Jul-Dec 2024 (2H 2024),** contains 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 of 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 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.

Survey Scope and Methodology

- The survey period covering **the performance in Jan-Jun 2024 (1H 2024) and expectations for Jul-Dec 2024 (2H 2024)** 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 Issue"
• 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.	• Identify what the major factors are affecting the business performance; and • Track the performance and outlook of economic and business conditions.	• Manpower Skills and Training

- **Survey coverage** – The questionnaires covered a wide range of nationwide direct and indirect memberships, including 17 Constituent Chambers and 32 Associate Members, representing the 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

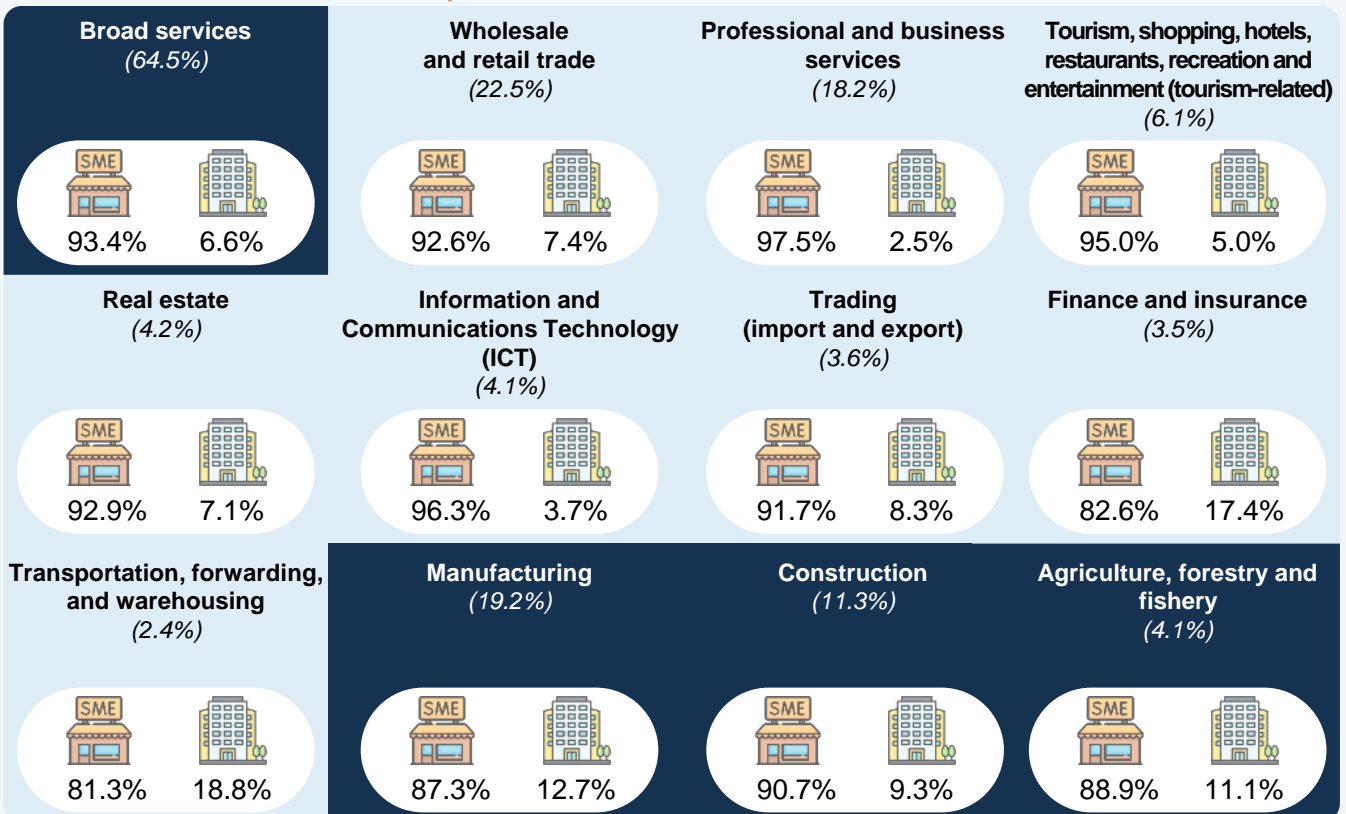| Terengganu CCCI	KLSCCCI	Negeri Sembilan CCCI	Sabah UCCC	Penang CCC
ACCCI Sarawak	Perak CCCI	Johor ACCCI	Klang CCCI	
Kelantan CCC	ACCCI Pahang	CCC Batu Pahat	Kedah CCCI	
Kluang CCCI	North Perak CCCI	Malacca CCCI	Perlis CCCI	

Profile of Survey Respondents

A total of **661 responses** were received throughout the survey period (**8 May 2024 to 17 July 2024**), covering a broad representation of the economy. The profile of respondents is as follows[1]:

% of respondents

By economics sector
n=661

Services
64.6%

Manufacturing
19.1%

Construction
11.3%

Agriculture
4.1%

Mining
0.9%

33.3%

66.7%

By size business operations[2]
n=661

Micro enterprises
23.9%

Small enterprises
50.4%

Medium enterprises
16.9%

=

SMEs (91.2%)

VS.

Large enterprises (8.8%)

By sale orientation
n=661

Domestic-market orientation
89.9%

Export-market orientation
10.1%

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.

By industry and size of business operations
(% share of total)

= SMEs   = Large

Broad services *(64.5%)*	**Wholesale and retail trade** *(22.5%)*	**Professional and business services** *(18.2%)*	**Tourism, shopping, hotels, restaurants, recreation and entertainment (tourism-related)** *(6.1%)*
93.4% 6.6%	92.6% 7.4%	97.5% 2.5%	95.0% 5.0%

Real estate *(4.2%)*	**Information and Communications Technology (ICT)** *(4.1%)*	**Trading (import and export)** *(3.6%)*	**Finance and insurance** *(3.5%)*
92.9% 7.1%	96.3% 3.7%	91.7% 8.3%	82.6% 17.4%

Transportation, forwarding, and warehousing *(2.4%)*	**Manufacturing** *(19.2%)*	**Construction** *(11.3%)*	**Agriculture, forestry and fishery** *(4.1%)*
81.3% 18.8%	87.3% 12.7%	90.7% 9.3%	88.9% 11.1%

[1]*Numbers may not add up to 100.0% due to rounding, which is also applied to the rest of the report.*
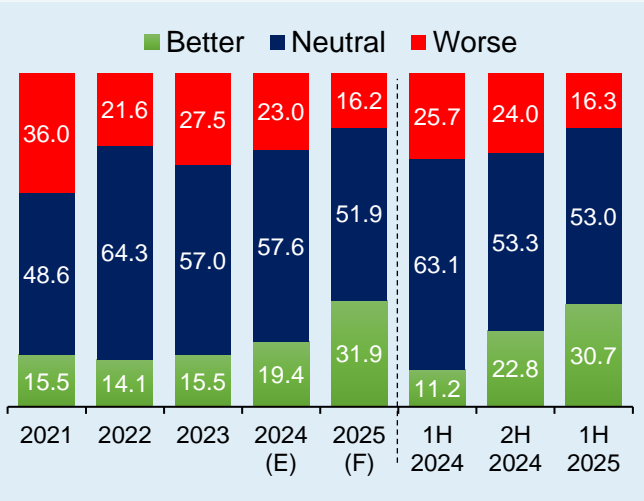[2]*A business will be deemed as an SME if it meets either one of the two specified qualifying criteria, namely sales turnover or full-time employees, whichever is lower basis, as endorsed by the National SME Development Council (NSDC) and published by SME Corporation Malaysia in 2013. For a detailed definition, please refer to Appendix 1.*
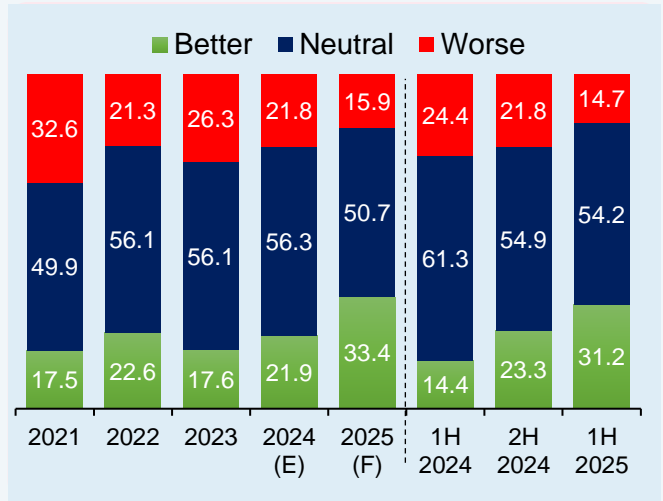
Sentiment Tracker

Sentiment Tracker

Economic Conditions and Prospects

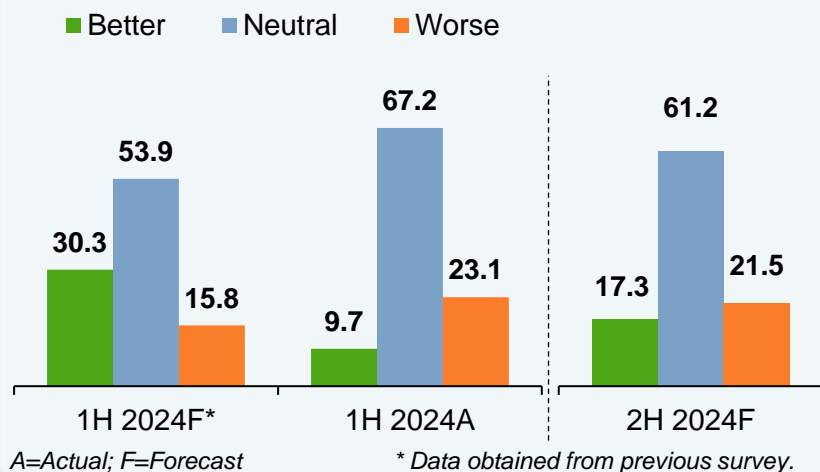|	Better	Neutral	Worse
2021	15.5	48.6	36.0
2022	14.1	64.3	21.6
2023	15.5	57.0	27.5
2024 (E)	19.4	57.6	23.0
2025 (F)	31.9	51.9	16.2
1H 2024	11.2	63.1	25.7
2H 2024	22.8	53.3	24.0
1H 2025	30.7	53.0	16.3

E=Estimation; F=Forecast

- In 1H 2024, businesses adopted a conservative stance, with 63.1% reporting a neutral view for economic conditions.

- While most businesses in the manufacturing (68.3%), wholesale and retail trade (67.8%), professional and business services (60.8%), construction (60.0%), and tourism-related sectors (52.5%) maintain a neutral view on economic performance, over 20% of businesses within these sectors reported negative performance in 1H 2024.

- For 2H 2024 and 1H 2025, there is a significant increase in positive sentiment while a majority is still holding neutral views.

- Although there were mixed views about economic conditions in 2024 and 2025F, the trend showed a gradual improvement over time.

- The continuing trade tensions between advanced economies and ongoing geopolitical conflicts as well as climate change have weighed on global economy. While the embarking of subsidies rationalisation and price reforms are expected to yield long-term benefits, businesses were anxious about the cost implications given the current increasing business costs environment.

Business Conditions and Prospects

	Better	Neutral	Worse
2021	17.5	49.9	32.6
2022	22.6	56.1	21.3
2023	17.6	56.1	26.3
2024 (E)	21.9	56.3	21.8
2025 (F)	33.4	50.7	15.9
1H 2024	14.4	61.3	24.4
2H 2024	23.3	54.9	21.8
1H 2025	31.2	54.2	14.7

- Most respondents perceived neutral business conditions in 1H 2024 (61.3%), 2H 2024 (54.9%), and 1H 2025 (54.2%), with a gradual improvement in their expectations.

- Similar trends were observed across sectors in 1H 2024. The majority of respondents in manufacturing (64.3%), construction (61.3%), wholesale and retail trade (61.1%), professional and business services (60.0%), and tourism-related sectors (55.0%) reported neutral business performance, and over 20% of respondents experienced negative growth.

- A positive shift was seen in business sentiment, with optimistic respondents rising from 21.9% in 2024 to 33.4% in 2025.

- Cost pressures continue to be exacerbated by diesel subsidy rationalisation, the impending review of the new minimum wage, and the proposed multi-tier levy for foreign workers. Additionally, businesses have expressed concerns over cost implications and the implementation challenges related to e-invoicing.

- The Red Sea crisis has triggered another surge in freight fares after the COVID-19 pandemic due to sea shipment rerouting. Consequently, businesses are facing higher costs for imported raw materials and increased risks.
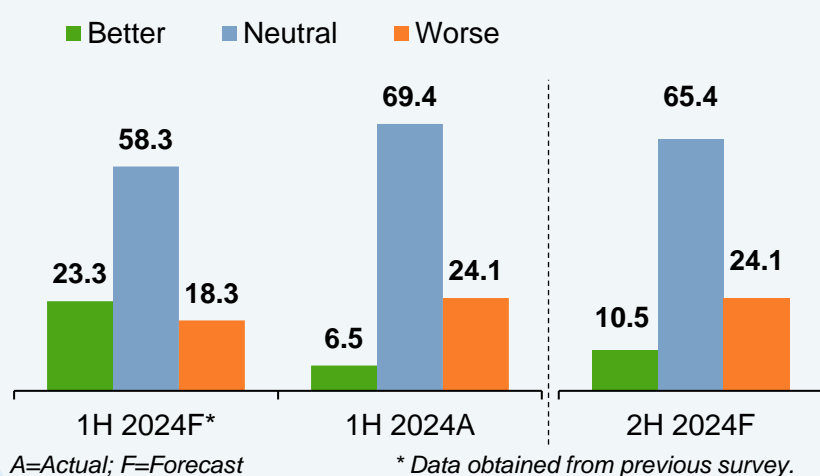
Overall Assessment in 1H 2024 and 2H 2024F

Cash flow conditions

Legend: ■ Better ■ Neutral ■ Worse

	Better	Neutral	Worse
1H 2024F*	30.3	53.9	15.8
1H 2024A	9.7	67.2	23.1
2H 2024F	17.3	61.2	21.5

A=Actual; F=Forecast   ** Data obtained from previous survey.*

- The survey results indicate a shortfall in expectations regarding cash flow conditions. In 1H 2024, 67.2% of respondents reported a neutral perception, with fewer businesses experiencing positive cash flow conditions compared to the previous survey (30.3%).

- Apart from the majority experiencing neutral conditions, the construction (28.0%), wholesale and retail trade (27.5%), tourism-related sectors (25.0%), and professional and business services (20.0%) sectors reported worsening cash flow conditions. It is consistent with the challenges these industries faced in 1H 2024, notably high operating costs and persistent cash flow problems.

- Notably, the implementation of diesel subsidy rationalisation has yielded a short-term impact on cash flow, particularly for those in the logistics sector. Companies with fleet cards pay market price initially and receive reimbursement later, resulting in a temporary strain on cash flow.

- The cash flow conditions will likely remain in 2H 2024, with a higher percentage in positive expectations from 9.7% to 17.3%.

Debtors' conditions

Legend: ■ Better ■ Neutral ■ Worse

	Better	Neutral	Worse
1H 2024F*	23.3	58.3	18.3
1H 2024A	6.5	69.4	24.1
2H 2024F	10.5	65.4	24.1

A=Actual; F=Forecast   ** Data obtained from previous survey.*

- The survey revealed that 69.4% of respondents hold a neutral perception of their debtors' condition, with 24.1% reporting negative condition in 1H 2024.

- The challenging debtor landscape has significantly impacted similar sectors in cash flow conditions.

- Looking ahead to 2H 2024, the outlook remains cautiously neutral. A significant proportion of respondents (24.1%) continue to hold negative expectations regarding debtors' conditions, indicating persistent concerns over payment reliability and financial condition of their debtors.

Business
Pulse Diagnosis
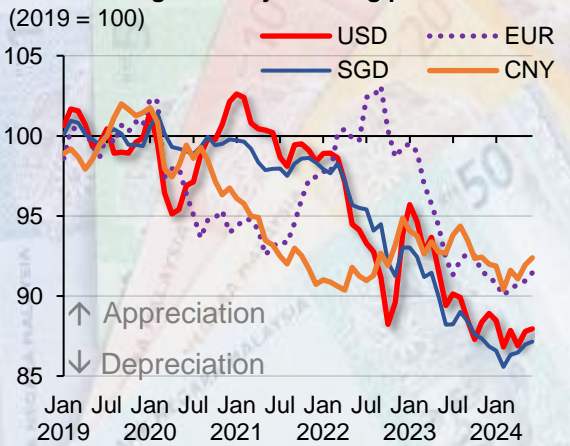
Business Pulse Diagnosis

Factors Affecting Business Performance in 1H 2024

#1 The Ringgit's fluctuations

- Over the last six months, the ringgit has experienced considerable fluctuations against major currencies. This volatility resulted in challenges for businesses, particularly those engaged in international trade and purchase of imported raw materials. Hence, the Ringgit's fluctuation was retained as the top factor that adversely affected business performance, as voted by 52.3% of the respondents.

- Despite the overall ringgit has performed better against many trading partners' currencies, including the US dollar recently, its fluctuations can lead to uncertainty in the supply chain, causing delays and increased costs in logistics and inventory management.

MYR index against major trading partners
(2019 = 100)

Legend: USD · · · · · · · EUR · SGD · CNY

↑ Appreciation
↓ Depreciation

Jan Jul Jan Jul Jan Jul Jan Jul Jan Jul Jan
2019 2020 2021 2022 2023 2024

- For businesses that rely on importing raw materials or finished goods, a weaker ringgit means higher costs for purchasing foreign products. This can squeeze profit margins if companies cannot pass these costs on to consumers. For exporters, the same fluctuation can lead to unpredictable profit margins, especially if contracts are denominated in foreign currencies, making financial planning and forecasting more challenging.
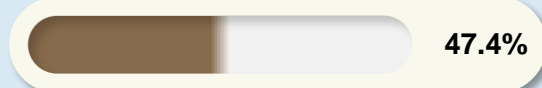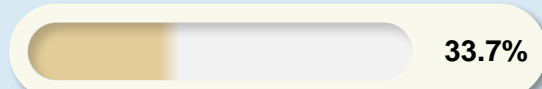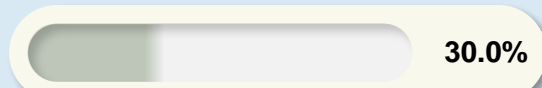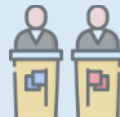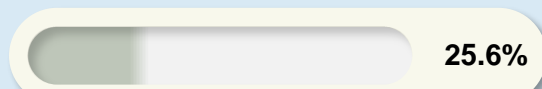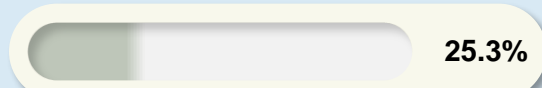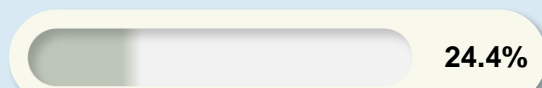
Factor	Percentage
The Ringgit's fluctuation	52.3%
Increase in prices of raw materials	48.9%
High operating cost and cash flow problem	47.4%
Declining business and consumer sentiment	34.5%
Lower domestic demand	33.7%
Changing consumer behaviour	33.3%
Political climate	30.0%
Availability of skilled labour	25.6%
Shortage of workers	25.3%
Increase in bad debt and delay payments	24.4%

#2 Increase in prices of raw materials

- Nearly half of respondents (48.9%) indicated that increase in prices of raw materials, particularly among respondents in the manufacturing (65.1%) and construction (64.0%) sectors.

- Globally, there is a spike in prices of several non-energy commodities, such as aluminium, cocoa, coffee, and tea. The weak and fluctuating ringgit also contributed to the overall increase in prices of raw materials.

- In the business assessment, it was indicated that 71.1% and 70.6% of the respondents indicated higher costs in both local and imported raw materials, respectively in 1H 2024. It is expected to remain as a significant factor in the next six months given respondents continue to expect a higher cost in both local and imported raw materials.
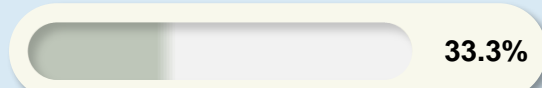
#3 High operating cost and cash flow problem

- A substantial increase in percentage of respondents (47.4% vs. 38.6% in previous survey) voted for "high operating cost and cash flow problem". More than half of the respondents voted for this factor in the wholesale and retail trade (56.4%), manufacturing (56.3%), and construction (54.7%) sectors.

- Among the increase in operating costs include higher water and sewerage tariffs, retargeting of diesel subsidy rationalisation, and higher rental cost.

- In terms of cash flows conditions, 23.1% of respondents experienced a worse condition (vs. 15.8% that projected worse condition in previous survey), while only 9.7% of them had better cash flows (vs. 30.3% projected better in previous survey). A higher percentage of them (67.2% vs. 53.9% in previous survey) indicated neutral cash flow conditions.

#4 Declining business and consumer sentiment

- The "declining business and consumer sentiment" remained as the fourth largest factor that affected business performance in 1H 2024, as ranked by 34.5% of respondents.

- According to MIER's Business Conditions Index (BCI) and Consumer Sentiment Index (CSI) for the first quarter of 2024, the reading still stayed below the optimism threshold at 94.3 (89.0 in 4Q 2023) and 87.1 (89.4 in 4Q 2023), respectively.

- Weaker consumer sentiments lead to decreased demand for goods and services, while poorer business conditions may delay capital expansion plans and cut back on spending due to uncertainty. The overall reduction in economic activity would lead to lower revenues and profitability for companies.

#5 Lower domestic demand

- Slightly above one-third of respondents (33.7%) ranked lower domestic demand as the fifth largest factor affecting business performance. This is in line with 33.3% of respondents who indicated a lower domestic sales revenue in 1H 2024.

- Among the sectors that suffered the most from this factor were wholesale and retail trade (47.7%) and manufacturing (40.5%).

- Average monthly sales value in the first five months of 2024 for the wholesale and retail trade as well as manufacturing sectors increased by 1.5% and 0.3% compared to monthly average sale value in 2H 2023.

Business Assessment in 1H 2024 and 2H 2024F

Overall Sales Outlook

A mixed sales performance

- While 40.6% of respondents witnessed an increase in overall sales in 1H 2024, more than one-third of respondents (36.5%) experienced negative sales performance, which was worse than expected in the previous survey (25.7%).

- Notably, a majority of respondents in wholesale and retail trade (49.7%) and manufacturing (45.2%) reported negative sales.

- Although 47.9% of respondents expected a better sales performance, caution is advised given ongoing fiscal reforms affecting local consumer behaviour and persistent low demand due to the geopolitical conflicts and trade war.

- In terms of domestic sales, while a majority has experienced better performance, the wholesale and retail trades (50.0%), construction (35.8%), and manufacturing (35.3%) sectors suffered from negative margins in 1H 2024. Their expectations for 2H 2024 will likely turn around, except for the wholesale and retail trade, which remained pessimistic.

- Foreign sales (exports) was largely remained in 1H 2024, except for the manufacturing sector (37.2%), which reported negative performance, and professional and business services (46.7%) reported positive performance. Overall foreign sales are expected to remain unchanged in 2H 2024, with 38.7% from manufacturing sector anticipating a better foreign sales.

- The tourism-related sector experienced positive growth in domestic sales, mainly due to a visa-free policy given to China's and India's tourists, effective from 1 Dec 2023. As of May 2024, tourist arrivals amounted to 9.5 million (vs. 7.5 million in Jan-May 2023). The Government targeted to have 27.3 million tourist arrivals in 2024.

Overall sales revenue
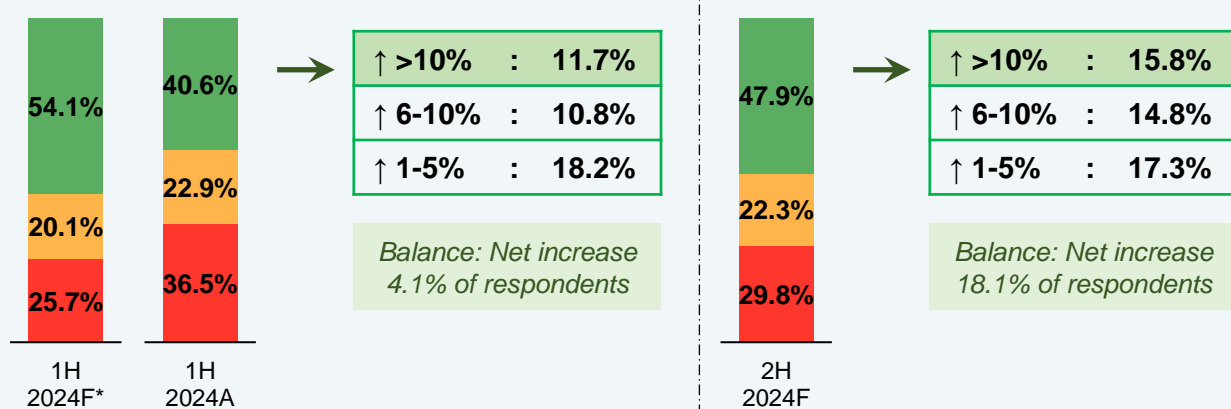
■ Increase ■ Unchanged ■ Decrease

1H 2024F*	1H 2024A
54.1%	40.6%
20.1%	22.9%
25.7%	36.5%

↑ >10%	:	11.7%
↑ 6-10%	:	10.8%
↑ 1-5%	:	18.2%

Balance: Net increase 4.1% of respondents

2H 2024F
47.9%
22.3%
29.8%

↑ >10%	:	15.8%
↑ 6-10%	:	14.8%
↑ 1-5%	:	17.3%

Balance: Net increase 18.1% of respondents

*A=Actual; F=Forecast   * Data obtained from previous survey.*
Note: Balance=% of respondents voted "Increase" minus % of respondents voted "Decrease"

Domestic level

Sales revenue

1H 2024F*	1H 2024A
53.0%	38.5%
22.9%	28.2%
24.1%	33.3%

↑ >10% : 9.7%
↑ 6-10% : 8.9%
↑ 1-5% : 20.0%

Balance: Net increase 5.2% of respondents

2H 2024F
45.0%
27.3%
27.8%

↑ >10% : 10.9%
↑ 6-10% : 13.4%
↑ 1-5% : 20.7%

Balance: Net increase 17.2% of respondents

Price level

1H 2024F*	1H 2024A
60.5%	56.7%
27.7%	30.5%
11.8%	12.8%

↑ >10% : 16.9%
↑ 6-10% : 18.1%
↑ 1-5% : 21.6%

Balance: Net increase 43.9% of respondents

2H 2024F
60.8%
29.1%
10.1%

↑ >10% : 17.0%
↑ 6-10% : 21.0%
↑ 1-5% : 22.7%

Balance: Net increase 50.7% of respondents
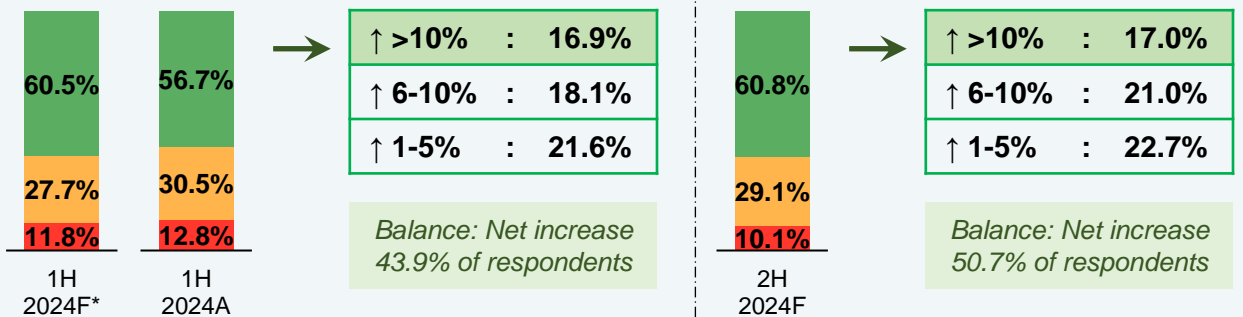
Foreign level

Sales revenue
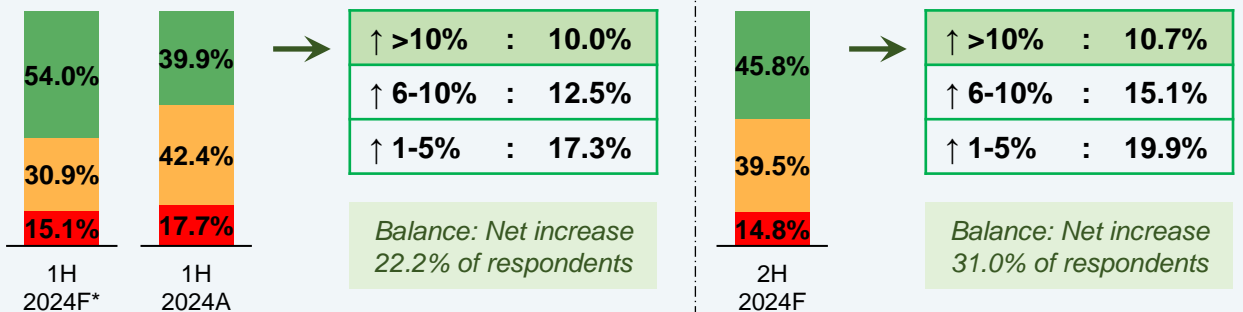
1H 2024F*	1H 2024A
52.2%	32.9%
24.7%	39.3%
23.1%	27.9%

↑ >10% : 8.9%
↑ 6-10% : 8.6%
↑ 1-5% : 15.4%

Balance: Net increase 5.0% of respondents

2H 2024F
38.0%
38.4%
23.7%

↑ >10% : 9.3%
↑ 6-10% : 11.8%
↑ 1-5% : 16.8%

Balance: Net increase 14.3% of respondents

Price level

1H 2024F*	1H 2024A
54.0%	39.9%
30.9%	42.4%
15.1%	17.7%

↑ >10% : 10.0%
↑ 6-10% : 12.5%
↑ 1-5% : 17.3%

Balance: Net increase 22.2% of respondents

2H 2024F
45.8%
39.5%
14.8%

↑ >10% : 10.7%
↑ 6-10% : 15.1%
↑ 1-5% : 19.9%

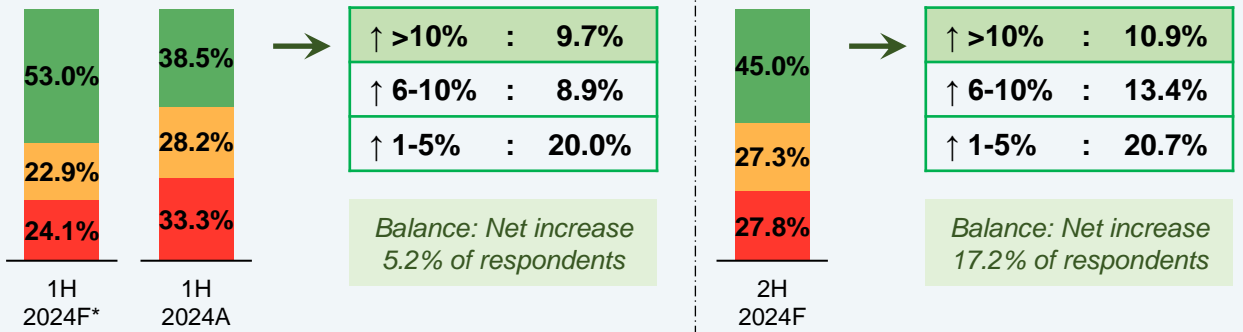*Balance: Net increase 31.0% of respondents*

*A=Actual; F=Forecast   * Data obtained from previous survey.*
Note: Balance=% of respondents voted "Increase" minus % of respondents voted "Decrease"

Business Operations

Undesirable production level

- The results showed a dispersion in production levels, with 38.1% maintaining and 31.3% decreasing production. A significant percentage of respondents in the manufacturing sector (44.2%) also reported lower production. Production level is expected to increase in 2H 2024.

- Inventory levels for both 1H 2024 and 2H 2024 mostly remained unchanged.

- 73.0% of respondents still operating below 75% capital utilisation rate in 1H 2024, with a slight improvement in 2H 2024.

Production

■ Increase ■ Unchanged ■ Decrease

1H 2024F*	1H 2024A
51.8%	30.6%
26.1%	38.1%
22.1%	31.3%

Balance: Net decrease 0.7% of respondents

↓ >10%	:	9.5%
↓ 6-10%	:	8.3%
↓ 1-5%	:	13.6%

2H 2024F
35.4%
39.5%
25.1%

↑ >10%	:	8.3%
↑ 6-10%	:	13.7%
↑ 1-5%	:	13.4%

Balance: Net increase 10.3% of respondents

Inventory or stock level

■ Increase ■ Unchanged ■ Decrease

1H 2024F*	1H 2024A
46.8%	31.8%
36.4%	45.4%
16.8%	22.8%

↑ >10%	:	8.4%
↑ 6-10%	:	9.9%
↑ 1-5%	:	13.5%

Balance: Net increase 9.0% of respondents

2H 2024F
35.6%
44.2%
20.3%

↑ >10%	:	9.3%
↑ 6-10%	:	12.3%
↑ 1-5%	:	14.0%

Balance: Net increase 15.3% of respondents
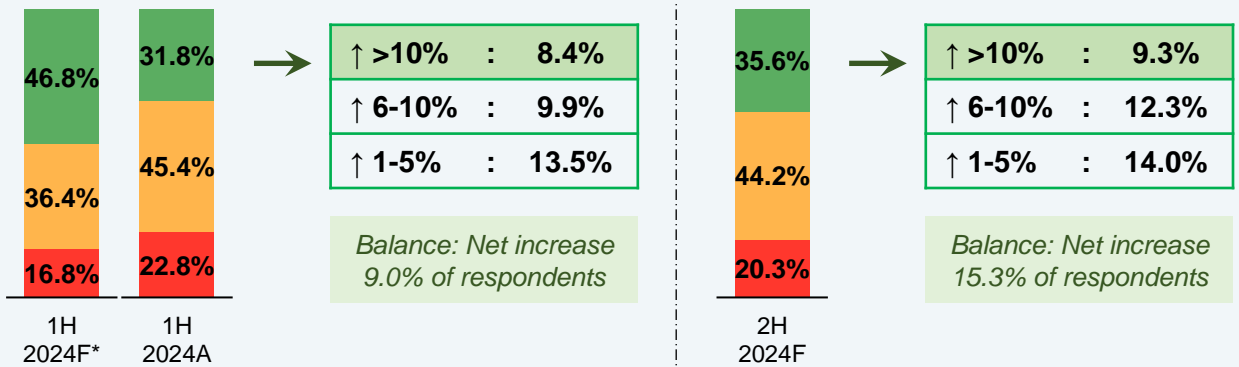
Capacity utilisation level

■ Less than 50% ■ 50% to < 75% ■ 75% to ≤ 90% ■ More than 90%
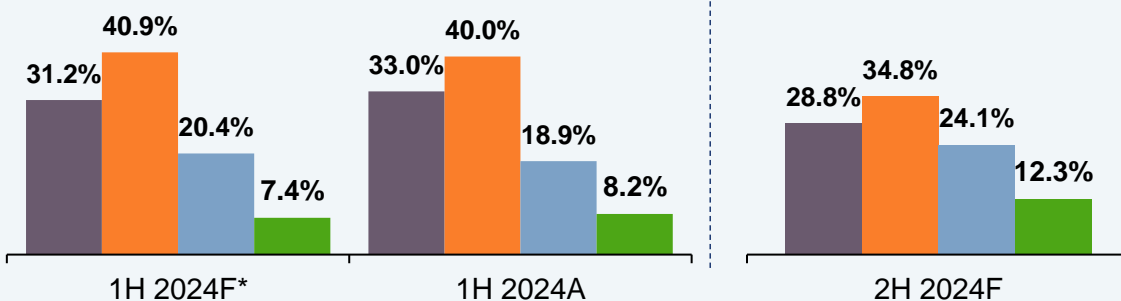
1H 2024F*
- 31.2%
- 40.9%
- 20.4%
- 7.4%

1H 2024A
- 33.0%
- 40.0%
- 18.9%
- 8.2%

2H 2024F
- 28.8%
- 34.8%
- 24.1%
- 12.3%

A=Actual; F=Forecast   ** Data obtained from previous survey.*
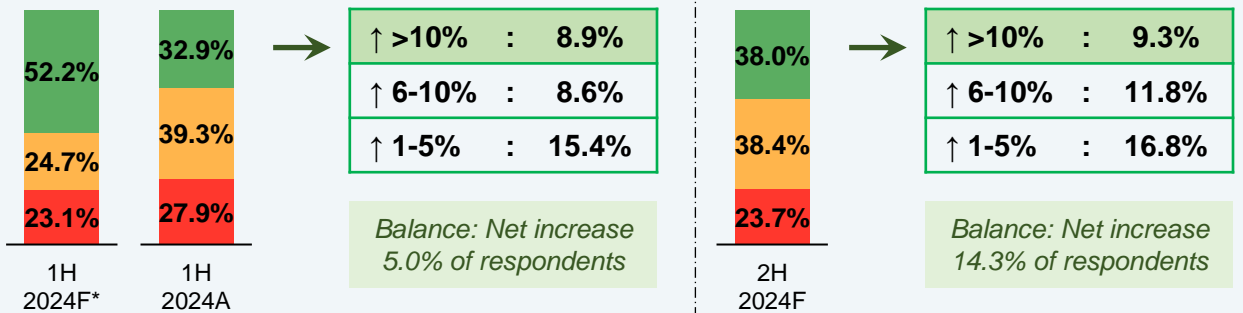*Note: Balance=% of respondents voted "Increase" minus % of respondents voted "Decrease"*
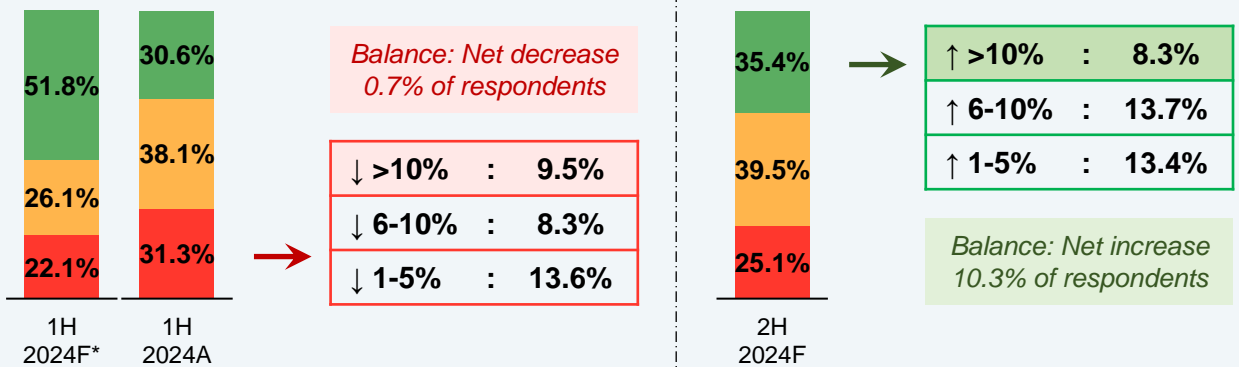
Cost of Raw Materials

Ongoing surge in raw material costs

- 71.1% and 70.6% of respondents reported an increase in the cost of local and imported raw materials in 1H 2024, respectively. This trend is likely to continue into 2H 2024.

- Nearly half of the respondents (48.9%) quoted that an increase in raw material prices has affected their business performance in 1H 2024.

- Additionally, the increase in transport costs due to the rerouting of shipping lines from the Suez Canal via the Red Sea is expected to further raise the costs of imported raw materials. Drewry's World Container Index (WCI), which tracks container freight spot rates across major global trade routes, plummeted to USD1,342 for 40ft containers in October 2023 post-COVID-19 but skyrocketed by 283.1% year-on-year to USD5,117 as of 6 June 2024, due to sea shipment rerouting. This is expected to continuously increase business costs, resulting in lower profit margins and passing cost increases onto consumers.

Local raw materials

■ Increase ■ Unchanged ■ Decrease

	1H 2024F*	1H 2024A
Increase	70.2%	71.1%
Unchanged	20.7%	21.9%
Decrease	9.0%	7.0%

↑ >10%	:	24.2%
↑ 6-10%	:	23.1%
↑ 1-5%	:	23.8%

Balance: Net increase 64.1% of respondents

	2H 2024F
Increase	70.6%
Unchanged	22.8%
Decrease	6.6%

↑ >10%	:	24.7%
↑ 6-10%	:	23.2%
↑ 1-5%	:	22.8%

Balance: Net increase 64.0% of respondents

Imported raw materials

■ Increase ■ Unchanged ■ Decrease

	1H 2024F*	1H 2024A
Increase	71.0%	71.6%
Unchanged	17.9%	21.7%
Decrease	11.1%	6.7%

↑ >10%	:	29.1%
↑ 6-10%	:	21.7%
↑ 1-5%	:	20.7%

Balance: Net increase 64.9% of respondents

	2H 2024F
Increase	71.1%
Unchanged	22.5%
Decrease	6.4%

↑ >10%	:	28.6%
↑ 6-10%	:	22.0%
↑ 1-5%	:	20.5%

Balance: Net increase 64.7% of respondents

*A=Actual; F=Forecast   * Data obtained from previous survey.*
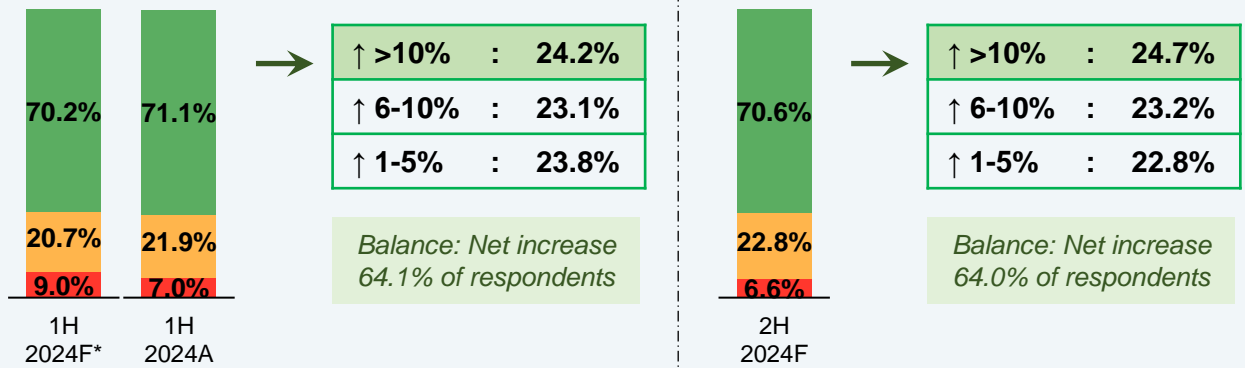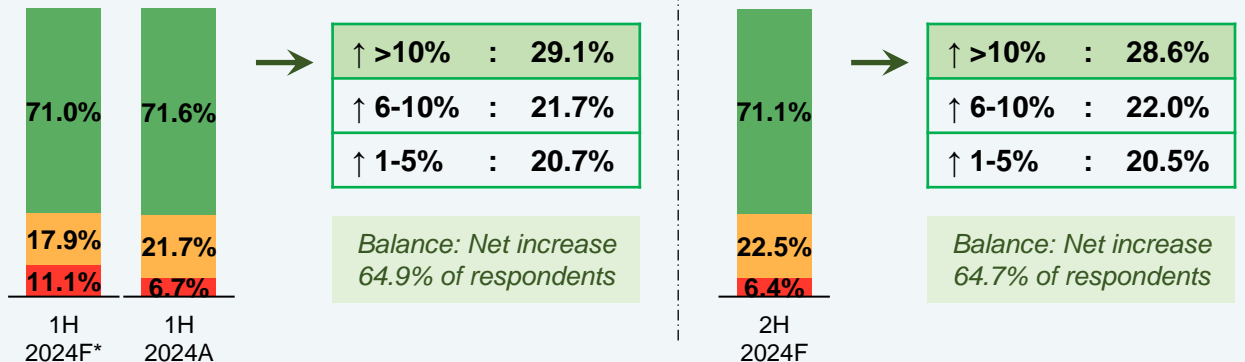*Note: Balance=% of respondents voted "Increase" minus % of respondents voted "Decrease"*
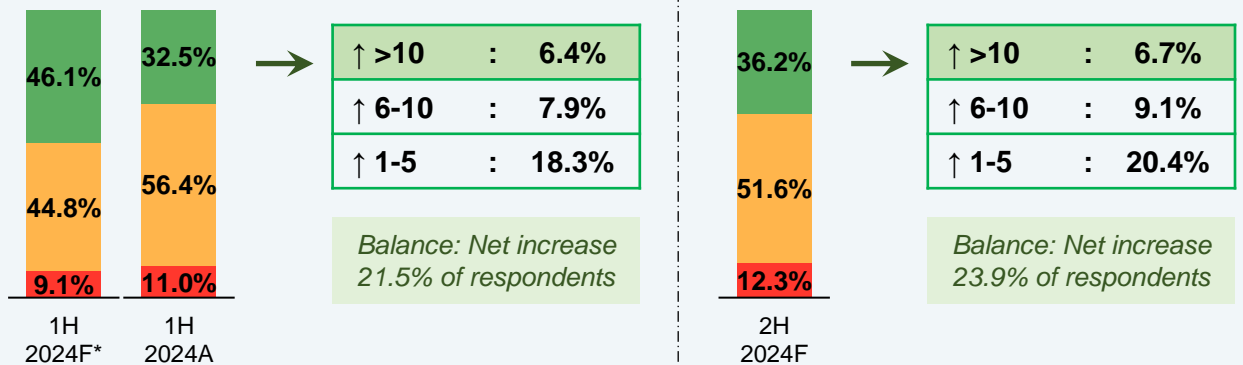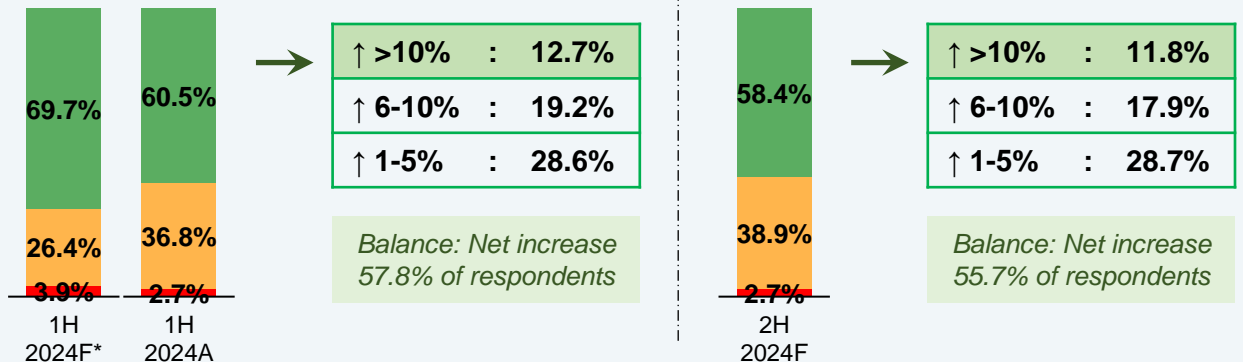
Manpower

Stable labour force with better pay

- Demand for labour remained firm, with a majority of respondents maintaining their manpower pool, and 32.5% hiring more employees in 1H 2024. The employment prospects remained favourable as 36.2% indicated hiring interest in 2H 2024.

- Despite a cautious business environment, 60.5% of respondents have increased their employee's wages in 1H 2024. Positive wage growth is likely to continue in 2H 2024. By size of operations, a majority of micro enterprises maintained their employees' wages in both 1H 2024 and 2H 2024.

- The Progressive Wage Policy (PWP), which aims to improve the overall wage level by lifting wages via productivity improvement and training, started with a pilot project in Jun-Aug 2024, with 500 employers registering their interest to participate and a total of RM50 million allocated by the government.

Number of employees

■ Increase ■ Unchanged ■ Decrease

1H 2024F*	1H 2024A
46.1%	32.5%
44.8%	56.4%
9.1%	11.0%

↑ >10	:	6.4%
↑ 6-10	:	7.9%
↑ 1-5	:	18.3%

Balance: Net increase 21.5% of respondents

2H 2024F
36.2%
51.6%
12.3%

↑ >10	:	6.7%
↑ 6-10	:	9.1%
↑ 1-5	:	20.4%

Balance: Net increase 23.9% of respondents

Wage growth

■ Increase ■ Unchanged ■ Decrease

1H 2024F*	1H 2024A
69.7%	60.5%
26.4%	36.8%
3.9%	2.7%

↑ >10%	:	12.7%
↑ 6-10%	:	19.2%
↑ 1-5%	:	28.6%

Balance: Net increase 57.8% of respondents

2H 2024F
58.4%
38.9%
2.7%

↑ >10%	:	11.8%
↑ 6-10%	:	17.9%
↑ 1-5%	:	28.7%

Balance: Net increase 55.7% of respondents

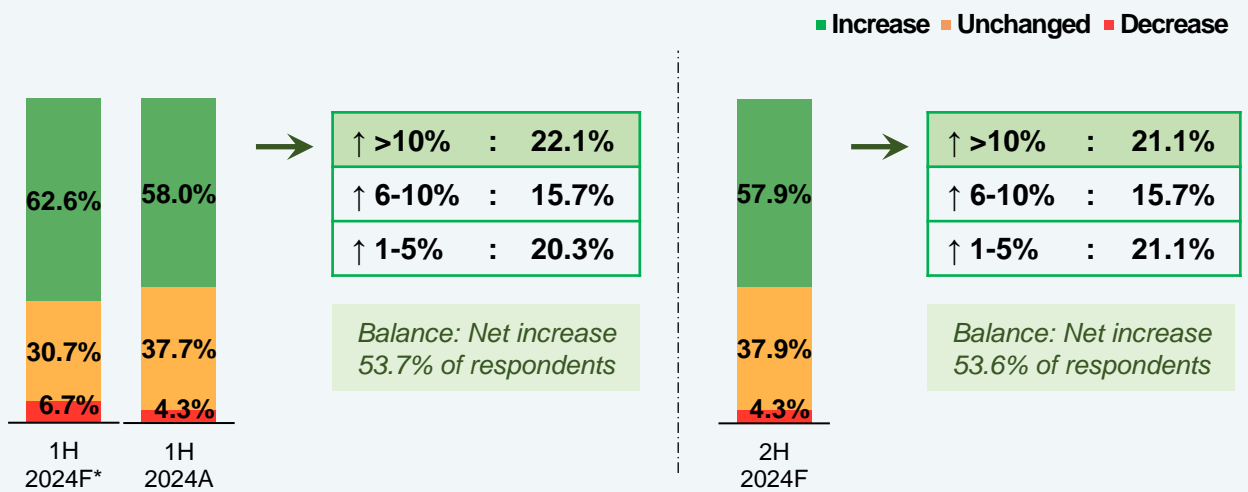*A=Actual; F=Forecast   * Data obtained from previous survey.*
Note: Balance=% of respondents voted "Increase" minus % of respondents voted "Decrease"

Capital Expenditure

Continued momentum in investment

- More than half of respondents (58.0%) have increased their capital expenditure in 1H 2024. The expansion of capital investment is likely to continue, with 57.9% reporting an increase and 37.9% remaining unchanged in 2H 2024.

- According to Malaysian Investment development Authority (MIDA), approved Domestic Direct Investment amounted to RM36.7 billion across various economic sectors. It represents a 1.6% increase from RM36.1 billion in the same period last year.

■ **Increase** ■ **Unchanged** ■ **Decrease**

	1H 2024F*	1H 2024A
Increase	62.6%	58.0%
Unchanged	30.7%	37.7%
Decrease	6.7%	4.3%

↑ >10%	:	22.1%
↑ 6-10%	:	15.7%
↑ 1-5%	:	20.3%

Balance: Net increase 53.7% of respondents

	2H 2024F
Increase	57.9%
Unchanged	37.9%
Decrease	4.3%

↑ >10%	:	21.1%
↑ 6-10%	:	15.7%
↑ 1-5%	:	21.1%

Balance: Net increase 53.6% of respondents

*A=Actual; F=Forecast   * Data obtained from previous survey.*
Note: Balance=% of respondents voted "Increase" minus % of respondents voted "Decrease"
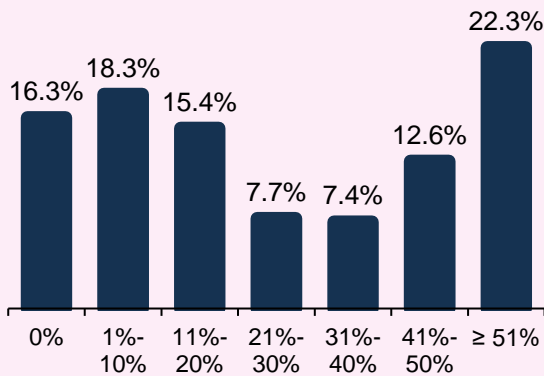
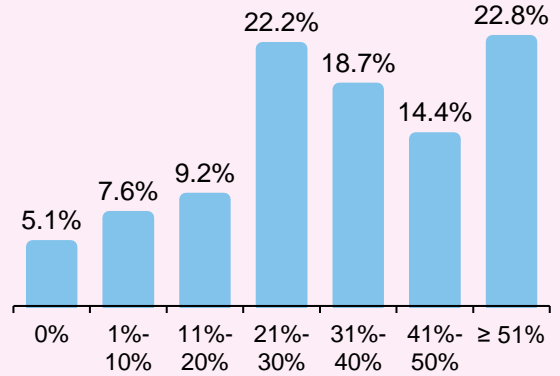# Current Issue:

Manpower Skills and Training
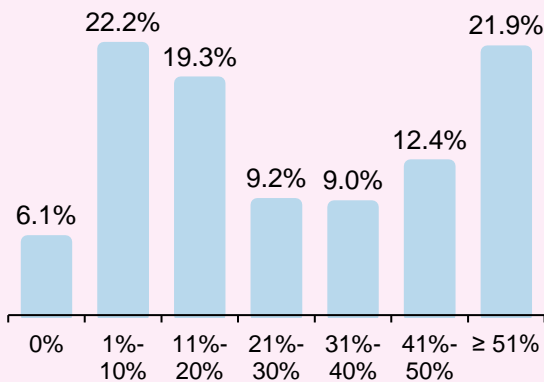
1H 2024

Share of Employees by Skill Category

Low-Skilled Worker

Range	%
0%	16.3%
1%-10%	18.3%
11%-20%	15.4%
21%-30%	7.7%
31%-40%	7.4%
41%-50%	12.6%
≥ 51%	22.3%

Semi-Skilled Worker

Range	%
0%	5.1%
1%-10%	7.6%
11%-20%	9.2%
21%-30%	22.2%
31%-40%	18.7%
41%-50%	14.4%
≥ 51%	22.8%

Skilled Worker

Range	%
0%	6.1%
1%-10%	22.2%
11%-20%	19.3%
21%-30%	9.2%
31%-40%	9.0%
41%-50%	12.4%
≥ 51%	21.9%

Labour Shortage

No manpower shortage	26.0%
Low-Skilled	15.6%
Semi-Skilled	29.8%
Skilled	28.6%

What Skills are Lacking?

Technical Skills

✓ **Marketing**	**44.3%**
✓ **Data Analytics**	**28.7%**
✓ **IT**	**28.3%**
✓ Accounting and Finance	25.6%
✓ Engineering	22.2%
✓ ESG	18.9%
✓ Cybersecurity	14.7%
X None	13.2%

Soft Skills

✓ **Leadership**	**47.8%**
✓ **Communication**	**46.3%**
✓ **Creativity**	**42.4%**
✓ Teamwork	37.4%
✓ Time management	34.8%
✓ Adaptability	27.8%
✓ Emotional Intelligence	26.5%
X None	12.0%

Employee Training Platform

#1
In-House Training
64.1%

#2 Seminars/Events/ Conferences
36.2%

#3 External Training Providers
35.1%

#4 Online Learning Tools
29.5%

Not Applicable/ Not Relevant — 12.1%
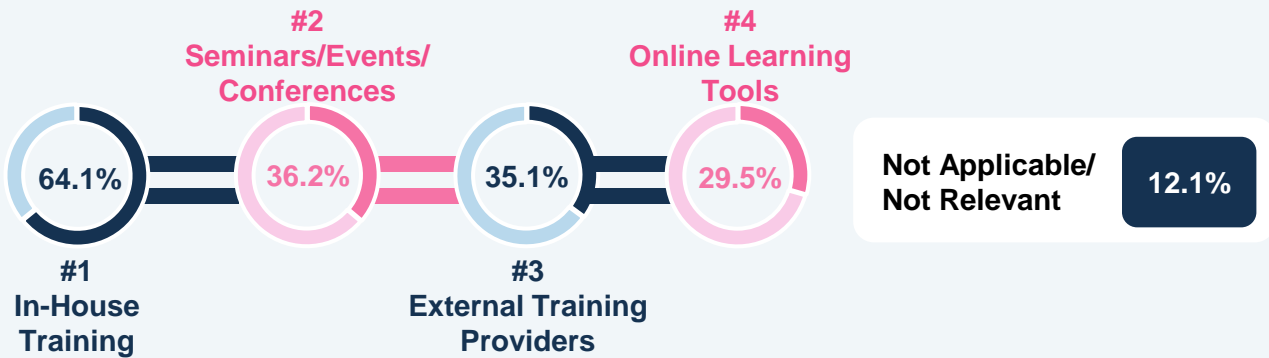
Skillset Training Needed in Company

#1 Problem-Solving 52.5%

#2 Digital Marketing 44.6%

#3 Communication 42.9%

#4 Project Management 37.7%

Most Important
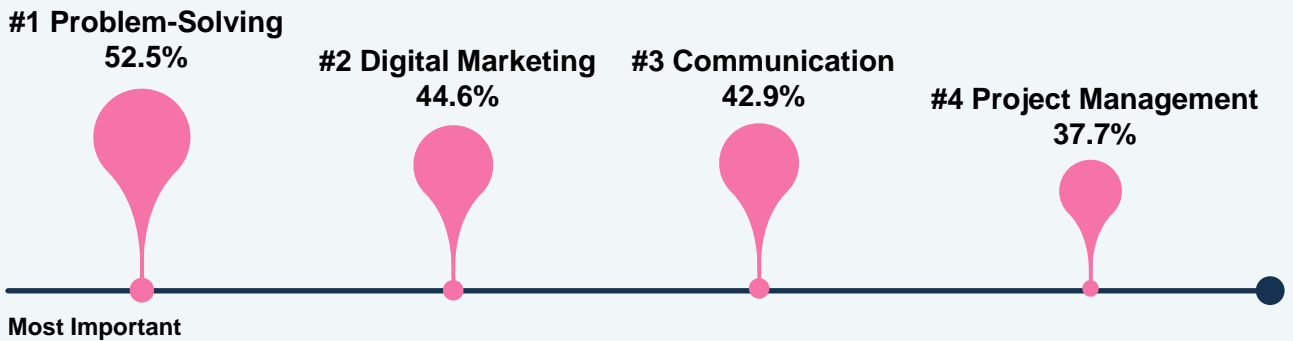
HRD Corp Training Scheme Participation

Only 48.3% participated in HRD Corp Claimable Courses.

Upskilling and upgrading of employees	32.5%
Setup of internal training facilities	25.1%
Future workers training	23.4%

Frequency of HRD Corp Training

43.6% never send their employees to HRD Corp training scheme in a year.

17.9%	**twice** a year
16.7%	**once** a year
14.9%	more than three times
6.8%	three times in a year

Note: Data excludes micro enterprise.

Willingness to Pay to Fresh Graduate

89.7%

34.2%	< RM2,000
38.3%	RM2,000 – RM2,500
17.1%	RM2,501 – RM3,000
10.3%	RM3,001 and above
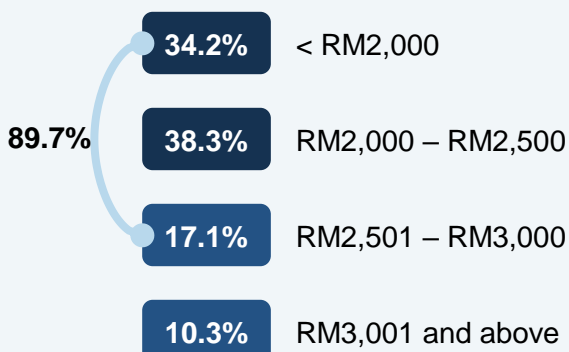
Reasons of Paying ≤ RM3,000

①	Asses their performance during the probation	61.6%
②	Lack specific skills	57.0%
③	Follow the market rate	44.4%
	Financially constrained	19.4%
	Not hired for skilled occupations	18.2%
	Higher than minimum wage	12.1%

🧑‍💼❓ An On-going Issue: Talent Shortage

- The talent shortage dilemma is a growing concern for businesses across various industries. With innovative and technological advancements, industries continually require talent from different fields to address specific skill set needs. **This is not a challenge unique to Malaysia; Malaysia joins countries around the world striving to attract and retain talent as well as stem talent outflows.**

- According to the Minister of Investment, Trade and Industry (MITI), Malaysia's tertiary institutions produce **only a tenth of the 60,000 engineers needed in the core electrical and electronics (E&E) industry within the manufacturing sector**.

Labour Supply

#1 Labour Force Statistics (as of Q1 2024)

👥 **17.0 million in the labour force.**

👷 **16.4 million employed persons.**

▼

Labour Force Participation 🙌 **70.2%**

Unemployment 🧑‍💼 **3.3%**

#2 Graduate Statistics (2022)

🎓 **Number of graduates**   **5.9 million**

🧑‍💼 **Unemployed graduated**   **187,800** (3.7%)

Based on the Graduate Tracking Study Report, 2022

🧑‍💼❌ **Highest number of unemployed graduates by the study fields**

1	Business, administration and legislation	**9,175** (10.7%)
2	Engineering, manufacturing and construction	**5,708** (7.3%)
3	Literature and humanities	**3,258** (12.7%)

Note: The percentage indicates the percentage share of total unemployed graduates in respective fields of study.

Source: Department of Statistics Malaysia; Ministry of Higher Education

Labour Demand

Employment Statistics (as of Q1 2024)

		Total Jobs	Vacancies
🧴	Low-Skilled	1.1 million *(12.4% of total)*	36,600
🧪	Semi-Skilled	5.6 million *(62.5% of total)*	107,500
⚙️	Skilled	2.2 million *(25.1% of total)*	47,800
	Total	**8.9 million**	**191,900**

The agriculture sector has a high vacancy rate (15.2%) in skilled jobs – the only sector that recorded a double-digit rate.

Based on jobs created, there is a positive trend in the demand for semi-skilled (61.9% of total) and skilled jobs (27.5%).

🧑‍💼❌ **Highest percentage of unemployed graduates by the study fields**

1	Literature and humanities	**12.7%**
2	Agriculture, forestry, fisheries and veterinary	**12.1%**
3	Services	**11.3%**

Workforce Structure

- Businesses have a growing demand for semi-skilled and skilled workers based on the positive trends of the jobs-created growth, **but there remains a high demand for low-skilled jobs**.

- The survey results showed a U-shaped distribution in the share of low-skilled and skilled workers and a left-skewed distribution in the semi-skilled segment, **indicating a job polarization in a company's employment structure with a concentration either on low-skilled or high-skilled employees**.

- Indeed, **a high percentage of respondents in the manufacturing (27.7%), construction (25.0%), wholesale and retail trade (29.5%) sectors have more than 50% of low-skilled workers**, whereas professional and business services (58.3%) have more than 51% of skilled workers.

- As of Q1 2024, Malaysia's job vacancies have 36,600 low-skilled jobs (19.1% of total), 107,500 semi-skilled jobs (56.0%), and 47,800 skilled jobs (24.9%). **The vacancy rates are 3.3% for low-skilled jobs, 1.9% for semi-skilled jobs, and 2.1% for skilled jobs.**

- **Industries with double-digit vacancy rates for low-skilled jobs include:** Agriculture (21.6%); Food processing, beverages & tobacco products (11.0%); Textiles, wearing apparel & leather products (10.6%); Wood products, furniture, paper products & printing (13.3%); Non-metallic mineral products (12.8%); Basic metal & fabricated metal products (10.5%); Electrical, electronic & optical products (13.5%); and Construction (12.9%).

- The national data aligns with the survey results showing high reliance on low-skilled workers in industries that may be lacking of technological advancement, leading to low demand for specifically qualified talent in Malaysia.

- Graduate employment statistics showed high unemployment rates in fields such as agriculture, forestry, fisheries, and veterinary studies, despite the agricultural sector generally having a high demand for skilled jobs. **This may indicate a potential mismatch in terms of qualifications or wage levels.** 29.5% of graduates with a first degree reported earnings between RM1,501 and RM2,000 per month (72.3% earning up to RM2,500).

- 29.8% and 28.6% of respondents indicated a lack of semi-skilled and skilled workers, respectively.

	No manpower shortage	Low-Skilled	Semi-Skilled	Skilled
Manufacturing	19.8%	14.3%	**35.7%**	**30.2%**
Construction	18.7%	22.7%	28.0%	**30.7%**
Wholesale and retail trade	**32.2%**	22.8%	**30.2%**	14.8%
Tourism-related sectors	**37.5%**	10.0%	27.5%	25.0%
Professional and business services	27.5%	5.0%	27.5%	**40.0%**

Skill Mismatch

- The labour market is experiencing a feedback loop whereby low wage levels, driven by low productivity and skilled underemployment are prevalent, particularly in industries lacking technological adoption. This scenario leads to a low supply of qualified personnel, further exacerbating skill shortages in industries that are just beginning to upscale their business model.

- Addressing the skills mismatch is crucial to break this cycle. The survey offers valuable insights into how the learning and training institutions can focus on specific skill set development to better prepare our workforce for future.

- Marketing (44.3%), data analytics (28.7%), and IT (28.3%) are identified as the top three technical skills lacking in businesses. Demand for these skills varies across different sectors.

	Top 1	Top 2	Top 3
Manufacturing	**Marketing** (43.7%)	Engineering (37.7%)	IT (29.4%)
Construction	**Engineering** (57.3%)	Marketing (29.3%)	Data Analytics (29.3%)
Wholesale and retail trade	**Marketing** (59.1%)	Data Analytics (34.9%)	Accounting and Finance (29.5%)
Tourism-related sectors	**Marketing** (47.5%)	Data Analytics (17.5%)	ESG (15.0%)
Professional and business services	**Marketing** (34.2%)	Accounting and Finance (30.8%)	Data Analytics (27.5%)

- Soft skills are generally more challenging to develop because there is no standard or uniform approach to mastering the skill. Instead, experience and on-the-job training play significant roles in providing the platform for graduates to acquire soft skills.

- The survey indicates that industries are primarily looking for leadership (47.8%), communication (46.3%), and creativity (42.4%) skills. These skills can often be developed through participation in extracurricular activities and events. The learning institutions should place greater emphasis on activities outside the classroom, such as student organisations, sports, community services, and project-based learning, to help students build these essential soft skills.

	Top 1	Top 2	Top 3
Manufacturing	**Leadership** (54.0%)	Creativity (49.2%)	Communication (46.0%)
Construction	**Leadership** (49.3%)	Time Management (45.3%)	Teamwork (44.0%)
Wholesale and retail trade	**Leadership** (45.6%)	Communication (45.6%)	Creativity (41.6%)
Tourism-related sectors	**Leadership** (52.5%)	Creativity (42.5%)	Communication (42.5%)
Professional and business services	**Communication** (53.3%)	Leadership (45.0%)	Creativity (35.0%)

🦾 Skill Development Remains a Challenge

- Skills mismatch is detrimental to a company as it would lead to low productivity growth and low wages.

- In 2022, wages for semi-skilled and low-skilled were notably below the living wage of RM3,047 per month, which is scarcely enough to make a decent living. This low wage trend does not seem to change unless skills mismatch is addressed, accompanied by upskilling and reskilling.

Labour productivity growth (%)
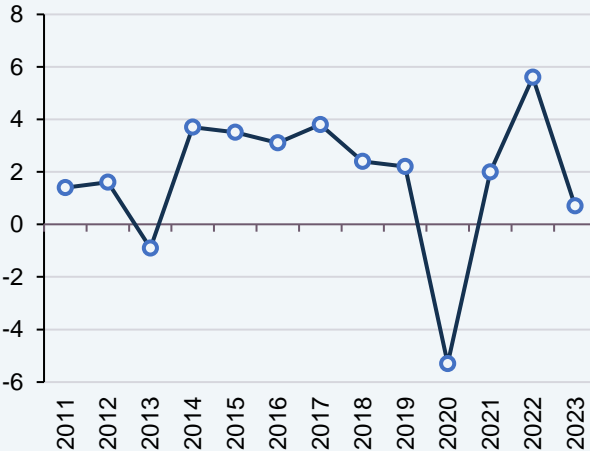
Workers' wages by skill category (RM)
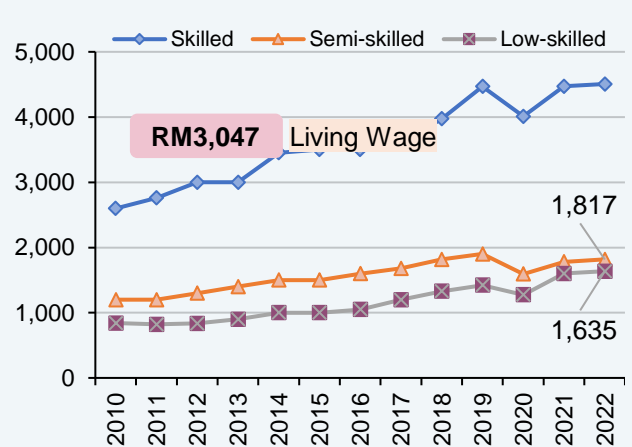
Source: Department of Statistics Malaysia (DOSM)

- One way of addressing these skills mismatches is through continuous training and skill development through the HRD Corp, which is responsible for managing the HRD Corp Claimable Courses.

- The survey showed that employers are underutilising the HRD funds as 43.6% of the respondents (excluding micro enterprise as they are not bounded to HRD levy) do not send their employees to HRD Corp training schemes. Some employers consider the levy as a form of tax, not a form of resources that can be tapped to provide comprehensive training for their employees.

- 46.2% of micro enterprises are not of the view that the HRD Corp training scheme is relevant or applicable to them.
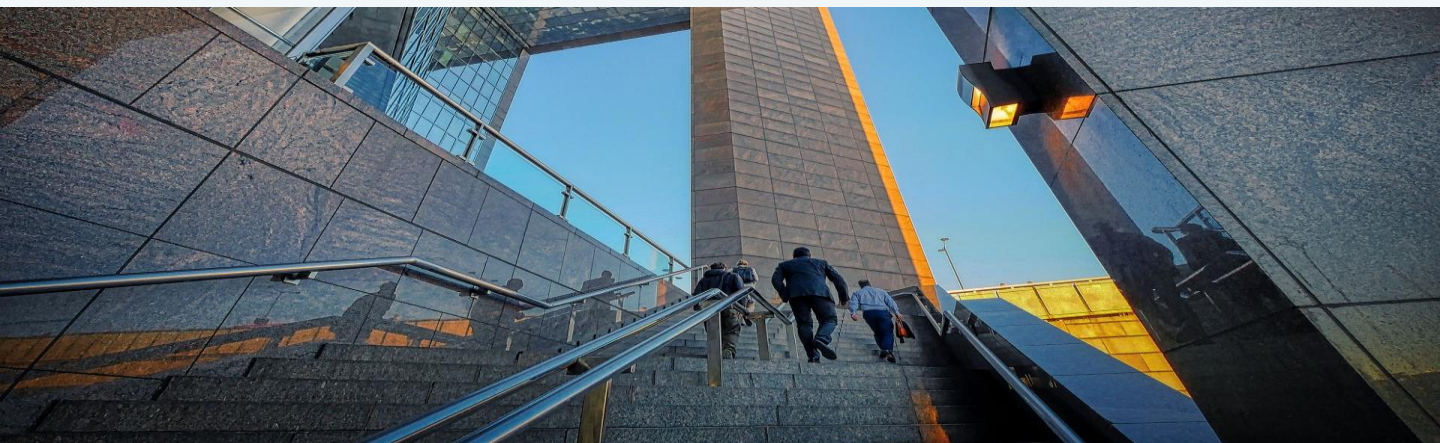
Factors restricting Malaysian businesses to apply/participate in the HRDF's training programs

- According to the survey results of MBECS 2H 2020, **awareness issue was ranked as the top factor (voted by 32.4% of respondents registered with Pembangunan Sumber Manusia Berhad (PSMB)** that restricted them from applying or participating in the programmes offered under HRDF.

- **About a quarter of relevant respondents viewed that the training venue/centre is located too far from their companies**, causing inconvenience to the respondents not living within the Klang Valley.

Factor	Percentage
Not aware of the training programs offered by HRDF	32.4%
Training venue/centre is too far from the company	25.2%
High compliance cost (e.g. long procedures, time consuming, etc.)	24.4%
Difficult to fulfil the required information	21.0%
HRDF staffs are not well-prepared responding to business's enquiry	15.6%
Poor quality of trainers	15.1%
Training program is outdated or irrelevant	15.1%
Unfriendly eTRiS system	10.5%
No issue at all	14.7%
Not applicable / Not relevant	16.4%

Source: ACCCIM's MBECS 2H 2020

- Micro enterprises prefer to opt for in-house training (53.8%) to train their employees. This approach is seemingly adopted by all companies of different sizes – more than 60% prefer in-house training. However, the effectiveness of these in-house training programs is questionable.

- In light of this, Prime Minister has announced a special programme called the "Program Latihan Madani" (PLM) as part of Budget 2024, which aims to empower micro-SMEs and community to undergo training and development opportunities in hopes of increasing the participation of employees in the HRD Corp training schemes.

- This program inadvertently kills two birds with one stone: it not only empowers micro-SMEs to embrace the training and development initiative for employees; but also addresses the issue of high unutilised levy. The un-utilised levy funds are now forfeited within 2 years. Therefore, to fund the PLM, a 15% levy deduction from the employers' unused levy if the two criteria are met: **a levy balance of RM50,000 and above for the year 2023; and levy utilisation rate of less than 50% from the employer's contribution from 1 January 2023 to 31 December 2023.**

- The Department of Statistics Malaysia (DOSM) survey showed that wages for employees are repressed. The survey showed that 72.8% of employees are still earning less than RM5,000 per month, and the monthly median wage (RM2,900) in 2022 has yet to return to the pre-pandemic level.

- This aligns with the M-BECS survey, which indicated that 89.7% of employers pay fresh graduates up to RM3,000 per month, citing a review of their performance during the probation period (61.6%) and graduates lacking specific skills (57.0%) as the main factors for paying a starting salary of not more than RM3,000.

- Therefore, the government has introduced a win-win policy, namely Progressive Wage Policy (PWP), to incentivise employers to help improve the wages of employees via skills upgrading and productivity improvement.

Number of formal employees by monthly salary range as of Dec 2023 ('000)
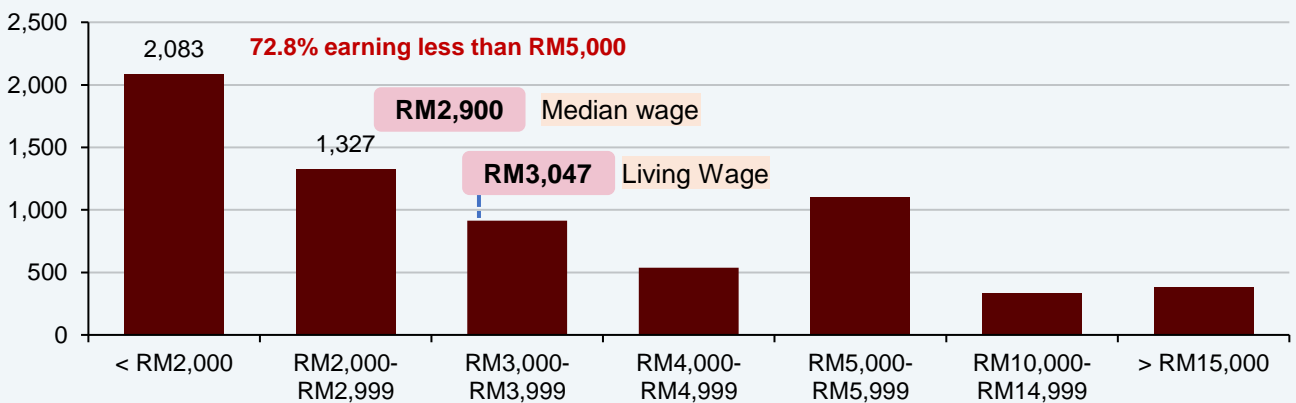
Monthly median wage (RM)   **Growth rate (%)**
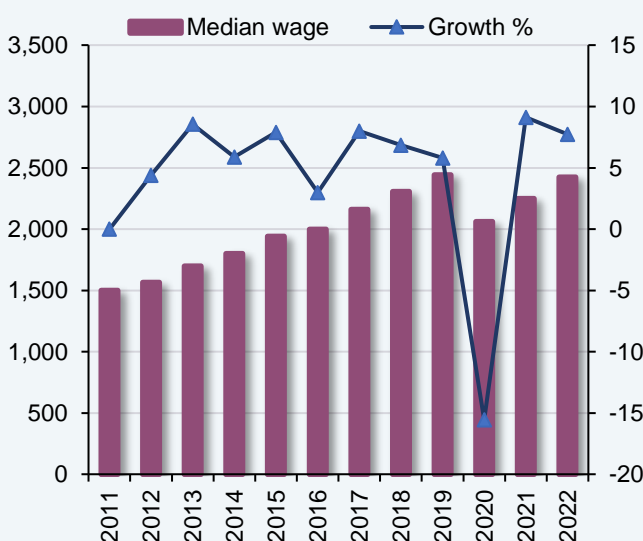
Median monthly salaries & wages of employed graduates ≤24 years old (RM)   **Growth (%)**
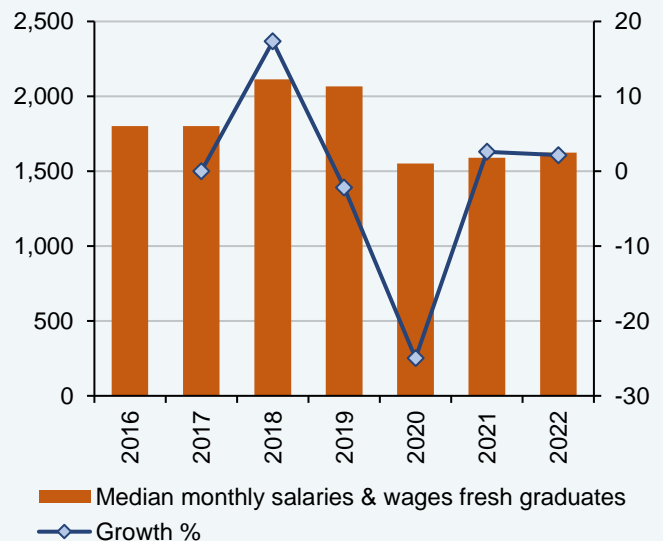
Source: Department of Statistics Malaysia (DOSM)

Appendix 1: Summary of Guidelines for SMEs Definition

Size of enterprise		Criteria	Manufacturing sector	Services and other sectors
Large enterprise		Sales turnover	Above RM50 million <u>OR</u>	Above RM20 million <u>OR</u>
		Number of full-time employees	Above 200	Above 75
SME	Medium enterprise	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
	Small enterprise	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 30
	Micro enterprise	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

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

	Primary	Manufacturing	Construction	Services	Total
Annual turnover:					
Less than RM300k	9.1%	6.3%	4.0%	13.3%	10.7%
RM300k to < RM3mil	30.3%	27.0%	30.7%	42.2%	37.4%
RM3mil to < RM15mil	12.1%	26.2%	29.3%	23.7%	24.2%
RM15mil to < RM20mil	9.1%	10.3%	12.0%	7.5%	8.6%
RM20mil to ≤ RM50mil	18.2%	14.3%	13.3%	6.1%	9.1%
More than RM50mil	21.2%	15.9%	10.7%	7.3%	10.0%
Number of full-time employees:					
Less than 5	27.3%	5.6%	10.7%	26.7%	20.9%
5 to < 30	30.3%	40.5%	53.3%	48.5%	46.6%
30 to < 75	15.2%	19.0%	24.0%	15.5%	17.1%
75 to ≤ 200	21.2%	18.3%	4.0%	6.3%	9.1%
More than 200	6.1%	16.7%	8.0%	3.0%	6.4%

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

This survey aims to assess **Malaysia's business and economic conditions in the first half-year of 2024** (1H 2024: Jan – Jun 2024) and **prospects for the second half-year of 2024** (2H 2024: Jul – Dec 2024) 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 **30 June 2024** (Email: socio-economic@acccim.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. Terengganu CCCI
2. KLSCCCI
3. Negeri Sembilan CCCI
4. Sabah UCCC
5. Penang CCC
6. ACCCI Sarawak
7. Perak CCCI
8. Johor ACCCI
9. Klang CCCI
10. Kelantan CCC
11. ACCCI Pahang
12. Batu Pahat CCC
13. Kedah CCCI
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

<table>
<tr><td colspan="4">B1. Overall economic conditions and outlook:</td><td colspan="4">B2. Overall business conditions and outlook:</td></tr>
<tr><td><i>(Tick ✓ per row)</i></td><td><i><u>Better</u></i></td><td><i><u>Neutral</u></i></td><td><i><u>Worse</u></i></td><td><i>(Tick ✓ per row)</i></td><td><i><u>Better</u></i></td><td><i><u>Neutral</u></i></td><td><i><u>Worse</u></i></td></tr>
<tr><td>1H 2024</td><td>☐1</td><td>☐2</td><td>☐3</td><td>1H 2024</td><td>☐1</td><td>☐2</td><td>☐3</td></tr>
<tr><td>2H 2024</td><td>☐1</td><td>☐2</td><td>☐3</td><td>2H 2024</td><td>☐1</td><td>☐2</td><td>☐3</td></tr>
<tr><td>1H 2025</td><td>☐1</td><td>☐2</td><td>☐3</td><td>1H 2025</td><td>☐1</td><td>☐2</td><td>☐3</td></tr>
<tr><td>Estimation for 2024</td><td>☐1</td><td>☐2</td><td>☐3</td><td>Estimation for 2024</td><td>☐1</td><td>☐2</td><td>☐3</td></tr>
<tr><td>Forecast for 2025</td><td>☐1</td><td>☐2</td><td>☐3</td><td>Forecast for 2025</td><td>☐1</td><td>☐2</td><td>☐3</td></tr>
</table>

B3. Which of the following factors may adversely affect your business performance in 1H 2024?
(Select all that apply)

☐1 Changing consumer behaviour   ☐10 The Ringgit's fluctuation

☐2 High operating cost and cash flow problem   ☐11 Declining business and consumer sentiment

☐3 Supply chain disruptions   ☐12 Political climate

☐4 Shortage of raw materials   ☐13 Lower external demand

☐5 Increase in prices of raw materials   ☐14 Lower domestic demand

☐6 Shortage of workers   ☐15 Increase in bad debt and delayed payments

☐7 Digital disruption   ☐16 ESG compliance

☐8 Difficult to secure financing   ☐17 Climate-related risk

☐9 Availability of skilled labour

B4. Performance and Forecast

Note: N/A=Not Applicable N/R= Not Relevant	*Current Performance* **1H 2024 (Jan – Jun)** vs. 2H 2023 (Jul – Dec)			*Forecast* **2H 2024 (Jul – Dec)** vs. 1H 2024 (Jan – Jun)		
B4.1 Overall	**Better**	**Neutral**	**Worse**	**Better**	**Neutral**	**Worse**
i. Cash flows conditions	☐	☐	☐	☐	☐	☐
ii. Debtors' conditions	☐	☐	☐	☐	☐	☐
iii. Capacity utilisation level ◇ N/A or N/R	☐ Less than 50% ☐ 50% to 74% ☐ 75% to 90% ☐ More than 90%			☐ Less than 50% ☐ 50% to 74% ☐ 75% to 90% ☐ More than 90%		
iv. Overall sales revenue	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
	☐ 1-5%	○	☐ 1-5%	☐ 1-5%	○	☐ 1-5%
	☐ 6-10%		☐ 6-10%	☐ 6-10%		☐ 6-10%
	☐ > 10%		☐ > 10%	☐ > 10%		☐ > 10%
B4.2 Domestic sales	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
i. Sales revenue ◇ N/A or N/R	☐ 1-5%	○	☐ 1-5%	☐ 1-5%	○	☐ 1-5%
	☐ 6-10%		☐ 6-10%	☐ 6-10%		☐ 6-10%
	☐ > 10%		☐ > 10%	☐ > 10%		☐ > 10%
ii. Price level ◇ N/A or N/R	☐ 1-5%	○	☐ 1-5%	☐ 1-5%	○	☐ 1-5%
	☐ 6-10%		☐ 6-10%	☐ 6-10%		☐ 6-10%
	☐ > 10%		☐ > 10%	☐ > 10%		☐ > 10%

(B4 cont.) Note: N/A=Not Applicable N/R= Not Relevant	*Current Performance* **1H 2024 (Jan – Jun)** vs. 2H 2023 (Jul – Dec)			*Forecast* **2H 2024 (Jul – Dec)** vs. 1H 2024 (Jan – Jun)		
B4.3 Foreign sales	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
i. Sales revenue ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
ii. Price level ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
B4.4 Business operations	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
i. Production volume ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
ii. Inventory or stock level ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
B4.5 Cost of raw materials	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
i. Local ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
ii. Imported ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
B4.6 Manpower	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
i. Number of employees	☐ 1-5 ☐ 6-10 ☐ > 10	○	☐ 1-5 ☐ 6-10 ☐ > 10	☐ 1-5 ☐ 6-10 ☐ > 10	○	☐ 1-5 ☐ 6-10 ☐ > 10
ii. Wage growth	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%
B4.7 Other	**Increase**	*Unchanged*	**Decrease**	**Increase**	*Unchanged*	**Decrease**
i. Capital expenditure ◇ N/A or N/R	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%	☐ 1-5% ☐ 6-10% ☐ > 10%	○	☐ 1-5% ☐ 6-10% ☐ > 10%

SECTION C: CURRENT ISSUE

Manpower Skills and Training

C1. Please indicate the share of employees by skill category in your company.
(Reminder: Total percentage shall add up to 100%)

	(a) Low-skilled worker	(b) Semi-skilled worker	(c) Skilled worker
0%	☐1	☐1	☐1
1% – 10%	☐2	☐2	☐2
11% – 20%	☐3	☐3	☐3
21% – 30%	☐4	☐4	☐4
31% – 40%	☐5	☐5	☐5
41% – 50%	☐6	☐6	☐6
⩾ 51%	☐7	☐7	☐7

Low-skilled workers:	*Elementary occupations.*
Semi-skilled workers:	*Service and sales workers; clerical support workers; skilled agricultural, forestry and fishery workers; craft and related trades workers; plant and machine-operators and assemblers.*
Skilled workers:	*Managers; professionals; technicians and associate professionals.*

C2. Please indicate the manpower shortage by skill category in your company.

☐1 No manpower shortage

☐2 Low-skilled

☐3 Semi-skilled

☐4 Skilled

C3. What technical skills are lacking in your organisation? *(Select all that apply)*

☐1 None

☐2 ESG

☐3 Marketing

☐4 Engineering

☐5 IT

☐6 Data analytics

☐7 Cybersecurity

☐8 Accounting and finance

☐9 Others (please specify): _____

C4. What important soft skills that your employees are lacking? *(Select all that apply)*

☐1 None

☐2 Adaptability

☐3 Leadership

☐4 Time management

☐5 Teamwork

☐6 Creativity

☐7 Emotional intelligence

☐8 Communication

☐9 Others (please specify): _____

C5. What types of employee training platforms used by your company? *(Select all that apply)*

☐₁ In-house training

☐₂ Seminars/events/conferences

☐₃ External training providers

☐₄ Online learning tools

☐₅ Not applicable/not relevant *(skip C6 and proceed to C7)*

☐₆ Others (please specify): _____

C6. Please indicate the types of skillset training needed by your company. *(Select all that apply)*

☐₁ ESG

☐₂ Data analytics

☐₃ Digital marketing

☐₄ Communication

☐₅ Cybersecurity

☐₆ Cloud computing

☐₇ Problem-solving

☐₈ Project management

☐₉ Basic office productivity tools (e.g. Microsoft Office)

☐₁₀ Industry-specific training

☐₁₁ Others (please specify): _____

C7. Please indicate the following HRD Corp training schemes your company participates in. *(Select all that apply)*

☐₁ HRD Corp Claimable Courses

☐₂ Upskilling and upgrading of employees (excluding HRD Corp Claimable Courses)

☐₃ Future workers training

☐₄ Setup of internal training facilities

☐₅ Not applicable/not relevant

☐₆ Others (please specify): _____

> *List of schemes under the following categories as listed above are:*
> - *Upskilling and upgrading of registered employees: Skim Bantuan Latihan (SBL); Skim Latihan Bersama (SLB); Computer Based Training (CBT); Recognition of Prior Learning (RPL); On Job Training (OJT).*
> - *Future workers training: Industrial Training Scheme (ITS); Future Workers Training (FWT).*
> - *Setup of internal training facilities: Information Technology (IT); Training Facilities & Renovation (ALAT).*

C8. How frequently do you send employees to HRD Corp training schemes in a year?

☐₁ 0

☐₂ 1

☐₃ 2

☐₄ 3

☐₅ ⩾4

6

C9. What is your company's starting salary for fresh graduates?

☐₁ < RM2,000 (proceed to C10)

☐₂ RM2,001 to RM2,500 (proceed to C10)

☐₃ RM2,501 to RM3,000 (proceed to C10)

☐₄ RM3,001 to RM3,500 *(end of survey)*

☐₅ RM3,501 to RM4,000 *(end of survey)*

☐₆ > RM4,000 *(end of survey)*

C10. Please state the reasons for not offering a salary more than RM3,000 to fresh graduate.
(Select all that apply)

☐₁ Lack of specific skills

☐₂ Follow the market rate

☐₃ As long as it is higher than minimum wage

☐₄ Assess their performance during the probation

☐₅ Fresh graduates are not hired for skilled occupation

☐₆ Financially constrained

☐₇ Others (please specify): _____

Closing Date: 30 June 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 1ST HALF-YEAR OF 2024 (JAN-JUN 2024) AND OUTLOOK FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024)

	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	88.9%	33.3%	87.3%	90.7%	92.6%	91.7%	95.0%	81.3%	97.5%	82.6%	92.9%	96.3%	91.2%
Large enterprise	11.1%	66.7%	12.7%	9.3%	7.4%	8.3%	5.0%	18.8%	2.5%	17.4%	7.1%	3.7%	8.8%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
A5 Market orientation													
100% sales from domestic market	63.0%	83.3%	22.2%	73.3%	65.1%	16.7%	30.0%	31.3%	53.3%	73.9%	60.7%	51.9%	50.7%
76%-99% sales from domestic market	7.4%	0.0%	39.7%	16.0%	29.5%	33.3%	42.5%	25.0%	40.0%	13.0%	32.1%	44.4%	31.6%
51%-75% sales from domestic market	14.8%	16.7%	11.1%	8.0%	3.4%	16.7%	10.0%	12.5%	5.0%	8.7%	7.1%	0.0%	7.6%
26%-50% sales from domestic market	7.4%	0.0%	11.9%	1.3%	1.3%	16.7%	5.0%	12.5%	0.0%	0.0%	0.0%	0.0%	4.2%
1%-25% sales from domestic market	3.7%	0.0%	12.7%	1.3%	0.7%	12.5%	12.5%	12.5%	1.7%	4.3%	0.0%	3.7%	5.0%
100% sales from overseas market	3.7%	0.0%	2.4%	0.0%	0.0%	4.2%	0.0%	6.3%	0.0%	0.0%	0.0%	0.0%	0.9%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
A6 Share of total employees													
100% local employees	25.9%	83.3%	21.4%	29.3%	73.8%	50.0%	55.0%	68.8%	80.8%	82.6%	85.7%	74.1%	56.9%
76%-99% local employees	22.2%	0.0%	25.4%	32.0%	22.1%	25.0%	20.0%	25.0%	13.3%	8.7%	14.3%	22.2%	21.3%
51%-75% local employees	25.9%	0.0%	25.4%	12.0%	2.0%	25.0%	17.5%	0.0%	2.5%	4.3%	0.0%	0.0%	10.3%
25%-50% local employees	7.4%	16.7%	20.6%	16.0%	1.3%	0.0%	7.5%	6.3%	2.5%	0.0%	0.0%	3.7%	7.7%
1%-25% local employees	18.5%	0.0%	7.1%	9.3%	0.7%	0.0%	0.0%	0.0%	0.8%	4.3%	0.0%	0.0%	3.6%
100% foreign employees	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
Section B: Overall Assessment													
B1 Economic conditions and prospects													
1H 2024													
Better	22.2%	0.0%	7.1%	13.3%	4.7%	12.5%	15.0%	12.5%	15.8%	13.0%	3.6%	29.6%	11.2%
Neutral	51.9%	66.7%	68.3%	60.0%	67.8%	54.2%	52.5%	68.8%	60.8%	60.9%	71.4%	55.6%	63.1%
Worse	25.9%	33.3%	24.6%	26.7%	27.5%	33.3%	32.5%	18.8%	23.3%	26.1%	25.0%	14.8%	25.7%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
2H 2024													
Better	22.2%	0.0%	16.8%	22.7%	14.2%	4.2%	22.5%	31.3%	33.3%	47.8%	28.6%	40.7%	22.8%
Neutral	59.3%	100.0%	53.6%	49.3%	54.1%	70.8%	65.0%	37.5%	49.2%	39.1%	57.1%	44.4%	53.3%
Worse	18.5%	0.0%	29.6%	28.0%	31.8%	25.0%	12.5%	31.3%	17.5%	13.0%	14.3%	14.8%	24.0%
Sample size (n)	27	6	125	75	148	24	40	16	120	23	28	27	659
1H 2025													
Better	29.6%	50.0%	31.7%	30.7%	22.8%	12.5%	22.5%	37.5%	41.7%	39.1%	28.6%	37.0%	30.7%
Neutral	51.9%	50.0%	56.3%	50.7%	55.0%	58.3%	60.0%	37.5%	44.2%	52.2%	64.3%	55.6%	53.0%
Worse	18.5%	0.0%	11.9%	18.7%	22.1%	29.2%	17.5%	25.0%	14.2%	8.7%	7.1%	7.4%	16.3%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
Estimation for 2024													
Better	22.2%	16.7%	15.1%	18.7%	13.4%	8.3%	25.0%	25.0%	28.3%	34.8%	10.7%	25.9%	19.4%
Neutral	55.6%	83.3%	61.9%	56.0%	55.0%	50.0%	57.5%	50.0%	56.7%	47.8%	71.4%	63.0%	57.6%
Worse	22.2%	0.0%	23.0%	25.3%	31.5%	41.7%	17.5%	25.0%	15.0%	17.4%	17.9%	11.1%	23.0%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
Forecast for 2025													
Better	37.0%	66.7%	31.0%	28.0%	26.8%	12.5%	25.0%	31.3%	43.3%	26.1%	32.1%	44.4%	31.9%
Neutral	40.7%	33.3%	54.8%	48.0%	52.3%	62.5%	62.5%	50.0%	44.2%	73.9%	57.1%	48.1%	51.9%
Worse	22.2%	0.0%	14.3%	24.0%	20.8%	25.0%	12.5%	18.8%	12.5%	0.0%	10.7%	7.4%	16.2%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
B2 Business conditions and prospects													
1H 2024													
Better	18.5%	0.0%	12.7%	14.7%	10.7%	8.3%	12.5%	18.8%	17.5%	17.4%	10.7%	33.3%	14.4%
Neutral	63.0%	66.7%	64.3%	61.3%	61.1%	54.2%	55.0%	68.8%	60.0%	56.5%	75.0%	51.9%	61.3%
Worse	18.5%	33.3%	23.0%	24.0%	28.2%	37.5%	32.5%	12.5%	22.5%	26.1%	14.3%	14.8%	24.4%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
2H 2024													
Better	25.9%	0.0%	19.8%	22.7%	18.8%	0.0%	20.0%	37.5%	31.7%	39.1%	25.0%	33.3%	23.3%
Neutral	59.3%	100.0%	56.3%	45.3%	52.3%	70.8%	70.0%	43.8%	51.7%	47.8%	64.3%	55.6%	54.9%
Worse	14.8%	0.0%	23.8%	32.0%	28.9%	29.2%	10.0%	18.8%	16.7%	13.0%	10.7%	11.1%	21.8%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
1H 2025													
Better	22.2%	50.0%	32.5%	28.0%	25.5%	16.7%	25.0%	43.8%	41.7%	39.1%	28.6%	33.3%	31.2%
Neutral	59.3%	50.0%	57.1%	53.3%	54.4%	62.5%	57.5%	43.8%	45.8%	56.5%	64.3%	55.6%	54.2%
Worse	18.5%	0.0%	10.3%	18.7%	20.1%	20.8%	17.5%	12.5%	12.5%	4.3%	7.1%	11.1%	14.7%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
Estimation for 2024													
Better	18.5%	16.7%	21.4%	18.7%	16.8%	12.5%	30.0%	31.3%	30.0%	30.4%	7.1%	29.6%	21.9%
Neutral	59.3%	83.3%	57.9%	54.7%	55.0%	50.0%	55.0%	43.8%	53.3%	47.8%	78.6%	63.0%	56.3%
Worse	22.2%	0.0%	20.6%	26.7%	28.2%	37.5%	15.0%	25.0%	16.7%	21.7%	14.3%	7.4%	21.8%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
Forecast for 2025													
Better	29.6%	50.0%	32.5%	30.7%	30.2%	16.7%	27.5%	37.5%	45.8%	26.1%	28.6%	40.7%	33.4%
Neutral	48.1%	50.0%	54.0%	45.3%	50.3%	58.3%	57.5%	43.8%	42.5%	69.6%	60.7%	51.9%	50.7%
Worse	22.2%	0.0%	13.5%	24.0%	19.5%	25.0%	15.0%	18.8%	11.7%	4.3%	10.7%	7.4%	15.9%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS

FOR THE 1ST HALF-YEAR OF 2024 (JAN-JUN 2024) AND OUTLOOK FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024)

	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 1H 2024? *(Select all that apply)*													
Changing consumer behaviour	29.6%	33.3%	23.8%	21.3%	47.0%	29.2%	40.0%	25.0%	30.8%	43.5%	42.9%	29.6%	33.3%
High operating cost and cash flow problem	48.1%	66.7%	56.3%	54.7%	56.4%	33.3%	35.0%	37.5%	35.8%	30.4%	39.3%	40.7%	47.4%
Supply chain disruption	18.5%	33.3%	12.7%	8.0%	9.4%	16.7%	10.0%	18.8%	0.8%	13.0%	7.1%	18.5%	9.8%
Shortage of raw materials	3.7%	16.7%	19.0%	20.0%	10.7%	4.2%	0.0%	6.3%	5.0%	4.3%	14.3%	3.7%	10.7%
Increase in prices of raw materials	40.7%	33.3%	65.1%	64.0%	55.0%	41.7%	52.5%	37.5%	25.8%	21.7%	71.4%	18.5%	48.9%
Shortage of workers	40.7%	16.7%	23.0%	28.0%	24.2%	12.5%	20.0%	18.8%	29.2%	17.4%	32.1%	25.9%	25.3%
Digital disruption	3.7%	33.3%	4.8%	5.3%	12.8%	8.3%	10.0%	6.3%	7.5%	21.7%	3.6%	18.5%	8.9%
Difficult to secure financing	11.1%	50.0%	9.5%	28.0%	12.1%	16.7%	5.0%	6.3%	10.0%	13.0%	39.3%	11.1%	14.1%
Availability of skilled labour	18.5%	33.3%	33.3%	36.0%	18.8%	12.5%	17.5%	25.0%	26.7%	17.4%	17.9%	37.0%	25.6%
The Ringgit's fluctuation	70.4%	50.0%	56.3%	50.7%	53.7%	62.5%	45.0%	62.5%	41.7%	60.9%	57.1%	44.4%	52.3%
Declining business and consumer sentiment	25.9%	16.7%	35.7%	28.0%	43.0%	37.5%	30.0%	31.3%	35.0%	43.5%	25.0%	18.5%	34.5%
Political climate	40.7%	0.0%	28.6%	29.3%	30.9%	29.2%	25.0%	43.8%	25.0%	39.1%	35.7%	37.0%	30.0%
Lower external demand	25.9%	16.7%	31.0%	10.7%	10.1%	25.0%	12.5%	18.8%	6.7%	4.3%	14.3%	7.4%	15.0%
Lower domestic demand	22.2%	33.3%	40.5%	32.0%	47.7%	37.5%	27.5%	31.3%	19.2%	30.4%	10.7%	40.7%	33.7%
Increase in bad debt and delay payments	18.5%	16.7%	30.2%	40.0%	28.9%	16.7%	5.0%	25.0%	17.5%	26.1%	7.1%	18.5%	24.4%
ESG compliance	7.4%	16.7%	15.1%	17.3%	11.4%	4.2%	17.5%	12.5%	7.5%	30.4%	7.1%	11.1%	12.6%
Climate-related risk	25.9%	0.0%	5.6%	17.3%	4.7%	12.5%	5.0%	6.3%	1.7%	8.7%	7.1%	3.7%	7.1%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
B4 Performance and forecast													
Performance: 1H 2024 (Jan-Jun 2024) compared to 2H 2023 (Jul-Dec 2023)													
I Overall													
i Cash flows conditions													
Better	11.1%	0.0%	9.5%	9.3%	6.0%	12.5%	10.0%	18.8%	10.0%	13.0%	7.1%	22.2%	9.7%
Neutral	70.4%	50.0%	70.6%	62.7%	66.4%	70.8%	65.0%	62.5%	70.0%	65.2%	67.9%	59.3%	67.2%
Worse	18.5%	50.0%	19.8%	28.0%	27.5%	16.7%	25.0%	18.8%	20.0%	21.7%	25.0%	18.5%	23.1%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
ii Debtors' conditions													
Better	11.1%	0.0%	4.0%	6.7%	3.4%	12.5%	0.0%	6.3%	9.2%	4.3%	3.6%	29.6%	6.5%
Neutral	59.3%	83.3%	73.8%	66.7%	63.1%	62.5%	82.5%	62.5%	72.5%	78.3%	71.4%	66.7%	69.4%
Worse	29.6%	16.7%	22.2%	26.7%	33.6%	25.0%	17.5%	31.3%	18.3%	17.4%	25.0%	3.7%	24.1%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
iii Capacity utilisation level													
Less than 50%	45.0%	50.0%	25.7%	35.7%	37.8%	35.7%	31.6%	11.1%	38.6%	33.3%	30.8%	25.0%	33.0%
50% to 74%	25.0%	0.0%	49.5%	31.0%	35.1%	42.9%	47.4%	55.6%	40.0%	46.7%	30.8%	25.0%	40.0%
75% to 90%	15.0%	50.0%	23.9%	21.4%	18.9%	0.0%	10.5%	33.3%	10.0%	20.0%	23.1%	31.3%	18.9%
More than 90%	15.0%	0.0%	0.9%	11.9%	8.1%	21.4%	10.5%	0.0%	11.4%	0.0%	15.4%	18.8%	8.2%
Sample size (n)	**20**	**2**	**109**	**42**	**74**	**14**	**19**	**9**	**70**	**15**	**13**	**16**	**403**
iv Overall sales revenue													
Increased 1%-5%	25.9%	33.3%	18.3%	18.7%	14.1%	12.5%	15.0%	12.5%	19.3%	39.1%	17.9%	18.5%	18.2%
Increased 6%-10%	7.4%	16.7%	7.9%	6.7%	8.7%	4.2%	10.0%	25.0%	16.8%	21.7%	10.7%	11.1%	10.8%
Increased >10%	14.8%	0.0%	10.3%	12.0%	7.4%	12.5%	10.0%	12.5%	16.8%	8.7%	14.3%	18.5%	11.7%
Unchanged	25.9%	16.7%	18.3%	33.3%	20.1%	20.8%	22.5%	25.0%	21.8%	21.7%	35.7%	22.2%	22.9%
Decreased 1%-5%	7.4%	16.7%	12.7%	9.3%	15.4%	12.5%	12.5%	6.3%	8.4%	4.3%	7.1%	7.4%	11.1%
Decreased 6%-10%	3.7%	0.0%	13.5%	9.3%	14.8%	16.7%	5.0%	12.5%	7.6%	4.3%	3.6%	3.7%	10.2%
Decreased >10%	14.8%	16.7%	19.0%	10.7%	19.5%	20.8%	25.0%	6.3%	9.2%	0.0%	10.7%	18.5%	15.3%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**119**	**23**	**28**	**27**	**660**
II Domestic market													
i Sales revenue													
Increased 1%-5%	24.0%	33.3%	16.4%	17.9%	16.2%	9.1%	20.6%	30.8%	23.6%	45.5%	22.2%	19.2%	20.0%
Increased 6%-10%	4.0%	0.0%	7.8%	9.0%	6.3%	9.1%	8.8%	7.7%	13.6%	13.6%	3.7%	15.4%	8.9%
Increased >10%	8.0%	0.0%	6.0%	9.0%	6.3%	4.5%	11.8%	0.0%	19.1%	4.5%	18.5%	11.5%	9.7%
Unchanged	36.0%	33.3%	34.5%	28.4%	21.1%	36.4%	29.4%	38.5%	22.7%	22.7%	33.3%	38.5%	28.2%
Decreased 1%-5%	12.0%	16.7%	12.1%	14.9%	19.0%	9.1%	8.8%	15.4%	7.3%	9.1%	11.1%	3.8%	12.5%
Decreased 6%-10%	4.0%	0.0%	10.3%	9.0%	12.7%	22.7%	5.9%	7.7%	7.3%	0.0%	0.0%	0.0%	8.7%
Decreased >10%	12.0%	16.7%	12.9%	11.9%	18.3%	9.1%	14.7%	0.0%	6.4%	4.5%	11.1%	11.5%	12.1%
Sample size (n)	**25**	**6**	**116**	**67**	**142**	**22**	**34**	**13**	**110**	**22**	**27**	**26**	**610**
ii Price level													
Increased 1%-5%	16.0%	0.0%	21.2%	16.4%	25.0%	18.2%	14.7%	23.1%	24.5%	52.6%	23.1%	4.0%	21.6%
Increased 6%-10%	12.0%	0.0%	14.2%	19.4%	17.1%	18.2%	14.7%	21.7%	21.7%	21.1%	15.4%	40.0%	18.1%
Increased >10%	24.0%	0.0%	13.3%	25.4%	17.9%	18.2%	23.5%	7.7%	12.3%	5.3%	30.8%	12.0%	16.9%
Unchanged	32.0%	66.7%	36.3%	23.9%	25.7%	36.4%	38.2%	30.8%	30.2%	21.1%	30.8%	32.0%	30.5%
Decreased 1%-5%	8.0%	0.0%	8.8%	3.0%	4.3%	4.5%	5.9%	7.7%	5.7%	0.0%	0.0%	4.0%	5.2%
Decreased 6%-10%	4.0%	16.7%	5.3%	7.5%	5.0%	4.5%	0.0%	15.4%	3.8%	0.0%	0.0%	4.0%	4.7%
Decreased >10%	4.0%	16.7%	0.9%	4.5%	5.0%	0.0%	2.9%	0.0%	1.9%	0.0%	0.0%	4.0%	2.9%
Sample size (n)	**25**	**6**	**113**	**67**	**140**	**22**	**34**	**13**	**106**	**19**	**26**	**25**	**596**

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS
FOR THE 1ST HALF-YEAR OF 2024 (JAN-JUN 2024) AND OUTLOOK FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024)

	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%	13.8%	12.5%	18.2%	5.6%	15.8%	20.0%	17.8%	16.7%	28.6%	25.0%	15.4%
Increased 6%-10%	12.5%	0.0%	7.4%	12.5%	2.3%	0.0%	15.8%	0.0%	13.3%	33.3%	0.0%	16.7%	8.6%
Increased >10%	0.0%	0.0%	10.6%	0.0%	2.3%	5.6%	10.5%	20.0%	15.6%	0.0%	28.6%	0.0%	8.9%
Unchanged	37.5%	100.0%	30.9%	43.8%	47.7%	33.3%	42.1%	50.0%	44.4%	50.0%	28.6%	41.7%	39.3%
Decreased 1%-5%	12.5%	0.0%	20.2%	12.5%	20.5%	22.2%	10.5%	10.0%	2.2%	0.0%	14.3%	0.0%	14.3%
Decreased 6%-10%	12.5%	0.0%	9.6%	0.0%	4.5%	11.1%	0.0%	0.0%	2.2%	0.0%	0.0%	8.3%	5.7%
Decreased >10%	25.0%	0.0%	7.4%	18.8%	4.5%	22.2%	5.3%	0.0%	4.4%	0.0%	0.0%	8.3%	7.9%
Sample size (n)	8	1	94	16	44	18	19	10	45	6	7	12	280
ii Price level													
Increased 1%-5%	0.0%	0.0%	22.0%	17.6%	17.1%	11.1%	10.5%	9.1%	20.5%	20.0%	16.7%	10.0%	17.3%
Increased 6%-10%	12.5%	0.0%	12.1%	11.8%	17.1%	16.7%	10.5%	18.2%	4.5%	40.0%	16.7%	10.0%	12.5%
Increased >10%	12.5%	0.0%	5.5%	11.8%	7.3%	11.1%	21.1%	9.1%	13.6%	0.0%	33.3%	10.0%	10.0%
Unchanged	62.5%	0.0%	35.2%	35.3%	48.8%	44.4%	31.6%	54.5%	52.3%	40.0%	16.7%	60.0%	42.4%
Decreased 1%-5%	0.0%	100.0%	15.4%	11.8%	4.9%	11.1%	15.8%	0.0%	6.8%	0.0%	0.0%	0.0%	10.0%
Decreased 6%-10%	0.0%	0.0%	5.5%	0.0%	2.4%	5.6%	0.0%	9.1%	0.0%	0.0%	16.7%	0.0%	3.3%
Decreased >10%	12.5%	0.0%	4.4%	11.8%	2.4%	0.0%	10.5%	0.0%	2.3%	0.0%	0.0%	10.0%	4.4%
Sample size (n)	8	1	91	17	41	18	19	11	44	5	6	10	271
IV Business operations													
i Production volume													
Increased 1%-5%	4.2%	33.3%	13.3%	12.5%	4.5%	0.0%	5.6%	11.1%	16.9%	45.5%	26.3%	18.8%	12.9%
Increased 6%-10%	12.5%	16.7%	14.2%	8.3%	6.1%	0.0%	11.1%	0.0%	22.0%	18.2%	5.3%	18.8%	12.1%
Increased >10%	8.3%	0.0%	5.8%	8.3%	3.0%	6.3%	11.1%	0.0%	5.1%	0.0%	5.3%	6.3%	5.6%
Unchanged	41.7%	33.3%	22.5%	45.8%	43.9%	56.3%	38.9%	66.7%	44.1%	36.4%	42.1%	43.8%	38.1%
Decreased 1%-5%	16.7%	0.0%	22.5%	10.4%	13.6%	12.5%	16.7%	22.2%	5.1%	0.0%	5.3%	0.0%	13.6%
Decreased 6%-10%	8.3%	0.0%	12.5%	4.2%	13.6%	12.5%	5.6%	0.0%	3.4%	0.0%	5.3%	0.0%	8.3%
Decreased >10%	8.3%	16.7%	9.2%	10.4%	15.2%	12.5%	11.1%	0.0%	3.4%	0.0%	10.5%	12.5%	9.5%
Sample size (n)	24	6	120	48	66	16	18	9	59	11	19	16	412
ii Inventory or stock level													
Increased 1%-5%	14.3%	50.0%	14.7%	10.2%	15.5%	0.0%	0.0%	0.0%	15.7%	33.3%	13.6%	5.9%	13.5%
Increased 6%-10%	14.3%	0.0%	12.1%	10.2%	8.5%	5.0%	11.1%	0.0%	9.8%	0.0%	13.6%	11.8%	9.9%
Increased >10%	9.5%	0.0%	9.5%	8.2%	8.5%	5.0%	11.1%	0.0%	7.8%	11.1%	13.6%	0.0%	8.4%
Unchanged	42.9%	33.3%	42.2%	49.0%	38.0%	55.0%	33.3%	85.7%	58.8%	55.6%	45.5%	58.8%	45.4%
Decreased 1%-5%	9.5%	0.0%	8.6%	10.2%	12.4%	20.0%	33.3%	14.3%	5.9%	0.0%	4.5%	5.9%	10.5%
Decreased 6%-10%	4.8%	0.0%	4.3%	4.1%	7.8%	15.0%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%
Decreased >10%	4.8%	16.7%	8.6%	8.2%	9.3%	0.0%	5.6%	0.0%	2.0%	0.0%	9.1%	17.6%	7.5%
Sample size (n)	21	6	116	49	129	20	18	7	51	9	22	17	465
V Cost of raw materials													
i Local													
Increased 1%-5%	16.0%	25.0%	30.0%	18.5%	28.8%	18.8%	12.0%	33.3%	21.8%	20.0%	21.7%	6.7%	23.8%
Increased 6%-10%	28.0%	0.0%	33.3%	20.0%	17.3%	12.5%	12.0%	33.3%	18.2%	30.0%	21.7%	33.3%	23.1%
Increased >10%	32.0%	25.0%	13.3%	33.8%	26.9%	6.3%	36.0%	22.2%	21.8%	0.0%	52.2%	20.0%	24.2%
Unchanged	12.0%	25.0%	17.5%	18.5%	18.3%	56.3%	24.0%	11.1%	36.4%	50.0%	4.3%	33.3%	21.9%
Decreased 1%-5%	8.0%	25.0%	2.5%	4.6%	6.7%	0.0%	12.0%	0.0%	1.8%	0.0%	0.0%	0.0%	4.2%
Decreased 6%-10%	4.0%	0.0%	1.7%	1.5%	1.0%	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
Decreased >10%	0.0%	0.0%	1.7%	3.1%	1.0%	6.3%	0.0%	0.0%	0.0%	0.0%	0.0%	6.7%	1.5%
Sample size (n)	25	4	120	65	104	16	25	9	55	10	23	15	471
ii Imported													
Increased 1%-5%	15.0%	0.0%	29.0%	19.6%	22.8%	12.5%	10.0%	37.5%	13.3%	20.0%	12.5%	7.1%	20.7%
Increased 6%-10%	20.0%	0.0%	27.1%	25.0%	19.6%	12.5%	15.0%	25.0%	15.6%	30.0%	25.0%	14.3%	21.7%
Increased >10%	40.0%	0.0%	25.2%	32.1%	28.3%	25.0%	40.0%	12.5%	28.9%	0.0%	50.0%	35.7%	29.1%
Unchanged	20.0%	100.0%	12.1%	16.1%	22.8%	43.8%	20.0%	12.5%	37.8%	50.0%	6.3%	35.7%	21.7%
Decreased 1%-5%	5.0%	0.0%	2.8%	1.8%	5.4%	0.0%	10.0%	12.5%	4.4%	0.0%	6.3%	0.0%	4.0%
Decreased 6%-10%	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%
Decreased >10%	0.0%	0.0%	0.9%	5.4%	1.1%	6.3%	5.0%	0.0%	0.0%	0.0%	0.0%	7.1%	2.0%
Sample size (n)	20	1	107	56	92	16	20	8	45	10	16	14	405
VI Manpower													
i Number of employees													
Increased 1-5	25.9%	33.3%	9.5%	21.3%	16.8%	8.3%	27.5%	12.5%	22.5%	21.7%	17.9%	25.9%	18.3%
Increased 6-10	7.4%	16.7%	8.7%	9.3%	3.4%	0.0%	10.0%	18.8%	10.8%	13.0%	7.1%	3.7%	7.9%
Increased >10	3.7%	0.0%	6.3%	8.0%	4.7%	0.0%	7.5%	18.8%	7.5%	0.0%	10.7%	7.4%	6.4%
Unchanged	51.9%	50.0%	59.5%	52.0%	63.8%	79.2%	42.5%	50.0%	50.8%	65.2%	46.4%	51.9%	56.4%
Decreased 1-5	11.1%	0.0%	11.1%	5.3%	8.7%	12.5%	7.5%	0.0%	5.8%	0.0%	10.7%	7.4%	7.9%
Decreased 6-10	0.0%	0.0%	2.4%	0.0%	2.0%	0.0%	2.5%	0.0%	0.8%	0.0%	0.0%	0.0%	1.2%
Decreased >10	0.0%	0.0%	2.4%	4.0%	0.7%	0.0%	2.5%	0.0%	1.7%	0.0%	7.1%	3.7%	2.0%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
ii Wage growth													
Increased 1%-5%	22.2%	66.7%	31.0%	37.3%	27.5%	4.2%	27.5%	37.5%	26.7%	39.1%	14.3%	29.6%	28.6%
Increased 6%-10%	18.5%	16.7%	25.4%	18.7%	17.4%	16.7%	17.5%	18.8%	21.7%	17.4%	10.7%	7.4%	19.2%
Increased >10%	14.8%	0.0%	10.3%	8.0%	13.4%	8.3%	15.0%	0.0%	15.8%	0.0%	32.1%	18.5%	12.7%
Unchanged	40.7%	16.7%	27.8%	34.7%	38.9%	58.3%	37.5%	43.8%	35.8%	43.5%	39.3%	44.4%	36.8%
Decreased 1%-5%	3.7%	0.0%	3.2%	0.0%	2.0%	12.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%
Decreased 6%-10%	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%
Decreased >10%	0.0%	0.0%	2.4%	1.3%	0.7%	0.0%	2.5%	0.0%	0.0%	0.0%	3.6%	0.0%	1.1%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS

FOR THE 1ST HALF-YEAR OF 2024 (JAN-JUN 2024) AND OUTLOOK FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024)

		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%	16.0%	50.0%	21.6%	11.3%	19.8%	9.5%	31.3%	26.7%	20.9%	29.4%	21.7%	17.4%	20.3%
	Increased 6%-10%	24.0%	16.7%	20.7%	21.0%	13.0%	19.0%	18.8%	6.7%	8.8%	5.9%	13.0%	17.4%	15.7%
	Increased >10%	36.0%	16.7%	15.5%	21.0%	25.2%	28.6%	21.9%	20.0%	22.0%	5.9%	30.4%	26.1%	22.1%
	Unchanged	20.0%	16.7%	36.2%	43.5%	36.6%	33.3%	28.1%	40.0%	44.0%	58.8%	34.8%	39.1%	37.7%
	Decreased 1%-5%	4.0%	0.0%	3.4%	3.2%	3.1%	4.8%	0.0%	6.7%	2.2%	0.0%	0.0%	0.0%	2.7%
	Decreased 6%-10%	0.0%	0.0%	1.7%	0.0%	1.5%	4.8%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	1.1%
	Decreased >10%	0.0%	0.0%	0.9%	0.0%	0.8%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	0.5%
	Sample size (n)	25	6	116	62	131	21	32	15	91	17	23	23	562
	Forecast: 2H 2024 (Jul-Dec 2024) compared to 1H 2024 (Jan-Jun 2024)													
I	**Overall**													
i	**Cash flows conditions**													
	Better	14.8%	0.0%	17.5%	10.7%	14.1%	12.5%	17.5%	18.8%	23.5%	21.7%	17.9%	29.6%	17.3%
	Neutral	55.6%	100.0%	57.9%	58.7%	59.1%	62.5%	70.0%	68.8%	63.0%	60.9%	67.9%	59.3%	61.2%
	Worse	29.6%	0.0%	24.6%	30.7%	26.8%	25.0%	12.5%	12.5%	13.4%	17.4%	14.3%	11.1%	21.5%
	Sample size (n)	27	6	126	75	149	24	40	16	119	23	28	27	660
ii	**Debtors' conditions**													
	Better	11.1%	33.3%	10.3%	9.3%	6.0%	17.4%	7.5%	0.0%	16.0%	8.7%	3.6%	22.2%	10.5%
	Neutral	55.6%	66.7%	67.5%	57.3%	58.4%	56.5%	80.0%	75.0%	68.9%	82.6%	71.4%	70.4%	65.4%
	Worse	33.3%	0.0%	22.2%	33.3%	35.6%	26.1%	12.5%	25.0%	15.1%	8.7%	25.0%	7.4%	24.1%
	Sample size (n)	27	6	126	75	149	23	40	16	119	23	28	27	659
iii	**Capacity utilisation level**													
	Less than 50%	47.4%	50.0%	23.1%	33.3%	31.5%	42.9%	26.3%	0.0%	31.9%	26.7%	30.8%	12.5%	28.8%
	50% to 74%	15.8%	50.0%	39.8%	26.2%	35.6%	42.9%	31.6%	55.6%	37.7%	26.7%	23.1%	31.3%	34.8%
	75% to 90%	21.1%	0.0%	30.6%	28.6%	19.2%	0.0%	31.6%	44.4%	14.5%	40.0%	15.4%	31.3%	24.1%
	More than 90%	15.8%	0.0%	6.5%	11.9%	13.7%	14.3%	10.5%	0.0%	15.9%	6.7%	30.8%	25.0%	12.3%
	Sample size (n)	19	2	108	42	73	14	19	9	69	15	13	16	399
iv	**Overall sales revenue**													
	Increase 1%-5%	22.2%	50.0%	14.3%	10.7%	18.1%	8.3%	20.0%	12.5%	18.5%	30.4%	21.4%	18.5%	17.3%
	Increase 6%-10%	14.8%	0.0%	15.9%	16.0%	8.7%	8.3%	12.5%	25.0%	19.3%	30.4%	17.9%	11.1%	14.8%
	Increase >10%	18.5%	0.0%	15.9%	14.7%	9.4%	12.5%	22.5%	18.8%	21.0%	17.4%	10.7%	25.9%	15.8%
	Unchanged	18.5%	33.3%	22.2%	29.3%	20.1%	29.2%	25.0%	25.0%	21.0%	8.7%	25.0%	18.5%	22.3%
	Decrease 1%-5%	0.0%	0.0%	6.3%	8.0%	14.8%	16.7%	2.5%	12.5%	9.2%	8.7%	10.7%	11.1%	9.4%
	Decrease 6%-10%	11.1%	0.0%	9.5%	9.3%	12.1%	0.0%	7.5%	0.0%	5.0%	0.0%	7.1%	7.4%	8.0%
	Decrease >10%	14.8%	16.7%	15.9%	12.0%	16.8%	25.0%	10.0%	6.3%	5.9%	4.3%	7.1%	7.4%	12.4%
	Sample size (n)	27	6	126	75	149	24	40	16	119	23	28	27	660
II	**Domestic market**													
i	**Sales revenue**													
	Increase 1%-5%	26.1%	66.7%	21.7%	10.4%	17.6%	9.5%	26.5%	30.8%	23.9%	27.3%	18.5%	23.1%	20.7%
	Increase 6%-10%	13.0%	0.0%	10.4%	17.9%	11.3%	9.5%	14.7%	15.4%	18.3%	22.7%	3.7%	11.5%	13.4%
	Increase >10%	4.3%	0.0%	9.6%	16.4%	5.6%	0.0%	11.8%	0.0%	17.4%	13.6%	18.5%	15.4%	10.9%
	Unchanged	30.4%	16.7%	31.3%	22.4%	21.8%	42.9%	32.4%	30.8%	22.9%	27.3%	44.4%	30.8%	27.3%
	Decrease 1%-5%	8.7%	0.0%	8.7%	13.4%	17.6%	19.0%	5.9%	23.1%	9.2%	4.5%	11.1%	15.4%	12.1%
	Decrease 6%-10%	8.7%	0.0%	9.6%	10.4%	10.6%	4.8%	5.9%	0.0%	3.7%	4.5%	0.0%	3.8%	7.3%
	Decrease >10%	8.7%	16.7%	8.7%	9.0%	15.5%	14.3%	2.9%	0.0%	4.6%	0.0%	3.7%	0.0%	8.4%
	Sample size (n)	23	6	115	67	142	21	34	13	109	22	27	26	605
ii	**Price level**													
	Increase 1%-5%	16.0%	33.3%	21.4%	16.4%	27.1%	22.7%	26.5%	16.7%	24.5%	36.8%	11.5%	16.0%	22.7%
	Increase 6%-10%	20.0%	0.0%	17.0%	22.4%	19.3%	22.7%	20.6%	16.7%	22.6%	31.6%	23.1%	36.0%	21.0%
	Increase >10%	24.0%	0.0%	16.1%	28.4%	14.3%	9.1%	20.6%	16.7%	17.0%	5.3%	19.2%	12.0%	17.0%
	Unchanged	32.0%	50.0%	30.4%	20.9%	27.9%	40.9%	29.4%	25.0%	27.4%	26.3%	46.2%	28.0%	29.1%
	Decrease 1%-5%	4.0%	0.0%	9.8%	4.5%	4.3%	4.5%	0.0%	8.3%	5.7%	0.0%	0.0%	8.0%	5.2%
	Decrease 6%-10%	0.0%	0.0%	3.6%	1.5%	2.1%	0.0%	0.0%	16.7%	1.9%	0.0%	0.0%	0.0%	2.0%
	Decrease >10%	4.0%	16.7%	1.8%	6.0%	5.0%	0.0%	2.9%	0.0%	0.9%	0.0%	0.0%	0.0%	2.9%
	Sample size (n)	25	6	112	67	140	22	34	12	106	19	26	25	594
III	**Foreign market**													
i	**Sales revenue**													
	Increase 1%-5%	0.0%	0.0%	18.3%	6.3%	22.7%	5.6%	10.5%	30.0%	21.7%	0.0%	0.0%	25.0%	16.8%
	Increase 6%-10%	0.0%	0.0%	11.8%	12.5%	6.8%	5.6%	26.3%	10.0%	10.9%	33.3%	0.0%	25.0%	11.8%
	Increase >10%	0.0%	0.0%	8.6%	6.3%	6.8%	5.6%	10.5%	10.0%	13.0%	16.7%	28.6%	8.3%	9.3%
	Unchanged	42.9%	100.0%	31.2%	37.5%	36.4%	38.9%	42.1%	40.0%	50.0%	33.3%	57.1%	33.3%	38.4%
	Decrease 1%-5%	14.3%	0.0%	12.9%	12.5%	11.4%	16.7%	0.0%	0.0%	2.2%	16.7%	14.3%	8.3%	9.7%
	Decrease 6%-10%	28.6%	0.0%	7.5%	0.0%	9.1%	5.6%	0.0%	10.0%	0.0%	0.0%	0.0%	0.0%	5.4%
	Decrease >10%	14.3%	0.0%	9.7%	25.0%	6.8%	22.2%	10.5%	0.0%	2.2%	0.0%	0.0%	0.0%	8.6%
	Sample size (n)	7	1	93	16	44	18	19	10	46	6	7	12	279
ii	**Price level**													
	Increase 1%-5%	0.0%	0.0%	22.0%	17.6%	24.4%	16.7%	10.5%	18.2%	22.7%	0.0%	0.0%	40.0%	19.9%
	Increase 6%-10%	12.5%	0.0%	16.5%	11.8%	17.1%	16.7%	21.1%	27.3%	4.5%	60.0%	0.0%	10.0%	15.1%
	Increase >10%	0.0%	0.0%	5.5%	11.8%	12.2%	11.1%	15.8%	0.0%	18.2%	0.0%	50.0%	10.0%	10.7%
	Unchanged	50.0%	100.0%	31.9%	41.2%	39.0%	44.4%	42.1%	45.5%	52.3%	20.0%	33.3%	30.0%	39.5%
	Decrease 1%-5%	12.5%	0.0%	14.3%	5.9%	4.9%	5.6%	5.3%	0.0%	2.3%	0.0%	0.0%	10.0%	7.7%
	Decrease 6%-10%	0.0%	0.0%	4.4%	0.0%	0.0%	5.6%	0.0%	9.1%	0.0%	20.0%	16.7%	0.0%	3.0%
	Decrease >10%	25.0%	0.0%	5.5%	11.8%	2.4%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%	0.0%	4.1%
	Sample size (n)	8	1.0	91	17	41	18	19	11	44	5	6	10	271

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS
FOR THE 1ST HALF-YEAR OF 2024 (JAN-JUN 2024) AND OUTLOOK FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024)

		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%	4.3%	33.3%	18.5%	14.3%	6.1%	0.0%	0.0%	11.1%	18.6%	27.3%	10.5%	12.5%	13.4%
	Increase 6%-10%	8.7%	33.3%	14.3%	12.2%	7.6%	0.0%	17.6%	0.0%	20.3%	18.2%	15.8%	25.0%	13.7%
	Increase >10%	13.0%	0.0%	11.8%	8.2%	4.5%	6.3%	5.9%	11.1%	6.8%	9.1%	5.3%	6.3%	8.3%
	Unchanged	43.5%	16.7%	23.5%	44.9%	45.5%	68.8%	52.9%	55.6%	44.1%	36.4%	47.4%	43.8%	39.5%
	Decrease 1%-5%	17.4%	0.0%	13.4%	4.1%	12.1%	0.0%	5.9%	22.2%	5.1%	0.0%	10.5%	6.3%	9.5%
	Decrease 6%-10%	8.7%	0.0%	11.8%	2.0%	10.6%	18.8%	11.8%	0.0%	1.7%	9.1%	0.0%	6.3%	7.8%
	Decrease >10%	4.3%	16.7%	6.7%	14.3%	13.6%	6.3%	5.9%	0.0%	3.4%	0.0%	10.5%	0.0%	7.8%
	Sample size (n)	**23**	**6**	**119**	**49**	**66**	**16**	**17**	**9**	**59**	**11**	**19**	**16**	**410**
ii	**Inventory or stock level**													
	Increase 1%-5%	9.5%	50.0%	19.0%	8.2%	18.6%	0.0%	5.6%	0.0%	9.8%	22.2%	4.5%	5.9%	14.0%
	Increase 6%-10%	23.8%	0.0%	15.5%	16.3%	7.8%	10.5%	11.1%	0.0%	15.7%	11.1%	9.1%	5.9%	12.3%
	Increase >10%	4.8%	0.0%	9.5%	16.3%	8.5%	5.3%	22.2%	0.0%	5.9%	11.1%	13.6%	0.0%	9.3%
	Unchanged	47.6%	33.3%	37.9%	40.8%	36.4%	52.6%	38.9%	85.7%	60.8%	44.4%	59.1%	64.7%	44.2%
	Decrease 1%-5%	9.5%	0.0%	7.8%	10.2%	14.7%	15.8%	11.1%	14.3%	5.9%	0.0%	4.5%	11.8%	10.1%
	Decrease 6%-10%	0.0%	0.0%	4.3%	2.0%	7.0%	10.5%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	3.9%
	Decrease >10%	4.8%	16.7%	6.0%	6.1%	7.0%	5.3%	5.6%	0.0%	2.0%	11.1%	9.1%	11.8%	6.3%
	Sample size (n)	**21**	**6**	**116**	**49**	**129**	**19**	**18**	**7**	**51**	**9**	**22**	**17**	**464**
V	**Cost of raw materials**													
i	**Local**													
	Increase 1%-5%	12.5%	50.0%	30.3%	20.0%	25.0%	25.0%	16.0%	22.2%	19.6%	0.0%	17.4%	13.3%	22.8%
	Increase 6%-10%	33.3%	0.0%	29.4%	15.4%	23.1%	18.8%	8.0%	44.4%	17.9%	40.0%	21.7%	26.7%	23.2%
	Increase >10%	29.2%	25.0%	14.3%	43.1%	24.0%	6.3%	40.0%	22.2%	23.2%	0.0%	39.1%	20.0%	24.7%
	Unchanged	8.3%	25.0%	20.2%	15.4%	19.2%	50.0%	24.0%	11.1%	35.7%	50.0%	21.7%	33.3%	22.8%
	Decrease 1%-5%	12.5%	0.0%	2.5%	3.1%	5.8%	0.0%	12.0%	0.0%	1.8%	0.0%	0.0%	6.7%	4.0%
	Decrease 6%-10%	0.0%	0.0%	1.7%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%	10.0%	0.0%	0.0%	1.1%
	Decrease >10%	4.2%	0.0%	1.7%	3.1%	1.0%	0.0%	0.0%	0.0%	1.8%	0.0%	0.0%	0.0%	1.5%
	Sample size (n)	**24**	**4**	**119**	**65**	**104**	**16**	**25**	**9**	**56**	**10**	**23**	**15**	**470**
ii	**Imported**													
	Increase 1%-5%	10.0%	0.0%	34.0%	14.3%	18.3%	25.0%	20.0%	25.0%	15.6%	0.0%	6.3%	14.3%	20.5%
	Increase 6%-10%	25.0%	0.0%	25.5%	16.1%	24.7%	6.3%	15.0%	37.5%	13.3%	40.0%	25.0%	28.6%	22.0%
	Increase >10%	35.0%	0.0%	24.5%	46.4%	25.8%	25.0%	35.0%	12.5%	26.7%	0.0%	43.8%	14.3%	28.6%
	Unchanged	20.0%	100.0%	10.4%	19.6%	23.7%	43.8%	10.0%	12.5%	42.2%	50.0%	18.8%	35.7%	22.5%
	Decrease 1%-5%	5.0%	0.0%	2.8%	0.0%	3.2%	0.0%	10.0%	12.5%	2.2%	0.0%	6.3%	7.1%	3.2%
	Decrease 6%-10%	0.0%	0.0%	2.8%	0.0%	3.2%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%
	Decrease >10%	5.0%	0.0%	0.0%	3.6%	1.1%	0.0%	5.0%	0.0%	0.0%	10.0%	0.0%	0.0%	1.5%
	Sample size (n)	**20**	**1**	**106**	**56**	**93**	**16**	**20**	**8**	**45**	**10**	**16**	**14**	**405**
VI	**Manpower**													
i	**Number of employees**													
	Increase 1-5	14.8%	50.0%	15.9%	20.0%	19.5%	16.7%	27.5%	12.5%	25.8%	30.4%	10.7%	22.2%	20.4%
	Increase 6-10	11.1%	0.0%	7.9%	9.3%	4.0%	0.0%	17.5%	12.5%	13.3%	13.0%	7.1%	14.8%	9.1%
	Increase >10	7.4%	0.0%	7.1%	6.7%	3.4%	0.0%	7.5%	25.0%	7.5%	4.3%	10.7%	11.1%	6.7%
	Unchanged	51.9%	50.0%	47.6%	50.7%	61.1%	75.0%	37.5%	50.0%	44.2%	52.2%	57.1%	48.1%	51.6%
	Decrease 1-5	14.8%	0.0%	13.5%	5.3%	10.1%	4.2%	7.5%	0.0%	6.7%	0.0%	7.1%	3.7%	8.3%
	Decrease 6-10	0.0%	0.0%	4.0%	4.0%	0.0%	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%
	Decrease >10	0.0%	0.0%	4.0%	4.0%	2.0%	0.0%	2.5%	0.0%	2.5%	0.0%	7.1%	0.0%	2.6%
	Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
ii	**Wage growth**													
	Increase 1%-5%	22.2%	50.0%	31.7%	29.3%	30.2%	16.7%	30.0%	31.3%	28.3%	30.4%	14.3%	29.6%	28.7%
	Increase 6%-10%	18.5%	16.7%	23.8%	18.7%	17.4%	8.3%	12.5%	25.0%	18.3%	26.1%	3.7%	3.7%	17.9%
	Increase >10%	14.8%	0.0%	8.7%	9.3%	10.1%	8.3%	15.0%	0.0%	15.8%	0.0%	28.6%	22.2%	11.8%
	Unchanged	40.7%	33.3%	31.0%	40.0%	39.6%	58.3%	40.0%	37.5%	36.7%	43.5%	50.0%	44.4%	38.9%
	Decrease 1%-5%	3.7%	0.0%	0.8%	1.3%	1.3%	8.3%	0.0%	0.0%	0.8%	0.0%	0.0%	0.0%	1.2%
	Decrease 6%-10%	0.0%	0.0%	0.8%	0.0%	0.7%	0.0%	0.0%	6.3%	0.0%	0.0%	0.0%	0.0%	0.5%
	Decrease >10%	0.0%	0.0%	3.2%	1.3%	0.7%	0.0%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%
	Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
VII	**Other**													
i	**Capital expenditure**													
	Increase 1%-5%	16.7%	50.0%	23.5%	16.1%	20.6%	19.0%	25.0%	33.3%	22.0%	23.5%	17.4%	8.7%	21.1%
	Increase 6%-10%	20.8%	16.7%	20.0%	16.1%	13.7%	14.3%	28.1%	6.7%	7.7%	11.8%	8.7%	30.4%	15.7%
	Increase >10%	29.2%	16.7%	15.7%	22.6%	24.4%	14.3%	28.1%	20.0%	19.8%	5.9%	30.4%	21.7%	21.1%
	Unchanged	25.0%	16.7%	36.5%	40.3%	35.9%	47.6%	15.6%	33.3%	47.3%	52.9%	43.5%	39.1%	37.9%
	Decrease 1%-5%	8.3%	0.0%	2.6%	3.2%	3.8%	4.8%	3.1%	6.7%	2.2%	5.9%	0.0%	0.0%	3.2%
	Decrease 6%-10%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	0.2%
	Decrease >10%	0.0%	0.0%	1.7%	1.6%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%
	Sample size (n)	**24**	**6**	**115**	**62**	**131**	**21**	**32**	**15**	**91**	**17**	**23**	**23**	**560**

MALAYSIA'S BUSINESS AND ECONOMIC CONDITIONS SURVEY (M-BECS) RESULTS

FOR THE 1ST HALF-YEAR OF 2024 (JAN-JUN 2024) AND OUTLOOK FOR THE 2ND HALF-YEAR OF 2024 (JUL-DEC 2024)

	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 Issue													
Manpower Skills and Training													
C1 **Please indicate the share of employees by skill category in your company.**													
i **Low-skilled worker**													
0%	0.0%	0.0%	2.4%	13.9%	11.4%	8.3%	9.1%	40.0%	37.3%	25.0%	27.8%	41.7%	16.3%
1% – 10%	10.0%	66.7%	18.1%	19.4%	15.9%	8.3%	0.0%	0.0%	27.1%	12.5%	27.8%	16.7%	18.3%
11% – 20%	0.0%	0.0%	22.9%	16.7%	5.7%	8.3%	27.3%	10.0%	23.7%	37.5%	0.0%	16.7%	15.4%
21% – 30%	0.0%	0.0%	6.0%	11.1%	5.7%	8.3%	9.1%	10.0%	6.8%	25.0%	16.7%	8.3%	7.7%
31% – 40%	10.0%	0.0%	8.4%	8.3%	14.8%	0.0%	9.1%	0.0%	0.0%	0.0%	5.6%	0.0%	7.4%
41% – 50%	10.0%	33.3%	14.5%	5.6%	17.0%	33.3%	36.4%	20.0%	0.0%	0.0%	11.1%	8.3%	12.6%
≥ 51%	70.0%	0.0%	27.7%	25.0%	29.5%	33.3%	9.1%	20.0%	5.1%	0.0%	11.1%	8.3%	22.3%
Sample size (n)	**10**	**3**	**83**	**36**	**88**	**12**	**11**	**10**	**59**	**8**	**18**	**12**	**350**
ii **Semi-skilled worker**													
0%	0.0%	0.0%	1.2%	0.0%	9.9%	0.0%	16.7%	0.0%	10.0%	0.0%	0.0%	6.3%	5.1%
1% – 10%	50.0%	0.0%	2.4%	2.7%	6.6%	0.0%	0.0%	0.0%	18.3%	9.1%	5.3%	6.3%	7.6%
11% – 20%	10.0%	0.0%	14.1%	8.1%	7.7%	15.4%	8.3%	10.0%	5.0%	0.0%	10.5%	12.5%	9.2%
21% – 30%	20.0%	20.0%	27.1%	32.4%	15.4%	30.8%	16.7%	50.0%	16.7%	27.3%	5.3%	31.3%	22.2%
31% – 40%	10.0%	20.0%	22.4%	13.5%	20.9%	15.4%	8.3%	0.0%	20.0%	18.2%	21.1%	18.8%	18.7%
41% – 50%	10.0%	0.0%	15.3%	16.2%	14.3%	15.4%	8.3%	10.0%	11.7%	18.2%	31.6%	6.3%	14.4%
≥ 51%	0.0%	60.0%	17.6%	27.0%	25.3%	23.1%	41.7%	30.0%	18.3%	27.3%	26.3%	18.8%	22.8%
Sample size (n)	**10**	**5**	**85**	**37**	**91**	**13**	**12**	**10**	**60**	**11**	**19**	**16**	**369**
iii **Skilled worker**													
0%	20.0%	20.0%	0.0%	0.0%	14.6%	16.7%	0.0%	10.0%	5.6%	0.0%	0.0%	0.0%	6.1%
1% – 10%	50.0%	40.0%	31.8%	24.3%	29.2%	16.7%	16.7%	10.0%	6.9%	18.2%	15.8%	11.8%	22.2%
11% – 20%	10.0%	0.0%	25.9%	18.9%	27.0%	8.3%	33.3%	40.0%	2.8%	27.3%	21.1%	5.9%	19.3%
21% – 30%	10.0%	0.0%	12.9%	18.9%	7.9%	8.3%	25.0%	10.0%	2.8%	0.0%	10.5%	0.0%	9.2%
31% – 40%	0.0%	0.0%	9.4%	13.5%	5.6%	8.3%	0.0%	0.0%	15.3%	0.0%	10.5%	11.8%	9.0%
41% – 50%	0.0%	0.0%	16.5%	16.2%	6.7%	16.7%	8.3%	0.0%	8.3%	18.2%	31.6%	23.5%	12.4%
≥ 51%	10.0%	40.0%	3.5%	8.1%	9.0%	25.0%	16.7%	30.0%	58.3%	54.5%	10.5%	47.1%	21.9%
Sample size (n)	**10**	**5**	**85**	**37**	**89**	**12**	**12**	**10**	**72**	**11**	**19**	**17**	**379**
C2 **Please indicate the manpower shortage by skill category in your company.**													
No manpower shortage	18.5%	16.7%	19.8%	18.7%	32.2%	33.3%	37.5%	31.3%	27.5%	26.1%	28.6%	14.8%	26.0%
Low-skilled	14.8%	0.0%	14.3%	22.7%	22.8%	37.5%	10.0%	6.3%	5.0%	13.0%	14.3%	11.1%	15.6%
Semi-skilled	25.9%	66.7%	35.7%	28.0%	30.2%	4.2%	27.5%	31.3%	27.5%	39.1%	28.6%	29.6%	29.8%
Skilled	40.7%	16.7%	30.2%	30.7%	14.8%	25.0%	25.0%	31.3%	40.0%	21.7%	28.6%	44.4%	28.6%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
C3 **What technical skills are lacking in your organisation?** *(Select all that apply)*													
None	11.1%	0.0%	11.1%	6.7%	15.4%	16.7%	22.5%	25.0%	12.5%	21.7%	14.3%	3.7%	13.2%
ESG	22.2%	50.0%	23.8%	22.7%	16.8%	8.3%	15.0%	6.3%	16.7%	21.7%	14.3%	22.2%	18.9%
Marketing	37.0%	33.3%	43.7%	29.3%	59.1%	45.8%	47.5%	43.8%	34.2%	43.5%	57.1%	44.4%	44.3%
Engineering	14.8%	66.7%	37.3%	57.3%	14.1%	0.0%	10.0%	6.3%	8.3%	0.0%	35.7%	11.1%	22.2%
IT	18.5%	50.0%	29.4%	22.7%	27.5%	33.3%	17.5%	25.0%	26.7%	26.1%	35.7%	63.0%	28.3%
Data analytics	33.3%	16.7%	25.4%	29.3%	34.9%	41.7%	12.5%	31.3%	27.5%	39.1%	28.6%	14.8%	28.7%
Cybersecurity	14.8%	16.7%	14.3%	12.0%	16.1%	20.8%	5.0%	18.8%	15.8%	4.3%	21.4%	18.5%	14.7%
Accounting and finance	22.2%	33.3%	17.5%	29.3%	29.5%	29.2%	5.0%	31.3%	30.8%	39.1%	28.6%	18.5%	25.6%
Others	3.7%	33.3%	11.9%	9.3%	3.4%	0.0%	17.5%	6.3%	11.7%	13.0%	7.1%	0.0%	8.6%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
C4 **What important soft skills that your employees are lacking?** *(Select all that apply)*													
None	18.5%	16.7%	7.1%	10.7%	12.1%	20.8%	17.5%	12.5%	10.0%	26.1%	10.7%	11.1%	12.0%
Adaptability	11.1%	0.0%	29.4%	24.0%	24.8%	29.2%	30.0%	31.3%	32.5%	30.4%	28.6%	40.7%	27.8%
Leadership	25.9%	83.3%	54.0%	49.3%	45.6%	33.3%	52.5%	50.0%	45.0%	43.5%	67.9%	40.7%	47.8%
Time management	33.3%	33.3%	37.3%	45.3%	31.5%	25.0%	17.5%	18.8%	35.0%	26.1%	50.0%	48.1%	34.8%
Teamwork	44.4%	50.0%	42.1%	44.0%	38.9%	33.3%	35.0%	31.3%	30.8%	21.7%	39.3%	29.6%	37.4%
Creativity	29.6%	33.3%	49.2%	42.7%	41.6%	37.5%	42.5%	43.8%	35.0%	34.8%	60.7%	51.9%	42.4%
Emotional intelligence	25.9%	33.3%	28.6%	22.7%	24.8%	16.7%	27.5%	12.5%	32.5%	17.4%	25.0%	33.3%	26.5%
Communication	51.9%	50.0%	46.0%	38.7%	45.6%	20.8%	42.5%	56.3%	53.3%	34.8%	60.7%	51.9%	46.3%
Others	0.0%	16.7%	3.2%	1.3%	1.3%	0.0%	2.5%	0.0%	1.7%	4.3%	0.0%	3.7%	2.0%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
C5 **What types of employee training platforms used by your company?** *(Select all that apply)*													
In-house training	63.0%	16.7%	69.8%	56.0%	57.0%	58.3%	52.5%	56.3%	75.0%	65.2%	71.4%	81.5%	64.1%
Seminars/events/conferences	22.2%	83.3%	38.9%	38.7%	29.5%	29.2%	20.0%	18.8%	41.7%	56.5%	50.0%	40.7%	36.2%
External training providers	22.2%	83.3%	53.2%	44.0%	28.9%	33.3%	12.5%	6.3%	27.5%	34.8%	50.0%	33.3%	35.1%
Online learning tools	22.2%	33.3%	25.4%	34.7%	29.5%	16.7%	25.0%	0.0%	32.5%	47.8%	42.9%	33.3%	29.5%
Not applicable/not relevant	22.2%	0.0%	4.8%	9.3%	18.8%	20.8%	15.0%	31.3%	5.8%	21.7%	10.7%	7.4%	12.1%
Others	0.0%	16.7%	0.8%	1.3%	0.0%	0.0%	0.0%	0.0%	1.7%	4.3%	0.0%	0.0%	0.9%
Sample size (n)	**27**	**6**	**126**	**75**	**149**	**24**	**40**	**16**	**120**	**23**	**28**	**27**	**661**
C6 **Please indicate the types of skillset training needed by your company.** *(Select all that apply)*													
ESG	33.3%	50.0%	31.7%	36.8%	17.4%	26.3%	20.6%	36.4%	26.5%	33.3%	24.0%	12.0%	26.7%
Data analytics	33.3%	50.0%	34.2%	39.7%	43.8%	47.4%	20.6%	27.3%	27.4%	27.8%	36.0%	24.0%	34.6%
Digital marketing	33.3%	50.0%	40.8%	33.8%	62.0%	57.9%	44.1%	36.4%	30.1%	61.1%	64.0%	44.0%	44.6%
Communication	33.3%	50.0%	34.2%	36.8%	48.8%	26.3%	55.9%	36.4%	40.7%	61.1%	76.0%	40.0%	42.9%
Cybersecurity	14.3%	0.0%	12.5%	11.8%	15.7%	15.8%	11.8%	9.1%	18.6%	16.7%	20.0%	24.0%	15.1%
Cloud computing	14.3%	16.7%	11.7%	13.2%	11.6%	5.3%	11.8%	9.1%	23.0%	5.6%	16.0%	16.0%	14.1%
Problem-solving	28.6%	66.7%	60.8%	50.0%	49.6%	31.6%	52.9%	45.5%	50.4%	50.0%	72.0%	60.0%	52.5%
Project management	23.8%	66.7%	36.7%	61.8%	30.6%	21.1%	35.3%	45.5%	32.7%	27.8%	64.0%	32.0%	37.7%
Basic office productivity tools (e.g. Microsoft Office)	4.8%	0.0%	11.7%	25.0%	17.4%	0.0%	11.8%	18.2%	19.5%	22.2%	8.0%	4.0%	15.1%
Industry-specific training	28.6%	16.7%	41.7%	39.7%	34.7%	15.8%	20.6%	36.4%	33.6%	33.3%	32.0%	32.0%	34.4%
Others	9.5%	0.0%	2.5%	1.5%	5.0%	5.3%	5.9%	0.0%	1.8%	5.6%	0.0%	0.0%	3.1%
Sample size (n)	**21**	**6**	**120**	**68**	**121**	**19**	**34**	**11**	**113**	**18**	**25**	**25**	**581**

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	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
C7 Please indicate the following HRD Corp training schemes your company participates in? *(Select all that apply)*													
HRD Corp Claimable Courses	51.9%	66.7%	69.0%	50.7%	40.3%	50.0%	35.0%	37.5%	40.8%	30.4%	53.6%	48.1%	48.3%
Upskilling and upgrading of employees (excluding HRD Corp Claimable Courses)	33.3%	33.3%	40.5%	45.3%	26.8%	25.0%	15.0%	18.8%	32.5%	47.8%	25.0%	25.9%	32.5%
Future workers training	18.5%	33.3%	23.0%	36.0%	22.8%	16.7%	17.5%	6.3%	25.0%	25.0%	25.0%	14.8%	23.4%
Setup of internal training facilities	22.2%	0.0%	28.6%	28.0%	26.2%	12.5%	10.0%	18.8%	29.2%	21.7%	28.6%	22.2%	25.1%
Not applicable/not relevant	29.6%	0.0%	10.3%	17.3%	31.5%	37.5%	42.5%	50.0%	37.5%	34.8%	32.1%	18.5%	27.5%
Others	0.0%	0.0%	1.6%	1.3%	0.7%	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	7.4%	1.1%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	27	661
C8 How frequently do you send employees to HRD Corp training schemes in a year?													
0	58.8%	0.0%	22.1%	35.4%	51.4%	31.3%	66.7%	69.2%	58.9%	63.6%	37.5%	36.8%	43.6%
1	5.9%	33.3%	18.6%	16.9%	21.1%	31.3%	7.4%	0.0%	14.4%	0.0%	12.5%	21.1%	16.7%
2	5.9%	50.0%	30.1%	26.2%	6.4%	31.3%	7.4%	15.4%	11.1%	9.1%	31.3%	15.8%	17.9%
3	5.9%	0.0%	11.5%	3.1%	11.0%	6.3%	3.7%	7.7%	3.3%	0.0%	0.0%	0.0%	6.8%
≥4	23.5%	16.7%	17.7%	18.5%	10.1%	0.0%	14.8%	7.7%	12.2%	27.3%	18.8%	26.3%	14.9%
Sample size (n)	17	6	113	65	109	16	27	13	90	11	16	19	502
C9 What is your company's starting salary for fresh graduates?													
< RM2,000	44.4%	50.0%	31.0%	26.7%	51.7%	16.7%	35.0%	31.3%	24.2%	43.5%	21.4%	26.9%	34.2%
RM2,001 to RM2,500	33.3%	33.3%	38.9%	44.0%	33.6%	45.8%	40.0%	31.3%	45.8%	26.1%	35.7%	26.9%	38.3%
RM2,501 to RM3,000	18.5%	16.7%	20.6%	20.0%	9.4%	20.8%	20.0%	31.3%	15.8%	17.4%	25.0%	15.4%	17.1%
RM3,001 to RM3,500	3.7%	0.0%	6.3%	6.7%	4.7%	8.3%	2.5%	6.3%	12.5%	13.0%	14.3%	15.4%	7.7%
RM3,501 to RM4,000	0.0%	0.0%	1.6%	1.3%	0.7%	4.2%	2.5%	0.0%	1.7%	0.0%	0.0%	7.7%	1.5%
> RM4,000	0.0%	0.0%	1.6%	1.3%	0.0%	4.2%	0.0%	0.0%	0.0%	0.0%	3.6%	7.7%	1.1%
Sample size (n)	27	6	126	75	149	24	40	16	120	23	28	26	660
C10 Please state the reasons for not offering a salary more than RM3,000 to fresh graduate. *(Select all that apply)*													
Lack of specific skills	53.8%	16.7%	57.9%	72.1%	54.6%	50.0%	52.6%	60.0%	58.3%	45.0%	56.5%	52.6%	57.0%
Follow the market rate	30.8%	83.3%	41.2%	39.7%	48.2%	20.0%	36.8%	53.3%	47.6%	65.0%	47.8%	47.4%	44.4%
As long as it is higher than minimum wage	3.8%	50.0%	8.8%	14.7%	13.5%	15.0%	5.3%	0.0%	13.6%	15.0%	17.4%	15.8%	12.1%
Assess their performance during the probation	53.8%	50.0%	68.4%	66.2%	57.4%	50.0%	60.5%	60.0%	60.2%	50.0%	78.3%	63.2%	61.6%
Fresh graduates are not hired for skilled occupation	19.2%	16.7%	14.9%	22.1%	17.7%	20.0%	13.2%	26.7%	22.3%	15.0%	8.7%	21.1%	18.2%
Financially constrained	15.4%	50.0%	14.0%	23.5%	22.7%	20.0%	18.4%	13.3%	16.5%	20.0%	17.4%	31.6%	19.4%
Others	0.0%	0.0%	2.6%	4.4%	1.4%	0.0%	2.6%	6.7%	0.0%	0.0%	0.0%	0.0%	1.7%
Sample size (n)	26	6	114	68	141	20	38	15	103	20	23	19	593

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

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