



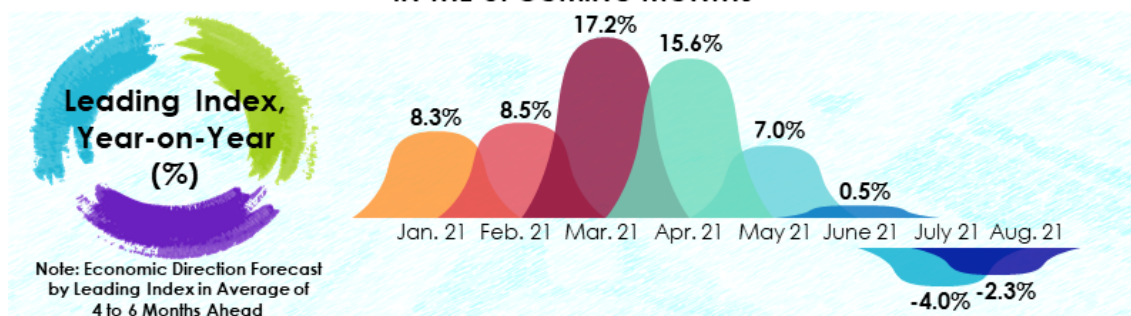
PRIME MINISTER'S DEPARTMENT
DEPARTMENT OF STATISTICS MALAYSIA

PRESS RELEASE

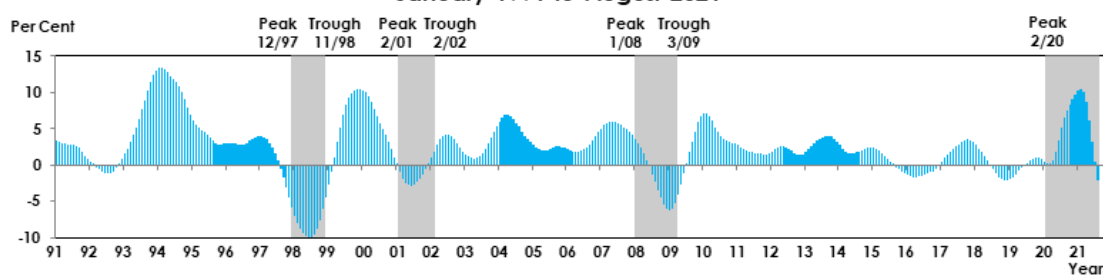
MALAYSIAN ECONOMIC INDICATORS: LEADING, COINCIDENT & LAGGING
INDEXES AUGUST 2021



LEADING INDEX IMPROVED TO NEGATIVE 2.3 PER CENT IN AUGUST 2021,
INDICATING MALAYSIA'S ECONOMY IS LIKELY TO PICK UP
IN THE UPCOMING MONTHS



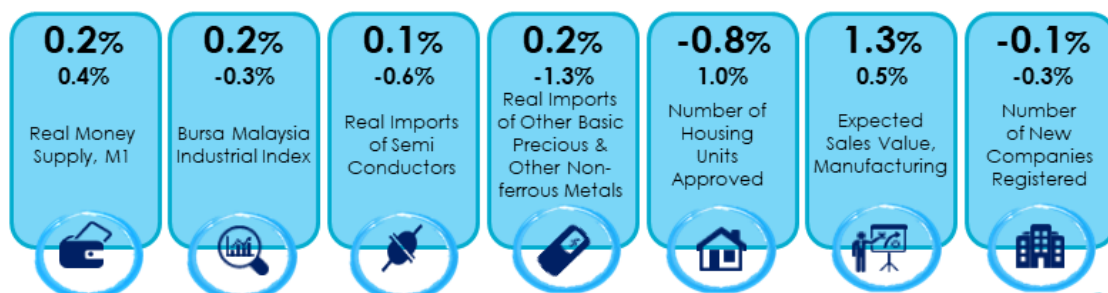
Annual Growth Rate of Leading Index (Smoothed) and Business Cycle (Grey Shaded Areas), January 1991 to August 2021



August 21: **1.1%**
July 21: **-0.6%**

Leading Index, Month-on-Month (%)

Contribution of Each Component to the Percentage Change in the Leading Index from the Previous Month





Leading Index improved to negative 2.3 per cent in August 2021, indicating Malaysia's economy is likely to pick up in the upcoming months

The performance of Leading Index (LI) for August 2021 eased to 106.2 points, registering a better negative growth of 2.3 per cent (July 2021: -4.0%) as against the same month in 2020. The decrease in LI was influenced mainly by the drop in the Number of Housing Units Approved following challenging real estate market and pessimistic sentiment among investors during the pandemic. With regard to monthly comparison, the LI went up by 1.1 per cent with most components posted positive growth primarily led by a hike in Expected Sales Value in Manufacturing sector (1.3%). Taken together the better performance of LI and the transition of more states under the National Recovery Plan (NRP), it is foreseen that the country's economy is most likely to pick up in the upcoming months. Further to this, the economic development prospects formulated in the 12th Malaysia Plan will navigate economic recovery through long term global and national agendas over 2021 to 2025.

The Coincident Index (CI) as the reflection of current economic activity performance declined 1.6 per cent in August 2021 (July 2021: -5.2%), albeit a better downward trend. It recorded 108.2 points as against 110.0 points in the corresponding month in the preceding year. In terms of month-on-month, the CI edged up 4.2 per cent in August 2021. Capacity Utilisation in Manufacturing sector (2.9%) and Volume Index of Retail Trade (0.9%) were the main contributors to the increase.




The Diffusion Indexes for LI and CI continue below 50.0 per cent with Diffusion index for LI at 14.3 per cent. Concurrently, all components of the Diffusion Index for CI fell as compared to the previous six months.

The complete indicators on Leading, Coincident and Lagging Indexes are shown in the following Table 4  .

The full publication of the Malaysian Economic Indicators: Leading, Coincident & Lagging Indexes, August 2021 can be downloaded through [eStatistik](#) Portal.

Released By:

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