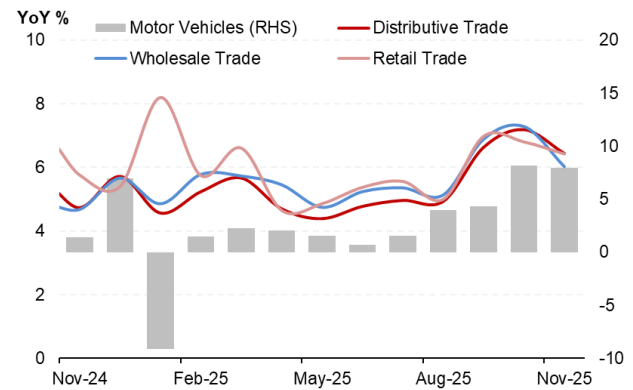


Malaysia Distributive Trade

November sales soften ahead of seasonal surge; 2026 outlook remains positive

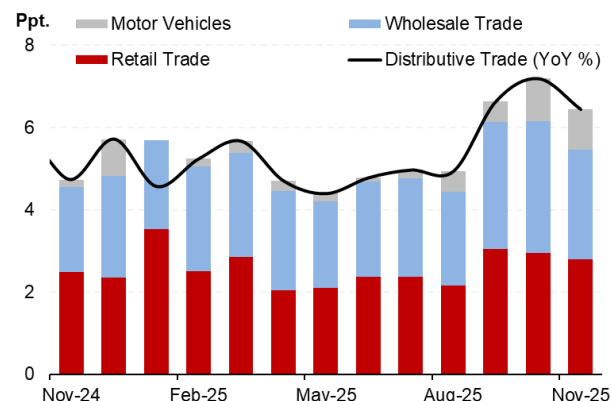
- Distributive trade sales moderated to 6.4% YoY (Oct: 7.2%), following strong growth in the previous month**
 - MoM** (-1.2%; Oct: 1.8%): Fell to a seven-month low, in line with seasonal trends, as November typically records weaker monthly growth.
 - Sales value** (RM159.0b: Oct: RM160.9b): Declined slightly after hitting a record high in October.
- Broad-based slowdown, led by sharply weaker wholesale trade**
 - Wholesale trade** (6.0%; Oct: 7.3%): Slowed to a three-month low, dragged by agricultural, raw materials & live animals (3.0%; Oct: 7.5%), non-specialised (5.5%; Oct: 9.7%), and machinery, equipment & supplies (6.4%; Oct: 10.0%).
 - Retail trade** (6.4%; Oct: 6.8%): Eased due to a broad-based moderation, led by slower sales of information and computer equipment (4.9%; Oct: 6.5%) and not in stores, stalls or market (7.2%; Oct: 8.6%).
 - Motor vehicles** (8.0%; Oct: 8.2%): Edged down slightly as vehicles sales (8.9%; Oct: 9.5%) softened, with monthly unit sales falling to 72.5k from 76.0k units previously. However, strong sales of maintenance & repair (7.5%; Oct: 3.1%) helped offset the slowdown.
- Retail sales growth remained relatively strong among selected regional peers in November**
 - SG (6.3%; Oct: 4.4%): Rose to a 21-month high, driven by robust sales of recreational goods, cosmetics, toiletries and medical goods.
 - HK (6.5%; Oct: 6.9%): Moderated slightly but stayed positive for the seventh straight month, supported by seasonal demand for sales of electronics and luxury goods.
- 2025 distributive trade forecast maintained at 5.7% (2024: 5.5%), with growth projected to accelerate to 6.1% in 2026, supported by Visit Malaysia 2026 momentum and resilient domestic demand**
 - Outlook:** Sales growth averaged 5.4% YoY in the first 11 months of 2025 (Jan-Oct: 5.3%), underpinned by strong momentum since September. We expect growth to accelerate in December, supported by festive spending, year-end promotions, and rising tourist arrivals. Various government fiscal measures are also expected to support sales growth in 2026. These include the government's special one-off SARA RM100 transfers to all 22.0m Malaysian citizens, Rahmah Cash Contribution (STR), early schooling aid (BAP) benefitting 5.2m students and the Public Service Remuneration System (SSPA) Phase 2 salary adjustment effective January 2026 for civil servants.
 - GDP Forecast:** A relatively strong distributive trade in 4Q25 should support our 4Q25 GDP growth projection of 5.0% (3Q25: 5.2%), bringing full-year growth to 4.8% (2024: 5.1%). Consumer spending typically peaks in December on festive demand and promotions. However, we remain cautiously optimistic for 2026 outlook particularly for manufacturing export-oriented and mining sectors given global uncertainty, lingering geopolitical risk and the delayed impact of higher US tariffs which could cap growth potential. That said, we maintain our 2026 GDP forecast at 4.2%.

Graph 1: Sales Value Growth



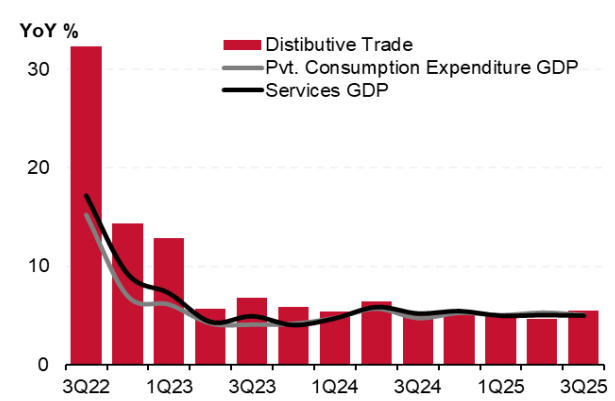
Source: Macrobond, Dept. of Statistics, Kenanga Research

Graph 2: Contribution to Overall Sales Value



Source: Macrobond, Dept. of Statistics, Kenanga Research

Graph 3: Pvt. Consumption, Services & Distributive Trade



Source: Macrobond, Dept. of Statistics, Kenanga Research

12 January 2026

Table 1: Distributive Trade Sales by Sub-sector (YoY %)

	% Share*	2023	2024	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Distributive Trade	100.0	7.7	5.5	4.8	5.0	4.9	6.6	7.2	6.4
Wholesale Trade	44.3	5.2	4.7	5.2	5.4	5.1	6.9	7.3	6.0
Other Specialised	16.5	3.0	2.6	2.8	4.0	4.8	5.4	4.9	5.1
Household Goods	9.2	7.0	5.3	5.3	6.7	5.4	8.2	8.4	8.5
Food, Beverages and Tobacco	8.9	7.2	6.4	6.7	6.6	5.4	7.2	9.2	6.7
Agricultural Raw Materials and Live Animals	4.1	7.9	7.2	12.2	4.7	5.2	9.3	7.5	3.0
Machinery, Equipment and Supplies	3.5	2.3	5.4	3.9	5.9	4.9	7.0	10.0	6.4
Non-specialised	1.3	7.0	6.3	9.0	5.8	6.1	7.2	9.7	5.5
Fee or Contract Basis	0.8	7.0	4.1	5.2	5.5	4.9	5.8	5.9	4.1
Retail Trade	43.3	9.0	6.1	5.4	5.6	5.0	7.0	6.8	6.4
Non-specialised Stores	16.6	12.0	6.9	5.7	5.5	5.6	9.9	9.1	8.7
Other Goods in Specialised Stores	9.1	9.9	8.3	5.9	7.6	6.0	5.8	5.2	5.1
Other Household Equipment in Specialised Stores	5.0	3.2	4.2	3.8	3.6	2.6	2.5	2.8	3.0
Automotive Fuel in Specialised Stores	4.0	14.0	5.5	6.0	6.6	5.3	7.0	7.2	6.7
Information and Communication Equipment in Specialised Stores	3.4	0.3	0.5	4.1	3.3	3.1	4.2	6.5	4.9
Food, Beverages and Tobacco in Specialised Stores	2.7	13.3	7.5	6.5	6.1	5.5	6.2	6.9	6.3
Cultural and Recreation Goods in Specialised Stores	1.9	0.1	4.2	3.4	3.0	3.1	4.6	4.3	4.1
Not in Stores, Stalls or Markets	0.4	4.8	6.4	5.4	5.1	5.0	9.2	8.6	7.2
Stalls and Markets	0.1	9.6	5.4	5.8	5.5	5.2	5.3	5.5	5.3
Motor Vehicles	12.4	12.3	6.5	0.7	1.6	4.0	4.3	8.2	8.0
Sales of Motor Vehicles	6.4	11.4	3.3	-2.8	-1.1	4.2	1.9	9.5	8.9
Parts and Accessories	3.4	17.3	10.7	3.0	2.9	2.0	6.7	6.2	5.9
Maintenance and Repair	1.8	18.6	10.6	4.8	6.2	5.2	9.6	9.1	8.7
Sale, Maintenance and Repair of Motorcycles Related	0.8	-8.6	7.0	7.1	7.5	7.8	-0.3	3.1	7.5

Source: Macrobond, Dept. of Statistics, Kenanga Research

*Average 2024

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