BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

BNM Quarterly Bulletin

2Q

Second Quarter 2026

The BNM Quarterly Bulletin presents a quarterly review of Malaysia's economic, monetary and financial developments. It includes BNM's latest assessments on the direction of the economy going forward. The Bulletin also provides insights on current economic and financial issues, including highlights of policy initiatives undertaken by BNM in pursuit of its mandates.

Contents

Key Highlights for 2Q 2026

Stronger GDP growth of 6% (1Q 2026: 5.4%)

What are the factors supporting growth?

Stronger exports growth
Exports of Goods and Services: 17% (1Q 2026: 5.2%)

Sustained household spending
Private Consumption: 4.8% (1Q 2026: 4.7%)

Continued investment activities
Gross Fixed Capital Formation: 4.6% (1Q 2026: 7.3%)

Labour market conditions remained favourable

Unemployment Rate
3%
(1Q 2026: 2.9%)

Private Sector Nominal Wages
4.2%
(1Q 2026: 4.1%)

Headline inflation rose to 1.9% (1Q 2026: 1.6%)

What are the key factors affecting inflation?

Higher fuel prices, mainly driven by higher RON97 and diesel prices
Fuel inflation: 5%
(1Q 2026: -1.5%)

Lower core inflation mainly driven by jewellery and watches and rent
Core inflation: 1.9%
(1Q 2026: 2.1%)

The ringgit remained broadly stable against currencies of major trading partners during the quarter

Ringgit NEER*
-0.8%
(1Q 2026: +1.4%;
YTD: -1%)

MYR/USD
-0.8%
(1Q 2026: +0.5%;
YTD: -0.9%)

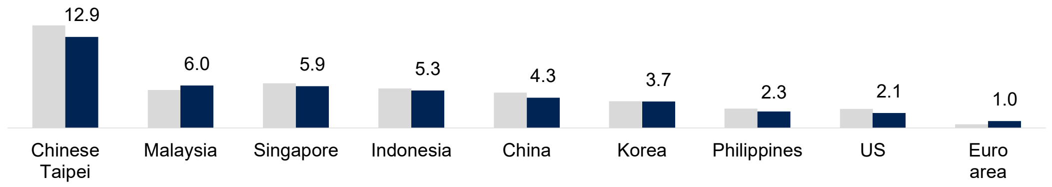
US Dollar Index
+1.2%
(1Q 2026: +1.7%;
YTD: +1.7%)

*NEER: Nominal Effective Exchange Rate
Note: YTD as of 12 August 2026.

Global Economic Performance

Broadly resilient global growth in 2Q 2026

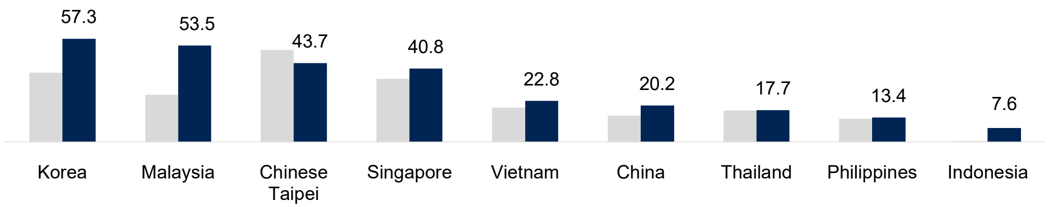
GDP of selected economies,
Annual change, %



Source: National authorities

Robust trade growth among regional economies

Exports of selected economies,
Annual change, % (in USD terms)



Source: National authorities

Highlights

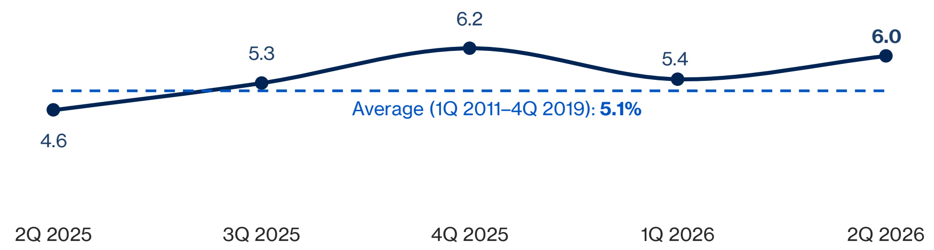
- **Global growth was broadly resilient in 2Q 2026,** supported by strong global tech expansion and adaptation to supply disruptions. Growth in the US was anchored by consumption and AI-driven investments. In China, growth was broadly sustained as stronger exports offset moderating domestic demand.
- **Robust trade growth among regional economies.** Strong demand for tech products, particularly AI-related components, continued to boost export growth in several economies. Meanwhile, fuel-related exports from the region increased amid higher prices.
- **Rising headline inflation in advanced and emerging market economies**, as higher prices of oil and other key commodities raised producer costs and consumer prices.
- **Average dated Brent crude oil prices rose sharply** to USD104 per barrel in 2Q 2026 (1Q 2026: USD81 per barrel), driven by the escalation of conflict in the Middle East early in the quarter. Despite oil flows remaining well below pre-conflict levels throughout the quarter, Brent prices eased to more moderate levels following the interim peace deal and ongoing negotiations towards the end of 2Q 2026. More recently, renewed tensions have led to intermittent increases in oil prices. Looking ahead, the prospect of further de-escalation could help limit upward pressure on oil prices, although risks remain skewed to the upside amid persistent geopolitical uncertainty.

Developments in the Malaysian Economy

Gross Domestic Product

Stronger GDP growth of 6% in 2Q 2026

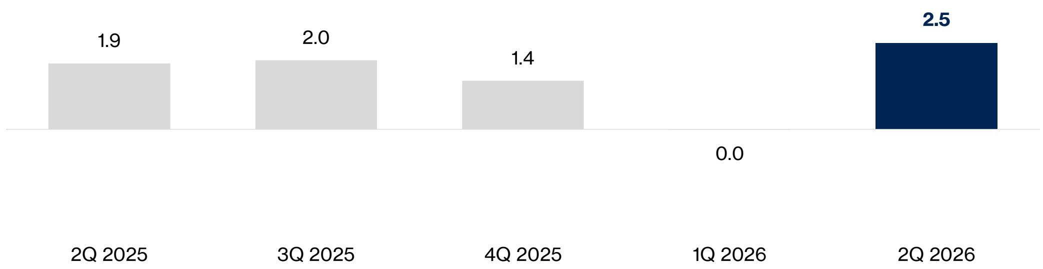
Gross domestic product,
Annual change, %



Source: Department of Statistics, Malaysia

On a QoQ seasonally adjusted basis, the economy expanded by 2.5%

Gross domestic product,
Quarterly change, % (seasonally adjusted)



Source: Department of Statistics, Malaysia

What are the factors supporting growth in 2Q 2026?

Stronger export growth driven by robust demand for electrical and electronics (E&E), petroleum products, tourist spending as well as information and communication technology (ICT) services

Sustained growth in household spending driven by favourable labour market, steady income growth and ongoing policy support

Continued private investment underpinned by spending on structures, as well as machinery and equipment

Malaysia's Economic Performance

Continued expansion in domestic demand and strong external sector performance

Annual change, %

Private Consumption

4.8%
(1Q 2026: 4.7%)

Favourable labour market, steady income growth and continued policy support

Private Investment

4.3%
(1Q 2026: 7.8%)

Continued spending in both structures and machinery & equipment

Public Consumption

7.6%
(1Q 2026: 4.1%)

Higher supplies and services together with emoluments spending

Public Investment

6.3%
(1Q 2026: 5.3%)

Higher fixed asset spending by Federal Government and public corporations

Net Exports

168.5%
(1Q 2026: 13.5%)

Robust E&E demand amid global tech expansion, coupled with base effects

Source: Department of Statistics, Malaysia

Growth supported by services and manufacturing sectors

Annual change, %

Services

5.9%
(1Q 2026: 5.6%)

Higher growth driven by business-related services, particularly ICT amid sustained data centre demand, as well as finance and insurance subsector

Manufacturing

7.3%
(1Q 2026: 5.9%)

Robust growth driven by export-oriented clusters, particularly in E&E following strong AI-related demand

Agriculture

-3.7%
(1Q 2026: 2.6%)

Lower growth as oil palm production normalised following strong yield in 2025

Mining

9.2%
(1Q 2026: -2.1%)

Higher growth driven mainly by stronger natural gas production and base effects from maintenance activities in 2025

Construction

6.5%
(1Q 2026: 7.7%)

Modest growth supported primarily by continued special trade and non-residential activities

Source: Department of Statistics, Malaysia

Labour Market Conditions

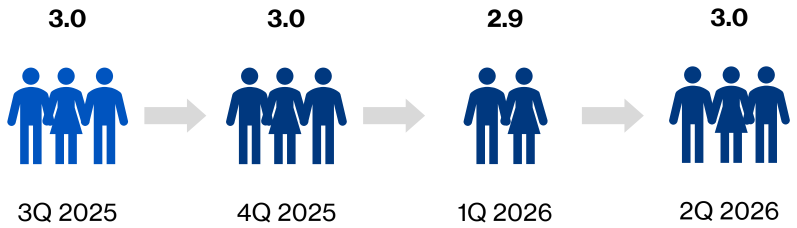
Labour market remained favourable

- The unemployment rate stood at 3% in 2Q 2026 (1Q 2026: 2.9%, 2015-2019: 3.3%).
- Employment edged up to 16.77 million persons in 2Q 2026 (1Q 2026: 16.73 million persons) amid continued demand for labour.
- Labour supply remained forthcoming, with the labour force participation rate unchanged at 70.9% in 2Q 2026 (1Q 2026: 70.9%).

Source: Department of Statistics, Malaysia

Low unemployment rate

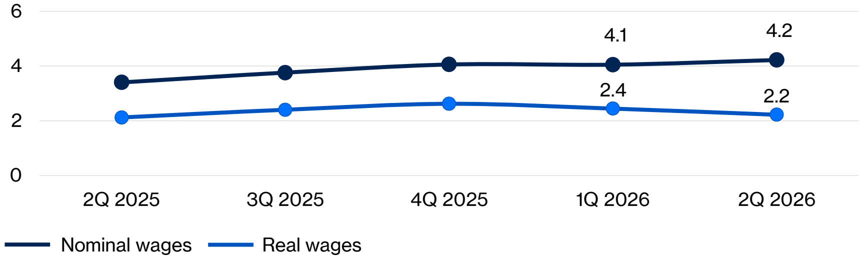
Unemployment rate, % of labour force



Source: Department of Statistics, Malaysia

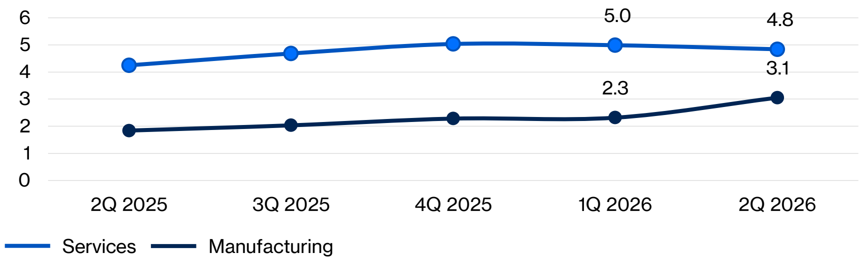
Continued growth in private sector wages

Private sector nominal and real wages,
Annual change, %



Source: Department of Statistics, Malaysia and Bank Negara Malaysia estimates

Sectoral nominal wages,
Annual change, %



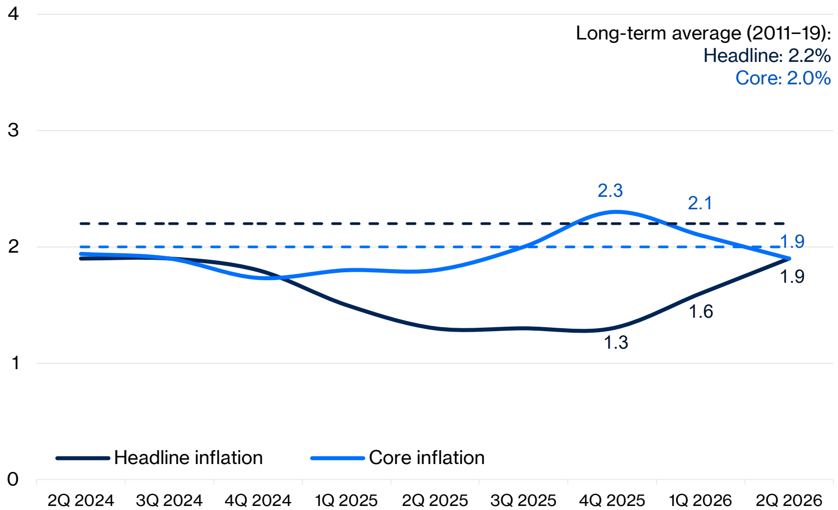
Source: Department of Statistics, Malaysia

Inflation Trend

Headline inflation rose while core inflation moderated

- Headline inflation increased while core inflation moderated, with both averaging 1.9% in the second quarter.
- The increase in headline inflation reflected higher external cost pressures following the Middle East conflict, particularly through higher fuel prices.[1] Meanwhile, pass-through to broader consumer prices remained limited despite higher upstream producer prices.
- In contrast, the moderation in core inflation mainly reflected softer inflation in jewellery and watches, as well as rent.

Headline and core inflation,
Annual change, %



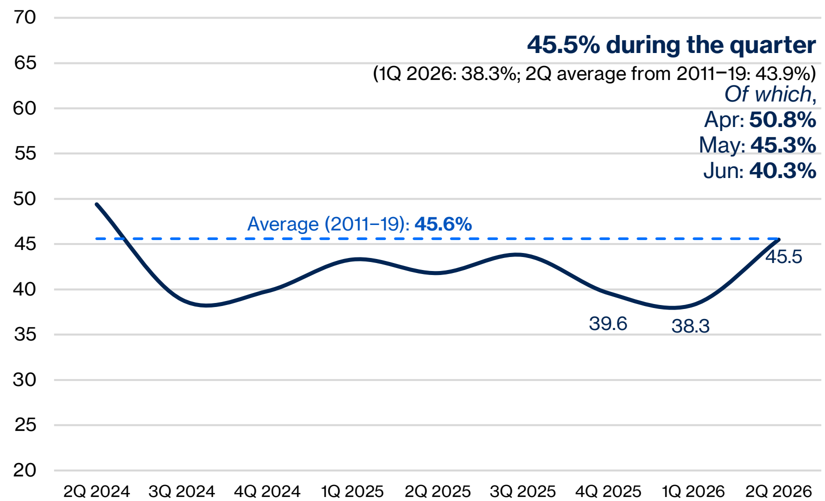
[1] In 2Q 2026, the average market prices of RON95, RON97 and diesel increased to RM3.89/litre, RM4.73/litre and RM5.14/litre respectively. Nevertheless, most Malaysian users of RON95 continued to pay the subsidised price of RM1.99/litre (up to 200 litres) under BUDI95, while eligible diesel users in Sabah and Sarawak continued to pay the subsidised price of RM2.15/litre.

Note: Core inflation is computed by excluding price-volatile and price-administered items from headline inflation.
Source: Department of Statistics, Malaysia and Bank Negara Malaysia estimates

Inflation pervasiveness increased in the second quarter

- A larger share of CPI items registered month-on-month price increases in the second quarter, bringing pervasiveness back towards its historical average. Within the quarter, however, pervasiveness moderated from April to June.
- The increase in pervasiveness partly reflected the impact of higher external costs, but underlying price pressures remained moderate.

CPI items recording month-on-month price increase,
Share, %



Note: The data for 2024 onwards reflect the additional new items in the CPI basket, based on the HIES 2022.
Source: Department of Statistics, Malaysia and Bank Negara Malaysia estimates

External Sector Development

Higher exports growth relative to imports

Gross Exports — **42.4%** (1Q 2026: 12.6%)
Strong manufactured exports underpinned by E&E as well as the rebound in liquefied natural gas (LNG) and non-E&E manufacturing products.

Gross Imports — **25.4%** (1Q 2026: 7.6%)
Robust intermediate imports which more than offset the contraction in capital imports.

Source: Department of Statistics, Malaysia

Continued current account surplus and a turnaround in the financial account into outflows

Current Account
RM10.8 billion; 2% of GDP
(1Q 2026: RM15.2 billion; 3%)

Continued surplus given
- Higher goods surplus, driven by larger manufacturing exports compared to imports.
- Narrower secondary income deficit due to stronger receipts.

Which was partially offset by
- Wider primary income deficit due to higher profits recorded by FDI firms.
- Marginal deficit in services due to higher imports of other business services amid steady travel and ICT-related receipts.

Financial Account
Net outflows RM27 billion
(1Q 2026: Net inflows RM27.4 billion)

Net outflows in
- Portfolio investments, driven mainly by acquisition of equity securities abroad by residents and liquidation of domestic equity securities by non-residents.

Which more than offsets
- Net inflows in direct investments, supported by net foreign direct investment (FDI) inflows.
- Net inflows in other investments, driven mainly by higher interbank borrowings by residents.

Source: Department of Statistics, Malaysia and Bank Negara Malaysia

Higher external debt

RM1.51 trillion or 71.6% of GDP
(1Q 2026: RM1.44 trillion or 70.1% of GDP)
- Higher interbank borrowings, reflecting liquidity management operations and regional financial centre activities.
- Higher trade credits by corporates.

External debt remained manageable
% of total external debt

Currency

Ringgit-denominated: 31.5%
Unaffected by ringgit exchange rate fluctuations.

FCY-denominated: 68.5%
Of which 52.2% is subject to BNM's prudential and regulatory requirements and 20% are due to intercompany loans.

Maturity

Medium- and long-term: 55.7%
Limited rollover risks.

Net International Investment Position	**RM68.3 billion** (1Q 2026: -RM67.8 billion)
International Reserves[2]	**USD132.1 billion** (1Q 2026: USD126.6 billion)

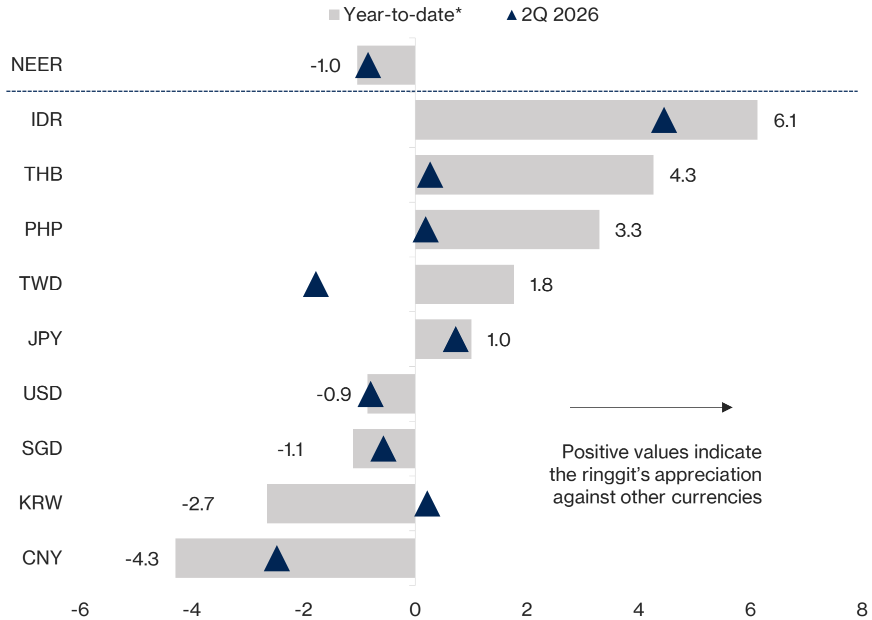
[2] As of 31 July 2026.
Source: Ministry of Finance, Malaysia, Department of Statistics, Malaysia and Bank Negara Malaysia

Financial Markets and Exchange Rate

The ringgit remained broadly stable against currencies of major trading partners during the quarter

The ringgit's overall performance remained broadly in line with the currencies of Malaysia's major trading partners in 2Q 2026, underpinned by resilient domestic economic prospects.

Performance of the ringgit against selected major and regional currencies
% year-to-date and quarter-on-quarter



Note: *YTD as of 12 August 2026.
NEER refers to the ringgit nominal effective exchange rate, which measures the ringgit's performance against a basket of currencies of Malaysia's major trading partners.
Source: Bank Negara Malaysia

Domestic financial market developments were driven by both global and domestic factors

Lower bond yields
supported by non-resident inflows into the domestic bond market

MGS 10Y Yields
-3 bps
(1Q 2026: +14 bps)

Equity market declined
amid net foreign outflows, primarily reflecting portfolio rebalancing following the MSCI[3] index review

KLCI
-1.6% QoQ
(1Q 2026: +0.6%)

Key factors influencing global and domestic markets in 2Q 2026

Shift in expectations regarding the direction of US monetary policy amid evolving outlook on inflation and labour market conditions in the US

Global investor risk aversion eased amid optimism surrounding the potential de-escalation of the Middle East conflict

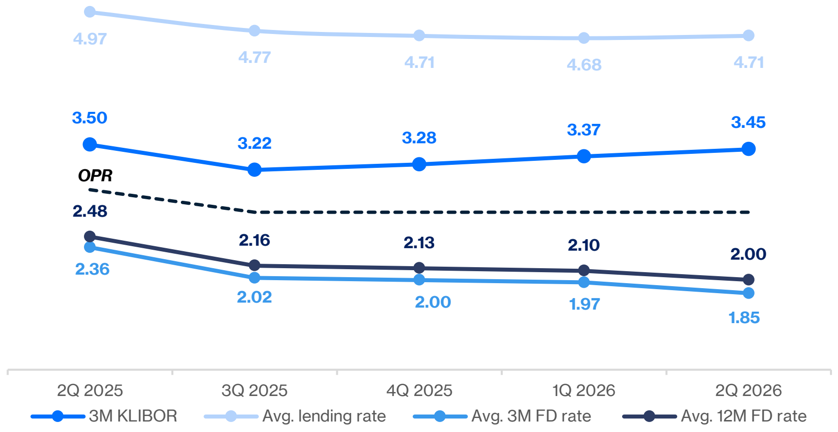
Strong domestic fundamentals, underpinned by firm economic prospects and ongoing structural reforms

[3] MSCI refers to Morgan Stanley Capital International
Source: Bank Negara Malaysia, Electronic Trading Platform (ETP) and Bursa Malaysia

Interest Rates and Liquidity

Interbank rates increased while fixed deposit rates declined during the quarter

Interest rates,
End-period, %

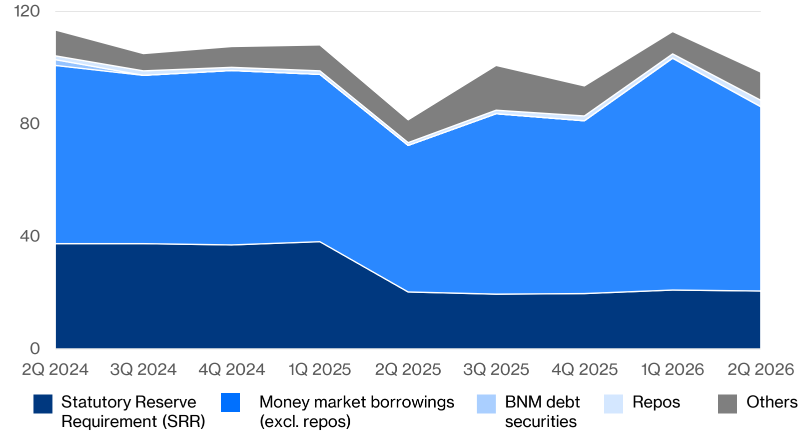


- **The 3M KLIBOR increased** by 8 basis points during the quarter, mainly reflecting higher funding demand by banks towards the end of the quarter.
- **Retail board fixed deposit (FD) rates declined** by 2 to 13 basis points across tenures during the quarter, reflecting banks' funding strategies to manage their cost of funds.
- **Average lending rate (ALR) on outstanding loans remained broadly stable** during the quarter.

Source: Bank Negara Malaysia and Bloomberg

Banking system liquidity continued to facilitate financial intermediation

Outstanding ringgit liquidity placed with BNM,
End-period, RM billion



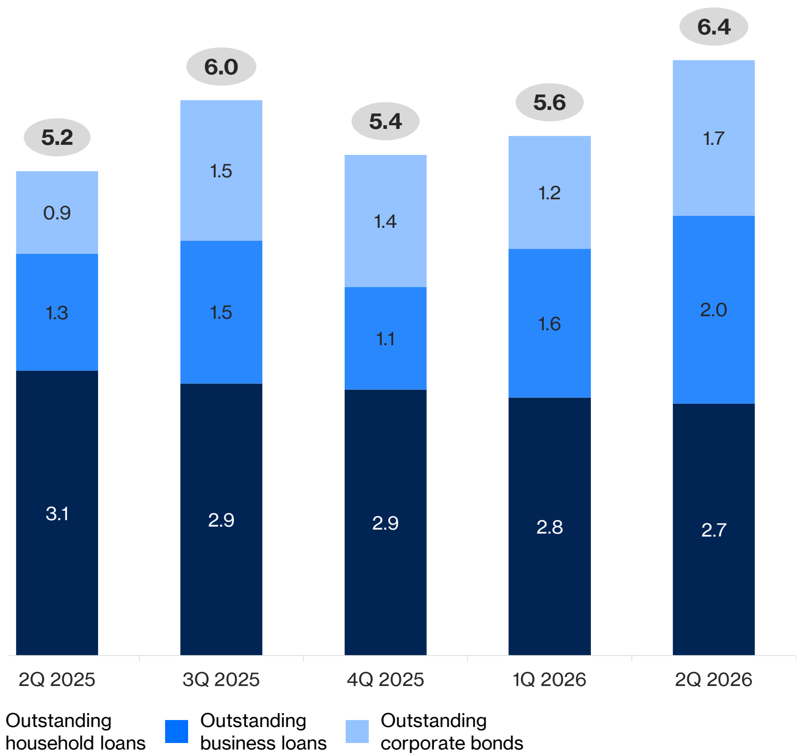
- **Total banking system liquidity decreased** during the quarter amid lower liquidity injection by BNM in line with reduced demand for liquidity by banks.
- Banking system liquidity remained sufficient to support financial intermediation. At the institutional level, most banks continued to maintain surplus overnight placements with BNM as at end-June 2026.

Source: Bank Negara Malaysia

Credit Conditions

Credit growth increased amid higher growth in outstanding corporate bonds and business loans

Credit to the Private Non-Financial Sector,
Contribution to growth, ppt



Note: Figures may not add up due to rounding.
Source: Bank Negara Malaysia

Key developments

Credit to the Private Non-Financial Sector[4]

6.4%
1Q 2026: 5.6%

- Outstanding loans[5] grew by 6% (1Q 2026: 5.5%), mainly due to higher business loan growth while household loan growth was sustained.
- Outstanding corporate bonds grew by 8.1% (1Q 2026: 5.9%), given higher issuances in the utilities sector, mainly for working capital purposes.

Business Loans

7.2%
1Q 2026: 5.7%

- Outstanding business loans expanded by 7.2% (1Q 2026: 5.7%) following higher loan growth across both working capital and investment-related purposes.[6]
- The higher growth was driven mainly by loans to non-SMEs during the quarter.
- Financing demand among businesses increased, particularly for working capital, which was supported by higher approvals by banks.

Household Loans

5.3%
1Q 2026: 5.4%

- Household loans expanded by 5.3% (1Q 2026: 5.4%) amid stable loan growth for the purchase of houses.
- Household financing demand, as reflected in applications, rose during the quarter and was met with continued financing approvals.

[4] All numbers quoted are in terms of annual change.
[5] Refers to loans from the banking system and development financial institutions (DFIs).
[6] Comprises loans for the purchase of non-residential properties, residential properties for business use, fixed assets as well as for construction activities
Source: Bank Negara Malaysia

Policy Considerations

Highlights of the July 2026 MPC meeting

- The Monetary Policy Committee (MPC) maintained the OPR at 2.75% at the July 2026 meeting.
- The MPC will remain vigilant to ongoing developments and assess the balance of risks surrounding the outlook for domestic inflation and growth.

Monetary policy is appropriate and consistent with the outlook of continued price stability and sustainable economic growth

At the July 2026 MPC meeting, the MPC maintained the OPR at 2.75%.

As of the July 2026 meeting, the latest indicators pointed towards broadly resilient global growth, supported by strong global tech expansion as well as improving supply conditions and prices of key commodities. Going forward, a sustained de-escalation of the Middle East conflict would further improve global supply chain conditions. Downside risks to global growth remain, stemming from continued uncertainties surrounding the conflict, tighter global financial conditions and concerns over heightened valuations in financial markets. Upside potential includes faster-than-expected recovery in supply chain conditions, stronger tech spending and pro-growth policy measures in key economies.

For Malaysia, latest developments point towards a strong growth performance in the second quarter, driven by sustained domestic demand and stronger-than-expected export performance. Ongoing uncertainties surrounding the Middle East conflict, however, could affect the outlook of domestic inflation and growth. Malaysia's strong fundamentals will continue to underpin the economy's resilience against external shocks. Employment, wage growth and policy measures will remain supportive of household spending. Investment activity will be driven by the progress of multi-year projects in both the private and public sectors, implementation of new smaller-scale public projects, continued high realisation of approved investments, as well as the ongoing implementation of national master plans. The external sector will be further lifted by improved global prospects and robust demand for electrical and electronics (E&E). Additional support will come from the rebound in non-E&E exports and sustained tourist spending. Therefore, the growth projection for 2026 is expected to be firmly within the forecast range of 4%–5%. The MPC assessed that this growth outlook remains subject to downside risks from a prolonged conflict in the Middle East and lower commodity production. Upside potential to growth could arise from a better global growth outlook following de-escalation of the conflict, stronger demand for E&E goods and higher tourism activity.

Headline and core inflation in the first five months of the year averaged 1.7% and 2.1% respectively, broadly within expectations, amid some initial pass-through of higher global cost pressures. Developments surrounding the Middle East conflict remain fluid, with elevated global commodity prices expected to exert upward pressure on inflation. Nevertheless, the impact on both headline and core inflation in 2026 is expected to remain contained,

Policy Considerations

reflecting domestic policy measures and stable demand conditions, which will mitigate the pass-through of external cost pressures to domestic prices.

At the current OPR level, the MPC considers the monetary policy stance to be appropriate and consistent with the outlook of continued price stability and sustainable economic growth. The MPC will remain vigilant to ongoing developments and assess the balance of risks surrounding the outlook for domestic inflation and growth.

Global Economic Outlook

Global growth outlook expected to remain moderate in 2H 2026

Global economy:

- Global growth for 2H 2026 is projected to remain moderate, weighed by continued uncertainties surrounding the Middle East conflict.
- Going forward, a sustained de-escalation of the conflict is expected to ease supply constraints and reduce pressures on commodity prices.
- Growth will also continue to be supported by robust investment in technology and digitalisation, as well as supportive fiscal policies.

Global trade:

- Global trade growth is projected to trend lower, partly reflecting the high base effect in 2025 driven by frontloaded shipments and robust AI-related demand.
- The recovery in supply chain conditions amid a sustained de-escalation of the Middle East conflict is expected to be gradual, keeping global trade growth below its historical average.
- This slowdown will be partly cushioned by sustained demand for E&E products, especially AI-related components, alongside structural drivers such as rising digitalisation.

Balance of risks to global growth remains tilted to the downside

- **Balance of risks remains tilted to the downside**, reflecting mainly continued uncertainties surrounding the Middle East conflict.
- **Downside risks** to growth could also arise from tighter global financial conditions, higher tariffs as well as continued concerns over the elevated valuations in financial markets.
- **Upside risks** would stem from faster-than-expected recovery in supply chain conditions, stronger tech spending as well as pro-growth policy measures in key economies.

Domestic Economic Outlook

Sustained domestic demand and stronger exports to continue supporting growth

- Growth for 2026 is expected to be within the forecast range of 4%–5%, with recent developments indicating that overall growth could be around 5%, supported primarily by continued domestic demand and strong exports.
- Household spending will be driven by steady income growth and continued policy support.
- Investment activity will be driven by the progress of multi-year projects in both the private and public sectors, continued high realisation of approved investments, as well as the ongoing implementation of national master plans.
- Exports growth will be supported by robust demand for E&E products, rebound in non-E&E exports as well as sustained tourist spending and ICT services exports.

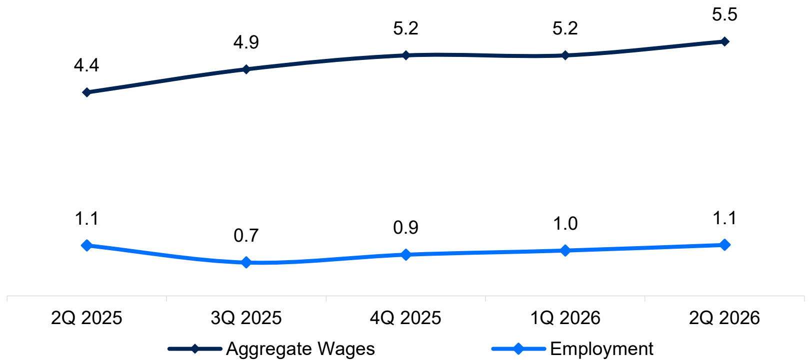
Strong fundamentals continue to underpin economic resilience against external shocks

- **The domestic economy continues to be supported by resilient fundamentals.** The outlook, however, is subject to uncertainties stemming mainly from heightened global developments.
- **Downside risks to growth outlook** include the prolonged Middle East conflict, potential economic slowdown in key trading partners, higher cost of living as well as lower-than-expected commodity production.
- **Upside risks to growth outlook** could arise from a better global growth outlook, stronger demand for E&E goods and increased inbound tourism activities.

Domestic Demand Conditions

Household spending will be driven by steady income growth and continued policy measures

Nominal aggregate wages[7] and employment
Annual change, %

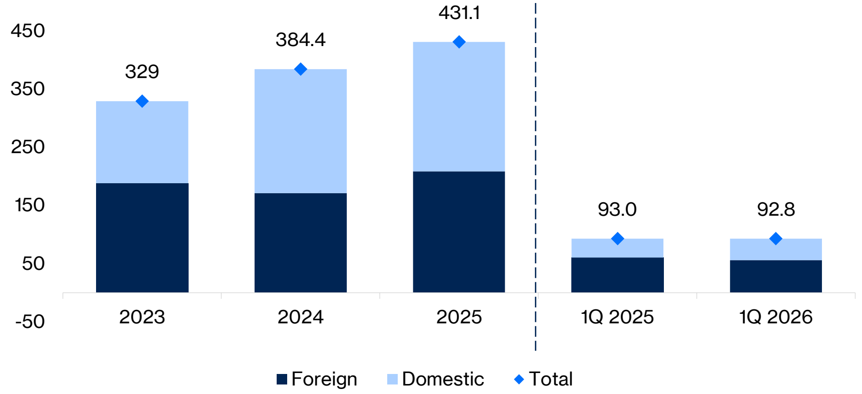


- **Private consumption is expected to continue expanding,** supported by continued growth in income as well as ongoing policy measures.
- Income growth will be supported by positive wage growth in the private sector as well as income-related policy measures including Phase 2 of the Civil Servant Salary Revision (CSSR) effective January 2026.
- Additionally, cash transfers, such as Sumbangan Tunai Rahmah (STR) and Sumbangan Asas Rahmah (SARA) will provide support to household spending.
- The BUDI95 subsidy will also help limit the pressure from higher oil prices to household spending.

[7] Refers to private and public sector wages. Private sector wages are derived from the salaries and wages data published in the Monthly Manufacturing Statistics and Quarterly Services Statistics. Public sector wages refers to the salaries paid to civil servants.
Source: Department of Statistics, Malaysia

Investment activities remain forthcoming, supported by continued foreign investments and new projects

MIDA Total Investment Approvals by Foreign and Domestic Investment
RM billion



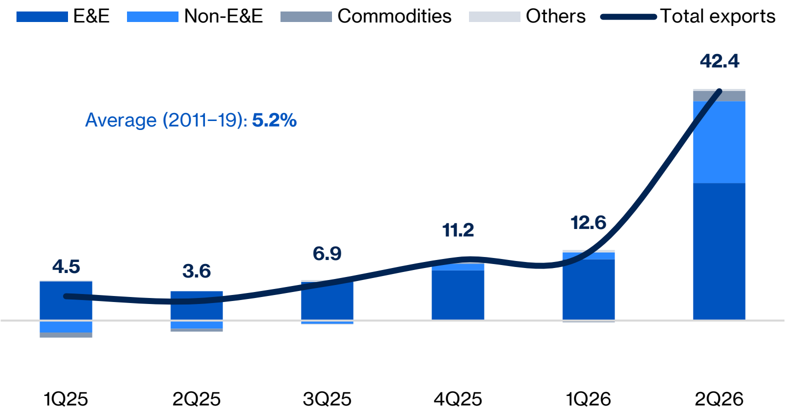
- **Investment activities remain forthcoming,** with sustained investment approvals recorded in 1Q 2026 at RM92.8 billion, compared to RM93 billion in 1Q 2025, driven mainly by continued foreign investments. Notably, 85% of manufacturing projects approved between 2021 and February 2026 are in various phases of implementation.
- New projects continue to be concentrated in high-technology subsectors such as ICT, E&E and chemical products. Within ICT, data centre and cloud computing investments remain a key contributor, accounting for 88.9% of the subsector's total investments.
- Meanwhile in the manufacturing sector, the E&E and chemical industries remained the key drivers, accounting for 40.1% of total approved investments.

Source: MIDA

External Demand Conditions

Export growth to be supported by sustained demand for E&E and non-E&E manufacturing exports

Gross exports growth
Annual change and contribution to growth, % and ppt

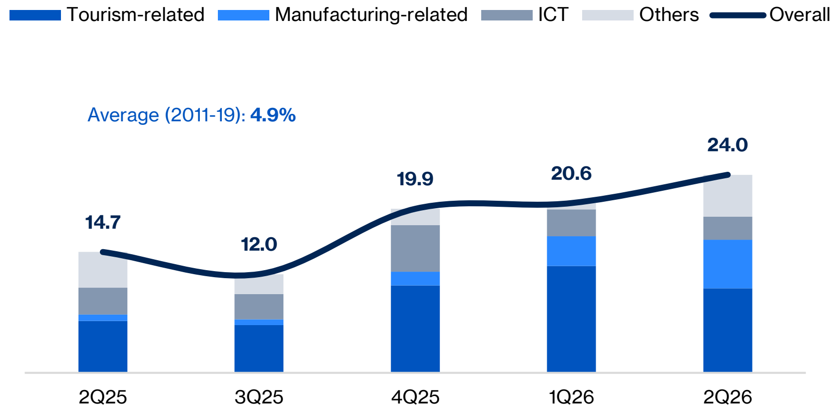


- The **resilience of E&E exports** continues to be underpinned by growing investment in AI-related activities and global tech upcycle, supporting Malaysia's export growth amid elevated geopolitical uncertainty.
- Commodity-related and non-E&E manufacturing exports are expected to support export growth, partly driven by higher commodity prices.
- Continued global demand for E&E goods and key commodities is expected to provide support to export performance amid ongoing economic and geopolitical uncertainties. Nevertheless, the outlook remains subject to risks stemming from commodity price fluctuations and potential production challenges.

Source: Department of Statistics, Malaysia

Diverse services export base to continue underpinning resilience amid external uncertainties

Services receipts growth[8]
Annual change and contribution to growth, % and ppt



- **Travel receipts are expected to be underpinned by regional tourist arrivals**. Nevertheless, geopolitical tensions in the Middle East continue to pose risks to global travel activities through disruptions to key aviation routes and higher travel costs.
- Services receipts will be lifted by **sustained demand for data centre-related services**, alongside steady expansion in manufacturing-related services.

[8] Tourism-related includes travel & transportation services. Manufacturing services include services on physical inputs owned by others and maintenance and repair services. Other services include other business services, personal, cultural, recreational, insurance and financial services.
Source: Department of Statistics, Malaysia

Inflation Outlook

Inflation is expected to remain moderate in 2026

- In line with earlier expectations, headline inflation is projected to average between 1.5%–2.5% in 2026. Inflation outturns thus far, together with high-frequency indicators as of early August, continue to indicate that domestic inflationary pressures remain moderate.
- The easing in geopolitical tensions in June has contributed to improvements in global supply conditions and eased pressures on key commodity prices. However, developments surrounding the Middle East conflict remain fluid, with commodity prices still elevated relative to pre-conflict levels.
- Going forward, external cost pressures are expected to exert some upward pressure on inflation. Nevertheless, the overall impact on both headline and core inflation for 2026 is expected to remain contained given domestic policy measures such as targeted fuel subsidies. These measures, alongside stable demand conditions, are expected to mitigate the pass-through of higher external costs to domestic prices.

Inflation outlook will remain contingent on evolving global developments

- The balance of risks to the inflation outlook remains tilted to the upside, hinging on developments surrounding the Middle East conflict.
    - **Upside risks** may arise from further escalation in the conflict contributing to elevated global commodity prices. Broader supply disruptions, including from adverse weather conditions, may also lead to larger and more persistent input cost pressures.
    - **Downside risks** could stem from weaker-than-expected global growth and trade activity, potentially weighing on domestic growth and demand conditions. Further improvements in global supply conditions could ease external cost pressures, contributing to lower inflation outcomes.

Box Article

Project STREAM: Modernising BNM's Data Collection

Summary

- BNM is undertaking Project STREAM to modernise data collection from Reporting Entities (REs), shifting from manual, template-based reporting to automated, API-enabled submissions.
- The initiative is underpinned by three principles: **Collect once**, use many times; **Automate** collection; and **Future-proof** reporting.
- Implementation will proceed steadily with the initial phase focusing on data on deposits, payments and derivatives. Industry feedback indicates support and general readiness for Project STREAM.

Introduction

Under the Central Bank Act (2009), Bank Negara Malaysia (BNM) is tasked with a statutory mandate to safeguard monetary and financial stability. Discharging this mandate depends on the timely availability of high-quality data. Accordingly, BNM collects a wide range of regulatory and statistical data from Reporting Entities (REs)[1] primarily through the Integrated Statistical System (ISS) – a system that has served BNM well since 2012. However, the financial sector's rapid digital transformation, marked by rising data volumes and growing demand for more granular analytics, presents an opportunity to modernise the reporting framework beyond traditional template-based processes. BNM has therefore initiated Project STREAM (STatistical Reporting Modernisation) to modernise its data collection infrastructure.

The Case for Modernisation

Engagements with REs and data users identified three recurring challenges under the current framework. First, duplicate reporting arises as REs submit similar data across multiple datasets with varying dimensions. Second, manual effort remains significant, with compilation relying heavily on web-based interfaces and Excel templates. Third, aggregated and periodic reporting constrains BNM's ability to access the more timely and granular information needed to support evolving analytical and decision-making needs.

Accordingly, Project STREAM is guided by three principles:

1. Streamline reporting by **collecting data once**, as far as practicable, to eliminate duplication across requirements;
2. Modernise collection through **automated** API-based submissions of machine-readable data; and
3. **Future-proof** the framework by collecting granular data that serves as a single source of truth for multiple downstream uses, thus reducing the need for ad-hoc data requests.

[1] Reporting entities include banks, insurance companies, Takaful operators and payment system providers.

Project STREAM: Modernising BNM's Data Collection

Benefits to REs and the public

Project STREAM will bring immense benefits to BNM, REs and the financial industry. Standardised data models and API-driven automation will reduce or eliminate manual reporting, thus unlocking new possibilities for the scale and speed of collection. Higher-quality submissions from REs will enable BNM to publish faster and more granular open data, which will benefit not only the public at large but also REs themselves – via better peer benchmarking and analytics. It is worth noting that **REs will gain the most if they apply these principles across their internal systems**, rather than only at the point of submission to BNM. The enhancements undertaken for Project STREAM will create robust and interoperable data systems, which then enable a more data-driven, AI-ready and innovative financial sector – through broader data sharing and initiatives such as Open Finance.

Implementation: A Phased, Collaborative Approach

Project STREAM will be implemented gradually, with the initial phase targeting three data domains – **deposits, payments, and derivatives** – with data collection expected to commence in late 2028. Future phases will cover data domains such as cash balance of payments and credit, as well as compliance reporting. In each phase, a holistic data review is conducted to harmonise definitions and collect granular data to build outputs from a common data foundation, thus minimising REs' reporting burden.

Importantly, BNM views Project STREAM as a shared journey – it can only succeed through productive collaboration with the financial industry. In that spirit, Project STREAM has, since the very beginning, been anchored by the Industry Working Group (IWG) comprising BNM, REs and industry associations. This forum enables BNM and REs to jointly fine-tune key details and pressure points, before finalised requirements are communicated to CEOs and Heads of Reporting.

Consultations to date indicate that the industry is generally ready and supportive of the proposed direction. REs have nonetheless raised practical considerations, including the operational impact of the required infrastructure upgrades, the capacity development needed to implement automated reporting, and the feasibility of the proposed timeline. BNM is committed to addressing these considerations collaboratively as the project progresses.

Looking Ahead

Project STREAM is more than a regulatory exercise – it is a collaborative path to a more data-driven and innovative financial ecosystem. Beyond modernising reporting processes, the initiative will strengthen BNM and the industry's analytical capabilities, support data-driven policymaking, and improve all BNM's data sharing initiatives. BNM will continue to engage REs closely through each phase of implementation, ensuring the transition remains well-informed, inclusive, and aligned with industry readiness.

Table 1: GDP by Expenditure Components (at constant 2015 prices)

	Share in 2025 (%)	2025 1Q	2025 2Q	2025 3Q	2025 4Q	2025 Year	2026 1Q	2026 2Q
		Annual change, %						
Aggregate Domestic Demand (excluding stocks)	96.0	5.6	6.8	6.2	6.6	6.3	5.2	5.1
Private sector	77.5	5.8	6.7	6.2	6.3	6.2	5.4	4.6
Consumption	60.3	4.8	5.1	5.8	5.6	5.3	4.7	4.8
Investment	17.2	9.1	11.7	7.4	9.2	9.4	7.8	4.3
Public sector	18.3	4.9	7.5	6.2	7.5	6.6	4.4	7.3
Consumption	13.3	2.7	5.7	5.8	6.6	5.3	4.1	7.6
Investment	5.1	11.6	13.5	7.5	9.5	10.3	5.3	6.3
Net Exports	3.3	-7.9	-58.3	32.2	-32.9	-15.6	13.5	168.5
Exports of Goods and Services	68.1	4.3	4.5	4.6	6.3	4.9	5.2	17.0
Imports of Goods and Services	64.8	5.2	7.9	3.0	9.0	6.3	4.6	13.9
Real GDP, annual change %	**100.0**	**4.4**	**4.6**	**5.3**	**6.2**	**5.2**	**5.4**	**6.0**
GDP, seasonally adjusted, QoQ change %	-	0.9	1.9	2.0	1.4	-	-0.03	2.5

Note: Figures may not add up due to rounding and exclusion of stocks.
Source: Department of Statistics, Malaysia

Table 2: GDP by Economic Activity (at constant 2015 prices)

	Share in 2025 (%)	2025 1Q	2025 2Q	2025 3Q	2025 4Q	2025 Year	2026 1Q	2026 2Q
		Annual change, %						
Services	59.5	5.1	5.1	5.3	6.2	5.4	5.6	5.9
Manufacturing	23.0	4.2	3.7	4.1	6.0	4.5	5.9	7.3
Agriculture	6.1	0.7	2.5	0.2	5.7	2.2	2.6	-3.7
Mining	5.7	-2.6	-5.2	9.4	1.4	0.6	-2.1	9.2
Construction	4.3	14.2	12.1	11.7	10.9	12.2	7.7	6.5
Real GDP, annual change %	**100.0**	**4.4**	**4.6**	**5.3**	**6.2**	**5.2**	**5.4**	**6.0**

Note: Figures may not add up due to rounding and exclusion of import duties component.
Source: Department of Statistics, Malaysia

Table 3: **Balance of Payments**[1]

	2025[r]					2026[p]	
	1Q	2Q	3Q	4Q	Year	1Q	2Q
	RM billion						
Current account	**13.8**	**2.7**	**13.5**	**2.7**	**32.8**	**15.2**	**10.8**
% of GDP	*2.9*	*0.6*	*2.6*	*0.5*	*1.6*	*3.0*	*2.0*
Goods	32.9	16.0	32.3	24.3	105.4	33.6	40.7
Services	-2.2	-0.5	2.7	5.3	5.3	6.4	-0.7
Primary income	-15.4	-9.5	-19.3	-23.1	-67.3	-20.9	-27.2
Secondary income	-1.5	-3.2	-2.2	-3.7	-10.6	-4.0	-2.1
Financial account	**-14.1**	**-1.7**	**-9.5**	**9.4**	**-16.0**	**27.4**	**-27.0**
Direct investment	16.5	5.9	8.6	22.5	53.5	14.7	0.4
Asset	-16.3	-7.9	-4.0	-11.0	-39.2	-17.7	-51.5
Liabilities	32.8	13.9	12.5	33.5	92.7	32.5	51.9
Portfolio investment	-45.1	15.6	-28.1	-1.9	-59.4	9.1	-35.2
Asset	-34.4	-22.6	-13.6	-15.9	-86.5	1.3	-33.3
Liabilities	-10.7	38.2	-14.6	14.0	27.0	7.8	-1.8
Financial derivatives	-1.7	1.3	-0.8	1.5	0.2	0.8	-1.3
Other investment	16.2	-24.6	10.8	-12.8	-10.3	2.7	9.0
Net errors & omissions	**3.3**	**0.01**	**-0.6**	**-11.0**	**-8.3**	**-26.2**	**33.2**
Overall balance	**3.1**	**1.0**	**3.1**	**1.2**	**8.4**	**16.4**	**17.0**

[r] Revised
[p] Preliminary
Assets: (-) denotes outflows due to the acquisition of assets abroad by residents.
Liabilities: (+) denotes inflows due to the incurrence of foreign liabilities.
[1] In accordance with the Sixth Edition of the Balance of Payments and International Investment Position Manual (BPM6) by the International Monetary Fund (IMF).
Note: Figures may not add up due to rounding.
Source: Department of Statistics, Malaysia

Table 4: **Outstanding External Debt**

	2025[r]	2026[p]	
	end-Jun	end-Mar	end-Jun
	RM billion		
Total External Debt	**1,404.1**	**1,439.7**	**1,509.7**
USD billion equivalent	*332.0*	*356.4*	*372.7*
By instrument			
Bonds and notes	161.4	153.1	149.0
Interbank borrowings	243.9	242.3	264.7
Intercompany loans	237.9	255.4	267.3
Loans	94.0	97.4	103.5
Non-resident holdings of domestic debt securities	296.1	304.3	309.6
Non-resident deposits	145.2	160.5	166.7
IMF allocation of Special Drawing Rights (SDRs)	28.0	26.5	26.5
Others[1]	197.5	200.2	222.4
Maturity Profile			
Medium- and long-term	806.9	826.0	840.8
Short-term	597.2	613.6	668.9
Currency Denomination			
Ringgit	454.0	469.2	474.8
Foreign	950.1	970.5	1,034.9
Total External Debt/GDP, %	**71.4**	**70.1**	**71.6**
Short-term External Debt/Total External Debt, %	**42.5**	**42.6**	**44.3**

[r] Revised
[p] Preliminary
[1] Comprises trade credits and miscellaneous.
Note: Figures may not add up due to rounding.
Source: Ministry of Finance, Malaysia and Bank Negara Malaysia

Table 5: **Credit to the Private Non-Financial Sector**

	2025	2026		2025	2026	
	2Q	1Q	2Q	2Q	1Q	2Q
	End-period, RM billion			Annual change, %		
Total Credit to the Private Non-Financial Sector[1]	2,939.6	3,077.8	3127.8	5.2	5.6	6.4
Outstanding corporate bonds[2]	605.7	638.3	654.8	4.3	5.9	8.1
Outstanding loans[3,4]	2,334.0	2,439.5	2473.1	5.5	5.5	6.0
Businesses	827.5	871.3	886.9	4.4	5.7	7.2
SMEs	426.7	440.3	444.4	6.0	5.2	4.2
Non-SMEs	398.0	427.9	439.1	3.1	6.2	10.3
Households	1,506.5	1,568.2	1586.2	6.0	5.4	5.3
Credit to Businesses[5]	1,433.2	1,509.6	1541.7	4.4	5.7	7.6

[1] Starting with the 4Q 2022 Quarterly Bulletin, credit to the private non-financial sector was introduced to enhance the quality of data on financing channelled towards the generation of domestic economic activity. This replaces the previous series on net financing to the private sector.
[2] Includes conventional and Islamic short-term papers in addition to longer-term bonds and sukuk; excludes issuances by Cagamas, government, financial institutions and non-bank financial institutions.
[3] Loans by the banking system and development financial institutions (DFIs). Refer to the sum of outstanding business and household loans, and excludes loans to government, financial institutions, non-bank financial institutions and other entities.
[4] Excludes loans sold to Cagamas without recourse.
[5] Comprises outstanding loans to businesses and outstanding corporate bonds.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia

Table 6: **Loan Indicators**[1]

	2025		2026			2026		
	2Q	1H	1Q	2Q	1H	1Q	2Q	1H
	During the period, RM billion					Annual change, %		
Total Private Non-Financial Sector[2]								
Loan applications	415.0	798.4	396.3	467.9	864.2	3.3	12.8	8.2
Loan approvals	211.5	403.4	209.4	240.5	449.9	9.1	13.7	11.5
Loan disbursements	509.8	1,022.5	523.0	541.4	1,064.5	2.0	6.2	4.1
Loan repayments	488.8	989.6	496.6	518.5	1,015.1	- 0.8	6.1	2.6
Of which:								
Businesses[3]								
Loan applications	172.3	325.5	163.4	211.9	375.2	6.6	23.0	15.3
Loan approvals	101.8	189.5	103.0	126.3	229.4	17.4	24.1	21.0
Loan disbursements	373.4	741.6	374.0	399.1	773.2	1.6	6.9	4.3
Loan repayments	355.1	713.0	348.3	379.1	727.4	- 2.7	6.8	2.0
SMEs								
Loan applications	92.8	178.9	82.4	95.5	177.9	- 4.3	2.9	- 0.6
Loan approvals	45.9	84.7	41.8	52.0	93.9	8.0	13.2	10.8
Loan disbursements	137.5	277.0	132.0	140.9	272.9	- 5.3	2.4	- 1.5
Loan repayments	129.4	261.9	127.2	130.6	257.7	- 4.0	0.9	- 1.6
Non-SMEs								
Loan applications	79.5	146.5	81.0	116.3	197.3	20.8	46.4	34.7
Loan approvals	55.8	104.8	61.2	74.3	135.5	24.8	33.1	29.2
Loan disbursements	234.6	462.0	240.2	256.4	496.6	5.7	9.3	7.5
Loan repayments	224.4	449.0	219.8	247.8	467.6	- 2.1	10.4	4.1
Households								
Loan applications	242.6	472.9	232.9	256.1	489.0	1.1	5.5	3.4
Loan approvals	109.8	213.9	106.4	114.2	220.6	2.1	4.0	3.1
Loan disbursements	136.4	280.9	149.0	142.3	291.3	3.1	4.3	3.7
Loan repayments	133.8	276.5	148.3	139.3	287.6	3.9	4.2	4.0

[1] Loans for all segments include data from banking system and development financial institutions (DFIs).
[2] Refer to the sum of outstanding business and household loans, and excludes loans to government, financial institutions, non-bank financial institutions and other entities.
[3] Numbers for SMEs and Non-SMEs may not add up to total businesses given the inclusion of those with no classification by firm size.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia

Table 7: **Key Financial Soundness Indicators**

	2025	2026	
	2Q	1Q	2Q[p]
		% (or otherwise stated)	
Banking System			
Capital Adequacy			
Total capital ratio	18.4	17.7	17.4
Tier 1 capital ratio	15.4	14.7	14.5
Common Equity Tier 1 capital ratio	14.9	14.2	13.9
Profitability[1]			
Return on assets (based on profit before tax)	1.5	1.1	1.3
Return on equity (based on profit before tax)	13.1	10.5	11.5
Return on equity (based on profit after tax)	10.1	7.9	8.9
Profit before tax (year-to-date, RM billion)	27.1	11.2	24.8
Of which:			
Net interest income	32.3	16.3	32.5
Fee income	6.8	3.5	7.2
Trading and investment income	8.3	3.4	6.9
Operating cost	23.3	11.7	23.4
Credit cost	1.7	1.2	2.2
Liquidity and Funding			
Liquidity Coverage Ratio (LCR)	160.0	144.6	149.7
Of which:			
MYR LCR	172.8	163.3	166.4
Net Stable Funding Ratio	115.7	113.9	114.7
Weighted average cost of deposits	2.5	2.3	2.4
Weighted average cost of funds	2.7	2.5	2.6

[p] Preliminary
[1] Banking system profits are aggregated at the entity level and adjusted for dividend income received from domestic banking subsidiaries. Return on assets and equity are calculated based on annualised year-to-date profits.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia, Bursa Malaysia, Department of Statistics, Malaysia, Employees Provident Fund, Securities Commission Malaysia and Bank Negara Malaysia estimates

Table 7: **Key Financial Soundness Indicators (cont'd)**

	2025	2026	
	2Q	1Q	2Q[p]
	% (or otherwise stated)		
Banking System			
Liquidity and Funding			
External debt (RM billion)	444.6	461.9	496.4
Of which:			
Interbank borrowings	243.9	242.3	264.7
Financial institution placement and vostro	33.7	45.9	43.1
Deposits accepted from non-financial institution	111.2	114.4	123.3
Debt securities	28.7	32.7	33.0
FCY external debt-at-risk (RM billion)[2]	90.6	87.1	97.3
FCY liquid assets (RM billion)[3]	246.0	224.6	264.2
Asset Quality			
Gross impaired loans ratio[4]	1.4	1.4	1.4
Stage 2 loans ratio	6.6	6.1	5.9
Loan loss coverage ratio (incl. regulatory reserve)	130.3	124.8	124.6
Annualised credit cost (bps)	14.8	19.6	18.4
Sensitivity to Market Risk			
FX net open position (NOP) (share of total capital)	4.3	4.2	3.6
Of which:			
USD NOP (share of total capital)	2.5	2.6	2.0

[p] Preliminary
[2] Banks' external debt-at-risk comprises financial institutions' deposits, interbank borrowings and short-term loans from unrelated non-resident counterparties.
[3] Liquid assets comprise cash and cash equivalents, unencumbered debt securities held and interbank placements.
[4] Based on Stage 3 loans under the Malaysian Financial Reporting Standard 9 (MFRS 9).
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia, Bursa Malaysia, Department of Statistics, Malaysia, Employees Provident Fund, Securities Commission Malaysia and Bank Negara Malaysia estimates

Table 7: **Key Financial Soundness Indicators (cont'd)**

	2025	2026	
	2Q	1Q	2Q[p]
	% (or otherwise stated)		
Insurance and Takaful Sector			
Capital adequacy ratio	222.6	223.7	224.7
Life Insurance and Family Takaful			
Net profit after tax (year-to-date, RM billion)[5]	n.a.	1.6	3.7
New business premium / contribution (year-to-date, RM billion)	13.9	8.6	15.3
Capital adequacy ratio[6]	213.8	214.5	214.5
General Insurance and General Takaful			
Net profit after tax (year-to-date, RM billion)[5]	n.a.	0.9	2.0
Gross direct premium / contribution (year-to-date, RM billion)	15.4	8.2	15.7
Claims ratio[7]	57.9	58.7	58.4
Capital adequacy ratio[6]	247.6	248.5	245.6
Development Financial Institutions (DFI)[8]			
Lending to targeted sectors (annual growth)	7.8	6.2	6.4
Deposits mobilised (annual growth)	2.9	7.0	10.0
Gross impaired loans ratio[4]	5.6	4.2	4.5
Return on assets (based on profit before tax)[9]	1.3	1.2	1.0

p Preliminary
4 Based on Stage 3 loans under the Malaysian Financial Reporting Standard 9 (MFRS 9).
5 Data is measured at total company level, based on MFRS 17 accounting standard. As such, the figures may not be directly comparable to the data reported in previous publications.
6 Data include composite reinsurers / retakaful operators holding multiple licences, which are classified under either the life / family or general sector based on their predominant business segment.
7 Based on year-to-date net claims incurred and earned premium / contribution income. As such, the figures may not be directly comparable to the data reported in previous publications.
8 Refers to development financial institutions under the Development Financial Institutions Act 2002.
9 Return on assets are calculated based on annualised year-to-date profits.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia, Bursa Malaysia, Department of Statistics, Malaysia, Employees Provident Fund, Securities Commission Malaysia and Bank Negara Malaysia estimates

Table 7: **Key Financial Soundness Indicators (cont'd)**

	2025	2026	
	2Q	1Q	2Q[p]
	% (or otherwise stated)		
Household (HH) Sector			
HH financial assets (RM billion)	3,478.5	3,718.1	3,777.5
Growth of HH financial assets (annual)	5.4	8.0	8.6
HH debt (RM billion)	1,666.4	1,734.4	1,754.2
HH debt-to-GDP ratio	84.7	84.5	83.2
Growth of HH debt (annual)	5.9	5.4	5.3
Of which (annual growth):			
Residential property	6.3	5.6	5.6
Non-residential property	3.9	4.8	5.1
Cars	7.7	7.1	6.5
Credit cards	9.2	6.0	3.9
Personal financing	4.7	2.7	0.7
Securities	-1.7	2.7	3.5
Median debt service ratio for outstanding loans	33.4	32.2	32.1
Median debt-to-income (times)	1.4	1.3	1.3
Gross impaired loans ratio (bank + DFI loans)[4]	1.1	1.1	1.1
Business Sector			
Non-financial corporate debt (RM billion)	2,050.5	2,145.7	2,215.1
Non-financial corporate debt-to-GDP Ratio	104.2	104.5	105.1
Gross impaired loans ratio (bank + DFI loans)[4]	3.1	2.7	2.8
Stage 2 loans ratio (bank + DFI loans)	11.9	10.3	9.8
Small medium enterprise (SME)			
Gross impaired loans ratio (bank + DFI loans)[4]	3.6	3.6	3.6
Stage 2 loans ratio (bank + DFI loans)	11.9	11.0	10.5
Delinquency ratio (bank + DFI loans)[10]	1.3	1.5	1.2
Loans under repayment assistance (share of total SME loans)[11]	4.1	4.0	3.9

[p] Preliminary
[4] Based on Stage 3 loans under the Malaysian Financial Reporting Standard 9 (MFRS 9).
[10] Based on loans with one or two months in arrears.
[11] Repayment assistance loans refer to restructured and rescheduled loans by banks and loans under AKPK programmes.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia, Bursa Malaysia, Department of Statistics, Malaysia, Employees Provident Fund, Securities Commission Malaysia and Bank Negara Malaysia estimates

Table 7: **Key Financial Soundness Indicators (cont'd)**

	2025	2026	
	2Q	1Q	2Q[p]
	% (or otherwise stated)		
Property Sector			
Residential property			
End-financing (RM billion)	869.5	905.3	916.9
End-financing (share of total banking system loans)	37.9	37.8	37.8
Growth of end-financing (annual)	6.4	5.6	5.4
Gross impaired loans ratio[4]	1.1	1.1	1.2
Median outstanding loan-to-value ratio	70.2	70.4	70.6
Non-residential property[12]			
End-financing (RM billion)	279.6	295.1	301.7
End-financing (share of total banking system loans)	12.2	12.3	12.5
Of which:			
Office spaces and shopping complexes (share of total banking system loans)	2.6	2.5	2.5
Growth of end-financing (annual)	7.3	6.9	7.9
Gross impaired loans ratio[4]	1.5	1.5	1.5
Median outstanding loan-to-value ratio	54.6	54.7	54.8

[p] Preliminary
[4] Based on Stage 3 loans under the Malaysian Financial Reporting Standard 9 (MFRS 9).
[12] Covers office space and shopping complex segments and shophouses, in addition to other non-residential segments such as industrial building, hotel and land purchases.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia, Bursa Malaysia, Department of Statistics, Malaysia, Employees Provident Fund, Securities Commission Malaysia and Bank Negara Malaysia estimates

Table 8: **Key Financial Soundness Indicators: Islamic Finance**

	2025	2026	
	2Q	1Q	2Q[p]
	% (or otherwise stated)		
Islamic Banking System			
Capital Adequacy			
Total capital ratio	18.1	17.6	17.2
Tier 1 capital ratio	14.9	14.7	14.3
Common Equity Tier 1 capital ratio	14.2	13.8	13.5
Profitability[1]			
Return on assets (based on profit before tax)	1.1	1.0	0.9
Return on equity (based on profit before tax)	14.6	13.2	13.0
Return on equity (based on profit after tax)	11.1	10.0	10.0
Profit before tax (year-to-date, RM billion)	6.3	3.0	6.0
Of which:			
Net financing income	11.6	5.9	11.7
Fee income	1.3	0.6	1.4
Trading and investment income	1.0	0.4	0.8
Operating cost	5.8	2.9	5.6
Credit cost	1.1	0.7	1.7
Liquidity and Funding			
Liquidity Coverage Ratio (LCR)	150.9	140.6	142.0
Of which:			
MYR LCR	157.5	143.8	146.2
Net Stable Funding Ratio[2]	111.4	111.0	109.9
Weighted average cost of deposits	2.83	2.61	2.65
Weighted average cost of funds	2.94	2.73	2.78
Investment accounts (share of total deposits and investment accounts)	16.7	17.2	16.9

[p] Preliminary
[1] Islamic banking system profits are aggregated at the entity level. Return on assets and equity are calculated based on annualised year-to-date profits.
[2] Net Stable Funding Ratio of Islamic subsidiaries is reported at group level.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia

Table 8: **Key Financial Soundness Indicators: Islamic Finance (cont'd)**

	2025	2026	
	2Q	1Q	2Q[p]
	% (or otherwise stated)		
Islamic Banking System			
Asset Quality			
Gross impaired financing ratio[3]	1.4	1.5	1.5
Stage 2 financing ratio	6.5	6.2	6.0
Financing loss coverage ratio (incl. regulatory reserve)	101.6	94.0	93.4
Annualised credit cost (bps)	23.4	27.1	31.8
Takaful Sector			
Capital adequacy ratio	230.0	221.7	222.1
Family Takaful			
Net profit after tax (year-to-date, RM billion)[4]	n.a.	0.3	0.6
New business contribution (year-to-date, RM billion)	5.3	3.1	5.4
Capital adequacy ratio[5]	231.9	225.0	223.7
General Takaful			
Net profit after tax (year-to-date, RM billion)[4]	n.a.	0.3	0.6
Gross direct contribution (year-to-date, RM billion)	3.2	1.9	3.5
Claims ratio[6]	63.5	57.8	62.1
Capital adequacy ratio[5]	226.4	216.3	219.6

[p] Preliminary
[3] Based on Stage 3 financing under the Malaysian Financial Reporting Standard 9 (MFRS 9).
[4] Data is measured at total company level, based on MFRS 17 accounting standard. As such, the figures may not be directly comparable to the data reported in previous publications.
[5] Data include composite retakaful operators holding multiple licences, which are classified under either the family or general sector based on their predominant business segment.
[6] Based on year-to-date net claims incurred and earned contribution income. As such, the figures may not be directly comparable to the data reported in previous publications.
Note: Figures may not add up due to rounding.

Source: Bank Negara Malaysia