# ACCCIM Malaysia's Business and Economic Conditions Survey (M-BECS) 1H 2026 and 2H 2026F

## 马来西亚中华总商会2026上半年及2026下半年预测马来西亚商业和经济状况调查

23 July 2026

# KEY AGENDA

- ACCCIM M-BECS: Survey Coverage
- Business Condition & Sentiment Tracker
- Current Issues

# Survey Coverage

ACCCIM Malaysia's Business and Economic Conditions Survey (M-BECS) is a key market barometer gauging the **business community's sentiments and expectations of their business prospects and economic outlook**.

The survey, which was conducted between **4 June 2026 and 30 June 2026**, covered **the performance in Jan-Jun 2026 (1H 2026) and expectations for Jul-Dec 2026 (2H 2026)**.

**M-BECS contains three sections:**

1. **Respondents and Business Profile**;
2. **Business Assessment**; and
3. **Current Issues**.

# Profile of Survey Respondents

**791 companies** representing broad economic sectors of the economy

% of respondents

## By economic sector

*n=791*

**Services** **65.7%**

**Manufacturing** **19.3%**

**Construction** **9.4%**

**Agriculture** **4.6%**

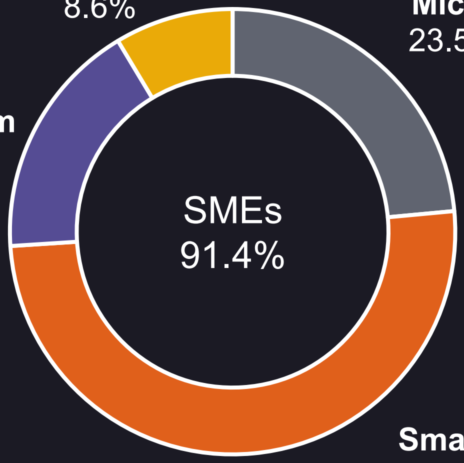
**Mining** **1.0%**

## Top FIVE industries (69.0%):

- Manufacturing (19.3%)
- Wholesale and retail trade[1] (16.9%)
- Professional and business services (16.2%)
- Construction (9.4%)
- Hotel and recreation[2] (7.2%)

## By size of business operations

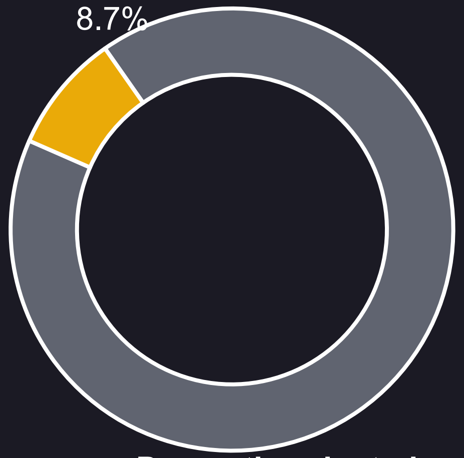
*n=791*




*A business will be deemed as an MSME 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.*

## By sales orientation

*n=791*




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

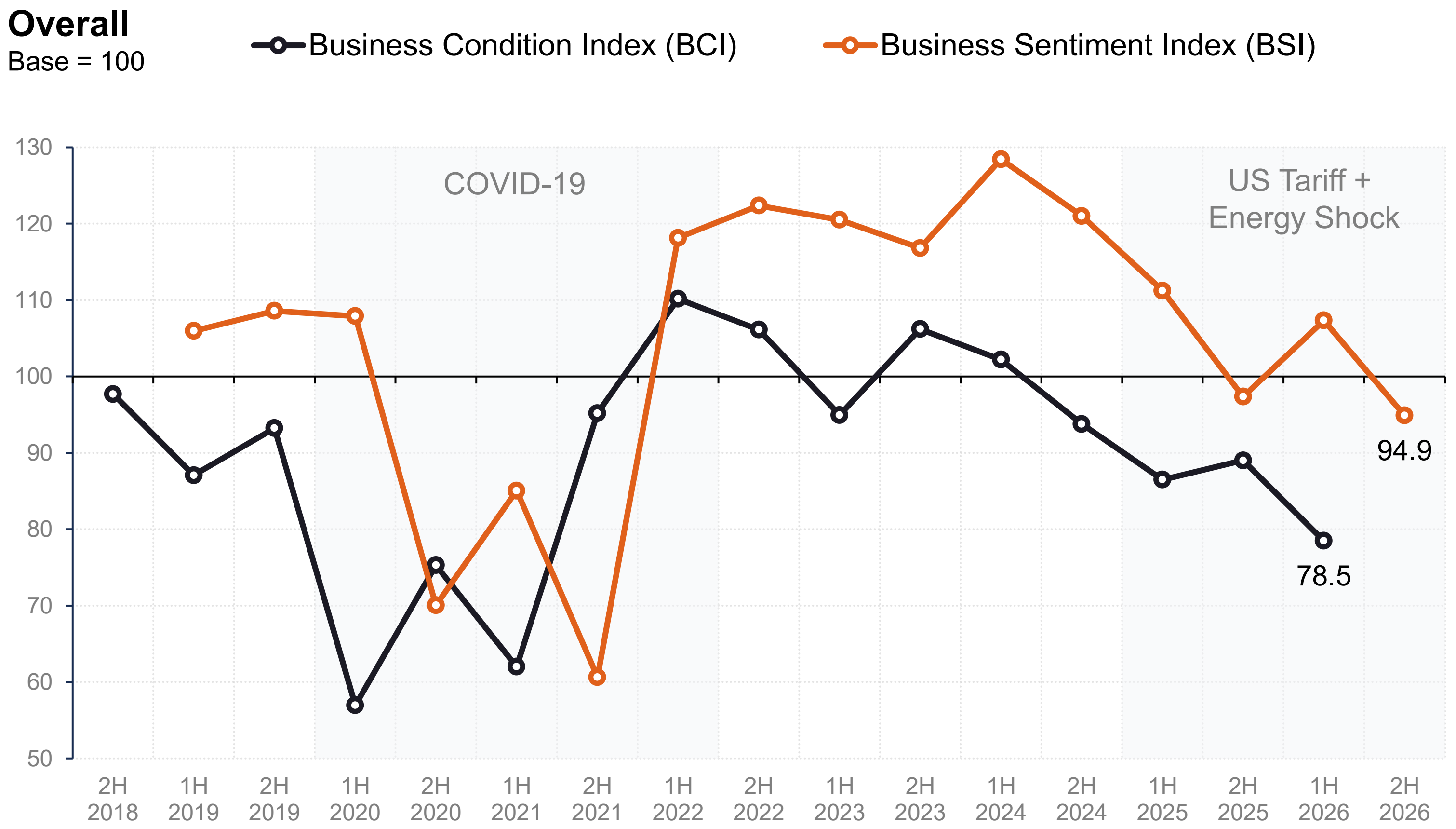
Note: Numbers may not add up to 100.0% due to rounding, which is also applied to the rest of the slides

[1] Include repair of motor vehicles; [2] Hotels, restaurants, recreation, and entertainment.

# Business Condition & Sentiment Tracker

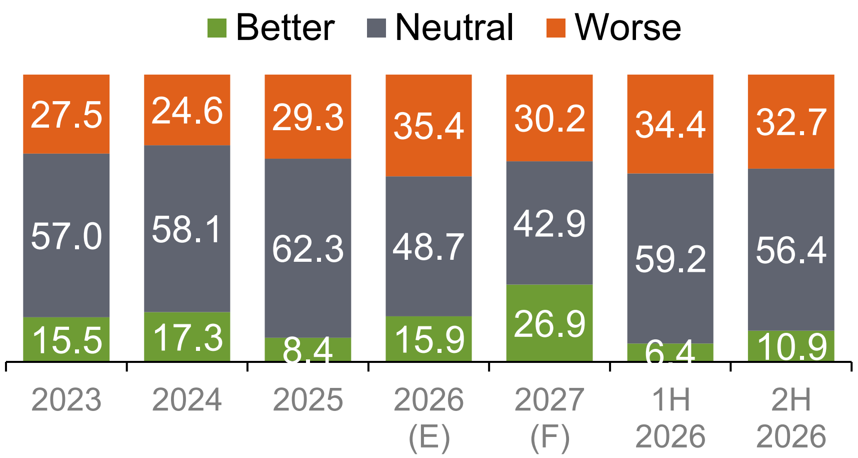
# Business Sentiment Weakened Amid Cautious Expectations

Both the BCI and BSI declined, registering 78.5 for 1H 2026 and 94.9 for 2H 2026, respectively, reflecting the challenging external environment and high-cost operating conditions.

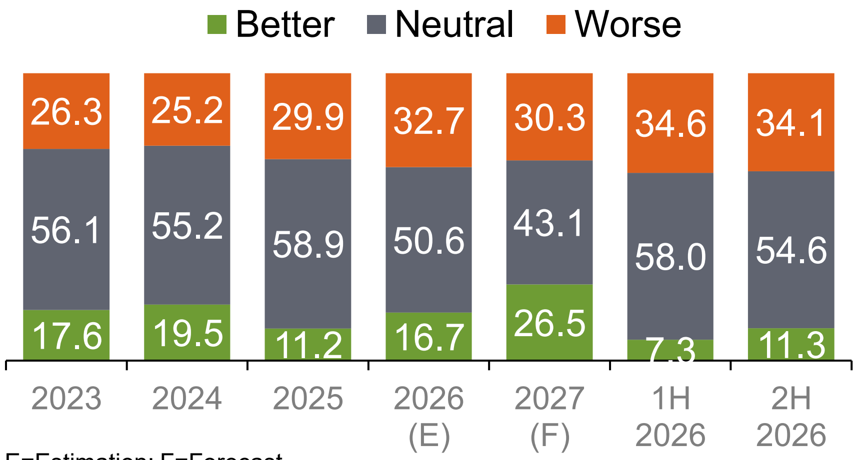



% Percentage

**Economic Conditions and Prospects**




**Business Conditions and Prospects**




E=Estimation; F=Forecast

# Persistent Cost Pressures Greatly Affect Business Performance in 1H 2026

**#1 Increase in prices of raw materials**

51.2%

**#2 High operating cost**

48.2%

**#3 Changing consumer behaviour**

32.2%

**#4 Declining business & consumer sentiment**

31.2%

**#5 Cash flow problem**

30.7%

**By Sectors (1H 2026)**

| Manufacturing | Construction | Wholesale and Retail Trade | Professional and Business Services |
|---|---|---|---|
| Increase in prices of raw materials (71.2%) | Increase in prices of raw materials (81.1%) | Increase in prices of raw materials (59.7%) | High operating cost (41.4%) |
| High operating cost (56.9%) | High operating cost (54.1%) | High operating cost (50.7%) | Changing consumer behaviour (38.3%) |
| Declining business & consumer sentiment (34.0%) | Cash flow problem (45.9%) | Changing consumer behaviour (48.5%) | Declining business & consumer sentiment (28.9%) |
| Lower domestic demand (32.7%) | Rising bad debts & delayed receivables (35.1%) | Cash flow problem (41.8%) | Increase in prices of raw materials (23.4%) |
| Geopolitical tensions (30.7%) | Lower domestic demand (32.4%) | Declining business & consumer sentiment (37.3%) | Political climate (23.4%) |

# Business Assessment – Performance and Outlook

| | |
|---|---|
| ■ Better/Increase | 5 percentage points below the top (a little different) |
| ■ Neutral/Unchanged | |
| ■ Worse/Decrease | |

% Percentage

| | 1H 2026 (Actual) | | | 2H 2026 (Forecast) | | |
|---|---|---|---|---|---|---|
| **Financial Management** | | | | | | |
| 1 - Cash Flow Conditions | 4.9 | 61.2 | 33.9 | 5.2 | 61.3 | 33.5 |
| 2 - Debtors' Conditions | 3.0 | 66.4 | 30.6 | 3.4 | 64.1 | 32.5 |
| **Sales Performance** | | | | | | |
| 3 - Domestic Sales | 20.7 | 28.3 | 50.9 | 25.2 | 34.2 | 40.6 |
| 4 - Export Sales | 20.4 | 49.1 | 30.4 | 28.7 | 45.7 | 25.6 |
| **Price Levels** | | | | | | |
| 5 - Domestic Price | 33.2 | 32.9 | 33.9 | 37.1 | 37.8 | 25.1 |
| 6 - Export Price | 27.0 | 51.9 | 21.1 | 31.5 | 50.3 | 18.2 |
| **Business Production** | | | | | | |
| 7 - Production Level | 20.7 | 36.8 | 42.5 | 32.5 | 35.1 | 32.5 |
| 8 - Inventory or Stock Level | 29.8 | 38.3 | 32.0 | 32.0 | 42.5 | 25.5 |

| | 1H 2026 (Actual) | | | | 2H 2026 (Forecast) | | | |
|---|---|---|---|---|---|---|---|---|
| * | > 90% | 75-90% | 50-74% | < 50% | > 90% | 75-90% | 50-74% | < 50% |
| 9 - Capacity Utilisation* | 5.5 | 21.9 | 44.8 | 27.9 | 5.8 | 24.0 | 36.8 | 33.3 |

| | 1H 2026 (Actual) | | | 2H 2026 (Forecast) | | |
|---|---|---|---|---|---|---|
| **Cost of Inputs **** | ** Decrease | Unchanged | Increase | ** Decrease | Unchanged | Increase |
| 10 - Local | 8.0 | 21.5 | 70.4 | 7.4 | 25.4 | 67.2 |
| 11 - Imported | 7.6 | 27.4 | 65.0 | 7.2 | 30.8 | 62.1 |
| **Manpower** | | | | | | |
| 12 - Number of Employees | 14.9 | 61.9 | 23.1 | 17.6 | 65.2 | 17.2 |
| 13 - Wage Growth | 51.1 | 40.7 | 8.2 | 45.0 | 49.3 | 5.7 |
| **Investment** | | | | | | |
| 14 - Capital Expenditure | 49.7 | 40.9 | 9.4 | 50.9 | 42.0 | 7.1 |

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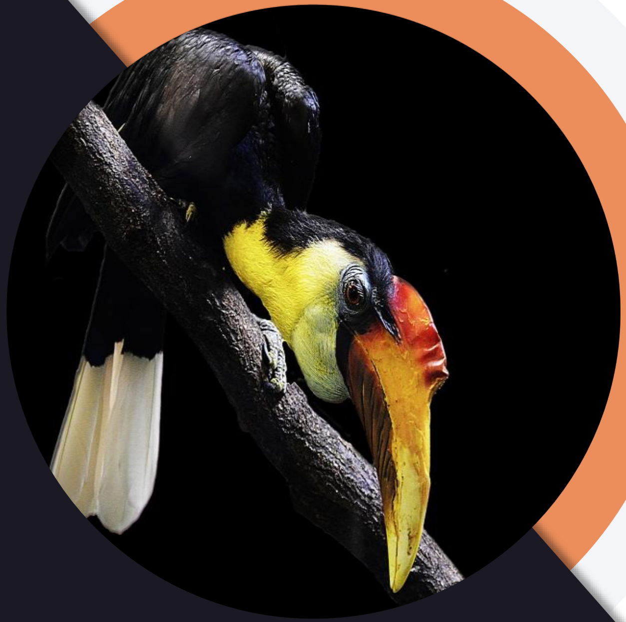


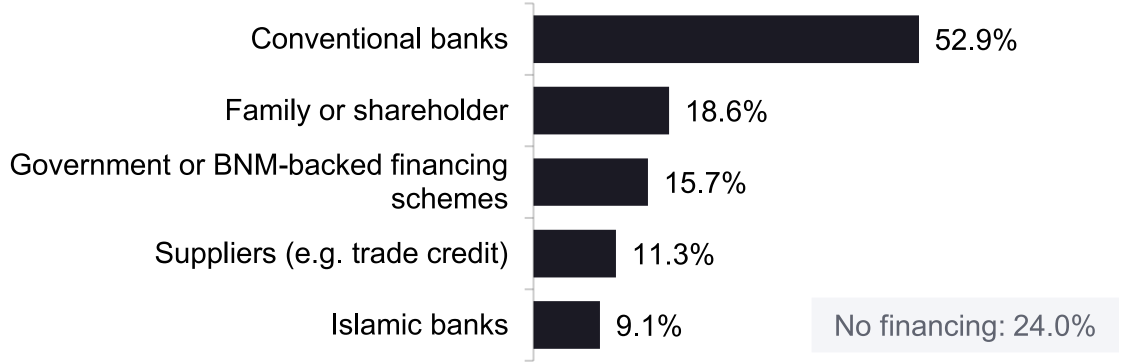
## CURRENT ISSUES:

# Access to Financing

% of respondents

## Financing source

Conventional banks have remained the primary source of financing, while alternative financing channels remain underutilised.

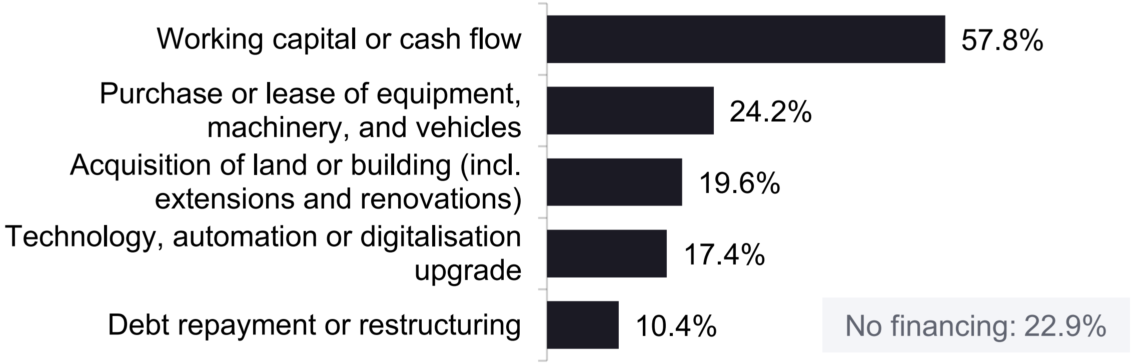



## Financial access compared with 2 years ago

More than half of businesses perceive financing access to be tighter than two years ago.

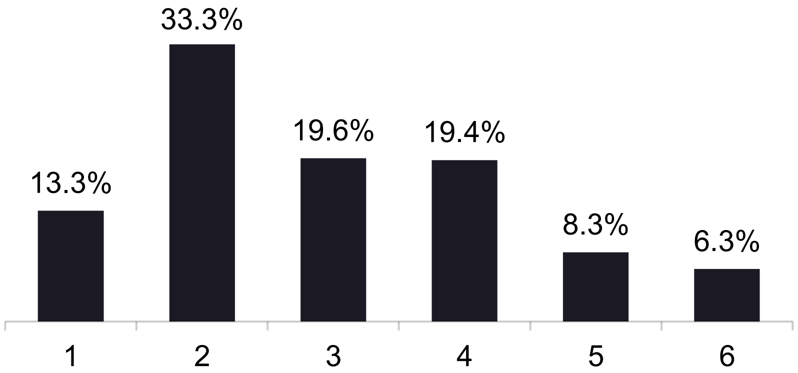

## Financing purpose

Businesses primarily seek financing to support working capital, and day-to-day cash flow needs rather than expansion initiatives.




## Annual financing requirement

Most businesses require relatively modest financing, with one-third needing between RM100,000 and RM500,000 annually.

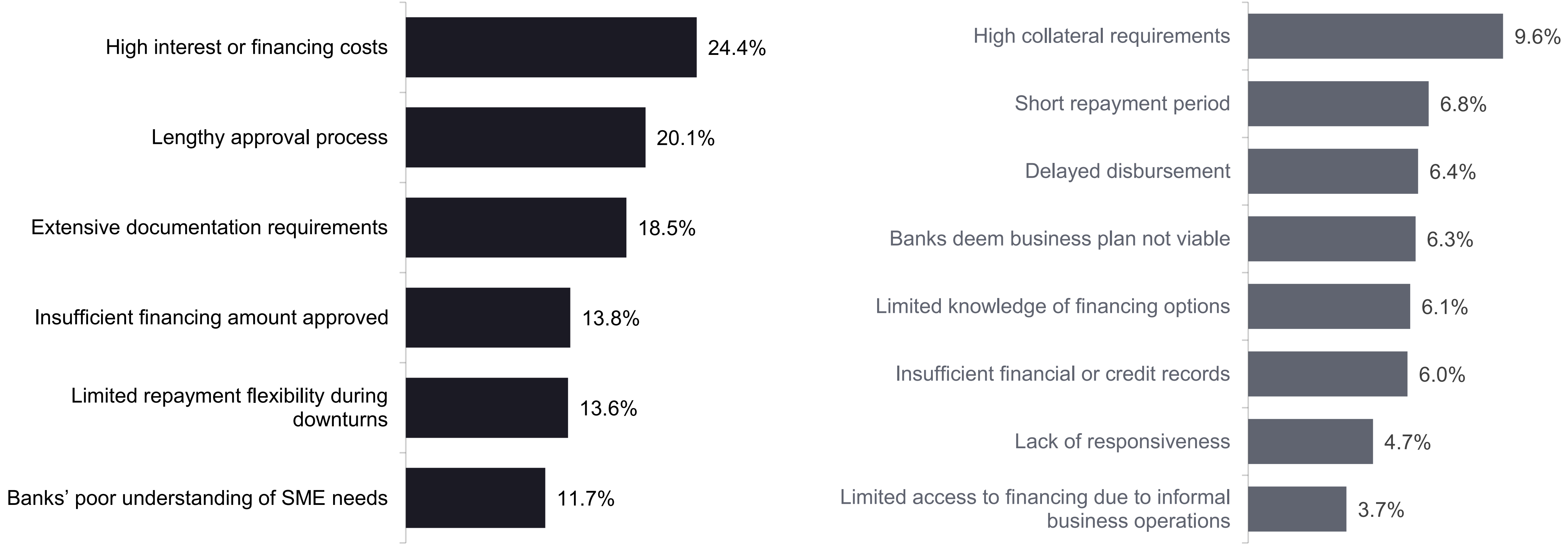



1: ≤ RM100 k
2: > RM100 k – 500 k
3: > RM500 k – 1 mil
4: > RM1 mil – 5 mil
5: > RM5 mil – 10 mil
6: > RM10 mil

% of respondents

## Main challenges in bank financing

High financing costs and lengthy approval processes remain the most significant barriers to obtaining financing.




No major challenges: 24.5%

% of respondents

## Engagement with the DFIs

Low awareness and utilisation of the Development Financial Institutions (DFIs) among businesses.

| 45.9% | 41.4% | 5.1% | 4.7% | 2.9% |
|---|---|---|---|---|
| aware but never applied | never heard of DFIs | applied but not approved | currently applying | successfully obtained DFI financing |

## Barriers to the DFI adoption

Lack of awareness is the primary barrier to the DFIs utilisation, outweighing operational and eligibility-related constraints. (51.8% of MSME respondents cited lack of awareness)

| 50.6% | 21.7% | 12.6% | 9.8% | 9.4% |
|---|---|---|---|---|
| lack of awareness | no financing needs | extensive documentation requirements | long processing times | high compliance-related costs |

## Perception of the DFI financing

Businesses generally view the DFIs positively on financing rates and terms, but many remain neutral regarding accessibility, responsiveness and approval speed.

| DFIs offer better in: | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|---|---|---|---|---|---|
| Competitive rates | 6.3% | 10.5% | 57.9% | 21.1% | 4.2% |
| Financing terms | 5.3% | 13.7% | 48.4% | 28.4% | 4.2% |
| SME accessibility | 6.3% | 21.1% | 47.4% | 21.1% | 4.2% |
| Understanding of MSME needs | 5.3% | 21.1% | 50.5% | 20.0% | 3.2% |
| Approval efficiency | 7.4% | 23.2% | 51.6% | 12.6% | 5.3% |
| Professional and responsive service | 9.5% | 16.8% | 55.8% | 15.8% | 2.1% |
| Financing support | 5.3% | 21.1% | 47.4% | 23.2% | 3.2% |
| Clear and transparent information | 9.5% | 15.8% | 44.2% | 26.3% | 4.2% |

# PART 4

% of respondents

## Adoption of alternative financing

Low awareness and utilisation of alternative financing, with most businesses either unaware of or not using available options.

| | Never heard | Aware but never used | Currently considering | Used but unsuccessful | Currently using |
|---|---|---|---|---|---|
| Peer-to-peer (P2P) financing | 43.3% | 44.4% | 6.8% | 2.3% | 3.1% |
| Equity crowdfunding (ECF) | 31.9% | 58.7% | 7.2% | 1.5% | 0.7% |
| Digital bank financing services | 33.8% | 54.1% | 8.9% | 1.4% | 1.9% |
| Supply chain financing | 42.8% | 43.1% | 10.2% | 1.1% | 2.9% |
| Venture capital | 34.5% | 54.1% | 8.0% | 1.6% | 1.8% |

## Recommendations to Enhance the DFIs' Assistance

### 1. Targeted Outreach

**Shift focus from general publicity:** Implement practical, sector-specific campaigns for MSMEs. Explain eligibility, document specs, and application checklists in direct, everyday language.

INTERACTIVE

### 2. Simplify & Standardise

**Reduce processing bottlenecks:** Eliminate complex paperwork barriers. Introduce centralised, transparent document checklists and digital pre-screening tools to minimise approval delays and uncertainties.

STREAMLINED

### 3. Advisory on Products

**Address the readiness gap:** Offer structured clinics to guide MSMEs in building business plans, cash projections, and compliance files. Leverage active partnerships between the DFIs, SME Corp, and business chambers.

CAPACITY

### 4. Tailored Size & Sector Needs

**Right-fit facilities:** Offer micro-firms rapid, small-ticket working capital. Build repayment structures aligned with specialised sector constraints (e.g. construction and trading cash-flow cycles).

MODULAR

### 5. Synergy & Blended Finance

**Beyond isolation:** Deepen cooperation with commercial banks, digital lenders, and other platforms. Deploy co-financing, structured credit guarantees, and seamless multi-channel referral options.

ECOSYSTEM

### 6. Alternative Credit Assessment

**Beyond collateral-based lending:** Adopt alternative credit assessment using the intellectual property (IP), digital payments, and others to expand financing access for viable, asset-light MSMEs while maintaining risk management.

ALTERNATIVE

# 谢谢 Thank you

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SERC

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