

Malaysia's PPI decreases 2.9 pct in January 2026

KUALA LUMPUR: Malaysia's Producer Price Index (PPI) dropped 2.9 per cent in January 2026, after recording a 2.7 per cent decrease in the previous month, according to the Department of Statistics Malaysia (DOSM).

Chief Statistician of Malaysia, Datuk Seri Mohd Uzir Mahidin, said the mining sector declined by 11.7 percentage points (December 2025: -8.8 per cent), significantly affecting the overall index.

"Both the extraction of crude petroleum and the extraction of natural gas indices decreased by 11.8 per cent and 11.5 per cent, respectively.

"The agriculture, forestry, and fishing sector contracted by 8.3 per cent (December

2025: -12.1 pct), with the growing of perennial crops index recording a 14.7 per cent decline," he said in a statement on PPI Local Production for January 2026.

Similarly, the manufacturing sector also fell 1.7 per cent (December 2025: -1.3 per cent).

Conversely, within the utility sector, the water supply index increased by 10.2 per cent, and the electricity and gas supply index rose by 4.9 per cent.

On a month-on-month basis, the PPI Local Production recorded a marginal increase of 0.1 per cent in January 2026 from a decline of 0.2 per cent in the previous month.

Mohd Uzir said the mining sector rebounded by 1.9 per cent in January 2026 (December 2025: -2.0 per cent),

supported by the extraction of crude petroleum (4.0 per cent) index.

"The agriculture, forestry and fishing sector increased by 0.3 per cent, driven by the animal production (1.6 per cent) index.

"Meanwhile, water supply and electricity and gas supply indices rose by 0.6 per cent and 0.4 per cent, respectively," he said.

However, the manufacturing sector slipped by 0.2 per cent in January 2026 (December 2025: 0.1 per cent), weighed down by declines in the manufacture of coke and refined petroleum products (-1.0 per cent) and the manufacture of food products (-0.7 per cent) indices.

Comparing Malaysia's PPI for January 2026 with selected

countries, Mohd Uzir said the selected countries showed mixed trends, with Japan's PP increasing by 2.3 per cent year on-year, slightly moderating from a 2.4 per cent increase in the previous month.

In contrast, China remained in producer deflation, with its PPI declining by 1.4 per cent from a decline of 1.9 per cent in December 2025, representing the 40th consecutive month of decline.

"Similarly, Thailand's PP declined by 1.6 per cent, after decreasing by 1.8 per cent in the previous month.

"This represented the eleventh straight month of year-on-year negative producer inflation, a similar trend in Malaysia," he said — Bernama