

WEAKER MANUFACTURING, MINING SECTORS

Malaysia's IPI falls 2.2pc in June

KUALA LUMPUR: Malaysia's Industrial Production Index (IPI) contracted in June, falling 2.2 per cent year-on-year.

The IPI had posted a 4.8 per cent year-on-year growth in May.

The decline was attributed to the manufacturing and mining sectors, which contracted 1.6 per cent (May: 5.2 per cent) and 6.4 per cent (May: 2.9 per cent), respectively. The output of the electricity sector moderated to 2.8 per cent compared with 5.9 per cent in the preceding month.

The deterioration in manufacturing output in June was influenced primarily by the 3.9 per cent decline in export-oriented

industries.

It was the second contraction in export-oriented industries this year after April.

This was mainly due to decreases in the manufacture of coke and refined petroleum products (-10.8 per cent); and the manufacture of computer, electronics and optical products (-4.0 per cent).

The contraction was also in line with the country's export performance, which dropped by 14.1 per cent in June.

On the other hand, domestic-oriented industries continued to expand, albeit at a more moderate rate of 4.1 per cent, compared with 10.1 per cent in May.