

July IPI returns to positive territory

KUALA LUMPUR: Malaysia's Industrial Production Index (IPI) rebounded to 0.7% year-on-year (y-o-y) in July, spurred by the mining and electricity sectors, according to the Statistics Department.

Chief statistician Datuk Seri Mohd Uzir Mahidin said the IPI returned to positive territory in July 2023, from the a 2.2% contraction in June.

"The marginal increase was backed by the expansion in the mining sector (July: up 4.2%, June: down 6.4%) and the electricity sector (July: up 1.5%, June: up 2.8%).

"Meanwhile, the manufacturing sector continued to decline, albeit with a smaller decrease of

0.2% (June: down 1.6%)," he said in a statement yesterday.

On a month-on-month (m-o-m) comparison, he noted that the IPI fell by 1.8%, contrasting with the positive growth of 2.2% in June.

He also noted that the manufacturing output was supported by the expansion in the domestic-oriented industries (July: 6%, June: 4.1%)

"The growth was propelled mainly by the double-digit growth of 11.9% in the manufacture of motor vehicles, trailers and semi-trailers.

"Additionally, the manufacture of fabricated metal products (except machinery and equipment), as well as the manufacture of food processing products also

supported the growth at 6.9% and 7%, respectively," he said.

Meanwhile, Mohd Uzir said the export-oriented industries, which account for about two-thirds of the manufacturing output, remained on a downward trend at 2.7% (June 2023: down 3.9%).

This was primarily influenced by the decline in the manufacture of coke and refined petroleum products (down 10.1%, the manufacture of computer, electronics and optical products (down 9%); and the manufacture of rubber products (down 1.6%).

"This was in line with the country's export performance which dropped by 13.1% in July 2023," he said. — Bernama