

IPI posts modest 0.6% increase for November 2023

KUALA LUMPUR: The Industrial Production Index (IPI), which measures real output in the manufacturing, mining and electricity sectors, registered a marginal increase of 0.6% in November 2023 year-on-year (y-o-y), says the Statistics Department.

In a statement, chief statistician Datuk Seri Mohd Uzir Mahidin said the modest expansion of 1.9% in the mining segment and 4.2% in the electricity sector contributed to the IPI uptrend.

However, he said the manufacturing sector's output turned negative 0.1% after two consecutive months of positive growth.

On a month-on-month comparison, Mohd Uzir said the IPI contracted 0.9% compared with the 1.9% growth recorded in October 2023.

"The decrease in manufacturing output was due to the lower output in export-oriented industries, which dropped by 2.7%.

"The contraction was mainly attributable to the fall in the manufacturing of computer, electronics and optical products (down 8.6%); manufacture of coke and refined petroleum products (down 1.8%); and the manufacture of wood and products of wood and cork (down 1.9%)," he said.

Mohd Uzir said the performance was in line with the country's export performance, which had been trending downward since March 2023 and shrank 5.9% in November.

He said export-oriented industries slipped by 2.2% compared with the preceding month.

On the other hand, Mohd Uzir said domestic-oriented industries remained resilient and registered growth of 5.8% in November 2023, boosted mainly by the 10.9% rise in the manufacturing of food processing products; fabricated metal products, except machinery and equipment, by 8.9% and other non-metallic mineral products by 6.9%.

"The domestic-oriented industries rebounded 3.7% against the negative 1.4% registered in October 2023," he added.

For the 11-month performance of January to November 2023, Mohd Uzir said the IPI rose at a slower rate of 1% compared to 7.1% in the same period in 2022.

"The expansion was supported by the electricity index (2.3%), manufacturing index (0.9%) and mining index (0.6%)," he added.

November's factory output had been forecast to expand 1%, according to economists. — Bernama