

## March industrial production index up 2.4%, but below forecast

**PETALING JAYA:** The industrial production index (IPI) rose 2.4% year-on-year (y-o-y) in March 2024, below expectations.

According to 15 economists surveyed in a *Reuters* poll, March's factory output had been forecast to expand 2.5% y-o-y.

"The IPI remained positive albeit at a slower rate of 2.4% in March 2024 as compared to 3.1% in the preceding month.

"The increase was spearheaded by the expansion in the manufacturing sector which grew by 1.3%, up from 1.2% in February 2024," chief statistician Datuk Seri Mohd Uzir Mahidin said in a statement.

The mining and electricity sectors registered growth of 4.9% (February 2024: 8.1%) and 7.8% (February 2024: 10.9%) respectively.

In comparison with the preceding month, the IPI turned around to 7.5%, contrasting with the negative 6.3% recorded in the previous month.

Mohd Uzir said in March 2024, the export-oriented industries rebounded to 0.5% from negative 0.2% in February 2024.

This upturn was primarily led by the manufacture of computer, electronics and optical products; and the manufacture of coke and refined petroleum products

which registered increases of 2% and 1.9% respectively. Furthermore, the manufacture of furniture experienced a notable surge of 12.6% during the month.

Additionally, the export-oriented industries' growth reflects the performance of the country's manufactured goods exports, which regained momentum in March 2024.

In a month-on-month comparison, the export-oriented industries augmented by 11% as against the negative 5.8% in February 2024.

Meanwhile, the domestic-oriented industries grew modestly by 3.1% as against 4.1% in February 2024.

The electricity output expanded by 7.8% in March 2024 after registering an increase of 10.9% in the preceding month.

"The IPI advanced further by 3.3% y-o-y as compared to 0.8% recorded in the fourth quarter of 2023. The expansion was supported by the acceleration registered in the mining sector by 5.9% and the electricity sector by 8.9%," Mohd Uzir said.

The manufacturing sector turned upward to 2.1% from the negative 0.2% posted in the previous quarter. In a quarter-on-quarter comparison, the IPI dropped by 1% influenced by the manufacturing sector at negative 1.8%.