

Manufacturing industry capacity utilisation hits 80.8%

KUALA LUMPUR: The manufacturing industry operated at 80.8% capacity in the first quarter of 2024 (1Q24), up from 79.8% a year ago, according to the Statistics Department.

Chief statistician Datuk Seri Mohd Uzir Mahidin said the higher capacity rate led to a 2.1% year-on-year (y-o-y) increase in the Industrial Production Index (IPI) for the manufacturing industry during the quarter.

“The increased capacity utilisation rate in 1Q24 was driven by performance in January (80.9%) and March (81.6%), both exceeding 80%, while February 2024 stood at 79.8%,” he said in a statement.

Factors such as low demand, inadequate supply of materials and ongoing machin-

ery and equipment repairs or maintenance continued to hamper full utilisation of capacity in the manufacturing sector.

Mohd Uzir added that capacity utilisation in export-oriented industries experienced an uptrend during the quarter, rising by 0.1 percentage points y-o-y to 79.4%.

Meanwhile, domestic-oriented industries expanded significantly to a capacity utilisation rate of 83.7% in 1Q24, up by 2.8 percentage points compared to the same quarter in the previous year.

Four states demonstrated capacity utilisation rates surpassing the national rate in 1Q24 – Wilayah Persekutuan Labuan (95.9%), Negri Sembilan (84.9%), Selangor (83.1%) and Johor (81%). — Bernama