UP 3.1PC YEAR-ON-YEAR

February IPI driven by manufacturing, electricity output

KUALA LUMPUR: Malaysia's Industrial Production Index (IPI) rose 3.1 per cent year-on-year in February, supported by continued expansion in the manufacturing sector, which grew 4.2 per cent.

Chief Statistician Datuk Seri Mohd Uzir Mahidin said the increase in IPI was also driven by a 4.6 per cent rise in electricity output.

However, mining output declined two per cent, reversing the marginal growth of 0.1 per cent recorded in January.

Uzir said the contraction in the mining sector was due to a 4.3 per cent drop in crude oil and condensate production, while natural gas output slipped 0.4 per cent.

"Similarly, the mining index fell 14.3 per cent after rising 2.1 per cent in the preceding month. Meanwhile, electricity generation increased 4.6 per cent year-on-year in February. On a month-on-month basis, the electricity index declined 8.0 per cent," he said in a statement.

Datuk Seri Mohd Uzir Mahidin

On a month-on-month basis, the IPI fell 9.2 per cent, compared with a 0.6 per cent increase in January.

"The manufacturing sector remained supported by continued growth in export-oriented industries, which expanded five per cent after registering 7.8 per cent in January. This was driven primarily by double-digit growth in the manufacture of computer, electronics and optical products at 15.7 per cent, followed by a 3.5 per cent increase in electrical equipment."

The growth momentum was also reflected in Malaysia's manufactured exports, which rose 7.1 per cent in February. However, on a month-on-month basis, export-oriented industries declined 8.1 per cent from a 0.7 per cent increase in January.

Domestic-oriented industries remained steady, growing 2.7 per cent. The manufacture of food products rose 8.4 per cent, followed by a 3.6 per cent increase in fabricated metal products, except machinery and equipment.

Globally, industrial production growth slowed in several economies, including the United States (1.4 per cent), Japan (0.3 per cent), Vietnam (1.0 per cent) and Taiwan (17.8 per cent).

Singapore recorded a contraction of 0.05 per cent. South Korea and Thailand also recorded contractions.

In contrast, China posted a 6.3 per cent increase during the month.