



MEDIA STATEMENT

MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

Block C6 & C7, Complex C,
Federal Government Administrative Centre, Precinct 1,
62514, Federal Territory Putrajaya
Telephone no. : 03 - 8090 4681

PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, MALAYSIA DECEMBER 2025

Malaysia's Producer Price Index increased marginally by 0.5 per cent in December 2024, ending a three-month decline since September 2024

PUTRAJAYA, 28th January 2025 – Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, increased marginally by 0.5 per cent year-on-year in December 2024, from a 0.4 per cent decline in the previous month. The decrease was driven by mixed performance across key sectors, with notable increases in the Agriculture, forestry & fishing. This was reported today in the latest monthly report of **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, DECEMBER 2024**, published by the Department of Statistics Malaysia.

Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted, "The Agriculture, forestry & fishing sector recorded a significant increase of 23.8 per cent in December 2024, reflecting strong momentum compared to 21.8 per cent in November 2024 due to Growing of perennial crops (41.9%). Meanwhile, the Mining sector contracted by 7.0 per cent, a smaller decline than the previous month of 8.3 per cent. The decline was primarily driven by the Extraction of crude petroleum index, which fell by 9.7 per cent. The Manufacturing sector saw a slight decline of 1.0 per cent (November 2024: -1.8%), with key subsectors of Manufacture of coke & refined petroleum products dropping sharply by 15.5 per cent and Manufacture of computer, electronic & optical products decreased by 1.5 per cent. On the other hand, the Electricity & gas supply sector remained steady with a 0.9 per cent increase, while the Water supply sector continuing its upward trend by 6.7 per cent."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production continued to increase by 0.8 per cent in December 2024 as compared to 1.4 per cent in November 2024. The Agriculture, forestry & fishing sector rose by 1.6 per cent (November 2024: 8.5%), supported by Growing of perennial crops index (2.1%). The Manufacturing sector performed positively, increasing by 0.8 per cent (November 2024: 0.3%), led by Manufacture of food products (3.2%) and Manufacture of computer, electronic & optical products (0.7%). Conversely, the Mining sector recorded a marginal decline of 0.2 per cent (November 2024: 5.7%), dragged down by a 2.4 per cent decrease in the Extraction of natural gas index. In the utilities sector, the Electricity & gas supply sector declined slightly by 0.2 per cent, while the Water supply sector decreased marginally by 0.3 per cent."

Elaborating further on the PPI Local Production by stage of processing, Chief Statistician Malaysia mentioned, "The Crude materials for further processing index recorded a year-on-year increase of 1.9 per cent (November 2024: -2.0%), supported by a 2.4 per cent rise in the Non-food materials index. The Finished goods index rose by 0.5 per cent (November 2024: 0.4%), with Capital equipment increasing by 1.2 per cent. Meanwhile, the Intermediate materials, supplies & components index edged up slightly by 0.1 per cent (November 2024: -0.2%), driven by Materials & components for manufacturing index (3.3%)."

On a monthly basis, the Crude materials for further processing index increased by 1.5 per cent in December 2024. The Intermediate materials, supplies & components index rose by 0.6 per cent, while the Finished goods index recorded a rise of 0.4 per cent.

Chief Statistician Malaysia also added that, "The PPI Local Production continued to decline by 0.8 per cent in the fourth quarter of 2024, as compared to 0.2 per cent decline in the third quarter of 2024. The decline was due to Mining (-11.0%) and Manufacturing (-1.8%) sectors. Conversely, the Agriculture, forestry & fishing sector recorded a significant increase of 19.8 per cent, while Water supply and Electricity & gas supply increased by 6.7 per cent and 0.9 per cent, respectively. Meanwhile, quarter-on-quarter basis, the PPI showed a 0.8 per cent decline, as compared to a 1.6 per cent decrease in the third quarter of 2024."

The Chief Statistician of Malaysia provided a summary of the overall annual PPI, "In 2024, the PPI local production increased by 0.3 per cent after posted a negative 1.9 per cent in 2023. The incline was particularly supported by a positive index of Agriculture, forestry and fishing of 7.9 per cent, as compared to double-digit negative 13.8 per cent in the previous

year. Likewise, Water supply and Electricity & gas supply sectors increased by 6.5 per cent and 0.6 per cent, respectively. However, both Mining and Manufacturing indices declined by 2.0 per cent and 0.3 per cent, respectively.”

In December 2024, global crude oil prices continued to fluctuate due to factors such as OPEC+ production cuts, geopolitical tensions and shifting demand dynamics. According to Reuters, China's crude oil imports fell influenced by the increasing adoption of New Energy Vehicles (NEVs) and high crude prices. These factors contributed to a drop in global oil prices from USD 78 per barrel in December 2023 to USD 74 per barrel in December 2024. Meanwhile, Malaysia's average crude palm oil price (CPO) for December 2024 reached RM 5,119.50 per tonne, up from RM 5,011.50 per tonne the previous month. According to the Malaysian Palm Oil Board (MPOB), the lowest output since March 2024 impacted the Malaysia's CPO market dynamics.

A comparison among selected countries showed that the United States Producer Price Index (PPI) increased by 3.3 per cent this month, up from 3.0 per cent in November 2024. The rise was primarily due to the Final demand goods, particularly in the Energy index. Japan's PPI rose by 3.8 per cent, maintaining the same pace as in the previous month. It was the highest since June 2023, as costs continued to rise for Transport equipment and Beverage & foods. Factory gate prices for goods produced by United Kingdom rose 0.1 per cent in December 2024 (November 2024: -0.5%), driven by higher costs for Food products and softened decline in the Coke and refined petroleum products. China's producer prices continued to decline by 2.3 per cent in December 2024, lower than a 2.5 per cent decline in the previous month. This was the 27th consecutive month of producer deflation, the lowest decline since August 2024, as Beijing continued its efforts to stimulate demand towards the end of the year.

Regarding Malaysia's current selected commodity prices, Dato' Sri Dr. Mohd Uzir Mahidin explained that, “According to The World Bank, the overall commodity outlook for 2025 indicates a downward trend, with an anticipated 5.0 per cent decline in prices, followed by a 2.0 per cent decrease in 2026. The downturn is attributed to factors such as oversupply in energy markets, overcapacity in metals and stabilise agricultural prices. The U.S. Energy Information Administration (EIA) forecasts that global oil production growth will surpass demand, leading to an oversupplied market. Consequently, Brent crude prices are expected to average USD 74 per barrel in 2025, an 8.0 per cent decrease from 2024, and decline further to USD 66 per barrel in 2026.”

Embargo: Only to be published or disseminated at 1200 hour, Tuesday, 28th January 2025

The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through <https://open.dosm.gov.my>.

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is "Statistics is the Essence of Life". DOSM commemorates its 75th Diamond Jubilee in 2024.

Chart 1: Percentage Change of Producer Price Index (PPI) Local Production, Malaysia

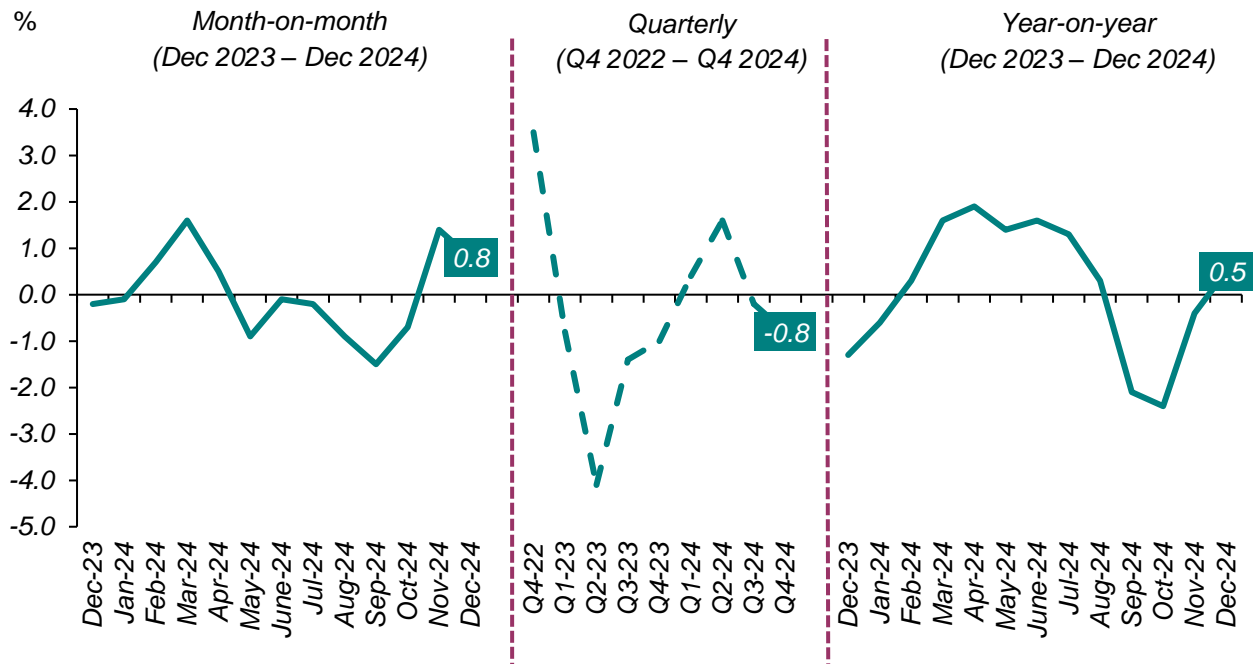


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

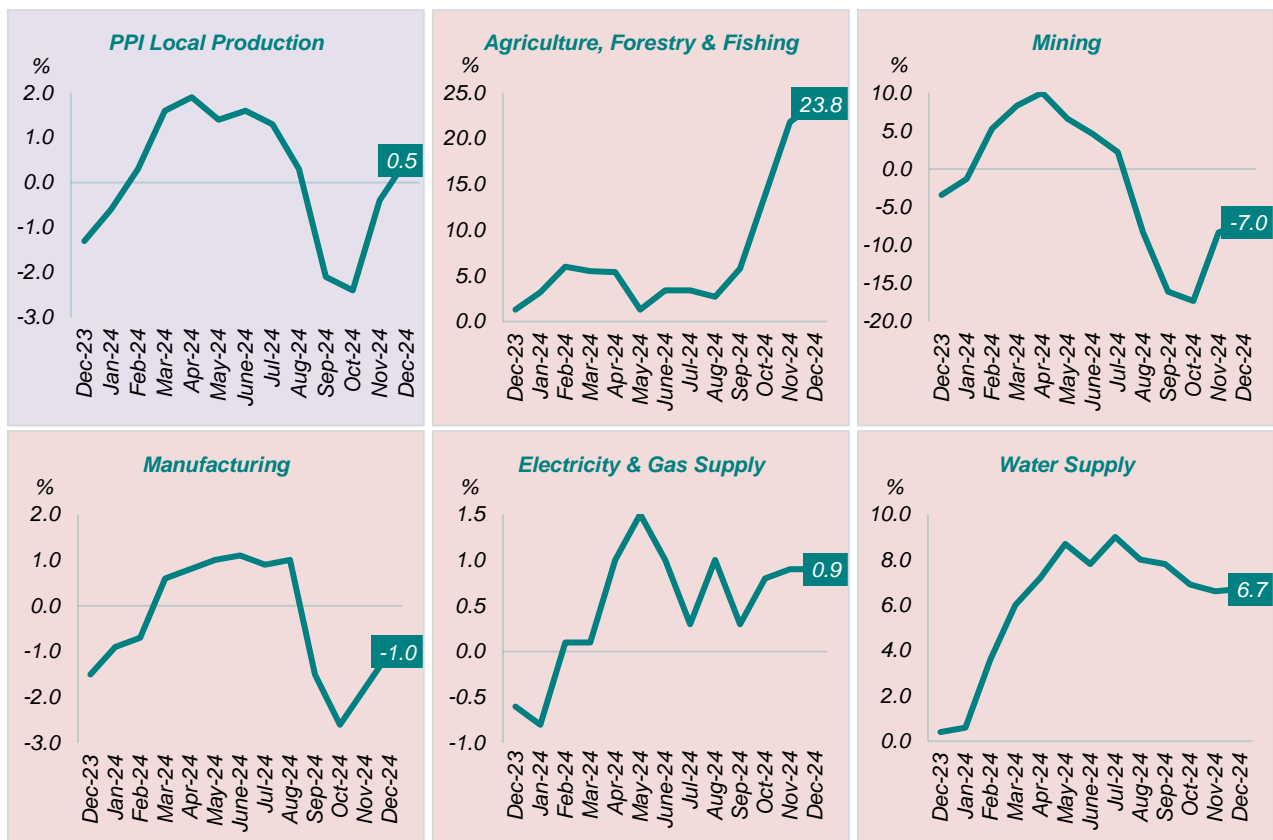
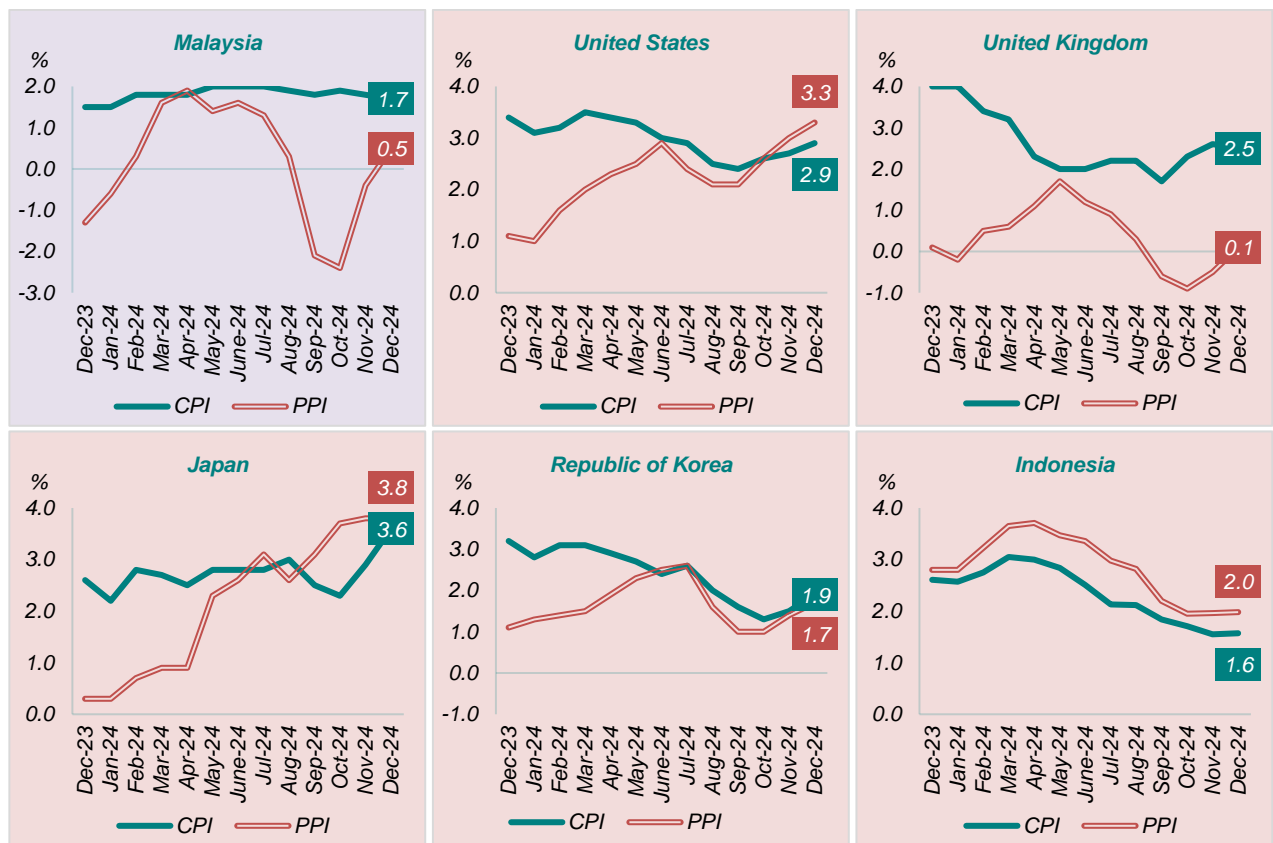
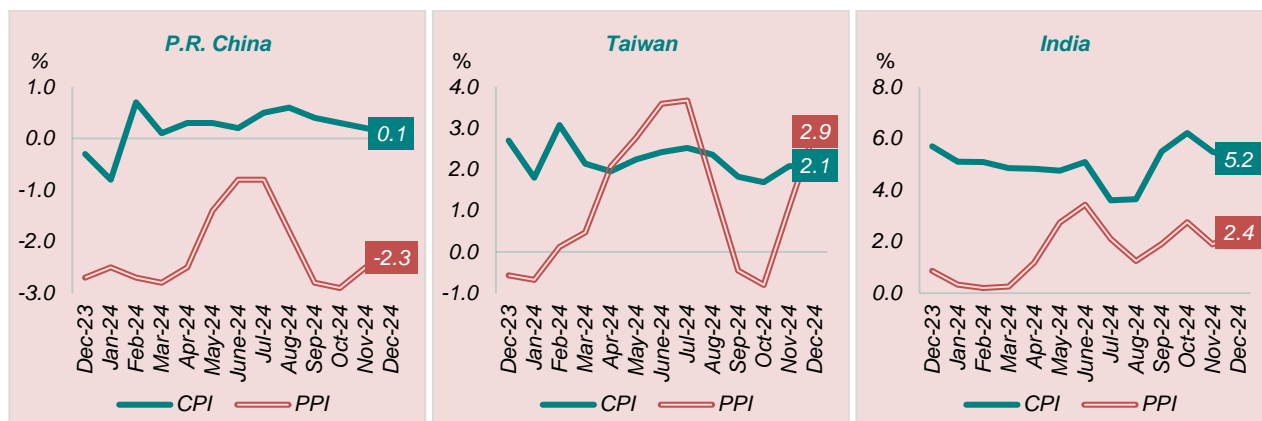


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia



Chart 4: Percentage Change of Consumer Price Index (CPI) and Producer Price Index (PPI) of Selected Countries (Year-on-Year)





Source: Official websites of selected National Statistical Offices (NSOs)

Released by:

THE OFFICE OF CHIEF STATISTICIAN MALAYSIA
DEPARTMENT OF STATISTICS MALAYSIA
28th JANUARY 2025