MEDIA STATEMENT



MINISTRY OF ECONOMY DEPARTMENT OF STATISTICS MALAYSIA

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

Malaysia's Producer Price Index recorded a 2.8 per cent decline in August 2025

PUTRAJAYA, 29th September 2025 – Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, recorded a 2.8 per cent decline in August 2025, following a 3.8 per cent decrease in the previous month. This was reported today, in the latest monthly report of PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, AUGUST 2025, published by the Department of Statistics Malaysia.

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted, "Similar to the previous month, the decline in August 2025 was mainly due to the Manufacturing and Mining sectors. The Manufacturing sector recorded a 4.0 per cent decrease, similar to July 2025, affected by Manufacture of coke & refined petroleum products (-14.9%) and Manufacture of computer, electronic & optical products (-7.7%) indices. At the same time, the Mining sector decreased by 3.4 per cent (July 2025: -8.7%), dragged down by the Extraction of crude petroleum (-5.1%) index. Conversely, the Agriculture, forestry & fishing sector increased by 7.3 per cent (July 2025: 1.1%), contributed by Growing of perennial crops (11.6%) index. For the utility sectors, both Electricity & gas supply and Water supply sectors went up by 4.1 per cent and 3.4 per cent, respectively."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production marginally increased by 0.1 per cent in August 2025, after a 0.3 per cent rise in the previous month. The Agriculture, forestry & fishing sector went up by 3.3 per cent (July 2025: 2.5%), supported by the Growing of perennial crops (5.1%) index. The utility sectors, Electricity & gas supply and Water supply indices also inclined by 0.7 per cent and

2.7 per cent, respectively. On the other hand, the Mining sector decreased by 1.5 per cent after posting no changes in the previous month, affected by both Extraction of natural gas (-2.3%) and Extraction of crude petroleum (-1.2%) indices. The Manufacturing sector continued to record a marginal decrease of 0.2 per cent (July 2025: -0.1%), weighed down by the Manufacture of coke & refined petroleum products (-0.7%) and Manufacture of computer, electronic & optical products (-0.4%) indices."

Elaborating further on the PPI Local Production by stage of processing, the Chief Statistician Malaysia, explained, "All stages of processing recorded year-on-year decreases in August 2025, continuing the downward trend since March 2025. The Crude materials for further processing index went down by 0.8 per cent (July 2025: -5.8%), affected by the decrease in Non-food materials index (-1.1%). The Intermediate materials, supplies & components index recorded a 3.1 per cent decline (July 2025: -3.7%), due to drop in Processed fuel & lubricants (-8.6%). Similarly, the Finished goods index decreased by 3.4 per cent (July 2025: -2.4%), mainly due to a downturn in the Capital equipment (-5.6%)."

On a month-on-month basis, the Crude materials for further processing index recorded an increase of 1.6 per cent. Meanwhile, Intermediate materials, supplies & components and Finished goods indices decreased by 0.2 per cent and 0.5 per cent, respectively.

A comparison of selected countries showed mixed trends in the PPI for August 2025. In the United States (U.S.), the PPI increased by 2.6 per cent, easing from a 3.1 per cent rise in the previous month. Japan's PPI rose by 2.7 per cent, from a 2.5 per cent increase in the previous month. In contrast, China remained in producer deflation, with the PPI declining by 2.9 per cent, as compared to a decline of 3.9 per cent in July 2025. This represented the 35th consecutive month of decline, due to lingering weakness in domestic demand and ongoing trade headwinds. Similarly, Thailand's PPI contracted by 3.5 per cent, following a 4.2 per cent drop in the previous month. This marked the sixth straight month of year-on-year negative producer inflation, a similar trend in Malaysia.

Speaking on selected Malaysia's commodity prices, Dato' Sri Dr. Mohd Uzir Mahidin added, "According to the World Bank, the average Brent crude oil price in August 2025 was USD 68.20 per barrel, slightly down from USD 70.95 per barrel in the previous month. Oil prices during the month were relatively stable but leaning slightly downward, driven by rising supply and modest demand. Meanwhile, Malaysian crude palm oil (CPO) prices averaged RM 4,329.00 per tonne in August 2025, up from RM 4,112.50 per tonne in July 2025, supported by strong demand, despite higher stocks and production. The Malaysian Palm

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Oil Council (MPOC) expects CPO prices to remain in the RM 4,200 to RM 4,500 range in the near term."

ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.

Malaysia, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 198 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day will be celebrated on 20th October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.

OpenDOSM NextGen is a medium that provides data catalogue and visualisations to facilitate users' analysis and can be accessed through https://open.dosm.gov.my.

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

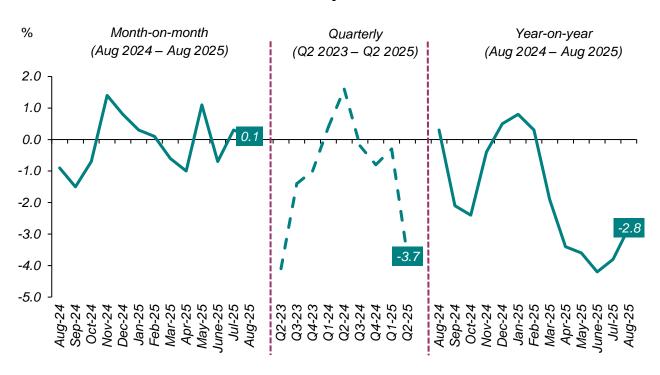


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

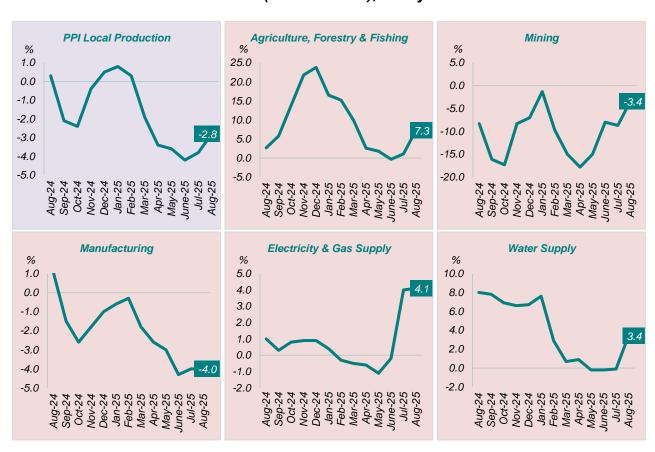
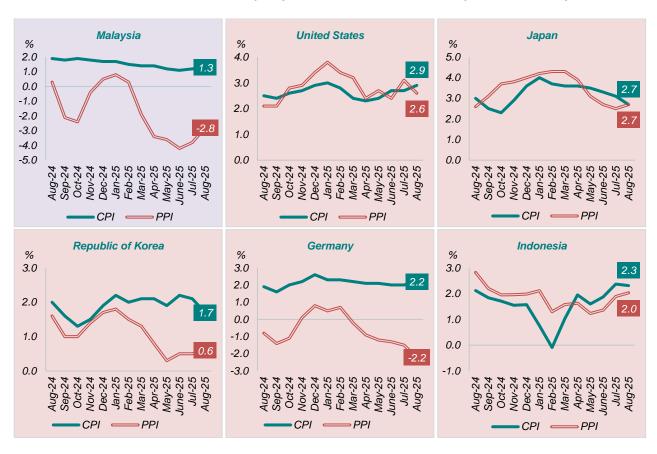


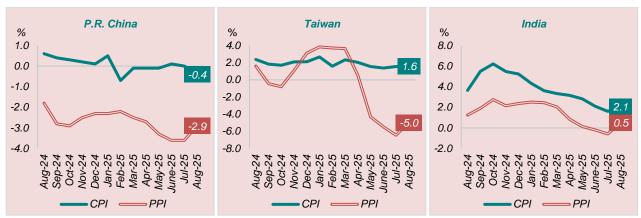
Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia



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



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

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