MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, MALAYSIA FEBRUARY 2026

Malaysia's Producer Prices Index contracted by 3.4 per cent in February 2026

PUTRAJAYA, MARCH 27, 2026 – Malaysia's Producer Price Index (PPI) contracted by 3.4 per cent in February 2026, following a 2.9 per cent decrease in the previous month. This was reported in the latest monthly report of **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, FEBRUARY 2026**, published by the Department of Statistics Malaysia.

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted the performance across sectors in February 2026, "The Agriculture, forestry & fishing sector decreased by 8.7 per cent (January 2026: -8.3%), affected by a 15.1 per cent decrease in the Growing of perennial crops index. The Mining sector continued to decline by 8.5 per cent (January 2026: -11.7%), weighed down by Extraction of natural gas (-14.2%) and Extraction of crude petroleum (-6.4%) indices. The Manufacturing sector also decreased by 2.7 per cent (January 2026: -1.7), primarily affected by the declines in Manufacture of coke & refined petroleum products (-10.6%) and Manufacture of food products (-5.2%) indices. In contrast, the Water supply index increased by 11.9 per cent, while the Electricity & gas supply index went up by 4.7 per cent."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production marginally decreased by 0.5 per cent, after an increase of 0.1 per cent in January 2026. The Manufacturing sector declined by 0.8 per cent (January 2026: -0.2%), due to Manufacture of coke & refined petroleum products (-4.2%) and Manufacture of food products (-0.7%) indices. The Water supply index edged down by 0.3 per cent, while the Electricity & gas supply index down by 0.1 per cent. Meanwhile, the Mining sector recorded a slower increase of 0.4 per cent (January 2026: 1.9%), driven by Extraction of crude petroleum (2.7%) index. The Agriculture, forestry & fishing sector also went up by 1.0 per cent (January 2026: 0.3%) supported by Growing of perennial crops (1.1%) index."

Elaborating further on the PPI Local Production by stage of processing, the Chief Statistician Malaysia, explained, “All stages of processing continued to record negative year-on-year changes in February 2026. The Crude materials for further processing index decreased by 7.0 per cent (January 2026: -7.5%), due to the decline in Non-food materials (-9.5%). The Intermediate materials, supplies & components index contracted by 3.1 per cent (January 2026: -2.3%), weighed down by Processed fuel & lubricants (-9.3%). The Finished goods index decreased by 1.1 per cent (January 2026: -0.6%), affected by the decline in Capital equipment (-2.3%).”

On a month-on-month basis, the Crude materials for further processing index increased by 0.7 per cent. In contrast, the Intermediate materials, supplies & components and Finished goods index declined by 1.0 per cent and 0.3 per cent in February 2026, respectively.

A comparison across selected economies indicated mixed trends in producer prices in February 2026. Japan recorded a 2.0 per cent year-on-year increase in PPI, slightly moderating from 2.3 per cent in the previous month. In contrast, P.R. China remained in producer deflation, with its PPI declining by 0.9 per cent, easing from a decline of 1.4 per cent in February 2026, marking the 41st consecutive month of decline. Similarly, Thailand's PPI declined by 0.5 per cent, after decreasing by 1.6 per cent in the previous month. This represented the twelfth straight month of year-on-year negative producer inflation, a similar trend in Malaysia.

Looking at selected Malaysian commodity prices, Dato’ Sri Dr. Mohd Uzir Mahidin added, “According to the World Bank, the average Brent crude oil price in February 2026 stood at USD 71.11 per barrel, rising from USD 66.77 per barrel in the previous month. The increase was driven by favourable market conditions and geopolitical risks, which supported prices in this month. However, on a year-on-year basis, prices were slightly lower than USD 75.16 per barrel in February 2025. Meanwhile, Malaysia’s oil palm fresh fruit bunches and crude palm oil (CPO) prices recorded increases in February 2026. Data from the Malaysian Palm Oil Board showed that the average price of CPO increased to RM 4,077.50 per tonne, from RM 4,018.50 per tonne in January 2026. The increase was mainly attributed to higher palm oil inventories during the month, marked the first price increase since November 2025.”

The Department of Statistics Malaysia (DOSM) is conducting the Economic Census 2026 (BE2026), themed “Data Nadi Ekonomi Rakyat”. The sixth Economic Census, running from 5th January to 31st October 2026. BE2026 aims to collect comprehensive, structured data from all registered and unregistered business establishments in Malaysia to assess the nation’s economic performance, structure and characteristics in an evidence-based manner.

Malaysia has, for the first time, successfully secured the top position globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch

(ODW), surpassing 197 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

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

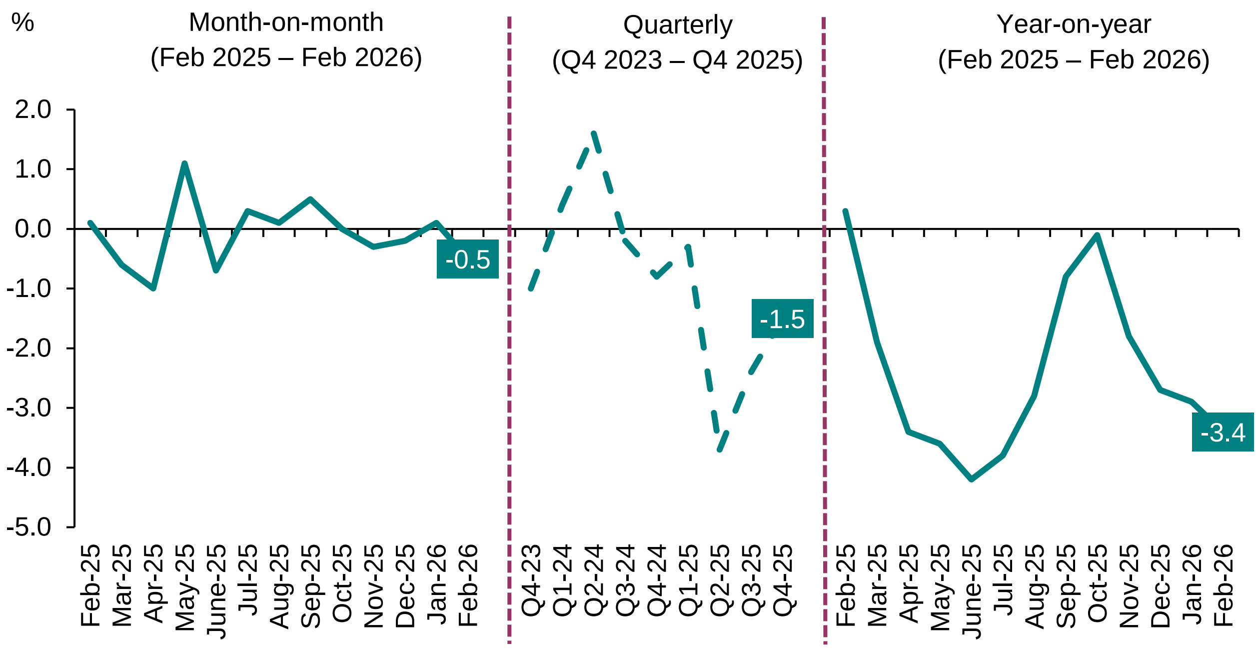


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

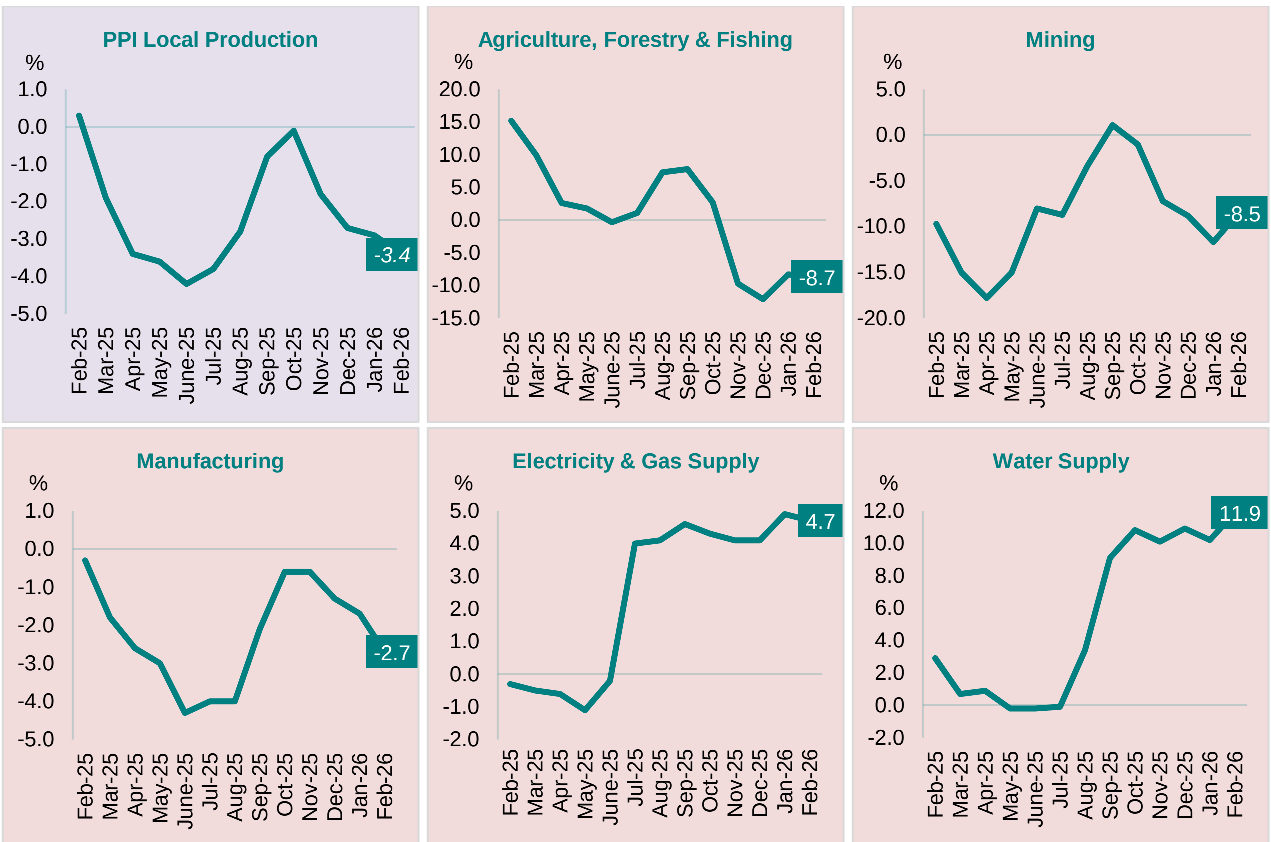


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia

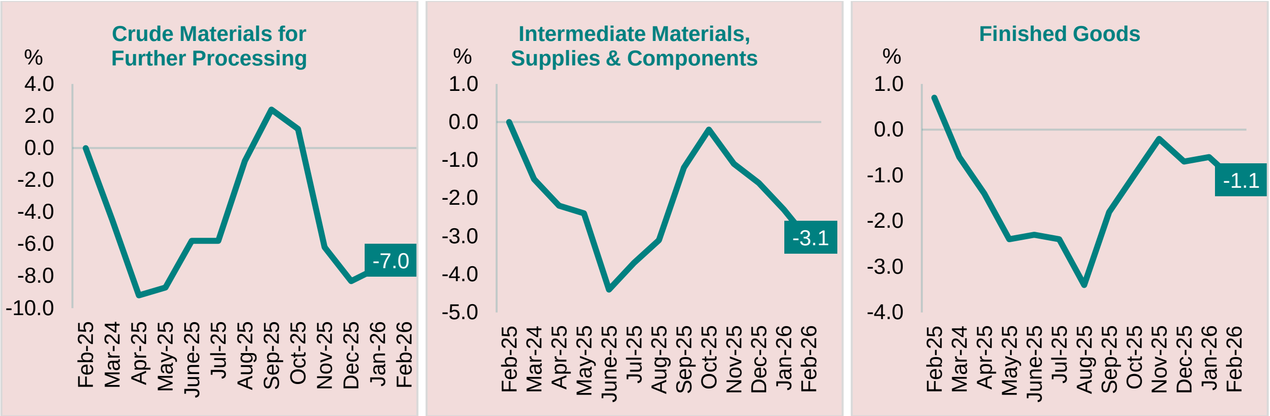
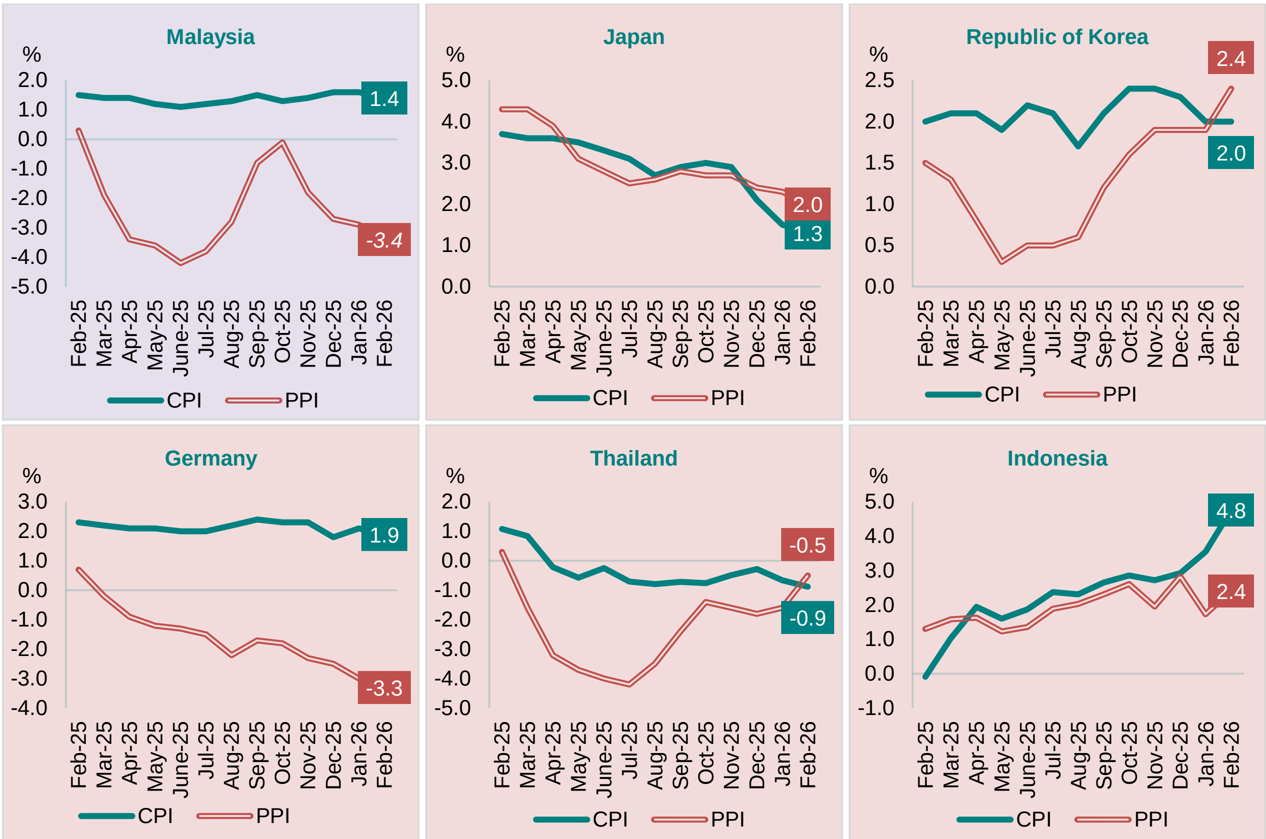
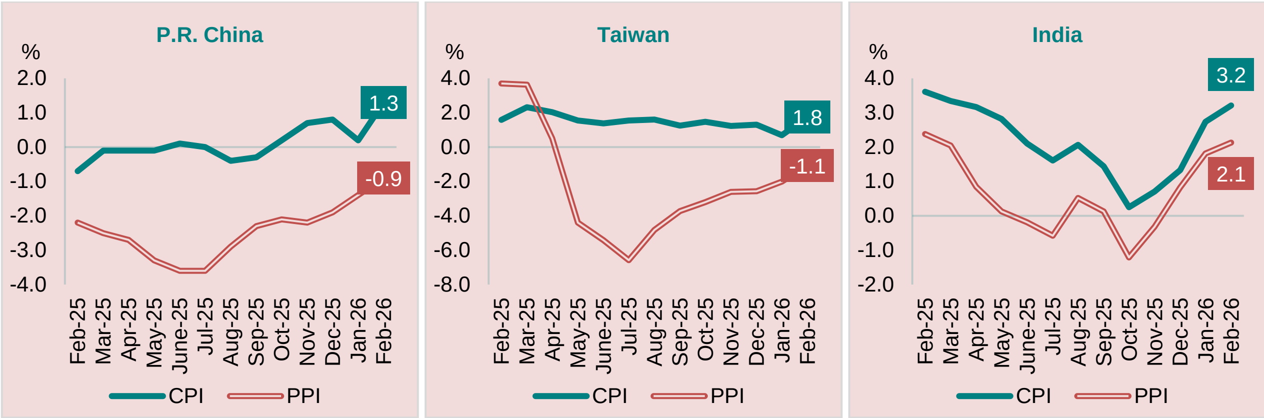


Chart 4: Percentage Change of Consumer Price Index (CPI) and Producer Price Index (PPI) of Selected Countries (Year-on-Year)





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

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