



**MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA**

MEDIA STATEMENT

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

Malaysia's Producer Prices continued to decline by 2.7 per cent in December 2025

PUTRAJAYA, JANUARY 28, 2026 – Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, continued to decline by 2.7 per cent in December 2025, following a 1.8 per cent decrease in the previous month. This was reported in the latest monthly report of **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, DECEMBER 2025**, published by the Department of Statistics Malaysia.

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted, "The Agriculture, forestry & fishing sector decreased by 12.1 per cent (November 2025: -9.7%), mainly due to a 19.6 per cent decline in the Growing of perennial crops index. The Mining sector went down by 8.8 per cent (November 2025: -7.2%), affected by declines in both Extraction of natural gas (-11.5%) and Extraction of crude petroleum (-7.8%) indices. The Manufacturing sector also contracted by 1.3 per cent (November 2025: -0.6%), with the Manufacture of coke & refined petroleum products index declining by 6.2 per cent. In contrast, the Electricity & gas supply and Water supply sectors increased by 4.1 per cent and 10.9 per cent, respectively."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production recorded a marginal decline of 0.2 per cent in December 2025 (November 2025: -0.3%). The Mining sector decreased by 2.0 per cent (November 2025: -0.8%), owing to the contractions in both Extraction of natural gas (-2.4%) and Extraction of crude petroleum (-1.9%) indices. The Agriculture, forestry & fishing sector also declined by 1.1 per cent (November 2025: -4.6%) due to the Growing of perennial crops (-2.0%) index. Conversely, the Manufacturing sector increased marginally by 0.1 per cent (November 2025: 0.3%), supported by increases in Manufacture of computer, electronic & optical products (0.7%) and Manufacture of coke & refined petroleum products (0.2%) indices. The Water supply index increased 0.4 per cent, while the Electricity & gas supply index declined by 0.2 per cent in this month."

Elaborating further on the PPI Local Production by stage of processing, the Chief Statistician Malaysia, explained, “All stages of processing posted negative year-on-year changes in December 2025. The Crude materials for further processing index decreased by 8.3 per cent (November 2025: -6.2%), mainly due to the decrease in Non-food materials (-11.0%). Meanwhile, the Intermediate materials, supplies & components index down by 1.6 per cent (November 2025: -1.1%), due to Processed fuel & lubricants (-6.7%). At the same time, the Finished goods index declined by 0.7 per cent (November 2025: -0.2%), weighed down by Capital equipment (-1.1%).”

On a month-on-month basis, the Crude materials for further processing index decreased by 0.8 per cent, while the Finished goods index dropped by 0.2 per cent. In contrast, the Intermediate materials, supplies & components index remained unchanged in December 2025.

The Chief Statistician Malaysia also added, “The PPI Local Production continued to decline by 1.5 per cent in the fourth quarter of 2025, from 2.4 per cent decrease in the third quarter of 2025. The decline was due to Agriculture, forestry & fishing (-6.7%), Mining (-5.7%) and Manufacturing (-0.8%) sectors. However, the Electricity & gas and Water supply sectors recorded increases of 4.1 per cent and 10.6 per cent, respectively. Meanwhile, on a quarter-on-quarter basis, the PPI registered a marginal increase of 0.1 per cent, rebounding from a 0.3 per cent decline in the preceding quarter. This increase was supported by Manufacturing (0.6%) and Water supply (5.2%) sectors.”

The Chief Statistician of Malaysia also summarised the overall annual PPI performance, noting that PPI Local Production declined 2.0 per cent in 2025, following an increase of 0.3 per cent in 2024. The annual decline was mainly attributed to contractions in the Mining (-8.2%) and Manufacturing (-2.1%) sectors. Meanwhile, the Agriculture, forestry and fishing increased by 3.2 per cent, and Water supply and Electricity & gas supply sectors recorded increases of 4.7 per cent and 1.9 per cent, respectively.

A comparison across selected economies showed mixed trends in producer prices in December 2025. Japan’s PPI increased by 2.4 per cent year-on-year, moderating from a 2.7 increase in the previous month. In contrast, P.R. China remained in producer deflation, with its PPI declining by 1.9 per cent, easing from a decline of 2.2 per cent in November 2025. This represented the 39th consecutive month of decline, reflecting Beijing’s continued efforts to control excessive price competition. Similarly, Thailand’s PPI decreased by 1.8 per cent, following a 1.6 per cent decline in the previous month. This marked the tenth 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 December 2025 stood at USD 62.72 per barrel, declining from USD 63.61 per barrel in the previous month. The decline in global crude oil prices during the month was primarily attributed to persistent oversupply conditions and weak demand growth across global markets. In addition, Brent crude oil prices in 2025 were generally lower than in 2024, reflecting softer demand and ongoing supply pressures. Meanwhile, Malaysia's oil palm fresh fruit bunch (FFB) and crude palm oil (CPO) prices also declined in December 2025. Data from the Malaysian Palm Oil Board showed that the average price of CPO decreased to RM 4,042.50 per tonne, down from RM 4,089.50 per tonne in November 2025, mainly due to rising palm oil inventories during the month. Inventories are also expected to remain elevated, which is likely to continue to cap price increases."

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

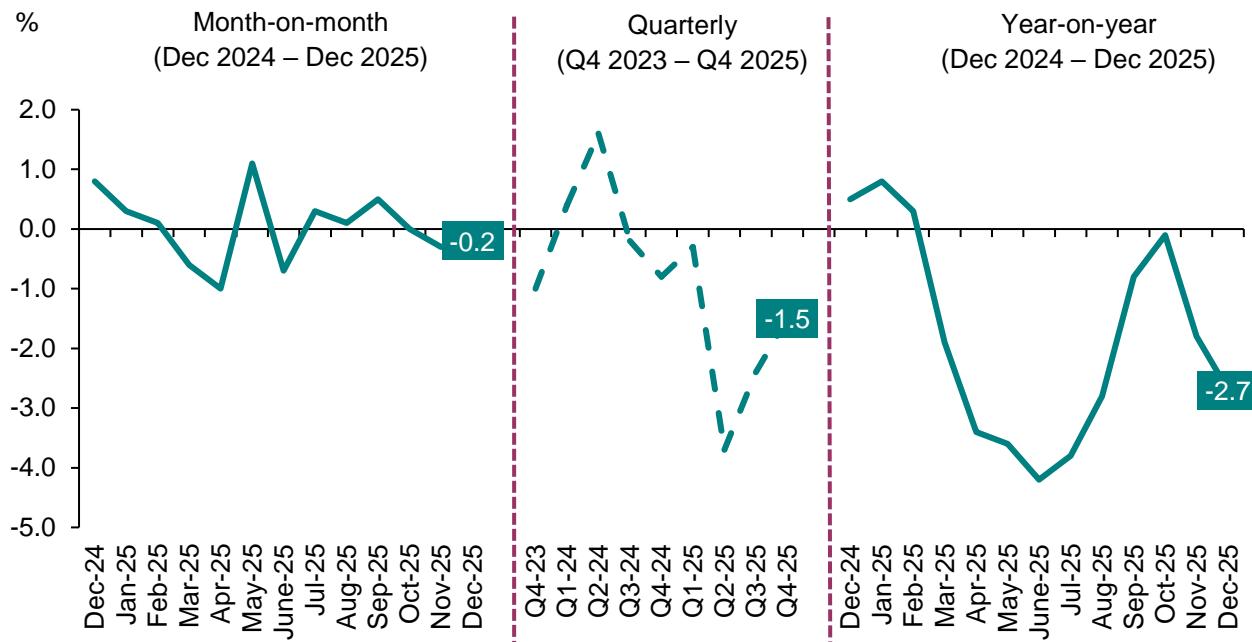


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

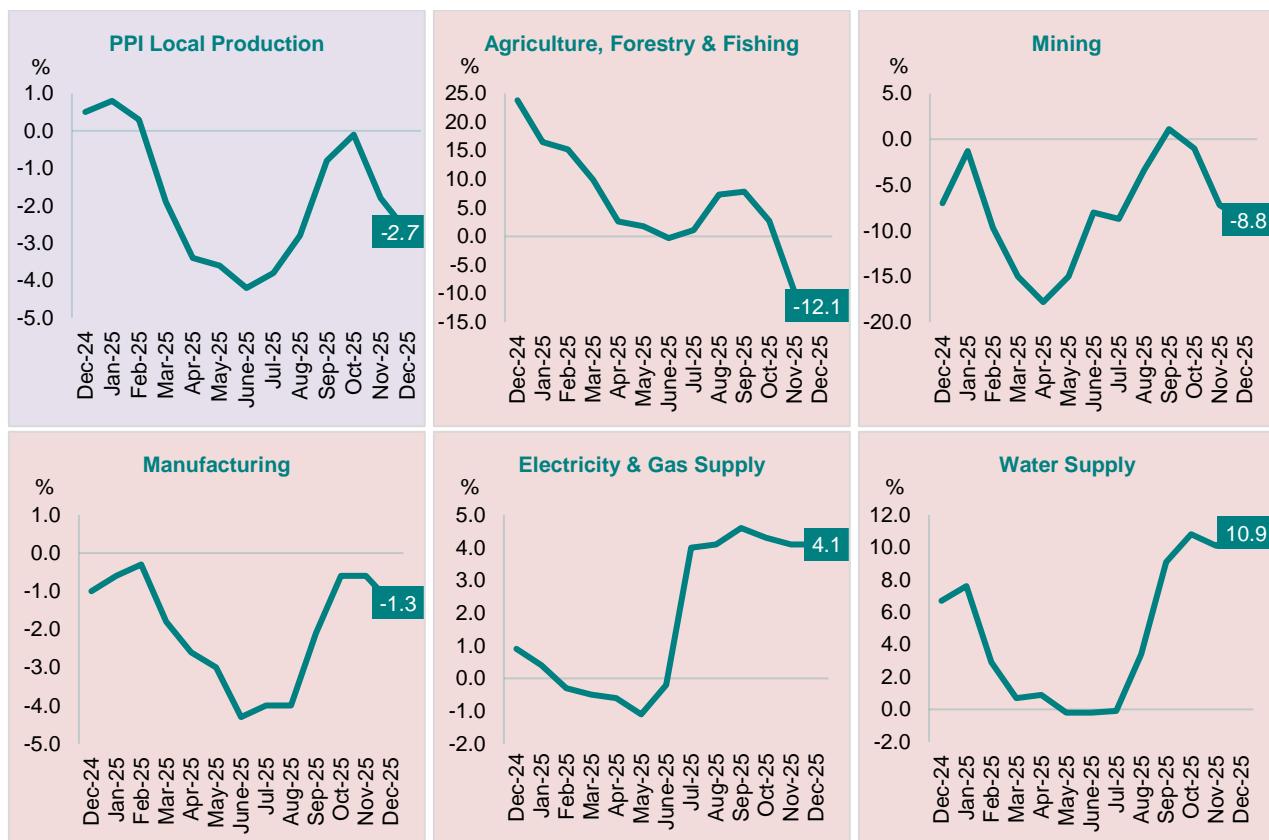


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia

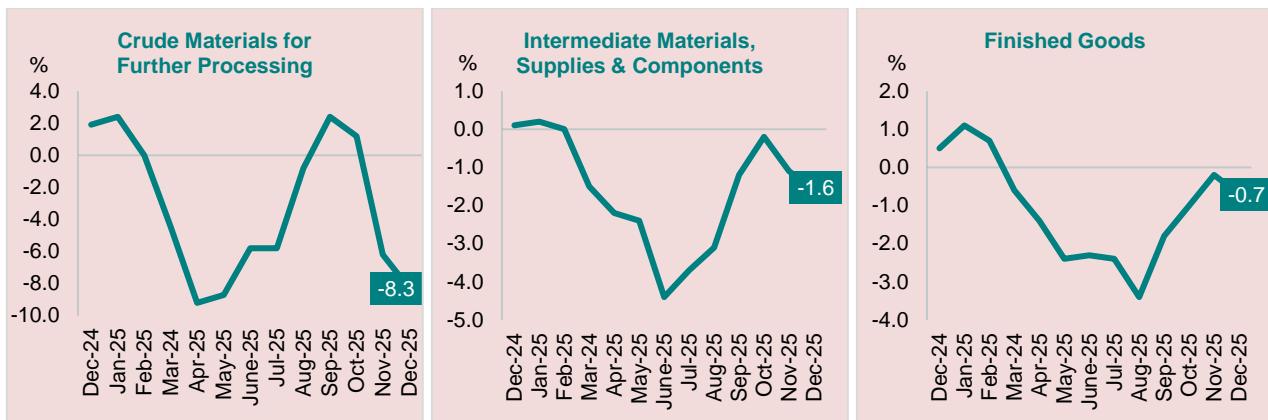
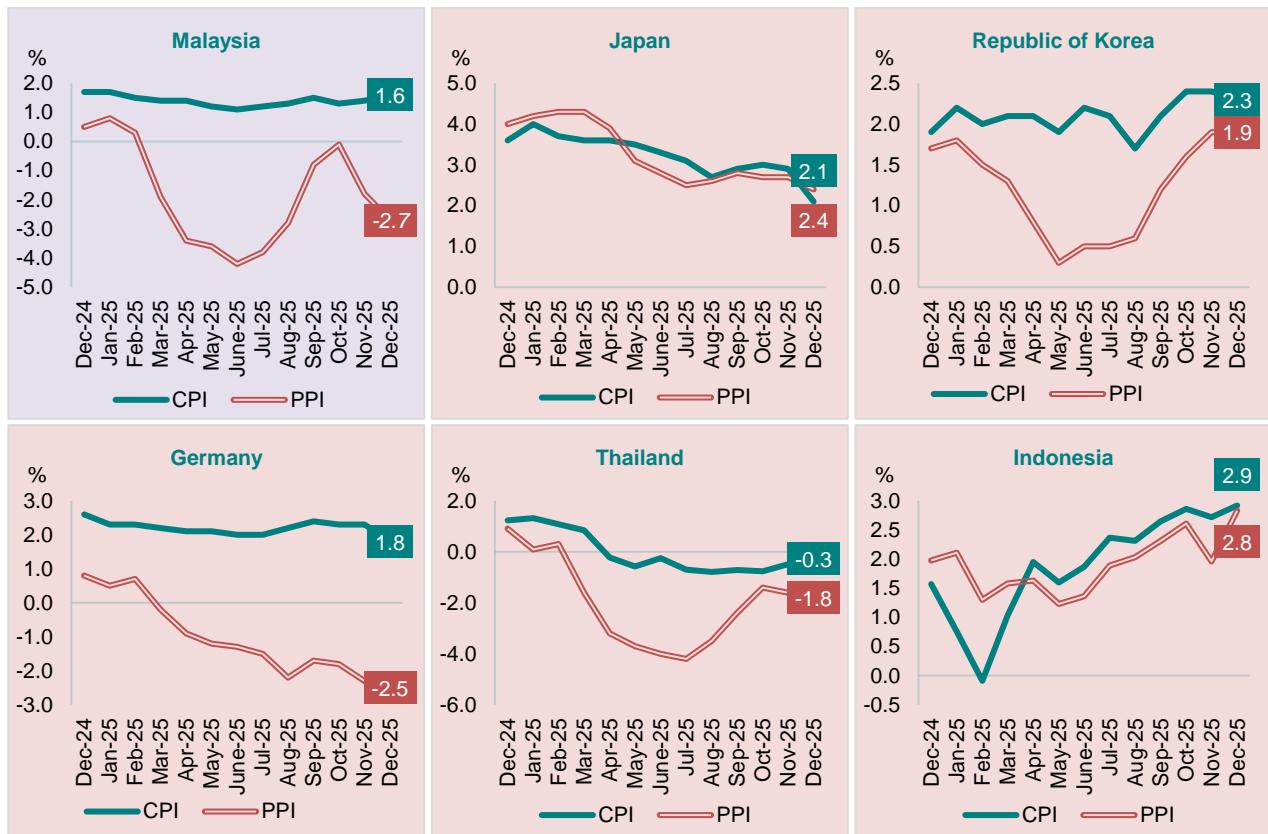
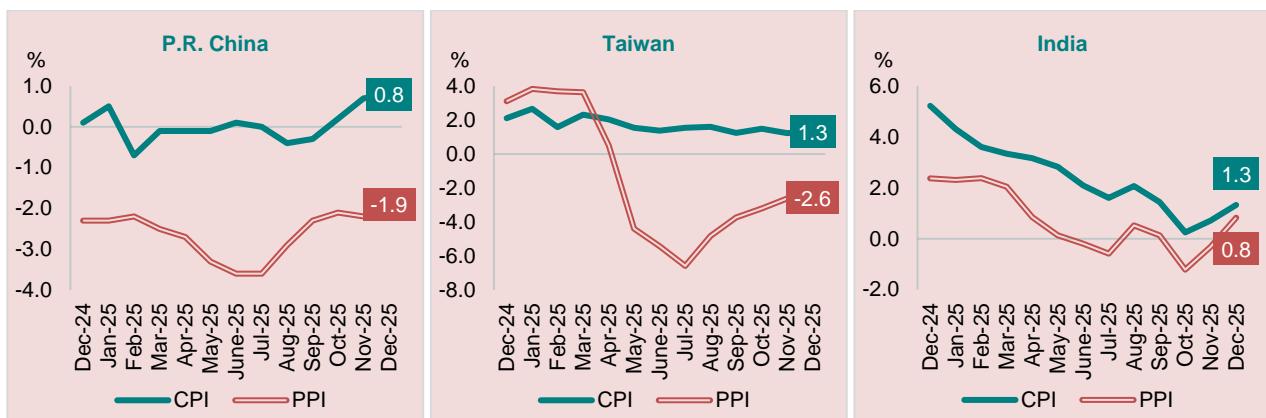


Chart 4: Percentage Change of Consumer Price Index (CPI) and Producer Price Index (PPI) of Selected Countries (Year-on-Year)





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

Released by:

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DEPARTMENT OF STATISTICS MALAYSIA
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