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MEDIA STATEMENT

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

Malaysia's Producer Price Index down 0.8 per cent in September 2025, declining since March 2025

***PUTRAJAYA, 29th October 2025** – Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, decreased by 0.8 per cent in September 2025, easing from a 2.8 per cent decline in the previous month. This was reported today, in the latest monthly report of **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, SEPTEMBER 2025**, published by the Department of Statistics Malaysia.*

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted, "The Manufacturing sector contracted by 2.1 per cent in September 2025 (August 2025: -4.0%), weighing down the overall index. The decline was mainly attributed to Manufacture of coke & refined petroleum products (-8.9%) and Manufacture of computer, electronic & optical products (-4.6%) indices. On the other hand, all other sectors recorded increases during the month. The Agriculture, forestry & fishing sector grew by 7.8 per cent (August 2025: 7.3%), driven by the Growing of perennial crops index, which rose 11.7 per cent. Meanwhile, the Mining sector increased by 1.1 per cent, rebounding from a 3.4 per cent decline in the previous month, supported by the Extraction of natural gas index (8.9%). The utilities sector also recorded an increase, with the Electricity & gas supply index up 4.6 per cent and the Water supply index rising 9.1 per cent."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production rose by 0.5 per cent in September 2025, following a 0.1 per cent increase in the previous month. The Agriculture, forestry & fishing sector increased by 2.1 per cent

(August 2025: 3.3%) due to Animal production (2.6%) and Growing of perennial crops (2.2%). The Mining sector also increased by 1.1 per cent (August 2025: -1.5%), supported by the Extraction of natural gas index (11.1%). Similarly, the Manufacturing sector recorded a 0.3 per cent increase (August 2025: -0.2%), attributed to Manufacture of coke & refined petroleum products (1.8%) and Manufacture of food products (0.9%) indices. Meanwhile, Water supply and Electricity & gas supply sectors increased by 4.8 per cent and 0.1 per cent, respectively."

Elaborating further on the PPI Local Production by stage of processing, the Chief Statistician Malaysia, explained, "The Intermediate materials, supplies & components index declined by 1.2 per cent (August 2025: -3.1%), mainly due to the Processed fuel & lubricants (-3.9%). Similarly, the Finished goods index fell 1.8 per cent (August 2025: -3.4%), due to a downturn in Capital equipment (-2.8%). In contrast, the Crude materials for further processing index increased by 2.4 per cent (August 2025: -0.8%) supported by Non-food materials (2.3%)."

On a month-on-month basis, the Intermediate materials, supplies & components index increased by 0.8 per cent, while the Crude materials for further processing index rose by 0.6 per cent. Meanwhile, the Finished Goods index edged down by 0.1 per cent.

The Chief Statistician Malaysia also added, "The PPI Local Production declined by 2.4 per cent in the third quarter of 2025, as compared to a 3.7 per cent decrease in the second quarter of 2025. The decline was attributed to Mining (-3.8%) and Manufacturing (-3.4%) sectors. However, the Agriculture, forestry & fishing increased by 5.4 per cent, while both Electricity and gas and Water supply rose by 4.2 per cent. Meanwhile, on a quarter-on-quarter basis, the PPI registered a decrease of 0.3 per cent, as compared to a 2.3 per cent decline in the previous quarter. This decrease was primarily due to the contraction in the Manufacturing sector (-1.0%)."

A comparison of selected countries showed mixed trends in the PPI for September 2025. Japan's PPI rose by 2.7 per cent, maintained the same rate in the previous month. In contrast, China remained in producer deflation, with the PPI declining by 2.3 per cent, easing from a decline of 2.9 per cent in August 2025. This represented the 36th consecutive month of decline, suggests a potential stabilisation in industrial demand amid government efforts to support the economy according to Trading Economics. Similarly, Thailand's PPI contracted by 2.4 per cent, following a 3.5 per cent drop in the previous month. This marked the seventh 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 September 2025 stood at USD 67.95 per barrel, a slight decrease from USD 68.20 per barrel in the previous month. Oil prices during the month were pressured by concerns over global demand and expectations of increased supply. Meanwhile, the average Malaysian crude palm oil (CPO) price rose to RM 4,371.50 per tonne in September 2025, compared to RM 4,329.00 per tonne in August 2025. The Malaysian Palm Oil Council attributed this increase to tighter global supplies of other vegetable oils, such as soybean oil, which made substitutes and amplified the palm oil supply."

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 was 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

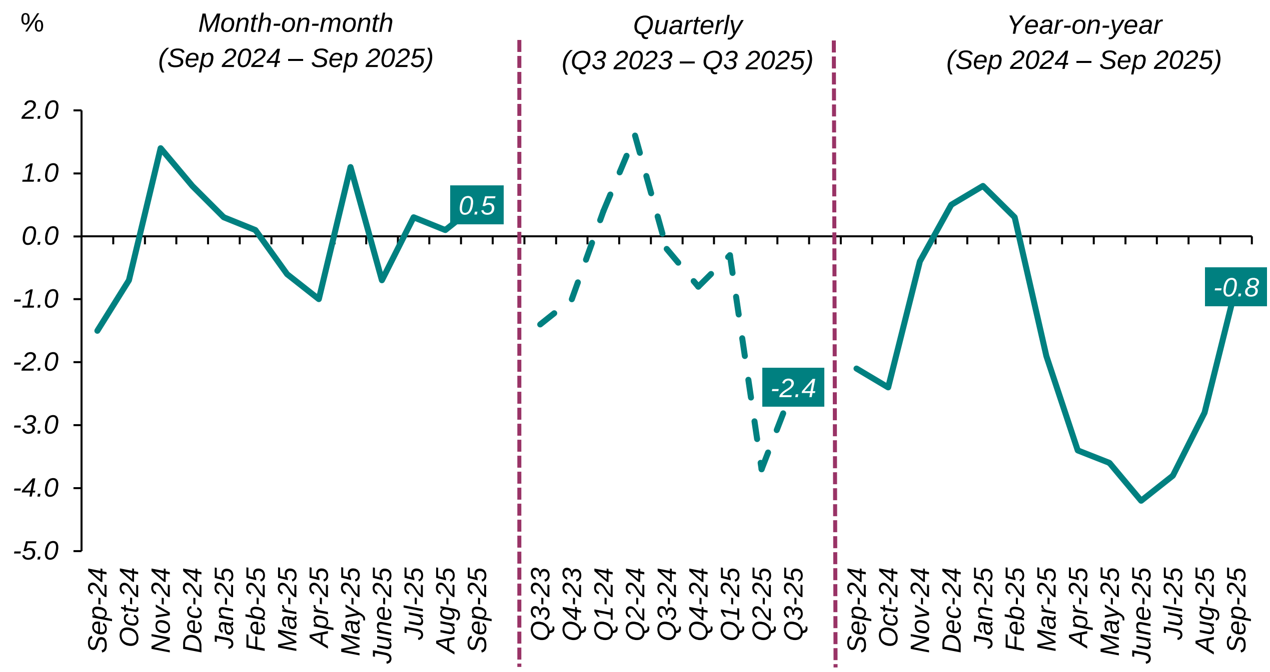


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

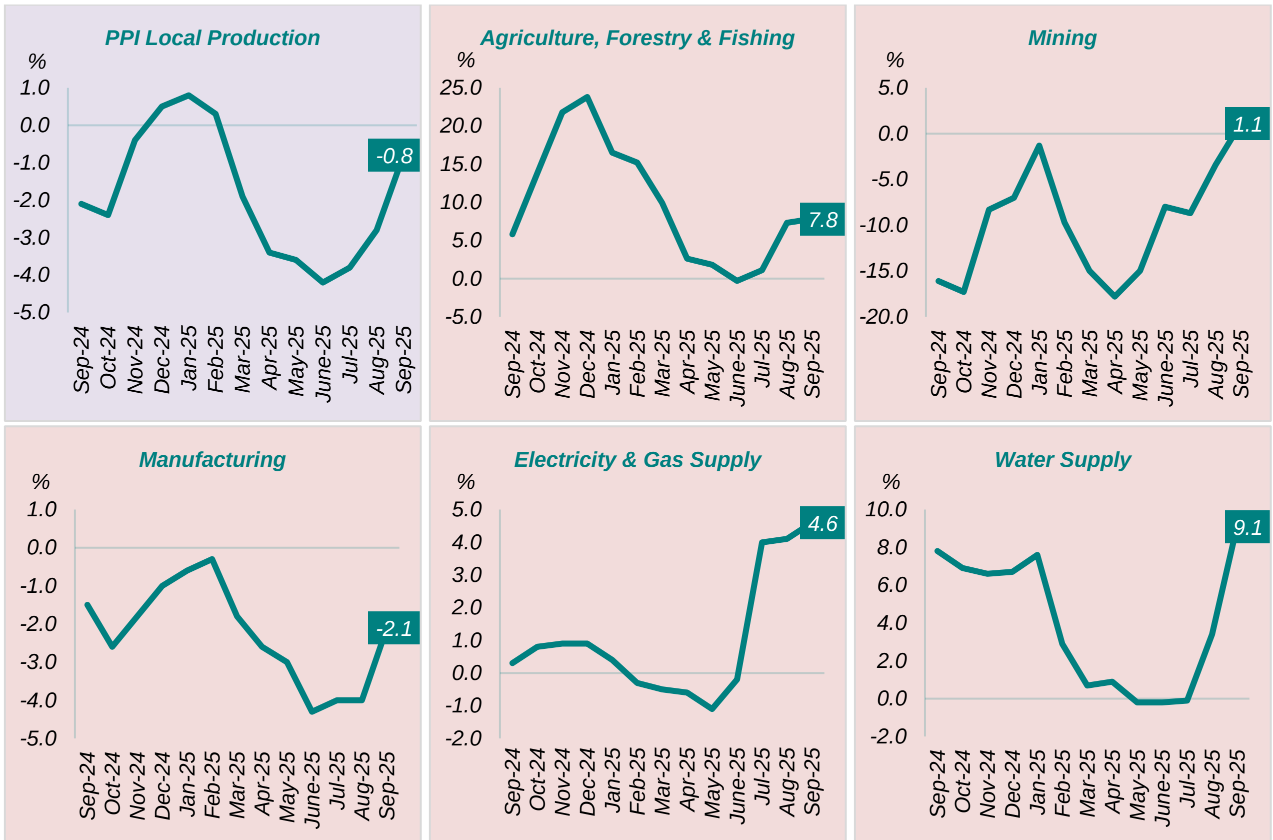
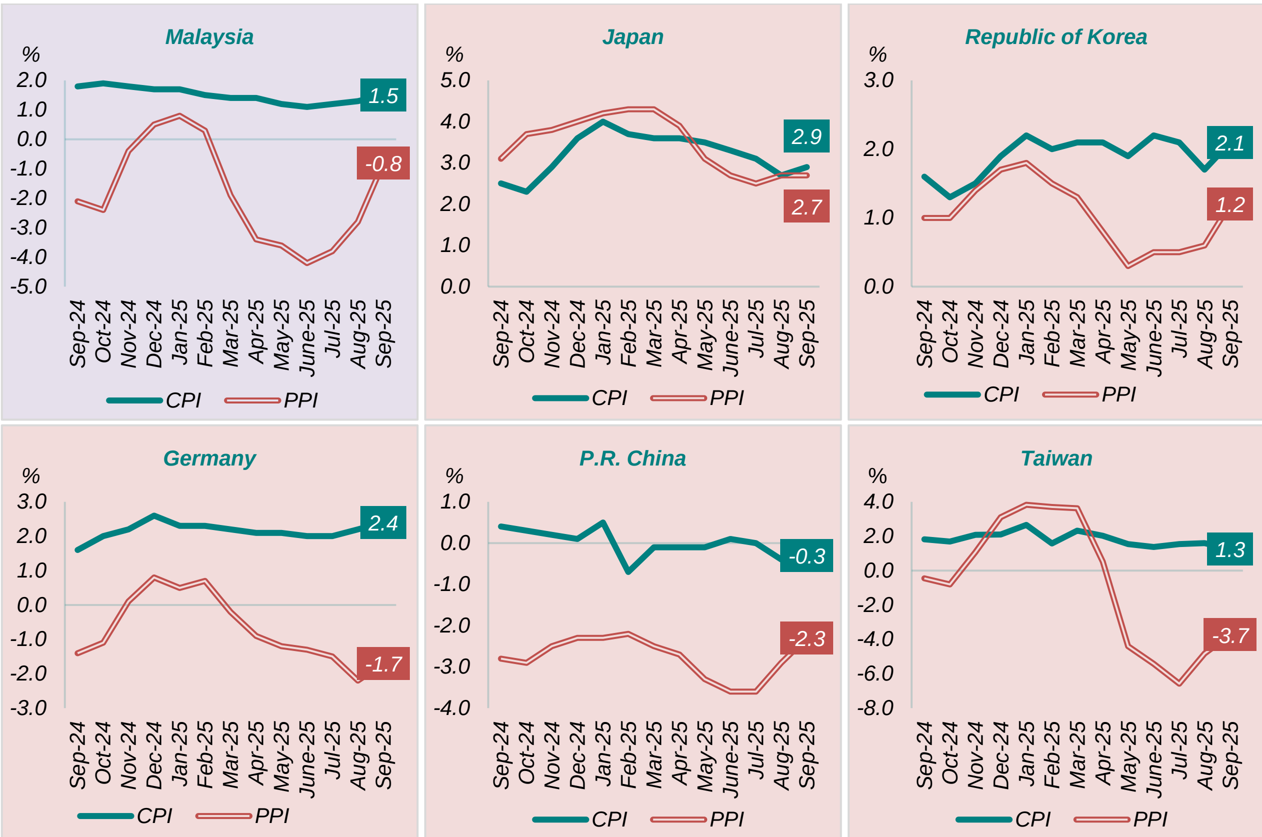
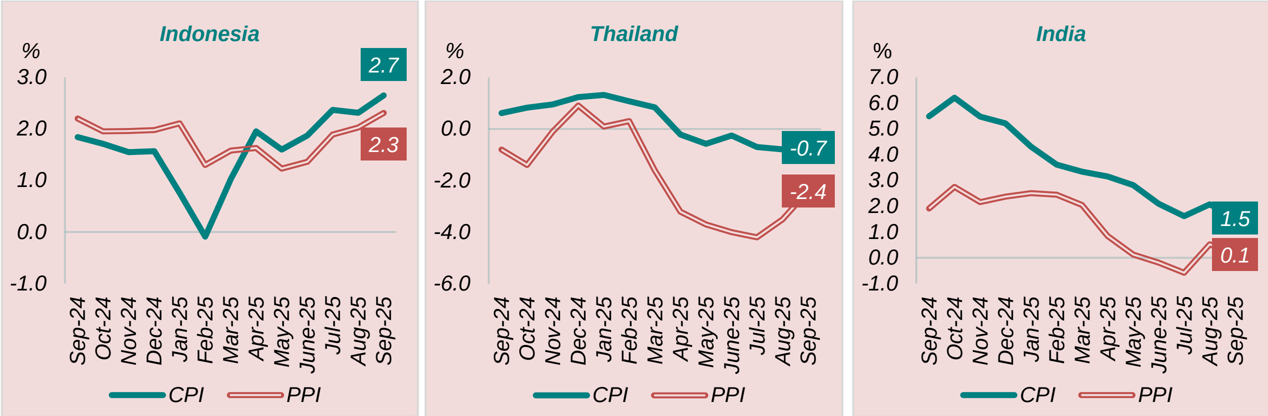


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia

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





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

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