MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

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

Malaysia's Producer Price Index recorded its highest increase in 2026 at 9.2 per cent in June 2026

PUTRAJAYA, JULY 28, 2026 – Malaysia's Producer Price Index (PPI) recorded a 9.2 per cent increase in June 2026, from 7.8 per cent in the previous month. This was released in the latest monthly report, **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, JUNE 2026**, published by the Department of Statistics Malaysia (DOSM).

DOSM highlighted the sectoral performance in June 2026 is similar to the previous month with all sectors recorded increases in June 2026. The Mining sector registered an increase of 29.0 per cent, following a 52.6 per cent rise in May 2026. This double-digit increase was fuelled by the Extraction of crude petroleum index (40.7%). The Agriculture, forestry & fishing sector went up by 9.1 per cent, compared to 8.9 per cent in the previous month. The increase was supported by Fishing (12.5%) and Growing of perennial crops (10.8%) indices. At the same time, the Manufacturing sector increased by 7.2 per cent, up from 3.5 per cent in May 2026, mainly due to Manufacture of coke & refined petroleum products (30.1%) and Manufacture of computer, electronic & optical products (8.3%) indices. Meanwhile, Water supply and Electricity & gas supply sectors rose by 12.7 per cent and 10.2 per cent, respectively.

On a month-on-month basis, the PPI Local Production recorded a marginal increase of 0.6 per cent, after a 1.1 per cent increase in the previous month. The Manufacturing sector increased by 2.4 per cent (May 2026: 1.8%), mainly attributed to the Manufacture of coke and refined petroleum products (10.9%). The Water supply also increased by 1.5 per cent. In contrast, the Agriculture, forestry & fishing sector decreased by 0.8 per cent (May 2026: 0.3%), due to the Fishing index (-2.5%). The Mining sector decreased by 11.6 per cent (May 2026: -2.8%), weighed down by both Extraction of crude petroleum (-13.7%) and Extraction of natural gas (-0.3%) indices. Meanwhile, the Electricity & gas supply index remained unchanged during the month.

Elaborating further on the PPI Local Production by stage of processing, "All stages of processing recorded an increase in June 2026. The Crude materials for further processing index continued to increase by 25.0 per cent (May 2026: 31.5%), mainly due to the Non-food materials (29.8%). The Intermediate materials, supplies & components index rose by 7.4 per cent (May 2026: 3.0%), supported by Processed fuel and lubricants (13.9%). Meanwhile, the Finished goods index went up by 2.0 per cent (May 2026: 1.7%) attributed to the increase in Capital equipment (2.0%)."

On a month-on-month basis, the Intermediate materials, supplies & components and Finished goods increased by 2.4 per cent and 0.7 per cent, respectively. Meanwhile, the Crude materials for further processing index declined by 3.8 per cent in June 2026.

DOSM also reported that the PPI Local Production rebounded by 7.4 per cent in the second quarter of 2026, after declining 1.7 per cent in the previous quarter. The increase was primarily driven by the Mining sector (44.8%), followed by Agriculture, forestry & fishing (6.8%) and Manufacturing (3.9%). On a quarter-on-quarter basis, the PPI increased by 6.8 per cent, compared to 0.9 per cent in the first quarter of 2026, mainly supported by the Mining sector (35.5%).

A comparison across selected economies indicated that producer prices remained higher in June 2026, largely influenced by higher energy costs and sustained demand for technology-related products. Taiwan continued to record the highest growth among the selected economies, rising by 15.1 per cent (May 2026: 14.1%), primarily driven by strong global demand for semiconductors, artificial intelligence (AI)-related products and electronic components. The United States registered an increase of 5.5 per cent (May 2026: 6.0%), reflecting moderating energy prices. Meanwhile, Japan's producer prices increased further to 7.1 per cent (May 2026: 6.6%), mainly supported by higher import costs arising from a weaker yen, as well as increases in energy, food and industrial material prices. P.R. China recorded an increase of 4.1 per cent (May 2026: 3.9%), attributable to higher prices of industrial raw materials, including metals, coal and petroleum-related products. In Thailand, the PPI increased by 7.2 per cent, albeit at a slower pace (May 2026: 8.5%), supported by costs of petroleum-based products, chemicals and processed food, despite some moderation in agricultural commodity prices.

Global crude oil prices remained higher at USD81.90 per barrel in June 2026, although they moderated from the previous month as concerns over potential supply disruptions eased. Nevertheless, crude oil prices remained elevated compared to June 2025, affected by persistent geopolitical uncertainties in the Middle East and stable global energy demand. Meanwhile, Malaysia's oil palm sector continued to support producer prices despite a moderation in crude palm oil (CPO) prices during the month. Data from the Malaysian Palm Oil Board (MPOB) showed that the average CPO price eased to RM4,490.50 per tonne in

June 2026 from RM4,498.50 per tonne in May 2026, reflecting improved supply conditions amid higher production levels. However, CPO prices remained relatively high compared to June 2025, supported by sustained regional demand and biodiesel consumption.

Prices of natural rubber also remained firm in June 2026, supported by tighter supply conditions in major producing countries due to weather conditions. At the same time, prices of chemicals and chemical products continued to be influenced by elevated feedstock costs, particularly petroleum-based inputs. Overall, energy, palm oil, rubber and chemical commodities continued to contribute to higher producer prices in June 2026.

The Department of Statistics Malaysia (DOSM) is conducting the **Economic Census 2026 (BE2026)**, with themed **"*Data Nadi Ekonomi Rakyat*"**. The sixth Economic Census, will be carried out from **5th January to 31st October 2026**. BE2026 aims to collect comprehensive and 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.

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

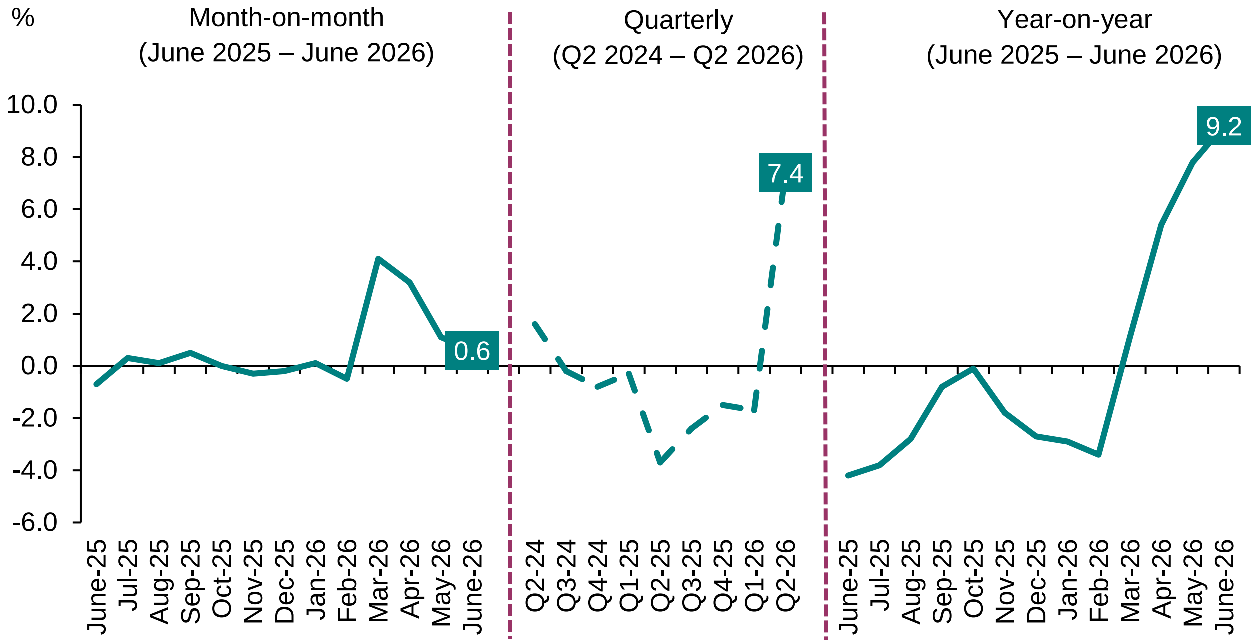


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

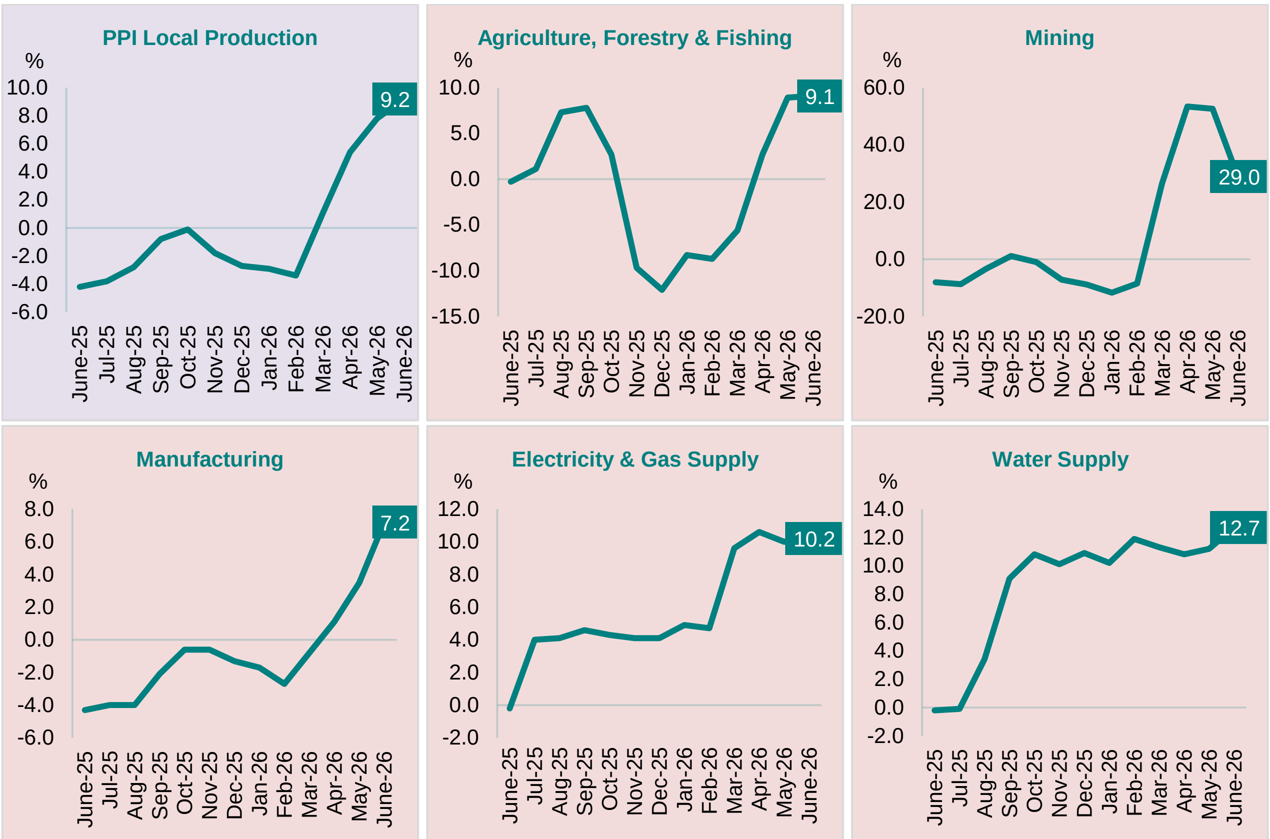
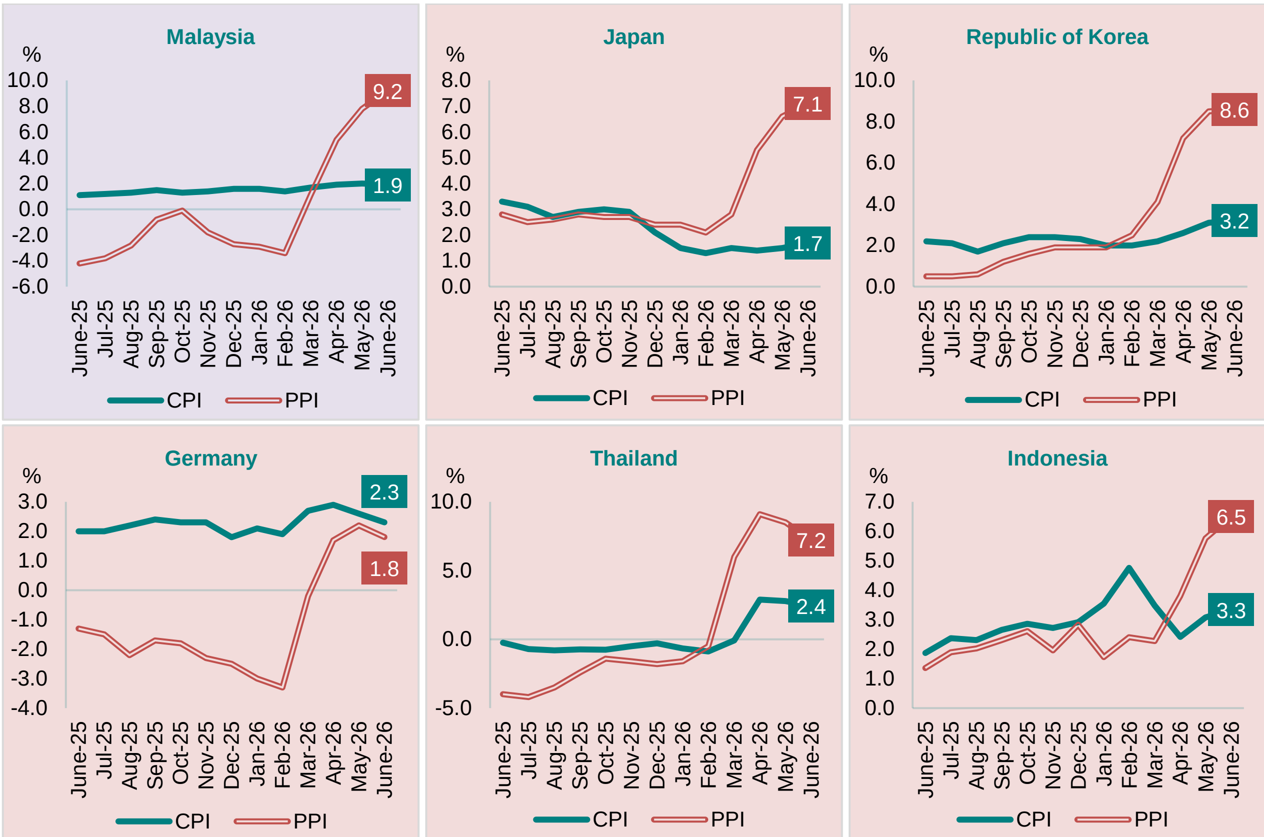
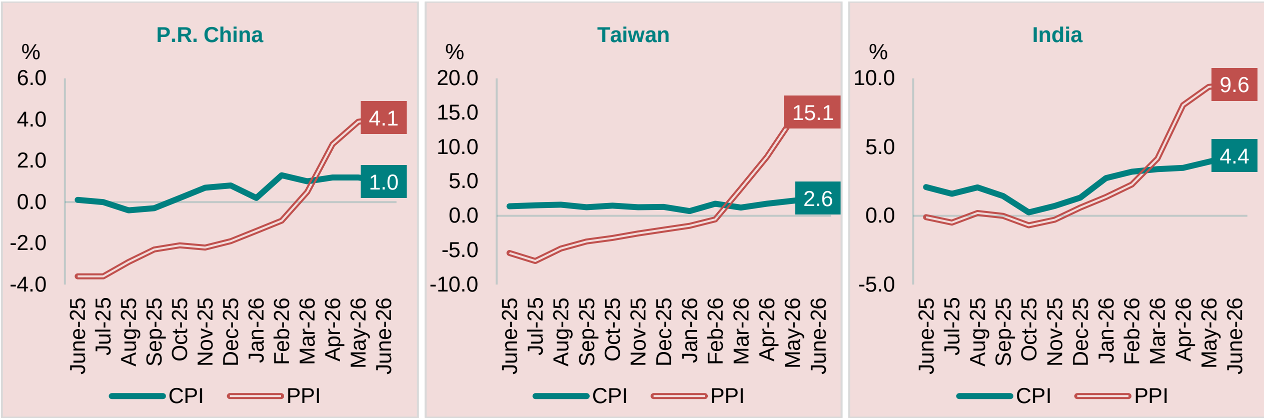


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia

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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