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MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT

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

Malaysia's Producer Price Index increased by 9.7 per cent in July 2026

PUTRAJAYA, AUGUST 28, 2026 – Malaysia's Producer Price Index (PPI) increased by 9.7 per cent in July 2026, slightly higher than a 9.2 per cent increase in the previous month. This was released in the latest monthly report, **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, JULY 2026**, published by the Department of Statistics Malaysia (DOSM).

DOSM highlighted that all sectors recorded increases in the PPI Local Production for the fourth consecutive month. The Mining sector continued its upward movement, increasing by 30.5 per cent in July 2026, compared to 29.0 per cent in June 2026. This was mainly driven by the Extraction of Crude Petroleum (39.6%). The Manufacturing sector went up by 8.2 per cent, following a 7.2 per cent increase in June 2026, attributed to the Manufacture of coke & refined petroleum products (30.4%) and Manufacture of computer, electronic & optical products (10.5%). The Agriculture, forestry & fishing sector increased by 7.2 per cent, from a 9.1 per cent the increase in the previous month, due to increases in Animal production (11.3%) and Growing of perennial crops (6.2%). For the utility sectors, the Water supply and Electricity & gas supply increased by 10.2 per cent and 6.7 per cent, respectively.

On a month-on-month basis, the PPI Local Production marginally increased by 0.7 per cent in July 2026, compared to 0.6 per cent in the previous month. The Mining sector rebounded with a 1.1 per cent (June 2026: -11.6%), supported by the Extraction of natural gas (13.5%). The Manufacturing sector rose by 0.8 per cent (June 2026: 2.4%) due to the increases in Manufacture of coke & refined petroleum products (1.7%) and Manufacture of computer, electronic & optical products (1.5%). The Agriculture, forestry & fishing sector increased by 0.7 per cent (June 2026: -0.8%) mainly due to the Animal production (2.4%). Meanwhile, the Electricity & gas supply index recorded a marginal increase of 0.1 per cent, while the Water supply index declined by 1.4 per cent.

Elaborating further on the PPI Local Production by stage of processing, all stages of processing recorded increases in July 2026. The Crude materials for further processing index increased by 24.1 per cent (June 2026: 25.0%), primarily due to the Non-food materials (27.9%). The Intermediate materials, supplies & components index rose by 8.4 per cent (June 2026: 7.4%), supported by Processed fuel and lubricants (13.8%). Meanwhile, the Finished goods index went up by 2.5 per cent (June 2026: 2.0%), attributed to the Capital equipment (3.4%).

On a month-on-month basis, all stages of processing recorded increases in July 2026. The Intermediate materials, supplies & components index increased by 1.1 per cent, followed by the Finished Goods index and Crude Materials for Further Processing index, which increased by 0.6 per cent and 0.1 per cent, respectively.

A comparison across selected economies indicated that producer price remained higher in July 2026, although the trend was mixed across economies. Taiwan continued to record the highest increase among the selected economies, rising by 16.9 per cent (June 2026: 15.1%), supported by strong demand for semiconductors, artificial intelligence (AI)-related products and electronic components, alongside higher prices of raw materials and industrial products. The United States registered an increase of 4.7 per cent (June 2026: 5.5%), reflecting a moderation in producer price pressures. Germany recorded an increase of 3.0 per cent (June 2026: 1.8%), mainly attributed to higher prices of intermediate goods and energy, as well as supply and transportation disruptions.

Meanwhile, Japan's producer prices increased by 7.2 per cent (June 2026: 7.3%), due to higher import costs and prices of energy and industrial materials. P.R. China recorded an increase of 3.5 per cent (June 2026: 4.1%), although producer prices declined on a monthly basis, reflecting lower prices of raw materials and fuel-related products, while prices of mining and quarrying products remained higher. In Thailand, the PPI increased by 7.3 per cent (June 2026: 7.2%), amid continued pressure from petroleum-related products, chemicals and other industrial inputs.

Global crude oil prices remained higher at USD83.40 per barrel in July 2026, although moderated from the previous month. Nevertheless, crude oil prices remained higher compared with July 2025, supported by persistent geopolitical uncertainties and resilient global energy demand. Meanwhile, Malaysia's average crude palm oil (CPO) price remained relatively high at RM4,493.00 per tonne in July 2026. According to Malaysian Palm Oil Board, the relatively CPO prices were supported by sustained demand for palm oil, including demand from the biodiesel sector. Natural rubber prices also remained relatively firm in July 2026, influenced by supply and demand conditions. Overall, movements in crude oil, CPO and natural rubber prices continued to influence producer price across key commodity-related industries.

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

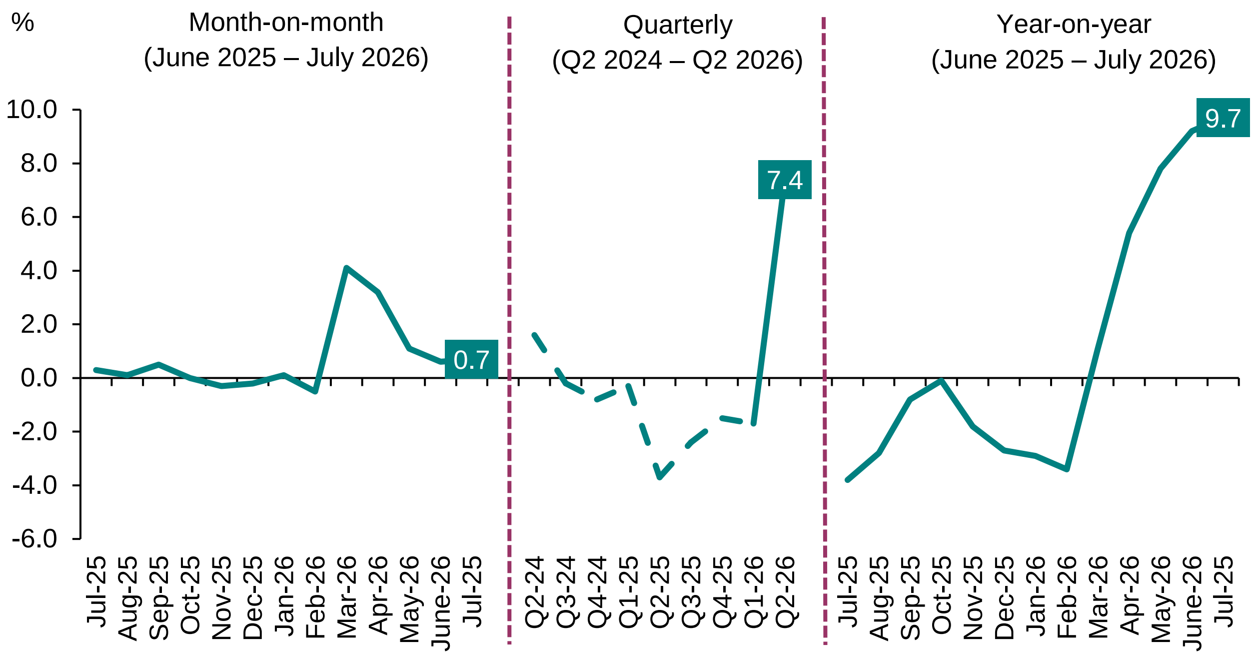


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

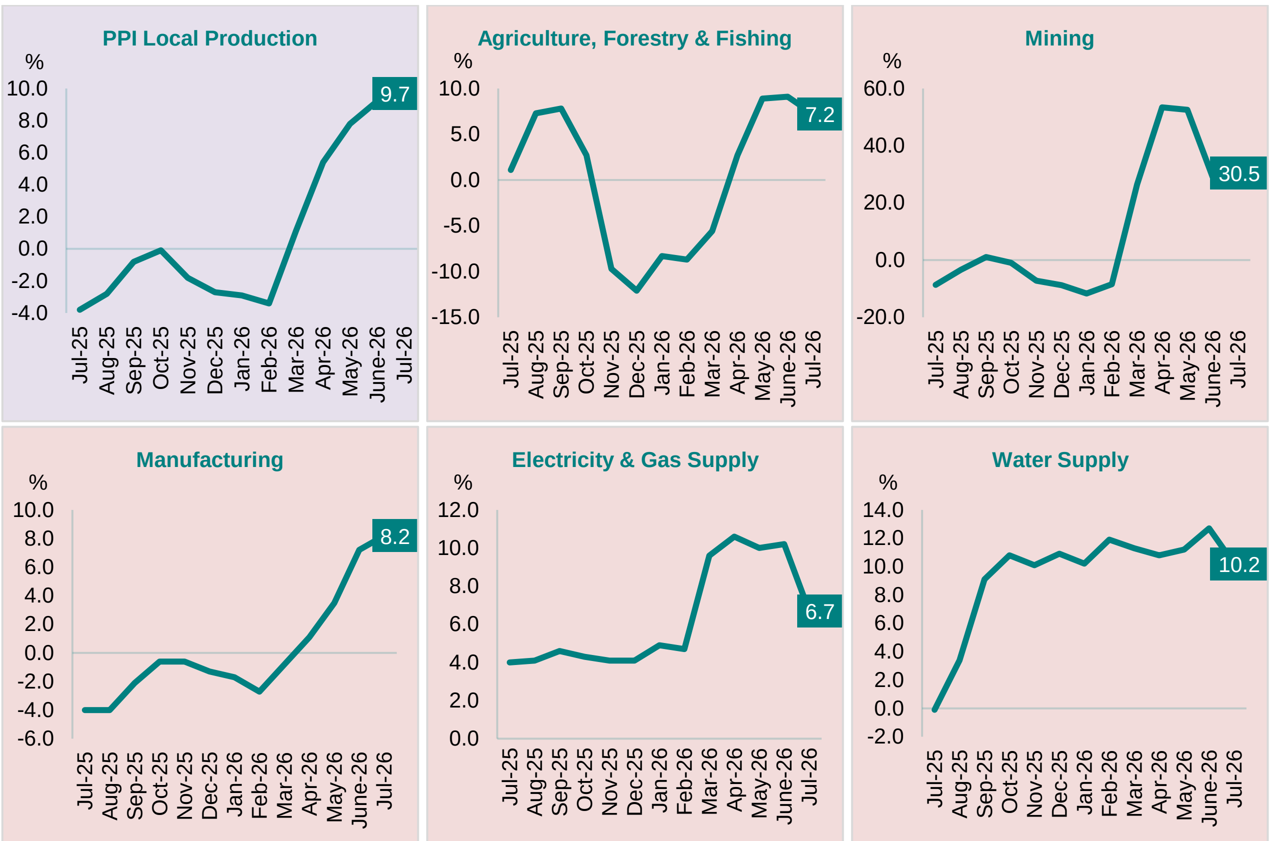
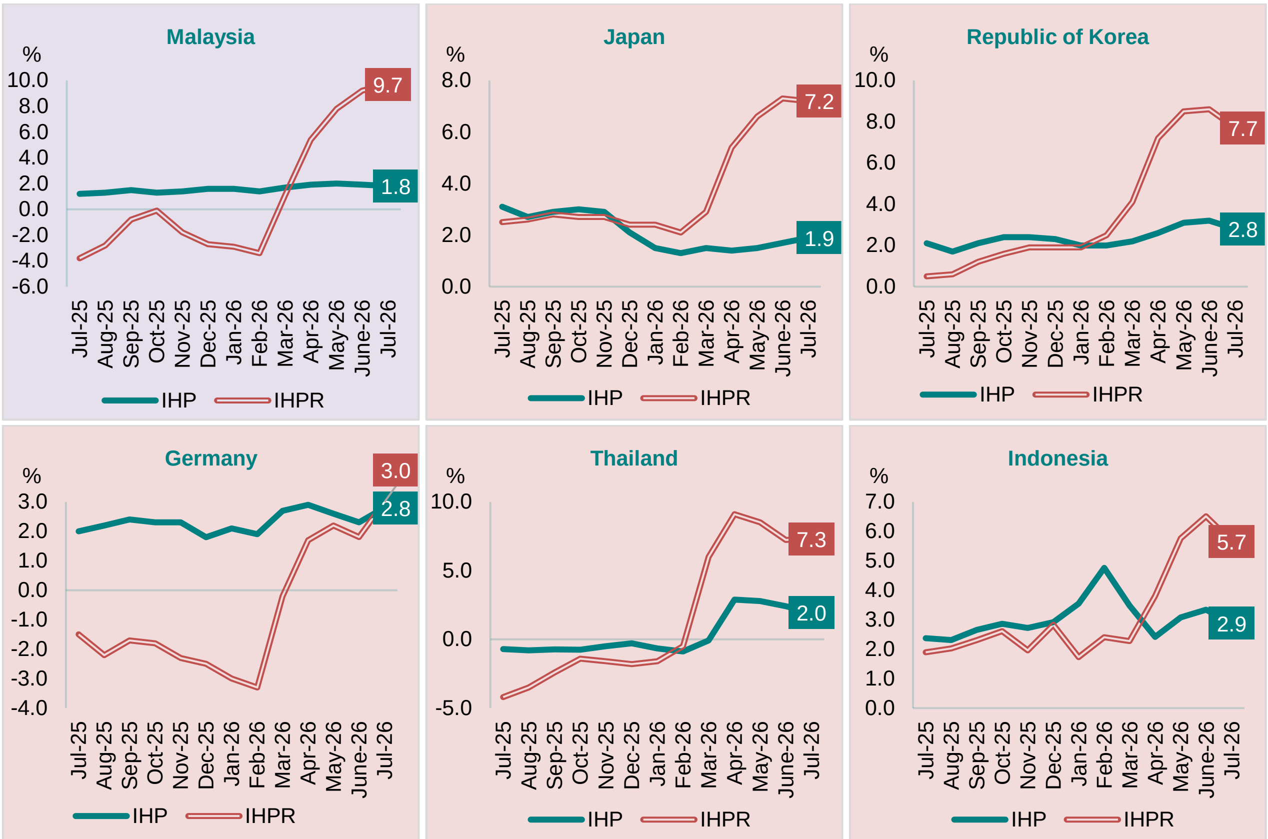
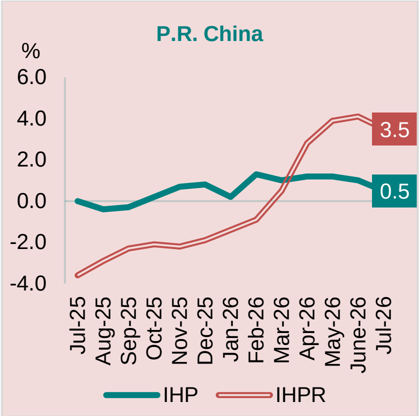
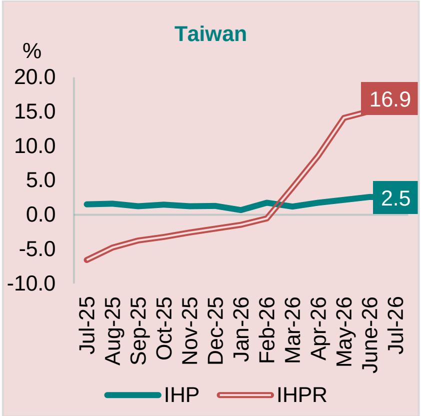


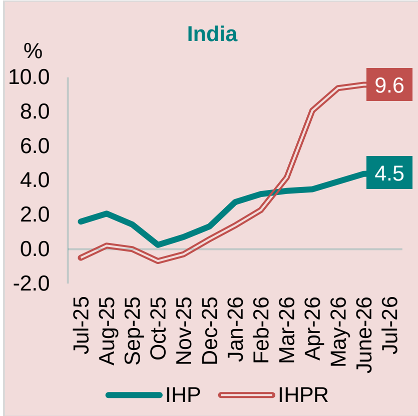
Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia

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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DEPARTMENT OF STATISTICS MALAYSIA
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