



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA RELEASE

**INDEX OF INDUSTRIAL PRODUCTION AND MONTHLY MANUFACTURING
STATISTICS, MALAYSIA, AUGUST 2026**

The Industrial Production Index increased by 5.0 per cent in August 2026 with the Manufacturing sector sales value reaching RM185.0 billion

PUTRAJAYA, 9 OCTOBER 2026 – Malaysia's industrial performance remained positive in August 2026, with the Industrial Production Index (IPI) rose by 5.0 per cent, driven primarily by the Manufacturing sector's output which recorded a sales value of RM185.0 billion. The Department of Statistics Malaysia (DOSM) reported this through the publication of the **INDEX OF INDUSTRIAL PRODUCTION and MONTHLY MANUFACTURING STATISTICS, MALAYSIA FOR AUGUST 2026**.

This robust year-on-year growth of the IPI was led by the Manufacturing sector, which expanded by 7.4 per cent (July 2026: 6.4%) and the Electricity sector up 9.0 per cent (July 2026: 5.5%). Meanwhile, the Mining sector contracted by 7.4 per cent due to the decline in Crude Oil & Condensate production (-12.2%) and Natural Gas (-4.3%). In terms of month-on-month performance, the IPI rebounded to 2.6 per cent (July 2026: -2.0%), propelled by an increase of 3.4 per cent in the Manufacturing sector, followed by the Electricity sector (1.2%). Cumulatively, the IPI performance for the first eight months of 2026 increased by 5.6 per cent (January - August 2025: 2.6%).

The IPI growth for the Manufacturing sector was supported by export-oriented industries, which expanded by 9.1 per cent (July 2026: 6.7%), driven by the Manufacture of computer, electronic & optical products (18.8%); as well as the Manufacture of machinery & equipment n.e.c. (13.8%). Domestic-oriented industries increased by 3.9 per cent, supported by the Manufacture of basic metals (9.9%); and the Manufacture of food processing products (6.5%). Subsequently, the capacity utilisation rate of Malaysia's Manufacturing industry in August 2026 also rose to 84.1 per cent, as compared to 83.2 per cent in the previous month.

Simultaneously, the sales value of the Manufacturing sector in August 2026 increased by 9.9 per cent year-on-year (July 2026: 9.1%), to RM185.0 billion (July 2026: RM177.3 billion), with a month-on-month growth of 4.3 per cent. The number of employees in the Manufacturing sector increased by 1.2 per cent to 2.43 million while, the total salaries & wages paid grew by 3.5 per cent to RM8.55 billion. In

addition, the sales value per employee increased by 8.7 per cent to RM76,148, and the average monthly salary per employee rose by 2.3 per cent to RM3,519.

Overall, the cumulative sales value for the first eight months of 2026 (January – August 2026) reached RM1.39 trillion, expanding by 7.9 per cent compared to the same period last year (January - August 2025: 3.5%). Furthermore, total salaries & wages paid reached RM68.7 billion, reflecting an increase of 2.8 per cent.

Chart 1: Industrial Production Index, Malaysia, August 2025 - August 2026

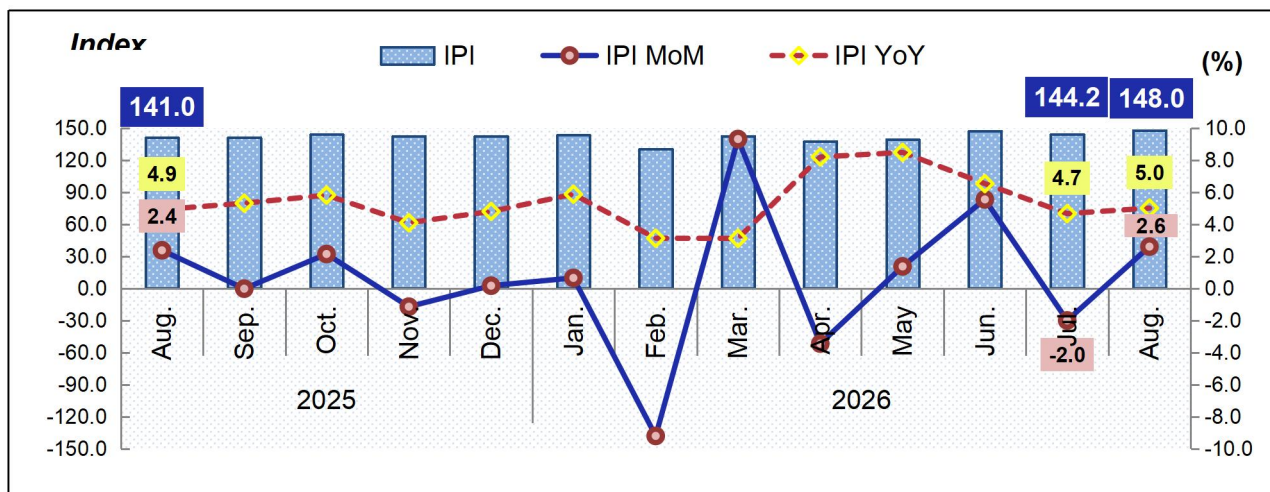


Chart 2: Industrial Production Index and Components, Malaysia, August 2025 - August 2026

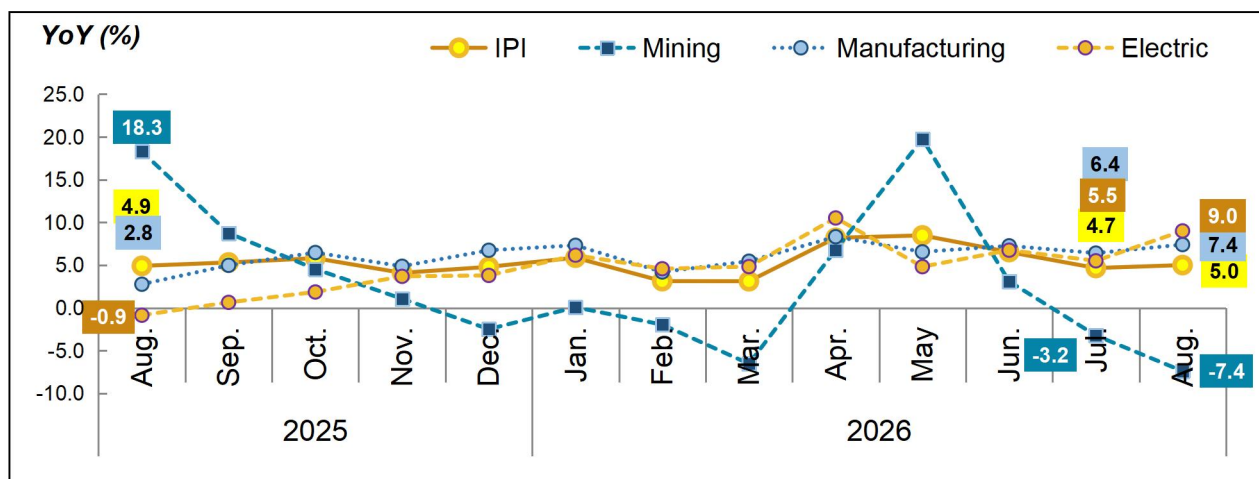


Chart 3: Manufacturing Index by Export and Domestic-Oriented Industries, Malaysia, August 2025 - August 2026

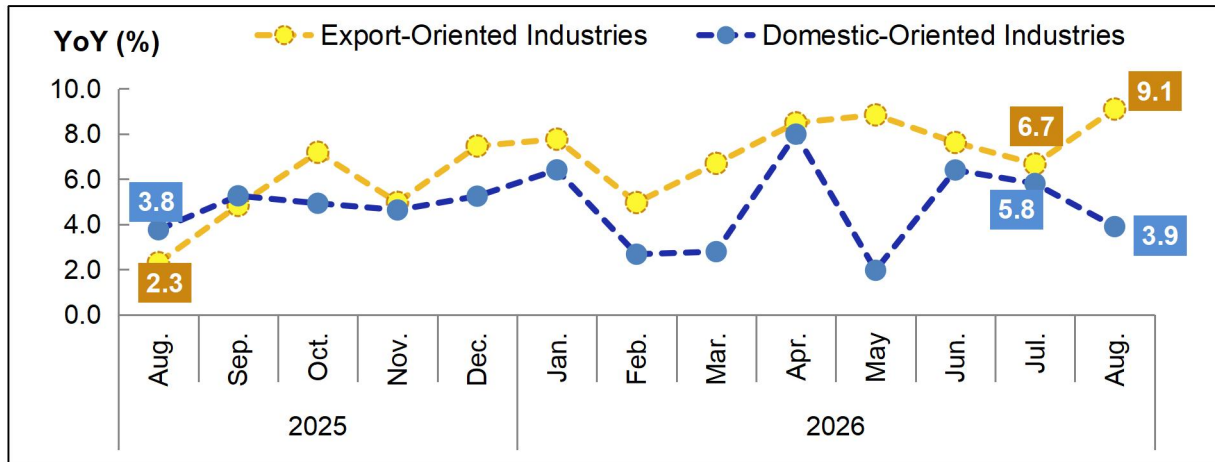


Chart 4: Sales Value of the Manufacturing Sector, Malaysia, August 2025 - August 2026

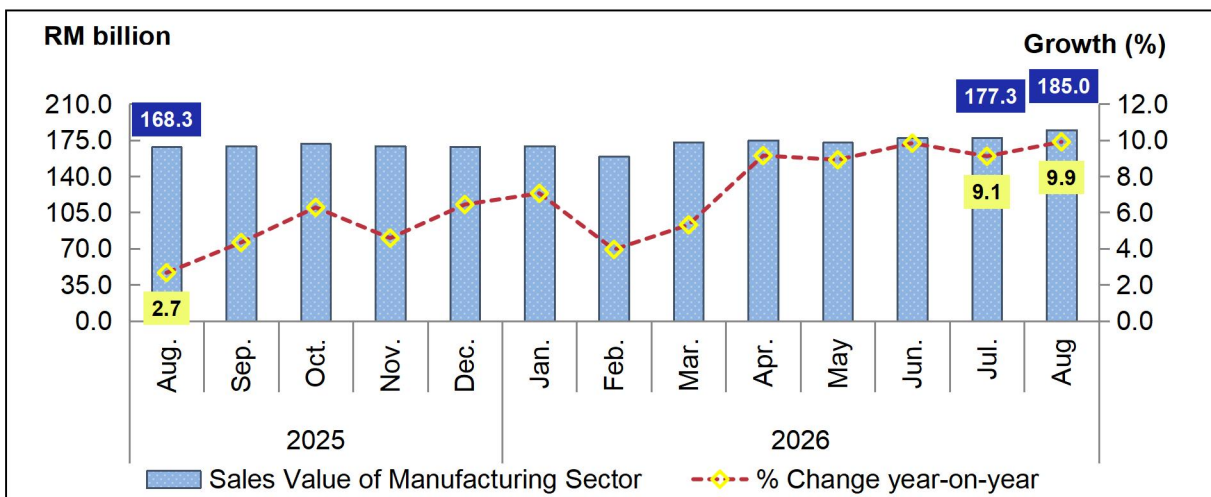
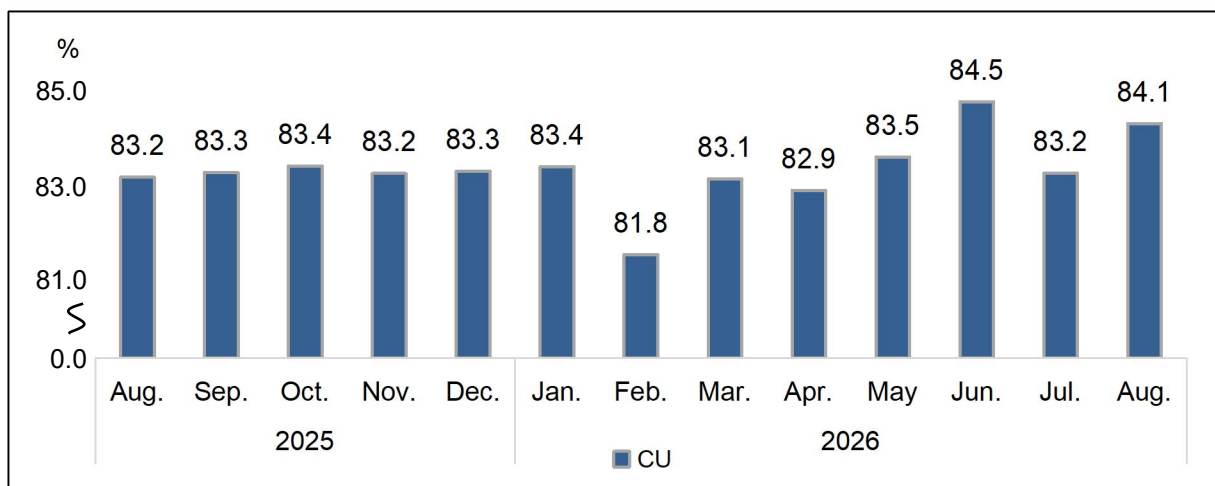


Chart 5: Capacity Utilisation of Manufacturing Industry, Malaysia, August 2025 – August 2026



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