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MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA RELEASE

INDEX OF INDUSTRIAL PRODUCTION AND MONTHLY MANUFACTURING STATISTICS, MALAYSIA, SEPTEMBER 2026

The Industrial Production Index increased by 6.3 per cent in September 2026 with the Manufacturing sector sales value reaching RM191.1 billion

PUTRAJAYA, 10 NOVEMBER 2026 – Malaysia's Industrial Production Index (IPI) rose by 6.3 per cent, driven primarily by the Manufacturing sector's output, which recorded a sales value of RM191.1 billion. This report was released by the Department of Statistics Malaysia (DOSM) in its latest publications, the **INDEX OF INDUSTRIAL PRODUCTION** and **MONTHLY MANUFACTURING STATISTICS, MALAYSIA FOR SEPTEMBER 2026.**

This momentum of the IPI was driven by the expansion in the Manufacturing output sector by 9.4 per cent (August 2026: 7.4%); and the Electricity generation sector by 10.7 per cent (August 2026: 9.0%). Conversely, the Mining sector declined 9.4 per cent (August 2026: -7.4%), due to a decline in output of Crude Petroleum & Condensate (-11.8%) and Natural Gas (-7.9%). In terms of month-on-month (MoM) performance, the IPI registered an increase of 1.3 per cent (August 2026: 2.6%) which supported by a 2.9 per cent growth in the Manufacturing sector. Cummulatively, the IPI performance for the first nine months of 2026 grew by 5.7 per cent as compared to the same period in 2025 (January - September 2025: 2.9%).

The growth of the IPI for the Manufacturing sector was largely attributed to by export-oriented industries, which grew further to 10.7 per cent (August 2026: 9.1%). This performance was dominated by the Manufacture of computer, electronic & optical products (19.3%); followed by the Manufacture of vegetable & animal oils and fats (7.9%). In the meantime, domestic-oriented industries increased by 6.6 per cent (August 2026: 3.9%), contributed by the Manufacture of motor vehicles, trailers & semi-trailers (10.6%); Manufacture of basic metals (10.2%); and the Manufacture of processed food products (7.5%).

Subsequently, the capacity utilisation rate of Malaysia's Manufacturing industry in September 2026 also rose to 84.9 per cent (August 2026: 84.1%), bolstered by the Electrical & Electronic Products (88.6%); and Petroleum, Chemical, Rubber & Plastic Products (81.7%).

Meanwhile, the sales value of the Manufacturing sector in September 2026 rose 12.9 per cent year-on-year (August 2026: 9.9%) to RM191.1 billion (August 2026: RM185.0 billion), with a month-on-month growth of 3.3 per cent. The sector also recorded a 1.4 per cent expansion in the number of employees to 2.45 million persons, while total salaries & wages paid grew 4.0 per cent to reach RM8.7 billion. The sales value per employee posted a growth of 11.3 per cent to RM78,082, alongside a 2.6 per cent increase in average monthly salaries per employees (RM3,568).

The IPI performance for the third quarter of 2026 increased further to 5.3 per cent (Q2 2026: 7.7%). This performance was anchored by the increase in the Manufacturing (7.8%); and Electricity (8.3%) sectors, offsetting a 6.7 per cent contraction in the Mining sector. On a quarter-on-quarter basis, the IPI maintained its positive growth with a 4.3 per cent increase.

In tandem with this momentum, the sales value of the Manufacturing sector in Q3 2026 posted a steady year-on-year growth of 10.7 per cent (Q2 2026: 9.3%) to RM553.5 billion (Q2 2026: RM524.8 billion); accompanied by a quarter-on-quarter rise of 5.5 per cent. Besides that, the number of employees uptick by 1.4 per cent to 2.45 million persons, while the salaries and wages grew 3.4 per cent to reach RM25.8 billion. Furthermore, the sales value per employee increased 9.1 per cent to registered RM226,091, while the average monthly salaries per employee recorded a 2.0 per cent rise to RM3,517.

Overall, the cummulative sales value for the first nine months of 2026 (January – September 2026) reached RM1.58 trillion, surged by 8.5 per cent compared to the same period last year (January - September 2025: 3.6%). Moreover, the total salaries & wages paid reached RM77.4 billion, reflecting an increase of 2.9 per cent.

Chart 1: Industrial Production Index, Malaysia, September 2025 – September 2026

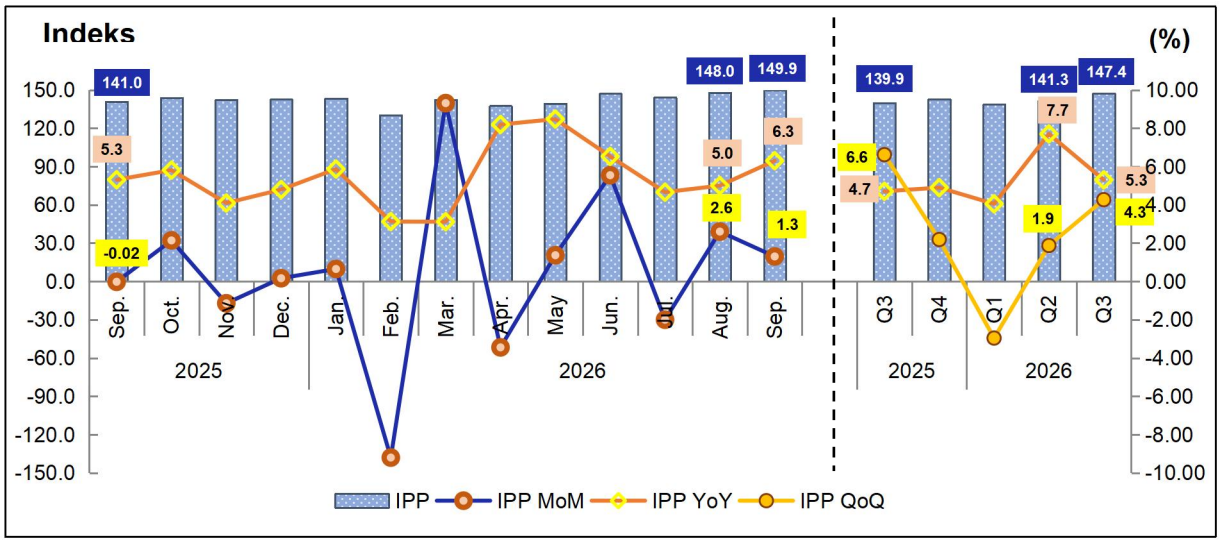


Chart 2: Industrial Production Index and Components, Malaysia, September 2025 – September 2026

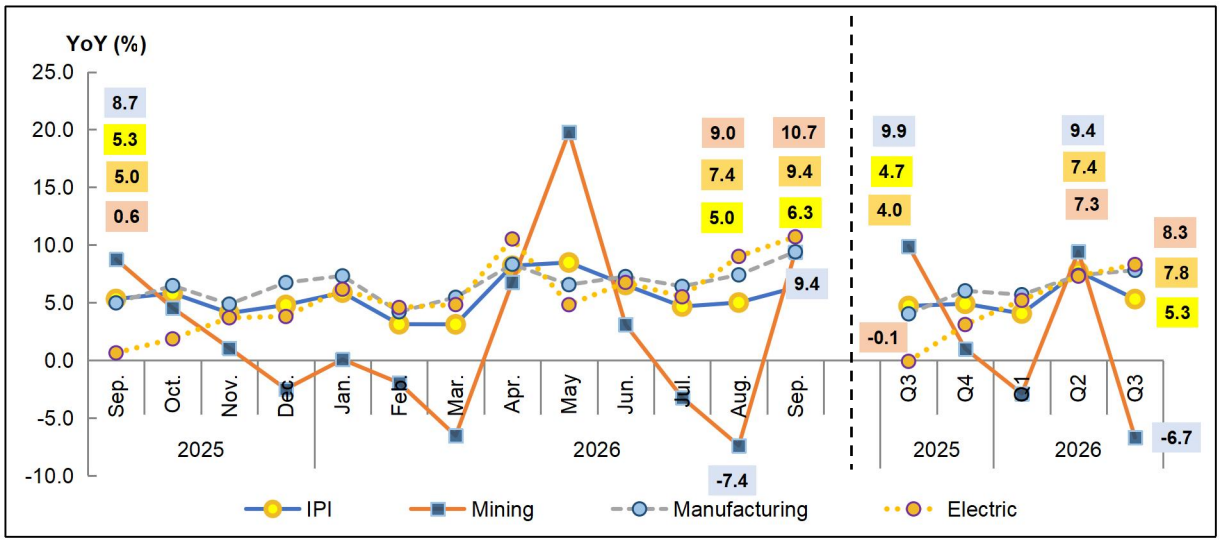


Chart 3: Manufacturing Index by Export and Domestic-Oriented Industries, Malaysia, September 2025 – September 2026

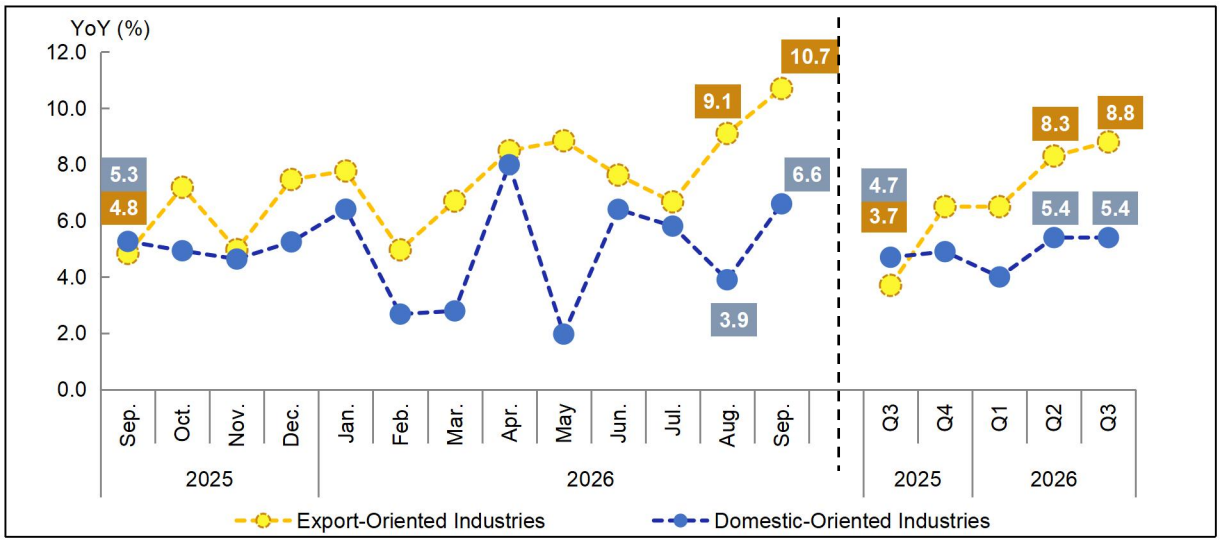


Chart 4: Sales Value of the Manufacturing Sector, Malaysia, September 2025 – September 2026

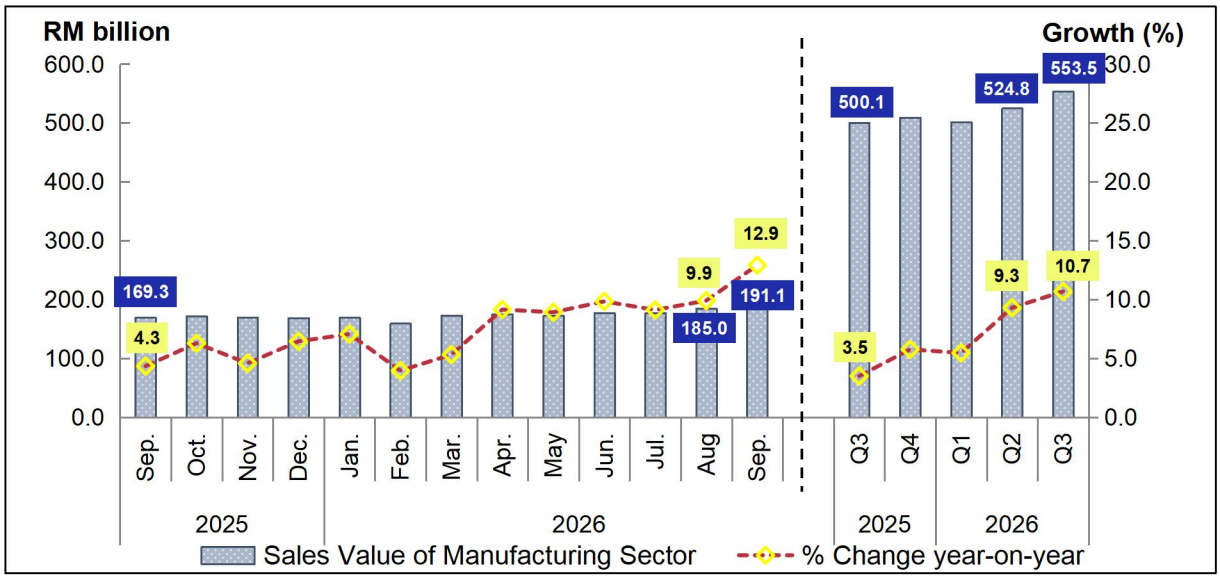
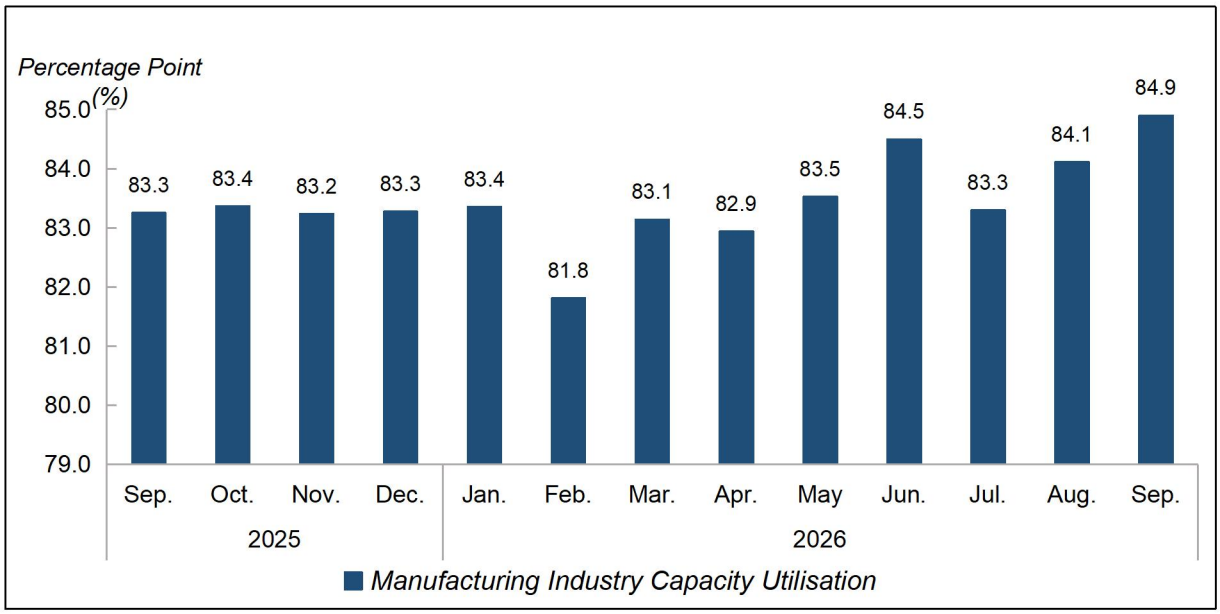


Chart 5: Capacity Utilisation of Manufacturing Industry, Malaysia, September 2025 – September 2026



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