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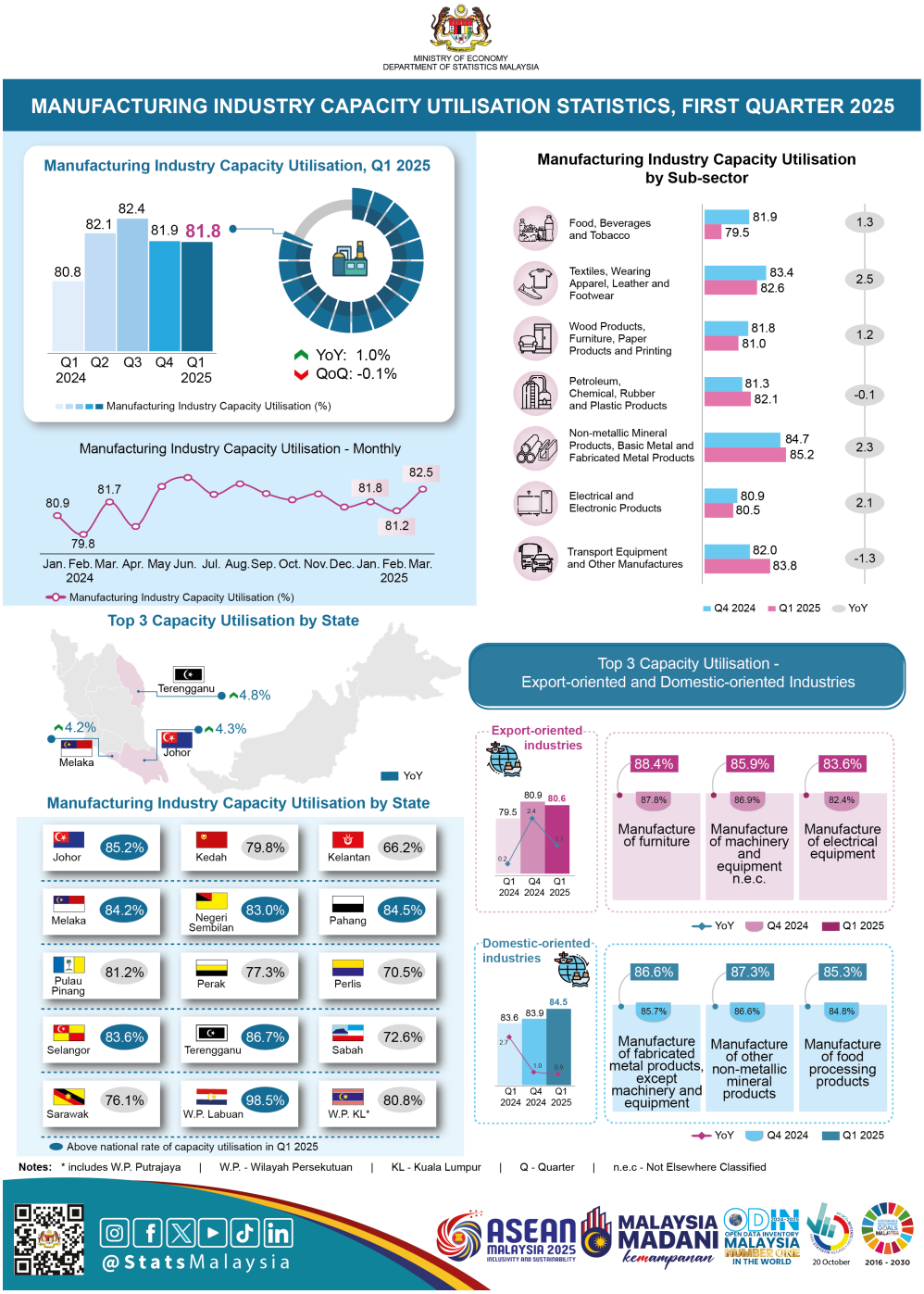
MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MANUFACTURING INDUSTRY CAPACITY UTILISATION STATISTICS, FIRST QUARTER 2025



The Manufacturing industry capacity utilisation reached 81.8 per cent rate in the first quarter of 2025

The Manufacturing industry operated at 81.8 per cent of capacity utilisation in the first quarter of 2025, increased by 1.0 percentage points compared to the same quarter of the preceding year (Q1 2024: 80.8%). Inline with the performance of Industrial Production Index of Manufacturing sector, which increased 4.2 per cent year-on-year during this quarter. In the first quarter of 2025, sub-sectors posted capacity utilisation above 80 per cent, with the highest rate recorded by the Non-metallic mineral products, basic metal & fabricated metal products sub-sector at 85.2 per cent increased 2.3 percentage points. This was followed by the increased 2.5 percentage points in the Textiles, wearing apparel, leather & footwear with a rate of 82.6 per cent. On a quarter-on-quarter comparison, the capacity utilisation of the Manufacturing industry recorded a mild declined of 0.1 percentage points (Q4 2024: 81.9%).

The year-on-year increase in monthly capacity utilisation performance was recorded throughout the first quarter of 2025, which was January 2025 (81.8%; +0.9 percentage points); February 2025 (81.2%; +1.4 percentage points); and March 2025 (82.5%; +0.8 percentage points).

The capacity utilisation in the export-oriented industries increased during this quarter, by 1.1 percentage points year-on-year to 80.6 per cent (Q1 2024: 79.5%). The highest rate resulted in the Manufacture of furniture; and Manufacture of machinery & equipment n.e.c. sub-sectors, which rise by 0.4 percentage points to 88.4 per cent and up by 2.2 percentage points to 85.9 per cent respectively. Nonetheless, three industries recorded the capacity utilisation below 80 per cent namely Manufacture of vegetable & animal oils & fats (72.8%); Manufacture of wood & products of wood & cork, except furniture, manufacture of articles of straw & plaiting materials (75.4%); and Manufacture of computer, electronics & optical products (79.2%). As compared to the fourth quarter of 2024, the capacity utilisation rate of the export-oriented industries declined marginally by 0.3 percentage points from 80.9 per cent in the preceding quarter.

In addition, the domestic-oriented capacity utilisation industries remained positive albeit at a slower rate of 0.9 percentage points to 84.5 per cent in first quarter of 2025. Most of the industries in this segment posted the higher utilisation rates, particularly in the Manufacture of fabricated metal products, except machinery & equipment (+3.4 percentage points; 86.6%); and the Manufacture of other non-metallic mineral products (+1.8 percentage points; 87.3%). Nevertheless, Manufacture of motor vehicles, trailers & semi-trailers recorded a decline to register a rate of 82.9 per cent; and followed by the Manufacture of paper and paper products industry with 77.9 per cent. Factors such as low demand; insufficient supply of materials; and the repair & maintenance of machinery & equipment remained as the main cause of the under-utilisation of capacity in the Manufacturing industry. As compared to the last quarter, the capacity utilisation in the domestic-oriented industries were up by 0.6 percentage points from 83.9 per cent.

The Manufacturing industry capacity utilisation for seven states surpassed the national rate in the first quarter of 2025, namely WP Labuan (98.5%); Terengganu (86.7%); Johor (85.2%); Pahang (84.5%); Melaka (84.2%); Selangor (83.6%); and Negeri Sembilan (83.0%). Whereas, the lowest capacity utilisation rate posted by Kelantan with 66.2 per cent decreased by 3.6 percentage points as compared to the same quarter last year.

The full publication of the Manufacturing Industry Capacity Utilisation Statistics, First Quarter 2025 can be

downloaded through eStatistik portal.

Released by:

DEPARTMENT OF STATISTICS MALAYSIA

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