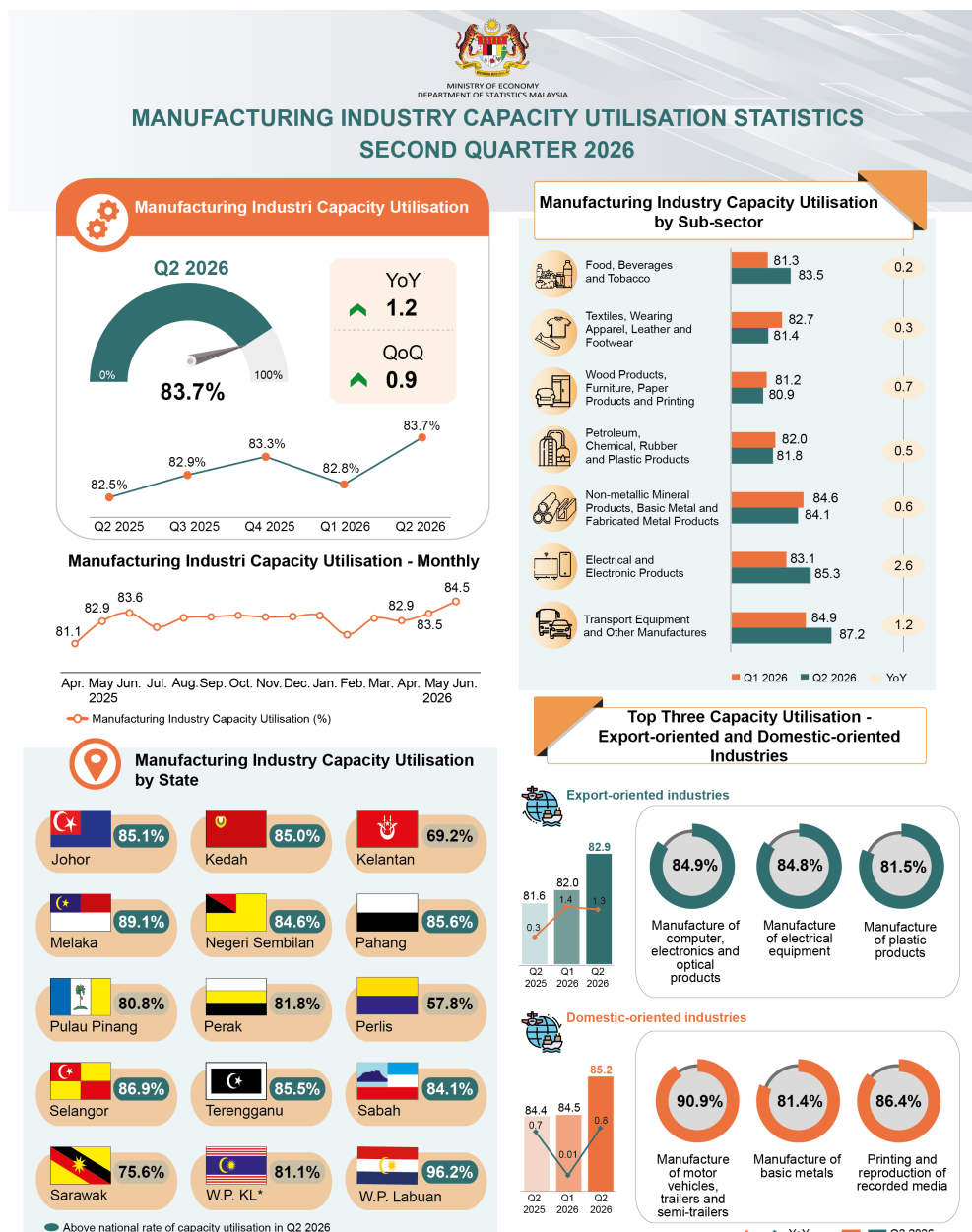




MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MANUFACTURING INDUSTRY CAPACITY UTILISATION STATISTICS, SECOND QUARTER 2026



Notes: * includes W.P. Putrajaya | W.P. - Wilayah Persekutuan | KL - Kuala Lumpur | Q - Quarter | n.e.c - Not Elsewhere Classified
Source: Manufacturing Industry Capacity Utilisation Statistics First Quarter 2026, Jabatan Perangkaan Malaysia (DOSM)



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The Manufacturing industry capacity utilisation reached 83.7 per cent rate in the second quarter of 2026

The Manufacturing industry was recorded at 83.7 per cent rate of capacity utilisation in the second quarter of 2026, increased by 1.2 percentage points as compared to the same quarter of the preceding year (Q2 2025: 82.5%). During this quarter, all sub-sectors posted capacity utilisation rates above 80 per cent, with the highest rate recorded by the Transport Equipment & Other Manufactures at 87.2 per cent, increased by 1.2 percentage points. This was followed by the rise 2.6 percentage points in the Electrical & Electronics Products at 85.3 per cent. The year-on-year increase in monthly capacity utilisation performance was recorded throughout the second quarter of 2026, which was April 2026 (82.9%; +1.8 percentage points); May 2026 (83.5%; +0.6 percentage points); and June 2026 (84.5%; +0.9 percentage points). In comparison with the previous quarter, the capacity utilisation of the Manufacturing industry increased by 0.9 percentage points (Q1 2026: 82.8%).

Elaborating further, in the second quarter of 2026, the capacity utilisation in the export-oriented industries increased by 1.3 percentage points year-on-year to 82.9 per cent (Q2 2025: 81.6%). The highest percentage points resulted in the Manufacture of computer, electronics & optical products; and Manufacture of plastic products, which up by 3.5 percentage points to 84.9 per cent and rose by 0.6 percentage points to 81.5 per cent respectively. Nonetheless, industries recorded capacity utilisation below 80 per cent, namely the Manufacture of wood & products of wood & cork, except furniture, manufacture of articles of straw & plaiting materials (75.3%); Manufacture of textiles (79.9%); and Manufacture of vegetable & animal oils & fats (79.8%). As compared to the first quarter of 2026, the capacity utilisation rate of the export-oriented industries rebounded to 0.9 percentage points from 82.0 per cent in the preceding quarter.

Furthermore, the domestic-oriented industries capacity utilisation increased by 0.8 percentage points to 85.2 per cent in second quarter of 2026. Most of the industries in this segment posted high capacity utilisation rates, particularly in

the Manufacture of motor vehicles, trailers & semi-trailers (90.9%; +2.7 percentage points); and followed by the Manufacture of basic metals (81.4%; +0.5 percentage points). Meanwhile, the lowest capacity utilisation rate was posted by the Manufacture of paper & paper products industry with 77.1 per cent. As compared to the last quarter, the capacity utilisation in the domestic-oriented industries were increased by 0.7 percentage points from 84.5 per cent.

The Manufacturing industry capacity utilisation for nine states surpassed the national rate in the second quarter of 2026, namely WP Labuan (96.2%); Melaka (89.1%); Selangor (86.9%); Pahang (85.6%); Terengganu (85.5%); Johor (85.1%); Kedah (85.0%); Negeri Sembilan (84.6%); and Sabah (84.1%). Whereas, the lowest capacity utilisation rate posted by Perlis with 57.8 per cent as compared to the same quarter last year.

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.

The full publication of the Manufacturing Industry Capacity Utilisation Statistics, Second Quarter 2026 can be downloaded through eStatistik portal.

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