

MEDIA STATEMENT



MINISTRY OF ECONOMY
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PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, MALAYSIA JUNE 2025

Malaysia's Producer Price Index declined by 4.2 per cent in June 2025 contributed by all sectors

PUTRAJAYA, 28th July 2025 – Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, went down further by 4.2 per cent in June 2025, after a 3.6 per cent decline in the previous month. This was reported today, in the latest monthly report of **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, JUNE 2025**, published by the Department of Statistics Malaysia.

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted, "All sectors registered year-on-year declines in June 2025, with Mining and Manufacturing sectors emerging as the primary contributors to the overall negative trend of the index. The Mining sector declined by 8.0 per cent (May 2025: -15.0%), affected by Extraction of natural gas (-12.0%) and Extraction of crude petroleum (-6.7%) indices. At the same time, the Manufacturing sector went down by 4.3 per cent (May 2025: -3.0%) contributed by significant downturns in Manufacture of coke and refined petroleum products (-17.7%) and Manufacture of computer, electronic and optical products (-7.8%) indices. The Agriculture, forestry & fishing sector also recorded a slight decline of 0.3 per cent (May 2025: 1.8%), with the Animal production index decreased by 2.9 per cent. For the utility sector, both Electricity and gas supply and Water supply posted marginal decreases of 0.2 per cent in June 2025."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production recorded a decline of 0.7 per cent in June 2025, following a 1.1 per cent decrease in the previous month. The Manufacturing sector went down by 1.2 per cent

(May 2025: -0.5%), due to Manufacture of coke & refined petroleum products (-4.2%) and Manufacture of food products (-3.0%) indices. Similarly, the Agriculture, forestry & fishing sector declined by 1.0 per cent (May 2025: -5.4%), weighed down by declines in Growing of perennial crops (-1.2%) and Animal production (-0.8%) indices. In contrast, the Mining sector increased by 4.6 per cent, rebounding from a 2.3 per cent contraction in May 2025. This was mainly driven by the Extraction of crude petroleum, which rose by 7.0 per cent. Meanwhile, the Water supply index increased marginally by 0.2 per cent, while the Electricity and gas supply index declined by 0.2 per cent in June 2025.”

Elaborating further on the PPI Local Production by stage of processing, the Chief Statistician Malaysia, explained, “All stages of processing recorded year-on-year declines in June 2025 continuing the downward trend observed since March 2025. The Crude materials for further processing index declined by 5.8 per cent, primarily due to a decrease in Non-food materials index (-7.0%). The Intermediate materials, supplies and components index registered a 4.4 per cent drop, contributed by a sharp decline in Processed fuel and lubricants (-12.7%). Meanwhile, the Finished goods index contracted by 2.3 per cent, mainly driven by the downturn in Capital equipment (-3.2%).”

On a month-on-month basis, the Crude materials for further processing index recorded an increase of 1.2 per cent, while the Finished goods index edged up by 0.5 per cent. In contrast, the Intermediate materials, supplies and components index registered a decline of 1.8 per cent.

The Chief Statistician Malaysia also added, “The PPI Local Production declined by 3.7 per cent in the second quarter of 2025, as compared to a 0.3 per cent decrease in the first quarter of 2025. The Mining sector significantly declined by 13.7 per cent, followed by Manufacturing (3.4%) and Electricity & gas supply (-0.6%) sectors. However, Agriculture, forestry & fishing and Water supply increased by 1.4 per cent and 0.2 per cent, respectively. Meanwhile, on a quarter-on-quarter basis, the PPI registered a decline of 2.3 per cent, in contrast to a 1.0 per cent increase recorded in the previous quarter. This decrease was primarily driven by contractions in Agriculture, forestry and fishing, Mining and Manufacturing sectors.”

A comparison of selected countries showed mixed trends in the PPI for June 2025. In the United States, the PPI increased by 2.3 per cent, easing from a 2.7 per cent increase in the previous month. Japan’s PPI rose by 2.9 per cent, a moderation from 3.3 per cent, attributable to lower prices in Beverages and food, Electrical machinery and Metal products.

Conversely, China continued to experience producer deflation, with PPI decreased by 3.6 per cent, following a 3.3 per cent decline in May 2025. This marked the 33rd consecutive month of deflation at the producer level, influenced by seasonal declines in raw material prices. Similarly, Thailand's PPI contracted by 4.0 per cent, as compared to 3.7 per cent drop in May 2025. This marked the fourth straight month of year-on-year negative producer inflation, a similar trend observed in Malaysia.

Speaking on selected Malaysia's commodity prices, *Dato' Sri Dr. Mohd Uzir Mahidin* added, "According to the World Bank, the average Brent crude oil price in June 2025 stood at USD 71.45 per barrel, an increase from USD 64.21 per barrel in the previous month. The increase in price was primarily attributed to escalating geopolitical tensions, particularly the conflict in the Middle East. In line, the World Bank has revised its average Brent price forecast for 2025 to USD 72 per barrel, up from earlier projections. Meanwhile, Malaysian crude palm oil prices averaged RM 3,969.00 per tonne in June 2025, compared to RM 3,880.50 per tonne in May 2025. The upward trend was driven by robust global demand especially from India and China which helped sustain prices despite ample supply."

ASEAN-Malaysia 2025 Chairmanship: The Department of Statistics Malaysia (DOSM) will chair the 15th ASEAN Community Statistical System Committee (ACSS15) which aims to strengthen the statistical cooperation towards sustainable regional development.

Malaysia, for the first time, ranked as number one (1) globally in the biennial Open Data Inventory (ODIN) 2024/25 report released by Open Data Watch (ODW), surpassing 198 other countries. This achievement marks a significant leap from its 67th position in the ODIN 2022/23 assessment.

The Government of Malaysia has declared October 20th as National Statistics Day (MyStats Day), with the theme 'Statistics is the Essence of Life'. Meanwhile, the Fourth World Statistics Day will be celebrated on 20th October 2025, with the theme 'Driving Change with Quality Statistics and Data for Everyone'.

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

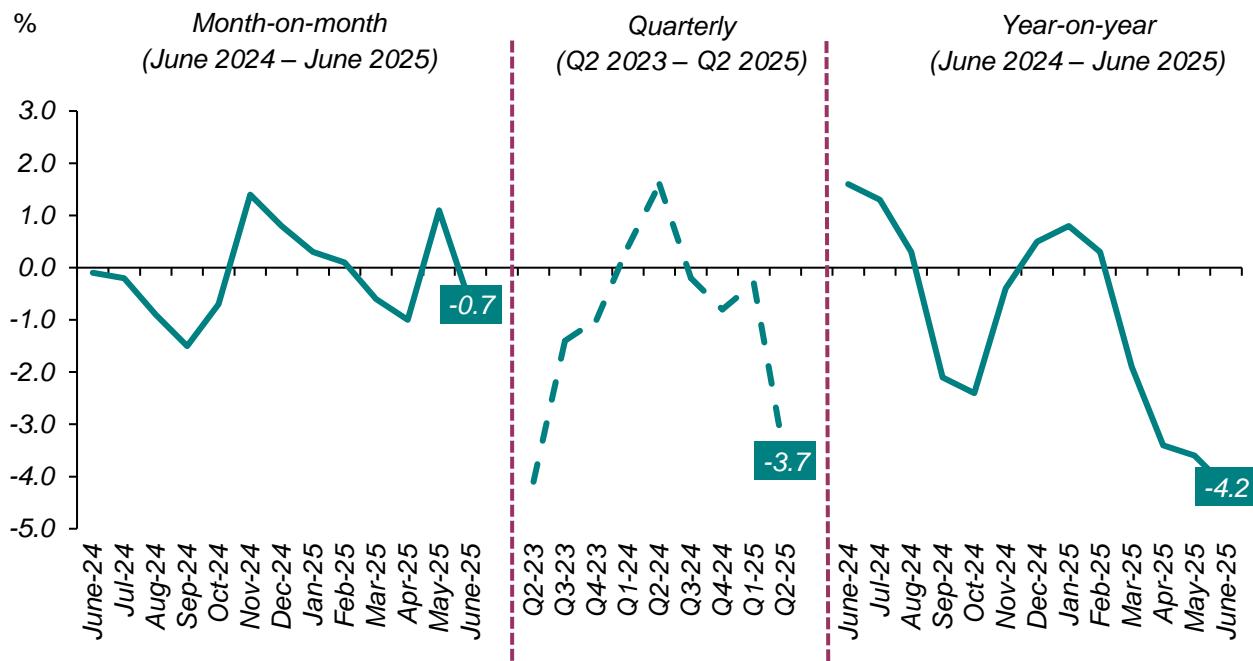


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

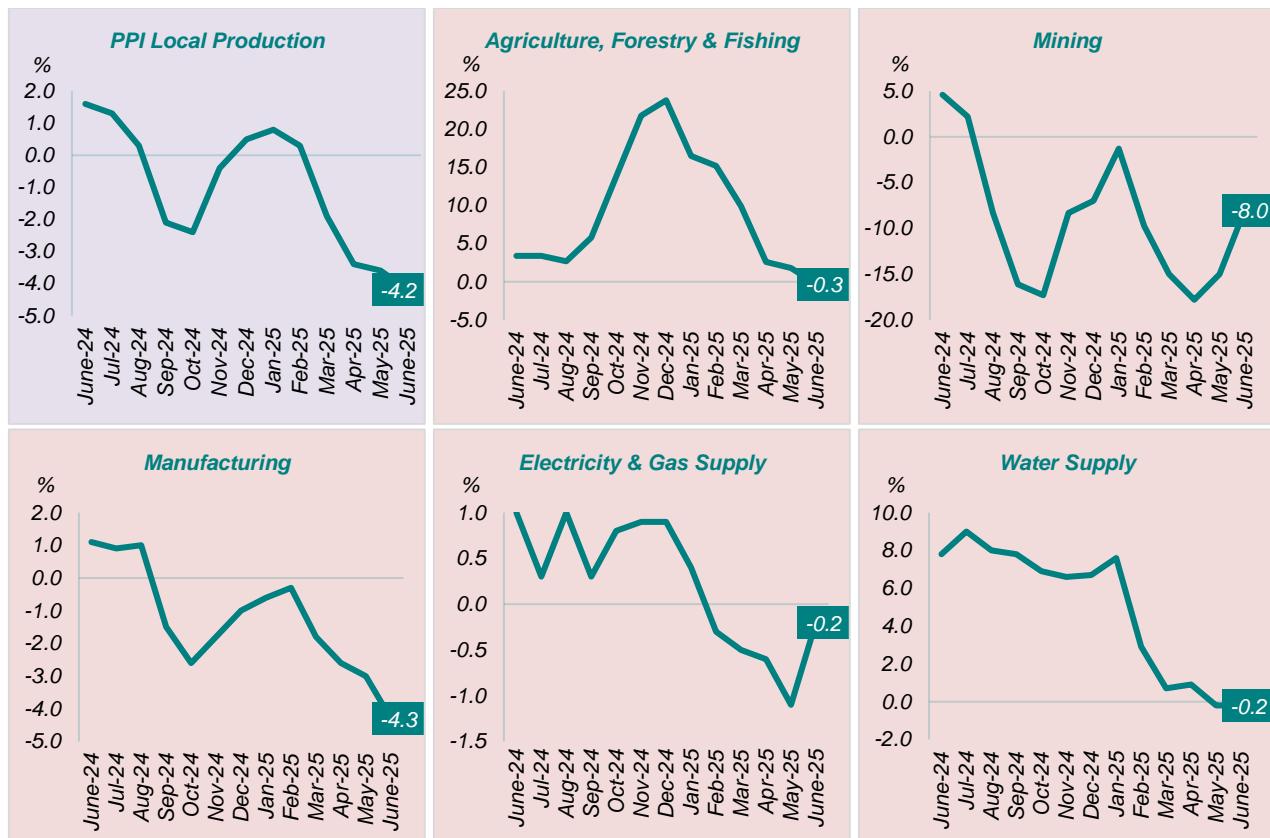
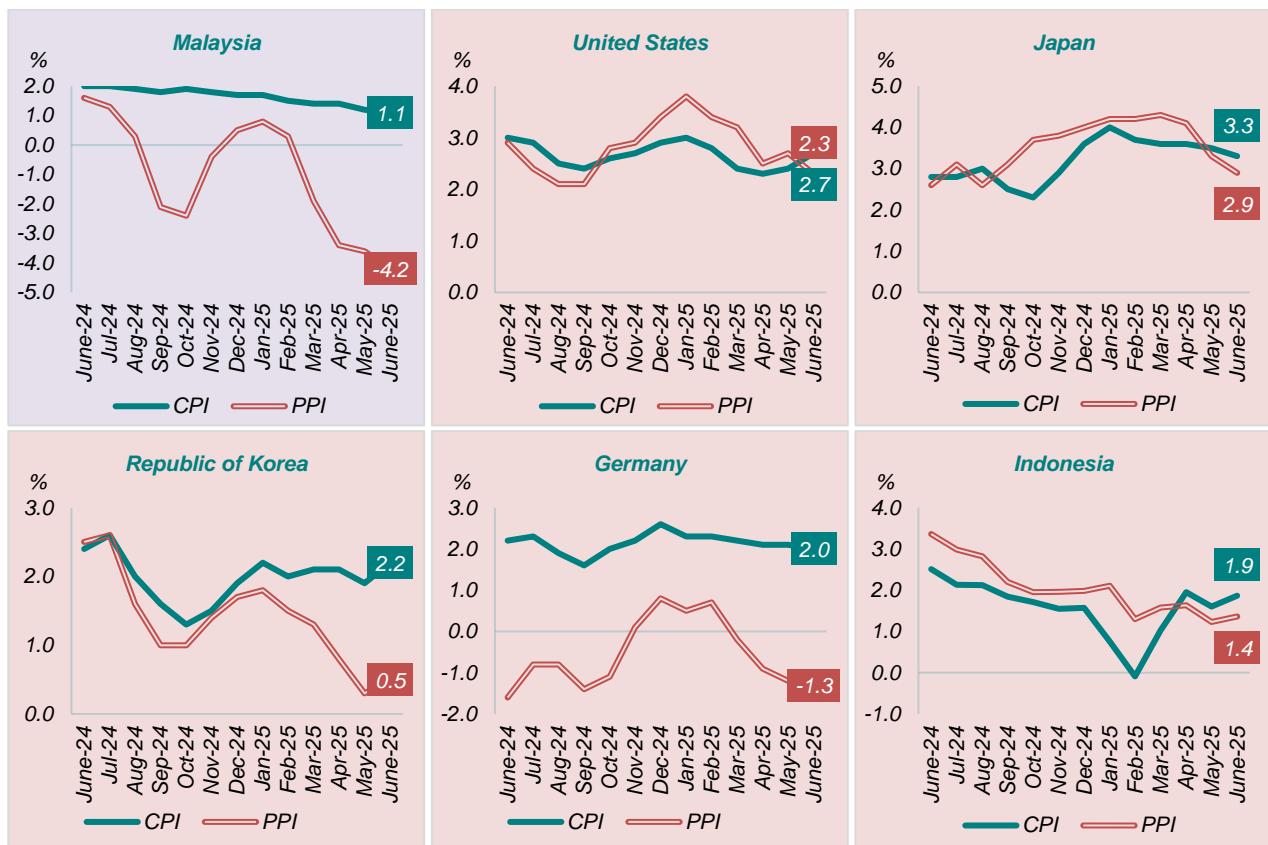
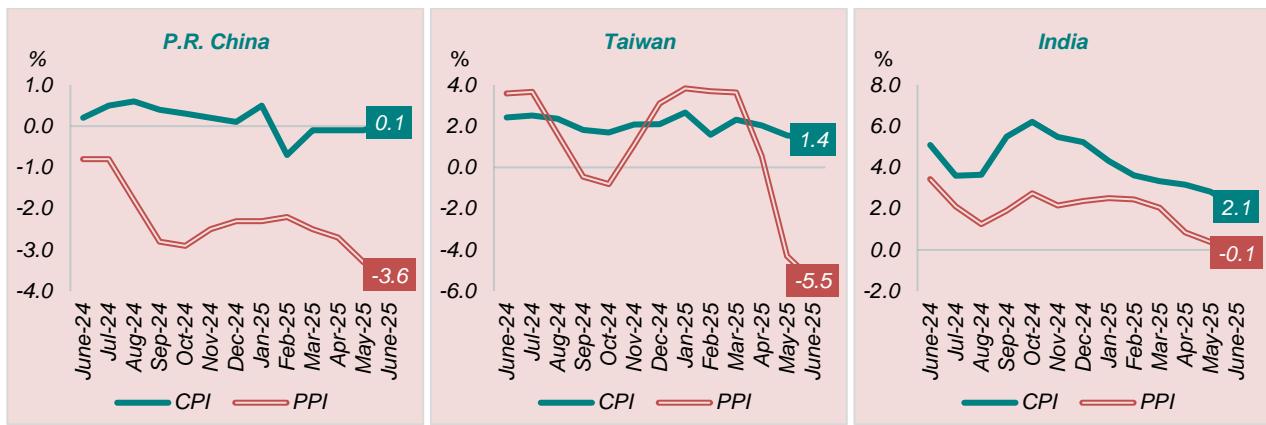


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia



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)

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DEPARTMENT OF STATISTICS MALAYSIA

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