



MEDIA STATEMENT

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PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, MALAYSIA JULY 2025

***Malaysia's Producer Price Index recorded a slower decrease of 3.8 per cent
in July 2025***

PUTRAJAYA, 28th August 2025 – Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, recorded a slower decrease of 3.8 per cent in July 2025, from a 4.2 per cent decline in the previous month. This was reported today, in the latest monthly report of **PRODUCER PRICE INDEX (PPI) LOCAL PRODUCTION, JULY 2025**, published by the Department of Statistics Malaysia.

The Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin, highlighted, "The decline in July 2025 was mainly attributed to Mining and Manufacturing sectors, both experiencing downward trend since the beginning of the year. The Mining sector went down by 8.7 per cent (June 2025: -8.0%), dragged down by Extraction of crude petroleum (-9.8%) and Extraction of natural gas (-4.7%) indices. Similarly, the Manufacturing sector declined by 4.0 per cent (June 2025: -4.3%), due to declines in Manufacture of coke & refined petroleum products (-15.7%) and Manufacture of computer, electronic & optical products (-7.6%) indices. On the other hand, the Agriculture, forestry & fishing sector recorded an increase of 1.1 per cent (June 2025: -0.3%), supported by the Growing of perennial crops (3.1%) index. The Electricity & gas supply sector went up by 4.0 per cent (June 2025: -0.2%), while the Water supply sector posted a marginal decline of 0.1 per cent in July 2025."

Dato' Sri Dr. Mohd Uzir Mahidin further explained, "On a month-on-month basis, the PPI Local Production increased by 0.3 per cent in July 2025, after a 0.7 per cent decrease in the

previous month. The Agriculture, forestry & fishing sector increased by 2.5 per cent (June 2025: -1.0%), contributed by the Growing of perennial crops (4.6%) index. The utility sectors, Electricity & gas supply and Water supply indices also went up by 3.4 per cent and 0.9 per cent, respectively. However, the Mining index remained unchanged in July 2025, after posting an increase of 4.6 per cent in the previous month. The Manufacturing index, on the other hand, recorded a marginal decrease of 0.1 per cent (June 2025: -1.2%), weighed down by the Manufacture of computer, electronic & optical products (-0.5%) and Manufacture of food products (-0.4%).”

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 July 2025, extending the downward trend since March 2025. The Crude materials for further processing index contracted by 5.8 per cent, mainly due to the decrease in Non-food materials index (-7.0%). The Intermediate materials, supplies & components index posted a 3.7 per cent decline, due to sharp decline in Processed fuel & lubricants (-9.3%). Similarly, the Finished goods index went down by 2.4 per cent, primarily due to a downturn in Capital equipment (-3.9%).”

On a month-on-month basis, the Crude materials for further processing index recorded marginal increase of 0.8 per cent. Meanwhile, both, Intermediate materials, supplies & components index and Finished goods indices went up by 0.1 per cent.

A comparison of selected countries showed mixed trends in the PPI for July 2025. In the United States (U.S), the PPI increased by 3.3 per cent, from a 2.4 per cent rise in the previous month. Japan’s PPI rose by 2.6 per cent, moderating from a 2.9 per cent increase in the previous month, influenced by prices of Transport equipment and Beverages and food. In contrast, China continued to experience producer deflation, with the PPI declining by 3.6 per cent, similar to June 2025. This represented the 34th consecutive month of deflation at the producer level, driven by weak domestic demand and a fragile trade with the U.S. Similarly, Thailand’s PPI contracted by 4.2 per cent, as compared to 4.0 per cent drop in the previous month. This marked the fifth straight month of year-on-year negative producer inflation, a similar trend 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 July 2025 stood at USD 70.95 per barrel, a slight decrease from USD 71.45 per barrel in the previous month supported by supply policies. The U.S. Energy Information Administration (EIA) also

projected an average price of around USD 70 to USD 71 per barrel in future term, which was consistent with the actual market performance. Meanwhile, Malaysian crude palm oil (CPO) prices averaged RM 4,112.50 per tonne in July 2025, up from RM 3,969.00 per tonne in June 2025. The Malaysian Palm Oil Council (MPOC) expects CPO prices to remain within the range of RM 3,900 to RM 4,200 per tonne, supported by firm demand from China and India as well as favorable price competitiveness compared to soybean oil.”

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

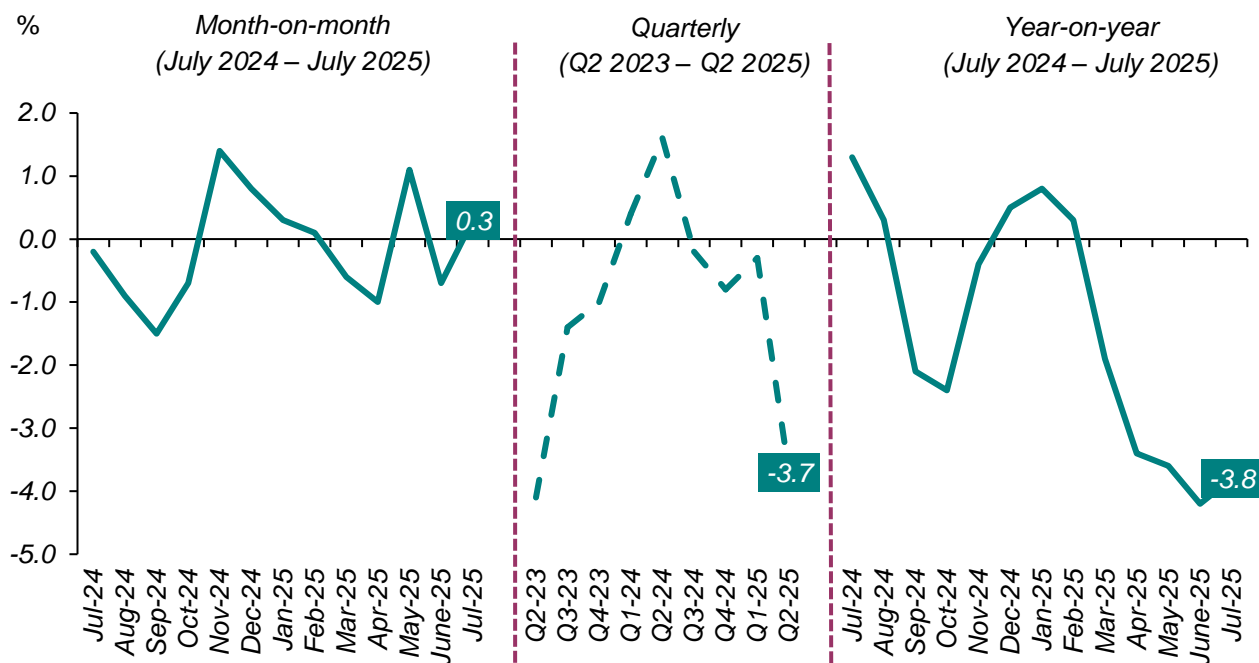


Chart 2: Percentage Change of Producer Price Index (PPI) Local Production by Sector (Year-on-Year), Malaysia

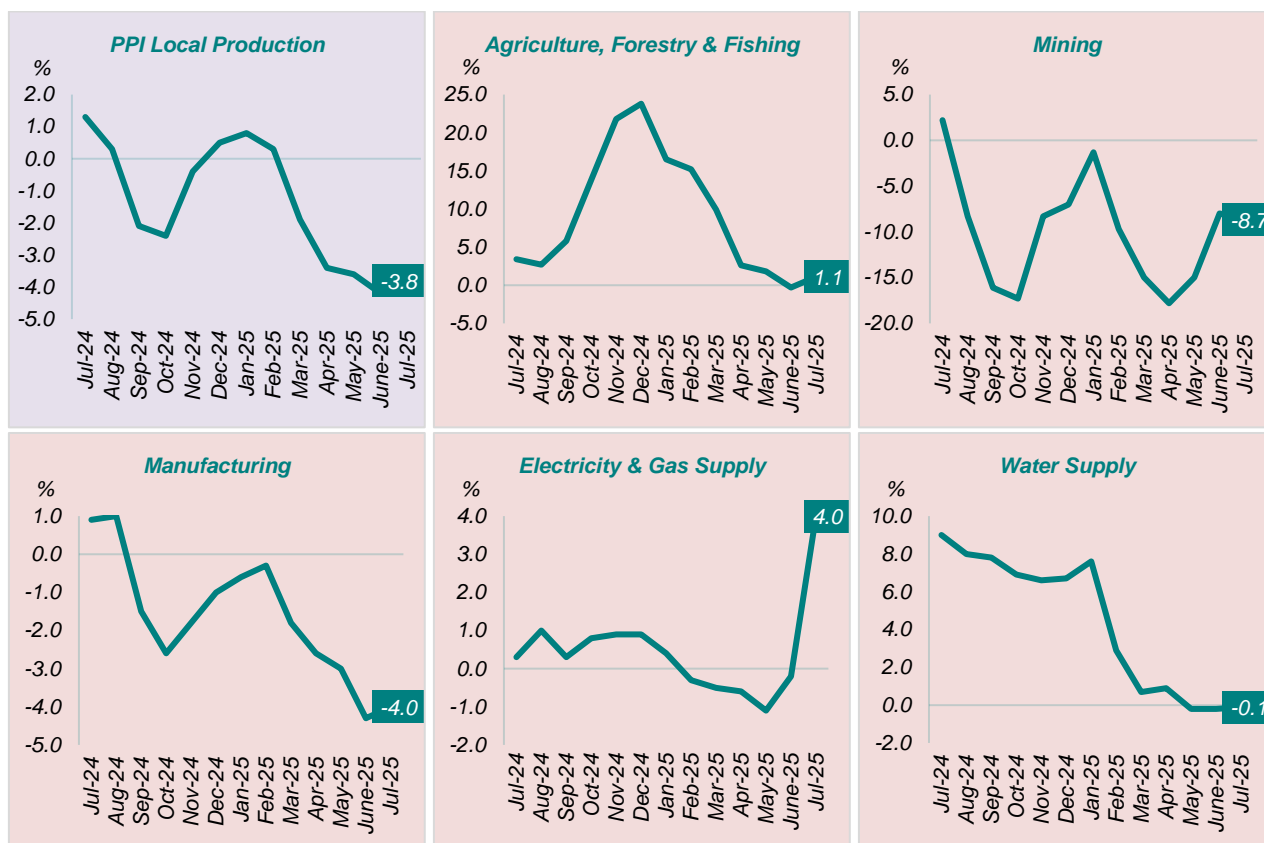
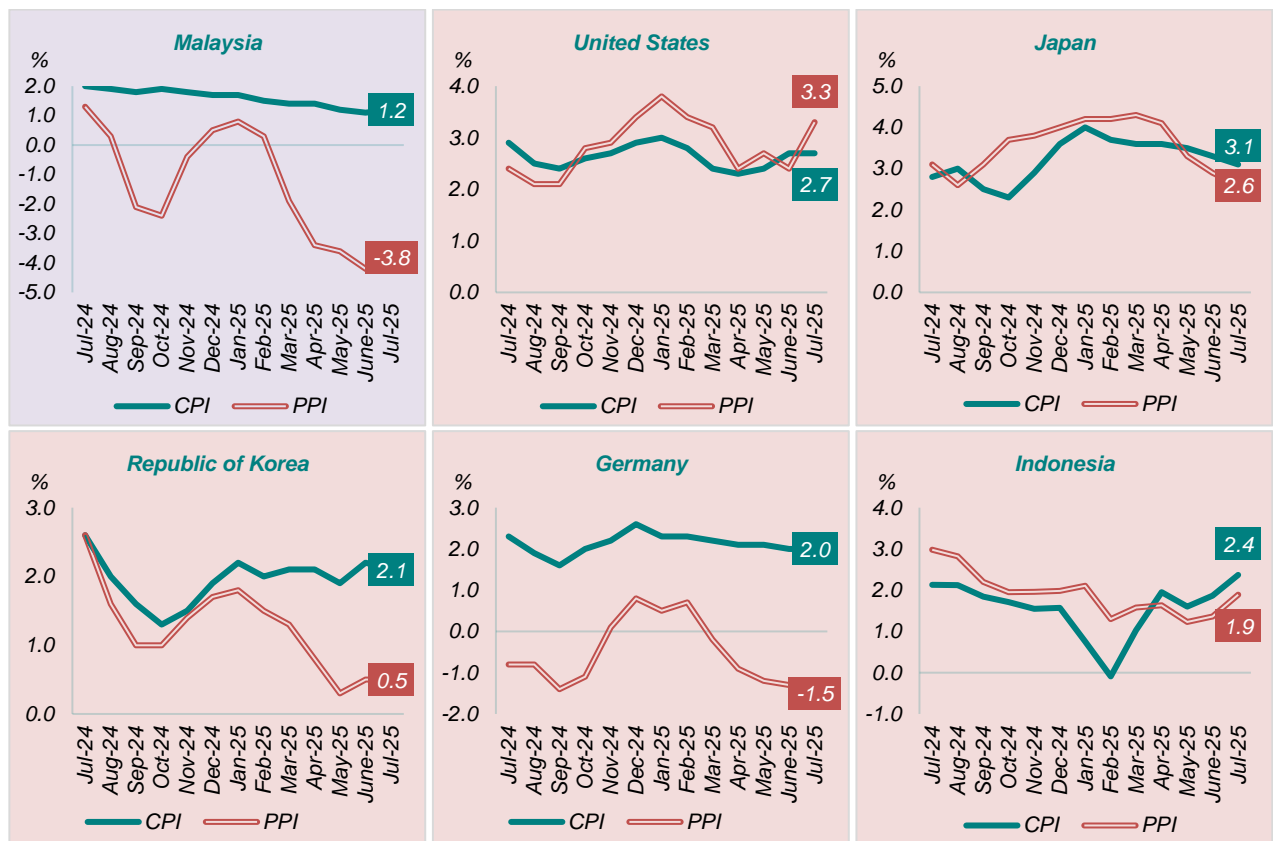
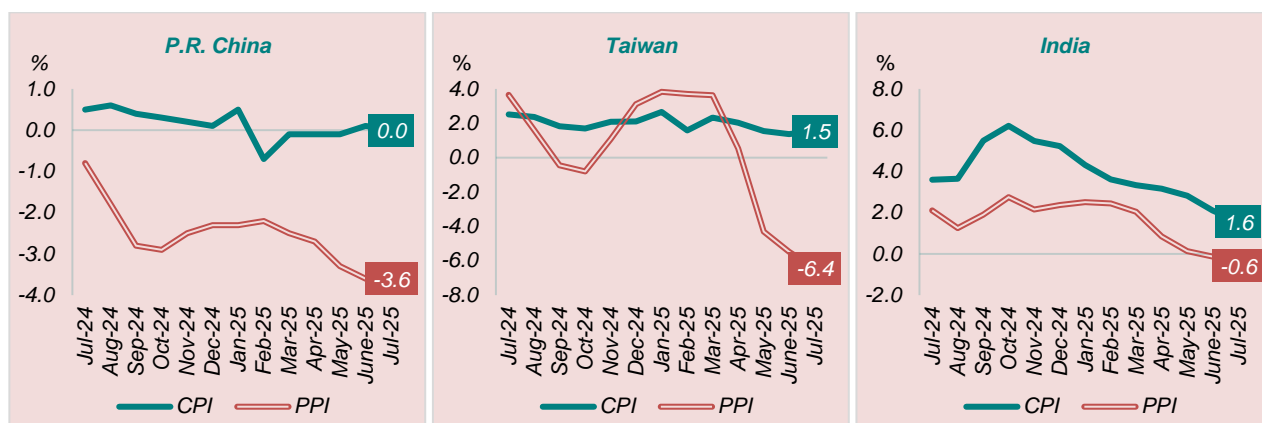


Chart 3: Percentage Change of Producer Price Index (PPI) Local Production by Stage of Processing (Year-on-Year), Malaysia



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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