Malaysia's IPI Sustained Growth for the 23rd Straight Month in Nov-25

Economic Review
Nov-25 Industrial Production



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- Malaysia's IPI growth eased to +4.3%yoy in Nov-25 (Oct-25: +6.0%yoy), reflecting a sharper moderation compared to our estimate (+5.1%yoy) and market consensus (+5.3%yoy). Nevertheless, the sustained expansion in IPI for the 23rd consecutive month was underpinned by increased output across all major sectors, i.e. manufacturing, mining and electricity.
- Sales of manufactured goods recorded moderate growth of +4.6%yoy in Nov-25 (Oct-25: +6.3%yoy). The growth in sales was underpinned by still encouraging double-digit increases in sales of E&E products and consumer electronics but weighed down by weaker sales of computers & peripheral equipment, refined petroleum products and motor vehicles.
- Given the sustained resilience in IPI, we adjust our full-year 2025 IPI growth projection to +3.6, which is around the same growth pace of +3.7% in 2024. We foresee IPI growth will remain around +3.0% this year, backed by growing domestic consumption and resilient external demand.

Sustained IPI growth with rising output across all major sectors

Malaysia's IPI growth eased to +4.3%yoy in Nov-25 (Oct-25: +6.0%yoy), reflecting a sharper moderation compared to our estimate (+5.1%yoy) and market consensus (+5.3%yoy). We anticipate some moderation in IPI growth in Nov-25, taking into account the slower export growth during the month. Nevertheless, the sustained expansion in IPI for the 23rd consecutive month was underpinned by increased output across all major sectors. Manufacturing output grew by +4.9%yoy (Oct-25: +6.5%yoy), attributable to higher production of among others E&E products, machinery & equipment, basic metals and motor vehicles. Meanwhile, mining output rose by +2.3%yoy (Oct-25: +6.0%yoy), contributed by increased production of crude oil and natural gas. The electricity generation even recorded stronger growth of +2.7%yoy (Oct-25: +1.8%yoy), sustaining growth for the 6th straight month. For the 11-month period to Nov-25, Malaysia's IPI has been growing sustainable at +3.5%yoy, only a slight moderation from +3.6%yoy growth in 11MCY24.

IPI contracted again on month-on-month basis

Based on the seasonally adjusted data, Malaysia's IPI growth contracted by -1.3%mom in Nov-25 (Oct-25: +0.7%mom), following decline in manufacturing output (-1.0%mom) and sharper fall in mining output (-3.5%mom). In contrast, electricity generation expanded further by +1.7%mom, reflecting higher energy demand compared to Nov-25. With manufacturing remaining unchanged at 50.1 in Dec-25, we anticipate little change in manufacturing activities as the survey reported firms signaling stabilizing output. Although the PMI report also indicated positive sentiment among manufacturers, we expect firms will remain cautious to changing external trade outlook as new orders slowed slightly. Mining output could remain weak given the oversupply condition in the global oil market, while electricity generation could grow further in line with growing domestic consumption.

Sharper moderation in output growth for export-oriented sectors

Output growth in the export-oriented sectors experienced a sharper moderation in Nov-25, easing to +5.0%yoy (Oct-25: +7.2%yoy), in line with the slower expansion in goods exports. The continued growth was underpinned by increased production of E&E, computers and optical products, as well as oils & fats, wearing apparels, wood & wood products and furniture. In contrast, output of other products such as chemicals, refined petroleum products, textiles and rubber products declined during the month.

Slight moderation in output growth for domestic-oriented products

Output growth for the domestic-oriented industries only recorded a slight moderation to +4.6%yoy (Oct-25: +4.6%yoy). This was mainly explained by slower rise in production of construction-related products such as iron & steel and fabricated metals. On the contrary, production of consumer products grew faster at +5.2%yoy (Oct-25: +5.0%yoy), driven by stronger output of food products, motor vehicles and tobacco products. This indicated optimism that firms are raising production to cope with growing domestic demand.

Sustained growth in domestic demand to cushion external trade uncertainties

The resilience in domestic demand remains a crucial factor to support production of domestic-oriented sectors, particularly construction materials and consumer products. Positive domestic outlook will help to mitigate any uncertainties on the external front. At least until Nov-25, continued rise in E&E exports signal resilient demand for E&E products on the back of global tech upcycle. While exports to the US may be affected by possible changes in the US trade rules, we expect more diversified external demand from non-traditional markets and FTA partners will continue to drive production of export-oriented products. Overall, we expect production activities will continue to grow in the coming months backed by continued resilience in export demand and growing domestic consumption.

Manufacturing sales also recorded moderate expansion

Similarly, sales of manufactured goods recorded moderate growth of +4.6%yoy in Nov-25 (Oct-25: +6.3%yoy). The growth in sales was underpinned by still encouraging double-digit increases in sales of E&E products and consumer electronics but weighed down by weaker sales of computers & peripheral equipment, refined petroleum products and motor vehicles. On month-on-month basis, sales of manufactured goods fell by -1.8%mom (Oct-25: +1.8%mom), based on seasonally adjusted data. Various products recorded reduced monthly sales in Nov-25 such as consumer electronics, computers & peripheral equipment, rubber gloves, refined petroleum products, iron & steel products as well as selected E&E products. Given the resilience in domestic consumption, we foresee manufacturing sales to continue growing in the coming months. Sales of export-oriented products, however, remain sensitive to changing outlook on external demand, which may be disrupted by tighter trade rules and global supply chain activity.

Mixed performance in global industrial production

The trend in global Industrial production was rather mixed in Nov-25, with major economies reporting continued IPI expansion while IPI weakened in regional economies. Despite the weaker expansion, global manufacturing activities remained expansionary with the global manufacturing PMI slowing to 50.5 (Oct-25: 50.9) as firms decisions affected by slower rise in foreign orders. China's IPI growth slightly moderated to +4.8%yoy (Oct-25: +4.9%yoy), marking the slowest growth since Aug-24 due to softer rises in manufacturing activity and electricity, heat, gas, and water. Meanwhile, Taiwan reported higher IPI growth of +16.4%yoy (Oct-25: +14.2%yoy), driven by stronger manufacturing output, particularly in electronics, computers, and optical products. India's industrial production also surged by +6.7%yoy, the fastest expansion since Oct-23 thanks to the acceleration in manufacturing (+8.0%yoy) and mining (+5.4%yoy) output. South Korea's IPI, on the other hand, declined softer by -1.4%yoy (Oct-25: -8.1%yoy), extending two consecutive months of contraction but pointing to a gradual recovery in production activities.

IPI trend looks weaker in regional countries

IPI trend in regional countries also looks weaker in Nov-25. Singapore reported softer IPI growth of +14.3%yoy (Oct-25: +28.9%yoy), extending three consecutive months of double-digit growth, supported by the global tech upcycle. Thailand's IPI, on the other hand, declined sharply by -4.2%yoy from a flat reading in the previous month, marking the first decline in three due to lower petroleum output. Meanwhile, Philippines' IPI declined by -1.4%yoy (Oct-25: +1.5%yoy), reversing growth recorded in the previous three months because of reduced production of textiles, furniture and rubber & plastic products. Going forward, we expect global production activities to continue expanding driven by sustained demand for technology and E&E products, although the pace of growth could be constrained by concerns about the health of global trade. Meanwhile, oversupply conditions and lower prices could also limit mining output growth, particularly in the oil & gas industry. For Dec-25, we anticipate the pace of growth in global production to show little changes with the global manufacturing PMI easing slightly by -0.1 points to 50.4.

Given the sustained resilience in IPI, we adjust our full-year 2025 IPI growth projection to +3.6, which is around the same growth pace of +3.7% in 2024. This stronger-than-expected growth in the recent months, compared to our earlier projection, indicates that the impact of tighter trade rules and uncertain external trade outlook has been milder than feared. To a certain extent, this can be explained by the front-loading activities, the sustained rise in production was also backed by growing domestic consumption as well as continued upcycle in the global tech industry. We foresee this trend will continue to keep IPI growth around +3.0% this year, although the outlook may be constrained by potentially tighter trade rules and risk of weaker final demand.

Slight upgrade to 2025 IPI growth forecast, expect to stay around +3% this year

Table 1: Malaysia – Summary of Industrial Production Index

	MoM%*				YoY%			
	Aug-25	Sep-25	Oct-25	Nov-25	Aug-25	Sep-25	Oct-25	Nov-25
IPI	(0.3)	(0.9)	0.7	(1.3)	4.8	5.7	6.0	4.3
Mining	9.2	(2.4)	(1.0)	(3.5)	16.8	10.2	5.8	2.3
Manufacturing	(2.4)	(0.3)	1.0	(1.0)	2.8	5.0	6.5	4.9
Electricity	(1.1)	(1.6)	0.5	1.7	1.2	2.8	1.8	2.7

* MoM is seasonally adjusted
Source: Macrobond, DOSM, MBSBR

Table 2: Changes in IPI Major Industries (YoY%)

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
IPI	**0.3**	**2.9**	**4.2**	**4.8**	**5.7**	**6.0**	**4.3**
Mining	**(10.2)**	**(0.0)**	**4.3**	**16.8**	**10.2**	**5.8**	**2.3**
Crude Petroleum	(1.6)	(3.2)	1.0	11.4	13.0	8.8	4.3
Natural Gas	(16.6)	2.3	6.8	20.6	8.5	3.9	1.0
Manufacturing	**2.8**	**3.6**	**4.4**	**2.8**	**5.0**	**6.5**	**4.9**
Food Products	12.4	10.2	8.1	2.7	8.4	10.5	8.0
Refined Petroleum Products	(4.8)	(2.0)	(1.1)	(0.5)	(0.2)	(2.3)	(2.7)
Chemicals & Chemicals Products	(1.1)	(1.2)	(0.3)	(2.7)	(1.7)	1.5	(0.7)
Rubber Products	(1.1)	(2.3)	(0.8)	(1.5)	(0.9)	(1.5)	(1.7)
Basic Metals	4.5	6.7	7.4	5.4	6.1	8.6	5.9
Electrical & Electronic Products	5.6	6.4	8.5	6.6	9.1	13.4	10.8
Computers & Peripheral Equipment	6.0	3.2	2.4	5.4	4.1	1.9	1.7
Machinery & Equipment	5.7	9.3	10.2	5.4	9.6	11.3	9.0
Motor Vehicles, Trailers & Semi-Trailers	(10.1)	3.4	1.0	(5.1)	4.5	(3.3)	1.2
Electricity	**(0.1)**	**2.3**	**1.6**	**1.2**	**2.8**	**1.8**	**2.7**

Source: Macrobond, MBSBR

Table 3: Changes in IPI for Export-Oriented Industries (YoY%)

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
IPI: Export-Oriented Industries	**2.8**	**2.9**	**4.1**	**2.3**	**4.9**	**7.2**	**5.0**
Computer, Electronic and Optical Products	6.0	5.9	8.5	6.7	8.8	14.2	10.7
Electrical Equipment	3.0	7.1	6.8	7.4	11.1	9.3	13.9
Chemicals and Chemical Products	(1.1)	(1.2)	(0.3)	(2.7)	(1.7)	1.5	(0.7)
Coke and Refined Petroleum Products	(4.7)	(2.0)	(1.1)	(0.5)	(0.2)	(2.4)	(2.7)
Vegetable & animal oils & fats	15.9	8.5	4.1	(7.5)	7.4	12.9	5.7
Textiles	(3.4)	(4.3)	(2.7)	(4.5)	(1.3)	(0.7)	(3.1)
Wearing Apparel	(1.2)	(3.0)	(2.4)	(0.3)	2.1	1.8	2.3
Wood and Wood Products	2.6	(1.8)	3.4	3.6	1.9	2.1	3.7
Furniture	5.8	9.8	11.1	7.7	8.1	9.8	7.5
Rubber Products	(1.1)	(2.3)	(0.8)	(1.5)	(0.9)	(1.6)	(1.7)

Source: DOSM, MBSBR

Table 4: Changes in IPI for Domestic-Oriented Industries (YoY%)

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
IPI: Domestic-Oriented Industries	**2.6**	**5.1**	**5.0**	**3.8**	**5.3**	**4.9**	**4.6**
Construction (CO)	3.5	3.3	3.9	3.6	3.0	4.8	3.7
CO: Non-Metallic Mineral	2.4	1.5	0.6	0.3	(2.0)	(1.1)	0.3
CO: Iron and Steel	4.5	6.7	7.4	5.4	6.1	8.5	5.9
CO: Fabricated Metal	3.7	2.4	4.1	4.9	4.5	7.1	5.0
Consumer (CS)	2.0	6.1	5.6	3.8	6.7	5.0	5.2
CS: Food Products	10.3	11.3	10.7	9.7	9.0	8.7	9.6
CS: Motor Vehicles, Trailers and Semi-Trailers	(10.1)	3.4	1.0	(5.1)	4.5	(3.3)	1.3
CS: Other Transport Equipment	(0.3)	(0.4)	0.7	1.4	3.2	4.7	3.4
CS: Beverages	7.2	10.4	11.4	13.1	14.4	15.9	10.3
CS: Tobacco Products	(1.3)	1.6	1.2	1.4	3.0	1.1	4.4
CS: Paper and Paper Products	(2.4)	(3.2)	(2.1)	(3.2)	(0.8)	(0.7)	(3.9)
CS: Others	0.8	1.1	3.6	4.1	4.9	2.8	3.1

Source: DOSM, MBSBR

Table 5: Manufacturing Sales (MoM% and YoY%)

	MoM%			YoY%		
	Sep-25	Oct-25	Nov-25	Sep-25	Oct-25	Nov-25
Manufacturing Sales	**0.6**	**1.3**	**(1.3)**	**2.7**	**4.3**	**6.3**
Seasonally adjusted month-on-month change (%)	*(1.8)*	*1.8*	*(1.3)*			
Refined Petroleum Products	(2.7)	1.0	(6.2)	(0.8)	(3.2)	(5.3)
Chemicals and Chemical Products	(5.7)	(2.2)	2.9	(2.0)	1.3	0.5
Rubber Gloves	4.4	6.2	(10.3)	(0.2)	(1.6)	(3.5)
Iron & Steel Products	19.6	3.9	(3.2)	1.7	4.4	2.6
Diodes, Transistor & Electronic Integrated Circuits Mic	10.5	(8.5)	(1.1)	6.9	14.8	15.1
Electrical Capacitor Resistor, Circuit Board & Display Comp	14.9	(9.8)	7.9	16.7	26.4	25.2
Computers & Peripherals Equipment	(43.4)	10.1	(12.7)	4.9	(13.2)	(13.9)
Consumer Electronics	1.0	16.6	(14.4)	3.3	29.8	19.2
Motor Vehicles	(13.4)	23.0	3.6	(2.8)	(6.9)	(2.8)

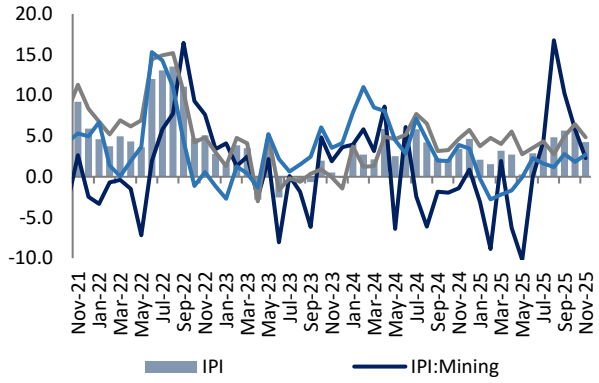
Source: Macrobond, DOSM, MBSBR

Table 6: IPI for Selected Economies (YoY%)

	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Malaysia	2.7	0.3	2.9	4.2	4.8	5.7	6.0	4.3
Philippines	(2.1)	(0.2)	2.9	(0.7)	1.9	0.9	1.5	(1.4)
Thailand	1.9	1.9	0.4	(3.8)	(4.4)	1.2	0.0	(4.2)
Singapore	4.3	3.5	7.7	7.5	(9.2)	16.3	28.9	14.3
S. Korea	5.1	(0.3)	1.6	5.0	0.9	12.1	(8.2)	(1.4)
Taiwan	23.7	22.1	18.3	18.7	13.7	16.4	14.1	16.4
China	6.1	5.8	6.8	5.7	5.2	6.5	4.9	4.8
India	2.6	1.9	1.5	4.3	4.1	4.6	0.5	6.7
Japan	0.5	(2.4)	4.4	(0.4)	(1.6)	3.8	1.6	(2.1)
Euro area	0.3	3.0	0.7	1.9	1.2	1.2	2.0	n.a.
USA	0.9	0.1	0.6	1.9	1.2	1.9	2.2	2.5

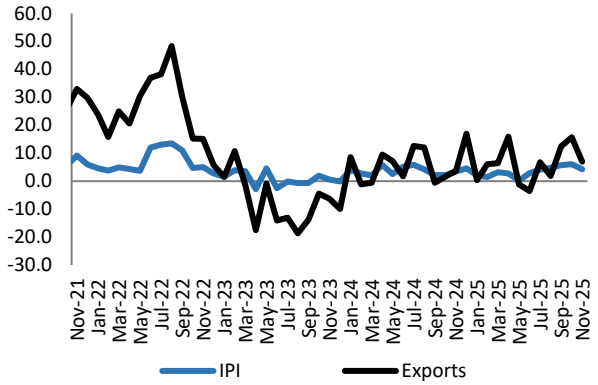
*n.a.: not available
Source: Macrobond, MBSBR

Chart 1: IPI Performance by Sector (YoY%)



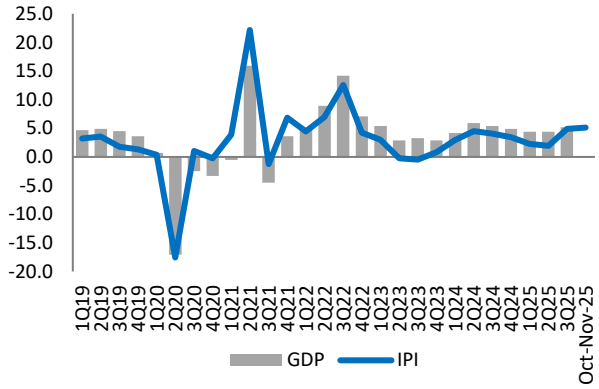
Source: Macrobond, MBSBR

Chart 2: IPI vs Exports (YoY%)



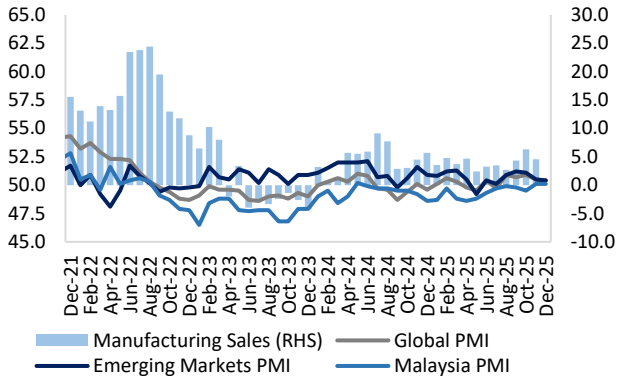
Source: Macrobond, MBSBR

Chart 3: IPI vs GDP (YoY%)



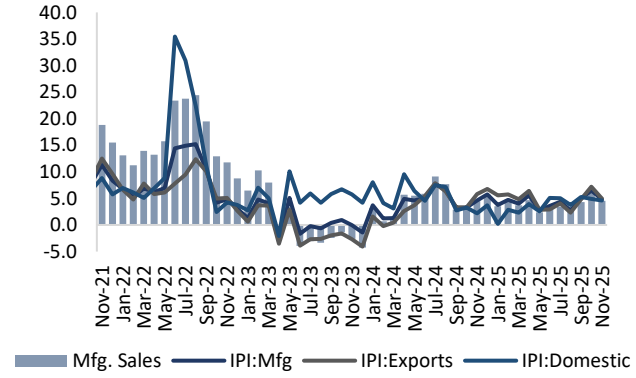
Source: Macrobond, MBSBR

Chart 4: Mfg. Sales (YoY%) vs PMI (Points)



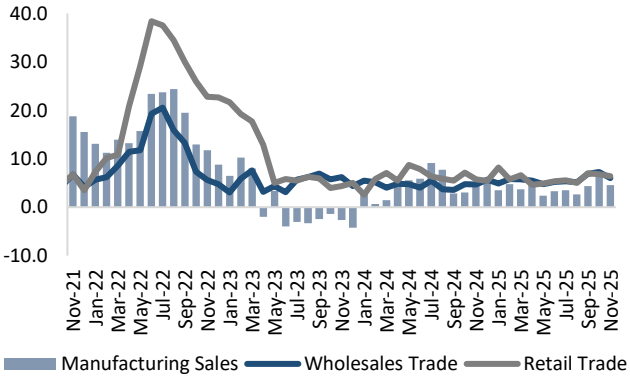
Source: Macrobond, MBSBR

Chart 5: IPI & Mfg. Sales (YoY%)



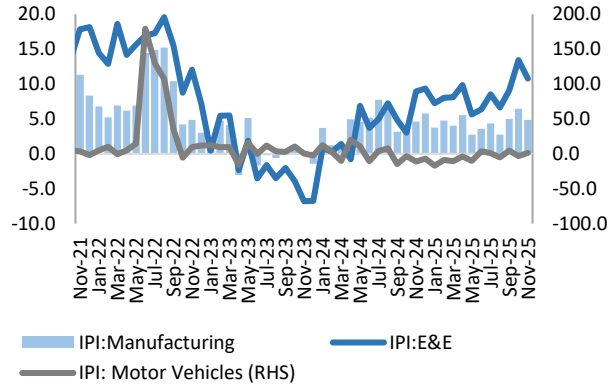
Source: DOSM, MBSBR

Chart 6: Mfg. Sales vs. Wholesale & Retail Trade (YoY%)



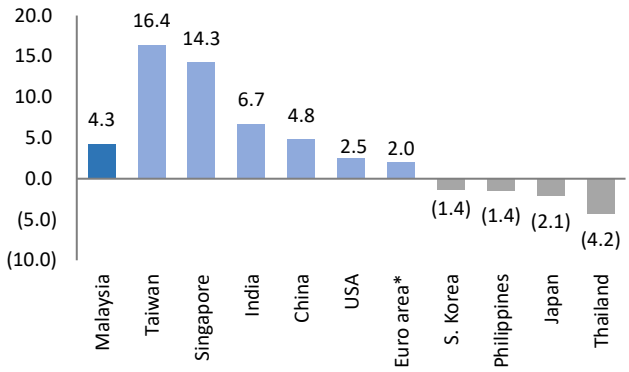
Source: DOSM, MBSBR

Chart 7: IPI: Mfg. vs IPI: Motor Vehicles & IPI: E&E (YoY%)



Source: Macrobond, MBSBR

Chart 8: Global IPI in Nov-25 (YoY%)



*Refers to the latest available data for Oct-25
Source: Macrobond, MBSBR

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