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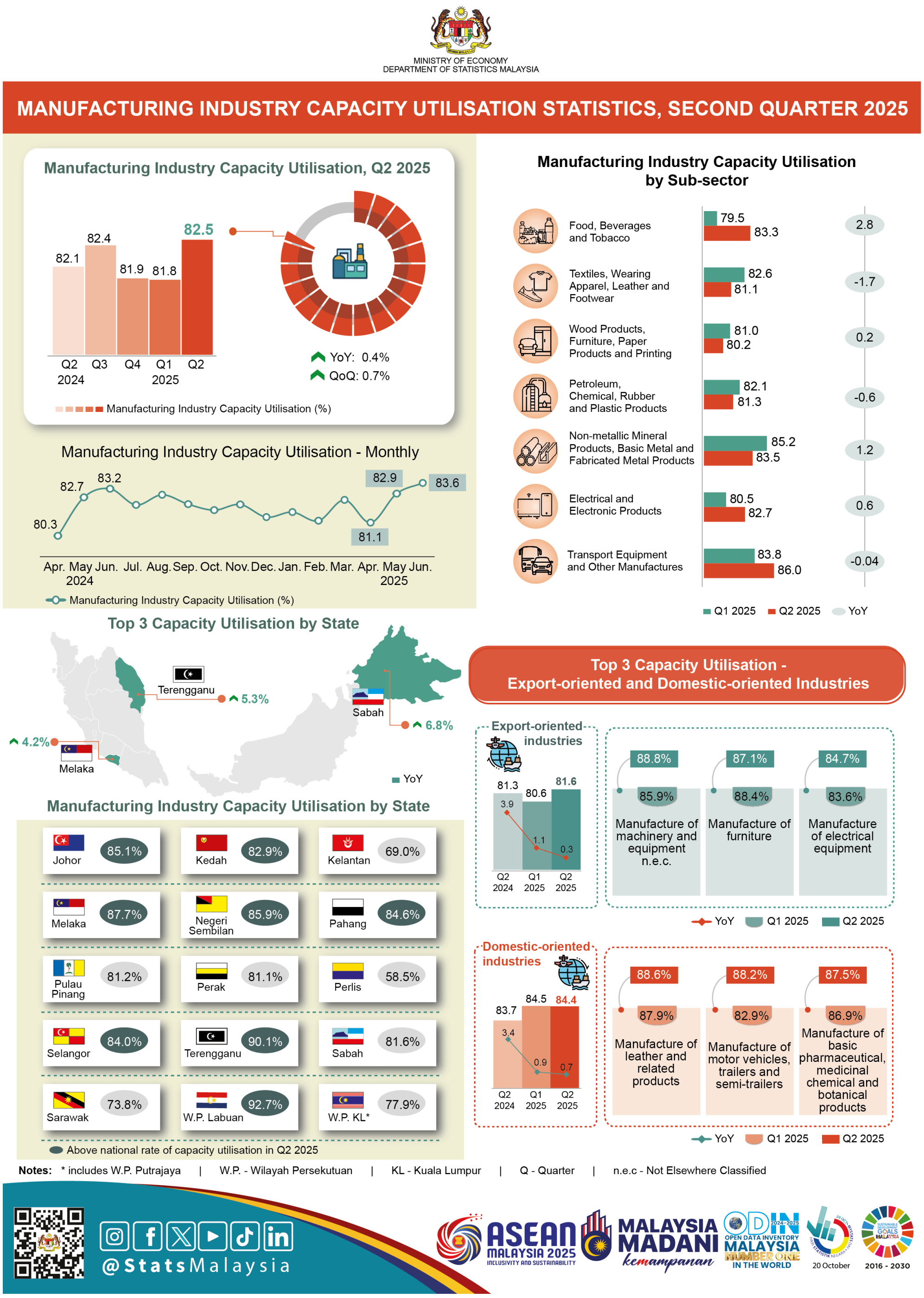
MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MANUFACTURING INDUSTRY CAPACITY UTILISATION STATISTICS, SECOND QUARTER 2025



The Manufacturing industry capacity utilisation reached 82.5 per cent rate in the second quarter of 2025

The Manufacturing industry stood at 82.5 per cent rate of capacity utilisation in the second quarter of 2025, increased by 0.4 percentage points compared to the same quarter of the preceding year (Q2 2024: 82.1%). In this quarter, all 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 at 83.5 per cent, increased by 1.2 percentage points. This was followed by the increased 2.8 percentage points in the Food, beverages & tobacco sub-sector with a rate of 83.3 per cent. In comparison with the previous quarter, the capacity utilisation of the Manufacturing industry rose by 0.7 percentage points (Q1 2025: 81.8%). In line with the performance of Industrial Production Index of Manufacturing sector, which increased 0.4 per cent quarter-on-quarter during this quarter.

The year-on-year increase in monthly capacity utilisation performance was recorded throughout the second quarter of 2025, which was April 2025 (81.1%; +0.8 percentage points); May 2025 (82.9%; +0.2 percentage points); and June 2025 (83.6%; +0.4 percentage points).

In the second quarter of 2025, the capacity utilisation in the export-oriented industries increased by 0.3 percentage points year-on-year to 81.6 per cent (Q2 2024: 81.3%). The highest rate resulted in the Manufacture of machinery & equipment n.e.c. sub-sectors; and Manufacture of furniture sub-sectors, which rise by 0.3 percentage points to 88.8 per cent and up by 1.3 percentage points to 87.1 per cent respectively. Nonetheless, industries recorded the capacity utilisation below 80 per cent namely was the Manufacture of wood & products of wood & cork, except furniture, manufacture of articles of straw & plaiting materials (75.0%). As compared to the first quarter of 2025, the capacity utilisation rate of the export-oriented industries rebounded to 1.0 percentage points from 80.6 per cent in the preceding quarter.

In the meantime, the domestic-oriented capacity utilisation industries increased by 0.7 percentage points to 84.4 per cent in second quarter of 2025. Most of the industries in this segment posted the higher utilisation rates, particularly in the Manufacture of motor vehicles, trailers & semi-trailers (88.2%); and followed by the Manufacture of food processing products (86.1%). Meanwhile, the lowest capacity utilisation rate was posted by the Manufacture of paper and paper products industry with 75.9 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 turn downward by 0.1 percentage points from 84.5 per cent.

The Manufacturing industry capacity utilisation for eight states surpassed the national rate in the second quarter of 2025, namely WP Labuan (92.7%); Terengganu (90.1%); Melaka (87.7%); Negeri Sembilan (85.9%); Johor (85.1%); Pahang (84.6%); Selangor (84.0%); and Kedah (82.9%). Whereas, the lowest capacity utilisation rate posted by Perlis with 58.5 per cent as compared to the same quarter last year.

The full publication of the Manufacturing Industry Capacity Utilisation Statistics, Second Quarter 2025 can be downloaded through eStatistik portal.

Released by:

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