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Factory output grew 0.3% in October

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THE country's industrial production index (IPI) grew 0.3% in October 2019 compared to the same month last year, which was the slowest pace in over six years, according to Reuters.

Factory output in October was far lower than the 1.4% expansion forecasted for the month by analysts in a Reuters poll, and was the slowest since February 2013, when output fell 4.4%.

Previous reports also stated that Malaysia's exports fell 6.7% year-on-year (YoY) to RM90.6 billion in October this year as the country recorded lower commodity sales to major importers like Australia, Japan, China and Thailand.

This was also due to a high base in October 2018 which saw the highest value ever recorded, Department of Statistics Malaysia

(DoSM) chief statistician Datuk Seri Dr Mohd Uzir Mahidin said in an earlier statement.

The IPI, which measures production volume changes for manufacturing, mining and electricity sectors, rose 0.3% YoY last month, driven by the increase in the index of manufacturing at 2.2% YoY and electricity at 0.5% YoY, based on DoSM data.

The index of mining, however, declined 5.8% YoY due to the decrease in both indices under the mining sector, which are crude oil and condensate index (-5.1%) and natural gas index (-6.3%).

For manufacturing, Mohd Uzir said the major subsectors contributing to the 2.2% increase in October 2019 were transport equipment and other manufactures (4.3%); non-metallic mineral products, basic metal and fabricated metal products (3.1%); and electrical and elec-



The lower output is also due to high base in October 2018, which saw the highest value ever recorded, says Mohd Uzir

tronics (E&E) products (2.4%).

Manufacturing sector output was up 2.5% in September 2019.

DoSM statistics also showed that

Malaysia's manufacturing sales increased 2.2% in October 2019 to RM74.6 billion from RM73.1 billion achieved a year ago.

Mohd Uzir said the yearly growth was driven by the increase in transport equipment and other manufactures products (6.8%); non-metallic mineral products, basic metal and fabricated metal products (5.3%) and E&E products (2.1%).

He said total employees engaged in the manufacturing sector in October this year was 1,086,908 persons, an increase of 1% or 10,531 persons compared to 1,076,377 persons in October 2018.

The report said salaries and wages paid amounted to RM4 billion, up 2.5% or RM96.3 million in October 2019 against the same month of the preceding year.

The sales value per employee grew by 1.2% to RM68,680 compared to the same month last year, while the average salaries and wages per employee was RM3,878 in October 2019.