

Malaysia Manufacturing PMI Hits Four-Year High in April



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Malaysia's manufacturing sector expanded at its fastest pace in four years in April, supported by stronger production and stockpiling activity amid geopolitical uncertainty.

The seasonally adjusted Malaysia Manufacturing Purchasing Managers' Index (PMI) rose to 51.6 in April, up from 50.7 in March, indicating improved sector conditions. A reading above 50 signals

expansion.

Analysts said the increase was partly driven by firms accelerating production to build safety stocks due to disruptions linked to the Middle East conflict. This supported stronger output growth and new orders, as manufacturers and clients sought to secure inventories.

Economist Maryam Baluch noted that while the PMI signals positive momentum for future GDP and industrial output data, part of the rise reflects precautionary stockpiling rather than purely demand-driven growth.

She added that purchasing activity increased as firms rebuilt raw-material inventories, though supply-chain constraints continued to weigh on input availability. As a result, stocks of inputs remained under pressure despite higher procurement.

The report also noted that output price inflation reached a record high in April as companies adjusted to rising cost pressures.

Looking ahead, analysts said Malaysia's manufacturing outlook will depend partly on developments in the Middle East, though firms are already adjusting strategies to manage external risks.