Regional Industrial Economic Situation in May 2026

Manufacturing Production Index

MPI

in April 2026

Overall stood at **92.8**

%MoM	%YoY
- 15.1	- 15.1

%MoM = Month-on-month change
%YoY = Year-on-year change

Purchasing Managers Index

PMI

Overall stood at **50.5**

	May 2026	June 2026 Outlook
New orders	50.5	52.5
Production	49.0	54.2
Employment	48.2	50.6
Supplier Delivery Times	52.5	51.4
Raw Material Inventories	49.4	49.6

June 2026 Outlook 52.1

Note: Meaning of the PMI Index
- > 50 = expanding
- 50 = unchanged
- < 50 = contracting

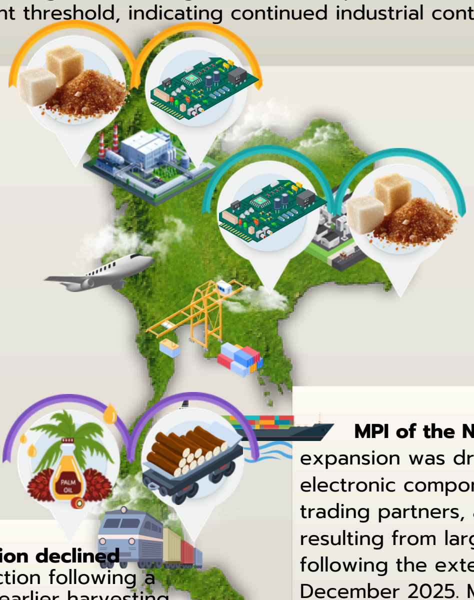
Regional Industrial Economic Situation

Northern region

MPI (Apr.)	PMI (May)
0.1 %YoY	44.3
	June 2026 Outlook 45.8

Industrial production in the Northern Region remained stable, with the MPI increasing by 0.1% YoY. Growth was supported by higher sugar production due to increased sugarcane supply compared with the previous year, as well as increased molasses production for ethanol manufacturing. Production of electronic parts and components also expanded in line with export-oriented demand from the data center, smartphone, and automotive industries. However, production of processed agricultural products declined due to lower agricultural output.

The regional PMI stood at 44.3 in May 2026 and is forecast to improve slightly to 45.8 in June 2026. Although supplier delivery times improved, reflecting smoother logistics and transportation, the PMI remains below the 50-point threshold, indicating continued industrial contraction in the region.



Northeasthern region

MPI (Apr.)	PMI (May)
1.3 %YoY	42.8
	June 2026 Outlook 47.8

MPI of the Northeastern increased by 1.3% YoY. The expansion was driven primarily by higher production of electronic components in response to growing demand from trading partners, as well as increased sugar production resulting from larger volumes of sugarcane delivered to mills following the extended harvest period that began in December 2025. Meanwhile, cassava starch production continued to decline due to lower domestic cassava output caused by adverse weather conditions and restrictions on raw material imports from neighboring countries.

The regional PMI was 42.8 in May 2026 and is expected to improve to 47.8 in June 2026. Although supplier delivery times have improved, indicating more efficient logistics, the manufacturing sector remains in a significant contraction phase as the PMI stays below 50.

Southern region

MPI (Apr.)	PMI (May)
- 5.3 %YoY	47.9
	June 2026 Outlook 49.3

Industrial production in the Southern Region declined by 5.3% YoY, driven by lower palm oil production following a reduction in fresh fruit bunch deliveries after earlier harvesting activities. Wood processing production also decreased in line with weaker exports to Middle Eastern markets, while canned seafood production declined in line with export performance. However, processed natural rubber production increased, supported by higher rubber output.

The regional PMI was 47.9 in May 2026 and is projected to rise to 49.3 in June 2026. The region remained in a mild contraction phase, although raw material delivery times improved, reflecting more efficient logistics and transportation. The PMI is expected to improve further in the following month, moving closer to the expansion threshold of 50.

- The **MPI** is an indicator used to measure changes in industrial production, based on the actual output levels of individual manufacturing industries.
- The **PMI** is an indicator of industrial business activity, compiled from survey responses provided by industrial entrepreneurs regarding their business conditions and expectations.

Division of Industrial Economics Research
The Office of Industrial Economics (OIE)