

Malaysia's inflation slips to 1.9% in June

KUALA LUMPUR: Malaysia's inflation rose at a slower pace of 1.9% in June 2026 compared with 2% in the previous month, according to the Department of Statistics Malaysia (DoSM).

The slower increase was mainly due to the transport group, which rose 2.8% in June, down from 3.8% in the previous month.

DoSM said the personal care, social protection and miscellaneous goods and services as well as education groups recorded slower increases of 3.4% (May 2026: 4.8%) and 2.1% (May 2026: 2.2%), respectively.

"The insurance and financial services group registered an increase to 5.7% in June 2026 compared with 4.9% in the previous month. This was followed by the restaurant and accommodation services group, which also recorded a higher increase of 2.6% in June 2026 (May 2026: 2.5%)," it said.

DoSM said the information and communication group recorded an increase of 2.4% in June (May: 2.1%); the housing, water, electricity,

gas and other fuels group rose to 1.4% from 1.2% in May.

"Five groups remained at the same rate as in May 2026, namely alcoholic beverages and tobacco (2.8%); food and beverages (1.4%); health (1.2%); recreation, sport and culture (1.1%) and furnishings, household equipment and routine household maintenance (0.4%).

"Meanwhile, the clothing and footwear group did not register any increase in June 2026 (May 2026: -0.1%)," it said.

The department noted that about 65.1% of items (373 out of 573) recorded price increases.

"Nonetheless, out of this total, 365 items (97.9%) registered an increase of less than or equal to 10%, while only eight items recorded increases of more than 10% in June 2026. The remaining 155 items (27.1%) showed a decline, while 45 items remained unchanged."

DoSM said seven states or federal territories recorded increases above the national inflation level (1.9%), namely Pahang (2.6%), Johor (2.5%),

Negeri Sembilan (2.5%), Labuan (2.3%), Kuala Lumpur (2.2%), Kedah (2%) and Putrajaya (2%).

All states registered an increase in inflation for food and beverages except Kelantan (-0.7%).

According to DoSM, Malaysia's inflation rate for the second quarter of 2026 was 1.9% (Q1 2026: 1.6%).

"Among the groups that recorded increases compared with the previous quarter were insurance and financial services (5.2%); transport (3.6%); alcoholic beverages and tobacco (2.8%); information and communication (2.1%); housing, water, electricity, gas and other fuels (1.2%); recreation, sport and culture (1%) and furnishings, household equipment and routine household maintenance (0.4%).

"However, slower increases in personal care, social protection and miscellaneous goods and services (4.3%); restaurant and accommodation services (2.6%); education (2.2%) and health (1.3%), to a certain extent, eased Malaysia's inflation in the second quarter of 2026," it added. – Bernama