

Malaysia May CPI Growth Moderates Amid Festive-Season Food-Price Controls

KUALA LUMPUR, Malaysia--Malaysia's consumer-price index grew at a marginally slower pace in May amid waning momentum in food prices as the government imposed price controls during the Eid al-Fitr festive month.

Nonetheless, overall inflation was still supported by the low base effect, particularly in fuel, utilities and household equipment prices, the Department of Statistics said Friday. The CPI rose 4.4% from a year earlier in May, compared with a 4.7% increase in April, data showed. Excluding fuel prices, the CPI climbed 1.6% last month.

The Malaysian central bank had forecast the rate of inflation to pick up to 6.5%-7.0% in April and May before easing to below 5.0% in June. This forecast was done before Malaysia imposed a nationwide pandemic lockdown earlier this month.

May's increase was milder than the median forecast for a 4.7% rise from a Wall Street Journal poll of eight economists.

Of 552 items covered by the CPI, 363 items showed an increase in May, 123 items declined, while 66 items were unchanged, according to the agency.

CPI was unchanged on a monthly basis, because price increases for household equipment and transport were offset by a decrease in food and nonalcoholic beverages, the department said.