

## **CPI increases 4.4 pct to 123.1 in May 2021 — DOSM**

KUALA LUMPUR, June 25 — The Consumer Price Index (CPI) rose by 4.4 per cent year-on-year (y-o-y) to 123.1 in May 2021 versus 117.9 in May 2020, said the Department of Statistics Malaysia (DOSM).

In a statement today, chief statistician Malaysia Datuk Seri Dr Mohd Uzir Mahidin said the increase in the overall CPI was due to the lower base effect last year.

He said the transport index recorded the most significant growth at 26 per cent, followed by housing, water, electricity, gas and other fuels (3.2 per cent), furnishings, household equipment and routine household maintenance (2.1 per cent) and food and non-alcoholic beverages (1.5 per cent).

Citing the Food and Agriculture Organisation (FAO) report, he said in May 2021, the global Food Price Index increased 39.7 per cent y-o-y to 127.1 and 4.8 per cent compared to the previous month.

The sharp increase was driven by the increase in the vegetable oil index (+124.5 per cent y-o-y) due to the surge in demand for biofuels, followed by sugar (+57.3 per cent y-o-y), cereals (+36.6 per cent y-o-y), dairy (+28.0 per cent y-o-y) and meat (+10 per cent y-o-y), he said.

Mohd Uzir said the increase in the grain index was the aftereffect of the drought in South America which affected corn and soybean crops as well as coffee and sugar.

“The high demand from China exacerbated grain supply pressures and increased the producer costs of global livestock, and this situation is reflected by the increase in the local food and non-alcoholic beverages group in Malaysia.

“However, the annual increase in May 2021 was lower compared to the previous month due to the implementation of the Festive Season Price Control Scheme 2021 throughout May which eased the inflation pressures for this group,” he noted.

Meanwhile, Mohd Uzir said the CPI without fuel increased 1.6 per cent y-o-y in May 2021 to 113.8, adding that CPI without fuel covers all goods and services except Unleaded Petrol RON95, Unleaded Petrol RON97 and Diesel.

“Out of 552 items covered in CPI, 363 items showed an increase in May 2021, while 123 items declined, and 66 items were unchanged.

“Non-durable goods (296 items) is a category that saw the most price increase with increases recorded in 225 items, while 57 items decreased and 14 items were unchanged,” he said.

Eight states surpassed the national CPI rate of 4.4 per cent in May 2021, namely Terengganu (6.2 per cent), Kelantan (5.6 per cent), Pahang (5.1 per cent), Kedah and Perlis (4.8 per cent), Negeri Sembilan (4.7 per cent), Johor (4.6 per cent), Selangor and Wilayah Persekutuan Putrajaya (4.5 per cent) and Perak (4.5 per cent).

All states registered an increase in the food and non-alcoholic beverages index, with the highest increase recorded by Terengganu at 2.9 per cent, followed by Kelantan (2.6 per cent), Selangor and Wilayah Persekutuan Putrajaya (2.1 per cent), Pahang (1.9 per cent) and Johor (1.6 per cent), he added.