



### **Better outlook ahead for consumers**

KUALA LUMPUR: Consumers may soon get a reprieve from prices increases caused by inflationary pressures.

According to MIDF Research, businesses are under less pressure now to pass on cost increases to customers.

The more positive outlook is a reflection of the lower rate of increase in the producer price index (PPI).

In September, the PPI rose 4.9% year on year (y-o-y), the lowest since February 2021, according to data just released by the **department of statistics Malaysia (DoSM)**.

MIDF said that with the PPI inflation slowing down further in September, it was a signal that cost pressures on local businesses had begun to soften. It attributed the easing of pressure to improving supply conditions and the effect of commodity price correction.

It said that as a result of the correction in global commodity prices, the PPI for the mining sector was unchanged from a year ago (In August, it was down 5.8% y-o-y).

The PPI for the agriculture sector fell sharper by 15.5% y-o-y (compared with a drop of 10.6% y-o-y the month before).

Meanwhile, the increase in overall PPI is attributable to its continued rise in manufacturing (8.1% y-o-y) and utilities of 1.2% y-o-y for electricity and gas and 4.3% for water.

The PPI fell by 1.4% month-on-month, the fourth straight month of declines as PPIs for all sectors except for water which was lower than in August 2022.

<https://www.freemalaysiatoday.com/category/business/2022/10/31/better-outlook-ahead-for-consumers/>