

Producer price index up 1.9% in April, from 1.6% in March

KUALA LUMPUR: Malaysia's producer price index (PPI), which measures the price changes of goods at the producer level, increased by 1.9% year-on-year (y-o-y) in April, says the Statistics Department.

In March, the PPI was up 1.6% y-o-y, it added.

In its latest monthly PPI for Local Production report for April 2024, chief statistician Datuk Seri Dr Mohd Uzir Mahidin said all sectors registered an increase during the month, contributing to the increase of the overall index.

He said the mining sector continued to surge by 10%, due to the increases in the indices for the extraction of crude petroleum (12.3%) and extraction of natural gas (3.5%).

The agriculture, forestry and fishing sectors also rose by 5.4%, with the indices for the growing of perennial crops and animal production going up by 9.2% and 2.9%, respectively.

"Additionally, the manufacturing sector recorded a marginal increase of 0.8% due to the manufacture of computer, electronics and optical products index (8.9%).

"For the utility sector, the electricity and gas supply index went up by 1%, while the water supply index recorded an increase of 7.2%," he said.

Mohd Uzir said on a monthly basis, the PPI for local production went up by 0.5% compared with 1.6% in March.

The mining sector grew by 2.1% contributed by the extraction of crude petroleum and natural gas, while the agriculture, forestry and fisheries sectors also increased at a slower pace of 0.7% from 4.3% recorded in the previous month.

The manufacturing sector went up marginally by 0.3% due to the manufacture of computers, electronics and optical products and the manufacture of food products, while electricity and gas, and water supply indices rose by 0.3% and 1.1%, respectively.

Mohd Uzir said crude palm oil futures contracts on Bursa Malaysia hovered above RM4,000 per tonne following a surge in crude oil prices.

The fresh fruit bunch price also continued to increase from early 2024, leading to positive growth in the agriculture, forestry and fishing sectors, he said.

"The price index for crude oil was at its highest point worldwide. Prices of several commodities, particularly energy sources, started to rise at the end of February 2022 due to Russia's invasion of Ukraine," he said.

Mohd Uzir noted that the geopolitical tensions in the Middle East have also been pushing up prices of key commodities such as oil and gold. — Bernama