



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
CONSUMER PRICE INDEX, MALAYSIA
MAY 2023

Malaysia's inflation eased further to 2.8 per cent in May 2023

PUTRAJAYA, 23 June 2023 – Malaysia's inflation eased further to 2.8 per cent in May 2023 with the index points recorded at 130.2 as against 126.6 in the same month of the previous year. The Department of Statistics Malaysia (DOSM) reported today on the release of **CONSUMER PRICE INDEX (CPI), MAY 2023**.

According to the Department of Statistics Malaysia, the increase in Malaysia's inflation was still driven by the higher increase in Restaurants & Hotels (6.7%) as compared to April 2023 (6.6%). Nevertheless, the slower increase in some groups as compared to the previous month such as Food & Non-Alcoholic Beverages, 5.9 per cent (April 2023: 6.3%); Transport, 1.0 per cent (April 2023: 2.3%) and Furnishings, Household Equipment & Routine Household Maintenance, 2.7 per cent (April 2023: 3.0%), to a certain extent offset Malaysia's inflation from continuing to rise higher. The weight for the Food & Non-Alcoholic Beverages group (29.5%), Transport (14.6%) and Restaurants & Hotels (2.9%) comprise 47.0 per cent of the total weight for CPI which have a significant impact on the inflation rate and the cost of living.

Apart from that, the increase in Malaysia's inflation for May 2023 also contributed by the rise in Miscellaneous Goods & Services (2.9%); Furnishings, Household Equipment & Routine Household Maintenance group (2.7%); Health (1.9%) and Education (1.9%). Housing, Water, Electricity, Gas & Other Fuels and Recreation Services & Culture recorded an increase of 1.8 per cent respectively. This was followed by, Alcoholic Beverages & Tobacco (0.7%) and Clothing & Footwear (0.4%).

Food & Non-Alcoholic Beverages group which contributes 29.5 per cent of total CPI weight recorded a moderate increase of 5.9 per cent (April 2023: 6.3%). The component of Food at home increased slower to 4.3 per cent in May 2023 as compared to 5.0 per cent recorded in the previous month. However, the component of Food away from home recorded an increase of 8.1 per cent, the same rate as recorded in April 2023. The increase in the component of Food at home was mainly driven by the increase in the subgroup of Meat (7.8%); Milk, cheese & eggs (6.5%); Rice, bread & other cereals (6.0%) and Sugar, jam, honey, chocolate & confectionery (3.7%). Fruits increased 3.6 per cent and Fish & seafood increased 2.7 per cent. Meanwhile, both subgroup of Vegetables and Oils & fats decreased by negative 1.1 per cent and negative 0.4 per cent respectively. Some items in the component of Food away from home that recorded an increase in this month were Burger (16.6%) (April 2023: 9.5%) and Fried chicken (11.0%) (April 2023: 9.2%).

The subgroup of Meat which consists of Chicken, Beef, Pork, Lamb, Buffalo and Duck registered a slower increase of 7.8 per cent as compared to 9.2 per cent in April 2023. Chicken as the largest component in the subgroup (46.1%) increased by 6.7 per cent as against 8.8 per cent in April 2023. The average price of Standard chicken in Peninsular Malaysia increased to RM9.92 per kilogramme in May 2023 as compared to RM9.23 per kilogramme in May 2022 (April 2023: RM9.91), exceeding the control price set by the Government at RM9.40 per kilogramme. Meanwhile, the average price of Standard chicken in Malaysia increased to RM10.45 per kilogramme as compared to RM9.70 per kilogramme in May 2022 (April 2023: RM10.45). In addition, the increase in this subgroup was also driven by the increase in Pork (28.1%) and Duck (7.4%). On a monthly basis, expenditure class of Fresh meat increased at 0.6 per cent (April 2023: 0.4%). The increase was contributed by Pork 1.8 per cent (April 2023: 0.7%) and Beef 0.5 per cent in May 2023 (April 2023: 0.2%).

Other than that, the subgroup of Milk, cheese & eggs showed a slower increase of 6.5 per cent in May 2023 as against 7.0 per cent in April 2023. Chicken eggs which contribute 22.8 per cent weight to this subgroup, increased lower to 4.0 per cent in May 2023 (April 2023: 4.1%). Meanwhile, both Evaporated milk and Sweetened condensed milk eased at 13.4 per cent and 11.7 per cent as compared to 14.4 per cent and 12.1 per cent in April 2023 respectively. The subgroup of Rice, bread

& cereals inclined at a slower rate of 6.0 per cent in May 2023 (April 2023: 6.4%). However, Wheat flour recorded double-digit increase at 15.3 per cent (April 2023: 20.2%). Among the flour-based food products that have recorded a lower increase are Wet noodles and Local cakes.

Inflation for the Vegetables subgroup recorded a significant decrease to negative 1.1 per cent as compared to 0.7 per cent in April 2023. However, month-on-month the subgroup recorded an incline of 0.7 per cent as compared to negative 3.5 per cent in April 2023. The Southwest Monsoon which started in May 2023 is expected to continue until September 2023 and has caused several places to experience more dry days. It has affected the supply of some types of vegetables in the market and directly assert price pressure on consumers. Among the vegetables preferred by Malaysians that recorded a month-on-month increase were Choy sum (11.5%) (April 2023: -9.0%), Bird's eye chilli (9.2%) (April 2023: -1.7%), Lettuce (7.8%) (April 2023: -8.0%) and Cucumber (1.6%) (April 2023: -11.7%).

Inflation of Transport showed a slower increase of 1.0 per cent in May 2023 as compared to April 2023 (2.3%). Among the factor that contributed to the slower increase was the lower price of Unleaded Petrol RON97 (May 2023: RM3.35 per litre) as compared to RM4.26 per litre in May last year (April 2023: RM3.35). However, the expenditure class of Repair & maintenance for personal transport recorded increases in May 2023 at 9.6 per cent as compared to 10.6 per cent in April 2023. This increase was contributed by Car and motorcycle maintenance which increased to 10.8 per cent (April 2023: 12.5%).

For inflation at the state level, nine states recorded increases below the national inflation level of 2.8 per cent with Wilayah Persekutuan Labuan recorded the lowest increase of 1.2 per cent in May 2023. However, seven states recorded increases above the national inflation level namely Sarawak (3.5%), Selangor (3.3%), Perak (3.2%), Wilayah Persekutuan Putrajaya (3.1%), Pahang (3.1%), Melaka (3.1%) and Sabah (3.0%). All states registered an increase in the inflation of Food & Non-Alcoholic Beverages. The highest increase was recorded by Sarawak (7.6%), followed by Selangor (7.3%), Wilayah Persekutuan Putrajaya (7.1%), Melaka (6.1%)

and Pahang (6.0%). Meanwhile, other states showed an increase below the national inflation of Food & Non-Alcoholic Beverages of 5.9 per cent in May 2023.

The monthly headline inflation in May 2023 increased at 0.2 per cent as against April 2023 (0.1%). This was mainly contributed by Restaurants & Hotels (0.6%), Food & Non-Alcoholic Beverages (0.5%) and Housing, Water, Electricity, Gas & Other Fuels (0.5%). Core inflation which measures changes in the prices of all goods and services, excluding volatile prices of fresh food as well as administered prices of goods by the government increased slower at 3.5 per cent (April 2023: 3.6%). The increase was mainly due to a slower increase in Food & Non-Alcoholic Beverages group which recorded 7.1 per cent (April 2023: 7.2%) and Restaurants & Hotels (6.7%) (April 2023: 6.6%). Meanwhile, the inflation for the income group below RM3,000, increased by 3.1 per cent (April 2023: 3.4%). The increase was attributed by Food & Non-Alcoholic Beverages group at 5.1 per cent and was mainly recorded for the subgroup of Meat (8.3%), followed by Milk, cheese & eggs (5.8%) and Rice, bread & other cereals (5.5%).

Meanwhile, in comparison to inflation of other countries, the Eurozone inflation increased slower to 6.1 per cent in May 2023 as compared to 7.0 per cent in the previous month, while the inflation rate in the United States of America eased to 4.0 per cent in May 2023 as against April 2023 (4.9%). In comparison to selected countries in the Asia Pacific region, the inflation rate in Malaysia (2.8%) was lower than the inflation in Republic of Korea, Indonesia and Philippines.

The Department of Statistics Malaysia (DOSM) is conducting the Economic Census in 2023. DOSM greatly appreciates the cooperation of respondents in providing information and ensuring the success of this census. Please visit www.dosm.gov.my for more information.

DOSM has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisation to facilitate users in analysing various data. OpenDOSM NextGen is an open source data sharing platform and accessible through <https://open.dosm.gov.my> portal.

Embargo: Only to be published or disseminated at **1200 hour, Friday, 23 June 2023**

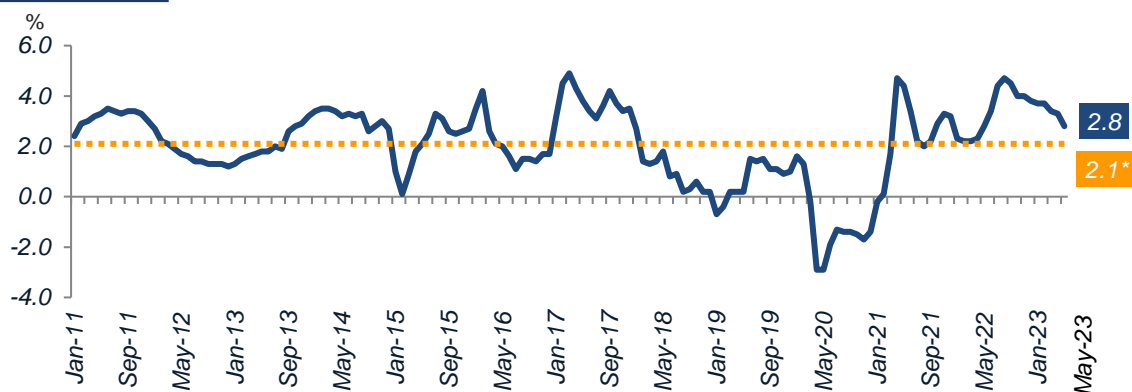
Please be informed that the Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20 each year. MyStats Day theme is “Connecting the World with Data We Can Trust”.

DOSM will release Preliminary GDP Estimates commencing the second quarter of 2023. This preliminary estimates is an initiative by DOSM to provide an overview of the economic performance four (4) weeks in advance before the Quarterly GDP is released.

Released by:

DEPARTMENT OF STATISTICS MALAYSIA
23 JUNE 2023

Chart 1 Malaysia Headline Inflation, January 2011 – May 2023



Note: * Average inflation for the period of January 2011 to May 2023

Chart 2 Malaysia Headline Inflation, Core Inflation and Inflation without Fuel, May 2022 – May 2023

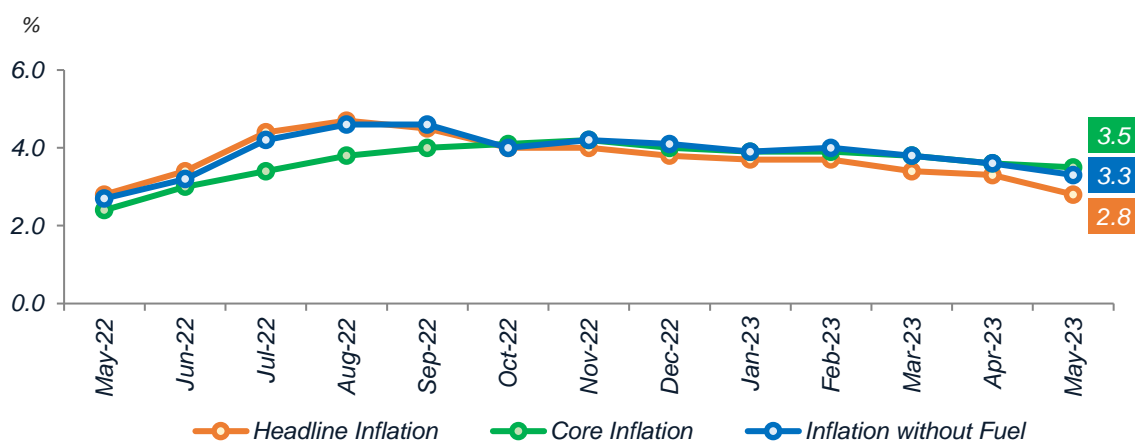


Chart 3 Inflation for Income Group Below RM3,000, May 2020 – May 2023

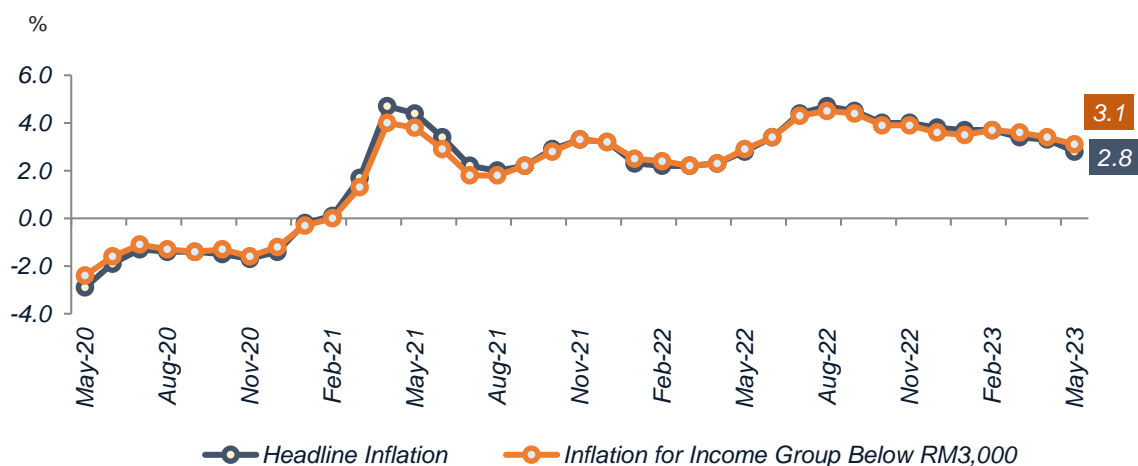


Chart 4

Inflation by Quadrant, April 2023 & May 2023

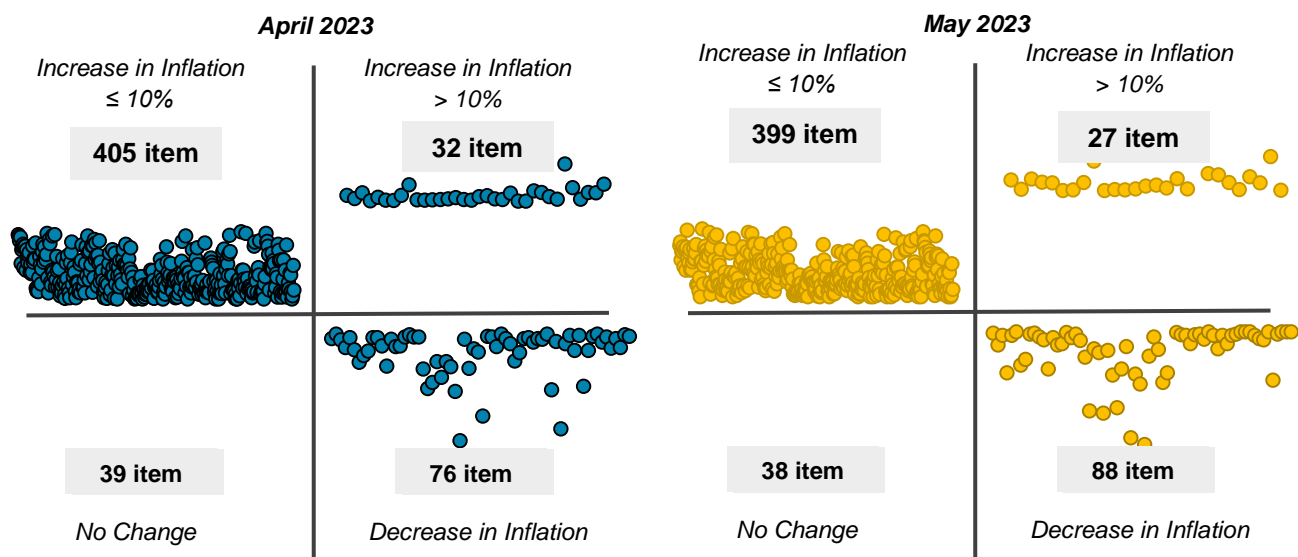


Chart 5

Distribution of Inflation for Food and Non-Food that Increased ≤10%, April 2023 & May 2023

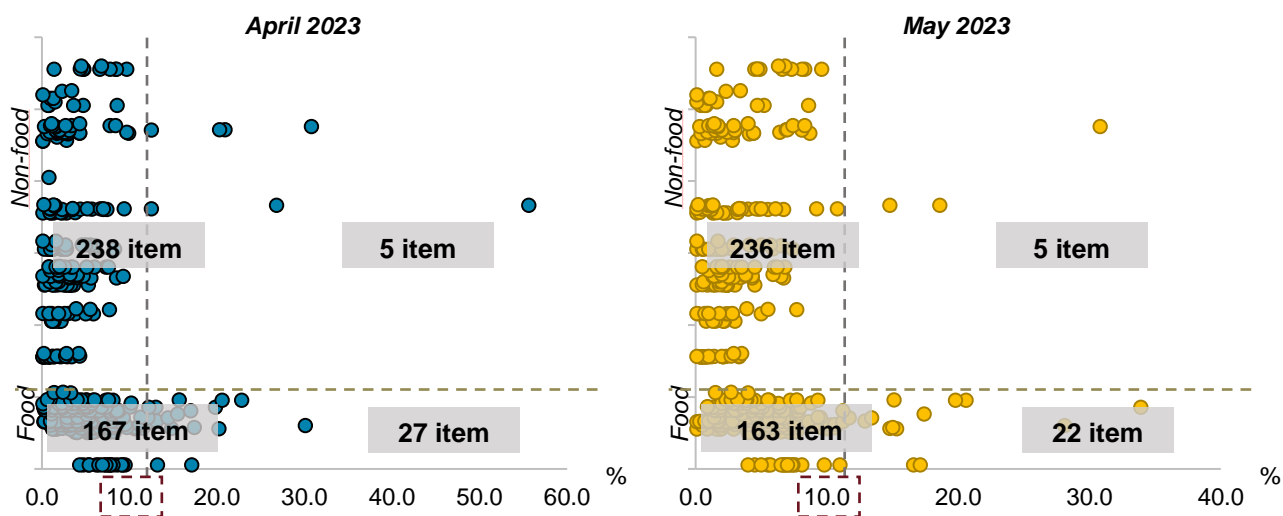


Chart 6

Inflation of Selected Food for Income Group Below RM3,000, May 2021 – May 2023

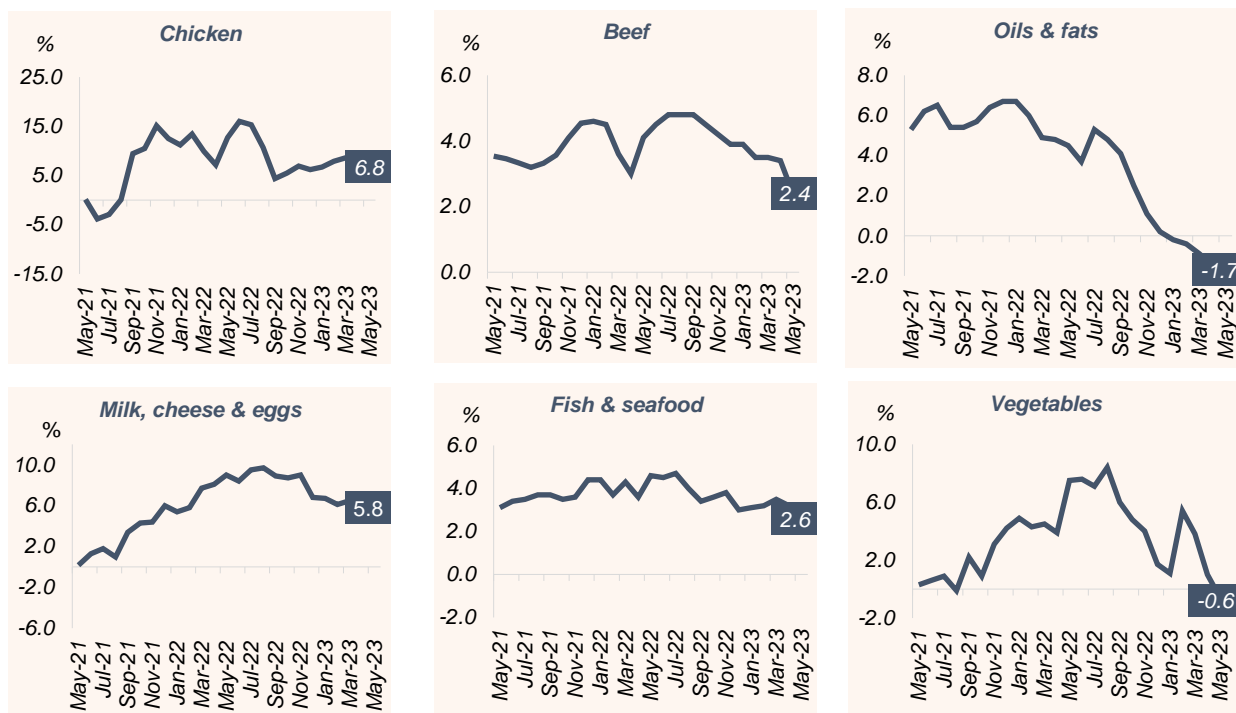


Chart 7

Average Price of Unleaded Petrol RON95, Unleaded Petrol RON97 and Diesel, May 2022 – May 2023

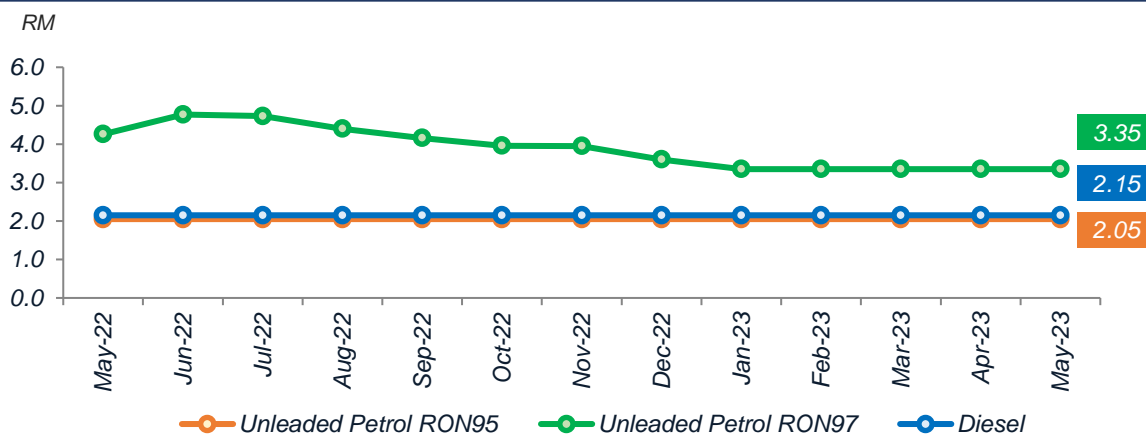


Chart 8

Inflation by Main Group, April 2023 & May 2023

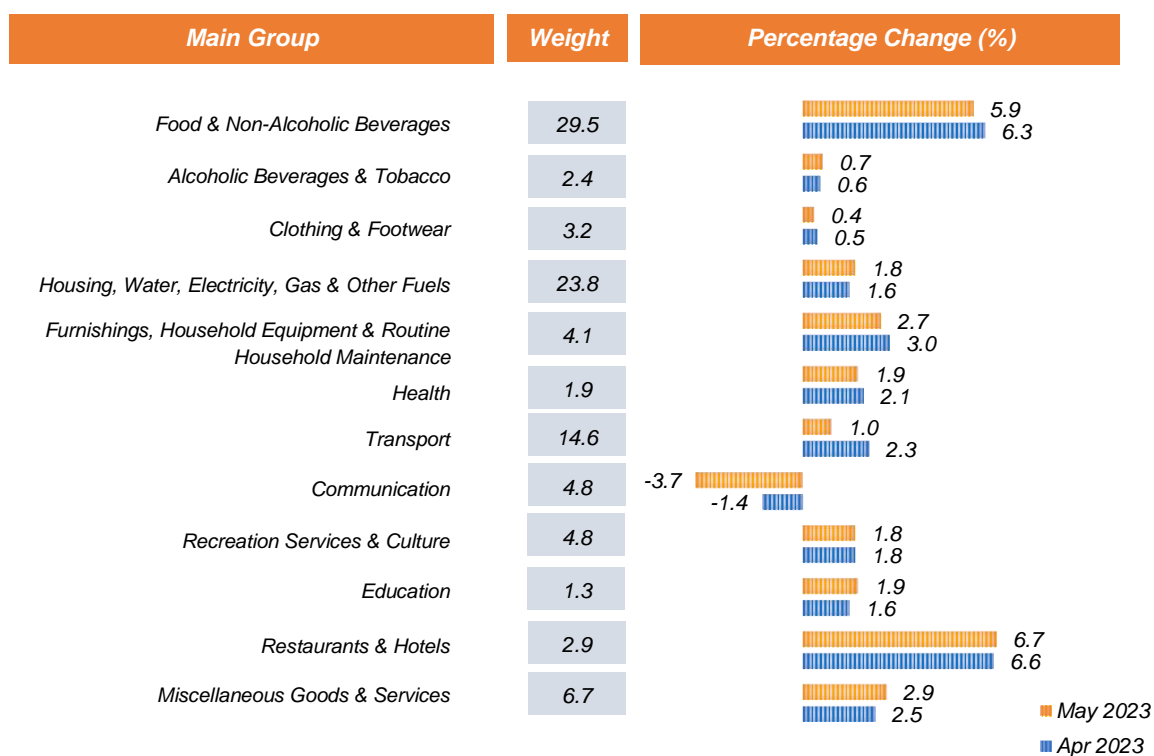


Chart 9

Inflation for Food & Non-Alcoholic Beverages, May 2020 – May 2023

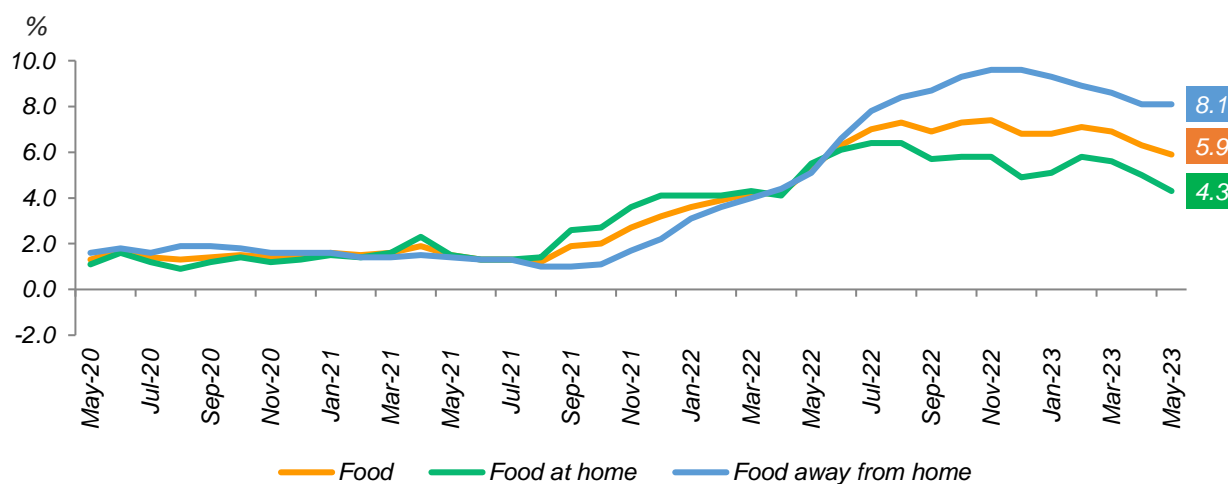


Chart 10

Inflation by State, April 2023 & May 2023

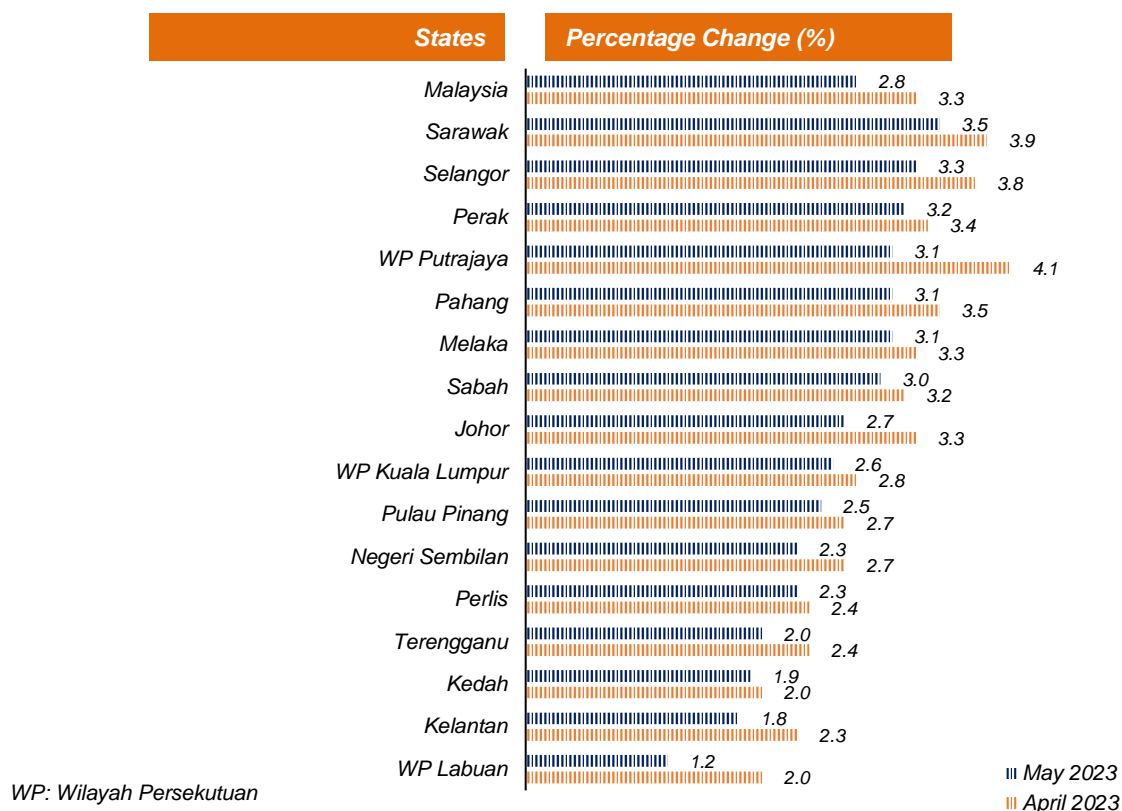


Chart 11

Inflation of Selected Countries, May 2021 – May 2023

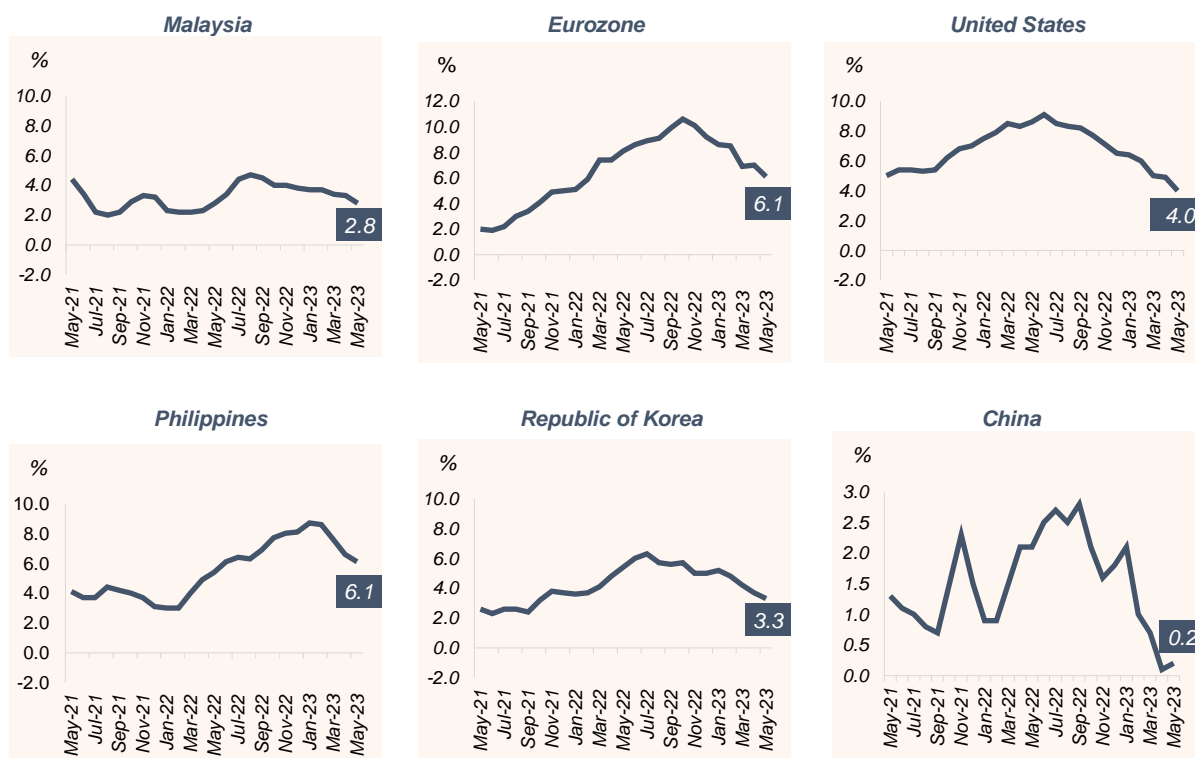
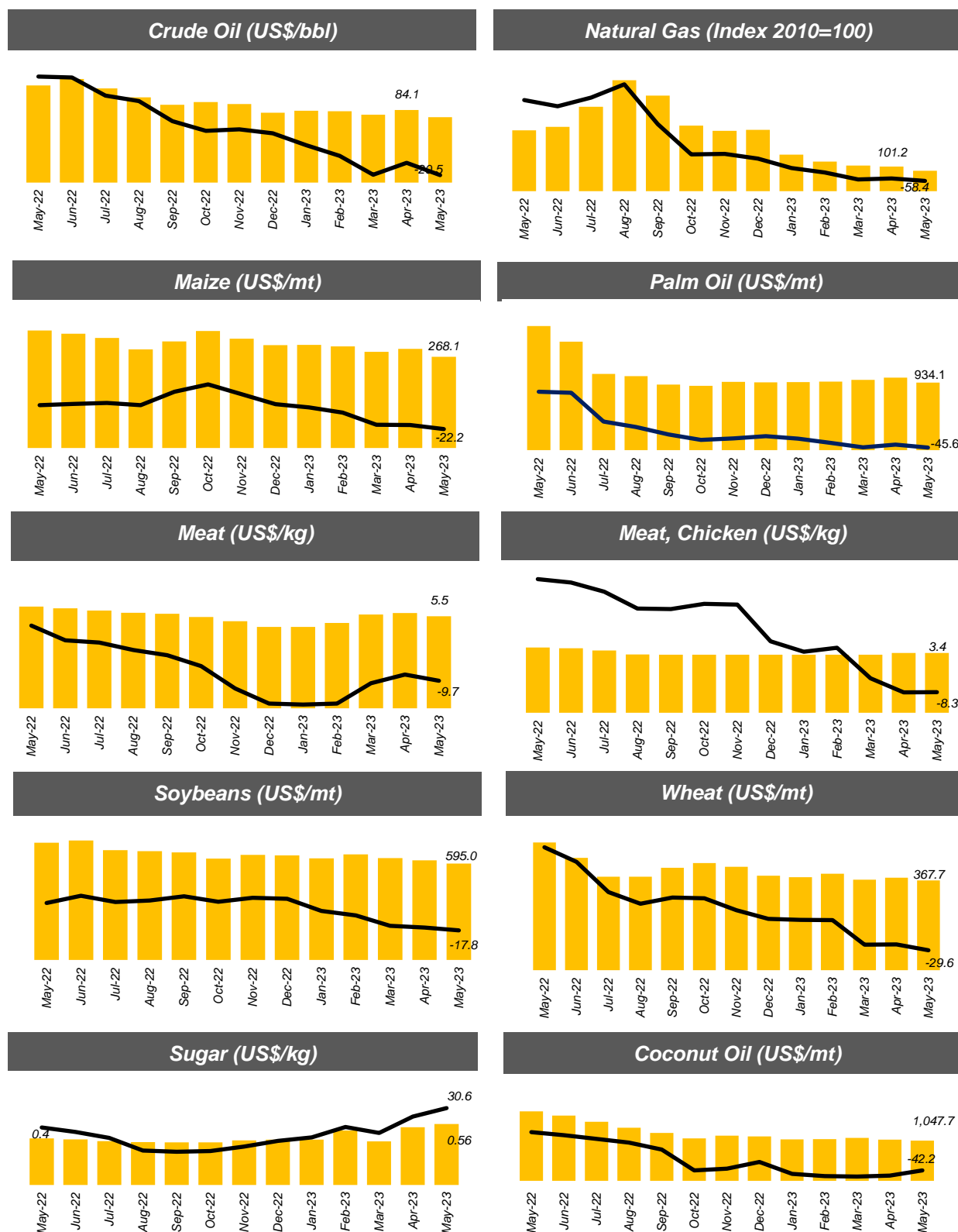


Chart 12 Global Selected Commodity Prices



Global commodity price (US\$) — Percentage change year-on-year

Source: Commodity Monthly Prices, World Bank

Notes:

Bbl : Brazilian Butt Lift (barrel) (1bbl = 159 litres)

Mt : Million Tonne

Mmbtu : Metric Million British Thermal Unit