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MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

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## PRODUCER PRICE INDEX-LOCAL PRODUCTION

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- Malaysia's Producer Price Index (PPI) decreased further by negative 4.8 per cent in June 2023 against a negative 4.6 per cent in May 2023.
- The Agriculture, forestry & fishing sector continued to decline for five consecutive months, posting a negative 20.4 per cent (May 2023: -27.2%) and the Mining sector fell by negative 16.6 per cent (May 2023: -10.7%). At the same time, the Manufacturing sector also posted a decrease of negative 1.8 per cent. For the utility sector, both Water supply and Electricity & gas supply indices went up by 3.2 per cent and 1.0 per cent, respectively.
- On a monthly basis, PPI local production decreased by negative 0.3 per cent in June 2023 (May 2023: -0.4%). The Mining sector declined by negative 1.6 per cent, affected by the drop in Extraction of crude petroleum (-0.8%) and Extraction of natural gas (-3.7%) indices. The Agriculture, forestry & fishing sector down by negative 1.0 per cent due to the decline in the Growing of perennial crops index (-2.2%). On the other hand, the index for the Manufacturing sector is unchanged in June 2023. For the utility sector, the Water supply index up by 0.9 per cent, while the Electricity & gas supply index dropped by negative 0.6 per cent.
- In terms of PPI Local Production by stage of processing, the index of Crude materials for further processing index continued to decline by negative 18.7 per cent in June 2023 (May 2023: -20.1%), with the Non-food materials index posting a negative 22.9 per cent. The Intermediate materials, supplies & components index also recorded a negative 2.8 per cent due to the decline in the index of Materials & components for manufacturing (-6.6%) and Processed fuel & lubricants (-3.3%). Meanwhile, the Finished goods index edged up 3.3 per cent, due to the increase in Capital equipment (4.4%) and Finished consumer goods (2.0%).
- Both the index of Crude materials for further processing and Intermediate materials, supplies & components index went down by negative 0.8 and 0.6 per cent, respectively. Meanwhile, the Finished goods index increased by 0.9 per cent.
- The PPI Local Production continued to decline by negative 4.1 per cent in the second quarter of 2023 (Q1 2023: -0.8%). The decline was attributed to Agriculture, forestry & fishing (-24.6%), Mining (-10.8%) and Manufacturing (-1.0%) sectors. On the contrary, both Water supply and Electricity & gas supply indices recorded increases of 3.2 per cent and 0.8 per cent, respectively. Similarly, a quarter-on-quarter comparison showed that PPI Local Production marginally declined by negative 0.1 per cent (Q1 2023: -0.8%).

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