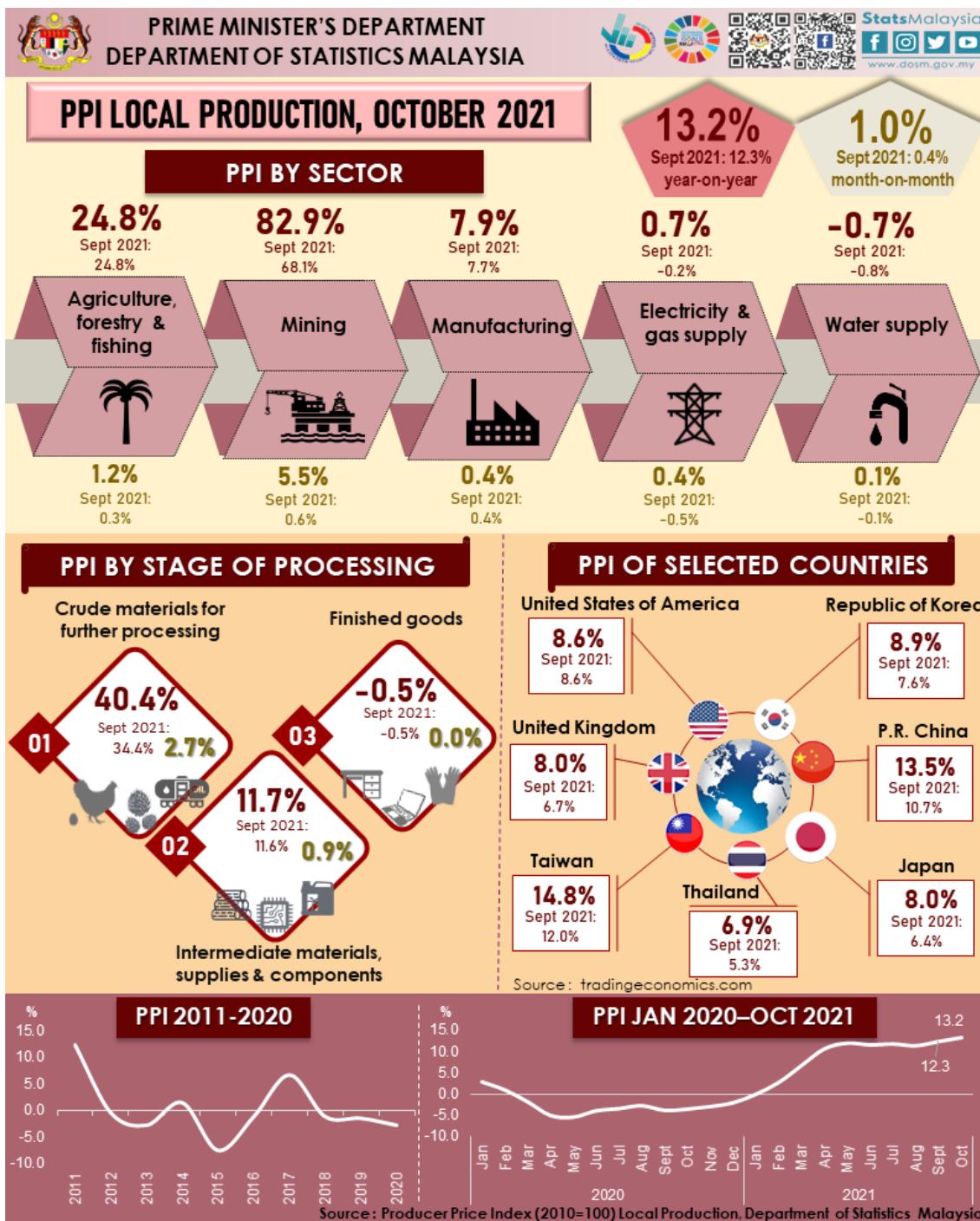




MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

PRODUCER PRICE INDEX MALAYSIA OCTOBER 2021



## PRODUCER PRICE INDEX (2010=100) BY SECTOR (MSIC 2008)

The Producer Price Index (PPI) local production continued to record a double-digit increase for a seventh consecutive month in October 2021, registering a 13.2 per cent increase as compared to a 3.6 per cent drop recorded in the same month of the preceding year attributed to higher commodity prices. The increase in PPI local production in October 2021 was attributed mainly by Mining index that surged 82.9 per cent as opposed to 43.5 per cent decline in October 2020, driven by higher prices for petroleum and natural gas commodities. Moreover, the increase in PPI local production was also supported by Agriculture, forestry & fishing index that moved up 24.8 per cent, followed by Manufacturing index (7.9%). The utility index registered an increase of 0.7 per cent for Electricity & gas supply index, while, Water supply index recorded a marginal drop of 0.7 per cent.

A month-on-month comparison showed that the PPI local production rose 1.0 per cent in October 2021. The increase was contributed by a 5.5 per cent rise in the Mining index, which is foreseen to remain in an upward until the end of this year due to positive global economic recovery as demand bouncing back despite tightened supply especially during winter. In addition, the Agriculture, forestry & fishing index increased 1.2 per cent contributed by higher price for oil palm fresh fruit bunches commodity. The price for this commodity has been increasing for the fourth consecutive months in October 2021, largely underpinned by subdued production due to ongoing migrant labour shortage. Meanwhile, Manufacturing index registered an increase of 0.4 per cent supported by indices for Manufacture of vegetable & animal oils & fats (1.5%), Manufacture of refined petroleum products (0.6%) and Manufacture of electronic components & boards (0.1%) subsectors. Electricity & gas supply and Water supply indices recorded an increase of 0.4 per cent and 0.1 per cent, respectively.

**Table 1 : Producer Price Index (2010=100) Local Production by Sector (MSIC 2008), Malaysia**

Sector	Weight	Index	Percentage Change (%)					
			Year-on-Year			Month-on-Month		
			Oct 2021	Oct 2020	Sept 2021	Oct 2021	Oct 2020	Sept 2021
<b>Total</b>	<b>100.00</b>	<b>114.7</b>	<b>-3.6</b>	<b>12.3</b>	<b>13.2</b>	<b>0.1</b>	<b>0.4</b>	<b>1.0</b>
Agriculture, forestry & fishing	6.73	143.3	21.0	24.8	24.8	1.1	0.3	1.2
Mining	7.93	103.9	-43.5	68.1	82.9	-3.1	0.6	5.5
Manufacturing	81.57	113.2	-1.1	7.7	7.9	0.3	0.4	0.4
Electricity & gas supply	3.44	116.7	-1.2	-0.2	0.7	-0.4	-0.5	0.4
Water supply	0.33	111.9	1.0	-0.8	-0.7	0.0	-0.1	0.1

## PRODUCER PRICE INDEX BY STAGE OF PROCESSING

The surge in prices of commodities in October 2021 has contributed to the spike in the index of Crude materials for further processing that recorded a new high, with 40.4 per cent increase yearly in October 2021 as compared to negative 13.2 per cent in October 2020. The increase was attributed by indices of Non-food materials (49.0%) and Foodstuffs & feedstuffs (5.9%). The Intermediate materials, supplies & components also climbed 11.7 per cent (October 2020: -1.6%), due to an increase in Processed fuel & lubricants (21.9%) and Materials and components for manufacturing (12.0%) indices. However, the index of Finished goods registered a decrease of 0.5 per cent due to a drop in Capital equipment index (-2.9%).

On a monthly basis, the index of Crude materials for further processing edged up 2.7 per cent, followed by the index of Intermediate materials, supplies & components (0.9%). Meanwhile, Finished goods index remained unchanged as in the previous month.

**Table 2: Producer Price Index (PPI) Local Production by Stage of Processing, Malaysia**

Stage of Processing	Weight	Index	Percentage Change (%)					
			Year-on-Year			Month-on-Month		
		Oct 2021	Oct 2020	Sept 2021	Oct 2021	Oct 2020	Sept 2021	Oct 2021
<b>Total</b>	<b>100.00</b>	<b>114.7</b>	<b>-3.6</b>	<b>12.3</b>	<b>13.2</b>	<b>0.1</b>	<b>0.4</b>	<b>1.0</b>
Crude materials for further processing	16.41	127.2	-13.2	34.4	40.4	-1.7	0.6	2.7
Intermediate materials, supplies and components	56.12	117.4	-1.6	11.6	11.7	0.8	0.4	0.9
Finished goods	27.47	100.5	-0.8	-0.5	-0.5	0.0	0.0	0.0

The full publication of the Producer Price Index Malaysia, October 2021 can be downloaded from [eStatistik](#) portal.

**Released by:**

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