

HOME

KUALA LUMPUR (May 16): Malaysia's inflation in 2023 recorded a slower increase of 2.5%, from 3.3% in 2022, with the index points at 130.4 against 127.2 in the previous year, said the Department of Statistics (DOSM).

Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said the slower increase of inflation in 2023 was in tandem with the decline in most global commodity prices, the easing of supply disruptions, price controls, and the provision of subsidies for selected goods.

"Despite a decrease in energy commodity prices in 2023 (-29.9%) as compared to 2022 (60.0%), the price level of this commodity is still higher compared to pre-pandemic prices.

"The increase in fuel costs and dependence on imported liquefied natural gas (LNG) has prompted the government to adjust electricity tariffs under the implementation of the Imbalance Cost Pass-Through (ICPT) mechanism for users in Peninsular Malaysia, for the period of July 1, 2023 to Dec 31, 2023," he said in a statement on Thursday on the Analysis of Annual Con-

DOSM: Malaysia's inflation recorded a slower increase of 2.5% in 2023

Bernama

sumer Price Index (CPI) 2023.

He said inflation for the main groups in 2023 showed an increase except for communication (-3.0%), with the highest increase recorded by restaurants and hotels at 5.6%.

This was followed by the food and beverages (4.8%) group; miscellaneous goods and services (2.4%); furnishings, household equipment and routine household maintenance (2.3%); health (2.2%); education (1.9%); housing, water, electricity,

gas and other fuels (1.7%); recreation services and culture (1.5%); transport (1.1%); alcoholic beverages and tobacco (0.6%), and clothing and footwear (0.3%).

Mohd Uzir said the food and beverages group, which is the largest component of household spending in Malaysia with a contribution of 29.5% of total CPI weight, started to ease to 4.8%, compared to 5.8% in the preceding year.

The slower increase of this group is largely due to an increase in the food at home component, which increased 3.5%, compared to 5.3% recorded in 2022.

Meanwhile, food away from home increased at 6.7% in 2023, from 6.6% in 2022.

Commenting on the inflation at the state level, Mohd Uzir said all states registered increases in inflation, with five states showing an increase above the national inflation level of 2.5% in 2023.

The highest increase was recorded by the Federal Territory of Putrajaya (3.4%), followed by Sarawak (3.1%), Selangor (2.9%), Perak (2.8%) and Pahang (2.6%).

The Federal Territory of Labuan recorded the lowest inflation of 1.6%, he added.