



MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

**MEDIA STATEMENT**  
**ANALYSIS OF ANNUAL CONSUMER PRICE INDEX, MALAYSIA**  
**2023**

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***Malaysia's inflation in 2023 recorded a slower increase  
of 2.5 per cent***

**PUTRAJAYA, 16 May 2024** – The Department of Statistics, Malaysia (DOSM) today released the **ANALYSIS OF ANNUAL CONSUMER PRICE INDEX, MALAYSIA, 2023** which shows that the Malaysia's inflation in 2023 recorded a slower increase of 2.5 per cent (2022: 3.3%) with the index points recorded at 130.4 as against 127.2 in the previous year. Inflation for the main groups in 2023 showed an increase except for Communication (-3.0%). The highest increase was recorded by Restaurants & Hotels at 5.6 per cent. This was followed by the Food & Beverages (4.8%) group; Miscellaneous Goods & Services (2.4%); Furnishings, Household Equipment & Routine Household Maintenance (2.3%); Health (2.2%); Education (1.9%); Housing, Water, Electricity, Gas & Other Fuels (1.7%); Recreation Services & Culture (1.5%); Transport (1.1%); Alcoholic Beverages & Tobacco (0.6%) and Clothing & Footwear (0.3%).

In a statement today, Dato' Sri Dr. Mohd Uzir Mahidin, the Chief Statistician Malaysia 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 level of price of this commodity is still higher as 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 1<sup>st</sup> July 2023 to 31<sup>st</sup> December 2023. Domestic users with electricity consumption units exceeding 1,500kWh will be imposed a surcharge of 10 cents/kWh.”

Other initiatives provided by the government can be directly seen through the Payung Rahmah initiative which includes Menu Rahmah, Jualan Rahmah, Bakul Rahmah, Pakej Rahmah and Menu Siswa Rahmah. These initiatives target the low income and hardcore poor. Other than that, the government has spent almost RM8 billion on Sumbangan Tunai Rahmah (STR) which has benefited 8.7 million Malaysians. The initiatives contributed to easing the burden of lower income group in dealing with the rising cost of living.

Dato’ Sri Dr. Mohd Uzir Mahidin added, “The Food & Beverages group which is the largest component of household spending in Malaysia with a contribution of 29.5 per cent of total Consumer Price Index (CPI) weight started to ease to 4.8 per cent as compared to 5.8 per cent 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 per cent as compared to 5.3 per cent recorded in 2022. Meanwhile, Food away from home increased at 6.7 per cent as compared to the previous year (2022: 6.6%).”

Inflation of Restaurants & Hotels recorded an increase of 5.6 per cent in 2023 as against 5.0 per cent in 2022. The subgroup for Expenditure in restaurants & cafés increased by 5.5 per cent as compared to have been recorded in 2022 (5.3%). In addition, the subgroup of Accommodation services also recorded a significant increase of 5.5 per cent in 2023 as compared to 3.7 per cent in 2022. Inflation of Hotel increased to 5.8 per cent as against 4.1 per cent recorded in 2022.

Moreover, inflation of Transport recorded a slower increase to 1.1 per cent in 2023 as compared to 2022 (4.7%), mainly due to the subgroup of Operation of personal transport equipment which moderated to 0.8 per cent as compared to 5.8 per cent in 2022. The average price of Unleaded petrol RON97 declined to RM3.39 per litre as compared to RM3.97 per litre (2022), in tandem with the drop in the average price of world Brent crude oil to US\$82.61 per barrel as compared to US\$99.82 per barrel in 2022. The lack of demand in the global market such as China has contributed to the

decline in world crude oil prices. However, the average price of Unleaded petrol RON95 and Diesel remained at RM2.05 per litre and RM2.15 per litre respectively. In addition, the subgroup of Transport services increased significantly to 5.1 per cent as compared to a negative 3.9 per cent in 2022.

Inflation of Furnishings, Household Equipment & Routine Household Maintenance in 2023 moderated to 2.3 per cent as compared to 3.5 per cent in 2022. This was contributed by a lower increase in the subgroup of Furniture & furnishing, carpets & others floor covering, 1.5 per cent (2022: 7.3%). The slower increase in the expenditure class of Furniture & Furnishings to 1.6 per cent as compared to 8.4 per cent (2022) was the main contributor to this increase. In addition, the subgroup of Household appliances also eased to 2.4 per cent as against 3.6 per cent in 2022, followed by Tools & equipment for house & garden, 1.6 per cent (2022: 2.1%) and Household textiles, 0.6 per cent (2022: 1.1%).

Commenting on the inflation at the state level, Chief Statistician Malaysia elaborated all states registered increases in inflation with five states showed an increase above the national inflation level of 2.5 per cent in 2023. The highest increase was recorded by Wilayah Persekutuan Putrajaya (3.4%), followed by Sarawak (3.1%), Selangor (2.9%), Perak (2.8%) and Pahang (2.6%). Wilayah Persekutuan Labuan recorded the lowest inflation of 1.6 per cent. Most states recorded a slower increase in the inflation of Food & Beverages group in 2023. Six states showed an increase above the national level of 4.8 per cent namely Selangor (6.1%), Sarawak (6.1%), Wilayah Persekutuan Putrajaya (5.9%), Pulau Pinang (5.0%), Pahang (4.9%) and Perak (4.8%). Meanwhile, other states showed an increase below the national Food & Beverages inflation.

In terms of inflation for urban and rural areas, the inflation for urban area recorded an increase of 2.6 per cent as compared to 3.6 per cent recorded in 2022. Among the main groups that contributed to this increase were Restaurants & Hotels (5.8%); Food & Beverages (5.1%) and Miscellaneous Goods & Services (2.5%). Concurrently, inflation in rural area recorded an increase of 2.1 per cent in 2023 (2022: 2.6%). This increase was mainly due to the increase in Food & Beverages (3.6%); Restaurants & Hotels (2.9%) and Miscellaneous Goods & Services (2.2%).

Inflation for income group below RM3,000 increased 2.7 per cent in 2023 (2022: 3.3%). The Restaurants & Hotels group mainly contributed to the increase at 5.7 per cent, followed by Food & Beverages (4.1%); Furnishings, Household Equipment & Routine Household Maintenance (2.8%); Miscellaneous Goods & Services (2.3%) and Health (2.1%). The core inflation increased to 3.0 per cent in 2023 the same rate as recorded in 2022. Among the groups that contributed to the increase were Food & Beverages (5.8%), Restaurants & Hotels (5.6%) and Transport (4.4%).

Commenting on inflation of ASEAN countries, Dato' Sri Dr. Mohd Uzir Mahidin said, "Inflation in ASEAN countries showed an increase ranging between 0.4 per cent to 31.2 per cent in 2023. Lao P.D.R recorded the highest inflation rate at 31.2 per cent, while Brunei recorded the lowest inflation at 0.4 per cent. Six countries registered an inflation rate above Malaysia (2.5%) namely Lao P.D.R, Myanmar, Philippines, Singapore, Indonesia and Vietnam. Meanwhile, Cambodia, Thailand and Brunei were the three countries that recorded inflation rates lower than Malaysia."

Chief Statistician Malaysia also added that an article entitled "**The Impact of Increase in Food Prices on the Purchasing Power for the Food & Beverages Group**" is included in this publication.

The Department of Statistics Malaysia (DOSM) has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisations to facilitate users' analysis of various data and can be accessed through <https://open.dosm.gov.my>.

DOSM will conduct the Agricultural Census in 2024. Please visit <https://www.myagricensus.gov.my/> for more information. The theme is "Agriculture Census, Key to Agricultural Development."

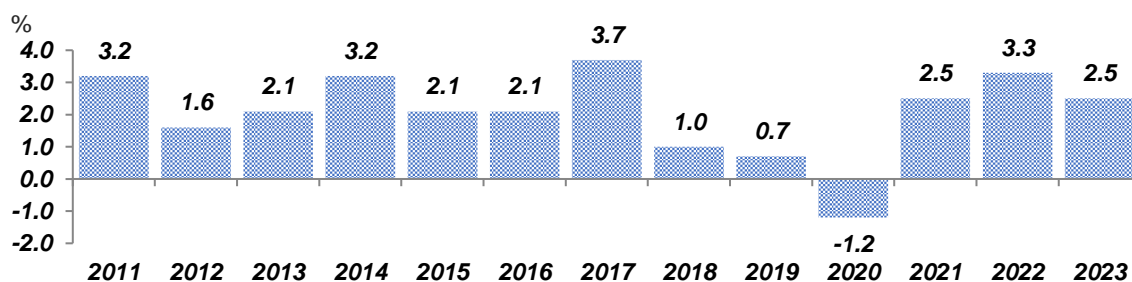
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*The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20th each year. MyStats Day theme is “Statistics is the Essence of Life”.*

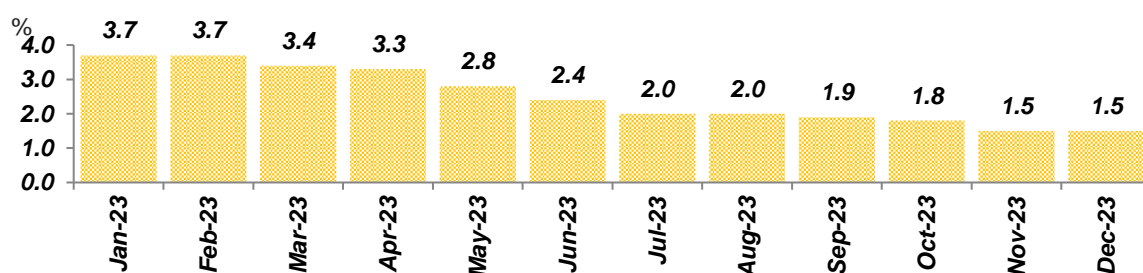
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**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
DEPARTMENT OF STATISTICS MALAYSIA  
16 MAY 2024**

**Chart 1 Annual Inflation, Malaysia, 2011 - 2023**



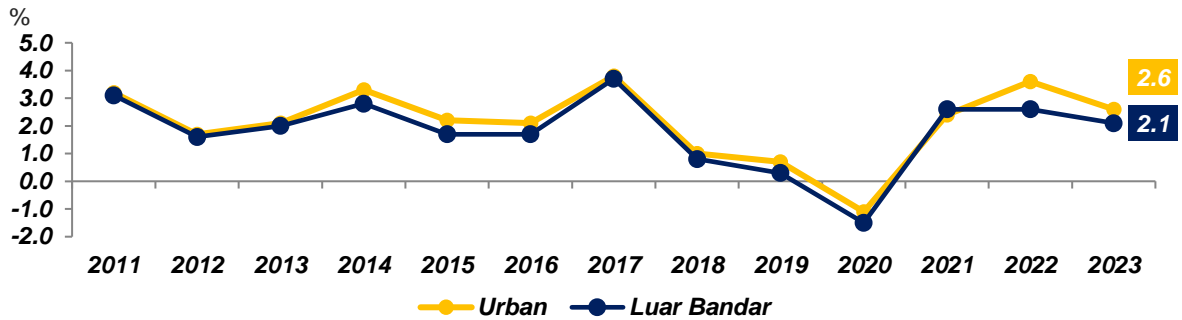
**Chart 2 Headline Inflation, Malaysia, January - December 2023**



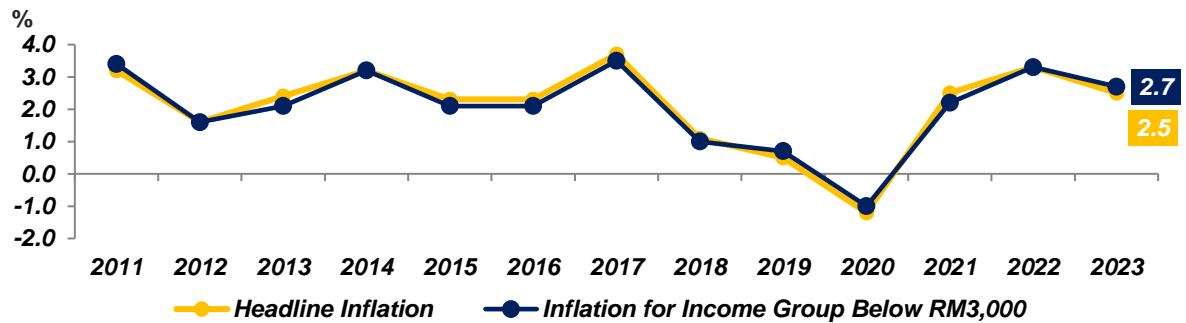
**Chart 3 Headline Inflation and Core Inflation, Malaysia, 2022 & 2023**

Main Group	Headline Inflation		Core Inflation	
	2022	2023	2022	2023
<b>Total</b>	<b>3.3</b>	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>
Food & Beverages	5.8	4.8	5.8	5.8
Alcoholic Beverages & Tobacco	0.5	0.6	-	-
Clothing & Footwear	0.1	0.3	0.1	0.3
Housing, Water, Electricity, Gas & Other Fuels	1.8	1.7	1.4	1.9
Furnishings, Household Equipment & Routine Household Maintenance	3.5	2.3	3.5	2.3
Health	0.7	2.2	0.7	2.2
Transport	4.7	1.1	5.6	4.4
Communication	0.0	-3.0	0.0	-3.0
Recreation Services & Culture	2.3	1.5	2.3	1.5
Education	1.1	1.9	1.1	1.9
Restaurants & Hotels	5.0	2.4	5.0	5.6
Miscellaneous Goods & Services	2.0	2.4	2.0	2.4

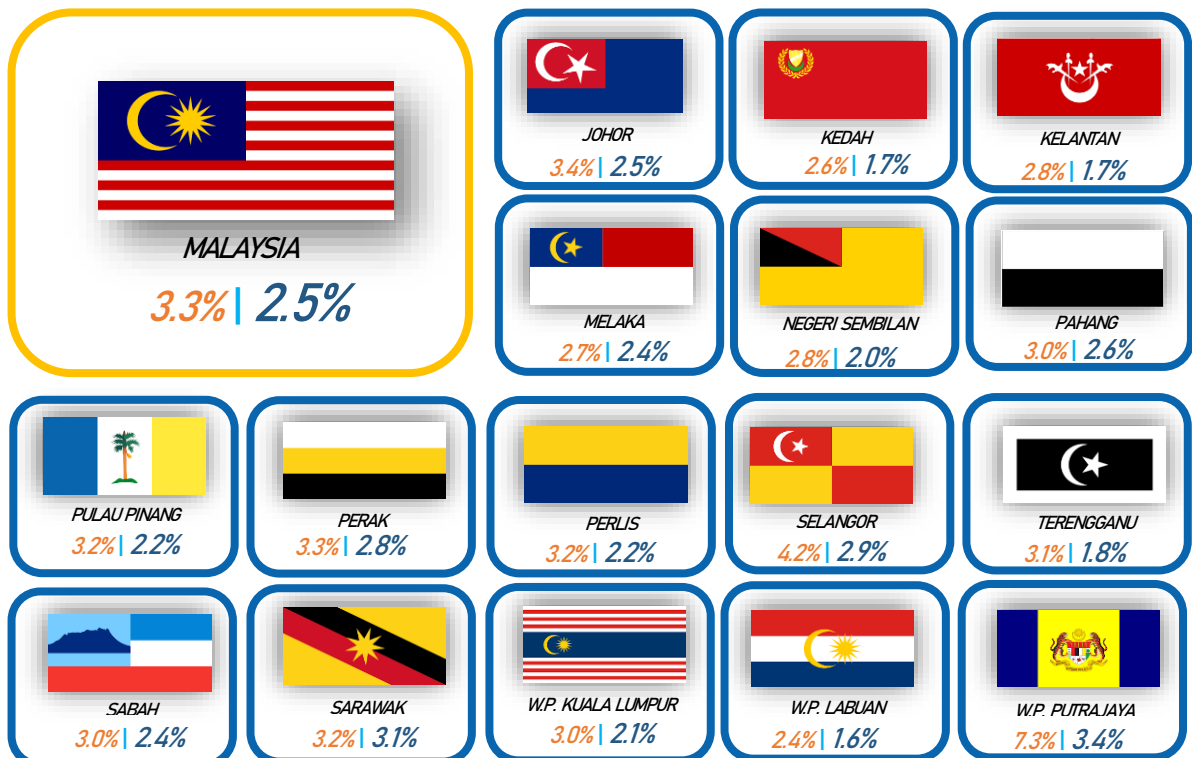
**Chart 4** Time Series of Inflation for Urban & Rural Areas, Malaysia, 2011 - 2023



**Chart 5** Headline Inflation and Inflation for Income Group Below RM3,000, 2011 - 2023



**Chart 6** Inflation by State, 2022 & 2023

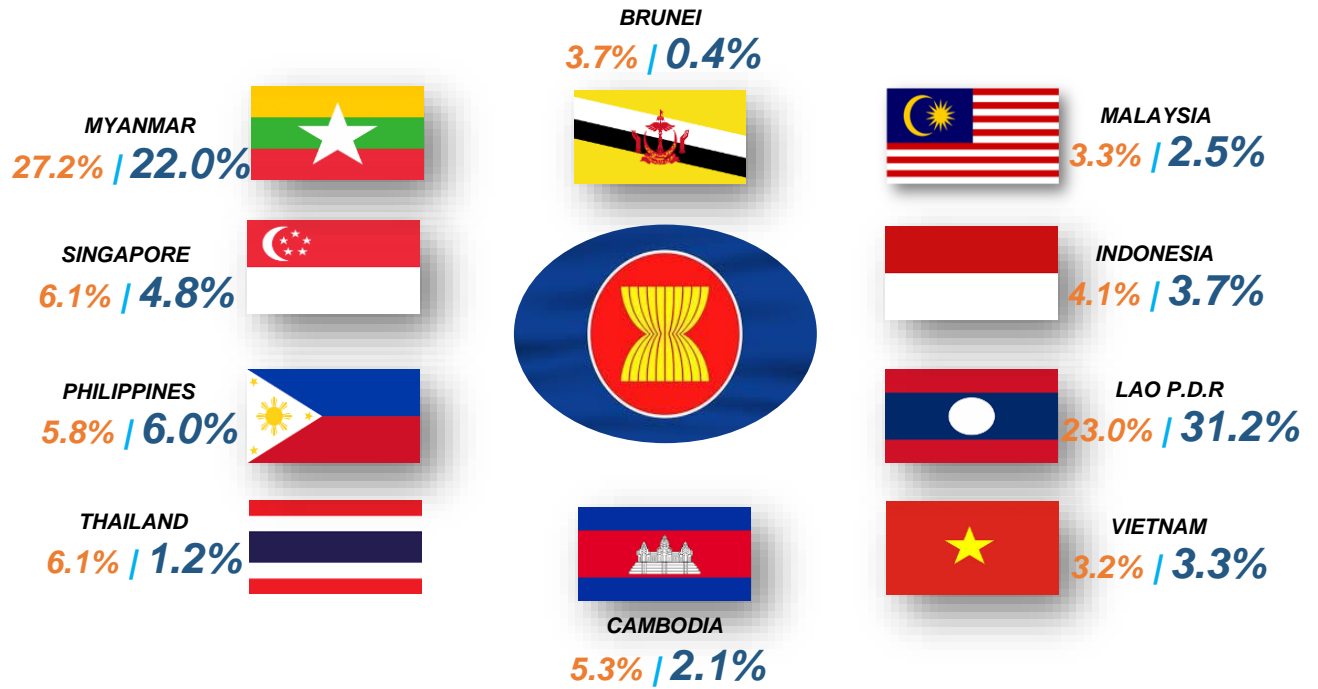


Note:  
W.P.: Wilayah Persekutuan

2022 | 2023

Chart 7

Inflation in ASEAN Countries, 2022 & 2023



Source: National Statistical Office (NSO)

Note: 2022 | 2023