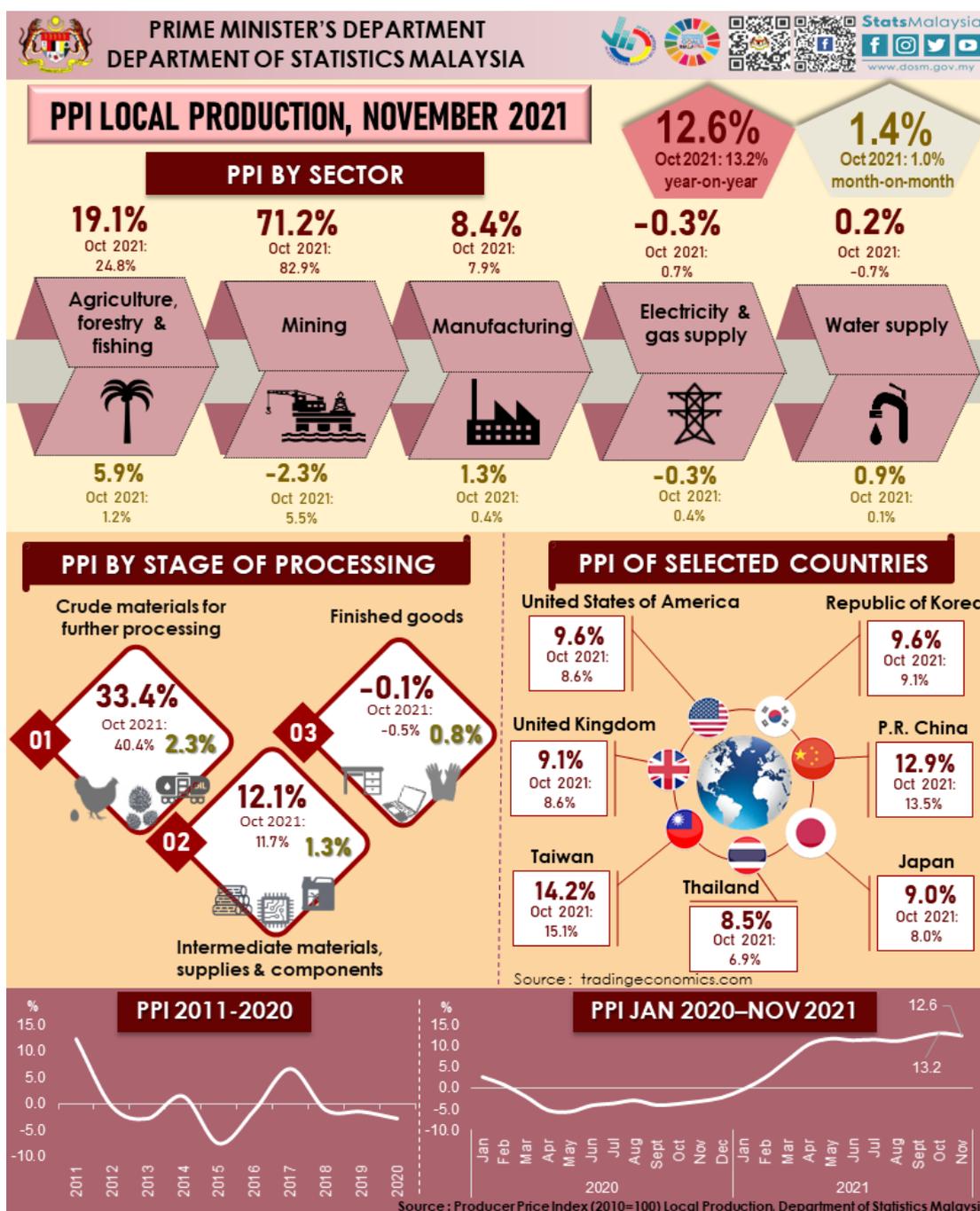




PRIME MINISTER'S DEPARTMENT  
DEPARTMENT OF STATISTICS MALAYSIA

PRESS RELEASE

PRODUCER PRICE INDEX MALAYSIA NOVEMBER 2021



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

The Producer Price Index (PPI) local production in November 2021 increased 12.6 per cent as opposed to 3.0 per cent decline recorded in the same month of the preceding year, mainly driven by surging costs of raw materials. This marks the eighth consecutive months that the inflation from the producer's perspective registering a double-digit increase this year. The increase in the PPI local production during this month was attributed by Mining index that surged 71.2 per cent as compared to 45.8 per cent drop recorded in November 2020. The rise in prices of Crude oil (79.8%) and Natural gas (38.2%) have contributed to this increase. The Agriculture, forestry & fishing index also increase but at a slower rate of 19.1 per cent (November 2020: 21.5%), largely due to the increase in the indices of Oil palm fresh fruit bunches (25.2%), Chicken (18.1%) and Hen's eggs (8.3%). In addition, Manufacturing index rose 8.4 per cent in November 2021 contributed by the indices for subsectors of Manufacture of refined petroleum products (26.2%) and Manufacture of vegetable & animal oils & fats (21.9%). Water supply index increased marginally by 0.2 per cent. However, the index of Electricity & gas supply declined 0.3 per cent.

In terms of month-on-month comparison, the PPI local production rose 1.4 per cent in November 2021. The increase was due to a 5.9 per cent rise in Agriculture, forestry & fishing index, mainly contributed by the indices of Growing of perennial crops (8.3%), Growing of non-perennial crops (3.0%) and Animal production (1.2%). The index of Oil palm fresh fruit bunches remained virtually unchanged over concerns of insufficient migrant labour in Malaysia's plantations. On the other hand, the price of Crude oil slumped due to a discovery of a new COVID-19 variant named Omicron which was first detected in South Africa that led to fears of its spread hence slowing demand over the commodity. This contributed to a 2.3 per cent drop in Mining index as opposed to 5.5 per cent increase recorded last month.

In addition, Manufacturing index grew 1.3 per cent, among them was due to an increase in indices of Manufacture of vegetable & animal oils & fats (2.9%), Manufacture of refined petroleum products (2.4%), Manufacture of basic chemicals, fertilizers and nitrogen compounds, plastics and synthetic rubber in primary forms (1.2%) and Manufacture of basic iron and steel (1.1%) subsectors. The utility index showed that the index of Electricity & gas supply declined 0.3 per cent, while, Water supply index increased 0.9 per cent.

**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		
		Nov 2021	Nov 2020	Oct 2021	Nov 2021	Nov 2020	Oct 2021	Nov 2021
<b>Total</b>	<b>100.00</b>	<b>116.3</b>	<b>-3.0</b>	<b>13.2</b>	<b>12.6</b>	<b>2.0</b>	<b>1.0</b>	<b>1.4</b>
<b>Agriculture, forestry &amp; fishing</b>	<b>6.73</b>	<b>151.8</b>	<b>21.5</b>	<b>24.8</b>	<b>19.1</b>	<b>11.1</b>	<b>1.2</b>	<b>5.9</b>
<b>Mining</b>	<b>7.93</b>	<b>101.5</b>	<b>-45.8</b>	<b>82.9</b>	<b>71.2</b>	<b>4.4</b>	<b>5.5</b>	<b>-2.3</b>
<b>Manufacturing</b>	<b>81.57</b>	<b>114.7</b>	<b>-0.1</b>	<b>7.9</b>	<b>8.4</b>	<b>0.9</b>	<b>0.4</b>	<b>1.3</b>
<b>Electricity &amp; gas supply</b>	<b>3.44</b>	<b>116.4</b>	<b>-0.2</b>	<b>0.7</b>	<b>-0.3</b>	<b>0.7</b>	<b>0.4</b>	<b>-0.3</b>
<b>Water supply</b>	<b>0.33</b>	<b>112.9</b>	<b>0.9</b>	<b>-0.7</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>	<b>0.9</b>

## PRODUCER PRICE INDEX BY STAGE OF PROCESSING

The index of Crude materials for further processing rose 33.4 per cent over 12.3 per cent decrease recorded in the same month of the preceding year. The increase was led by higher prices of Crude oil and Oil palm fresh fruit bunches. The indices for vegetables namely Tomatoes, Round cabbage, Egg-plants and Chinese mustard also inclined. Similarly, the Intermediate materials, supplies & components index also climbed 12.1 per cent as compared to 1.0 per cent decline in November 2020. Among the products that contributed to the increase in this index were Liquefied natural gas (LNG), Crude palm oil, Palm olein (RBD), Integrated circuits, Aluminium, Rubber (SMR), Mild steel round bar and Mixed poultry feed. However, the index of Finished goods registered a decrease of 0.1 per cent due to a drop in the indices of Personal computers and Rubber gloves (Examination).

On a monthly basis, the index of Crude materials for further processing increased but at a slower rate to record 2.3 per cent as opposed to 2.7 per cent registered in the previous month. Rising prices for other raw materials and commodities outweighed decline in Crude oil prices. In addition, the index of Intermediate materials, supplies & components also increased 1.3 per cent, underpinned by the increase in Materials and components for manufacturing (1.6%), Processed fuel and lubricants (1.2%) and Supplies (0.8%) indices. The index of finished goods also edged up 0.8 per cent supported by the rise in Finished consumer goods (0.6%) and Capital equipment (0.9%) indices.

**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		
		Nov 2021	Nov 2020	Oct 2021	Nov 2021	Nov 2020	Oct 2021	Nov 2021
<b>Total</b>	<b>100.00</b>	<b>116.3</b>	<b>-3.0</b>	<b>13.2</b>	<b>12.6</b>	<b>2.0</b>	<b>1.0</b>	<b>1.4</b>
Crude materials for further processing	16.41	130.1	-12.3	40.4	33.4	7.6	2.7	2.3
Intermediate materials, supplies and components	56.12	118.9	-1.0	11.7	12.1	1.0	0.9	1.3
Finished goods	27.47	101.3	-0.2	-0.5	-0.1	0.4	0.0	0.8

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

**Released by:**

**DATO' SRI DR. MOHD UZIR MAHIDIN**  
**CHIEF STATISTICIAN MALAYSIA**  
**DEPARTMENT OF STATISTICS, MALAYSIA**

 [DrUzir\\_Mahidin](#)   [Dr\\_Uzir](#)

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**Contact person:**

Mohd Yusrizal Ab Razak  
Public Relation Officer  
Strategic Communication and International Division  
Department of Statistics, Malaysia  
Tel : +603-8885 7942  
Fax : +603-8888 9248  
E-mail : yusrizal.razak[at]dosm.gov.my