



SPECIAL RELEASE

CONSUMER PRICE INDEX FOR ALL INCOME HOUSEHOLDS IN CATANDUANES AUGUST 2022 (2018=100)

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PRICE SITUATION: YEAR-ON-YEAR

Inflation Rate in Catanduanes remains at 5.3 in August 2022

The Inflation Rate (IR) in Catanduanes for August 2022 remains at 5.3 percent which translates to a Purchasing Power of the Peso of P 0.83. Comparing it to the same period last year, a lower annual mark-up of 1.1 points was noted on inflation rate of 6.4 in the same period last year.

The acceleration in the inflation rate in August 2022 in the province was primarily due to the higher annual growths in the Education Services commodity group index at 13.9 percent and Transport commodity group index at 9.8 percent. The following commodity groups also contributed to the upward trend of the inflation rate in the province during the month:

- a. Alcoholic, Beverages and Tobacco, 8.9 percent;
- b. Clothing and Footwear, 7.2 percent;
- c. Restaurants and Accommodation Services, 7.0 percent;
- d. Recreation, Sport and Culture, 6.5 percent;
- e. Personal Care, and Miscellaneous Goods and Services, 5.7 percent;
- f. Food and Non-Alcoholic Beverages, 5.2 percent;
- g. Health, 3.6 percent;
- h. Information and Communication, 3.1 percent;
- i. Furnishings, Household Equipment and Routine Household Maintenance, 3.1 percent; and
- j. Housing, Water, Electricity, Gas and Other Fuels, 2.0 percent

Financial Services retained their previous month's inflation rates. (Table 1)

Meanwhile, inflation for food in the province further decreased to 5.2 percent in August 2022, from 5.4 percent in July 2022. In August 2021, food inflation was the same at 6.4 percent.

The uptick in the food inflation was primarily influenced by the double-digit annual growths in the Sugar, Confectionery and Desserts at 30.1 percent; Oils and Fats at 11.9 percent and Ready-Made Food and Other Food Products N.E.C. at 8.5 percent. In addition, higher annual increments were recorded in the following food groups:

- a. Cereals and Cereal Products, 6.9 percent;
- b. Fish and Other Seafoods, 6.0 percent;
- c. Milk, Other Dairy Products, and Eggs, 5.1 percent;

- d. Non-alcoholic Beverages, 4.8 percent; and
- e. Meat and Other Parts of Slaughtered Land Animals, 4.0 percent.

On the contrary, inflation rates for Vegetables, Tubers, Cooking Bananas and Pulses and Fruits and Nuts were lowered at -4.1 and -9.3 percent respectively.

The indices for Rice and Corn exhibited a higher annual increase of 4.9 and 25.0 percent respectively. (Table 3)

PRICE SITUATION: MONTH-ON-MONTH

On a month-on-month basis, general prices of consumer items accelerated at 0.4 percent compared to last month.

The following Commodity Groups recorded an increase in inflation during the month:

- a. Education Services, 13.9 percent;
- b. Clothing and Footwear, 1.9 percent;
- c. Recreation, Sport and Culture, 1.6 percent;
- d. Furnishings, Household Equipment and Routine Household Maintenance, 1.0 percent;
- e. Restaurants and Accommodation Services, 1.0 percent;
- f. Food and Non-Alcoholic Beverages, 0.8 percent;
- g. Information and Communication, 0.7 percent;
- h. Health, 0.4 percent;
- i. Personal Care, and Miscellaneous Goods and Services, 0.4 percent; and
- j. Alcoholic Beverages, Tobacco, 0.2 percent

Transport commodity group registered a decrease in inflation rate compared to last month at -2.0 percent.

Financial Services and Housing, Water, Electricity, Gas and Other Fuels commodity group retained its price indices during the month. (Table 2)

**Table 1. Consumer Price Index for All Income Households in Catanduanes
August 2021 and August 2022 (2018=100)**

Commodity Groups	August 2021	August 2022	Year-on-Year Change (%)
ALL ITEMS	114.9	121.0	5.3
Food and Non-Alcoholic Beverages	107.5	113.1	5.2
Alcoholic Beverages, Tobacco	168.3	183.3	8.9
NON-FOOD	118.9	125.0	5.1
Clothing and Footwear	116.1	124.5	7.2
Housing, Water, Electricity, Gas and Other Fuels	107.6	109.7	2.0
Furnishings, Household Equipment and Routine Household Maintenance	113.6	117.1	3.1
Health	110.8	114.8	3.6
Transport	149.3	164.0	9.8
Information and Communication	105.1	108.4	3.1
Recreation, Sport and Culture	110.5	117.7	6.5
Education Services	108.6	123.7	13.9
Restaurants and Accommodation Services	142.1	152.1	7.0
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	110.4	116.7	5.7

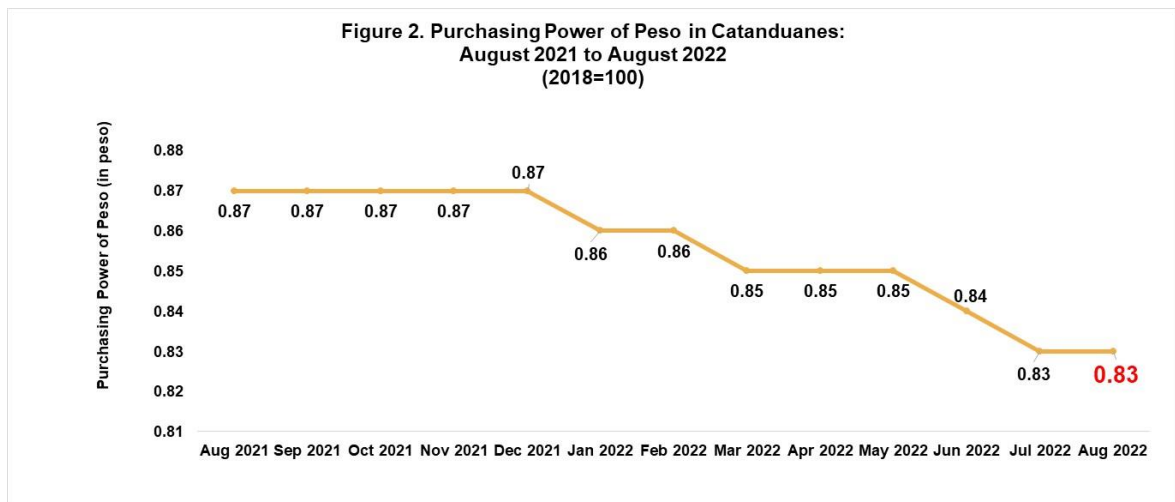
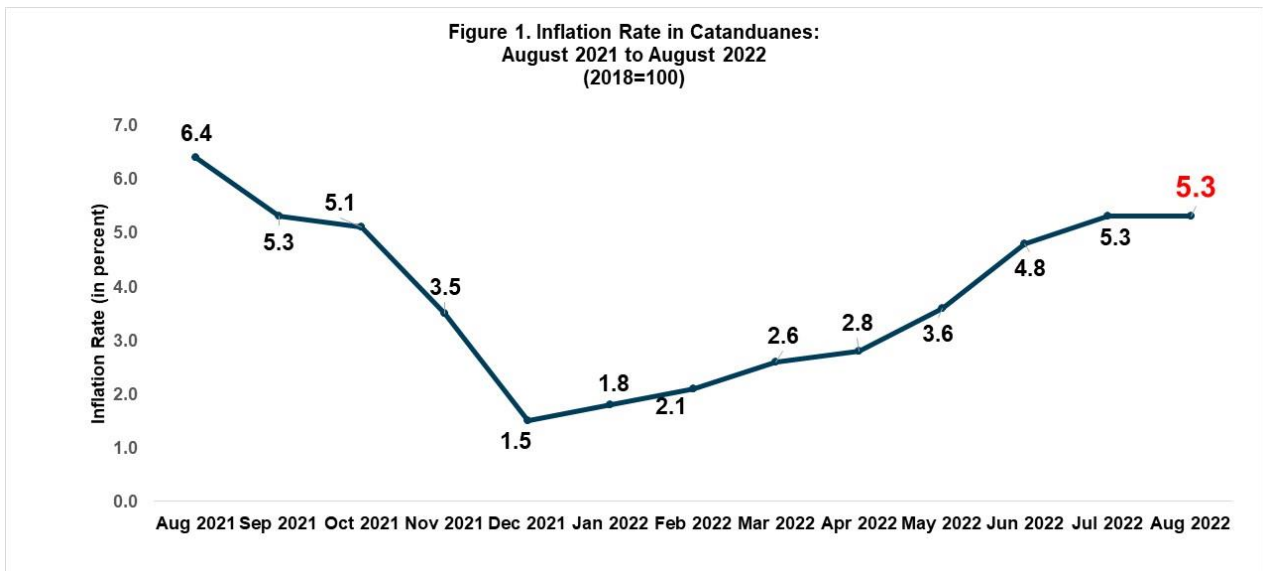
**Table 2. Consumer Price Index for All Income Households in Catanduanes
July 2022 and August 2022 (2018=100)**

Commodity Groups	July 2022	August 2022	Month-on- Month Change (%)
ALL ITEMS	120.5	121.0	0.4
Food and Non-Alcoholic Beverages	112.2	113.1	0.8
Alcoholic Beverages, Tobacco	183.0	183.3	0.2
NON-FOOD	124.8	125.0	0.2
Clothing and Footwear	122.2	124.5	1.9
Housing, Water, Electricity, Gas and Other Fuels	109.7	109.7	0.0
Furnishings, Household Equipment and Routine Household Maintenance	115.9	117.1	1.0
Health	114.3	114.8	0.4
Transport	167.4	164.0	(2.0)
Information and Communication	107.6	108.4	0.7
Recreation, Sport and Culture	115.9	117.7	1.6
Education Services	108.6	123.7	13.9
Restaurants and Accommodation Services	150.6	152.1	1.0
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	116.2	116.7	0.4

Table 3. Consumer Price Index by Subgroup, Month-on-Month and Year-on-Year Percent Changes in Catanduanes (2018=100)

Commodity Group	CPI			Inflation Rates	
	Aug 2021	Jul 2022	Aug 2022	Month-on-Month	Year-on-Year
ALL ITEMS	114.9	120.5	121.0	0.4	5.3
I. FOOD AND NON-ALCOHOLIC BEVERAGES	107.5	112.2	113.1	0.8	5.2
* Food	107.3	112.1	112.9	0.7	5.2
Cereals and Cereal Products	94.5	100.5	101.0	0.5	6.9
Cereals	88.1	92.3	92.5	0.2	5.0
Rice	88.0	92.2	92.4	0.1	4.9
Corn	105.9	119.1	132.3	11.1	25.0
Flour, Bread and Other Bakery Products, Pasta Products	111.7	122.6	124.0	1.2	11.0
Meat and Other Parts of Slaughtered Land Animals	119.7	124.8	124.5	-0.2	4.0
Fish and Other Seafood	118.9	125.9	126.0	0.1	6.0
Milk, Other Dairy Products, and Eggs	109.1	111.0	114.7	3.3	5.1
Oils and Fats	105.0	116.3	117.5	1.0	11.9
Fruits and Nuts	115.0	106.1	104.3	-1.7	-9.3
Vegetables, Tubers, Cooking Bananas and Pulses	113.5	105.9	108.8	2.7	-4.1
Sugar, Confectionery and Desserts	102.6	126.7	133.5	5.4	30.1
Ready-Made Food and Other Food Products N.E.C.	107.3	115.7	116.4	0.6	8.5
* Non-alcoholic Beverages	110.0	113.6	115.3	1.5	4.8

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index, Philippine Statistics Authority



CONCEPTS AND DEFINITIONS



CONSUMER PRICE INDEX (CPI) is an indicator of the change in the average retail prices of a fixed basket goods and services commonly bought by a specific group of consumers for their day-to-day consumption in a given area in a given period of time. It is most widely used in the calculation of the inflation rate and purchasing power of the peso.

The CPI is computed using the weighted arithmetic mean of price relatives, a variant of Laspeyres formula with fixed base year period weights.

- a. *Base Period.* This is a reference date or a benchmark to which a continuous series of index numbers can be related. Since the CPI measure the average changes in the retail prices of a fixed basket of goods, it is necessary to compare movement in prices in the current year to movements in previous years back to a reference data at which the index is taken as equal to 100. The present series uses 2018 as the base year.
- b. *Market Basket.* This is a sample of all the goods purchased for consumption and services availed of by households in the province. This was selected to represent the composite price behavior of all goods and services purchased by consumers.
- c. *Weighting System.* This is a system that considers the relevance of the components of the index. For CPI, the weighting pattern uses the expenditures on various consumer items purchased by households as a proportion to total expenditure. The weight of a commodity or group of commodities was based on the magnitude of its contribution to the index.



CONSUMER PRICE INDEX (CPI) for August 2022 is 121.0. This means that for an average Filipino household to afford same basket of goods and services in August 2018 purchased @ Php 100.00 needs an additional Php 21.00 in August 2022.

BASE PERIOD - reference date at which the index is equal to 100. Base year is 2018.



INFLATION RATE - The inflation rate is the annual rate of change or the year-on-year change of the CPI expressed in percent. It is interpreted in terms of declining purchasing power of money.

If you pay Php 10.50 for a pack of pancit canton in August 2021 and if the average prices went up by 5.3% after a year's time, you will need Php 11.06 to pay the same type of pancit canton in August 2022.



PURCHASING POWER OF THE PESO (PPP)

The purchasing power of the peso shows how much the peso in the base period is worth in the current period. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.

A peso in August 2018 worths only 83 centavos in July 2022.

Collection of price quotations for the market basket

For Catanduanes, two price quotations for the market basket are collected from the sample outlets (establishments) at the capital, Virac, while four other price quotations are collected from the sample outlets in the municipalities outside Virac during the first five days of the month. However, only two price quotations are collected from Virac during the middle of each month.

For petroleum products, two price quotations for each commodity are collected in Virac every Friday, while four other price quotations for each commodity are collected from the municipalities outside Virac during the first five days of the month.

The arithmetic average of these price quotations is used in the computation of the index.

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