



SPECIAL RELEASE

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

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PRICE SITUATION: YEAR-ON-YEAR

Inflation Rate in Catanduanes accelerates to 5.3 in July 2022

The Inflation Rate (IR) in Catanduanes for July 2022 accelerated further to 5.3 percent which translates to a Purchasing Power of the Peso of P 0.83. It is higher than the registered IR of 4.8 percent in June 2022. On the other hand, comparing it to the same period last year, a lower annual mark-up of 0.6 points was noted on inflation rate of 5.9 in the same period last year.

The acceleration in the inflation rate in July 2022 in the province was primarily due to the higher annual growths in the Transport commodity group index at 12.4 percent and Alcoholic, Beverages and Tobacco commodity group index at 8.7 percent. The following commodity groups also contributed to the upward trend of the inflation rate in the province during the month:

- a. Restaurants and Accommodation Services, 6.0 percent;
- b. Food and Non-alcoholic Beverages, 5.4 percent;
- c. Clothing and Footwear, 5.3 percent;
- d. Personal care and Miscellaneous Goods and Services, 5.3 percent;
- e. Recreation, Sport and Culture, 4.9 percent;
- f. Health, 3.2 percent;
- g. Information and Communication, 2.4 percent; and
- h. Housing, Water, Electricity, Gas and Other Fuels, 2.2 percent; and
- i. Furnishings, Household Equipment and Routine Household Maintenance, 2.0 percent

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

Meanwhile, inflation for food in the province further increased to 5.4 percent in July 2022, from 4.9 percent in June 2022. In July 2021, food inflation was the same at 5.4 percent.

The uptick in the food inflation was primarily influenced by the double-digit annual growths in the Sugar, Confectionery and Desserts at 23.5 percent; Oils and Fats at 10.8 percent and Fish and Other Seafoods at 10.0 percent. In addition, higher annual increments were recorded in the following food groups:

- a. Ready-Made Food and Other Food Products N.E.C., 7.8 percent;
- b. Cereals and Cereal Products, 6.3 percent;

- c. Non-alcoholic Beverages, 3.3 percent;
- d. Meat and Other Parts of Slaughtered Land Animals, 2.5 percent;
- e. Milk, Other Dairy Products, and Eggs, 1.7 percent; and
- f. Vegetables, Tubers, Cooking Bananas and Pulses, 0.9 percent

On the contrary, inflation rates for Fruits and Nuts were lowered at -5.4 percent.

The indices for Rice exhibited a higher annual increase of 4.8 percent while corn retained its previous month's inflation rate at 12.5 percent. (Table 3)

PRICE SITUATION: MONTH-ON-MONTH

On a month-on-month basis, general prices of consumer items accelerated at 1.2 percent compared to last month.

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

- a. Restaurants and Accommodation Services, 3.0 percent;
- b. Alcoholic Beverages, Tobacco, 2.6 percent;
- c. Food and Non-Alcoholic Beverages, 1.6 percent;
- d. Health, 0.8 percent;
- e. Furnishings, Household Equipment and Routine Household Maintenance, 0.8 percent;
- f. Personal Care, and Miscellaneous Goods and Services, 0.8 percent;
- g. Information and Communication, 0.7 percent;
- h. Clothing and Footwear, 0.6 percent;
- i. Recreation, Sport and Culture, 0.3 percent; and
- j. Transport, 0.2 percent; and
- k. Housing, Water, Electricity, Gas and Other Fuels, 0.1 percent

Education Services and Financial Services commodity group retained its price indices during the month. (Table 2)

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

Commodity Groups	July 2021	July 2022	Year-on-Year Change (%)
ALL ITEMS	114.4	120.5	5.3
Food and Non-Alcoholic Beverages	106.5	112.2	5.4
Alcoholic Beverages, Tobacco	168.3	183.0	8.7
NON-FOOD	118.7	124.8	5.1
Clothing and Footwear	116.1	122.2	5.3
Housing, Water, Electricity, Gas and Other Fuels	107.3	109.7	2.2
Furnishings, Household Equipment and Routine Household Maintenance	113.6	115.9	2.0
Health	110.8	114.3	3.2
Transport	148.9	167.4	12.4
Information and Communication	105.1	107.6	2.4
Recreation, Sport and Culture	110.5	115.9	4.9
Education Services	108.6	108.6	0.0
Restaurants and Accommodation Services	142.1	150.6	6.0
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	110.4	116.2	5.3

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

Commodity Groups	June 2022	July 2022	Month-on- Month Change (%)
ALL ITEMS	119.1	120.5	1.2
Food and Non-Alcoholic Beverages	110.4	112.2	1.6
Alcoholic Beverages, Tobacco	178.3	183.0	2.6
NON-FOOD	123.9	124.8	0.7
Clothing and Footwear	121.5	122.2	0.6
Housing, Water, Electricity, Gas and Other Fuels	109.6	109.7	0.1
Furnishings, Household Equipment and Routine Household Maintenance	115.0	115.9	0.8
Health	113.4	114.3	0.8
Transport	167.1	167.4	0.2
Information and Communication	106.8	107.6	0.7
Recreation, Sport and Culture	115.6	115.9	0.3
Education Services	108.6	108.6	0.0
Restaurants and Accommodation Services	146.2	150.6	3.0
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	115.3	116.2	0.8

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	
	Jul 2021	Jun 2022	Jul 2022	Month-on-Month	Year-on-Year
ALL ITEMS	114.4	119.1	120.5	1.2	5.3
I. FOOD AND NON-ALCOHOLIC BEVERAGES	106.5	110.4	112.2	1.6	5.4
* Food	106.2	110.2	112.1	1.7	5.6
Cereals and Cereal Products	94.5	99.4	100.5	1.1	6.3
Cereals	88.1	92.0	92.3	0.3	4.8
Rice	88.0	92.0	92.2	0.2	4.8
Corn	105.9	105.9	119.1	12.5	12.5
Flour, Bread and Other Bakery Products, Pasta Products	111.7	119.0	122.6	3.0	9.7
Meat and Other Parts of Slaughtered Land Animals	121.7	121.9	124.8	2.4	2.5
Fish and Other Seafood	114.5	124.1	125.9	1.5	10.0
Milk, Other Dairy Products, and Eggs	109.1	111.5	111.0	-0.4	1.7
Oils and Fats	105.0	112.0	116.3	3.8	10.8
Fruits and Nuts	112.2	104.3	106.1	1.7	-5.4
Vegetables, Tubers, Cooking Bananas and Pulses	105.0	105.0	105.9	0.9	0.9
Sugar, Confectionery and Desserts	102.6	116.7	126.7	8.6	23.5
Ready-Made Food and Other Food Products N.E.C.	107.3	112.6	115.7	2.8	7.8
* Non-alcoholic Beverages	110.0	112.7	113.6	0.8	3.3

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

Figure 1. Inflation Rate in Catanduanes: July 2021 to July 2022 (2018=100)

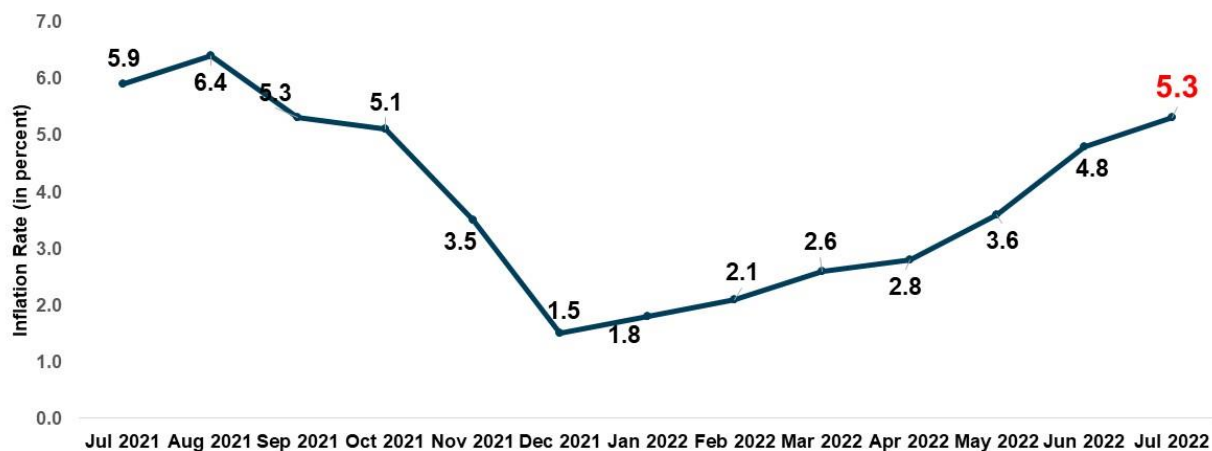
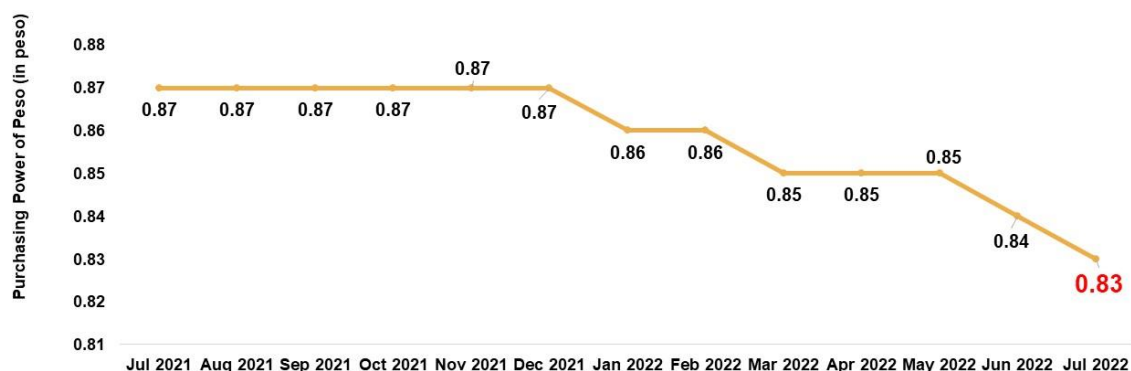


Figure 2. Purchasing Power of Peso in Catanduanes: July 2021 to July 2022 (2018=100)



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 July 2022 is 120.5. This means that for an average Filipino household to afford same basket of goods and services in July 2018 purchased @ Php 100.00 needs an additional Php 20.50 in July 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 17.00 for a can of sardines in July 2021 and if the average prices went up by 5.3% after a year's time, you will need Php 17.90 to pay the same type of sardines in July 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 July 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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