



SPECIAL RELEASE

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

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PRICE SITUATION: YEAR-ON-YEAR

Inflation Rate in Catanduanes accelerates to 4.8 in June 2022

The Inflation Rate (IR) in Catanduanes for June 2022 accelerated to 4.8 percent which translates to a Purchasing Power of the Peso of P 0.84. It is higher than the registered IR of 3.6 percent in May 2022. On the other hand, comparing it to the same period last year, a lower annual mark-up of 0.1 points was noted on inflation rate of 4.9 in the same period last year.

The acceleration in the inflation rate in June 2022 in the province was primarily due to the higher annual growths in the Transport commodity group index at 12.8 percent and Alcoholic, Beverages and Tobacco commodity group index at 6.0 percent. The following commodity groups also contributed to the upward trend of the inflation rate in the province during the month:

- a. Clothing and Footwear, 5.0 percent;
- b. Food and Non-alcoholic Beverages, 4.9 percent;
- c. Personal Care, and Miscellaneous Goods and Services, 4.6 percent;
- d. Recreation, Sport and Culture, 4.4 percent;
- e. Restaurants and Accommodation Services, 2.9 percent;
- f. Health, 2.4 percent;
- g. Housing, Water, Electricity, Gas and Other Fuels, 2.4 percent;
- h. Information and Communication, 1.6 percent; and
- i. Furnishings, Household Equipment and Routine Household Maintenance, 1.3 percent

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

Meanwhile, inflation for food in the province further increased to 5.2 percent in June 2022, from 3.3 percent in May 2022. In June 2021, food inflation was lower at 2.9 percent.

The uptick in the food inflation was primarily influenced by the double-digit annual growths in the Sugar, Confectionery and Desserts at 13.5 percent and Fish and Other Seafood at 11.7 percent. In addition, higher annual increments were recorded in the following food groups:

- a. Oils and Fats, 7.7 percent;
- b. Vegetables, Tubers, Cooking Bananas and Pulses, 6.9 percent;
- c. Cereals and Cereal Products, 6.5 percent;

- d. Ready-Made Food and Other Food Products N.E.C., 4.6 percent; and
- e. Non-alcoholic Beverages, 2.5 percent;
- f. Milk, Other Dairy Products, and Eggs, 1.5 percent; and
- g. Meat and Other Parts of Slaughtered Land Animals, 1.2 percent

On the contrary, inflation rates for Fruits and Nuts were lowered at -10.0 percent.

The indices for Rice exhibited a higher annual increase of 6.3 percent while corn retained its previous month's inflation rate. (Table 3)

PRICE SITUATION: MONTH-ON-MONTH

On a month-on-month basis, general prices of consumer items accelerated at 0.9 percent compared to last month.

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

- a. Alcoholic, Beverages and Tobacco, 2.2 percent
- b. Transport, 1.8 percent;
- c. Restaurants and Accommodation Services, 1.1 percent;
- d. Housing, Water, Electricity, Gas and Other Fuels, 1.0 percent;
- e. Health, 1.0 percent;
- f. Recreation, Sport and Culture, 1.0 percent;
- g. Clothing and Footwear, 0.8 percent;
- h. Food and Non-Alcoholic Beverages, 0.6 percent;
- i. Personal Care, and Miscellaneous Goods and Services, 0.5 percent;
- j. Information and Communication, 0.3 percent; and
- k. Furnishings, Household Equipment and Routine Household Maintenance, 0.2 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
June 2021 and June 2022 (2018=100)**

Commodity Groups	June 2021	June 2022	Year-on-Year Change (%)
ALL ITEMS	113.6	119.1	4.8
Food and Non-Alcoholic Beverages	105.2	110.4	4.9
Alcoholic Beverages, Tobacco	168.2	178.3	6.0
NON-FOOD	118.4	123.9	4.6
Clothing and Footwear	115.7	121.5	5.0
Housing, Water, Electricity, Gas and Other Fuels	107.0	109.6	2.4
Furnishings, Household Equipment and Routine Household Maintenance	113.5	115.0	1.3
Health	110.7	113.4	2.4
Transport	148.2	167.1	12.8
Information and Communication	105.1	106.8	1.6
Recreation, Sport and Culture	110.7	115.6	4.4
Education Services	108.6	108.6	0.0
Restaurants and Accommodation Services	142.1	146.2	2.9
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	110.2	115.3	4.6

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

Commodity Groups	May 2022	June 2022	Month-on-Month Change (%)
ALL ITEMS	118.0	119.1	0.9
Food and Non-Alcoholic Beverages	109.7	110.4	0.6
Alcoholic Beverages, Tobacco	174.5	178.3	2.2
NON-FOOD	122.7	123.9	1.0
Clothing and Footwear	120.5	121.5	0.8
Housing, Water, Electricity, Gas and Other Fuels	108.5	109.6	1.0
Furnishings, Household Equipment and Routine Household Maintenance	114.8	115.0	0.2
Health	112.3	113.4	1.0
Transport	164.1	167.1	1.8
Information and Communication	106.5	106.8	0.3
Recreation, Sport and Culture	114.5	115.6	1.0
Education Services	108.6	108.6	0.0
Restaurants and Accommodation Services	144.6	146.2	1.1
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	114.7	115.3	0.5

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	
	Jun 2021	May 2022	Jun 2022	Month-on-Month	Year-on-Year
* Food	104.8	109.5	110.2	0.6	5.2
Cereals and Cereal Products	93.3	99.3	99.4	0.1	6.5
Cereals	86.6	92.4	92.0	-0.4	6.3
Rice	86.6	92.4	92.0	-0.4	6.3
Corn	105.9	105.9	105.9	0.0	0.0
Flour, Bread and Other Bakery Products, Pasta Pro	111.3	117.8	119.0	1.0	7.0
Meat and Other Parts of Slaughtered Land Animals	120.5	120.3	121.9	1.3	1.2
Fish and Other Seafood	111.1	121.5	124.1	2.1	11.7
Milk, Other Dairy Products, and Eggs	109.8	111.6	111.5	-0.1	1.5
Oils and Fats	104.0	109.5	112.0	2.3	7.7
Fruits and Nuts	115.9	107.5	104.3	-3.0	-10.0
Vegetables, Tubers, Cooking Bananas and Pulses	98.2	105.0	105.0	0.0	6.9
Sugar, Confectionery and Desserts	102.8	113.7	116.7	2.6	13.5
Ready-Made Food and Other Food Products N.E.C.	107.6	111.1	112.6	1.4	4.6
* Non-alcoholic Beverages	110.0	112.7	112.7	0.0	2.5

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

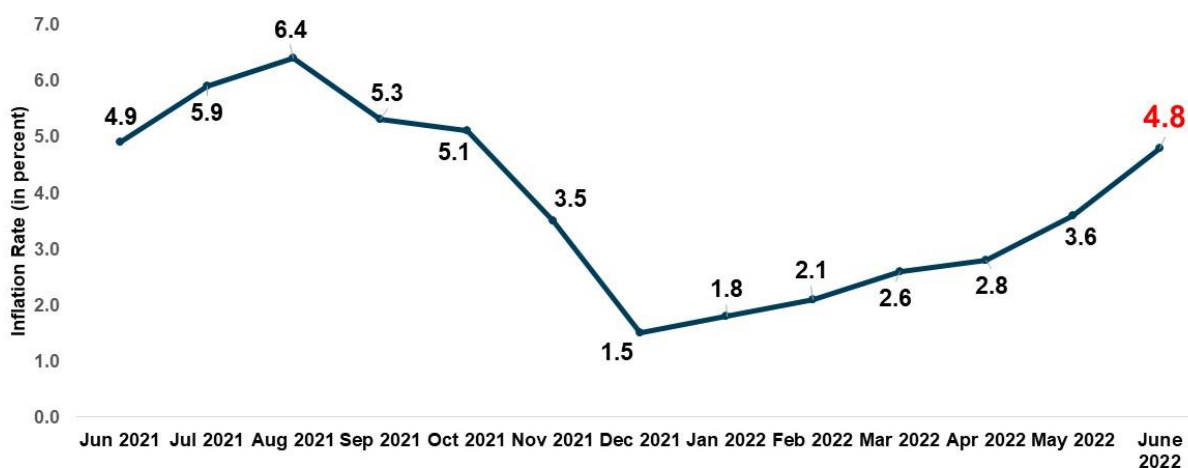
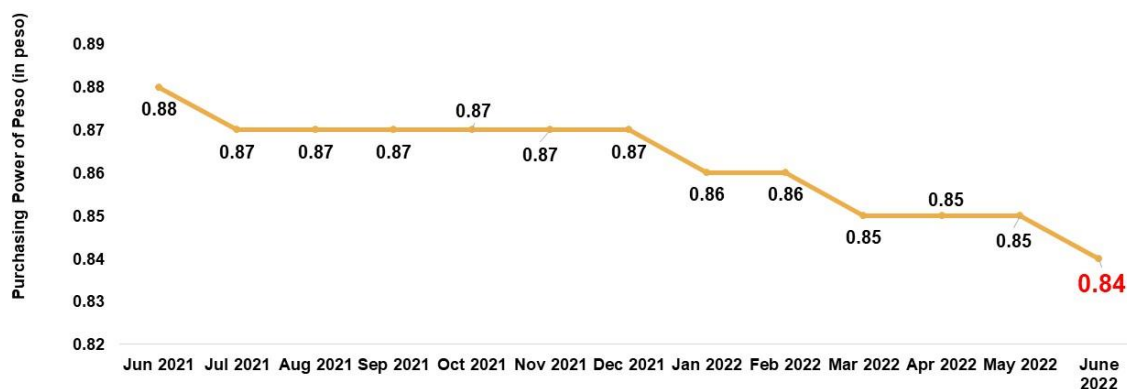


Figure 2. Purchasing Power of Peso in Catanduanes: June 2021 to June 2022 (2018=100)



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 June 2022 is 119.1. This means that for an average Filipino household to afford same basket of goods and services in June 2018 purchased @ Php 100.00 needs an additional Php 19.10 in June 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 June 2021 and if the average prices went up by 4.8% after a year's time, you will need Php 17.82 to pay the same type of sardines in June 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 June 2018 worths only 84 centavos in June 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.

Anavi F. Camacho

ANAVI F. CAMACHO
Chief Statistical Specialist