



SPECIAL RELEASE

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

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PRICE SITUATION: YEAR-ON-YEAR

Inflation Rate in Catanduanes accelerates to 3.6 in May 2022

The Inflation Rate (IR) in Catanduanes for May 2022 accelerated to 3.6 percent which translates to a Purchasing Power of the Peso of P 0.85. It is higher than the registered IR of 2.8 percent in April 2022. On the other hand, comparing it to the same period last year, a lower annual mark-up of 3.0 points was noted on inflation rate of 6.6 in the same period last year.

The acceleration in the inflation rate in May 2022 in the province was primarily due to the higher annual growths in the Transport commodity group index at 11.0 percent and Personal Care, and miscellaneous goods and services commodity group index at 4.6 percent. The following commodity groups also contributed to the upward trend of the inflation rate in the province during the month:

- a. Health, 4.2 percent;
- b. Clothing and Footwear, 4.2 percent;
- c. Recreation, Sport and Culture, 3.9 percent;
- d. Alcoholic, Beverages and Tobacco, 3.7 percent;
- e. Food and Non-alcoholic Beverages, 3.3 percent;
- f. Restaurants and Accommodation Services; 2.4 percent;
- g. Housing, Water, Electricity, Gas and Other Fuels, 1.5 percent;
- h. Information and Communication, 1.3 percent; and
- i. Furnishings, Household Equipment and Routine Household Maintenance, 1.2 percent

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

Meanwhile, inflation for food in the province further increased to 3.3 percent in May 2022, from 1.8 percent in April 2022. In May 2021, food inflation was higher at 3.9 percent.

The uptick in the food inflation was primarily influenced by the double-digit annual growths in the Sugar, Confectionery and Desserts at 11.5 percent. In addition, higher annual increments were recorded in the following food groups:

- a. Fish and Other Seafood, 9.2 percent;
- b. Oils and Fats, 5.3 percent;
- c. Cereals and Cereal Products, 4.1 percent;

- d. Ready-Made Food and Other Food Products N.E.C., 3.5 percent;
- e. Milk, Other Dairy Products, and Eggs, 2.3 percent; and
- f. Meat and Other Parts of Slaughtered Land Animals, 0.3 percent

On the contrary, inflation rates for Fruits and Nuts and Vegetables, Tubers, Cooking Bananas and Pulses were lower at 9.1 percent and 0.5 percent.

The indices for rice exhibited a higher annual increase of 3.3 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 0.6 percent compared to last month.

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

- a. Transport, 1.7 percent
- b. Food and Non-Alcoholic Beverages, 0.9 percent;
- c. Clothing and Footwear, 0.8 percent;
- d. Recreation, Sport and Culture, 0.7 percent;
- e. Health, 0.6 percent;
- f. Information and Communication, 0.4 percent;
- g. Personal Care, and Miscellaneous Goods and Services, 0.4 percent; and
- h. Furnishings, Household Equipment and Routine Household Maintenance, 0.3 percent

Housing, Water, Electricity, Gas and Other Fuels and Alcoholic Beverages, Tobacco commodity groups recorded a decrease of 0.4 percent and 0.1 percent in inflation during the month.

Restaurant and Accommodation Services, Education 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
May 2021 and May 2022 (2018=100)**

| Commodity Groups | May 2021 | May 2022 | Year-on-Year Change (%) |
|--|--------------|--------------|-------------------------|
| ALL ITEMS | 113.9 | 118.0 | 3.6 |
| Food and Non-Alcoholic Beverages | 106.2 | 109.7 | 3.3 |
| Alcoholic Beverages, Tobacco | 168.3 | 174.5 | 3.7 |
| NON-FOOD | 118.0 | 122.7 | 4.0 |
| Clothing and Footwear | 115.6 | 120.5 | 4.2 |
| Housing, Water, Electricity, Gas and Other Fuels | 106.9 | 108.5 | 1.5 |
| Furnishings, Household Equipment and Routine Household Maintenance | 113.4 | 114.8 | 1.2 |
| Health | 107.8 | 112.3 | 4.2 |
| Transport | 147.8 | 164.1 | 11.0 |
| Information and Communication | 105.1 | 106.5 | 1.3 |
| Recreation, Sport and Culture | 110.2 | 114.5 | 3.9 |
| Education Services | 108.6 | 108.6 | 0.0 |
| Restaurants and Accommodation Services | 141.2 | 144.6 | 2.4 |
| Financial Services | 163.6 | 163.6 | 0.0 |
| Personal Care, and Miscellaneous Goods and Services | 109.7 | 114.7 | 4.6 |

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

| Commodity Groups | April 2022 | May 2022 | Month-on-Month Change (%) |
|--|--------------|--------------|---------------------------|
| ALL ITEMS | 117.3 | 118.0 | 0.6 |
| Food and Non-Alcoholic Beverages | 108.7 | 109.7 | 0.9 |
| Alcoholic Beverages, Tobacco | 174.6 | 174.5 | (0.1) |
| NON-FOOD | 122.2 | 122.7 | 0.4 |
| Clothing and Footwear | 119.5 | 120.5 | 0.8 |
| Housing, Water, Electricity, Gas and Other Fuels | 108.9 | 108.5 | (0.4) |
| Furnishings, Household Equipment and Routine Household Maintenance | 114.4 | 114.8 | 0.3 |
| Health | 111.6 | 112.3 | 0.6 |
| Transport | 161.4 | 164.1 | 1.7 |
| Information and Communication | 106.1 | 106.5 | 0.4 |
| Recreation, Sport and Culture | 113.7 | 114.5 | 0.7 |
| Education Services | 108.6 | 108.6 | 0.0 |
| Restaurants and Accommodation Services | 144.6 | 144.6 | 0.0 |
| Financial Services | 163.6 | 163.6 | 0.0 |
| Personal Care, and Miscellaneous Goods and Services | 114.2 | 114.7 | 0.4 |

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

| Commodity Group | CPI | | | Inflation Rates | |
|---|----------|----------|----------|-----------------|--------------|
| | May 2021 | Apr 2022 | May 2022 | Month-on-Month | Year-on-Year |
| * Food | 106.0 | 108.4 | 109.5 | 1.0 | 3.3 |
| Cereals and Cereal Products | 95.4 | 98.0 | 99.3 | 1.3 | 4.1 |
| Cereals | 89.5 | 91.0 | 92.4 | 1.6 | 3.3 |
| Rice | 89.4 | 91.0 | 92.4 | 1.6 | 3.3 |
| Corn | 105.9 | 105.9 | 105.9 | 0.0 | 0.0 |
| Flour, Bread and Other Bakery Products, Pasta Pro | 111.2 | 116.9 | 116.9 | 0.8 | 6.0 |
| Meat and Other Parts of Slaughtered Land Animals | 119.9 | 119.2 | 119.2 | 0.9 | 0.3 |
| Fish and Other Seafood | 111.3 | 119.4 | 121.5 | 1.8 | 9.2 |
| Milk, Other Dairy Products, and Eggs | 109.1 | 111.3 | 111.6 | 0.3 | 2.3 |
| Oils and Fats | 104.0 | 106.0 | 109.5 | 3.3 | 5.3 |
| Fruits and Nuts | 118.3 | 111.1 | 107.5 | -3.2 | -9.1 |
| Vegetables, Tubers, Cooking Bananas and Pulses | 105.5 | 105.1 | 105.0 | -0.1 | -0.5 |
| Sugar, Confectionery and Desserts | 102.0 | 110.6 | 113.7 | 2.8 | 11.5 |
| Ready-Made Food and Other Food Products N.E.C. | 107.3 | 110.8 | 111.1 | 0.3 | 3.5 |
| * Non-alcoholic Beverages | 109.5 | 112.3 | 112.7 | 0.4 | 2.9 |

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

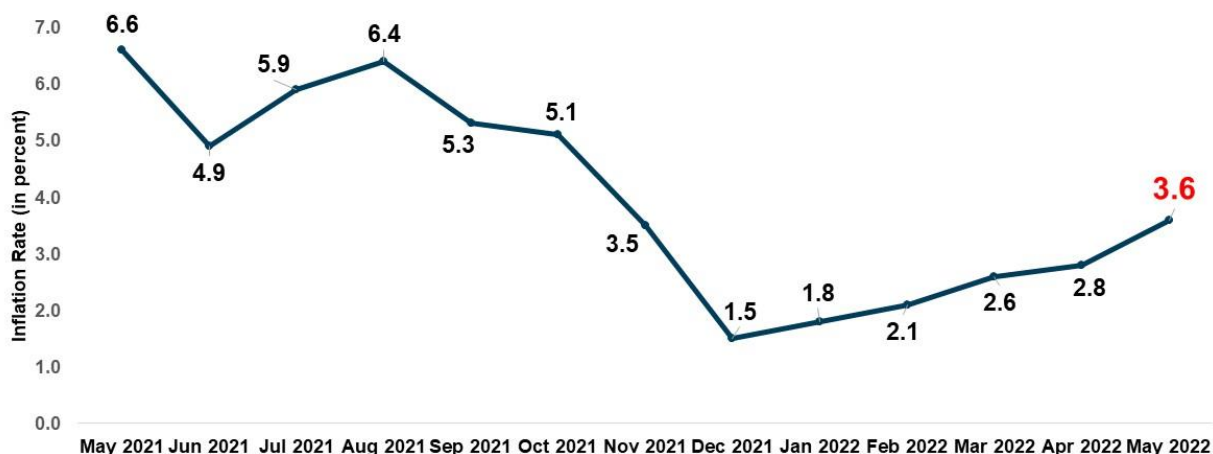
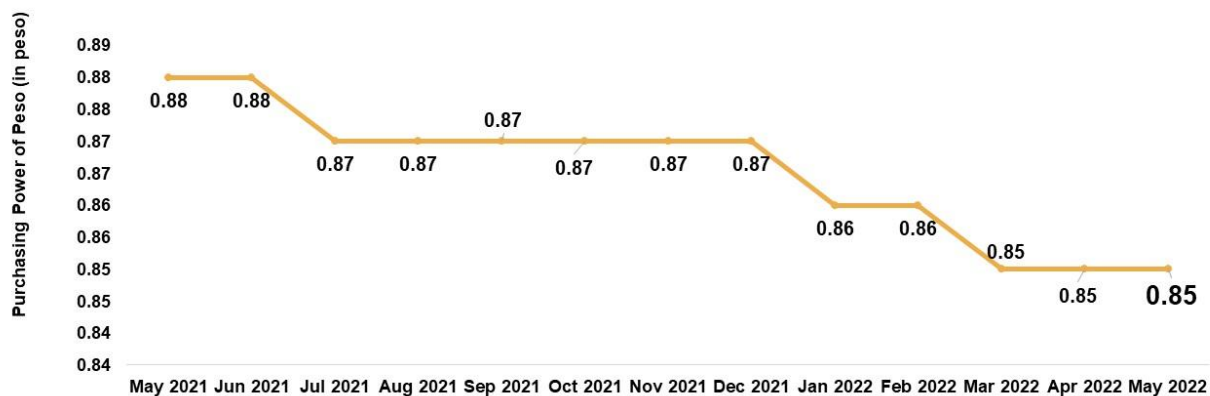


Figure 2. Purchasing Power of Peso in Catanduanes: May 2021 to May 2022 (2018=100)



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 May 2022 is 118.0. This means that for an average Filipino household to afford same basket of goods and services in May 2018 purchased @ Php 100.00 needs an additional Php 18.00 in May 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 May 2021 and if the average prices went up by 3.6% after a year's time, you will need Php 17.61 to pay the same type of sardines in May 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 May 2018 worths only 85 centavos in May 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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