



SPECIAL RELEASE

Summary Inflation Report Consumer Price Index (CPI) for All Income Households Camarines Sur (2018=100)

July 2024

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Table 1. Year-on-Year Inflation Rates for All Income Households, Camarines Sur, In Percent (2018=100)

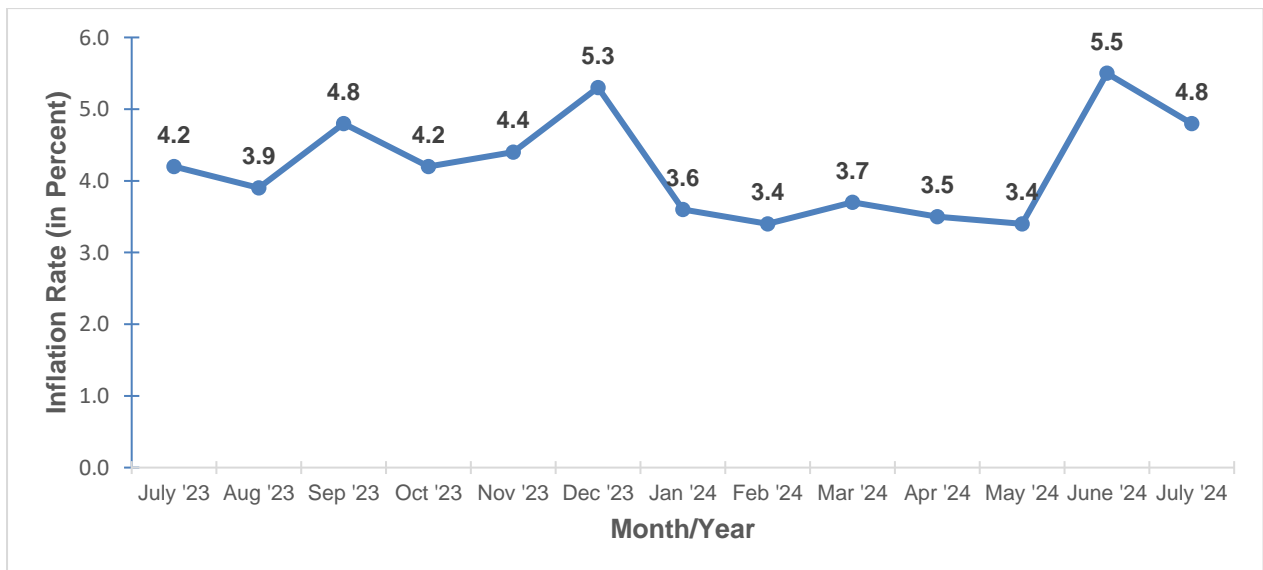
Area	July 2023	June 2024	July 2024	Year-to-Date*
Camarines Sur	4.2	5.5	4.8	4.0

*Year on year change of average CPI for January to July 2024 vs 2023

Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

The headline inflation in Camarines Sur slowed down to 4.8 percent in July 2024 from 5.5 percent recorded in June 2024. This brings the provincial average inflation from January to July 2024 at 4.0 percent. In addition, the inflation rate in July 2024 was higher by 0.6 percentage points than the inflation rate recorded in July 2023 at 4.2 percent.

Figure 1. Year-on-Year Inflation Rates for All Income Households, Camarines Sur, in Percent: July 2024 – July 2024 (2018=100)



Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

I. Main Contributors to the Headline Inflation

The main contributors to Camarines Sur's overall inflation during July 2024 was Food and Non-alcoholic Beverages with an inflation rate of 8.9 percent. This equates to an 86.5 percent share or 4.2 points contributing to the province's inflation. The main contributor to the inflation in this commodity group is Rice with a 31.3 percent inflation rate. This accounts for 70.6 percent share, or 3.4 points.

Transport was the second contributor to the province's inflation rate with a 13.9 percent share or 0.7 points, while the third primary driver was Clothing and Footwear with a 6.0 percent share or 0.3 points.

II. Main Drivers to the Downtrend of the Headline Inflation

The downtrend in the overall inflation in July 2024 was primarily influenced by the slower year-on-year increase in Housing, Water, Electricity, Gas and Other Fuel at -5.1 percent from 0.9 percent in the previous month. The main contributor to the decline in inflation in this commodity group is electricity which decreased by -43.5 percentage points from 3.0 percent recorded in July 2023 to -40.5 percent in July 2024.

The second contributor in the downtrend of the inflation is the slower increase in Clothing and Footwear which recorded 8.6 percent inflation in July 2024 from 9.7 percent in June 2024.

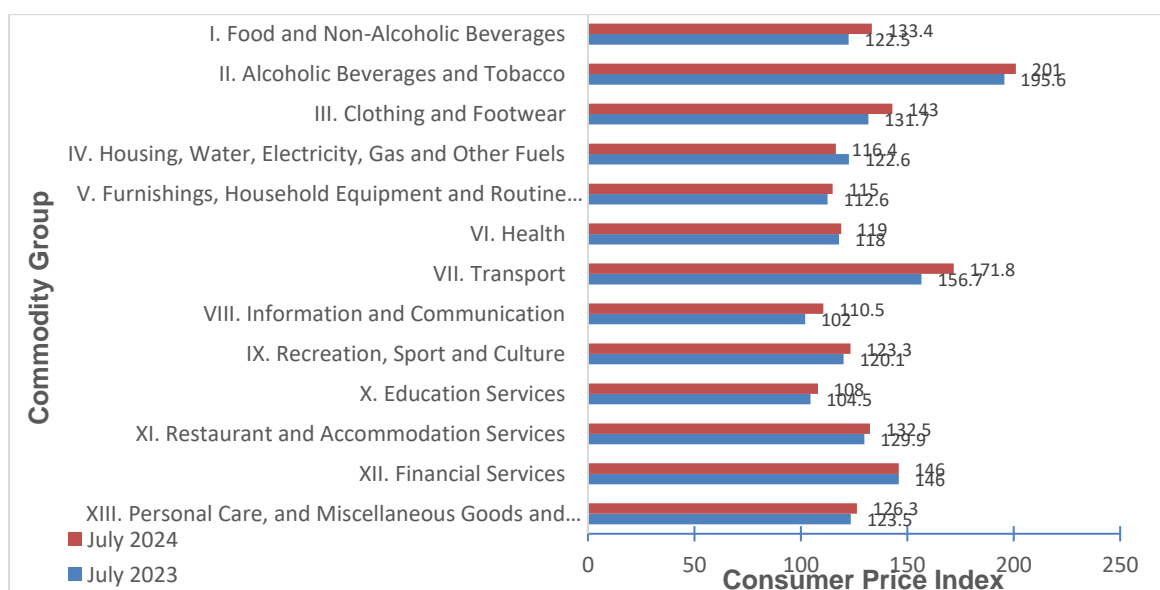
In addition, inflation rate in the following commodity groups also decreased:

1. Furnishings, Household Equipment and Routine Household Maintenance, 2.1 percent;
2. Health, 0.8 percent; and
3. Information and Communication, 8.3 percent;

On the other hand, the following commodity groups registered faster increase in the inflation rate during the month: Food and Alcoholic Beverages, 8.9 percent; Transport, 9.6 percent; Recreation, Sport and Culture, 2.7 percent; Education Services, 3.3 percent; and Personal Care, and Miscellaneous Goods and Services, 2.3 percent.

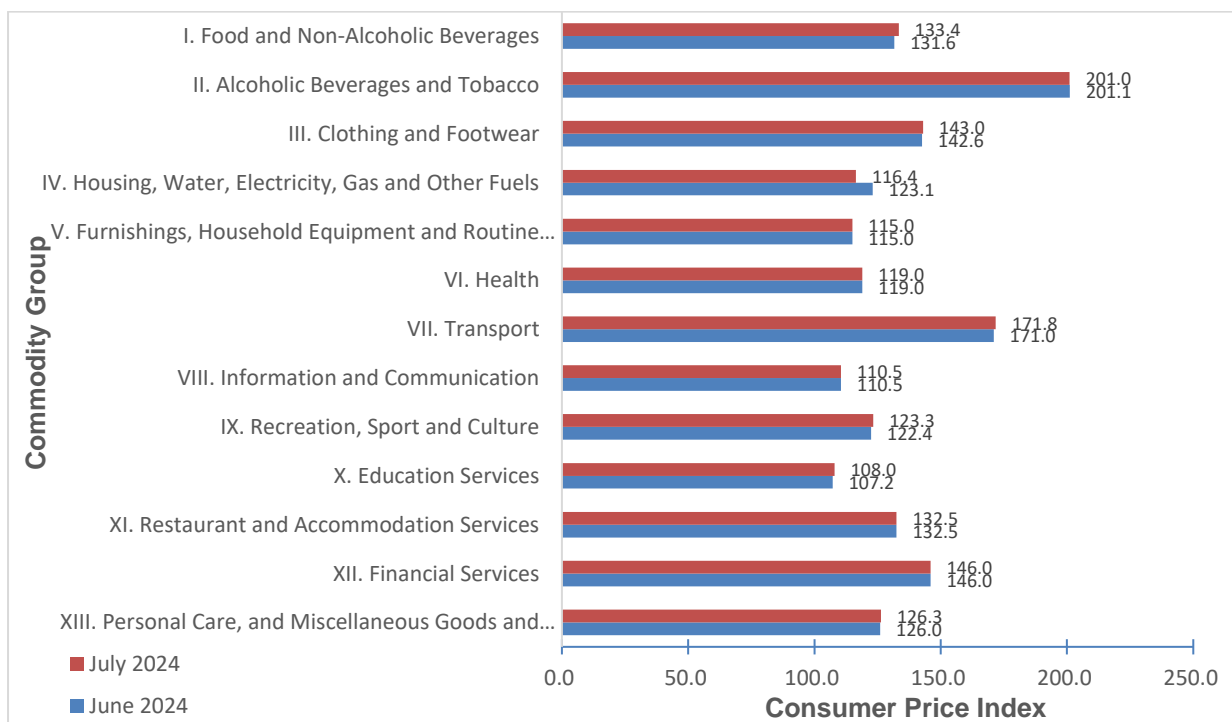
Meanwhile, Alcoholic Beverages and Tobacco, Restaurant and Accommodation Services retained its previous month's inflation rate, while Financial Services recorded zero percent annual growth.

Figure 2. Consumer Price Index for All Income Households in Camarines Sur by Commodity Group, Year-on-Year: July 2023 and July 2024 (2018 = 100)



Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

Figure 3. Consumer Price Index for All Income Households in Camarines Sur by Commodity Group, Month-on-Month: June and July 2024 (2018 = 100)



Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

Table 2. Consumer Price Index for All Income Households in Camarines Sur by Commodity Group: July 2024, June 2024 - July 2024 (2018 = 100)

COMMODITY GROUP	Year-on-Year			Month-on-Month	
	July 2023	July 2024	Inflation Rate	June 2024	July 2024
ALL ITEMS	125.5	131.5		131.9	131.5
I. Food and Non-Alcoholic Beverages	122.5	133.4	8.9	131.6	133.4
II. Alcoholic Beverages and Tobacco	195.6	201.0	2.8	201.1	201.0
III. Clothing and Footwear	131.7	143.0	8.6	142.6	143.0
IV. Housing, Water, Electricity, Gas and Other Fuels	122.6	116.4	-5.1	123.1	116.4
V. Furnishings, Household Equipment and Routine Household Maintenance	112.6	115.0	2.1	115.0	115.0
VI. Health	118.0	119.0	0.8	119.0	119.0
VII. Transport	156.7	171.8	9.6	171.0	171.8
VIII. Information and Communication	102.0	110.5	8.3	110.5	110.5
IX. Recreation, Sport and Culture	120.1	123.3	2.7	122.4	123.3
X. Education Services	104.5	108.0	3.3	107.2	108.0
XI. Restaurant and Accommodation Services	129.9	132.5	2.0	132.5	132.5
XII. Financial Services	146.0	146.0	0.0	146.0	146.0
XIII. Personal Care, and Miscellaneous Goods and Services	123.5	126.3	2.3	126.0	126.3
Inflation Rate	4.2	4.8		5.5	4.8
Purchasing Power of Peso	0.80	0.76		0.76	0.76

Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

Purchasing Power of Peso drops to PhP 0.76 in July 2024

In Camarines Sur



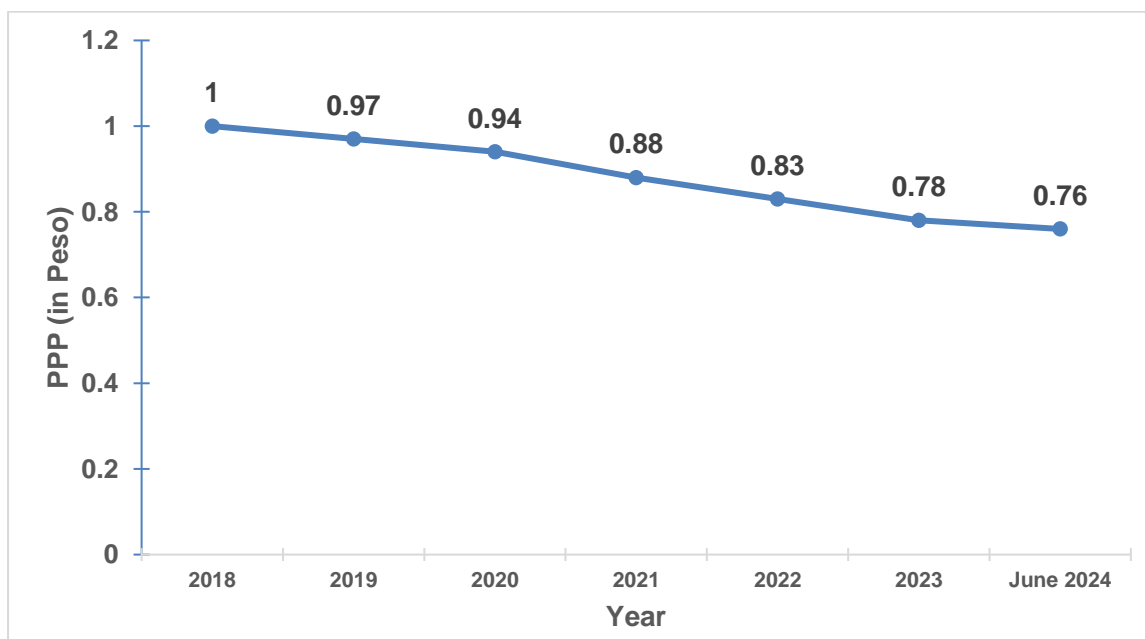
Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

The Purchasing Power of Peso (PPP) in the province of Camarines Sur decreased to 0.76 in July 2024.

This means that a peso in 2018 is only worth 76 centavos in July 2024, or you need PhP131.90 to purchase the same volume of goods and services worth P100.00 in 2018.

Purchasing Power of Peso (PPP) is inversely related to inflation rate. Thus, as the inflation rate increases, PPP declines. Figure 4 shows that in Camarines Sur, PPP has been decreasing on the average of 0.04 annually from 2018 to 2023. The PPP in 2023 was 0.78. This implies that the PhP1.00 in 2018 as the base year, values only PhP0.78 in 2023.

Figure 4. Purchasing Power of Peso in Camarines Sur: 2018-2023, July 2024 (2018=100)



Source: Survey of Retail Prices of Commodities for the Generation of CPI, Philippine Statistics Authority (PSA)

TECHNICAL NOTES

CONSUMER PRICE INDEX (CPI)

The CPI is a measure of the changes in the average price level of goods and services that most people buy for their day-to-day consumption. It measures the composite change in the consumer prices of various commodities over time.

COMPONENTS OF CPI:

A. Base Period

The reference date or base period is the benchmark or reference date or period at which the index is taken as equal to 100. Starting January 2022, the base period is 2018.

B. Market Basket

A sample of the thousands of varieties of goods purchased for consumption and services availed by the households in the country selected to represent the composite price behaviour of all goods and services purchased by consumers.

C. Weighting System

The weighting pattern uses the expenditures on various consumer items purchased by households as proportion to total expenditure.

D. Formula

The formula used in computing the CPI is the weighted arithmetic mean of price relatives, the Laspeyre's formula with a fixed base year period (2018) weights.

E. Geographic Coverage

CPI values are computed at the national, regional, and provincial levels, and for selected cities.

INFLATION RATE

The inflation rate is the annual or monthly rate of change of the CPI expressed in percent. Inflation is interpreted in terms of declining purchasing power of money.

HEADLINE INFLATION RATE

The headline inflation rate refers to the rate of change in the CPI, a measure of the average standard "basket" of goods and services consumed by a typical family.

YEAR-ON-YEAR INFLATION RATE

Year-On-Year Inflation Rate is the annual percentage change of CPI. For example, the percentage change of CPI between July 2023 and July 2024.


MONTH-ON-MONTH INFLATION RATE

Month-On-Month Inflation Rate is the monthly percentage change of CPI. For example, the percentage changes of CPI between July 2024 and June 2024.

PURCHASING POWER OF PESO (PPP)

The purchasing power of peso (PPP) shows how much 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.

For example, the PhP 1.00 in 2018 is valued only at PhP 0.78 in 2023.



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