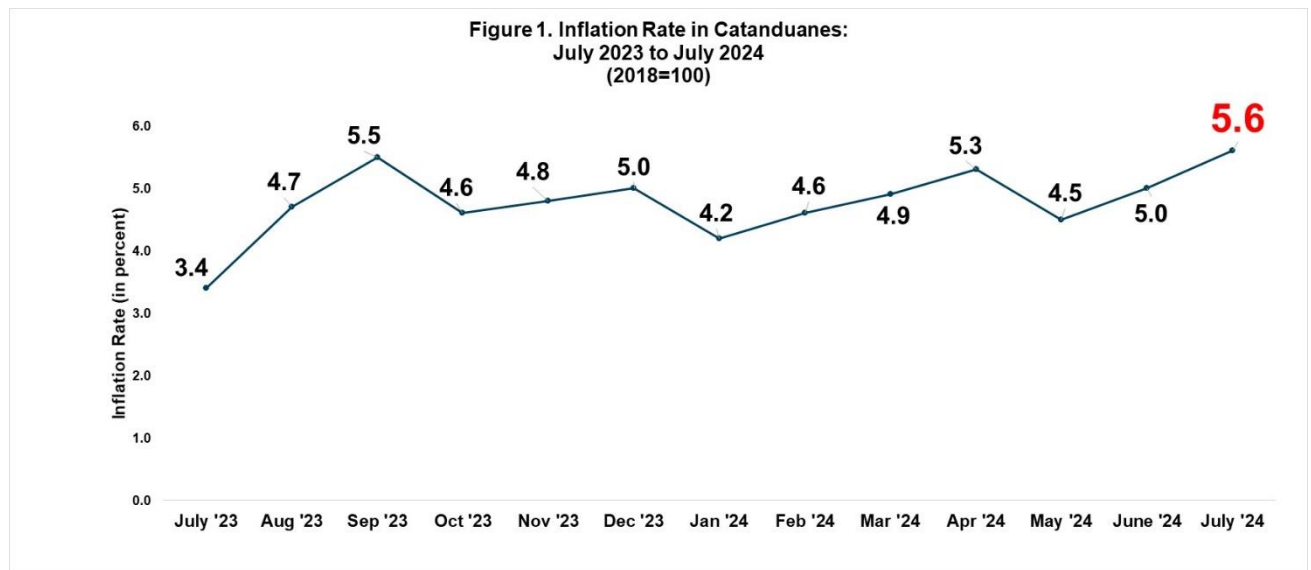


SPECIAL RELEASE

CONSUMER PRICE INDEX FOR ALL INCOME HOUSEHOLDS IN CATANDUANES JULY 2024 (2018=100)

Date of Release: 19 August 2024

Reference No. 2024-08-016-CT



Headline Inflation

The province's headline inflation or overall inflation accelerated to 5.6 percent in July 2024 from 5.0 percent in June 2024. This brings the provincial average inflation from January to July 2024 to 4.9 percent. In July 2023, inflation rate was lower at 3.4 percent.

Table 1. Year on Year Inflation Rates, All Items: Catanduanes
In Percent
(2018=100)

July 2023	June 2024	July 2024	Year-to-Date*
3.4	5.0	5.6	4.9

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

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



Main Drivers to the Upward Trend of the Headline Inflation

The uptrend in the overall inflation in July 2024 was primarily influenced by the increase in the index of Food and Non-alcoholic Beverages at 7.9 percent during the month from 6.9 percent in June 2024. Also contributing to the uptrend were the faster annual increases in the indices of Housing, Water, Electricity, Gas and Other Fuels with 1.2 percent in July 2024 from 0.5 percent in June 2024, and Transport services with 4.9 percent inflation in July 2024 from 4.0 percent inflation in the previous month.

Moreover, higher inflation rates during the month were also noted in the indices of the following commodity groups during the month:

- a. Personal Care, and Miscellaneous Goods and Services, 6.6 percent from 6.0 percent in June 2024;
- b. Health, 5.8 percent from 5.4 percent; and
- c. Clothing and Footwear, 6.5 percent from 6.2 percent.

In contrast, the following commodity groups registered lower inflation rates during the month:

- a. Alcoholic beverages and tobacco, 3.7 percent from 4.6 percent;
- b. Furnishings, Household Equipment and Routine Household Maintenance, 4.8 percent from 4.7 percent;
- c. Information and Communication, 0.2 percent from 0.3 percent; and
- d. Recreation, Sport and Culture, 4.1 percent from 4.6 percent.

The indices of the rest of the commodity groups retained their respective previous month's annual rates. (Table 3)

Main Contributors to the Headline Inflation

The top three commodity groups contributing to the July 2024 overall inflation were the following:

- a. Food and non-alcoholic beverages with 66.0 percent share or 7.9 percentage points;
- b. Transport with 6.4 percent share or 4.9 percentage point; and
- c. Personal Care, and Miscellaneous Goods and Services with 5.5 percent share or 6.6 percentage point.

Food Inflation

Food inflation at the provincial level rose to 8.4 percent in July 2024 from 7.3 percent in June 2024. In July 2023, food inflation was lower at 5.4 percent.

Main Drivers to the Upward Trend of Food Inflation

The acceleration of food inflation in July 2024 was mainly brought about by the year-on-year increase in meat and other parts of slaughtered land animals index at 5.1 percent in July 2024 from 1.5 percent in the previous month. The index of milk, other dairy products and eggs also contributed to the uptrend with an inflation rate of 7.3 percent during the month from 3.5 percent in June 2024.



In addition, slower annual increase was noted in the indices of rice at 31.3 percent, and fruits and nuts at 0.9 percent in July 2024 from their respective year-on-year decreases of 31.6 percent and 2.3 percent in June 2024.

A slower annual decline was noted in the indices of oils and fats at -2.3 percent in July 2024 from -2.7 in June 2024

On the contrary, an increase in annual growth rates during the month from a decline in June 2024 were observed in the indices of the following food groups:

- a. Flour, 0.1 percent from -0.3 percent;
- b. Fish, 0.5 percent from -3.3 percent.
- c.

An annual decrease in July 2024 from an increase in June 2024 was observed in the indices of vegetables, tubers, plantains, cooking bananas and pulses with -1.4 percent during the month from 4.2 percent in previous month.

Moreover, faster annual decrease of -33.3 percent was observed in the indices of corn from -28.6 in June 2024 and sugar, confectionary and desserts with -6.2 percent during the month from -6.1 percent in June 2024.

Main contributors to the Food Inflation

Food inflation shared 65.3 percent or 8.4 percentage points to the overall inflation in July 2024.

The top three food groups in terms of contribution to the food inflation during the month were the following:

- a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with a share of 37.2 percent or 20.8 percentage points;
- b. Meat and other parts of slaughtered land animals with a share of 17.0 percent or 5.1 percentage point; and
- c. Fish and other seafood classified with a share of 15.8 percent or 0.5 percentage point.



**Table 2. Consumer Price Index for All Income Households in Catanduanes
July 2023 and July 2024 (2018=100)**

Commodity Groups	July 2023	July 2024	Year-on-Year Change (%)
ALL ITEMS	124.6	131.6	5.6
Food and Non-Alcoholic Beverages	118.4	127.7	7.9
Alcoholic Beverages, Tobacco	203.8	211.3	3.7
NON-FOOD	126.1	130.9	3.8
Clothing and Footwear	133.4	142.1	6.5
Housing, Water, Electricity, Gas and Other Fuels	109.1	110.4	1.2
Furnishings, Household Equipment and Routine Household Maintenance	122.9	128.7	4.7
Health	115.7	122.4	5.8
Transport	157.0	164.7	4.9
Information and Communication	108.7	108.9	0.2
Recreation, Sport and Culture	123.9	129.0	4.1
Education Services	123.7	124.9	1.0
Restaurants and Accommodation Services	156.5	164.1	4.9
Financial Services	163.6	163.6	0.0
Personal Care, and Miscellaneous Goods and Services	122.6	130.7	6.6

**Table 3. Inflation Rate for All Income Households in Catanduanes
July 2023, June 2024 and July 2024 (2018=100)**

Commodity Groups	July 2023	June 2024	July 2024
ALL ITEMS	3.4	5.0	5.6
Food and Non-Alcoholic Beverages	5.5	6.9	7.9
Alcoholic Beverages, Tobacco	11.4	4.6	3.7
NON-FOOD	1.0	3.3	3.8
Clothing and Footwear	9.2	6.2	6.5
Housing, Water, Electricity, Gas and Other Fuels	(0.5)	0.5	1.2
Furnishings, Household Equipment and Routine Household Maintenance	6.0	4.8	4.7
Health	1.2	5.4	5.8
Transport	(6.2)	4.0	4.9
Information and Communication	1.0	0.3	0.2
Recreation, Sport and Culture	6.9	4.6	4.1
Education Services	13.9	1.0	1.0
Restaurants and Accommodation Services	3.9	4.9	0.9
Financial Services	0.0	0.0	0.0
Personal Care, and Miscellaneous Goods and Services	5.5	6.0	6.6

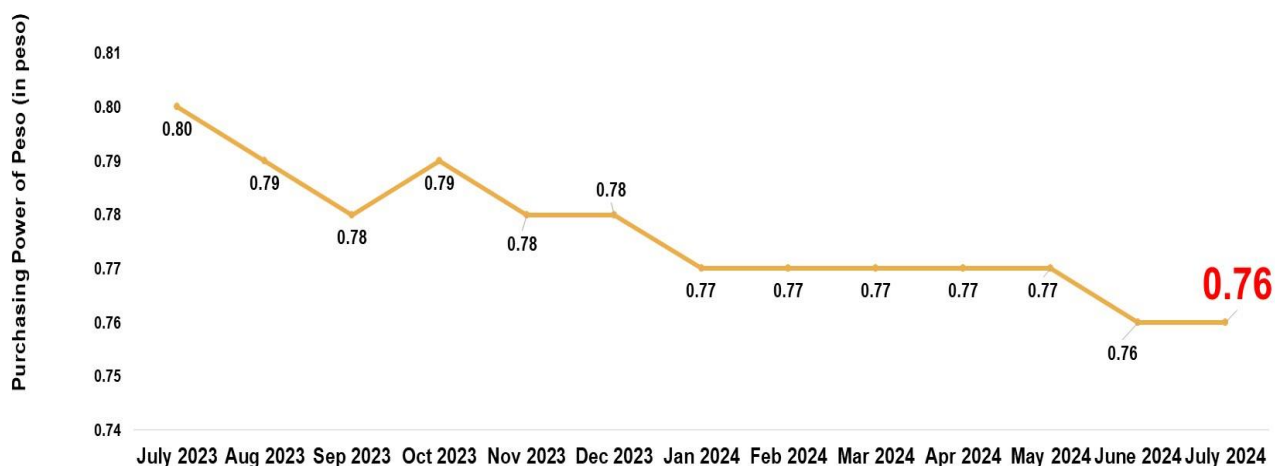


Table 4. Consumer Price Index by Subgroup, Month-on-Month and Year-on-Year Percent Changes in Catanduanes (2018=100)

Commodity Group	CPI			Inflation Rates	
	Jul 2023	Jun 2024	Jul 2024	Month-on-Month	Year-on-Year
ALL ITEMS	124.6	131.0	131.6	0.5	5.6
I. FOOD AND NON-ALCOHOLIC BEVERAGES	118.4	126.9	127.7	0.6	7.9
* Food	118.1	127.1	128.0	0.7	8.4
Cereals and Cereal Products	105.0	127.3	126.8	-0.4	20.8
Cereals	96.5	127.1	126.4	-0.6	31.0
Rice	96.4	127.2	126.5	-0.5	31.3
Corn	151.2	108.0	100.9	-6.6	-33.3
Flour, Bread and Other Bakery Products, Pasta Pro	127.7	127.5	127.9	0.3	0.1
Meat and Other Parts of Slaughtered Land Animals	120.6	124.5	126.7	1.8	5.1
Fish and Other Seafood	126.0	124.5	126.6	1.7	0.5
Milk, Other Dairy Products, and Eggs	126.9	134.5	136.2	1.3	7.3
Oils and Fats	124.0	121.1	121.1	0.0	-2.3
Fruits and Nuts	112.9	116.9	113.9	-2.6	0.9
Vegetables, Tubers, Cooking Bananas and Pulses	133.3	127.6	131.5	3.1	-1.4
Sugar, Confectionery and Desserts	156.9	147.6	147.2	-0.3	-6.2
Ready-Made Food and Other Food Products N.E.C.	124.2	131.4	132.0	0.5	6.3
* Non-alcoholic Beverages	121.8	124.6	124.2	-0.3	2.0

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

Figure 2. Purchasing Power of Peso in Catanduanes: July 2023 to July 2024 (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 date 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 2024 is 131.6. 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 31.60 in July 2024.

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 Php20.00 for a can of sardines in July 2023 and if the average prices went up by 5.6% after a year's time, you will need Php 21.12 to pay the same type of sardines in June 2024.



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 worth's only 76 centavos in June 2024.

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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