

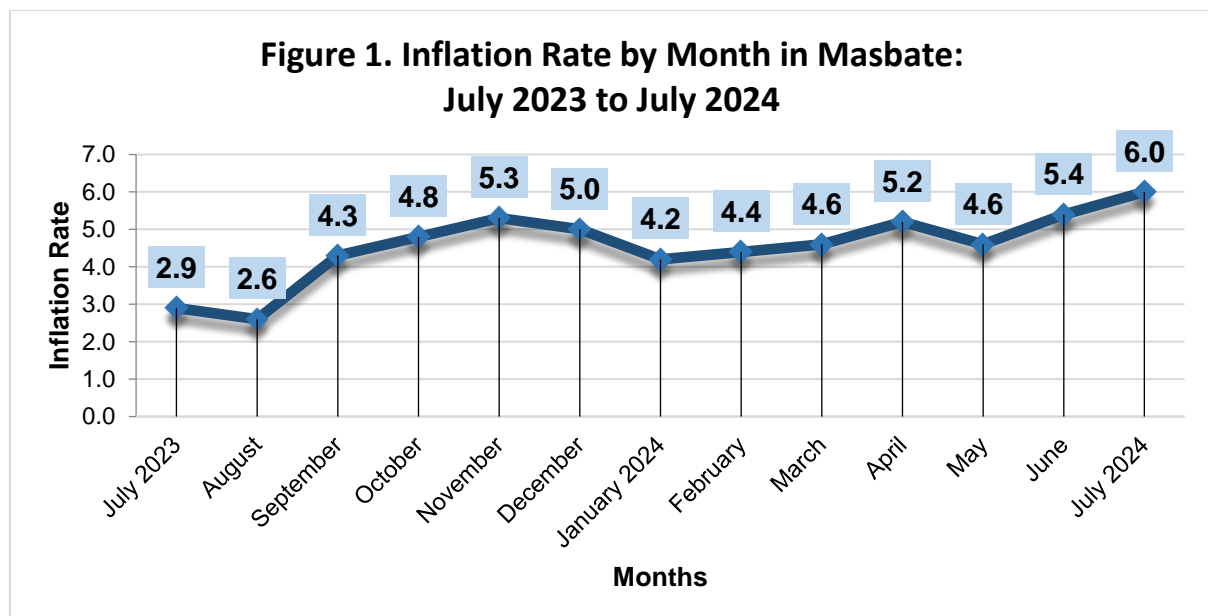
SPECIAL RELEASE

SUMMARY INFLATION REPORT CONSUMER PRICE INDEX FOR ALL INCOME HOUSEHOLDS IN MASBATE: July 2024 (2018 = 100)

Date of Release: August 7, 2024
Issue No. 2024 – 0009

Masbate's headline inflation continues to grow to 6.0 percent

In July 2024, Masbate's headline inflation rate increased to 6.0 percent from 5.4 percent the previous month. This is also the month with the highest reported inflation between July 2023 and July 2024. (See *Figure 1*)



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

The upward shift of the inflation in Masbate was mainly driven by a higher year-on-year increase in the index of *Housing, Water, Electricity, Gas, and Other Fuels* commodity group, which jumped to 6.4 percent this month from 3.9 percent the previous month. The heavily weighted *Food and Non-alcoholic Beverages* commodity group rose to 6.5 percent from 6.3 percent, while *Furnishings, Household Equipment, and Routine Household Maintenance* increased to 10.0 percent from 7.9 percent in June 2024.

Additionally, the following commodity groups/services reported an annual increase throughout the month of July 2024:

- a. Clothing and Footwear, 2.2 percent;



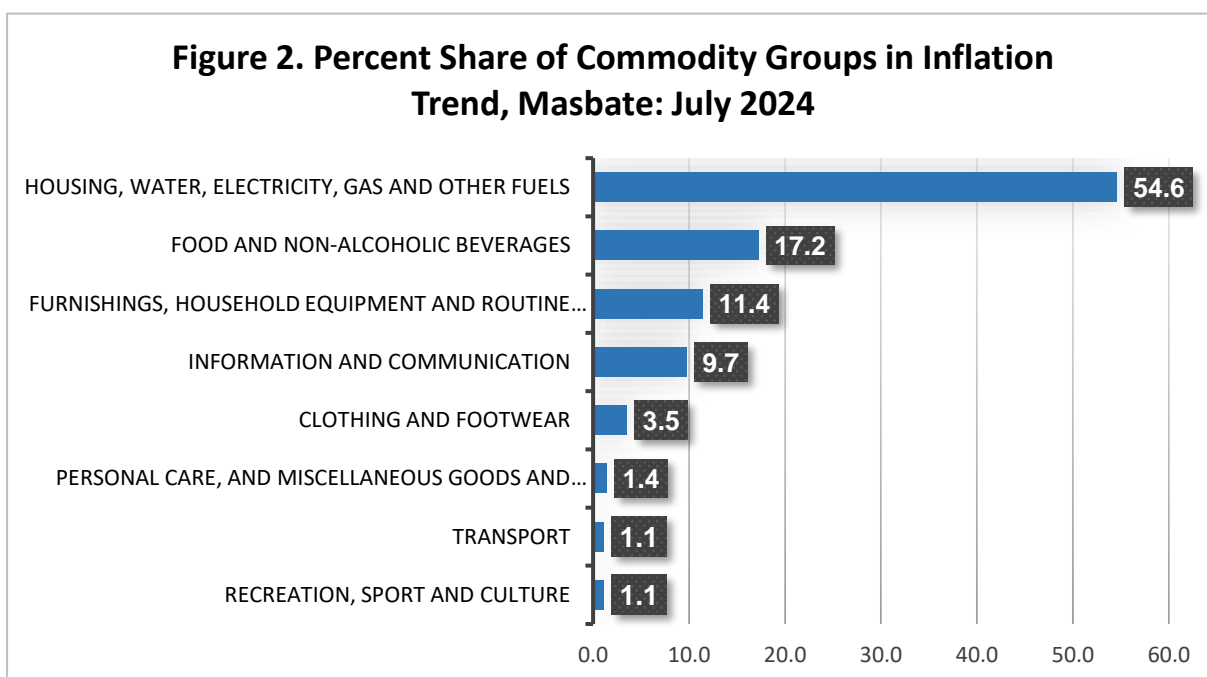
- b. Transport, 4.9 percent;
- c. Information and Communication, 8.8 percent;
- d. Recreation, Sport and Culture, 6.4 percent; and
- e. Personal Care, and Miscellaneous Goods and Services, 3.7 percent.

On the contrary, there were annual decreases reported in the following commodity groups/services this month:

- a. Alcoholic Beverages and Tobacco, 6.9 percent; and
- b. Health, 1.6 percent; and

While the reported year-on-year rates in the indices for the following commodity groups/services remained unchanged:

- a. Education Services, 3.7 percent;
- b. Restaurants and Accommodation Services, 3.6 percent; and
- c. Financial Services, 0.0 percent.



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

Food inflation in the Province of Masbate rises to 6.7 percent.

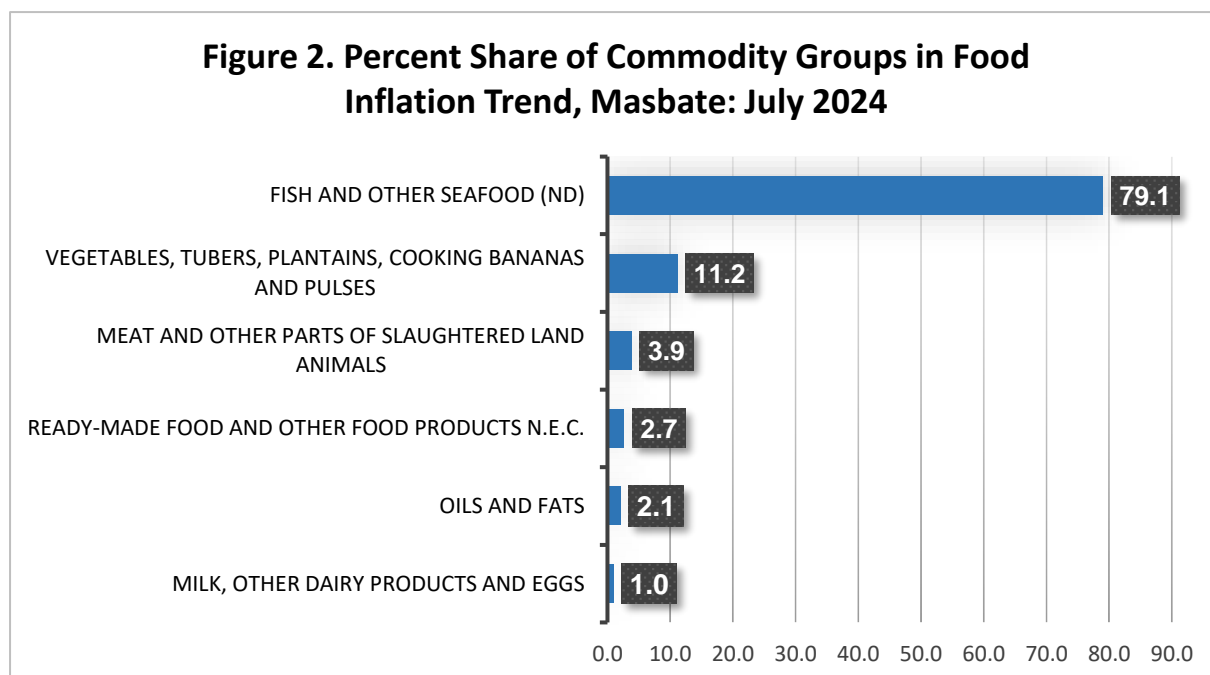
In July, the provincial food inflation rate rose from 6.6 percent to 6.7 percent over the previous month. The annual growth rate of *Fish and other seafood* increased to -4.3 percent from -6.5 percent last month, which was the primary driver of the July 2024 food inflation hike. Then followed by *Vegetables, tubers, plantains, cooking bananas, and pulses*, which increased to 3.9 percent this month from 2.9 percent the previous month, and *Meat and other parts of slaughtered land animals*, which increased to -0.8 percent from -1.0 percent.

The following commodities also showed higher annual growth rates during the reference month:

- a. Milk, other dairy products and eggs, 1.7 percent;
- b. Oils and fats, -5.0 percent; and
- c. Ready-made food and other food products n.e.c, 9.7 percent.

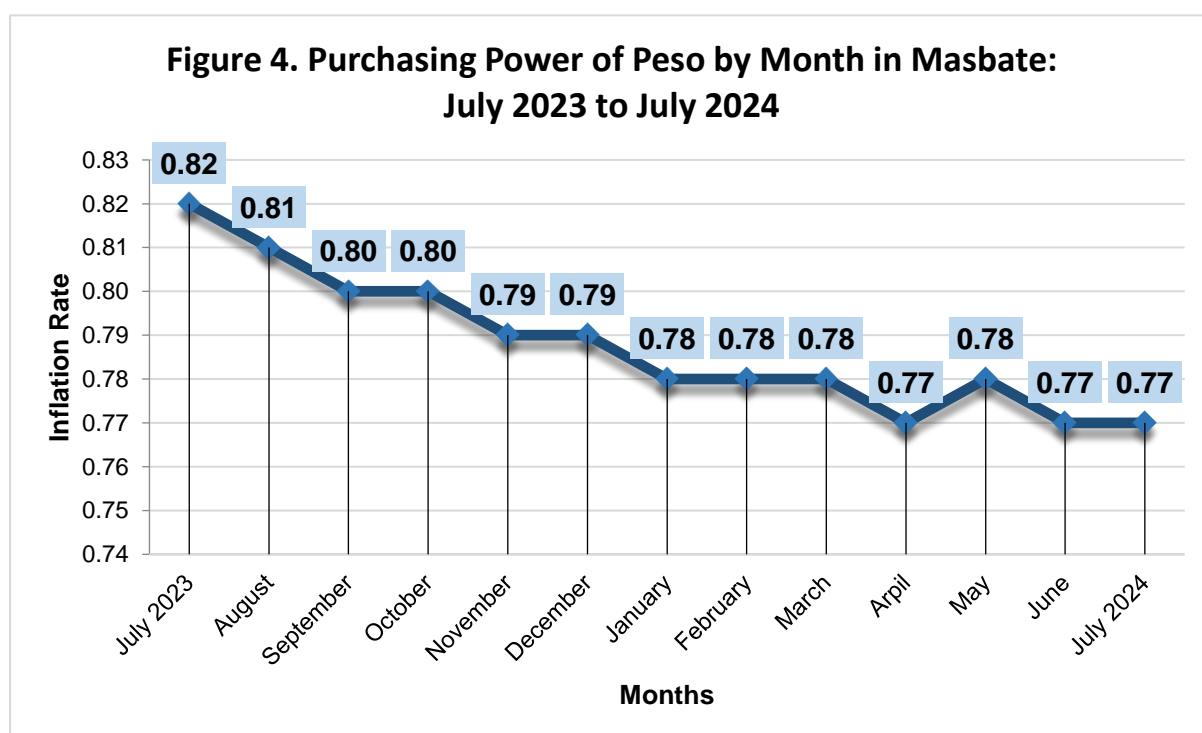
Meanwhile, the following food items showed an annual decline during the month:

- a. Cereal and cereal products (which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals), 19.4 percent;
- b. Fruits and nuts, 1.7 percent; and
- c. Sugar, confectionery and desserts, -7.5 percent.



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

Because of price volatility and the inflation rate's upward trend, Masbate's PPP (Purchasing Power of the Peso) remained steady at 0.77, with minimal changes in the CPI (Consumer Price Index). (See Figure 4 and Table 1)



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

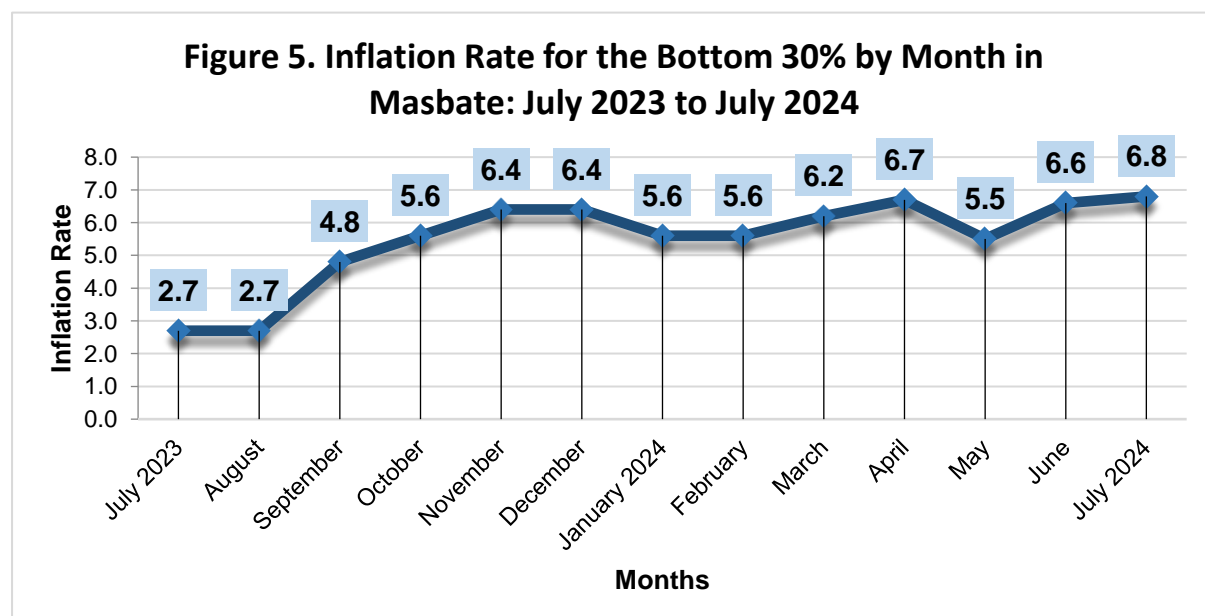
Table 1. Consumer Price Index by Commodity Group, Month-on-Month and Year-on-Year Percent Changes in Masbate (2018=100)

Commodity Group	CPI			Inflation Rates	
	Jul 2023	Jun 2024	Jul 2024	Month-on-Month	Year-on-Year
ALL ITEMS	122.5	129.4	129.8	0.3	6.0
I. Food and Non-Alcoholic Beverages	117.8	125.8	125.5	-0.2	6.5
II. Alcoholic Beverages and Tobacco	156.1	166.4	166.9	0.3	6.9
III. Clothing and Footwear	140.2	142.6	143.3	0.5	2.2
IV. Housing, Water, Electricity, Gas and Other Fuels	116.3	121.1	123.8	2.2	6.4
V. Furnishings, Household Equipment and Routine Household Maintenance	124.8	134.6	137.4	2.1	10.1
VI. Health	130.7	133.0	132.8	-0.2	1.6
VII. Transport	148.7	155.6	156.0	0.3	4.9
VIII. Information and Communication	105.6	112.2	114.9	2.4	8.8
IX. Recreation, Sport and Culture	131.8	139.5	140.3	0.6	6.4
X. Education Services	112.0	116.1	116.1	0.0	3.7
XI. Restaurants and Accommodation Services	126.6	131.1	131.1	0.0	3.6
XII. Financial Services	163.6	163.6	163.6	0.0	0.0
XIII. Personal Care, and Miscellaneous Goods	120.2	124.5	124.6	0.1	3.7

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

Inflation rate for bottom 30% increased at 6.8 percent.

The province’s inflation rate for the bottom 30% income households increased to 6.8 percent in July 2024 from 6.6 percent in June 2024. This brings the average inflation for this income group from January to July 2024 to 6.1 percent. In July 2023, inflation rate was posted at 2.7 percent. (See Figure 5)



CONCEPTS AND DEFINITION

CONSUMER PRICE INDEX (CPI):

- *A measure of the changes in the average retail prices of a fixed basket of goods and services commonly purchased by households relative to base year.*
- *It measures the composite change in the consumer prices of various commodities overtime.*
- *It stands for the percentage change in the average prices of goods and services commonly bought by a group of consumers from the base year.*

COMPONENTS OF THE CPI:

- *Market Basket – refers to sample of goods and services commonly purchased by a particular group of consumers in a particular area.*
- *Weight – a value attached to a commodity or group of commodities to indicate the relative importance of that commodity or group of commodities in the market basket.*
- *Base Year Period – a period usually a year, at which the index number is set to 100 or it is the reference point of the index number series.*
- *Index Method – gives the formula used in computing the index number.*
- *Sample outlets – establishment or retail outlets where prices of commodities/services are collected or quoted.*

INDICATORS DERIVED FROM THE CPI:

INFLATION RATE (IR):

- *Rate of change in the average price level as measured by the CPI between two periods.*
- *It is equivalent to the decline in the internal purchasing of the peso.*
- *It is a derived indicator by comparing the CPI between two periods, usually a year.*

PURCHASING POWER OF PESO (PPP):

- *Shows how much the peso in the base year (2018) is worth in another year or in the current period.*

ANNA G. BAJAMUNDI
(Senior Statistical Specialist)
Officer-In-Charge