

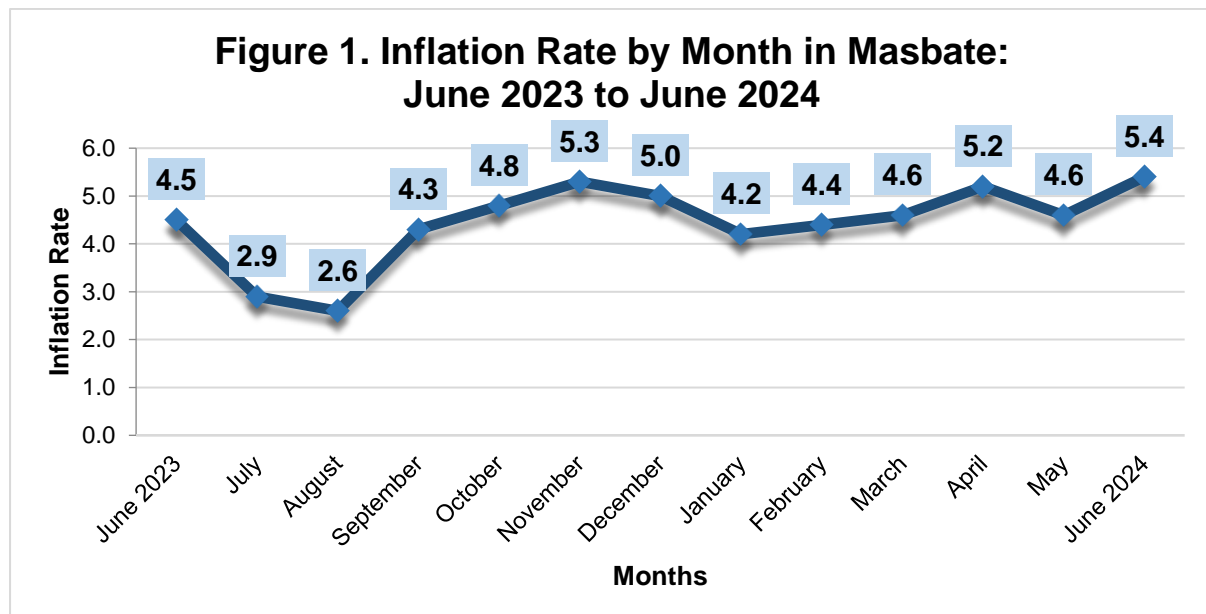
# SPECIAL RELEASE

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

**Date of Release:** July 18, 2024  
**Issue No.** 2024 – 0008

### Masbate's headline inflation slightly increases to 4.4 percent

In June 2024, Masbate's headline inflation rate rose to 5.4 percent from 4.6 percent in the month prior. From June 2023 to June 2024, the highest reported rate of inflation was 5.3 percent in November 2023. (See Figure 1)



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

Masbate's inflation trend was primarily driven by a higher year-on-year increase in the index of the heavily weighted *Food and Non-Alcoholic Beverages* commodity group, which rose to 6.3 percent this month from 5.1 percent last month. *Housing, Water, Electricity, Gas, and Other Fuels* rose to 3.9 percent from 2.7 percent, as did *Health*, which grew to 1.8 percent in June 2024 from 0.8 percent in May 2024.

Furthermore, the indexes of the following commodity groups/services showed annual increases throughout the month:

- Furnishings, Household Equipment and Routine Household Maintenance, 7.9 percent;
- Information and Communication, 6.3 percent;
- Recreation, Sport and Culture, 5.8 percent;



- d. Restaurants and Accommodation Services, 3.6 percent; and
- e. Personal Care, and Miscellaneous Goods and Services, 3.5 percent.

On the other side, the following commodity groups/services experienced annual reductions this month:

- a. Alcoholic Beverages and Tobacco, 7.1 percent;
- b. Clothing and Footwear, 1.7 percent; and
- c. Transport, 4.8 percent.

While during the month, the annual rates for the following commodity groups/services remained unchanged:

- a. Education Services, 3.7 percent; and
- b. Financial Services, 0.0 percent.

Provincial food inflation increased to 6.3 percent this month of June from 5.1 percent the month before. The primary factors contributing to the June 2024 food inflation uptick were the yearly growth rate of *Cereals and cereal goods* (which comprises rice and corn), which increased to 20.1 percent from 18.6 percent the previous month. Then came *Vegetables, tubers, plantains, cooking bananas, and legumes* which grew to 2.9 percent from -2.7 percent, and *Fruits and nuts*, which increased to 8.2 percent this month from 1.4 percent the month before.

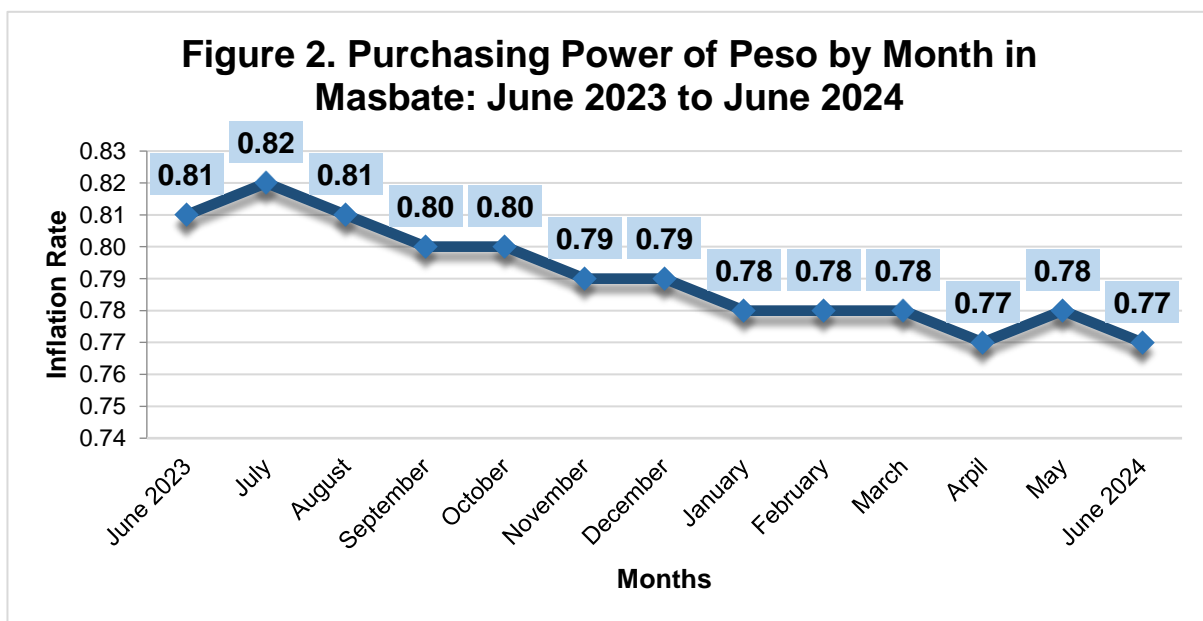
During the reference month, the following commodities also displayed increased yearly growth rates:

- a. Meat and other parts of slaughtered land animals, -1.0 percent;
- b. Milk, other dairy products and eggs, 1.6 percent; and
- c. Ready-made food and other food products n.e.c, 9.3 percent.

On the other hand, throughout the month, the following food items displayed a yearly slowdown:

- a. Fish and other seafood, -6.5 percent;
- b. Oils and fats, -5.8 percent; and
- c. Sugar, confectionery and desserts, -6.9 percent.

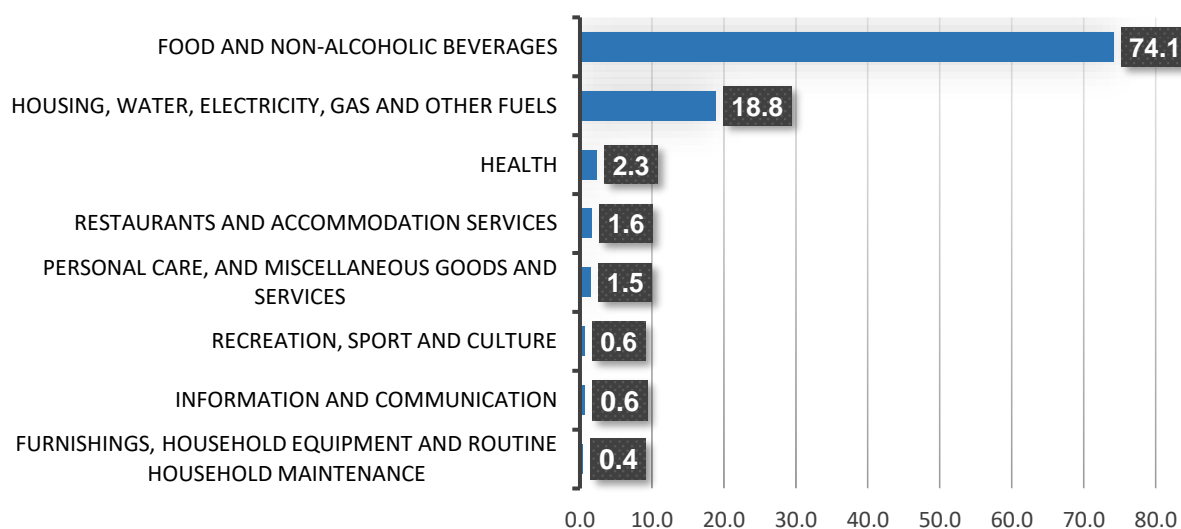
Due to price fluctuations and the rising tendency of the inflation rate, the provincial Purchasing Power of the Peso (PPP) in Masbate decreased to 0.77 with little movement in the Consumer Price Index (CPI). (See Table 1 and Figure 2)



**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	
	Jun 2023	May 2024	Jun 2024	Month-on-Month	Year-on-Year
<b>ALL ITEMS</b>	122.8	128.6	129.4	0.6	5.4
<b>I. Food and Non-Alcoholic Beverages</b>	118.4	124.3	125.8	1.2	6.3
<b>II. Alcoholic Beverages and Tobacco</b>	155.3	166.4	166.4	0.0	7.1
<b>III. Clothing and Footwear</b>	140.2	143.0	142.6	-0.3	1.7
<b>IV. Housing, Water, Electricity, Gas and Other Fuels</b>	116.5	121.2	121.1	-0.1	3.9
<b>V. Furnishings, Household Equipment and Routine Household Maintenance</b>	124.7	134.0	134.6	0.4	7.9
<b>VI. Health</b>	130.7	132.3	133.0	0.5	1.8
<b>VII. Transport</b>	148.5	156.1	155.6	-0.3	4.8
<b>VIII. Information and Communication</b>	105.6	112.2	112.2	0.0	6.3
<b>IX. Recreation, Sport and Culture</b>	131.8	138.5	139.5	0.7	5.8
<b>X. Education Services</b>	112.0	116.1	116.1	0.0	3.7
<b>XI. Restaurants and Accommodation Services</b>	126.6	131.3	131.1	-0.2	3.6
<b>XII. Financial Services</b>	163.6	163.6	163.6	0.0	0.0
<b>XIII. Personal Care, and Miscellaneous Goods</b>	120.3	124.1	124.5	0.3	3.5

**Figure 3. Percent Share of Commodity Groups in Inflation Trend, Masbate: February 2024**



## 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.*

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