



# SPECIAL RELEASE

**November 2019 Consumer Price Index (CPI), Inflation Rate (IR), Purchasing Power of Peso (PPP) of Central Visayas**

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Starting March 2018, the Philippine Statistics Authority (PSA) released the rebased CPI series as announced in the press release number 2018-031 dated 22 February 2018. The CPI series for July 2018 onwards shall be 2012-based.

**Year on Year Inflation rate in Central Visayas was recorded at 1.1 percent**

- Central Visayas' inflation accelerated to 1.1 percent in November 2019. Inflation in October 2019 was recorded at -0.1 percent, and in November 2018, 6.0 percent (Table A).

**Table A. Year-on-Year Inflation Rates, All Items (2012=100)**

Area	November	
	October	November
Central Visayas	-0.1	1.1
	2019	2019
	2018	2018
	November	November
		6.0

- The uptrend of the inflation in November 2019 was mainly driven by higher annual rate posted in the heavily-weighted food and non-alcoholic beverages at index of 0.7 percent.

- Higher annual rates were registered also in the indices of the following commodity groups:

- Alcoholic Beverages and Tobacco, 5.2%;
- Clothing and Footwear, 0.6%;
- Housing, Water, Electricity, Gas, and Other Fuels, -0.7%;
- Furnishing, Household Equipment and Routine Maintenance of the House, 6.3%;
- Health, 6.0%;
- Transport, 1.7%

- Meanwhile, the following commodity groups maintained its previous month's rate (Table B).

- Communication, 0.2%;
- Recreation and Culture, 0.2%;
- Education, 3.2%;
- Restaurant and Miscellaneous Goods and Services, 0.3%

- The CPI in Central Visayas was recorded at 124.4 in November 2019 with slight increase from the previous month which was at 123.8. An up and down movement of the CPI was also recorded from November 2018 to March 2019 but increased steadily until August 2019. It remained constant at 124.0 in September 2019 but slightly declined in October 2019.

**November 2019 CPI in Central Visayas was recorded at 124.4**

MONTH	2015	2016	2017	2018	2019
January	2.9	1.1	2.5	3.0	4.4
February	2.6	1.1	2.8	3.8	3.5
March	2.5	1.2	2.2	5.2	2.2
April	1.9	1.5	2.3	5.8	1.3
May	1.6	1.8	2.0	6.0	1.5
June	1.1	2.1	2.0	6.4	1.1
July	0.6	2.1	2.2	6.5	1.1
August	0.1	2.5	2.6	6.3	1.0
September	0.4	1.8	3.1	7.0	0.2
October	0.0	2.1	3.1	6.6	-1.0
November	0.0	2.1	2.7	6.0	1.1
December	0.9	2.0	2.4	5.3	
Average	1.2	1.8	2.5	5.7	

**Table C. Year-on-Year Inflation Rates in Central Visayas, All Items  
 January 2015 – November 2019  
 (2012=100)**

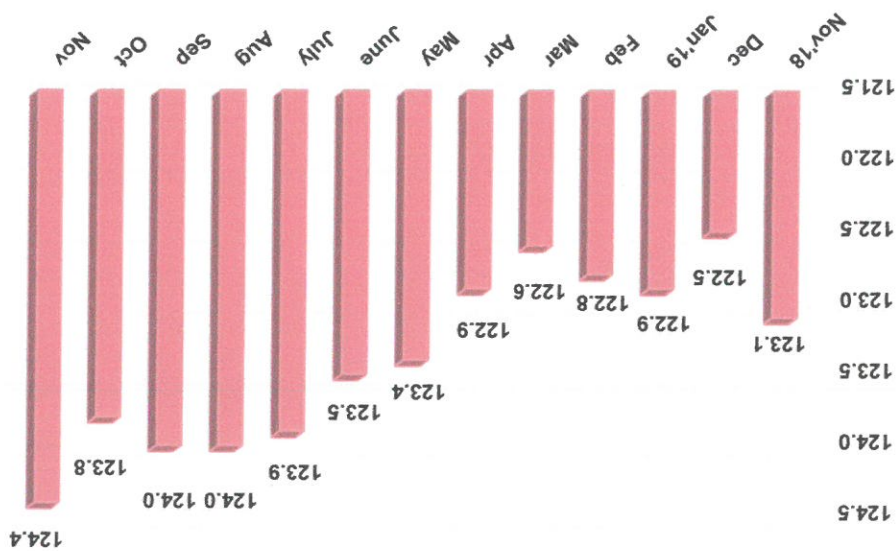
Commodity Group	Current	Previous
All Items	1.1	-0.1
Food and Non-Alcoholic Beverages	0.7	-1.0
Alcoholic Beverages and Tobacco	5.2	4.9
Clothing and Footwear	0.6	0.5
Housing, Water, Electricity, Gas, and Other Fuels	-0.7	-1.0
Furnishing, Household Equipment and Routine Maintenance of the House	6.3	4.2
Health	6.0	2.2
Transport	1.7	0.7
Communication	0.2	0.2
Recreation and Culture	0.2	0.2
Education	3.2	3.2
Restaurant and Miscellaneous Goods and Services	0.3	0.3

**Table B. Year-on-Year Inflation Rates in Central Visayas by Commodity Group,  
 November 2019 and October 2019  
 (2012 = 100)**

**Table D. Monthly Consumer Price Index for All Income Households in Central Visayas, by Commodity Group November and October 2019 and 2018 (2012 = 100)**

Commodity Group	2019		2018	
	NOVEMBER	OCTOBER	NOVEMBER	OCTOBER
All Items	124.4	123.1	123.8	123.9
Food and Non-Alcoholic Beverages	130.2	129.3	129.6	130.9
Alcoholic Beverages and Tobacco	195.8	186.1	195.3	186.1
Clothing and Footwear	121.6	120.9	121.5	120.9
Housing, Water, Electricity, Gas, and Other Fuels	124.1	125.0	124.0	125.2
Furnishing, Household Equipment and Routine Maintenance of the House	132.4	124.6	129.8	124.6
Health	117.6	110.9	113.2	110.8
Transport	113.2	111.3	112.9	112.1
Communication	101.9	101.7	101.9	101.7
Recreation and Culture	106.8	106.6	106.8	106.6
Education	130.8	126.8	130.8	126.8
Restaurant and Miscellaneous Goods and Services	108.1	107.8	108.1	107.8

Higher annual rate was noted in the indices of each commodity group from October and November 2019 compared to October and November 2018 except for Food and Non-Alcoholic Beverages which posted a lower annual rate in October 2019 compared to October 2018 and Housing, Water, Electricity, Gas, and Other Fuels which posted a lower annual rate for November and October 2019 compared to November and October 2018 (Table D).



**Figure 1. Consumer Price Index Central Visayas, All Income Households: November 2018 - November 2019 (2012=100)**

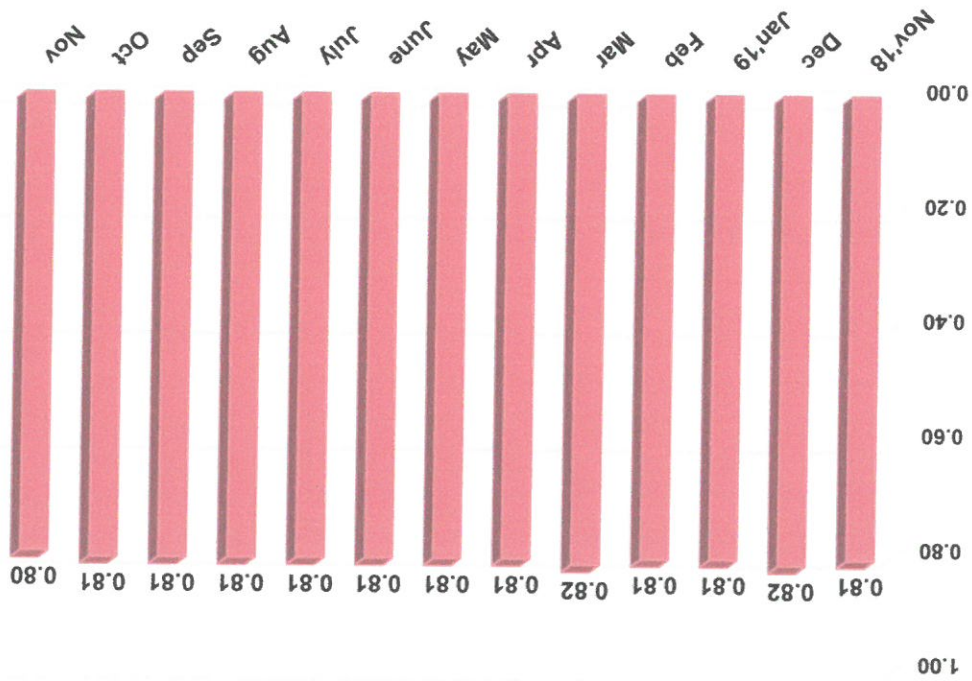


Figure 2. Purchasing Power of Peso in Central Visayas: November 2018- November 2019

• In November 2018, PPP of Central Visayas was recorded at 0.81 and increased to 0.82 in December 2018. In January 2019, the PPP declined to 0.81 and remained constant for the month of February 2019. PPP for March 2019 increased to 0.82 and declined to 0.81 in the following months and remained constant until October 2019. A decline to 0.80 of the PPP was recorded in November 2019.

Purchasing Power of Peso (PPP) was recorded at 0.80 in November 2019

**TECHNICAL NOTES**

The Philippine Statistics Authority generates and announces the monthly Consumer Price Index (CPI) based on a nationwide survey of prices for a given basket of goods and services. Two important indicators, the inflation rate and purchasing power of the peso (PPP), are derived from the CPI which are important in monitoring price stability and the value of the country's currency.

The CPI is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by households relative to a base year.

**Retail Price** is the price at which a commodity is sold for spot in small quantities for consumption.

**Base Period/Base Year** is the period, usually a year, at which the index number is set to 100. It is the reference point of the index number series.

**Market Basket** is a term used to refer to a sample of goods and services that are commonly purchased and bought by an average Filipino household.

**Weight** is 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.

**Inflation Rate** is equivalent to a decline in the purchasing power of the peso. It is the change in the CPI over a specific period of time (usually a month or a year). That is,

$$\text{Inflation Rate} = \frac{CPI_2 - CPI_1}{CPI_1} * 100$$

where:  
 CPI<sub>1</sub> - is the CPI in the previous period  
 CPI<sub>2</sub> - is the CPI in the current period

The **Purchasing Power of the Peso (PPP)** is a measure of the real value of the peso in a given period relative to a chosen reference period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100. That is,

$$PPP = \frac{1}{CPI} * 100$$

**Headline Inflation** is the rate of change in the weighted average prices of all goods and services in the CPI basket.

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