



## SPECIAL RELEASE

### Second Quarter of 2021 Consumer Price Index (CPI), Inflation Rate (IR) and Purchasing Power of Peso (PPP) of Siquijor Province

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#### Siquijor CPI increases at 131.2 in June

As of June 2021 the survey of retail prices of commodities conducted by Philippine Statistics Authority (PSA) in Siquijor Province has generated a CPI of 131.2 using 2012 as the base year. It is the highest CPI in second quarter of 2021 compared to 130.9 in May and 130.7 in April. CPI is an indicator of the changes in the average retail prices of a fixed basket of goods and services commonly purchased by Siquijodnons relative to the base year. Thus, the June 2021 CPI implied that the cost of a basket of goods and services commonly purchased by typical Filipino households in the Province of Siquijor was at an average of P131.2.

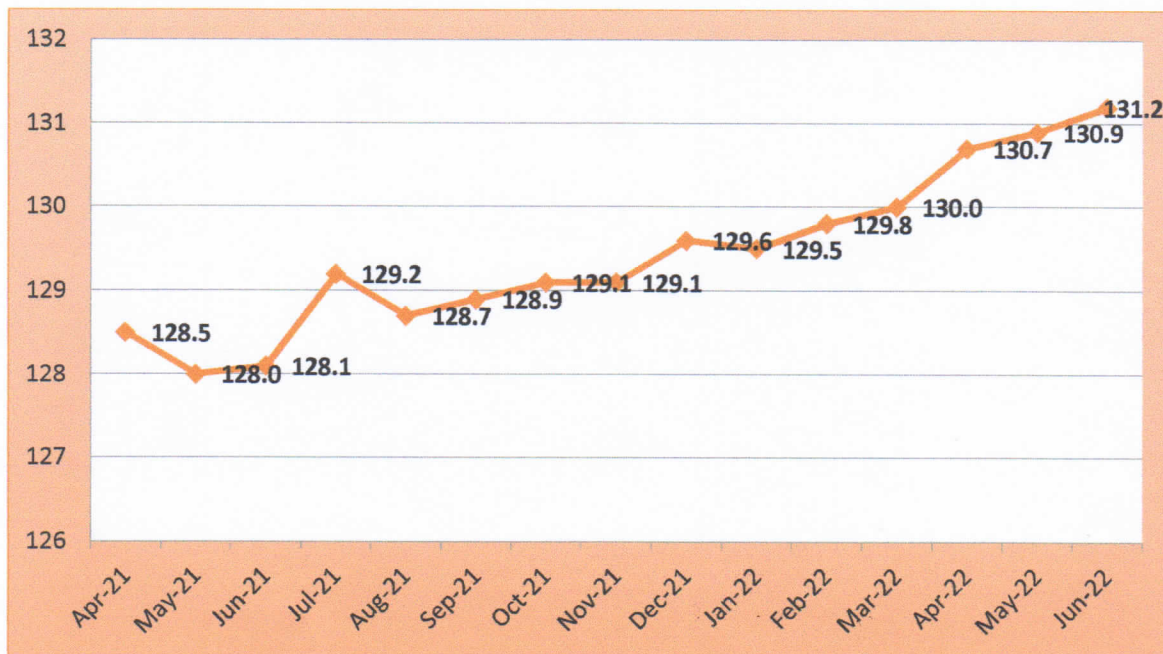
Table 1 below shows the CPI result of Siquijor by commodity group for the second quarter of 2021.

**Table 1. Consumer Price Index (CPI) by Commodity Group: Siquijor (2012=100)**

Commodity Group	April 2021	May 2021	June 2021
Consumer Price Index (CPI) – All Items	130.7	130.9	131.2
Food and Non-Alcoholic Beverages	128.8	129.1	129.4
Alcoholic Beverages and Tobacco	186.6	191.7	192.6
Clothing and Footwear	121.3	121.5	121.5
Housing, Water, Electricity, Gas and Other Fuels	133.6	133.6	133.8
Furnishings, Household Equip. & Maint. Of the House	141.9	141.9	142.1
Health	114.1	117.1	117.1
Transport	123.0	122.2	122.8
Communication	103.2	103.2	103.2
Recreation and Culture	111.3	111.4	111.4
Education	112.6	112.6	112.6
Restaurant and Miscellaneous Goods & Services	124.1	124.2	124.5

As shown in Table 1, commodities under Alcoholic Beverages and Tobacco remains with the highest CPI at 192.6 in June 2021 which is constantly increasing from 186.6 in April 2021 and 191.7 in May 2021. This is followed by the commodity group of Furnishings, Household Equipment and Maintenance of the House which recorded a CPI at 142.1 in June 2021 from the same index in April and May at 141.9. Housing, Electricity, Gas and other Fuels recorded at 133.8 in June with a slight increase from 133.6 during the months of April and May 2021. Most of the sub-groups showed a slight monthly increase from April 2021 to June 2021. Communication (103.2) and Education (112.6) remained at the same index during the second quarter of 2021. Only Transportation showed a decrease index with 123.0 in April but recorded at 122.2 in May and 122.8 in June. Figure 1 shows the graph of CPI for all items from April 2020 to June 2021.

**Figure 1: Consumer Price Index (CPI) for all Items: Siquijor, April 2020 to June 2021**



**Siquijor Province Inflation higher at 2.4% in June 2021**

Siquijor inflation in June 2021 increased at 2.4% from the previous month with inflation at 2.3%. From the same period in June 2020 inflation was low at 1.9%. But the inflation at 1.7% in April 2021 decreased compared to its same month last year with inflation at 2.8%. The inflation in May 2021 increased from last year same period at 1.8%.

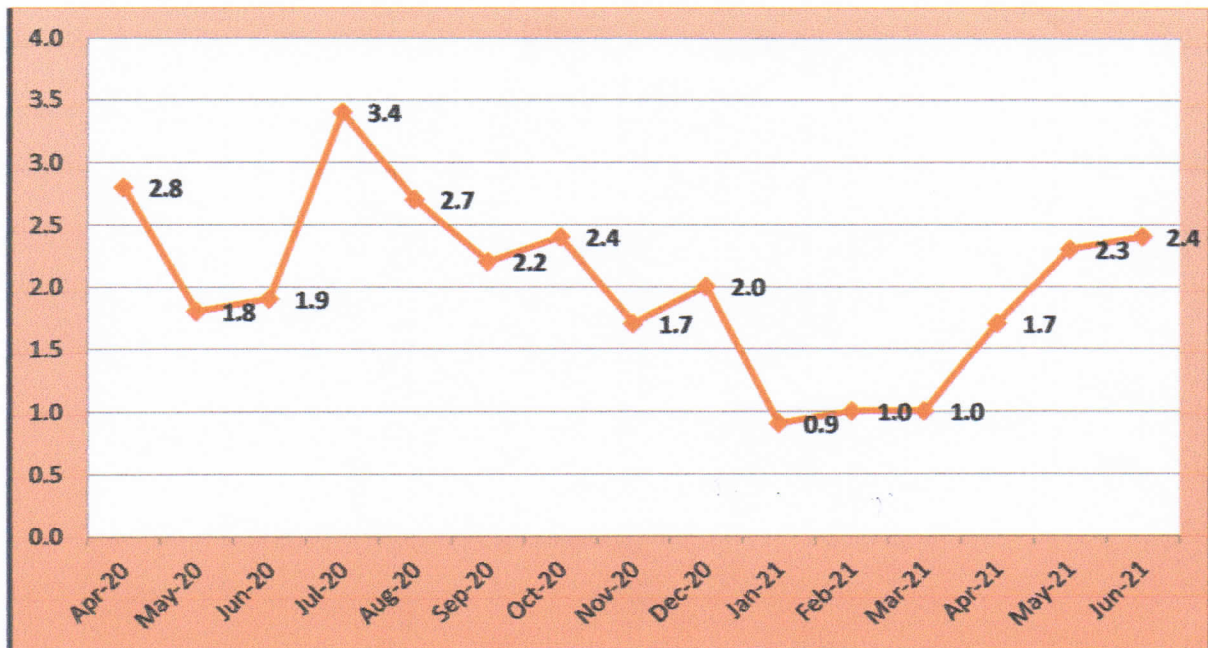
Inflation Rate is the rate of change of the CPI expressed in percent. See Table 2 for the year on year inflation rate for all items.

**Table 2. Inflation Rate (All Items) in Second Quarter  
(2012=100)**

Reference Month	Inflation Rate (%), 2021	Inflation Rate (%), 2020
April	1.7	2.8
May	2.3	1.8
June	2.4	1.9

Figure 2 below shows for graph for Inflation Rate from April 2020 to June 2021.

**Figure 2: Inflation Rate (IR) in Siquijor  
(April 2020 to June 2021)**



**Purchasing Power of Peso (PPP) remains at 0.77**

For the past 2 months, May 2021 and June 2021, the purchasing power of peso in Siquijor Province remains at 0.76. It has a difference of 1 centavo from April 2021 with a PPP of 77 centavos. From the same quarter last year the PPP remained at 0.78 from April to June 2020.

With the value of Php 1.0 in 2012, as the base year, PPP values only at Php 0.77 in April 2021 and at 0.76 in May and June 2021.

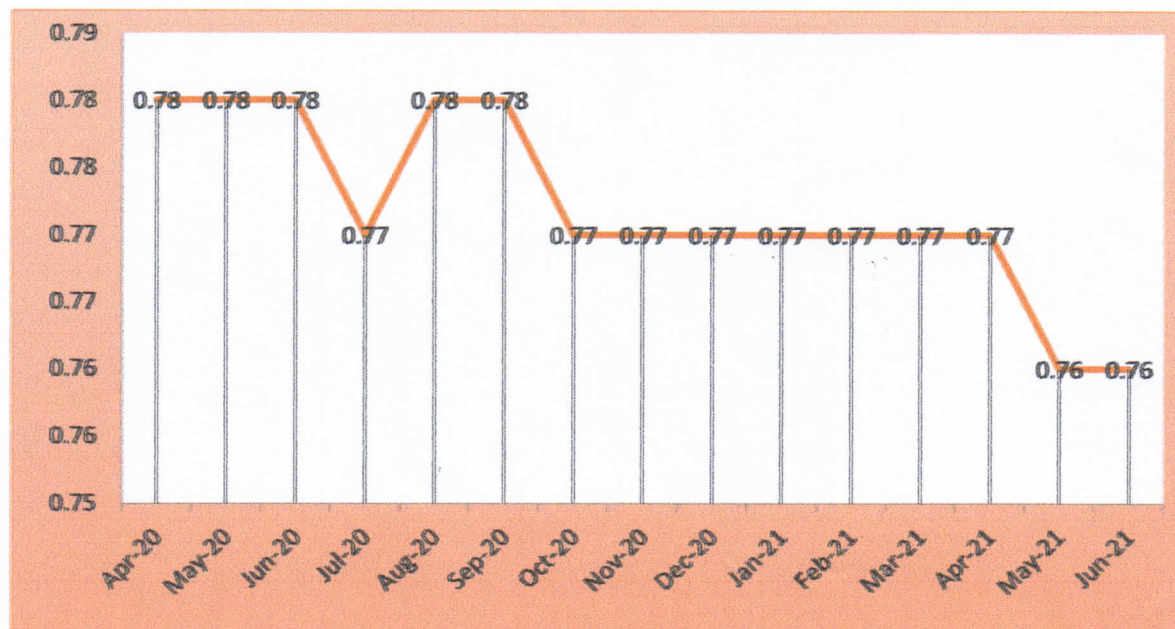
See Table 3 for the second quarter of 2021 PPP.

**Table 3. Purchasing Power of Peso (PPP) in Second Quarter**

Reference Month	PPP, 2021	PPP, 2020
April	0.77	0.78
May	0.76	0.78
June	0.76	0.78

Figure 2 below shows the declining graph of purchasing power of peso from April 2020 to June 2021.

**Figure 2: Purchasing Power of Peso (PPP) in Siquijor  
(April 2020 to June 2021)**



Purchasing Power of Peso (PPP) is computed as the reciprocal of the CPI multiplied by 100. The PPP is inversely related to inflation rate. Thus, as the inflation rate increases, PPP declines.

## TECHNICAL NOTES

### Uses of CPI

The CPI is most widely used in the calculation of the inflation rate and purchasing power of peso. It is a major statistical series used for economic analysis and as monitoring indicator of the government economic policy.

### Computation of CPI

The computation of CPI involves consideration of the following important points:

- 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.
- b. **Market Basket** – A sample of the thousands of varieties of goods purchased for consumption and the services availed by the households in the country selected to represent the composite price behavior 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 a 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 (2012) weights.
- e. **Geographic Coverage** – CPI values are computed at the national, regional, and provincial levels, and or selected cities.

Prepared by:

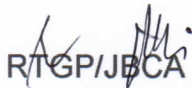


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