



SPECIAL RELEASE

May 2022 Consumer Price Index (CPI), Inflation Rate (IR), Purchasing Power of Peso (PPP) in Cebu Province

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Starting February 2022, the Philippine Statistics Authority (PSA) released the rebased Consumer Price Index (CPI) for all income households to base year 2018, from base year 2012 as announced in the press release number 2022-01 dated 04 January 2022. The CPI series for all income households for January 2022 onwards will be 2018-based.

Year on Year Inflation rate in Cebu Province further accelerated to 8.3%

The inflation rate in Cebu Province excluding its highly urbanized cities namely Cebu City, Lapu-Lapu City and Mandaue City, in all items, further accelerated to 8.3 percent in May 2022, from 8.0 percent in April 2022. An increase of 6.1 percentage points of the inflation in May 2022 compared to May 2021 at 2.2 percent. The average inflation from January to May 2022 remained at 7.8 percent. The inflation in Cebu is higher by 3.0 percentage points from the inflation in Central Visayas at 5.3 percent in May 2022. (See Table A.)

**Table A. Year-on-Year Inflation Rate, All Items
In Percent
(2018=100)**

| Area | May 2021 | April 2022 | May 2022 | Year-to-date* |
|-----------------|----------|------------|----------|---------------|
| Central Visayas | 2.3 | 5.4 | 5.3 | 5.2 |
| Cebu | 2.2 | 8.0 | 8.3 | 7.8 |

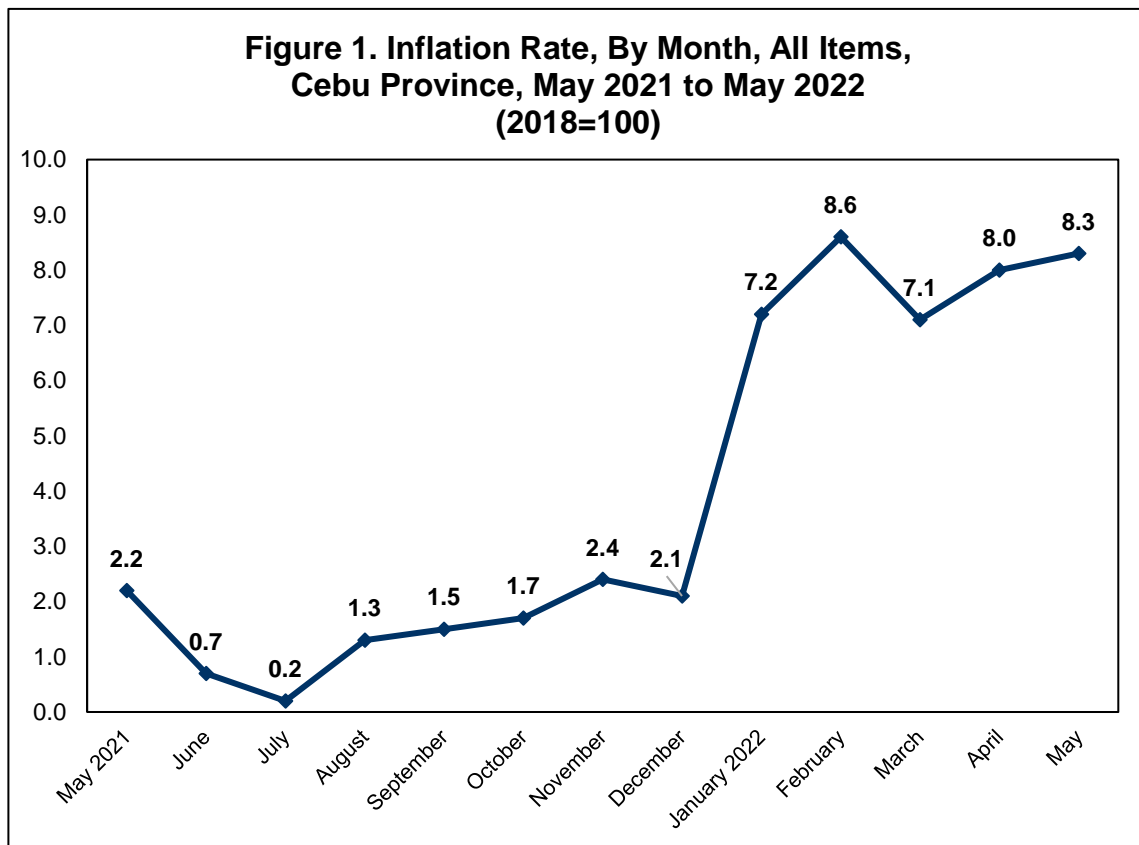
Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

*Year-on-year change of average CPI for January to May, 2022 vs 2021
Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

Highest inflation recorded in the month of February 2022

An up and down movement of the inflation rate was noted in the province for the period of January to May 2022. The highest inflation was recorded in the month of February 2022 at 8.6 percent for the period May 2021 to May 2022. (See Figure 1 and Table B.)





Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority
Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

**Table B. Year-on-Year Inflation Rates in Cebu Province, All Items
In Percent
January 2019 – May 2022
(2018=100)**

| Month | Year | | | |
|----------------|------------|------------|------------|------------|
| | 2019 | 2020 | 2021 | 2022 |
| January | 4.1 | 2.0 | 0.7 | 7.2 |
| February | 2.7 | 2.2 | 0.4 | 8.6 |
| March | 1.4 | 1.6 | 0.9 | 7.1 |
| April | 1.6 | 0.1 | 2.3 | 8.0 |
| May | 1.6 | 0.0 | 2.2 | 8.3 |
| June | 0.2 | 2.7 | 0.7 | |
| July | 0.5 | 2.7 | 0.2 | |
| August | 0.9 | 1.7 | 1.3 | |
| September | 0.3 | 1.2 | 1.5 | |
| October | -0.3 | 1.9 | 1.7 | |
| November | 0.3 | 1.5 | 2.4 | |
| December | 1.4 | 1.7 | 2.1 | |
| Average | 1.2 | 1.6 | 1.3 | 7.8 |

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority
Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

The increase of the inflation in Cebu was driven by Transport

The upsurge in the inflation in Cebu province was mainly driven by the increase in the inflation for Transport at 29.0 percent in May 2022, from 23.6 percent in April of the same year.

Meanwhile, inflation slowed down in the following indices:

- Food and Non-Alcoholic Beverages at 12.3 percent.
- Alcoholic Beverages and Tobacco at 1.1 percent.
- Clothing and footwear at 0.1 percent.
- and Personal Care, and Miscellaneous Goods and Services at 0.8 percent.

The rest of the commodity groups remained constant in May 2022 from their previous month's inflation rates. (See Table C.)

Table C. Inflation Rate for All Income Households, by Commodity Group, Cebu Province, April to May 2021 and 2022 (2018=100)

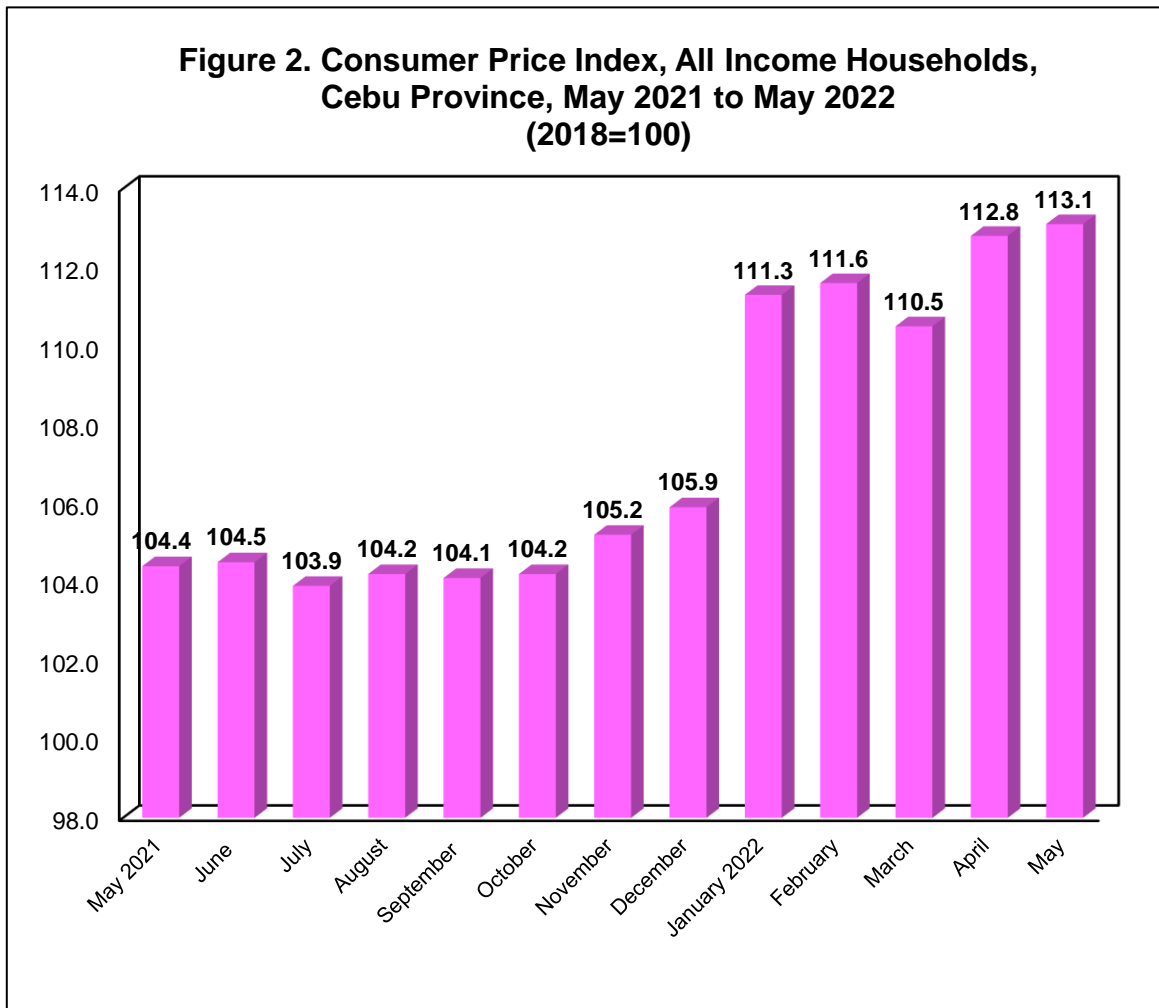
| COMMODITY GROUP | | MAY | | APRIL | |
|------------------|---|------|------|-------|------|
| | | 2022 | 2021 | 2022 | 2021 |
| ALL ITEMS | | 8.3 | 2.2 | 8.0 | 2.3 |
| 1 | Food and Non-Alcoholic Beverages | 12.3 | 0.7 | 12.4 | 0.2 |
| 2 | Alcoholic Beverages and Tobacco | 1.1 | 7.6 | 5.0 | 3.5 |
| 3 | Clothing and Footwear | 0.1 | 0.8 | 0.3 | 0.5 |
| 4 | Housing, Water, Electricity, Gas, and Other Fuels | 2.1 | 0.8 | 2.1 | 1.0 |
| 5 | Furnishing, Household Equipment and Routine Household Maintenance | 2.6 | 3.2 | 2.6 | 3.3 |
| 6 | Health | 0.3 | 3.6 | 0.3 | 3.4 |
| 7 | Transport | 29.0 | 14.9 | 23.6 | 18.5 |
| 8 | Information and Communication | 0.0 | 0.0 | 0.0 | 0.0 |
| 9 | Recreation, Sport and Culture | 0.0 | -2.3 | 0.0 | -2.3 |
| 10 | Education Services | 0.0 | 0.0 | 0.0 | 0.0 |
| 11 | Restaurants and Accommodation Services | 2.3 | 0.7 | 2.3 | 0.7 |
| 12 | Financial Services | 0.0 | 46.0 | 0.0 | 46.0 |
| 13 | Personal Care, and Miscellaneous Goods and Services | 0.8 | 3.5 | 0.9 | 4.3 |

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority
Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

May 2022 CPI in Cebu was recorded at 113.1

The Consumer Price Index (CPI) in Cebu province was posted at 113.1 in May 2022. This means that on average, prices of goods and services in the province increased by 13.1 units from the base year 2018 at 100. This was higher than the 112.8 from the

previous month. The month of May had the highest CPI in Cebu for the period May 2021 to May 2022. (See Figure 2.)

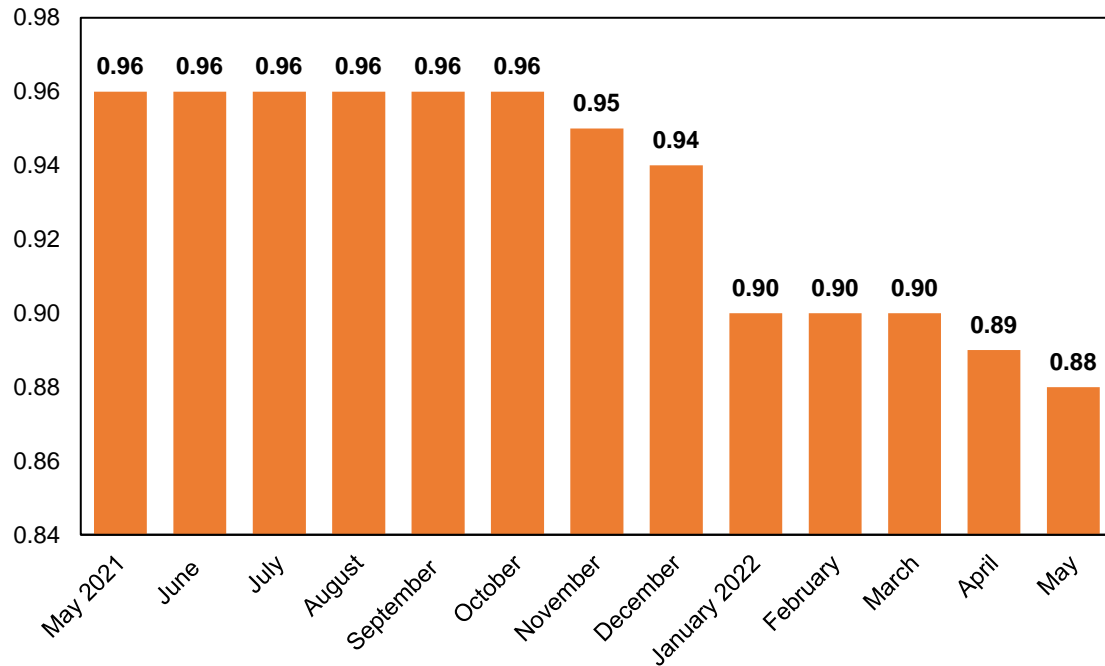


Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
 Philippine Statistics Authority
 Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

PPP in Cebu province was recorded at 0.88 in May 2022

Purchasing power of peso (PPP) in Cebu province was recorded at 0.88 for the month of May 2022 which was lower compared to the PPP in April 2022 at 0.89. The PPP in Cebu province for the period May 2021 to May 2022 showed a decreasing trend from 0.96 in the months of May to October 2021 to 0.88 in May 2022. (See Figure 3)

**Figure 3. Purchasing Power of Peso (PPP)
in Cebu Province, May 2021 to May 2022
(2018=100)**



Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority
Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

**Table D. Consumer Price Index, Inflation Rate, Monthly Percent Change, and
Purchasing Power of Peso in Cebu Province, May 2021 to May 2022
(2018=100)**

| Year/Month | C P I | Inflation Rate | Monthly % Change | Purchasing Power of Peso |
|-------------|-------|----------------|---------------------|-----------------------------|
| 2021 | | | | |
| May | 104.4 | 2.2 | 0.0 | 0.96 |
| June | 104.5 | 0.7 | 0.1 | 0.96 |
| July | 103.9 | 0.2 | -0.6 | 0.96 |
| August | 104.2 | 1.3 | 0.3 | 0.96 |
| September | 104.1 | 1.5 | -0.1 | 0.96 |
| October | 104.2 | 1.7 | 0.1 | 0.96 |
| November | 105.2 | 2.4 | 1.0 | 0.95 |
| December | 105.9 | 2.1 | 0.7 | 0.94 |
| 2022 | | | | |
| January | 111.3 | 7.2 | 5.1 | 0.90 |
| February | 111.6 | 8.6 | 0.3 | 0.90 |
| March | 110.5 | 7.1 | -1.0 | 0.90 |
| April | 112.8 | 8.0 | 2.1 | 0.89 |
| May | 113.1 | 8.3 | 0.3 | 0.88 |

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority
Cebu Province excluding Cebu City, Lapu-Lapu City and Mandaue City

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 Consumer Price Index (**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.

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.

Inflation Rate (IR) 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:

CPI₁ - is the CPI in the previous period

CPI₂ - is the CPI in the current period

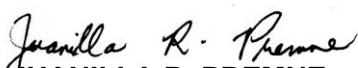
The **Purchasing Power of the Peso (PPP)** is a measure of the real value of the peso in a given period relative to a chosen reference period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100. That is,

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

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