



SPECIAL RELEASE

Summary Inflation Report in Central Visayas Consumer Price Index (2018=100)

January 2023

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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.

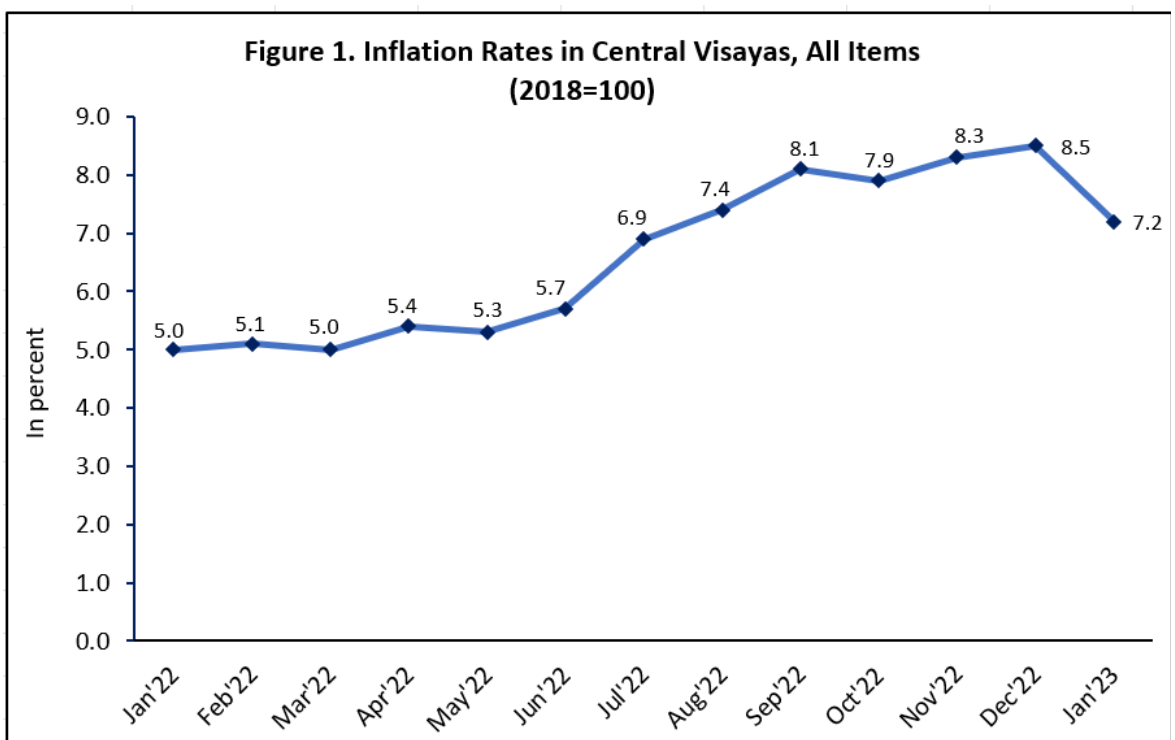
**Table A. Year-on-Year Inflation Rates, All Items
In Percent
(2018=100)**

Area	January 2022	December 2022	January 2023	Year-to-date*
Philippines	3.0	8.1	8.7	8.7
Central Visayas	5.0	8.5	7.2	7.2
Bohol	2.5	10.4	10.3	10.3
Cebu	7.2	10.4	7.9	7.9
Negros Oriental	5.7	7.9	7.4	7.4
Siquijor	5.9	10.3	9.8	9.8
City of Cebu	2.8	5.1	4.5	4.5
City of Lapu-Lapu	2.8	6.0	5.6	5.6
City of Mandaue	4.9	4.4	3.7	3.7

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 2022 vs. 2023





Source: Philippine Statistics Authority

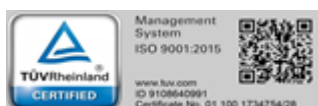
1. The Philippines

The headline inflation in the Philippines continued its uptrend as it moved up to 8.7 percent in January 2023, from 8.1 percent in December 2022. The January 2023 inflation is the highest annual rate recorded since November 2008. In January 2022, the inflation rate was recorded at 3.0 percent (Table A).

2. Central Visayas

The inflation in Central Visayas decreased at a faster pace of 7.2 percent in January 2023, from 8.5 percent in December 2022. The inflation rate for this income group in January 2022 was lower at 5.0 percent (Table A, B, and Figure 1).

The downtrend of the regional inflation in January 2023 was mainly brought about by the lower year-on-year growth rate in the index of Food and Non-alcoholic Beverages whose index declined by 7.4 percent, from 11.2 percent in December 2022. This was followed by Housing, Water, Electricity, Gas, and other fuels at 9.6 percent, from 9.7 percent in December 2022 (Table 3).



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Moreover, relative to their annual rates in January 2023, annual increases were observed in the indices of the following commodity groups during the month (Table 3):

- a. Alcoholic Beverages and Tobacco, 10.0 percent;
- b. Clothing and Footwear, 2.8 percent;
- c. Furnishing, Household Equipment and Routine Household Maintenance, 4.7 percent;
- d. Health, 3.1 percent;
- e. Transport, 8.1 percent;
- f. Recreation, Sport and Culture at 2.0 percent;
- g. Education Services, 5.9 percent;
- h. Personal Care, and Miscellaneous Goods and Services; 3.7 percent.

Meanwhile, the indices of Information and Communication, Restaurants and Accommodation Services, and Financial Services retained the previous month's inflation rate at 1.2 percent, 6.9 percent, and 0.0 percent, respectively (Table 3).

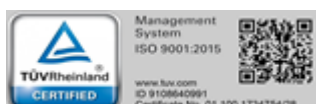
The index for Corn which recorded an annual decrease of 14.3 percent from 49.4 percent in the previous month, contributed significantly to the lower food inflation in January 2023. Moreover, faster annual increases were noted in the indices of the following food groups during the month:

- a. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals, 10.5 percent;
- b. Milk, Other Dairy Products, and Eggs, 5.9 percent;
- c. Oils and Fats, 27.4 percent;
- d. Ready-Made Food and Other Food Products N.E.C., 7.5 percent.

On the other hand, lower annual decreases were recorded in the indices of the following food group (Table 5):

- a. Rice, 0.8 percent;
- b. Meat and Other Parts of Slaughtered Land Animals, 6.1 percent;
- c. Fish and Other Seafood, 4.6 percent;
- d. Fruits and Nuts, 10.6 percent;
- e. Vegetables, Tubers, Plantains, Cooking Bananas and Pulses, 10.5 percent;
- f. Sugar, Confectionery and Desserts, 44.0 percent.

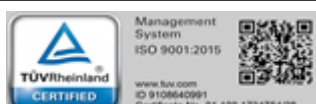
Food inflation at the regional level decreased to 7.5 percent in January 2023, from 11.5 percent in December 2022. In January 2022, food inflation was higher at 11.1 percent (Table 7).



**Table B. Year-on-Year Inflation Rates in Central Visayas, All Items
In Percent
January 2019 – January 2023
(2018=100)**

Month	Year				
	2019	2020	2021	2022	2023
January	4.0	2.0	0.9	5.0	7.2
February	3.1	1.8	1.1	5.1	
March	2.2	1.6	1.5	5.0	
April	1.8	0.9	2.3	5.4	
May	1.5	0.7	2.3	5.3	
June	0.6	2.3	1.5	5.7	
July	0.4	2.1	1.5	6.9	
August	0.4	1.5	1.9	7.4	
September	-0.5	1.3	2.2	8.1	
October	-0.6	1.4	2.4	7.9	
November	0.1	1.4	2.6	8.3	
December	1.4	1.4	2.2	8.5	
Average	1.2	1.5	1.9	6.6	7.2

Source: Philippine Statistics Authority



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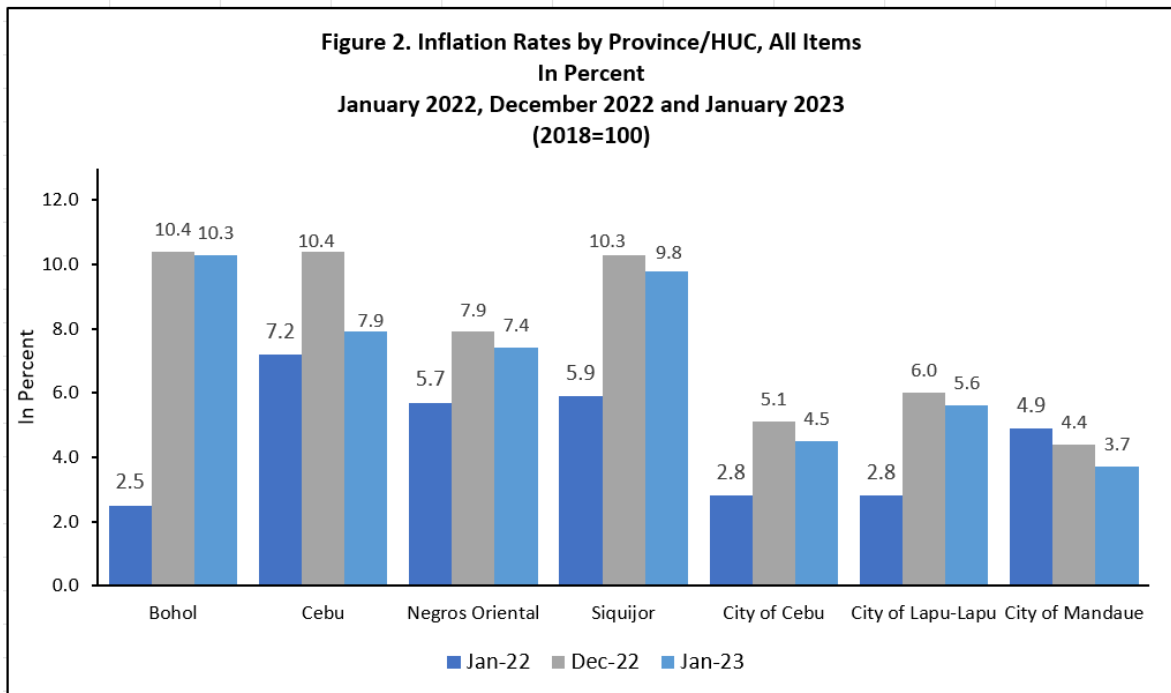
3. By Province

Relative to their respective previous month's annual rates, all provinces, and Highly Urbanized Cities (HUCs) of Central Visayas exhibited lower inflation in January 2023 (Figure 2).

Among the provinces, Cebu Province posted an abrupt decrease in the inflation rate during the month at 7.9 percent from 10.4 percent (Figure 2).

The deceleration of the inflation rate in Cebu Province was primarily due to the lower annual growth rate in the index for food and non-alcoholic beverages at 6.6 percent from 13.8 percent in the previous month (Table 4).

Moreover, all HUCs in Central Visayas, the City of Cebu, Lapu-Lapu, and Mandaue posted a decrease in inflation rates at 4.5 percent, 5.6 percent, and 3.7 percent, respectively (Figure 2).



Source: Philippine Statistics Authority

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:

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,

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

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

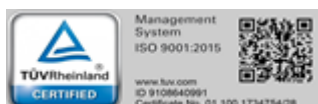
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