



SPECIAL RELEASE

Summary Inflation Report in Central Visayas Consumer Price Index for the Bottom 30% Income Households (2018=100)

July 2024

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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 June 2022. The CPI series for all income households for January 2022 onwards will be 2018-based.

**Table A. Year-on-Year Inflation Rates
for the Bottom 30% Income Households, All Items
In Percent
(2018=100)**

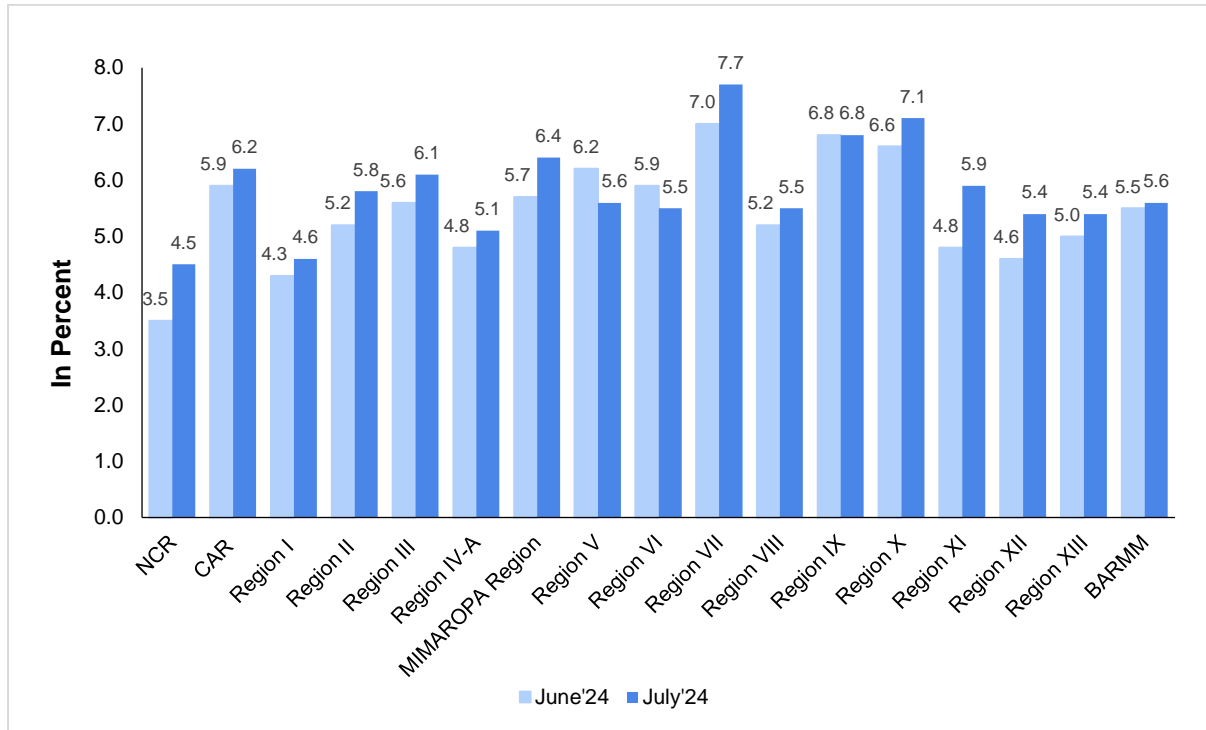
Area	July 2023	June 2024	July 2024	Year-to-date*
Philippines	5.2	5.5	5.8	4.9
Central Visayas	6.4	7.0	7.7	4.7
Bohol	5.0	10.3	9.8	10.0
Cebu	5.8	6.1	7.4	2.1
Negros Oriental	13.2	4.9	5.5	4.5
Siquijor	4.0	6.1	7.0	6.2
Cebu City	0.4	7.4	7.8	5.6
Lapu-Lapu City	2.1	8.5	8.5	7.9
Mandaue City	4.1	10.5	9.9	10.2

Source: Philippine Statistics Authority

*Year-on-year change of CPI for June to July 2024 vs. 2023



Figure 1. Inflation Rates for the Bottom 30% Income Households by Region, All Items: June 2024 and July 2024
In Percent
(2018=100)



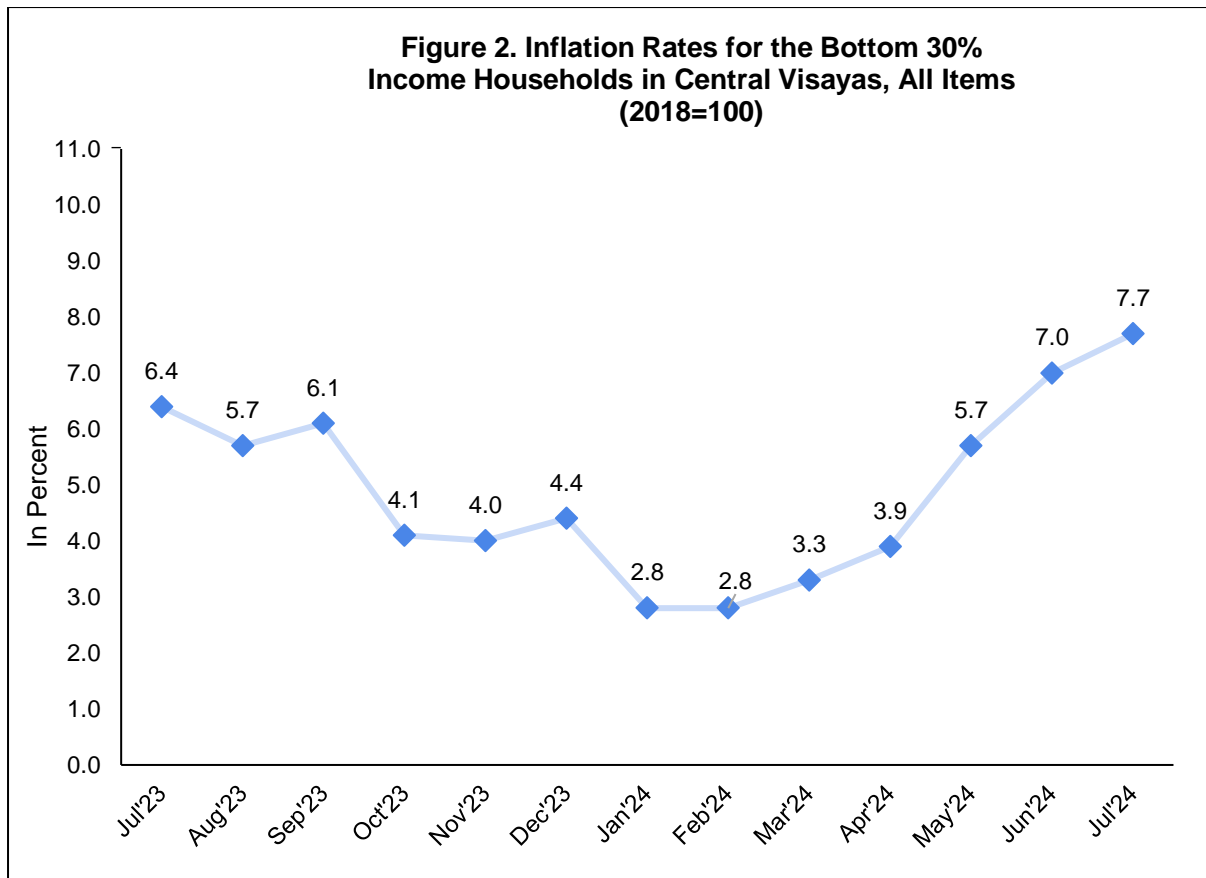
Source: Philippine Statistics Authority

A. The Philippines

The country's inflation rate for the bottom 30% income households increased to 5.8 percent in July 2024 from 5.5 percent in June 2024. This brings the average inflation for this income group from January to July 2024 to 4.9 percent. In July 2023, inflation rate was posted at 5.2 percent. (Table A)

By Region

Among the 17 regions, 14 recorded faster inflation rates for the bottom 30% income households during the month and two regions recorded slower inflation rates relative to their June 2024 inflation rate while one region retained its previous month's rate. NCR (National Capital Region) recorded the lowest inflation rate at 4.5 percent while Region VII (Central Visayas) recorded the highest inflation at 7.7 percent during the month. (Figure 1)



B. Central Visayas

1. Regional Inflation

Inflation for the bottom 30% income households in Central Visayas increased to 7.7 percent in July 2024 from 7.0 percent in June 2024. This brings the average inflation for this income group from January to July 2024 to 4.7 percent. In July 2023, inflation rate was recorded at 6.4 percent. (Table A, B, and Figure 1)

1.1 Main Drivers to the Upward Trend of the Regional Inflation

The main driver to the upward trend of the overall inflation for this income group in July 2024 was the faster year-on-year growth of the heavily-weighted food and non-alcoholic beverages at 10.3 percent from 8.9 percent in the previous month. In addition, faster year-on-year increases were observed in the indices of housing, water, electricity, gas and other fuels, at 7.6 percent in July 2024 from 7.4 percent in the previous month, and furnishings, household equipment and routine household maintenance at 2.1 percent from 1.7 percent. (Table 3)

Moreover, faster annual growth rates were also noted in the indices of the following commodity groups during the month:

- a. Clothing and Footwear, 1.8 percent from 1.7 percent;
- b. Health, 3.5 percent from 3.2 percent; and
- c. Education Services, 2.8 percent from 1.5 percent.

In contrast, slower annual growth rates were noted in the indices of the following commodity groups during the month:

- a. Alcoholic Beverages and Tobacco, 3.8 percent from 4.6 percent;
- b. Transport, 1.1 percent from 1.8 percent;
- c. Restaurants and Accommodation Services, 3.8 percent from 4.7 percent; and
- d. Personal Care, and Miscellaneous Goods and Services, 3.1 percent from 3.2 percent.

Meanwhile, the following commodity groups retained their previous month's rate:

- a. Information and Communication at 0.0 percent;
- b. Recreation, Sport and Culture at 5.8 percent; and
- c. Financial Services, at -0.2 percent.

1.2 Main Contributors to the Regional Inflation

The following commodity groups were the top three contributors to the July 2024 overall inflation for the bottom 30% income households:

- a. Food and Non-Alcoholic Beverages with 71.4 percent share or 5.5 percentage points;
- b. Housing, Water, Electricity, Gas and Other Fuels, with 17.4 percent share or 1.3 percentage points; and
- c. Restaurants and Accommodation Services with 4.3 percent share or 0.3 percentage point.

2. Food Inflation

Food inflation for the bottom 30% income households at the regional level moved at a faster pace of 10.9 percent in July 2024 from 9.3 percent in the previous month. In July 2023, its annual increase was observed at 5.2 percent. (Table 7)

2.1 Main Drivers to the Upward Trend of Food Inflation

The uptrend in the food inflation for the bottom 30% income households was mainly due to the higher annual growth rate in the index of corn at 27.0 percent during the



month from the 17.9 percent annual increase in June 2024. Also contributing to the uptrend is the fish and other seafood index with a slower annual decrease of 3.2 percent during the month from its 5.3 percent annual decline in June 2024. The index of Meat and other parts of slaughtered land animals was the third contributor to the increase of food inflation for the bottom 30% income households with an inflation rate of 8.8 percent in July 2024 from 7.6 percent in June 2024.

In addition, slower annual decline was observed in the index of sugar, confectionery and desserts at 7.9 percent in July 2024 from an annual decline of 8.1 percent in June 2024 while higher annual increase was noted in the index of fruits and nuts at 6.6 percent in July 2024 from 3.0 percent in the previous month.

On the contrary, slower annual increases during the month were recorded in the indices of the following food groups:

- a. Rice, 20.1 percent from 21.3 percent;
- b. Flour, bread and other bakery products, pasta products, and other cereals, 3.9 percent from 5.4 percent;
- c. Milk, other dairy products and eggs, 1.6 percent from 1.9 percent;
- d. Oils and fats, 0.6 percent from 1.0 percent;
- e. Vegetables, tubers, plantains, cooking bananas and pulses, 12.6 percent from 15.1 percent; and
- f. Ready-made food and other food products n.e.c., 6.6 percent from 7.6 percent.

2.2 Main Contributors to the Food Inflation

Food inflation contributed 70.3 percent or 5.4 percentage points to the July 2024 overall inflation for this particular income group. Among the food groups, the main contributors to the food inflation during the month were the following:

- a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with 85.4 percent share or 9.3 percentage points;
- b. Meat and other parts of slaughtered land animals with 8.6 percent share or 0.9 percentage point; and
- c. Vegetables, tubers, plantains, cooking bananas and pulses with 7.6 percent share or 0.8 percentage point.



**Table B. Year-on-Year Inflation Rates for Bottom 30% Income Households
 in Central Visayas, All Items: January 2020 – July 2024
 In Percent
 (2018=100)**

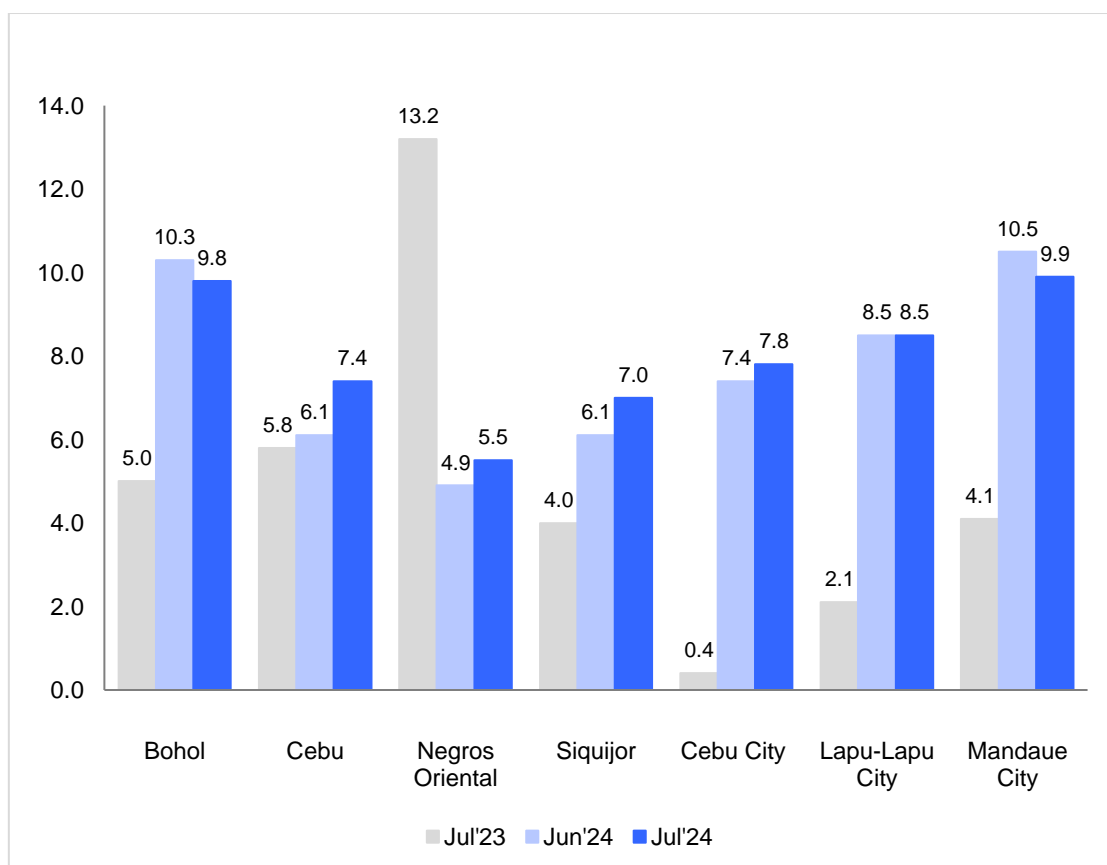
Month	Year				
	2020	2021	2022	2023	2024
January	1.2	1.2	8.0	10.0	2.8
February	1.3	1.9	8.1	10.3	2.8
March	1.1	2.0	7.9	9.8	3.3
April	0.1	3.1	8.6	7.8	3.9
May	0.7	2.7	8.6	7.1	5.7
June	3.1	1.1	8.9	7.1	7.0
July	3.2	0.7	10.5	6.4	7.7
August	2.4	1.9	10.7	5.7	
September	2.0	2.4	11.7	6.1	
October	2.4	2.7	13.0	4.1	
November	2.4	3.7	12.7	4.0	
December	2.4	2.8	13.2	4.4	
Average	1.9	2.2	10.2	6.9	4.7

Source: Philippine Statistics Authority

C. By Province

Among the Provinces and Highly Urbanized Cities (HUCs) in Central Visayas, three provinces and one HUC recorded faster year-on-year increases this month compared to the previous month's inflation rates while one province and one HUC registered slower annual increments during the month compared to the rates in previous month. The City of Lapu-Lapu retained its respective June 2024 inflation rate. (Table A, Figure 3)

Figure 3. Inflation Rates for Bottom 30% Income Households by Province and Highly Urbanized Cities in Central Visayas, All Items: July 2023, June 2024, and July 2024 In Percent (2018=100)



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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