



# SPECIAL RELEASE

## Summary Inflation Report in the Province of Cebu Consumer Price Index (2018=100)

July 2024

Date of Release: 07 August 2024

Reference No.: 2024-SR22-051

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.

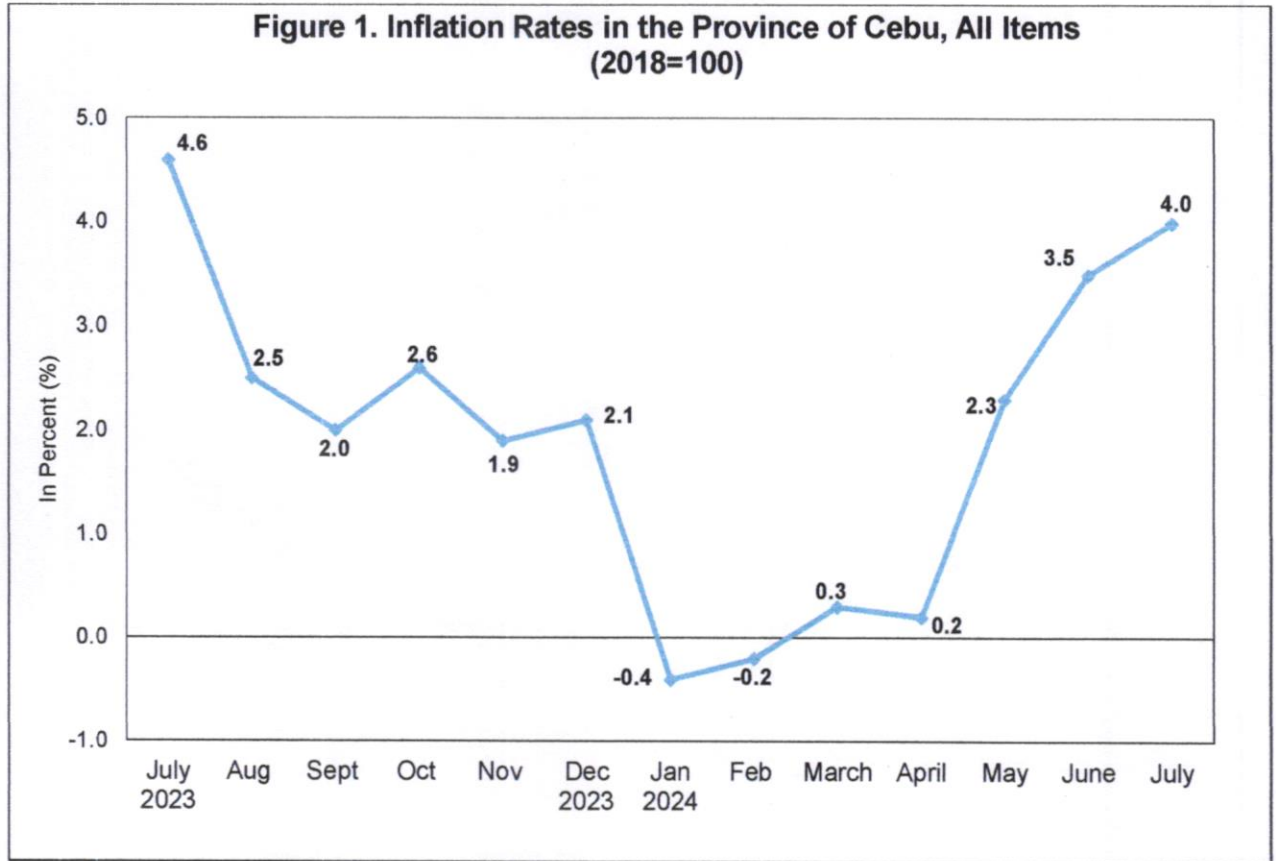
**Table A. Year-on-Year Inflation Rates, All Items  
 In Percent  
 (2018=100)**

| Area                   | July | June | July | Year-to-date* |
|------------------------|------|------|------|---------------|
|                        | 2023 | 2024 | 2024 |               |
| <b>Philippines</b>     | 4.7  | 3.7  | 4.4  | 3.7           |
| <b>Central Visayas</b> | 4.1  | 4.8  | 4.5  | 3.6           |
| <b>Cebu</b>            | 4.6  | 3.5  | 4.0  | 1.4           |

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

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





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

## A. The Philippines

The Philippines' headline inflation or overall inflation increased to 4.4 percent in July 2024 from 3.7 percent in June 2024. This brings the national average inflation from January to July 2024 to 3.7 percent. In July 2023, inflation rate was higher at 4.7 percent. (Table A)

## B. Central Visayas

### 1. Regional Inflation

The headline inflation in Central Visayas decelerated to 4.5 percent in July 2024 from 4.8 percent in June 2024. This brings the regional average inflation from January 2024 to July 2024 to 3.6 percent. In July 2023, inflation rate was lower at 4.1 percent. (Table A)



## C. Province of Cebu

### 1. Headline Inflation

In the Province of Cebu, the headline inflation accelerated to 4.0 percent in July 2024 from 3.5 percent in June 2024. The province's average inflation rate from January to July 2024 stood at 1.4 percent. While in July 2023, the inflation rate was higher which recorded at 4.6 percent. (Table A and Figure 1)

#### *1.1 Main Drivers to the Upward Trend of Headline Inflation in the Province of Cebu*

The uptrend of the headline inflation in July 2024 was primarily influenced by the year-on-year faster increase in the index of food and non-alcoholic beverages at 9.6 percent from 7.8 percent in June 2024. The faster annual growth rate of health index at 5.3 percent during the month from 4.3 percent in the previous month also contributed to the uptrend of the overall inflation in the province. (Table 3)

In addition, faster annual increments were also noted in the following indices:

- a. Education services, 2.5 percent from 0.5 percent;
  - b. Furnishings, household equipment and routine household maintenance, 3.1 percent from 2.6 percent;
  - c. Clothing and footwear, 0.9 percent from 0.7 percent; and
  - d. Personal care, and miscellaneous goods and services, 2.3 percent from 2.2 percent.
- (Table 3)

On the other hand, slower annual increases were recorded in the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 7.0 percent from 7.4 percent;
  - b. Information and communication, 0.2 percent from 0.3 percent; and
  - c. Recreation, sport and culture, 1.6 percent from 1.7 percent.
- (Table 3)

Moreover, faster annual decreases were posted during the month in the commodity groups of transport at 0.4 percent, and housing, water, electricity, gas and other fuels at 4.8 percent from their respective inflation rates at 0.8 percent annual increase and 3.5 percent annual decline in the previous month.

The indices of commodity groups that retained their previous month's inflation were recorded in restaurants and accommodation services at 2.7 percent; and financial services at 0.0 percent. (Table 3)



### *1.2 Main Contributors to the Headline Inflation*

The top three commodity groups that contributed to the July 2024 headline inflation were the following:

- a. Food and non-alcoholic beverages with 107.0 percent share or 4.3 percentage points;
- b. Restaurants and accommodation services with 7.4 percent share or 0.3 percentage point; and
- c. Health with 4.1 percent share or 0.2 percentage point.

## **2. Food Inflation**

Food inflation in the Province of Cebu increased to 10.2 percent in July 2024 from 8.1 percent in June 2024. In July 2023, food inflation rate stood at 6.0 percent. (Table 7)

### *2.1 Main Drivers to the Uptrend of Food Inflation*

The acceleration of food inflation during the month in the province were mainly brought by the faster annual increases of corn at 31.8 percent, meat and other parts of slaughtered land animals at 9.3 percent, and fruits and nuts at 4.9 percent from their respective inflation rates at 21.0 percent, 6.4 percent, and 2.7 percent in June 2024. (Table 5)

Furthermore, slower year-on-year decreases were observed during the month in the indices of fish and other seafood at 4.7 percent, and sugar, confectionery and desserts at 6.2 percent from their respective annual decline at 6.5 percent and 6.4 percent in June 2024. (Table 5)

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

- a. Rice, 15.1 percent from 16.3 percent;
- b. Flour, bread and other bakery products, pasta products, and other cereals 5.7 percent from 8.3 percent;
- c. Milk, other dairy products and eggs, 4.1 percent from 4.7 percent;
- d. Oils and fats, 0.8 percent from 1.5 percent;
- e. Vegetables, tubers, plantains, cooking bananas and pulses, 17.8 percent from 18.4 percent; and
- f. Ready-made food and other food products, not elsewhere classified, 9.7 percent from 11.2 percent. (Table 5)



## *2.2 Main Contributors to the Food Inflation*

Food inflation shared 104.6 percent or 4.2 percentage points to the overall inflation in July 2024. The food groups with highest contribution to the food inflation during the month were the following:

- a. Cereals and cereals products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with a share of 74.7 percent or 7.6 percentage points;
- b. Meat and other parts of slaughtered land animals, with a share of 14.7 percent or 1.5 percentage points; and
- c. Vegetables, tubers, plantains, cooking bananas and pulses, with a share of 11.5 percent or 1.2 percentage points.



**Table B. Year-on-Year Inflation Rates in the Province of Cebu, All Items  
 In Percent  
 January 2020 – July 2024  
 (2018=100)**

| Month          | Year       |            |            |            |            |
|----------------|------------|------------|------------|------------|------------|
|                | 2020       | 2021       | 2022       | 2023       | 2024       |
| January        | 2.0        | 0.7        | 7.2        | 7.9        | -0.4       |
| February       | 2.2        | 0.4        | 8.6        | 7.5        | -0.2       |
| March          | 1.6        | 0.9        | 7.1        | 8.1        | 0.3        |
| April          | 0.1        | 2.3        | 8.0        | 5.8        | 0.2        |
| May            | 0.0        | 2.2        | 8.3        | 5.4        | 2.3        |
| June           | 2.7        | 0.7        | 8.6        | 5.6        | 3.5        |
| July           | 2.7        | 0.2        | 10.2       | 4.6        | 4.0        |
| August         | 1.7        | 1.3        | 10.7       | 2.5        |            |
| September      | 1.2        | 1.5        | 11.6       | 2.0        |            |
| October        | 1.9        | 1.7        | 10.8       | 2.6        |            |
| November       | 1.5        | 2.4        | 10.7       | 1.9        |            |
| December       | 1.7        | 2.1        | 10.4       | 2.1        |            |
|                |            |            |            |            |            |
| <b>Average</b> | <b>1.6</b> | <b>1.3</b> | <b>9.4</b> | <b>4.6</b> | <b>1.4</b> |

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



## 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

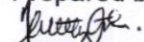
CPI<sub>2</sub> - is the CPI in the current period

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,

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

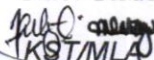
**Headline Inflation** is the rate of change in the weighted average prices of all goods and services in the CPI basket.

Prepared by:

  
**KATHY S. TIMOSA**  
Statistical Specialist II

Approved by:

  
**MELCHOR B. BAUTISTA**  
Chief Statistical Specialist

  
KST/MLA

