



SPECIAL RELEASE

Summary Inflation Report in the City of Lapu-Lapu Consumer Price Index (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 January 2022. The CPI series for all income households for January 2022 onwards will be 2018-based.

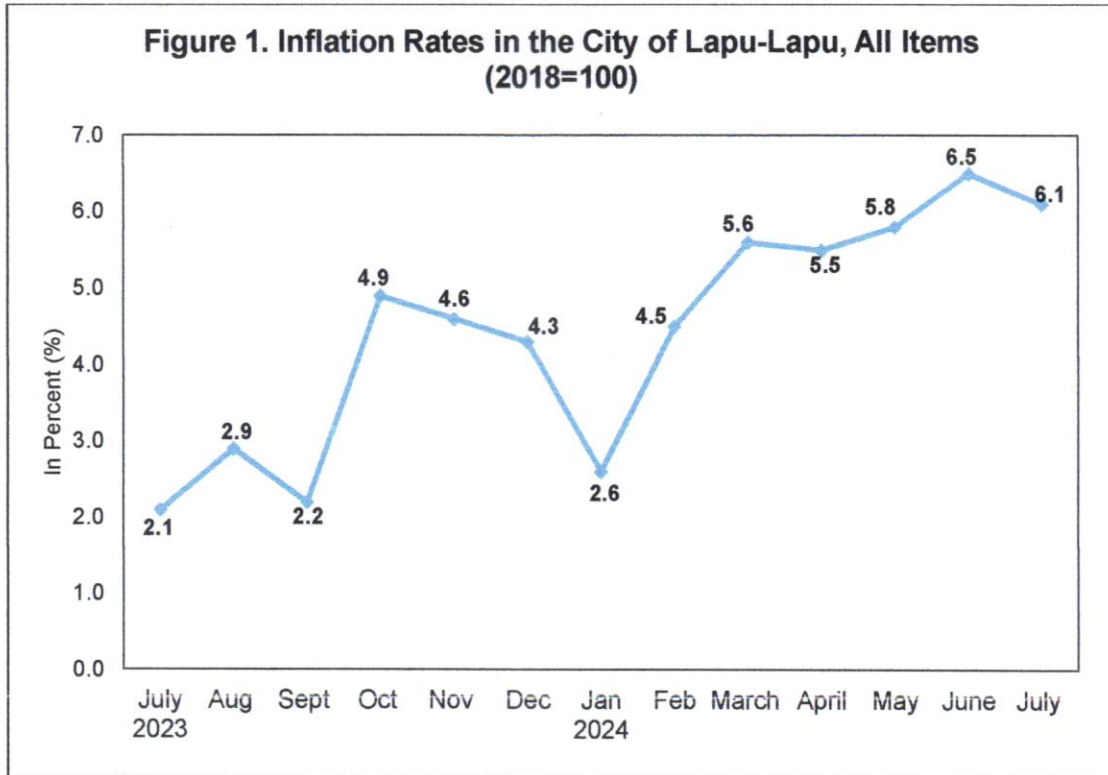
**Table A. Year-on-Year Inflation Rates, All Items
 In Percent
 (2018=100)**

Area	July	June	July	Year-to-date*
	2023	2024	2024	
Philippines	4.7	3.7	4.4	3.7
Central Visayas	4.1	4.8	4.5	3.6
City of Lapu-Lapu	2.1	6.5	6.1	5.2

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. City of Lapu-Lapu

1. Headline Inflation

Lapu-Lapu City's headline inflation rate decreased to 6.1 percent in July 2024 from 6.5 percent in June 2024. This brings the city's average inflation from January to July 2024 to 5.2 percent. In July 2023, the inflation rate in the city was lower at 2.1 percent. (Table A and Figure 1)

1.1 Main Drivers to the Downward Trend of the Headline Inflation

The downtrend of the headline inflation in July 2024 was primarily influenced by the year-on-year slower increase of housing, water, electricity, gas and other fuels index at 4.6 percent from 5.5 percent in the previous month. This was followed by food and non-alcoholic commodity group at 5.9 percent in July 2024 from 6.0 percent in June 2024. Personal care, miscellaneous goods and services also contributed to the downtrend at 5.1 percent during the month from 5.6 percent in June 2024. (Table 3)

Furthermore, slower annual increments were also recorded in the indices of alcoholic beverages and tobacco at 3.6 percent, health at 3.2 percent, clothing and footwear at 3.6 percent, and furnishings, household equipment and routine household maintenance at 2.0 percent during the month from their respective inflation rates at 4.2 percent, 3.5 percent, 3.8 percent, and 2.1 percent in June 2024. (Table 3)

On the contrary, faster year-on-year increases were noted in the indices of transport at 4.1 percent, recreation, sport and culture at 4.3 percent, and education services at 1.1 percent in July 2024 from their respective inflation rates at 3.6 percent, 2.7 percent, and 0.0 percent in June 2024. (Table 3)

The indices of commodity groups that retained their previous month's inflation were as follows:

- a. Information and communication, 1.3 percent;
- b. Restaurants and accommodation services, 18.1 percent; and
- c. Financial services, 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 33.9 percent share or 2.1 percentage points;
- b. Restaurants and accommodation services with 32.8 percent share or 2.0 percentage points; and
- c. Housing, water, electricity, gas and other fuels with 18.6 percent share or 1.1 percentage points.



2. Food Inflation

Food inflation in the city decreased to 6.2 percent in July 2024 from 6.5 percent in June 2024. In July 2023, food inflation was lower which recorded at 4.3 percent. (Table 7)

2.1 Main Drivers to the Downward Trend of Food Inflation

The downtrend of food inflation in July 2024 was mainly brought by the slower annual increase in the food group of vegetables, tubers, plantains, bananas and pulses at 5.1 percent from 23.2 percent in June 2024. The index of milk, other dairy products and eggs also contributed to the downtrend of food inflation during the month with 0.9 percent from 5.0 percent in June 2024. Ready-made food and other food products not elsewhere classified also recorded a slower annual increment at 7.3 percent in July 2024 from 9.8 percent in June 2024.

Moreover, slower annual increments were also recorded in the indices of the following food groups:

- a. Rice at 15.6 percent from 17.2 percent;
- b. Flour, bread and other bakery products, pasta products, and other cereals, 2.3 percent from 2.8 percent; and
- c. Sugar, confectionery and desserts, 3.6 percent from 3.8 percent.

On the contrary, faster annual increases were posted in the following indices:

- a. Corn, 20.2 percent from 7.0 percent;
- b. Meat and other parts of slaughtered land animals, 11.6 percent from 11.5 percent; and
- c. Fruits and nuts, 13.4 percent from 11.3 percent.

The indices that recorded slower annual decreases were fish and other seafood at 6.4 percent, and oils and fats at 0.1 percent during the month from their respective faster annual decrease at 13.2 percent, and 0.2 percent in June 2024.

2.2 Main Contributors to the Food Inflation

Food inflation shared 33.4 percent or 2.0 percentage points to the overall inflation in July 2024. Food groups with highest contribution to 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 60.5 percent share or 3.8 percentage points;
- b. Meat and other parts of slaughtered land animals, 33.9 percent share or 2.1 percentage point; and



c. Fruits and nuts, with 9.4 percent share or 0.6 percentage point.

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

Month	Year				
	2020	2021	2022	2023	2024
January	2.4	-0.1	2.8	5.6	2.6
February	2.0	0.3	1.4	5.7	4.5
March	1.9	1.0	0.9	4.5	5.6
April	1.4	1.6	0.9	4.2	5.5
May	1.3	1.8	1.5	3.1	5.8
June	2.2	1.1	1.7	3.1	6.5
July	1.9	1.6	2.5	2.1	6.1
August	1.1	1.2	3.0	2.9	
September	0.5	1.5	4.7	2.2	
October	0.7	1.5	4.6	4.9	
November	0.6	0.8	5.8	4.6	
December	0.6	0.6	6.0	4.3	
Average	1.4	1.0	3.0	3.9	5.2

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:

CPI₁ - is the CPI in the previous period

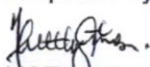
CPI₂ - is the CPI in the current period

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,

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

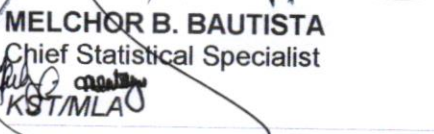
Headline Inflation is the rate of change in the weighted average prices of all goods and services in the CPI basket.

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