



SPECIAL RELEASE

Summary Inflation Report in Province of Cebu Consumer Price Index for the Bottom 30% Income Households (2018=100)

July 2024

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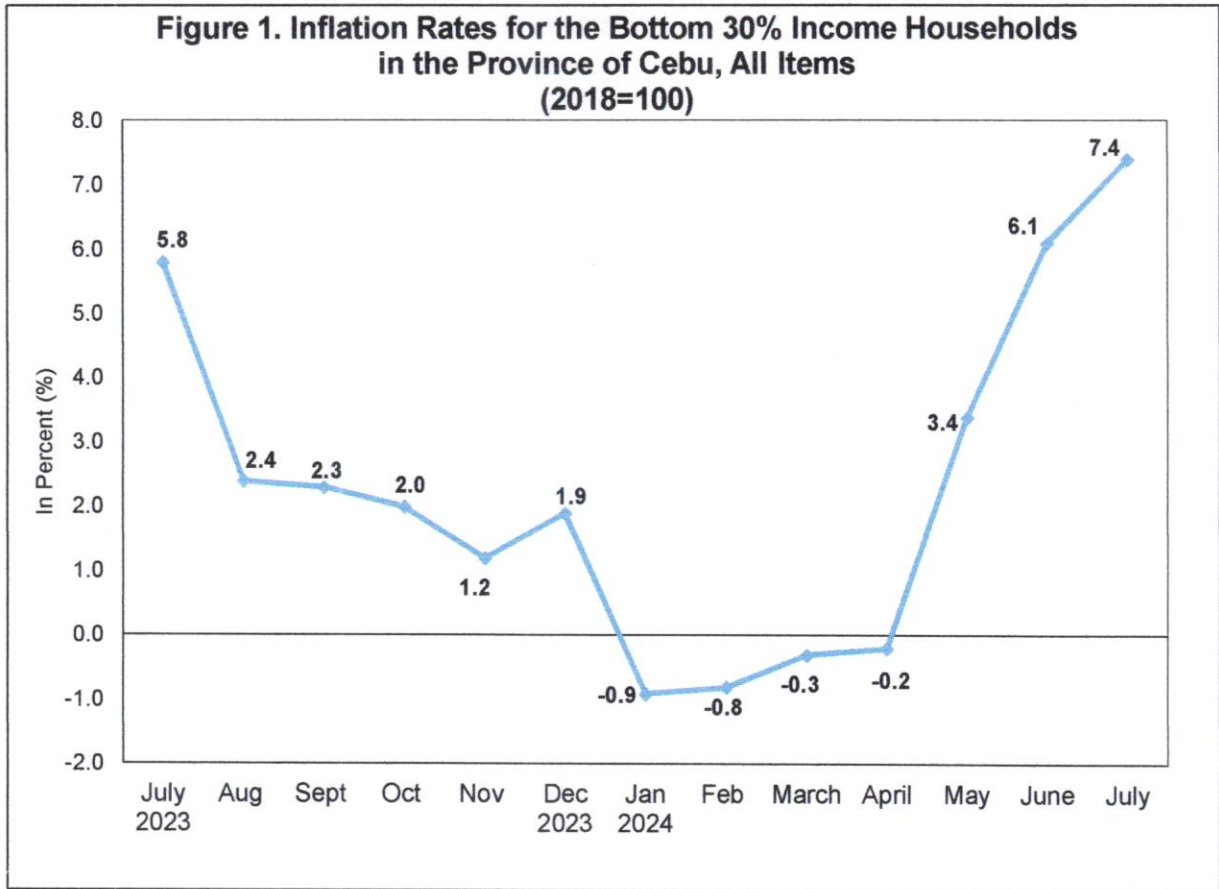
**Table A. Year-on-Year Inflation Rates
 for the Bottom 30% Income Households, All Items
 In Percent
 (2018=100)**

Area	July	June	July	Year-to-date*
	2023	2024	2024	
Philippines	5.2	5.5	5.8	4.9
Central Visayas	6.4	7.0	7.7	4.7
Cebu	5.8	6.1	7.4	2.1

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 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)

B. Central Visayas

1. Regional Inflation

Following the trend at the national level, inflation rate for the bottom 30% income households in Central Visayas increased to 7.7 percent in July 2024 from 7.0 percent in June 2024. The region's average inflation for this income group from January to July 2024 stood at 4.7 percent. In July 2023, the inflation rate in the region was lower which recorded at 6.4 percent. (Table A)



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C. Province of Cebu

1. Headline Inflation

The headline inflation rate for the bottom 30% income households in the Province of Cebu increased to 7.4 percent in July 2024 from 6.1 percent in June 2024. This brings the province's average inflation at 2.1 percent from January to July 2024. In July 2023, the inflation rate was recorded at 5.8 percent. (Table A and Figure 1)

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

The main driver to the upward trend of the headline inflation in July 2024 for bottom 30% income households was the faster year-on-year increase of heavily-weighted food and non-alcoholic beverages at 11.7 percent from 9.1 percent in June 2024. This was followed by housing, water, electricity, gas and other fuels at 3.9 percent from 3.6 percent in June 2024. Faster annual growth rate of health index also contributed to the uptrend inflation with 4.5 percent in July 2024 from 3.6 percent in June 2024. (Table 3)

In addition, faster annual increments were also noted in the indices of clothing and footwear at 1.1 percent, and furnishings, household equipment and routine household maintenance at 2.0 percent in July 2024 from their respective inflation rates at 0.8 percent and 1.7 percent in June 2024. (Table 3)

On the other hand, slower annual increases were posted in the indices of the following commodity group during the month:

- a. Alcoholic beverages and tobacco, 4.7 percent from 5.1 percent;
- b. Recreation, sport and culture, 4.8 percent from 4.9 percent; and
- c. Personal care, and miscellaneous goods and services, 2.3 percent from 2.6 percent. (Table 3)

Transport commodity group recorded a faster annual decrease at 2.1 percent in July 2024 from no price movement in June 2024.

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

- a. Information and communication, 0.0 percent;
- b. Education services, 0.2 percent;
- c. Restaurants and accommodation services, 2.7 percent; and
- d. Financial services, 0.0 percent. (Table 3)

1.2 Main Contributors to the Headline Inflation

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

- a. Food and non-alcoholic beverages with 82.8 percent share or 6.1 percentage points.



- b. Housing, water, electricity, gas and other fuels with 9.3 percent share or 0.7 percentage point; and
- c. Restaurants and accommodation services with 3.6 percent share or 0.3 percentage point.

2. Food Inflation

Food inflation rate for the bottom 30% income households in the Province of Cebu increased to 12.3 percent in July 2024 from 9.5 percent in June 2024. In July 2023, food inflation stood at 5.6 percent. (Table 7)

2.1 Main Drivers to the Uptrend of Food Inflation

The main drivers to the uptrend of food inflation in July 2024 were mainly brought by the faster annual increases of the indices of corn at 31.8 percent, meat and other parts of slaughtered land animals at 9.6 percent, and fruits and nuts at 5.9 percent from their respective food inflation rates at 21.0 percent, 6.8 percent, and 3.1 percent in June 2024. (Table 5)

Slower annual decreases were recorded in the indices of fish and other seafoods at 7.3 percent, and sugar, confectionery and desserts at 7.2 percent during the month from their respective food inflation rates at 8.6 percent and 7.5 percent faster annual decreases in the previous month. (Table 5)

In contrast, lower inflation rates were recorded in the indices of the following food groups during the month:

- a. Rice, 14.5 percent from 16.0 percent;
- b. Flour, bread and other bakery products, pasta products, other cereals, 6.1 percent from 8.5 percent;
- c. Milk, other dairy products and eggs, 2.9 percent from 3.5 percent;
- d. Oils and fats, 0.5 percent from 1.1 percent;
- e. Vegetables, tubers, plantains, cooking bananas and pulses, 16.4 percent from 20.0 percent; and
- f. Ready-made food, and other food products not elsewhere classified, 10.2 percent from 12.1 percent. (Table 5)

2.2 Main Contributors to the Food Inflation

Food inflation contributed 80.9 percent share or 6.0 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 87.1 percent share or 10.7 percentage points;
- b. Meat and other parts of slaughtered land animals with 9.8 percent share or 1.2 percentage points; and
- c. Vegetables, tubers, plantains, cooking bananas and pulses with 9.4 percent share or 1.2 percentage points.

Table B. Year-on-Year Inflation Rates for the Bottom 30% Income Households in the Province of Cebu, All Items In Percent January 2019 – July 2024 (2018=100)

Month	Year					
	2019	2020	2021	2022	2023	2024
January	5.1	2.1	1.0	11.5	9.1	-0.9
February	3.0	2.9	0.8	13.5	8.2	-0.8
March	1.4	2.4	0.4	12.5	9.0	-0.3
April	1.9	0.3	2.2	13.5	6.1	-0.2
May	1.7	0.5	2.1	13.3	5.6	3.4
June	0.0	3.6	0.3	13.6	5.9	6.1
July	0.2	3.6	-0.9	15.6	5.8	7.4
August	0.6	2.4	1.1	15.2	2.4	
September	0.4	1.5	1.6	17.1	2.3	
October	-0.7	2.7	2.1	16.0	2.0	
November	-0.4	2.5	3.6	15.0	1.2	
December	1.3	2.6	2.7	14.9	1.9	
Average	1.2	2.2	1.4	14.3	4.9	2.1

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

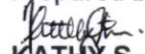
CPI₂ - is the CPI in the current period

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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