



SPECIAL RELEASE

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

August 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.

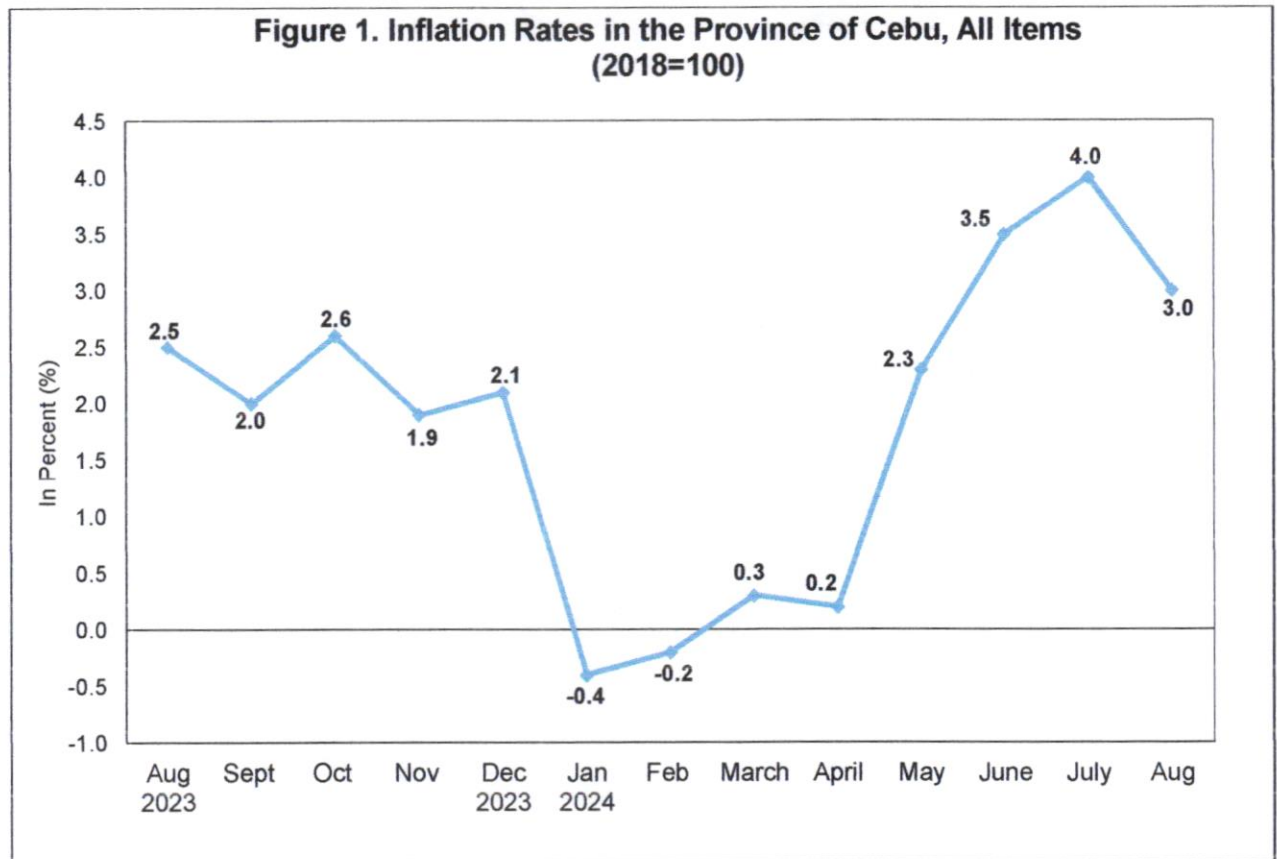
**Table A. Year-on-Year Inflation Rates, All Items
 In Percent
 (2018=100)**

Area	August	July	August	Year-to-date*
	2023	2024	2024	
Philippines	5.3	4.4	3.3	3.6
Central Visayas	4.1	4.5	3.4	3.6
Cebu	2.5	4.0	3.0	1.6

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 August 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 eased to 3.3 percent in August 2024 from 4.4 percent in July 2024. This brings the national average inflation from January to August 2024 to 3.6 percent. In August 2023, inflation rate was higher at 5.3 percent. (Table A)

B. Central Visayas

1. Regional Inflation

The headline inflation in Central Visayas decelerated to 3.4 percent in August 2024 from 4.5 percent in July 2024. This brings the regional average inflation from January 2024 to August 2024 to 3.6 percent. In August 2023, inflation rate was recorded at 4.1 percent. (Table A)



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C. Province of Cebu

1. Headline Inflation

In the Province of Cebu, the headline inflation decelerated to 3.0 percent in August 2024 from 4.0 percent in July 2024. The province's average inflation rate from January to August 2024 stood at 1.6 percent. While in August 2023, the inflation rate was higher which recorded at 2.5 percent. (Table A and Figure 1)

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

The downtrend of the headline inflation in August 2024 was primarily influenced by the year-on-year faster decrease in the index of transport at 12.6 percent from 0.4 percent annual decline in July 2024. The slower annual growth rate of food and non-alcoholic beverages index at 7.8 percent during the month from 9.6 percent in the previous month also contributed to the downtrend of the overall inflation in the province. (Table 3)

In addition, slower annual increments were also noted in the following indices of furnishings, household equipment and routine household maintenance at 2.1 percent, and health at 4.5 percent in August 2024 from their respective inflation rates at 3.1 percent and 5.3 percent in the previous month.

On the other hand, faster annual increases were recorded in the commodity groups of housing, water, electricity, gas and other fuels at 0.5 percent, and education services at 7.2 percent during the month from their respective inflation rates in the previous month at 4.8 percent annual decline and 2.5 percent.

The indices of commodity groups that retained their previous month's inflation were the following:

- a. Alcoholic beverages and tobacco, 7.0 percent;
- b. Clothing and Footwear, 0.9 percent;
- c. Information and Communication, 0.2 percent;
- d. Recreation, sport and culture, 1.6 percent;
- e. Restaurants and accommodation services, 2.7 percent;
- f. Financial services, 0.0 percent; and
- g. Personal care, and miscellaneous goods and services, 2.3 percent. (Table 3)

1.2 Main Contributors to the Headline Inflation

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

- a. Food and non-alcoholic beverages with 107.9 percent share or 3.2 percentage points;



- b. Restaurants and accommodation services with 9.2 percent share or 0.3 percentage point; and
- c. Health with 4.3 percent share or 0.1 percentage point.

2. Food Inflation

Food inflation in the Province of Cebu slowed down to 8.2 percent in August 2024 from 10.2 percent in July 2024. In August 2023, food inflation rate stood at 1.7 percent. (Table 7)

2.1 Main Drivers to the Downtrend of Food Inflation

The deceleration of food inflation during the month in the province were mainly brought by the slower annual increases of meat and other parts of slaughtered land animals at 5.7 percent; vegetables, tubers, plantains, cooking bananas and pulses at 10.2 percent; and rice at 11.7 percent from their respective inflation rates at 9.3 percent, 17.8 percent, and 15.1 percent. (Table 5)

In addition, slower year-on-year increases were also noted in ready-made food and other food products not elsewhere classified at 8.1 percent, and flour, bread and other bakery products, pasta products and other cereals at 5.3 percent in August 2024 from their respective food inflation rates at 9.7 percent and 5.7 percent in the previous month. Faster annual decrease was observed in the food group of fish and other seafood at 6.0 percent in August 2024 from annual drop of 4.7 percent in July 2024. (Table 5)

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

- a. Corn, 36.5 percent from 31.8 percent;
- b. Milk, other dairy products and eggs, 5.1 percent from 4.1 percent; and
- d. Fruits and nuts, 8.7 percent from 4.9 percent.

Slower annual decrease was noted in sugar, confectionery and desserts at 5.2 percent in August 2024 from annual decline of 6.2 percent in the previous month. (Table 5)

2.2 Main Contributors to the Food Inflation

Food inflation shared 105.1 percent or 3.1 percentage points to the overall inflation in August 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 83.0 percent or 6.8 percentage points;
- b. Meat and other parts of slaughtered land animals, with a share of 10.6 percent or 0.9 percentage point; and



- c. Vegetables, tubers, plantains, cooking bananas and pulses, with a share of 7.7 percent or 0.6 percentage point.

**Table B. Year-on-Year Inflation Rates in the Province of Cebu, All Items
 In Percent
 January 2020 – August 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	3.0
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	
Average	1.6	1.3	9.4	4.6	1.6

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



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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,

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

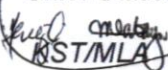
Headline Inflation is the rate of change in the weighted average prices of all goods and services in the CPI basket.

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