



SPECIAL RELEASE

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

September 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.

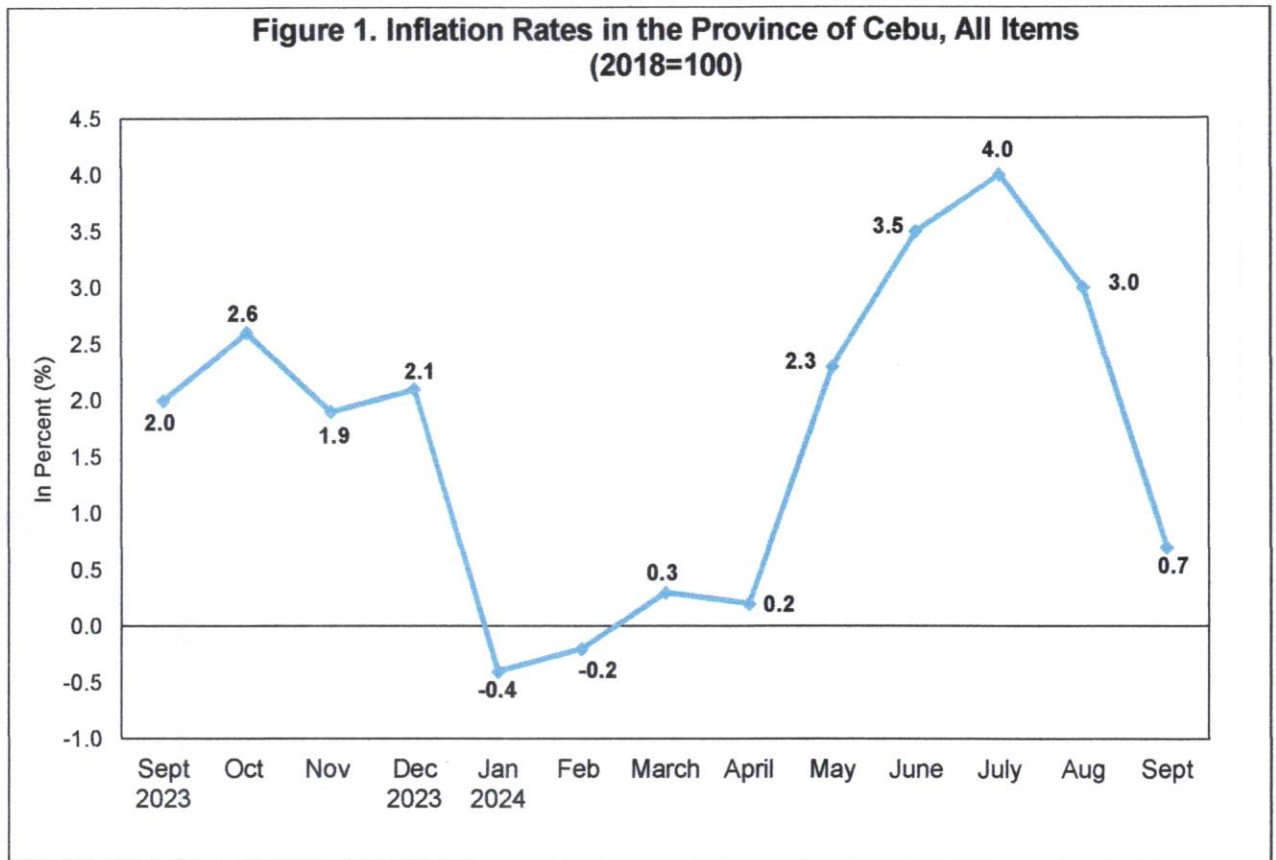
**Table A. Year-on-Year Inflation Rates, All Items
 In Percent
 (2018=100)**

Area	September	August	September	Year-to-date*
	2023	2024	2024	
Philippines	6.1	3.3	1.9	3.4
Central Visayas	3.8	3.4	2.1	3.4
Cebu	2.0	3.0	0.7	1.5

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 September 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 slowed down further to 1.9 percent in September 2024. This is the lowest inflation rate since the 1.6 percent inflation rate recorded in May 2020. The inflation rate in August 2024 was recorded at 3.3 percent. This brings the national average inflation from January to September 2024 to 3.4 percent. In September 2023, the inflation rate was higher at 6.1 percent. (Table A)

B. Central Visayas

1. Regional Inflation

Following the trend at the national level, the headline inflation in Central Visayas slowed down further to 2.1 percent in September from 3.4 percent in August 2024. This brings the regional average inflation from January to September 2024 to 3.4 percent. In September 2023, inflation rate was higher which posted at 3.8 percent. (Table A)



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C. Province of Cebu

1. Headline Inflation

The headline inflation in the Province of Cebu continued to slow down to 0.7 percent in September 2024 from 3.0 percent in August 2024. The province's average inflation rate from January to September 2024 stood at 1.5 percent. In September 2023, the inflation rate was higher which recorded at 2.0 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 September 2024 was primarily influenced by the slower year-on-year increase in the index of food and non-alcoholic beverages at 1.1 percent during the month from 7.8 percent in August 2024. Also contributing to the downtrend was restaurants and accommodation services which recorded a no price movement in September 2024 from 2.7 percent in August 2024. In addition, furnishings, household equipment and routine household maintenance posted a slower annual increment in September 2024 at 1.1 percent from 2.1 percent in August 2024. (Table 3)

Lower annual increments were also noted in the indices of the following commodity groups during the month:

- a. Personal care, and miscellaneous goods and services, 2.2 percent from 2.3 percent;
- b. Alcoholic beverages and tobacco, 6.8 percent from 7.0 percent;
- c. Clothing and footwear, 0.8 percent from 0.9 percent; and
- d. Information and communication, 0.1 percent from 0.2 percent.

On the other hand, faster annual increases were recorded in the commodity groups of housing, water, electricity, gas and other fuels at 2.2 percent, and recreation, sport and culture at 1.7 percent during the month from their respective inflation rates in the previous month at 0.5 percent and 1.6 percent. Slower annual decrease was recorded in transport commodity group at 8.6 percent in September 2024 from annual drop of 12.6 percent in the previous month.

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

- a. Health, 4.5 percent;
- b. Education services, 7.2 percent; and
- c. Financial services, 0.0 percent. (Table 3)



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1.2 Main Contributors to the Headline Inflation

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

- a. Housing, water, electricity, gas and other fuels with 74.2 percent share or 0.5 percentage point;
- b. Food and non-alcoholic beverages with 69.8 percent share or 0.5 percentage point; and
- c. Health with 19.8 percent share or 0.1 percentage point.

2. Food Inflation

Food inflation in the Province of Cebu slowed down to 1.1 percent in September 2024 from 8.2 percent in August 2024. In September 2023, food inflation rate stood at 5.1 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 faster annual decreases of the indices of corn at 3.6 percent, and vegetables, tubers, plantains, cooking bananas and pulses at 12.2 percent from their respective inflation rates at 36.5 percent and 10.2 percent annual increases in the previous month. In addition, rice food group recorded a slower annual increase in September 2024 at 5.7 percent from 11.7 percent in August 2024. (Table 5)

Moreover, lower inflation rates were noted during the month in the following food groups:

- a. Flour, bread and other bakery products, pasta products and other cereals, 4.8 percent from 5.3 percent;
- b. Meat and other parts of slaughtered land animals, 3.1 percent from 5.7 percent;
- c. Milk, other dairy products and eggs, 4.7 percent from 5.1 percent;
- d. Ready-made food and other food products not elsewhere classified, 7.2 percent from 8.1 percent; and
- e. Oils and fats, 0.3 percent from 0.8 percent.

On the contrary, faster annual increment was observed in the index of fruits and nuts at 12.6 percent from 8.7 percent in August 2024.

Moreover, slower annual decrements were noted during the month in the indices of fish and other seafood at 1.5 percent, and sugar, confectionery and desserts at 5.1 percent from their respective year-on-year decreases of 6.0 percent and 5.2 percent in the previous month. (Table 5)



2.2 Main Contributors to the Food Inflation

Food inflation shared 59.4 percent or 0.4 percentage point to the overall inflation in September 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 65.6 percent or 0.7 percentage point;
- b. Meat and other parts of slaughtered land animals, with a share of 35.4 percent or 0.4 percentage point; and
- c. Fruits and nuts, with a share of 35.3 percent or 0.4 percentage point.



**Table B. Year-on-Year Inflation Rates in the Province of Cebu, All Items
 In Percent
 January 2020 – September 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	0.7
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	1.5

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

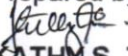
CPI₂ - is the CPI in the current period

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,

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

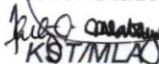
Headline Inflation is the rate of change in the weighted average prices of all goods and services in the CPI basket.

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