



SPECIAL RELEASE

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

September 2024

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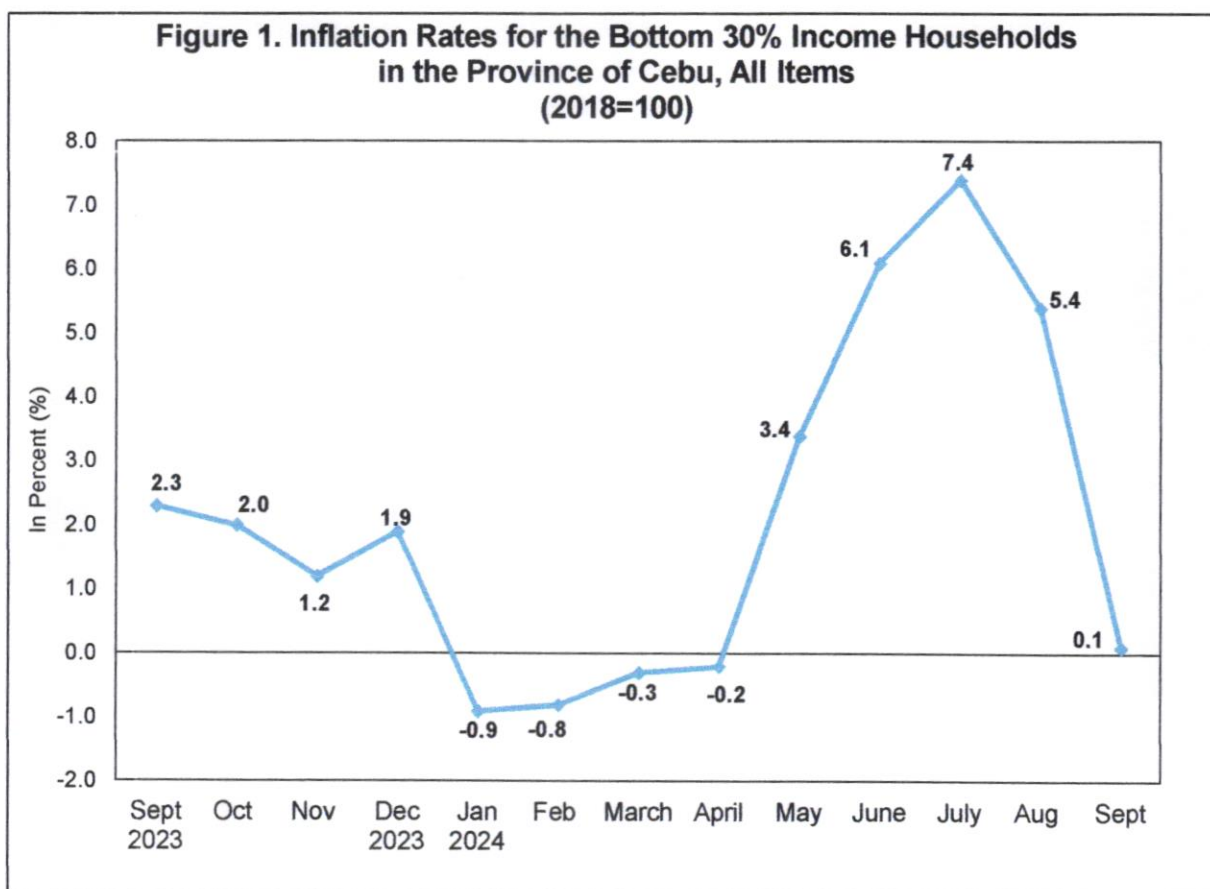
**Table A. Year-on-Year Inflation Rates
 for the Bottom 30% Income Households, All Items
 In Percent
 (2018=100)**

Area	September	August	September	Year-to-date*
	2023	2024	2024	
Philippines	6.9	4.7	2.5	4.6
Central Visayas	6.1	5.2	1.8	4.4
Cebu	2.3	5.4	0.1	2.2

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 September 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 headline or overall inflation rate for the bottom 30% income households slowed down to 2.5 percent in September 2024 from 4.7 percent in August 2024. This is the lowest inflation rate for this particular income group since the 2.2 percent inflation rate recorded in May 2020. The average inflation rate for the bottom 30% income households from January to September 2024 is 4.6 percent. In September 2023, inflation rate was posted at 6.9 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 slowed down further to 1.8 percent in September 2024 from 5.2 percent in August 2024. This is the lowest inflation rate for this particular income group since the 0.7 percent inflation rate recorded in July 2021. The region's average inflation rate for the bottom 30% income households from January to September 2024 stood at 4.4



2nd Flr. Martina Sugbo, P. Burgos St., San Roque, Cebu City Philippines
 Telephone: 255-8573/415-9449/412-1337
 Website: rso07.psa.gov.ph/cebu, Email: cebu@psa.gov.ph

percent. In September 2023, the inflation rate in the region was higher which posted at 6.1 percent. (Table A)

C. Province of Cebu

1. Headline Inflation

The headline inflation rate for the bottom 30% income households in the Province of Cebu slowed down further to 0.1 percent in September 2024 from 5.4 percent in August 2024. This brings the province's average inflation to 2.2 percent from January to September 2024. In September 2023, the inflation rate was recorded at 2.3 percent. (Table A and Figure 1)

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

The main driver to the downward trend of the headline inflation in September 2024 for bottom 30% income households was the faster year-on-year decrease of food and non-alcoholic beverages index at 0.5 percent from annual increase of 9.9 percent in the previous month. This was followed by the commodity group of restaurants and accommodation services without price movement during the month from 2.7 percent in August 2024. Slower annual increment of housing, water, electricity, gas and other fuels at 2.4 percent from 3.5 percent in the previous month also contributed to the downtrend inflation in the province. (Table 3)

On the contrary, faster annual increments were observed in the indices of furnishings, household equipment and routine household maintenance at 2.0 percent, and recreation, sport and culture at 6.9 percent from their respective inflation rates at 1.9 percent and 5.5 percent in August 2024.

Slower annual decrement was noted in transport commodity group at 10.7 percent from 18.6 percent annual decline in the previous month. (Table 3)

Commodity groups that retained their previous month's inflation were as follows:

- a. Alcoholic beverages and tobacco, 4.7 percent;
- b. Clothing and footwear, 1.1 percent;
- c. Health, 4.4 percent;
- d. Information and communication, 0.0 percent;
- e. Education services, 9.2 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 following commodity groups were the top contributors to the September 2024 overall inflation for the bottom 30% income households in the Province of Cebu:

- a. Housing, water, electricity, gas and other fuels with 728.7 percent share or 0.7 percentage point;
- b. Personal care, and miscellaneous goods and services with 207.1 percent share or 0.2 percentage point; and
- c. Recreation, sport and culture with 190.3 percent share or 0.2 percentage point.

2. Food Inflation

Food inflation rate for the bottom 30% income households in the Province of Cebu had a faster annual decrease at 0.8 percent in September 2024 from 10.4 percent annual increase in August 2024. In September 2023, food inflation stood at 3.4 percent. (Table 7)

2.1 Main Drivers to the Downtrend of Food Inflation

The main drivers to the downtrend of food inflation in September 2024 was mainly brought by the faster year-on-year decrease of the corn index at 3.6 percent from 36.5 percent annual increase in the previous month. This was followed the slower annual increase of rice index at 1.7 percent from 10.8 percent in the previous month. Vegetables, tubers, plantains, cooking bananas and pulses with faster annual decrease at 10.9 percent in September 2024 from 8.8 percent annual increase in the previous month also contributed to the downtrend food inflation in the province. (Table 5)

In addition, slower annual increments were also noted in the indices of the following food groups:

- a. Meat and other parts of slaughtered land animals, 3.7 percent from 6.2 percent;
- b. Flour, bread and other bakery products, pasta products, 5.1 percent from 5.6 percent;
- c. Milk, other dairy products and eggs, 4.0 percent from 4.5 percent;
- d. Oils and fats, 0.1 percent from 0.5 percent; and
- e. Ready-made food, and other food products not elsewhere classified, 7.5 percent from 8.6 percent. (Table 5)

On the contrary, faster year-on-year increase was recorded in fruits and nuts index at 14.1 percent from 9.7 percent in the previous month.

In addition, slower annual decrement was observed in fish and other seafood group at 5.5 percent from annual drop of 9.2 percent in August 2024.



Meanwhile, sugar, confectionery and desserts retained its previous month's inflation rate at 6.0 percent annual decline. (Table 5)

2.2 Main Contributors to the Food Inflation

Food inflation contributed -633.1 percent share or -0.6 percentage point to the September 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. Fish and other seafood with 165.7 percent share or -1.3 percentage points;
- b. Vegetables, tubers, plantains, cooking bananas and pulses with 124.8 percent share or -1.0 percentage point; and
- c. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with 22.9 percent share or -0.2 percentage point.



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

	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	5.4
September	0.4	1.5	1.6	17.1	2.3	0.1
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	2.2

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



2nd Flr. Martina Sugbo, P. Burgos St., San Roque, Cebu City Philippines
 Telephone: 255-8573/415-9449/412-1337
 Website: rso07.psa.gov.ph/cebu, Email: cebu@psa.gov.ph

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

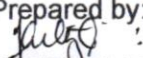
CPI₂ - is the CPI in the current period

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,

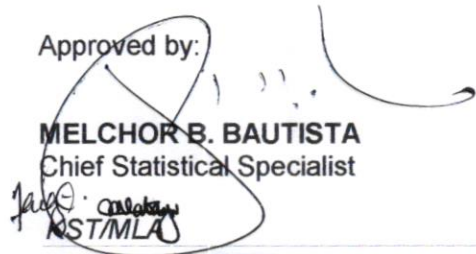
$$PPP = \frac{1}{CPI} * 100$$

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

Prepared by:


KATHV S. TIMOSA
Statistical Specialist II

Approved by:


MELCHOR B. BAUTISTA
Chief Statistical Specialist



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