SPECIAL RELEASE

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

October 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	October	September	October	Year-to-date*
	2023	2024	2024	
Philippines	5.3	2.5	3.4	4.5
Central Visayas	4.1	1.8	3.6	4.4
Cebu	2.0	0.1	3.5	2.4

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 October 2024 vs. 2023
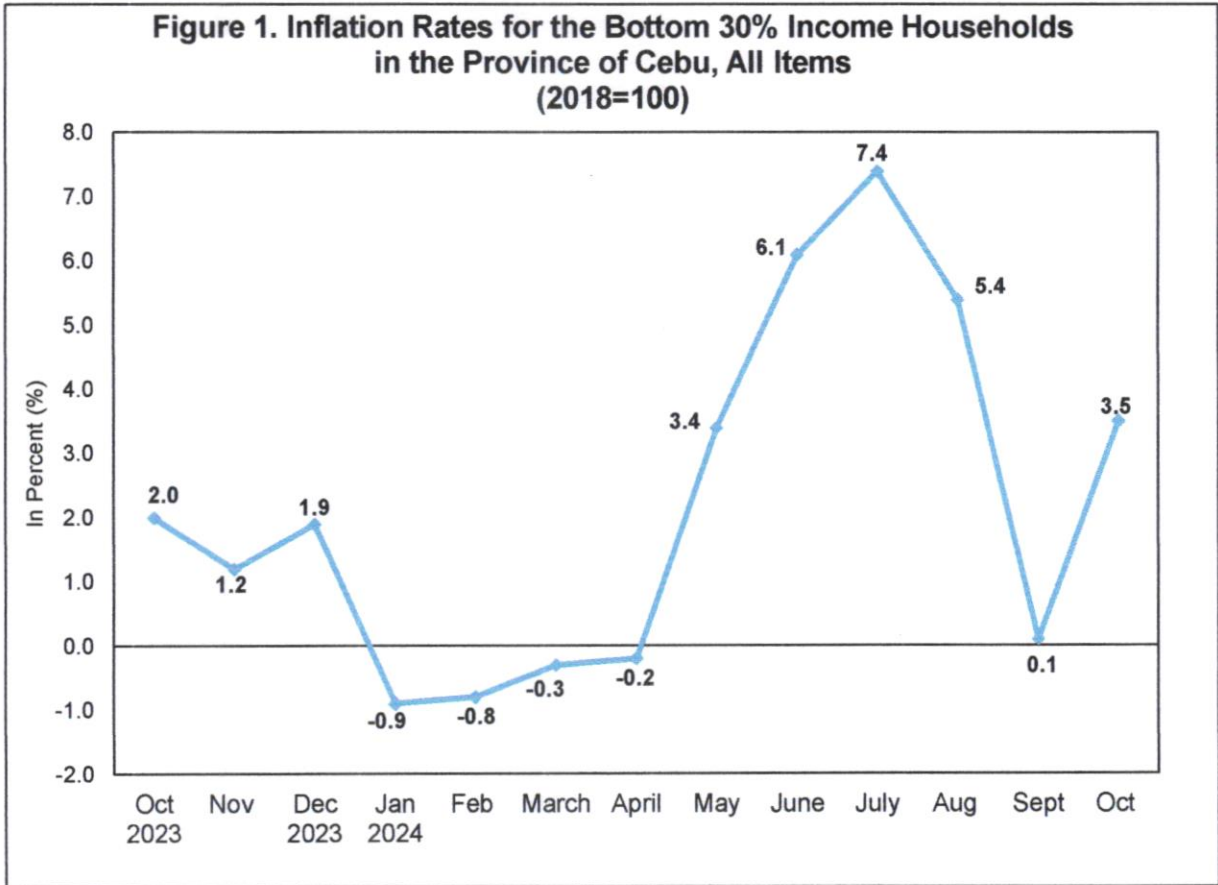
Figure 1. Inflation Rates for the Bottom 30% Income Households in the Province of Cebu, All Items (2018=100)

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 3.4 percent in October 2024 from 2.5 percent in September 2024. In October 2023, inflation rate was posted at 5.3 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 3.6 percent in October 2024 from 1.8 percent in September 2024. In October 2023, inflation rate in the region was higher which posted at 4.1 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 3.5 percent in October 2024 from 0.1 percent in September 2024. In October 2023, inflation rate was recorded at 2.0 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 October 2024 for bottom 30% income households were mainly influenced by the faster year-on-year increments of the indices of food and non-alcoholic beverages at 5.2 percent, and transport at 0.9 percent from their respective annual decline inflation rates at 0.5 percent and 10.7 percent in the previous month. (Table 3)

On the contrary, slower annual increments were observed during the month in the indices of the following commodity groups:

- a. Housing, water, electricity, gas and other fuels, 1.2 percent from 2.4 percent;
- b. Furnishings, household equipment and routine household maintenance, 1.5 percent from 2.0 percent;
- c. Health, 4.0 percent from 4.4 percent;
- d. Recreation, sport and culture, 6.1 percent from 6.9 percent; and
- e. Personal care, and miscellaneous goods and services, 2.0 percent from 2.3 percent.

The 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. Information and communication, 0.0 percent;
- d. Education services, 9.2 percent;
- e. Restaurants and accommodation services, 0.0 percent; and
- f. Financial services, 0.0 percent.

1.2 Main Contributors to the Headline Inflation

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

- a. Food and non-alcoholic beverages with 77.9 percent share or 2.7 percentage points;
- b. Housing, water, electricity, gas and other fuels with 6.0 percent share or 0.2 percentage point; and

c. Personal care, miscellaneous goods and services with 3.0 percent share or 0.1 percentage point.

2. Food Inflation

Food inflation rate for the bottom 30% income households in the Province of Cebu increased to 5.4 percent in October 2024 from annual drop of 0.8 percent in September 2024. In October 2023, food inflation stood at 0.2 percent. (Table 7)

2.1 Main Drivers to the Uptrend of Food Inflation

The main drivers to the uptrend of food inflation in October 2024 were mainly brought by the faster year-on-year increments of the indices of corn at 19.8 percent, and rice at 4.0 percent from their respective food inflation rates at 3.6 percent annual decline and 1.7 percent annual increase in the previous month. Slower annual decrements were recorded in the indices of vegetables, tubers, plantains, cooking bananas and pulses at 4.8 percent, and fish and other seafood at 3.9 percent during the month from their respective annual decrements of 10.9 percent and 5.5 percent in September 2024. (Table 5)

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

a. Meat and other parts of slaughtered land animals, 5.2 percent from 3.7 percent;
b. Fruits and nuts, 14.7 percent from 14.1 percent; and
c. Milk, other dairy products and eggs, 4.2 percent from 4.0 percent. (Table 5)

On the contrary, slower year-on-year increases were recorded in flour, bread and other bakery products, pasta products and other cereals at 3.0 percent, and ready-made food and other food products not elsewhere classified at 5.7 percent during the month from their respective food inflation rates at 5.1 percent and 7.5 percent in the previous month.

Faster annual decrease was observed in sugar, confectionery and desserts at 6.4 percent in October 2024 from annual drop of 6.0 percent in the previous month.

Oils and fats retained its previous month's food inflation rate at 0.1 percent. (Table 5)

2.2 Main Contributors to the Food Inflation

Food inflation contributed 74.8 percent share or 2.6 percentage points to the October 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 92.9 percent share or 5.0 percentage points;

b. Meat and other parts of slaughtered land animals with 11.4 percent share or 0.6 percentage point; and

c. Fruits and nuts with 8.1 percent share or 0.4 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 – October 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	3.5
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	2.4

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 ground 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,

$$Inflation\ Rate = \frac{CPI_2 - CPI_1}{CPI_1} * 100$$

where:
CPI_1 - is the CPI in the previous period
CPI_2 - 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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