



SPECIAL RELEASE

Summary Inflation Report in Negros Oriental Consumer Price Index (2018=100)

February 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 2023 onwards will be 2018-based.

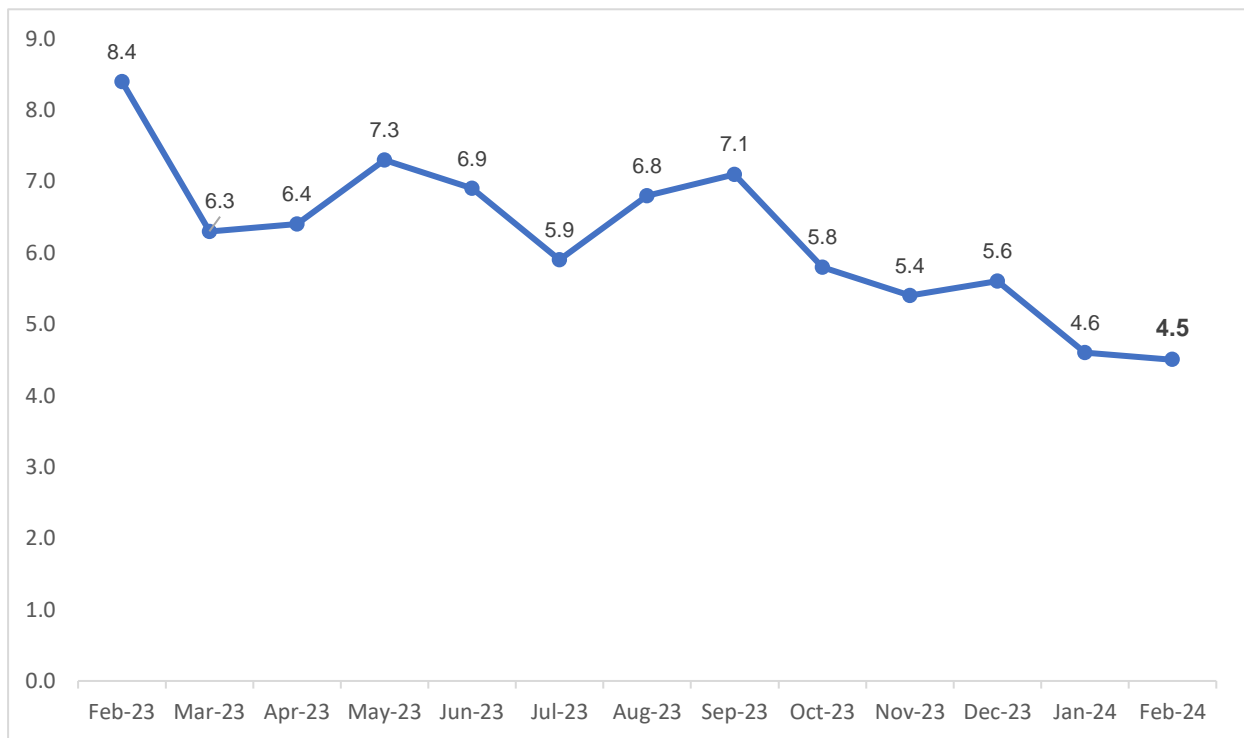
**Table A. Year-on-Year Inflation Rates, All Items
In Percent
(2018=100)**

Area	February 2023	January 2024	February 2024	Year-to-date*
Philippines	8.6	2.8	3.4	3.1
Central Visayas	7.4	2.5	2.7	2.6
Negros Oriental	8.4	4.6	4.5	4.6

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

* Year-on-year change of average CPI for January to December, 2024 vs. 2023

**Figure 1. Inflation Rates in Negros Oriental, All Items
(2018=100)**



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

A. Philippines

The country's inflation rate has increased to 3.4 percent in February 2024 from 2.8 percent in January 2024. Despite the increase, the inflation rate in February 2023 was still high at 8.4 percent. The year-to-date average inflation rate, that is from January to February 2024, stood at 3.1 percent. (Table A)

B. Central Visayas

Central Visayas' inflation rate has increased to 2.7 percent in February 2024 from 2.5 percent in January 2024. In February 2023, the inflation rate was higher at 7.4 percent. (Table A)

C. Province of Negros Oriental

1. Headline Inflation

Headline inflation or the overall inflation in Negros Oriental has decreased to 4.5 percent in February 2024 from 4.6 percent in January 2024. The inflation rate in February 2023 was observed at 8.4 percent. This brings the average inflation rate from January to February 2024 to 4.6 percent. (Figure 1)

The province's inflation rate was higher than the region's inflation rate. (Table 1)

1.1 Main Drivers to the Downward Trend of the Headline Inflation

The downward trend in the overall inflation in February 2024 was primarily brought about by the slower year-on-year decrease of Restaurants and Accommodation services at 3.7 percent from 6.0 percent in the previous month. This was followed by the downward trend in the indices of Housing, Water, Electricity, Gas, and Other fuels at 8.3 percent from 8.5 percent in January 2024 and Food and Non-alcoholic Beverages at 3.4 percent from 3.5 percent in January 2024.

Moreover, lower inflation rates were observed in the following commodity groups during the month: (Table 3)

- a. Clothing and footwear, 3.0 percent from 3.6 percent;
- b. Personal Care, and Miscellaneous Goods and Services, 3.6 percent from 3.9 percent; and
- c. Alcoholic Beverages and Tobacco, 8.8 percent from 9.6 percent.

In contrast, three (3) commodity groups posted with higher inflation rates during the month: (Table 3)

- a. Furnishings, Household Equipment and Routine Household Maintenance, 1.4 percent from 1.1 percent;
- b. Health, 6.0 percent from 5.0 percent; and
- c. Transport, 1.2 percent from 0.4 percent.

Meanwhile, the following commodity groups retained their previous month's inflation rate:

- a. Information and Communication at 0.0 percent;
- b. Recreation, Sport and Culture at 3.0 percent;
- c. Education Services at 0.5 percent; and
- d. Financial Services at -0.8 percent.

1.2 Main Contributors to the Provincial Inflation Rate

The top 3 commodity groups contributing to the February 2024 provincial inflation rate of 4.5 percent were the following:

- a. Housing, Water, Electricity, Gas and Other Fuels at 48.1 percent share or 2.16 percentage points;
- b. Food and Non-Alcoholic Beverages at 30.1 percent share or 1.35 percentage points; and
- c. Restaurants and Accommodation Services at 4.1 percent share or 0.19 percentage point.

2. Food Inflation

Food inflation at the provincial level has remained its previous month's inflation rate at 3.5 percent. In February 2023, food inflation was higher at 14.2 percent. (Tables 6 and 7)

2.1 Main Drivers to the Food Inflation

Higher inflation rates during the month were observed in the indices of the following food items: (Table 5)

- a. Cereals and cereals products at 15.3 percent from 14.3 percent;
- b. Meat and other parts of slaughtered land animals (ND) at 5.5 percent from 2.2 percent;
- c. Ready-made food and other food products n.e.c (ND) at 2.9 percent from 2.8 percent; and
- d. Vegetables, tubers, plantains, cooking bananas and pulses (ND) at -16.6 percent from -17.9 percent.

On the other hand, compared to the previous month's inflation rates, lower inflation rates were observed in the indices of the following food groups during the month:

- a. Fish and other seafood at 0.1 percent from 2.7 percent;
- b. Milk, other dairy products and eggs (ND) at 3.9 percent from 6.7 percent;
- c. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals at 4.7 percent from 5.8 percent;
- d. Oils and fats (ND) at 3.5 percent from 3.7 percent;
- e. Fruits and nuts (ND) at -12.6 percent from -10.3 percent; and
- f. Sugar, confectionery and desserts (ND) at -11.5 percent from -4.3 percent.

2.2 Main Contributors to the Food Inflation

In terms of contribution to the February 2024 provincial inflation rate, food shared 29.0 percent or 1.30 percentage points. Of the food groups, the top contributors to inflation were the following:

- a. Cereals and cereals products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with 119.3 percent share or 4.18 percentage points;
- b. Meat and other parts of slaughtered land animals with 13.2 percent share or 0.46 percentage point; and
- c. Milk, other dairy products and eggs (ND) with 6.4 percent share or 0.22 percentage point.

**Table 2. Year-on-Year Inflation Rates in Negros Oriental, All Items
In Percent
January 2019 – February 2024**

Month	Year					
	2019	2020	2021	2022	2023	2024
January	4.8	2.4	1.4	5.7	7.4	4.6
February	3.7	2.1	2.2	5.1	8.4	4.5
March	3.7	1.9	2.3	6.1	6.3	
April	3.0	1.8	2.6	6.4	6.4	
May	1.6	0.1	4.6	4.9	7.3	
June	1.2	0.7	3.8	5.3	6.9	
July	0.5	0.9	3.8	6.2	5.9	
August	0.6	0.4	4.0	6.7	6.8	
September	-0.9	1.3	4.0	6.8	7.1	
October	-0.8	1.3	5.0	6.7	5.8	
November	-0.3	1.9	5.1	7.7	5.4	
December	1.7	1.2	5.2	7.9	5.6	
Average	1.5	1.3	3.7	6.3	4.6	4.6

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.

Prepared by:



ELMER T. BARING

Statistical Analyst

Approved by:



ARIEL T. FORTUITO

Chief Statistical Specialist