



SPECIAL RELEASE

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

August 2024

Date of Release: 09 September 2024, 9:00 AM

Reference No.: 2024-SR46-014

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.

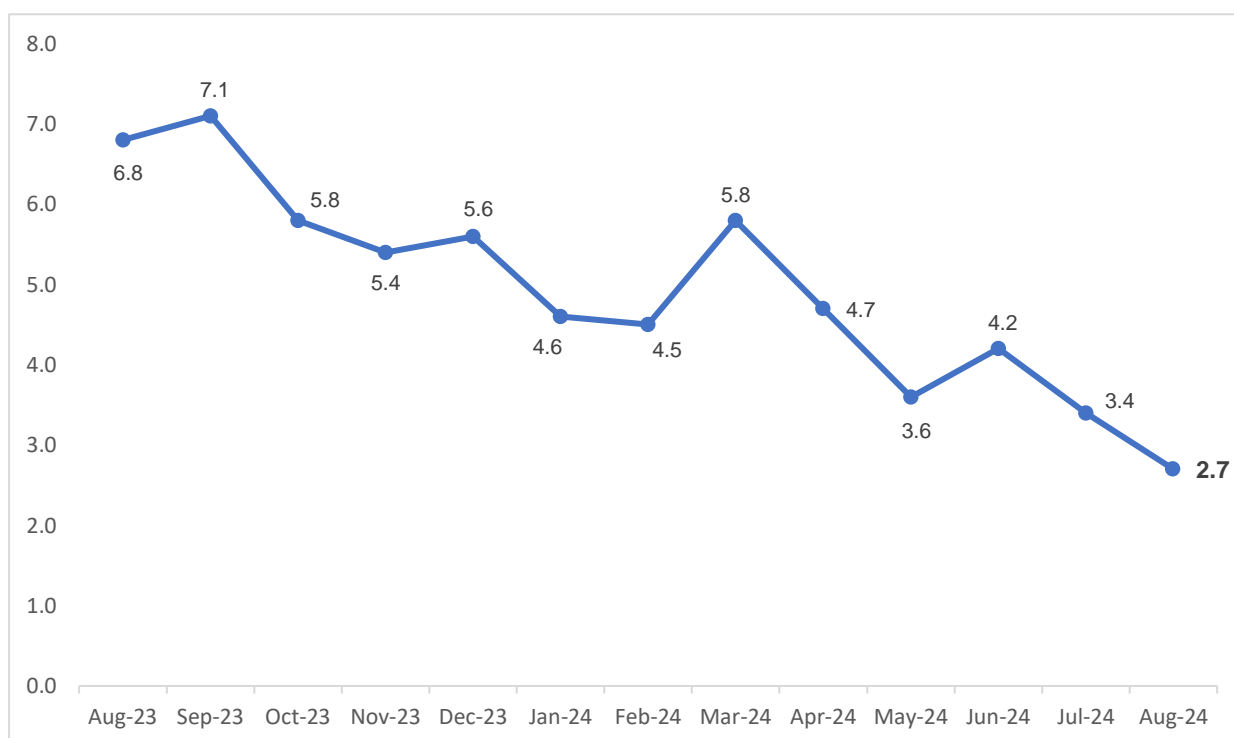
**Table A. Year-on-Year Inflation Rates, All Items
In Percent
(2018=100)**

Area	August 2023	July 2024	August 2024	Year-to-date*
Philippines	5.3	4.4	3.3	3.6
Central Visayas	4.1	4.5	3.4	3.6
Negros Oriental	6.8	3.4	2.7	4.2

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 decreased to 3.3 percent in August 2024 from 4.4 percent in July 2024. Despite the decrease, the inflation rate in July 2023 was higher at 5.3 percent. The year-to-date average inflation rate, that is from January to August 2024, stood at 3.6 percent. (Table A)

B. Central Visayas

Central Visayas' inflation rate has decreased to 3.4 percent in August 2024 from 4.5 percent in July 2024. In August 2023, the inflation rate was higher at 4.1 percent. (Table A)

C. Province of Negros Oriental

1. Headline Inflation

Headline inflation or the overall inflation in Negros Oriental has decreased to 2.7 percent in August 2024 from 3.4 percent in July 2024. The inflation rate in August 2023 was observed at 6.8 percent. This brings the average inflation rate from January to August 2024 to 4.2 percent. (Figure 1)

The province's inflation rate was lower 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 August 2024 was primarily brought about by Food and Non-Alcoholic Beverages at 4.8 percent from 7.4 percent in the previous month. This was followed by Housing, Water, Electricity, Gas and Other Fuels, at 1.5 percent from -0.3 percent. Education Services ranked third at 10.7 percent from 1.3 percent in the previous month.

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

- a. Personal Care, and Miscellaneous Goods and Services, 1.5 percent from 2.0 percent;
- b. Recreation, Sport and Culture, 0.8 percent from 2.2 percent; and
- c. Transport, -1.5 percent from 2.6 percent.

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

- a. Health at 4.7 percent;
- b. Restaurants and Accommodation Services at 2.1 percent;
- c. Clothing and Footwear at 1.6 percent;
- d. Alcoholic Beverages and Tobacco at 1.4 percent;
- e. Furnishings, Household Equipment and Routine Household Maintenance at 0.6 percent;
- f. Information and Communication at 0.1 percent;
- g. Financial Services at 0.8 percent; and
- h. Transport -1.5 percent.

1.2 Main Contributors to the Provincial Inflation Rate

The top 3 commodity groups contributing to the July 2024 provincial inflation rate of 3.4 percent were the following:

- a. Food and Non-Alcoholic Beverages at 67.5 percent share or 1.82 percentage points;
- b. Housing, Water, Electricity, Gas and Other Fuels at 13.8 percent share or 0.37 percentage point; and
- c. Education Services at 8.9 percent share or 0.24 percentage point.

2. Food Inflation

Food inflation at the provincial level has decreased to 5.0 percent in August 2024 from 7.8 percent in July 2024. In August 2023, food inflation was higher at 6.1 percent. (Tables 6 and 7)

2.1 Main Drivers to the Food Inflation

The main driver to the inflation of Food was brought about by Rice at 17.0 percent from 22.5 percent in the previous month. This was followed by Meat and other parts of slaughtered land animals (ND) at 12.5 percent from 12.1 percent. Corn ranked third at 8.0 percent from 8.1 percent.

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

- a. Fruits and Nuts (ND) at 1.0 percent from 2.9 percent;
- b. Milk, other dairy products and eggs (ND) at 0.4 percent from 0.8 percent;
- c. Oils and Fats (ND) at 2.2 percent from 2.6 percent;
- d. Vegetables, tubers, plantains, cooking bananas and pulses (ND) at -0.2 percent from 3.6 percent;
- e. Sugar, confectionery and desserts (ND) at -5.6 percent from -5.0 percent; and
- f. Fish and other seafood (ND) at -1.2 percent from 5.4 percent.

Meanwhile, one food group has retained its previous month's inflation rate and it was Ready-made and other food products n.e.c (ND) at 2.1 percent.

2.2 Main Contributors to the Food Inflation

In terms of contribution to the August 2024 provincial inflation rate, food shared 67.0 percent or 1.81 percentage points. Of the food groups, the top contributors to inflation were the following:

- a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with 51.5 percent share or 1.39 percentage points;
- b. Meat and other parts of slaughtered land animals with 18.1 percent share or 0.49 percentage point; and
- c. Ready-made food and other food products n.e.c with 1.0 percent share or 0.03 percentage point.

D. Province of Negros Oriental

1. Provincial Inflation (Bottom 30%)

In August 2024, inflation for the Bottom 30% Income Households was recorded at 3.5 percent. Last July 2024, it was recorded at 5.5 percent. Despite the decrease, the inflation rate in August 2023 was higher at 14.9 percent.

1.1 Main Drivers to the Upward Trend of the Inflation of Bottom 30%

The main driver to the inflation of Bottom 30% in August 2024 was primarily brought about by Food and Non-Alcoholic Beverages at 5.8 percent from 8.8 percent in the previous month. This was followed by Housing, Water, Electricity, Gas and Other Fuels at 1.4 percent from 2.5 percent. Restaurants and Accommodation Services ranked third which retained its previous month's inflation rate at 2.0 percent.

Moreover, lower inflation rates were also observed in the following commodity groups during the month:

- a. Clothing and Footwear, 3.0 percent from 3.1 percent;
- b. Personal Care, and Miscellaneous Goods and Services, 1.4 percent from 2.3 percent;
- c. Recreation, Sport and Culture, 3.8 percent from 6.0 percent;
- d. Furnishings, Household Equipment and Routine Household Maintenance, 0.4 percent from 0.5 percent; and
- e. Transport, -1.5 percent from 1.7 percent.

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

- a. Health at 3.8 percent;
- b. Information and Communication at 0.0 percent; and
- c. Financial Services at -11.1 percent.

**Table 2. Year-on-Year Inflation Rates in Negros Oriental, All Items
In Percent
January 2019 – August 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	5.8
April	3.0	1.8	2.6	6.4	6.4	4.7
May	1.6	0.1	4.6	4.9	7.3	3.6
June	1.2	0.7	3.8	5.3	6.9	4.2
July	0.5	0.9	3.8	6.2	5.9	3.4
August	0.6	0.4	4.0	6.7	6.8	2.7
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	4.2

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