



SPECIAL RELEASE

Summary Inflation Report in Central Visayas Consumer Price Index for the Bottom 30% Income Households (2018=100)

December 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
for the Bottom 30% Income Households, All Items
In Percent
(2018=100)**

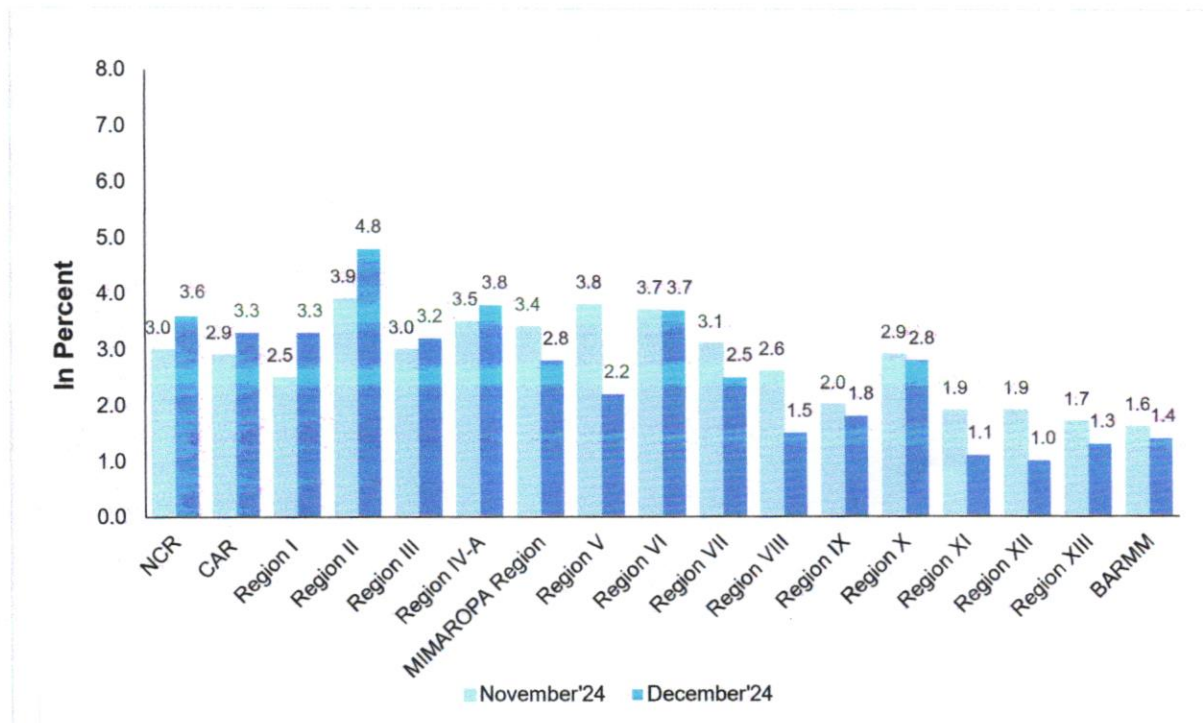
Area	December 2023	November 2024	December 2024	Year-to-date*
Philippines	5.0	2.9	2.5	4.2
Central Visayas	4.4	3.1	2.5	4.1
Bohol	9.3	3.2	1.6	7.5
Cebu	1.9	3.8	3.6	2.6
Negros Oriental	4.8	1.3	0.5	3.4
Siquijor	7.9	1.4	0.7	4.7
Cebu City	5.6	3.2	2.4	4.8
Lapu-Lapu City	7.1	2.5	1.5	6.0
Mandaue City	10.0	1.3	1.0	7.4

Source: Philippine Statistics Authority

*Year-on-year change of CPI for November to December 2024 vs. 2023



Figure 1. Inflation Rates for the Bottom 30% Income Households by Region, All Items: November 2024 and December 2024
In Percent
(2018=100)



Source: Philippine Statistics Authority

A. The Philippines

The country's inflation rate for the bottom 30% income households slowed down to 2.5 percent in December 2024 from 2.9 percent in November 2024. In December 2023, the inflation rate was posted at 5.0 percent. (Table A)

By Region

Ten regions recorded lower inflation rates and six regions recorded higher inflation during the month. Meanwhile, one region retained its previous month's rate. Region XII (SOCCSKSARGEN) recorded the lowest inflation rate at 1.0 percent while Region II (Cagayan Valley) recorded the highest inflation rate at 4.8 percent during the month. (Figure 1)



- e. Restaurants and accommodation services, 0.6 percent from 0.7 percent; and
- f. Personal Care, and Miscellaneous Goods and Services, 2.1 percent from 2.4 percent.

In contrast, higher annual growth rate were noted in the index of housing, water, electricity, gas and other fuels at 1.4 percent during the month from 1.0 percent annual increase in November 2024.

Moreover, annual increase was observed in transport index at 9.7 percent in December 2024 from an annual decline of 1.4 percent in the previous month.

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

- a. Alcoholic beverages and tobacco at 2.8 percent;
- b. Information and Communication at 0.0 percent;
- c. Education Services at 9.1 percent; and
- a. Financial Services at -0.2 percent.

1.2 Main Contributors to the Regional Inflation

The following commodity groups were the top three contributors to the December 2024 overall inflation for the bottom 30% income households:

- a. Food and Non-Alcoholic Beverages with 47.4 percent share or 1.2 percentage points;
- b. Transport with 26.6 percent share or 0.7 percentage point; and
- c. Housing, Water, Electricity, Gas and Other Fuels with 10.0 percent share or 0.3 percentage point.

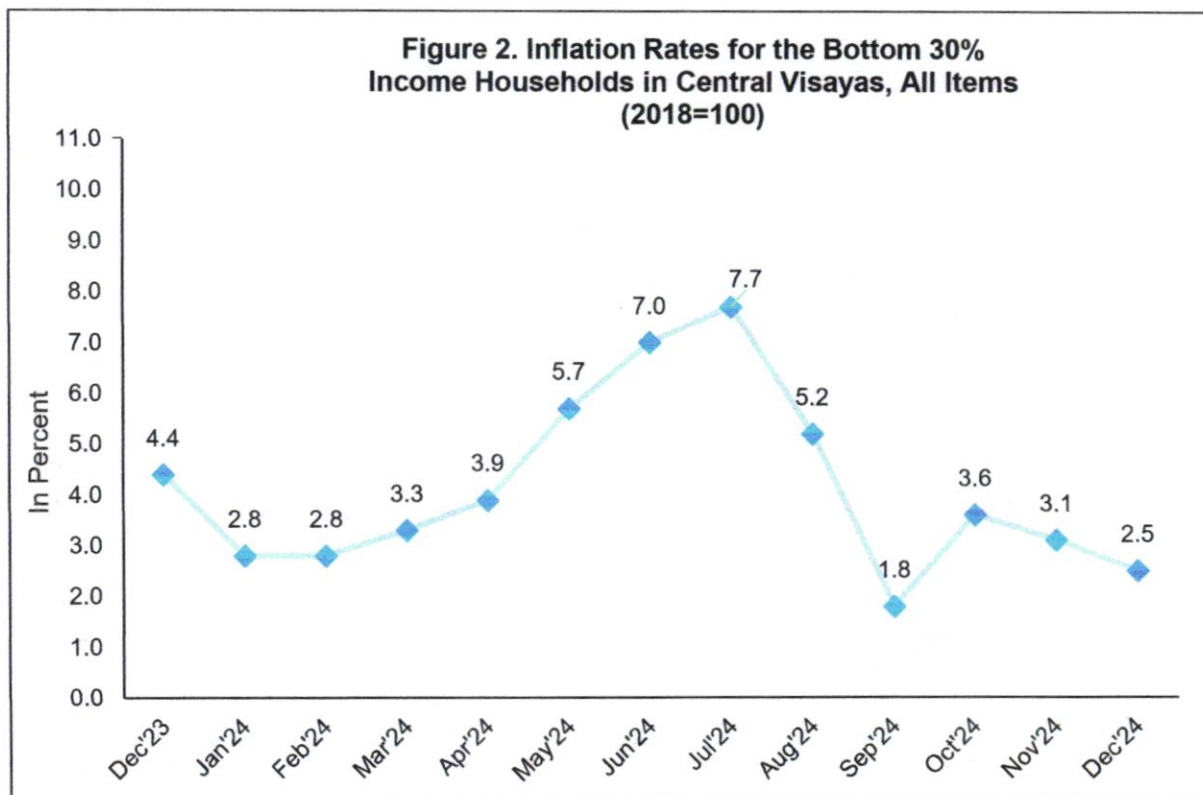
2. Annual Average Inflation

The annual average inflation rate in 2024 for the bottom 30% Income households was observed at 4.1 percent, lower than the 2023 annual average inflation rate of 6.9 percent. (Tables 5, 6A, and 12)

2.1 Main Drivers to the Downward Trend of the 2024 Annual Average Inflation

The downtrend in the 2024 average inflation at the regional level for the bottom 30% income households was mainly brought about by the lower annual average increase in the index of housing, water, electricity, gas and other fuels at 4.9 percent in 2024 from 13.6 percent annual average inflation in 2023. Also contributed to the downtrend was the lower annual average inflation of food and non-alcoholic beverages at 4.6 percent in 2024 from 5.7 percent annual average inflation in 2023. Restaurants and





B. Central Visayas

1. Regional Inflation

Inflation for the bottom 30% income households in Central Visayas decelerated further to 2.5 percent in December 2024 from 3.1 percent in November 2024. In December 2023, inflation rate was recorded at 4.4 percent. (Table A, B, and Figure 1)

1.1 Main Drivers to the Downward Trend of the Regional Inflation

The downtrend in overall inflation for the bottom 30% income households in December 2024 was primarily brought about by the lower year-on-year growth rate in the heavily-weighted food and non-alcoholic beverages index at 2.2 percent in December 2024 from 4.8 percent in the previous month.

In addition, lower annual rates were noted in the indices of the following commodity groups during the month:

- a. Clothing and Footwear, 0.7 percent from 0.8 percent;
- b. Furnishings, household equipment and routine household maintenance, 1.3 percent from 1.4 percent;
- c. Health, 2.4 percent from 2.6 percent;
- d. Recreation, Sport and Culture, 4.2 percent from 4.4 percent;



accommodation services also contributed to the downtrend as it recorded a lower annual average increase of 3.3 percent in 2024 from 6.9 percent in 2023.

Except for recreation, sport and culture, the indices of the rest of the commodity groups recorded downtrend in their annual average inflation in 2024 compared with 2023, with transport recording an average annual decline of 0.3 percent in 2024 from 1.8 percent annual average inflation in 2023 and financial services recording an average annual decline of 0.2 percent in 2024 from a zero percent annual average inflation in 2023.

A faster annual average increase was observed in the index of recreation, sport and culture at 5.5 percent in 2024 from 2.8 percent in 2023. (Tables 5 and 6A)

2.2 Main Contributors to the 2024 Annual Average Inflation

The top three commodity groups contributing to the 2024 annual average inflation for the bottom 30% income households were the following:

- a. Food and Non-Alcoholic Beverages with 60.0 percent share or 2.5 percentage points;
- b. Housing, water, electricity, gas and other fuels with 21.1 percent share or 0.9 percentage point; and
- c. Restaurants and accommodation services with 7.0 percent share or 0.3 percentage point.

3. Food Inflation

Food inflation for the bottom 30% income households at the regional level moved at a slower pace of 2.2 percent in December 2024 from 5.0 percent in the previous month. In December 2023, it was observed at 4.0 percent. (Table 7)

3.1 Main Drivers to the Downward Trend of Food Inflation

The deceleration of food inflation in December 2024 was primarily brought about by the year-on-year decrease of rice at 2.3 percent in December 2024 from 3.9 percent annual increase in the previous month. This was followed by corn with a slower year-on-year increase of 14.2 percent during the month from 19.6 percent in November 2024.

In addition, the index of vegetables, tubers, plantains, cooking bananas and pulses also contributed to the downtrend as it recorded a year-on-year decline of 0.6 percent during the month from 6.0 percent annual increment in November 2024.

Moreover, lower annual growth rates were noted in the indices of the following food groups during the month:



- a. Flour, bread and other bakery products, pasta products, and other cereals, 1.6 percent from 1.7 percent;
- b. Milk, other dairy products and eggs, 1.5 percent from 2.9 percent; and
- c. Ready-made food and other food products n.e.c., 2.1 percent from 2.8 percent.

A year-on-year decrease was observed in the index of oils and fats at 0.1 percent in December 2024 from 0.1 percent annual increase in the previous month. Furthermore, a faster year-on-year decrease was recorded in the index of sugar, confectionery and desserts at 5.4 percent in December 2024 from 5.1 percent decline in November 2024.

In contrast, higher annual increases were noted in the following food groups:

- a. Meat and other parts of slaughtered land animals, 4.1 percent from 3.8 percent; and
- b. Fruits and nuts, 8.0 percent from 6.6 percent.

Meanwhile, the index of fish and other seafood increased to 0.3 percent during the month from 0.1 percent a decline annual in the previous month.

3.2 Main Contributors to the Food Inflation

Food inflation contributed 44.1 percent or 1.1 percentage points to the December 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 67.4 percent share or 1.5 percentage points;
- b. Meat and other parts of slaughtered land animals with 19.6 percent share or 0.4 percentage point; and
- c. Fruits and nuts with 10.6 percent share or 0.2 percentage point.

3.3 Annual Average Food Inflation

In 2024, the annual average food inflation rate was observed at 4.7 percent, lower than the recorded annual average food inflation rate of 5.6 percent in 2023. (Table 9)



**Table B. Year-on-Year Inflation Rates for Bottom 30% Income Households
 in Central Visayas, All Items: January 2020 – December 2024
 In Percent
 (2018=100)**

Month	Year				
	2020	2021	2022	2023	2024
January	1.2	1.2	8.0	10.0	2.8
February	1.3	1.9	8.1	10.3	2.8
March	1.1	2.0	7.9	9.8	3.3
April	0.1	3.1	8.6	7.8	3.9
May	0.7	2.7	8.6	7.1	5.7
June	3.1	1.1	8.9	7.1	7.0
July	3.2	0.7	10.5	6.4	7.7
August	2.4	1.9	10.7	5.7	5.2
September	2.0	2.4	11.7	6.1	1.8
October	2.4	2.7	13.0	4.1	3.6
November	2.4	3.7	12.7	4.0	3.1
December	2.4	2.8	13.2	4.4	2.5
Average	1.9	2.2	10.2	6.9	4.1

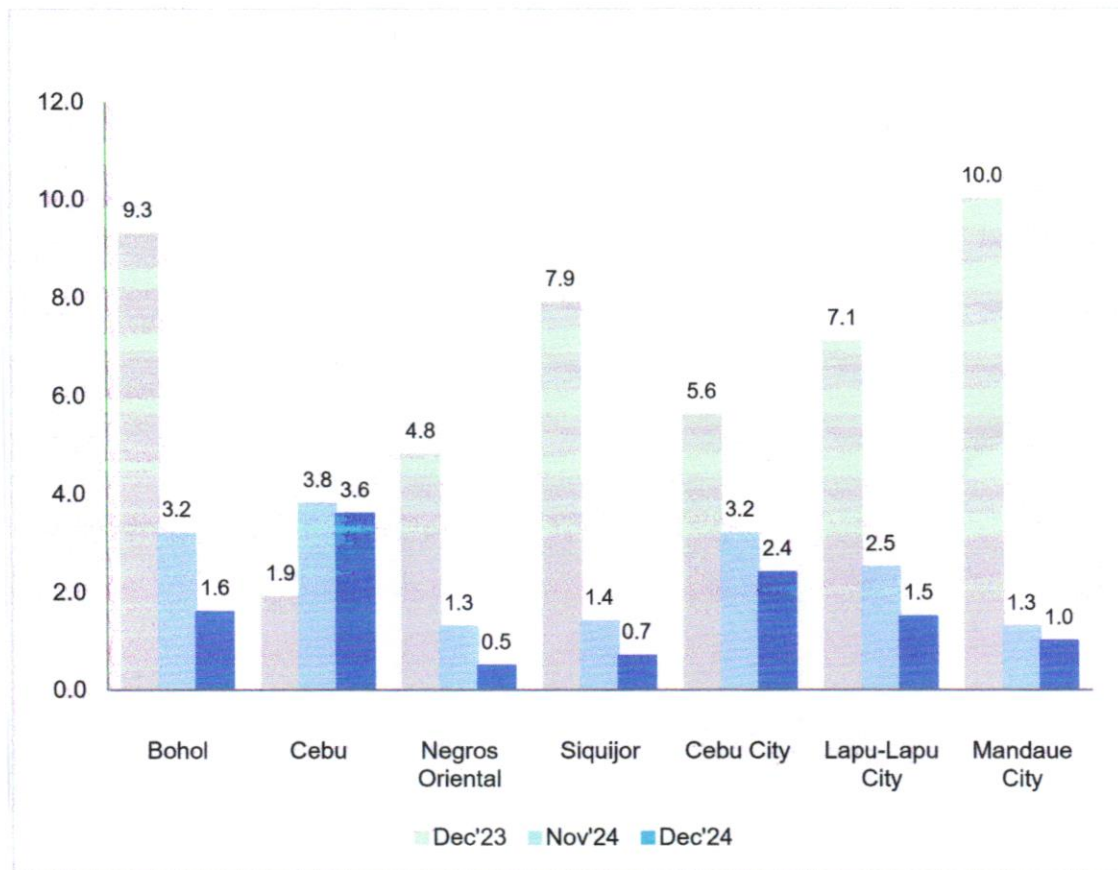
Source: Philippine Statistics Authority



C. By Province

Among the provinces and Highly Urbanized Cities (HUCs) of Central Visayas, all recorded a slower year-on-year increase in inflation this month compared to the previous month. (Table A, Figure 3)

Figure 3. Inflation Rates for Bottom 30% Income Households by Province and Highly Urbanized Cities in Central Visayas, All Items: December 2023, November 2024, and December 2024 In Percent (2018=100)



Source: Philippine Statistics Authority



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

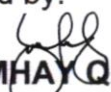
CPI₂ - is the CPI in the current period

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,

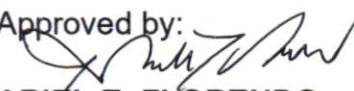
$$PPP = \frac{1}{CPI} * 100$$

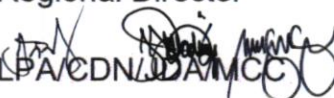
Headline Inflation is the rate of change in the weighted average prices of all goods and services in the CPI basket.

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