



SPECIAL RELEASE

Summary Inflation Report in the City of Cebu Consumer Price Index (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.

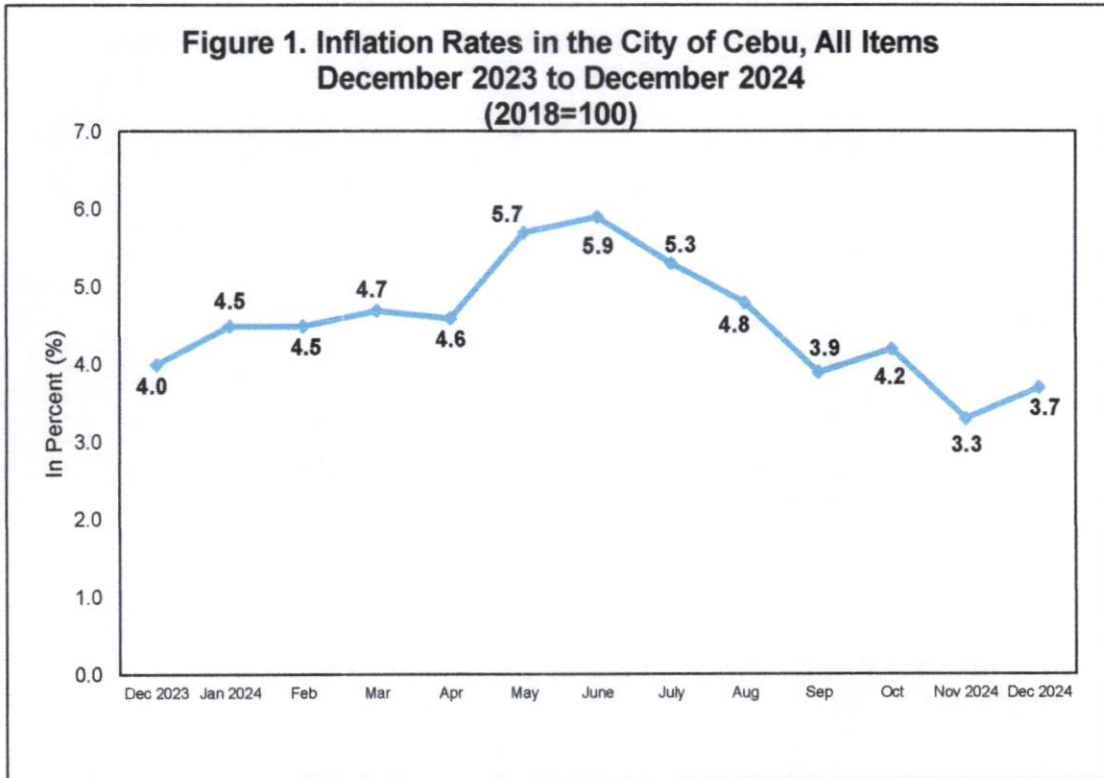
**Table A. Year-on-Year Inflation Rates, All Items
 In Percent
 (2018=100)**

Area	December	November	December	Year-to-date*
	2023	2024	2024	
Philippines	3.9	2.5	2.9	3.2
Central Visayas	3.9	2.3	2.9	3.2
City of Cebu	4.0	3.3	3.7	4.6

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 December 2024 vs. 2023





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

A. The Philippines

The Philippines' headline inflation or overall inflation increased to 2.9 percent in December 2024 from 2.5 percent in November 2024. This brings the national average inflation rate from January to December 2024 to 3.2 percent. In December 2023, the inflation rate was higher at 3.9 percent. (Table A)

B. Central Visayas

1. Regional Inflation

Following the national trend, the headline inflation in Central Visayas increased to 2.9 percent in December 2024 from 2.3 percent in November 2024. The average inflation rate from January to December 2024 in Central Visayas stood at 3.2 percent. In December 2023, inflation rate was higher which posted at 3.9 percent. (Table A)



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B. City of Cebu

1. Headline Inflation

In December 2024, the headline inflation in City of Cebu had a faster increase of 3.7 percent from 3.3 percent in the previous month. This brings the average inflation from January to December 2024 at 4.6 percent. The inflation rate in December 2023 was posted at 4.0 percent. (Table A and Figure 1)

1.1 Main Drivers to the Upward Trend of the Headline Inflation

The uptrend of the headline inflation in December 2024 was primarily influenced by the faster year-on-year increase of housing, water, electricity, gas and other fuels at 7.1 percent from 5.0 percent in November 2024. Also contributed in the city's headline inflation was the faster annual increase of transport at 0.4 percent from 1.9 percent annual decline in the previous month. (Table 3)

In addition, faster annual increments were also noted in the indices of information and communication at 1.3 percent and alcoholic beverages and tobacco at 0.6 percent from their previous month's respective inflation rates at 1.0 percent and 0.4 percent. (Table 3)

In contrast, slower year-on-year increases were recorded in the following commodity groups during the month:

- a. Food and non-alcoholic beverages, 2.6 percent from 3.5 percent;
- b. Clothing and footwear, 1.0 percent from 1.3 percent;
- c. Furnishings, household equipment and routine household maintenance, 10.9 percent from 11.1 percent;
- d. Recreation, sport and culture, 0.9 percent from 1.0 percent; and
- e. Personal care, and miscellaneous goods and services, 3.5 percent from 3.6 percent. (Table 3)

Moreover, the indices of the following commodity groups retained their previous month's annual growth rates:

- a. Health, 3.5 percent;
- b. Education services, 5.0 percent;
- c. Restaurants and accommodation services, 1.8 percent; and
- d. Financial services, -0.3 percent. (Table 3)

1.2 Main Contributors to the Headline Inflation

The top three commodity groups contributing to the December 2024 headline inflation were the following:

- a. Housing, water, electricity, gas and other fuels with 49.3 percent share or 1.8 percentage points;
- b. Food and non-alcoholic beverages with 22.8 percent share or 0.8 percentage points; and



- c. Furnishings, household equipment and routine household maintenance with 8.5 percent share or 0.3 percentage point.

2. Food Inflation

The food inflation in the City of Cebu eased to 2.8 percent in December 2024 from 3.7 percent in November. In December 2023, the food inflation stood at 10.6 percent. (Table 7)

2.1 Main Drivers to the Downward Trend of Food Inflation

The deceleration of food inflation in the city was mainly brought by the slower year-on-year increases of corn at 27.8 percent and rice at 2.0 percent in November 2024 from their previous month's respective inflation rates at 61.1 percent and 4.1 percent. Followed by the faster annual decrease of vegetables, tubers, plantains, cooking bananas and pulses at 0.7 percent from 13.9 percent annual increase in November 2024. Also contributed in the deceleration of city's food inflation was the slower annual increase of milk, other dairy products and eggs at 0.3 percent from 1.6 percent in the previous month. (Table 5)

Faster year-on-year decrease was noted in sugar, confectionary and desserts at 2.7 percent in December 2024 from 0.9 percent annual drop in November 2024 while fish and other seafood had a slower annual increase at 0.7 percent in December 2024 from 0.8 percent in the previous month. (Table 5)

On the other hand, faster annual increments were recorded in the following food groups in December 2024:

- a. Flour, bread and other bakery products, pasta products, and other cereals, 0.9 percent from 0.7 percent;
- b. Meat and other parts of slaughtered land animals, 6.4 percent from 3.2 percent;
- c. Fruits and nuts, 6.7 percent from 0.8 percent; and
- d. Ready-made food and other food products not elsewhere classified, 4.9 percent from 4.8 percent. (Table 5)

Meanwhile, oils and fats retained its previous month's inflation rate at -2.0 percent. (Table 5)

2.2 Main Contributors to the Food Inflation

Food inflation shared 22.1 percent or 0.8 percentage points to the overall inflation in December 2024. The top three food groups in terms of contribution to the food inflation during the month were the following:

- a. Meat and other parts of slaughtered land animals, with 46.3 percent share or 1.3 percentage points;



- b. Cereals and cereals products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals, with 35.9 percent share or 1.0 percentage point; and
- c. Fruits and nuts, with 11.5 percent share or 0.3 percentage point.

**Table B. Year-on-Year Inflation Rates in the City of Cebu, All Items
 In Percent
 January 2020 – December 2024
 (2018=100)**

Month	Year				
	2020	2021	2022	2023	2024
January	2.3	-0.2	2.8	4.5	4.5
February	1.7	0.3	1.7	5.7	4.5
March	1.8	1.0	1.9	4.3	4.7
April	1.3	1.7	1.6	4.3	4.6
May	1.1	1.9	1.5	4.1	5.7
June	2.1	1.3	2.3	3.2	5.9
July	1.7	1.8	2.4	2.9	5.3
August	1.1	1.5	3.2	4.0	4.8
September	0.5	1.8	4.4	3.3	3.9
October	0.7	1.3	5.0	3.6	4.2
November	0.5	1.0	5.5	3.9	3.3
December	0.5	1.1	5.1	4.0	3.7
Average	1.3	1.2	3.1	4.0	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.

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