



SPECIAL RELEASE

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

December 2024

Date of Release: 09 January 2025

Reference No.: 2025-SR22-005

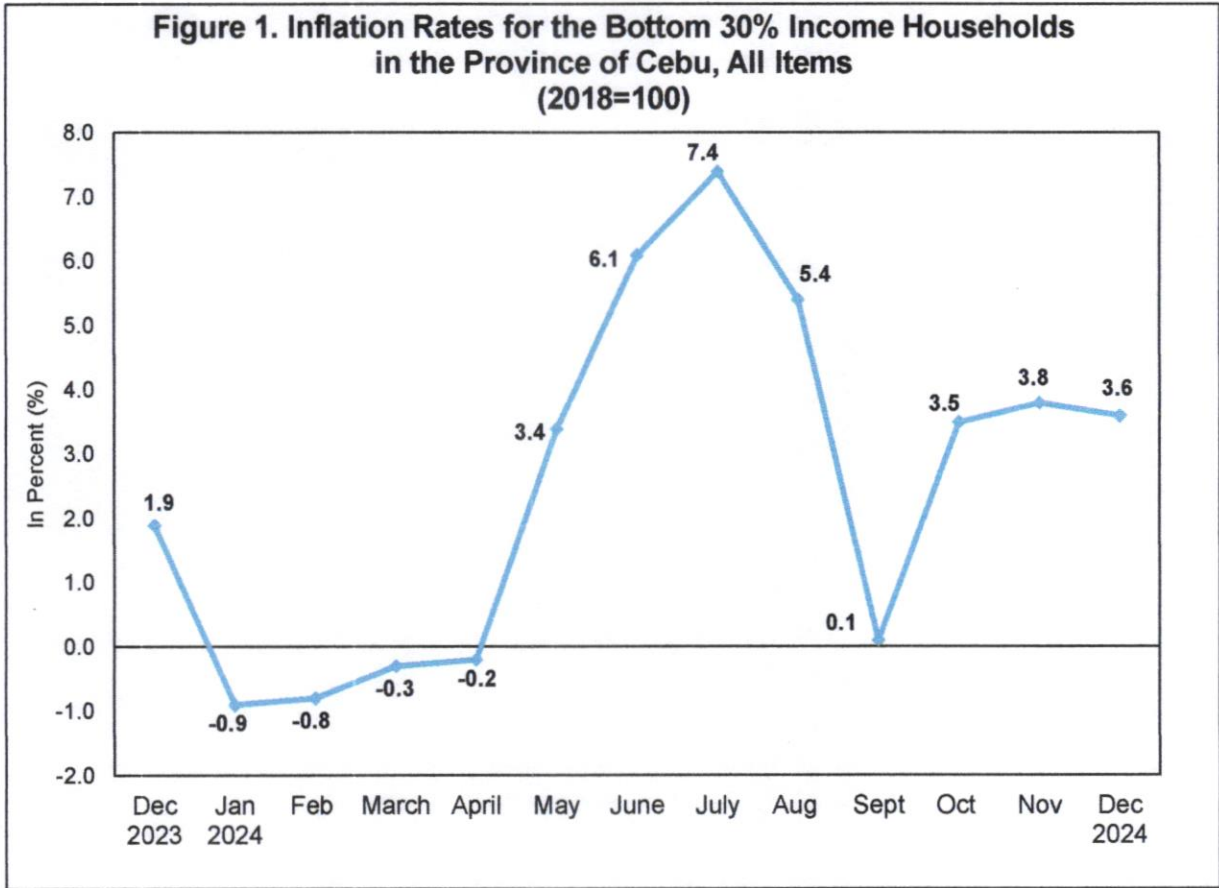
**Table A. Year-on-Year Inflation Rates
 for the Bottom 30% Income Households, All Items
 In Percent
 (2018=100)**

Area	December	November	December	Year-to-date*
	2023	2024	2024	
Philippines	5.0	2.9	2.5	4.2
Central Visayas	4.4	3.1	2.5	4.1
Cebu	1.9	3.8	3.6	2.6

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 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. This brings the average inflation from January to December 2024 for this income group to 4.2 percent. In December 2023, the inflation rate was posted at 5.0 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 slowed down to 2.5 percent in December 2024 from 3.1 percent in November 2024. The average inflation rate for the region from January to December 2024 was recorded at 4.1 percent. In December 2023, inflation rate in the region was higher which posted at 4.4 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 slowed down to 3.6 percent in December 2024 from 3.8 percent in November 2024. This brings the average inflation rate from January to December 2024 for this income group to 2.6 percent. In December 2023, inflation rate was recorded at 1.9 percent. (Table A and Figure 1)

1.1 Main Drivers to the Downward Trend of Headline Inflation in the Province of Cebu

The main driver to the downtrend of headline inflation in December 2024 for bottom 30% income households was mainly influenced by the slower year-on-year increment of food and non-alcoholic beverages index at 3.4 percent from 6.0 percent in November 2024. (Table 3)

Furthermore, other commodity groups that also recorded slower annual increases were the following:

- a. Personal care, miscellaneous goods and services, 2.5 percent from 2.8 percent;
- b. Health, 3.4 percent from 4.1 percent;
- c. Furnishings, household equipment and routine household maintenance, 1.1 percent from 1.4 percent;
- d. Alcoholic beverages and tobacco, 2.6 percent from 2.8 percent; and
- e. Recreation, sport and culture, 5.2 percent from 5.4 percent.

On the contrary, faster annual increases were recorded in the indices of housing, water, electricity, gas and other fuels at 1.5 percent, and transport at 22.7 percent during the month from their respective inflation rates at 1.3 percent annual increase and 0.6 percent annual decline in the previous month.

The commodity groups that retained their previous month's inflation rates were as follows:

- a. Clothing and footwear, 0.8 percent;
- b. Information and communication, 0.0 percent;
- c. Education services, 9.2 percent;
- d. Restaurants and accommodation services, 0.0 percent; and
- e. Financial services, 0.0 percent.

1.2 Main Contributors to the Headline Inflation

The top three commodity groups that contributed to the December 2024 overall inflation for the bottom 30% income households in the Province of Cebu were as follows:



- a. Food and non-alcoholic beverages with 45.8 percent share or 1.7 percentage points;
- b. Transport with 35.9 percent share or 1.3 percentage points; and
- c. Housing, water, electricity, gas and other fuels with 6.8 percent share or 0.2 percentage point.

2. Food Inflation

Food inflation rate for the bottom 30% income households in the Province of Cebu slowed down to 3.4 percent in December 2024 from 6.2 percent in November 2024. In December 2023, food inflation was lower which stood at 0.1 percent. (Table 7)

2.1 Main Drivers to the Downtrend of Food Inflation

The main driver to the downtrend of food inflation in December 2024 was mainly brought by the slower year-on-year increment of corn index at 17.3 percent from 23.5 percent in November 2024. Faster year-on-year decreases of rice at 6.4 percent, and vegetables, tubers, plantains, cooking bananas and pulses at 0.4 percent during the month from their respective food inflation rates at 2.1 percent annual decline and 9.0 percent annual increase in the previous month also contributed to the downtrend. (Table 5)

In addition, slower annual increases were observed in the indices of fruits and nuts at 12.2 percent, milk, other dairy products and eggs at 2.5 percent, and ready-made food and other food products not elsewhere classified at 2.7 percent during the month from their respective inflation rates at 13.5 percent, 2.9 percent, and 3.6 percent in the previous month.

Faster annual decrease was recorded in sugar, confectionery and desserts food group at 8.4 percent during the month from annual drop of 7.3 percent in the previous month.

On the other hand, faster annual increases were posted in the indices of flour, bread and other bakery products, pasta products, and other cereals at 2.6 percent, and meat and other parts of slaughtered land animals at 5.4 percent during the month from their respective food inflation rates at 2.5 percent, and 5.2 percent in the previous month. Moreover, fish and other seafood recorded a slower annual decrease at 1.2 percent during the month from 1.8 percent annual decline in the previous month. (Table 5)

Oils and fats retained its previous month's inflation rate at 0.1 percent.

2.2 Main Contributors to the Food Inflation

Food inflation contributed 42.3 percent share or 1.5 percentage point 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 75.2 percent share or 2.6 percentage points;
- b. Meat and other parts of slaughtered land animals with 18.5 percent share or 0.6 percentage point; and
- c. Fruits and nuts with 10.6 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 – December 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	3.8
December	1.3	2.6	2.7	14.9	1.9	3.6
Average	1.2	2.2	1.4	14.3	4.9	2.6

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,

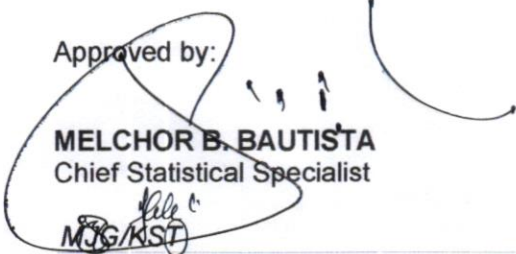
$$PPP = \frac{1}{CPI} * 100$$

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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