



SPECIAL RELEASE

Consumer Price Index (CPI) in Bohol continues to increase this August...

Date of Release: _____
Reference No.: 2017-05



Consumer Price Index

For the province of Bohol, the generated Consumer Price Index (CPI) for All Items in August 2017 was 152.3. This means that, on the average, a Boholano household spends Php152.30 in purchasing a typical market basket of goods and services in August. This value is higher by 0.3 percent than the previous month with a CPI of 151.9.

The commodity group Alcoholic Beverages and Tobacco ranked first with a CPI of 219.5. This is primarily due to the CPI of the subgroup Tobacco that is 338.9. The same is observed for the CPI of this major commodity group last year but it is lower by 4.9.

Table 1. Consumer Price Index and Inflation Rate for All Income Households in BOHOL: July 2017, August 2017 and August 2016

COMMODITY GROUP	CPI			IR	
	July 2017	Aug 2017	Aug 2016	2016-2017	Jul-Aug
ALL ITEMS	151.9	152.3	147.8	3.0	0.3
I. FOOD AND NON-ALCOHOLIC BEVERAGES	156.8	157.2	152.0	3.4	0.3
* Food	159.1	159.6	154.0	3.6	0.3
Bread and Cereals	139.2	140.0	137.0	2.2	0.6
Rice	134.8	135.8	132.2	2.7	0.7
Corn	136.9	136.9	134.4	1.9	0.0
Other Cereals, Flour, Cereal Prep, Bread, Pasta and Other	158.2	158.2	157.7	0.3	0.0
Meat	140.7	141.3	135.1	4.6	0.4
Fish	185.4	186.1	160.1	16.2	0.4
Milk, Cheese and Eggs	164.9	164.9	164.3	0.4	0.0
Oils and Fats	207.1	207.1	204.2	1.4	0.0
Fruit	181.9	177.7	155.0	14.6	-2.3
Vegetables	195.7	197.8	212.8	-7.0	1.1
Sugar, Jam, Honey, Chocolate and Confectionery	132.0	132.1	150.2	-12.1	0.1
Food Products N.E.C.	184.5	183.8	190.1	-3.3	-0.4
* Non-alcoholic Beverages	125.3	125.3	125.1	0.2	0.0
II. ALCOHOLIC BEVERAGES AND TOBACCO	219.5	219.5	214.6	2.3	0.0
Alcoholic Beverages	164.6	164.6	159.5	3.2	0.0
Tobacco	338.9	338.9	334.5	1.3	0.0
NON-FOOD	145.3	145.6	141.8	2.7	0.2
III. CLOTHING AND FOOTWEAR	161.7	161.7	160.0	1.1	0.0
Clothing	157.4	157.4	155.5	1.2	0.0
Footwear	173.9	174.1	172.8	0.8	0.1
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	151.6	152.0	146.1	4.0	0.3
Actual Rentals for Housing	162.2	162.2	157.2	3.2	0.0
Maintenance and Repair of the Dwelling	143.6	143.6	142.3	0.9	0.0
Water Supply and Miscellaneous Services Relating to the Dwelling	146.6	146.6	130.1	12.7	0.0
Electricity, Gas and Other Fuels	131.9	133.4	126.8	5.2	1.1
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	160.7	161.0	157.6	2.2	0.2
Furniture and Furnishings, Carpets and Other Floor Coverings	136.4	136.4	136.4	0.0	0.0
Household Textiles	152.6	152.7	151.8	0.6	0.1
Household Appliances	138.0	138.0	138.0	0.0	0.0
Glassware, Tableware and Household Utensils	137.4	137.7	137.0	0.5	0.2
Tools and Equipment for House and Garden	140.0	140.3	139.2	0.8	0.2
Goods and Services for Routine Household Maintenance	167.9	168.3	163.8	2.7	0.2
VI. HEALTH	138.9	139.0	137.9	0.8	0.1
Medical Products, Appliances and Equipment	128.6	128.8	127.4	1.1	0.2
Out-patient Services	154.7	154.7	154.7	0.0	0.0
Hospital Services	153.0	153.0	151.8	0.8	0.0
VII. TRANSPORT	133.5	134.1	128.6	4.3	0.4
Operation of Personal Transport Equipment	121.6	123.7	114.8	7.8	1.7
Transport Services	138.1	138.1	133.9	3.1	0.0
VIII. COMMUNICATION	91.8	91.8	91.8	0.0	0.0
Postal Services	131.1	131.1	131.1	0.0	0.0
Telephone and Telefax Equipment	52.8	52.8	52.8	0.0	0.0
Telephone and Telefax Services	104.5	104.5	104.4	0.1	0.0
IX. RECREATION AND CULTURE	110.5	110.5	110.5	0.0	0.0
Audio-visual, Photographic and Information Processing	99.1	99.1	99.1	0.0	0.0
Other Major Durables for Recreation and Culture					
Other Recreational Items and Equipment, Gardens and Pets	111.4	111.4	111.4	0.0	0.0
Recreational and Cultural Services	117.5	117.5	117.5	0.0	0.0
Newspapers, Books and Stationery	144.3	144.3	144.1	0.1	0.0
X. EDUCATION	159.4	159.4	154.9	2.9	0.0
Pre-primary and Primary Education	148.1	148.1	148.1	0.0	0.0
Secondary Education	177.2	177.2	163.8	8.2	0.0
Tertiary Education	152.8	152.8	152.8	0.0	0.0
Education Not Definable by Level					
XI. RESTAURANT AND MISCELLANEOUS GOODS AND	140.6	140.6	140.1	0.4	0.0
Catering Services	140.6	140.6	140.6	0.0	0.0
Personal Care	141.6	141.6	140.4	0.9	0.0
Personal Effects N.E.C.	129.5	129.5	128.2	1.0	0.0

Source: Philippine Statistics Authority

Following are the commodity groups Clothing and Footwear and Furnishings, Household Equipment and Routine Maintenance of the House with CPI of 161.7 and 161.0, respectively.

On the other hand, ranking last in terms of CPI is the commodity group Communication. As of this month, the generated CPI was 91.8. It is also noticeable that the price of the commodities belonging to this group did not move since the previous year except for the subgroup Telephone and Telefax Services having a 0.1 increase. Moreover, the subgroup Telephone and Telefax Equipment had the lowest CPI, that is, 52.8. This has also remained unchanged since last year.

Inflation Rate

This month, Bohol had a year-on-year Inflation Rate (IR) of 3.0. This resulted from a 4.5 increase in the CPI from August 2016 to August 2017. Figure 1 below shows the twelve-month trend of the inflation rate for the province. From the graph, a decline of 0.1 in the IR from July 2017 to August 2017 is observed. This implies a better performance in the economy since the price of commodities tends to increase at a slower rate.



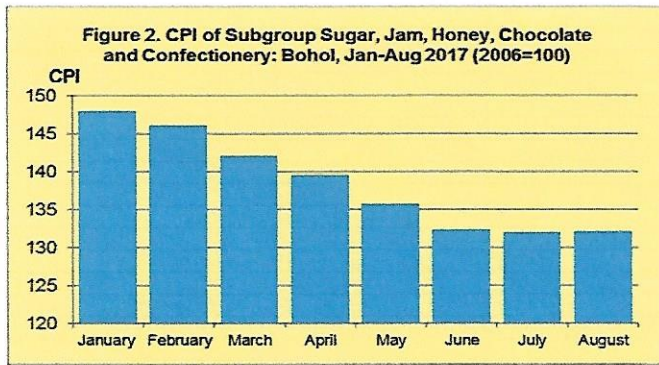
Source: Philippine Statistics Authority

From Table 1, Commodity groups Transport, Housing, Water, Electricity, Gas and Other Fuels, and Food and Non-Alcoholic Beverages are the fastest in terms of rate of increase in prices. For August, these groups had IR of 4.3, 4.0 and 3.4, respectively.

Under the commodity group Food and Non-alcoholic Beverages, the subgroups Fish and Fruits had IRs that were above 10. It has been consistent that these two commodities had the highest inflation rates. Supply and demand are the main players of the price movements of these commodities.

Other subgroups that had a sharp rise in price this month are Water Supply and Miscellaneous Services Relating to the Dwelling and Operation of Personal Transport. The price of the former rose by 12.7 percent while that of the latter by 7.8 percent at a year's time.

On the contrary, three subgroups under Food and Non-alcoholic Beverages had a negative inflation rate. These are Sugar, Jam, Honey, Chocolate and Confectionery with -12.1 IR, Vegetables with -7.0 and Food N.E.C with -3.3.



Source: Philippine Statistics Authority


To support the negative IR of the subgroup Sugar, Jam, Honey, Chocolate and Confectionery, Figure 2 further shows that its CPI has been decreasing since January 2017.

Purchasing Power of Peso (PPP)

Though the inflation rate dropped, the PPP still pegged at 0.66 since February of this year. This means that the movement of the prices for the past seven months has no significant effect on the value of the peso of the Boholanos.



Source: Philippine Statistics Authority


JESSAMYN ANNE C. ALCAZAREN
 Chief Statistical Specialist

EXPLANATORY NOTES

The Philippine Statistics Authority monthly conducts a nationwide survey of prices for a given market basket of goods and services. Three vital indicators are generated, namely, the Consumer Price Index (CPI), Inflation Rate and Purchasing Power of the Peso (PPP)



The Consumer Price Index (CPI), 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. The CPI is used in calculating the inflation rate and purchasing the power of the peso. (Metadata, BSP)



$$CPI(t) = \frac{\text{Cost of market basket}(t)}{\text{Cost of market basket}(base\ year)}$$

Inflation Rate – annual rate of change or the year-on-year change of the CPI expressed in percent. Inflation is interpreted in terms of declining purchasing power of peso.



$$Inflation\ Rate = \frac{CPI(2) - CPI(1)}{CPI(1)}$$

The Purchasing Power of Peso – shows how much the peso in the base period is worth in the current period. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.



Where: $PPP = (1/CPI_a) * 100$
 PPP=Purchasing Power of Peso
 CPI_a=Consumer Price Index for All items

RETAIL PRICE- The total price charged for a products sold to a customer, which includes the manufacturer's cost plus a retail mark-up.



HEADLINE INFLATION – is a measure of the total Inflation within an economy, including commodities such as foods and energy prices (e.g., oil and gas) which tend to be much more volatile and prone to inflationary spikes.



MARKET BASKET – is a permanent set of goods and services that are bought and sold as staples in functional economy.

BASE PERIOD/BASE YEAR – is the period of time for which data used as the base of an index number, or other ratio, have been collected. This period is frequently one of a year.

For more information, contact us at:
 2F Galleria Luisa, Gallares St., Tagbilaran
 City, Bohol, Philippines
 Telephone: (501-0996)
 Email address: psa07.bohol@gmail.com