SPECIAL RELEASE

2017 PRICE SITUATION IN BENGUET

**Date of Release:** _____

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Consumer Price Index

ψ Consumer Price Index of Benguet in 2017 is 145.3, went up by two percent from 143.3 last year 2016.

ψ Generally, the trend for both years shows an increasing pattern.

ψ The month of November recorded the highest CPI in 2016 at 145.4 while December had the peak in 2017 at 148.1.

Figure 1. Consumer Price Index by Month, Benguet: 2016 and 2017 (2006=100)
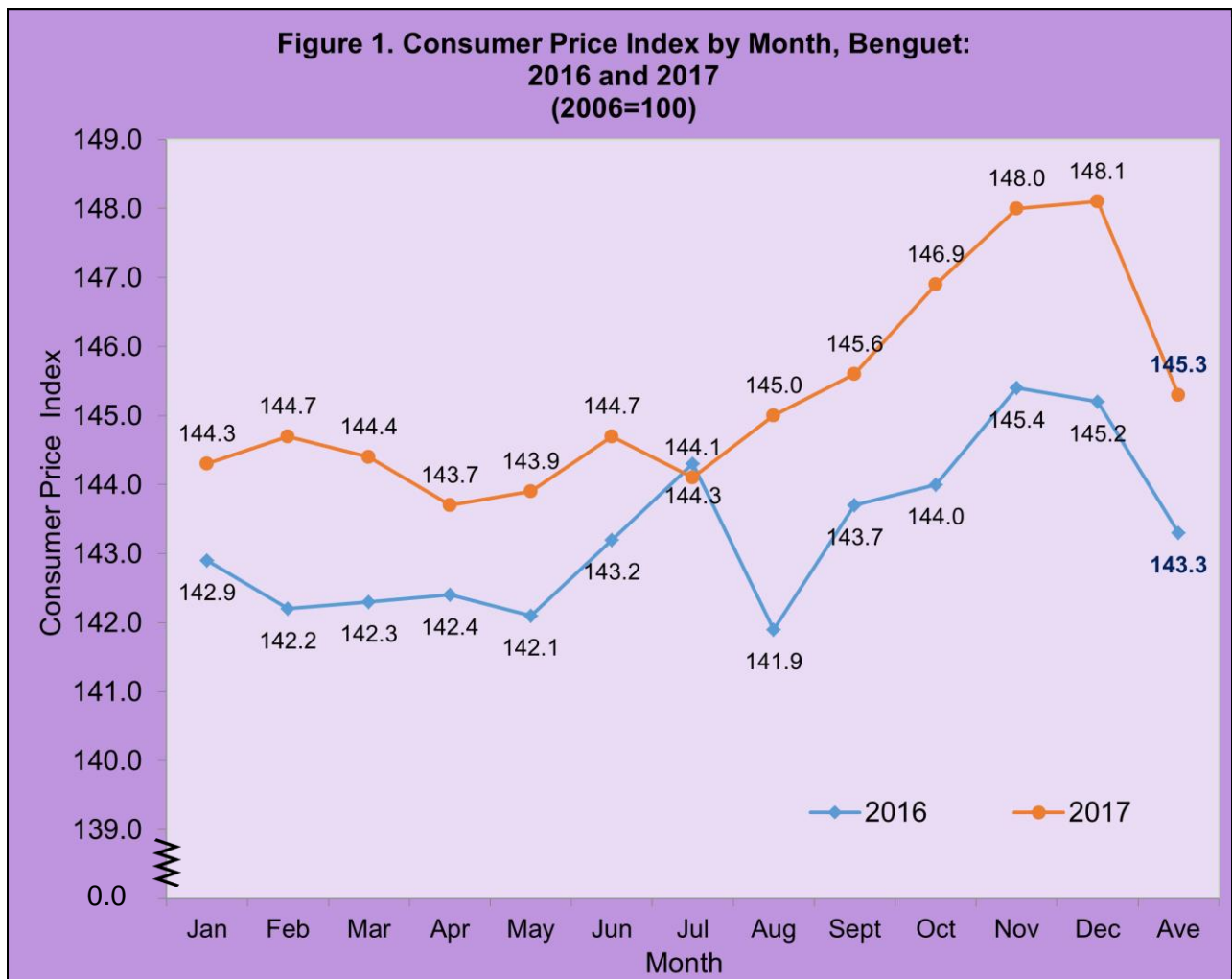
ψ Of the commodity groups, Alcoholic Beverages and Tobacco registered the highest CPI for the year 2016 and 2017 at 203.7 and 217.6, respectively.

ψ Food and Non-Alcoholic Beverages came next with highest index at 161.5 and 162.8 for 2016 and 2017, respectively.

ψ Communication posted the lowest index for both years at 79.8 for 2016 and 79.9 for 2017.

ψ In terms of index point change, Alcoholic Beverages and Tobacco recorded the highest level at 13.9. Food and Non-Alcoholic came next with highest index point change at 6.1 followed by Transport at 3.5.

ψ The rest of the commodity groups reported a minimal annual increase.

## Figure 2. Consumer Price Index by Commodity Group, Benguet: 2016 and 2017 (2006=100)
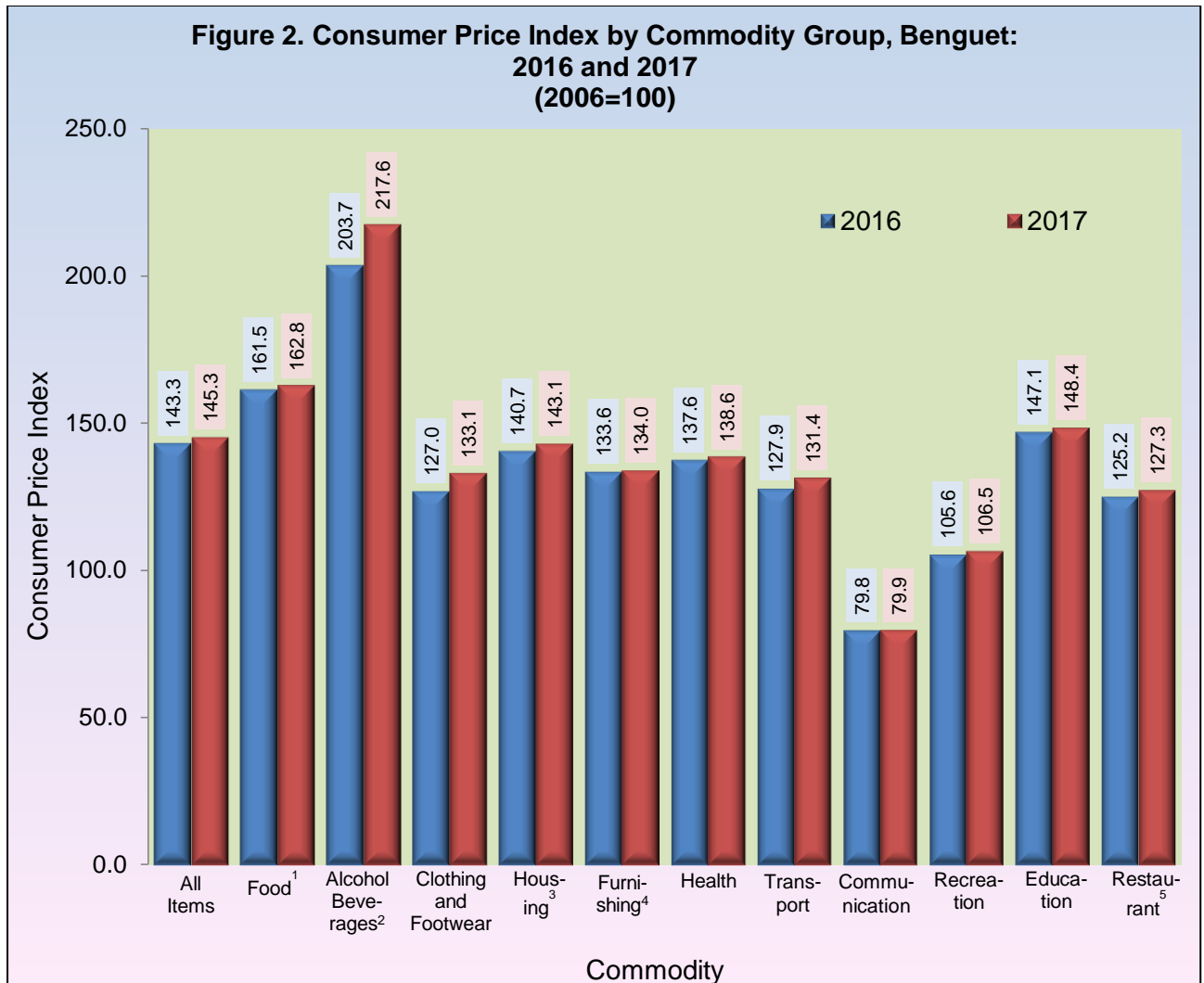
Note:
[1] includes Non-Alcoholic Beverages
[2] includes Water, Electricity, Gas and Other Fuels
[3] includes Household Equipment and Routine Maintenance of the House
[4] includes Miscellaneous Goods and Services

Inflation Rate

ψ Inflation Rate of Benguet in 2017 was 1.4, went up by 0.3 percent from last year's 1.1 percent.

ψ In 2016, the highest inflation rate was posted in July at 2.0 percent whereas the lowest was recorded in August with a deflation of 0.5 percent. On the other hand, the highest inflation rate in 2017 was in August at 2.2 percent while July with a deflation of 0.1 percent.

Figure 3. Inflation Rate by Month, Benguet: 2016 and 2017 (2006=100)
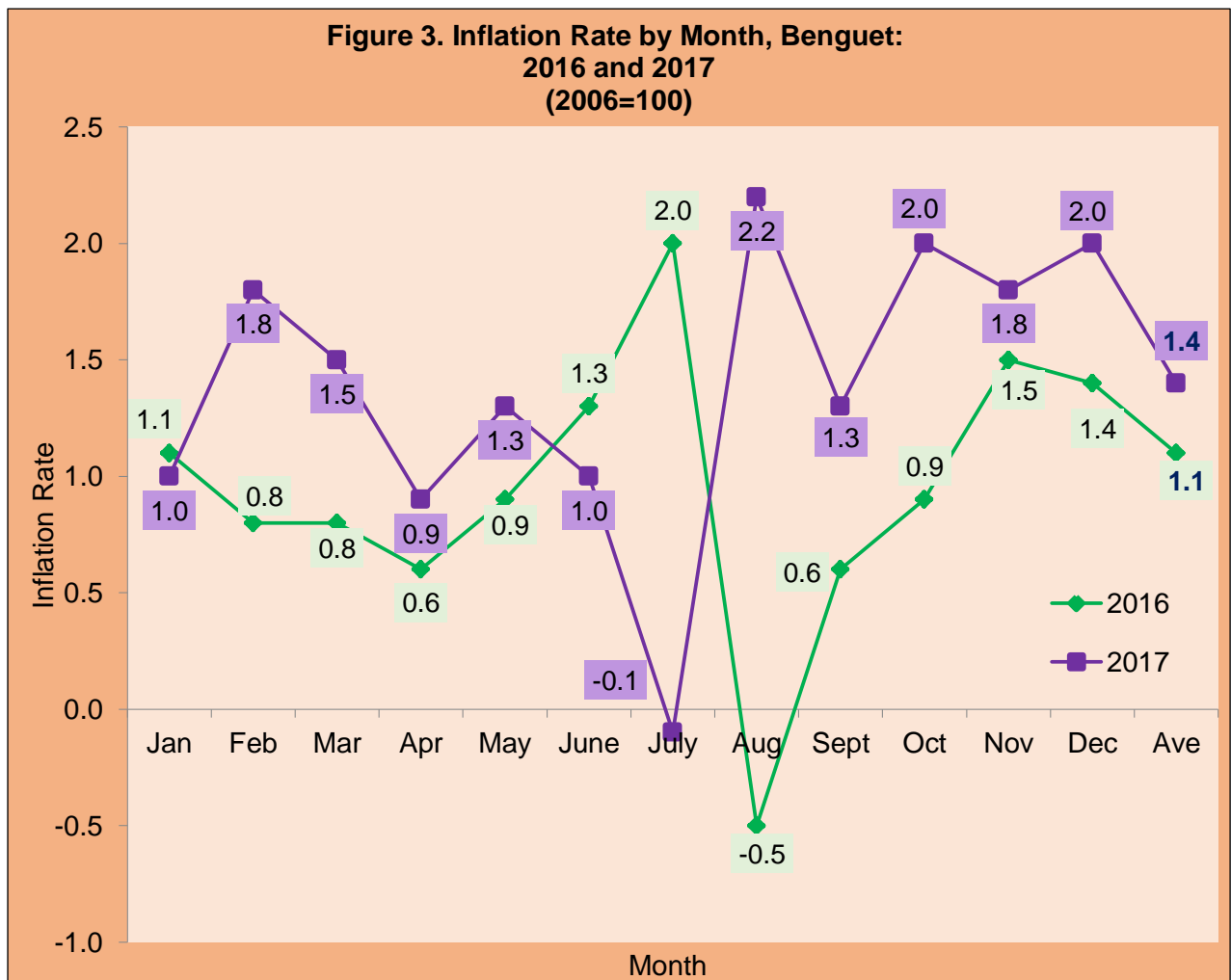
Purchasing Power of Peso

ψ The value of the peso in Benguet dropped to 0.69 centavos in 2017 from last year's 0.70 centavos. Meaning, that market value of goods and services worth 69 centavos in 2006 are bought at one peso in 2017.
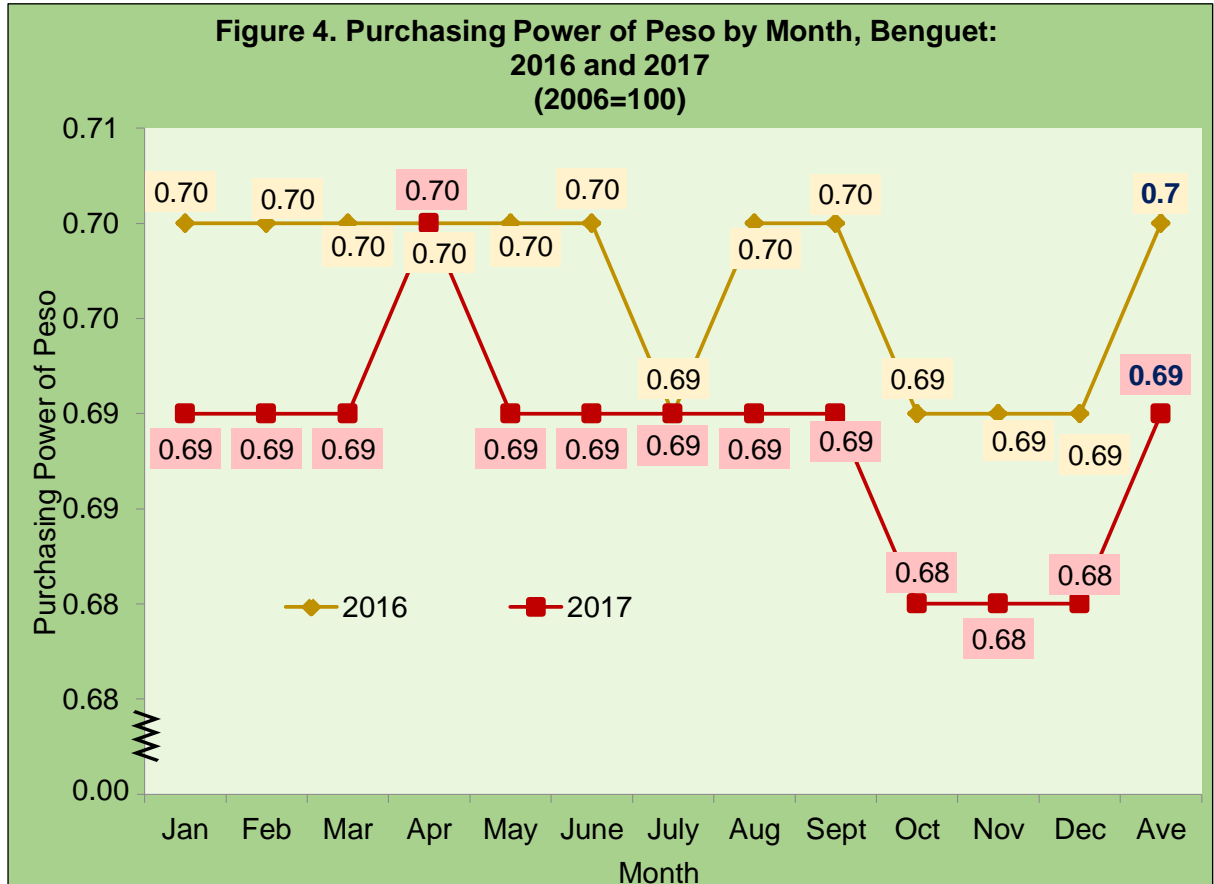
Figure 4. Purchasing Power of Peso by Month, Benguet: 2016 and 2017 (2006=100)

Table 1. Consumer Price Index, Inflation Rate and Purchasing Power of Peso by Month, Benguet: 2017 (2006=100)

Month	Consumer Price Index	Inflation Rate	Purchasing Power of Peso
2017	**145.3**	**1.4**	**0.69**
January	144.3	1.0	0.69
February	144.7	1.8	0.69
March	144.4	1.5	0.69
April	143.7	0.9	0.70
May	143.9	1.3	0.69
June	144.7	1.0	0.69
July	144.1	-0.1	0.69
August	145.0	2.2	0.69
September	145.6	1.3	0.69
October	146.9	2.0	0.68
November	148.0	1.8	0.68
December	148.1	2.0	0.68

Table 2. Consumer Price Index for All Income Households by Commodity Group and by Month, Benguet: 2017 (2006=100)

Commodity Group	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
ALL ITEMS	142.9	142.2	142.3	142.4	142.1	143.2	144.3	141.9	143.7	144.0	145.4	145.2	143.3
I. Food and Non-Alcoholic Beverages	160.6	159.0	159.9	158.9	157.8	160.4	163.0	159.0	162.7	163.3	167.3	166.6	161.5
Food	161.5	159.8	160.8	159.7	158.6	161.3	164.0	159.8	163.7	164.4	168.6	167.8	162.5
Non-alcoholic Beverages	144.0	144.0	144.0	144.0	144.0	144.0	144.0	144.0	144.1	144.1	144.1	144.1	144.0
II. Alcoholic Beverages and Tobacco	196.7	199.3	200.9	202.5	204.1	204.1	204.1	205.1	205.1	207.1	207.8	207.8	203.7
Alcoholic Beverages	166.7	169.3	170.4	170.9	171.7	171.7	171.7	172.9	172.9	173.7	173.7	173.7	171.6
Tobacco	231.0	233.4	235.7	238.6	241.1	241.1	241.1	241.8	241.8	245.1	246.7	246.7	240.3
NON-FOOD	130.6	130.4	130.1	130.8	131.0	131.1	131.3	129.9	130.5	130.5	130.3	130.4	130.6
III. Clothing and Footwear	125.0	125.3	125.5	126.2	126.3	127.4	127.5	127.5	127.5	127.6	128.7	129.8	127.0
IV. Housing, Water, Electricity, Gas and Other Fuel	141.9	141.5	139.7	142.0	142.2	141.9	142.7	139.3	140.4	140.0	139.0	138.0	140.7
V. Furnishings, Household Equipment and Routine M	133.6	133.6	133.6	133.6	133.5	133.5	133.5	133.5	133.5	133.5	133.7	133.6	133.6
VI. Health	136.7	137.3	137.2	137.5	137.5	137.6	137.6	137.6	137.7	137.7	138.1	138.2	137.6
VII. Transport	126.8	126.1	128.1	126.8	127.6	128.5	127.8	127.2	127.7	128.7	129.5	130.3	127.9
VIII. Communication	79.8	79.8	79.8	79.8	79.8	79.8	79.8	79.8	79.8	79.8	79.8	79.9	79.8
IX. Recreation and Culture	105.2	105.3	105.3	105.3	105.4	105.5	105.5	105.5	105.5	106.0	106.3	106.3	105.6
X. Education	146.9	146.9	146.9	146.9	146.9	147.3	147.3	147.3	147.3	147.3	147.3	147.3	147.1
XI. Restaurants and Miscellaneous Goods and Ser	124.9	124.9	124.9	124.9	124.9	124.9	124.9	125.1	125.3	125.3	125.3	127.1	125.2

TECHNICAL NOTES

Φ **What is the Consumer Price Index (CPI)?**

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.

Φ **What are the uses of CPI?**

The CPI is most widely used in the calculation of the inflation rate and purchasing power of the peso. It is a major statistical series used for economic analysis and as a monitoring indicator of government economic policy.

The CPI is also used to adjust other economic series for price changes. For example, CPI components are used as deflators for most personal consumption expenditures (PCE) in the calculation of the gross national product (GNP). Another major importance of the CPI is its use as basis to adjust wages in labor management contracts as well as pensions and retirement benefits. Increases in wages through collective bargaining agreements use the CPI as one of their bases.

Φ **What is the inflation rate?**

The inflation rate is the annual rate of change or the yearon-year change of the CPI expressed in percent. Inflation is interpreted in terms of declining purchasing power of money.

Φ **What is the purchasing power of the peso?**

The purchasing power of the 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.

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