

SPECIAL RELEASE

CONSUMER PRICE INDEX, INFLATION RATE, AND PURCHASING POWER OF PESO IN KALINGA, (2018=100): NOVEMBER 2022

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PRICE SITUATION: Year-on-Year

The Province of Kalinga's 2018 based Consumer Price Index (CPI) in November 2022 rose to 123.4, 10.7 percent higher compared to the CPI of the month of November 2021 which is at 111.8 index points. This means that a household living in Kalinga needs an additional amount of 23.4 pesos in November 2022 to buy the same basket of goods worth 100 pesos in 2018.

Table 1. Consumer Price Index for All Income Households by Commodity Group in Kalinga (2018=100); November 2021 and November 2022

Commodity Group	November 2021	November 2022	Year on year Change
ALL ITEMS	111.8	123.4	10.4
Food and Non-Alcoholic Beverages	110.5	121.3	10.2
Alcoholic Beverages and Tobacco	147.2	172.1	16.9
Clothing and Footwear	114.2	121.3	6.2
Housing, Water, Electricity, Gas and Other Fuels	101.4	114.2	6.11
Furnishings, Household Equipment and Routine Maintenance of the House	120.1	125.1	4.2
Health	123.3	133.2	8.0
Transport	104.0	131.4	26.3
Information and Communication	101.4	101.4	0.0
Recreation, Sport and Culture	109.7	112.7	3.2
Education Services	122.2	126.5	3.5
Restaurant and Accommodation Services	125.7	144.5	15.0
Financial Services	146.0	146.0	0.00
Personal Care, and Miscellaneous Goods and Services	109.7	115.8	5.6

Most of the commodity groups in Kalinga exhibited increase in prices. Transportation reported the highest increase with 26.3 percent from an index of 104.0 in November 2021 to 131.4 in November 2022, followed by Alcoholic beverages and tobacco with a recorded price index of 172.1 this November 2022, indicating an increase of 16.9 percent from 147.2 index of the same month last year. Other commodities with huge increase in their CPI were Restaurants and Accommodation with 15.6 percent, Food and Non-alcoholic Beverages with 10.2 percent, Health with 8.0 percent, Housing, Water, Electricity, Gas and Other Fuels with 6.11 percent, Clothing and Footwear with 6.2 percent, Personal Care, and Miscellaneous Goods and Services with 5.6 percent, and Furnishings, Household Equipment and Repair Maintenance of the House with a percent of 4.2. Education services and Recreation, Sport and Culture displayed a slight increase in percent by 3.5 and 3.2 accordingly.

On the other hand, no changes were recorded for the Information and communication and financial services.

PRICE SITUATION: Month-on-Month

In the month-on-month comparison, the consumer price index in All Items is posted at 2.5 percent (120.9 to 123.4) that may be attributed to the slight change in prices of some commodities during the period.

Compared to the previous month, increase in the price index of commodities was observed in Housing, Water, Electricity, Gas and other Fuels with 4.0 percent change (110.0 to 114.0); Alcoholic Beverages and Tobacco with 3.9 percent change (168.2 to 172.1); Restaurant and Accommodation Services with 3.7 percent change (140.8 to 144.5); Food and Non-alcoholic Beverages with 3.0 percent change (118.3 to 121.3); Clothing and Footwear with 2.1 percent change (119.2 to 121.3); Health with 1.9 percent change (131.3 to 133.2); Furnishings Household Equipment and Routine Maintenance of the House with 1.7 percent change (123.4 to 125.1); Personal Care, and Miscellaneous Goods with 1.5 percent change (114.3 to 115.8)

Moreover, there was a slight decrease to the items of Recreation, sport and Culture with -0.5 percent change (113.2 to 112.7) and Information and Communication with -0.2 percent change (101.6 to 101.4).

Meanwhile, stable price index was registered in Financial Services with 0 percent change with 146.0 and Education with 0 percent change with 126.5.

With such price changes reflected in the CPI, the purchasing power of the peso (PPP) in the province for the month of November 2022 is posted at 0.81.



Figure 1: Consumer Price Index by Commodity Group for All Income Households in Kalinga October 2022 to November 2022 (2018=100)

Commodity Group	Inflation Rates		
	Oct 2022	Nov 2022	Month-on-Month
ALL ITEMS	120.9	123.4	2.1
I. FOOD AND NON-ALCOHOLIC BEVERAGES	118.3	121.3	2.5
II. ALCOHOLIC BEVERAGES AND TOBACCO	168.2	172.1	2.3
III. CLOTHING AND FOOTWEAR	119.2	121.3	1.8
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	111.0	114.0	2.7
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	123.4	125.1	1.4
VI. HEALTH	131.3	133.2	1.4
VII. TRANSPORT	131.4	131.4	0.0
VIII. INFORMATION AND COMMUNICATION	101.6	101.4	-0.2
IX. RECREATION, SPORT AND CULTURE	112.7	113.2	0.4
X. EDUCATION SERVICES	126.5	126.5	0.0
XI. RESTAURANTS AND ACCOMMODATION SERVICES	140.8	144.5	2.6
XII. FINANCIAL SERVICES	146.0	146.0	0.0
XIII. PERSONAL CARE, AND MISCELLANEOUS GOODS AND SERVICES	114.3	115.8	1.3

Among all commodity groups, Housing, Water, Electricity, Gas and other Fuels have the highest inflation rate during the month of November 2022 in Kalinga (2.7 percent) which made it the biggest contribution to the province's headline inflation. Restaurants and Accommodation, Food and Non-alcoholic beverages, Alcoholic Beverages and Tobacco, Clothing and Footwear commodity groups largely contributed as well with a 2.6, 2.5, 2.3, 1.8 percent increase respectively. The province's inflation rate in November 2022 may also be attributed to the increase in the following commodity groups:

- a. Furnishings, Household Equipment, and routine Household Maintenance (1.4 percent)
- b. Health (1.4 percent)
- c. Personal Care, and Miscellaneous Goods and Services (1.3 percent)

Minimal increases were observed in Recreation and Culture (0.4 percent) and Information and communication (0.4 percent), while Financial Services and education recorded no changes.

INFLATION RATE (IR)

The headline inflation rate further moved up to 10.4 percent in the month of November this year, from the 5.5 inflation rate in November 2021. Moreover, it increased by more than 4.9 percent from November 2021. This was the highest inflation rate in the province of Kalinga has ever recorded.

Figure 2: Year-on-Year Headline Inflation Rates in Kalinga by Month (2018=2022) November 2021 to November 2022

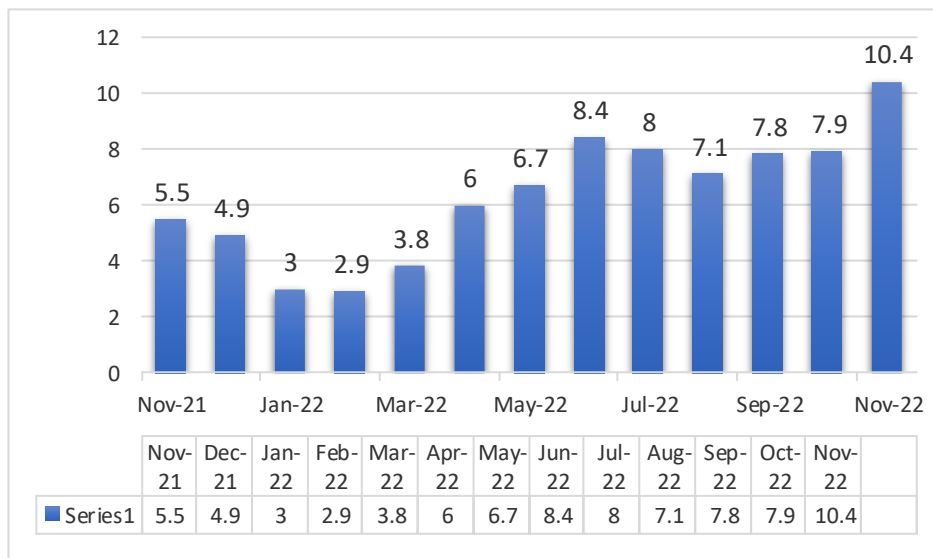


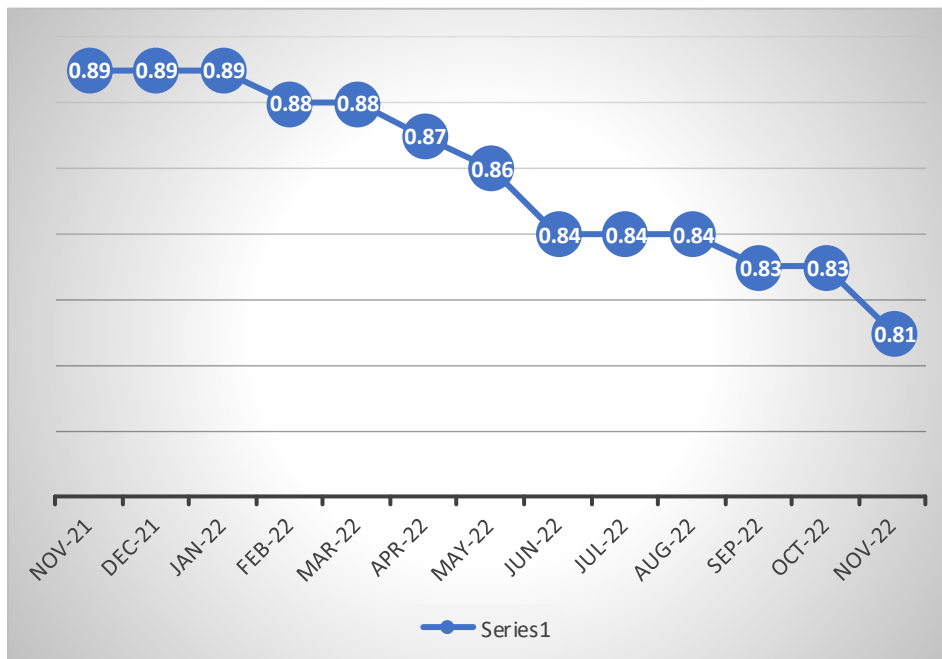
Figure 3: Year-on-Year Headline Inflation Rates in Kalinga by Commodity Group (2018=2022) November 2021 to November 2022



Purchasing Power of Peso

The Purchasing Power of Peso (PPP) in Kalinga was valued at 0.81 this November 2022, which was 8 centavos lower than the PPP of November 2021. The continuous decreasing of the PPP is linked to the increasing prices of goods and groceries in Kalinga.

Figure 4: Purchasing Power of Peso in Kalinga, November 2021 - November 2022



Technical Notes:

Price – is the amount or value paid in exchange for the commodity or a service rendered.

Retail/Consumer Price – refers to the price at which a commodity is sold in small quantities for consumption.

Weight – 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.

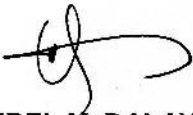
Market Basket – a term used to refer to a sample of goods and services that are commonly purchased and bought by an average Filipino household.

Consumer Price Index (CPI) – is a measure of the average change overtime in the prices paid by urban consumers for a market basket of consumer goods and services.

Inflation Rate - is the percentage increase or decrease in prices during a specified period, usually a month or a year and it is derived from CPI. It is interpreted in terms of declining purchasing power of money.

Unit of Measure - refers to which a commodity is customarily traded in the market and it is the actual unit in which the associated values are measured.

Commodity Specifications – refers to the detailed description of the commodity such as a brand packaging, size and unit of measure or other characteristics that will best describe the product/commodity and are important in the determination of prices.



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