

SPECIAL RELEASE

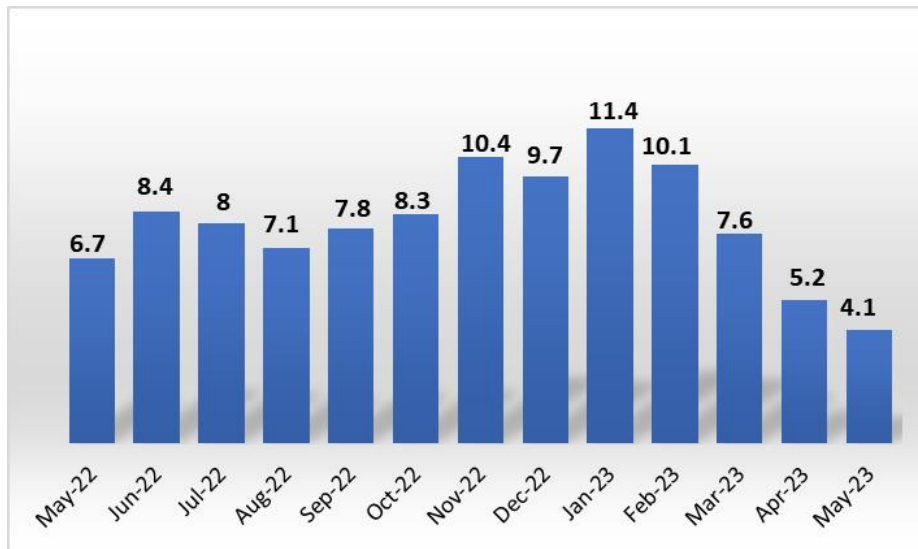
Kalinga Headline Inflation Declines to 4.1% in May 2023

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The headline Inflation rate in Kalinga went down to 4.1 percent in May 2023, from 5.2 percent in April 2023. In May 2022, inflation rate was observed at 6.7 percent.

**Figure 1: Inflation Rate in Kalinga May 2022 to May 2023
(2018=100)**



PRICE SITUATION: Month-on-Month

In the month-on-month comparison, the consumer price index in All Items is posted at -0.3 percent lower from 121.5 to 121.1. The slow decrease on the monthly CPI of the month was the result of the price reduction of prices from the group of Transport with -2.5 percent change from 121.8 to 118.8, Food and Non-Alcoholic beverages with -0.3 percent change from 118.2 to 117.9.

Furthermore, increase in the consumer price index of commodities was observed in Alcohol Beverages and Tobacco with 0.5 percent from 172.2 to 173.1, Recreation and Culture with 0.1 percent from 114.6 to 114.7.

Meanwhile, stable consumer price index registered in the following items; Financial Services with 146.0; Restaurant and Accommodation Services with 144.5, Education with 126.5 and Information and Communication with 101.4., Clothing and Footwear with 123.2, Furnishings Household Equipment and Routine Maintenance of the House with 131.8, Personal Care and Miscellaneous Goods with 119.4, Health with 137.9 and the Housing, Water, Electricity, Gas and other Fuels with 113.1.

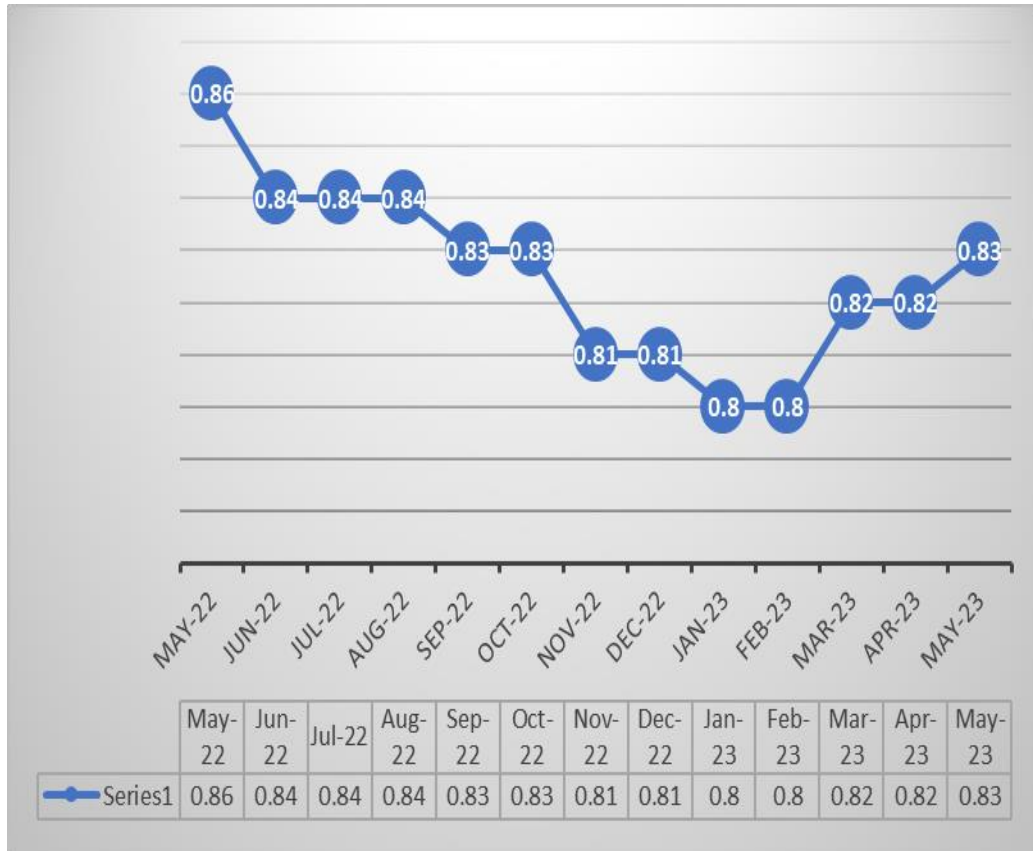
**Figure 2: Consumer Price Index by Commodity Group for All Income Households in Kalinga:
April 2023 and May 2023
(2018=100)**

Commodity Group	Month-on-Month		Percent Change
	April 2023	May 2023	Month-on-Month
ALL ITEMS	121.5	121.1	-0.3
I. FOOD AND NON-ALCOHOLIC BEVERAGES	118.2	117.9	-0.3
II. ALCOHOLIC BEVERAGES AND TOBACCO	172.2	173.1	0.5
III. CLOTHING AND FOOTWEAR	123.2	123.2	0.0
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	113.1	113.1	0.0
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	131.8	131.8	0.0
VI. HEALTH	137.9	137.9	0.0
VII. TRANSPORT	121.8	118.8	-2.5
VIII. INFORMATION AND COMMUNICATION	101.4	101.4	0.0
IX. RECREATION, SPORT AND CULTURE	114.6	114.7	0.1
X. EDUCATION SERVICES	126.5	126.5	0.0
XI. RESTAURANTS AND ACCOMMODATION SERVICES	144.5	144.5	0.0
XII. FINANCIAL SERVICES	146.0	146.0	0.0
XIII. PERSONAL CARE, AND MISCELLANEOUS GOODS AND SERVICES	119.4	119.4	0.0

Purchasing Power of Peso

The Purchasing Power of Peso (PPP) in Kalinga was valued at 0.83 this May 2023, 3 centavos lower than the PPP of May 2022 with 0.86 centavos.

**Figure 3: Purchasing Power of Peso in Kalinga
May 2022 - May 2023**



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.

Uses of the CPI

As an indicator, the CPI is the 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 monitoring indicator of government economic Policy.

The CPI is also used as a deflector to express value series in real terms, which is, measuring the change in actual volume of transaction by removing the effects of price changes. The CPI also serves as inputs in wage adjustments through the collective bargaining agreements.



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