



PRESS RELEASE

Summary Inflation Report Consumer Price Index (2018=100)

Cordillera Administrative Region July 2023

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**Table A: Year-on-Year Inflation Rates for All Items in CAR
In Percent
(2018=100)**

Area	July 2022	June 2023	July 2023	Year-to-date*
Philippines	6.4	5.4	4.7	6.8
CAR	7.3	3.2	2.9	5.0
Abra	6.2	4.1	2.9	6.0
Apayao	7.7	4.7	4.3	7.4
Benguet	9.5	3.5	3.3	4.6
Baguio City	6.0	2.7	2.4	4.1
Ifugao	5.5	3.2	3.9	4.6
Kalinga	8.0	2.2	2.0	6.0
Mountain Province	8.0	3.3	3.6	6.5

Note: *Year-on-year change of CPI for July 2022, June 2023 vs July 2023

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

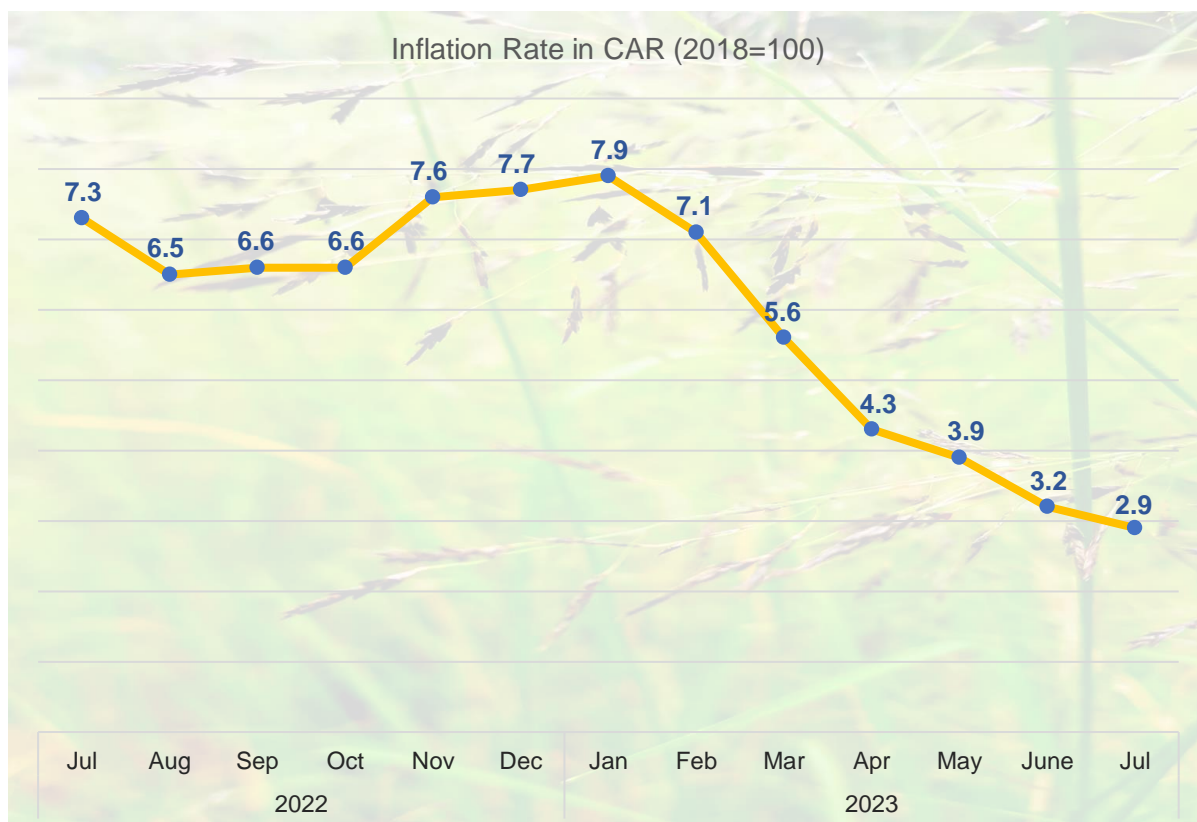


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**Figure 1: Inflation Rates in Cordillera Administrative Region, All Items:
July 2022 – July 2023 (2018=100)**



Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

1. Cordillera Administrative Region (CAR)

The inflation rate in Cordillera continued to slow down for the sixth month as it eased down to 2.9 percent in July 2023 from 3.2 percent in June 2023. Inflation in July 2022 was higher at 7.3 percent.

1.1 Main Drivers to the Downward Trend of Inflation in Cordillera

The deceleration of inflation in June 2023 was primarily brought about by the faster annual decrease in Transport with a recorded deflation of -5.5 percent, from -2.8 percent in June 2023. This was followed by Housing, water, electricity, gas and other fuels with lower inflation at 0.1 percent, from 0.2 percent in the previous month. The third main driver of the inflation deceleration during the month was the index of Restaurant and accommodation services with 5.5 percent, from 6.0 percent in June 2023 (Table B and Figure 1).

**Table B: Year-on-Year Inflation Rates for Commodity Group in CAR
In Percent (2018=100)**

COMMODITY GROUP	July 2022	June 2023	July 2023
ALL ITEMS	7.3	3.2	2.9
I. Food and non-alcoholic beverages	6.5	6.6	7.2
II. Alcoholic beverages and tobacco	9.6	8.1	6.9
III. Clothing and footwear	3.2	4.1	3.7
IV. Housing, water, electricity, gas and other fuels	5.0	0.2	0.1
V. Furnishings, household equipment and routine household maintenance	2.8	4.2	3.9
VI. Health	2.7	3.2	2.9
VII. Transport	28.7	(2.8)	(5.5)
VIII. Information and communication	0.5	0.1	0.1
IX. Recreation, sport and culture	2.8	5.0	4.3
X. Education services	0.6	0.6	0.6
XI. Restaurants and accommodation services	7.3	6.0	5.5
XII. Financial services	0.0	0.0	0.0
XIII. Personal care, and miscellaneous goods and services	4.0	4.5	4.1

*Note: *Year-on-year change of CPI for July 2022, June 2023 vs July 2023*

*Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority*

Among the 13 commodity groups, only one group recorded a faster annual growth rate the Food and non-alcoholic beverages with 7.2 percent, from 6.6 percent in June 2023.

The rest of the commodity groups recorded slower inflation rates during the month except for the two commodities that retained their previous rates and one with zero inflation rate. Other commodities with slower inflation rates were as follows:

- a. Health, 2.9 percent from 3.2 percent;
- b. Alcoholic beverages and tobacco, 6.9 percent from 8.1 percent
- c. Personal care and miscellaneous good and services, 4.1 percent from 4.5 percent;
- d. Furnishings, household equipment and routine household maintenance, 3.9 percent from 4.2 percent;
- e. Clothing and footwear, 3.7 percent from 4.1 percent; and
- f. Recreation, sport and culture, 4.3 percent from 5.0 percent.

Commodity groups with retained rates compared to previous month:

- a. Information and communication, 0.1 percent t; and
- b. Education services, 0.6 percent .

Also, the annual rate in the Financial services retained its annual rate of zero percent (Table B).

1.2 Main Contributors to Cordillera Inflation

In terms of contribution to the July 2023 inflation rate, it was dominated by the heavily weighted Food and non-alcoholic beverages with 84.9 percent share or 2.5 percentage points. This was followed by:

- a. Restaurants and accommodation services with 7.2 percent share or 0.2 percentage points.
- b. Personal care, and miscellaneous goods and services with a 5.8 percent share or 0.2 percentage points.

2. Provinces/ Highly Urbanized City (HUC) in CAR

Among the provinces and highly urbanized city, two provinces registered higher increases for the month of July 2023. First was the province of Ifugao with 3.9 percent, from 3.2 the previous month. Second the province of Mountain Province with 3.6 percent, from 3.3 percent the previous month.

Abra registered the highest deceleration in the region with 2.9 percent from 4.1 percent in June 2023, or 1.2 percentage points lower than the previous month. This was followed by the province of Apayao with 4.3 percent from 4.7 percent of the previous month or 0.4 percentage point -lower. In addition, the following also recorded - slower inflation rates during the month of July 2023:

- a. Kalinga, 2.0 percent from 2.2 percent;
- d. Benguet, 3.3 percent from 3.5 percent; and
- e. Baguio City, 2.4 percent from 2.7 percent.

3. Food Inflation in CAR

Food and non-alcoholic beverages inflation in the region had stopped its five-month deceleration from the 11.4 percent recorded in January 2023, as it recorded higher inflation for the month of July 2023 with 7.2 percent, up from 6.6 percent in June 2023. In July 2022, Food and non-alcoholic beverages inflation was lower at 6.5 percent (Table C).

**Table C: Year-on-Year Inflation Rates for Food in CAR
In Percent (2018=100)**

COMMODITY GROUP	June 2022	May 2023	June 2023
Food and Non-Alcoholic Beverages	6.5	6.6	7.2
Food	6.8	6.8	7.3
Cereals and cereal products	3.9	4.3	4.0
Cereals	3.7	2.5	2.7
Rice	3.5	2.3	2.6
Corn	10.8	11.3	7.7
Flour, bread and other bakery products, pasta products, and other cereals	4.6	9.3	8.5
Meat and other parts of slaughtered land animals	6.9	0.9	(1.4)
Fish and other seafood	8.9	5.2	4.2
Milk, other dairy products and eggs	2.3	14.9	12.7
Oils and fats	6.7	6.8	4.8
Fruits and nuts	7.8	7.5	5.6
Vegetables, tubers, plantains, cooking bananas and pulses	15.3	14.2	30.7
Sugar, confectionery and desserts	13.3	32.1	26.3
Ready-made food and other food products n.e.c.	2.4	4.4	4.6

Note: *Year-on-year change of CPI for July 2022, June 2023 vs July 2023

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

2.1 Main Drivers of the Higher Food Inflation

The primary contributor was the higher annual growth in Vegetables, tubers, plantains, cooking bananas and pulses that increased to 30.7 percent inflation rate from 14.2 percent in June 2023. This was followed by Rice with 2.6 percent, up from 2.3 percent, Cereals with 2.7 percent from 2.5 percent and Ready-made food and other food products with 4.6 percent from 4.4 percent the previous month. In addition, the primary drivers were also the only food group with a higher inflation rate in the month of July 2023.

Meanwhile, compared to the previous month's inflation rates, slower year-on-year growth rates were observed in the indices of the following food items:

- a. Corn, 7.7 percent from 11.3 percent;
- b. Flour bread and other bakery products, pasta products, and other cereals, 8.5 percent from 9.3 percent;
- c. Meat and other parts of slaughtered land animals, -1.4 percent from 0.9 percent;
- d. Fish and other seafood, 4.2 percent from 5.2 percent;
- e. Milk, other dairy products and eggs, 12.7 percent from 14.9 percent;
- f. Oils and fats, 4.8 percent from 6.8 percent;
- g. Fruits and nuts, 5.6 percent from 7.5 percent; and
- h. Sugar, confectionery and desserts, 26.3 percent from 32.1 percent.

Note:

CPI and inflation rates by province and selected city are posted on the PSA website (<http://openstat.psa.gov.ph>).

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