



SPECIAL RELEASE

July 2019 Price Situation in the Cordillera (Base Year: 2012)

Date of Release: August 14, 2019
Reference No. SR 2019-32

Consumer Price Index

- Consumer Price Index (CPI) is the general measure of the change in the average retail prices of a market basket or collection of goods and services commonly purchased by the average Filipino household.
- The CPI of the Cordillera Administrative Region (CAR) in July 2019 was 118.5. This was higher by 2.4 index points from the 116.1 CPI of July 2018 using 2012 as base year.
- In general, the CPI increased reflecting the rise in the average prices of goods and services in all the six provinces of CAR.

Figure 1. Consumer Price Index by Province, CAR:
June 2019
(2012=100)



Source: Philippine Statistics Authority

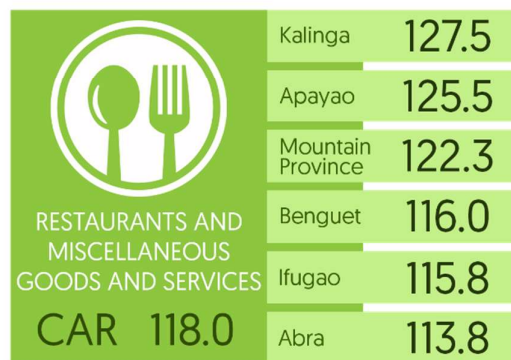
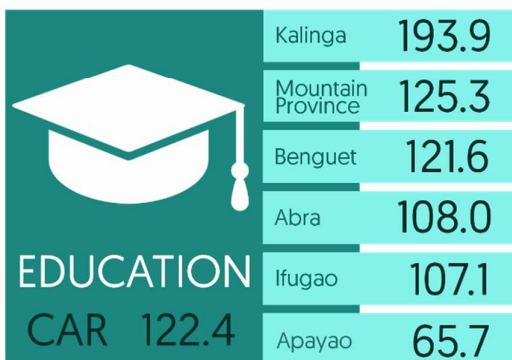
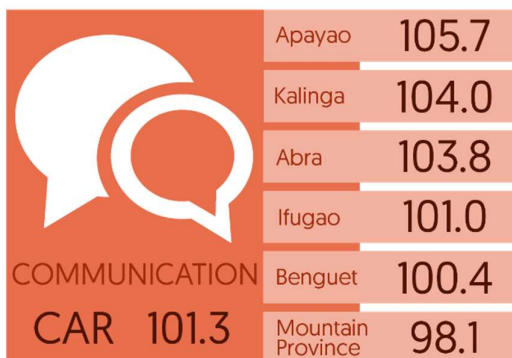
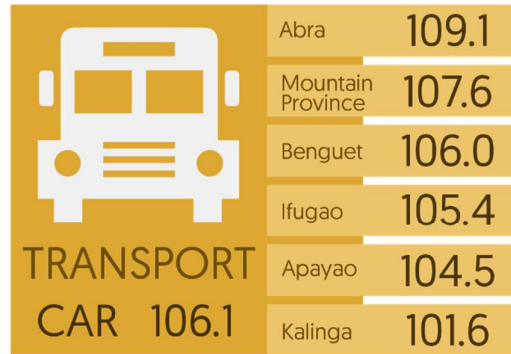
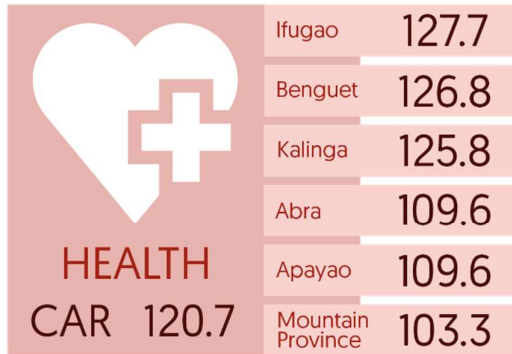
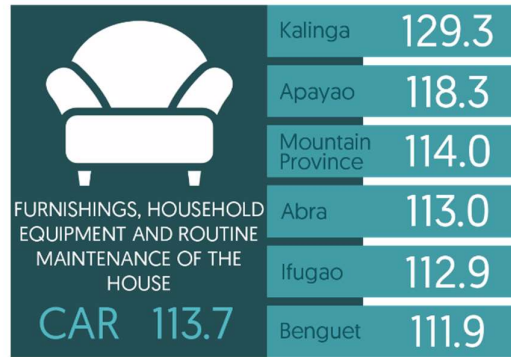
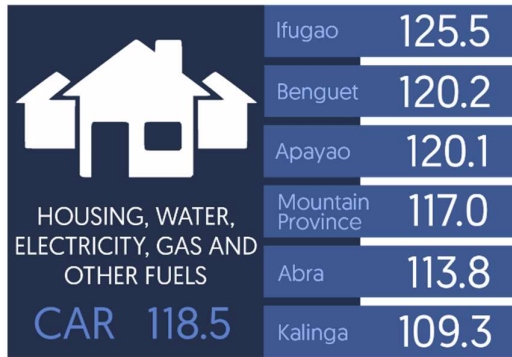
- Among the CAR provinces, Kalinga posted the highest CPI for July 2019 with 122.9, followed by Apayao with 122.6, and Benguet at 118.1 while Abra posted the lowest CPI with 116.8.

CPI by Commodity Groups

- Among the commodity groups, Alcoholic Beverages and Tobacco had the highest CPI in the region with 220.9. The province of Apayao incurred the highest CPI on this commodity with 347.1, followed by Abra, Kalinga, and Ifugao with 278.9, 260.3, and 216.4, respectively.
- Clothing and footwear registered the second highest CPI among the commodity groups in the region for July 2019 with 123.6 index points. Among the provinces, Ifugao had the highest index on clothing and footwear with 127.8, while Apayao had the least with 117.2.
- Education ranked third with 122.4 index points. Kalinga recorded the highest index on education with 193.9, followed by Mountain Province and Benguet with 125.3 and 121.6 index points, respectively.
- Communication continued to have the lowest CPI among the commodity groups in the region with 101.3 index points. The province of Apayao incurred the highest index on communication with 105.7 index points, while Mountain Province had the lowest with 98.1 index points.
- Among the CAR provinces, Kalinga incurred the highest CPI for all items with 122.9, while Abra garnered the least index with 116.8 in July 2019.

Figure 2. Consumer Price Index by Commodity Group and by Province, CAR: June 2019 (2012=100)

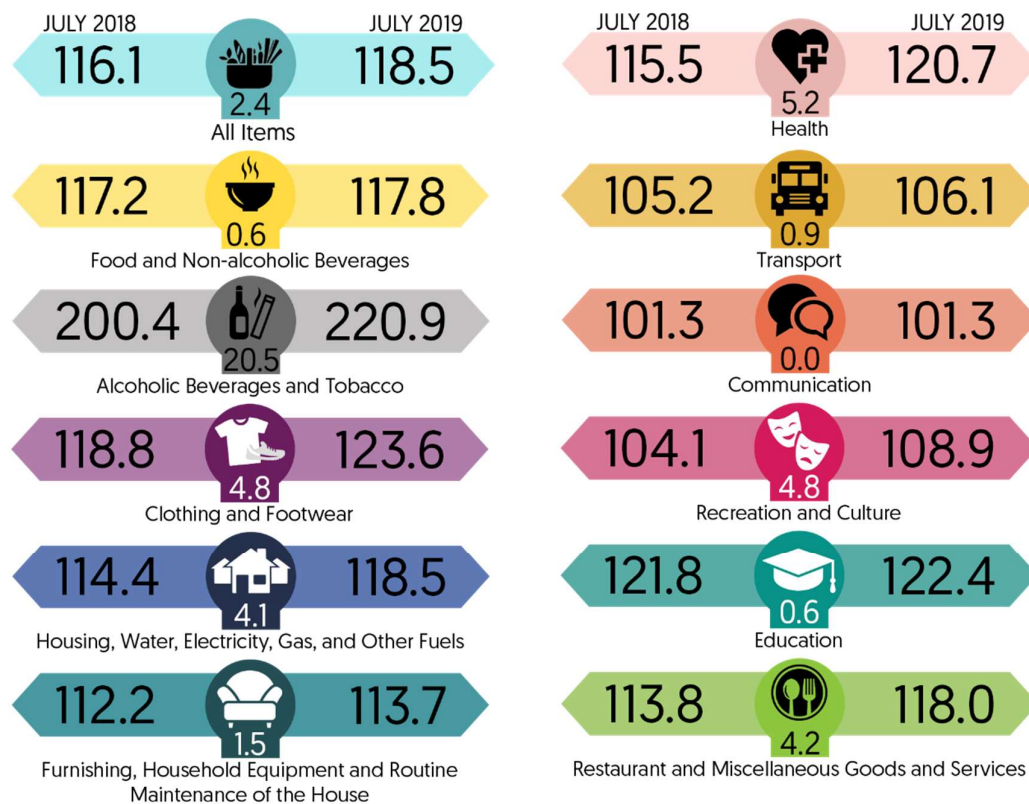




Source: Philippine Statistics Authority

- By index point change, Alcoholic Beverages and Tobacco recorded the highest increase at 20.5. Increases were also incurred in Health (5.2 points), Clothing and Footwear (4.8 points), Recreation and Culture (4.8 points), and. The rest of the commodity groups reported minimal annual increases.

**Figure 3. Year-on-Year Consumer Price Index by Commodity Group, CAR:
July 2018 and 2019
(2012=100)**

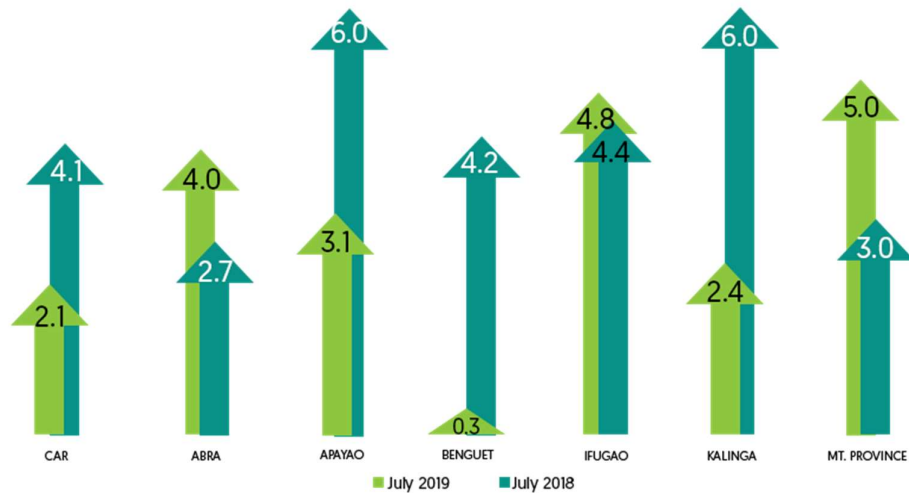


Source: Philippine Statistics Authority

Inflation Rate

- The average increase in the prices of goods and services in the region slowed down to 2.1% in July 2019 from the 4.1 rate in July 2018.
- Mountain Province and Ifugao posted the highest inflation rate in July 2019 with 5.0% and 4.8%, respectively, followed by Abra with 4.0%, and Apayao with 3.1%. Benguet incurred the least inflation among all provinces, with 0.3%.
- Inflation surpassed the July 2018 rate for the provinces of Abra, Ifugao and Mountain Province while other provinces had lower inflation rates in July 2019.

**Figure 4. Year-on-Year Inflation Rates by Province, CAR:
July 2018 and 2019
(2012=100)**



Source: Philippine Statistics Authority

By Commodity Group

- Inflation rate of the heavily-weighted Food and Non-Alcoholic Beverages index in the region decreased from the June 2019 rate of 0.8 to the 0.5 of July 2019.
- Alcoholic Beverages and Tobacco remained to have the highest inflation in July 2019 among other commodities in the region with 10.2%, followed by Recreation and Culture with 4.6% and Health with 4.5%.
- Among all other commodities, Communication incurred an inflation rate of 0.0%.

**Figure 5. Inflation Rates by Commodity Groups, CAR: July 2019
(2012=100)**

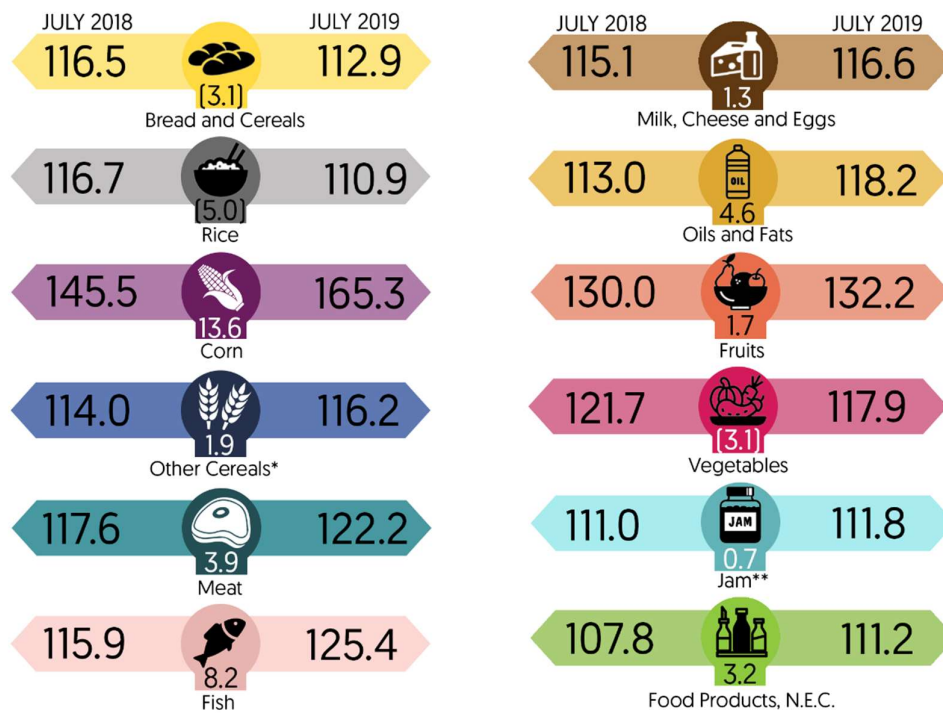


Source: Philippine Statistics Authority

By Food Items, Year-on-Year

- Among the food items, Corn recorded the highest CPI in the region in July 2019 with 165.3. This was followed by Fruits, Fish, and Meat with 132.2, 125.4, and 122.2 index points, respectively.
- By index point change, Corn recorded the highest increase by 13.6. Fish followed with a 8.2 index point increase and Oils and Fats with 4.6.

Figure 6. Year-on-Year CPI and Inflation Rates of Selected Food Items, CAR: July, Year 2018 and 2019 (2012=100)



*Includes flour, cereal preparation, bread, pasta and other bakery products

**Includes sugar, honey, chocolate and confectionery

Source: Philippine Statistics Authority

Purchasing Power of the Peso (PPP)

- The value of the peso in the region was 84 centavos in July 2019. It dropped by two centavos from 86 centavos in July 2018. This means that one peso in 2012 is worth 84 centavos in July 2019.
- In other words, a basket of goods that can be bought with 100 pesos in December 2012 is worth 118.5 pesos in July 2019.
- The PPP in all the provinces generally weakened in July 2019 compared to the same month of the previous year.

- Abra had the highest peso value at 86 centavos, followed by Benguet, Ifugao and Mountain Province at 85 centavo-peso value. Meanwhile, Kalinga had the lowest peso value at 81 centavos.

**Figure 7. Purchasing Power of the Peso by Province, CAR:
June 2018 and 2019
(2012=100)**



*Mountain Province

Source: Philippine Statistics Authority

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Regional Director

Technical Notes

Consumer Price Index (CPI) is a general measure of the change in the average retail prices of a market basket or collection of goods and services commonly purchased by the average Filipino household.

Inflation Rate (IR) is the rate of change in the average price level between two periods (year-on-year/month-on-month as measured by the CPI).

Purchasing Power of the Peso (PPP) measures how much the peso in the reference year is worth in another year.

Base Year (BY) is the reference point of the index number series, at which the index number is set to 100. It is the reference point of the index number series.

The CPI is now rebased to 2012 base year from the current 2006 base year. The year 2012 was chosen as the next base year because it was the latest year when the Family Income and Expenditure Survey (FIES) results were made available. It is also the synchronized rebasing of the price indices to base year 2006 and every six years thereafter.

Rebasing CPI is necessary to ensure that this barometer of economic phenomena is truly reflective of current situation. Consumer taste, fashion and technology change over time causing the fixed market basket of goods and services to become outmoded. To capture such changes for a more meaningful price comparison, revision or updating of the fixed market basket, sample outlets, weights, and base year had to be done periodically. The CPI is an indicator that derives its usefulness in its representation of how much a typical market basket behaves over a specific period.

Market Basket (MB) is a sample of goods and services used to represent all goods and services produced or bought.