



SPECIAL RELEASE

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

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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 September 2019 was 119.4. This was higher by 1.5 index points from the 117.9 CPI of September 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: September 2019
(2012=100)**



Source: Philippine Statistics Authority

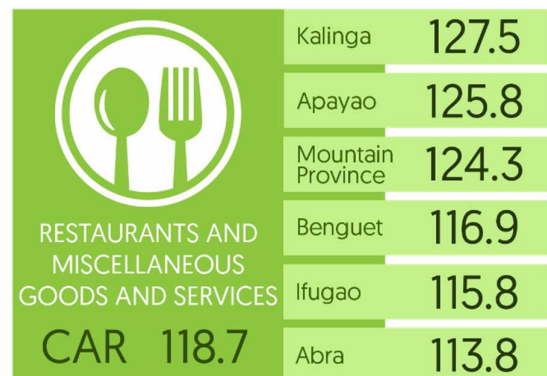
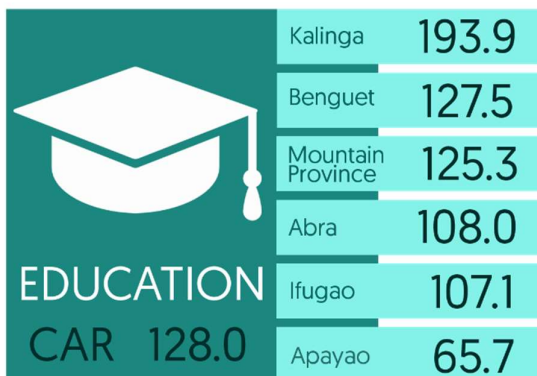
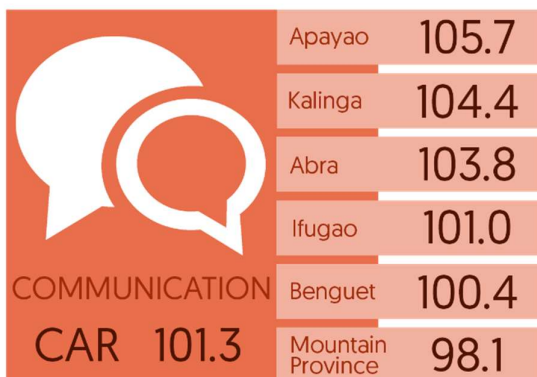
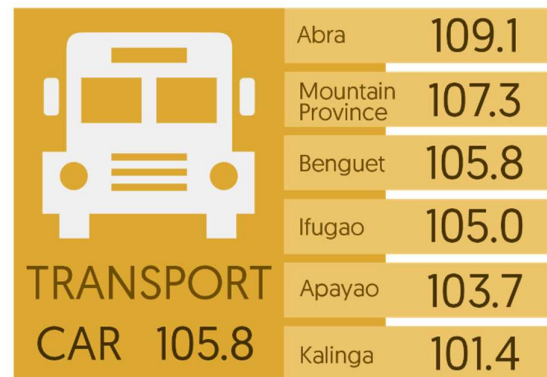
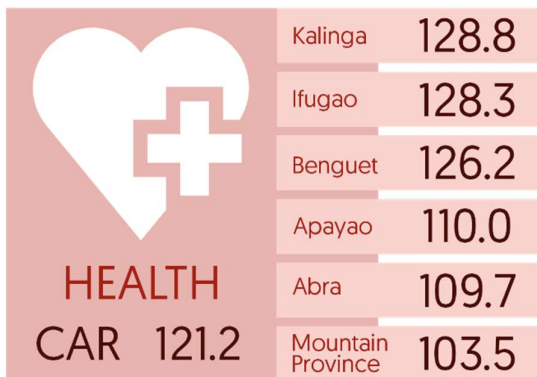
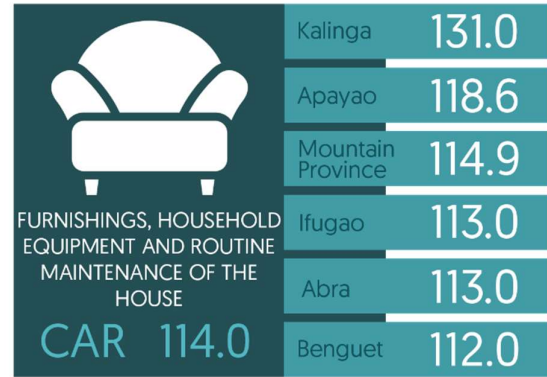
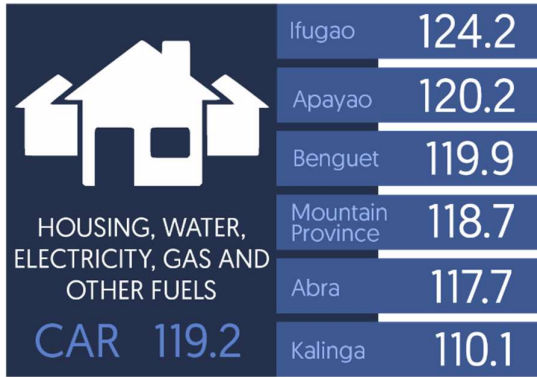
- Among the CAR provinces, Kalinga posted the highest CPI for September 2019 at 123.6, followed by Apayao at 122.6, and Benguet at 119.3 while Abra posted the lowest CPI at 117.2.

CPI by Commodity Groups

- Among the commodity groups, Alcoholic Beverages and Tobacco had the highest CPI in the region with 223.6. The province of Apayao incurred the highest CPI on this commodity with 354.0, followed by Abra, Kalinga, and Ifugao at 280.9, 269.9, and 216.4, respectively.
- Education registered the second highest CPI among the commodity groups in the region for September 2019 at 128.0 index points. Among the provinces, Kalinga had the highest index on education at 193.9, while Apayao had the least at 65.7.
- Clothing and Footwear ranked third at 124.7 index points. Kalinga recorded the highest index on clothing footwear at 129.9, followed by Ifugao and Benguet at 128.0 and 124.4 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 123.6, while Abra garnered the least index at 117.2 in September 2019.

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

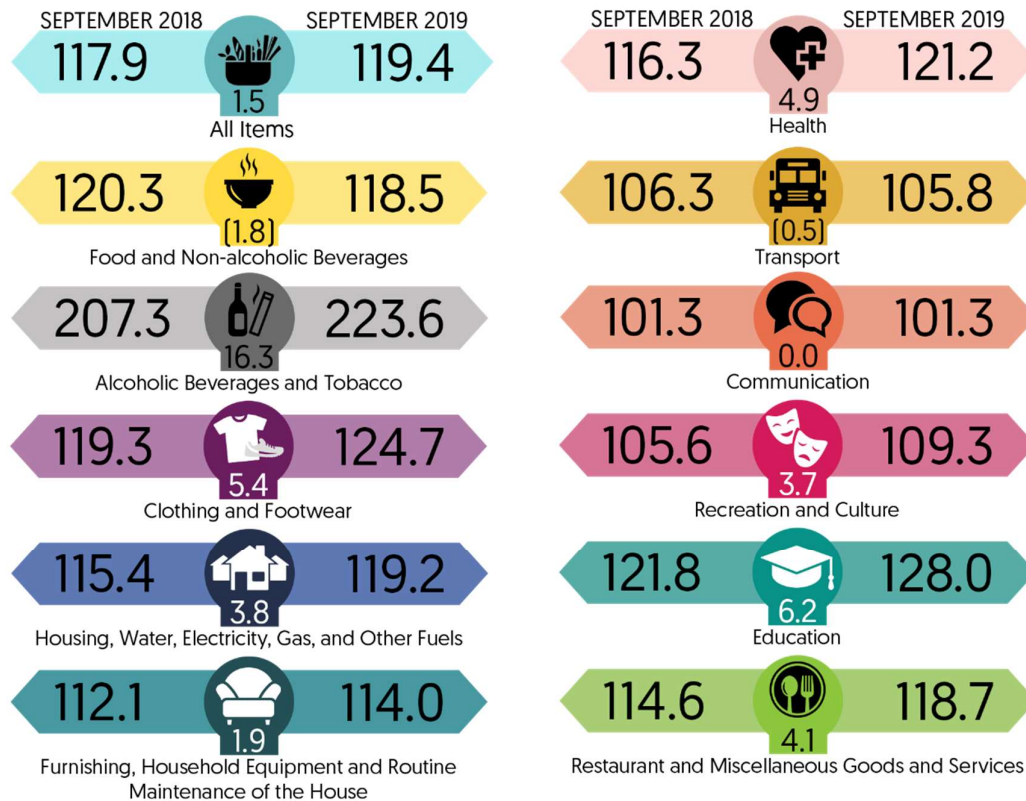




Source: Philippine Statistics Authority

- By index point change, Alcoholic Beverages and Tobacco recorded the highest increase at 16.3. Increases were also incurred in Education (6.2 points), Clothing and Footwear (5.4), and Health (4.9 points). The rest of the commodity groups reported minimal annual increases.

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

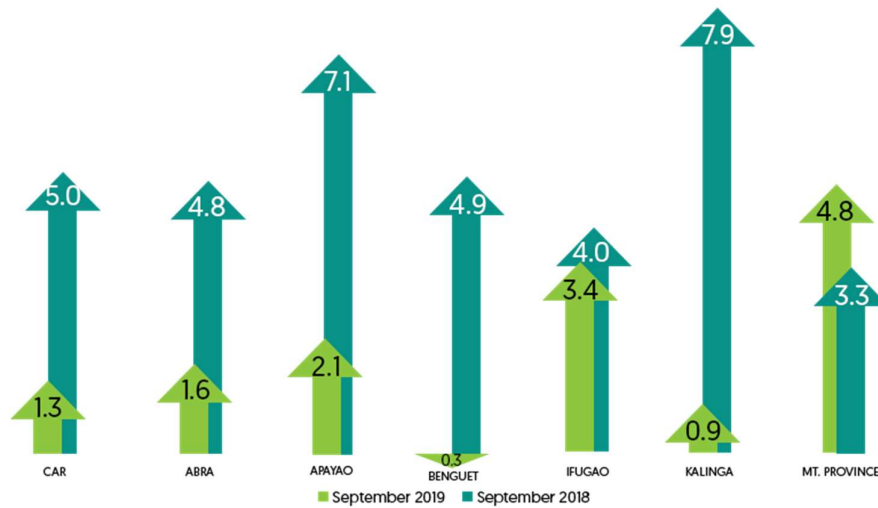


Source: Philippine Statistics Authority

Inflation Rate

- The average increase in the prices of goods and services in the region slowed down to 1.3% in September 2019 from the 5.0 rate in September 2018.
- Mountain Province and Ifugao posted the highest inflation rate in September 2019 at 4.8% and 3.4%, respectively, followed by Apayao at 2.1%. Benguet incurred the least inflation with negative 0.3% among all provinces.
- All the provinces had lower inflation rates in September 2019 except for the province of Mountain Province.

**Figure 4. Year-on-Year Inflation Rates by Province, CAR:
September 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 August 2019 rate of 0.0 to the -1.5 of September 2019.
- Alcoholic Beverages and Tobacco remained to have the highest inflation in September 2019 among other commodities in the region with 7.9%, followed by Education with 5.1% and Clothing and Footwear with 4.5%.
- Among all other commodities, Transportation incurred the lowest inflation rate at -0.5%.

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

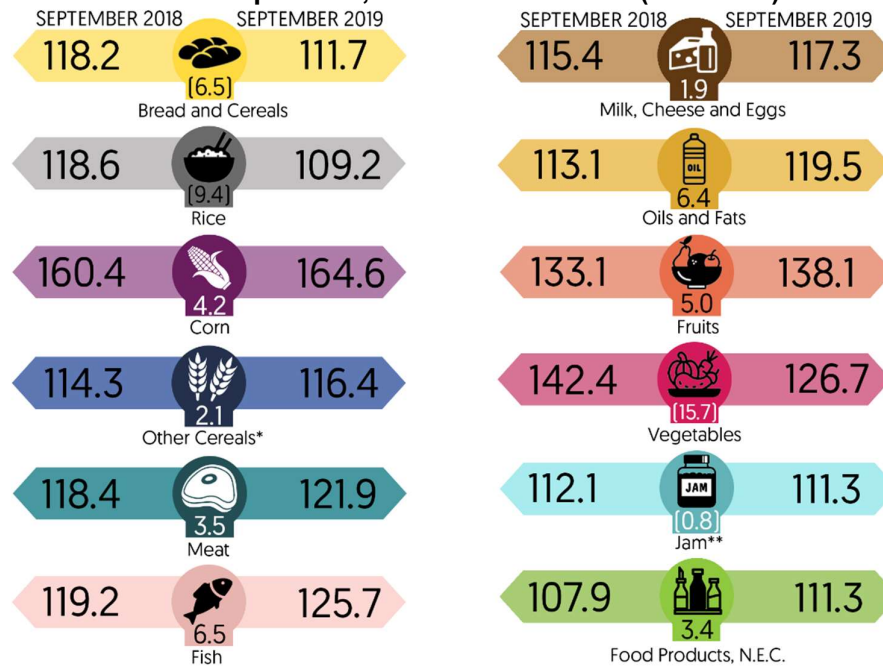


Source: Philippine Statistics Authority

By Food Items, Year-on-Year

- Among the food items, Corn recorded the highest CPI in the region in September 2019 with 164.6. This was followed by Fruits, Vegetables and Fish with 138.1, 126.7, and 125.7 index points, respectively.
- By index point change, Fish recorded the highest increase by 6.5. Oil and Fats followed with a 6.4 index point increase followed by Fruits with 5.0.

Figure 6. Year-on-Year CPI and Inflation Rates of Selected Food Items, CAR: September, 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 September 2019. It dropped by one centavo from 85 centavos in September 2018. This means that one peso in 2012 is worth 84 centavos in September 2019.
- In other words, a basket of goods that can be bought with 100 pesos in December 2012 is worth 119.4 pesos in September 2019.
- The PPP in all the provinces generally weakened in September 2019 compared to the same month of the previous year.

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

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



*Mountain Province

Source: Philippine Statistics Authority

VILLAFE P. ALIBUYOG
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.