



SPECIAL RELEASE

March 2020 Price Situation in the Cordillera (Base Year: 2012)

Date of Release: April 24, 2020
Reference No. SR 2020-17

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 March 2020 was 120.8. This was higher by 3.4 index points from the 117.4 CPI of March 2019 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: March 2020
(2012=100)**



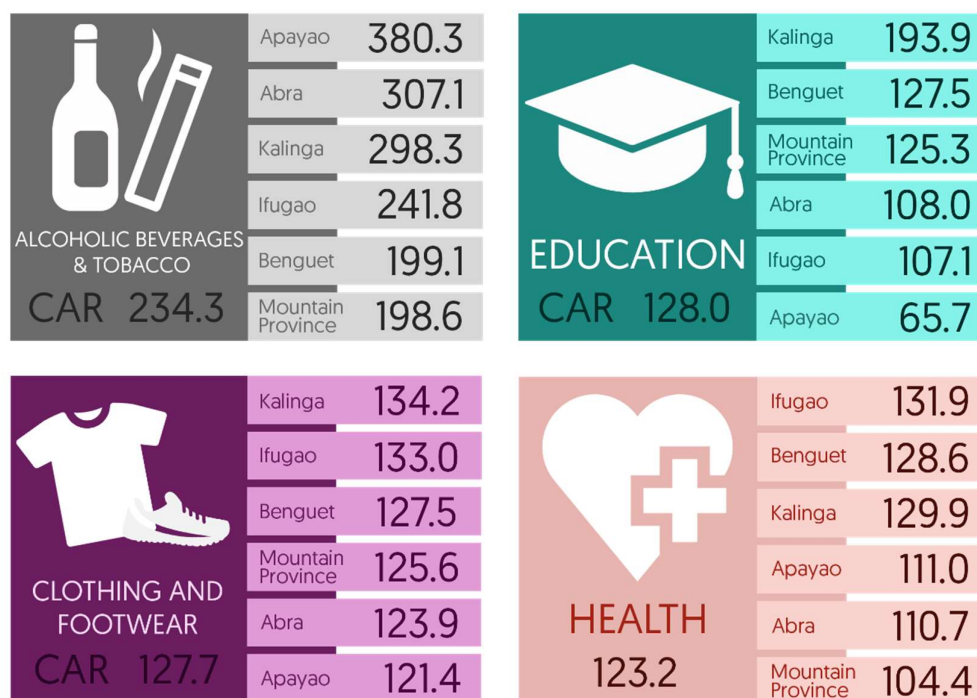
Source: Philippine Statistics Authority

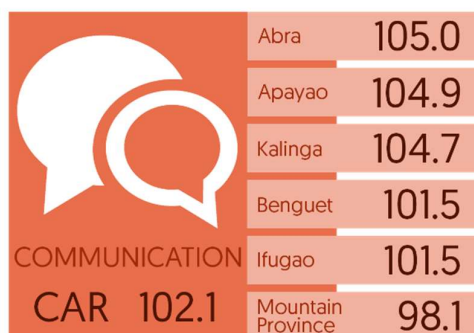
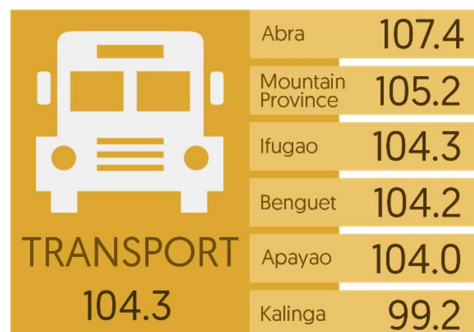
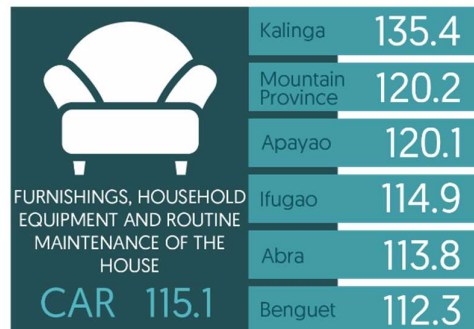
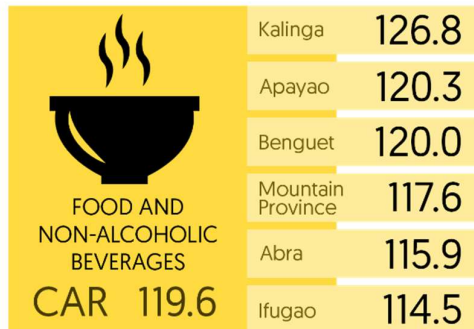
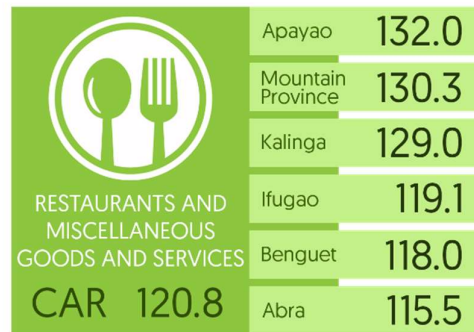
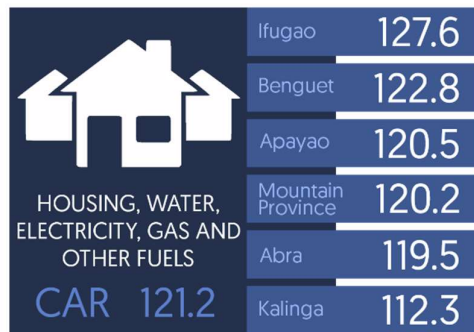
- Among the CAR provinces, Kalinga posted the highest CPI for March 2020 with 126.5, followed by Apayao with 123.4, and Benguet with 120.8 while Abra posted the lowest CPI with 117.8.

CPI by Commodity Groups

- Among the commodity groups, Alcoholic Beverages and Tobacco had the highest CPI in the region with 234.3 index points. The province of Apayao incurred the highest CPI on this commodity with 380.3 index points, followed by Abra, Kalinga, and Ifugao with 307.1, 298.3, and 241.8 index points, respectively.
- Education registered the second highest CPI among the commodity groups in the region for March 2020 with 128.0 index points. Among the provinces, Kalinga had the highest index on education with 193.9, while Apayao had the least with 65.7 index points.
- Clothing and Footwear ranked third with 127.7 index points. Kalinga recorded the highest index on clothing and footwear with 134.2, followed by Ifugao and Benguet with 133.0 and 127.5 index points, respectively.
- Communication continued to have the lowest CPI among the commodity groups in the region with 102.1 index points. The province of Abra incurred the highest index on communication with 105.0 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 126.5, while Mountain Province garnered the lowest index with 117.8 in March 2020.

Figure 2. Consumer Price Index by Commodity Group and by Province, CAR: March 2020 (2012=100)

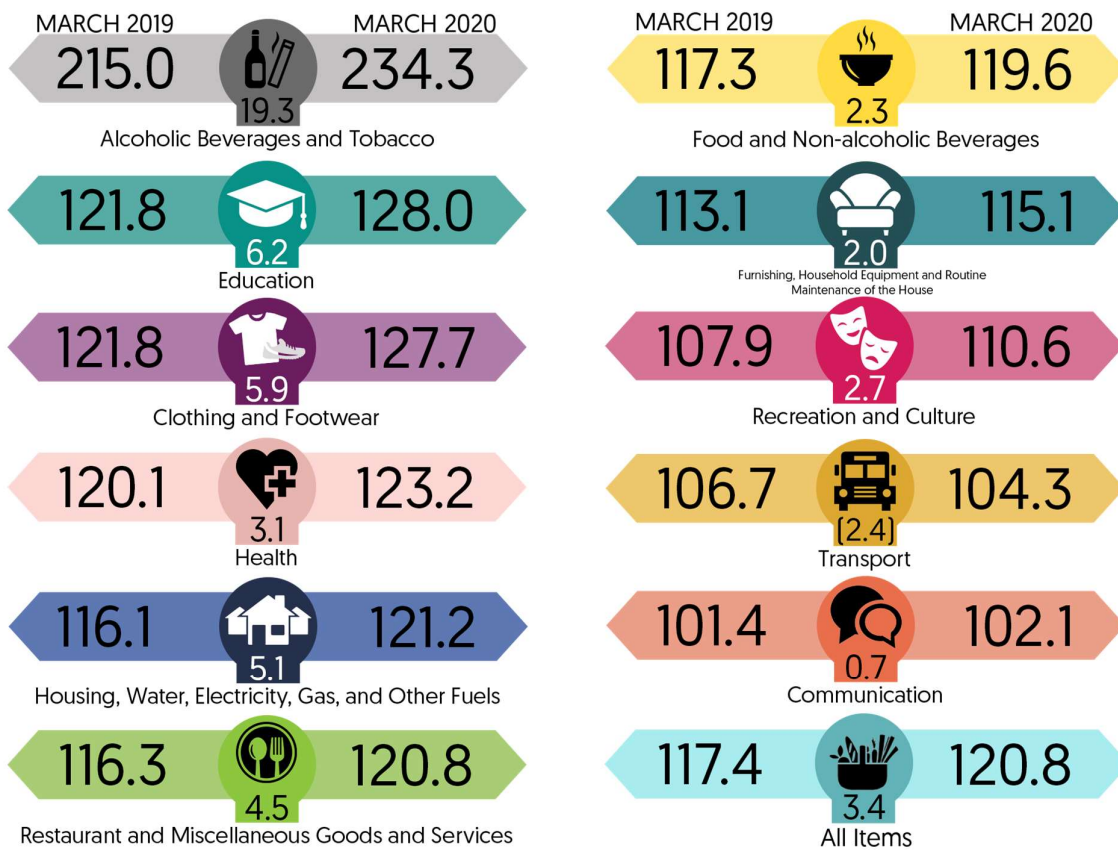




Source: Philippine Statistics Authority

- By index point change, Alcoholic Beverages and Tobacco recorded the highest increase with 19.3 index points. Increases were also incurred in Education (6.2 points), Clothing and Footwear (5.9 points), and Housing, Water, Electricity, Gas, and Other Fuels (5.1 points). The rest of the commodity groups reported minimal annual increases.

**Figure 3. Year-on-Year Consumer Price Index by Commodity Group, CAR:
March 2019 and 2020
(2012=100)**



Source: Philippine Statistics Authority

Inflation Rate

- The average increase in the prices of goods and services in the region increased by 2.9% in March 2020 compared to the 2.5% inflation in March 2019.
- Mountain Province posted the highest inflation rate in March 2020 with 6.1%, followed by Kalinga with 3.0%. Ifugao incurred the least inflation among all provinces with 0.8%.
- All of the provinces had lower inflation rates in March 2020 except for the province of Benguet and Mountain Province.

**Figure 4. Year-on-Year Inflation Rates by Province, CAR:
March 2019 and 2020
(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 by 0.3 percentage point from the February 2020 rate of 2.3 to 2.0 in March 2020.
- Alcoholic Beverages and Tobacco remained to have the highest inflation among other commodities in the region in March 2020 with 9.0%, followed by Education with 5.1% and Clothing and Footwear with 4.8%.
- Among all other commodities, Transport incurred the lowest inflation rate with negative 2.2%.

**Figure 5. Inflation Rates by Commodity Groups, CAR: March 2020
(2012=100)**

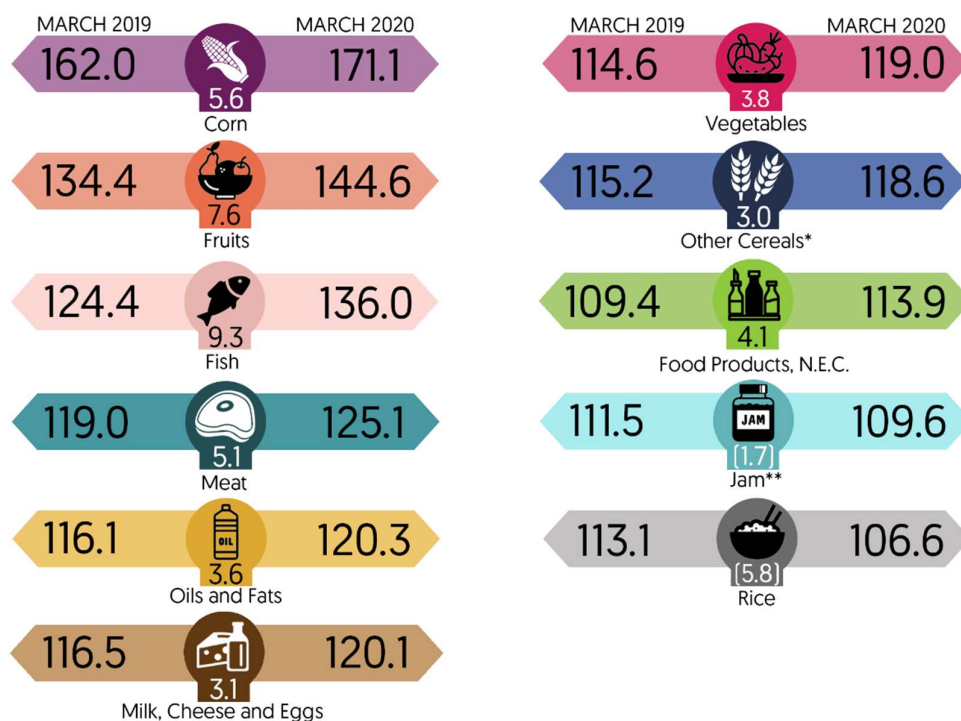


Source: Philippine Statistics Authority

By Food Items, Year-on-Year

- Among the food items, Corn recorded the highest CPI in the region in March 2020 with 171.1. This was followed by Fruits, Fish and Meat with 144.6, 136.0, and 125.1 index points, respectively.
- By index point change, Fish recorded the highest increase by 9.3. Fruits followed with 7.6 index point increase followed by Corn with 5.6.

Figure 6. Year-on-Year CPI and Inflation Rates of Selected Food Items, CAR: March, Year 2019 and 2020 (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 83 centavos in March 2020. It dropped by two centavos from 85 centavos in March 2019. This means that one peso in 2012 is worth 83 centavos in March 2020.
- In other words, a basket of goods that can be bought with 100 pesos in December 2012 is worth 120.8 pesos in March 2020.

- The PPP in all the provinces generally weakened in March 2020 compared to the same month of the previous year.
- Abra and Mountain Province had the highest peso value at 85 centavos, followed by Ifugao at 84 centavos. Meanwhile, Kalinga had the lowest peso value at 79 centavos.

**Figure 7. Purchasing Power of the Peso by Province, CAR:
March 2019 and 2020
(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.