



SPECIAL RELEASE

July 2020 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 July 2020 was 121.2. This was higher by 2.7 index points from the 118.5 CPI of July 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: July 2020
(2012=100)**



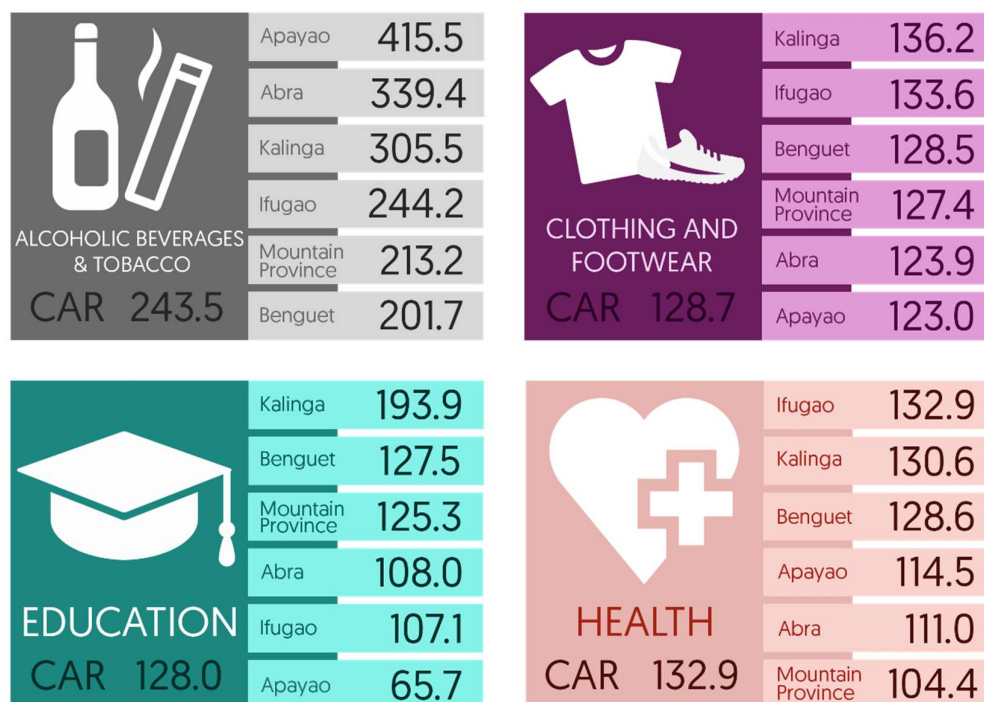
Source: Philippine Statistics Authority

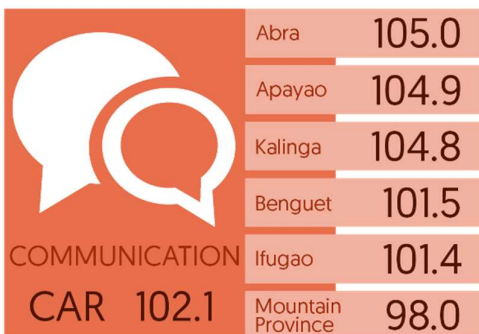
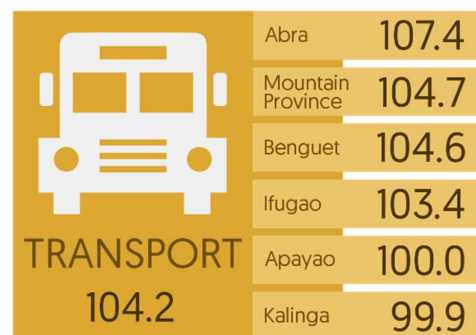
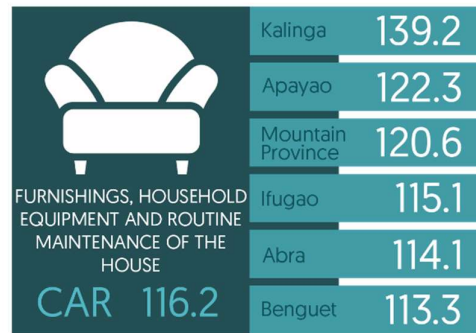
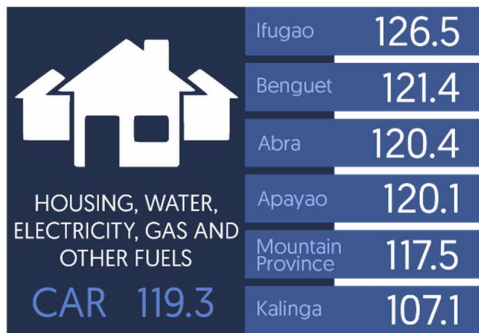
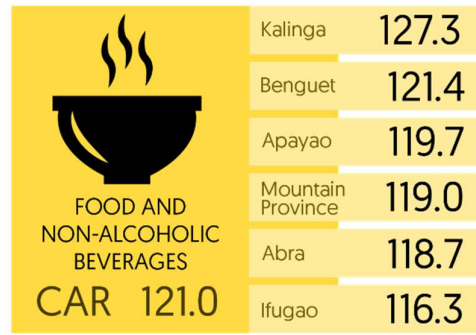
- Among the CAR provinces, Kalinga posted the highest CPI for July 2020 at 126.6, followed by Apayao at 123.5, and Benguet at 121.3 while Mountain Province posted the lowest CPI at 118.4.

CPI by Commodity Groups

- Among the commodity groups, Alcoholic Beverages and Tobacco had the highest CPI in the region with 243.5 index points. The province of Apayao incurred the highest CPI on this commodity with 415.5 index points, followed by Abra, Kalinga, and Ifugao at 339.4, 305.5, and 244.2 index points, respectively.
- Clothing and Footwear ranked second among the commodity groups in the region for July 2020 at 128.7 index points. Among the provinces, Kalinga had the highest index on clothing and footwear at 136.2, while Apayao had the lowest at 123.0 index points.
- Education registered the third highest CPI at 128.0 index points. Kalinga recorded the highest index on education at 193.9, followed by Benguet and Mountain Province at 127.5 and 125.3 index points, respectively.
- Communication incurred the lowest CPI among the commodity groups in the region during the month of July 2020 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 98.0 index points.
- Among the CAR provinces, Kalinga incurred the highest CPI for all items with 126.6, while Mountain Province garnered the lowest index at 118.4 in July 2020.

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

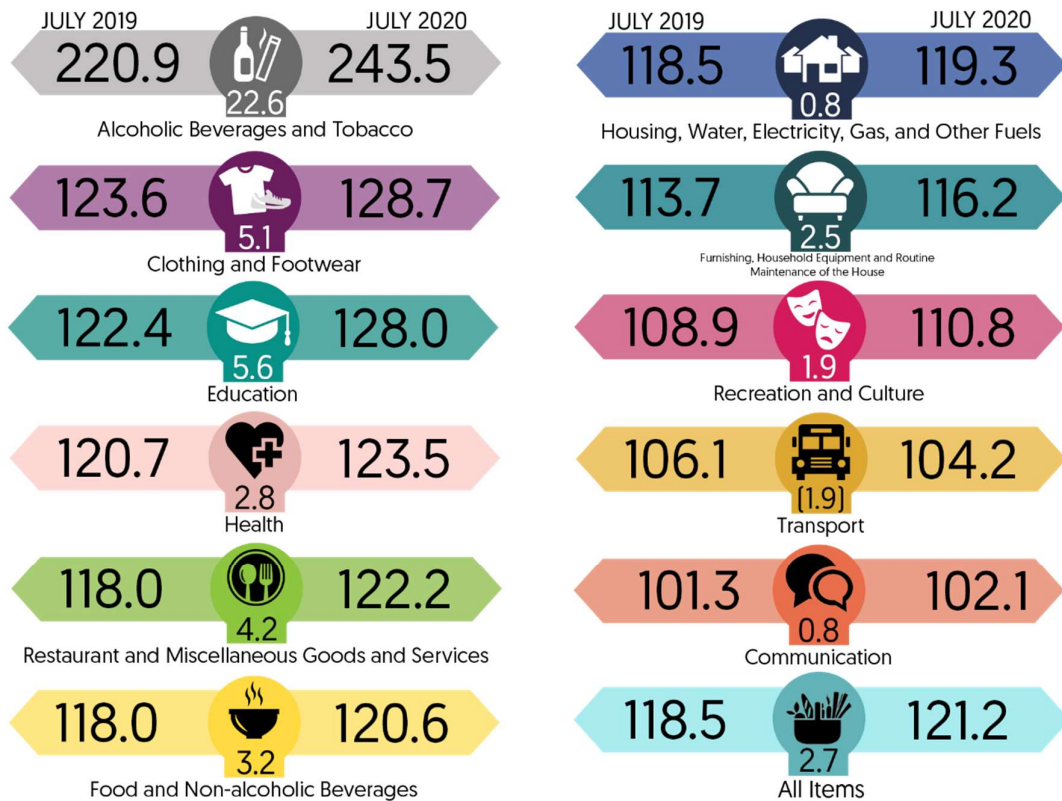




Source: Philippine Statistics Authority

- By index point change, Alcoholic Beverages and Tobacco recorded the highest increase at 22.6 index points. Increases were also incurred in Education (5.6 points), Clothing and Footwear (5.1 points), and Restaurant and Miscellaneous Goods and Services (4.2 points). The rest of the commodity groups reported minimal annual increases.

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

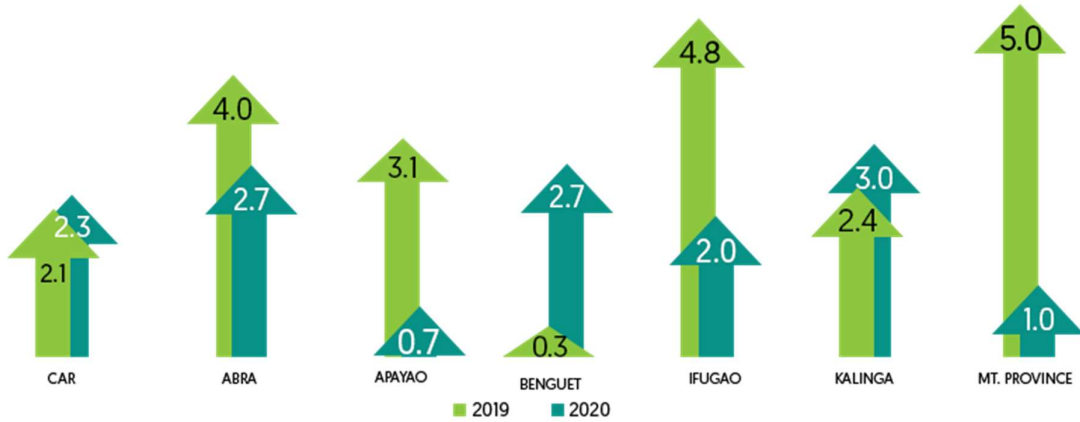


Source: Philippine Statistics Authority

Inflation Rate

- The average increase in the prices of goods and services in the region increased to 2.3% in July 2020 from the 2.1% in July 2019.
- Kalinga posted the highest inflation rate in July 2020 with 3.0%, followed by Abra and Benguet both with 2.7%. Apayao incurred the least inflation with 0.7% among all provinces.
- Only the province of Benguet and Kalinga had higher inflation rates for July 2020 compared to July 2019.

Figure 4. Year-on-Year Inflation Rates by Province, CAR: July 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 increased by 0.1 percentage point from the June 2020 rate of 2.2 to 2.3 in July 2020.
- Alcoholic Beverages and Tobacco remained to have the highest inflation in July 2020 among other commodities in the region with 10.2%, followed by Education with 4.6% and Clothing and Footwear with 4.1%.

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



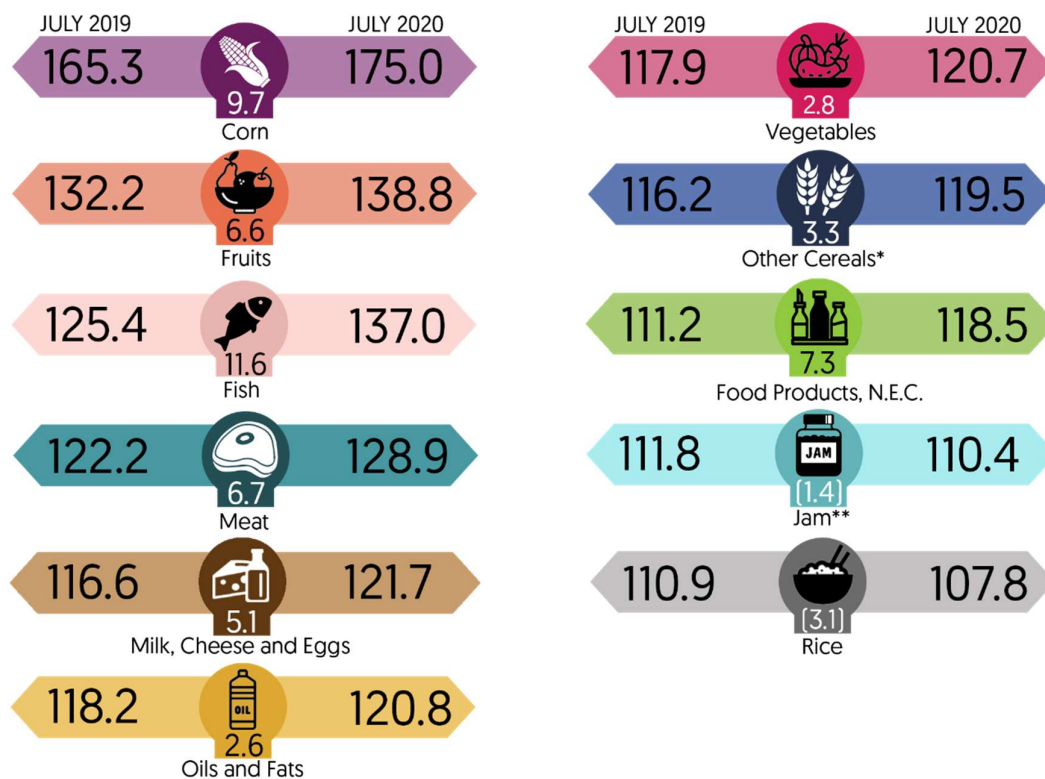
Source: Philippine Statistics Authority

- Among all other commodities, Transport incurred the lowest inflation rate with negative 1.8%.

By Food Items, Year-on-Year

- Among the food items, Corn recorded the highest CPI in the region in July 2020 with 175.0. This was followed by Fruits, Fish, and Meat with 138.8, 137.0, and 128.9 index points, respectively.
- By index point change, Fish recorded the highest increase by 11.6. Corn followed with 9.7 index point increase followed by Food Products, N.E.C. with 7.3.

Figure 6. Year-on-Year CPI and Inflation Rates of Selected Food Items, CAR: July 2019 and July 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 1 peso in the region was 83 centavos in July 2020. It dropped by one centavo from 84 centavos in July 2019. This can be translated to hundred pesos in 2012 was worth 83 pesos in July 2020.
- Also, a basket of goods and services that can be bought with 100 pesos in December 2012 is worth 121.2 pesos in July 2020.
- The PPP in all the provinces generally weakened in July 2020 compared to the same month of the previous year.
- Mountain Province had the highest peso value with 84 centavos, followed by Abra and Ifugao with 83 centavos. Meanwhile, Kalinga had the lowest peso value with 79 centavos.

Figure 7. Worth of a Hundred Pesos by Province, CAR: July 2019 and July 2020 (2012=₱100)



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.