



# SPECIAL RELEASE

## August 2021 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 August 2021 was 127.6. This was higher by 6.2 index points from the 121.4 CPI of August 2020 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: August 2021  
(2012=100)**



Source: Philippine Statistics Authority



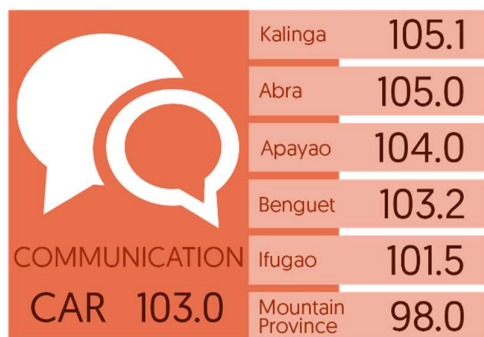
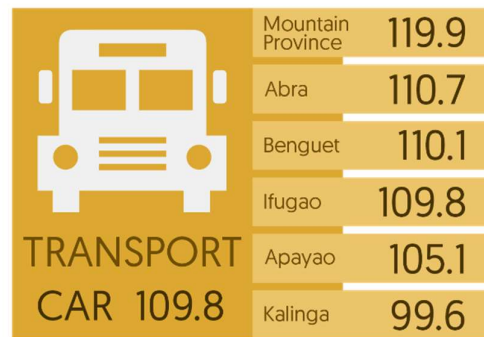
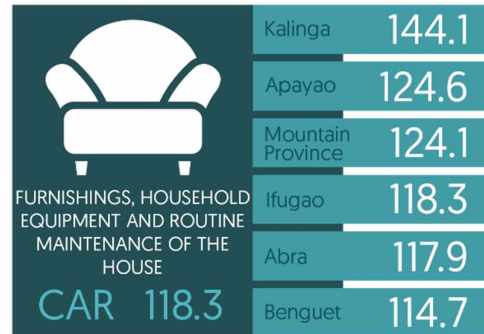
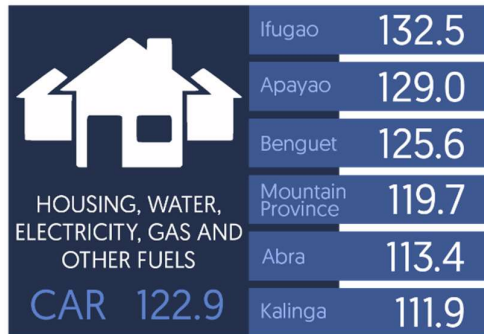
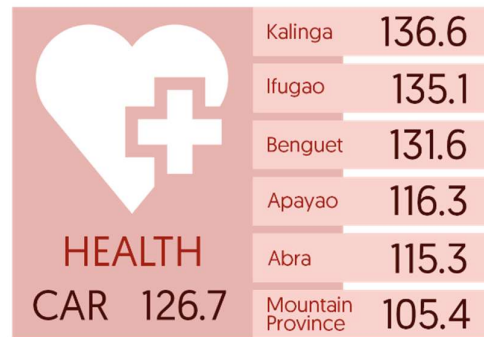
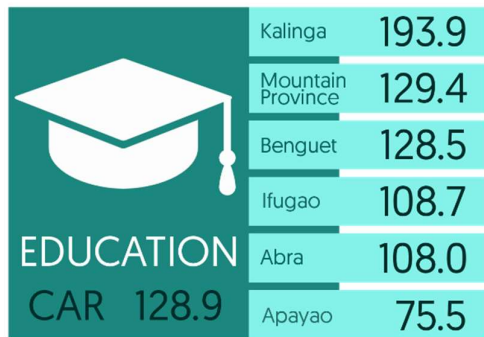
- Among the CAR provinces, Kalinga posted the highest CPI for August 2021 with 135.0, followed by Apayao with 130.0 and Benguet with 128.4 while Mountain Province posted the lowest CPI with 122.6.

### CPI by Commodity Groups

- Among the commodity groups, Alcoholic Beverages and Tobacco had the highest CPI in the region with 263.1 index points. The province of Apayao incurred the highest CPI on this commodity with 457.1 index points, followed by Abra, Kalinga, and Ifugao with 366.6, 358.9, and 271.6 index points, respectively.
- Clothing and Footwear ranked second among the commodity groups in the region for August 2021 with 132.6 index points. Among the provinces, Kalinga had the highest index on clothing and footwear with 142.2, while Apayao had the lowest with 128.0 index points.
- Food and Non-Alcoholic Beverages registered the third highest CPI with 130.5 index points. Kalinga recorded the highest index on food and non-alcoholic beverages with 136.3, followed by Benguet and Mountain Province with 133.6 and 125.3 index points, respectively.
- Communication incurred the lowest CPI among the commodity groups in the region during the month of August 2021 with 103.0 index points. The province of Kalinga incurred the highest index on communication with 105.1 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 135.0, while Mountain Province garnered the lowest index with 122.6 in August 2021.

**Figure 2. Consumer Price Index by Commodity Group and by Province, CAR: August 2021 (2012=100)**

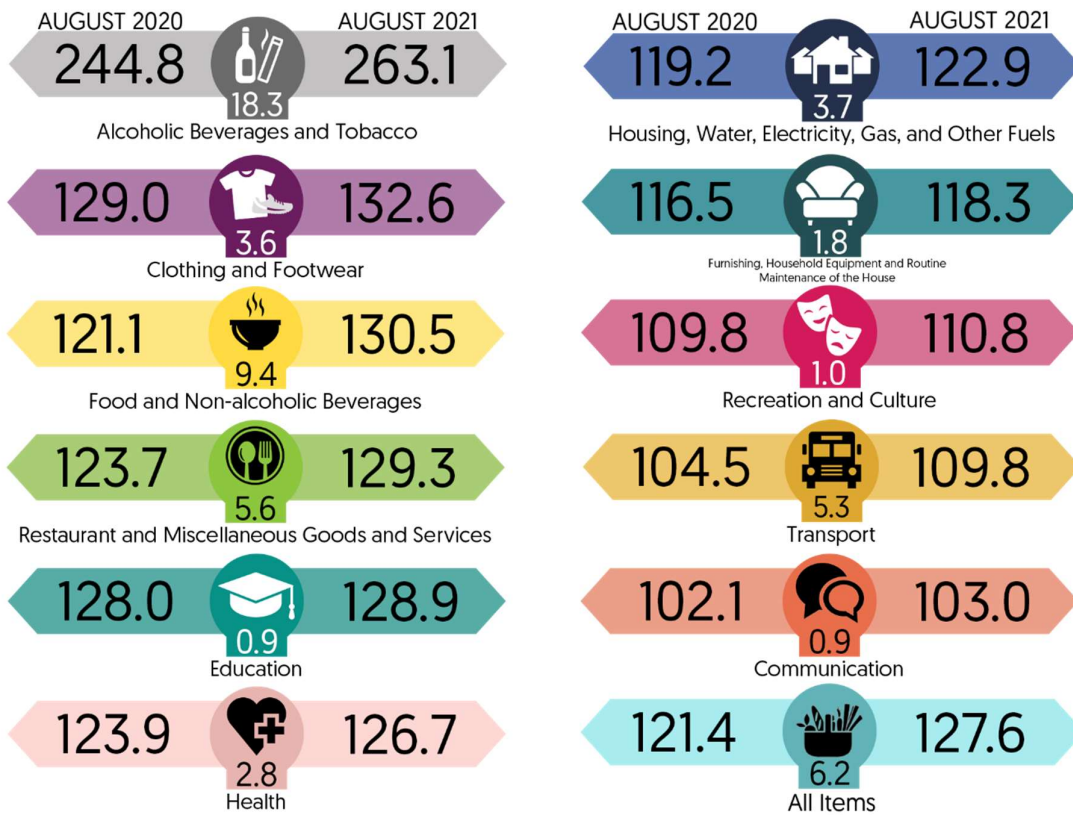




Source: Philippine Statistics Authority

- By index point change, Alcoholic Beverages and Tobacco recorded the highest increase with (18.3 points). Increases were also incurred in Food and Non-alcoholic Beverages (9.4 points), Restaurant and Miscellaneous Goods and Services (5.6 points), Transport (5.3 points), The rest of the commodity groups reported minimal annual increases.

**Figure 3. Year-on-Year Consumer Price Index by Commodity Group,  
CAR: August 2020 and 2021  
(2012=100)**

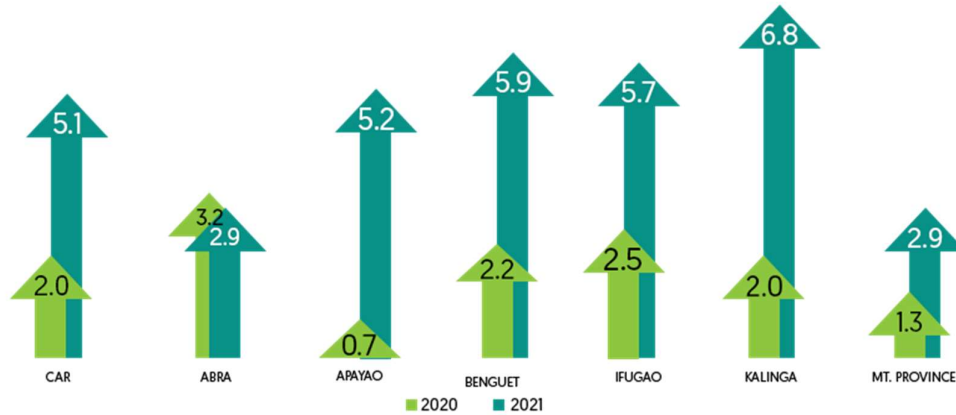


Source: Philippine Statistics Authority

### Inflation Rate

- The average increase in the prices of goods and services in the region was 5.1% in August 2021, higher by 3.1 percentage point with the inflation of 2.0% in August 2020.
- Kalinga posted the highest inflation rate in August 2021 with 6.8%, followed by Benguet and Ifugao with 5.9% and 5.7%, respectively. Abra and Mountain Province incurred the lowest inflation among all CAR provinces both with 2.9%.
- Only Abra had lower inflation rate for August 2021 compared to August 2020. All remaining provinces recorded higher inflation rates for August 2021 compared to August 2020.

**Figure 4. Year-on-Year Inflation Rates by Province, CAR: August 2020 and 2021 (2012=100)**



Source: Philippine Statistics Authority

**By Commodity Group**

- Inflation rate of the heavily-weighted Food and Non-Alcoholic Beverages increased by 2.2 percentage points from the July 2021 rate of 5.6% to 7.8% in August 2021.
- Food and Non-Alcoholic Beverages have the highest inflation rate among other commodities in the region with 7.8% in August 2021 followed by Alcoholic Beverages & Tobacco with 7.5%, and Transport Services with 5.1%.

**Figure 5. Inflation Rates by Commodity Groups, CAR: August 2021 (2012=100)**



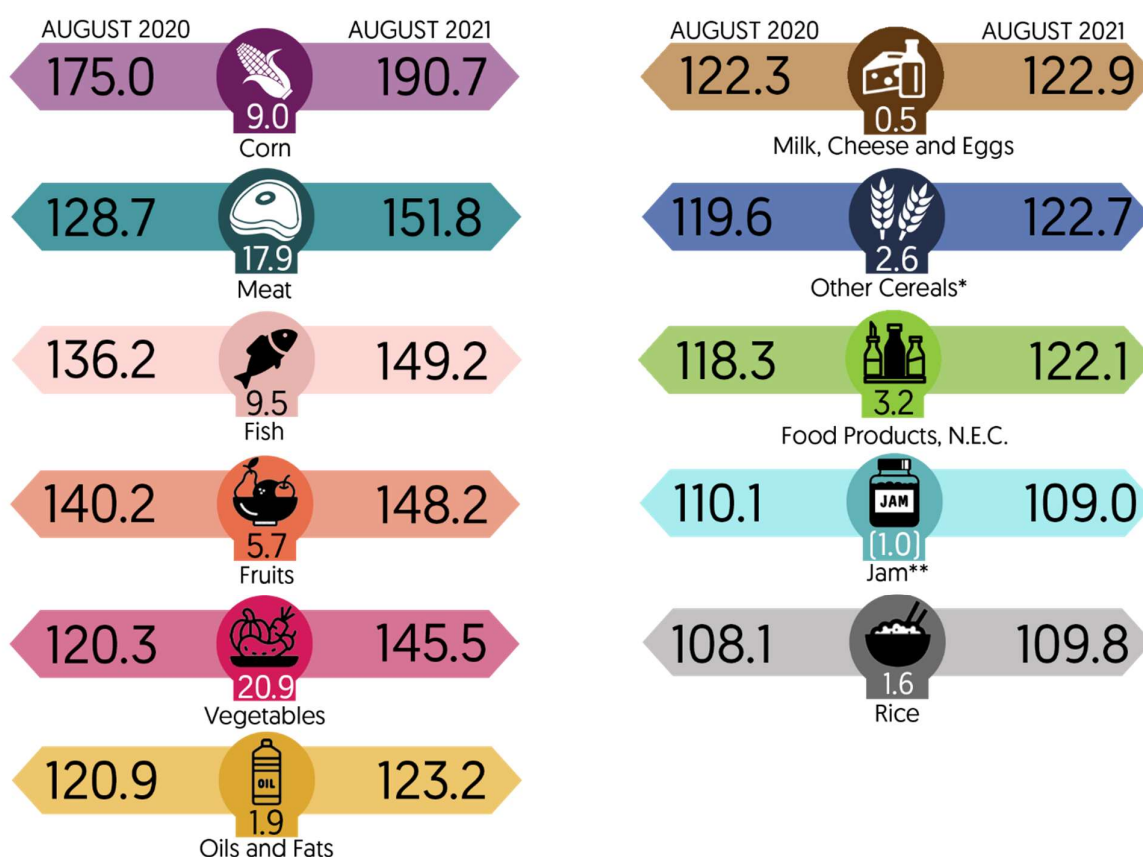
Source: Philippine Statistics Authority

- Among all other commodities, Education incurred the lowest inflation rate of 0.7%.

### By Food Items, Year-on-Year

- Among the food items, Corn recorded the highest CPI in the region in August 2021 with 190.7 index points. This was followed by Meat, Fish and Fruits with 151.8, 149.2, and 148.2 index points, respectively.
- By index point change, Vegetables recorded the highest with 25.2. Meat followed with 23.1 index point increase followed by Corn with 15.7 index point decrease. Milk, Cheese and Eggs posted the lowest index point change with 0.6 points.

**Figure 6. Year-on-Year CPI and Inflation Rates of Selected Food Items, CAR: August 2020 and 2021 (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 Purchasing Power of the Peso (PPP) in all the provinces generally weakened in August 2021 compared to the same month of the previous year.
- The value of 1 peso in the region was 79 centavos in August 2021. It dropped by three centavos from 82 centavos in August 2020. Mountain Province had the highest peso value with 82 centavos, followed by Abra with 81 centavos. Meanwhile, Kalinga had the lowest peso value with 74 centavos.
- Conversely, a basket of goods that can be bought with 100 pesos in December 2012 is worth 1267.6 pesos in August 2021.
- Also, the hundred pesos in 2012 was worth 79 pesos in August 2021.

**Figure 7. Worth of a Hundred Pesos by Province,  
CAR: August 2020 and August 2021  
(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.