

SPECIAL RELEASE

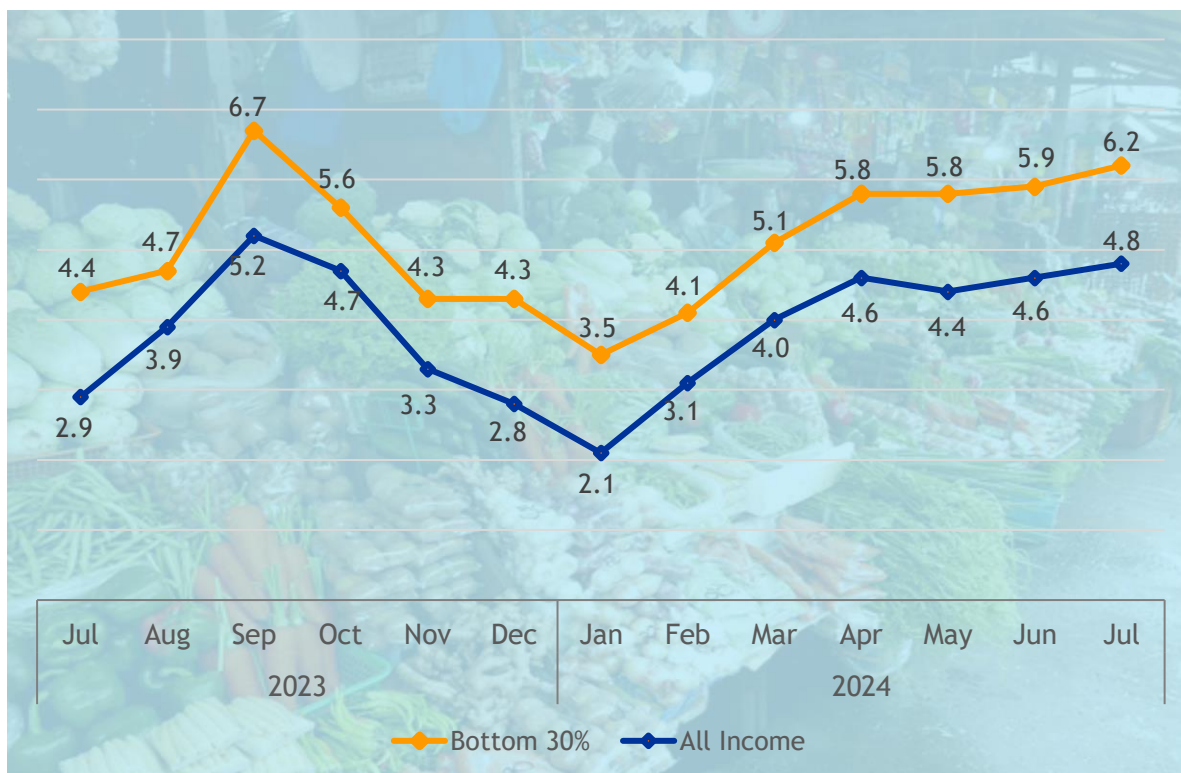
Summary Inflation Report Consumer Price Index for the Bottom 30% Income Households (2018=100)

Cordillera Administrative Region July 2024

Date of Release: August 22, 2024

Reference No. SSR 2024-24

**Figure 1: Inflation Rate for the Bottom 30% Income Households in CAR,
All Items: July 2023 - July 2024
In Percent (2018=100)**



Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

1. Cordillera Administrative Region (CAR)

In July 2024, the inflation rate for the bottom 30% income households in the Cordillera Administrative Region (CAR) accelerated to 6.2%, from 5.9% in June 2024. This brings the bottom 30% income households' regional average inflation from January to July 2024 to 5.2%. In July 2023, the inflation rate was at 4.4% (Table 1 and Figure 1).

1.1 Main Driver to the Upward Trend of Inflation

The uptrend was primarily brought about by higher prices in the index of Housing, Water, Electricity, Gas and Other Fuels with 2.2%, from 0.9% in June 2024. This commodity group contributed 68.0% share to the overall inflation of the bottom 30% income households in the region. Another notable contributor was Transport with 15.0% share in the inflation uptrend and an inflation rate of 6.3% from 5.4% in the previous month (Table 1, Table 2 and Figure 1).

Table 1: Year-on-Year Inflation Rates for Bottom 30% Income Households by Commodity Group in CAR, All Items: July 2023, June 2024 and July 2024 In Percent (2018=100)

| COMMODITY GROUP | July 2023 | June 2024 | July 2024 |
|-----------------------------------------------------------------------|-----------|-----------|-----------|
| ALL ITEMS | 4.4 | 5.9 | 6.2 |
| I. Food and non-alcoholic beverages | 6.7 | 9.6 | 9.5 |
| II. Alcoholic beverages and tobacco | 6.6 | 3.5 | 2.9 |
| III. Clothing and footwear | 5.2 | 1.4 | 1.4 |
| IV. Housing, water, electricity, gas and other fuels | 0.6 | 0.9 | 2.2 |
| V. Furnishings, household equipment and routine household maintenance | 3.9 | 1.9 | 2.2 |
| VI. Health | 2.2 | 3.9 | 3.9 |
| VII. Transport | -0.5 | 5.4 | 6.3 |
| VIII. Information and communication | 0.0 | 0.7 | 0.9 |
| IX. Recreation, sport and culture | 8.1 | 2.9 | 3.7 |
| X. Education services | 1.2 | 4.9 | 5.2 |
| XI. Restaurants and accommodation services | 5.1 | 2.9 | 3.5 |
| XII. Financial services | 0.0 | -0.9 | -0.9 |
| XIII. Personal care, and miscellaneous goods and services | 3.6 | 2.5 | 3.0 |

Note: Year-on-year change of CPI for July 2023, June 2024 vs July 2024

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

1.2 Inflation Trends of Commodity Groups for the Bottom 30% Income Households

Higher annual growth rates were registered in the indices of the following commodity groups during the month:

- a. Personal Care, and Miscellaneous Goods and Services, 3.0% from 2.5%;
- b. Restaurants and Accommodation Services, 3.5% from 2.9%.
- c. Recreation, Sport and Culture, 3.7% from 2.9%;
- d. Furnishings, Household Equipment and Routine Household Maintenance, 2.2% from 1.9%;
- e. Education Services, 5.2% from 4.9%; and
- f. Information and Communication, 0.9% from 0.7%.

On the other hand, slower annual increases were noted in the indices of the following commodity groups during the month:

- a. Food and Non-Alcoholic Beverages, 9.5% from 9.6%; and
- b. Alcoholic Beverages and Tobacco, 2.9% from 3.5%.

The remaining commodity groups retained their respective previous month's annual rates (Table 1).

1.3 Top Three Contributors to Inflation for the Bottom 30% Income Households

The following commodity groups were the top three contributors to the July 2024 overall inflation for the bottom 30% income households:

- a. Food and Non-Alcoholic Beverages, 77.3% share or 4.8 percentage points;
- b. Housing, Water, Electricity, Gas and Other Fuels, 6.8% share or 0.4 percentage points; and
- c. Transport, 6.2% share or 0.3 percentage points.

2. Food Inflation in CAR

Food inflation for the region's bottom 30% income households remained at 9.7% in July 2024. In July 2023, food inflation was at 6.8% (Table 2).

2.1 Inflation Trends of Food Groups

Higher annual growth rates in the month of July 2024 were observed in the indices of the following food items:

- a. Corn, 16.1% from 13.7%;
- b. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals, 3.3% from 3.1%;
- c. Meat and Other Parts of Slaughtered Land Animals, 2.5% from 0.9%;

- d. Fish and Other Seafood, 2.7% from 2.6%;
- e. Oils and Fats, -2.3% from -3.1%; and
- f. Ready-made Food and Other Food Products n.e.c., 7.8% from 6.4%.

Table 2: Year-on-Year Inflation Rates for Bottom 30% Income Households by Food Group in CAR, All Items: July 2023, June 2024 and July 2024 In Percent (2018=100)

| FOOD GROUP | July 2023 | June 2024 | July 2024 |
|---------------------------------------------------------------------------|-----------|-----------|-----------|
| Food and Non-Alcoholic Beverages | 6.7 | 9.6 | 9.5 |
| Food | 6.8 | 9.7 | 9.7 |
| Cereals and cereal products | 3.5 | 20.2 | 19.5 |
| Cereals | 2.7 | 23.8 | 22.9 |
| Rice | 2.7 | 24.0 | 23.0 |
| Corn | 2.4 | 13.7 | 16.1 |
| Flour, bread and other bakery products, pasta products, and other cereals | 7.7 | 3.1 | 3.3 |
| Meat and other parts of slaughtered land animals | -1.6 | 0.9 | 2.5 |
| Fish and other seafood | 4.4 | 2.6 | 2.7 |
| Milk, other dairy products and eggs | 14.0 | 2.9 | 3.3 |
| Oils and fats | 2.2 | -3.1 | -2.3 |
| Fruits and nuts | 4.4 | -1.0 | 2.5 |
| Vegetables, tubers, plantains, cooking bananas and pulses | 27.5 | 6.9 | 5.1 |
| Sugar, confectionery and desserts | 32.1 | -6.4 | -7.1 |
| Ready-made food and other food products n.e.c. | 3.8 | 6.4 | 7.8 |

Note: Year-on-year change of CPI for July 2023, June 2024 vs July 2024

*Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority*

On the other hand, slower annual increases were noted in the indices of the following commodity groups during the month:

- a. Rice, 23.0% from 24.0%; and
- b. Vegetables, Tubers, Plantains, Cooking Bananas and Pulses, 5.1% from 6.9%; and
- c. Sugar, Confectionery and Desserts, -7.1% from 6.4%.

2.2 Main Contributors to Cordillera Food Inflation

Food inflation contributed 75.7% or 4.6 percentage points to the 9.7% overall inflation of the region in July 2024 for the bottom 30% income households. The top three food groups in terms of contribution to the 9.7% food inflation during the month were the following:

- a. Rice, 83.9% share or 8.1 percentage points;
- b. Vegetables, Tubers, Plantains, Cooking Bananas and Pulses, 4.9% share or 0.4 percentage points; and
- c. Meat and Other Parts of Slaughtered Land Animals, 3.0% share or 0.2 percentage points.

Table 3: Year-on-Year Inflation Rates for Bottom 30% Income Households by Province/City in CAR, All Items: July 2023, June 2024 and July 2024 In Percent (2018=100)

| Area | July 2023 | June 2024 | July 2024 | Year-to-date* |
|--------------------|------------|------------|------------|---------------|
| Philippines | 5.2 | 5.5 | 5.8 | 4.9 |
| CAR | 4.4 | 5.9 | 6.2 | 5.2 |
| Abra | 3.6 | 4.4 | 7.7 | 4.4 |
| Apayao | 5.5 | 5.8 | 6.3 | 7.7 |
| Benguet | 4.5 | 6.5 | 6.0 | 5.4 |
| Baguio City | 4.1 | 4.8 | 4.8 | 4.1 |
| Ifugao | 6.4 | 8.2 | 7.0 | 9.5 |
| Kalinga | 3.8 | 6.2 | 5.3 | 3.6 |
| Mountain Province | 3.6 | 5.7 | 6.3 | 3.2 |

Note: Year-on-year change of CPI for July 2023, June 2024 vs July 2024

*Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority*

3. Provinces/ Highly Urbanized City (HUC) in CAR

In July 2024, three provinces in Cordillera registered higher inflation rates. Abra's inflation rate accelerated to 7.7% from 4.4%, Apayao's 6.3% from 5.8% and Mountain Province 6.3% from 5.7% of the previous month. Among the provinces and the City of Baguio, Abra registered the highest inflation rate with 7.7%. On the other hand, Baguio City posted the lowest inflation rate with 4.8%, maintaining the same rate as the previous month.

In July 2024, inflation rates increased in the three provinces of the region. Abra experienced the most significant rise, with its inflation rate climbing to 7.7% from

4.4% the previous month. Apayao's inflation rate also increased to 6.3% from 5.8%, while Mountain Province inflation rate rose to 6.3% from 5.7%.

Provinces/Highly Urbanized City with lower inflation rate:

- a. Benguet, 6.0%, from 6.5%;
- b. Ifugao, 7.0%, from 8.2%; and
- c. Kalinga, 5.3%, from 6.2%.

Note:

CPI and inflation rates by province and selected city are posted on the PSA website (<http://openstat.psa.gov.ph>).

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Technical Notes

Concepts and Definitions of Terms

Base Period a reference period, usually a year, at which the index number is set to 100. It is the reference point of the index number series.

Consumer Price Index (CPI) is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by an average Filipino household. It shows how much on average, prices of goods and services have increased or decreased from a particular reference period known as base year.

Inflation Rate refers to the annual rate of change or the year-on-year change of the CPI expressed in percent. Inflation is interpreted in terms of the declining purchasing power of money.

Market Basket for CPI purposes, market basket is a term used to refer to a sample of goods and services that are commonly purchased and bought by an average Filipino household.

Philippine Classification of Individual Consumption According to Purpose (PCOICOP) A detailed classification of individual consumption expenditures on goods and services incurred by the three (household, general government, non-profit institutions serving households) of the five institutional sectors (non-financial corporations, financial corporations) of the 1993 and 2008 Systems of National Accounts (SNA). The PCOICOP was patterned after the United Nations COICOP.

Purchasing Power of the Peso (PPP) shows how much the peso in the base period is worth in the current period. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.

Weight is a value attached to a commodity or group of commodities to indicate the relative importance of that commodity or group of commodities in the market basket.
