

SPECIAL RELEASE

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

Cordillera Administrative Region October 2024

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**Figure 1: Inflation Rate for the All Income and Bottom 30% Income Households in CAR, All Items: October 2023 - October 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 October 2024, the inflation rate for the bottom 30% income households in Cordillera Administrative Region (CAR) rose faster to 2.4%, from 1.8% in September 2024. This brought the year-to-date average inflation rate for the period January to October 2024 to 4.5%. In October 2023, the inflation rate was at 5.6% (Table 1 and Figure 1).

1.1 Main Drivers to the Upward Trend of Inflation

The increase in inflation was primarily driven by a higher price growth in Food and Non-Alcoholic Beverages, which recorded an inflation rate of 3.6% in October 2024, from 2.2% in September 2024. This commodity group contributed 68.7% to the inflation uptrend. Additionally, Housing, Water, Electricity, Gas, and Other Fuels group increase to 0.8% from -0.8% in the previous month, contributing 29.8% to the uptrend (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: October 2023, September-October 2024 In Percent (2018=100)

COMMODITY GROUP	October 2023	September 2024	October 2024
ALL ITEMS	5.6	1.8	2.4
I. Food and non-alcoholic beverages	9.8	2.2	3.6
II. Alcoholic beverages and tobacco	5.7	2.5	2.1
III. Clothing and footwear	4.0	1.5	1.4
IV. Housing, water, electricity, gas and other fuels	-2.1	-0.8	0.8
V. Furnishings, household equipment and routine household maintenance	3.2	2.6	2.7
VI. Health	2.5	4.6	3.4
VII. Transport	3.3	2.9	-1.7
VIII. Information and communication	0.1	1.4	1.4
IX. Recreation, sport and culture	4.7	4.0	3.5
X. Education services	4.9	0.5	0.5
XI. Restaurants and accommodation services	4.4	2.8	2.9
XII. Financial services	0.0	-0.9	-0.9
XIII. Personal care, and miscellaneous goods and services	2.6	3.3	3.5

Note: Year-on-year change of CPI for October 2023, September 2024 vs October 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

Faster annual growth rates were observed in the following commodity groups:

- a. Personal Care, and Miscellaneous Goods and Services, 3.5% from 3.3%;
- b. Restaurants and Accommodation Services, 2.9% from 2.8%; and
- c. Furnishings, Household Equipment and Routine Household Maintenance, 2.7% from 2.6%.

Conversely, slower annual inflation rates were recorded in the following commodity groups:

- a. Alcoholic Beverages and Tobacco, 2.1% from 2.5%.
- b. Clothing and Footwear, 1.4% from 1.5%;
- c. Health, 3.4% from 4.6%;
- d. Transport, -1.7% from 2.9%;
- e. Recreation, Sport and Culture, 3.5% from 4.0%; and

The inflation rates for Information and Communication, Education Services, and Financial Services retained its previous month's rate of 1.4%, 0.5%, and -0.9%, respectively (Table 1).

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

The top three contributors to the overall 2.4% inflation rate for the bottom 30% income households in October 2024 were:

- a. Food and Non-Alcoholic Beverages, contributing 75.5% of the total inflation, or 1.8 percentage points;
- b. Personal Care and Miscellaneous Goods and Services, contributing 7.3% of the total inflation, or 0.1 percentage points; and
- c. Transport, contributing 6.4% of the total inflation, or 0.1 percentage points.

2. Food Inflation in CAR

Food inflation for the bottom 30% income households in the region increased faster to 3.4% in October 2024, from 2.0% in September 2024. This contributed 70.4%, or 1.6 percentage points, to the overall inflation rate of 2.4% in the region for October 2024. In October 2023, food inflation stood at 10.1% (Table 2).

1.1 Main Drivers of the Upward Trend in Food Inflation

The rise in food inflation was primarily driven by higher Rice prices, which recorded an inflation rate of 13.6%, from 12.0% in September 2024. Rice contributed 40.7% to the increase in food inflation for the bottom 30% income households in the region.

Additionally, the food group of Vegetables, Tubers, Plantains, Cooking Bananas, and Pulses registered an inflation rate of -18.3%, from -22.9% the previous month, contributing 34.6% to the upward trend (see Table 1, Table 2, and Figure 1).

In addition, higher annual inflation rates were observed for the following food items in October 2024:

- a. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals, 3.5% from 3.4%;
- b. Meat and Other Parts of Slaughtered Land Animals, 4.3% from 3.1%;
- c. Fish and Other Seafood, 1.6% from 1.0%;
- d. Oils and Fats, -0.8% from -2.5%;
- e. Sugar, Confectionery and Desserts, -4.9% from -6.0%; and
- f. Ready-Made Food and Other Food Products (not elsewhere classified), 9.1% from 7.4%.

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

FOOD GROUP	October 2023	September 2024	October 2024
Food and Non-Alcoholic Beverages	9.8	2.2	3.6
Food	10.1	2.0	3.4
Cereals and cereal products	10.9	10.6	11.8
Cereals	12.2	12.0	13.6
Rice	12.3	12.0	13.6
Corn	0.5	15.5	14.2
Flour, bread and other bakery products, pasta products, and other cereals	4.4	3.4	3.5
Meat and other parts of slaughtered land animals	-0.2	3.1	4.3
Fish and other seafood	5.7	1.0	1.6
Milk, other dairy products and eggs	10.5	4.4	3.5
Oils and fats	-4.7	-2.5	-0.8
Fruits and nuts	9.9	2.1	0.2
Vegetables, tubers, plantains, cooking bananas and pulses	31.4	-22.9	-18.3
Sugar, confectionery and desserts	2.6	-6.0	-4.9
Ready-made food and other food products	3.5	7.4	9.1
n.e.c.			

Note: Year-on-year change of CPI for October 2023, September 2024 vs October 2024

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

Conversely, the following commodity groups recorded lower rates during the month:

- a. Corn, 14.2% from 15.5%;

- b. Milk, Other Dairy Products and Eggs, 3.5% from 4.4%; and
- c. Fruits and Nuts, 0.2% from 2.1%.

2.2 Main Contributors to Cordillera Food Inflation

The top three food groups contributing to the 3.4% food inflation during the month were:

- a. Rice, 111.2% share, contributing 3.7 percentage points;
- b. Meat and Other Parts of Slaughtered Land Animals, 11.6% share, contributing 0.4 percentage points; and
- c. Ready-Made Food and Other Food Products, 6.3% share, contributing 0.2 percentage points.

In contrast, the category of Vegetables, Tubers, Plantains, Cooking Bananas, and Pulses recorded a negative inflation rate of -18.3%, contributing -39.5% share, or -1.3 percentage points to overall food inflation. This helped offset the inflationary pressures from other food groups.

Additionally, Oils and Fats and Sugar, Confectionery, and Desserts also contributed negative share, with the inflation rates of -0.8% and -4.9% respectively.

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

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

Area	October 2023	September 2024	October 2024	Year-to-date*
Philippines	5.3	2.5	3.4	4.5
CAR	5.6	1.8	2.4	4.5
Abra	2.2	1.8	4.7	4.3
Apayao	5.6	4.5	3.7	6.8
Benguet	7.0	1.5	0.1	4.3
Baguio City	6.1	2.0	1.9	3.6
Ifugao	14.8	-2.3	-0.7	6.5
Kalinga	3.6	1.4	3.0	3.3
Mountain Province	2.2	4.3	5.4	3.8

Note: Year-on-year change of CPI for October 2023, September 2024 vs October 2024

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

Philippine Statistics Authority

In October 2024, inflation rates for the bottom 30% of income households across the Cordillera region exhibited mixed trends. Inflation rates increased in Abra, Ifugao, Kalinga, and Mountain Province, with Mountain Province recording the highest inflation rate in the region at 5.4%, from 4.3% in September 2024.

Conversely, Ifugao reported a negative inflation rate of -0.7%, from -2.3% in September 2024, and having the lowest inflation rate in the region.

Meanwhile, Apayao, Benguet, and Baguio City all saw slowdown in their inflation rates (Table 3).

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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Regional Director

Designation	Initials	Date
SOCD, CSS	AFRB	11 November 2024
SOCD, AS	NLP	06 November 2024

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.
