

SPECIAL RELEASE

Kalinga Headline Inflation Decreases to 4.4% in July 2024 (BASE YEAR:2018)

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The Headline Inflation rate in Kalinga goes down to 4.4 percent in July 2024, from 5.0 percent in June 2024. In June 2023, inflation rate was observed at 2.0 percent.

Figure 1: Inflation Rate in Kalinga July 2023 to July 2024
(2018=100)



PRICE SITUATION: Month-on-Month

In the month-on-month comparison, the Consumer Price Index (CPI) in All Items is posted at -0.2 percent lower from 127.3 to 127.0. The decrease on the monthly CPI of the month was the result of the decrease of prices from the group of Alcoholic Beverages and Tobacco with -0.9 percent change from 186.0 to 184.3, Food and Non-Alcoholic beverages with -0.4 percent change from 129.7 to 129.2, Housing, Water, Electricity, Gas and other Fuels and Restaurant and Accommodation Services with -0.2 percent change from 110.2 to 110.0, Personal Care and Miscellaneous Goods and Services with -0.1 percent change from 123.8 to 123.7, and lastly the Clothing and Footwear with the same -0.1 percent change from 129.5 to 129.4. Health from 139.9 to 140.0, and then from the following group with the same 0.1 percent increase; 0 and lastly with

Moreover, there was an increase in percent change in the group of Transport with 0.5 percent change from 120.6 to 121.2, Recreation and Culture with 0.3 percent change from 119.6 to 120.0, and the group of Furnishings, Household Equipment and Routine Household maintenance and Health with the same 0.1 percent increase from 136.5 to 136.7 and 140.0 to 140.1 respectively.

Meanwhile, stable consumer price index registered in the following items; Financial Services with 146.0; Restaurant and Accommodation Services with 147.7 and Education services with 127.7, and Information and Communication with 103.3 to 103.4.

Figure 2: Consumer Price Index by Commodity Group for All Income Households in Kalinga June 2024 and July 2024 (2018=100)

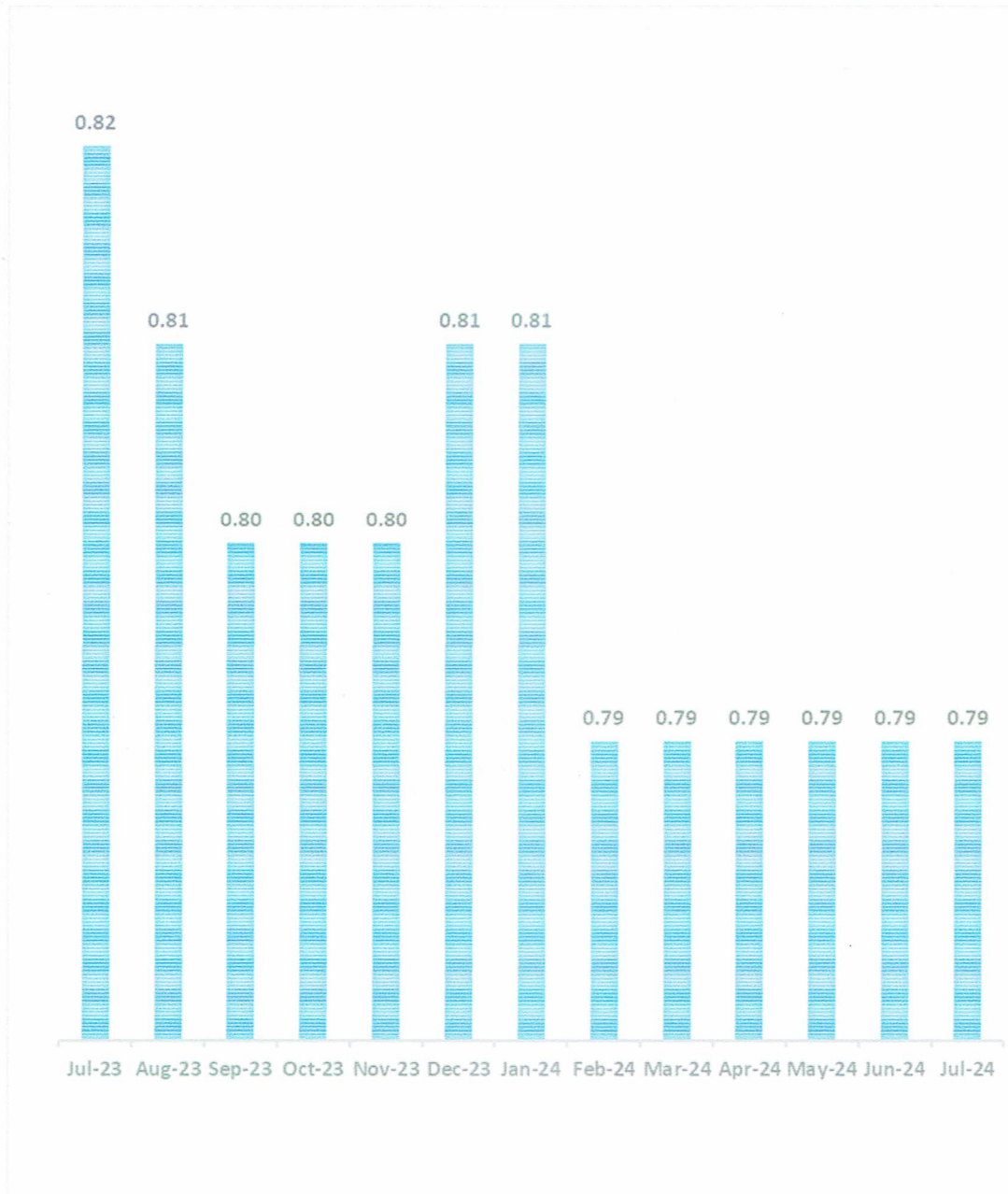
Commodity Group	Month-on-Month		Percent Change
	June 2024	July 2024	Month-on-Month
ALL ITEMS	127.3	127.0	-0.2
I. FOOD AND NON-ALCOHOLIC BEVERAGES	129.7	129.2	-0.4
II. ALCOHOLIC BEVERAGES AND TOBACCO	186.0	184.3	-0.9
III. CLOTHING AND FOOTWEAR	129.5	129.4	-0.1
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	110.2	110.0	-0.2
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	136.5	136.7	0.1
VI. HEALTH	140.0	140.1	0.1
VII. TRANSPORT	120.6	121.2	0.5
VIII. INFORMATION AND COMMUNICATION	103.4	103.4	0.0
IX. RECREATION, SPORT AND CULTURE	119.5	120.0	0.3
X. EDUCATION SERVICES	127.7	127.7	0.0
XI. RESTAURANTS AND ACCOMMODATION SERVICES	147.7	147.7	0.0
XII. FINANCIAL SERVICES	146.0	146.0	0.0
XIII. PERSONAL CARE, AND MISCELLANEOUS GOODS AND SERVICES	123.8	123.7	-0.1



Purchasing Power of Peso

The Purchasing Power of Peso (PPP) in Kalinga was valued at 0.79 this July 2024, 3 centavos lower than the PPP of July 2023 with 0.82 centavos.

**Figure 3: Purchasing Power of Peso in Kalinga
July 2023 – July 2024**



Technical Notes:

Price – is the amount or value paid in exchange for the commodity or a service rendered.

Retail/Consumer Price – refers to the price at which a commodity is sold in small quantities for consumption.

Weight – 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.

Market Basket – a term used to refer to a sample of goods and services that are commonly purchased and bought by an average Filipino household.

Consumer Price Index (CPI) – is a measure of the average change overtime in the prices paid by urban consumers for a market basket of consumer goods and services.

Inflation Rate - is the percentage increase or decrease in prices during a specified period, usually a month or a year and it is derived from CPI. It is interpreted in terms of declining purchasing power of money.

Unit of Measure - refers to which a commodity is customarily traded in the market and it is the actual unit in which the associated values are measured.

Commodity Specifications – refers to the detailed description of the commodity such as a brand packaging, size and unit of measure or other characteristics that will best describe the product/commodity and are important in the determination of prices.

Uses of the CPI

As an indicator, the CPI is the most widely used in the calculation of the inflation rate and purchasing power of the peso. It is a major statistical series used for economic analysis and as monitoring indicator of government economic Policy.

The CPI is also used as a deflector to express value series in real terms, which is, measuring the change in actual volume of transaction by removing the effects of price changes. The CPI also serves as inputs in wage adjustments through the collective bargaining agreements.



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