



Republic of the Philippines

Philippine Statistics Authority

Mountain Province Provincial Statistical Office

PRESS RELEASE

Consumer Price Index (CPI) in Mountain Province: August 2022

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Mountain Province CPI Geared Up in August 2022

The Consumer Price Index of Mountain Province for the month of August 2022 was 121.4 using 2018 as base year. This is 1.5 index points higher compared to its preceding month with CPI=119.9 and 9.9 index points higher as compared to the same month of 2021 with 111.5 price index.

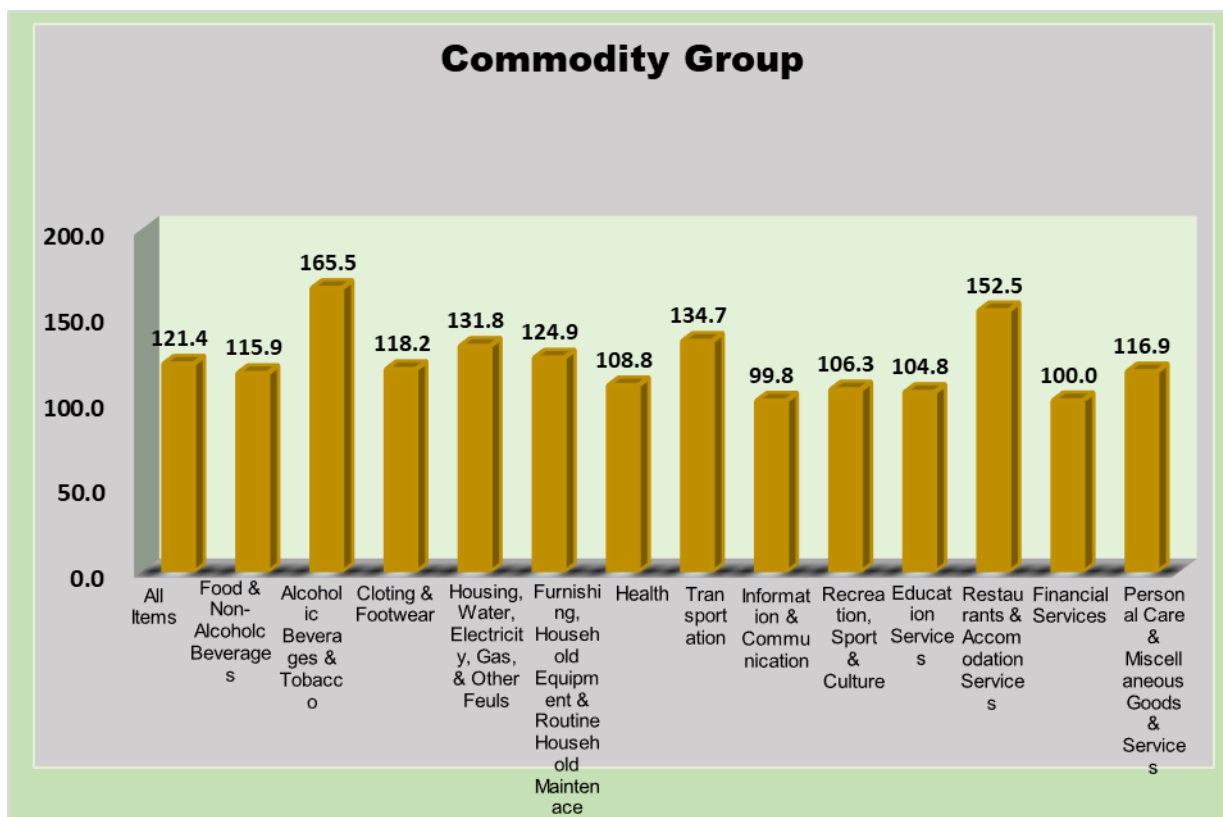
Table 1: Monthly CPI for All Income Households by Commodity Group,
Mountain Province: August 2022
(2018 = 100)

Commodity Group	August 2021	August 2022
All Items	111.5	121.4
Food and Non-alcoholic Beverages	108.2	115.9
Alcoholic Beverages and Tobacco	150.0	165.5
Clothing and Footwear	111.1	118.2
Housing, water, electricity, gas and other fuels	115.6	131.8
Furnishings, Household Equipment and Routine Maintenance	119.0	124.9
Health	107.4	108.8
Transport	109.2	134.7
Information and Communication	99.2	99.8
Recreation, Sport and Culture	105.5	106.3
Education Services	105.3	104.8
Restaurant and Accommodation Services	131.7	152.5
Financial Services	100.0	100.0
Personal Care, and Miscellaneous Goods and Services	112.3	116.9

Alcoholic Beverages and Tobacco Top the Index

By commodity group, Figure 1 shows that Alcoholic Beverages and Tobacco had the highest among the thirteen major commodity groups with consumer price index of 165.5 for the month of August 2022. Among its subgroups, tobacco had the highest price index with 212.1 index points while other vegetable-based tobacco products had a price index of 173.8 for the month of August 2022.

Figure 1: Consumer Price Index for All Income Households in Mountain Province:
August 2022
(2018 = 100)



Restaurant and Accommodation Services ranked second among the commodity groups with 152.5 index points. Food and Beverage Serving Services had the highest index points with 163.0 among its subgroups followed by Accommodation Services with 111.9 index points.

Transportation ranked third with index points of 134.7. Among its subgroups, Operation of Personal transport equipment had the highest index points of 143.8 while the purchase of vehicles retained the previous months index points.

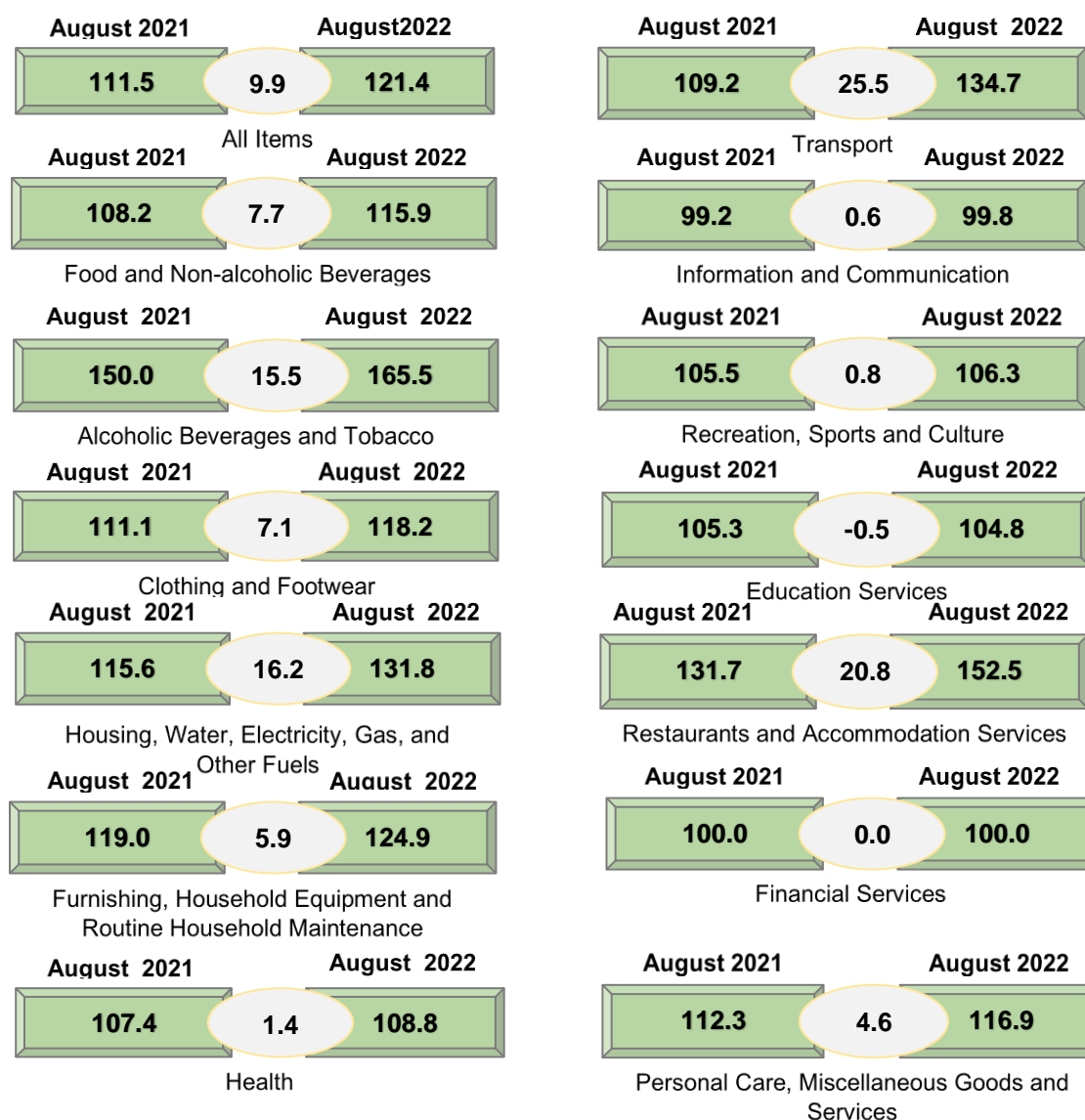
Housing, water, electricity, gas, & other fuels with index points of 131.8 while Information and Communication incurred the lowest CPI in the province during the month with index point of 99.8.

CPI for All Items Shows an Upward Trend

Figure 2 shows the consumer price index for All Items in the province for the month of August 2021 and 2022. The indices for All Items showed an increasing trend for the said month with index points 111.5, and 121.4 in that order.

By index point change, All Items had an increase of 9.9 from 111.5 index points in August 2021 to 121.4 in the same month of 2022.

Figure 2: Consumer Price Index by Commodity Group,
Mountain Province: August 2021 and August 2022
(2018 = 100)



Transport recorded the highest increase with 25.5 points followed by Restaurants and Accommodation Services, Housing, Water, Electricity, Gas and Other Fuels, and Alcoholic Beverages and Tobacco which increased by 20.8, 16.2 and 15.5 index points respectively.

Financial Services did not show changes in index points while Education Services decreased by 0.5 index points.

Inflation Rate by Month

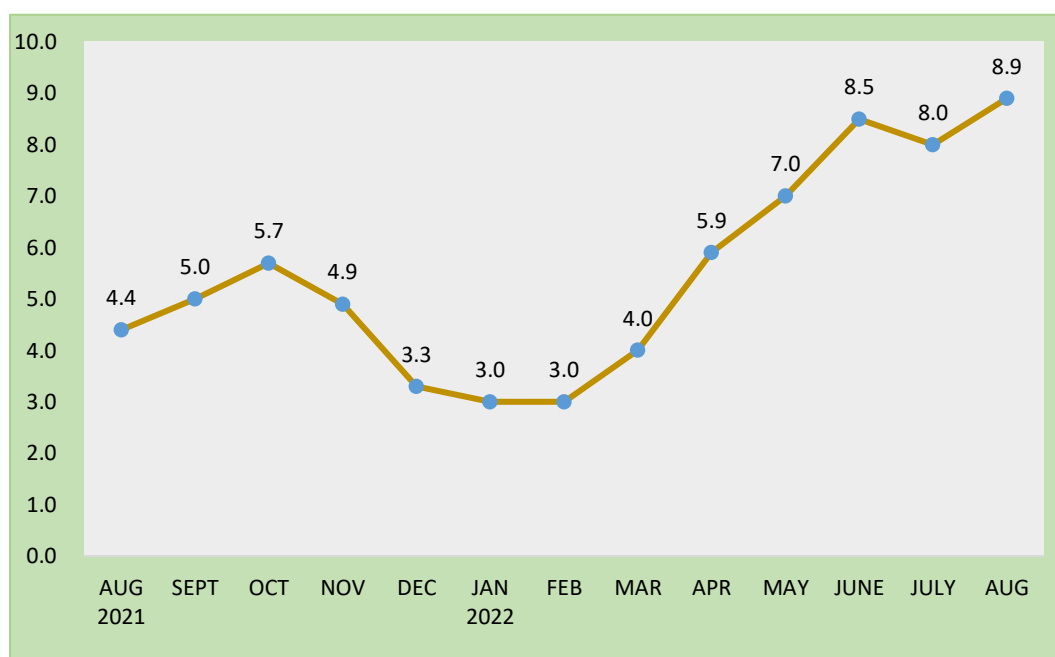
Inflation in Mountain Province increased further from 8.0 percent in July 2022 to 8.9 percent in August 2022. In August of the previous year, inflation was lower at 4.4 percent. (Figure 3)

The acceleration in the inflation rate in August 2022 was primarily due to the higher annual growths in the Food and non-alcoholic beverages at 7.1 and transport with index at 23.4 percent respectively.

The following commodity groups also contributed to the upward trend of the inflation during the month:

- a. Restaurants and accommodation services, 15.8 percent;
- b. Alcoholic beverages and tobacco, 10.3 percent and
- c. Personal care, and miscellaneous goods and services, 4.1 percent.

Figure 3: Inflation Rate by Month,
Mountain Province: August 2021 - August 2022
(2018 = 100)

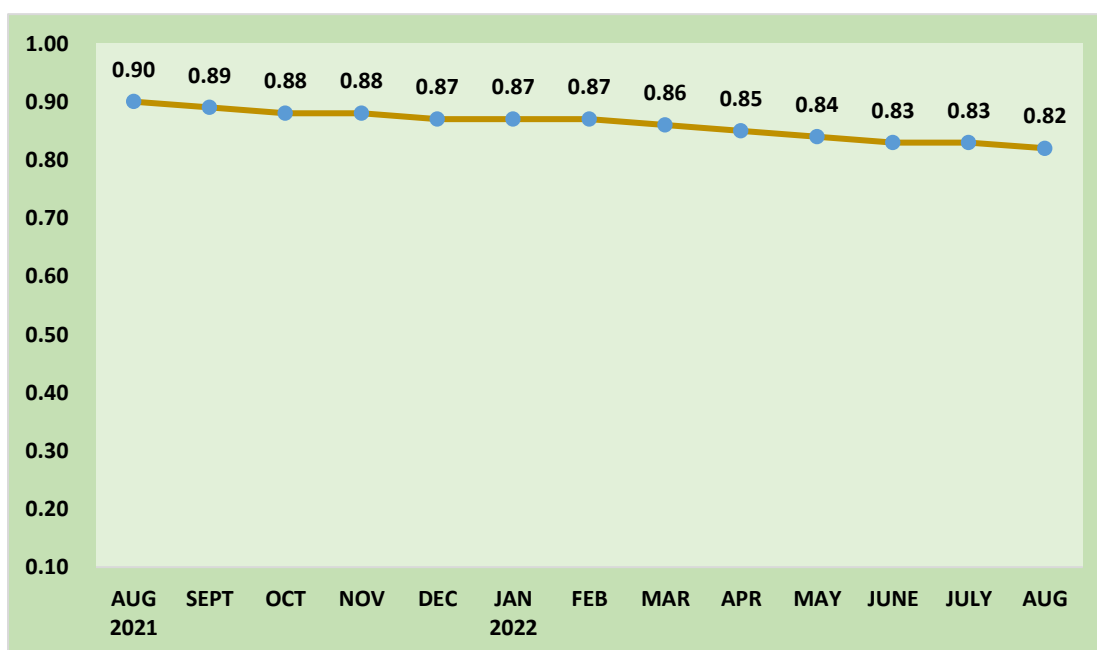


On the contrary, inflation rates were lower for housing, water, electricity, gas and other fuels at 14.0 percent followed by health at 1.3 percent. The rest of the commodity groups change in a minimal rate.

Purchasing Power of Peso (PPP) Slides

The Purchasing Power of the Peso (PPP) in the province for the month of August 2022 decreased to 0.82 centavos compared to its preceding month with 0.83 centavos and decreased by 8 centavos compared to the same month of the previous year. Thus, hundred pesos in 2018 is worth 82 pesos for the month of August 2022. (Figure 4)

Figure 4: Purchasing Power of Peso,
Mountain Province: August 2021 – August 2022
(2018 = 100)



Technical Notes

Consumer Price Index (CPI) A single number used to measure changes in the average retail prices of a market basket or collection of goods and services commonly purchased by an average Filipino household. It shows how much on the average, prices of goods and services have increased or decreased from a particular reference period known as base year.

The CPI measures the changes in the price level of goods and services that most people buy for their day-to-day consumption relative to a base year (currently at year 2018)

*It is widely used in the calculation of the inflation rate and purchasing power of the peso. Changes in the CPI over a specified period of time (usually a month or a year), is the **rate of inflation**. Inflation is equivalent to a decline in the purchasing power of peso (PPP).*

*The **Purchasing Power of Peso (PPP)** gives an indication of the real value of the peso (how much it is worth) in a given period relative to its value in a base period. Or it measures how much the peso in the reference year is worth in another year.*

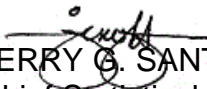
Inflation Rate (IR) is the rate of change in the average price level between two periods (year-on year/month-on-month as measured by the CPI).

Base Year (BY) is the reference point of the index number series, at which the index number is set to zero.

Market Basket (MB) is a sample of goods and services used to represent all goods and services produced or bought.

The monthly Consumers Price Index is computed based on the average retail prices of goods and services collected during the first week and mid-month of the reference month.

Retail Price - the actual price at which retailers sell a commodity on spot or earliest delivery, usually in small quantities for consumption and not for resale. It is confined to transactions on cash basis in the free market and excludes black-market prices and prices of commodities that are on sale as in summer sales, anniversary sales, Christmas sales, etc.


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