



## Summary Inflation Report Consumer Price Index (2018=100)

Date of Release: July 7, 2022  
Reference No. SR-2022-041

**Table 1. Year-on-Year Inflation Rates, All Items  
In percent  
(2018=100)**

Area	June 2021	May 2022	June 2022	Year-to-date
Philippines	3.7	5.4	6.1	4.4
CAR	2.9	6.9	4.4	5.7
Ifugao	4.7	5.6	6.2	4.6
Abra	2.1	4.5	5.1	3.5
Apayao	1.9	6.9	8.4	4.6
Benguet	2.5	9.6	9.8	8.6
Baguio City	2.6	5.9	6.2	4.8
Mt. Province	3.7	7.0	8.5	5.3
Kalinga	3.8	6.7	8.4	5.1

### 1. Philippines

The Philippines' annual headline inflation continued to move at a faster pace of 6.1 percent in June 2022. This is the highest recorded inflation since October 2018. Inflation in the previous month stood at 5.4 percent and in June 2021, 3.7 percent. Average inflation for the first half of the year was posted at 4.4 percent.

### 2. Cordillera Administrative Region (CAR)

The average increase in the prices of goods and services in the region was 7.5 percent in June 2022, higher by 4.6 percentage points compared to the inflation of 2.9 percent in June 2021. (Table A and Figure 1)

Overall, all provinces in CAR recorded higher inflation rates for June 2022 compared to June 2021 using 2018 as base year.

The acceleration in the region’s inflation rate in June 2022 was primarily due to the higher annual growths in the transport index at 26.7 percent, and alcoholic beverages and tobacco index at 8.4 percent. The following commodity groups also contributed to the upward trend of the inflation during the month:

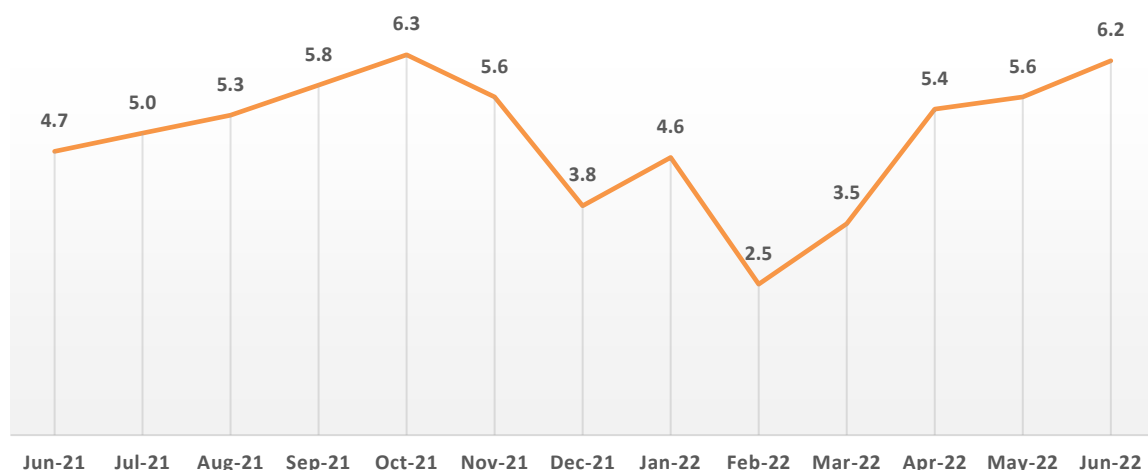
- a. Food and non-alcoholic beverages, 7.3 percent;
- b. Health; 2.6 percent;
- c. Restaurants and accommodation services, 6.9 percent;
- d. Personal care, and miscellaneous goods and services, 3.6 percent;
- e. Clothing and footwear, 3.2 percent;
- f. Furnishing, household equipment and routine household maintenance, 2.5 percent; and
- g. Recreation, sport and culture, 2.5 percent.

On the other hand, annual increases slowed down in the index of housing, water, electricity, gas and other fuels at 6.1 percent.

### 3. Ifugao

Inflation in Ifugao escalated to 6.2 percent in June 2022 from 5.6 percent in May 2022. The June 2022 inflation was the highest monthly rate recorded for the province since January 2022. In addition, June 2022 inflation was higher by 1.5 percentage points from 4.7 percent in June 2021 and 0.6 percentage points higher from 5.6 percent in May 2022. (Figure 1)

**Figure 1. Inflation Rates, Ifugao, All Items (2018=100)**



Transport services posted the highest inflation rate among the commodity groups at 23.9 percent. It was followed by Housing, Water, Electricity, Gas, and Other Fuels at 12.6 percent inflation rate and Restaurants and Accommodation Services at 10.7 percent.



REPUBLIC OF THE PHILIPPINES  
**PHILIPPINE STATISTICS AUTHORITY**  
PROVINCIAL STATISTICAL OFFICE - IFUGAO

In addition, contributing to the uptrend in the overall inflation during the period were the higher annual average growth in the indices of the following commodity groups:

- a) Clothing and Footwear, 6.5 percent;
- b) Alcoholic Beverages and Tobacco, 4.8 percent;
- c) Furnishing, Household Equipment and Routine Household Maintenance, 3.5 percent;
- d) Health, 10.6 percent;
- e) Recreation, Sport and Culture, 2.1 percent.

**Table 2. Year-on-Year Inflation Rates by Commodity Group:  
Ifugao (2018 = 100) (In Percent)**

Area	June 2021	May 2022	June 2022
<b>ALL ITEMS</b>	<b>4.7</b>	<b>5.6</b>	<b>6.2</b>
Transport	6.4	20.0	23.9
Housing, Water, Electricity, Gas, and Other Fuels	0.9	12.1	12.6
Restaurants and Accommodation Services	11.9	10.6	10.7
Clothing and Footwear	2.6	5.4	6.5
Alcoholic Beverages and Tobacco	9.0	2.8	4.8
Furnishing, Household Equipment and Routine Household Maintenance	3.1	3.1	3.5
Health	2.2	2.6	2.6
Recreation, Sport and Culture	0.4	1.9	2.1
Personal Care, and Miscellaneous Goods and Services	1.9	1.2	1.8
Food and Non-Alcoholic Beverages	6.2	1.0	1.0
Information and Communication	0.0	0.0	0.0
Education Services	0.4	0.0	0.0
Financial Services	0.0	0.0	0.0

In the base year 2018=100, there was an increase of 16.3 index points in the average retail price by a fixed basket of goods and services commonly purchased by the households.

Survey of Retail Prices of Commodities conducted by Philippine Statistics Authority (PSA) has generated a Consumer Price Index (CPI) of 116.3 in Ifugao as of June 2022, using 2018 as the

**PHILIPPINE STATISTICS AUTHORITY**

2nd Floor, RTK Building, Dotal Street, Cuta Corner Drive, Poblacion South, Lagawe, Ifugao  
Telephone: 09196979606/09171225473 • Email: [psa\\_ifugao@yahoo.com](mailto:psa_ifugao@yahoo.com)  
[www.psa.gov.ph](http://www.psa.gov.ph)

base year. This indicates that the average cost of a basket of goods and services commonly purchased by a typical Filipino household in the different municipalities of Ifugao increased during the reference month.

**Table 3. Year-on-Year Inflation Rates, All Items**  
In percent  
(2018=100)

Area	June 2021	May 2022	May 2022
<b>Philippines</b>	<b>108.3</b>	<b>113.9</b>	<b>114.9</b>
<b>CAR</b>	<b>106.9</b>	<b>114.1</b>	<b>114.9</b>
<b>Ifugao</b>	<b>109.5</b>	<b>115.2</b>	<b>116.3</b>

In Table 4, all the Commodity Groups increased in Consumer Price Index except Food and Non-Alcoholic Beverages, Furnishing, Household Equipment and Routine Household Maintenance, Information and Communication, Education Services and Financial Services.

**Table 4. Year-on-Year Consumer Price Index for**  
**All Income Households by Commodity Group,**  
**Ifugao (2018=100)**

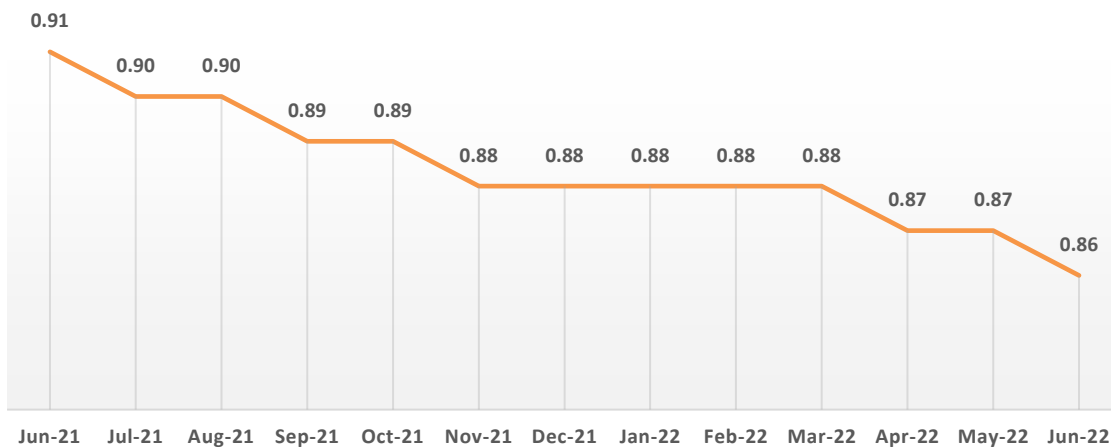
Area	June 2021	May 2022	June 2022
<b>ALL ITEMS</b>	<b>109.5</b>	<b>115.2</b>	<b>116.3</b>
<b>Food and Non-Alcoholic Beverages</b>	<b>109.0</b>	<b>110.1</b>	<b>110.1</b>
<b>Alcoholic Beverages and Tobacco</b>	<b>120.9</b>	<b>124.3</b>	<b>126.7</b>
<b>Clothing and Footwear</b>	<b>114.3</b>	<b>120.0</b>	<b>121.7</b>
<b>Housing, Water, Electricity, Gas, and Other Fuels</b>	<b>107.0</b>	<b>119.4</b>	<b>120.5</b>
<b>Furnishing, Household Equipment and Routine Household Maintenance</b>	<b>107.1</b>	<b>110.0</b>	<b>110.8</b>
<b>Health</b>	<b>115.8</b>	<b>118.4</b>	<b>118.8</b>
<b>Transport</b>	<b>108.8</b>	<b>129.4</b>	<b>134.8</b>
<b>Information and Communication</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Recreation, Sport and Culture</b>	<b>112.8</b>	<b>114.9</b>	<b>115.2</b>
<b>Education Services</b>	<b>107.1</b>	<b>107.1</b>	<b>107.1</b>
<b>Restaurants and Accommodation Services</b>	<b>119.5</b>	<b>129.8</b>	<b>132.3</b>
<b>Financial Services</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Personal Care, and Miscellaneous Goods and Services</b>	<b>108.0</b>	<b>109.6</b>	<b>109.9</b>



The Purchasing Power of the Peso (PPP) is inversely related to Inflation Rate. Thus, as the Inflation Rate increases, the PPP declines.

The average PPP in Ifugao in June 2022 is at Php 0.86, or you need Php 1.163  $[(1/0.86) * 100]$  to buy the same product in 2018. Also, a basket of goods and services that can be bought with 100 pesos in 2018 is worth 116.3 pesos in June 2022.

**Figure 2. Monthly Purchasing Power of Peso in Ifugao: May 2022 (2018 = 100)**





## TECHNICAL NOTES

### Consumer Price Index (CPI)

The CPI is an indicator of the changes in the average retail prices of a fixed basket of goods and services that most people buy for their day-to-day consumption relative to a base year.

### Uses of CPI

The CPI is most widely used to calculate inflation rate and the purchasing power of peso. It is a major statistical series used for economic analysis and as monitoring indicator of government economic policy. It is also used to adjust other economic series for price changes. For example, CPI components are used as deflators for most personal consumption expenditures (PCE) in the calculation in the Gross National Product (GNP). Another major importance of the CPI is its use as basis to adjust wages in labor management contracts as well as pensions and retirement benefits. Increases in wages through collective bargaining agreements used the CPI as one of their bases.

### Computation of the CPI

The computation of the CPI involves consideration of the following important points:

**a. Base Period.**

The reference date or period is the benchmark or reference date or period at which the index is taken as equal to 100

**b. Market Basket**

A sample of the thousands of varieties of goods purchased for consumption and services availed by the households in the country was selected to represent the composite price behavior of all goods and services purchased by consumers.

**c. Weighting System**

The weighting pattern uses the expenditures on various consumer item purchased by households as proportion to total expenditure.

**d. Formula**

The formula used in computing the CPI is the weighted arithmetic mean of price relatives, the Laspeyre's formula with a fixed base year period (2012) weights.

**e. Geographic Coverage**

CPI values are computed at the national, regional, and provincial levels, and for selected cities.

### Inflation Rate (IR)

The Inflation Rate is the rate of change or the year-on-year change of the CPI. Inflation is interpreted in terms of declining purchasing power of peso.

**a. Headline Inflation**

Headline inflation refers to the rate of change in CPI. It captures the changes in the cost of living based on the movements of prices of items in the basket of commodities and services consumed by the typical Filipino households.

**b. Core Inflation**

Core inflation measures the change in average consumer prices after excluding from the CPI certain items with volatile price movements. By stripping out the volatile components of the CPI, core inflation allows us to see the broad underlying trend in consumer prices. Core inflation is often used as an indicator of the long-term inflation trend and as indicator of future inflation. It is usually affected by the amount of money in the economy relative to production, or by monetary policy.

### Purchasing Power of the Peso (PPP)

The purchasing power of the peso (PPP) shows how much 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.

**DELANO C. BOLISLIS JR.**

Chief Statistical Specialist