

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

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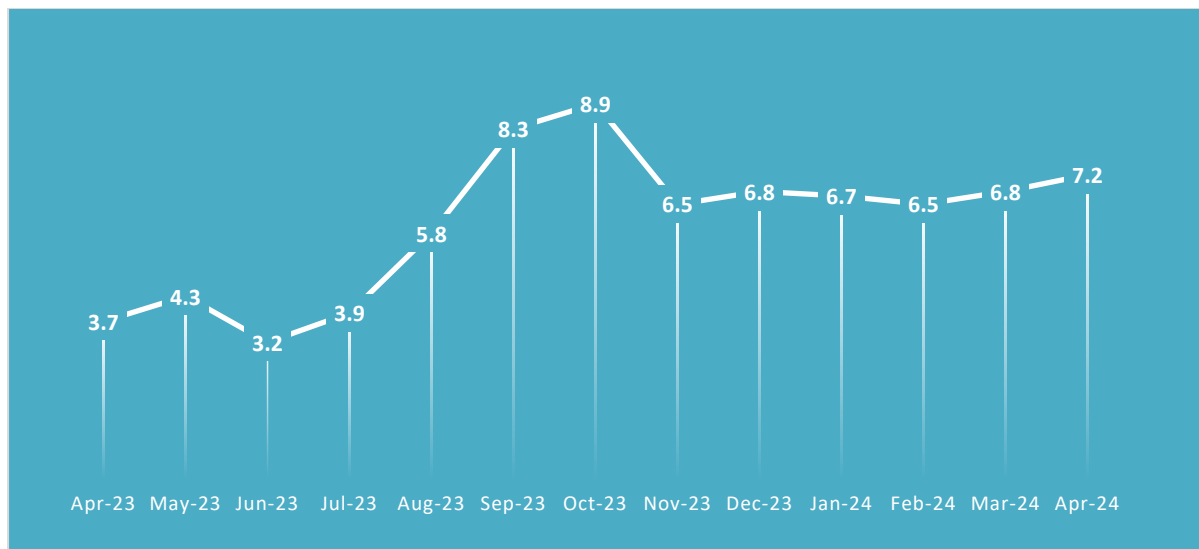
**Reference No.** SR-2024-028

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

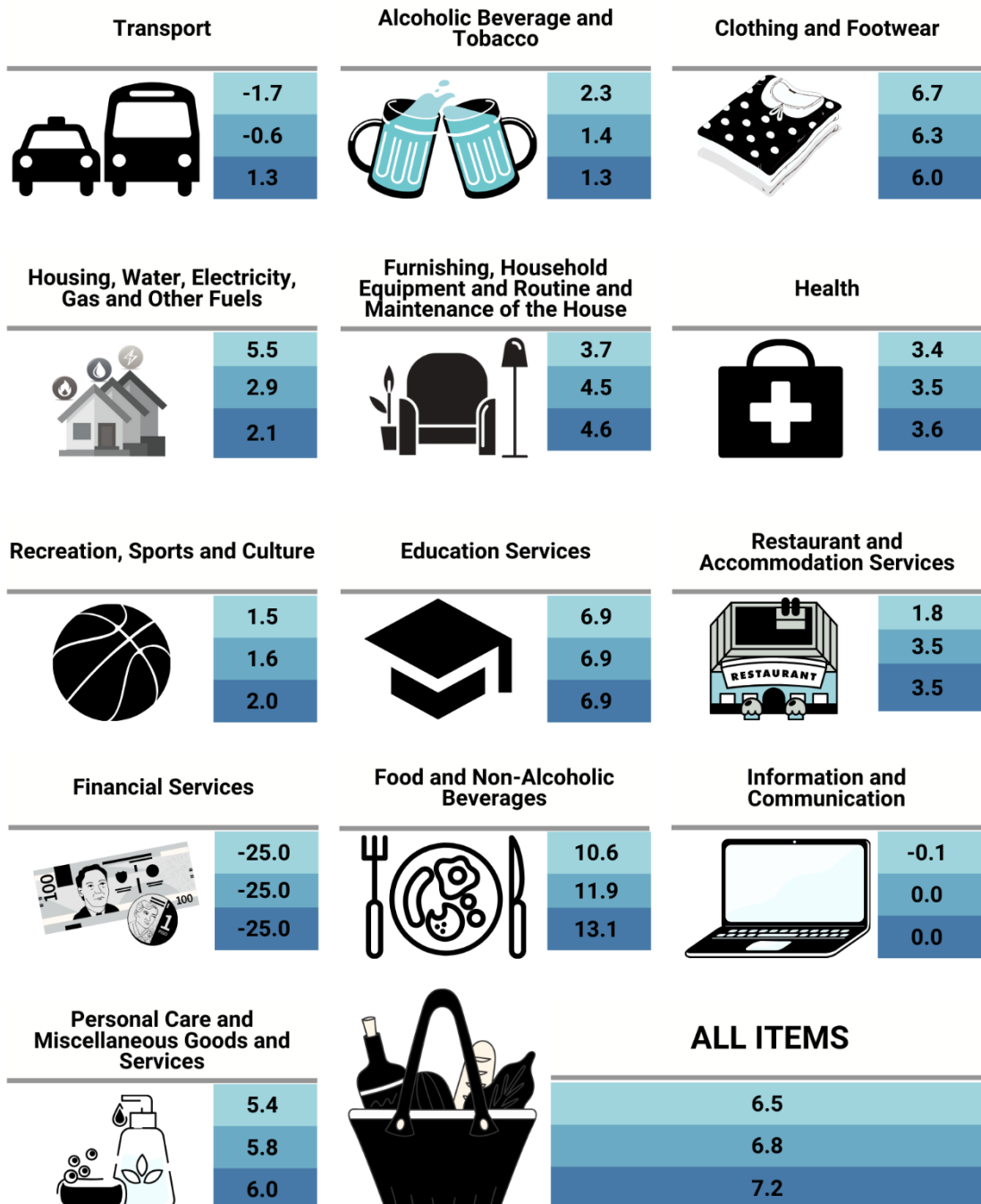
<i>Area</i>	<i>April 2023</i>	<i>March 2024</i>	<i>April 2024</i>
<b>CAR</b>	<b>6.6</b>	<b>4.0</b>	<b>4.6</b>
<b>IFUGAO</b>	<b>3.7</b>	<b>6.8</b>	<b>7.2</b>

Inflation in Ifugao increased to 7.2 percent in April 2024 from 6.8 percent in March 2024. In addition, April 2024 inflation was higher by 3.5 percentage points from 3.7 percent in April 2023 and 0.4 percentage points higher from 6.8 percent in March 2024. (Table 1)

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



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



Legend:



In terms of inflation rates among commodity groups, Food and Non-Alcoholic Beverages experienced the highest increase at 13.1 percent. Following closely behind, Education Services recorded a 6.9 percent inflation rate. Personal Care, Miscellaneous Goods and Services, and Clothing and Footwear all tied with an inflation rate of 6.0 percent.

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:

1. Furnishings, Household Equipment and Routine Household Maintenance, 4.6;
2. Health, 3.6;
3. Restaurants and Accommodation Services, 3.5;
4. Housing, Water, Electricity, Gas and Other Fuels, 2.1;
5. Recreation, Sport and Culture, 2.0;
6. Alcoholic Beverages and Tobacco, 1.3;
7. Transport, 1.3;
8. Information and Communication, 0.0;
9. Financial Services, -25.0

**'Table 2. Consumer Price Index by Subgroup, Month-on-Month and Year-on-Year Percent Changes**

Commodity Group	CPI		
	Apr 2023	Mar 2024	Apr 2024
<b>ALL ITEMS</b>	<b>119.1</b>	<b>127.7</b>	<b>127.7</b>
<b>I. FOOD AND NON-ALCOHOLIC BEVERAGES</b>	<b>113.4</b>	<b>128.4</b>	<b>128.2</b>
* Food	113.1	128.6	128.4
<b>Cereals and Cereal Products</b>	<b>92.3</b>	<b>121.5</b>	<b>121.2</b>
○ <b>Cereals</b>	<b>87.3</b>	<b>120.9</b>	<b>120.5</b>
• Rice	86.5	120.9	120.4
• Corn	125.7	124.7	124.4
• Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	122.4	125.1	125.1
○ <b>Meat and Other Parts of Slaughtered Land Animals</b>	<b>131.1</b>	<b>140.6</b>	<b>143.0</b>
○ <b>Fish and Other Seafood</b>	<b>128.3</b>	<b>133.5</b>	<b>132.6</b>
○ <b>Milk, Other Dairy Products, and Eggs</b>	<b>140.6</b>	<b>134.3</b>	<b>133.4</b>
○ <b>Oils and Fats</b>	<b>96.7</b>	<b>97.3</b>	<b>97.3</b>

○ <b>Fruits and Nuts</b>	124.1	126.4	122.0
○ <b>Vegetables, Tubers, Cooking Bananas and Pulses</b>	124.2	135.1	134.7
○ <b>Sugar, Confectionery and Desserts</b>	143.4	134.6	135.1
○ <b>Ready-Made Food and Other Food Products N.E.C.</b>	116.9	122.5	122.8
○ <b>* Non-alcoholic Beverages</b>	121.0	123.3	123.5
<b>II. ALCOHOLIC BEVERAGES AND TOBACCO</b>	133.5	135.3	135.3
○ <b>Alcoholic Beverages</b>	125.6	126.5	126.2
○ <b>Tobacco</b>	157.2	161.6	162.5
○ <b>Other Vegetable-Based Tobacco Products</b>			
<b>NON-FOOD</b>	123.2	126.7	126.9
<b>III. CLOTHING AND FOOTWEAR</b>	131.8	139.0	139.7
○ <b>Clothing</b>	131.9	138.9	139.6
○ <b>Footwear</b>	131.5	139.1	139.9
<b>IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS</b>	119.8	122.6	122.3
○ <b>Actual Rentals for Housing</b>	115.2	115.2	115.2
○ <b>Maintenance, Repair and Security of the Dwelling</b>	123.4	130.2	131.1
○ <b>Water Supply and Miscellaneous Services Relating to the Dwelling</b>	113.6	113.6	113.6
○ <b>Electricity, Gas and Other Fuels</b>	125.2	131.0	130.0
<b>V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE</b>	119.6	124.9	125.1
○ <b>Furniture and Furnishings, and Loose Carpets</b>	104.9	105.4	105.4
○ <b>Household Textiles</b>	117.5	121.7	121.7
○ <b>Household Appliances</b>	113.1	116.2	116.2
○ <b>Glassware, Tableware and Household Utensils</b>	111.8	120.7	121.0
○ <b>Tools and Equipment for House and Garden</b>	112.4	112.5	112.5
○ <b>Goods and Services for Routine Household Maintenance</b>	126.0	133.4	133.7
<b>VI. HEALTH</b>	126.5	131.0	131.1
○ <b>Medicines and Health Products</b>	130.2	130.8	130.9

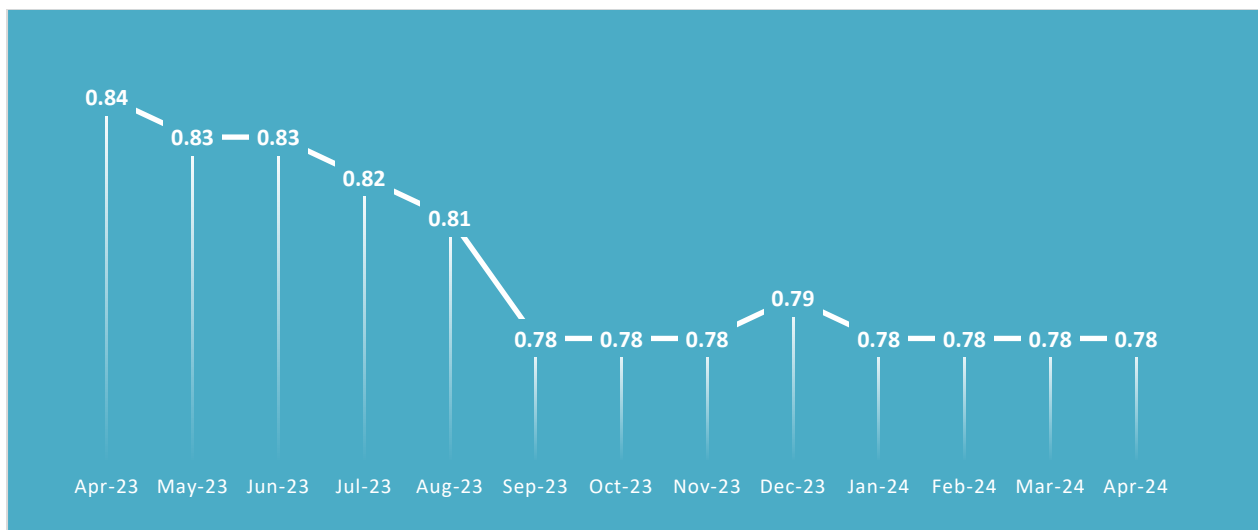
○	<b>Outpatient Care Services</b>	121.9	121.9	121.9
○	<b>Inpatient Care Services</b>	126.2	144.3	144.3
○	<b>Other Health Services</b>	103.0	105.8	105.8
<b>VII. TRANSPORT</b>		128.2	128.7	129.9
○	<b>Purchase of Vehicles</b>			
○	<b>Operation of Personal Transport Equipment</b>	124.3	125.1	127.3
○	<b>Passenger Transport Services</b>	133.1	133.1	133.1
○	<b>Transport Services of Goods</b>			
<b>VIII. INFORMATION AND COMMUNICATION</b>		100.0	100.0	100.0
○	<b>Information and Communication Equipment</b>	100.1	100.2	100.2
○	<b>Information and Communication Services</b>	100.0	99.8	99.8
<b>IX. RECREATION, SPORT AND CULTURE</b>		127.8	129.8	130.3
○	<b>Recreational Durables</b>			
○	<b>Other Recreational Goods</b>	104.1	104.1	105.5
○	<b>Garden Products and Pets</b>	118.8	105.6	105.9
○	<b>Recreational Services</b>	101.1	101.1	101.1
○	<b>Cultural Goods</b>			
○	<b>Cultural Services</b>	100.2	100.2	100.2
○	<b>Newspapers, Books and Stationery</b>	133.9	137.6	138.2
○	<b>Package Holidays</b>			
<b>X. EDUCATION SERVICES</b>		111.1	118.8	118.8
○	<b>Early Childhood and Primary Education</b>	126.2	128.3	128.3
○	<b>Secondary Education</b>	120.3	137.9	137.9
○	<b>Tertiary Education</b>	100.0	100.0	100.0
○	<b>Education Not Defined by Level</b>			
<b>XI. RESTAURANTS AND ACCOMMODATION SERVICES</b>		146.1	151.2	151.2
○	<b>Food and Beverage Serving Services</b>	146.1	151.2	151.2
○	<b>Accommodation Services</b>			
<b>XII. FINANCIAL SERVICES</b>		100.0	75.0	75.0
○	<b>Financial Services</b>	100.0	75.0	75.0
<b>XIII. PERSONAL CARE, AND MISCELLANEOUS GOODS AND SERVICES</b>		115.0	121.5	121.9

○	<b>Personal Care</b>	118.6	125.1	125.2
○	<b>Other Personal Effects</b>	103.2	110.2	111.5
○	<b>Other Services</b>	100.4	100.4	100.4

The Survey of Retail Prices of Commodities, conducted by the Philippine Statistics Authority (PSA), has produced a Consumer Price Index (CPI) of 127.7 in Ifugao as of April 2024, with 2018 serving as the base year. This figure indicates that the overall cost of a typical basket of goods and services commonly purchased by a Filipino household in various municipalities of Ifugao remained stable during the reference month.

Table 2 illustrates that all commodity groups either maintained their Consumer Price Index or experienced a decrease, except for Restaurants and Accommodation Services, Clothing and Footwear, Alcoholic Beverages and Tobacco, Health, and Recreation, Sport, and Culture.

**Figure 4. Monthly Purchasing Power of Peso in Ifugao (2018 = 100)**



The Purchasing Power of the Peso (PPP) is intricately tied to the Inflation Rate, albeit in an inverse manner. As the Inflation Rate rises, the PPP declines. To illustrate, consider 1 peso in 2018: in April 2024, its value dwindles to 78 centavos, marking a decrease of 6 centavos from April 2023 when it stood at 84 centavos. Similarly, a hundred pesos from 2018 would translate to just 78 pesos by April 2024.

This consistent drop in the purchasing power of peso underscores the profound impact of inflation on consumers. With the diminishing purchasing power of the peso, maintaining the usual standard of living and managing expenses becomes increasingly challenging.

A decline in the purchasing power of the peso implies that each peso can procure fewer goods and services than before.

## 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:

#### 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

#### 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.

#### Weighting System

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

#### 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.

### **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.

### **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.

### **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.

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