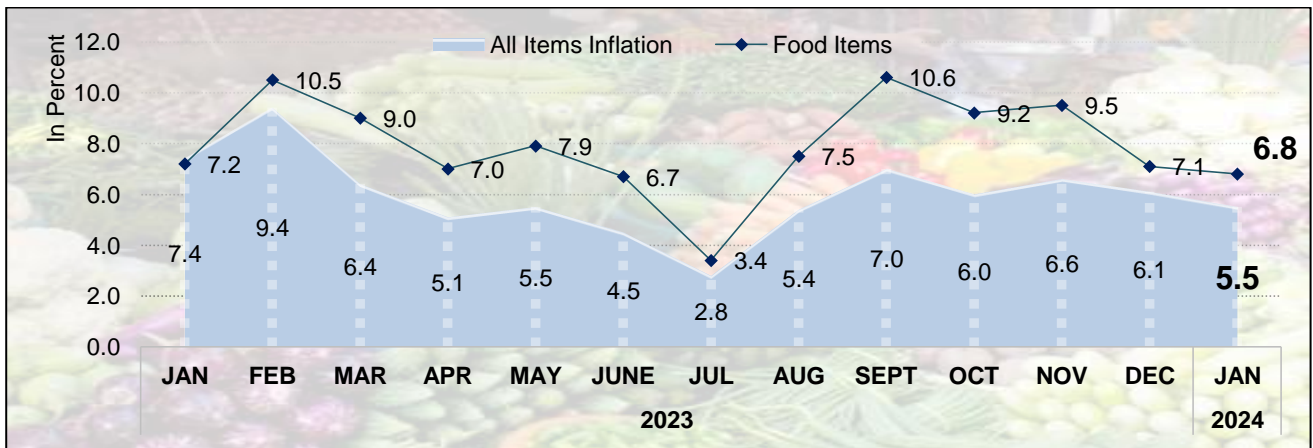# PRESS RELEASE

Sluggish foods' retail prices in Guimaras drive low-earners inflation to 5.5%

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08 February 2024 – Guimaras. The inflation for low-income households in Guimaras province slowed to 5.5 percent in January 2024 against 6.1 percent a month ago and 7.4 percent in January 2023 due to the sluggish retail cost of Food Items with a 6.8 percent price increase, based on the latest price statistics released by the Philippines Statistics Authority (PSA).

Figure 1: Inflation Rates in Guimaras (Bottom 30% Income Households), All Items & Food & Non-Alcoholic Beverages: January 2023- January 2024 (2018=100)

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

"The 6.8 inflation trend of Food items was mainly attributed to the slower price movement of Meat and other parts of slaughtered land animals from 13.0 percent inflation in December 2023 to 9.9 percent in January 2024, posting a 12.2 percent share. while in terms of contribution, the faster market value of Cereals, and cereal with products from 15.0 percent inflation in December 2023 to 15.9 percent inflation in January 2024 got the largest cut of 60.3 percent in the overall inflation of Food items for low-income households," Provincial Statistics Officer Nelida B. Losare said.

Losare further explained that due to the significant share and contribution of food items, the Food and Non-Alcoholic Beverages commodity with 6.5 percent inflation top as the major sources in the inflation trend for the bottom 30% income households with 35.6 percent split, followed by Restaurants and Accommodation Services with 10.0 percent inflation, and Housing, Water, Electricity, Gas, and other Fuels with 20.4 inflation sharing 26.5, and 20.4 percent, respectively.

For Restaurants and Accommodation Services, its main source of trend was the slow-moving prices of Food and Beverage Serving Services from 15.2 percent inflation in December 2023 to 10.0 percent inflation in January 2024. Likewise, the 20.4 inflation of Housing, water, electricity, gas, and other fuels, pushed by the decelerating retail value of Electricity, Gas and Other Fuels from 5.7 to 3.2 percent.

Table 1. Top 3 major sources of trend and contributors to Guimaras inflation rate for bottom 30% income households: January 2024

MAJOR SOURCES OF INFLATION TREND				MAJOR CONTRIBUTORS TO INFLATION			
COMMODITY	INFLATION	%SHARE	RANK	COMMODITY	INFLATION	% CONT.	RANK
Food And Non-Alcoholic Beverages	6.5	35.6	1	Food And Non-Alcoholic Beverages	6.5	75.4	1
Restaurants And Accommodation Services	10.0	26.5	2	Alcoholic Beverages & Tobacco	16.9	12.2	2
Housing, Water, Electricity, Gas, and other Fuels	20.4	20.4	3	Restaurants And Accommodation Services	10.0	6.6	3

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

"In terms of contributions to the bottom 30% income inflation in January, Food and Non-Alcoholic Beverages still topped the rank with 75.4 percent *splits followed by Alcoholic Beverages and Tobacco with 16.9 percent inflation and Restaurants and Accommodation Services with 10.0 percent inflation posting a significant cut of 12.2 and 6.6 percent, respectively,"* Losare said.

The aside form Cereals and cereal products mentioned above, other food items with a significant contribution to the 6.5 percent inflation on Food and Non-Alcoholic Beverages, were Meat and other parts of slaughtered land animals with 9.9 percent inflation contributing 7.8 percent, and Fish and other seafood with 2.1 inflation, sliced 3.8 percent.

Losare also expounded that Spirits and liquors with 19.5 percent inflation showed a large share of 6.9 percent to the Alcoholic Beverages and Tobacco commodity group. The prices of Restaurants, café, and the like with 10.0 percent inflation supplied 6.6 percent to the January 2024 inflation of Restaurants and Accommodation Services.

Losare further expounded that the Inflation Rate is the rate of change in the Consumer Price Index (CPI) derived by computing the indices relative to the same period in the previous year or month.

"Currently, the bottom 30% income HHs in Guimaras posted a 131.3 CPI, this indicates that a typical low-income Guimarasnon household needs 1,313 pesos in January 2024 to purchase a basket of goods and services worth 1,000.00 pesos in 2018. The value is higher than the 130.6 CPI in December 2023 and 124.4 CPI in January 2023," Losare said.

Losare also highlighted that based on the relative poverty concept, households whose per capita income falls below the bottom 30 percent of the cumulative per capita distribution belong to the low-income group.

"The inflation rate for the bottom 30 percent income households, who are the most vulnerable to economic and social difficulties, was computed to monitor their welfare," Losare said

NELIDA B. LOSARE
Provincial Statistics Officer