

# PRESS RELEASE

## Beyond Numbers: Hidden impact of slowing inflation

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24 April 2025– Guimaras. While the recent drop in Guimaras inflation rate brings welcome relief to consumers, a data dissemination forum hosted by the Philippine Statistics Authority (PSA) Guimaras Provincial Statistical Office on April 21, 2025, shed light on the broader economic implications that come with the slowdown.

The March 2025 Inflation Report was presented by PSA Guimaras Chief Statistical Specialist Nelida B. Losare and further enriched by key insights from the Provincial Economic Development Officer (PEDO) Francisco E. Gentoral, who challenged the common assumption that low inflation is always beneficial.

Gentoral emphasized that the sharp decline in Guimaras inflation rate—from 7.2% in March 2024 to just 0.2% in March 2025—warrants a deeper look at its hidden consequences, particularly for the province’s agriculture-reliant communities.

*“Not all low inflation is good news—especially for sectors that depend on stable and fair prices,”* Gentoral said,

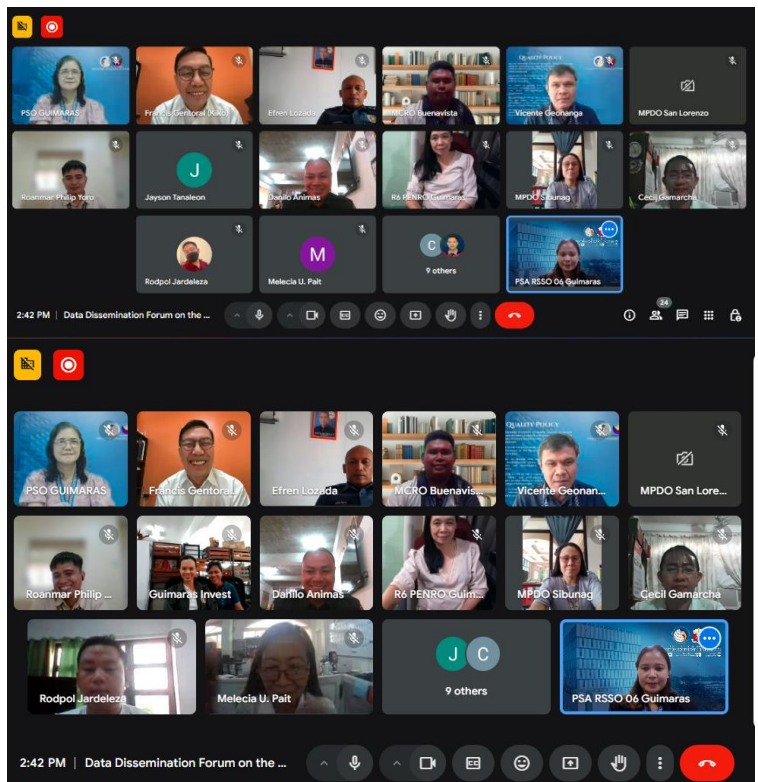
He explained that price declines were observed in food, utilities, and personal care items. While this offers temporary relief to consumers, it could mean shrinking profit margins for farmers and fisherfolks already grappling with high production costs.

*“A drop in food prices may ease household spending, but it also risks reducing the income of the very people producing these goods,”* Gentoral added.

Gentoral also highlighted the importance of core inflation, which measures the underlying price trends by excluding volatile items such as food and energy.

*“This figure rose from 0.8% in February to 1.5% in March, signaling underlying price pressures in key service sectors such as dining, accommodation, and alcoholic beverages,”* Gentoral said.

Gentoral also stressed that the continued decline in the Purchasing Power of the Peso (PPP) is another concern noted.



Participants join the PSA Guimaras online forum on April 21, 2025, to discuss the March 2025 Inflation Report and its impact on the local economy.

*“As of March 2025, one peso now holds the value of only 75 centavos based on 2018 prices—a trend that undermines the capacity of households and small enterprises to save, invest, or meet daily necessities,”* he said.

Gentoral also weighed in on broader economic implications. While lower service prices might make Guimaras more attractive to tourists, he warned that a weakening peso could strain local businesses. Likewise, although inflation in medical goods remains modest, reduced purchasing power might put basic healthcare out of reach for vulnerable families.

*“Let’s not be lulled by low inflation,”* Gentoral urged.

*“Now is the time to uplift the people who fuel our local economy—our farmers, our fishers, and our workers. Economic progress must benefit all,”* he added.

The forum concluded with a call for inclusive and responsive policymaking, aimed at cushioning the effects of inflationary shifts on the most affected sectors.

Meanwhile, PSO Losare emphasized that the forum underscores the agency’s ongoing commitment to providing timely, relevant, and actionable data to support evidence-based decision-making at both the local and provincial levels.

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