



SPECIAL RELEASE

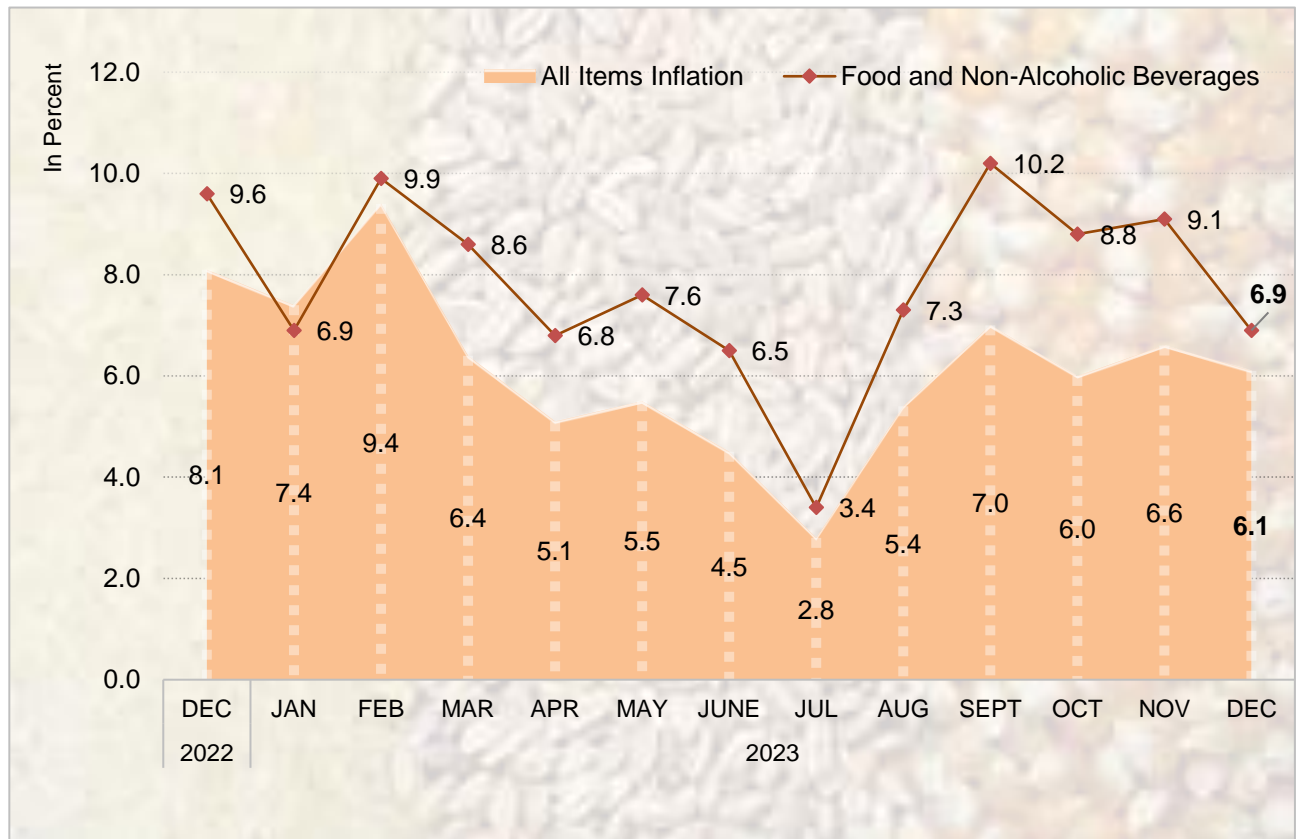
Guimaras Inflation, Consumer Price Index Report for Bottom 30% Income HHs (2018=100): December 2023

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Guimaras low-income HHs' inflation slows to 6.1%

The inflation for low-income households in Guimaras province slowed to 6.1 percent in December 2023 against 6.6 percent a month ago and 8.1 percent in December 2022 due to the dwindling retail cost of Food and Non-Alcoholic Beverages with a 6.9 percent price increment, 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: December 2022- December 2023 (2018=100)



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

Food and Non-Alcoholic Beverages showed a large share of 88.1 percent to the inflation of the bottom 30% income households, followed by Personal Care, and Miscellaneous Goods and Services with 7.1 percent inflation and Clothing and Footwear with 1.9 inflation sharing an 8.1, 1.9 percent, respectively.

The Food and Non-Alcoholic Beverages slower inflation was due to the sluggish price change of food items from 9.5 percent in November 2023 to 7.1 percent in December 2023. The 7.1 percent inflation on Personal Care and Miscellaneous Goods and Services, brought by the slow-moving prices of Personal Care, decreased by 4.4% from an inflation of 11.5%. Likewise, the 1.9 inflation of Clothing and Footwear, pushed by the decelerating retail value of Clothing from 4.3 to 3.2 percent.



Table 1. Top 3 major sources of trend and contributors to Guimaras inflation rate for bottom 30% income households: December 2023

MAJOR SOURCES OF INFLATION TREND				MAJOR CONTRIBUTORS TO INFLATION			
COMMODITY	INFLATION	%SHARE	RANK	COMMODITY	INFLATION	% CONT.	RANK
Food And Non-Alcoholic Beverages	6.9	88.1	1	Food And Non-Alcoholic Beverages	6.9	71.7	1
Personal Care, And Miscellaneous Goods and Services	7.1	8.1	2	Alcoholic Beverages & Tobacco	15.7	10.1	2
Clothing and Footwear	1.9	1.9	3	Restaurants And Accommodation Services	15.2	9.0	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 December, Food and Non-Alcoholic Beverages still topped the rank with 71.7 percent splits followed by Alcoholic Beverages and tobacco with 15.7 percent inflation and Restaurants and Accommodation Services with 15.2 percent inflation posting a significant cut of 10.1 and 9.0 percent, respectively.

The data showed that cereals, with 15.0 percent inflation, had a significant contribution to the 54.7 percent inflation on Food and Non-Alcoholic Beverages, followed by other vegetables, fresh or chilled with 25.9 percent inflation contributing 34.0 percent, and Meat, fresh, chilled or frozen with 14.9 inflation, sliced 9.7 percent.

Spirits and liquors with 16.6 percent inflation showed a large share of 5.3 percent to the Alcoholic Beverages and Tobacco commodity group. The prices of Restaurants, café, and the like with 15.2 percent inflation supplied 9.0 percent to the December inflation of Restaurants and Accommodation Services.

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 130.6 CPI, this indicates that a typical low-income Guimarasnon household needs 1,306.00 pesos in December 2023 to purchase a basket of goods and services worth 1,000.00 pesos in 2018.

Moreover, 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.

Guimaras, Aklan post fastest inflation

Comparing inflation for the bottom 30% of income households in Western Visayas, Guimaras posted the highest inflation for low-income Guimarasnons in December 2023 including Aklan with a 6.1 percent price increase each.

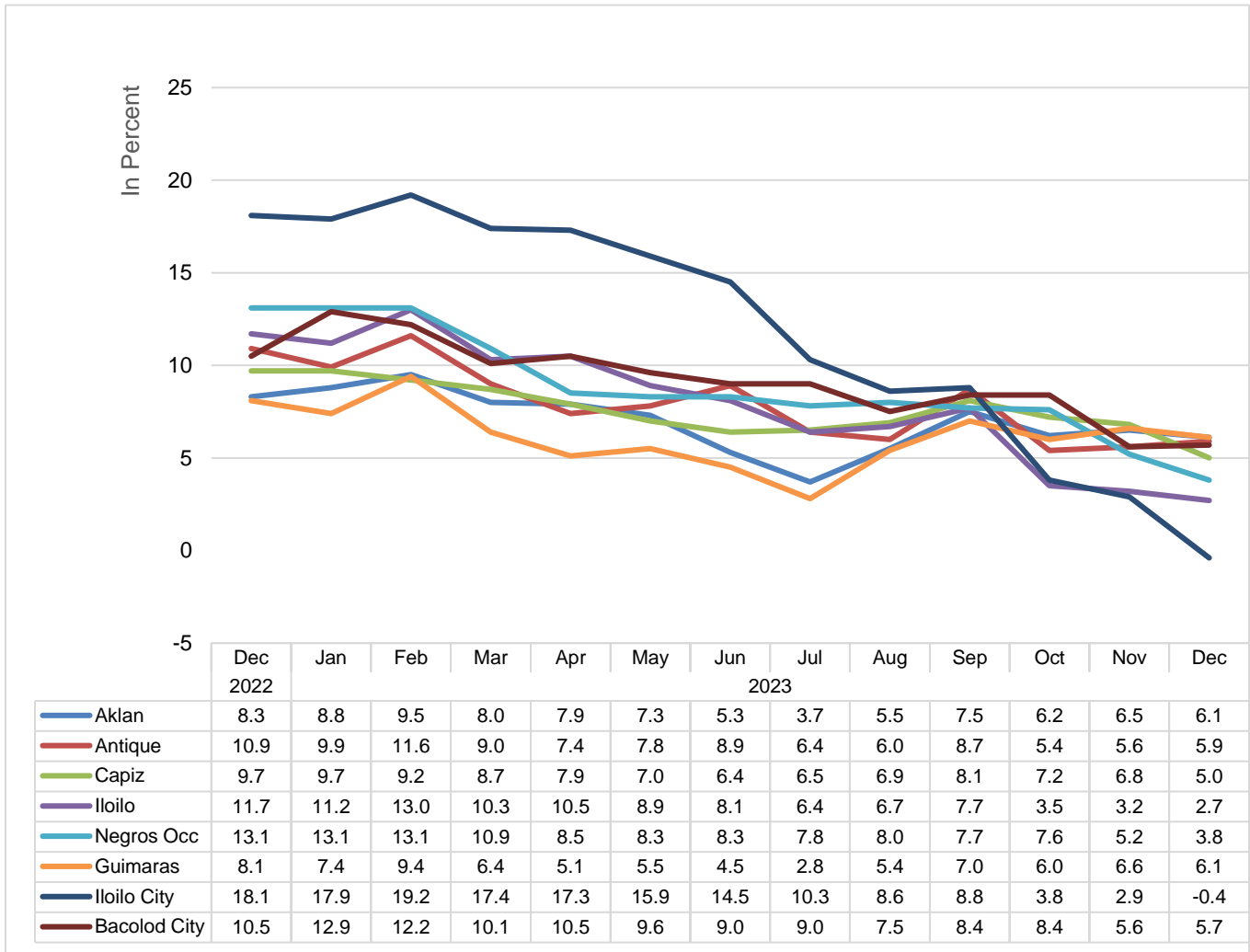
Moreover, the higher price increase was also noted in Antique (province) and Bacolod City (HUC) with 5.9 and 5.7 percent inflation rates, respectively.

The lowest bottom 30 percent income households’ inflation in Region VI in December 2023 was seen in the Highly Urbanized City (HUC) of Iloilo with a -0.4 percent annual price increase, followed by the province of Iloilo, Negros, and Capiz with 2.7, 3.8, and 5.0 percent, respectively. The slowest inflation was seen in the province of Iloilo with 3.5% Low-income Inflation.

All provinces in WV showed a slower trend of bottom 30% income HHs’ inflation from November to December 2023 except for Bacolod City (HUC), and Antique (province) with faster price increments.

Likewise, for the last quarter of 2023, all provinces showed the same trend, wherein, from a faster rate in October 2023, the low-income HHs inflation trend moved slowly until December 2023 except for the province of Aklan Guimaras and City of Bacolod which posted an erratic inflation trend, while only Antique showed an uptrend in last 3 months before 2024.

Figure 2: Bottom30 % Income Household’s Inflation in Region VI (2018=100): December (2022 - 2023)



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

DEFINITION OF TERMS

Inflation Rate

Rate of change in the Consumer Price Index. Its formula is given by:

$$\text{Inflation rate} = \frac{CPI_2 - CPI_1}{CPI_1} \times 100$$

Where: CPI_2 is the current period

CPI_1 is the CPI in the previous period.

Year-on-year inflation

Rate of change in the Consumer Price Index in a specific period of the current year relative to the same period in the previous year.

Consumer Price Index

Indicator of the change in the average prices of a fixed basket of goods and services commonly purchased by an average Filipino household for their day-to-day consumption relative to a base year. It is most widely used in the calculation of the inflation rate and purchasing power of the peso (PPP).

Relative to this, daily, weekly, and bi-monthly price surveys are conducted nationwide at the provincial offices including the District Offices of the National Capital Region (NCR) to be able to generate monthly CPI for All Income Households and CPI for the Bottom 30% Income Households. Indicators produced from price surveys are regarded as designated statistics.

The seasonally adjusted CPI provides comparisons after removing the seasonal variations that may affect the series. 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 (2018) weights given by.

Purchasing Power of Peso (PPP)

Indicates how much the Philippine Peso is worth in each period relative to its value in a base period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100 given by the equation:

$$PPP = \frac{1}{CPI} \times 100$$

Headline Inflation

Defined as the rate of change in the weighted average prices of all goods and services in the CPI basket while Core Inflation refers to the rate of change in the CPI which excludes the following item/commodity groups: rice, corn, fruits and vegetables, and fuel items.



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