

SPECIAL RELEASE

Summary Inflation Report Consumer Price Index (2018=100): Guimaras August 2024

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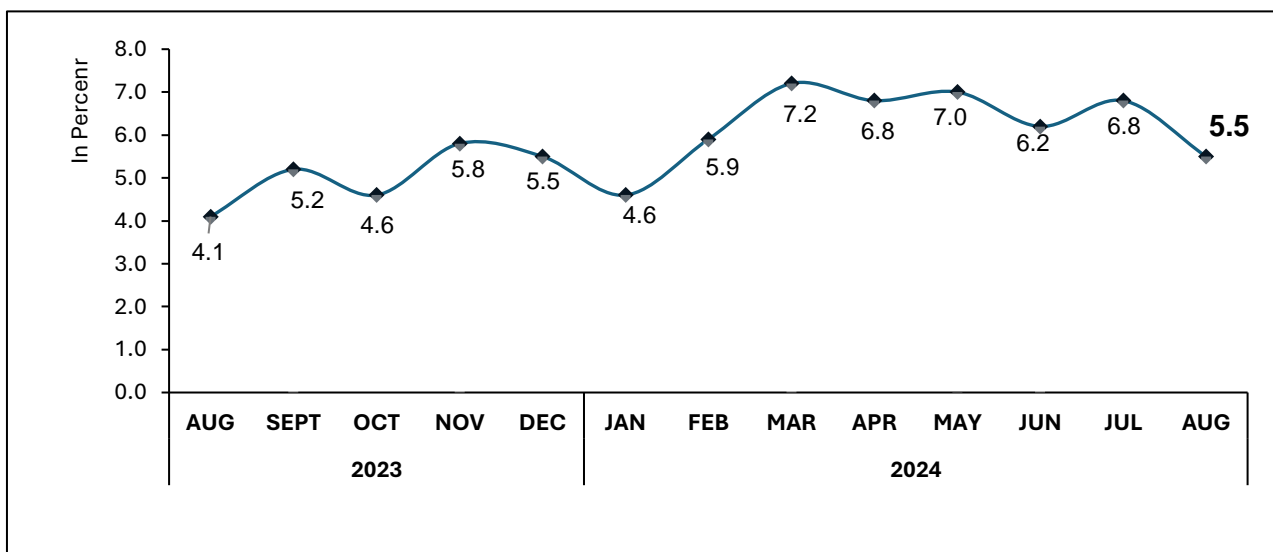
Reference No. 2024-41

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

| Area | August 2023 | July 2024 | August 2024 | Year-to-Date* |
|-----------------|-------------|-----------|-------------|---------------|
| Philippines | | | | |
| Headline | 5.3 | 4.4 | 3.3 | 3.6 |
| Core | 6.1 | 2.9 | 2.6 | 3.2 |
| Western Visayas | | | | |
| Headline | 6.1 | 4.8 | 4.8 | 3.8 |
| Core | 7.1 | 3.1 | 3.0 | 3.1 |
| Guimaras | | | | |
| Headline | 4.1 | 6.8 | 5.5 | 6.2 |
| Core | 4.2 | 3.6 | 3.0 | 3.6 |

Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index
*Year-to-date change of CPI for January to August 2024 vs. 2023

Figure 1. Headline Inflation Rate in the Province of Guimaras, All Items (2018=100)



Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index

1. Guimaras Headline Inflation

The Guimaras' headline or overall inflation slowed to 5.5 percent in August 2024 from 6.8 percent in July 2024, bringing the provincial average inflation from January to August 2024 to 6.2 percent. The inflation rate for August 2023 at 4.1 percent is slower by 1.4 percentage points. (Figure 1)

1.1 Main Drivers to the Upward Trend of the Headline Inflation

The downtrend in the overall inflation in August 2024 was primarily influenced by the decrease of year-on-year price change in the heavily weighted Food and Non-Alcoholic Beverages at 7.0 percent during the month, from 10.7 percent in July 2024. The slower Transport annual price change at -1.3 percent in August 2024 from 4.9 percent in the previous month also contributed to the sluggish overall inflation.

Likewise, the slow-moving inflation rate was also noted in Health at 7.0 percent in August from 7.7 percent in July 2024.

Table 2. Year-on-Year Changes of the Consumer Price Index in Percent in Guimaras by Commodity Group, August 2023 - August 2024 (2018=100)

| Area/Commodity Group | 2023 | | | | | | 2024 | | | | | | | |
|--|-------|-------|------|------|------|------|------|------|------|------|------|------|------|------|
| | Aug | Sep | Oct | Nov | Dec | Ave | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug |
| GUIMARAS (ALL ITEMS) | 4.1 | 5.2 | 4.6 | 5.8 | 5.5 | 5.3 | 4.6 | 5.9 | 7.2 | 6.8 | 7.0 | 6.2 | 6.8 | 5.5 |
| Food and Non-Alcoholic Beverages | 7.3 | 9.6 | 8.3 | 9.4 | 6.9 | 8.2 | 6.0 | 8.6 | 10.3 | 10.9 | 11.1 | 9.4 | 10.7 | 7.0 |
| Alcoholic Beverages and Tobacco | 10.1 | 9.9 | 10.7 | 11.3 | 13.5 | 10.1 | 14.9 | 9.8 | 9.7 | 9.3 | 5.9 | 5.4 | 5.0 | 4.6 |
| Clothing and Footwear | -0.1 | 0.9 | 1.6 | 1.6 | 1.4 | 0.9 | 2.0 | 2.2 | 2.0 | 2.1 | 2.1 | 1.8 | 1.7 | 2.1 |
| Housing, Water, Electricity, Gas and Other Fuels | 2.3 | 0.8 | -0.8 | -0.4 | 1.7 | 1.8 | 0.9 | 0.3 | 1.5 | 0.6 | 1.1 | 1.7 | 0.8 | 6.2 |
| Furnishings, Household Equipment and Routine Household Maintenance | 5.5 | 6.5 | 7.3 | 7.2 | 7.1 | 6.9 | 5.2 | 4.4 | 4.0 | 3.7 | 3.8 | 2.7 | 2.0 | 1.7 |
| Health | 1.7 | 1.7 | 3.4 | 3.9 | 5.1 | 1.3 | 9.1 | 9.8 | 8.0 | 7.9 | 7.5 | 7.2 | 7.7 | 7.0 |
| Transport | -11.9 | -10.2 | -7.8 | -4.7 | -1.4 | -6.9 | -2.4 | -1.3 | 0.8 | 2.5 | 3.6 | 3.8 | 4.9 | -1.3 |
| Information and Communication | 0.4 | -0.5 | -0.6 | -0.7 | -0.7 | 0.1 | -0.7 | -0.4 | -0.4 | -0.1 | 0.2 | 0.0 | 0.0 | 2.0 |
| Recreation, Sport and Culture | 3.1 | 4.6 | 6.9 | 6.9 | 5.4 | 8.1 | 7.0 | 9.7 | 9.7 | 11.0 | 11.0 | 10.6 | 10.7 | 11.8 |
| Education Services | -13.1 | -7.3 | -7.3 | -7.3 | -7.3 | -3.7 | -7.3 | -7.3 | -7.3 | -7.3 | -7.3 | -7.3 | -7.3 | 5.1 |
| Restaurants and Accommodation Services | 11.3 | 8.1 | 4.8 | 9.1 | 15.1 | 11.9 | 10.0 | 12.7 | 13.7 | 3.1 | 5.3 | 5.3 | 5.3 | 5.3 |
| Financial Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Personal Care, and Miscellaneous Goods and Services | 5.9 | 6.1 | 6.1 | 6.2 | 3.8 | 7.1 | 2.8 | 2.6 | 2.6 | 2.7 | 3.0 | 2.7 | 2.4 | 2.3 |

Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price

1.2 Main Contributors to the Headline Inflation

The top three commodity groups contributing to the August 2024 overall inflation were the following:

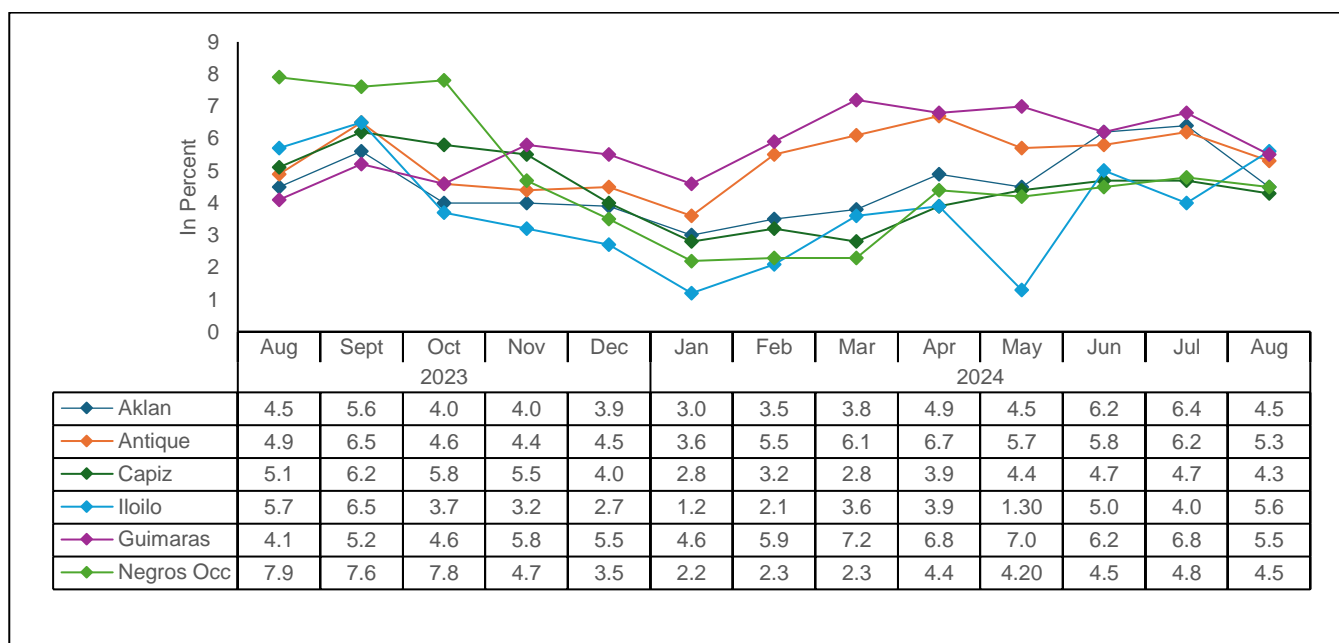
- Food and non-alcoholic beverages with 64.4 percent share or 3.54 percentage points;
- Housing, Water, Electricity, Gas and Other Fuels with 18.1 percent share or 0.99 percentage point; and
- Restaurants and Accommodation Services with 4.8 percent share or 0.26 percentage point.

2. Guimaras Core Inflation

Core inflation, which excludes selected food and energy items, also slowed to 3.0 percent in August 2024 from 3.6 percent in the previous month. In August 2023, core inflation was higher at 4.2 percent.

3. Headline Inflation per province in Region VI

Figure 2. Headline Inflation Rate in Western Visayas, All Items (2018=100)



Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index

Among provinces of Western Visayas (Region VI), Guimaras posted the second highest headline inflation with 5.5 percent, next to Iloilo with 5.6 percent, followed by Antique with 5.3 percent.

Capiz reported the slowest headline inflation in Region VI, recording 4.3 percent, followed by Aklan and Negros Occidental with 4.5 percent each.

In terms of headline inflation trend from July to August 2024, the province with the highest increment was Iloilo, with 1.6 percentage points from 4.0 to 5.6 inflation rates, followed by Negros with -0.3 percentage points and Capiz with -0.4 percentage points.

Aklan and Guimaras showed the slowest price changes with a -1.9 and -1.3 percentage points, respectively.

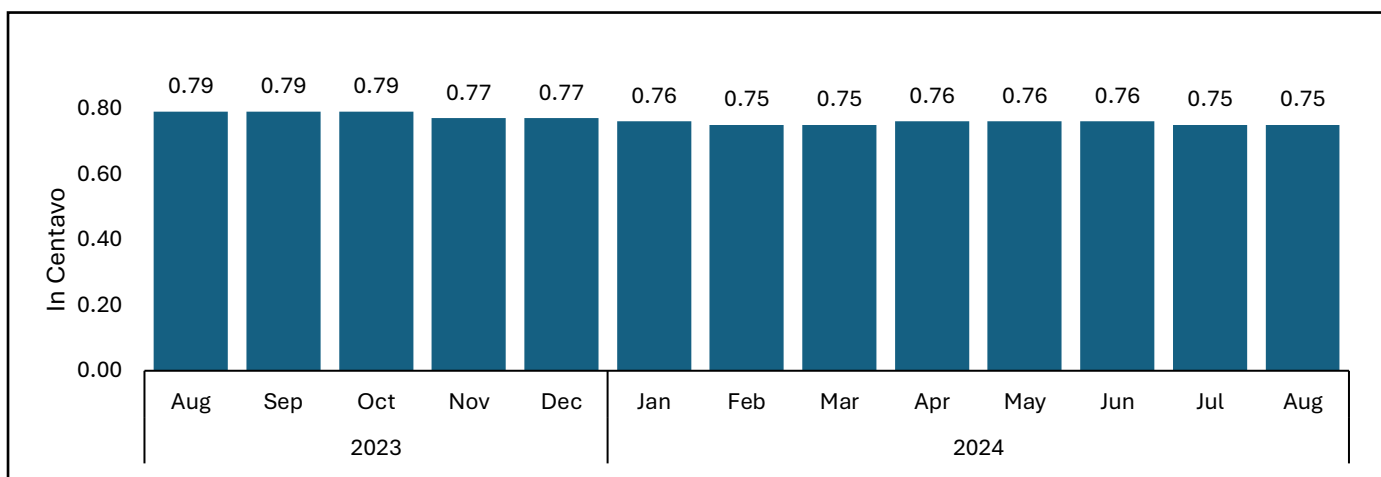
4. Guimaras Purchasing Power of the Peso (PPP)

The average purchasing power of the peso (PPP) in Guimaras in August 2024 retained at 0.75, against last month's PPP. From 2018 which is the base year, the PPP continued to depreciate, translating that the one peso in 2018, is currently valued at 0.75 centavos.

The data also showed that there have been erratic movements in the past 13 months. From 0.79 PPP in August 2023, it gradually slackened until 0.77 PPP in December 2023.

The PPP continued to depreciate from January until March 2024 to 0.75 centavos. It showed a slight increment from April to June at 0.76 and once again slowed to 0.75 centavos from July until August. (Figure 3)

Figure 3. Purchasing Power of Peso (PPP) in Guimaras: July 2023- July 2024 (2018=100)



Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index

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.

Month-on-Month inflation

Rate of change in the Consumer Price Index in a specific period of the current month relative to the previous month in the current 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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