

SPECIAL RELEASE

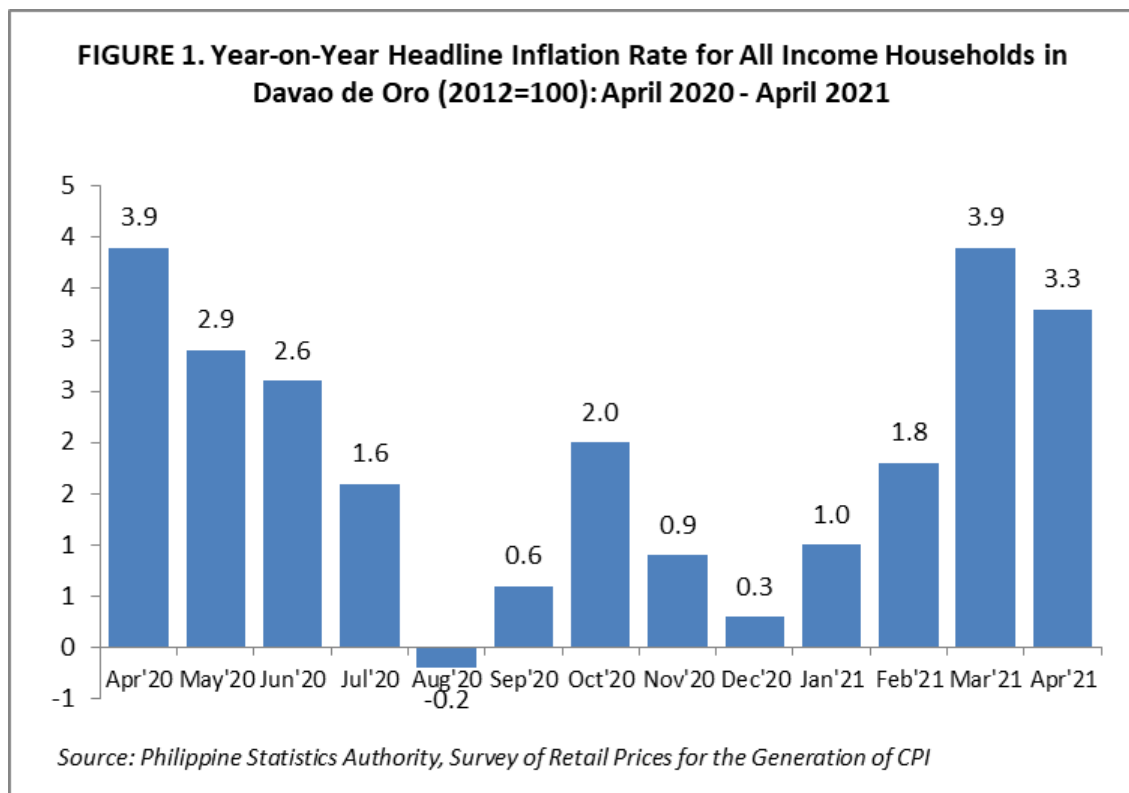
Davao de Oro Inflation April 2021

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Davao de Oro Inflation Rate went down by 3.3% in April 2021

- Inflation rate in Davao de Oro decreased by 0.6 percentage points from 3.9 percent in March 2021 down to 3.3 percent in April 2021. This is even lower than the recorded inflation rate last April 2020 at 3.9 percent or a decrease of 0.6 percentage points.



- For the monthly changes of prices, the average index for all items included in the 2012 market basket increases by 0.62 percent from 129.1 in March 2021 up to 129.9 in April 2021. The significant price increased was observed mainly on food and non-alcoholic beverages. Said group recorded a price increased of 1.23 percent, from 130.5 index in March 2021 up to 132.1 in April 2021. However, index for Transport commodity group decreased by 0.37 from 106.9 in March 2021 down to 106.5 in April 2021. (see Table 1)

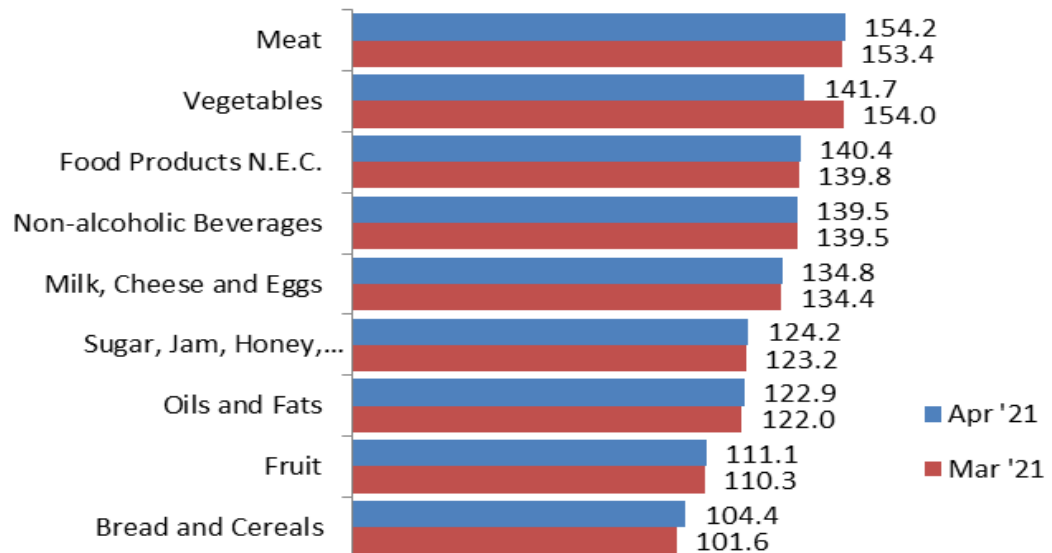
TABLE 1. Consumer Price Index of All Income Households and Purchasing Power of Peso in Davao de Oro by Commodity Group (2012=100)

Commodity Group	Consumer Price Index			Purchasing Power of Peso		
	Apr 2021	Mar 2021	Apr 2020	Apr 2021	Mar 2021	Apr 2020
All Items	129.9	129.1	125.7	0.77	0.77	0.80
Food and Non-Alcoholic Beverages	132.1	130.5	127.5	0.76	0.77	0.78
Alcoholic Beverages and Tobacco	219.5	219.5	197.9	0.46	0.46	0.51
Clothing and Footwear	139.6	139.5	137.5	0.72	0.72	0.73
Housing, Water, Electricity, Gas and Other Fuels	136.4	135.9	134.7	0.73	0.74	0.74
Furnishings, Household Equipment and Routine Maintenance	134.2	134.2	133.1	0.75	0.75	0.75
Health	122.6	122.6	120.6	0.82	0.82	0.83
Transport	106.5	106.9	96.9	0.94	0.94	1.03
Communication	97.8	97.8	97.7	1.02	1.02	1.02
Recreation and Culture	121.6	121.2	122.8	0.82	0.83	0.81
Education	148.6	148.6	148.6	0.67	0.67	0.67
Restaurant and Miscellaneous Goods and Services	125.2	125.1	123.5	0.80	0.80	0.81

Source: Philippine Statistics Authority, Survey of Retail Prices for the Generation of CPI

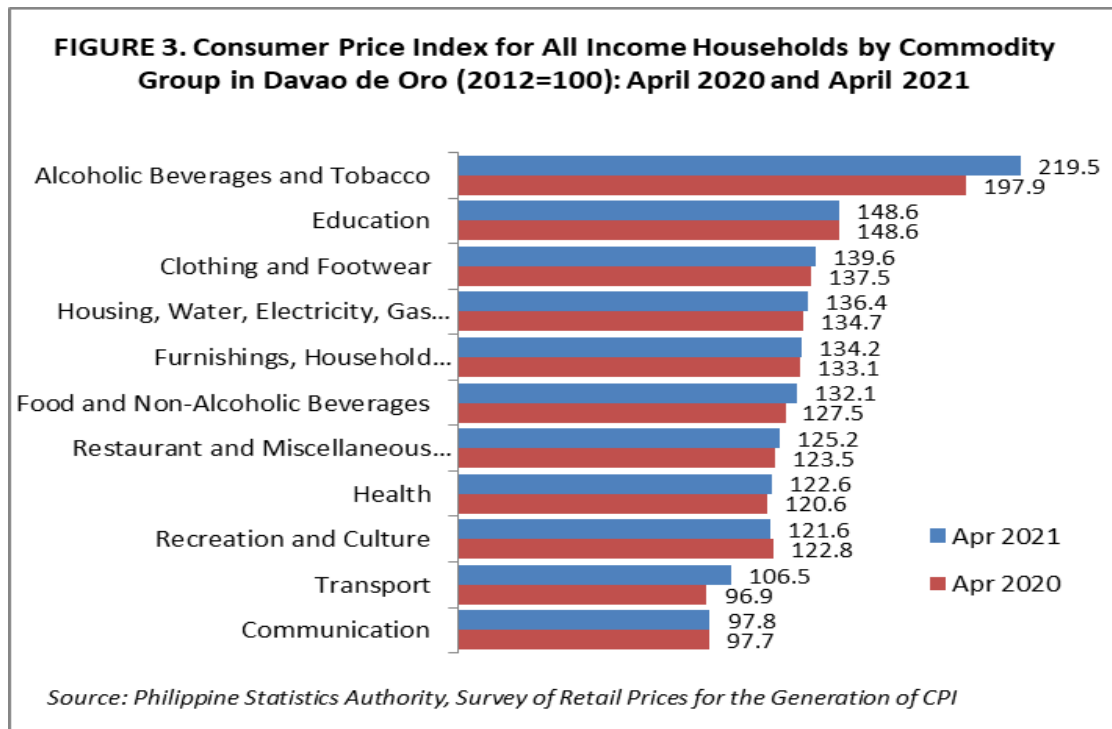
- For food and non-alcoholic beverages commodity group, prices of Vegetables posted the highest price decreased at about 7.99 percent from 154.0 in March 2021 down to 141.7 in April 2021. Other commodities within the food group showed an increasing monthly price change. Among of which that top is the bread and cereals with 2.76 percent increased from 101.6 index in March 2021 into 104.4 in April 2021. It is then followed by Fish with a 2.59 percent increased from 177.7 index in March 2021 into 182.3 percent in April 2021. Noticeably, price for this sub-group fluctuates from time to time depending on the volume of supply in the market.

FIGURE 2. Indices of Food and Non-alcoholic Beverages Items for All Income Households in Davao de Oro (2012=100): March 2021 and April 2021

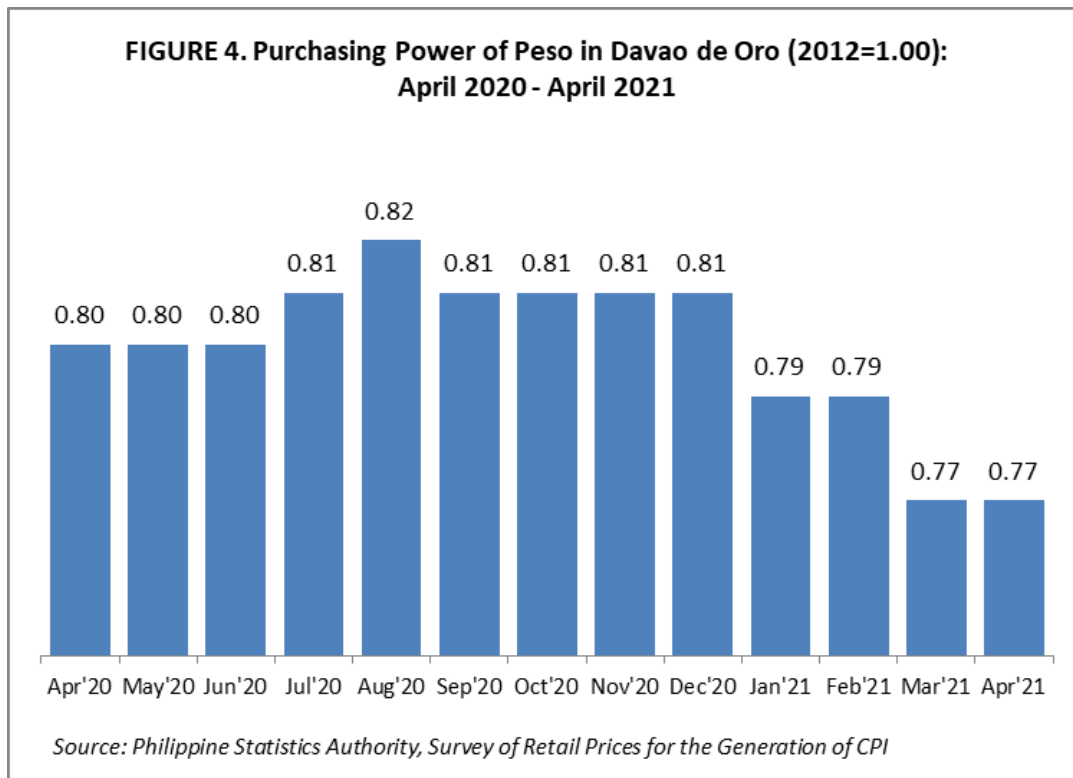


Source: Philippine Statistics Authority, Survey of Retail Prices for the Generation of CPI

- Prices of Sugar, Jam, Honey, Chocolate and Confectionery, Oils and Fats, Fruit, Meat, Food Products Not Elsewhere Classified, and Milk, Cheese and Eggs decreased minimally by 0.81, 0.74, 0.73, 0.52, 0.43 and 0.30 percent, respectively. While the price for Non-alcoholic Beverages remain the same.
- On the other hand, Housing, Water, Electricity, Gas and Other Fuels, Recreation and Culture, Restaurant and Miscellaneous Goods and Services, and Clothing and Footwear showed a minimal price increased with a monthly percent change of 0.37, 0.33, 0.08 and 0.07, respectively. Furnishings, Household Equipment and Routine Maintenance, Education, and Communication remained its price for the four successive months of year 2021. While Alcoholic Beverages and Tobacco, and Health remained its price for the three successive months of the year.
- For a year-on-year inflation, the price index of Recreation and Culture commodity group declined by 0.98 percent from 122.8 in April 2020 down to 121.6 in April 2021.



- It is noted that Alcoholic Beverages and Tobacco commodity group has generated the highest year-on-year inflation at 10.91 percent from an index of 197.9 in April 2020 into 219.5 in April 2021. It is then followed by Transport, Food and Non-Alcoholic Beverages, Health, Clothing and Footwear, Restaurant and Miscellaneous Goods and Services, and Housing, Water, Electricity, Gas and Other Fuels commodity groups with an increasing annual percent change of 9.91, 3.61, 1.66, 1.53, 1.38 and 1.26 percent, respectively. Education remained its rate.
- Consequently, the Purchasing Power of Peso (PPP) based on year 2012 in Davao de Oro Province is now equivalent to 0.77 in April 2021. Said value remains the same for the past two months.



TECHNICAL NOTES

Price – is the amount or value paid in exchange for the commodity or a service rendered.

Retail/Consumer Price – refers to the price at which a commodity is sold in small quantities for consumption.

Market Basket - a term used to refer to a sample of goods and services that are commonly purchased and bought by an average Filipino household.

Consumer Price Index (CPI) – it is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by an average Filipino household. It shows how much on the average, prices of goods and services have increased or decreased from a particular reference period known as base year.

Inflation Rate – is an indicator derived from the CPI. It refers to the annual rate of change or the year-on-year change of the CPI

expressed in percent. Inflation is interpreted in terms of declining purchasing power of money.

Weight - a value attached to a commodity or group of commodities depending on the magnitude of its contribution to the index.

Base Period – a reference date at which the index is equal to 100. Base year is 2012.

Index Methodology - Laspeyre's formula: fixed base year and weights.

Purchasing Power of the Peso (PPP) - the measure of how much the peso in the base period is worth in the current period.

Percentage Change - is a simple mathematical concept that represents the degree of change over time. It is used for many purposes in finance, often to represent the price change of a security.

Approved for Release:


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