



SPECIAL RELEASE

SUMMARY INFLATION REPORT OF DAVAO DE ORO PROVINCE Consumer Price Index, (2018 = 100)

DECEMBER 2023

Date of Release : 17 January 2024

Reference No. : SR-241182-001

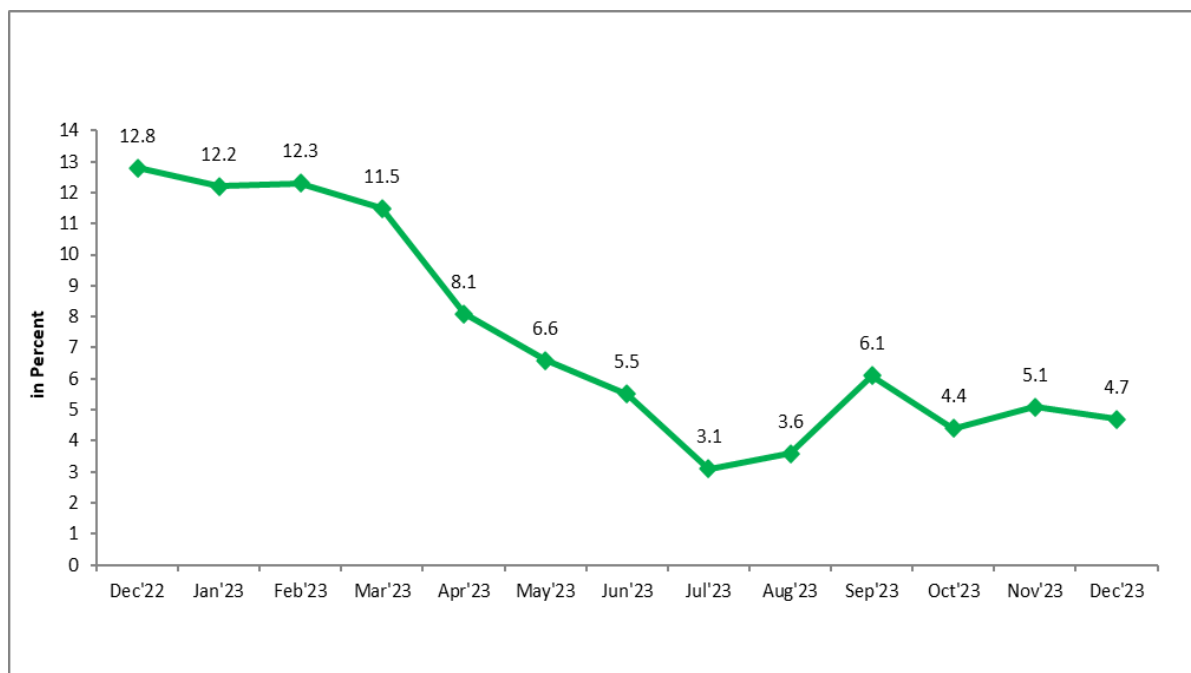
The headline inflation of prices in Davao de Oro Province decreased to 4.7 percent in December 2023 from 5.1 percent in November 2023 or a decrease of 0.4 point. Inflation of prices in December 2022 was higher at 12.8 percent. The average inflation for the year 2023 stood at 6.9 percent. *(Table 1 and Figure 1)*

Table 1. Year-on-Year Inflation Rates, All Items In Percent (2018 = 100)				
Area	December 2022	November 2023	December 2023	Year-to-Date*
Philippines	8.1	4.1	3.9	6.0
Davao Region	9.3	4.9	5.3	6.4
Davao de Oro	12.8	5.1	4.7	6.9

* Year-on-year change of average CPI for December 2023 vs. 2022

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



Figure 1. Headline Inflation Rates in Davao de Oro (in percent), All Items (2018 = 100)

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

The decrease in the province's inflation was mainly brought about by the downtrend annual rate in the index of Housing, water, electricity, gas and other fuels which declined to -5.0 percent from -3.0 percent in November 2023; Furnishings, household equipment and routine household maintenance at 9.1 percent from 9.9 percent in November 2023; and Personal care, and miscellaneous goods and services at 6.6 percent from 7.1 percent in November 2023. On the downtrend of the December inflation, these three commodity groups had a share of 76.5 percent, 5.6 percent, and 4.8 percent, respectively. (Table 2)

Table 2. Consumer Price Index by Subgroup, Month-on-Month and Year-on-Year Percent Changes
in Davao de Oro
(2018=100)

Commodity Group	CPI			Inflation Rates	
	Dec 2022	Nov 2023	Dec 2023	Month-on-Month	Year-on-Year
ALL ITEMS	123.3	128.3	129.1	0.6	4.7
I. FOOD AND NON-ALCOHOLIC BEVERAGES	118.7	127.3	129.0	1.3	8.7
* Food	118.2	127.0	128.8	1.4	9.0
Cereals and Cereal Products	103.1	116.2	118.9	2.3	15.3
Meat and Other Parts of Slaughtered Land Animals	130.3	134.0	134.9	0.7	3.5
Fish and Other Seafood	124.0	133.2	128.7	-3.4	3.8
Milk, Other Dairy Products, and Eggs	114.8	122.1	122.2	0.1	6.4
Oils and Fats	147.7	128.7	129.0	0.2	-12.7
Fruits and Nuts	114.5	137.6	154.0	11.9	34.5
Vegetables, Tubers, Cooking Bananas and Pulses	142.5	145.4	154.5	6.3	8.4
Sugar, Confectionery and Desserts	170.4	155.0	155.2	0.1	-8.9
Ready-Made Food and Other Food Products N.E.C.	124.9	133.4	133.8	0.3	7.1
* Non-alcoholic Beverages	126.9	132.0	132.1	0.1	4.1
II. ALCOHOLIC BEVERAGES AND TOBACCO	164.6	179.5	179.7	0.1	9.2
NON-FOOD	126.5	127.4	127.2	-0.2	0.6
III. CLOTHING AND FOOTWEAR	125.8	136.6	136.9	0.2	8.8
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	132.9	126.3	126.3	0.0	-5.0
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	125.7	137.0	137.1	0.1	9.1
VI. HEALTH	122.2	131.1	131.1	0.0	7.3
VII. TRANSPORT	130.7	130.8	129.5	-1.0	-0.9
VIII. INFORMATION AND COMMUNICATION	106.0	107.0	107.0	0.0	0.9
IX. RECREATION, SPORT AND CULTURE	127.8	150.1	150.1	0.0	17.4
X. EDUCATION SERVICES	115.0	117.9	117.9	0.0	2.5
XI. RESTAURANTS AND ACCOMMODATION SERVICES	114.4	115.6	115.6	0.0	1.0
XII. FINANCIAL SERVICES	163.6	163.6	163.6	0.0	0.0
XIII. PERSONAL CARE, AND MISCELLANEOUS GOODS AND SERVICES	120.4	128.3	128.3	0.0	6.6

Also contributing to the downtrend in the overall inflation during the period were the price changes in the indices of the following commodity groups as compared with their previous month's inflation rates:

- a. Alcoholic beverages and tobacco, 9.2 percent;
- b. Clothing and footwear, 8.8 percent;
- c. Health, 7.3 percent;
- d. Information and communication, 0.9 percent; and
- e. Recreation, sport and culture, 17.4 percent.

Meanwhile, Food and non-alcoholic beverages, and Transport commodity groups showed an uptrend rate in the overall inflation for the month of December 2023 with 8.7 percent and -0.9 percent inflation rates. Moreover, Education services, and Restaurant and accommodation services posted the same inflation rate from November to December 2023. Additionally, Financial services remain no price changes since April 2022. (*Table 2*)

Food and non-alcoholic beverages group shared the highest contribution for the month's inflation rate at 4.2 points (89.9 percent). As to the percent share to the month's uptrend rate of the said commodity group, Cereals and cereal products posted the highest percent share with 15.3 percent inflation rate, followed by Fruits and nuts with 34.5 percent inflation rate, and Vegetables, tubers, plantains, cooking bananas and pulses with 8.4 percent inflation rate. (*Table 3*)

Table 3. Food and Non-Alcoholic Beverages Commodity Group Contribution to Year-on-Year Inflation for All Income Households in Davao de Oro Province, (2018 = 100)			
Commodities	Inflation		
	December 2022	November 2023	December 2023
FOOD AND NON-ALCOHOLIC BEVERAGES	12.8	8.4	8.7
Cereals and cereal products (ND)	15.6	11.5	15.3
Meat and other parts of slaughtered land animals (ND)	8.3	3.8	3.5
Fish and other seafood (ND)	7.3	7.2	3.8
Milk, other dairy products and eggs (ND)	5.1	6.4	6.4
Oils and fats (ND)	24.4	-15.6	-12.7
Fruits and nuts (ND)	5.5	20.0	34.5
Vegetables, tubers, plantains, cooking bananas and pulses (ND)	16.3	19.1	8.4
Sugar, confectionery and desserts (ND)	69.6	-9.4	-8.9
Ready-made food and other food products n.e.c. (ND)	11.8	8.0	7.1
Fruit and vegetable juices (ND)	11.2	5.9	5.9
Coffee and coffee substitutes (ND)	13.8	3.5	2.0
Tea, maté and other plant products for infusion (ND)			
Cocoa drinks (ND)	10.3	3.5	3.4
Water (ND)	5.9	9.5	9.5
Soft drinks (ND)	13.4	4.6	3.8
Other non-alcoholic beverages (ND)	15.3	8.6	8.5

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

The second highest contributor for December 2023 inflation rate is the Clothing and footwear commodity group with a contribution of 0.3 points (6.3 percent) among all items. Under this group, Garments posted the highest percent share with 9.1 percent inflation rate; followed by Shoes and other footwear with 8.1 percent inflation rate.

Table 4. Clothing and Footwear Commodity Group Contribution to Year-on-Year Inflation for All Income Households in Davao de Oro Province, (2018 = 100)			
Commodities	Inflation		
	December 2022	November 2023	December 2023
CLOTHING AND FOOTWEAR	10.3	9.2	8.8
Clothing materials (SD)	3.7	1.8	3.0
Garments (SD)	8.6	9.4	9.1
Other articles of clothing and clothing accessories (SD)	11.0	4.0	4.0
Cleaning, repair, tailoring and hire of clothing (S)	6.2	2.8	2.7
Shoes and other footwear (SD)	14.7	8.8	8.1
Cleaning, repair, and hire of footwear (S)	5.4	8.8	8.8

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

Furnishings, household equipment and routine household maintenance commodity group ranked third with a contribution of 0.3 points (6.0 percent). Under this group, Non-durable household goods posted the highest percent share with 8.9 percent inflation rate, followed by Domestic services and household services with 12.9 percent inflation rate, and Major household appliances, whether electric or not with 7.9 percent inflation. (Table 5)

Table 5. Furnishings, household equipment and routine household maintenance Commodity Group Contribution to Year-on-Year Inflation for All Income Households in Davao de Oro Province, (2018 = 100)			
Commodities	Inflation		
	December 2022	November 2023	December 2023
FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	12.6	9.9	9.1
Furniture, furnishings and loose carpets (D)	8.9	9.6	9.0
Household textiles (SD)	13.9	5.9	5.6
Major household appliances, whether electric or not (D)	6.4	9.6	7.9
Small household appliances (SD)	16.8	2.6	2.6
Repair, installation and hire of household appliances (S)	9.6	8.7	4.8
Glassware, tableware and household utensils (SD)	11.2	8.5	7.0
Motorized tools and equipment (D)			
Non-motorized tools and miscellaneous accessories (SD)	11.4	8.1	6.6
Non-durable household goods (ND)	13.4	8.9	8.9
Domestic services and household services (S)	16.6	16.2	12.9

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

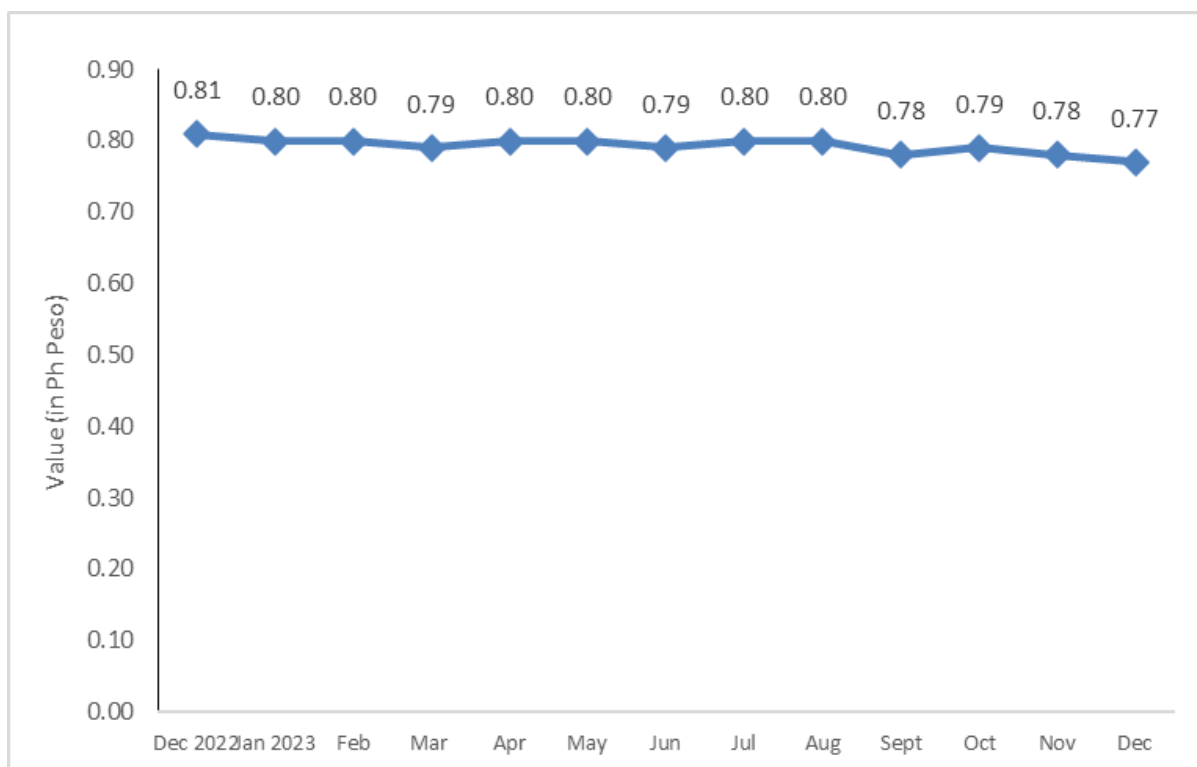
Below is the inflation rates trend of Davao de Oro Province since the rebasing of market basket with year 2018 as the base year. (Table 6)

Table 6. Year-on-Year Rates in Davao de Oro Province, All Items (in percent) (2018 = 100) January 2019 – December 2023					
Month	Inflation Rates				
	2019	2020	2021	2022	2023
January	4.5	3.0	1.1	4.9	12.2
February	6.0	1.3	1.5	5.2	12.3
March	5.1	1.4	3.4	5.2	11.5
April	4.8	3.3	1.9	7.6	8.1
May	4.0	3.1	2.0	9.0	6.6
June	3.1	3.2	2.1	10.8	5.5
July	1.9	2.1	3.6	12.0	3.1
August	2.1	0.1	6.3	10.2	3.6
September	1.0	1.2	3.9	12.5	6.1
October	(2.0)	2.3	3.4	13.2	4.4
November	(1.0)	1.4	4.9	12.1	5.1
December	2.8	0.4	4.7	12.8	4.7
Average	2.6	1.9	3.2	9.6	6.9

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

Consequently, the Purchasing Power of Peso (PPP) based on year 2018 in Davao de Oro Province is equivalent to 0.77 in December 2023. (Figure 2)

**Figure 2. Purchasing Power of Peso in Davao de Oro (2018 = 100)
December 2022 – December 2023**



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

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 2018.

Index Methodology– a 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.

Headline Inflation– measures changes in the cost of living based on movements in the prices of a specified basket of major commodities. It refers to the annual rate of change or the year-on-year change in the Consumer Price Index (CPI).

APPROVED FOR RELEASE:

ABRAHAM ENRICO E. GULAY JR.
Chief Statistical Specialist


NPV/CRTN