

SPECIAL RELEASE

Summary Inflation Report
Consumer Price Index: Davao del Norte
(2018=100)
August 2023

Date of Release : 06 September 2023
Reference No. : SRDDN2023-018

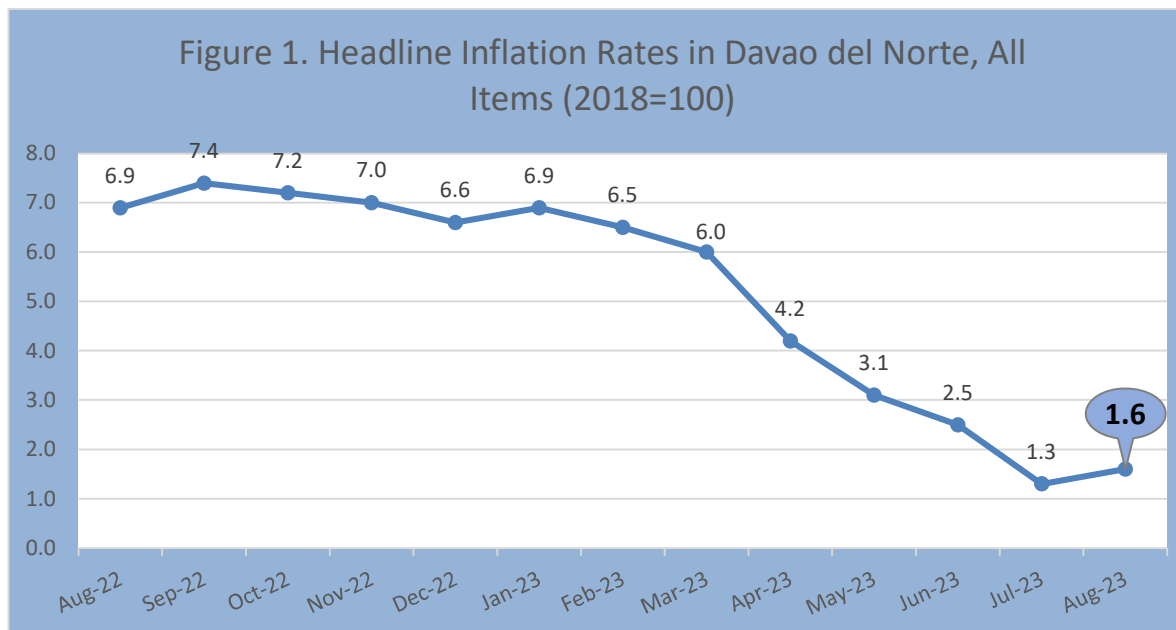
Inflation rate of Davao del Norte increased by 0.3 percentage points (2018=100) in August 2023

Table A. Year-on-Year Inflation Rates: All Items in Percent
Philippines, Region 11, and Davao del Norte
August 2022, July – August 2023

Area	August 2022	July 2023	August 2023	Year-to-Date*
Philippines	6.3	4.7	5.3	6.6
Region 11	8.9	4.3	3.9	6.9
Davao del Norte	6.9	1.3	1.6	4.0

* Year-on-year change of average CPI for January to August 2023 vs. 2022

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



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1. Inflation in Davao del Norte

The headline inflation of Davao del Norte decelerated by 5.3 percentage points in August 2023 (1.6%) from its inflation rate in the same month of last year (6.9%). Comparatively, the current inflation rate of the province (1.6%) is lower to the headline inflation of the Philippines (5.3%) and Davao Region (3.9%), by 3.7 percent and 2.3 percent, respectively (Table A).

The average inflation of Davao del Norte for the year 2023 stood at 4.0 percent (Table B).

**Table B. Year-on-Year Inflation Rates in Davao del Norte:
All Items in Percent
January 2020 – August 2023**

Month	2020	2021	2022	2023
January	2.7	2.5	5.6	6.9
February	2.5	2.8	3.9	6.5
March	3.6	2.9	4.0	6.0
April	3.4	2.7	4.7	4.2
May	2.7	3.3	4.7	3.1
June	2.0	3.6	5.7	2.5
July	1.2	4.2	7.1	1.3
August	1.3	4.7	6.9	1.6
September	2.6	4.1	7.4	
October	3.2	4.3	7.2	
November	3.2	4.2	7.0	
December	2.3	4.3	6.6	
Average	2.6	3.6	5.9	4.0

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

2. Contribution to the Inflation

Table C showed that the August 2023 inflation of Davao del Norte is mostly contributed by the indices of food and non-alcoholic beverages (7.6%); health (6.6%); and personal care, and miscellaneous goods and services (4.6%).

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Table C. Major Contributor to the Inflation in Davao del Norte: All income Households in Percent (2018=100)

Commodity Group	August 2022	July 2023	August 2023	Contribution to Inflation
ALL ITEMS	6.9	1.3	1.6	100.0
Food and non-alcoholic beverages	4.6	5.1	7.6	187.2
Alcoholic beverages and tobacco	9.4	5.8	7.0	7.0
Clothing and footwear	1.7	2.5	3.3	5.1
Housing, water, electricity, gas and other fuels	13.0	(5.3)	(13.9)	(135.1)
Furnishings, household equipment and routine household maintenance	2.3	3.0	4.1	5.3
Health	5.7	7.5	6.6	8.3
Transport	14.4	(6.4)	0.2	1.1
Information and communication	0.1	1.5	1.4	1.6
Recreation, sport and culture	2.3	5.2	5.3	1.8
Education services	3.6	3.6	4.6	2.9
Restaurants and accommodation services	0.5	1.0	1.4	4.6
Financial services	0.0	0.0	0.0	0.0
Personal care, and miscellaneous goods and services	3.0	2.9	4.6	10.1

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

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3. Share to the Trend of Inflation

Table D. Share to the Downtrend of Inflation in Davao del Norte: All income Households in Percent (2018=100)

Commodity Group	August 2022	July 2023	August 2023	Share to Uptrend
ALL ITEMS	6.9	1.3	1.6	100.0
Food and non-alcoholic beverages	4.6	5.1	7.6	57.6
Alcoholic beverages and tobacco	9.4	5.8	7.0	1.1
Clothing and footwear	1.7	2.5	3.3	1.2
Housing, water, electricity, gas and other fuels	13.0	(5.3)	(13.9)	0.0
Furnishings, household equipment and routine household maintenance	2.3	3.0	4.1	1.3
Health	5.7	7.5	6.6	
Transport	14.4	(6.4)	0.2	33.5
Information and communication	0.1	1.5	1.4	0.0
Recreation, sport and culture	2.3	5.2	5.3	0.0
Education services	3.6	3.6	4.6	0.6
Restaurants and accommodation services	0.5	1.0	1.4	1.2
Financial services	0.0	0.0	0.0	0.0
Personal care, and miscellaneous goods and services	3.0	2.9	4.6	3.5

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

The acceleration of the inflation rate of Davao del Norte can be observed with its upward trend from 1.3 percent in July 2023 to 1.6 percent in August 2023. This increase is mainly contributed by the upward movement of the index for food and non-alcoholic beverages, from a rate of 5.1 percent in July 2023 to 7.6 percent in August 2023. This is followed by the indices of transport (from -6.4% to 0.2%), and personal care, and miscellaneous goods and services (from 2.9% to 4.6%). (Table D).

Despite the increase of inflation rate in the province, a downward trend in August 2023 compared to their corresponding rates in July 2023 were observed in Table D for the following commodities:

- Housing, water, electricity, gas and other fuels (from -5.3% to -13.9%);
- Health (from 7.5% to 6.6%); and
- Information and communication (from 1.5% to 1.4%)

It can also be observed that the commodity group for financial services shown an insignificant acceleration at a constant rate (0%) in comparison to their corresponding rates in the last month.

The index for food has also shown an upward trend from 5.1 percent in July 2023 to 7.9 percent in August 2023. The uptrend of the food inflation was mostly attributed by the higher annual increase in the price indices of rice; fish and other seafood; and vegetables, tubers, plantains, cooking bananas and pulses (Table E.)

**Table E. Share to the Uptrend of Food Inflation in Davao del Norte:
All income Households in Percent (2018=100)**

Commodity Group	August 2022	July 2023	August 2023	Share to Uptrend
FOOD	4.7	5.1	7.9	100.0
Rice	(3.8)	6.2	13.2	54.9
Corn	10.3	8.8	8.4	0
Flour, Bread and Other Bakery Products, Pasta Products, And Other Cereals	2.7	8.0	6.9	0
Meat and other parts of slaughtered land animals	15.5	0.1	(1.1)	0
Fish and other seafood	2.9	1.1	8.1	30.7

**Table E. Share to the Uptrend of Food Inflation in Davao del Norte:
All income Households in Percent (2018=100)**

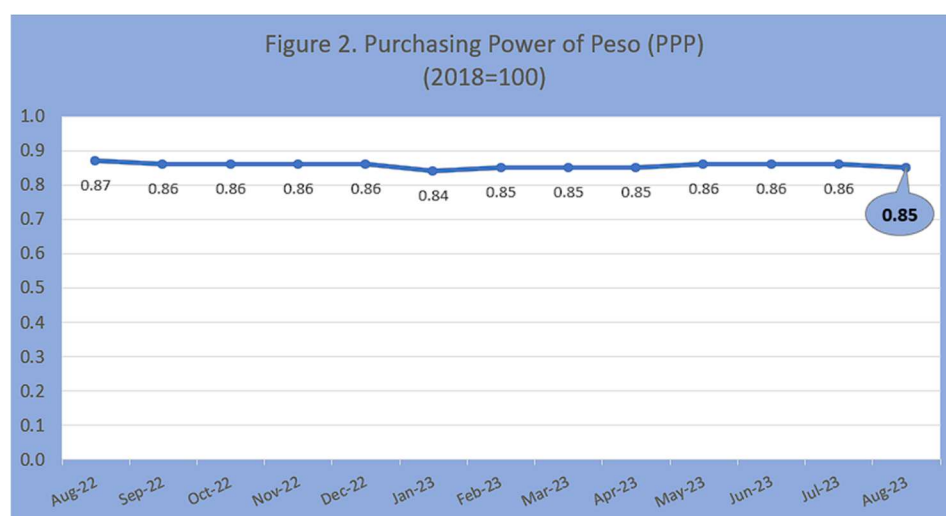
Commodity Group	August 2022	July 2023	August 2023	Share to Uptrend
Milk, other dairy products and eggs	5.7	3.1	2.0	0
Oils and fats	18.8	10.8	6.9	0
Fruits and nuts	(4.4)	13.0	18.7	4.9
Vegetables, tubers, plantains, cooking bananas and pulses	3.4	16.3	21.8	9.5
Sugar, confectionery and desserts	27.0	12.4	4.9	0
Ready-made food and other food products n.e.c.	7.3	3.8	3.2	0

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

4. Purchasing Power of Peso

The Purchasing Power of Peso (PPP) measures the current value of the peso in reference to its value in the base year. It has an inverse relationship with the Consumer Price Index (CPI) which means that if the CPI increases, the PPP decreases.

Figure 2 showed that the PPP for the province of Davao del Norte decreased and was recorded at 0.85 in August 2023. This suggests that Php100.00 in 2018 is currently valued at Php85.00.



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Technical Notes

Consumer Price Index (CPI). An indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by households relative to a base year.

Based Period. A reference date at which the index is equal to 100. The Base year is 2018.

Inflation Rate. The rate of change of the CPI expressed in percent. It is interpreted in terms of declining purchasing power of peso.

Purchasing Power of Peso. The measure of how much the peso in the base period is worth in the current period.

Note: Consumer Price Indices (CPI) and inflation rates by province and selected cities are posted at the PSA website (<https://openstat.psa.gov.ph/>).

Approved for Release:

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