

SPECIAL RELEASE

Summary Inflation Report Consumer Price Index (2018=100) February 2024

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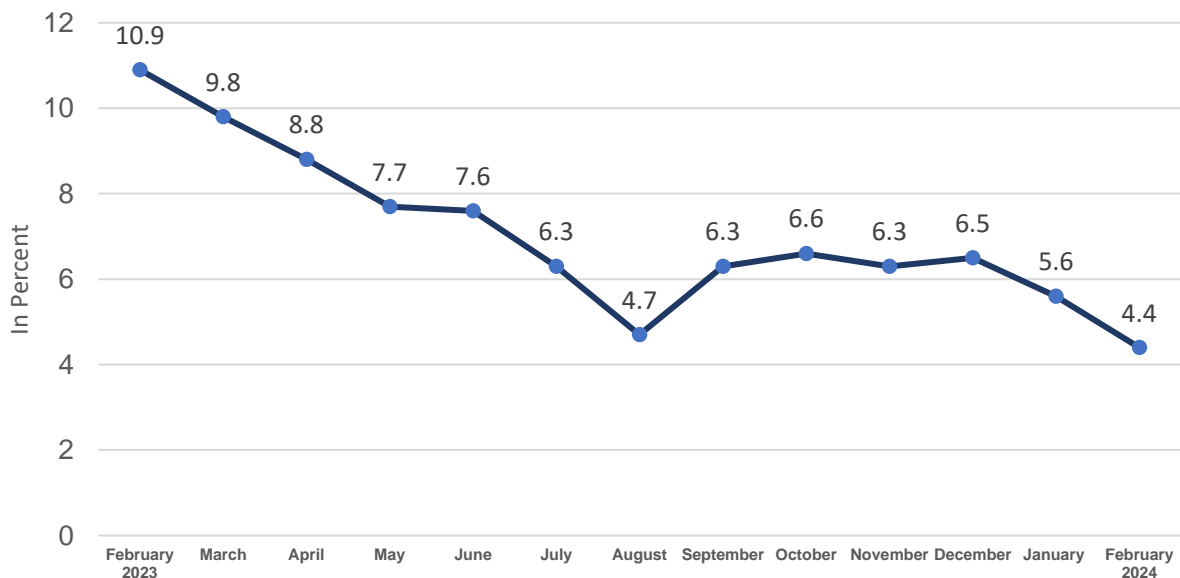
**Table A. Year-on-Year Inflation Rates, All Items
In Percent (2018=100)**

Area	February 2023	January 2024	February 2024	Year-to-date*
Philippines	8.6	2.8	3.4	3.1
Davao Region	9.9	4.4	4.8	4.6
Davao City	10.9	5.6	4.4	5.0

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

* Year-on-year change of average CPI for February 2024 vs. 2023

**Figure 1. Headline Inflation Rates in Davao City, All Items
(2018=100)**



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

CITY OF DAVAO

1. Headline Inflation

In February 2024, the City of Davao underwent a decrease in headline inflation to 4.4 percent, reflecting a 1.2 percent decline from the January 2024 rate of 5.6 percent. Notably, the current inflation rate was 6.5 percentage points lower than the figure reported in February 2023. Meanwhile, the city's average inflation rate stands at 5.0 percent (Table A and Figure 1).

1.1 Main Drivers contributing to the Decline Headline Inflation

Among the 13 commodity groups, the lower headline inflation in February 2024 was primarily brought about by the decrease in the index of (a) Housing, Water, Electricity, Gas and Other Fuels at -3.0 percent, from -0.5 percent in the previous month. Also contributing to the trend of the headline inflation in the city was (b) Food and Non-Alcoholic Beverages at 7.2 percent, from 8.6 percent in the previous month. The third commodity group with the largest contribution to the decreasing trend was (c) Restaurants and Accommodation Services at 9.9 percent, from 13.5 percent in the previous month.

Relative to their annual rates in the previous month, lower year-on-year inflation rates were also observed in the following commodity groups:

- a) Information and Communication, 0.4 percent;
- b) Alcoholic Beverages and Tobacco, 10.4 percent;
- c) Health, 4.6 percent; and
- d) Clothing And Footwear, 5.7 percent.

In contrast, four (4) of commodity groups had higher inflation rate in February 2024. Specifically, a) Transport increased by 3.5 percent, from 0.5 percent the previous month; b) Personal Care, and Miscellaneous Goods and Services at 5.8 percent, from 5.2 percent; c) Furnishings, Household Equipment and Routing Household Maintenance at 3.3 percent, from 3.1 percent; and d) Recreation, Sport and Culture at 3.6 percent, from 3.5 percent in the previous month. The rest of the commodities, on the other hand, remained unchanged.

**Table A. Year-on-Year Inflation Rates in Davao City, All Items in Percent
January 2021 – February 2024
(2018=100)**

Month	Year			
	2021	2022	2023	2024
January	1.1	5.0	9.6	5.6
February	1.9	4.6	10.9	4.4
March	2.9	5.1	9.8	-
April	3.6	5.1	8.8	-
May	3.7	6.7	7.7	-
June	3.7	7.0	7.6	-
July	4.2	8.4	6.3	-
August	4.2	9.6	4.7	-
September	3.6	9.9	6.3	-
October	2.8	10.4	6.6	-
November	4.3	10.0	6.3	-
December	4.2	9.7	6.5	-
Average	3.3	7.6	7.6	5.0

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

2. Food Inflation

Meanwhile, food inflation decreased to 7.2 percent in February 2024 from 8.6 percent in the previous month. The decrease was mainly due to a) Fish and Other Seafood at -4.0 percent, from 0.0 percent in the previous month. This was followed by b) Meat and Other Parts of Slaughtered Land Animals at 1.1 percent, from 4.3 percent in the previous month; and c) Milk, other Dairy Products and Eggs at 0.7 percent, from 6.2 percent in the previous month.

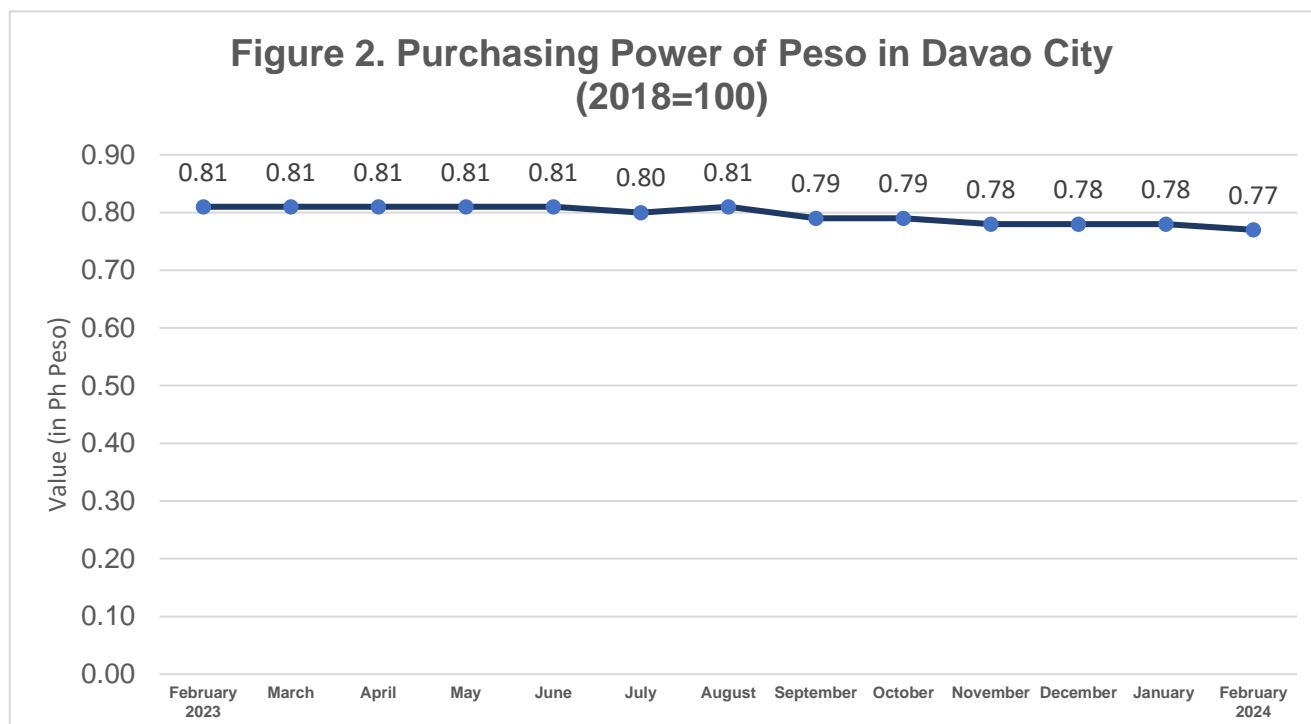
Relative to their annual rates in the previous month, lower year-on-year inflation rates were also observed in the following commodity groups:

- a) Fruits and nuts, 21.5 percent;
- b) Oils and Fats, 4.8 percent; and
- c) Sugar, Confectionery and Desserts, 0.3 percent.

The rest of the commodities, on the other hand, have increasing rate.

3. Purchasing Power of Peso

The Purchasing Power of Peso (PPP) in Davao City for February 2024 decreased at 0.77 percent, compared from 0.78 in the previous month, as illustrated in Figure 2. Furthermore, to purchase the same set of goods and services valued at Php 100 in 2018, one would require Php 129.1 in February 2024.



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

Technical Notes:

Consumer Price Index (CPI) - The CPI is 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.

Inflation Rate (IR) - The inflation rate is 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.

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).

Purchasing Power of the Peso (PPP) - The purchasing power of the peso shows how much the peso in the base period is worth in the current period. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.

Approved for Release:



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