

SPECIAL RELEASE

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

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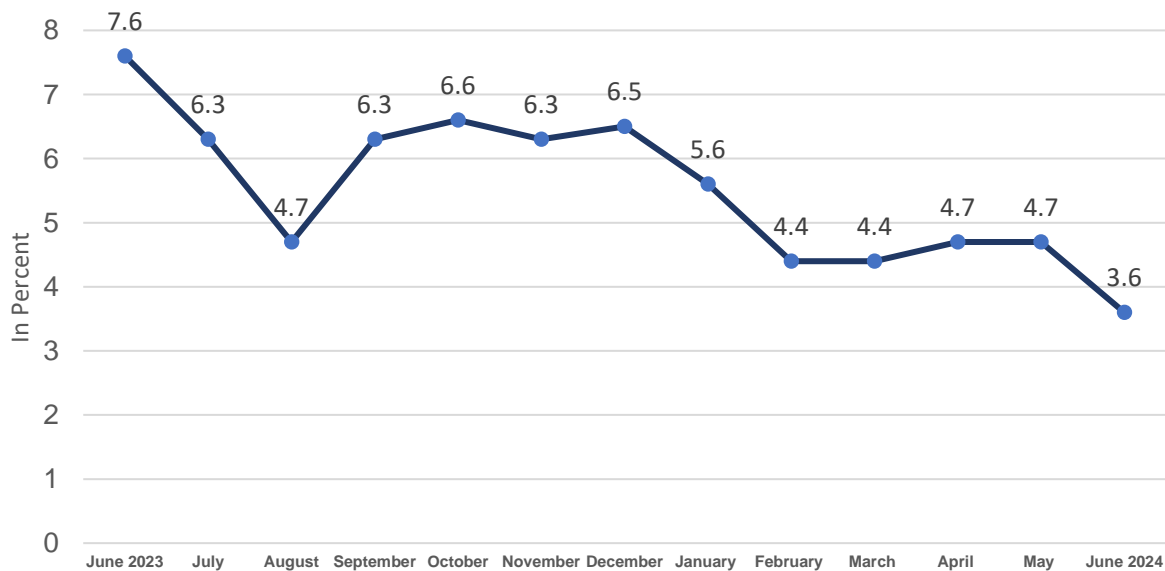
**Table A. Year-on-Year Inflation Rates, All Items
In Percent (2018=100)**

Area	June 2023	May 2024	June 2024	Year-to-date*
Philippines	5.4	3.9	3.7	3.5
Davao Region	5.7	5.3	4.3	4.8
Davao City	7.6	4.7	3.6	4.6

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

* Year-on-year change of average CPI for June 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 June 2024, the headline inflation rate in the City of Davao underwent a decrease of 3.6 percent, reflecting a 1.1 percentage points decline from the May 2024 rate of 4.7 percent. Notably, the current inflation rate was 4.0 percentage points lower than the figure reported in June 2023. Meanwhile, the city's average inflation rate stands at 4.6 percent (Table A and Figure 1).

1.1 Main Drivers contributing to the Decline Headline Inflation

Among the commodity groups, the lower headline inflation in June 2024 was primarily brought about by the decrease in the index of (a) Housing, Water, Electricity, Gas, and Other Fuels at negative 4.6 percent, from negative 1.4 percent in the previous month. Also contributing to the trend of headline inflation in the city was (b) Food and Non-Alcoholic Beverages at 7.3 percent, from 7.9 percent in the previous month. The third commodity group with the largest contribution to the decreasing trend was (c) Transport at 3.9 percent, from 5.0 percent in the previous month.

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

- a) Restaurants and Accommodation Services at 7.3 percent;
- b) Health at 3.8 percent;
- c) Information and Communication at negative 0.4 percent; and
- d) Recreation, Sport, and Culture at 2.4 percent.

In contrast, several commodity groups experienced higher inflation rates in June 2024. Specifically, (a) Alcoholic Beverages and Tobacco at 3.9 percent, from 3.7 percent; (b) Clothing and Footwear at 4.9 percent, from 4.7 percent; (c) Furnishings, Household Equipment and Routine Household Maintenance at 3.7 percent, from negative 3.3 percent in the previous month; and (d) Personal Care, and Miscellaneous Goods and Services at 5.9 percent, from 5.3 percent in the previous month. The inflation rates for the rest of the commodities remained unchanged.

**Table A. Year-on-Year Inflation Rates in Davao City, All Items in Percent
 January 2021 – June 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	4.4
April	3.6	5.1	8.8	4.7
May	3.7	6.7	7.7	4.7
June	3.7	7.0	7.6	3.6
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	4.6

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

2. Food Inflation

Meanwhile, food inflation decreased to 7.6 percent in June 2024 from 8.0 percent in the previous month. The decrease was mainly due to a) Fish and Other Seafood at negative 5.3 percent, from 0.4 percent in the previous month. This was followed by b) Milk, Other Dairy Products and Eggs at negative 1.1 percent, from 0.0 percent in the previous month; and c) Cereals and Cereal Products at 22.0 percent, from 22.2 percent in the previous month.

Lower year-on-year inflation rates were also observed in the following category:

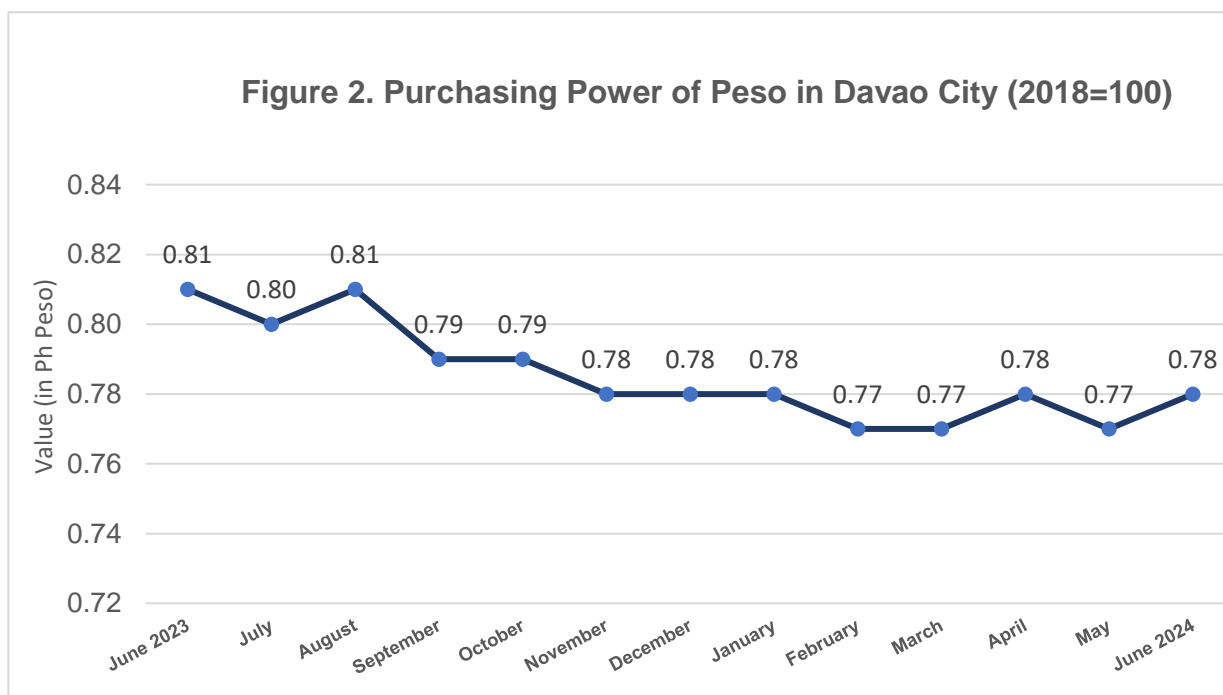
- a) Oils and fats at 1.8 percent; and
- b) Sugar, confectionery, and desserts at negative 1.2 percent.

In contrast, the remaining food commodities experienced increasing rates of inflation.

- a) Meat and other parts of slaughtered land animals at 1.2 percent;
- b) Fruits and nuts at 20.4 percent;
- c) Vegetables, tubers, plantains, cooking bananas and pulses at 14.9 percent; and
- d) Ready-made food and other food products at 9.5 percent.

3. Purchasing Power of Peso

The Purchasing Power of Peso (PPP) in Davao City for June 2024 increased by 0.78 percent, compared to 0.77 in the previous month, as illustrated in Figure 2. This translates that to purchase the same set of goods and services that cost Php 100 in 2018, one would require Php 128.70 in June 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.

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