

SPECIAL RELEASE

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

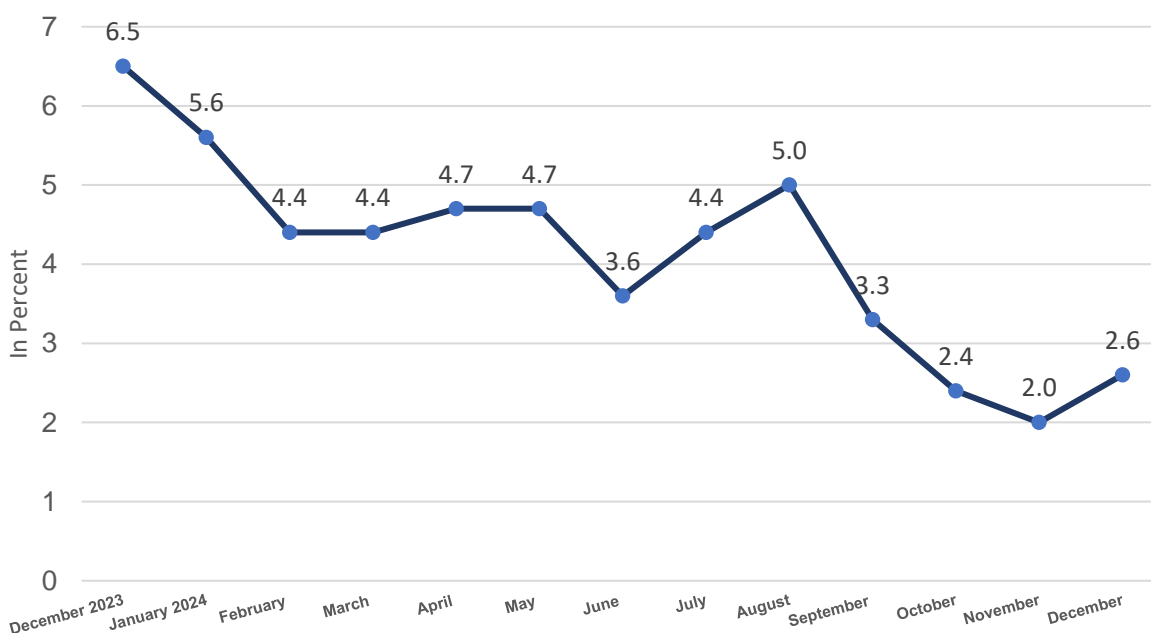
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**Table A. Year-on-Year Inflation Rates, All Items
In Percent (2018=100)**

Area	December 2023	November 2024	December 2024	Year-to-date*
Philippines	3.9	2.5	2.9	3.2
Davao Region	5.3	2.2	2.2	4.0
Davao City	6.5	2.0	2.6	3.9

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index Philippine Statistics Authority
* Year-on-year change of average CPI for December 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 December 2024, the headline inflation rate in Davao City underwent an increase at 2.6 percent, reflecting a 0.6 percentage points increase from the November 2024 rate of 2.0 percent. Notably, the current inflation rate was 3.9 percentage points lower than the figure reported in December 2023 at 6.5 percent. Meanwhile, the city's average inflation rate stood at 3.9 percent (Table A and Figure 1).

1.1 Main Drivers contributing to the Increasing Headline Inflation

Among the commodity groups, the higher headline inflation in December 2024 was primarily brought about by the increase in the index of a) Food and Non-Alcoholic Beverages at 3.2 percent, from 2.7 percent in the previous month, ranking as the top contributor to inflation. Also contributing to the trend of the headline inflation in the city was b) Housing, Water, Electricity, Gas, and Other Fuels at 1.7 percent, from 0.5 percent in November. The third major contributor was c) Personal Care, and Miscellaneous Goods and Services at 3.8 percent, from 3.6 percent.

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

- a) Alcoholic Beverages and Tobacco at 5.3 percent, from 4.2 percent;
- b) Furnishings, Household Equipment, and Routine Household Maintenance at 3.7 percent, from 3.3 percent;
- c) Transport at 0.4 percent, from negative 1.7 percent;
- d) Recreation, Sport, and Culture at 4.0 percent, from 3.6 percent; and
- e) Information and Communication at negative 0.2 percent, from negative 0.4 percent.

In contrast, several commodity groups experienced lower inflation rates in December 2024. Specifically, (a) Restaurants and Accommodation Services at 1.7 percent, from 2.6 percent; (b) Clothing and Footwear at 3.6 percent, from 4.2 percent; and (c) Health at 2.4 percent, from 2.7 percent in the previous month. On the other hand, 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 – December 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	4.4
August	4.2	9.6	4.7	5.0
September	3.6	9.9	6.3	3.3
October	2.8	10.4	6.6	2.4
November	4.3	10.0	6.3	2.0
December	4.2	9.7	6.5	2.6
Average	3.3	7.6	7.6	3.9

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

2. Food Inflation

Meanwhile, the city's food inflation increased to 3.1 percent in December 2024 from 2.7 percent in the previous month. The increase was mainly due to a) Fish and other seafood at 7.3 percent, from 4.2 percent in the previous month. This was followed by b) Meat and other parts of slaughtered land animals at 2.9 percent, from 1.5 percent in the previous month; and c) Vegetables, tubers, plantains, cooking bananas and pulses at 5.3 percent, from 2.8 percent in the previous month.

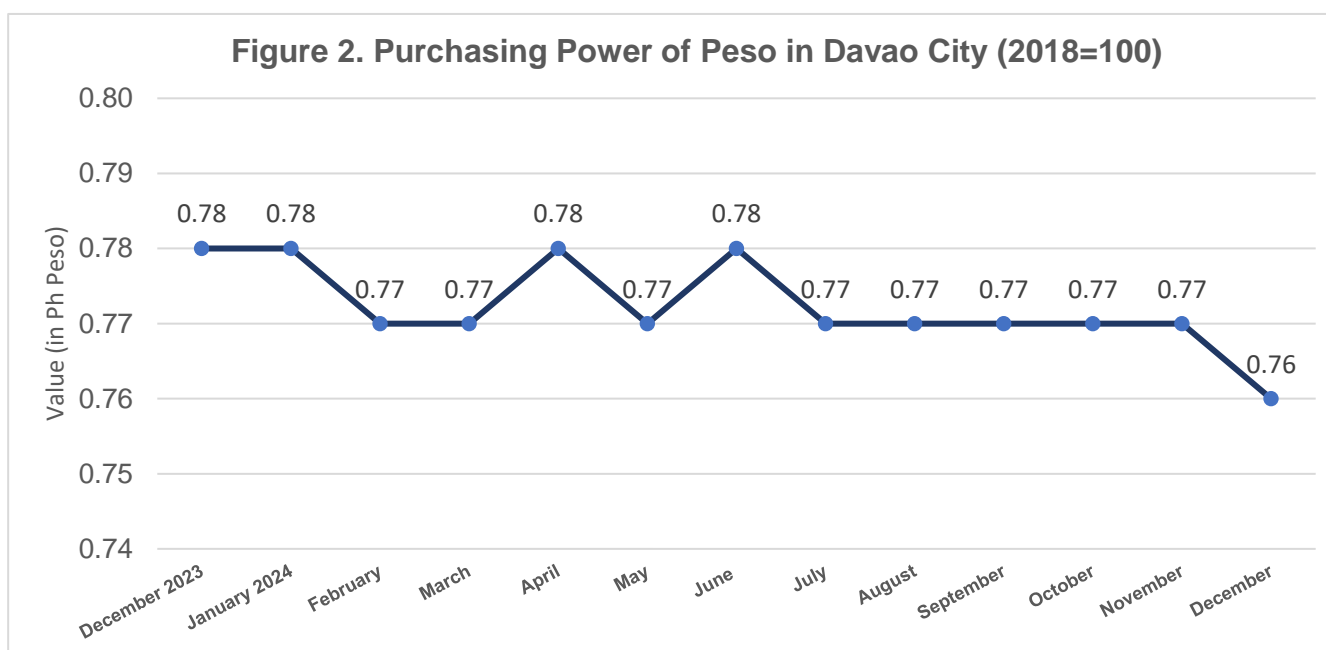
In contrast, decreasing rates in food inflation were observed in the following food commodities:

- a) Cereals and cereal products at 1.7 percent from 3.2 percent;
- b) Ready-made food and other food products at 10.4 percent from 10.5 percent;
- c) Fruits and nuts at 3.0 percent from 4.4 percent;
- d) Milk, other dairy products and eggs at 0.1 percent from 0.7 percent;

- e) Sugar, confectionery and desserts at negative 2.0 percent from negative 0.7 percent; and
- f) Oils and fats at negative 6.4 percent from negative 5.2 percent.

3. Purchasing Power of Peso

The Purchasing Power of Peso (PPP) in Davao City for December 2024 declined at 0.76 percent, compared from 0.77 in the previous month, as illustrated in Figure 2. Furthermore, to purchase the same set of goods and services that cost Php100.00 in 2018, one would require Php130.9 in December 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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