



SPECIAL RELEASE

Davao Region Summary Inflation Report Consumer Price Index for the Bottom 30% Income Households (2018=100)

May 2024

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Table 1. Year-on-Year Provincial and Highly Urbanized City Inflation Rates for the Bottom 30% Income Households, All Items: Region XI
In Percent
(2018=100)

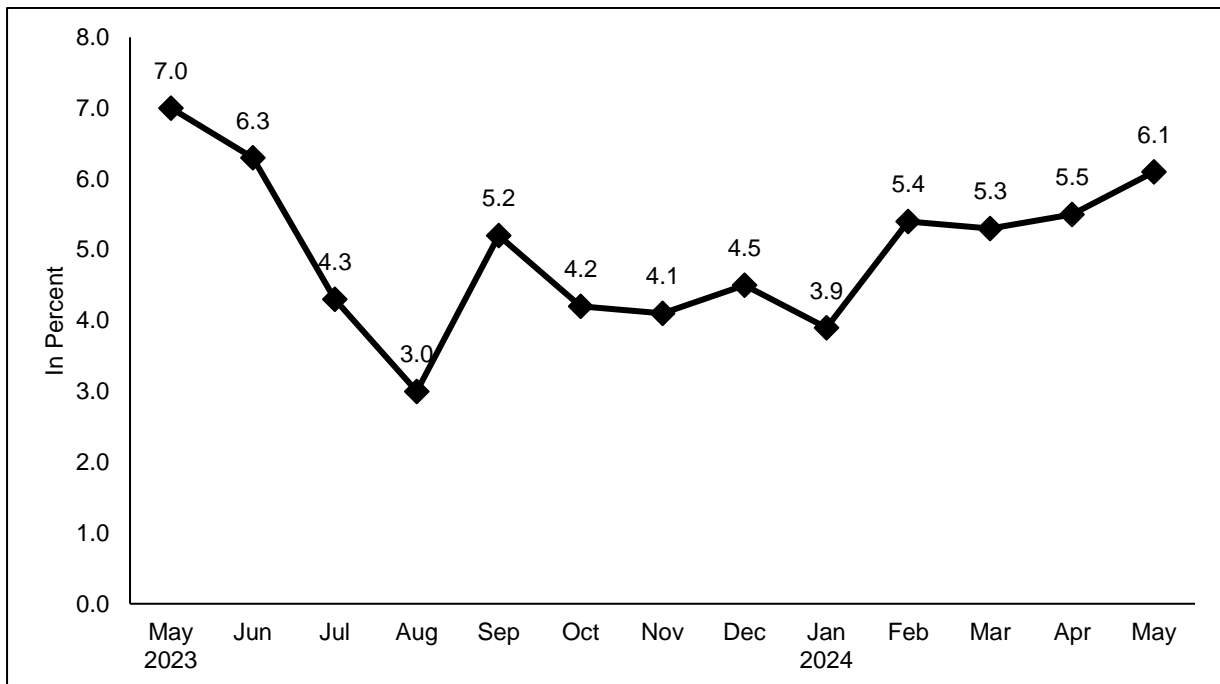
Area	May 2023	April 2024	May 2024	Year-to-date*
Philippines	6.7	5.2	5.3	4.6
Davao Region	7.0	5.5	6.1	5.3
Davao del Norte	3.8	3.6	5.3	2.5
Davao del Sur	7.8	7.7	6.8	6.7
Davao Oriental	8.8	4.8	7.1	6.5
Davao de Oro	6.1	3.5	4.1	3.5
Davao Occidental	6.2	7.8	8.2	7.4
Davao City	9.9	5.9	6.2	6.1

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

*Year-on-year change of CPI for January to May 2024 vs. 2023



Figure 1. Inflation Rates for the Bottom 30% Income Households in Region XI, All Items (2018=100)



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

1. Regional Headline Inflation

The Davao Region's inflation rate for the bottom 30% income households increased to 6.1 percent in May 2024 from 5.5 percent in April 2024. In May 2023, the region's inflation was higher at 7.0 percent. (Table 1 and Figure 1).

The uptrend in the region's overall inflation for the bottom 30% income households in May 2024 was primarily due to the faster annual growth in the index of Housing, Water, Electricity, Gas, and other Fuels at -7.8 percent from -10.2 percent in the previous month. Additionally, the faster annual increments of Food and Non-Alcoholic Beverages at 11.1 percent from 10.6 percent, and Transport at 4.4 percent from 4.3 percent. (Table 2)

On the other hand, lower annual increments were noted in the indices of the following commodity groups during the month:

- a. Alcoholic Beverages and Tobacco at 5.1 percent from 5.9 percent;
- b. Clothing and Footwear at 4.6 percent from 4.8 percent;
- c. Furnishings, Household Equipment, and Routine Household Maintenance at 3.3 percent from 3.7 percent;

- d. Health at 2.4 percent from 2.5 percent; and
- e. Recreation, Sport, and Culture at 8.7 percent from 9.1 percent;

Meanwhile, the following commodity groups retained their previous month's inflation rates:

- a. Information and Communication at -0.2 percent;
- b. Education Services at 3.9 percent;
- c. Restaurants and Accommodation Services at 6.2 percent;
- d. Financial Services at -0.1 percent; and
- e. Personal Care, and Miscellaneous Goods and Services at 3.6 percent.

Table 2. Inflation Rates for the Bottom 30% Income Households by Commodity Group (2018=100), Region XI: May 2023, April 2024, and May 2024

Commodity Group	May 2023 Inflation Rate	April 2024 Inflation Rate	May CPI		May 2024 Inflation Rate
			2023	2024	
All Items	7.0	5.5	122.3	129.8	6.1
Food and Non-Alcoholic Beverages	6.8	10.6	117.8	130.8	11.0
Alcoholic Beverages and Tobacco	17.4	5.9	177.6	186.6	5.1
Clothing and Footwear	5.2	4.8	116.3	121.6	4.6
Housing, Water, Electricity, Gas, and Other Fuels	8.9	-10.2	132.7	122.4	-7.8
Furnishings, Household Equipment, and Routine Household Maintenance	7.5	3.7	119.1	123.0	3.3
Health	7.8	2.5	130.9	134.1	2.4
Transport	0.3	4.3	126.3	131.9	4.4
Information and Communication	0.5	-0.2	102.7	102.5	-0.2
Recreation, Sport and Culture	11.4	9.1	132.6	144.2	8.7
Education Services	2.3	3.9	112.2	116.6	3.9
Restaurants and Accommodation Services	8.1	6.2	119.7	127.1	6.2
Financial Services	0.0	-0.1	147.1	147.0	-0.1
Personal Care, and Miscellaneous Goods and Services	5.8	3.6	118.7	123.0	3.6

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

2. Davao Region Food Inflation

The Food inflation for the bottom 30% income households at the regional level increased to 11.4 percent in May 2024 from 10.9 percent in the previous month. In May 2023, the Food inflation was lower at 6.7 percent. (Table 3)

The main contributors to the overall inflation of food in the region in May 2024 were Fish and Other Seafood at 7.6 percent from 5.7 percent;

Vegetables, Tubers, Plantains, Cooking Bananas and Pulses at 11.7 percent from 8.9 percent; and Oils and Fats at -4.5 percent from -10.7 percent.

Moreover, the commodity groups recorded a higher year-on-year growth namely Sugar, Confectionery, and Desserts at -4.6 percent from -5.5 percent, and Ready-Made Food and Other Food Products N.E.C. at 9.2 percent from 8.5 percent.

On the other hand, the following commodity groups displayed a slower price movement:

- a. Cereals and Cereal Products at 21.0 percent from 21.1 percent;
- b. Meat and Other Parts of Slaughtered Land Animals at -1.5 percent from -1.3 percent;
- c. Milk, Other Dairy Products and Eggs at 1.6 percent from 4.4 percent; and
- d. Fruits and Nuts at 21.7 percent from 24.9 percent.

Table 3. CPI and Inflation Rates of Selected Food Items for the Bottom 30% Income Households (2018=100), Region XI: May 2023, April 2024, and May 2024

Commodity Group	May 2023 Inflation Rate	April 2024 Inflation Rate	May CPI		May 2024 Inflation Rate
			2023	2024	
Food	6.7	10.9	117.5	130.9	11.4
Cereals and Cereal Products	8.9	21.1	101.9	123.3	21.0
Cereals	8.4	24.0	98.3	122.0	24.1
Rice	4.0	31.4	91.3	118.3	29.5
Corn	23.3	2.7	126.0	136.6	8.4
Flour, Bread, and Other Bakery Products, Pasta Products, and Other Cereals	11.3	4.9	127.5	132.8	4.2
Meat and Other Parts of Slaughtered Land Animals	7.7	-1.3	142.7	140.6	-1.5
Fish and Other Seafood	-3.2	5.7	124.7	134.2	7.6
Milk, Other Dairy Products, and Eggs	11.0	4.4	130.3	132.4	1.6
Oils and Fats	-3.7	-10.7	134.5	128.5	-4.5
Fruits and Nuts	6.4	24.9	122.8	149.5	21.7
Vegetables, Tubers, Plantains, Cooking Bananas and Pulses	5.9	8.9	123.0	137.4	11.7
Sugar, Confectionery and Desserts	42.8	-5.5	162.4	155.0	-4.6
Ready-Made Food and Other Food Products N.E.C.	7.8	8.5	129.5	141.4	9.2

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

3. Regional Inflation Rates

At the national level, the country's inflation for the bottom 30% income households retained its previous month's inflation at 5.3 percent. (Table 4)

Among the 17 administrative regions, Region IX (Zamboanga Peninsula) had the highest inflation at 6.3 percent followed by MIMAROPA and Region X (Northern Mindanao) both at 6.2 percent. On the other hand, Region I (Ilocos Region) had the lowest inflation at 3.9 percent. (Table 4 and Figure 2)

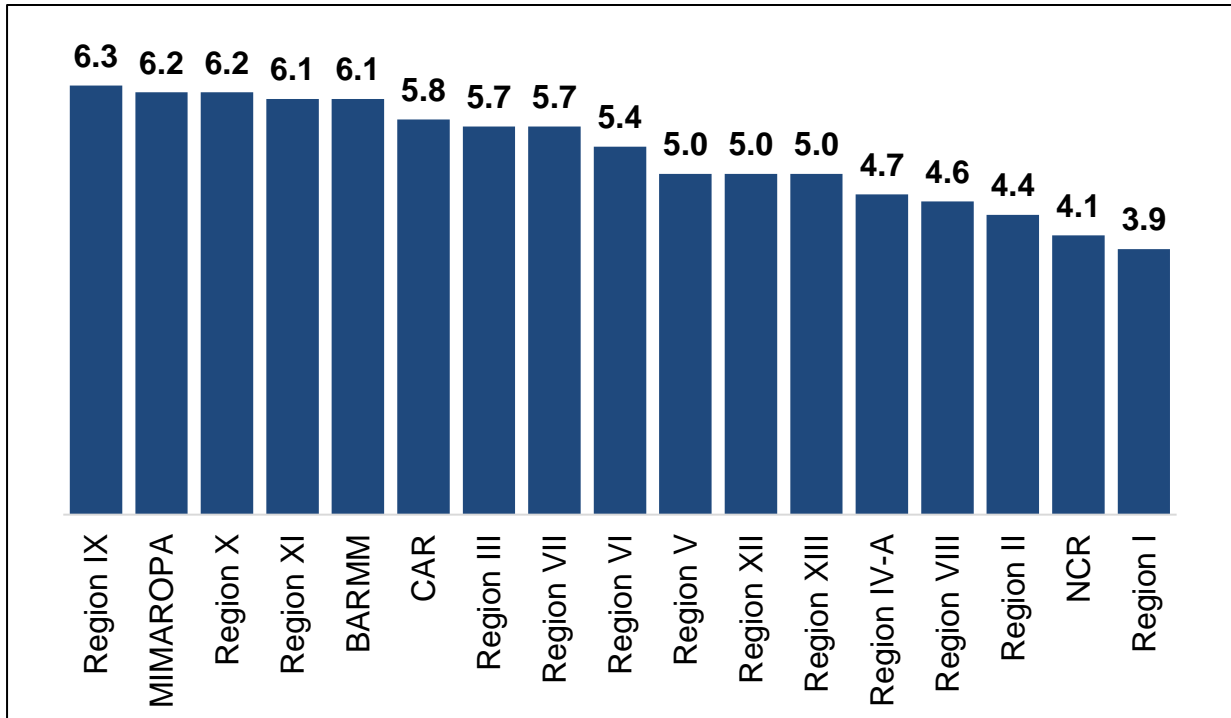
Table 4. Year-on-Year Regional Inflation Rates for the Bottom 30% Income Households for All Items (2018=100): April 2024 and May 2024

Area/Region	April 2024	May 2024	Area/Region	April 2024	May 2024
Philippines	5.3^r	5.3	VI - Western Visayas	5.2	5.4
National Capital Region (NCR)	3.8	4.1	VII - Central Visayas	3.9	5.7
Cordillera Administrative Region (CAR)	5.8	5.8	VIII - Eastern Visayas	4.8 ^r	4.6
I - Ilocos Region	4.1	3.9	IX - Zamboanga Peninsula	6.9	6.3
II - Cagayan Valley	4.4	4.4	X - Northern Mindanao	5.7	6.2
III - Central Luzon	6.3	5.7	XI - Davao Region	5.5	6.1
IV - CALABARZON	4.9	4.7	XII - SOCCSKSARGEN	5.8	5.0
MIMAROPA Region	5.7	6.2	Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)	6.0	6.1
V - Bicol Region	5.3	5.0	XIII - Caraga	5.3	5.0

Note: r - revised

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

Figure 2. Year-on-Year Regional Inflation Rates for the Bottom 30% Income Households for All Items (2018=100): Philippines, May 2024



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

Note: CPIs and inflation rates by province and selected city are posted on the PSA website (<http://openstat.psa.gov.ph/>).

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TECHNICAL NOTES

Consumer Price Index (CPI)

The CPI is an indicator of the change in the average prices of goods and services commonly purchased by consumers.

Uses of CPI

The CPI is most widely used in the calculation of the inflation rate and purchasing power of peso. It is a major statistical series used for economic analysis and as a monitoring indicator of government economic policy.

Computation of CPI

The computation of the CPI involves consideration of the following important points:

a. Base Period

Base year is a reference period, usually a year, at which the index number is set to 100. It is the reference point of the index number series. The CPI is rebased from the base year 2012 to the base year 2018.

b. Market Basket

Market basket refers to a sample of goods and services commonly purchased by households.

c. Weighting System

The weighting pattern uses the expenditures on various consumer items purchased by households as a proportion of total expenditure.

d. Formula

The 2018-based CPI series uses the same method of computation as the 2012-based CPI series, which is Chained Laspeyres formula.

e. Geographic Coverage

CPI values are computed at the national, regional, and provincial levels, and Highly Urbanized Cities.

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

Headline Inflation refers to the rate of change in the CPI, a measure of the average standard “basket” of goods and services consumed by a typical family.

Purchasing Power of 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.

How does the PSA compile the CPI for the bottom 30% income households?

The CPI for the bottom 30% income households is compiled by the PSA to measure the changes of prices of commodities commonly purchased by the families that belong to the bottom 30% income decile. The process of price collection and CPI computation is the same as that of the CPI for all income households. However, there is a separate market basket and weights for the CPI for the bottom 30% income households.