SPECIAL RELEASE

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

July 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
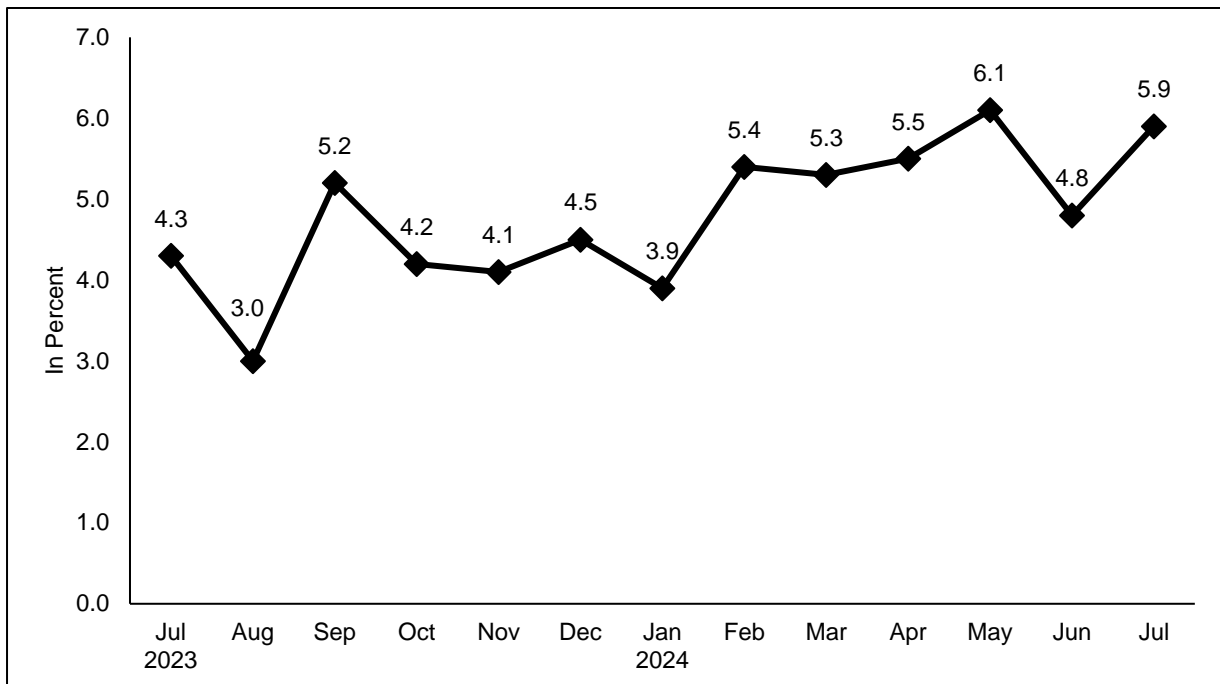In Percent
(2018=100)

Area	July 2023	June 2024	July 2024	Year-to-date*
Philippines	**5.2**	**5.5**	**5.8**	**4.9**
Davao Region	4.3	4.8	5.9	5.3
Davao del Norte	0.6	2.8	5.5	3.0
Davao del Sur	5.7	6.2	5.7	6.5
Davao Oriental	5.2	5.5	5.0	6.2
Davao de Oro	2.5	2.5	6.2	3.7
Davao Occidental	2.0	8.9	7.6	7.6
Davao City	9.0	4.3	5.3	5.7

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 July 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 upticked to 5.9 percent in July 2024 from 4.8 percent in June 2024. In July 2023, the region's inflation was lower at 4.3 percent. (Table 1 and Figure 1).

The uptrend in the region's overall inflation for the bottom 30% income households in July 2024 was primarily due to the faster annual growth in the index of Housing, Water, Electricity, Gas, and other Fuels at -5.0 percent from -10.5 percent in the previous month. Additionally, the faster price movement in the commodity groups of Transport at 3.8 percent from 3.1 percent, and Restaurants and Accommodation Services at 6.6 percent from 6.0 percent contributed to the inflation's overall upward trend.

Moreover, higher annual increments were noted in the indices of Health at 2.7 percent from 2.4 percent; Recreation, Sport, and Culture at 9.6 percent from 8.4 percent; and Education Services at 6.2 percent from 3.9 percent compared to June 2024.

On the other hand, the following commodity groups posted slower price movements in July 2024 than in June 2024:

a. Clothing and Footwear at 5.0 percent from 5.1 percent;
b. Furnishings, Household Equipment, and Routine Household Maintenance at 3.5 percent from 3.7 percent; and
c. Personal Care, and Miscellaneous Goods and Services at 3.7 percent from 3.9 percent.

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

a. Food and Non-Alcoholic Beverages at 9.6 percent;
b. Alcoholic Beverages and Tobacco at 4.8 percent;
c. Information and Communication at -0.2 percent; and
d. Financial Services at -0.1 percent.

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

Commodity Group	July 2023 Inflation Rate	June 2024 Inflation Rate	July CPI		July 2024 Inflation Rate
			2023	2024	
All Items	**4.3**	**4.8**	**122.6**	**129.8**	**5.9**
Food and Non-Alcoholic Beverages	5.6	9.6	119.1	130.5	9.6
Alcoholic Beverages and Tobacco	14.0	4.8	178.7	187.2	4.8
Clothing and Footwear	4.7	5.1	116.9	122.7	5.0
Housing, Water, Electricity, Gas, and Other Fuels	0.7	-10.5	128.8	122.3	-5.0
Furnishings, Household Equipment, and Routine Household Maintenance	6.9	3.7	119.9	124.1	3.5
Health	6.3	2.4	131.4	134.9	2.7
Transport	-6.0	3.1	126.4	131.2	3.8
Information and Communication	0.5	-0.2	102.7	102.5	-0.2
Recreation, Sport and Culture	9.9	8.4	133.6	146.4	9.6
Education Services	2.3	3.9	112.2	119.2	6.2
Restaurants and Accommodation Services	6.6	6.0	120.3	128.2	6.6
Financial Services	0.0	-0.1	147.1	147.0	-0.1
Personal Care, and Miscellaneous Goods and Services	4.8	3.9	119.2	123.6	3.7

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 accelerated to 10.0 percent in July 2024 from 9.8 percent in the previous month. In July 2023, the Food inflation was lower at 5.4 percent. (Table 3)

The main contributors to the overall inflation of food in the region in July 2024 were Fish and Other Seafood at 2.8 percent from 0.7 percent, Meat and Other Parts of Slaughtered Land Animals at 1.0 percent from -0.8 percent, and Vegetables, Tubers, Plantains, Cooking Bananas and Pulses at 13.1 percent from 10.5 percent.

Moreover, the following commodity groups recorded a higher year-on-year growth, namely:

a. Milk, Other Dairy Products and Eggs at 0.9 percent from -0.2 percent;
b. Oils and Fats at -1.6 percent from -2.3 percent; and
c. Ready-Made Food and Other Food Products N.E.C. at 10.7 percent from 10.4 percent

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

a. Cereals and Cereal Products at 18.7 percent from 20.4 percent;
b. Fruits and Nuts at 15.1 percent from 21.4 percent; and
c. Sugar, Confectionery, and Desserts at -10.0 percent from -6.0 percent.

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

Commodity Group	July 2023 Inflation Rate	June 2024 Inflation Rate	July CPI		July 2024 Inflation Rate
			2023	2024	
Food	**5.4**	**9.8**	**118.6**	**130.5**	**10.0**
Cereals and Cereal Products	8.4	20.4	104.9	124.5	18.7
Cereals	8.1	23.5	101.4	123.3	21.5
Rice	6.3	28.4	94.4	118.4	25.4
Corn	13.6	9.5	129.1	142.6	10.5
Flour, Bread, and Other Bakery Products, Pasta Products, and Other Cereals	10.1	3.5	129.3	133.2	3.0
Meat and Other Parts of Slaughtered Land Animals	2.3	-0.8	139.8	141.2	1.0
Fish and Other Seafood	-1.4	0.7	124.9	128.4	2.8
Milk, Other Dairy Products, and Eggs	9.4	-0.2	129.4	130.5	0.9
Oils and Fats	-13.6	-2.3	131.9	129.8	-1.6
Fruits and Nuts	12.9	21.4	124.5	143.3	15.1
Vegetables, Tubers, Plantains, Cooking Bananas and Pulses	6.3	10.5	124.0	140.2	13.1
Sugar, Confectionery and Desserts	21.1	-6.0	164.2	147.7	-10.0
Ready-Made Food and Other Food Products N.E.C.	6.4	10.4	130.7	144.7	10.7

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 accelerated to 5.8 percent from 5.5 percent in the previous month. (Table 4)
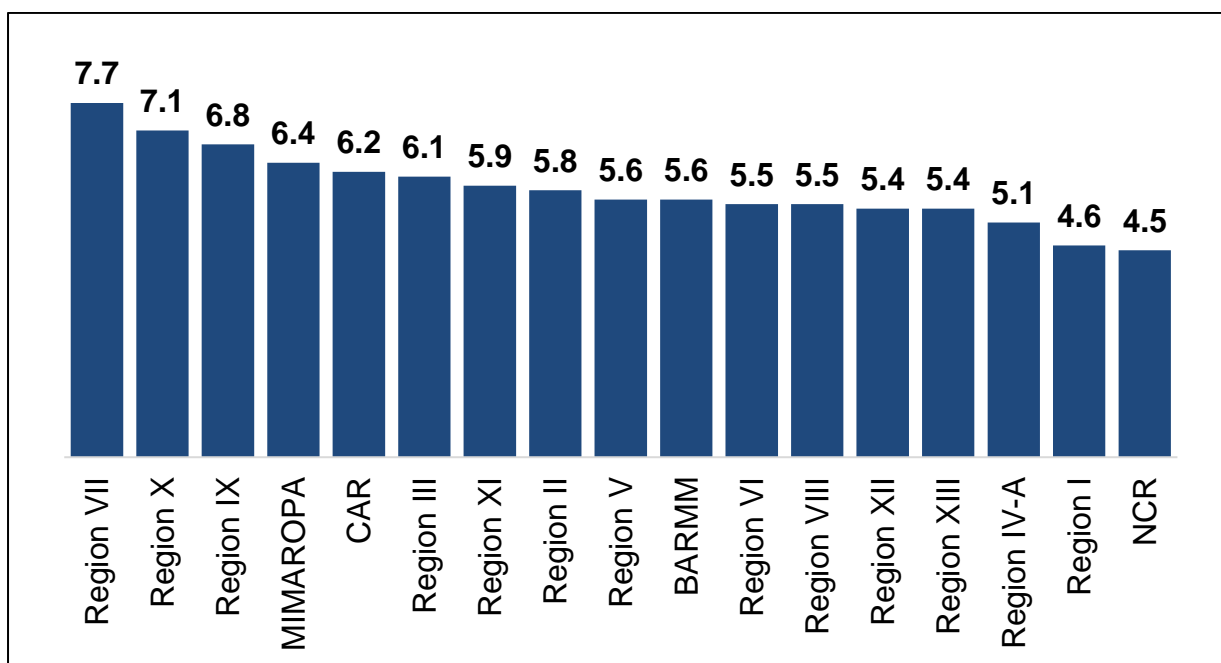
Among the 17 administrative regions, Region VII (Central Visayas) had the highest inflation at 7.7 percent followed by Region X (Northern Mindanao) at 7.1 percent and Region IX (Zamboanga Peninsula) at 6.8 percent. On the other hand, NCR (National Capital Region) had the lowest inflation at 4.5 percent. (Table 4 and Figure 2)

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

Area/Region	June 2024	July 2024	Area/Region	June 2024	July 2024
Philippines	**5.5**	**5.8**	VI - Western Visayas	5.9	5.5
National Capital Region (NCR)	3.5	4.5	VII - Central Visayas	7.0	7.7
Cordillera Administrative Region (CAR)	5.9	6.2	VIII - Eastern Visayas	5.2	5.5
I - Ilocos Region	4.3	4.6	IX - Zamboanga Peninsula	6.8	6.8
II - Cagayan Valley	5.2	5.8	X - Northern Mindanao	6.6	7.1
III - Central Luzon	5.6	6.1	**XI - Davao Region**	**4.8**	**5.9**
IV - CALABARZON	4.8	5.1	XII - SOCCSKSARGEN	4.6	5.4
MIMAROPA Region	5.7	6.4	Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)	5.5	5.6
V - Bicol Region	6.2	5.6	XIII - Caraga	5.0	5.4

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, July 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.