



SPECIAL RELEASE

Davao Region Summary Inflation Report Consumer Price Index (2018=100) December 2023

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Table 1. Year-on-Year Provincial and Highly Urbanized City Inflation Rates, All Items: Region XI
In Percent
(2018=100)

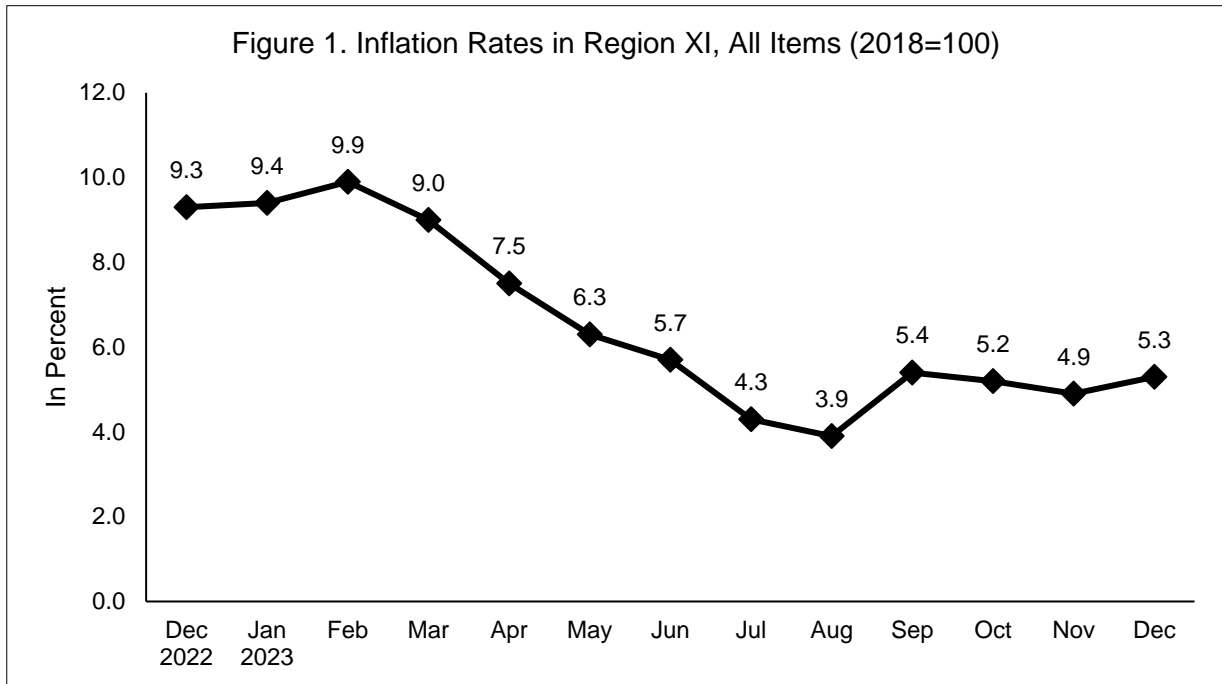
Area	December 2022	November 2023	December 2023	Year-to-date*
Philippines	8.1	4.1	3.9	6.0
Davao Region	9.3	4.9	5.3	6.3
Davao del Norte	6.6	3.2	2.9	3.7
Davao del Sur	9.8	1.6	4.2	4.9
Davao Oriental	9.2	6.7	6.0	8.0
Davao de Oro	12.8	5.1	4.7	6.8
Davao Occidental	9.2	4.5	5.1	5.5
Davao City	9.7	6.3	6.5	7.6

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 December 2023 vs. 2022



Figure 1. Inflation Rates 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 year-on-year headline inflation of Davao Region moved upward to 5.3 percent in December 2023, from 4.9 percent in November 2023. The average inflation rate from January to December 2023 stood at 6.3 percent. In December 2022, the region's inflation was higher at 9.3 percent. (Table 1 and Figure 1).

The uptick in the region's overall inflation was primarily due to the faster annual growth rate in Food and Non-Alcoholic Beverages at 8.5 percent from 7.7 percent in the previous month. Additionally, the faster annual increments of Transport at 1.5 percent from 0.4 percent, Restaurants and Accommodation Services at 10.7 percent from 10.1 percent, and Clothing and Footwear at 5.8 percent from 5.6 percent in the previous month contributed to the upward trend of the regional headline inflation. (Table 2)

On the other hand, the indices of the following commodity groups displayed lower annual growth rates compared with their previous monthly inflation rates:

- a. Alcoholic Beverages and Tobacco at 12.2 percent from 12.5 percent;
- b. Housing, Water, Electricity, Gas and Other Fuels at -1.9 percent from -1.5 percent;
- c. Furnishings, Household Equipment and Routine Household Maintenance, at 4.7 percent from 5.1 percent;
- d. Health at 4.5 percent from 4.6 percent;
- e. Information and Communication at 0.8 percent from 1.0 percent;
- f. Recreation, Sport, and Culture at 6.5 percent from 7.0 percent; and
- g. Personal Care, and Miscellaneous Goods and Services at 5.0 percent from 5.6 percent.

Meanwhile, the indices for Education Services, and Financial Services retained their previous month's inflation rates.

Table 2. CPI and Inflation Rate by Commodity Group (2018 = 100), Region XI: December 2022, November 2023, and December 2023

Commodity Group	December 2022 Inflation Rate	November 2023 Inflation Rate	December CPI		December 2023 Inflation Rate
			2022	2023	
All Items	9.3	4.9	119.5	125.8	5.3
Food and Non-Alcoholic Beverages	10.6	7.7	118.7	128.8	8.5
Alcoholic Beverages and Tobacco	13.4	12.5	154.4	173.2	12.2
Clothing and Footwear	5.7	5.6	114.6	121.2	5.8
Housing, Water, Electricity, Gas, and Other Fuels	7.9	-1.5	119.1	116.8	-1.9
Furnishings, Household Equipment and Routine Household Maintenance	7.6	5.1	117.3	122.8	4.7
Health	6.4	4.6	121.9	127.4	4.5
Transport	13.7	0.4	128.7	130.6	1.5
Information and Communication	1.3	1.0	104.5	105.3	0.8
Recreation, Sport and Culture	6.6	7.0	116.9	124.5	6.5
Education Services	6.8	4.0	112.2	116.7	4.0
Restaurants and Accommodation Services	7.6	10.1	114.5	126.8	10.7
Financial Services	0.0	0.0	147.3	147.3	0.0
Personal Care, and Miscellaneous Goods and Services	7.2	5.6	116.9	122.8	5.0

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

2. Davao Region Food Inflation

The region's Food inflation accelerated to 8.6 percent in December 2023 from 7.7 percent in the previous month. In December 2022, the Food inflation was higher at 10.7 percent. (Table 3)

The main driver in the increase of Food inflation in the region in December 2023 was Cereals and Cereal Products at 18.5 percent from 16.3 percent in the previous month. The following food groups also recorded higher inflation compared to November 2023:

- a. Rice at 27.0 percent from 23.7 percent;
- b. Corn at -1.0 percent from -2.2 percent;
- c. Fish and Other Seafood at 1.4 percent from -2.5 percent; and
- d. Fruits and Nuts at 20.1 percent from 16.5 percent.

On the other hand, the price movement of the following groups moved slower compared to the previous month:

- a. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals at 6.7 percent from 7.3 percent;
- b. Meat and Other Parts of Slaughtered Land Animals at 4.3 percent from 4.6 percent;
- c. Milk, Other Dairy Products, and Eggs at 9.2 percent from 9.9 percent;
- d. Oils and Fats at -1.8 percent from -0.6 percent;
- e. Vegetables, Tubers, Plantains, Cooking Bananas and Pulses at -0.6 percent from 5.0 percent.
- f. Sugar, Confectionery and Desserts at -4.4 percent from -4.3 percent; and
- g. Ready-Made Food and Other Food Products N.E.C. at 6.1 percent from 6.9 percent.

Table 3. CPI and Inflation Rate of Selected Food Items (2018=100),
Region XI: December 2022, November 2023, and December 2023

Commodity Group	December 2022 Inflation Rate	November 2023 Inflation Rate	December CPI		December 2023 Inflation Rate
			2022	2023	
Food	10.7	7.7	118.4	128.6	8.6
Cereals and Cereal Products	10.2	16.3	99.6	118.0	18.5
Cereals	10.0	19.0	94.5	115.3	22.0
Rice	5.2	23.7	88.9	113.0	27.0
Corn	38.5	-2.2	132.0	130.7	-1.0
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	10.9	7.3	122.0	130.2	6.7
Meat and Other Parts of Slaughtered Land Animals	11.7	4.6	137.6	143.5	4.3
Fish and Other Seafood	1.6	-2.5	124.4	126.2	1.4
Milk, Other Dairy Products, and Eggs	7.7	9.9	119.1	130.0	9.2
Oils and Fats	29.3	-0.6	145.3	142.7	-1.8
Fruits and Nuts	10.5	16.5	113.2	135.9	20.1
Vegetables, Tubers, Plantains, Cooking Bananas and Pulses	20.4	5.0	140.9	140.1	-0.6
Sugar, Confectionery and Desserts	50.6	-4.3	156.3	149.4	-4.4
Ready-Made Food and Other Food Products N.E.C.	9.4	6.9	122.1	129.6	6.1

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 headline inflation declined to 3.9 percent in December 2023, from 4.1 percent in the previous month (Table 4).

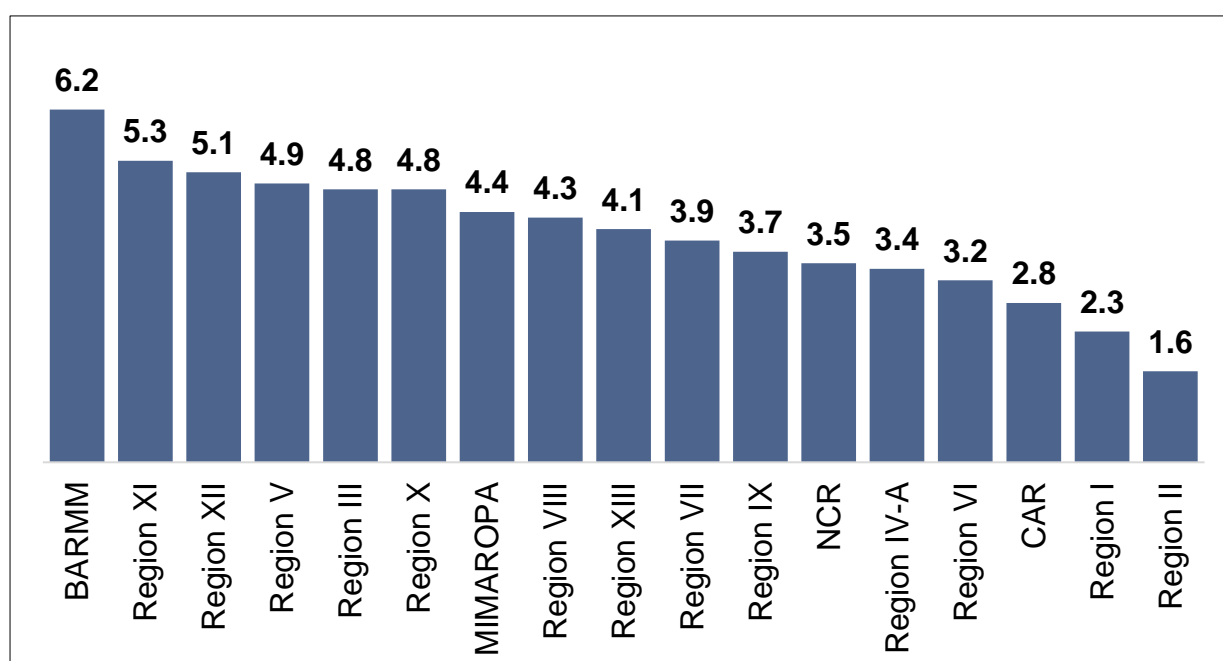
Table 4. Year-on-Year Regional Inflation Rates for All Items (2018=100):
November and December 2023

Area/Region	November 2023	December 2023	Area/Region	November 2023	December 2023
Philippines	4.1	3.9	VI - Western Visayas	4.0	3.2
NCR	4.2	3.5	VII - Central Visayas	3.8	3.9
CAR	3.3	2.8	VIII - Eastern Visayas	3.5	4.3
I - Ilocos Region	2.9	2.3	IX - Zamboanga Peninsula	4.3	3.7
II - Cagayan Valley	2.4	1.6	X - Northern Mindanao	4.7	4.8
III - Central Luzon	5.0	4.8	XI - Davao Region	4.9	5.3
IV-A - CALABARZON	3.8	3.4	XII - SOCCSKSARGEN	5.0	5.1
MIMAROPA Region	4.8	4.4	XIII - Caraga	4.1 ^r	4.1
V - Bicol Region	4.5	4.9	BARRM	5.9 ^r	6.2

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

Note: r - revised

Figure 4. Year-on-Year Regional Inflation Rates in Percent for All Items (2018=100): Philippines, December 2023



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

Among the 17 administrative regions, BARRM had the highest inflation at 6.2 percent followed by Region XI (Davao Region) at 5.3 percent and Region XII (SOCCSKSARGEN) at 5.1 percent. On the other hand, Region II (Cagayan Valley) had the lowest inflation at 1.6 percent. (Table 4 and Figure 4)

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.