



SPECIAL RELEASE

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

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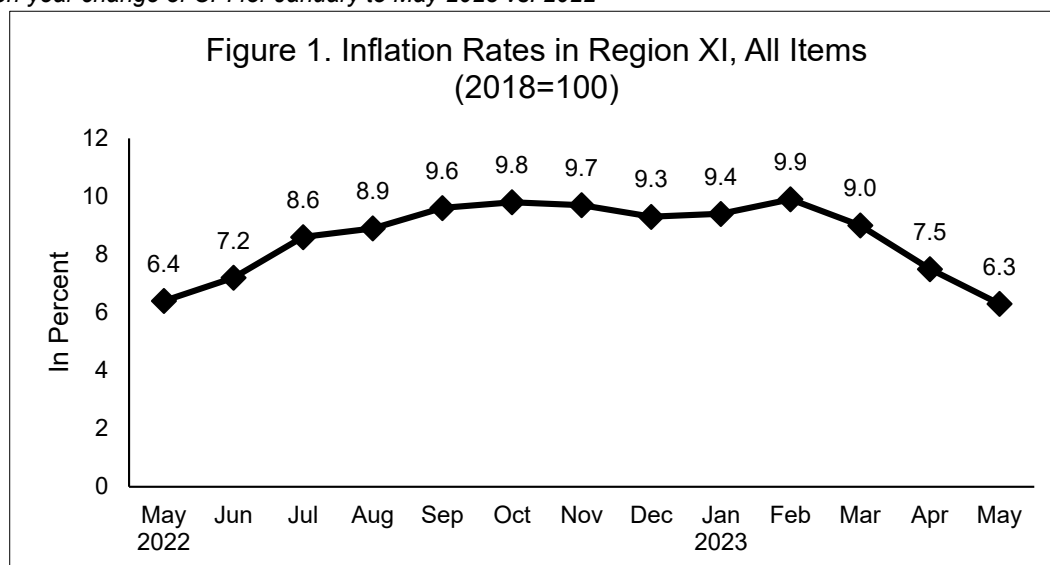
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**Table 1. Year-on-Year Provincial and Highly Urbanized City Inflation Rates,
All Items: Region XI
In Percent
(2018=100)**

Area	May 2022	April 2023	May 2023	Year-to-date*
Philippines	5.4	6.6	6.1	7.5
Davao Region	6.4	7.5	6.3	8.4
Davao del Norte	4.7	4.2	3.1	5.3
Davao del Sur	6.8	6.4	5.0	7.6
Davao Oriental	5.9	10.2	7.5	10.3
Davao de Oro	9.0	8.1	6.6	10.1
Davao Occidental	5.1	7.0	5.3	7.5
Davao City	6.7	8.8	7.7	9.4

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

*Year-on-year change of CPI for January to May 2023 vs. 2022



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



The year-on-year inflation of Davao Region dropped further to 6.3 percent in May 2023, from 7.5 percent in April 2023. In May 2022, the region's inflation was higher at 6.4 percent (Table 1 and Figure 1).

Table 2. Provincial and Highly Urbanized City Purchasing Power of Peso (2018=100), Region XI: May 2022, April 2023, and May 2023

Area	May 2022	April 2023	May 2023
Philippines	0.88	0.83	0.83
Davao Region	0.87	0.82	0.82
Davao del Norte	0.89	0.85	0.86
Davao del Sur	0.87	0.83	0.82
Davao Oriental	0.87	0.79	0.81
Davao de Oro	0.85	0.80	0.80
Davao Occidental	0.88	0.84	0.84
Davao City	0.87	0.81	0.81

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

Purchasing Power of the Peso (PPP) measures the real value of the Philippine peso in a given period relative to its value in the base period. In Davao Region, a peso in 2018 is worth 82 centavos in May 2023. This month's PPP is lower than in May 2022 at 87 centavos. (Table 2)

Table 3. CPI and Inflation Rate by Commodity Group (2018 = 100), Region XI: May 2022, April 2023, and May 2023

Commodity Group	May 2022 Inflation Rate	April 2023 Inflation Rate	May CPI		May 2023 Inflation Rate
			2022	2023	
All Items	6.4	7.5	114.7	121.9	6.3
Food and Non-Alcoholic Beverages	7.0	7.8	114.2	121.0	6.0
Alcoholic Beverages and Tobacco	6.3	18.0	141.8	167.8	18.3
Clothing And Footwear	2.6	6.7	110.4	117.6	6.5
Housing, Water, Electricity, Gas, and Other Fuels	5.4	7.8	113.0	121.2	7.3
Furnishings, Household Equipment and Routine Household Maintenance	3.8	7.5	112.3	120.4	7.2
Health	3.7	6.5	117.4	124.0	5.6
Transport	16.2	3.2	127.1	126.7	-0.3
Information and Communication	1.1	1.7	103.5	105.3	1.7
Recreation, Sport and Culture	2.2	7.8	111.5	120.7	8.3
Education Services	0.0	6.8	105.1	112.2	6.8
Restaurants and Accommodation Services	2.7	10.4	109.3	120.1	9.9
Financial Services	0.0	0.0	147.3	147.3	0.0
Personal Care, and Miscellaneous Goods and Services	3.7	7.3	111.9	119.4	6.7

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

The region's overall inflation declined mainly due to the slower annual growth rate in the Food and Non-Alcoholic Beverages at 6.0 percent in May 2023 from 7.8 percent in April 2023. Furthermore, lower annual growth was also observed in the indices of the following commodity groups relative to their monthly annual rates:

- a. Transport at -0.3 percent;
- b. Housing, Water, Electricity, Gas and Other Fuels at 7.3 percent;
- c. Restaurants and Accommodation Services at 9.9 percent;
- d. Personal Care, and Miscellaneous Goods and Services at 6.7 percent;
- e. Health at 5.6 percent;
- f. Furnishings, Household Equipment and Routine Household Maintenance at 7.2 percent; and
- g. Clothing and Footwear at 6.5 percent.

On the other hand, faster annual growth rates were observed in the indices of Alcoholic Beverages and Tobacco at 18.3 percent; and Recreation, Sport and Culture at 9.3 percent. Meanwhile, the indices for Information and Communication; Education Services; and Financial Services retained their previous month's inflation rates. (Table 3)

**Table 4. CPI and Inflation Rate of Selected Food Items (2018=100), Region XI:
May 2022, April 2023, and May 2023**

Commodity Group	May 2022 Inflation Rate	April 2023 Inflation Rate	May CPI		May 2023 Inflation Rate
			2022	2023	
Food	7.2	7.6	114.1	120.6	5.7
Cereals and cereal products	4.9	8.3	94.4	101.6	7.6
Cereals	4.9	7.5	90.0	95.9	6.5
Rice	3.1	3.5	87.8	90.9	3.5
Corn	16.3	30.6	104.7	129.4	23.6
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	4.6	11.0	113.6	126.7	11.6
Meat and Other Parts of Slaughtered Land Animals	7.8	7.7	134.4	145.5	8.3
Fish and Other Seafood	8.4	0.7	134.4	126.9	-5.6
Milk, Other Dairy Products, and Eggs	4.4	8.6	115.4	127.4	10.4
Oils and Fats	21.7	15.2	131.0	140.9	7.6
Fruits and Nuts	4.9	11.2	113.9	119.6	5.0
Vegetables, tubers, plantains, cooking bananas and pulses	14.2	7.9	117.7	124.9	6.1
Sugar, Confectionery and Desserts	12.3	35.9	114.8	151.7	32.1
Ready-Made Food and Other Food Products N.E.C.	4.2	9.2	114.8	124.9	8.8

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

The regional inflation for Food slowed to 5.7 percent in May 2023, from 7.6 percent in May 2023. In May 2022, Food inflation was higher at 7.2 percent. Additionally, the downtrend inflation of the Food index was primarily due to the slower annual growth rate of Fish and Other Seafood at -5.6 percent (Table 4).

Moreover, the following food groups also displayed reduced uptake in their annual growth rates:

- a. Corn at 23.6 percent;
- b. Fruits and nuts at 5.0 percent;
- c. Vegetables, tubers, plantains, cooking bananas and pulses at 6.1 percent;
- d. Oils and fats at 7.6 percent;
- e. Sugar, confectionery and desserts at 32.1 percent; and
- f. Ready-made food and other food products n.e.c. at 8.8 percent.

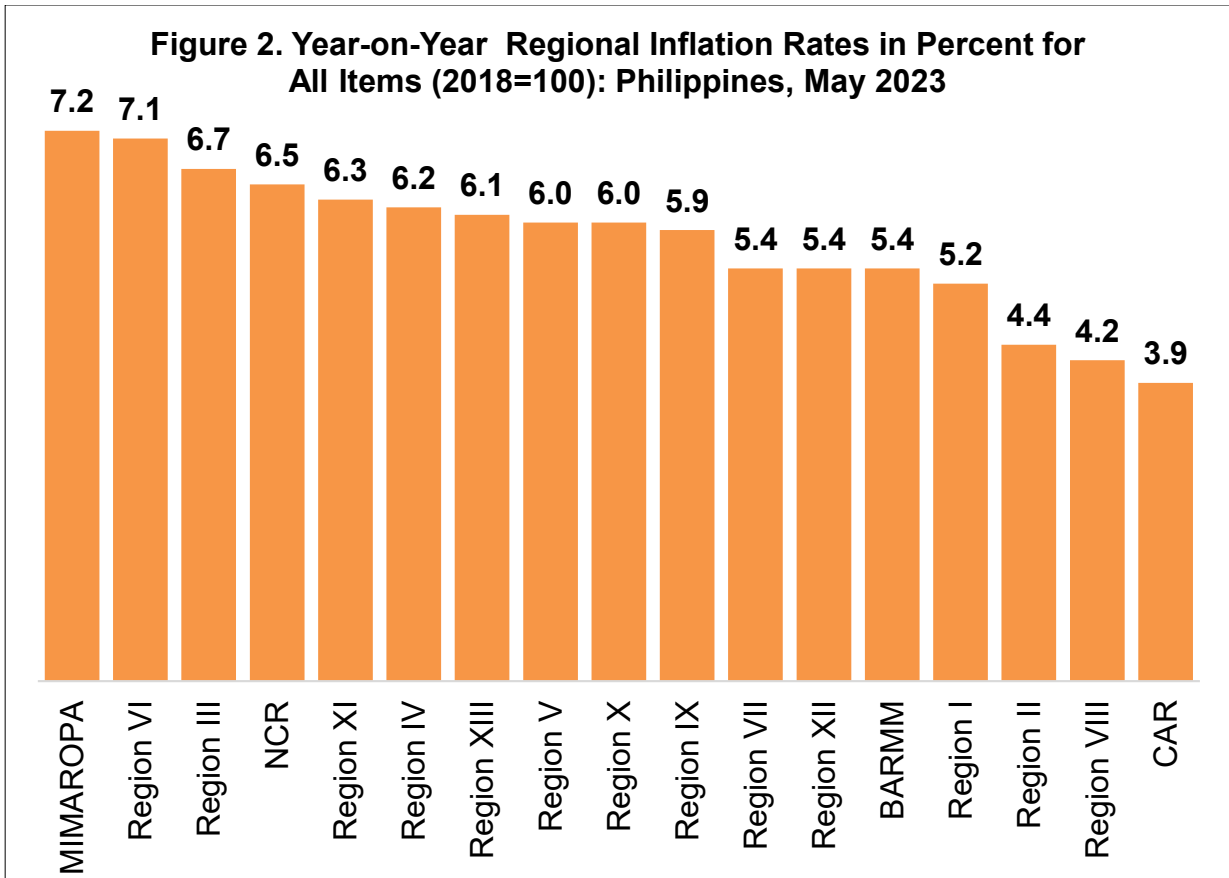
However, the following indices have a higher annual growth rate to wit: Flour, bread and other bakery products, pasta products, and other cereals at 11.6 percent; Meat and other parts of slaughtered land animals at 8.3 percent; and Milk, other dairy products and eggs at 10.4 percent. The index of Rice retained its previous month's inflation at 3.5 percent.

**Table 5. Year-on-Year Regional Inflation Rates for All Items (2018=100):
April 2023 and May 2023**

Area/Region	April 2023	May 2023	Area/Region	April 2023	May 2023
Philippines	6.6	6.1	VI - Western Visayas	8.2	7.1
NCR	7.1	6.5	VII - Central Visayas	5.5	5.4
CAR	4.3	3.9	VIII - Eastern Visayas	4.7	4.2
I - Ilocos Region	5.9	5.2	IX - Zamboanga Peninsula	6.4	5.9
II - Cagayan Valley	4.8	4.4	X - Northern Mindanao	6.4	6.0
III - Central Luzon	7.3	6.7	XI - Davao Region	7.5	6.3
IV-A - CALABARZON	6.3	6.2	XII - SOCCSKSARGEN	5.8	5.4
MIMAROPA Region	7.8	7.2	XIII - Caraga	6.7	6.1
V - Bicol Region	6.8	6.0	BARMM	6.2	5.4

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

At the national level, the headline inflation in the country slowed down to 6.1 percent in May 2023, from 6.6 percent in the previous month (Table 5).



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

Among the 17 administrative regions, MIMAROPA had the highest inflation at 7.2 percent followed by Western Visayas at 7.1 percent and Central Luzon at 6.7 percent. On the other hand, Cordillera Administrative Region had the lowest inflation at 3.9 percent (Figure 2).

Note: CPIs and inflation rates by province and selected city are posted at 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.