



SPECIAL RELEASE

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

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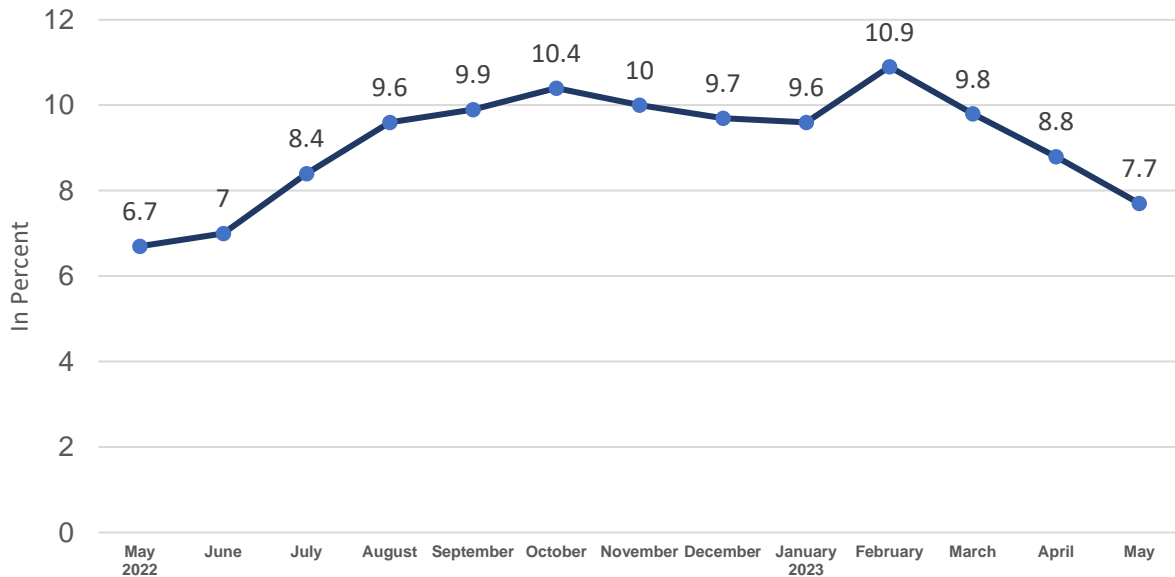
**Table A. Year-on-Year Inflation Rates, All Items
 In Percent (2018=100)**

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 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 average CPI for May 2023 vs. 2022

**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

In May 2023, the headline inflation rate in the City of Davao decreased further to 7.7 percent, 1.1 percentage points lower than the previous month's rate of 8.8 percent. The average inflation rate from January to May 2023 was 9.4 percent. (Table A and Figure 1).

Among the thirteen commodity groups, Food and Non-Alcoholic Beverages had the largest share to inflation with inflation rate of 5.0 percent in May 2023, down from 6.7 percent in April 2023. It was followed by Transport at 3.1 percent, down from 6.9 percent in the previous month. The third commodity with the highest share was Personal Care, and Miscellaneous Goods and Services at 9.5 percent, down from 10.5 percent in the previous month. Likewise, relative to their annual rates in 2023, lower year-on-year inflation rates were also observed in the following commodity groups:

- a. Restaurants and Accommodation Services, 13.2 percent;
- b. Furnishing, Household Equipment and Routine Household Maintenance, 8.2 percent;
- c. Health, 5.6 percent;
- d. Clothing and Footwear, 9.5 percent;

On the contrary, higher increments were observed in the indices of (a) Alcoholic Beverages and Tobacco at 25.3 percent and (b) Recreation, Sport and Culture at 6.5 percent. The inflation rate of the rest of the commodity groups, on the other hand, remained equal.

Meanwhile, in May 2023, majority of the food groups exhibited lower inflation rates which resulted to slower food inflation in general. From 6.0 percent in the previous month, food inflation decreased to 4.3 percent in May 2023. The decrease was mainly due to lower (a) Fish and other Seafood index at -15.6 percent from -9.0 percent in the previous month; (b) Fruits and Nuts at 4.8 percent from 15.5 percent in the previous month; and (c) Vegetables, Tubers, Plantains, Cooking Bananas and Pulses at 8.3 percent, down from 14.1 percent in April 2023. Furthermore, lower rates were also observed in the following food groups:

- a. Oils and Fats, 17.6 percent;
- b. Sugar, Confectionery, and Desserts, 31.6 percent;
- c. Corn, 61.4 percent;
- d. Ready-made Food and Other Food Products N.E.C.

The rest of the food groups, despite the decreasing food inflation in the city, have exhibited higher increments, specifically in the index of Meat and other Parts of Slaughtered Land Animals at 10.8 percent; Milk, other Dairy Products and Eggs at 12.9 percent; Rice at 1.5 percent; and Flour, Bread and Other Bakery Products, Pasta Products, and other Cereals at 14.0 percent.

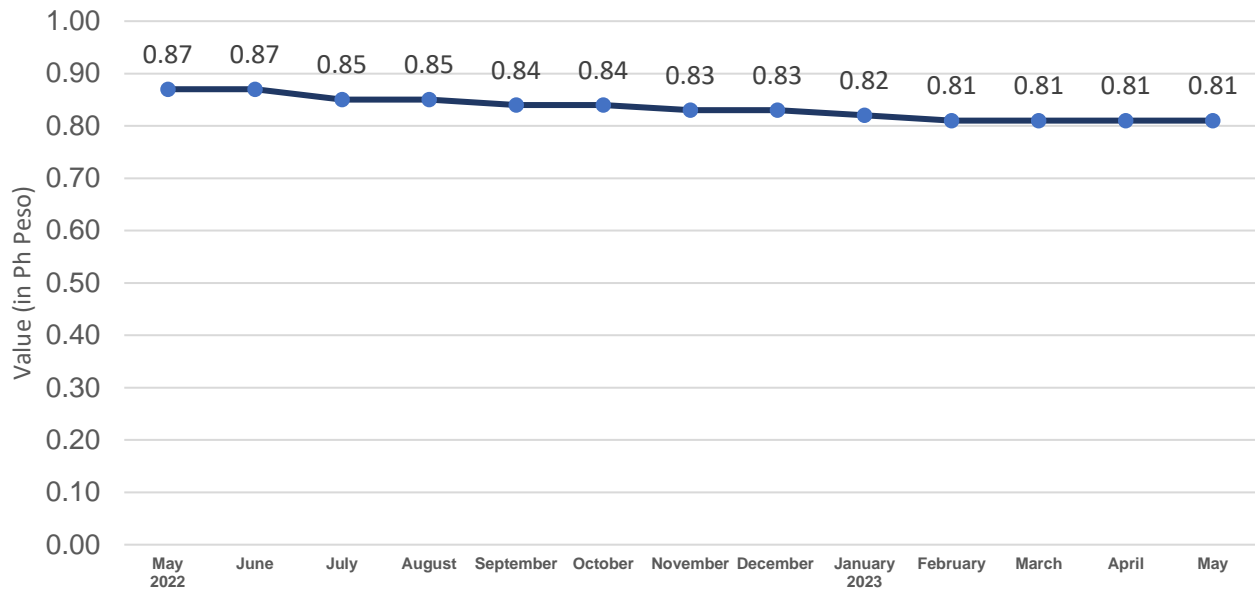
**Table B. Year-on-Year Inflation Rates in Davao City, All Items in Percent
January 2020 – May 2023
(2018=100)**

Month	Year			
	2020	2021	2022	2023
January	2.6	1.1	5.0	9.6
February	2.9	1.9	4.6	10.9
March	2.1	2.9	5.1	9.8
April	1.6	3.6	5.1	8.8
May	1.6	3.7	6.7	7.7
June	1.5	3.7	7.0	
July	1.1	4.2	8.4	
August	0.4	4.2	9.6	
September	0.9	3.6	9.9	
October	1.8	2.8	10.4	
November	1.1	4.3	10.0	
December	0.9	4.2	9.7	
Average	1.5	3.3	7.6	9.4

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

In addition, the May 2023 Purchasing Power of Peso (PPP) in Davao City remained equal at 0.81. PPP in May 2022 was at 0.87. (Figure 2)

**Figure 2. Purchasing Power of Peso in Davao City
(2018=100)**



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.

Approved for Release:



ROGELIO T. LEBRIA
Chief Statistical Specialist
Davao del Sur Provincial Statistical Office

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