



# SPECIAL RELEASE

## Summary Inflation Report Consumer Price Index (2018=100) June 2023

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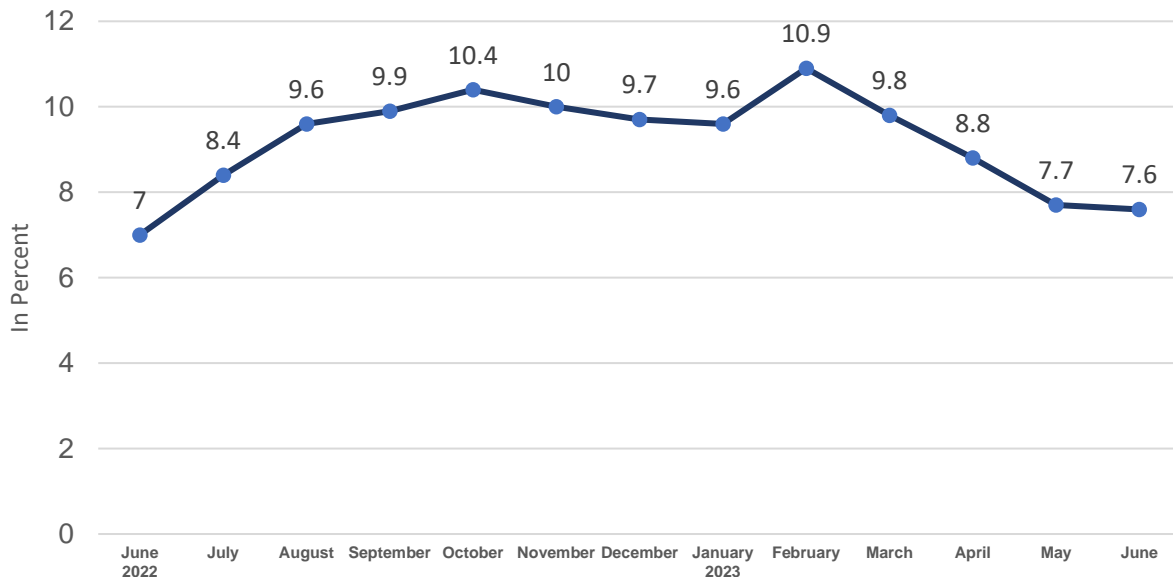
**Table A. Year-on-Year Inflation Rates, All Items  
In Percent (2018=100)**

Area	June 2022	May 2023	June 2023	Year-to-date*
Philippines	6.1	6.1	5.4	7.2
Davao Region	7.2	6.3	5.7	7.9
Davao City	7.0	7.7	7.6	9.1

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**

### **1. Headline Inflation**

In June 2023, the headline inflation rate or the overall inflation in the City of Davao continued its downtrend, slowing down further by 0.1 percentage points at 7.6 percent compared to 7.7 percent in May 2023. The present rate, however, was still higher than the inflation rate in June of the previous year which stood at 7.0 percent. The average inflation rate from January to June 2023 on the other hand, stood at 9.1 percent. (Table A and Figure 1).

#### *1.1 Main Drivers to the Downward Trend of the Headline Inflation*

Among the 13 commodity groups, the slower headline inflation in June 2023 was primarily brought about by the decline in the index of (1) Transport at 0.8 percent down from 3.1 percent in the previous month. Also pulling down the overall headline inflation in the city was (2) Alcoholic Beverages and Tobacco with currently at 19.3 percent down from 25.3 in the previous month. The third commodity group with the largest share to the decreasing trend was (3) Restaurants and Accommodation Services at 12.1 percent, down from 13.2 in the previous month.

Relative to their annual rates in the previous month, lower year-on-year inflation rates were also observed in the following commodity groups:

- a. Clothing and Footwear, 8.8 percent;
- b. Furnishings, Household Equipment and Routine Household Maintenance, 7.3 percent;
- c. Recreation, Sport and Culture. 6.1 percent; and
- d. Personal Care, and Miscellaneous Goods and Services, 8.2 percent.

On the contrary, higher increments were observed in the indices of (1) Food and Non-Alcoholic Beverages at 6.3 percent and; (2) Housing, Water, Electricity, Gas and Other Fuels at 10.4 percent; and (3) Health at 6.4 percent; and Information and Communication at 1.8 percent. The inflation rate of the rest of the commodity groups, on the other hand, remained equal.

## 2. Food Inflation

Meanwhile, food inflation increased to 5.6 percent in June 2023 from 4.3 in the previous month. The increase was mainly due to (1) Fish and other Seafood at -6.4 percent up from -15.6 percent in the previous month; (2) Milk, Other Dairy Products and Eggs at 13.8 percent up from 12.9 in the previous month; and (3) Fruits and Nuts at 14.5 percent up from 4.8 percent in the previous month. On the other hand, despite the increase in food inflation in the city, the rest of the food groups exhibited lower rates in the current month. These are:

- a. Rice, -0.6 percent;
- b. Corn, 58.6 percent;
- c. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals, 13.4 percent;
- d. Meat and Other Parts of Slaughtered Land Animals, 7.6 percent;
- e. Oils and Fats, 13.7 percent;
- f. Vegetables, Tubers, Plantains, Cooking Bananas, and Pulses, 7.8 percent;
- g. Sugar, Confectionery and Desserts, 30.4 percent;
- h. Ready-Made food and Other Food Products N.E.C., 9.9 percent;

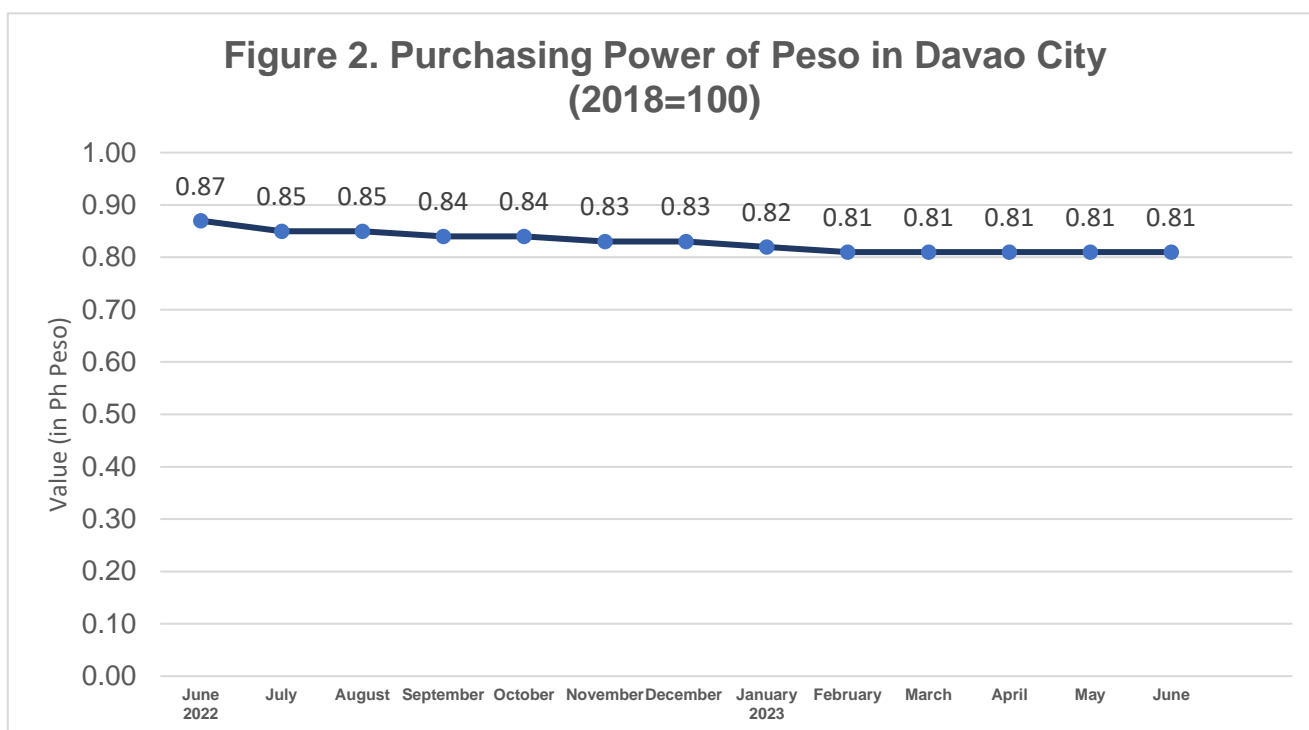
**Table B. Year-on-Year Inflation Rates in Davao City, All Items in Percent  
January 2020 – June 2023  
(2018=100)**

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	7.6
July	1.1	4.2	8.4	
August	0.4	4.2	9.6	

<b>September</b>	0.9	3.6	9.9	
<b>October</b>	1.8	2.8	10.4	
<b>November</b>	1.1	4.3	10.0	
<b>December</b>	0.9	4.2	9.7	
<b>Average</b>	1.5	3.3	7.6	<b>9.1</b>

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

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



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:

  
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