



PRESS RELEASE

Davao Region's Inflation decelerated to 1.4% in December 2020

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Davao region's year-on-year regional inflation continued to decrease to 1.4 percent in December 2020. The current inflation was relatively lower as compared to the previous month and to the same month of the previous year at 1.6 percent and 2.0 percent, respectively. Further, the purchasing power of the peso (PPP) which measures the real value of the peso in a given period relative to a chosen reference period remained at 81 centavos (see Table 1).

**Table 1. Year-on-Year Provincial Inflation Rates (All Items)
and Peso Purchasing Power, Region XI
(2012=100)**

AREA	December 2020	November 2020	December 2019	PPP December 2020
REGION XI	1.4	1.6	2.0	0.81
Davao de Oro	0.3	0.9	1.5	0.81
Davao del Norte	2.4	2.9	1.2	0.80
Davao del Sur	1.2	1.2	0.3	0.81
Davao Oriental	2.0	2.5	1.6	0.79

Source: Philippine Statistics Authority

The downtrend of inflation in December 2020 was partly attributed to the slower annual increment in the index of Food and Non-Alcoholic Beverages from 1.3 percent to 0.3 percent in December (see Table 2). Other commodity groups that drive the downtrend of inflation in December were the following:

- Furnishing, Household Equipment and Routine Maintenance of the House, at 2.5 percent from 3.3 percent;
- Clothing and Footwear, at 1.5 percent from 1.8 percent; and
- Alcoholic Beverages and Tobacco, at 7.1 percent from 7.3 percent.



On the other hand, higher annual increments was reported in the indices of Transport and Housing, Water, Electricity, Gas, and Other Fuels at 3.2 percent and 2.1 percent, respectively. While the annual growth rate of Education index remained at 0.1 percent.

**Table 2. CPI and Inflation Rate by Commodity Group, Region XI
(2012 = 100)**

COMMODITY GROUP	DECEMBER		Inflation Rate	NOVEMBER		Inflation Rate
	2020	2019		2020	2019	
All Items	124.0	122.3	1.4	123.5	121.5	1.6
Food and Non-Alcoholic Beverages	122.0	121.6	0.3	122.4	120.8	1.3
Alcoholic Beverages and Tobacco	198.1	185.0	7.1	197.3	183.8	7.3
Clothing and Footwear	130.2	128.3	1.5	130.0	127.7	1.8
Housing, Water, Electricity, Gas, and Other Fuels	125.5	122.9	2.1	123.7	121.6	1.7
Furnishing, Household Equipment and Routine Maintenance of the House	127.0	123.9	2.5	126.9	122.9	3.3
Health	128.3	125.8	2.0	128.1	125.4	2.2
Transport	110.3	106.9	3.2	107.2	105.7	1.4
Communication	103.7	102.9	0.8	103.7	102.8	0.9
Recreation and Culture	121.6	122.5	-0.7	121.6	122.4	-0.7
Education	122.3	122.2	0.1	122.3	122.2	0.1
Restaurant and Miscellaneous Goods and Services	129.3	127.3	1.6	129.2	127.1	1.7

Source: Philippine Statistics Authority

Inflation in selected food items was significantly lower specifically in the indices of Fruits (1.2% from 6.3%) and Fish (-3.4% from 1.4%), while, higher indices were observed on food items such as Meat; Vegetables; and Sugar, Jam, Honey, Chocolate and Confectionery at 6.4 percent, 2.7 percent, and 1.4 percent, respectively (see Table 3).

Table 3. CPI and Inflation Rate of Selected Food Items, Region XI (2012 = 100)

SELECTED ITEMS	DECEMBER		Inflation Rate	NOVEMBER		Inflation Rate 2019
	2020	2019		2020	2020	
Bread and Cereals	106.7	108.1	-1.3	107.3	108.1	-0.7
Rice	103.0	104.9	-1.9	103.6	104.8	-1.2
Corn	99.4	101.1	-1.6	101.3	102.9	-1.6
Other Cereals, Flour, Cereal Preparation, Bread, Pasta and Other Bakery Products	124.0	123.2	0.6	124.1	122.7	1.1
Meat	133.8	125.8	6.4	131.5	125.9	4.4
Fish	130.9	135.5	-3.4	133.7	131.9	1.4
Milk, Cheese and Egg	128.7	126.1	2.1	128.6	125.6	2.4
Oils and Fats	125.2	124.0	1.0	125.0	123.7	1.1
Fruits	140.4	138.8	1.2	144.0	135.5	6.3
Vegetables	130.2	126.8	2.7	127.8	125.8	1.6
Sugar, Jam, Honey, Chocolate and Confectionery	121.2	119.5	1.4	121.3	121.7	-0.3
Food Products, N.E.C.	141.4	139.5	1.4	142.4	136.6	4.2

Source: Philippine Statistics Authority

Headline inflation in the Philippines hits 3.5 percent in December from 3.3 percent in the previous month. Among the 17 administrative regions, Cagayan Valley (Region II) and Bicol Region (Region V) had the highest inflation each having a rate of 6.6 percent, while Central Visayas still had the lowest inflation at 0.9 percent (see Table 4).

**Table 4. Year-on-Year Regional Inflation Rates (All Items)
December and November 2020 (2012=100)**

AREA/REGION	Inflation		AREA/REGION	Inflation	
	Current	Previous		Current	Previous
Philippines	3.5	3.3	VI - Western Visayas	3.7	3.5
NCR - National Capital Region	3.2	3.5	VII - Central Visayas	0.9	1.1
CAR	3.2	2.3	VIII - Eastern Visayas	2.4	1.8
I - Ilocos Region	3.6	3.8	IX - Zamboanga Peninsula	1.0	1.6
II - Cagayan Valley	6.6	5.2	X - Northern Mindanao	2.8	2.4
III - Central Luzon	4.5	3.6	XI - Davao Region	1.4	1.6
IV-A - CALABARZON	4.4	4.1	XII - SOCCSKSARGEN	3.7	3.3
MIMAROPA Region	4.4	3.8	XIII - Caraga	2.2	2.5
V - Bicol Region	6.6	5.5	BARMM – Bangsamoro Autonomous Region in Muslim Mindanao	2.8	2.5

Source: Philippine Statistics Authority

Approved for release:


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