



# **Special Release**

## Summary Inflation Report of Davao Oriental Consumer Price Index for the Bottom 30% Income Households (2018=100)

January 2025

Date of Release: <u>06 February 2025</u> Reference No. <u>SR-1125-2025-004</u>

### Table A. Year-on-Year Inflation Rates for the Bottom 30% Income Households, All Items In Percent (2018=100)

Area	January 2024	December 2024	January 2025	Year-to-date*
Philippines	3.6	2.5	2.4	2.4
Davao Region	3.9	1.1	0.8	0.8
Davao Oriental	5.5	0.0	-0.7	-0.7

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

The inflation rate for the bottom 30% income households in the province slowed down to -0.7 percent in January 2025 from 0.0 percent in December 2024. In January 2024, the inflation rate was posted at 5.5 percent. (Tables A and B, and Figure 1)



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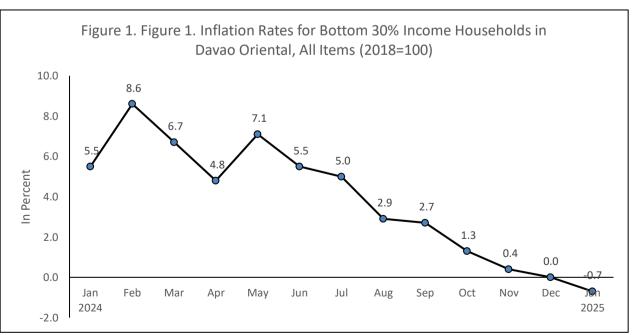
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<sup>\*</sup> Year-on-year change of average CPI for January 2025 vs. 2024

Table B. Year-on-Year Inflation Rates for the Bottom 30% Income Households in Davao Oriental, All Items: January 2021 – January 2025 In Percent (2018=100)

Month	Year					
	2021	2022	2023	2024	2025	
January	1.0	9.7	9.8	5.5	-0.7	
February	3.8	5.2	11.7	8.6	·	
March	6.0	4.9	13.4	6.7		
April	5.7	6.0	12.1	4.8		
May	5.6	5.6	8.8	7.1		
June	4.4	8.1	7.4	5.5		
July	6.3	9.4	5.2	5.0		
August	9.1	9.2	6.6	2.9		
September	8.0	11.2	6.3	2.7		
October	10.5	8.6	8.0	1.3		
November	7.0	10.9	6.8	0.4		
December	9.6	10.2	6.1	0.0		
Average	6.4	8.3	8.5	4.2	-0.7	

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



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The downtrend in the overall inflation for the bottom 30% income households in January 2025 was primarily brought about by the lower year-on-year growth rate in food and non-alcoholic beverages index at 0.3 percent in January 2025 from 1.1 percent in the previous month. Additionally, the faster annual decline in the housing, water, electricity, gas and other fuels index at -9.0 percent during the month from -7.2 percent in December 2024, along with the slower growth in the recreation, sport, and culture index at 4.5 percent from 5.6 percent, also contributed to the overall inflation slowdown.

Table C. Year-on-Year Inflation Rates for the Bottom 30% Income Households in Davao Oriental, by Commodity Group In Percent (2018=100)

	Inflation Rates			
Commodity Group	January 2024	December 2024	January 2025	
ALL ITEMS	5.5	0.0	-0.7	
Food and Non-Alcoholic Beverages	5.5	1.1	0.3	
Alcoholic Beverages and Tobacco	10.6	1.0	1.0	
Clothing and Footwear	1.9	3.4	3.9	
Housing, Water, Electricity, Gas, and Other Fuels	2.1	-7.2	-9.0	
Furnishings, Household Equipment and Routine Household Maintenance	7.2	2.4	2.7	
Health	5.5	1.4	1.5	
Transport	-0.2	-3.0	-2.9	
Information and Communication	0.0	1.1	1.1	
Recreation, Sport and Culture	17.0	5.6	4.5	
Education Services	11.0	2.4	2.4	
Restaurants and Accommodation Services	14.5	0.6	0.6	
Financial Services	0.0	0.0	0.0	
Personal Care, and Miscellaneous Goods and Services	7.2	1.7	2.3	

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

In contrast, higher annual growth rates were noted in the indices of the following commodity groups during the month:

- a. Clothing and footwear, 3.9 percent from 3.4 percent;
- b. Furnishings, household equipment and routine household maintenance, 2.7 percent from 2.4 percent;
- c. Health, 1.5 percent from 1.4 percent;
- d. Transport, -2.9 percent from -3.0 percent; and
- e. Personal care, and miscellaneous goods and services, 2.3 percent from 1.7 percent.

The indices of the rest of the commodity groups retained their respective previous month's annual rates. (Tables C)

Food inflation for the bottom 30% income households at the provincial level moved at a slower pace of 0.2 percent in January 2025 from 1.0 percent in the previous month. In January 2024, its annual increase was observed at 5.5 percent. (Table D).

The deceleration of food inflation was mainly due to the annual decline in the rice index at -3.5 percent during the month from a 0.1 percent annual increase in December 2024.

Moreover, lower inflation rates during the month were noted in the following food groups:

- a. Corn, -20.5 percent from -14.8 percent;
- b. Fish and other seafood, 2.7 percent from 4.0 percent; and
- c. Oils and fats, 6.9 percent from 8.1 percent.

In contrast, higher annual increases were noted in the following food groups:

- a. Meat and other parts of slaughtered land animals, 3.3 percent from 0.4 percent;
- b. Milk, other dairy products and eggs, 2.4 percent from 1.5 percent;
- c. Fruits and nuts, -1.4 percent from -4.4 percent;
- d. Vegetables, tubers, plantains, cooking bananas and pulses, 24.0 percent from 16.5 percent;
- e. Sugar, confectionery and desserts, -1.8 percent from
- f. -3.3 percent; and
- g. Ready-made food and other food products n.e.c., 3.9 percent from 3.2 percent. (Table D)

Table D. Year-on-Year Inflation Rates for the Bottom 30% Income Households in Davao Oriental, by Food Group In Percent (2018=100)

	Inflation Rates			
Food Group	January 2024	December 2024	January 2025	
FOOD	5.5	1.0	0.2	
Cereals and cereal products	24.4	-2.5	-6.0	
Cereals (ND)	28.4	-3.2	-7.1	
Rice	38.0	0.1	-3.5	
Corn	2.0	-14.8	-20.5	
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	1.8	2.1	2.1	
Meat and other parts of slaughtered land animals	0.6	0.4	3.3	
Fish and other seafood	-10.4	4.0	2.7	
Milk, other dairy products and eggs	13.5	1.5	2.4	
Oils and fats	-2.5	8.1	6.9	
Fruits and nuts	10.6	-4.4	-1.4	
Vegetables, tubers, plantains, cooking bananas and pulses	-22.8	16.5	24.0	
Sugar, confectionery and desserts	-14.5	-3.3	-1.8	
Ready-made food and other food products N.E.C.	0.9	3.2	3.9	

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

#### **TECHNICAL NOTES**

#### 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 Year/Period** A period, usually a year, at which the index number is set to 100. It is the reference point of the index number series.
- b. Market Basket A sample of the thousands of varieties of goods purchased for consumption and services availed by the households in the country selected to represent the composite price behavior of all goods and services purchased by consumers.
- c. **Weighting System** The weighting pattern uses the expenditures on various consumer items purchased by households as a proportion to total expenditure.
- d. **Formula** The formula used in computing the CPI is the weighted arithmetic mean of price relatives, the Laspeyre's formula with a fixed base year period (2006) weights.
- e. **Geographic Coverage** CPI values are computed at the national, regional, and provincial levels, and for selected cities.

Note: CPIs and inflation rates by province and selected city are posted at the PSA website (https://openstat.psa.gov.ph/).

Approved for release:

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