



REPUBLIC OF THE PHILIPPINES

PHILIPPINE STATISTICS AUTHORITY

DAVAO ORIENTAL

SPECIAL RELEASE

Summary Inflation Report of Davao Oriental Consumer Price Index (2018=100) September 2022

Date of Release: 10 October 2022
Reference No.: SR-1125-2022-009

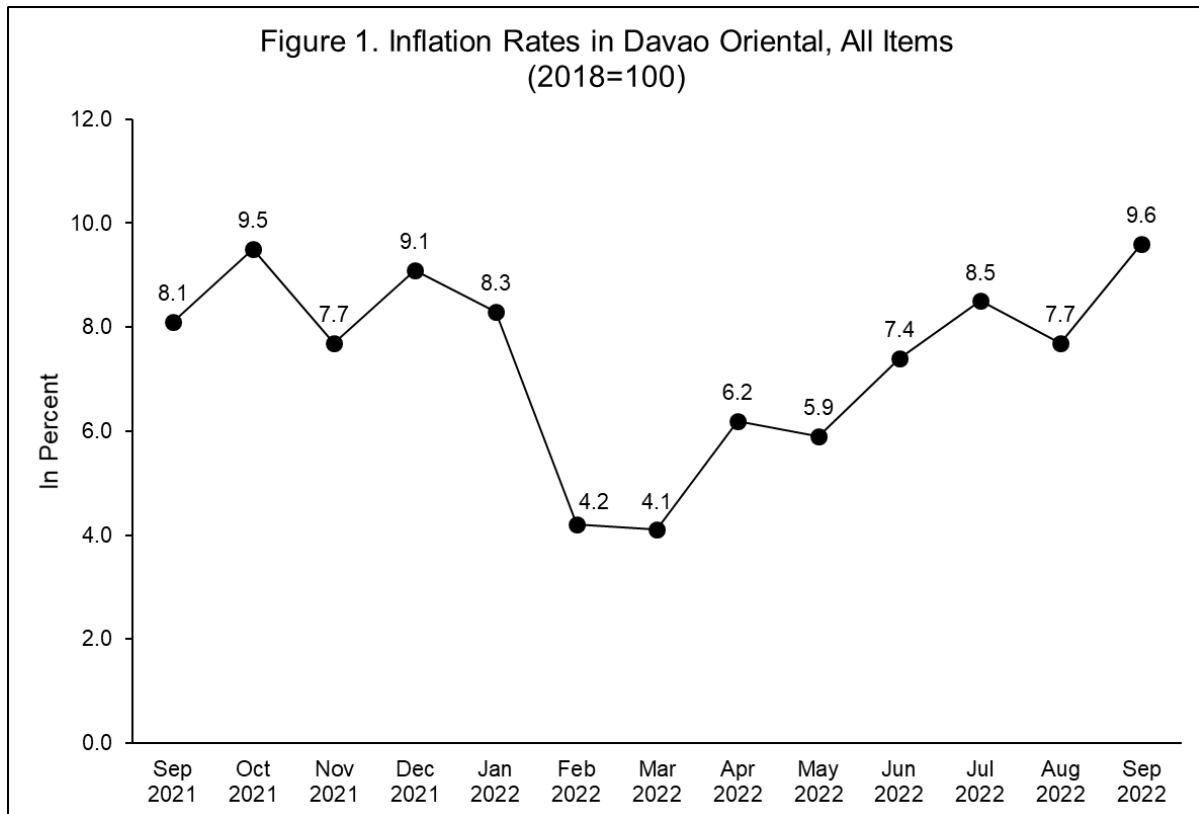
**Table A. Year-on-Year Inflation Rates, All Items
In Percent
(2018=100)**

Area	Sep 2021	Aug 2022	Sep 2022	Year-to-date*
Philippines	4.2	6.3	6.9	5.1
Davao Region	4.0	8.9	9.6	6.7
Davao Oriental	8.1	7.7	9.6	6.9

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

* Year-on-year change of average CPI for January to September 2022 vs. 2021

The inflation rate in Davao Oriental accelerated to 9.6 percent in September 2022, higher by 1.9 percentage points compared with the 7.7 percent inflation recorded in August 2022. In September 2021, inflation in the province was observed at 8.1 percent. The average inflation for the first nine months of the year stood at 6.9 percent (Table A and B, and Figure 1).



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

The increase in the province's inflation during the period was mainly due to the increase in the annual increment of the heavily weighted index for Food and Non-alcoholic Beverages which was computed at 8.9 percent during the month. This is 3.2 percentage points higher than the 5.7 percent inflation recorded in August 2022. This index contributed 48.9 percent to the province's inflation this month. The indices of Housing, Water, Electricity, Gas and Other Fuels (13.3%) also increased during the period. It is the second largest contributor to the province's inflation at 21.5 percent. Other indices which had higher inflation compared with the previous month includes:

- Restaurants and Accommodation Services (6.9%);
- Personal Care, and Miscellaneous Goods and Services (6.5%);
- Recreation, Sport and Culture (5.8%);
- Clothing and Footwear (5.7%); And
- Furnishings, Household Equipment and Routine Household Maintenance (3.1%).

Meanwhile, the inflation in the index of Transport decreased to 16.7 percent compared with the previous month. However, it still the

third highest contributor to the province’s inflation at 14.8 percent. The index of Alcoholic Beverages and Tobacco also showed lower rate compared with the previous month at 11.4 percent.

The rest of the commodity groups either retained their previous month’s inflation rates or had zero percent annual growths.

Table C. Year-on-Year Inflation Rates in Davao Oriental, by Commodity Group In Percent (2018=100)

Commodity Group	Inflation Rates		
	Sep 2021	Aug 2022	Sep 2022
ALL ITEMS	8.1	7.7	9.6
Food and Non-Alcoholic Beverages	9.3	5.7	8.9
Alcoholic Beverages and Tobacco	9.4	11.6	11.4
Clothing and Footwear	5.3	5.3	5.7
Housing, Water, Electricity, Gas, and Other Fuels	7.3	13.0	13.3
Furnishings, Household Equipment and Routine Household Maintenance	3.4	3.0	3.1
Health	2.7	3.8	3.8
Transport	8.0	17.2	16.7
Information and Communication	1.8	1.1	1.1
Recreation, Sport and Culture	7.7	4.9	5.8
Education Services	0.0	13.1	13.1
Restaurants and Accommodation Services	10.5	4.6	6.9
Financial Services	46.0	0.0	0.0
Personal Care, and Miscellaneous Goods and Services	6.8	6.0	6.5

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

Moreover, the annual increments for Food index increased by 3.4 percentage points from 5.7 percent in the preceding month to 9.1 percent in September 2022. In September 2021, inflation for food index was observed at 9.7 percent (Table D).

The annual growth rate of Sugar, confectionery and desserts increased to 58.6 percent compared with 55.3 percent in August 2022. Vegetables, Tubers, Plantains, Cooking Bananas and Pulses (18.3%) and Oils and Fats (16.0%) also increased during the period. Other food group which had higher inflation rates compared with the previous month includes:

- Meat and other parts of slaughtered land animals (15.6%);

- Flour, Bread and Other Bakery Products, Pasta Products, And Other Cereals (8.7%);
- Fish and Other Seafood (6.8%);
- Rice (5.4%); and
- Corn (4.6%).

On the other hand, inflation in following food group showed a downward trend during the month:

- Fruits and Nuts (6.2%);
- Ready-made Food and Other Food Products n.e.c.(4.1%); and
- Milk, Other Dairy Products and Eggs(- 3.5%).

Among food groups, Meat and Other Parts of Slaughtered Land Animals (15.6%) was the largest contributor to inflation with 35.2 percent share. This was followed Rice (5.4%) with 17.9 percent share and by Fish and other seafood (6.8%) with 15.4 percent share.

Table D. Year-on-Year Inflation Rates in Davao Oriental, by Food Group, In Percent (2018=100)

Food Group	Inflation Rates		
	Sep 2021	Aug 2022	Sep2022
FOOD	9.7	5.7	9.1
Cereals and cereal products	1.9	1.5	5.9
Cereals	1.3	- 0.1	5.2
Rice	- 7.2	1.8	5.4
Corn	35.5	- 5.3	4.6
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	4.7	7.9	8.7
Meat and other parts of slaughtered land animals	23.3	14.0	15.6
Fish and other seafood	20.6	- 2.4	6.8
Milk, other dairy products and eggs	8.8	7.9	- 3.5
Oils and fats	10.8	13.3	16.0
Fruits and nuts	- 13.7	6.5	6.2
Vegetables, tubers, plantains, cooking bananas and pulses	13.4	17.4	18.3
Sugar, confectionery and desserts	5.1	55.3	58.6
Ready-made food and other food products n.e.c.	4.8	6.4	4.1

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

During the period, Davao Oriental's inflation was equal with Davao Region's average of 9.6 percent but higher than the country's average of 6.9 percent.

Among provinces and highly urbanized city in Davao Region,

Davao Oriental’s inflation of 9.6 percent ranked as the third lowest next to Davao del Norte’s 7.4 percent and Davao Occidental’s 8.4 percent. Davao de Oro’s inflation of 12.5 percent remains to be the highest in the region; followed by Davao City’s and Davao del Sur’s 9.9 percent (Table E).

**Table E. Year-on-Year Inflation Rates in Davao Region
All Items (In Percent, 2018=100)**

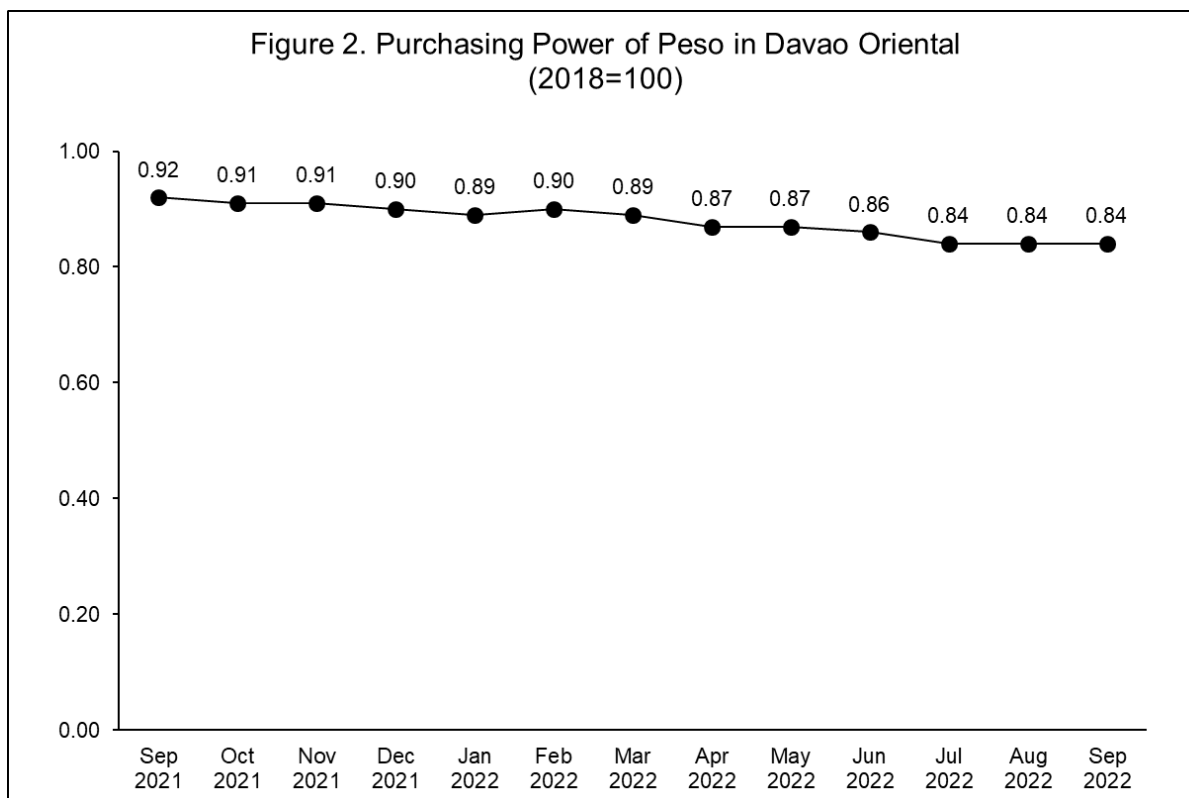
Areas	Inflation Rates		
	Sep 2021	Aug 2022	Sep 2022
Davao Region	4.0	8.9	9.6
Davao Del Norte	4.1	6.9	7.4
Davao City	3.6	9.6	9.9
Davao Del Sur	5.7	8.3	9.9
Davao Oriental	8.1	7.7	9.6
Davao De Oro	3.9	10.2	12.5
Davao Occidental	2.3	8.7	8.4

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

Purchasing Power of Peso (PPP) remains at 84 centavos

Purchasing Power of Peso (PPP) 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. The PPP is inversely related to inflation rate. Thus, as the inflation rate increases, PPP declines.

The PPP in September 2022 stood at 84 centavos. This means that the amount of PhP100.00 in 2018 is equivalent to PhP83.75 in September 2022. Similarly, you will need PhP119.40 to purchase the same set of goods and services worth PhP100.00 in 2018. In September 2021, the PPP was at 92 centavos. (Figure 2)



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

**Table B. Year-on-Year Inflation Rates in Davao Oriental
All Items (In Percent)
January 2019 – September 2022
(2018=100)**

Month	Year			
	2019	2020	2021	2022
January	2.2	2.2	1.9	8.3
February	2.1	0.8	5.2	4.2
March	1.4	0.5	7.2	4.1
April	1.0	1.1	7.0	6.2
May	0.6	0.9	7.4	5.9
June	0.1	1.6	6.7	7.4
July	-0.2	2.0	7.6	8.5
August	-2.0	1.1	9.6	7.7
September	-2.9	1.3	8.1	9.6
October	-2.3	0.7	9.5	
November	-1.0	1.8	7.7	
December	1.2	0.6	9.1	
Average	0.0	1.2	7.3	6.9

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

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

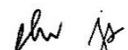
The computation of the CPI involves consideration of the following important points:

- a. **Base Period** - The reference date or base period is the benchmark or reference date or period at which the index is taken as equal to 100.
- 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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EPT/JBPS