

# SPECIAL RELEASE

## Summary Inflation Report Consumer Price Index (2018=100) National Capital Region: February 2025

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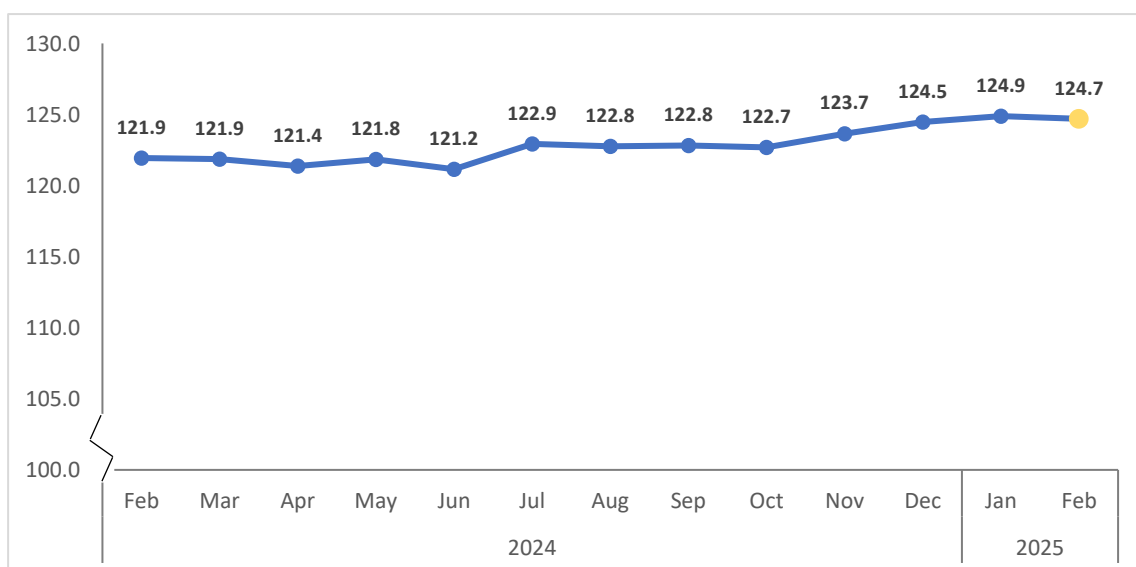
Reference No. 2025-SR-13-07

### CPI in NCR drops to 124.7

The Consumer Price Index (CPI) in the National Capital Region (NCR) dropped to 124.7 percent, showing a decline of 0.2 index points from 124.9 in January 2025. On a year-on-year basis, the NCR's CPI rose by 2.8 index points, from 121.9 in February 2024 to 124.7 in February 2025. NCR's CPI remained lower than the national CPI, which stood at 128.1 in February 2025, down from 128.4 in the previous month

The CPI of 124.7 in February 2025 means that, on average, consumer prices in the NCR have increased by 24.7 percent compared to the 2018 base year. This indicates that a basket of goods that cost PhP100.00 in 2018 would now cost PhP124.70 in February 2025. (Figure 1)

Figure 1. Consumer Price Index, All Items: NCR  
February 2024 – February 2025  
(2018=100)



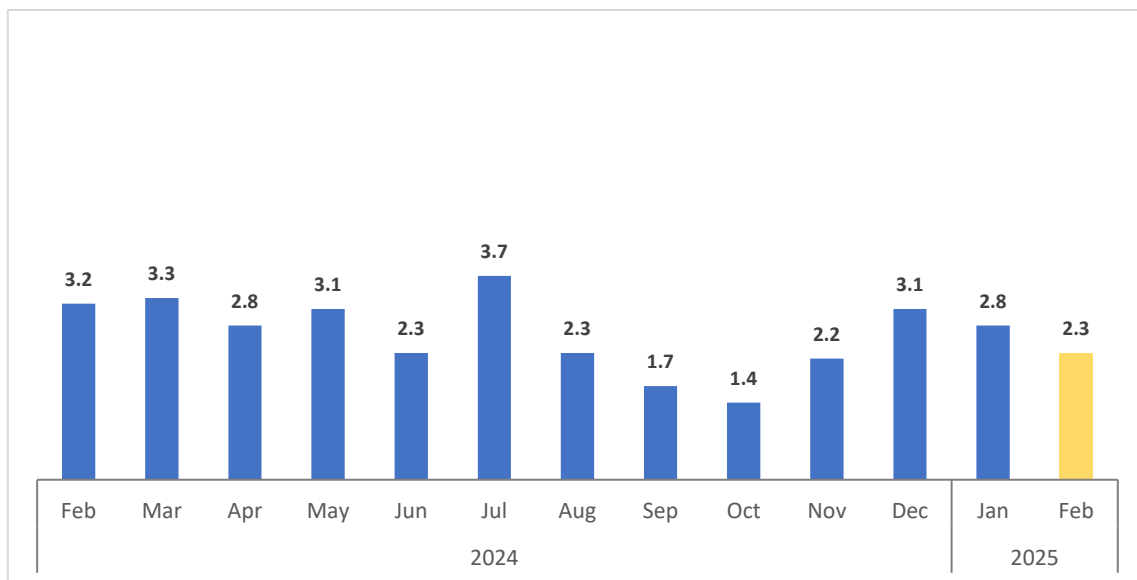
Source: Philippine Statistics Authority, Retail Price Survey of Selected Commodities for the Generation of Consumer Price Index



## Inflation rate in NCR continues downward trend

The inflation rate in NCR continued its downward trend, declining from 3.1 percent in December 2024 to 2.8 percent in January 2025, and further to 2.3 percent in February 2025. On a year-on-year basis, the inflation rate in February 2024 was higher, recorded at 3.2 percent. (Figure 2)

Figure 2. Inflation Rates in NCR, All Items  
February 2024 – February 2025  
(2018=100)



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

At the national level, the headline inflation rate in the Philippines eased to 2.1 percent in February 2025 from 2.9 percent in January 2025. A decline in inflation was also observed across all 17 regions.

The Cordillera Administrative Region (CAR) recorded the largest decline with a 1.6 percentage point. This was followed by Region XI (Davao Region) which posted a 1.5 percentage point decrease. Both Region XII (SOCCSKSARGEN) and Region IX (Zamboanga Peninsula) ranked third with a 1.4 percentage point decline.

In contrast, Region VII (Central Visayas) showed no change at 2.5 percent.

## Food and non-alcoholic beverages drive slower inflation rate in NCR

The slower inflation in NCR was mainly influenced by the Food and non-alcoholic beverages index, which declined from 5.5 percent in January 2025 to 4.3 percent in February 2025. This contributed approximately 65.1 percent share of the overall slowdown in inflation.

The Transport sector was the second largest contributor to the easing inflation rate in the region, as it declined to negative 1.0 percent during the month from 0.2 percent in the previous month. This was followed by the Housing, water, electricity, gas, and other fuels sector, which decelerated to 1.9 percent in February 2025 from 2.2 percent in January 2025.

Likewise, lower annual increments during the month were observed in the indices of the following commodity groups:

- a) Health, 1.6 percent;
- b) Furnishings, household equipment and routine household maintenance, 0.6 percent; and
- c) Clothing and footwear, 1.1 percent.

In contrast, higher annual increments were observed during the month in the following indices:

- a) Alcoholic Beverages and Tobacco, 2.8 percent;
- b) Recreation, Sport and Culture, 0.8 percent; and
- c) Restaurants and Accommodation Services, 1.8 percent.

The indices for the remaining commodity groups stayed at their respective annual rates in February 2025.

Table 1. Year-on-Year Inflation Rates by Commodity Group: NCR  
(2018=100)

Commodity Group	Feb 2024	Jan 2025	Feb 2025
All Items	3.2	2.8	2.3
Food and non-alcoholic beverages	3.3	5.5	4.3
Alcoholic beverages and tobacco	6.7	2.6	2.8
Clothing and footwear	2.0	1.2	1.1
Housing, water, electricity, gas, and other fuels	3.5	2.2	1.9
Furnishings, household equipment and routine household maintenance	2.0	0.7	0.6
Health	2.7	1.8	1.6
Transport	1.3	0.2	-1.0
Information and communication	0.1	0.1	0.1
Recreation, sport and culture	1.5	0.7	0.8
Education services	3.9	2.5	2.5
Restaurants and accommodation services	4.2	1.7	1.8
Financial services	-0.1	0.0	0.0
Personal care, and miscellaneous goods and services	3.2	2.3	2.3

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

### **Food Inflation in NCR eases to 4.4 percent in February 2025**

Food inflation in NCR eased to 4.4 percent in February 2025 from 5.8 percent in January 2025, marking a reduction of 1.4 percentage points.

This slowdown in food inflation was primarily driven by the Vegetables, Tubers, Plantains, Cooking Bananas, and Pulses commodity group, from 25.7 percent in January 2025 to 9.1 percent in February 2025. This contributed approximately 74.2 percent share of the total deceleration in food inflation. Meanwhile, Rice inflation declined from 0.7 percent to negative 1.1 percent, while Fish and Other Seafood inflation slowed from 4.4 percent in the previous month to 3.9 percent during the month.

Additionally, the following food commodity groups also exhibited lower inflation during the month:

- a) Fruits and nuts, 6.0 percent;
- b) Corn, 16.0 percent; and
- c) Ready-made food and other food products n.e.c., 3.5 percent;

Meanwhile, the following food commodity groups observed an upward trend in inflation this month:

- a) Meat and other parts of slaughtered land animals, 9.7 percent;
- b) Oils and fats, -0.9 percent;
- c) Milk, other dairy products and eggs, 2.9 percent; and
- d) Sugar, confectionery and desserts, -1.3 percent.

The Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals remained at its annual rate in February 2025.

Table 2. Year-on-Year Inflation Rates by Selected Food Commodity Group: NCR (2018=100)

Commodity Group	Feb 2024	Jan 2025	Feb 2025
FOOD	3.5	5.8	4.4
Cereals and cereal products	11.1	0.8	-0.3
Cereals	15.3	0.9	-1.0
Rice	15.5	0.7	-1.1
Corn	0.6	19.8	16.0
Flour, bread and other bakery products, pasta products, and other cereals	4.7	0.9	0.9
Meat and other parts of slaughtered land animals	0.5	7.7	9.7
Fish and other seafood	2.9	4.4	3.9
Milk, other dairy products and eggs	1.6	2.4	2.9
Oils and fats	-5.8	-1.6	-0.9
Fruits and nuts	13.2	6.8	6.0
Vegetables, tubers, plantains, cooking bananas and pulses	-8.3	25.7	9.1
Sugar, confectionery and desserts	2.0	-1.5	-1.3
Ready-made food and other food products n.e.c.	3.9	3.6	3.5

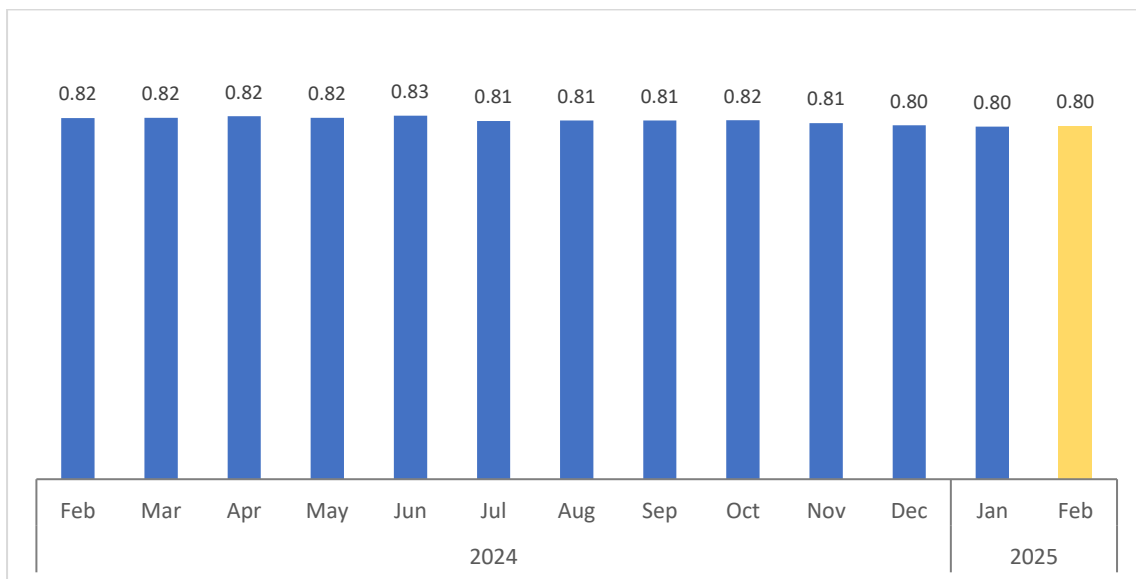
Source: Philippine Statistics Authority, Retail Price Survey of Selected Commodities for the Generation of Consumer Price Index

## Peso purchasing power remains at 0.80

The PPP measures the real value of the peso in a given period relative to a chosen reference period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100. The PPP is inversely related to the CPI; thus, an increase in the CPI will result in a decrease in the PPP.

The purchasing power of the peso (PPP) in NCR remained at 0.80 in February 2025, making the third consecutive month at this level. This means that the real value of PhP1.00 in 2018 prices is equivalent to PhP0.80 in February 2025. A year ago, in February 2024, the PPP was slightly higher at 0.82, reflecting the gradual loss of the peso's purchasing power over time. (Figure 3)

Figure 3. Purchasing Power of the Peso: NCR  
February 2024 – February 2025  
(2018=100)



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

  
**PACIANO B. DIZON**  
Regional Director

JCR/CBDC/MCDG

## TECHNICAL NOTES

### Consumer Price Index

The Consumer Price Index (CPI) is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by households for their day-to-day consumption relative to a base year.

### Components of the CPI

a. Base Period

This is a reference date or simply a convenient benchmark to which a continuous series of index numbers can be related. Since the CPI measures the average changes in the retail prices of a fixed basket of goods, it is necessary to compare the movement in previous years back to a reference date at which the index is taken as equal to 100. The present series of CPI uses 2018 as the base period or base year.

b. Market Basket

Market basket refers to a sample of goods and services commonly purchased by households.

The commodities included in the 2018-based CPI Market basket are the modal commodities which were considered the most commonly purchased/availed of commodities by the households. The composition of the Market basket was determined based on updating the 2012 basket using the results of the 2021 Survey of Key Informants (SKI). In NCR, a total of 760 commodities are included in the Market basket.

c. Weighting System

The weights for the 2018-based CPI were derived from the expenditure data of the 2018 Family Income and Expenditure Survey (FIES). The weight for each commodity/group of commodities is the proportion of the expenditure of the commodity/group of commodities to the total national expenditure. The sum of the weights of the commodity groups at the national level is equal to 100.

### Inflation Rate

The inflation rate is the annual rate of change or the year-on-year change in the Consumer Price Index.

### Purchasing Power of the Peso

The Purchasing Power of the Peso (PPP) is a measure of the real value of the peso in a given period relative to a chosen reference period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100.