

SPECIAL RELEASE

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

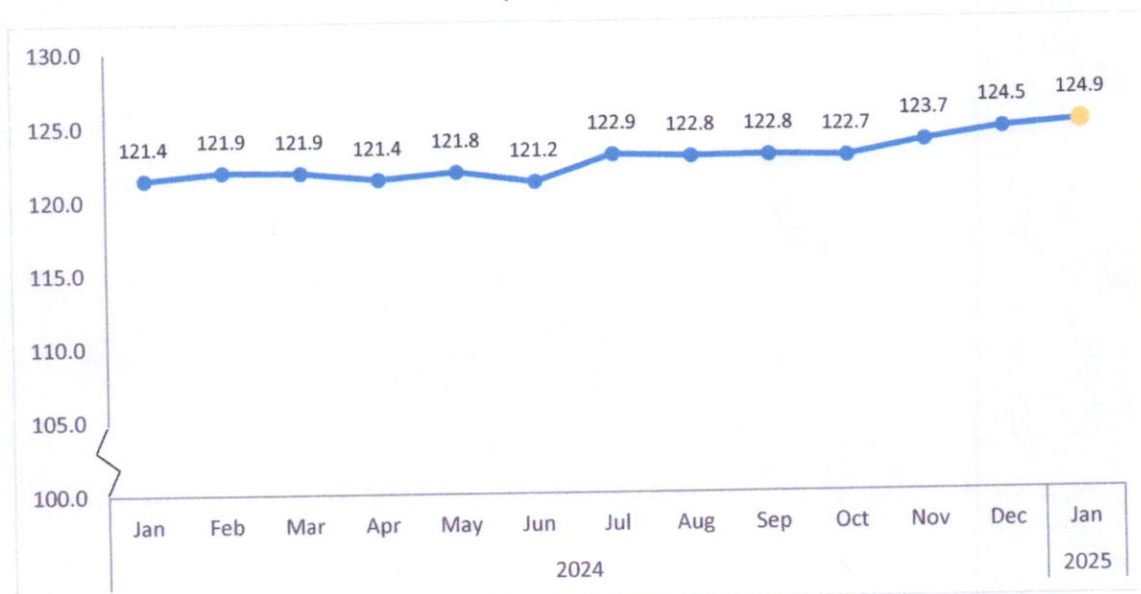
Date of Release: 05 February 2025
Reference No. 2025-SR-13-05

Consumer Price Index in NCR rises to 124.9 (2018=100)

The Consumer Price Index (CPI) in the National Capital Region (NCR) rose to 124.9 percent, showing a 0.4 percentage point increase from the previous month of 124.5 percent. The CPI displayed a year-on-year increment of 3.5 percentage points, from 121.4 percent compared to January 2024. Throughout this period, the NCR's CPI consistently stayed below the Philippines' overall CPI, settling at 128.4 percent in January 2025, showing an increase of 0.7 percentage point from 127.7 percent in December 2024.

The CPI of 124.9 percent in January 2025 implies that consumer prices in the NCR, on average, had increased by 24.9 percent from the base year of 2018. This can also be interpreted as a basket of commodities that an average Filipino household in NCR could purchase for PhP100.00 in 2018 and for PhP124.90 in January 2025. (Figure 1)

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



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



Inflation rate in NCR slows down to 2.8 percent

The inflation rate in NCR slowed down to 2.8 percent from 3.1 percent in the previous month, marking a decline of 0.3 percentage point in January 2025. In January 2024, the inflation rate in the region was also recorded at 2.8 percent. (Figure 2)

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



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

At the national scale, the headline inflation rate for the Philippines remained at 2.9 percent from December 2024 to January 2025.

Inflation increased in eight (8) regions across the country. The Bicol Region (Region V) and the Cordillera Administrative Region (CAR) recorded the highest inflation increases, with 0.8 percentage points. This was followed by the Cagayan Valley Region (Region II), with a rise of 0.5 percentage points.

Housing, water, electricity, gas, and other fuels drive down inflation in NCR

The decline in inflation in NCR was primarily driven by lower prices in housing, water, electricity, gas, and other fuels, which recorded a decrease of 0.8 percentage points to 2.2 percent in January 2025. This accounted for approximately 66.0 percent of the overall slowdown in inflation for the month.

The restaurants and accommodation services commodity group came as the next primary contributor to lower inflation in the region as it decelerated to 1.7 percent during the month from 2.2 percent in the previous month and was followed by the index

of personal care, and miscellaneous goods and services which decreased to 2.3 percent in January 2025 from 2.7 percent in December 2024.

Furthermore, lower annual decrements during the month were observed in the indices of the following commodity groups:

- a) Clothing and footwear, 1.2 percent;
- b) Furnishings, household equipment and routine household maintenance, 0.7 percent;
- c) Health, 1.8 percent;
- d) Information and communication, 0.1 percent;
- e) Alcoholic beverages and tobacco, 2.6 percent;
- f) Recreation, sport and culture, 0.7 percent; and

On the other hand, higher annual increments during the month were observed in the indices of transport at 0.2 percent and education services at 2.5 percent, while financial services recorded a zero percent annual rate in January 2025. (Table 1)

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

Commodity Group	Jan 2024	Dec 2024	Jan 2025
All Items	2.8	3.1	2.8
Food and non-alcoholic beverages	1.9	5.4	5.5
Alcoholic beverages and tobacco	6.7	2.8	2.6
Clothing and footwear	2.4	1.6	1.2
Housing, water, electricity, gas, and other fuels	3.3	3.0	2.2
Furnishings, household equipment and routine household maintenance	4.3	0.9	0.7
Health	2.7	2.0	1.8
Transport	0.2	-0.2	0.2
Information and communication	0.2	0.2	0.1
Recreation, sport and culture	1.9	0.9	0.7
Education services	3.9	2.4	2.5
Restaurants and accommodation services	4.7	2.2	1.7
Financial services	-0.1	-0.1	0.0
Personal care, and miscellaneous goods and services	3.6	2.7	2.3

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

Inflation of food increases to 5.8 percent

Food inflation increased to 5.8 percent in January 2025 from 5.6 percent in the previous month, recording an increase of 0.2 percentage point.

The main contributor to this increase was the higher inflation in fish and other seafood, which rose from 1.4 percent in December 2024 to 4.4 percent in January 2025.

Additionally, meat and other slaughtered land animals saw inflation rise from 6.7 percent to 7.7 percent, and the commodity group of Milk, other dairy products and eggs registered higher inflation from 1.3 percent in the previous month to 2.4 percent in January 2025.

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

- a) Ready-made food and other food products n.e.c., 3.6 percent; and
- b) Oils and fats, -1.6 percent

Meanwhile, the following food commodity groups observed a downtrend in inflation this month:

- a) Corn, 19.8 percent
- b) Rice, 0.7 percent;
- c) Flour, bread and other bakery products, pasta products, and other cereals, 0.9 percent;
- d) Fruits and nuts, 6.8 percent;
- e) Vegetables, tubers, plantains, cooking bananas and pulses, 25.7; and
- f) Sugar, confectionery and desserts, -1.5 percent

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

Commodity Group	Jan 2024	Dec 2024	Jan 2025
FOOD	1.8	5.6	5.8
Cereals and cereal products	11.2	2.0	0.8
Cereals	14.4	2.5	0.9
Rice	14.6	2.3	0.7
Corn	0.1	23.3	19.8
Flour, bread and other bakery products, pasta products, and other cereals	5.8	1.2	0.9
Meat and other parts of slaughtered land animals	-2.0	6.7	7.7
Fish and other seafood	3.6	1.4	4.4
Milk, other dairy products and eggs	4.0	1.3	2.4
Oils and fats	-5.2	-2.1	-1.6
Fruits and nuts	15.8	8.3	6.8
Vegetables, tubers, plantains, cooking bananas and pulses	-20.2	28.5	25.7
Sugar, confectionery and desserts	4.0	-1.3	-1.5
Ready-made food and other food products n.e.c.	5.0	3.3	3.6

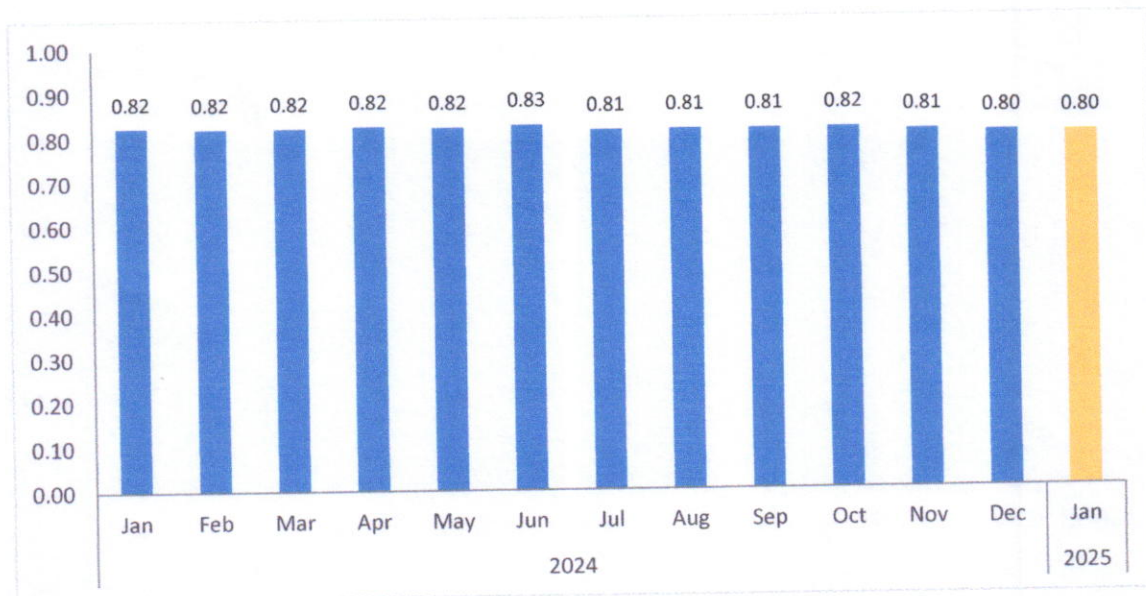
Source: Philippine Statistics Authority, Retail Price Survey of Selected Commodities for the Generation of Consumer Price Index

Peso retains purchasing power at 0.80

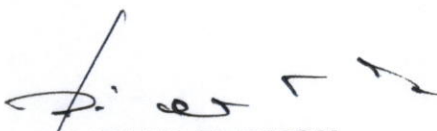
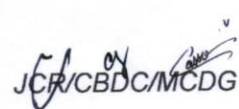
The PPP measures the real value of the peso in a given period relative to a chosen reference period. It is computed by getting the reciprocal of the CPI and multiplying the result by 100. The PPP is inversely related to the CPI; thus, an increase in the CPI will result in a decrease in the PPP.

The purchasing power of the peso (PPP) in NCR remained at 0.80 in January 2025, the same as in December 2024. This means that the real value of PhP1.00 in January 2025 is equivalent to PhP0.80 in 2018 prices. A year ago, in January 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
January 2024 – January 2025
(2018=100)



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


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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.