



SPECIAL RELEASE

SUMMARY INFLATION REPORT CONSUMER PRICE INDEX (2018=100)

NATIONAL CAPITAL REGION: NOVEMBER 2022

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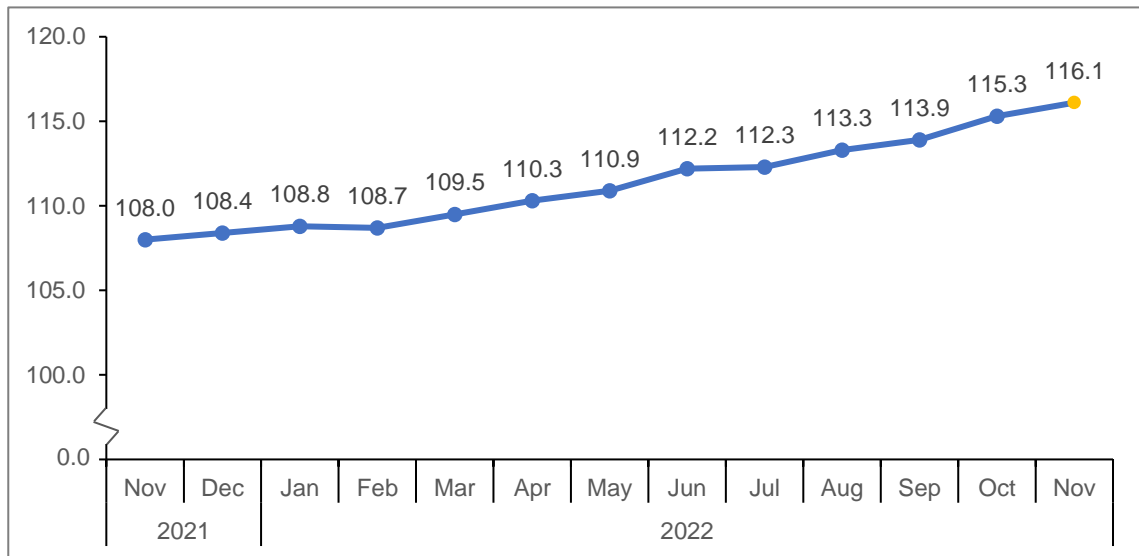
This special release presents data on Consumer Price Index (CPI) for all income households in the National Capital Region (NCR). The CPI is an indicator of the change in the average prices of goods and services commonly purchased by consumers relative to a base year. It is most widely used in the calculation of the Inflation Rate and Purchasing Power of the Peso (PPP). The Inflation Rate is defined as the annual rate of change or the year-on-year change in the CPI. On the other hand, the PPP is a measure of the real value of the peso in a given period relative to a chosen reference period. The PSA releases data on CPI five days after the reference month which is posted on the PSA website (www.psa.gov.ph). Data series are also available at the OpenSTAT database portal of the PSA website.

Consumer Price Index in NCR advances to 116.1 percent

The CPI in NCR advanced to 116.1 percent in November 2022 with 0.8 percentage points increase from its 115.3 percent level in the previous month. On yearly basis, the CPI grew by 8.1 percentage points during the month from 108.0 percent in November 2021. The CPI in NCR consistently remained below the Philippines' record of 119.0 percent in November 2022. Across all regions, the CPI in NCR remained the second lowest among the 17 regions with Central Visayas registering the lowest at 114.3 percent. On the other hand, MIMAROPA Region remained the region with the highest CPI at 123.5 percent in November 2022. Meanwhile, Western Visayas registered the highest increase in CPI this month with 2.4 percentage points to reach 121.0 percent from 118.6 percent in October 2022.

The CPI of 116.1 in November 2022 indicated that consumer prices, on average, had increased by 16.1 percent from the base year 2018. This can also be interpreted that a basket of commodities that can be purchased at PhP100.00 by an average Filipino household in NCR in 2018 can be bought at PhP116.1 in November 2022. (Figure 1)

Figure 1. Consumer Price Index, All Items: NCR
November 2021 - November 2022
(2018=100)

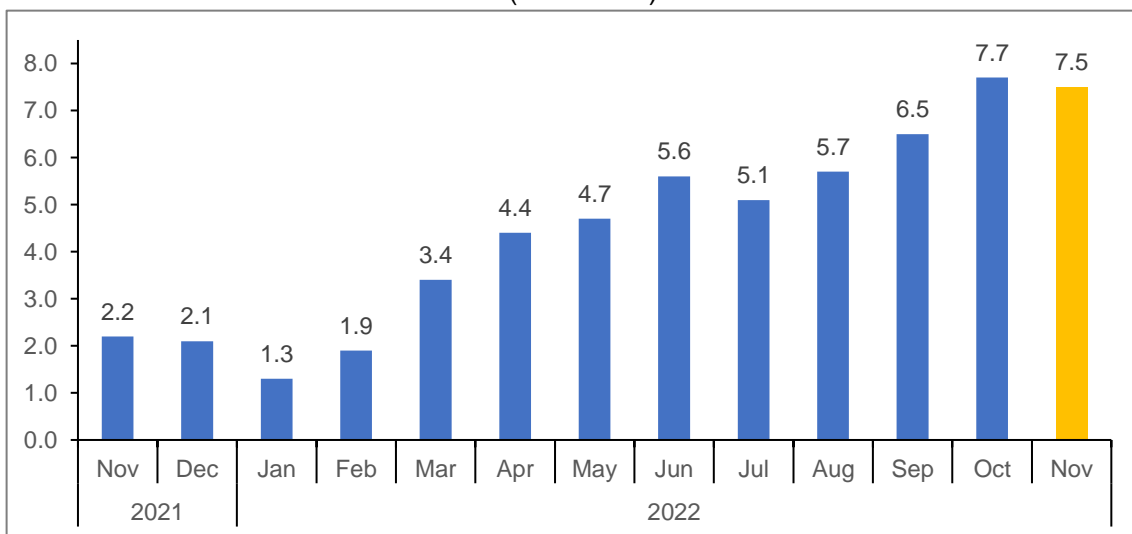


Source: Philippine Statistics Authority

Inflation rate in NCR decelerates to 7.5 percent

The inflation rate in NCR decelerated to 7.5 percent in November 2022 from 7.7 percent in the previous month. The NCR was the only region that registered lower inflation in the Luzon and Visayas areas while four more regions in the Mindanao area registered slower inflation in November 2022. With this month's inflation, the average inflation rate from January to November 2022 in NCR now stood at 4.9 percent. In November 2021, the inflation rate was lower at 2.2 percent. (Figure 2)

Figure 2. Inflation Rates in NCR, All Items
November 2021 - November 2022
(2018=100)

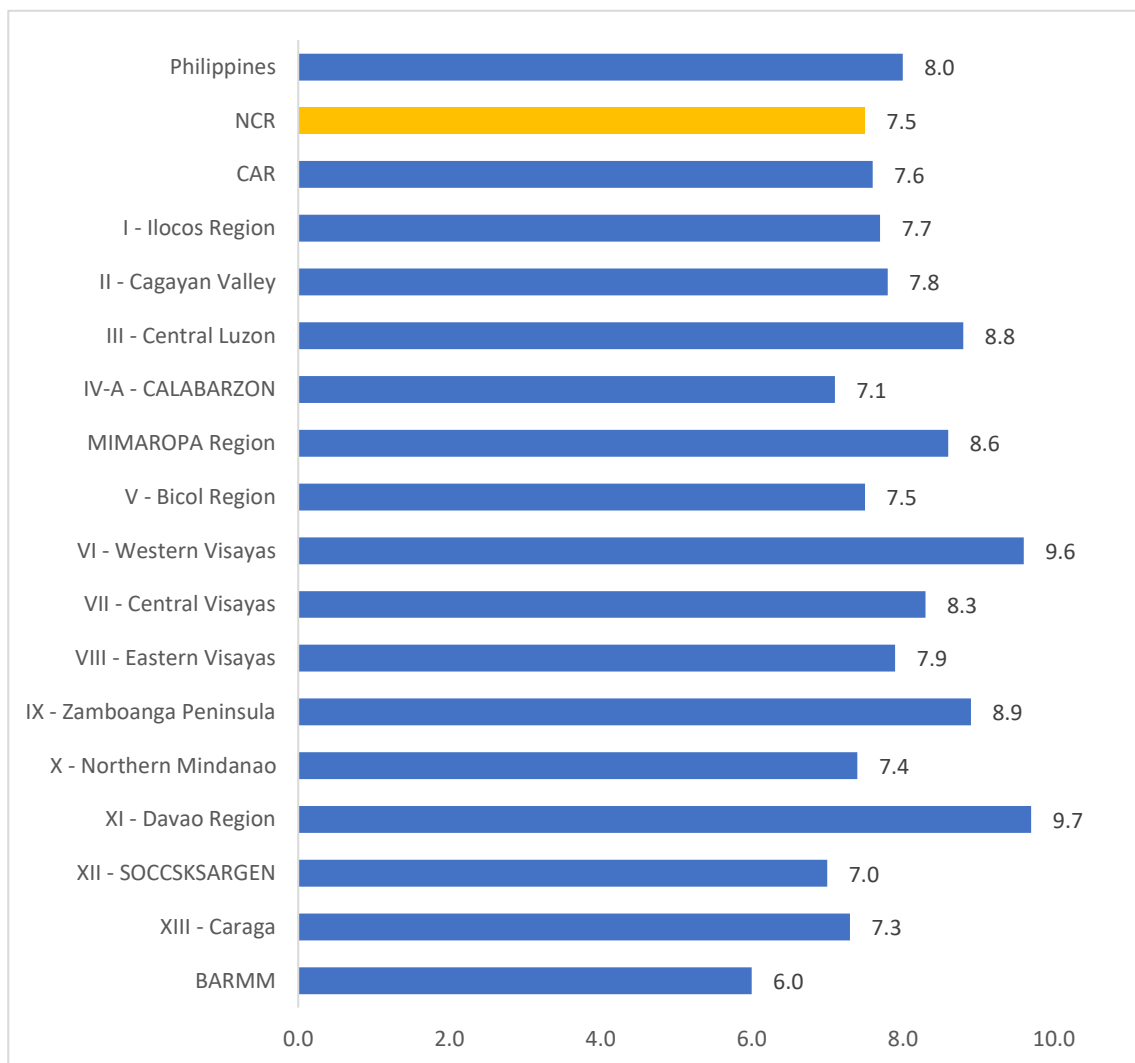


Source: Philippine Statistics Authority

Across all regions, Region XI (Davao Region) registered the highest inflation rate at 9.7 percent followed by Region VI (Western Visayas) at 9.6 percent and Region IX (Zamboanga Peninsula) at 8.9 percent. On the other hand, regions with the lowest inflation rates were BARMM at 6.0 percent Region XII (SOCCSKSARGEN) at 7.0 percent, and Region IV-A (CALABARZON) at 7.1 percent.

At the national level, the headline inflation rate for the Philippines moved faster at 8.0 percent up by 0.3 percentage points from 7.7 percent inflation in October 2022. The average inflation rate at the national level for the period January to November 2022 now stood at 5.6 percent. (Figure 3)

Figure 3. Year-on Year Inflation Rates by Region, All Items: November 2022 (2018=100)



Source: Philippine Statistics Authority

Index of Housing, Water, Electricity, Gas, and Other Fuels contributes to the slower inflation in NCR

The deceleration of inflation in NCR was primarily brought about by the slower annual increase in the housing, water, electricity, gas and other fuels index at 3.7 percent, from 4.4 percent in October 2022. Also contributing to the downtrend were the lower annual increment in the indices of food and non-alcoholic beverages at 11.2 percent; alcoholic beverages and tobacco at 7.6 percent; and transport at 14.8 percent.

On the other hand, higher year-on-year mark-ups were noted in the indices of the following commodity groups:

- a. Clothing and footwear, 2.6 percent;
- b. Furnishings, household equipment and routine household maintenance, 4.3 percent;
- c. Health, 1.2 percent;
- d. Information and communication, 0.2 percent;
- e. Recreation, sport and culture, 3.0 percent;
- f. Restaurants and accommodation services, 8.8 percent; and
- g. Personal care, and miscellaneous goods and services, 2.7 percent.

Meanwhile, the indices of education services and financial services retained their respective annual growth rates in October 2022. (Table 1)

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

Commodity Group	Nov 2021	Oct 2022	Nov 2022
All Items	2.2	7.7	7.5
Food and Non-Alcoholic Beverages	-1.1	11.4	11.2
Alcoholic Beverages and Tobacco	6.7	7.7	7.6
Clothing and Footwear	0.7	2.2	2.6
Housing, Water, Electricity, Gas, and Other Fuels	4.3	4.4	3.7
Furnishings, Household Equipment and Routine Household Maintenance	1.1	3.5	4.3
Health	2.3	0.9	1.2
Transport	7.9	15.7	14.8
Information and Communication	0.4	0.0	0.2
Recreation, Sport and Culture	0.3	2.6	3.0
Education Services	0.2	8.1	8.1
Restaurants and Accommodation Services	2.7	8.6	8.8
Financial Services	46.0	0.0	0.0
Personal Care, and Miscellaneous Goods and Services	1.7	2.2	2.7

Source: Philippine Statistics Authority

Inflation of food downslides to 11.8 percent

The inflation of the food index downslide to 11.8 percent in November 2022. This was lower by 0.3 percentage points compared to the 12.1 percent inflation in the previous month. In November 2021, the food inflation contracted to negative 1.3 percent.

The slowdown in food inflation was primarily influenced by the lower annual increment in the index of meat and other parts of slaughtered land animals which were down to 6.4 percent from 12.3 percent in October 2022. Lower annual hikes were also observed in the indices of fish and other seafood at 8.0 percent, rice (0.7%), and Oils and fats (23.0%).

On the other hand, higher annual hikes were noted in the indices of the following commodity groups during the month:

- a. Corn, 15.6 percent;
- b. Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals, 12.6 percent;
- c. Milk, other dairy products and eggs, 13.9 percent;
- d. Fruits and nuts, 9.4 percent;
- e. Vegetables, tubers, plantains, cooking bananas and pulses, 46.4 percent;
- f. Sugar, confectionery and desserts, 26.7 percent; and
- g. Ready-made food and other food products n.e.c., 12.8 percent. (Table 2)

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

Commodity Group	Nov 2021	Oct 2022	Nov 2022
FOOD	-1.3	12.1	11.8
Cereals and cereal products	0.9	4.9	5.1
Cereals	0.3	0.8	0.9
Rice	0.3	0.8	0.7
Corn	3.8	3.0	15.6
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	2.0	12.0	12.6
Meat and other parts of slaughtered land animals	5.6	12.3	6.4
Fish and other seafood	3.3	9.8	8.0
Milk, other dairy products and eggs	-0.9	13.0	13.9
Oils and fats	5.6	23.2	23.0
Fruits and nuts	-13.5	7.0	9.4
Vegetables, tubers, plantains, cooking bananas and pulses	-23.4	32.3	46.4
Sugar, confectionery and desserts	1.0	25.0	26.7
Ready-made food and other food products n.e.c.	0.5	12.0	12.8

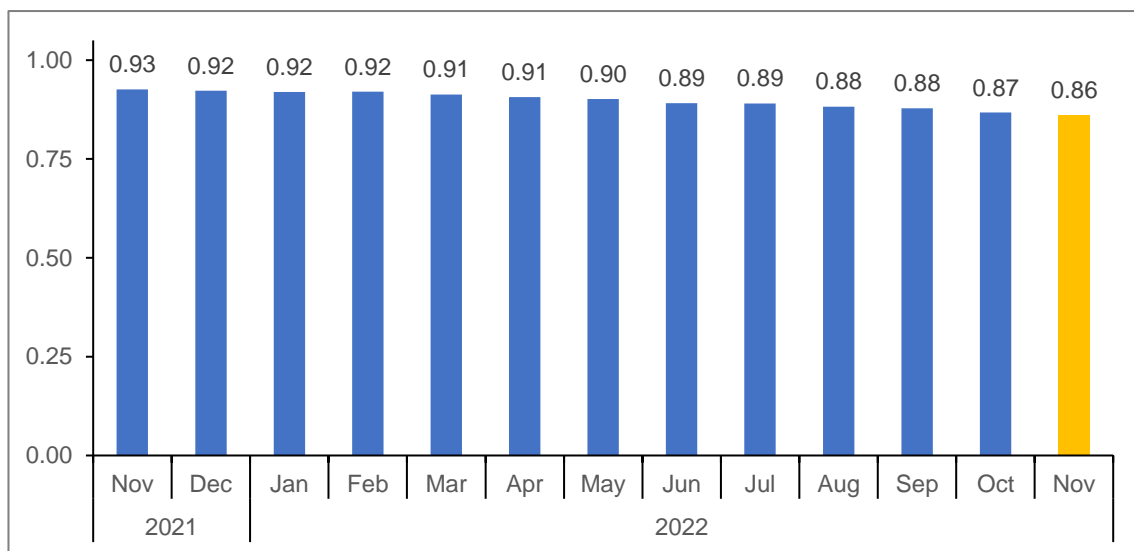
Source: Philippine Statistics Authority

Purchasing Power of the Peso (PPP) slides to 0.86

The PPP is a measure of the real value of the peso in a given period relative to a chosen reference and 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.

In November 2022, the PPP in NCR slid to 0.86 from 0.87 in October 2022. The increase in CPI contributed to a reduction in the real value of the peso in NCR in November 2022. Meanwhile, the PPP in November 2021 was higher at 0.93. (Figure 4)

Figure 4. Purchasing Power of the Peso: NCR
November 2021 - November 2022
(2018=100)



Source: Philippine Statistics Authority


PACIANO B. DIZON
Regional Director


EGB/DFJC

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 the households.

The commodities included in the 2018-based CPI market basket are the modal commodities which were considered as 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 expenditure of 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.