

SPECIAL RELEASE

AUGUST 2024 INFLATION REPORT OF ORIENTAL MINDORO (BASE YEAR: 2018)

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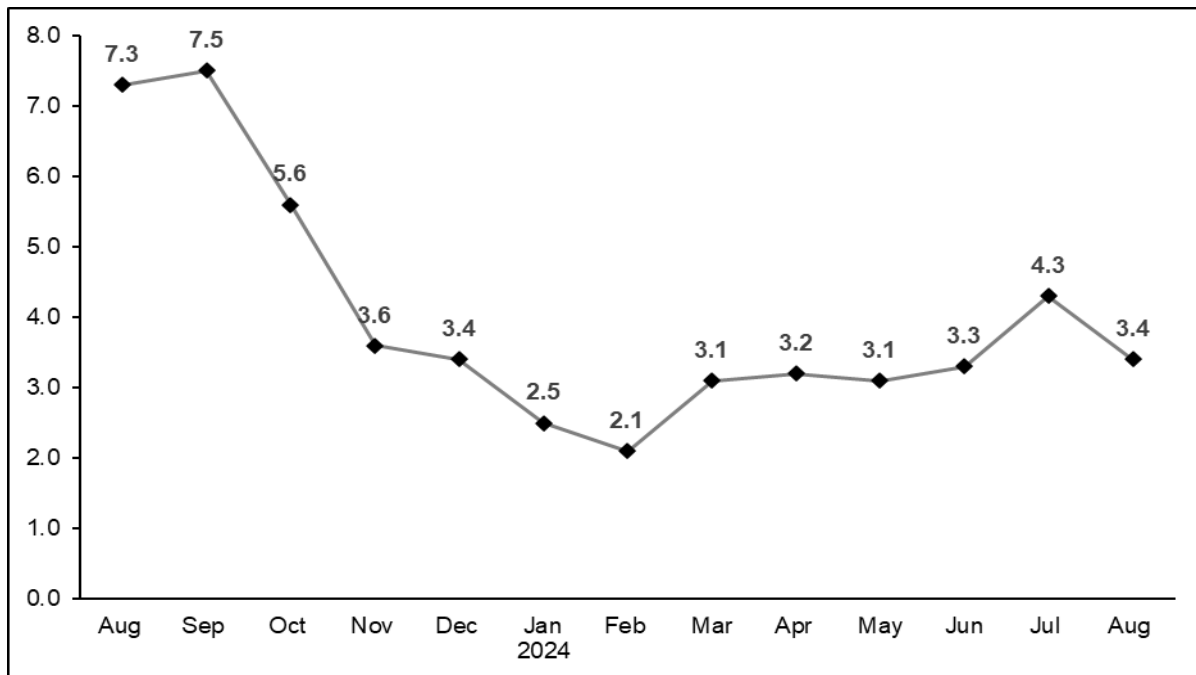
Reference No.: 2024-SR-063

Table 1. Year-on-Year Inflation Rates (%) in the Philippines, MIMAROPA Region, and Oriental Mindoro Province, All Items (2018=100)

Area	August 2023	July 2024	August 2024
Philippines	5.3	4.4	3.3
MIMAROPA Region	6.1	5.0	4.1
Oriental Mindoro	7.3	4.3	3.4

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

Figure 1. Year-on-Year Inflation Rates (%) in Oriental Mindoro: August 2023 to August 2024 (2018=100)



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

Headline Inflation

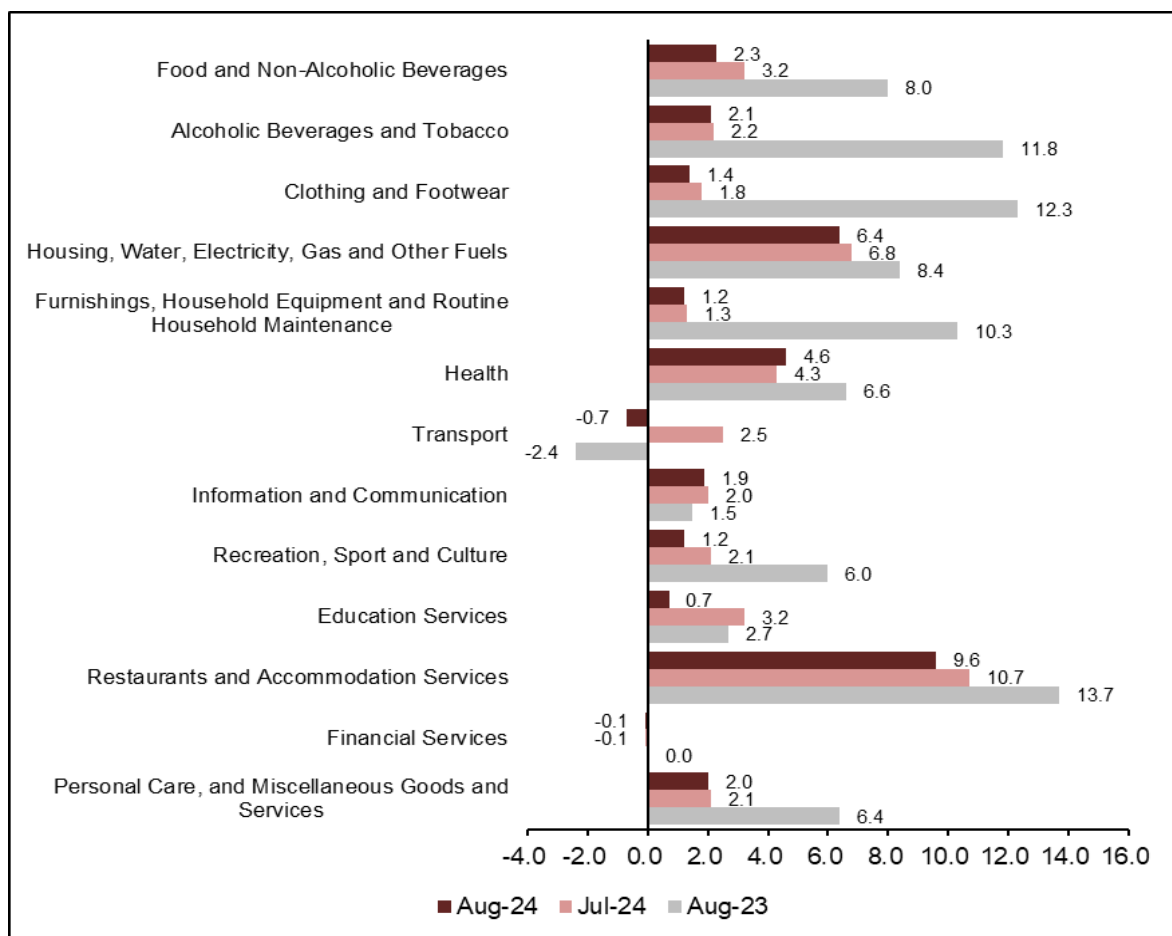
Oriental Mindoro's headline inflation or the overall inflation eased to 3.4 percent in August 2024 from 4.3 percent in July 2024. This brings the provincial average inflation from January to August 2024 at 3.1 percent. In August 2023, inflation rate in the province was higher at 7.3 percent.



Main Drivers to the Downward Trend of the Headline Inflation

The downtrend in the overall inflation in August 2024 was primarily brought about by the slower annual increment of food and non-alcoholic beverages at 2.3 percent during the month from 3.2 percent in July 2024. Also contributing to the downward trend was transport with an annual drop of 0.7 percent during the month from a 2.5 percent annual increase in July 2024.

Figure 2. Year-on-Year Inflation Rates (%) in Oriental Mindoro by Commodity Group (2018=100)



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

Lower annual increments were also noted in the indices of the following commodity groups during the month:

- a. Housing, water, electricity, gas and other fuels, 6.4 percent from 6.8 percent;
- b. Restaurants and accommodation services, 9.6 percent from 10.7 percent;
- c. Education services, 0.7 percent from 3.2 percent;
- d. Clothing and footwear, 1.4 percent from 1.8 percent;
- e. Recreation, sport and culture, 1.2 percent from 2.1 percent;
- f. Personal care, and miscellaneous goods and services, 2.0 percent from 2.1 percent;
- g. Furnishings, household equipment and routine household maintenance, 1.2 percent from 1.3 percent;

- h. Information and communication, 1.9 percent from 2.0 percent; and
- i. Alcoholic beverages and tobacco, 2.10 percent from 2.2 percent.

On the contrary, the health exhibited a higher annual increase of 4.6 percent during the month from 4.3 percent in July 2024.

The indices of financial services retained its annual rate of -0.1 percent.

Main Contributors to the Headline Inflation

The top three commodity groups contributing to the August 2024 overall inflation of the province were the following:

- Housing, water, electricity, gas and other fuels, 37.5 percentage share or 1.28 percentage point;
- Food and non-alcoholic beverages, 33.0 percentage share or 1.12 percentage point; and
- Restaurants and accommodation services, 17.8 percentage share or 0.60 percentage point.

Food Inflation

Food inflation in Oriental Mindoro eased to 2.3 percent in August 2024 from 3.2 percent in the previous month. In August 2023, food inflation was higher at 8.4 percent.

Main Drivers to the Downward Trend of Food Inflation

The deceleration of food inflation in August 2024 was primarily brought about by the slower inflation of rice with 5.6 percent in August 2024 from 7.5 percent in the previous month. This was followed by vegetables, tubers, plantains, cooking bananas and pulses with a year-on-year decline of 3.0 percent during the month from 1.9 percent annual increase in July 2024.

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

- a. Corn, -8.8 percent from -8.2 percent;
- b. Fish and other seafood, -5.7 percent from -5.2 percent; and
- c. Fruits and nuts, 6.1 percent from 6.4 percent.

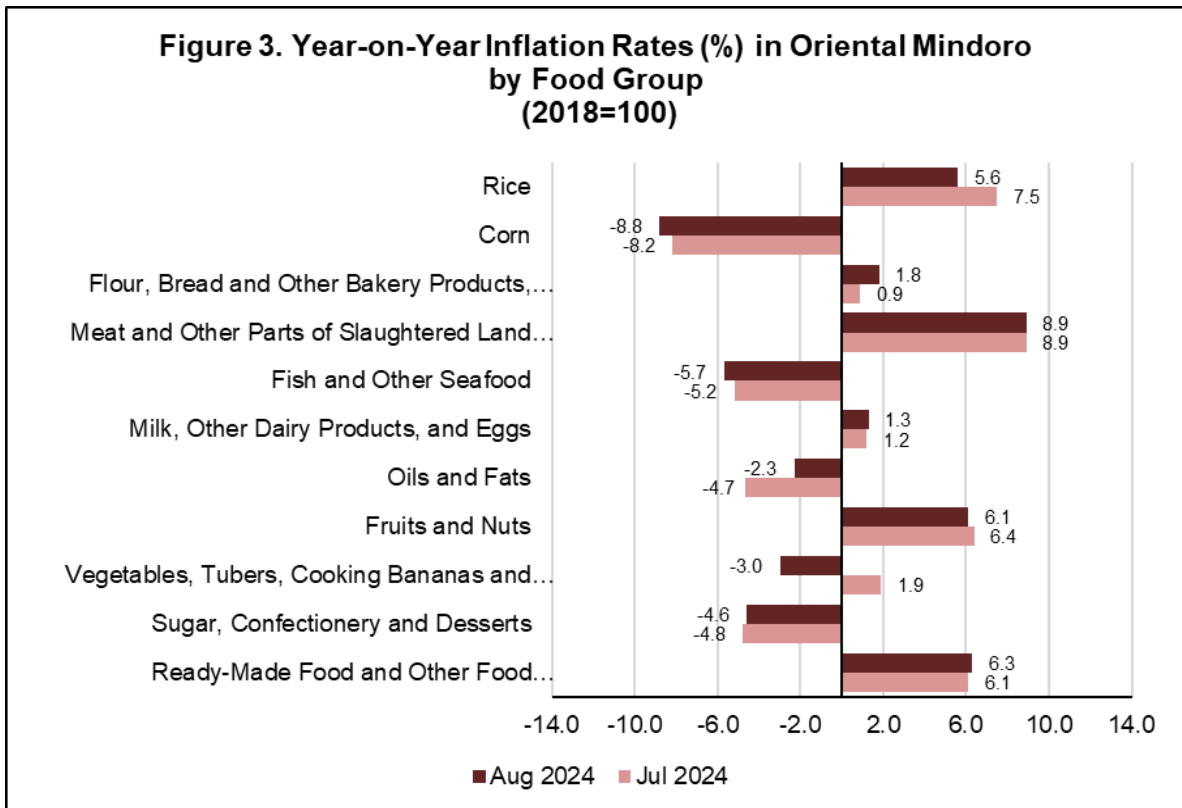
In contrast, the following commodity groups registered higher inflation during the month:

- a. Flour, bread and other bakery products, pasta products, and other cereals, 1.8 percent from 0.9 percent;
- b. Milk, other dairy products and eggs, 1.3 percent from 1.2 percent; and
- c. Ready-made food and other food products not elsewhere classified, 6.3 percent from 6.1 percent.

Meanwhile, slower year-on-year decrease were observed in the indices of oils at 2.3 percent and fats, and sugar confectionery and desserts at 4.6 percent during the month from their respective annual decreases of 4.7 percent and 4.8 percent in the previous month.

The index of meat and other parts of slaughtered land animals retained its July 2024 annual rate of 8.9 percent.

INFLATION RATE BY FOOD GROUP

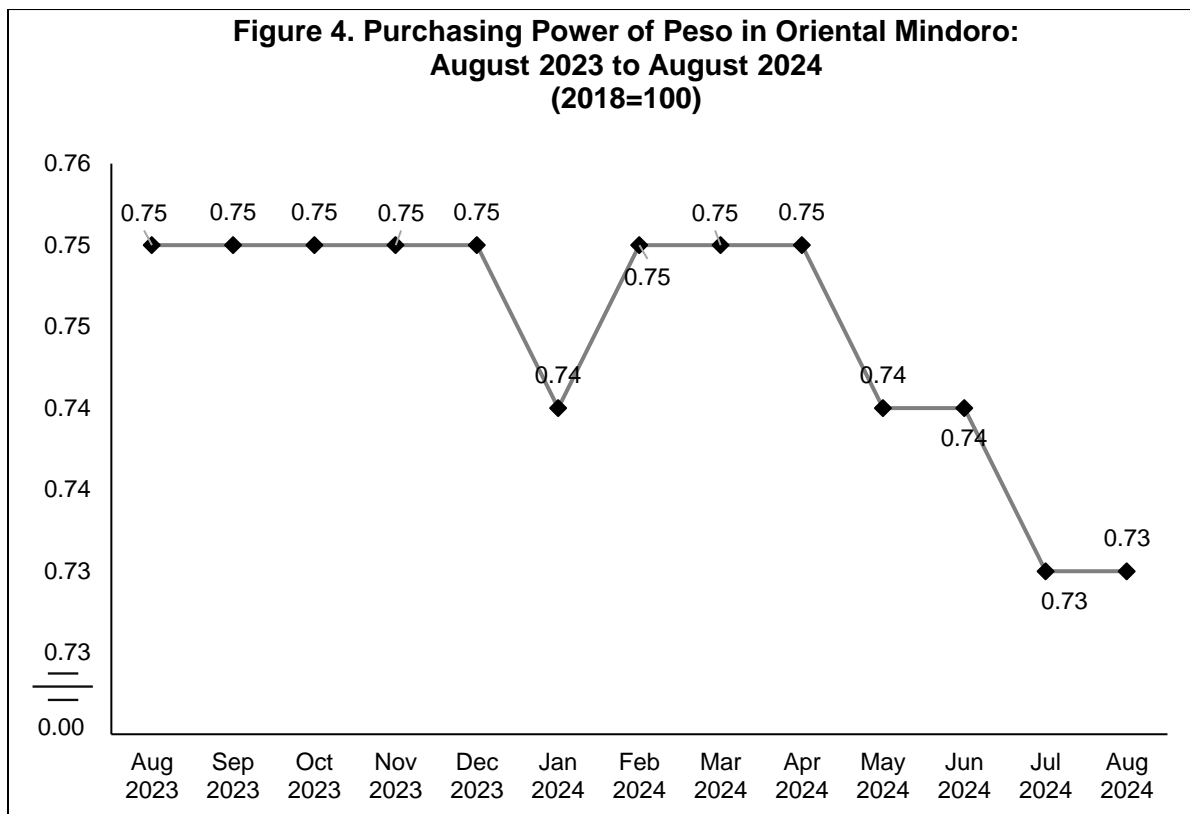


Source: Philippine Statistics Authority, *Retail Price Survey for the Generation of Consumer Price Index*

Purchasing Power of the Peso

The Purchasing Power of Peso (PPP) in Oriental Mindoro is at Php 0.73 in August 2024. The PPP was registered at Php 0.75 in August 2023.

As a result, the amount of goods that could be presently purchased by consumers was less than when the PPP was higher. Furthermore, the decrease in PPP was attributed to the higher inflation rate, given that PPP and inflation rate have an inverse relationship.



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

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Table 9. Consumer Price Index by Subgroup, Month-on-Month and Year-on-Year Percent Changes in Oriental Mindoro (2018=100)

Commodity Group	CPI			Inflation Rates	
	Aug 2023	Jul 2024	Aug 2024	Month-on-Month	Year-on-Year
ALL ITEMS	132.8	137.1	137.3	0.1	3.4
I. FOOD AND NON-ALCOHOLIC BEVERAGES	119.2	120.9	122.0	0.9	2.3
* Food	119.3	121.0	122.1	0.9	2.3
Cereals and Cereal Products	106.4	112.1	111.3	-0.7	4.6
Cereals	105.3	112.1	111.0	-1.0	5.4
Rice	104.7	111.7	110.6	-1.0	5.6
Corn	166.0	151.3	151.3	0.0	-8.8
Flour, Bread and Other Bakery Products, Pasta Products	110.6	112.0	112.6	0.5	1.8
Meat and Other Parts of Slaughtered Land Animals	128.0	139.3	139.4	0.1	8.9
Fish and Other Seafood	127.8	116.0	120.5	3.9	-5.7
Milk, Other Dairy Products, and Eggs	107.3	107.6	108.7	1.0	1.3
Oils and Fats	97.5	95.2	95.3	0.1	-2.3
Fruits and Nuts	132.1	137.0	140.1	2.3	6.1
Vegetables, Tubers, Cooking Bananas and Pulses	128.3	121.1	124.5	2.8	-3.0
Sugar, Confectionery and Desserts	143.3	136.2	136.7	0.4	-4.6
Ready-Made Food and Other Food Products N.E.C.	132.2	140.5	140.5	0.0	6.3
* Non-alcoholic Beverages	117.1	119.8	120.0	0.2	2.5
II. ALCOHOLIC BEVERAGES AND TOBACCO	225.1	229.9	229.9	0.0	2.1
Alcoholic Beverages	152.5	159.2	159.2	0.0	4.4
Tobacco	297.3	300.2	300.2	0.0	1.0
Other Vegetable-Based Tobacco Products					
NON-FOOD	140.7	147.1	146.6	-0.3	4.2
III. CLOTHING AND FOOTWEAR	125.5	126.7	127.2	0.4	1.4
Clothing	125.0	126.5	127.3	0.6	1.8
Footwear	126.7	127.1	127.1	0.0	0.3
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	158.9	170.2	169.1	-0.6	6.4
Actual Rentals for Housing	159.9	157.1	157.8	0.4	-1.3
Maintenance, Repair and Security of the Dwelling	111.2	111.5	111.5	0.0	0.3
Water Supply and Miscellaneous Services Relating to the Dwelling	100.0	100.3	100.3	0.0	0.3
Electricity, Gas and Other Fuels	171.0	205.9	201.8	-2.0	18.0
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	119.5	120.7	120.9	0.2	1.2
Furniture and Furnishings, and Loose Carpets	112.8	113.7	113.9	0.2	1.0
Household Textiles	119.0	120.9	121.9	0.8	2.4
Household Appliances	119.5	123.5	123.5	0.0	3.3
Glassware, Tableware and Household Utensils	121.5	117.9	117.9	0.0	-3.0
Tools and Equipment for House and Garden	119.2	119.7	119.7	0.0	0.4
Goods and Services for Routine Household Maintenance	120.7	121.0	121.2	0.2	0.4
VI. HEALTH	138.0	144.3	144.4	0.1	4.6
Medicines and Health Products	125.9	128.7	128.8	0.1	2.3
Outpatient Care Services	169.8	169.4	169.4	0.0	-0.2
Inpatient Care Services	140.8	155.3	155.3	0.0	10.3
Other Health Services	138.5	138.5	137.6	-0.6	-0.6
VII. TRANSPORT	140.6	140.8	139.6	-0.9	-0.7
Purchase of Vehicles	141.5	141.8	142.2	0.3	0.5
Operation of Personal Transport Equipment	143.7	142.9	139.6	-2.3	-2.9
Passenger Transport Services	137.8	138.8	138.8	0.0	0.7
Transport Services of Goods	104.9	104.9	104.9	0.0	0.0
VIII. INFORMATION AND COMMUNICATION	103.7	105.5	105.7	0.2	1.9
Information and Communication Equipment	103.5	111.2	112.0	0.7	8.2
Information and Communication Services	103.8	102.5	102.5	0.0	-1.3

Table 9--Concluded

Commodity Group	CPI			Inflation Rates	
	Aug 2023	Jul 2024	Aug 2024	Month-on-Month	Year-on-Year
IX. RECREATION, SPORT AND CULTURE	123.6	125.1	125.1	0.0	1.2
Recreational Durables					
Other Recreational Goods	109.1	112.2	112.2	0.0	2.8
Garden Products and Pets	125.7	129.6	129.8	0.2	3.3
Recreational Services	123.3	123.3	123.3	0.0	0.0
Cultural Goods	77.6	80.5	80.5	0.0	3.7
Cultural Services	107.3	109.6	109.6	0.0	2.1
Newspapers, Books and Stationery	153.5	154.6	154.7	0.1	0.8
Package Holidays	100.0	100.0	100.0	0.0	0.0
X. EDUCATION SERVICES	108.7	109.2	109.5	0.3	0.7
Early Childhood and Primary Education	113.5	115.1	114.5	-0.5	0.9
Secondary Education	109.5	109.5	110.5	0.9	0.9
Tertiary Education	106.8	107.3	107.3	0.0	0.5
Education Not Defined by Level					
XI. RESTAURANTS AND ACCOMMODATION SERVICES	144.0	157.8	157.8	0.0	9.6
Food and Beverage Serving Services	144.0	157.8	157.8	0.0	9.6
Accommodation Services					
XII. FINANCIAL SERVICES	145.0	144.8	144.8	0.0	-0.1
Financial Services	145.0	144.8	144.8	0.0	-0.1
XIII. PERSONAL CARE, AND MISCELLANEOUS GOODS AND SERVICES	123.0	125.3	125.5	0.2	2.0
Personal Care	125.6	128.4	128.6	0.2	2.4
Other Personal Effects	109.9	109.2	109.2	0.0	-0.6
Other Services	118.2	127.3	127.3	0.0	7.7

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

Technical Notes

Consumer Price Index is an indicator of the change in the average prices of a fixed basket of goods and services commonly purchased by households relative to a base year.

- Market Basket is a sample of goods and services, which is meant to represent the totality of all the goods and services purchased by households relative to a base year.
 - To determine the commodities that will form the market basket for the 2018-based CPI, the Survey of Key Informants (SKI) was conducted in March 2021. The survey, which was conducted nationwide to store managers, sellers or proprietors, obtained information on the most commonly purchased of goods and availed of services by the households.
 - The commodities in the 2018-based CPI market basket are grouped/classified according to the 2020 Philippine Classification of Individual Consumption According to Purpose (PCOICOP) which is based on the United Nations COICOP. Meanwhile, the commodities in the 2012-based CPI market basket used the 2009 PCOICOP version of classification of commodities.
- Base year is a reference period, usually a year, at which the index number is set to 100. It is the reference point of the index number series. The CPI is rebased from base year 2012 to base year 2018.
- Inflation Rate is the annual rate of change or the year-on-year change in the Consumer Price Index (CPI).
- Purchasing Power of Peso 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

Inflation Rate (reference month, reference year)

$$= \left[\frac{\text{CPI}_{(\text{reference month, reference year})} - \text{CPI}_{(\text{reference month, previous year})}}{\text{CPI}_{(\text{reference month, previous year})}} \right] \times 100\%$$

For example,

$$\begin{aligned} \text{INFLATION RATE}_{(\text{Aug 2024})} &= \left[\frac{\text{CPI}_{(\text{Aug 2024})} - \text{CPI}_{(\text{Aug 2023})}}{\text{CPI}_{(\text{Aug 2023})}} \right] \times 100\% \\ &= \left[\frac{137.3 - 132.8}{132.8} \right] \times 100\% \\ &= \left(\frac{4.5}{132.8} \right) \times 100\% \\ &\approx 3.4 \end{aligned}$$