



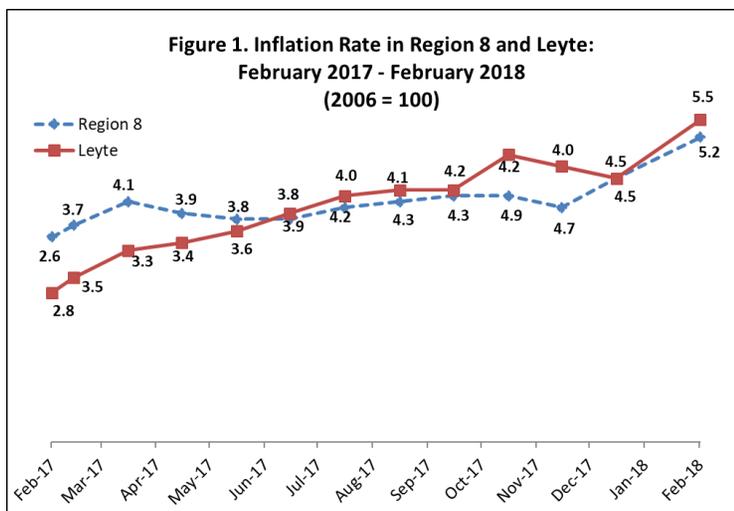
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PRESS RELEASE

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Inflation rate in Leyte recorded at 5.5 percent in February 2018

Inflation rate in Leyte increased in February 2018. It stands at 5.5 percent reporting an increase of 1.0 percentage point compared to the 4.5 percent inflation rate in the previous month. Likewise, region's inflation rate increased from 4.5 percent in January 2018 to 5.2 percent during the reference month. Average inflation rate in Leyte was higher than Region 8 during the reference month.



Most of the commodity groups contributed to the 5.5 percent overall inflation rate. The following major commodity groups significantly contributed to the provincial inflation rate:

Alcoholic beverages and tobacco (16.6 percent); Education (11.3 percent); Health (8.8 percent); Food and non-alcoholic beverages (7.9 percent); Transport (4.2 percent); Restaurant and miscellaneous goods and services (3.7 percent); Furnishings, household equipment and routine maintenance of the house (2.6 percent); Clothing and footwear (2.4 percent); and Recreation and culture (2.0 percent).

Seven major commodity groups reflected higher inflation rate in February 2018 as compared to January 2018. Alcoholic beverages and tobacco reported the biggest increase by 10.5 percentage points, from 6.1 percent in January 2018 to 16.6 percent in February 2018. This was followed by the 2.4 percentage points increment on the inflation rate of Health. Moreover, other major commodity groups that also posted an increase on its inflation rates were the following: Furnishings, household equipment and routine maintenance of the house (1.3 percentage points); Food and non-alcoholic beverages (1.1 percentage points); Transport (0.8 percentage point); Restaurant and miscellaneous goods and services and Clothing and footwear (0.2 percentage point).

On the other hand, inflation rate of Housing, water, electricity, gas and other fuels decreased by 0.4 percentage point from -2.0 percent in January 2018 to -2.4 percent in February 2018.

Previous month's inflation rates of Communication, Recreation and Culture, and Education were sustained during the month-in-review.

Inflation rate is the general rise of prices over a period. It indicates how fast or how slow price changes over two-time periods. Contrary to common knowledge, low inflation does not necessarily connote that prices are falling, rather, it means that prices continue to increase at a slower rate. It is a derived indicator of the Consumer Price Index (CPI).

The CPI is a measure of change in the average retail prices of goods and services commonly purchased by a particular group of people in a particular area. The overall CPI in Leyte for February 2018 was recorded at 165.5. This means that the average retail prices of goods and services in Leyte is 65.5 percent higher than the average retail prices in 2006 (base year).

Purchasing Power of the Peso in Leyte weakened at 60 centavos in February 2018 from 61 centavos in January 2018. Similarly, the PPP for Region 8 also dropped from 61 centavos in January 2018 to 60 centavos during the month-in-review. This purchasing power of the peso indicates that the same basket of goods and services worth 60 pesos in 2006 (base year) is worth 100 pesos during the reference period.//


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