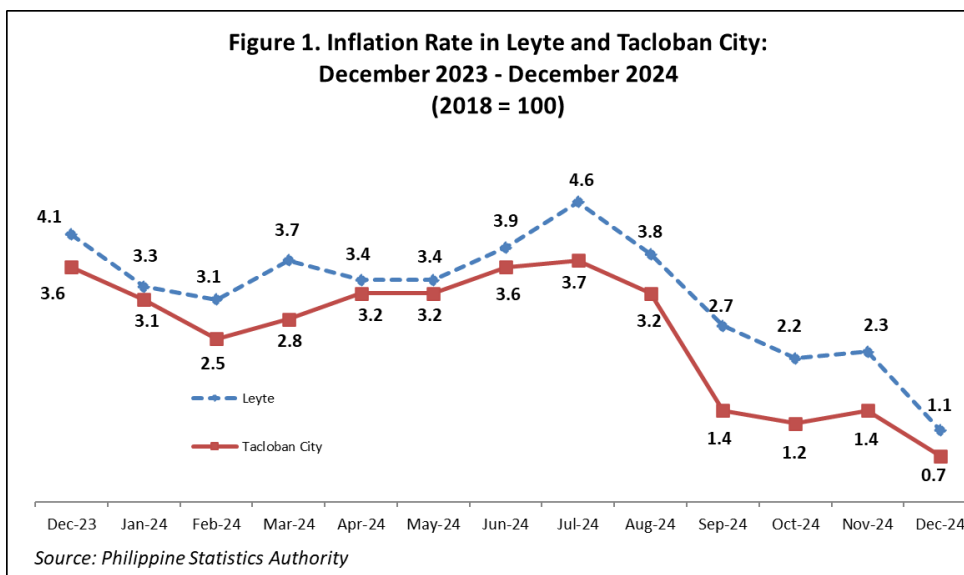


PRESS RELEASE

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Tacloban City's inflation rate falls to 0.7 percent in December 2024



Tacloban City's inflation rate decreased to 0.7 percent in December 2024 from 1.4 percent in November 2024. This marks the lowest inflation rate recorded in the city for the year. The average inflation rate for Tacloban City from January to December 2024 stood at 2.5 percent. In December 2023, the inflation rate was higher at 3.6 percent. Similarly, Leyte's inflation rate decreased to 1.1 percent, down from 2.3 percent in the previous month, bringing the average inflation rate for the province from January to December 2024 to 3.1 percent. Among the provinces and highly urbanized city (HUC) in the region, Eastern Samar recorded an increase in its inflation rate in December 2024.

Main Drivers Contributing to the Downward Trend of Tacloban City's Inflation

The downward trend in Tacloban City's inflation rate in December 2024 was primarily driven by the slower annual increment in the heavily weighted food and non-alcoholic beverages, which dropped to 1.3 percent from 2.8 percent in the previous month. This was attributed to the slower rate of increase in the prices of cereals and cereal products, fruits and nuts, fruit and vegetable juices, and coffee and coffee substitutes. Additionally, alcoholic beverages and tobacco decreased to 2.3 percent from 2.8 percent in the previous month, driven by the slower rate of increase in the prices of beer, tobacco, and other non-food commodities.

Moreover, housing, water, electricity, gas and other fuels and health recorded a deflation of -0.2 percent in December 2024, compared to an inflation of 1.1 percent and 0.3 percent, respectively, in the previous month. The deflation in housing, water, electricity, gas and other fuels was driven by a decrease in the prices of electricity, while the deflation in health was attributed to the slower rate of increase in the prices of medical products, as well as a decrease in the prices of medicines.

In contrast, the inflation rate of personal care, and miscellaneous goods and services increased to 1.2 percent in December 2024 from 1.1 percent in the previous month, due to the increase in the prices of personal care.

In addition, transport recorded a deflation of -0.3 percent in December 2024, compared to a deflation of -1.8 percent in the previous month. This slower deflation was attributed to the slower rate of decrease in the prices of fuels and lubricants for personal transport equipment.



On the other hand, the six (6) other major commodity groups maintained their inflation rates from their previous months' rate:

- a. Clothing and footwear at zero percent;
- b. Information and communication at zero percent;
- c. Recreation, sport and culture at 2.9 percent;
- d. Education services at 6.3 percent;
- e. Restaurants and accommodation services at zero percent; and
- f. Financial services at zero percent.

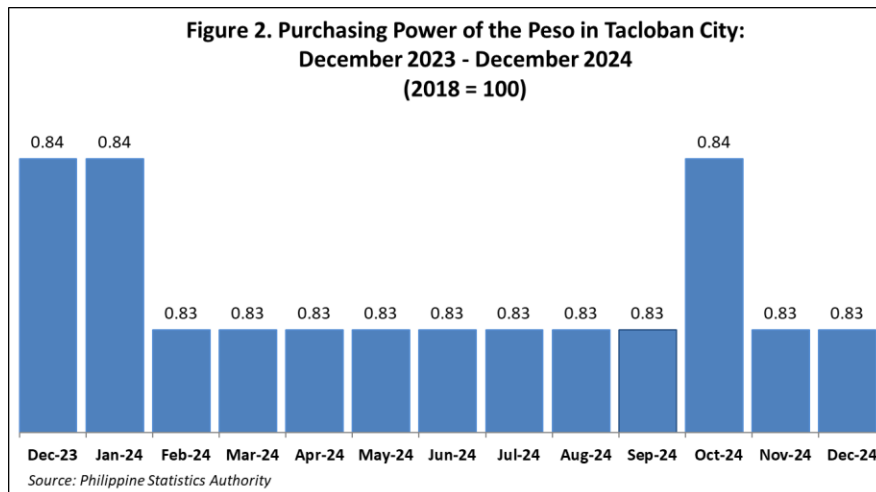
In addition, furnishings, household equipment and routine household maintenance maintained a deflation of -0.2 percent for the reference month.

The top three commodity groups contributing to the trend of December 2024 inflation of Tacloban City were the following:


- a. Food and non-alcoholic beverages with 63.7 percent share;
- b. Housing, water, electricity, gas and other fuels with 33.7 percent share; and
- c. Health with 1.6 percent share.

The inflation rate is the general rise in 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 instead; 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 specific area. The overall CPI in Tacloban City for December 2024 was 120.2. This implies that the average retail price of goods and services in Tacloban City is 20.2 percent higher than the average retail prices in 2018 (base year).



The Purchasing Power of Peso (PPP) in Tacloban City retained at 83 centavos in December 2024. Likewise, the PPP in Leyte retained at 81 centavos during the reference month. The 83 centavos purchasing power of peso in Tacloban City indicates that the same basket of goods and services worth 83 pesos in 2018 (base year) is worth 100 pesos during the reference period.//


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