

SPECIAL RELEASE

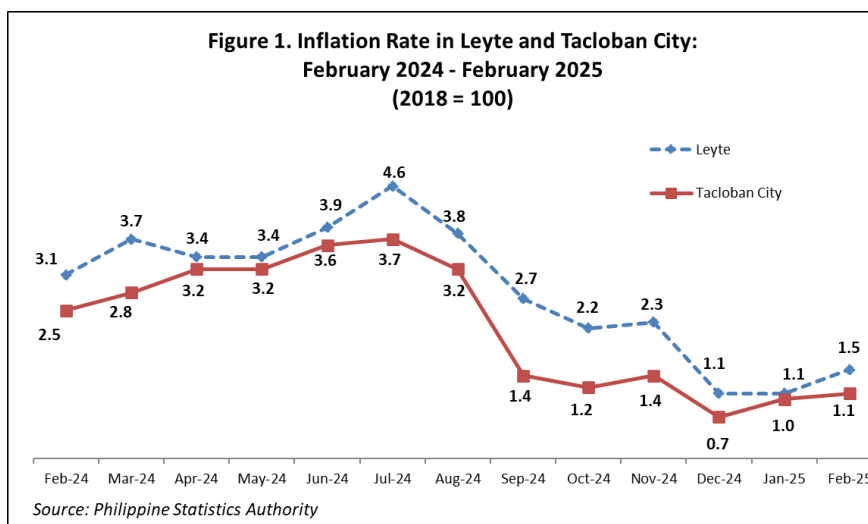
HIGHLIGHTS OF THE FEBRUARY 2025 PRICE SITUATION IN TACLOBAN CITY (2018=100)

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Tacloban City's inflation slightly increases to 1.1 percent in February 2025

Tacloban City's inflation rate increased to 1.1 percent in February 2025 from 1.0 percent in January 2025. In February 2024, the inflation rate was higher at 2.5 percent. Likewise, Leyte recorded an increase in its inflation rate in February 2025 at 1.5 percent from 1.1 percent in January 2025. Among the provinces and the highly urbanized city



(HUC) in the region, Eastern Samar, Northern Samar, Western Samar, and Southern Leyte saw a decline in their inflation rates in February 2025. Conversely, Leyte, Biliran, and Tacloban City experienced an increase during the same period.

Main Drivers and Top Three Commodity Groups Contributing to the Upward Trend of Tacloban City's Inflation

The following commodity groups emerged as the main drivers to the upward trend in the February 2025 inflation rate of Tacloban City. They also emerged as the major contributors to the overall trend of Tacloban City during the month-in-review:

- Housing, water, electricity, gas and other fuels, which accounted for a 96.7 percent share, recorded a 2.9 inflation rate, up from 1.6 percent. This increase was driven by the faster rate of increase in the prices of security equipment and materials for the maintenance and repair of the dwelling and electricity, and the slower rate of decrease in the prices of liquid fuels;
- Recreation, sport and culture, which accounted for a 2.4 percent share, recorded an inflation rate of 4.0 percent, up from 3.3 percent. This increase was attributed to the faster rate of increase in the prices of stationery and drawing materials; and
- Health, which accounted for 0.9 percent share, recorded a deflation of -0.2 percent, up from -0.3 percent deflation. This was caused by the faster rate of increase in the prices of medical products.

In contrast, the following major commodity groups recorded a decrease in their respective inflation rates in February 2025 compared to the previous month:

- a. Food and non-alcoholic beverages at 0.7 percent, down from 0.9 percent, driven by the slower rate of increase in the prices of milk, other dairy products and eggs, fruits and nuts, vegetables, tubers, plantains, cooking bananas and pulses, and ready-made food and other food products, the slower rate of decrease in the prices of cereals and cereal products, and the decrease in the prices of fruits and vegetable juices;
- b. Alcoholic beverages and tobacco at 3.1 percent, down from 3.8 percent. This decrease was driven by the slower rate of increase in the prices of spirits and liquors and tobacco;
- c. Furnishings, household equipment and routine household maintenance at 0.1 percent, down from 0.2 percent. This was attributed to the slower rate of increase in the prices of household textiles, major household appliances, whether electric or not, non-motorized tools and miscellaneous accessories, and non-durable household goods; and
- d. Personal care, and miscellaneous goods and services at 0.9 percent, down from 1.6 percent, due to the slower rate of increase in the prices of other appliances, articles and products for personal care.

In addition, transport recorded a deflation of -0.4 percent in February 2025, from an inflation of 0.3 percent in the previous month. This was attributed to the decrease in the prices of fuels and lubricants for personal transport equipment.

Meanwhile, the other five (5) major commodity groups maintained their inflation rates from their previous months' rate:

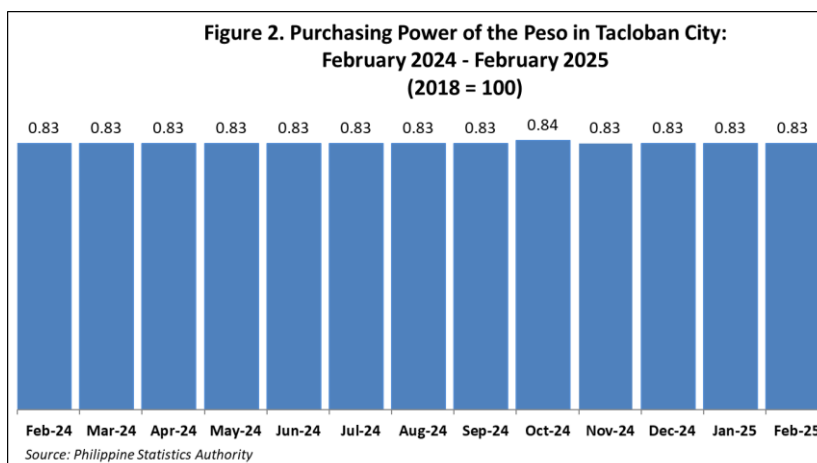
- a. Clothing and footwear at zero percent;
- b. Information and communication at zero percent;
- c. Education services at 6.3 percent;
- d. Restaurants and accommodation services at zero percent; and
- e. Financial services at zero percent.

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 February 2025 was 121.2. This implies that the average retail price of goods and services in Tacloban City is 21.2 percent higher than the average retail prices in 2018 (base year).

Purchasing Power of Peso (PPP) retains at 83 centavos in February 2025

The Purchasing Power of Peso (PPP) in Tacloban City retained at 83 centavos in February 2025. Likewise, the PPP in Leyte retained at 80 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.



TECHNICAL NOTES

Rebasing of the CPI is necessary to ensure that this barometer of economic phenomena is truly reflective of current situation. Consumer taste, fashion and technology change over time causing the fixed market basket of goods and services to become outmoded. To capture such changes for a more meaningful price comparison, revision or updating of the fixed market basket, the sample outlets, the weights and the base year had to be done periodically.

BASE PERIOD - refers to the reference period of the index number. It is a period at which the index is set to 100. Current base period is 2018.

COMPUTING THE CPI - The formula used in computing the CPI is the weighted arithmetic mean of price relatives, a variant of the Laspeyres formula with fixed base year period weights.

CONSUMER PRICE INDEX - 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.

INFLATION RATE - refers to the annual rate of change or year-on-year change in CPI.

MARKET BASKET - refers to a sample of goods and services used to represent all goods and services bought by a particular group of consumers in a particular area.

MONITORING OF PRICES - is to establish baseline information for prices of the items in the base year and monitoring of the prices of the items on a regular basis. Except for Food, Beverage and Tobacco which is monitored on a weekly basis in NCR, price collection is done twice a month. First collection phase is done during the first five days of the month while the second phase is on the 15th to 17th day of the month.

PURCHASING POWER PESO - it is a measure of how much the peso in the base period is worth in another period. It gives an indication of the real value in a given period relative to the peso value in the base period.

RETAIL PRICE - refers to the actual price at which retailers sell a commodity on spot or earliest delivery, usually in small quantities for consumption and not for resale. It is confined to transactions on cash basis in the free market and excludes black-market prices and prices of commodities that are on sale as in summer sales, anniversary sales, Christmas sales, etc.

WEIGHTS - 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 item of expenditure is a proportion of that expenditure item to the total national expenditure. The total (all items) national expenditure weights is equal to 100.


SHERYL ANN A. JAMISOLA
 Chief Statistical Specialist



Certificate No. PHP
QMS 24 93 0203 - 001



JT Commercial Complex bldg., 2nd floor and 3rd floor, Brgy 74,
Lower Nula Tula, Tacloban City, Philippines
 ☎ 053-830-8296 ✉ leyte@psa.gov.ph
 🌐 rso08.psa.gov.ph/leyte 📘 facebook.com/psaleyte2