

SPECIAL RELEASE

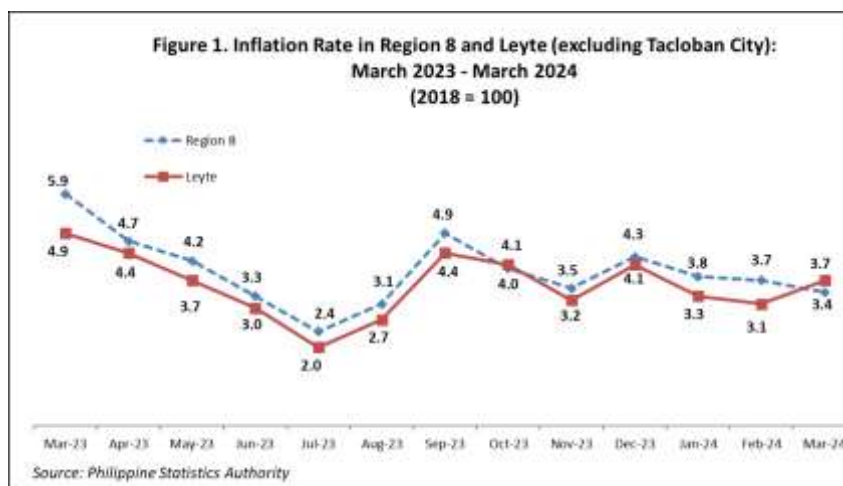
HIGHLIGHTS OF THE MARCH 2024 PRICE SITUATION IN LEYTE (excluding Tacloban City) (2018=100)

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Leyte's inflation rate accelerates at 3.7 percent in March 2024

Leyte's inflation rate climbed up at 3.7 percent in March 2024 from 3.1 percent in February 2024. In March 2023, inflation rate was higher at 4.9 percent. Meanwhile, the region's inflation rate continued to slow down at 3.4 percent in March 2024 from 3.7 percent in February 2024. Among the provinces and HUC in the region, only Leyte, Southern Leyte, and Tacloban City manifested an increase in their respective inflation rates for the reference month.



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

The following commodity groups emerged as the main drivers to the upward trend in the March 2024 inflation rate of Leyte. They also emerged as the major contributors to the overall trend inflation of Leyte during the month-in-review:

- Food and non-alcoholic beverages with 68.2 percent share, at 6.5 percent inflation during the month from 5.4 percent in the previous month which was driven by the increase in prices of fish and other seafood and slower rate of decrease in prices of vegetables, tubers, plantains, cooking bananas and pulses;
- Transport with 19.5 percent share, at 2.2 percent inflation during the month from 0.6 percent in the previous month due to the increase in prices of fuels and lubricants for personal transport equipment; and
- Housing, water, electricity, gas and other fuels with 12.4 percent share, at -1.3 percent deflation during the month from -1.8 percent deflation in the previous month caused by the slower rate of decrease in prices of electricity and gas, and the faster rate of increase in prices of liquid fuels.

In contrast, the following commodity groups recorded a decrease in their respective inflation rates in March 2024:

- Alcoholic beverages and tobacco at 6.2 percent during the month from 6.6 percent in



- the previous month due to the slower rate of increase in prices of spirits and liquors and tobacco;
- b. Furnishings, household equipment and routine household maintenance at 3.7 percent during the month from 4.6 percent in the previous month which was caused by the decrease in prices of furniture, furnishings and loose carpets and small household appliances, the faster rate of decrease in prices of household textiles, and the slower rate of increase in prices of major household appliances, whether electric or not and non-durable household goods;
 - c. Health at 0.9 percent during the month from 2.7 percent in the previous month due to the slower rate of decrease in prices of medicines, preventive care services, and diagnostic imaging services and medical laboratory services, and the decrease in prices of medical products;
 - d. Recreation, sport and culture at 1.5 percent during the month from 1.8 percent in the previous month due to the slower rate of increase in prices of garden products, plants and flowers, pets and products for pets, and stationery and drawing materials; and
 - e. Personal care, and miscellaneous goods and services at 2.5 percent during the month from 2.8 percent in the previous month caused by the slower rate of increase in prices of other appliances, articles and products for personal care and hairdressing salons and personal grooming and establishments.

On the other hand, a -0.6 percent deflation was noted in clothing and footwear in March 2024 from -0.3 percent deflation in February 2024 which was driven by the faster rate of decrease in prices of garments.

Meanwhile, the four (4) other major commodity groups maintained their inflation rates from their previous months' rate:

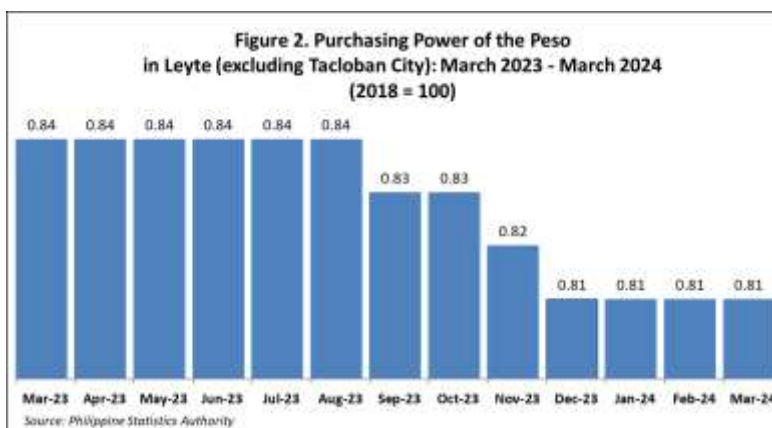
- a. Information and communication at zero percent;
- b. Education services also at zero percent;
- c. Financial services also at zero percent; and
- d. Restaurants and accommodation services at 4.1 percent.

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 Leyte for March 2024 was 123.8. This implies that the average retail price of goods and services in Leyte is 23.8 percent higher than the average retail prices in 2018 (base year).

Purchasing Power of Peso (PPP) retains at 81 centavos in March 2024

The Purchasing Power of Peso (PPP) in Leyte retained at 81 centavos in March 2024. Likewise, the PPP in the region retained at 80 centavos in March 2024. The 81 centavos purchasing power of peso in Leyte indicates that the same basket of goods and services worth 81 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

