

SPECIAL RELEASE

Summary Inflation Report Consumer Price Index for the Bottom 30% Income Households (2012=100)

July 2020

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1. Philippines

The country's inflation for the bottom 30% income households eased to 2.9 percent in July 2020. Inflation for this income group of consumers was higher in June 2020 at 3.0 percent while in July 2019, it was posted at 2.5 percent. (Table A, and Figure 1)

The deceleration was mainly driven by the slower annual rate observed in the heavily-weighted food and non-alcoholic beverages at 1.5 percent during the month. Also, annual increments eased in the indices of recreation and culture at 2.2 percent; and education at 0.4 percent.

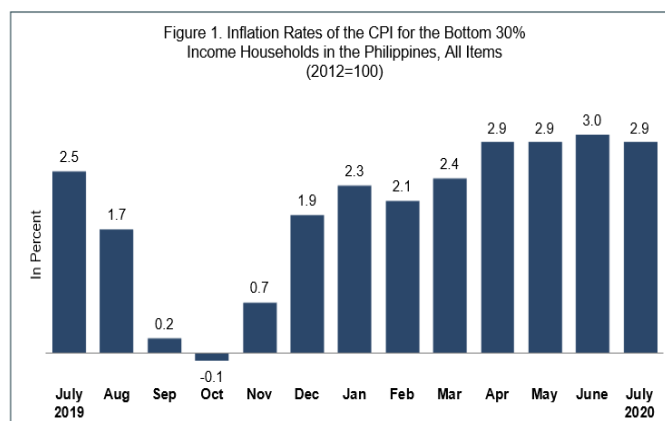
On the other hand, the annual upticks were higher in the indices of the following commodity groups during the period:

a. Alcoholic beverages and tobacco, 21.6 percent;

Table A. Year-on-Year Inflation Rates of the CPI for the Bottom 30% Income Households, All Items
In Percent
(2012=100)

Area	July 2020	June 2020	July 2019	Year-to-date
Philippines	2.9	3.0	2.5	2.7
NCR	2.9	2.7	1.5	2.1
AONCR	2.9	3.0	2.5	2.7

Source: Survey of Retail Prices of Commodities for Consumer Price Index, Philippine Statistics Authority



Source: Survey of Retail Prices of Commodities for Consumer Price Index, Philippine Statistics Authority



- b. Clothing and footwear, 2.4 percent;
- c. Housing, water, electricity, gas, and other fuels, 1.7 percent;
- d. Transport, 9.0 percent;
- e. Communication, 0.4 percent; and
- f. Restaurant and miscellaneous goods and services, 3.0 percent.

The same annual rates as in the previous month were recorded in the indices of the rest of the commodity groups. (Tables 3, and 4)

The food inflation in the Philippines decelerated further to 1.5 percent in July 2020. In the previous month, food inflation was recorded at 2.1 percent and in same month of the previous year, 1.3 percent. (Table 7)

The index of rice still moved downward as its annual rate decreased by 1.7 percent in July 2020. Similarly, an annual drop of 0.5 percent was posted in corn index during the month, from a 0.2 percent annual increase in June 2020. Moreover, annual increments slowed down in the indices of the following food groups during the period:

- a. Other cereals, flour, cereal preparation, bread, pasta and other bakery products, 2.8 percent;
- b. Fish, 4.0 percent;
- c. Fruits, 8.8 percent; and
- d. Vegetables, 1.1 percent.

Sugar, jam, honey, chocolate and confectionery had zero annual growth during the month. The rest of the food groups either had higher annual mark-ups or retained their previous month's annual rates. (Table 5)

Table B. Year-on-Year Inflation Rates of the CPI for the
Bottom 30% Income Households in the Philippines, All Items
January 2016 – July 2020
(2012=100)

Month	Year				
	2016	2017	2018	2019	2020
January	0.7	2.0	3.6	5.2	2.3
February	0.8	2.2	4.4	4.3	2.1
March	0.8	2.2	5.0	3.4	2.4
April	0.6	2.4	5.2	3.1	2.9
May	1.0	2.1	5.4	3.2	2.9
June	1.2	2.1	5.4	3.1	3.0
July	1.1	1.9	6.2	2.5	2.9
August	1.0	2.3	6.9	1.7	
September	1.2	2.5	8.0	0.2	
October	1.5	2.7	8.1	-0.1	
November	1.5	2.6	7.3	0.7	
December	1.8	2.7	6.3	1.9	
Average	1.1	2.3	6.0	2.4	

Source: Survey of Retail Prices of Commodities for Consumer Price Index, Philippine Statistics Authority

2. National Capital Region (NCR)

Inflation of consumer items for the bottom 30% income households in NCR, however, climbed further to 2.9 percent in July 2020. Inflation in the area in June 2020 was at 2.7 percent, and in July 2019, 1.5 percent. (Tables A, and 3)

The indices of alcoholic beverages and tobacco; and transport exhibited double-digit annual increases at 20.4 percent and 20.1 percent, respectively in July 2020. In addition, annual increments were higher in the indices of clothing and footwear at 1.3 percent; health, 2.1 percent; and restaurant and miscellaneous goods and services, 1.5 percent.

On the other hand, slower annual mark-ups were registered in the indices of food and non-alcoholic beverages at 2.3 percent; and furnishing, household equipment and routine maintenance of the house, 1.6 percent.

The index of housing, water, electricity, gas, and other fuels had a slower annual decline by 0.5 percent. Index of communication continued to decline as its annual rate fell by 0.7 percent. The indices of recreation and

culture; and education retained their previous month's annual growth rates, which were both at 0.7 percent. (Tables 3, and 4)

3. Areas Outside NCR (AONCR)

Following the trend as that of the national level, inflation for the bottom 30% income households in AONCR slowed down to 2.9 percent in July 2020. In June 2020, inflation in the area was higher at 3.0 percent, while in July 2019, it was 2.5 percent. (Tables A, and 3)

Annual upticks were slower in the indices of food and non-alcoholic beverages at 1.5 percent; recreation and culture, 2.3 percent; and education, 0.4 percent.


Meanwhile, the annual increments were higher in the indices of the following commodity groups:

- a. Alcoholic beverages and tobacco, 21.6 percent;
- b. Clothing and footwear, 2.5 percent;
- c. Transport, 8.5 percent;
- d. Communication, 0.5 percent; and
- e. Restaurant and miscellaneous goods and services, 3.1 percent

The indices of other commodity groups retained their previous month's annual growth rates. (Tables 3, and 4)

Among the regions outside NCR, inflation for the bottom 30% income households were slower in seven regions during the period. The lowest inflation remained in Region IX (Zamboanga Peninsula) at 1.2 percent, while the highest was still noted in Region VII (Central Visayas) at 4.6 percent. (Table 4)

Note: CPIs and inflation rates for the bottom 30% income households by province and selected city are posted at the PSA website (<http://openstat.psa.gov.ph/>).


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