



PRESS RELEASE

Summary Inflation Report Consumer Price Index (2012=100)

June 2021

Date of Release: 06 July 2021, 9:00 AM
Reference No. 2021-265

1. Philippines

The country's **headline inflation** slowed down to 4.1 percent in June 2021, after recording an inflation of 4.5 percent for three consecutive months. This brings the Philippines' average inflation for the first semester of 2021 at 4.4 percent. In June 2020, inflation was registered at 2.5 percent. (Table A and Figure 1)

The slower pace in the inflation in June 2021 was primarily due to the lower annual rate of increase in the transport index at 9.6 percent, from 16.5 percent in May 2021. Moreover, inflation slowed down in the indices of the following commodity groups:

- Alcoholic beverages and tobacco, 11.2 percent;
- Clothing and footwear, 1.6 percent;
- Health, 2.9 percent; and
- Communication, 0.2 percent.

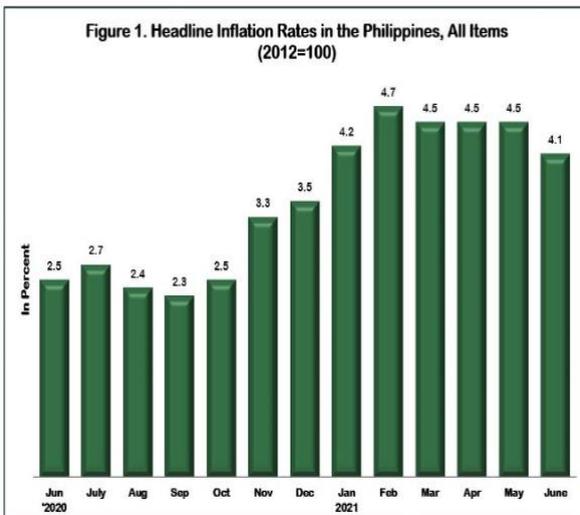
Meanwhile, inflation rates were higher in the indices of food and non-alcoholic beverages at 4.7 percent;

Table A. Year-on-Year Inflation Rates, All Items
In Percent
(2012=100)

Area	June 2020	May 2021	June 2021	Year-to-date
Philippines				
Headline	2.5	4.5	4.1	4.4
Core	3.0	3.3	3.0	3.3
NCR				
Headline	2.0	3.6	3.2	3.8
AONCR				
Headline	2.7	4.7	4.4	4.6

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

Figure 1. Headline Inflation Rates in the Philippines, All Items
(2012=100)



Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

CSM



housing, water, electricity, gas, and other fuels, 2.4 percent; and restaurant and miscellaneous goods and services, 3.9 percent.

The rest of the commodity groups retained their respective previous month's annual growth rates. (Tables 3 and 4).

Excluding selected food and energy items, **core inflation**, likewise, decelerated to 3.0 percent in June 2021, from 3.3 percent in May 2021. In June 2020, core inflation was posted at 3.0 percent. (Tables A and 9)

Inflation for food index at the national level stood at its previous month's annual rate of 4.9 percent in June 2021. In the same month of the previous year, inflation for food index was recorded at 2.7 percent. (Table 7)

There were mixed movements in the annual growth rates in the indices of food groups during the month.

Higher annual increases were observed in the indices of the following food groups:

- Corn, 5.3 percent;
- Fish, 8.7 percent;
- Oils and fats, 4.2 percent;
- Sugar, jam, honey, chocolate and confectionery, 1.0 percent; and
- Food products, not elsewhere classified, 1.4 percent.

On the other hand, annual hikes slowed down in the indices of meat at 19.2 percent; and milk, cheese and egg, 1.0 percent. Other food groups exhibited annual decreases, except other cereals, flour, cereal preparations, bread, pasta, and other bakery products which retained its previous month's annual rate of 1.8 percent. (Table 5)

COF

**Table B. Year-on-Year Inflation Rates in the Philippines, All Items
In Percent
January 2017 – June 2021
(2012=100)**

Month	Year				
	2017	2018	2019	2020	2021
January	2.5	3.4	4.4	2.9	4.2
February	3.1	3.8	3.8	2.6	4.7
March	3.1	4.3	3.3	2.5	4.5
April	3.2	4.5	3.0	2.2	4.5
May	2.9	4.6	3.2	2.1	4.5
June	2.5	5.2	2.7	2.5	4.1
July	2.4	5.7	2.4	2.7	
August	2.6	6.4	1.7	2.4	
September	3.0	6.7	0.9	2.3	
October	3.1	6.7	0.8	2.5	
November	3.0	6.0	1.3	3.3	
December	2.9	5.1	2.5	3.5	
Average	2.9	5.2	2.5	2.6	

*Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority*

2. National Capital Region (NCR)

Similarly, inflation in NCR eased further to 3.2 percent in June 2021, from 3.6 percent in the previous month. In June 2020, inflation in the region was posted at 2.0 percent. (Tables A and 3)

Lower inflation in NCR was mainly brought about by the slower annual hike in transport index at 5.1 percent during the month, from double-digit annual growth rate of 13.8 percent in the previous month.

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

- Food and non-alcoholic beverages, 5.2 percent;
- Alcoholic beverages and tobacco, 10.9 percent;
- Clothing and footwear, 0.9 percent;
- Housing, water, electricity, gas, and other fuels, 1.0 percent;
- Furnishing, household equipment and routine maintenance of the house, 1.3 percent;

CSA

- Communication, 0.2 percent; and
- Restaurant and miscellaneous goods and services, 2.8 percent.

The rest of the commodity groups moved at their previous month's annual rates. (Tables 3 and 4)

3. Areas Outside NCR (AONCR)

Following the trend of the Philippines, inflation in AONCR decelerated to 4.4 percent in June 2021, after registering an inflation of 4.7 percent for three consecutive months. Inflation in AONCR in June 2020 was noted at 2.7 percent.

The downtrend in the inflation in AONCR during the month was mainly due to the slower annual uptick in the transport index at 11.2 percent, from 17.4 percent in the previous month.

Also contributing to the downtrend was the slower annual increments recorded in the indices of alcoholic beverages and tobacco at 11.2 percent; clothing and footwear, 1.9 percent; health, 2.8 percent; and communication, 0.3 percent.

On the other hand, annual hikes were higher in the indices of food and non-alcoholic beverages at 4.5 percent; housing, water, electricity, gas, and other fuels, 2.8 percent; and restaurant and miscellaneous goods and services, 4.4 percent.

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

Eleven (11) regions in AONCR had lower inflation during the month. The lowest inflation among the regions in AONCR in June 2021 remained in Region VII (Central Visayas) at 1.7 percent, while the highest was still in Region V (Bicol Region) at 6.3 percent. (Table 4)

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



DENNIS S. MAPA, Ph.D.

Undersecretary

National Statistician and Civil Registrar General