



PRESS RELEASE

Summary Inflation Report Consumer Price Index (2012=100)

March 2021

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1. Philippines

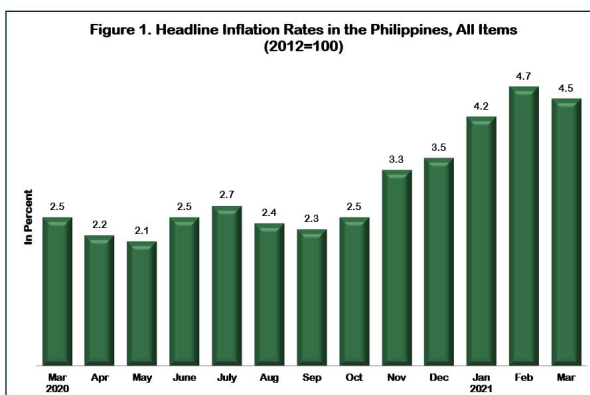
Headline inflation in the Philippines eased to 4.5 percent in March 2021, after five consecutive months of acceleration. This brings the average inflation of the country for the first quarter of 2021 at 4.5 percent. In February 2021, inflation was recorded at 4.7 percent and in March 2020, 2.5 percent. (Table A and Figure 1)

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

Area	March 2021	February 2021	March 2020	Year-to-date
Philippines				
Headline	4.5	4.7	2.5	4.5
Core	3.5	3.5	3.0	3.5
NCR				
Headline	3.7	4.1	1.7	4.0
AONCR				
Headline	4.7	4.8	2.7	4.5

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

The slowdown in inflation at the national level was primarily due to the lower annual increment registered in the heavily-weighted food and non-alcoholic beverages at 5.8 percent in March 2021, from 6.7 percent inflation in February 2021. Annual increases also decelerated in the indices of the following commodity groups:



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

- Alcoholic beverages and tobacco, 12.1 percent;



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- Furnishing, household equipment and routine maintenance of the house, 1.9 percent;
- Communication, 0.2 percent; and
- Restaurant and miscellaneous goods and services, 3.1 percent.

Meanwhile, the annual decline of -0.6 percent in recreation and culture index in March 2021 was lower than its annual drop of -0.7 percent in the previous month. Moreover, inflation was higher for transport at 13.8 percent during the period.

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

Core inflation, which excludes selected food and energy items, stood at its previous month's annual rate of 3.5 percent in March 2021. In March 2020, core inflation was observed at 3.0 percent. (Tables A and 9)

Inflation for food index at the national level slid to 6.2 percent during the month, from 7.0 percent in February 2021. Inflation for food in March 2020 was posted at 2.6 percent. (Table 7)

The annual increment of vegetables index slowed down to 8.3 percent in March 2021, from a double-digit annual hike of 16.7 percent in February 2021. In addition, annual increases slowed down in the indices of fish at 4.9 percent; fruits, 3.9 percent; and food products not elsewhere classified, 3.8 percent. On the other hand, the annual rate of meat index moved up further to 20.9 percent in March 2021. The rest of the food groups had higher annual growth rates, except for milk, cheese, and egg which retained its previous month's annual rate of 1.7 percent. (Table 5)

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**Table B. Year-on-Year Inflation Rates in the Philippines, All Items
In Percent
January 2017 – March 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	
May	2.9	4.6	3.2	2.1	
June	2.5	5.2	2.7	2.5	
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: Survey of Retail Prices of Commodities for Consumer Price Index, Philippine Statistics Authority

2. National Capital Region (NCR)

Inflation in NCR, likewise, decelerated to 3.7 percent in March 2021, from 4.1 percent in February 2021. In March 2020, inflation in the area was noted at 1.7 percent. (Tables A and 3)

Inflation in NCR was primarily pushed down by the slower annual uptick in food and non-alcoholic beverages index at 5.7 percent in March 2021. Lower annual increments during the month were also recorded in the indices of the following commodity groups:

- Alcoholic Beverages and Tobacco, 10.6 percent;
- Clothing and footwear, 0.7 percent;
- Housing, Water, Electricity, Gas, and Other Fuels, 0.3 percent;
- Furnishing, Household Equipment and Routine Maintenance of the House, 0.9 percent; and
- Communication, 0.1 percent.

On the other hand, higher annual hikes were seen in the indices of health at 2.9 percent; transport, 16.3 percent; and restaurant and miscellaneous goods and services, 1.1 percent. The other commodity groups, namely,

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recreation and culture, and education moved at their previous month's annual rates of -0.4 percent and 0.5 percent, respectively. (Tables 3 and 4)

3. Areas Outside NCR (AONCR)

Following the trend of the Philippines and NCR, inflation in AONCR slowed down to 4.7 percent in March 2021 from 4.8 percent in the previous month. Inflation in the area in March 2020 was posted at 2.7 percent. (Tables A and 3)

The slower pace in the inflation in AONCR was mainly brought about by the lower annual rate of increase in the index of the heavily-weighted food and non-alcoholic beverages at 5.9 percent during the month. Annual increments slowed down also in the indices of furnishing, household equipment and routine maintenance of the house at 2.2 percent, and communication, 0.3 percent.

Meanwhile, the transport index exhibited a double-digit annual rate of 13.1 percent during the month, from 9.7 percent in the previous month. Moreover, annual upticks were higher in the indices of housing, water, electricity, gas, and other fuels at 1.2 percent; and health, 3.0 percent. The annual decline in the recreation and culture index at -0.7 percent was also lower during the month, from its annual drop of -0.8 percent in the previous month.

The rest of the commodity groups retained their February 2021 annual growth rates. (Tables 3 and 4)

Six regions in AONCR exhibited lower inflation during the month. The lowest inflation among the regions in AONCR in March 2021 remained in Region VII (Central Visayas) at 1.5 percent, while the highest was in Region V (Bicol Region) at 8.0 percent. (Table 4)

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



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