



PRESS RELEASE

**Summary Inflation Report
 Consumer Price Index
 (2018=100)
 September 2023**

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Table A. Year-on-Year Inflation Rates, All Items
 In Percent
 (2018=100)

Area	September 2022	August 2023	September 2023	Year-to-date*
Philippines				
Headline	6.9	5.3	6.1	6.6
Core	5.0	6.1	5.9	7.2
NCR				
Headline	6.5	5.9	6.1	6.8
AONCR				
Headline	7.0	5.2	6.0	6.4

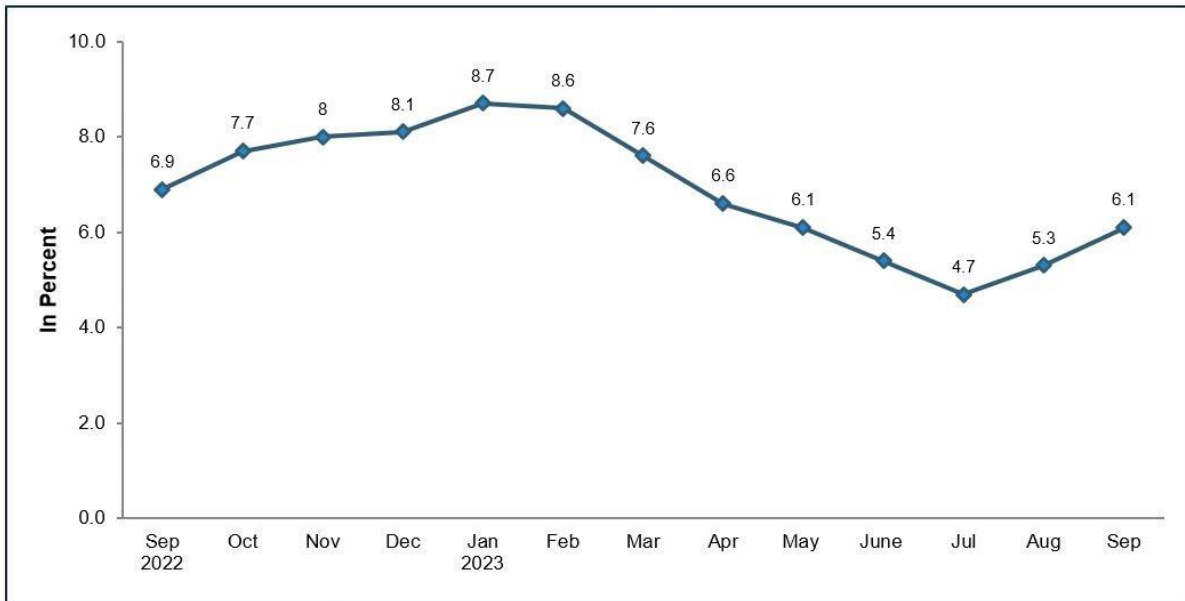
Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index

*Year-on-year change of CPI for January to September 2023 vs. 2022

COFm



**Figure 1. Headline Inflation Rates in the Philippines, All Items
(2018=100)**



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

A. Philippines

1. Headline Inflation

The Philippines' headline inflation or overall inflation increased further to 6.1 percent in September 2023 from 5.3 percent in August 2023. This makes the national average inflation from January to September 2023 to remain at 6.6 percent. In September 2022, inflation rate was higher at 6.9 percent. (Figure 1, and Tables A, B, 5, and 14)

1.1 Main Drivers to the Upward Trend of the Headline Inflation

The uptrend in the overall inflation in September 2023 was primarily brought about by the higher year-on-year increase in the heavily-weighted food and non-alcoholic beverages at 9.7 percent during the month from 8.1 percent in the previous month. Transport, with inflation rate of 1.2 percent during the month from 0.2 percent in the previous month, also contributed to the uptrend of the headline inflation.

In addition, higher annual increases were noted in the indices of the following commodity groups during the month:

- a. Health with 4.1 percent inflation from 3.9 percent;

- b. Recreation, sport and culture, 5.1 percent from 4.9 percent; and
- c. Education services, 3.6 percent from 2.9 percent.

In contrast, the following commodity groups showed lower inflation rates during the month:

- a. Alcoholic beverages and tobacco, 9.8 percent from 10.1 percent;
- b. Clothing and footwear, 4.7 percent from 4.8 percent;
- c. Housing, water, electricity, gas and other fuels, 2.4 percent from 2.5 percent;
- d. Furnishings, household equipment and routine household maintenance, 5.4 percent from 5.6 percent;
- e. Information and communication, 0.6 percent from 0.7 percent; and
- f. Personal care, and miscellaneous goods and services, 5.4 percent from 5.5 percent.

Restaurant and accommodation services retained its previous month's annual increase, while financial services remained at zero percent annual rate during the month. (Tables 5 and 6)

1.2 Main Contributors to the Headline Inflation

The top three commodity groups contributing to the September 2023 overall inflation were the following:

- a. Food and non-alcoholic beverages with 61.0 percent share or 3.7 percentage points;
- b. Restaurants and accommodation services with 11.4 percent share or 0.7 percentage point; and
- c. Housing, water, electricity, gas and other fuels with 8.6 percent share or 0.5 percentage point.

2. Food Inflation

Food inflation at the national level rose to 10.0 percent in September 2023 from 8.2 percent in the previous month. In September 2022, food inflation was lower at 7.7 percent. (Table 9)

2.1 Main Drivers to the Upward Trend of Food Inflation

The acceleration of food inflation in September 2023 was mainly brought about by the higher inflation for rice with a double-digit inflation rate of 17.9 percent during the month from 8.7 percent in August 2023. This



was followed by meat and other parts of slaughtered land animals with an inflation rate of 1.3 percent during the month from a -0.1 percent inflation rate in August 2023.

In addition, faster annual growth rate was noted in fruits and nuts at 11.6 percent in September 2023 from 9.6 percent in the previous month. The index for corn recorded an annual increase of 1.6 percent during the month from an annual decline of 0.9 percent in August 2023.

The indices for the rest of the food groups had slower annual increases during the month, except for oils and fats which recorded an annual decrease of 1.3 percent in September 2023 from a zero percent annual rate in the previous month. (Table 7)

2.2 Main Contributors to the Food Inflation

Food shared 58.3 percent or 3.6 percentage points to the overall inflation in September 2023. Food groups with the highest contribution to food inflation during the month were the following:

- a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, with 48.6 percent share or 4.9 percentage points;
- b. Vegetables, tubers, plantains, cooking bananas and pulses, with 23.2 percent share or 2.3 percentage points; and
- c. Fish and other seafood, with 9.7 percent share or 1.0 percentage point.

3. Core Inflation

Core inflation, which excludes selected food and energy items, decelerated further to 5.9 percent in September 2023 from 6.1 percent in the previous month. This brings the average core inflation from January to September 2023 to 7.2 percent. In September 2022, core inflation was observed at 5.0 percent. (Tables A and 11)



Table B. Year-on-Year Inflation Rates in the Philippines, All Items
January 2018 to September 2023
In Percent
(2018=100)

Month	Year					
	2018	2019	2020	2021	2022	2023
January	3.4	4.4	3.0	3.7	3.0	8.7
February	3.7	3.8	2.5	4.2	3.0	8.6
March	4.3	3.4	2.2	4.1	4.0	7.6
April	4.3	3.2	1.8	4.1	4.9	6.6
May	4.6	3.2	1.6	4.1	5.4	6.1
June	5.0	2.7	2.3	3.7	6.1	5.4
July	5.8	2.2	2.4	3.7	6.4	4.7
August	6.6	1.4	2.2	4.4	6.3	5.3
September	6.9	0.5	2.2	4.2	6.9	6.1
October	6.9	0.6	2.3	4.0	7.7	
November	6.1	1.2	3.0	3.7	8.0	
December	5.2	2.4	3.3	3.1	8.1	
Average	5.2	2.4	2.4	3.9	5.8	6.6

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

B. National Capital Region (NCR)

Similarly, inflation in NCR moved at a faster pace in September 2023 at 6.1 percent from 5.9 percent in the previous month. In September 2022, inflation rate in the area was recorded at 6.5 percent. (Tables A, 5, and 15)

The uptrend of inflation in NCR for the month of September 2023 was mainly attributed to the higher annual increment in transport at 2.6 percent during the month from 1.4 percent in August 2023. This was followed by housing, water, electricity, gas and other fuels with a higher year-on-year growth rate of 5.6 percent during the month from 5.3 percent in August 2023. Also contributing to the uptrend of inflation in NCR was restaurants and accommodation services with 8.1 percent annual increment in September 2023 from 7.9 percent in the previous month.

Higher annual increments were also noted in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 6.4 percent from 5.8 percent;
- b. Health, 2.9 percent from 2.7 percent; and
- c. Personal care, and miscellaneous goods and services, 4.0 percent from 3.9 percent.

On the contrary, lower inflation rates were noted in the indices of the following commodity groups during the month:

- a. Food and non-alcoholic beverages, 8.3 percent from 8.6 percent;
- b. Furnishings, household equipment and routine household maintenance, 6.0 percent from 6.1 percent; and
- c. Recreation, sport and culture, 3.4 percent from 3.5 percent.

Meanwhile, the annual increases in the indices of the rest of the commodity groups remained at their respective previous month's annual rates. (Tables 5 and 6)

C. Areas Outside NCR (AONCR)

Following the trend at the national level and in NCR, overall inflation in AONCR also increased to 6.0 percent in September 2023 from 5.2 percent in the previous month. In September 2022, inflation in the area was recorded at 7.0 percent. (Tables A, 5, and 16)

The higher inflation in the area was mainly brought about by the higher annual increase in food and non-alcoholic beverages at 10.0 percent in September 2023 from 8.0 percent in August 2023. In addition, the annual growth rate in the transport index at 1.0 percent, from zero percent annual rate in the previous month, contributed to the uptrend in the inflation in the area.

Moreover, the indices of the following commodity groups showed faster annual increases during the month:

- a. Health, 4.3 percent from 4.1 percent;
- b. Recreation, sport and culture, 5.4 percent from 5.3 percent; and
- c. Education services, 3.7 percent from 2.7 percent.



On the contrary, lower inflation rates were observed in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 10.4 percent from 10.9 percent;
- b. Clothing and footwear, 5.2 percent from 5.3 percent;
- c. Housing, water, electricity, gas and other fuels, 1.3 percent from 1.6 percent;
- d. Furnishings, household equipment and routine household maintenance, 5.3 percent from 5.5 percent;
- e. Information and communication, 0.7 percent from 0.8 percent;
- f. Restaurants and accommodation services, 6.8 percent from 6.9 percent; and
- g. Personal care, and miscellaneous goods and services, 5.7 percent from 5.9 percent.

Meanwhile, the index of financial services remained at zero percent annual rate. (Tables 5 and 6)

Relative to their respective August 2023 inflation rates, 15 regions in AONCR had higher inflation rates in September 2023. On the other hand, Region VII (Central Visayas) recorded a lower inflation rate during the month. Region III (Central Luzon) remained the region with the highest inflation rate during the month at 7.9 percent, while Region VII (Central Visayas) had the lowest inflation rate of 3.8 percent. (Table 6)

Note: CPIs and inflation rates by province and selected city are posted at the PSA OpenSTAT portal at https://openstat.psa.gov.ph/PXWeb/pxweb/en/DB/DB_2M_PI_CPI_2018/?tablelist=true.



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