



PRESS RELEASE

SUMMARY INFLATION REPORT CONSUMER PRICE INDEX (2012=100)

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Philippines

The country's **headline inflation** slowed down to 2.6 percent in February 2020. Inflation rate in January 2020 was recorded at 2.9 percent and in February 2019, 3.8 percent.

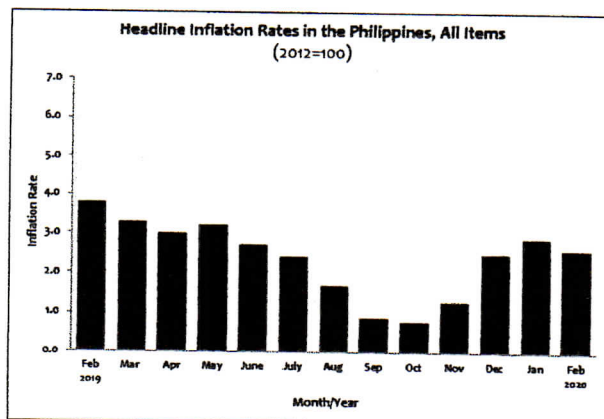
The downtrend in the inflation was mainly brought about by the slower annual increase in the heavily-weighted food and non-alcoholic beverages index at 2.1 percent during the month. In addition, annual increments decelerated in the indices of alcoholic beverages and tobacco at 18.2 percent; housing, water, electricity, gas, and other fuels, 1.7 percent; and transport, 1.8 percent.

On the other hand, a higher annual mark-up of 3.5 percent was noted in the index of furnishing, household equipment and routine maintenance of the house. The rest of the commodity groups retained their previous month's annual growth rates. (Tables 3 and 4)

Excluding selected food and energy items, **core inflation**, likewise, eased to 3.2 percent in February 2020. In the previous month, core inflation was registered at 3.3 percent and in February 2019, 3.9 percent. (Table 9)

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

Area	February 2020	January 2020	February 2019	Year-to-date
Philippines				
Headline	2.6	2.9	3.8	2.8
Core	3.2	3.3	3.9	3.2
NCR				
Headline	2.0	2.7	3.8	2.3
AONCR				
Headline	2.8	3.0	3.8	2.9



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Inflation for the country's food index remained at 2.1 percent during the month. In February 2019, inflation for food was posted at 4.2 percent. (Table 7)

Higher annual growth rates were registered in the following food groups in February 2020:

- Other cereals, flour, cereal preparation, bread, pasta and other bakery products, 2.7 percent;
- Milk, cheese, and eggs, 3.4 percent;
- Oils and fats, 1.0 percent; and
- Fruits, 8.5 percent.

On the contrary, annual increments slowed down in the indices of meat at 2.9 percent; fish, 8.6 percent; vegetables, 7.8 percent; and food products, not elsewhere classified, 6.5 percent. The rest of the food groups recorded negative annual rates during the month. (Table 5)

Year-on-Year Inflation Rates in the Philippines, All Items
January 2016 – February 2020
 (2012=100)

Month	Year				
	2016	2017	2018	2019	2020
January	0.7	2.5	3.4	4.4	2.9
February	0.5	3.1	3.8	3.8	2.6
March	0.6	3.1	4.3	3.3	
April	0.7	3.2	4.5	3.0	
May	0.9	2.9	4.6	3.2	
June	1.3	2.5	5.2	2.7	
July	1.3	2.4	5.7	2.4	
August	1.3	2.6	6.4	1.7	
September	1.7	3.0	6.7	0.9	
October	1.8	3.1	6.7	0.8	
November	2.1	3.0	6.0	1.3	
December	2.2	2.9	5.1	2.5	
Average	1.3	2.9	5.2	2.5	

National Capital Region (NCR)

Inflation in NCR decelerated further to 2.0 percent in February 2020. Its annual rate in January 2020 was higher at 2.7 percent and in February 2019, 3.8 percent.

The annual rate of housing, water, electricity, gas, and other fuels index dropped by 0.7 percent. Moreover, annual increases were slower in the indices of food and non-alcoholic beverages at 3.1 percent; alcoholic beverages and tobacco, 13.4 percent; and transport, 0.6 percent. On the other hand, annual growth rates were higher in the indices of furnishing, household equipment and routine maintenance of the house at

3.2 percent; and health, 2.3 percent. Other commodity groups retained their previous month's annual growth rates. (Tables 3 and 4)

Areas Outside NCR (AONCR)

Inflation in AONCR eased to 2.8 percent in February 2020. It was recorded at 3.0 percent in the previous month, and 3.8 percent in the same month in 2019.

Annual hikes slowed down in the following commodity groups during the month:

- Food and non-alcoholic beverages, 1.9 percent;
- Alcoholic beverages and tobacco, 19.1 percent;
- Clothing and footwear, 3.0 percent;
- Housing, water, electricity, gas, and other fuels, 2.6 percent; and
- Transport, 2.1 percent.

On the other hand, annual mark-ups were higher in the indices of furnishing, household equipment and routine maintenance of the house at 3.7 percent; and restaurant and miscellaneous goods and services, 2.6 percent. The rest of the commodity groups retained their previous month's annual growth rates. (Tables 3 and 4)

Relative to their inflation in the previous month, six regions in AONCR exhibited lower inflation in February 2020. Region VIII (Eastern Visayas) had the lowest inflation at 1.9 percent during the month, while Region V (Bicol Region) still recorded the highest inflation at 3.6 percent. (Table 4)

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



CLAIRE DENNIS S. MAPA, Ph.D.
Undersecretary
National Statistician and Civil Registrar General