



SPECIAL RELEASE

Summary Inflation Report Consumer Price Index for the Bottom 30% Income Households (2018=100)

March 2023

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**Table A. Year-on-Year Inflation Rates
for the Bottom 30% Income Households, All Items
In Percent
(2018=100)**

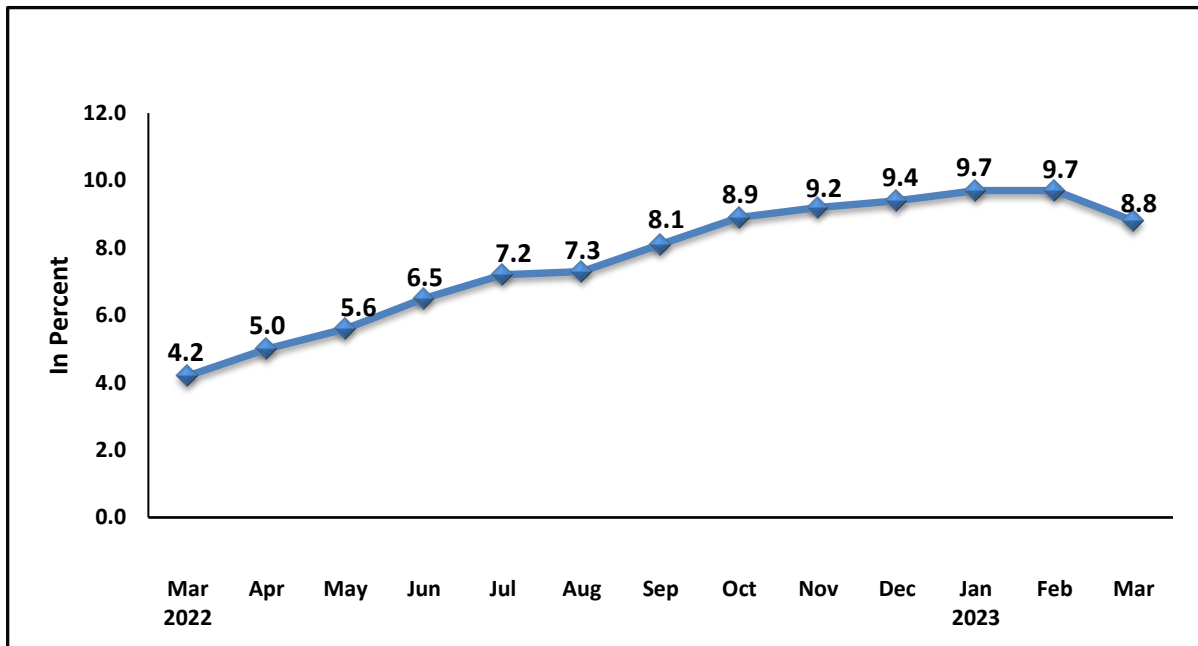
Area	March 2022	February 2023	March 2023	Year-to-date *
Philippines	4.2	9.7	8.8	9.4
NCR	3.2	9.7	8.7	9.4
AONCR	4.1	9.7	8.8	9.4

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

*Year-on-year change of average CPI for March 2022 vs 2023



**Figure 1. Inflation Rates for the Bottom 30%
Income Households 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. Overall Inflation

The overall inflation for the bottom 30% income households at the national level slowed down to 8.8 percent in March 2023 from 9.7 percent in February 2023. In the same month of the previous year, the inflation rate was recorded at 4.2 percent. The annual average inflation from January to March 2023 stood at 9.4 percent. (Tables A, B, 5, 6, 12, and Figure 1)

1.1 Main Drivers to the Downward Trend of the Overall Inflation

The lower annual growth in the index of the heavily-weighted food and non-alcoholic beverages at 9.5 percent during the month from 10.3 percent in February 2023 primarily pulled down the overall inflation for this income group. This was followed by housing, water, electricity, gas and other fuels with 9.5 percent annual mark-up from 12.2 percent in the previous month. Transport came third with 6.1 percent annual increment from 9.0 percent in the previous month.

Meanwhile, higher year-on-year growth rates were observed in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 12.9 percent from 11.9 percent;
- b. Clothing and footwear, 5.3 percent from 5.0 percent;
- c. Furnishings, household equipment and routine household maintenance, 6.2 percent from 5.9 percent;
- d. Health, 3.7 percent from 3.5 percent;
- e. Information and communication, 0.9 percent from 0.8 percent;
- f. Recreation, sport and culture, 5.5 percent from 5.2 percent;
- g. Restaurants and accommodation services, 8.2 percent from 7.9 percent; and
- h. Personal care, and miscellaneous goods and services, 6.1 percent from 5.7 percent.

The indices of the rest of the commodity groups retained their previous month's annual growth rates. (Tables 5 and 6)

1.2 Main Contributor to the Overall Inflation

In terms of contribution to the overall inflation of this income group, the top three commodity groups were as follows:

- a. Food and non-alcoholic beverages, 59.9 percent share or 5.3 percentage points;
- b. Housing, water, electricity, gas and other fuels, 16.9 percent share or 1.5 percentage points; and
- c. Restaurants and accommodation services, 7.0 percent share and 0.6 percentage points.

2. Food Inflation

Food inflation in the Philippines for this income group slowed down to 9.7 percent in March 2023 from 10.5 percent in the previous month. In March 2022, the inflation for food was recorded at 3.3 percent. (Table 9)

2.1 Main Drivers to the Downward Trend of the Food Inflation

The downtrend in the food inflation was primarily driven by the lower annual growth rate recorded in the index of vegetables, tubers, plantains, cooking bananas and pulses at 20.2 percent during the month from 28.7 percent in the previous month. This was followed by meat and other parts of slaughtered land animals with 5.4 percent inflation from 6.9 percent; and sugar, confectionery and desserts with 42.2 percent inflation from 44.8 percent. Lower annual increments were also noted in the indices of oils and fats at 14.3 percent from 17.5 percent; and corn at 11.8 percent from 12.8 percent.

On the contrary, higher annual upticks were noted in the indices of the following food groups during the period:

- a. Rice, 2.6 percent from 2.3 percent;
- b. Fish and other seafood, 12.3 percent from 11.1 percent;
- c. Milk, other dairy products and eggs, 12.8 percent from 12.3 percent;
- d. Fruits and nuts, 9.5 percent from 8.5 percent; and
- e. Ready-made food and other food products not elsewhere classified, 8.5 percent from 8.2 percent.

Meanwhile, the index of flour, bread and other bakery products, pasta products, and other cereals retained its previous month's annual rate of 10.9 percent. (Table 7 and 11)

2.2 Main Contributors to the Food Inflation

In terms of contribution to the March 2023 overall inflation for the income group, food shared 57.1 percent or 5.5 percentage points. Among the food groups, the top contributors to food inflation were the following:

- a. Cereals and Cereal products which includes rice, corn, flour, bread and other bakery products, 24.9 percent share or 2.4 percentage points;
- b. Fish and other seafood, 21.6 percent share or 2.1 percentage points; and
- c. Vegetables, tubers, plantains, cooking bananas and pulses, 16.7 percent share or 1.6 percentage points.

**Table B. Year-on-Year Inflation Rates
for the Bottom 30% Income Households in the Philippines, All Items
January 2018 – March 2023
(2018=100)**

Month	Year					
	2018	2019	2020	2021	2022	2023
January	3.4	5.2	2.1	3.9	4.0	9.7
February	3.9	4.3	2.1	4.6	3.5	9.7
March	4.5	3.8	1.9	4.8	4.2	8.8
April	4.9	3.2	2.2	4.5	5.0	
May	5.2	3.0	2.2	4.3	5.6	
June	5.6	2.4	2.7	3.8	6.5	
July	6.4	1.6	2.9	3.9	7.2	
August	7.3	0.5	2.6	4.7	7.3	
September	8.6	-1.0	2.7	4.3	8.1	
October	8.4	-1.1	2.7	4.3	8.9	
November	7.4	-0.3	3.5	4.0	9.2	
December	6.2	1.3	3.7	3.4	9.4	
Average	6.0	1.9	2.6	4.2	6.6	9.4

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

1. National Capital Region (NCR)

Inflation for the bottom 30% income households in NCR, likewise, decreased to 8.7 percent in March 2023 from 9.7 percent in February 2023. It was registered at 3.2 percent in the same month of the previous year. (Tables A, 5, 6, and 13)

The lower annual growth in the index of food and non-alcoholic beverages at 9.0 percent in March 2023 from 11.2 percent in the previous month primarily influenced the downtrend in NCR. This was followed by Transport at 14.7 percent from 16.5 percent; and housing, water, electricity, gas and other fuels at 8.1 percent from 8.3 percent.

Similarly, lower annual increments were registered in the indices of the following commodity groups during the month:

- a. Furnishings, household equipment and routine household maintenance, 4.7 percent from 5.2 percent; and
- b. Personal care, and miscellaneous goods and services, 3.5 percent from 3.7 percent.

In contrast, higher annual increments were recorded in the indices of the following commodity groups:

- a. Alcoholic beverages and tobacco at 9.0 percent from 7.1 percent;
- b. Clothing and footwear at 2.9 percent from 2.8 percent ; and
- c. Restaurants and accommodation services at 11.0 percent from 10.9 percent.

The indices of the rest of the commodity groups retained their previous month's annual growth rates. (Tables 5 and 6)

2. Areas Outside NCR (AONCR)

Following the trend at the national level and in NCR, inflation for this particular group of consumers in AONCR also slowed down to 8.8 percent in March 2023 from its previous month's rate of 9.7 percent. In March 2022, inflation in AONCR for this income group was noted at 4.1 percent. (Tables A, 5, and 14)

The decrease was primarily due to the lower year-on-year increment in the index of food and non-alcoholic beverages at 9.5 percent in March 2023 from 10.3 percent in the previous month. This was followed by housing, water, electricity, gas and other fuels at 9.6 percent from 12.3 percent; and transport at 5.8 percent from 8.7 percent.

In contrast, annual hikes increased in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 13.0 percent from 12.1 percent;
- b. Clothing and footwear, 5.4 percent from 5.1 percent;
- c. Furnishings, household equipment and routine household maintenance, 6.3 percent from 6.0 percent;
- d. Health, 3.9 percent from 3.7 percent;
- e. Information and communication, 0.9 percent from 0.8 percent;
- f. Recreation, sport and culture, 5.6 percent from 5.3 percent;
- g. Restaurants and accommodation services, 8.0 percent from 7.6 percent; and
- h. Personal care, and miscellaneous goods and services, 6.3 percent from 5.9 percent.

The indices of education services and financial services retained their respective previous month's year-on-year growth rates. (Tables 5 and 6)

Relative to their respective inflation rates in the previous month, 13 regions in AONCR recorded lower inflation rates for the bottom 30% income households in March 2023. Among the regions outside NCR, Region V (Bicol Region) posted the lowest inflation during the month at 7.2 percent, while Region XI (Davao Region) recorded the highest inflation rate of 11.1 percent. (Table 6)

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

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