

SPECIAL RELEASE

Summary Inflation Report Consumer Price Index for the Bottom 30% Income Households (2012=100)

July 2021

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1. Philippines

The country's inflation for the bottom 30% income households increased to 4.4 percent in July 2021, from 4.3 percent in June 2021. In July 2020, it was posted at 2.9 percent.

The year-to-date inflation for this income group of consumers at the national level from January to July 2021 was registered at 4.8 percent. (Table A and Figure 1)

The uptrend in the overall inflation for July 2021 was due to higher annual increment in food and non-alcoholic beverages index at 4.1 percent, from 3.5 percent in the previous month.

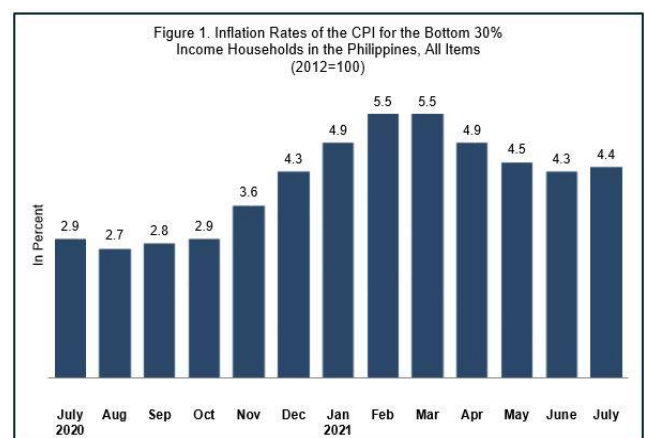
Meanwhile, the indices of the following commodity groups exhibited slower annual increases during the month:

- a. Alcoholic beverages and tobacco, 10.9 percent;
- b. Clothing and footwear, 2.7 percent;

Table A. Year-on-Year Inflation Rates of the CPI for the Bottom 30% Income Households, All Items
In Percent
(2012=100)

Area	July 2020	June 2021	July 2021	Year-to-date *
Philippines	2.9	4.3	4.4	4.8
NCR	2.9	4.1	4.3	5.1
AONCR	2.9	4.3	4.4	4.8

Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index, Philippine Statistics Authority
* Year-on-year change of average CPI for January to July, 2021 vs. 2020



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

- c. Furnishing, household equipment and routine maintenance of the house, 1.8 percent.
- d. Health, 2.6 percent;
- e. Transport, 11.4 percent;
- f. Communication, 0.2 percent;
- g. Education, 1.3 percent; and
- h. Restaurant and miscellaneous goods and services, 3.9 percent.

In addition, the annual rate of the index of recreation and culture dropped further to -0.4 percent during the month, from -0.2 percent in the previous month. On the other hand, the index of housing, water, electricity, gas and other fuels retained its previous month's annual rate of 3.0 percent. (Tables 3 and 4)

Similarly, food inflation at the country level moved up at faster pace of 4.2 percent in July 2021, from 3.6 percent in June 2021. In July 2020, its annual rate was posted at 1.5 percent. (Table 7)

Annual increases were higher in the indices of corn at 5.2 percent; fish, 9.0 percent; and vegetables, 4.8 percent. In addition, the annual decrease of -0.6 percent in rice index during the month was smaller relative to its previous month's annual drop of -0.8 percent.

On the contrary, annual increments decelerated in the indices of the following food groups during the period:

- a. Other cereals, flour, cereal preparation, bread, pasta and other bakery products, 1.6 percent;
- b. Meat, 17.5 percent;
- c. Milk, cheese and egg, 1.8 percent; and
- d. Fruits, 4.5 percent.

Moreover, annual growth rate in the index of food products not elsewhere classified declined further to -0.8 percent during the month.

The rest of the food groups posted the same annual rates as in the previous month. (Table 5)

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**Table B. Year-on-Year Inflation Rates of the CPI for the
Bottom 30% Income Households in the Philippines, All Items
January 2017 - July 2021
(2012=100)**

Month	Year				
	2017	2018	2019	2020	2021
January	2.0	3.6	5.2	2.3	4.9
February	2.2	4.4	4.3	2.1	5.5
March	2.2	5.0	3.4	2.4	5.5
April	2.4	5.2	3.1	2.9	4.9
May	2.1	5.4	3.2	2.9	4.5
June	2.1	5.4	3.1	3.0	4.3
July	1.9	6.2	2.5	2.9	4.4
August	2.3	6.9	1.7	2.7	
September	2.5	8.0	0.2	2.8	
October	2.7	8.1	-0.1	2.9	
November	2.6	7.3	0.7	3.6	
December	2.7	6.3	1.9	4.3	
Average	2.3	6.0	2.4	2.9	

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

2. National Capital Region (NCR)

Inflation in NCR for this particular group of consumers, likewise, rose to 4.3 percent in July 2021, from 4.1 percent in the previous month. In July 2020, inflation of consumer items for this income group in the region was seen at 2.9 percent. (Tables A and 3)

Higher annual hike recorded in food and non-alcoholic beverages index at 6.1 percent pushed up the inflation in NCR during the month.

The indices of the other commodity groups had slower annual increments during the month, except for communication and education which retained their previous month's annual growth rates of 0.3 percent and 0.8 percent, respectively. (Table 3 and 4)

3. Areas Outside NCR (AONCR)

Inflation for the bottom 30% income households in AONCR also went up to 4.4 percent in July 2021, from 4.3 percent in June 2021. In the same

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month in 2020, inflation in the area was observed at 2.9 percent. (Tables A and 3)

Annual hikes were higher during the month in the indices of food and non-alcoholic beverages at 4.1 percent; and housing, water, electricity, gas, and other fuels, 3.2 percent.

On the contrary, the annual rate of recreation and culture index declined further to -0.4 percent in July 2021, from -0.2 percent in the previous month. The indices of the rest of the commodity groups recorded slower annual increases during the month. (Tables 3 and 4)

Ten regions in AONCR posted higher inflation for the bottom 30% income households in July 2021. Region II (Cagayan Valley) still had the highest inflation at 6.6 percent, while BARMM (Bangsamoro Autonomous Region in Muslim Mindanao) still had the lowest inflation at 2.0 percent during the month. (Table 4)

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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