



SPECIAL RELEASE

Summary Inflation Report Consumer Price Index (CPI) in Butuan City (2018=100): August 2024

Date of Release: September 30, 2024

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

Area	August 2023	July 2024	August 2024	Year-to-Date*
Philippines				
Headline	5.3	4.4	3.3	3.6
CARAGA				
Headline	4.4	3.7	2.3	3.1
Butuan City				
Headline	3.4	1.3	-0.3	1.4

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

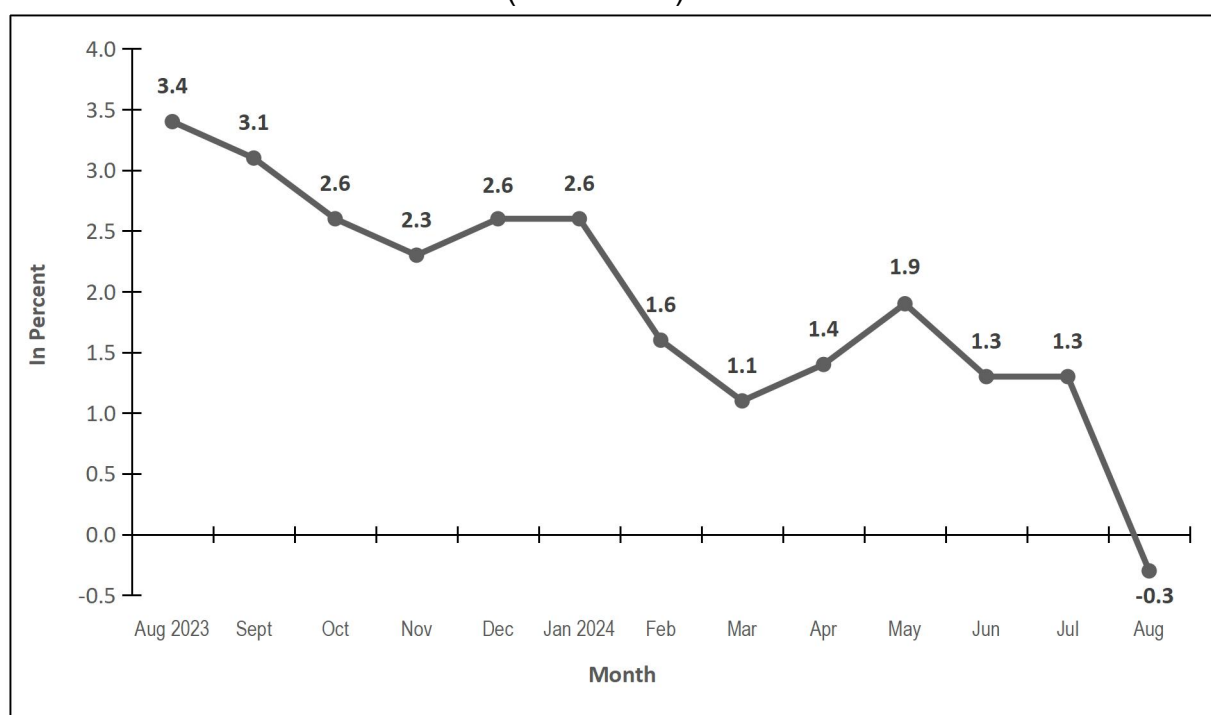
*Year-on-year change of average CPI for August 2024 vs. 2023



The headline inflation rate in Butuan City dropped to -0.3 percent

In August 2024, Butuan City witnessed a decline in its annual headline inflation rate, dropping to -0.3 percent in August 2024 from 1.3 percent in July 2024. Furthermore, this month's inflation rate indicates a decrease of 3.1 percentage points compared to the same month in the previous year, which recorded an inflation rate of 3.4 percent.

Figure 1. Headline Inflation Rates in Butuan City,
All Items, August 2023 to August 2024
(2018 = 100)



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

Major Contributors to the August 2024 Inflation

The following groups mainly contributed to this month's inflation. These are:

1. **Housing, Water, Electricity, Gas and Other Fuels**; the deflation rate of this category significantly decreased to -12.1 percent this month from -7.3 percent in July 2024. This specific group made a substantial contribution, representing 375.1 percent of the total deflation for the month.
2. **Transport**; this sector secured the second position on the ranking, exhibiting a deflation rate of -3.4 percent, marking a decrease of -1.6 percent compared to the 1.8 percent inflation rate noted in July 2024. This industry accounted for approximately 56.2 percent of the total inflation in

Butuan City.

- Information and Communication**; this specific category attained the third position in the ranking, indicating a -0.1 percent deflation rate in August 2024, mirroring the inflation rate observed in July 2024. This particular sector accounted for approximately 0.6 percent of the total inflation recorded during this period.

Table 2. Year-on-Year Inflation Rates in Butuan City,
All Items January 2020 – August 2024
(2018 = 100)

Month	Year				
	2020	2021	2022	2023	2024
January	4.7	1.5	6.4	7.3	2.6
February	3.6	4.1	4.6	7.3	1.6
March	3.2	4.4	5.5	6.5	1.1
April	2.9	4.4	6.3	5.1	1.4
May	3.0	4.3	6.6	4.7	1.9
June	3.6	3.3	8.4	4.0	1.3
July	3.3	3.4	9.5	3.1	1.3
August	3.1	3.5	9.8	3.4	-0.3
September	2.7	3.1	10.8	3.1	
October	2.3	4.1	8.9	2.6	
November	1.9	5.0	8.5	2.3	
December	1.4	6.0	7.4	2.6	
Average	3.0	3.9	7.7	4.3	1.4

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

Major Contributor to the Year-on-Year Inflation Trend

Among the thirteen (13) groups of commodities, the following top three (3) groups have made a substantial contribution to the reduction in inflation. These are the following:

- Housing, Water, Electricity, Gas, and Other Fuels**; this category witnessed a decline in electricity prices, leading to a significant decrease in inflation to -12.1 percent in August 2024 from -7.3 percent in July 2024. This sector accounted for 50.8 percent of the overall reduction in the inflation rate.

- 2) **Transport**; this specific sector ranked second in terms of its impact on the inflation trend, with its inflation rate decreasing from 1.8 percent in July 2024 to -3.4 percent this month. The downturn in the prices of fuels and lubricants for personal transport equipment was the primary catalyst behind this decline. This sector accounted for approximately 29.4 percent of the overall inflation trend.
- 3) **Food and Non-Alcoholic Beverages**; the sector attained the third position, with its inflation rate declining to 3.6 percent in August 2024 from 4.3 percent in July 2024, contributing around 17.1 percent to the inflation trend.

Inflation Rate by Commodity Group

Table 3. Year-on-year Changes of the CPI in Percent in Butuan City by Commodity Group, January to August 2024 (2018=100)

Area/Commodity Group	2024							
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
BUTUAN CITY								
ALL ITEMS	2.6	1.6	1.1	1.4	1.9	1.3	1.3	-0.3
Food and Non-Alcoholic Beverages	5.8	3.8	5.2	5.5	5.3	3.7	4.3	3.6
Alcoholic Beverages and Tobacco	8.4	8.4	5.3	4.3	4.0	4.1	4.1	4.2
Clothing and Footwear	0.8	0.6	0.9	1.0	1.0	1.0	1.5	1.5
Housing, Water, Electricity, Gas and Other Fuels	-3.0	-5.4	-10.6	-10.1	-6.1	-5.3	-7.3	-12.1
Furnishings, Household Equipment and Routine Household Maintenance	1.2	1.2	1.1	0.9	0.7	0.5	0.7	0.6
Health	1.3	1.5	2.1	2.4	2.8	2.7	2.7	2.1
Transport	-2.4	0.0	0.0	1.5	2.0	2.2	1.8	-3.4
Information and Communication	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Recreation, Sport and Culture	3.3	2.9	3.6	2.8	2.8	2.5	2.8	3.3
Education Services	2.7	2.7	2.7	2.7	2.7	2.7	5.1	4.4
Restaurants and Accommodation Services	3.1	3.1	3.1	1.5	0.0	0.0	0.0	0.0
Financial Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personal Care, and Miscellaneous Goods and Services	2.4	2.0	2.0	2.0	1.5	1.8	2.2	2.0

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

Food Alone Inflation

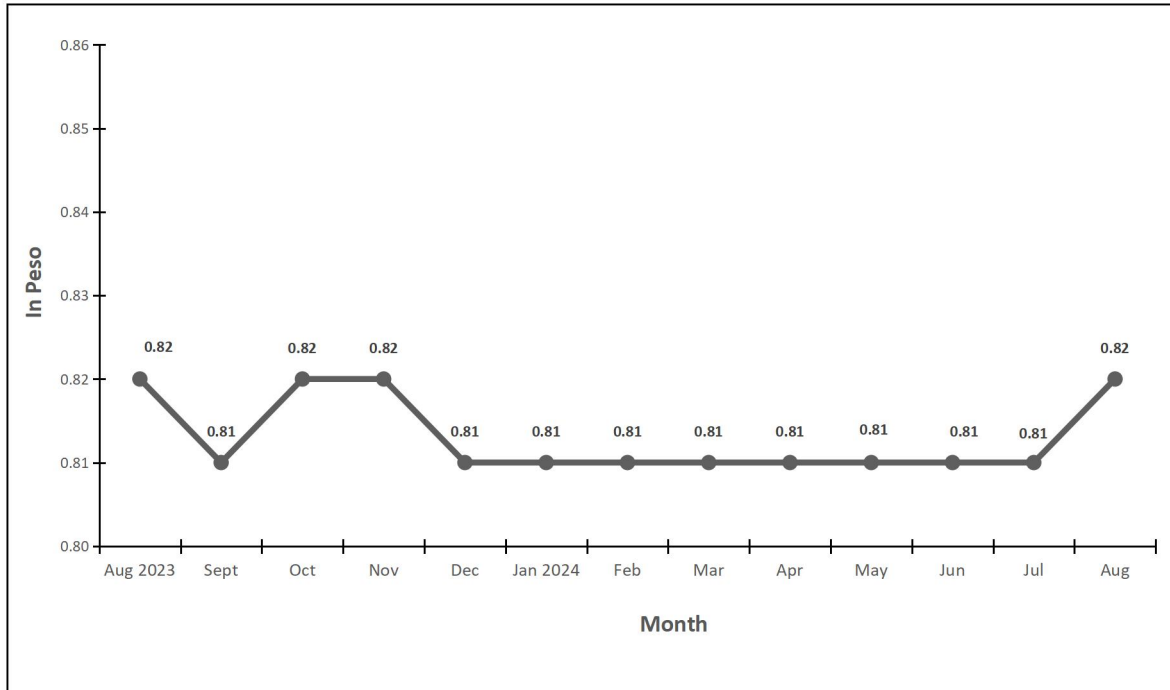
In Butuan City, the food inflation rate decreased to 3.8 percent in August 2024 from the previous month's 4.5 percent. Nevertheless, this current rate marks a notable decrease of 1.4 percent compared to the 5.2 percent recorded in August 2023.

Among the food groups, the main drivers of the declined inflation were the following:

- a. **Cereals** such as rice experienced a decline in inflation rates, dropping from 20.1 percent in July 2024 to 15.7 percent in August 2024. The reduction in the year-on-year inflation average of rice was a significant contributing factor to the overall decrease in inflation within this specific food category. This month, rice exhibited an inflation rate of 15.6 percent, marking a decrease of 4.7 percentage points compared to the 20.3 percent inflation rate observed in July 2024. This food category accounted for approximately 96.9 percent of the food inflation in Butuan City.
- b. **Milk, other dairy products, and eggs** accounted for approximately 8.6 percent of the food inflation. This category experienced an increase in inflation, rising to 4.6 percent this month from the 1.4 percent recorded in July 2024. The surge in prices of fresh eggs was the primary catalyst for this inflationary upturn.
- c. **Fruits and nuts** experienced a notable surge in inflation, rising to 11.0 percent in August 2024 from 4.4 percent in July of the same year. The escalation in prices, especially in mangoes, was the primary driver behind the inflation spike within this category. It is worth highlighting that this specific group contributes significantly, with an 8.5 percent share, to the overall food inflation.

Purchasing Power of the Peso in Butuan City improved at Php 0.82

Figure 2. Purchasing Power of the Peso (PPP): Butuan City
August 2023 to August 2024



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

In Butuan City, known for its vibrant market scene and bustling economic activities, the purchasing power of the peso (PPP) has shown a notable improvement in August 2024, reaching Php 0.82. This increase in PPP signifies a positive trend in the city's economic landscape, reflecting a strengthening of the local currency's value against goods and services. For instance, residents and businesses in Butuan City can now purchase more goods with the same amount of money compared to previous months, leading to increased consumer confidence and higher spending power.

TECHNICAL NOTES

The Philippine Statistics Authority generates and announces the monthly **Consumer Price Index (CPI)** based on the nationwide survey of prices for a given basket of goods and services. Two important indicators, the inflation rate and purchasing power of the peso (PPP), are derived from the CPI which are important in monitoring price stability and the value of the country's currency.

The **Consumer Price Index (CPI)** is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by households relative to a base year. It shows how much on the average, prices of goods and services have increased or decreased from a particular reference period known as base year.

Inflation Rate refers to the rate of change in the average prices of goods and services typically purchased by consumers. It is interpreted in terms of declining purchasing power of money.

Disinflation refers to a situation where the general level of prices is increasing but at a decreasing rate.

Deflation refers to a situation where the general level of prices is falling and the rate is below zero percent.

The Purchasing Power of the Peso (PPP) indicates the value of the peso in the period under review as compared to the value of the peso in the base period. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.

Statistical Table refers to the statistical data presenting a reference table for the CPI, and Inflation Rate of each commodity groups and food items that are used for attachments.

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