

SPECIAL RELEASE

Butuan City (2018=100): September 2023

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

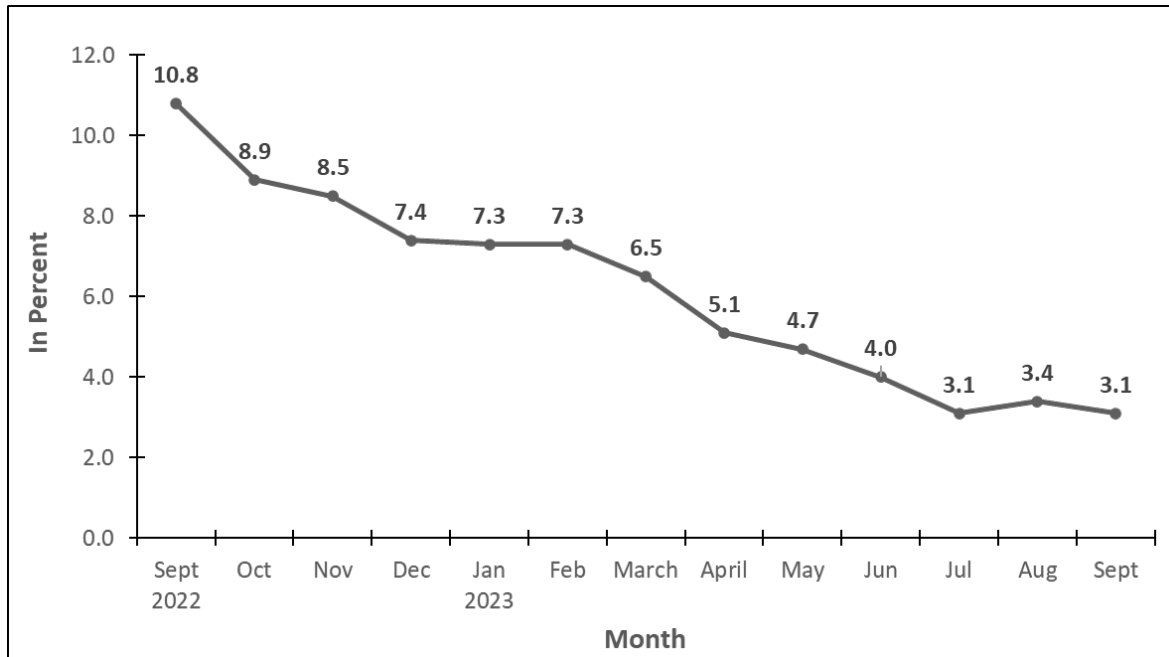
Area	September 2022	August 2023	September 2023	Year-to- Date*
Philippines				
Headline	6.9	5.3	6.1	6.6
CARAGA				
Headline	8.2	4.4	5.1	5.9
Butuan City				
Headline	10.8	3.4	3.1	4.9

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

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



Figure 1. Headline Inflation Rates in Butuan City,
All Items, September 2022 to September 2023
(2018 = 100)



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

The Headline Inflation rate in Butuan City decelerated to 3.1 percent during the month of September in the year 2023.

The yearly headline inflation rate in Butuan City exhibited a slowdown, registering at 3.1 percent for the current month as opposed to 3.4 percent in August of the year 2023. As compared to the corresponding period last year when it reached an inflation rate of 10.8 percent, this month's inflation has experienced a decline by a significant margin of 7.7 percent.

The decline in inflation can be attributed to the decreased indices observed within these specific commodity groups.: (see Attachment: Table 3)

- a. The Housing, Water, Electricity, Gas and Other Fuels group experienced a decline in inflation, dropping from 3.8 percent to 1.1 percent, and accounting for 92.6 percent of the overall downtrend.
- b. Similarly, the Clothing and Footwear group saw a decrease in inflation from 2.2 percent to 1.0 percent, contributing a share of 4.3 percent to the trend; while



- c. Alcoholic Beverages and Tobacco also witnessed a decline in inflation rates from 7.2 percent to 5.7 percent and accounted for a share of only 3.1 percent toward this inflation downtrend.

Table B. Year-on-Year Inflation Rates in Butuan City,
All Items January 2019 – August 2023
(2018 = 100)

Month	Year				
	2019	2020	2021	2022	2023
January	1.6	4.7	1.5	6.4	7.3
February	1.8	3.6	4.1	4.6	7.3
March	2.7	3.2	4.4	5.5	6.5
April	1.9	2.9	4.4	6.3	5.1
May	1.8	3.0	4.3	6.6	4.7
June	1.3	3.6	3.3	8.4	4.0
July	1.1	3.3	3.4	9.5	3.1
August	0.4	3.1	3.5	9.8	3.4
September	(0.3)	2.7	3.1	10.8	3.1
October	0.0	2.3	4.1	8.9	
November	0.7	1.9	5.0	8.5	
December	3.9	1.4	6.0	7.4	
Average	1.4	3.0	3.9	7.7	4.9

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

On the other hand, inflation rates were higher in the following commodity groups:

- Food and Non-Alcoholic Beverages, at 5.9 percent from 5.1 percent in August 2023;
- Furnishings, Household Equipment and Routine Household Maintenance, 1.8 percent from 1.7 percent;
- Health, 1.2 percent from 0.7 percent;
- Transport, (0.1) percent from (2.0) percent;
- Recreation, Sport and Culture, 4.1 percent from 3.7 percent; and
- Education Services, 2.7 percent from 0.7 percent.

Conversely, these commodity groups exhibited consistent levels of inflation.:



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- a. Information and Communication, 0.0 percent;
 - b. Restaurants and Accommodation Services, 3.1 percent;
 - c. Financial Services, 0.0 percent, and
 - d. Personal Care, and Miscellaneous Goods and Services, 3.9 percent.
- (See Attachment: Statistical Table 5)

Food inflation rose to 6.1 percent in September 2023

The rate of food inflation in Butuan City has risen to 6.1 percent this month, marking a notable increase from the previous month's 5.1 percent as recorded in August 2023. Although there has been an uptick of 0.8 percent compared to the prior period, it is important to note that September 2022 saw a staggering inflation rate of 15.9 percent - making this month's figure comparatively slower by a significant margin at 9.8 percent.

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

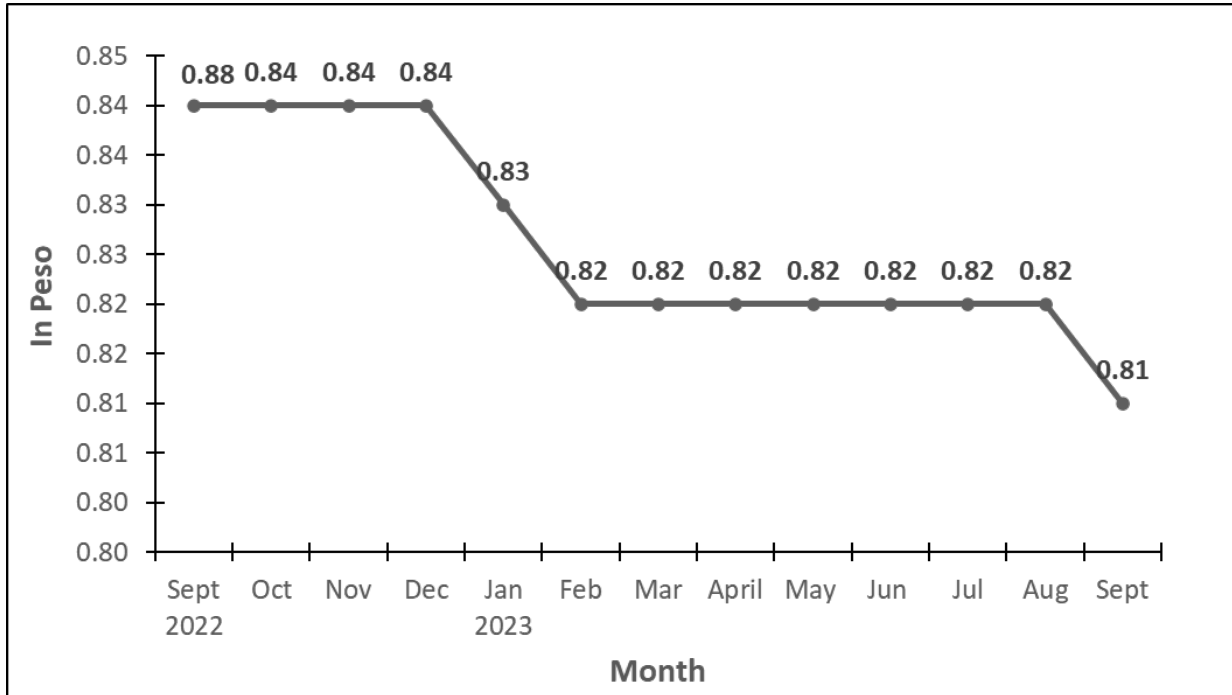
- a. The percentage increase in Rice has risen dramatically from 2.8 percent to 15.5 percent over the last month;
- b. Flour, Bread and Other Bakery Products have only experienced a marginal increment of 4.3 percent compared to the previous rate of 4.1 percent;
- c. Similarly, Fruits and Nuts have seen an increase in their inflation rate by (2.8) percentage points as it currently stands at (11.0) percent from its earlier recorded value of (13.8) percent.

(See Attachment: Statistical Table 6-7)



Purchasing Power of the Peso in Butuan City decreased at Php 0.81 in September 2023

Figure 2. Purchasing Power of the Peso (PPP): Butuan City
September 2022 to September 2023



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

In September of 2023, it was reported that the Purchasing Power of Peso (PPP) in Butuan City had decreased to Php 0.81. This metric is used to determine the relative value of a currency in terms of its ability to purchase goods and services within a specific geographic location. A lower PPP indicates that the currency has weakened in comparison to other currencies or over time, which can result in higher prices for imported goods and increased inflation rates. The decline in PPP may have various contributing factors, such as economic policies, market fluctuations, or geopolitical events. It is important for individuals and businesses alike to monitor changes in PPP as it can impact their purchasing power and overall financial stability.



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.

Approved by:

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