

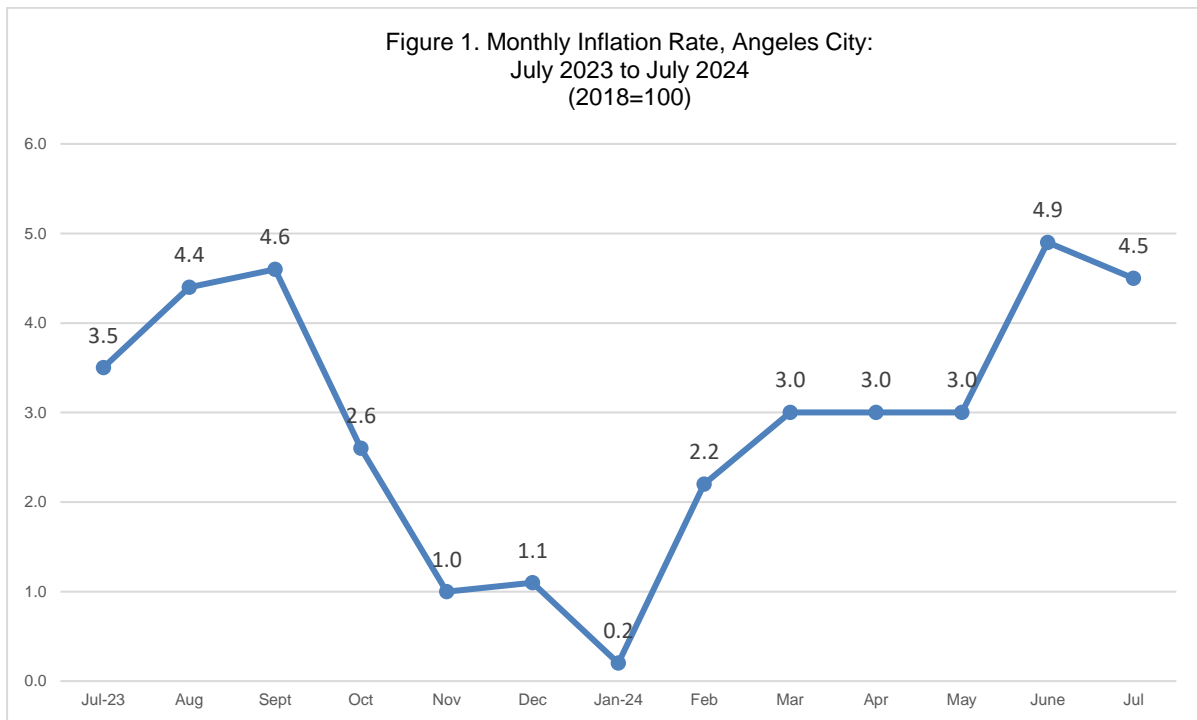
# SPECIAL RELEASE

## July 2024 Inflation Rate (IR), Consumer Price Index (CPI) and Purchasing Power of Peso (PPP) in Angeles City

Date of Release: 08 August 2024  
Reference No. 2408-0354-SR-023

### The inflation rate in Angeles City decreased to 4.5 percent

The inflation rate in Angeles City decreased to 4.5 percent in July 2024 from 4.9 in June 2024. July inflation rate was 1.0 percentage points higher than the 3.5 percent recorded in July 2023 (Figure 1).



Source: Survey of Retail Prices of Commodities for the Generation of CPI, PSA

The downtrend of July 2024 inflation in Angeles City was mainly brought about by the heavily weighted rate in the index of Housing, Water, Electricity, Gas and other Fuels, which recorded an inflation rate of 2.2 percent from 3.5 percent inflation in June 2024. Food and Non-alcoholic Beverages was the second contributor with an inflation rate of 4.5 percent from 5.4 percent in June 2024. The third contributor of July 2024 inflation was the index of Health, which recorded 1.6 percent inflation from 2.0 percent in June 2024.

Meanwhile, higher inflation rates were observed on the following indices:

- Restaurants and Accommodation Services at 10.6 percent inflation from 10.2 percent inflation in June 2024;
- Transport in 6.5 percent inflation from 5.3 percent;



- Personal Care, and Miscellaneous Goods and Services at 4.3 percent inflation from 3.8 percent;
- Recreation, Sport and Culture at 3.0 percent inflation from 2.9 percent;
- Clothing and Footwear at 2.8 percent inflation from 2.3 percent;
- Furnishings, Household Equipment and Routine Household Maintenance at 2.0 percent inflation from 1.9 percent; and
- Information and Communication at 1.2 percent inflation from 1.0 percent.

Lastly, the following indices retained their corresponding previous month's annual increments:

- Education Services at 5.7 percent;
- Alcoholic Beverages and Tobacco at 3.3 percent; and
- Financial Services at 0.0 percent. (Table 1)

Table 1. Year-on-Year Inflation Rates by Commodity Group:  
 Angeles City (2018 = 100)  
 (in percent)

Commodity Group	July 2023	June 2024	July 2024
All Items	3.5	4.9	4.5
Food and Non-Alcoholic Beverages	5.8	5.4	4.5
Alcoholic Beverages and Tobacco	10.0	3.3	3.3
Clothing and Footwear	3.9	2.3	2.8
Housing, Water, Electricity, Gas, and Other Fuels	2.2	3.5	2.2
Furnishings, Household Equipment and Routine Household Maintenance	7.8	1.9	2.0
Health	2.7	2.0	1.6
Transport	-6.9	5.3	6.5
Information and Communication	0.8	1.0	1.2
Recreation, Sport and Culture	5.3	2.9	3.0
Education Services	2.4	5.7	5.7
Restaurants and Accommodation Services	4.6	10.2	10.6
Financial Services	0.0	0.0	0.0
Personal Care, and Miscellaneous Goods and Services	6.4	3.8	4.3

Source: Survey of Retail Prices of Commodities for the Generation of CPI, PSA



### Monthly Inflation Rate in Angeles City from January 2021 to July 2024

Since January 2021, the highest recorded inflation rate in Angeles City occurred in January 2023 at 9.5 percent. Conversely, the lowest recorded inflation rate since January 2021 was in January 2024 at 0.2 percent. (Table 2)

Table 2. Monthly Inflation Rate in Angeles City;  
All Items from January 2021 to July 2024  
(2018 = 100)

	YEAR			
	2021	2022	2023	2024
January	4.5	2.0	<b>9.5</b>	<b>0.2</b>
February	4.2	2.8	8.6	2.2
March	3.8	3.8	7.8	3.0
May	4.3	4.9	6.9	3.0
July	4.4	5.3	5.9	3.0
July	3.5	6.8	3.9	4.9
July	3.9	6.8	3.5	<b>4.5</b>
August	5.5	5.4	4.4	
September	5.8	5.7	4.6	
October	5.2	7.7	2.6	
November	4.5	8.9	1.0	
December	3.0	9.1	1.1	

Source: Survey of Retail Prices of Commodities for the Generation of CPI, PSA



## Consumer Price Index

The Consumer Price Index (CPI) of all items in Angeles City as of July 2024 was posted at 126.9 percent. This means that one needs 126.90 pesos to same set of goods and services that were worth 100.00 pesos in 2018. July 2024 CPI was higher by 5.50 pesos than the posted at 121.4 in July 2023. (Table 3).

Table 3. Monthly Consumer Price Index for All Households:  
Angeles City (2018 = 100)  
by Commodity Group

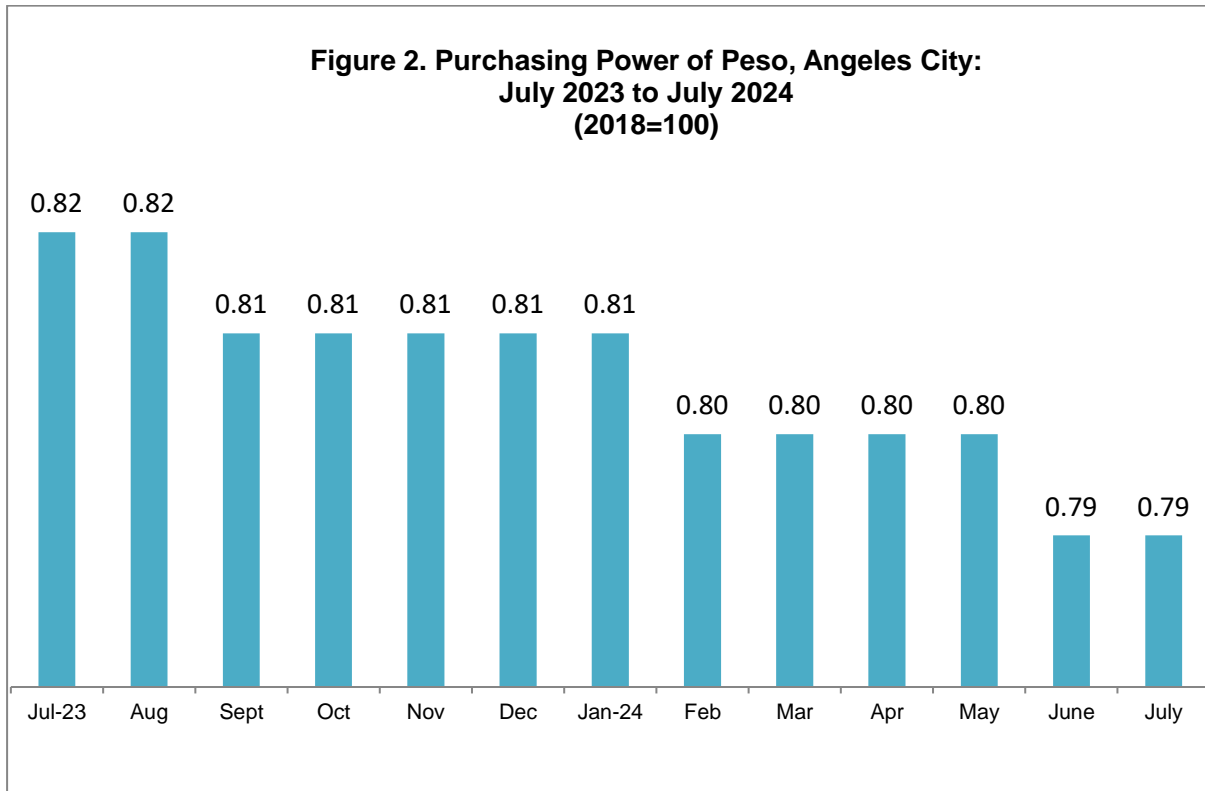
Commodity Group	July 2023	May 2024	July 2024
All Items	121.4	126.6	126.9
Food and Non-Alcoholic Beverages	127.7	131.9	133.4
Alcoholic Beverages and Tobacco	184.3	190.4	190.3
Clothing and Footwear	110.9	113.4	114.0
Housing, Water, Electricity, Gas, and Other Fuels	110.3	114.7	112.7
Furnishings, Household Equipment and Routine Household Maintenance	117.1	118.9	119.4
Health	122.2	124.5	124.2
Transport	125.7	132.8	133.9
Information and Communication	104.1	105.1	105.4
Recreation, Sport and Culture	112.9	116.1	116.3
Education Services	111.5	115.1	117.9
Restaurants and Accommodation Services	121.1	133.5	133.9
Financial Services	146.0	146.0	146.0
Personal Care, and Miscellaneous Goods and Services	117.4	121.9	122.4

Source: Survey of Retail Prices of Commodities for the Generation of CPI, PSA



**Purchasing Power of Peso**

Purchasing Power of Peso (PPP) in Angeles City is 0.79 in July 2024. July 2024 PPP was lower by 0.02 than the 0.82 in July 2023. PPP implies that 1.00 peso in 2018 (based year) is now worth 79 centavos in July 2024. (Figure 2)



Source: Survey of Retail Prices of Commodities for the Generation of CPI, PSA

Approved for Release:

**MARIA VIRGINIA R. OLVEÑA**  
 Chief Statistical Specialist  
 PSA Pampanga



## Technical Notes

This Special Release presents the results of the Survey of Retail Prices of Commodities and Services for the Generation of Consumer Price Index (CPI) conducted in July 2024.

### CPI

The CPI is an indicator of the change in the average retail prices of a fixed basket of goods and services commonly purchased by households for their day-to-day consumption relative to a base year.

### Uses of the CPI

As an indicator, the CPI is most widely used in the calculation of the inflation rate and purchasing power of the peso. It is a major statistical series used for economic analysis and as monitoring indicator of government economic policy.

The CPI is also used as a deflator to express value series in real terms, which is, measuring the change in actual volume of transaction by removing the effects of price changes. Another major importance of the CPI is its use as basis to adjust wages in labor management contracts as well as pensions and retirement benefits. The CPI also serves as inputs in wage adjustments through the collective bargaining agreements.

### Components of the CPI

#### a. Base Period

This is a reference date or simply a convenient benchmark to which a continuous series of index numbers can be related. Since the CPI measures the average changes in the retail prices of a fixed basket of goods, it is necessary to compare the movement in previous years back to a reference date at which the index is taken as equal to 100.

The present series of CPI is rebased from base year 2012 to base year 2018.

#### b. Market Basket

Market basket refers to a sample of goods and services commonly purchased by the households.

The market basket for the CPI for All Income Households is updated using the results of the 2021 Survey of Key Informants (SKI). The survey, which was undertaken in July 2021, was conducted nationwide to store managers, sellers, or proprietors, in order to obtain information on the most commonly purchased goods and availed of services by the households.

The commodities included in the 2018-based CPI market basket are the modal commodities which were considered as the most commonly purchased/availed of commodities by the households.

The commodities in the 2018-based CPI market basket are grouped/classified according to the 2020 Philippine Classification of Individual Consumption According to Purpose (PCOICOP) which is based on the United Nations COICOP. Meanwhile, the commodities in the 2012-based CPI market basket used the 2009 PCOICOP version of classification of commodities.



Table 1

below presents the comparison of the commodity classification based on 2009 and 2020 PCOICOP which are adopted in the 2012-based and 2018-based CPI market baskets, respectively.

Table 1. Commodity Classification of the CPI Market Basket

2012-based CPI		2018-based CPI	
Code	Description	Code	Description
01	Food and non-alcoholic beverages	01	Food and non-alcoholic beverages
02	Alcoholic beverages and tobacco	02	Alcoholic beverages and tobacco
03	Clothing and footwear	03	Clothing and footwear
04	Housing, water, electricity, gas, and other fuels	04	Housing, water, electricity, gas, and other fuels
05	Furnishings, household equipment and routine household maintenance	05	Furnishings, household equipment and routine household maintenance
06	Health	06	Health
07	Transport	07	Transport
08	Communication	08	Information and Communication
09	Recreation and culture	09	Recreation, sport, and culture
10	Education	10	Education services
11	Restaurant and Miscellaneous Goods and Services	11	Restaurant and accommodation services
		12	Financial services
		13	Personal care, and miscellaneous goods and services
Note: In the 2012-based CPI, divisions 11 and 13 are combined as one division (Restaurant and Miscellaneous goods and services).			

c. Weighting System

The weights for the 2018-based CPI were derived from the expenditure data of the 2018 Family Income and Expenditure Survey (FIES). The weight for each commodity/group of commodities is the proportion of the expenditure of the expenditure of commodity/group of commodities to the total national expenditure. The sum of the weights of the commodity groups at the national level is equal to 100.

d. Geographic Coverage

CPI values are computed at the national, regional, and provincial levels, for selected cities. A separate CPI for NCR is also computed.

**Inflation Rate**

The inflation rate (IR) is the annual or monthly rate of change of the CPI in percent. It is interpreted in terms of declining purchasing power of money.

**Purchasing Power of Peso (PPP)** - a measure of the volume of goods and services which the currency can buy at any given period relative to that which it could purchase during the base year. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.