

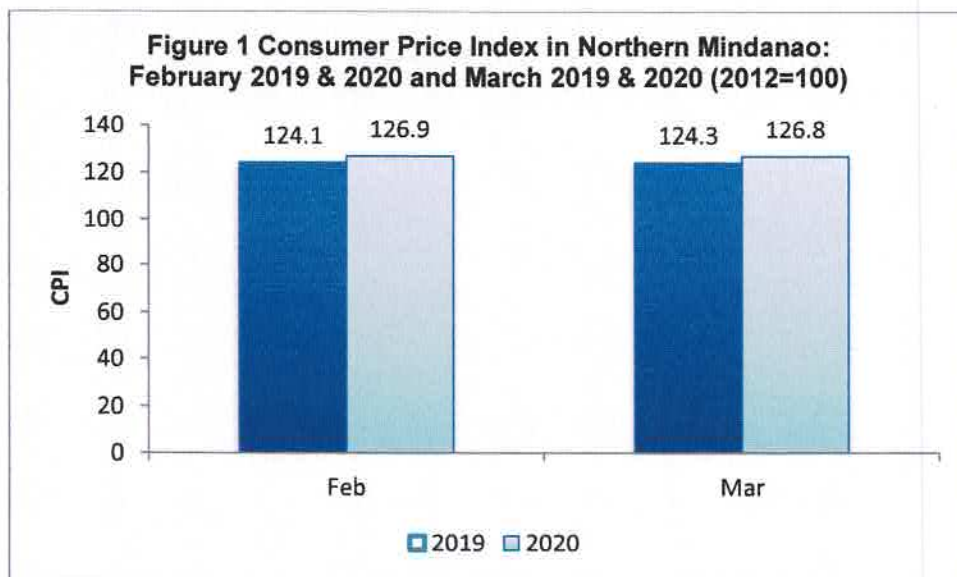


SPECIAL RELEASE

Highlights of the Consumer Price Index in Northern Mindanao for the month of March 2020 (2012=100)

Date of Release: 05 May 2020
Reference No. PSAX-SR-2020-06

Figure 1 shows the Consumer Price Index in Northern Mindanao for the period of February 2019 & 2020 and March 2019 & 2020. March 2020 CPI posted at 126.8 which implies that the price of a basket of goods in March was 26.8 percent higher than the price of the same basket of goods in 2012.



Among the commodity groups, Alcoholic Beverages and Tobacco registered the highest CPI in March 2020 at 222.0, followed by Housing, Water, Electricity, Gas, and Other Fuels at 143.5 and Health at 133.6. On the other hand, Recreation and Culture with 114.7, Communication at 106.1 and Transport at 104.7 were the bottom three with the lowest CPI registered, respectively, in March 2020 (Figure 2).

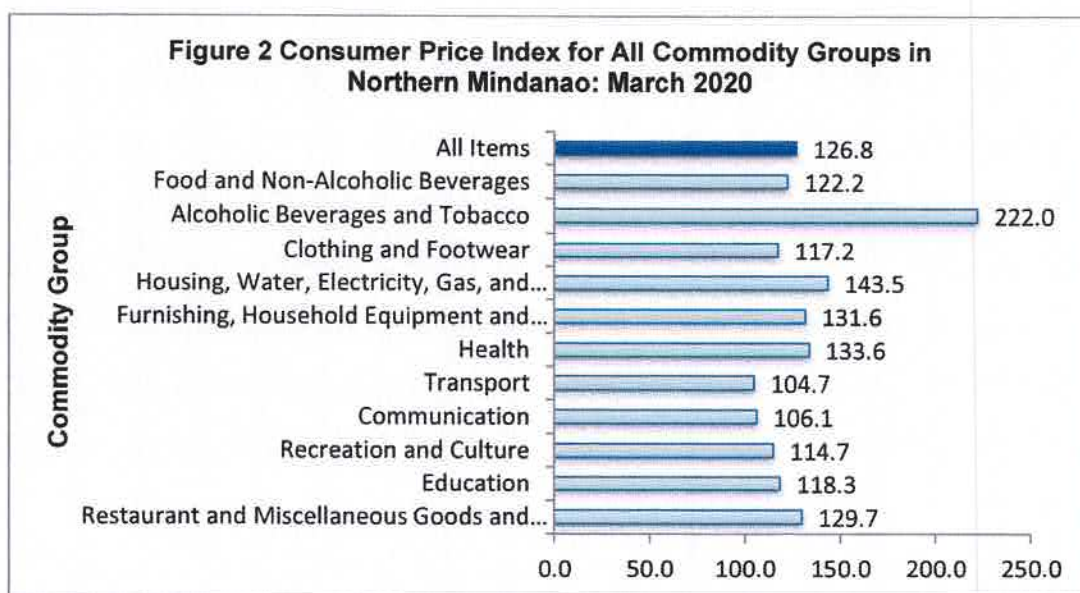


Table 1. Consumer Price Index for All Commodity Groups, by Province: March 2019 and March 2020 (2012=100)

Region/Province	March 2019 CPI	March 2020 CPI
Northern Mindanao	124.3	126.8
Bukidnon	123.7	126.7
Camiguin	120.8	123.0
Lanao del Norte	122.9	125.7
Misamis Occidental	126.2	128.0
Misamis Oriental	124.7	127.2

Table 1 presents the Consumer Price Index of Commodity Groups by province in Northern Mindanao for the month of March 2019 and 2020. Among the provinces, Misamis Occidental recorded the highest CPI in March 2020 at 128.0. Meanwhile, Misamis Oriental posted a CPI of 127.2 from 124.7 of March 2019. On the other hand, the province of Camiguin remained the lowest registered CPI (Table 1).

INFLATION RATE

Figure 3 displays the Inflation rate of all items in Northern Mindanao from March 2019 to March 2020. The region's inflation rate decelerated by 2.1 percentage points. This

means that prices increase at a slower rate in March 2020 at 2.0 percent, from its recorded inflation of 4.1 percent in March 2019.

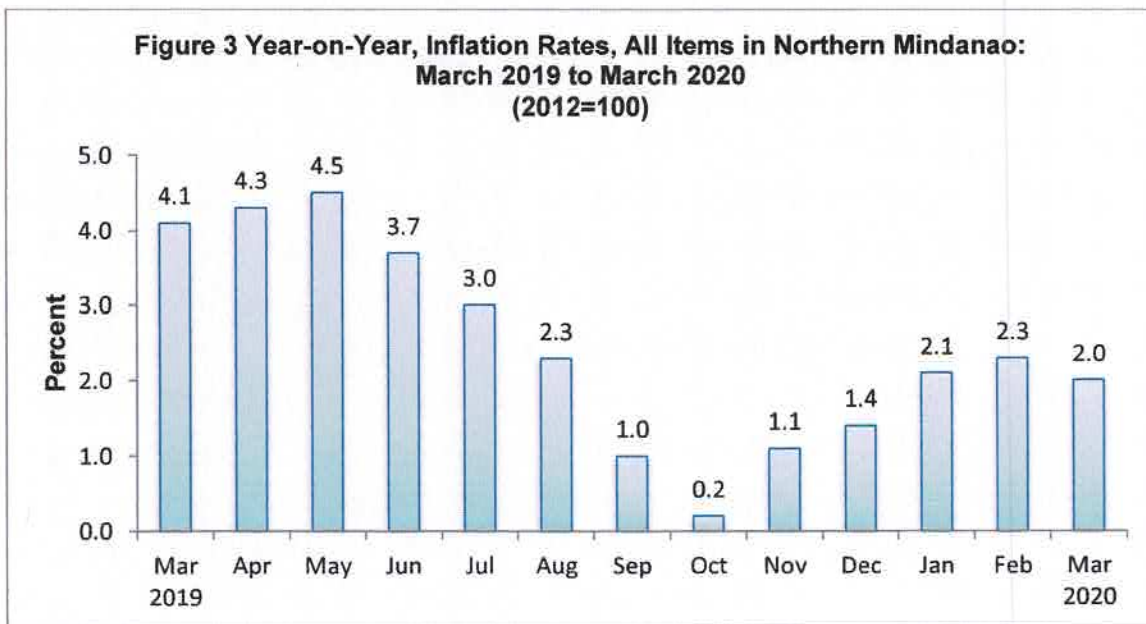


Table 2 Year-on-Year Inflation Rates, All Items, by Province in Northern Mindanao: March 2019 and March 2020 (2012=100)

Region/Province	March 2019	March 2020
Northern Mindanao	4.1	2.0
Bukidnon	5.1	2.4
Camiguin	4.2	1.8
Lanao del Norte	3.7	2.3
Misamis Occidental	4.0	1.4
Misamis Oriental	3.7	2.0

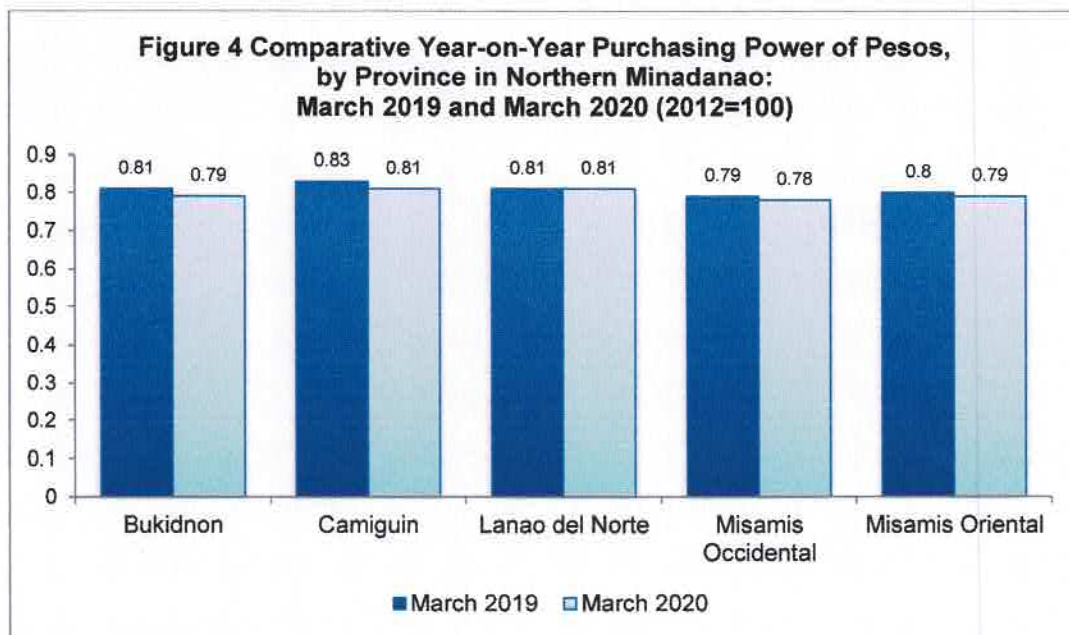
Among provinces in Northern Mindanao, the province of Bukidnon displays the highest inflation rate at 2.4 percent in March 2020, followed by the province of Lanao del Norte at 2.3 percent, Misamis Oriental at 2.0 percent and Camiguin at 1.8 percent. Meanwhile, the province of Misamis Occidental posted the lowest inflation rate at 1.4 percent in March 2020 (Table 2).


PURCHASING POWER OF PESO (PPP)

The Purchasing Power of Peso (PPP) in Northern Mindanao dropped to P0.79 in March 2020 from P0.80 in the previous year. This value means that the goods and services that is worth one peso (P1.00) in the year 2012, decreases and worth seventy nine centavos

(P0.79) in March 2020. Also, it means that a basket of goods bought worth 100 pesos in the year 2012, is worth 126.8 pesos in March 2020.

All provinces except Lanao del Norte posted a decline in its purchasing power as shown in Figure 4. Lanao del Norte's purchasing power remained steady at PhP 0.81.




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TECHNICAL NOTES

Consumer Price Index (CPI) – The CPI is an indicator of the changes in the average retail prices of a fixed basket of goods and services commonly purchased by households relative to a base year.

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

Computation of CPI – The computation of the CPI involves consideration of the following important points:

- a. **Base Period** – The reference data or base period is the benchmark or reference date or period at which the index is taken as equal to 100.
- b. **Market Basket** – A sample of the thousands of varieties of goods purchased for consumption and services availed by the households in the country selected to represent the composite price behavior of all goods and services purchased by consumers.
- c. **Weighing System** – The weighing pattern uses the expenditures on various consumer items purchased by households as a proportion to total expenditure.
- d. **Formula** – The formula used in computing the CPI is the weighted arithmetic mean of price relatives, the Laspeyre's formula with a fixed base year period (2012) weights.
- e. **Geographic Coverage** – CPI values are computed at the national, regional, and provincial levels, and for selected cities.

Inflation Rate (IR) – is the rate of change of the CPI expressed in percent. Inflation is interpreted in terms of declining purchasing power of peso.

Purchasing Power of Peso (PPP) – shows how much the peso in the base period is worth in the current period. It is computed as the reciprocal of the CPI for the period under review multiplied by 100.