

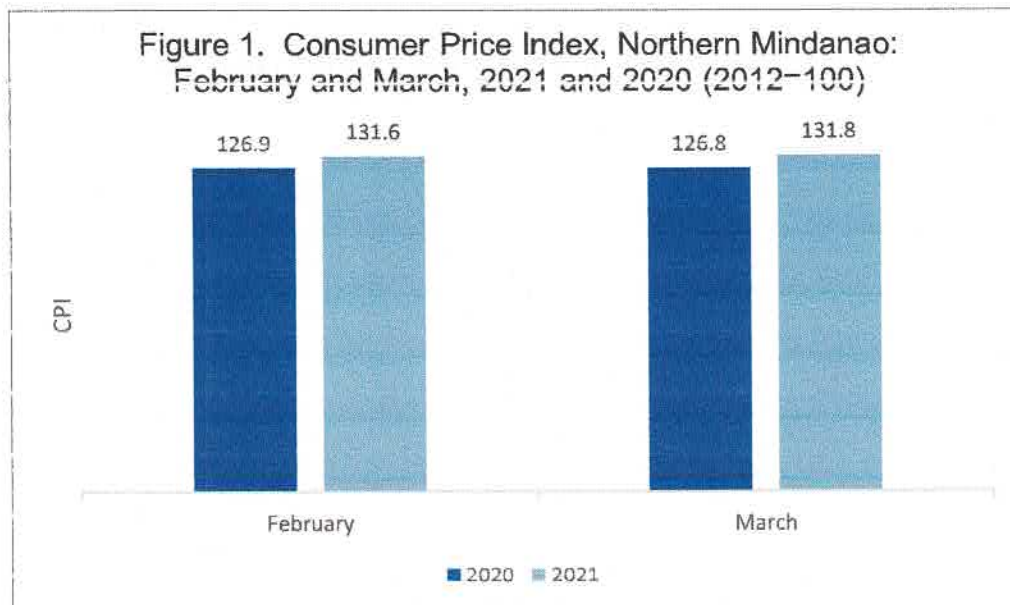


SPECIAL RELEASE

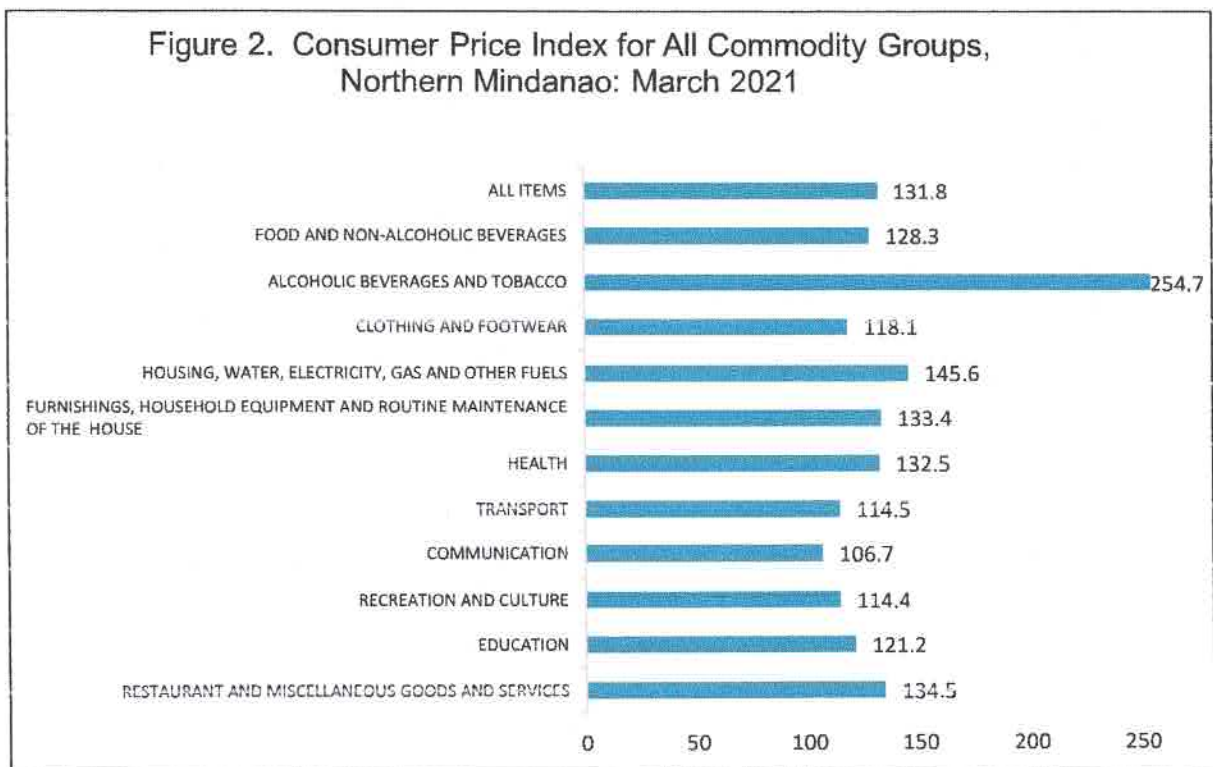
Highlights of the Consumer Price Index in Northern Mindanao for the Month of March 2021 (2012=100)

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The Consumer Price Index (CPI) in Northern Mindanao for the month of March 2021 registered at 131.8, which implies that the price of a basket of goods in March 2021 was 31.8 percent higher than its price in 2012. 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 relative to a base year. (Figure 1)



Among the commodity groups, Alcoholic Beverages and Tobacco posted the highest CPI in March 2021 at 254.7, followed by Housing, Water, Electricity, Gas, and Other Fuels at 145.6, and Restaurant and Miscellaneous Goods and Services at 134.5. On the other hand, Transport at 114.5, Recreation and Culture at 114.4, and Communication at 106.7 were the bottom three commodity groups with the lowest CPI recorded in the month of March 2021. (Figure 2)



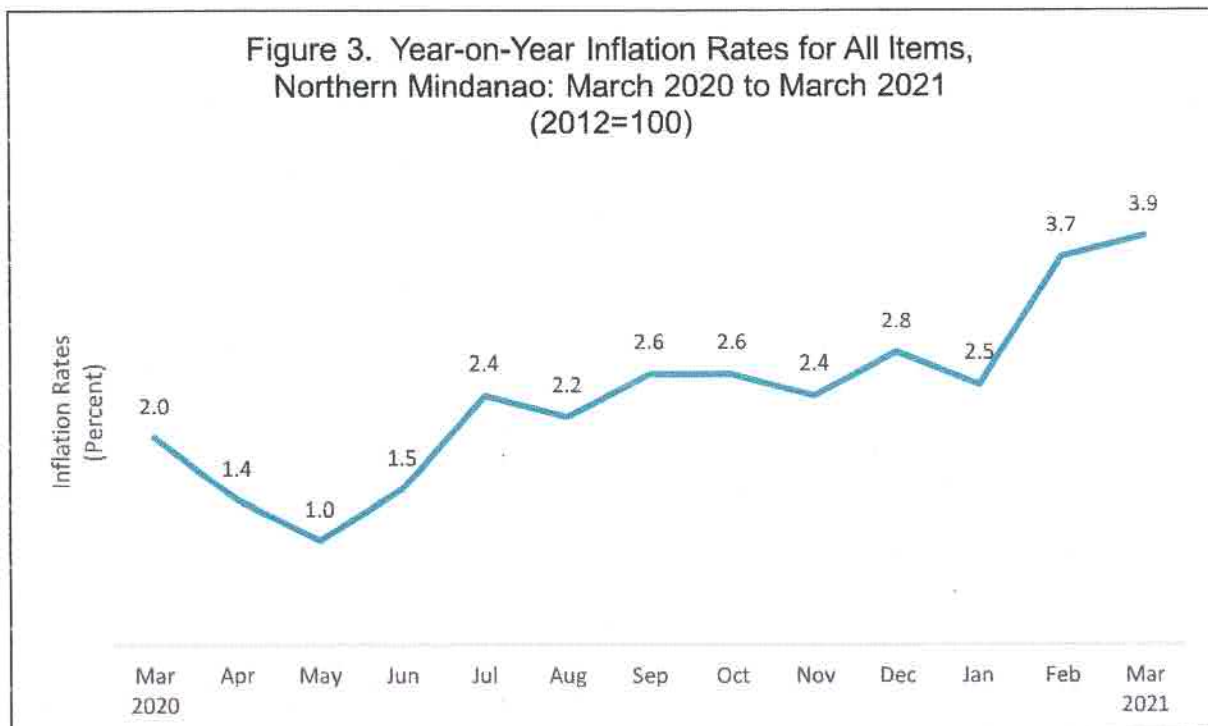
All provinces demonstrated an increase in CPI for March 2021 with Misamis Occidental posting the highest CPI at 136.8 and Camiguin posting the lowest at 128.7. (Table 1)

Table 1. Consumer Price Index for All Commodity Groups by Province, Northern Mindanao: March, 2021 and 2020 (2012=100)

Region/Province	March 2021	March 2020
Northern Mindanao	131.8	126.8
Bukidnon	130.7	126.7
Camiguin	128.7	123.0
Lanao del Norte	129.8	125.7
Misamis Occidental	136.8	128.0
Misamis Oriental	131.4	127.2

Regional inflation takes a faster pace in March 2021

Regional inflation in March 2021 registered at 3.9 percent, faster than the recorded inflation in the same period of the previous year. This means that prices of goods in March this year increased at a faster pace than the recorded rate of increase in March 2020. (Figure 3)



Among the provinces, Misamis Occidental posted the highest inflation rate at 6.9 percent, while Bukidnon posted the lowest at 3.2 percent. (Table 2)

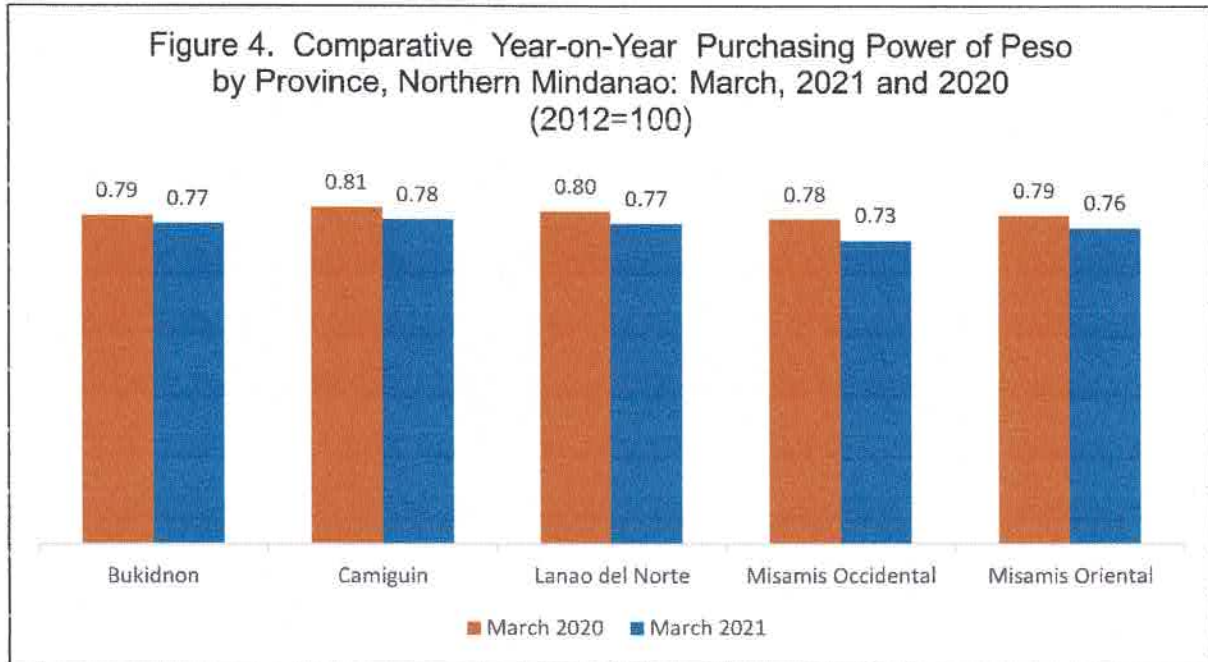
Table 2. Year-on-Year Inflation Rates for All Items by Province, Northern Mindanao: March, 2021 and 2020 (2012=100)

Region/Province	March 2021	March 2020
Northern Mindanao	3.9	2.0
Bukidnon	3.2	2.4
Camiguin	4.6	1.8
Lanao del Norte	3.3	2.3
Misamis Occidental	6.9	1.4
Misamis Oriental	3.3	2.0

PURCHASING POWER OF PESO (PPP)

The Purchasing Power of Peso (PPP) shows the real value of the peso relative to the base period. The PPP in Northern Mindanao dropped to PhP 0.76 in March 2021 from PhP 0.79 in March 2020. This means that a consumer's Php 100 in 2012 can only purchase Php 76.0 worth of goods and services in March 2021.

All provinces showed a lower PPP in March 2021 compared to March 2020. Misamis Occidental posted the highest decline of 0.05 pesos while Bukidnon registered the lowest decline of 0.02 pesos. (Figure 4)




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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.