

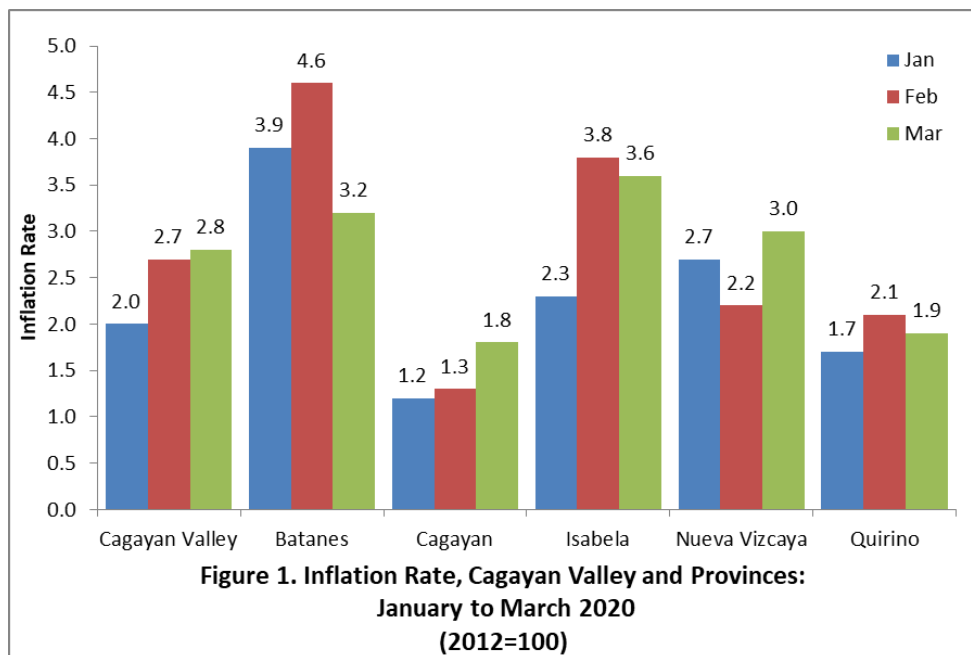


SPECIAL RELEASE

Inflation rate grew further at 2.8 percent in March 2020

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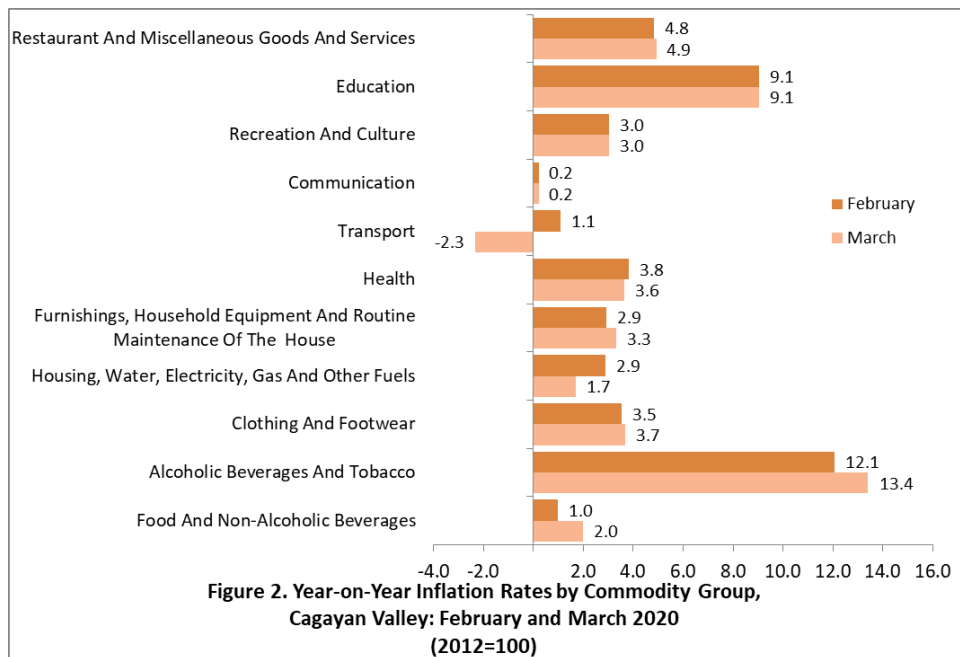
Cagayan Valley's headline inflation rate grew further at 2.8 percent in March 2020. In the previous month, inflation in the region was noted at 2.7 percent and in the same period of last year at 2.9 percent. Following the trend of the region, the provinces of Cagayan and Nueva Vizcaya registered increases in the reported inflation rate at 1.8 percent and 3.0 percent, respectively. In the past two months, Batanes displayed the highest inflation rate across provinces. During this month, Isabela reported the highest rate at 3.6 percent.



The uptrend in the inflation this month can be noted to the increased annual rates of the following commodities:

- Alcoholic beverages and tobacco, 13.4 percent;
- Restaurant and miscellaneous goods and services, 4.9 percent;

- Clothing and Footwear, 3.7 percent;
- Maintenance of the House, 3.3 percent; and
- Food and non-alcoholic beverages, 2.0 percent.



Meanwhile, Housing, Water, Electricity, Gas and Other Fuels and Health registered slower annual rates at 1.7 percent and 3.6 percent, respectively while annual rate of Transport declined by 2.3 percent this period. The rest of the commodity groups retained their previous month’s annual growth rates.

Consumer Price Index (CPI) for both the national and Cagayan Valley showed an increasing trend from March 2019 to January 2020 then exhibits a downtrend from February to present. The highest indices were observed in January 2020 at 123.6 index points and 122.6 index points for Cagayan Valley and Philippines, respectively.

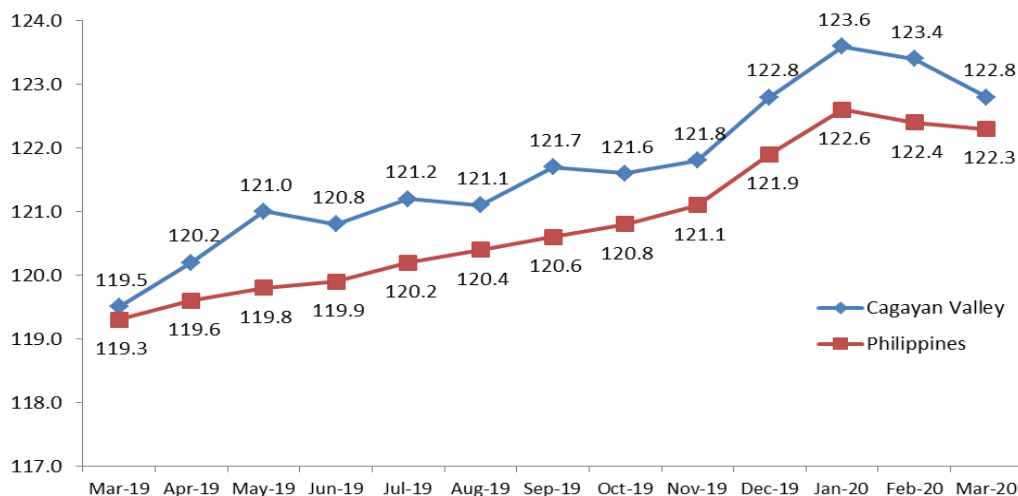


Figure 3. Consumer Price Index (CPI) for All Items, Philippines and Cagayan Valley: March 2019 to March 2020

Table 1. Consumer Price Index (CPI) for All Items, Cagayan Valley and Provinces: March 2019 to March 2020 (2012=100)

Month	Cagayan Valley	Batanes	Cagayan	Isabela	Nueva Vizcaya	Quirino
2019 March	119.5	120.8	118.8	121.6	117.8	115.8
April	120.2	124.8	119.8	122.2	117.9	116.2
May	121.0	125.3	120.3	123.4	118.4	116.6
June	120.8	124.2	120.0	123.3	118.6	116.1
July	121.2	123.5	120.4	124.0	118.7	116.0
August	121.1	124.0	120.1	123.8	119.3	115.7
September	121.7	124.6	120.8	124.4	120.0	116.1
October	121.6	123.5	120.3	124.5	119.9	116.3
November	121.8	124.3	120.2	124.9	120.3	116.5
December	122.8	125.0	121.6	126.0	120.5	117.0
2020 January	123.6	126.5	122.0	126.5	121.7	118.9
February	123.4	124.7	121.2	126.8	121.7	118.4
March	122.8	124.7	120.9	126.0	121.3	118.0

CPI for all items in the region for the month-in-review was at 122.8, a slash of 0.6 index points from last year’s record and up by 3.3 index points from same period of last year. All provinces posted decreases in CPI over its last month report except for Batanes which retained its index report at 124.7. CPI for all items in Isabela had the highest across provinces at 126.0.

In general, all provinces reported gains in the CPI this month compared to the same period of last year following the trend of the region. The province of Isabela had the highest growth at 4.4 index points followed by Batanes at 3.9 index points higher than their records in March 2019.

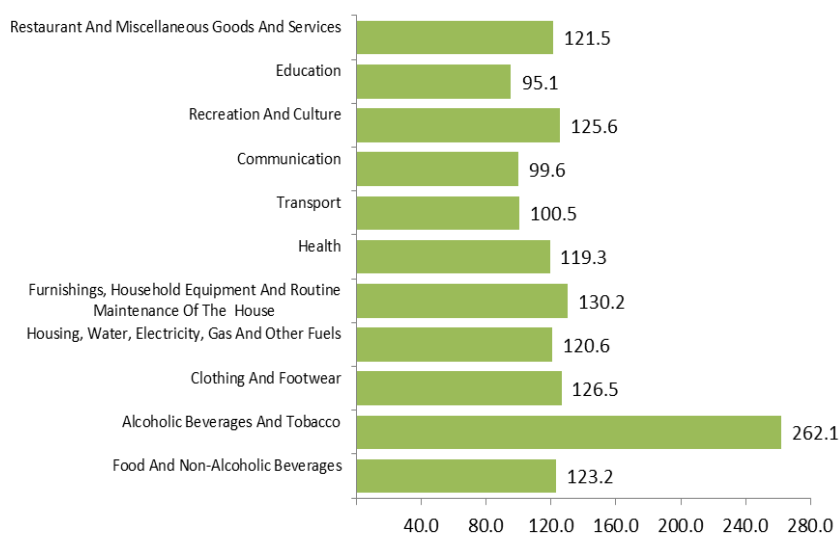
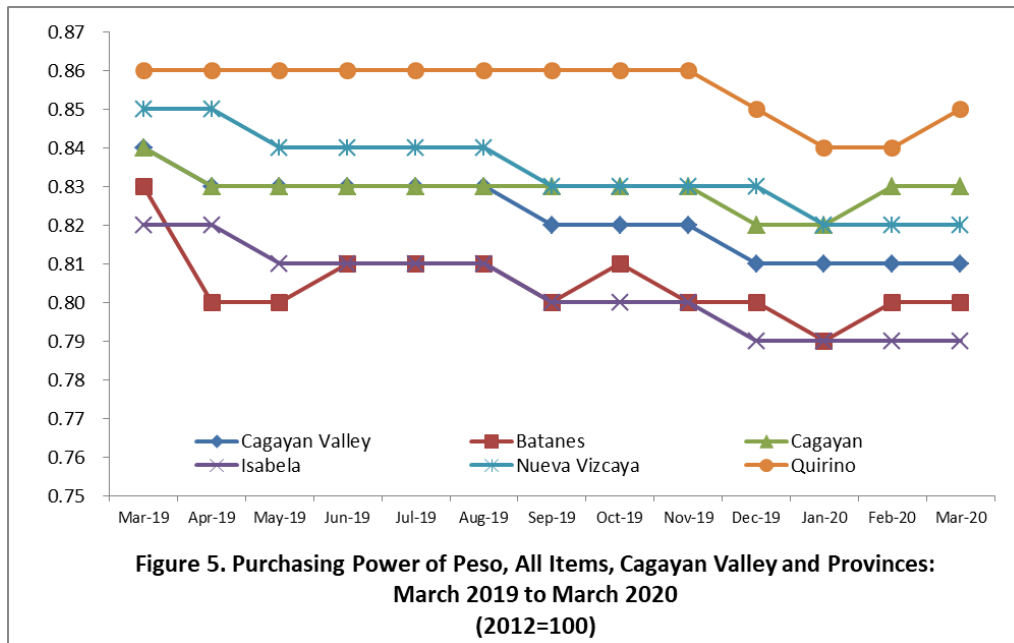


Figure 4. Consumer Price Index (CPI) by Commodity Group, Cagayan Valley: March 2020 (2012=100)

Across commodity groups, the top three groups with the highest CPI in the region were Alcoholic Beverages and Tobacco, Furnishings, Household Equipment and Routine, Maintenance of the House and Clothing and Footwear with 262.1, 130.2 and 126.5, respectively. Meanwhile, the lowest CPI was noted in Education at 95.1.

Particularly in the Alcoholic Beverages and Tobacco group, the highest CPI was recorded in Cagayan with 284.7, followed by Isabela at 266.1 and Batanes at 252.5. Meanwhile, Education maintained its lowest CPI report of 95.1 since the start of 2020. Cagayan province registered the lowest CPI in this group at 73.8 while Batanes posted the highest at 200.9.



The Purchasing Power of Peso (PPP) in the region maintained its record from December 2019 to March 2020 at PhP 0.81. This means that the value of PhP 1.0 in 2012 is only worth PhP 0.81 in March 2020. Compared in 2019, the value of PPP weakened by PhP 0.03 from its PhP 0.84 record of same period last year.

During the month, the province of Isabela displayed the weakest PPP at PhP 0.79 while Quirino remains the strongest across provinces at PhP 0.85. Meanwhile, all the provinces in the region retained their PPPs for the February and March 2020.


MARILYN T. ESTRADA
 Regional Director

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Technical Notes:

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

Purchasing Power of Peso (PPP) shows how much the peso in the base period is worth in another period. It gives an indication of the real value of the peso in a given period relative to the peso value in the base period. Purchasing Power of Peso (PPP) is inversely related to inflation rate. Thus, as inflation rate increases, PPP declines.