REPUBLIC OF THE PHILIPPINES
PHILIPPINE STATISTICS AUTHORITY
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO

BAGONG PILIPINAS

SPECIAL RELEASE

Summary Inflation Report
Consumer Price Index
(2018 = 100)
September 2024

Date of Release: **09 October 2024**

Reference No. **2024-12**

A. INFLATION RATES FOR ALL ITEMS

Table 1. Year-on-Year Inflation Rates, All Items
In Percent
(2018=100)

Area	September 2024	August 2024	September 2023	Year-to-Date*
BARMM	1.5	3.7	6.4	4.8
Basilan	-0.1	4.2	7.5	3.7
Lanao del Sur	1.2	3.3	5.2	3.8
Maguindanao	1.9	4.2	10.2	7.0
Sulu	3.2	2.8	1.1	3.0
Tawi-Tawi	-0.8	4.6	5.6	3.8
Cotabato City	2.9	5.1	7.2	4.0

Source: Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price index
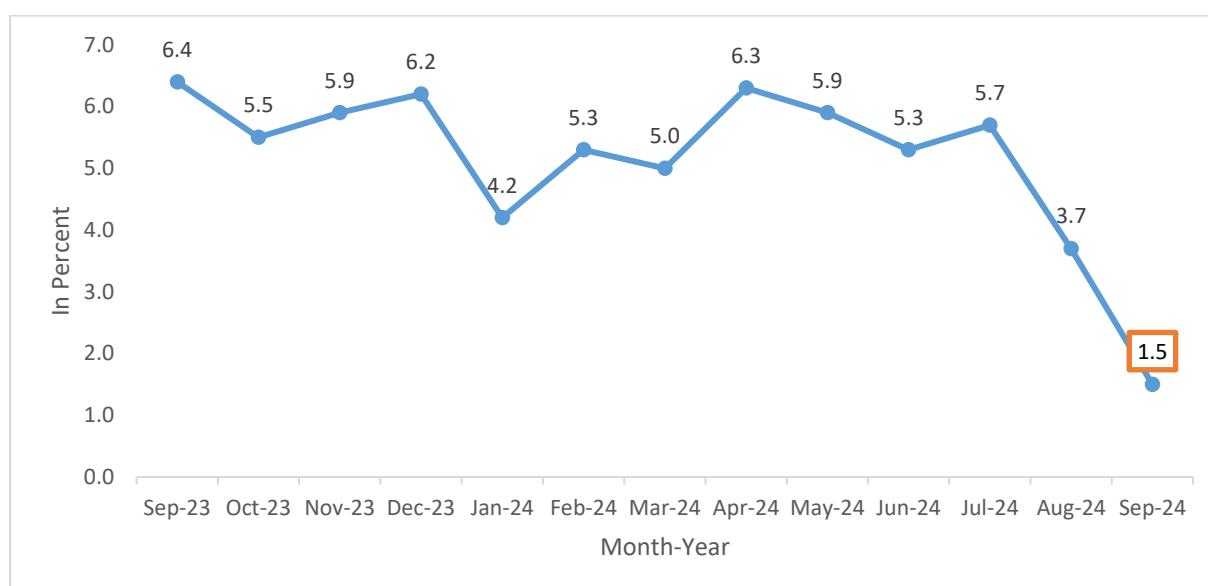**Year-on-year change of the Average CPI from January to September 2024 vs. 2023*

Headline Inflation

The headline inflation in BARMM further decelerated to 1.5 percent in September 2024, the lowest inflation rate recorded since the 1.5 percent rate in March 2022. In August, the inflation rate was recorded at 3.7 percent. This brings the regional average inflation from January to September 2024 to 4.8 percent. In comparison, the inflation rate in September 2023 was higher at 6.4 percent. The provinces in BARMM, including Cotabato City, an Independent Component City (ICC), showed lower inflation rates compared to their previous month's rates, except for the province of Sulu, which posted a higher inflation rate than in the previous month. (See Table 1 and Figure 2.)

Figure 1. Headline Inflation Rates in BARMM, All Items
(2018=100)

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

Main Drivers to the Downward Trend of the Headline Inflation

The downtrend in overall inflation in BARMM in September 2024 was primarily driven by the slower annual increase in the index for food and non-alcoholic beverages, which fell to 0.6 percent in September 2024 from 4.1 percent in the previous month. Another contributor to the decline was the transport sector, with a faster year-on-year decrease of 4.0 percent, compared to the 1.9 percent annual drop in August 2024. Additionally, a slower inflation rate was recorded for housing, water, electricity, gas, and other fuels, which dropped to 4.0 percent in September from 4.5 percent in August 2024.

The following commodity groups also recorded decreases in their inflation rates compared to the previous month:

    a. Alcoholic beverages and tobacco, 3.4 percent from 3.5 percent;
    b. Health, 1.9 percent from 2.3 percent;
    c. Recreation, Sport and Culture, 1.4 percent from 5.3 percent;
    d. Education Services, 5.0 percent from 8.3 percent; and
    e. Personal Care, and Miscellaneous Goods and Services, 3.6 percent from 3.8 percent.

Meanwhile, the following commodity groups shows higher inflation in September 2024:

    a. Clothing and footwear, 2.1 percent from 2.0 percent;
    b. Furnishing, household equipment and routine household maintenance, 2.9 percent from 2.6 percent;
    c. Information and communication, 0.3 percent from 0.1 percent; and
    d. Restaurants and accommodation services, 6.6 percent from 6.0 percent.

On the other hand, indices of financial services remain constant at its August 2024 inflation rates. (Table 2)

Table 2. Inflation Rates by Commodity Group for All Income Households in BARMM:
In percent
(2018=100)

Commodity Group	September 2024	August 2024	September 2023
All Items	1.5	3.7	6.4
Food and Non-Alcoholic Beverages	0.6	4.1	8.3
Alcoholic Beverages and Tobacco	3.4	3.5	8.2
Clothing and Footwear	2.1	2.0	3.2
Housing, Water, Electricity, Gas and Other Fuels	4.0	4.5	2.3
Furnishing, Household Equipment and Routine Maintenance of the House	2.9	2.6	2.6
Health	1.9	2.3	0.8
Transport	-4.0	-1.9	-2.2
Information and Communication	0.3	0.1	0.7
Recreation, Sports and Culture	1.4	5.3	7.8
Education Services	5.0	8.3	7.5
Restaurant and Accommodation Services	6.6	6.0	10.9
Financial Services	0.0	0.0	0.0
Personal Care, Miscellaneous Goods and Services	3.6	3.8	4.1

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

B. INFLATION RATES FOR FOOD ITEMS

For food commodities, inflation declined to 0.5 percent in September 2024 from 4.1 percent in the previous month. In September 2023, inflation of food items was higher at 8.3 percent. (Table 3)

The decrease in the region's food inflation was primarily driven by the lower index for rice, which dropped to 0.4 percent from 13.4 percent in the previous month. This was followed by a sharper year-on-year decline in vegetables, tubers, plantains, cooking bananas, and pulses, which fell by 3.8 percent during the month, compared to a 2.0 percent annual decrease in August 2024. Additionally, the index for ready-made food and other food products decreased to 4.6 percent in September, down from 6.3 percent in August 2024.

Moreover, a decrease in rates was also observed in the food group for flour, bread, and other bakery products, pasta products, and other cereals, which fell to 2.3 percent from 2.7 percent in August 2024. Similarly, the rate for meat and other parts of slaughtered land animals dropped to 0.8 percent from 1.4 percent in the previous month.

Conversely, the food group comprising milk, other dairy products, and eggs recorded higher inflation rates in September 2024, rising to 8.2 percent from 6.6 percent in August 2024. Additionally, the group for fish and other seafood saw an increase to 0.9 percent, compared to a year-on-year decrease of 0.6 percent in August 2024.

Furthermore, a slower annual decline was observed in the index for fruits and nuts, which registered at 2.0 percent in September, down from a year-on-year decrease of 2.8 percent in August 2024.

Table 3. Food Inflation Rates by Commodity Group for All Income Households in BARMM:
In percent
(2018=100)

Commodity Group	September 2024	August 2024	September 2023
FOOD	0.5	4.1	8.3
Cereals and cereal products (ND)	1.0	9.2	14.6
Cereals (ND)	0.3	13.0	20.0
Rice	0.4	13.4	20.3
Corn	-11.4	-8.7	-0.1
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	2.3	2.7	5.6
Meat and other parts of slaughtered land animals (ND)	0.8	1.4	6.4
Fish and other seafood (ND)	0.9	-0.6	-0.4
Milk, other dairy products and eggs (ND)	8.2	6.6	2.8
Oils and fats (ND)	-1.6	-1.1	0.9
Fruits and nuts (ND)	-2.0	-2.8	-4.9
Vegetables, tubers, plantains, cooking bananas and pulses (ND)	-3.8	-2.0	12.5
Sugar, confectionery and desserts (ND)	-2.8	-2.5	7.2
Ready-made food and other food products n.e.c. (ND)	4.6	6.3	0.2

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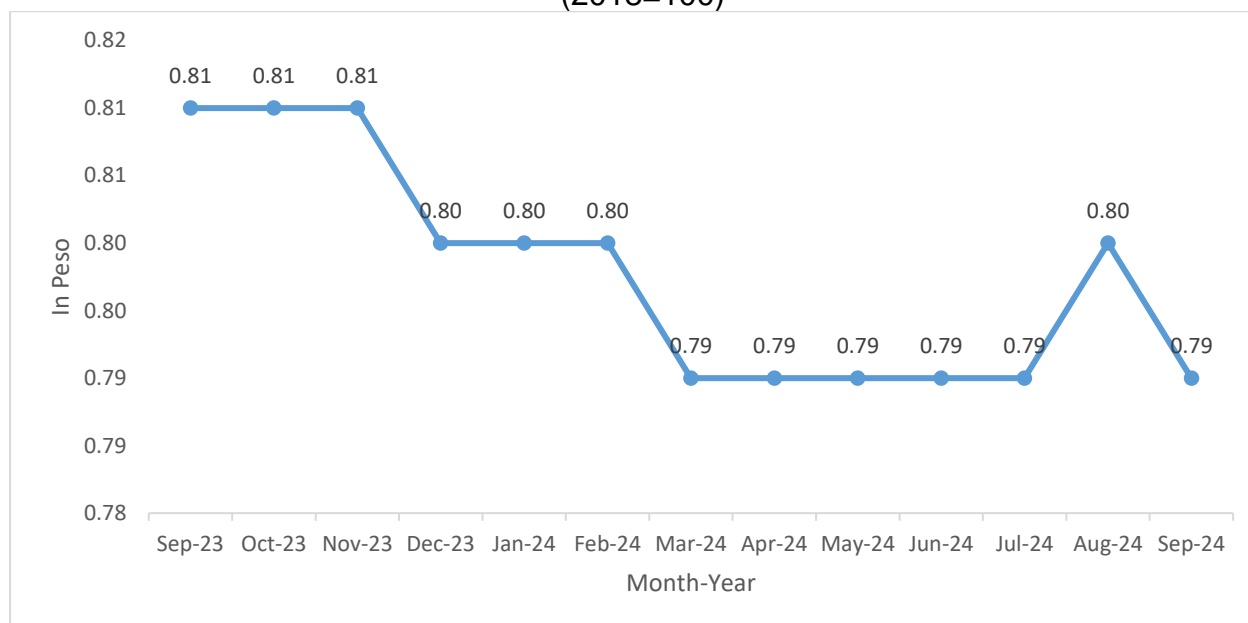*Philippine Statistics Authority*

C. PURCHASING POWER OF PESO

In BARMM, the Purchasing Power of the Peso (PPP) is at PhP 0.79 as of September 2024. (Figure 2)

Figure 2. Purchasing Power of Peso in BARMM:
September 2023 – September 2024
In Peso
(2018=100)

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

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.

Uses of CPI

The 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.
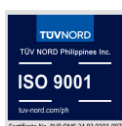
Computation of CPI

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

a. Base Period

The reference date 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. Weighting System

The weighting 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 (2018) weight.

e. Geographic Coverage

CPI values are computed at the national, regional, and provincial levels, and for selected cities.

Inflation Rate

the rate of change of the CPI expressed in percent. Inflation is interpreted in terms of the declining purchasing power of the peso.

Headline Inflation

refers to the rate of change in the CPI, a measure of the average standard "basket" of goods and services consumed by a typical family.

Purchasing Power of Peso

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.

Note: The dataset used in the special release is exclusive for BARMM provinces including Cotabato City and excluding Special Geographic Area (SGA).

Approved for release:

ENGR. AKAN G. TULA
OIC-Regional Director

EDFE/BMB