



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

REPUBLIC OF THE PHILIPPINES

PHILIPPINE STATISTICS AUTHORITY

BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO

SPECIAL RELEASE

Summary Inflation Report Consumer Price Index (2018 = 100) August 2022

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INFLATION RATES FOR ALL ITEMS

**Table 1. Year-on-Year Inflation Rates for All Items, BARMM:
August 2022, July 2022, and August 2021
(In percent, 2018=100)**

Area	August 2022	July 2022	August 2021	Year-to-date*
BARMM	4.9	3.6	2.1	2.6
Basilan	3.7	1.6	3.5	0.0
Lanao del Sur	8.8	9.0	3.4	5.9
Maguindanao	4.7	3.4	2.6	3.1
Sulu	0.3	-2.1	0.8	-0.8
Tawi-Tawi	6.3	4.2	-0.8	2.0
Cotabato City	3.5	3.4	6.8	3.9

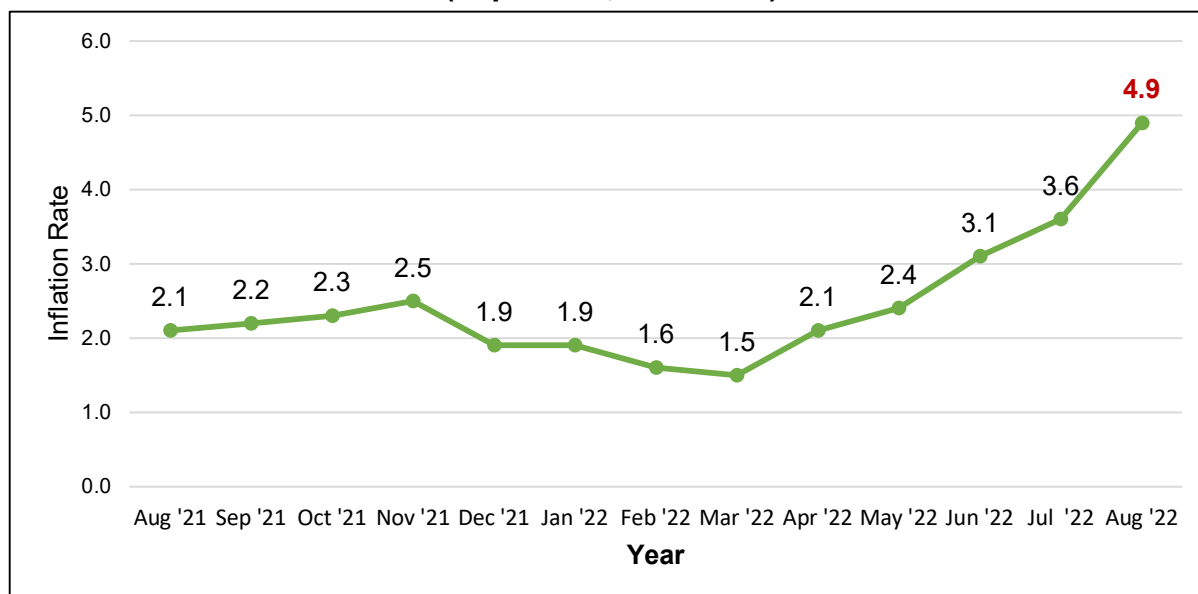
Source: Retail Price Survey of Commodities for the Generation of Consumer Price Index
Philippine Statistics Authority

* Year-on-year change of average CPI for January to August, 2022 vs. 2021

The headline inflation in BARMM increased further to 4.9 percent in August 2022, from 3.6 percent in July 2022. This is the highest recorded inflation since January 2022. Inflation in August 2021 was lower at 2.1 percent. The average inflation for the first eight months of the year stood at 2.6 percent (see Figure 1). It is shown in Table 1 that in August 2022, Lanao del Sur has the highest inflation rate among BARMM provinces, including HUC with 8.8 percent. All provinces had an increase

inflation rates: Tawi-Tawi at 6.3 percent, Maguindanao at 4.7 percent, Cotabato City at 3.5 percent, Basilan at 3.7 percent and Sulu at 0.3 percent.

**Figure 2. Headline Inflation Rates for All Items, BARMM:
August 2021 to August 2022
(In percent, 2018=100)**



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

The increase in the region's inflation was mainly brought about by the higher annual increase in the index for **Restaurants and Accommodation Services** at 5.8 percent, **Food and Non-Alcoholic Beverages** at 5.0 percent, and **Alcoholic Beverages and Tobacco** at 4.3 percent. Also contributing to the uptrend in the overall inflation during the period were the higher annual increments in the indices of the following commodity groups as compared with their previous month's inflation rates:

- a. **Education Services**, 3.7 percent
- b. **Furnishing, Household Equipment and Routine Maintenance of the House**, 2.5 percent
- c. **Personal Care, Miscellaneous Goods and Services**, 2.4 percent
- d. **Clothing and Footwear**, 2.2 percent
- e. **Recreation Sports and Culture**, 2.2 percent
- f. **Information and Communication**, 1.4 percent

Meanwhile, annual upticks slowed down in the indices of **Transport** at 14.6 percent, **Housing, Water, Electricity, Gas and Other Fuels** at 3.4 percent and **Health** at 1.8 percent.

On the other hand, the commodity group of **Financial Services** retained their previous month's inflation rate.

Table 2. Inflation Rates by Commodity Group for All Income Households, BARMM: August 2021, July 2022, and August 2022 (In percent, 2018=100)

Commodity Groups	August 2021 Inflation Rate	July 2022 Inflation Rate	August 2022 Inflation Rate
All Items	2.1	3.6	4.9
Food and Non-Alcoholic Beverages	1.3	3.0	5.0
Alcoholic Beverages and Tobacco	4.8	3.0	4.3
Clothing and Footwear	1.5	1.8	2.2
Housing, Water, Electricity, Gas and Other Fuels	3.8	3.5	3.4
Furnishing, Household Equipment and Routine Maintenance of the House	1.7	1.8	2.5
Health	2.4	1.9	1.8
Transport	6.4	14.9	14.6
Information and Communication	0.4	0.3	1.4
Recreation, Sports and Culture	0.9	1.5	2.2
Education Services	2.2	0.7	3.7
Restaurant and Accommodation Services	4.6	3.4	5.8
Financial Services	63.6	0.0	0.0
Personal Care, Miscellaneous Goods and Services	1.2	1.7	2.4

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

INFLATION RATES FOR FOOD ITEMS

For food index, it increased further by 5.0 percent in August 2022, from 3.0 percent in the previous month. In August 2021, food index was lower by 1.3 percent.

The increase in the region's food inflation was mainly brought about by the higher annual increase in the index for **Sugar, Confectionery and Desserts** at 28.7 percent, **Oils and Fats** at 13.1 percent, and **Meat and Other Parts of Slaughtered Land Animals** at 10.7 percent. Also contributing to the uptrend in the overall inflation during the period were the higher annual increments in the indices of the following commodity groups as compared with their previous month's inflation rates:

- a. **Milk, Other Dairy Products, and Eggs**, 5.0 percent
- b. **Cereals and Cereal Products**, 5.0 percent
- c. **Vegetables, Tubers, Cooking Bananas and Pulses**, 3.4 percent
- d. **Ready-Made Food and Other Food Products N.E.C.**, 2.4 percent

On the other hand, **Fruits and Nuts** retained their previous month's inflation rate while **Fish and Other Seafood** still registered an annual decline at -0.5 percent.

**Table 3. Inflation Rate by Commodity Group for Food, BARMM:
August 2021, July 2022, and August 2022
(In percent, 2018=100)**

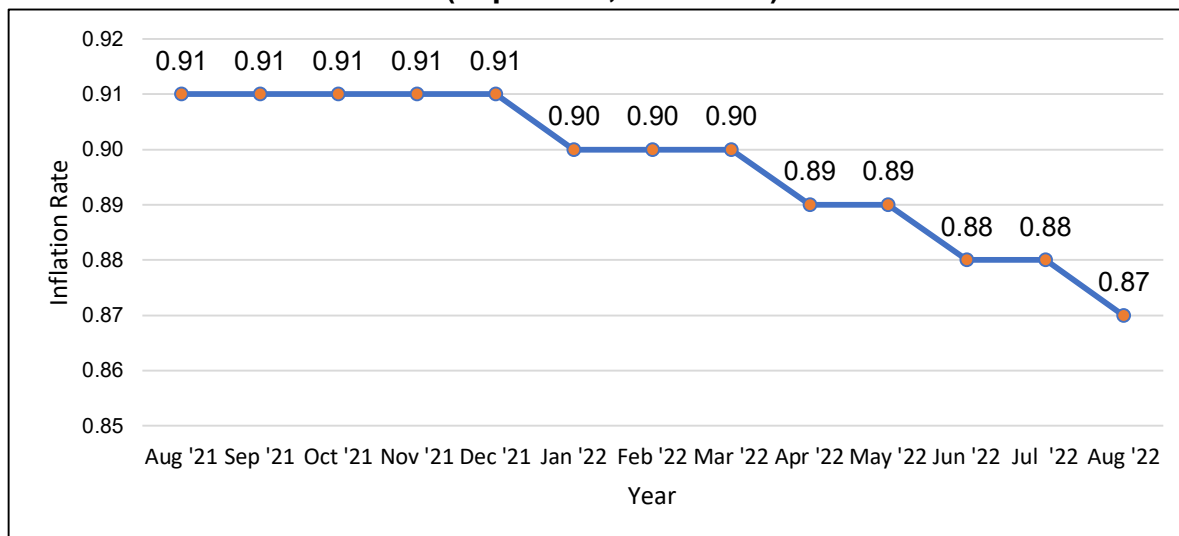
Commodity Groups	August 2021 Inflation Rate	July 2022 Inflation Rate	August 2022 Inflation Rate
Food	1.4	3.1	5.0
Cereals and Cereal Products	1.4	4.0	5.0
Cereals	2	5.8	6.3
Rice	2	5.7	6.2
Corn	2.5	9.8	9.2
Flour, Bread and Other Bakery Products, Pasta Products, and Other Cereals	0.3	1.1	2.8
Meat and Other Parts of Slaughtered Land Animals	1.1	9.4	10.7
Fish and Other Seafood	3	-1.6	-0.5
Milk, Other Dairy Products, and Eggs	-0.5	3.3	6.3
Oils and Fats	6.7	10.3	13.1
Fruits and Nuts	6.4	2.9	2.9
Vegetables, Tubers, Cooking Bananas and Pulses	-3.3	1.1	3.4
Sugar, Confectionery and Desserts	1.9	12.4	28.7
Ready-Made Food and Other Food Products N.E.C.	0.4	1.5	2.4

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

PURCHASING POWER OF PESO

Purchasing Power of Peso (PPP) is inversely related to inflation rate. Thus, as the inflation rate increases, PPP declines, as shown in Figure 2. In BARMM, PPP is at 0.87 as of July 2022. This is the lowest purchasing power of peso recorded since January 2022.

**Figure 2. Purchasing Power of Peso in BARMM:
August 2021 – August 2022
(In percent, 2018=100)**



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

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 (2006) weights.

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 declining purchasing power of 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 63 barangays.



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