

# SPECIAL RELEASE

## MAGUINDANAO CONSUMER PRICE INDEX AS OF FEBRUARY 2019

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### Maguindanao Consumer Price Index

Survey of Retail Prices of Commodities conducted by the Philippine Statistics Authority (PSA) has generated a Consumer Price Index (CPI) of 124.7 for Maguindanao as of February 2019, using 2012 as the base year. This implies that the cost of a basket of goods and services commonly purchased by a typical Filipino household in the different municipalities of Maguindanao was at an average price of Php 124.7 as of February 2019. This is 0.4 percent lower than January with CPI = 125.2.

**Table 1. Monthly Consumer Price Index for All Income Households in ARMM, by Commodity Group: February and January (2012 = 100)**

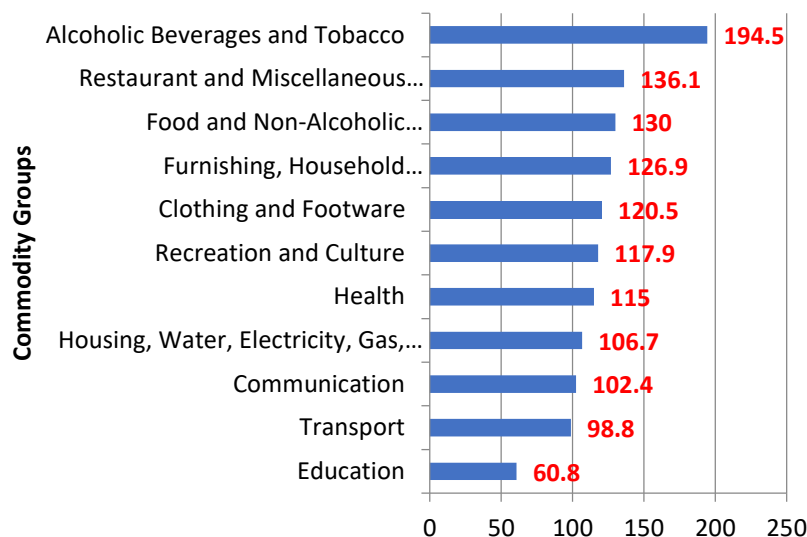
Commodity Group	February 2019	February 2018	January 2019	January 2018
All Items	<b>124.7</b>	122.3	125.2	120.2
Food and Non-Alcoholic Beverages	<b>130.0</b>	130.0	130.9	127.4
Alcoholic Beverages and Tobacco	<b>194.5</b>	160.6	193.0	152.3
Clothing and Footwear	<b>120.5</b>	112.2	119.8	112.4
Housing, Water, Electricity, Gas, and Other Fuels	<b>106.7</b>	103.3	106.4	103.4
Furnishing, Household Equipment and Routine Maintenance of the House	<b>126.9</b>	119.1	126.6	119.1
Health	<b>115.0</b>	104.1	114.9	104.0
Transport	<b>98.8</b>	96.9	98.3	95.8
Communication	<b>102.4</b>	102.2	102.4	102.1
Recreation and Culture	<b>117.9</b>	113.4	117.5	113.1
Education	<b>60.8</b>	114.6	60.8	114.6
Restaurant and Miscellaneous Goods and Services	<b>136.1</b>	119.3	136.0	115.0

Source of Basic Data: Philippine Statistics Authority, Survey of Retail Prices of Commodities for the Generation of CPI

Commodities under the groups of <sup>[1]</sup>Alcoholic Beverages and Tobacco, <sup>[2]</sup>Restaurant and Miscellaneous Goods and Services, <sup>[3]</sup>Food and Non-Alcoholic Beverages, and <sup>[4]</sup>Furnishing, Household Equipment and Routine Maintenance of the House had the highest corresponding CPIs of 194.5, 136.1, 130.0 and 126.9 in February 2019, respectively. These four commodity groups have CPIs higher than the total average CPI of all items in the province.

On the other hand, Education with CPI = 60.8 have the lowest CPI during the same period and having the same CPI that of the month of January 2019.

**Figure 1. Consumer Price Index for All Income Households in Maguindanao, by Commodity Group: as of February 2019 (2012 = 100)**



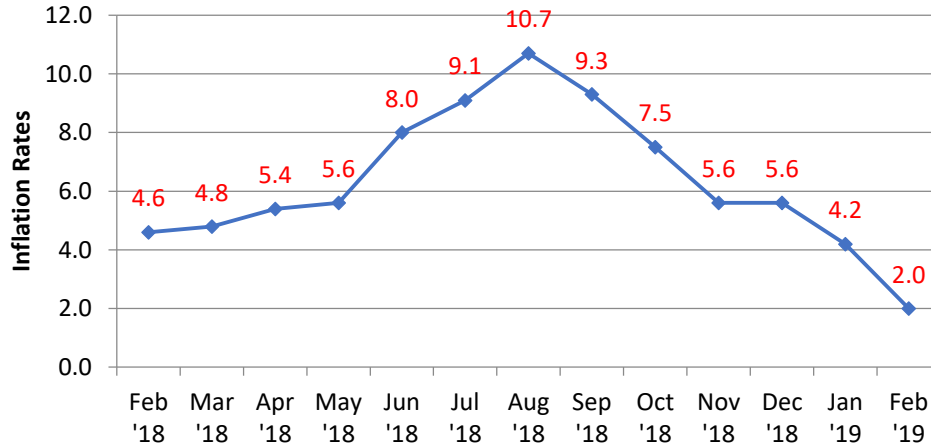
Source of Basic Data: Philippine Statistics Authority,  
Survey of Retail Prices of Commodities for the Generation of CPI

## Inflation Rate

The average headline inflation rate in Maguindanao is at 2.0 percent as of February 2019 (2012=100). This implies that the prices of commodities and prices in the province on the average increased by 2.0 percent compared to the same period in the previous year.

Commodity groups under<sup>[1]</sup>Alcoholic Beverages and Tobacco, <sup>[2]</sup>Restaurant and Miscellaneous Goods and Services, <sup>[3]</sup>Health, <sup>[4]</sup>Clothing and Footwear,<sup>[5]</sup>Furnishing, Household Equipment and Routine Maintenance of the House, <sup>[6]</sup>Recreation and Culture and <sup>[7]</sup>Housing, Water, Electricity, Gas, and Other Fuel have shown the most volatile annual prices in February 2019 with the inflation rates of 21.1 percent, 14.1 percent, 10.5 percent, 7.4 percent, 6.5 percent, 4.0 percent and 3.3 percent respectively. These seven commodity groups have inflation rates higher than the total average inflation rate of all items in the province.

**Figure 2. Year-on-Year Headline Inflation Rate in Maguindanao, All Items: February 2018 – February 2019 (2012 = 100)**



Source of Basic Data: Philippine Statistics Authority,  
Survey of Retail Prices of Commodities for the Generation of CPI

**Table 2. Year-on-Year Headline Inflation Rate in ARMM, All Items by Commodity Group: February 2019 – January 2019 (2012 = 100)**

Commodity Group	February 2019	January 2019
All Items	2.0	4.2
Food and Non-Alcoholic Beverages	0.0	2.7
Alcoholic Beverages and Tobacco	21.1	26.7
Clothing and Footwear	7.4	6.6
Housing, Water, Electricity, Gas, and Other Fuels	3.3	2.9
Furnishing, Household Equipment and Routine Maintenance of the House	6.5	6.3
Health	10.5	10.5
Transport	2.0	2.6
Communication	0.2	0.3
Recreation and Culture	4.0	3.9
Education	-46.9	-46.9
Restaurant and Miscellaneous Goods and Services	14.1	18.3

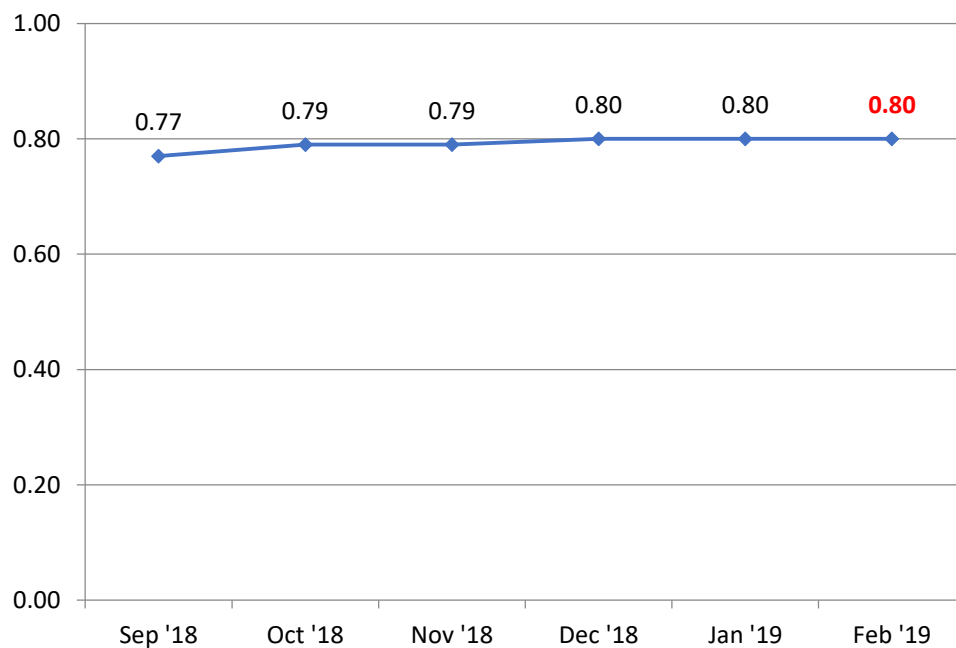
Source of Basic Data: Philippine Statistics Authority, Survey of Retail Prices of Commodities for the Generation of CPI

## Purchasing Power of Peso

Purchasing Power of Peso (PPP) is inversely related to inflation rate. Thus, as the inflation rate increases, PPP declines. In Maguindanao, monthly PPP decreased by 0.4 percent in February 2019 and has been decreasing through the years.

The PPP in February 2019 was estimated at 0.80. This implies that the Php1.0 in 2012, as the base year, values only Php 0.80 in February 2019.

**Figure 3. Purchasing Power of Peso in Maguindanao (2012 = 100)**



Source of Basic Data: Philippine Statistics Authority,  
Survey of Retail Prices of Commodities for the Generation of CPI



## 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** is 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.

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