

## CONSTRUCTION MATERIALS WHOLESALE PRICE INDEX (CMWPI)

### What is the Wholesale Price Index for Construction Materials (CMWPI)?

The CMWPI is a variant of the GWPI that measures the changes in the average wholesale prices of construction materials. It is used for the computation of price escalation of construction materials for various government projects as indicated in the Presidential Decree (PD) 1594.

### How is the CMWPI computed?

The CMWPI is computed using the weighted arithmetic mean of price relatives, a variant of Laspeyres formula with fixed base year period weights.

- a. **Base Period.** The current series uses 2000 as the base year.
- b. **Market Basket.** The current CMWPI market basket considered those construction materials prevailing in 2000. The market basket for the 2000-based series includes 108 items.

A technical working group composed of representatives from the Department of Public Works and Highways, National Housing Authority, Subdivision and Housing Developers Association, Incorporated, Construction Industries Association of the Philippines of the Department of Trade and Industry (DTI), Philippine Contractors Association, National Statistical Coordination Board, Bangko Sentral ng Pilipinas, National Economic and Development Authority and former NSO together with the experts from the Housing and Land Use Regulatory Board reviewed and finalized the composition of the market basket and the weights for each commodity group. Technical assistance was also provided by the representatives from the Department of Transportation and Communication and Bureau of Product Standards of DTI.

- c. **Weights.** The weights for the 2000-based CMWPI utilized the total bill of materials in the various construction projects in 2000. It represents the total weight of the series and is equivalent to 100 percent. The cost of all the materials under a particular subgroup was taken as the cost of materials of that subgroup. The percentage of the cost of these materials in the

subgroup to the total cost of materials represents the weight of each subgroup.

Weights by Commodity Group for CMWPI (2000=100)

Commodity Group	Weights
A. All Items	100.000
B. Sand and Gravel	1.567
C. Concrete Products	43.870
D. Cement	2.259
E. Lumber	1.219
F. Plywood	1.123
G. Fuels and Lubricants	9.091
H. Asphalt	0.356
I. Glass and Glass Products	0.354
J. Hardware	0.580
K. PVC Pipes	1.171
L. Plumbing Fixtures	5.909
M. Painting Works	2.598
N. Reinforcing Steel	12.131
O. Structural Steel	4.797
P. G.I. Sheets	1.106
Q. Electrical Works	2.615
R. Tileworks	2.565
S. Doors, Jambs and Steel Casement	6.689

- d. **Formula.** The formula used in constructing the CMWPI is the weighted arithmetic mean of price relatives, the Laspeyres formula with a fixed base period and weights.
- e. **Geographic coverage.** The current series covers wholesale trade intermediaries of construction materials in the NCR only.

### How are prices collected?

Prices are collected through personal interviews or actual price quotations from selected sample outlets in NCR. Collection of prices is done during the 1<sup>st</sup> to 3<sup>rd</sup> week of the reference month.

### How often is the CMWPI released?

The CMWPI is computed by the PSA on a monthly basis. It is available fifteen days after the reference month. Available series are from 1997 to present.

### How are the price indices information made available to the public?

The CMWPI series are posted on the PSA website at [www.psa.gov.ph](http://www.psa.gov.ph) upon their release and can be made available to the public in soft copies upon request. Data are also available at the Price Statistics Division (PSD), 16<sup>th</sup> Floor, Eton Cyberpod Centris Three, EDSA cor. Quezon Ave., Quezon City (Telephone Number: 3761959).

For further inquiries, write, call or visit:

**PHILIPPINE STATISTICS AUTHORITY**  
P.O. Box 779, Manila, Philippines  
<http://www.psa.gov.ph>  
Tel. No. 4626600 loc. 804 or  
any Regional/Provincial office nearest you

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**PRIMER**



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