

# SPECIAL RELEASE

## Summary Inflation Report Consumer Price Index for the Bottom 30% Income Households (2012=100)

August 2020

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### 1. Philippines

Inflation for the bottom 30% income households at the national level decelerated further to 2.7 percent in August 2020. This brings the year-to-date inflation for this income group of consumers to 2.7 percent. In July 2020, inflation for the bottom 30% income households was observed at 2.9 percent, and in the same month of the previous year, 1.7 percent. (Table A, and Figure 1)

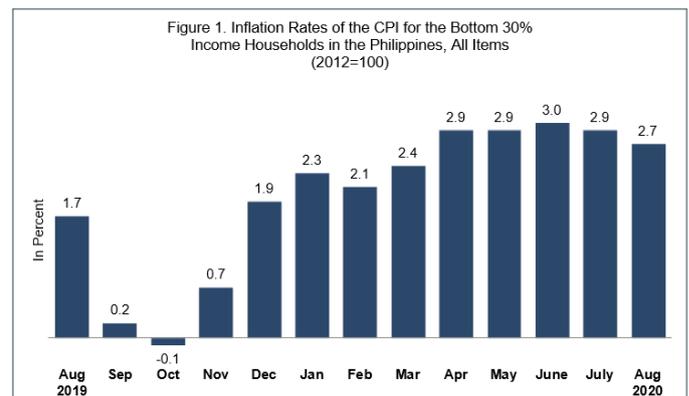
The slower annual rate in the index of the heavily-weighted food and non-alcoholic beverages at 1.1 percent primarily pushed down the overall inflation during the month. Contributing also to the downtrend in the overall inflation were the decelerations in the annual increments posted in the indices of the following commodity groups:

- a. Alcoholic beverages and tobacco, 21.1 percent;
- b. Clothing and footwear, 2.3 percent;

Table A. Year-on-Year Inflation Rates of the CPI for the Bottom 30% Income Households, All Items  
In Percent  
(2012=100)

Area	August 2020	July 2020	August 2019	Year-to-date
Philippines	2.7	2.9	1.7	2.7
NCR	3.0	2.9	0.5	2.2
AONCR	2.7	2.9	1.7	2.7

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



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



- c. Health, 3.3 percent;
- d. Recreation and culture, 0.2 percent; and
- e. Education, 0.1 percent.

The indices of the rest of the commodity groups either moved up at a faster annual pace or retained their previous month's annual growth rates. (Tables 3, and 4)

The country's food inflation slid further to 1.1 percent in August 2020. In the previous month, the annual rate of food index was higher at 1.5 percent, while in August 2019, inflation was at -0.2 percent. (Table 7)

The indices of the following food groups exhibited annual negative growth rates during the month:

- a. Rice, -1.4 percent;
- b. Corn, -0.6 percent;
- c. Vegetables, -0.3 percent; and
- d. Sugar, jam, honey, chocolate and confectionery, -0.1 percent.

The indices of the remaining food groups had positive growth rates during the period. (Table 5)

Table B. Year-on-Year Inflation Rates of the CPI for the Bottom 30% Income Households in the Philippines, All Items  
January 2016 – August 2020  
(2012=100)

Month	Year				
	2016	2017	2018	2019	2020
January	0.7	2.0	3.6	5.2	2.3
February	0.8	2.2	4.4	4.3	2.1
March	0.8	2.2	5.0	3.4	2.4
April	0.6	2.4	5.2	3.1	2.9
May	1.0	2.1	5.4	3.2	2.9
June	1.2	2.1	5.4	3.1	3.0
July	1.1	1.9	6.2	2.5	2.9
August	1.0	2.3	6.9	1.7	2.7
September	1.2	2.5	8.0	0.2	
October	1.5	2.7	8.1	-0.1	
November	1.5	2.6	7.3	0.7	
December	1.8	2.7	6.3	1.9	
Average	1.1	2.3	6.0	2.4	

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

## **2. National Capital Region (NCR)**

Inflation of consumer items for the bottom 30% income households in NCR was slightly higher at 3.0 percent in August 2020, from 2.9 percent in July 2020. Meanwhile, in August 2019, inflation in the area settled at 0.5 percent. Compared to the national level, the August 2020 inflation rate for the bottom 30% income households in NCR is higher by about 0.3 percentage points. (Tables A, and 3)

Higher overall inflation in NCR was primarily pushed up by the 23.4 percent annual mark-up in the transport index.

The indices of the following commodity groups exhibited slower annual increments during the period:

- a. Food and non-alcoholic beverages, 2.1 percent;
- b. Alcoholic beverages and tobacco, 18.4 percent;
- c. Health, 2.0 percent;
- d. Recreation and culture, 0.6 percent;
- e. Education 0.1 percent; and
- f. Restaurant and miscellaneous goods and services, 1.4 percent.

However, the indices of the rest of the commodity groups either posted negative annual rates or retained their previous month's annual growth rates. (Tables 3, and 4)

## **3. Areas Outside NCR (AONCR)**

Similar to the trend at the national level, inflation for the bottom 30% income households in AONCR eased further to 2.7 percent in August 2020. In July 2020, inflation in the area was higher at 2.9 percent, while in August 2019, it was posted at 1.7 percent. (Tables A, and 3)

Annual increases were slower in the indices of the following commodity groups during the period:

- a. Food and non-alcoholic beverages, 1.1 percent;
- b. Alcoholic beverages and tobacco, 21.1 percent;
- c. Clothing and footwear, 2.4 percent;
- d. Health, 3.3 percent;
- e. Recreation and culture, 0.2 percent; and
- f. Education, 0.1 percent.

Meanwhile, annual gains were higher in the indices of housing, water, electricity, gas, and other fuels at 2.1 percent; transport, 9.2 percent; and restaurant and miscellaneous goods and services, 3.2 percent

The indices of furnishing, household equipment and routine maintenance of the house; and communication retained their previous month's annual growth rates of 1.5 percent, and 0.5 percent, respectively. (Tables 3, and 4)

Of the regions in AONCR, 10 had slower inflation in August 2020. The lowest inflation remained in Region IX (Zamboanga Peninsula) at 0.4 percent, while the highest was still noted in Region VII (Central Visayas) at 4.1 percent. (Table 4)

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Note: CPIs and inflation rates for the bottom 30% income households by region are posted at the PSA website (<http://openstat.psa.gov.ph/>).



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