

PRESS RELEASE

Summary Inflation Report Consumer Price Index (2018=100)

La Union: February 2024

Date of Release: 07 March 2024, 04:30 PM

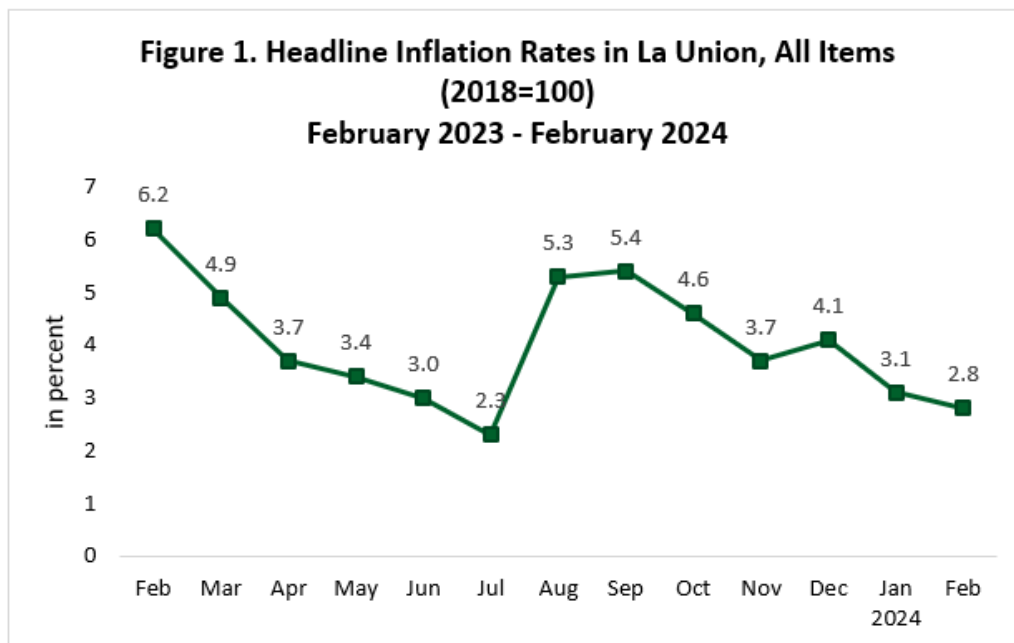
Reference No: 2024-24

Table A. Year-on-Year Inflation Rates in La Union, All Items in Percent (2018 = 100)

	February 2023	January 2024	February 2024	Year-to-date*
Headline Inflation	6.2	3.1	2.8	2.9

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

* Year-on-year change of CPI for February to February 2024 vs 2023



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

1. Headline Inflation

La Union's headline inflation slowed down further to 2.8 percent in February 2024. Inflation rate in the province was recorded at 3.1 percent in January 2024 and at 6.2 percent in February 2023. (Table A and Figure1)



1.1 Main Drivers to the Downward Trend of the Headline Inflation

The downtrend in the inflation of the province in February 2024 was primarily influenced by the annual decline in the index of housing, water, electricity, gas and other fuels at -0.3 percent from 0.5 percent annual increase in January 2024.

This was followed by food and non-alcoholic beverages with a slower annual increment of 6.9 percent in February 2024 from 7.1 percent in January 2024. Personal care, and miscellaneous goods and services ranked third main contributor to the downtrend of the headline inflation of the province as it recorded a slower annual increase of 0.4 percent in February 2024 from 1.5 percent in the previous month.

Slower annual growths were also noted in the indices of the following commodity groups during the month:

- a. Clothing and footwear, 1.1 percent from 2.5 percent;
- b. Information and communication, 0.3 percent from 0.7 percent;
- c. Furnishings, household equipment and routine household maintenance, 1.5 percent from 1.8 percent; and
- d. Alcoholic beverages and tobacco, 2.0 percent from 2.3 percent.

In addition, faster year-on-year decline was observed in the index of recreation, sport and culture at -1.3 percent during the month from -0.6 percent in January 2024.

In contrast, slower annual decrease was registered in the transport index at -0.3 percent in February 2024 from -1.6 percent in the previous month.

Meanwhile, the indices of education services and financial services retained their previous month's annual increment of 0.8 percent and annual decrease of -0.1 percent, respectively. The annual inflation of restaurants and accommodation services also remained at zero percent during the month.

1.2 Main Contributors to the Headline Inflation

The top three commodity groups contributing to the February 2024 overall inflation of the province were the following:

- a. Food and non-alcoholic beverages with 95.3 percent share or 2.67 percentage points;
- b. Health with 2.1 percent share or 0.06 percentage point; and
- c. Furnishings, household equipment and routine household maintenance with 1.9 percent share or 0.05 percentage point.

**Table B. Year-on-Year Inflation Rates in La Union, All Items (in Percent)
February 2020 – February 2024
(2018 = 100)**

Month	Year				
	2020	2021	2022	2023	2024
January	1.9	3.7	0.9	6.7	3.1
February	1.7	3.0	2.1	6.2	2.8
March	2.0	2.7	3.0	4.9	
April	2.4	2.2	4.4	3.7	
May	1.9	2.5	4.2	3.4	
June	2.0	2.4	4.6	3.0	
July	1.8	3.1	4.3	2.3	
August	1.4	3.8	3.3	5.3	
September	1.6	3.9	3.8	5.4	
October	1.5	3.6	4.0	4.6	
November	2.7	3.1	4.4	3.7	
December	3.1	1.9	4.9	4.1	
Average	1.2	2.0	3.0	3.7	

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

2. Food Inflation

Food inflation at the provincial level eased to 7.3 percent in February 2024 from 7.6 percent in January 2024. In February 2023, food inflation was higher at 8.8 percent.

2.1 Main Drivers to the Downward Trend of Food Inflation

The deceleration of food inflation of the province in February 2024 was primarily contributed by slower annual increment in the index of Rice at 35.6 percent from 38.5 percent in January 2024. This was followed by fish and other seafoods with a slower inflation rate of 2.2 percent during the month from 4.2 percent in January 2024. The third contributor to the downtrend of food inflation in February 2024 was seen in the index of milk, other dairy products, and eggs with a year-on-year decline of -0.1 percent during the month from 2.2 percent in January 2024.

Moreover, lower annual increments were also observed in the indices of the following food groups during the month:

- a. Flour, bread and other bakery products, pasta products, and other cereals, 1.9 percent from 2.2 percent; and
- b. Ready-made food and other food products not elsewhere classified, 1.2 percent from 1.3 percent.

Faster annual decline was also noted in the index of sugar, confectionery and desserts at -5.1 percent in February 2024 from -3.0 percent in January 2024.

On the contrary, corn registered a faster annual increment of 17.9 percent during the month from 10.7 percent in January 2024. Fruits and nuts also recorded a faster annual growth of 7.2 percent in February 2024 from 2.2 percent in the previous month.

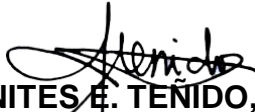
Meanwhile, slower annual decreases were observed in the indices of the following food groups during the month:

- a. Meat and other parts of slaughtered land animals, -0.5 percent from -1.4 percent;
- b. Oils and Fats, -2.2 percent from -3.1 percent; and
- c. Vegetables, tubers, cooking bananas and pulses, -5.8 percent from -8.6 percent.

2.2 Main Contributors to the Food Inflation

Food contributed 95.1 percent or 2.7 percentage points to the overall inflation in February 2024. The food groups with the highest contribution to food inflation during the month were the following:

- a. Cereal and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals with 100.8 percent share or 7.4 percentage points;
- b. Fish and other seafood, with 3.4 percent share or 0.3 percentage point; and
- c. Fruits and nuts, with 3.4 percent share or 0.2 percentage point.


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