

PRESS RELEASE

Summary Inflation Report Consumer Price Index (2018=100)

La Union: March 2024

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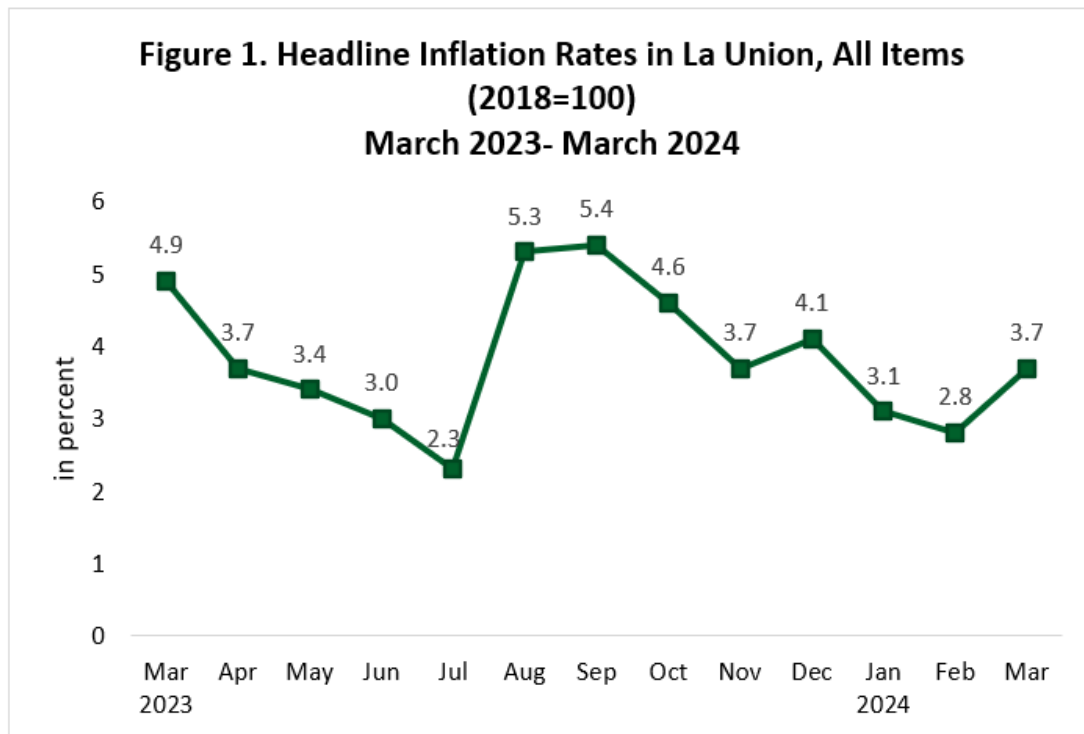
Table A. Year-on-Year Inflation Rates in La Union, All Items in Percent (2018 = 100)

	March 2023	February 2024	March 2024	Year-to-date*
Headline	4.9	2.8	3.7	3.2

Source: Philippine Statistics Authority

Retail Price Survey of Commodities for the Generation of Consumer Price Index

* Year-on-year change of CPI for January to March 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 accelerated to 3.7 percent in March 2024 from 2.8 percent in February 2024. This brings the provincial average inflation from January to March 2024 at 3.2 percent. In March 2023, inflation rate was higher at 4.9 percent. (Table A and Figure1)

1.1 Main Drivers to the Upward Trend of the Headline Inflation

The main driver to the acceleration of inflation in the province was the annual increase recorded in the index of housing, water, electricity, gas and other fuels at 1.7 percent in March 2024 from an annual decrease of 0.3 percent in February 2024.

This was followed by the faster annual increment in the index of food and non-alcoholic beverages at 7.7 percent in March 2024 from 6.9 percent in February 2024. The third main contributor to the uptrend of the headline inflation in the province was the annual increase in the index of transport at 1.6 percent in March 2024 from an annual decline of 0.3 percent in the previous month.

Moreover, faster annual growths were also noted in the indices of the following commodity groups during the month:

- a. Personal care, and miscellaneous goods and services, 0.7 percent from 0.4 percent;
- b. Alcoholic beverages and tobacco, 2.7 percent from 2.0 percent;
- c. Clothing and footwear, 1.3 percent from 1.1 percent; and
- d. Furnishings, household equipment and routine household maintenance, 1.6 percent from 1.5 percent.

In addition, a slower annual decline of 0.2 percent was observed in the index of recreation, sport and culture during the month from an annual decline of 1.3 percent in February 2024.

In contrast, lower annual growth was noted in the index of health at 1.0 percent in March 2024 from 1.7 percent in the previous month while the index of information and communication recorded a zero percent inflation rate in March 2024 from 0.3 percent in February 2024.

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 index of restaurants and accommodation services also retained a zero percent inflation during the month.

1.2 Main Contributors to the Headline Inflation

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

- a. Food and non-alcoholic beverages with 80.9 percent share or 3.0 percentage points;
- b. Housing, water, electricity, gas and other fuels with 8.8 percent share or 0.3 percentage point; and
- c. Transport with 3.9 percent share or 0.2 percentage point.

**Table B. Year-on-Year Inflation Rates in La Union, All Items (in Percent)
January 2020 – March 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	3.7
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 climbed to 8.2 percent in March 2024 from 7.3 percent in February 2024. In March 2023, food inflation was recorded at 8.1 percent.

2.1 Main Drivers to the Upward Trend of Food Inflation

The acceleration of food inflation in the province in March 2024 was primarily contributed by the annual increase in the index of vegetables, tubers, plantains, cooking bananas and pulses at 2.4 percent from 5.8 percent annual decrease in February 2024. This was followed by meat and other parts of slaughtered land animals with an annual growth of 2.0 percent during the month from an annual decrease of 0.5 percent in February 2024. The third contributor to the uptrend of food inflation in March 2024 was seen in the index of fruits and nuts with a faster year-on-year mark-up of 13.2 percent during the month from 7.2 percent in February 2024.

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

- a. Rice, 36.3 percent from 35.6 percent; and
- b. Flour, bread and other bakery products, pasta products, and other cereals, 2.3 percent from 1.9 percent.

Slower annual decline of 5.0 percent was noted in the index of sugar, confectionery and desserts in March 2024 from an annual decline of 5.1 percent in February 2024.

On the contrary, ready-made food and other food products not elsewhere classified recorded a slower annual increase of 1.1 percent from 1.2 percent in February 2024. In addition, fish and other seafood registered an annual decrease of 2.6 percent during the month from an annual increase of 2.2 percent in the previous month.

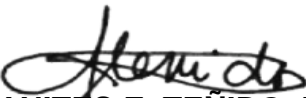
Moreover, faster annual decline of 2.3 percent was observed in the index of milk, other dairy products and eggs in March 2024 from an annual decline of 0.1 percent in February 2024. Similarly, oils and fats also recorded faster annual decline of 4.7 percent in March 2024 from an annual decline of 2.2 percent in the previous month.

Meanwhile, the annual increment in the index of corn remained at 17.9 percent.

2.2 Main Contributors to the Food Inflation

Food inflation contributed 79.6 percent or 3.0 percentage points to the overall inflation in March 2024. The top three food groups in terms of contribution to the 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 95.7 percent share or 7.9 percentage points;
- b. Fruits and nuts, with 5.8 percent share or 0.5 percentage point; and
- c. Meat and other parts of slaughtered land animals, with 4.4 percent share or 0.4 percentage point.


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