

PRESS RELEASE

Summary Inflation Report Consumer Price Index (2018=100)

La Union: May 2024

Date of Release: 07 June 2024, 5:45 PM

Reference No: 2024-47

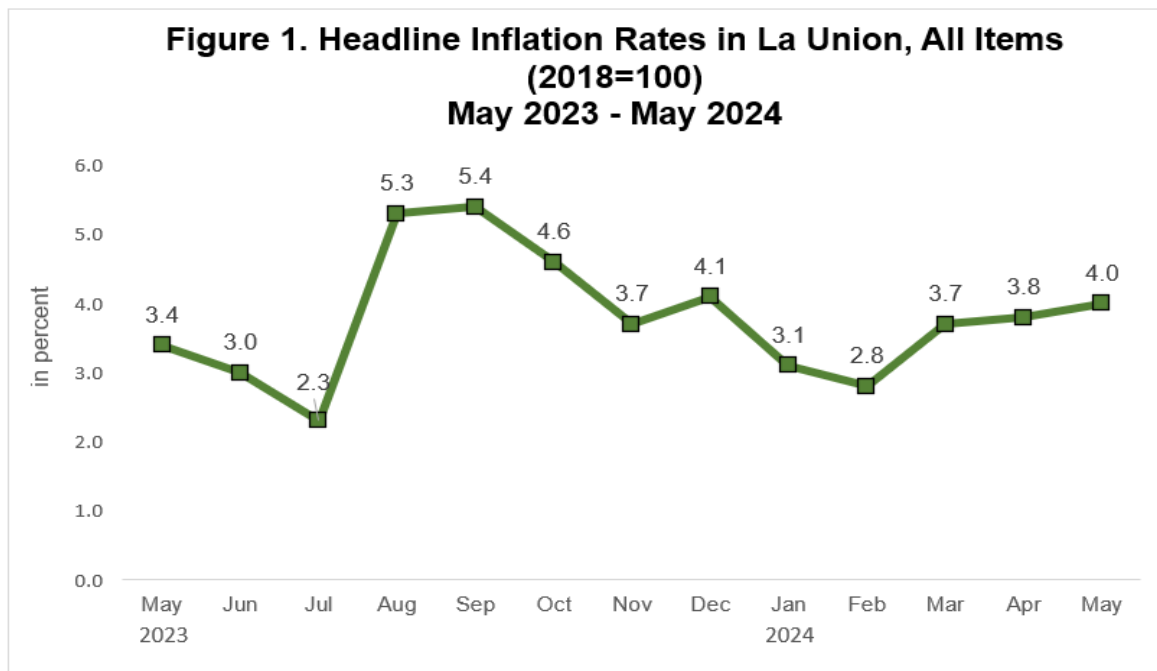
**Table A. Year-on-Year Inflation Rates in La Union, All Items
in Percent
(2018 = 100)**

	May 2023	April 2024	May 2024	Year-to-date*
Headline Inflation	3.4	3.8 r	4.0	3.5

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

r - revised

* Year-on-year change of CPI for January to May 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 4.0 percent in May 2024 from 3.8 percent in the previous month. This was the highest inflation recorded in the province since December 2023. This brings the provincial average inflation from January to May 2024 to 3.5 percent. In May 2023, inflation rate was posted at 3.4 percent. (Table A and Figure1)



1.1 Main Drivers to the Acceleration of the Headline Inflation

The uptrend in the inflation of the province in May 2024 was primarily influenced by the faster annual growth in the index of the heavily weighted food and non-alcoholic beverages at 8.3 percent during the month from 7.0 percent in April 2024.

This was followed by the faster annual increment in the transport index at 2.9 percent in May 2024 from 2.5 percent in April 2024. Recreation, sport and culture ranked third main contributor to the acceleration of the headline inflation of the province with a faster annual increase of 0.6 percent in May 2024 from an annual decline of 0.1 percent in the previous month.

In contrast, slower annual growths were noted in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 2.0 percent from 2.6 percent;
- b. Housing, water, electricity, gas and other fuels, 2.1 percent from 3.0 percent;
- c. Furnishings, household equipment and routine household maintenance, 0.9 percent from 1.2 percent;
- d. Health, 0.9 percent from 1.0 percent; and
- e. Personal care, and miscellaneous goods and services, 0.5 percent from 0.8 percent.

Meanwhile, education services, and clothing and footwear retained their previous month's annual increment of 0.8 percent and 1.3 percent, respectively. The annual decline of 0.1 percent in the index of financial services also remained. Similarly, the annual inflation of information and communication and restaurants and accommodation services remained at zero percent during the month.

1.2 Main Contributors to the Headline Inflation

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

- a. Food and non-alcoholic beverages with 78.9 percent share or 3.2 percentage points;
- b. Housing, water, electricity, gas and other fuels with 9.8 percent share or 0.4 percentage point; and
- c. Transport with 6.4 percent share or 0.3 percentage point.

**Table B. Year-on-Year Inflation Rates in La Union, All Items (in Percent)
January 2020 – May 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	3.8 r
May	1.9	2.5	4.2	3.4	4.0
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	2.0	3.0	3.7	4.4	3.5

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

r - revised

2. Food Inflation

Food inflation at the provincial level also accelerated to 8.9 percent in May 2024 from 7.4 percent in April 2024. In May 2023, food inflation was recorded at 5.8 percent.

2.1 Main Drivers to the Uptrend of Food Inflation

The faster annual increment of food inflation in the province in May 2024 was primarily contributed by the slower annual decline of 0.4 percent in the fish and other seafoods index in May 2024 from a 6.1 percent annual decrease in April 2024. This was followed by meat and other parts of slaughtered land animals with a faster annual growth of 3.6 percent during the month from 1.2 percent in the previous month. The third contributor to the uptrend of food inflation in May 2024 was recorded in the index of fruits and nuts with a faster year-on-year mark-up of 14.0 percent during the month from 9.7 percent in the previous month.

Moreover, a faster annual increase of 2.5 percent was recorded in the index of flour, bread and other bakery products, pasta products, and other cereals in May 2024 from 2.4 percent in the previous month. Also, a slower annual drop of 4.5 percent was noted in the index of sugar, confectionery and desserts during the month from 5.0 percent annual decline in the previous month.

On the contrary, slower annual growth rates were observed in the indices of the following food groups during the month:

- a. Rice, 33.8 percent from 34.8 percent;
- b. Vegetables, tubers, plantains, cooking bananas and pulses, 5.1 percent from 6.3 percent; and

- c. Ready-made food and other products not elsewhere classified, 0.9 percent from 1.2 percent.

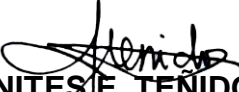
Faster annual decline of 2.0 percent was observed in the index of milk, other dairy products and eggs in May 2024 from an annual decrease of 0.6 percent in April 2024.

Meanwhile, the annual increment of 17.9 percent in the index of corn and annual decrease of 1.8 percent in the index of oils and fats remained.

2.2 Main Contributors to the Food Inflation

Food inflation contributed 77.8 percent or 3.1 percentage points to the overall inflation in May 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 86.3 percent share or 7.7 percentage points;
- b. Meat and other parts of slaughtered land animals with 7.6 percent share or 0.7 percentage point; and
- c. Fruits and nuts, with 5.9 percent share or 0.5 percentage point.


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