

PRESS RELEASE

**Summary Inflation Report
Consumer Price Index
for the Bottom 30% Income Households
(2018=100)
La Union: July 2024**

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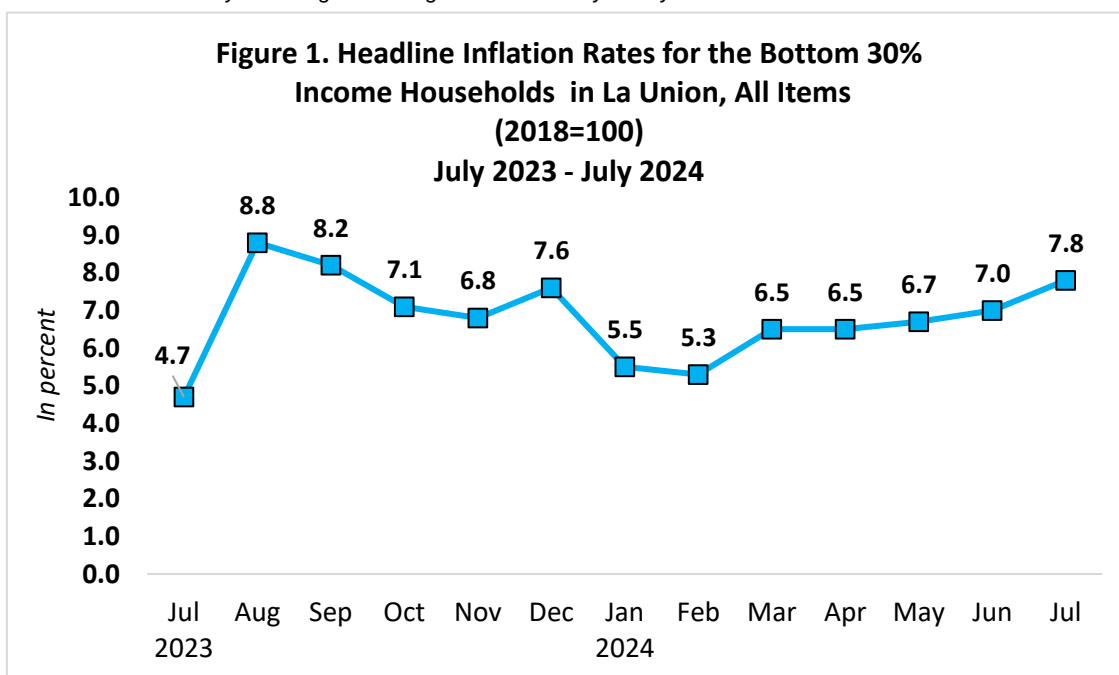
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Table A. Year-on-Year Inflation Rates for the Bottom 30% Income Households in La Union, All Items in Percent (2018 = 100)

	July 2023	June 2024	July 2024	Year-to-date*
Headline Inflation	4.7	7.0	7.8	6.5

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

* Year-on-year change of average CPI for January to July 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 for the bottom 30% income households increased to 7.8 percent in July 2024 from 7.0 percent in June 2024. This brings the provincial average inflation for this income group from January to July 2024 to 6.5 percent. In July 2023, inflation rate for the bottom 30% income households was posted at 4.7 percent. (Table A and Figure1)



1.1 Main Drivers to the Upward Trend of the Overall Inflation

The main driver to the upward trend of the overall inflation for the bottom 30% income households in the province in July 2024 was the heavily weighted food and non-alcoholic beverages with 12.7 percent annual inflation during the month from 11.7 percent in June 2024.

This was followed by transport with an annual increment of 5.4 percent in July 2024 from 3.9 percent in June 2024. Housing, water, electricity, gas and other fuels ranked third main contributor to the acceleration of inflation for this income group as it recorded a year-on-year increase of 5.3 percent during the month from 4.7 percent inflation in the previous month.

In addition, education services also recorded a faster annual increment during the month with 1.6 percent inflation from zero inflation in the previous year.

Meanwhile, the indices of the following commodity groups retained their respective previous month's annual increment:

- a. Alcoholic beverages and tobacco, at 3.4 percent;
- b. Clothing and footwear, at 1.5 percent;
- c. Health, at 1.5 percent;
- d. Furnishings, household equipment and routine household maintenance, at 0.8 percent;
- e. Information and communication, 0.2 percent;
- f. Recreation, sport and culture, at 0.3 percent;
- g. Personal care and miscellaneous goods and services, at 0.7 percent.

Restaurants and accommodation services, and financial services recorded zero percent inflation during the month.

1.2 Main Contributors to the Overall Inflation

The top three commodity groups contributing to the July 2024 overall inflation for the bottom 30% income households of the province were the following:

- a. Food and non-alcoholic beverages with 82.4 percent share or 6.4 percentage points;
- b. Housing, water, electricity, gas and other fuels with 10.7 percent share or 0.8 percentage point; and
- c. Transport with 4.5 percent share or 0.4 percentage point.

Table B. Year-on-Year Inflation Rates for the Bottom 30% Income Households in La Union, All Items (in Percent) January 2020 – July 2024 (2018 = 100)

Month	Year				
	2020	2021	2022	2023	2024
January	2.1	4.5	0.6	9.0	5.5
February	1.5	4.1	1.5	8.5	5.3
March	2.4	3.5	2.4	7.3	6.5
April	3.1	2.3	4.2	6.2	6.5
May	2.6	2.9	3.6	6.0	6.7
June	2.4	2.6	4.6	5.1	7.0
July	2.0	3.5	4.4	4.7	7.8
August	1.5	4.7	3.1	8.8	
September	1.9	5.1	3.7	8.2	
October	1.9	4.4	4.1	7.1	
November	3.5	3.4	4.8	6.8	
December	4.0	1.7	6.1	7.6	
Average	2.4	3.6	3.6	7.1	6.5

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

2. Food Inflation

Food inflation for the bottom 30% income households at the provincial level also exhibited an uptrend with 13.4 percent in July 2024 from 12.3 percent in June 2024. In July 2023, food inflation was observed at 4.7 percent.

2.1 Main Drivers to the Upward Trend of Food Inflation

The uptrend in the food inflation of the province in July 2024 was primarily contributed by the faster annual increase in the rice with an annual growth rate of 36.4 percent in July 2024 from 34.8 percent in June 2024. This was followed by meat and other parts of slaughtered land animals at 5.8 percent during the month from 4.1 percent in June 2024. The third contributor to the uptrend of food inflation in July 2024 was recorded in the vegetables, tubers, plantains, cooking bananas and pulses with a faster year-on-year mark-up of 9.6 percent during the month from 1.6 percent in June 2024.

In addition, the commodity groups with a faster annual increment during the month compared to their previous month's, was recorded in the following commodity groups:

- a. Ready-made food and other food products not elsewhere classified, at 8.0 percent from 7.3 percent;
- b. Flour, bread and other bakery products, pasta products, and other cereals, at 2.5 percent from 2.4 percent; and
- c. Milk, other dairy products and eggs, at 0.1 percent inflation from -3.5 percent.

In contrast, slower annual increases were observed in the indices of fruits and nuts at 12.5 percent in July 2024 from 25.2 percent in June 2024 and fish and other seafoods at 2.5 percent during the month from 4.7 percent in June 2024.

A slower annual decline of 4.3 percent in July 2024 from an annual drop of 4.5 percent in June 2024 was observed in the food group of sugar, confectionery and desserts.


Meanwhile, the annual increase of 17.9 percent in the corn index and the annual decline of 6.6 percent in the oils and fats index remained during the month.

2.2 Main Contributors to the Food Inflation

Food inflation contributed 81.9 percent or 6.4 percentage points to the overall inflation for the bottom 30% income households in the province in July 2024.

Among the food groups, the top three main contributors to the food inflation during the month were the following:

- a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, pasta products, and other cereals with 83.8 percent share or 11.2 percentage points;
- b. Meat and other parts of slaughtered land animals with 6.5 percent share or 0.9 percentage point; and
- c. Vegetables, tubers, plantains, cooking bananas and pulses with 4.6 percent share or 0.6 percentage point.


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