



SPECIAL RELEASE

Date of Release: 07 February 2018
Reference No. 2018– 001

PRICE CONDITION IN COTABATO PROVINCE : YEAR-ON-YEAR 2006=100

On a Year-on-Year comparison, commodity groups under Housing, Water, Electricity, Gas and Other Fuels posted the highest CPI of 214.5 while Alcoholic Beverages and Tobacco posted the highest increment of 7 index points from 204.5 in 2016 to 211.5 in 2017. CPI for All Items went up to 173.3 equivalent to 3.2 percent increase from 2016.

Figure 1. Consumer Price Index (CPI) for All Income Households by Commodity Group, Cotabato Province: 2016 & 2017

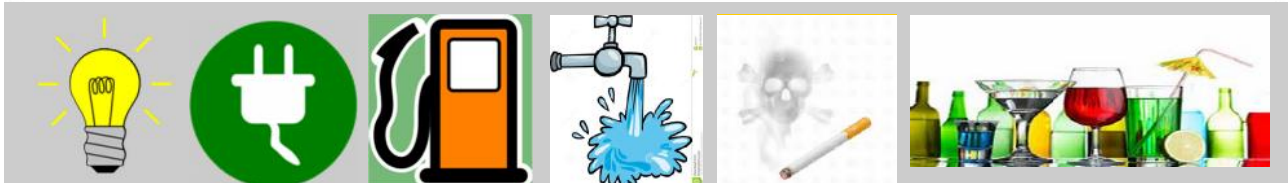
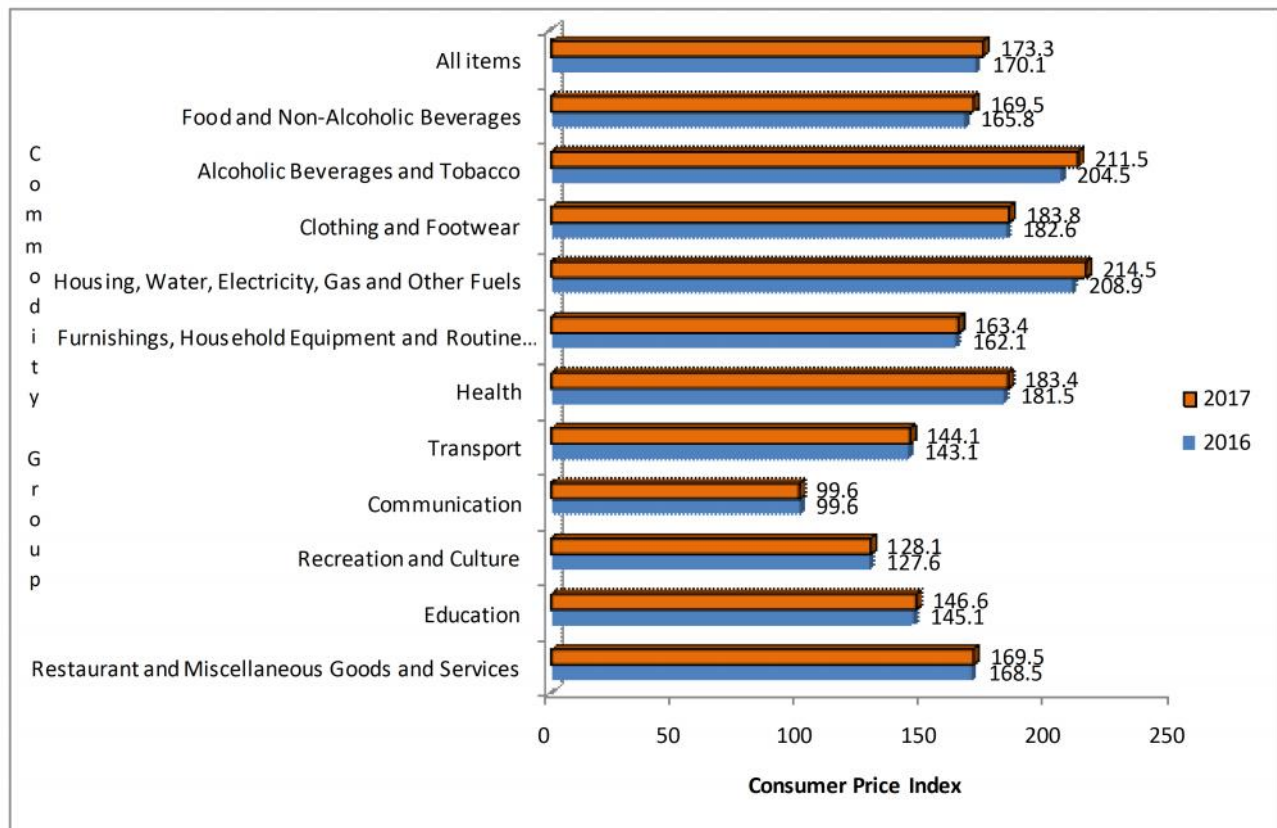
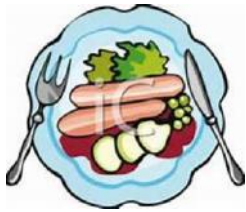


Figure 2. Consumer Price Index (CPI) by month of Cotabato Province 2016 & 2017



In Cotabato province, prices in February and November for 2016 declined but the rest of the months continue to increase. On the other hand, it is observed that prices in 2017 was on increasing trend except for the month of April.

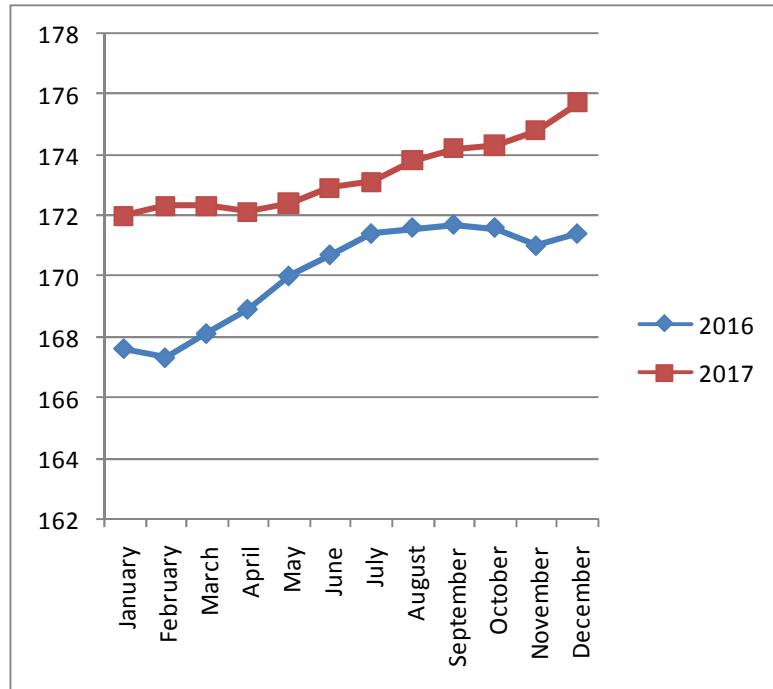
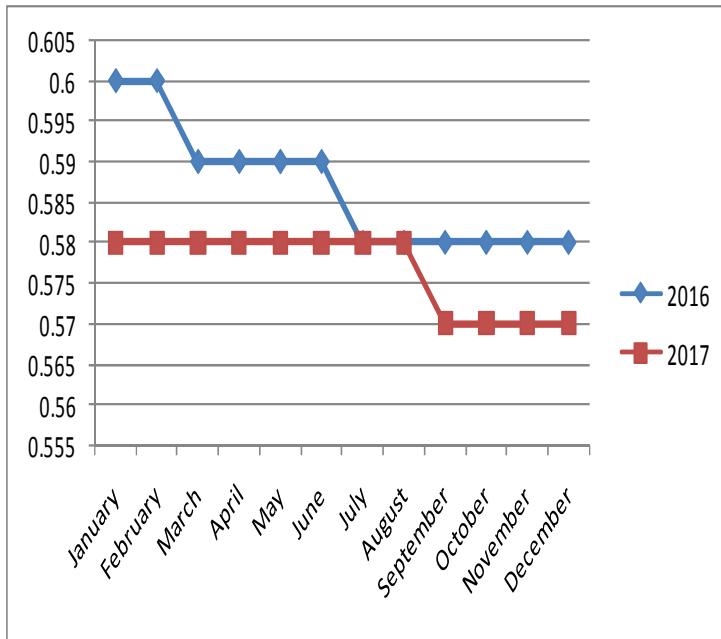


Table 1. Purchasing Power of Peso (PPP) and Inflation Rate, Cotabato Province: 2016 & 2017

| Month | Purchasing Power of Peso | | Inflation Rate | |
|-----------|--------------------------|------|----------------|------|
| | 2016 | 2017 | 2016 | 2017 |
| January | 0.60 | 0.58 | 2.0 | 2.6 |
| February | 0.60 | 0.58 | 2.1 | 3.0 |
| March | 0.59 | 0.58 | 2.8 | 2.5 |
| April | 0.59 | 0.58 | 2.7 | 1.9 |
| May | 0.59 | 0.58 | 3.0 | 1.4 |
| June | 0.59 | 0.58 | 3.6 | 1.3 |
| July | 0.58 | 0.58 | 3.8 | 1.0 |
| August | 0.58 | 0.58 | 4.0 | 1.3 |
| September | 0.58 | 0.57 | 4.0 | 1.5 |
| October | 0.58 | 0.57 | 3.9 | 1.6 |
| November | 0.58 | 0.57 | 2.8 | 2.2 |
| December | 0.58 | 0.57 | 2.6 | 2.5 |
| Average | 0.59 | 0.58 | 3.1 | 1.9 |

Figure 3. Purchasing Power of Peso (PPP), Cotabato Province: 2016 & 2017



Purchasing Power of Peso (PPP) in 2016 was observed to be declining from 0.60 in February, 0.59 in March up to June and eventually at 0.58 from July up to December.

In 2017, peso maintained its purchasing power at 0.58 from January to August but declined and maintained its value at 0.57 from September up to December of the same year.



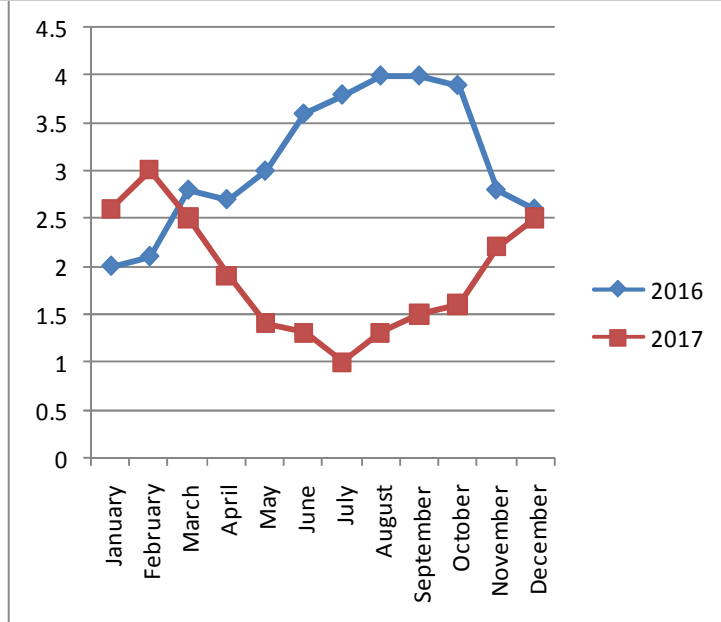
Purchasing Power of Peso
 $PPP = (1/CPI) * 100$ where: PPP= Purchasing Power of Peso
 CPI= Consumer Price Index

In Cotabato province, Purchasing Power of Peso for 2017

$$PPP = (1/173.3) * 100 = 0.58$$

This means that a peso in 2006 is only worth 58 centavos in 2017, or you may need PhP 173.3 to purchase the same volume of goods and services worth PhP 100.00 in 2006.

Figure 4. Inflation Rate by month, Cotabato Province : 2016 & 2017



Monthly inflation rate showed a varying movement for both years.

In 2016, highest inflation rate was observed in the month of August and September that reached the level of 4.0.

In 2017, inflation rate posted the least in the month of July with 1.0 percent.

The annual average Inflation Rate of Cotabato Province in 2017 posted at 1.9 percent.

Inflation Rate

$$(IR) = \frac{CPI_n - CPI_o}{CPI_o} \times 100$$

$$= \frac{173.3 - 170.1}{170.1} \times 100$$

$$= 1.9$$

Where: IR= Inflation Rate
 CPI_n = current year's index for all items
 CPI_o = previous year's index for all items

Table 2. Consumer Price Index (CPI) for All Income Households by Commodity Group, Cotabato Province: 2016 & 2017

| COMMODITY GROUP | 2016 | 2017 |
|---|-------|-------|
| All Items | 170.1 | 173.3 |
| Food & Non- Alcoholic Beverages | 165.8 | 169.5 |
| Alcohol Beverages and Tobacco | 204.5 | 211.5 |
| Clothing and Footwear | 182.6 | 183.8 |
| Housing, Water, Electricity, Gas and Other Fuels | 208.9 | 214.5 |
| Furnishing, Households Equipment and Routine Maintenance of the House | 162.1 | 163.4 |
| Health | 181.5 | 183.4 |
| Transport | 143.1 | 144.4 |
| Communication | 99.6 | 99.6 |
| Recreation and Culture | 127.6 | 128.1 |
| Education | 145.1 | 146.6 |
| Restaurant and Miscellaneous Goods and Services | 168.5 | 169.5 |



The goods and services worth PhP 170.1 in 2016 is the same volume of goods and services already worth PhP 173.3 in 2017



Technical Terms

- **Consumer Price Index (CPI)** - is a measure of change in the average retail prices of goods and services commonly purchased by a particular group of people in a particular area.
- **Base Period**- is the reference period of the index number which the index is set to 100.
- **Inflation Rate**- is the annual rate of change or the year-on- year change of the CPI. Inflation is interpreted in terms of declining purchasing power of money.
- **Purchasing Power of Peso**- is a measure of the real value of peso in a given period.
- **Market Basket**- refers to a sample of goods and services used to represent all goods and services bought by a particular group of consumers in a particular area.
- **Index Number**- is a device used to compare relative movement in the magnitude of a variable or group of distinct but relative variables between two or more points in time. It also shows the relative differences in the magnitude of a variable obtained at the same period of time in different areas.

ENGR. BELINDA R. PENUELA
Provincial Statistics Officer