



# PRESS RELEASE

## Summary Inflation Report Consumer Price Index (2018=100)

June 2023

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

Area	June 2022	May 2023	June 2023	Year-to-date*
<b>Philippines</b>				
Headline	6.1	6.1	5.4	7.2
Core	3.1	7.7	7.4	7.7
<b>NCR</b>				
Headline	5.6	6.5	5.6	7.4
<b>AONCR</b>				
Headline	6.3	6.0	5.3	7.1

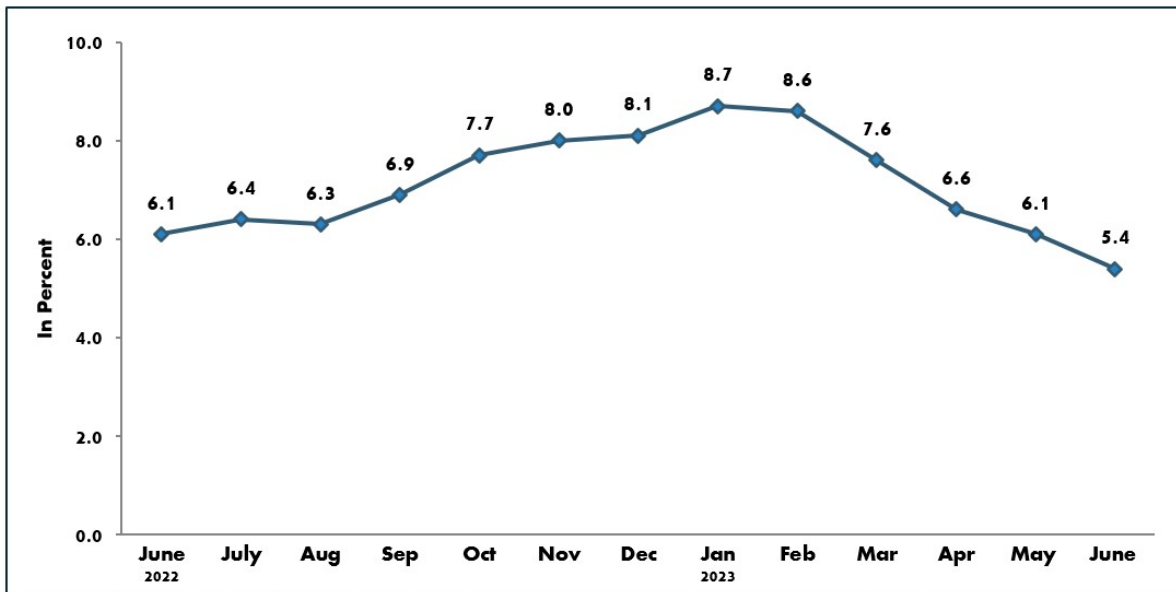
Source: *Philippine Statistics Authority, Retail Price Survey of Commodities for the Generation of Consumer Price Index*

\* Year-on-year change of CPI for January to June 2023 vs. 2022



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**Figure 1. Headline Inflation Rates in the Philippines, All Items  
(2018=100)**



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

## A. Philippines

### 1. Headline Inflation

The Philippines' headline inflation or overall inflation continued to move at a slower pace of 5.4 percent in June 2023 from 6.1 percent in May 2023. This is the fifth consecutive month of deceleration in the headline inflation and the lowest in the past 13 months. The average inflation rate for the first semester of 2023 stood at 7.2 percent. In June 2022, inflation rate was higher at 6.1 percent. (Figure 1, and Tables A, B, 5, and 14)

#### 1.1 Main Drivers to the Downward Trend of the Headline Inflation

The downtrend of the overall inflation in June 2023 was primarily influenced by the slower annual increase in the heavily-weighted food and non-alcoholic beverages at 6.7 percent in June 2023 from 7.4 percent in the previous month. The faster annual decrease in transport at -3.1 percent during the month from -0.5 percent in May 2023 also contributed to the downtrend of the overall inflation. Housing, water, electricity, gas and other fuels was the third main source of deceleration of the headline inflation in June 2023 with 5.6 percent annual growth rate from 6.5 percent in May 2023.

*CSM*

Compared with their previous month's inflation rates, slower annual increments were noted in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 11.6 percent from 12.3 percent;
- b. Furnishings, household equipment and routine household maintenance, 6.0 percent from 6.2 percent;
- c. Health, 3.9 percent from 4.1 percent;
- d. Recreation, sport and culture, 4.8 percent from 4.9 percent; and
- e. Restaurants and accommodation services, 8.2 percent from 8.3 percent.

On the contrary, the index of personal care, and miscellaneous goods and services exhibited faster year-on-year growth during the month at 5.8 percent from 5.7 percent in May 2023.

Meanwhile, the indices of the rest of the commodity groups retained their respective previous month's annual growth rates. (Tables 5 and 6)

### *1.2 Main Contributors to the Headline Inflation*

The top three commodity groups contributing to the June 2023 headline inflation were the following:

- a. Food and non-alcoholic beverages with 47.3 percent share or 2.6 percentage points;
- b. Housing, water, electricity, gas and other fuels with 22.4 percent share or 1.2 percentage points; and
- c. Restaurants and accommodation services with 14.7 percent share or 0.8 percentage point.

## **2. Food Inflation**

Food inflation at the national level continued to decelerate for the fifth consecutive month at 6.7 percent in June 2023. In the previous month, food inflation was recorded at 7.5 percent, while 6.4 percent in June 2022. (Table 9)



## *2.1 Main Drivers to the Downward Trend of Food Inflation*

The deceleration of food inflation in June 2023 was mainly brought about by the lower annual growth in meat and other parts of slaughtered land animals at 0.3 percent during the month from 3.2 percent in May 2023. This was followed by fruits and nuts with an inflation of 11.4 percent in June 2023 from 14.3 percent in the previous month. Also contributing to the downtrend of food inflation in June 2023 was the slower year-on-year growth of sugar, confectionery and desserts at 28.9 percent in June 2023 from 31.6 percent in the previous month.

Lower inflation rates during the month were also noted in the indices of the following food items:

- a. Corn, 5.3 percent from 5.9 percent;
- b. Flour, bread and other bakery products, pasta products, and other cereals, 11.0 percent from 11.4 percent;
- c. Milk, other dairy products and eggs, 11.2 percent from 12.1 percent;
- d. Oils and fats, 5.6 percent from 8.5 percent; and
- e. Ready-made food and other food products not elsewhere classified, 8.5 percent from 9.0 percent.

Meanwhile, compared with their previous month's inflation rates, higher year-on-year growth rates were observed in the indices of rice at 3.6 percent from 3.4 percent; fish and other seafood at 6.2 percent from 5.0 percent; and vegetables, tubers, plantains, cooking bananas and pulses at 12.7 percent from 12.6 percent. (Table 7)

## *2.2 Main Contributors to the Food Inflation*

Food inflation shared 43.4 percent or 2.3 percentage points to the overall inflation in June 2023. The food groups with the highest contribution to food inflation during the month were the following:

- a. Cereals and cereal products, which includes rice, corn, flour, bread and other bakery products, with 29.4 percent share or 2.0 percentage points;
- b. Vegetables, tubers, plantains, cooking bananas and pulses, with 14.9 percent share or 1.0 percentage point; and
- c. Fish and other seafood, with 14.7 percent share or 1.0 percentage point.

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### 3. Core Inflation

Excluding selected food and energy items, core inflation, also decelerated to 7.4 percent in June 2023 from 7.7 percent in May 2023. This brings the average core inflation for the first half of the year to 7.7 percent. In June 2022, core inflation was observed at 3.1 percent. (Tables A and 11)

**Table B. Year-on-Year Inflation Rates in the Philippines, All Items  
In Percent  
January 2018 – June 2023  
(2018=100)**

Month	Year					
	2018	2019	2020	2021	2022	2023
January	3.4	4.4	3.0	3.7	3.0	8.7
February	3.7	3.8	2.5	4.2	3.0	8.6
March	4.3	3.4	2.2	4.1	4.0	7.6
April	4.3	3.2	1.8	4.1	4.9	6.6
May	4.6	3.2	1.6	4.1	5.4	6.1
June	5.0	2.7	2.3	3.7	6.1	5.4
July	5.8	2.2	2.4	3.7	6.4	
August	6.6	1.4	2.2	4.4	6.3	
September	6.9	0.5	2.2	4.2	6.9	
October	6.9	0.6	2.3	4.0	7.7	
November	6.1	1.2	3.0	3.7	8.0	
December	5.2	2.4	3.3	3.1	8.1	
<b>Average</b>	<b>5.2</b>	<b>2.4</b>	<b>2.4</b>	<b>3.9</b>	<b>5.8</b>	<b>7.2</b>

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

### B. National Capital Region (NCR)

Inflation in NCR similarly moved at a slower pace in June 2023 at 5.6 percent from 6.5 percent in the previous month. In June 2022, inflation rate in the area was also recorded at 5.6 percent. (Tables A, 5, and 15)

The downtrend of inflation in NCR for the month of June 2023 was mainly contributed by the slower annual increment in the heavily-weighted food and non-alcoholic beverages at 6.0 percent during the month from 7.6 percent in May 2023. This was followed by transport with an annual drop of -2.3 percent from 1.1 percent annual increase in the previous month. Housing, water, electricity, gas and other fuels also pulled down the overall inflation in NCR with a slower inflation rate of 6.8 percent from 7.5 percent in the previous month.

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In addition, lower inflation rates were observed in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 6.8 percent from 7.4 percent;
- b. Clothing and footwear, 2.7 percent from 2.9 percent;
- c. Furnishings, household equipment and routine household maintenance, 6.0 percent from 6.4 percent; and
- d. Recreation, sport and culture, 3.3 percent from 3.5 percent.

On the contrary, higher inflation rates during the month were noted in the indices of restaurants and accommodation services at 9.8 percent from 9.5 percent in May 2023; and personal care, and miscellaneous goods and services at 4.0 percent from 3.8 percent in the previous month.

Meanwhile, the annual increases in the indices of the rest of the commodity groups remained at their respective previous month's rates. (Tables 5 and 6)

### **C. Areas Outside NCR (AONCR)**

Following the trend of the Philippines and NCR, inflation in AONCR also decelerated further to 5.3 percent in June 2023 from 6.0 percent in the previous month. In June 2022, inflation in the area was higher at 6.3 percent. (Tables A, 5, and 16)

For two consecutive months, the slowdown of inflation in the area was brought about by the annual decrease in transport at -3.3 percent in June 2023 from -0.8 percent in May 2023. In addition, the heavily-weighted food and non-alcoholic beverages also contributed to the downtrend with 6.9 percent annual growth rate from 7.4 percent in the previous month. The third primary contributor to the deceleration of inflation in the area was housing, water, electricity, gas and other fuels with 5.3 percent inflation from 6.1 percent in the previous month.

Moreover, slower year-on-year increases were observed in the indices of the following commodity groups during the month:

- a. Alcoholic beverages and tobacco, 12.4 percent from 13.2 percent;
- b. Furnishings, household equipment and routine household maintenance, 6.1 percent from 6.2 percent;
- c. Health, 4.3 percent from 4.4 percent;
- d. Information and communication, 0.8 percent from 0.9 percent;

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- e. Recreation, sport and culture, 5.0 percent from 5.1 percent; and
- f. Personal care, and miscellaneous goods and services, 6.2 percent from 6.3 percent.

Meanwhile, the indices of the rest of the commodity groups remained at their respective previous month's annual growth rates. (Tables 5 and 6)

Except for MIMAROPA Region, which retained its previous month's inflation rate, all regions outside NCR recorded slower inflation rates during the month relative to their May 2023 annual rates. For the fourth consecutive month, Cordillera Administrative Region was the region with the lowest inflation rate at 3.2 percent, while MIMAROPA Region remained with the highest inflation rate during the month at 7.2 percent. (Table 6)

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**Note:** CPIs and inflation rates by province and selected city are posted at the PSA OpenSTAT Portal at (<https://openstat.psa.gov.ph/>).



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