* Inflation rate in January may have remained unchanged from that of December of last year's price increase of 3.3%.

**Table 1: Inflation Rate Forecast by Commodity Group (%)**

|  |  |  |  |
| --- | --- | --- | --- |
| Commodity Group | Jan-17 | Dec-17 | Jan-18F |
| **All items** | **2.7** | **3.3** | **3.3** |
| Food and non-alcoholic beverages |     3.4 |      3.5 |     3.5 |
| Alcoholic beverages and Tobacco |     5.6 |      6.4 |     6.7 |
| NON-FOOD |     2.0 |      2.9 |     2.9 |
| Clothing and footwear |     2.8 |      1.8 |     1.6 |
| Housing, Utilities & Fuels |     1.8 |      3.8 |     3.5 |
| Electricity, Gas & Other Fuels |     2.5 |      8.4 |     6.8 |
| Furnishings, household equipment |     2.3 |      1.9 |     2.0 |
| Health |     2.6 |      2.2 |     2.2 |
| Transport |     2.4 |      2.4 |     3.1 |
| Communication |     0.1 |      0.4 |     0.4 |
| Recreation and Culture |     1.9 |      1.5 |     1.4 |
| Education |     1.8 |      2.2 |     2.2 |
| Restaurants & Misc. Services |     2.2 |      3.0 |     3.1 |
| **Core** | **2.5** | **3.0** |  |
| Source of Basic Data: PSA |   |   |   |

         Inflation of food and non-food items was steady despite the rise in the transport rate which is a lagged response from last month’s fuel rate hike. Declines in housing, utilities and fuels, clothing and footwear, and recreation and culture all contributed to offset the upward pressure from the transport sector.

**Table 2: Prices of Selected Commodities**

|  |  |  |  |
| --- | --- | --- | --- |
| Item | Jan-17 | Dec-17 | Jan-18 |
| Meralco rate per kWH for 200KW/mo consumption |     8.09 |     9.25 |     8.72 |
| Meralco Generation Charge per kWH |     3.70 |     4.60 |     4.08 |
| Diesel (PHP/litre), NCR |   30.89 |   36.20 |   39.13 |
| Gasoline, RON 95 (PHP/litre), NCR |   47.34 |   48.12 |   50.48 |
| Sources of Basic Data: Meralco, DOE |   |   |   |