

DOF Economic Bulletin on April 2019 Inflation

- Average consumer prices eased to 3.0% YOY in April as month-on-month (MOM) inflation increased moderately to 0.25% from zero in March.
- Year-on-year (YOY) inflation dropped 0.3 percentage point in April, from a bigger 0.5 percentage point drop in March. This moderation in inflation is largely attributed to the continued stabilization of food prices, in particular rice.
- Food inflation rose by a slight 0.08% MOM with rice, fish, and sugar registering MOM declines of 0.501%, 0.514% and 0.337%, respectively. This is due to the President’s memorandum orders streamlining the flow of food supply.
- Non-food inflation continued to rise by 0.35% MOM although slower than last month’s 0.44% MOM rise as petroleum prices continued their ascent, with Dubai crude oil reaching US\$70.95/barrel, the highest since November 2018, and 6% higher than the April 2018 level (US\$66.93/barrel). This is due to the drop in supply from Libya due to an ongoing civil war and the removal of US waiver on some countries’ imports of Venezuela supplies.
- Inflation momentum continues to recede. Core inflation, an indicator of expectations, declined to 3.4% YOY in April from 3.5% in March, its sixth consecutive month of decline.

DOF View

Slower inflation will continue to boost consumer expectations and, along with election campaign expenditures, will support a return to higher growth in household consumption.

TABLE 1. CONSUMER PRICE INDEX, APRIL 2019

CONSUMER PRICE INDEX, 2019	YEAR-ON-YEAR				MONTH-ON-MONTH			
	January	February	March	April	January	February	March	April
COMMODITY GROUP								
ALL ITEMS	4.38	3.83	3.29	3.01	0.17	0.17	0.00	0.25
Food and Non-Alcoholic Beverages	5.59	4.73	3.39	3.05	0.40	-0.32	-0.79	0.08

Alcoholic Beverages and Tobacco	16.13	12.25	10.77	9.88	1.33	1.82	1.04	0.49
Clothing and Footwear	2.50	2.41	2.49	2.40	0.17	0.17	0.25	0.17
Housing, Water, Electricity, Gas, and Other Fuels	4.00	3.68	3.38	3.18	0.00	0.71	0.53	0.35
Furnishing, Household Equipment and Routine Maintenance of the House	3.95	3.76	3.39	3.20	0.42	0.25	0.25	0.08
Health	4.30	4.20	3.92	3.74	0.42	0.17	0.17	0.17
Transport	2.47	1.17	3.32	3.78	-0.67	0.10	1.83	1.23
Communication	0.40	0.40	0.30	0.40	0.00	0.00	0.00	0.10
Recreation and Culture	3.15	3.15	3.05	3.05	0.09	0.09	0.00	0.09
Education	-3.83	-3.83	-3.83	3.83	-0.09	0.00	0.00	0.00
Restaurant and Miscellaneous Goods and Services	4.33	4.04	3.66	3.47	0.35	0.17	0.26	0.17
Source: PSA								

TABLE 2. CONSUMER PRICE INDEX BY COMMODITY, APRIL 2019

CONSUMER PRICE INDEX, 2019 COMMODITY GROUP	PHL Apr- 19	PHL Mar- 19	PHL Apr- 18	MOM	YOY
ALL ITEMS	119.6	119.3	116.1	0.251	3.015
I. FOOD AND NON-ALCOHOLIC BEVERAGES	125.2	125.1	121.5	0.080	3.045
* Food	125.4	125.3	121.8	0.080	2.956

Bread and Cereals	119.2	119.8	118.4	-0.501	0.676
Rice	120.4	121.2	120.4	-0.670	0.022
Corn	116.1	115.6	119.7	0.431	-2.988
Other Cereals, Flour, Cereal Preparation, Bread, Pasta and Other Bakery Products	116.5	116.3	112.4	0.172	3.648
Meat	123.8	123.8	119.1	0.000	3.946
Fish	135.4	136.1	131.1	-0.514	3.280
Milk, Cheese and Eggs	117.7	117.5	114.7	0.170	2.616
Oils and Fats	115.8	115.8	112.0	0.000	3.393
Fruit	143.9	142.9	140.5	0.700	2.420
Vegetables	145.2	141.7	134.9	2.470	7.635
Sugar, Jam, Honey, Chocolate and Confectionery	118.3	118.7	111.4	-0.337	6.194
Food Products N.E.C.	120.0	117.9	114.0	1.781	5.263
* Non-alcoholic Beverages	123.3	123.1	116.9	0.162	5.475
II. ALCOHOLIC BEVERAGES, TOBACCO	204.7	203.7	186.3	0.491	9.877
Alcoholic Beverages	139.5	139.4	134.4	0.072	3.795
Tobacco	250.2	248.7	222.8	0.603	12.298
Other Vegetable-Based Tobacco Products	116.4	116.4	110.1	0.000	5.722
NON-FOOD	113.8	113.4	110.8	0.353	2.708
III. CLOTHING AND FOOTWEAR	119.4	119.2	116.6	0.168	2.401
Clothing	119.5	119.3	116.6	0.168	2.487
Footwear	119.4	118.9	116.5	0.421	2.489
IV. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	113.7	113.3	110.2	0.353	3.176
Actual Rentals for Housing Maintenance and Repair of the Dwelling	117.3	117.1	113.9	0.171	2.985
Water Supply and Miscellaneous Services Relating to the Dwelling	117.3	117.1	113.3	0.171	3.530
	116.5	116.6	111.3	-0.086	4.672

Electricity, Gas and Other Fuels	106.5	106.0	103.5	0.472	2.899
V. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	119.2	119.1	115.5	0.084	3.203
Furniture and Furnishings, Carpets and Other Floor Coverings	107.3	107.1	105.6	0.187	1.610
Household Textiles	110.0	109.8	108.2	0.182	1.664
Household Appliances	107.5	107.4	105.7	0.093	1.703
Glassware, Tableware and Household Utensils	114.6	114.4	112.0	0.175	2.321
Tools and Equipment for House and Garden	116.1	115.8	113.5	0.259	2.291
Goods and Services for Routine Household Maintenance	122.2	122.0	118.0	0.164	3.559
VI. HEALTH	119.4	119.2	115.1	0.168	3.736
Medical Products, Appliances and Equipment	113.4	113.3	111.0	0.088	2.162
Out-patient Services	125.2	125.1	117.4	0.080	6.644
Hospital Services	126.0	125.7	120.2	0.239	4.825
VII. TRANSPORT	107.2	105.9	103.3	1.228	3.775
Operation of Personal Transport Equipment	101.6	99.2	95.9	2.419	5.944
Transport Services	110.4	109.5	107.0	0.822	3.178
VIII. COMMUNICATION	101.4	101.3	101.0	0.099	0.396
Postal Services	112.5	112.5	103.8	0.000	8.382
Telephone and Telefax Equipment	99.7	99.7	98.9	0.000	0.809
Telephone and Telefax Services	101.6	101.5	101.3	0.099	0.296
IX. RECREATION AND CULTURE	114.8	114.7	111.4	0.087	3.052
Audio-visual, Photographic and Information Processing Equipment	101.8	101.7	101.5	0.098	0.296
Other Major Durables for Recreation and Culture	110.6	110.6	109.9	0.000	0.637
Other Recreational Items and	114.8	114.8	112.8	0.000	1.773

Equipment					
Recreational and Cultural Services	160.3	160.3	144.5	0.000	10.934
Newspapers, Books and Stationery	114.2	114.0	111.1	0.175	2.790
X. EDUCATION	115.4	115.4	120.0	0.000	-3.833
Pre-primary and Primary Education	129.3	129.3	122.7	0.000	5.379
Secondary Education	131.3	131.3	125.1	0.000	4.956
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Tertiary Education	104.5	104.5	117.5	0.000	11.064
Education Not Definable by Level	118.4	118.4	117.9	0.000	0.424
XI. RESTAURANT AND MISCELLANEOUS GOODS AND SERVICES	116.3	116.1	112.4	0.172	3.470
Catering Services	116.4	116.2	112.0	0.172	3.929
Personal Care	115.3	115.1	112.2	0.174	2.763
Personal Effects N.E.C.	116.3	116.2	114.2	0.086	1.839

Source: PSA

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