

# REPORT ON INFLATION

## (APRIL 2022)

### HIGHLIGHTS

- The country's headline inflation rate accelerated to 4.9 percent in April 2022 from 4.0 percent in March 2022.
- The reported inflation rate is within the *Bangko Sentral ng Pilipinas'* (BSP) forecast range of 4.2 to 5.0 percent. The year-to-date (YTD) inflation rate of 3.7 percent also remains within the 2.0 to 4.0 target range for the year.
- Faster inflation rates for both food and non-food commodity groups resulted in higher inflation for April 2022.
- Food inflation increased from 2.8 percent in March to 4.0 percent in April. Faster inflation rates for meat, fish, vegetables, sugar, flour, and oils contributed to higher food inflation.
- Meanwhile, non-food inflation increased from 5.0 percent to 5.4 percent, mainly due to elevated oil prices. Electricity, gas, and other fuels for household inflation increased from 17.4 percent to 19.9 percent. Transport inflation also increased from 10.3 percent to 13.0 percent, with private transport inflation rising from 35.2 percent to 44.4 percent.
- The Economic Development Cluster (EDC) has recommended several interventions to manage supply and temper the rising prices of key commodities.

#### Year-on-year inflation rates\* (2018=100)

	Mar 2022	Apr 2022	YTD 2022
<b>Philippines</b>			
<b>Headline</b>	4.0	4.9	3.7
Bottom 30 percent**	3.3	3.8	3.2
<b>NCR</b>			
Headline	3.4	4.4	2.7
<b>AONCR</b>			
Headline	4.1	5.1	4.0

\*Starting January 2022, the PSA has rebased the Consumer Price Index (CPI) to 2018 from the previous 2012 base year.

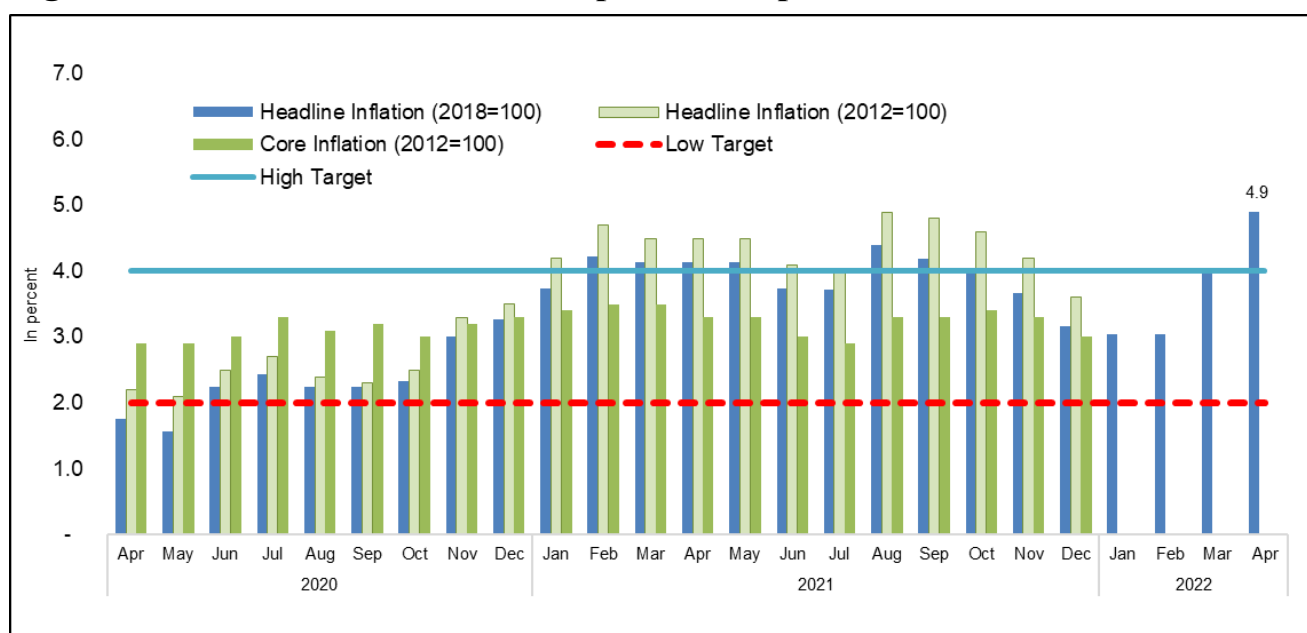
\*\*Bottom 30 percent uses 2012 as base year

Source: Philippine Statistics Authority (PSA)

## 1. The headline inflation increased to 4.9 percent in April 2022 from 4.0 percent in March 2022; seasonally adjusted month-on-month inflation remained at 1.0 percent.

The Philippines' headline inflation increased to 4.9 percent in April 2022. This latest figure is within BSP's forecast of 4.2 to 5.0 percent for April 2022 but higher than the private sector's median forecast of 4.6 percent.<sup>1</sup> YTD inflation is at 3.7 percent, within the BSP's inflation target range of 2.0 to 4.0 percent.

**Figure 1. Headline inflation rates: April 2020–April 2022**



The uptick in April inflation was driven by the faster price adjustments in food and non-alcoholic beverages, housing and utilities, transport, alcoholic beverages and tobacco, personal care, clothing and footwear, and recreation, sport, and culture. On the other hand, restaurant and accommodation, health, and financial services registered slower inflation, while inflation of information and communication, education, and house furnishings remained stable (see Table 1).

<sup>1</sup> Noble, Luz T. Business World. "April inflation likely picked up — poll" Bworldonline.com <https://www.bworldonline.com/top-stories/2022/05/02/445689/april-inflation-likely-picked-up-poll/> (accessed on May 4, 2022)

Month-on-month (m-o-m) seasonally adjusted inflation remained at 1.0 percent in April, unchanged from the previous month. Meanwhile, inflation for the bottom 30 percent of households (2012=100) accelerated to 3.8 percent in April from 3.3 percent in the preceding month.

**Table 1. Headline inflation rates in the Philippines (in percent, 2018=100)**

Commodity Group	March 2022		April 2022	
	Y-O-Y	M-O-M <sup>2</sup>	Y-O-Y	M-O-M <sup>2</sup>
<b>ALL ITEMS</b>	<b>4.0</b>	<b>0.6</b>	<b>4.9</b>	<b>0.8</b>
Food and Non-Alcoholic Beverages	2.6	0.1	3.8	0.7
Alcoholic Beverages and Tobacco	4.8	0.9	5.9	1.4
Clothing and Footwear	1.9	0.3	2.0	0.2
Housing, Water, Electricity, Gas, and Other Fuels	6.2	1.4	6.9	0.6
Furnishing, Household Equipment, and Routine Maintenance of the House	2.6	0.4	2.6	0.3
Health	2.5	0.2	2.4	0.1
Transport	10.3	2.9	13.0	2.7
Information and Communication	0.7	0.1	0.7	0.0
Recreation, Sport, and Culture	1.5	0.0	1.6	0.2
Education Services	0.6	0.0	0.6	0.0
Restaurant and Accommodation	3.0	0.3	2.8	0.2
Financial Services	43.3	0.0	0.0	0.0
Personal Care, and Miscellaneous Goods and Services	2.2	0.2	2.3	0.3

Source: Philippine Statistics Authority

Electricity, gas, and other fuels and the operation of personal transport equipment are the top drivers of inflation, contributing 2.5 percentage points (ppt). Meanwhile, food items, particularly fish, meat, vegetables, rice, corn, and bread and other cereals contributed a total of 1.2 ppts to total inflation (see Table 2).

<sup>2</sup> The month-on-month (m-o-m) inflation figures cited in Table 1 are not seasonally-adjusted.

**Table 2. Top 10 contributors to inflation in April 2022 (in percentage points)**

Commodity group	April 2022
Electricity, Gas, and Other Fuels	1.3
Operation of Personal Transport Equipment	1.2
Fish and Other Seafood	0.3
Meat and Other Parts of Slaughtered Land Animals	0.3
Food and Beverage Serving Services	0.3
Vegetables, Tubers, Plantains, Cooking Bananas, and Pulses	0.3
Actual Rentals for Housing	0.2
Rice	0.1
Corn	0.1
Flour, Bread, and Other Bakery Products, Pasta Products, and other Cereals	0.1
<b>TOTAL CONTRIBUTION TO INFLATION</b>	<b>4.3</b>
Others ( <i>e.g.</i> , education, clothing and footwear, furnishings, communications, recreation, etc.)	0.6
<b>OVERALL INFLATION</b>	<b>4.9</b>

## 2. Food and non-alcoholic beverages inflation increased to 3.8 percent; non-food inflation picked up to 5.4 percent.

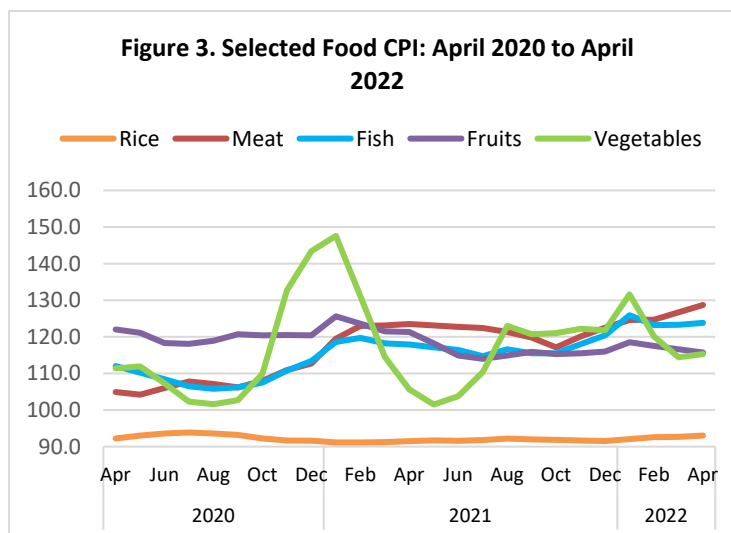
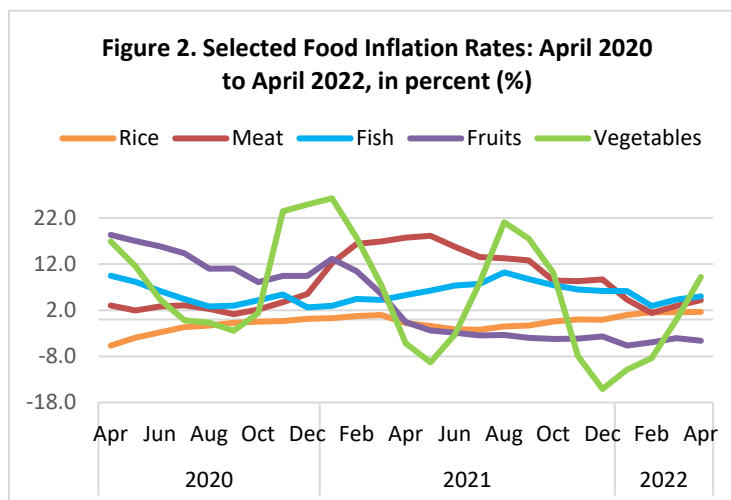
### Food

Inflation of food and non-alcoholic beverages accelerated to 3.8 percent in April from 2.6 percent in the preceding month. On a m-o-m seasonally-adjusted basis, prices for food and non-alcoholic beverages eased to 0.7 percent from 1.3 percent in the previous month.

The faster food inflation was primarily driven by broad-based acceleration across most food commodities. In particular, fish (5.0% from 4.3%), meat (4.2% from 2.9%), and vegetables (9.2% from -0.1%) ticked higher. Corn inflation slowed down

but remained elevated (27.1% from 31.3%). Meanwhile, fruits (-4.6% from -4.0%) recorded faster deflation, while rice inflation remained unchanged (1.6%).

Fish prices accelerated due to increased demand following the Lenten season, slow disposal of imports, and higher cost of transporting fish amid rising fuel prices. Under the Certificate of Necessity to Import (CNI),<sup>3</sup> only 53.6 percent or 27.0 thousand metric tons (TMT) have been disposed to wet markets, from the total 50.5 TMT fish imports that have arrived at the Navotas Fish Port as of March 30, 2022.



Meat inflation also increased to 4.2 percent, mainly driven by the inflation of chicken prices (3.9% from -2.0%) following the outbreak of Avian Influenza (AI) in 37 cities and municipalities. A total of 88,816 poultry animals have been culled due to the recent outbreak.<sup>4</sup> Pork (4.8% from 6.0%) and beef (7.4% from 7.5%) recorded slower inflation partially due to base effects. Meanwhile, as of April 27, 2022, only seven provinces<sup>5</sup> were reported to have active cases of African Swine Fever (ASF). This is a significant improvement from 51 provinces that were affected at the start of ASF outbreak in August 2019.

<sup>3</sup> DA-Administrative Order 01-2022 <[ao01\\_s2022.pdf \(da.gov.ph\)](#)> issued on January 18, 2022 ; DA-Administrative Order 22-2021 <[ao22\\_s2021.pdf \(da.gov.ph\)](#)> issued on August 27, 2021

<sup>4</sup> BAI Report

<sup>5</sup> Bureau of Animal Industry (BAI) Report

Vegetable inflation accelerated due to higher fertilizer and transportation costs. As of April 29, 2022, local fertilizer prices increased by 65 to 170 percent year-on-year (y-o-y).<sup>6</sup> Fertilizer inputs account for 6 to 21 percent of total farmer production costs. Meanwhile, fruits posted faster deflation following the harvest season of some commodities.

On the other hand, corn inflation slowed down but remained elevated as global conflict continues to disrupt world supply chains and drive up international prices. Inflation of bread products (4.1% from 3.6%), sugar and other sweetened items (7.3% from 6.2%), ready-made food and other products (2.9% from 2.3%), milk and dairy products (1.1% from 0.8%), and oils (11.7% from 9.1%) have also increased.

### Non-food

Non-food inflation continued to pick up to 5.4 percent in April 2022 from 5.0 percent in March 2022. On a m-o-m seasonally adjusted basis, non-food inflation eased to 0.7 percent from 1.0 percent in the previous period.

Housing and utilities inflation increased to 6.9 percent from 6.2 percent, led by electricity, gas, and other fuels (19.9% from 17.4%). Moreover, liquefied petroleum gas and kerosene prices significantly increased by 47.7 percent y-o-y (from 27.4%) and 66.4 percent (from 54.3%), respectively.

Transport recorded faster inflation at 13.0 percent from 10.3 percent in the previous month. This was driven by the operation of personal transport equipment inflation which reached a record high of 44.4 percent from 35.2 percent in the previous month, amid elevated petroleum prices. Prices of unleaded gas (48.2% y-o-y from 51.8%) remain elevated but partly eased, while diesel (89.1% from 71.0%) continued to accelerate. This reflects the continuous increase in international crude oil prices and tight global supply as a result of the Russia-Ukraine conflict, in

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<sup>6</sup> DA-FPA. Monthly prices are based on the average of weekly prices reported by DA-FPA; April 2022 is until April 29 only

particular by Russia's move to cut off supply shipments<sup>7</sup> and countersanctions by the US and Europe,<sup>8</sup> along with Organization of Petroleum Exporting Countries'+ (OPEC+) decision to modestly increase its current pace of supply increase (0.432mb/d).<sup>9</sup>

### **3. Inflation for National Capital Region (NCR) and areas outside the NCR (AONCR) accelerated to 4.4 percent and 5.1 percent, respectively. The Cordillera Administrative Region recorded the highest inflation rate at 6.3 percent.**

Headline inflation in NCR accelerated to 4.4 percent in April 2022 from 3.4 percent in March 2022. This is due to faster price adjustments across commodity groups: transport (12.3% from 10.2%), food and non-alcoholic beverages (3.4% from 1.5%), alcoholic beverages and tobacco (5.2% from 3.9%), housing and utilities (6.0% from 5.1%), furnishing and household equipment (3.1% from 2.6%), and health (1.6% from 1.5%). Meanwhile, restaurants and accommodation services (2.5% from 3.7%), clothing and footwear (0.8% from 1.0%), recreation, sport, and culture (0.7% from 0.8%), and financial services (0.0% from 46.0%) posted slower inflation. Information and communication (0.7%), education services (-0.1%), and personal care and other services (1.9%) inflation are steady.

Similarly, inflation in AONCR picked up at 5.1 percent from 4.1 percent. This was attributed to faster inflation in transport (13.2% from 10.4%), food and non-alcoholic beverages (3.8% from 2.8%), alcoholic beverages and tobacco (6.0% from 5.0%), housing and utilities (7.2% from 6.7%), restaurants and accommodation services (2.8% from 2.7%), personal care and other services (2.4% from 2.2%), recreation and sports (1.8% from 1.7%), and information and communication

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<sup>7</sup> Gaffen, David. "Oil prices edge up as worldwide supply concerns remain at the fore"  
<https://www.reuters.com/business/energy/oil-prices-extend-gains-after-news-china-stimulus-2022-04-27/> (accessed May 4, 2022).

<sup>8</sup> El Dahan, Maha, Ahmad Ghaddar, and Alex Lawler. "OPEC+ sticks to modest oil output rises, ditches IEA data".  
<https://www.reuters.com/business/energy/opec-technical-committee-replaces-iea-with-wood-mackenzie-rystad-secondary-2022-03-30/> (accessed April 4, 2022)

<sup>9</sup> OPEC Press Room. "27th OPEC and non-OPEC Ministerial Meeting".  
[https://www.opec.org/opec\\_web/en/press\\_room/6845.htm](https://www.opec.org/opec_web/en/press_room/6845.htm) (accessed May 4, 2022)

(0.7% from 0.6%). These offset the deceleration in the price indices of health (2.6% from 2.8%), furnishing and household equipment (2.4% from 2.6%), and financial services (0.0% from 42.7%). Meanwhile, clothing and footwear (2.1%), and education services (0.8%) were unchanged from the previous month.

All regions in AONCR recorded faster inflation (see Table 3). The Cordillera Administrative Region recorded the highest inflation rate at 6.3 percent in April 2022, faster than the 5.1 percent recorded in March. This was mainly driven by accelerated inflation in transport (22.4% from 18.1%), food and non-alcoholic beverages (5.4% from 3.8%), housing and utilities (6.2% from 5.3%), alcoholic beverages and tobacco (6.0% from 5.6%), restaurant and accommodation services (6.2% from 5.9%), recreation, sport, and culture (2.1% from 1.9%), personal care and other services (2.7% from 2.5%), and clothing and footwear (2.4% from 2.3%).

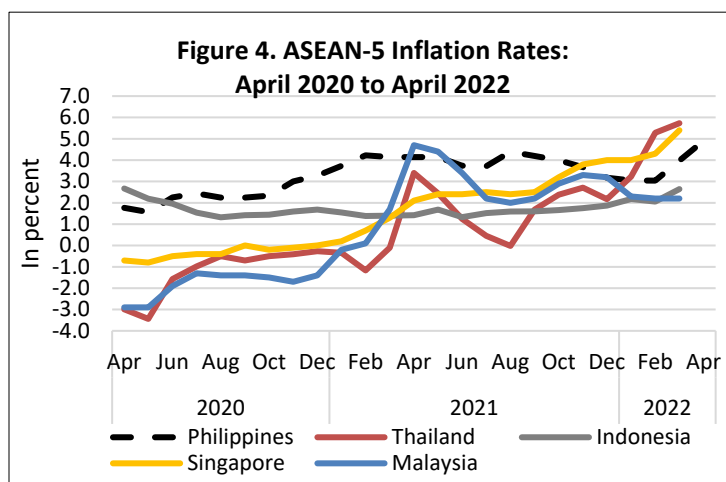
**Table 3. Y-O-Y regional inflation rates (in percent, 2018=100)**

Regions	Mar 2022	Apr 2022	YTD 2022
NCR- National Capital Region	3.4	4.4	2.7
AONCR - Areas outside the NCR	4.1	5.1	4.0
CAR - Cordillera Administrative Region	5.1	6.3	5.0
I - Ilocos Region	4.6	5.2	4.1
II - Cagayan Valley	3.3	4.6	2.9
III - Central Luzon	4.6	6.1	4.0
IV-A - CALABARZON	3.8	4.7	3.4
IV-B - MIMAROPA Region	3.4	4.1	3.4
V - Bicol Region	3.8	4.2	3.4
VI - Western Visayas	4.6	4.9	4.3
VII - Central Visayas	5.0	5.4	5.1
VIII - Eastern Visayas	5.3	6.1	5.4
IX - Zamboanga Peninsula	3.3	4.5	4.4
X - Northern Mindanao	4.3	4.6	4.3
XI - Davao Region	4.7	5.3	4.9
XII - SOCCSKSARGEN	3.3	4.2	4.1
XIII - Caraga	3.9	4.4	4.0
BARMM	1.5	2.1	1.8



## 4. Inflation rates in ASEAN are generally trending upwards

Indonesia, Thailand, Malaysia, and Singapore have yet to report inflation figures for April 2022. In March 2022, inflation was faster in Indonesia, Thailand, and Singapore while it was unchanged in Malaysia.



## 5. Inflation outlook and policy implications

As of March 24, 2022, the BSP expects full-year 2022 inflation at 4.3 percent, slightly above its target range of 2 to 4 percent.<sup>10</sup> This mainly reflects the impact of higher global commodity prices and a shortage in domestic supplies of pork and fish. For 2023, risks remain broadly balanced, with inflation seen to ease to 3.6 percent. The country’s monetary policy stance remains accommodative, with the key policy rate unchanged at 2.0 percent.<sup>11</sup> Nonetheless, the BSP has initiated monetary normalization through measures such as a reduction in purchases of government securities.

### Food supply

Rice and chicken inventories for 2022 are estimated to remain sufficient at 2.3 million MT (MMT) and 142.1 TMT, respectively, or equivalent to 60- and 32-day stocks.<sup>12</sup> Supplies of highland vegetables are also expected to end the year in a surplus, with local production at about 1.1 MMT or 151 percent of local demand.<sup>13</sup>

<sup>10</sup> BSP Monetary Board Meeting –March 24, 2022

<sup>11</sup> Overnight reverse repurchase facility at 2 percent, overnight deposit at 1.5 percent, and lending facilities 2.5 percent

<sup>12</sup> NEDA & DA estimates

<sup>13</sup> Presented during the Task Group on Food Security (TGFS) Meeting on April 5, 2022.

Conversely, supply deficits are expected for lowland vegetables, pork, fish, and corn. For lowland vegetables, the local production outlook is projected at 1.7 MMT for 2022, or only 95 percent of local demand. Likewise, pork supply deficit is estimated at 180.4 TMT,<sup>14</sup> amid the limited arrival of imports<sup>15</sup> under Executive Order Nos. 133 and 134, while local production remains insufficient. Similarly, a fish supply deficit for the entire year is expected<sup>16</sup> due to faster increases in demand. The indirect impact of the Russia-Ukraine conflict through higher international prices and supply issues of wheat and corn will partly contribute to the corn supply deficit for the marketing year (MY)<sup>17</sup> 2021/22 at 3.6 MMT,<sup>18</sup> even after considering alternative feed supplies such as cassava.

The proposed Livestock Development and Competitiveness (LDC) Law seeks to modernize the livestock, poultry, and corn sectors of the country and lower meat prices in the market. Among the major provisions of the LDC Law is the updating of the corn industry roadmap, along with the establishment of “competitiveness enhancement funds” for the livestock value chain.

To complement these, more timely unloading of pork stocks from cold storage is needed. As of the fourth week of April 2022, the average stock of frozen pork has been continuously decreasing since November 2021 but remains higher than in 2019.<sup>19</sup>

As of March 30, 2022, 50.5 TMT of fish imports under the Maximum Importable Volume (MIV) have arrived at the Navotas Fish Port, but only 53.6 percent (27.0 TMT) have been disposed. Consequently, the Department of Agriculture (DA) must facilitate the immediate distribution of imported fish under the CNI for

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<sup>14</sup> DA National Livestock Program, as of April 2022.

<sup>15</sup> The Pork MAV Plus remained underutilized at less than 40 percent.

<sup>16</sup> DA-BFAR expects the deficit at 267.2 TMT, while NEDA estimates are higher at 526.3 TMT

<sup>17</sup> Marketing year starts from July to June of succeeding year.

<sup>18</sup> NEDA estimates

<sup>19</sup> Based on NMIS stock inventory data as of April 2022

Q4 2021-Q1 2022<sup>20</sup> and consider the additional issuance of CNI for Q2-Q4 2022. The DA, in partnership with local government units (LGU) and Local Price Coordinating Councils (LPCC), may also look into unfair or high markup prices of wholesalers or retailers amid incidents of elevated prices for imported fish products, despite CNI guidelines.<sup>21</sup>

These will be accompanied by government initiatives to enhance domestic food production. The DA-Bureau of Animal Industry (BAI) may strengthen its monitoring and containment of emerging animal diseases, including the recent outbreak of AI. These include direct culling, disease investigation, quarantine zoning, transportation, movement regulations, and direct coordination with relevant stakeholders and LGUs. The DA-BAI may consistently update its ASF zoning and subsequently expedite the implementation of its hog repopulation, subsidy, and credit programs. Likewise, the government is also implementing science-based measures, such as continuous ASF vaccine research and trials.<sup>22</sup>

The DA-Bureau of Fisheries and Aquatic Resources (BFAR) may also intensify measures to boost fish production. These interventions include the establishment of legislated fish hatcheries and demonstration farms, provision of better-equipped fishing vessels to fisherfolk associations, and capacity building on the use of environment-friendly fishing gears.

Additionally, the government increased the fuel discount for farmers and fisherfolk subsidy program<sup>23</sup> to a total budget of PHP1.1 billion. To ensure the timely distribution of subsidies, the government may promote the expansion and

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<sup>20</sup> The DA issued two CNI with a combined Maximum Importable Volume (MIV) of 120 TMT for 4Q 2021-1Q 2022. The CNI also includes an additional provision that requires imported fish to be immediately disposed of within 20 days upon arrival to address the low disposal rate under the previous CNI. Sources: DA. "Administrative Order No. 01 s. 2022" DA.gov.ph [https://www.da.gov.ph/wp-content/uploads/2022/01/ao01\\_s2022.pdf](https://www.da.gov.ph/wp-content/uploads/2022/01/ao01_s2022.pdf); DA. "Administrative Order No. 22 s. 2022" DA.gov.ph [https://www.da.gov.ph/wp-content/uploads/2021/08/ao22\\_s2021.pdf](https://www.da.gov.ph/wp-content/uploads/2021/08/ao22_s2021.pdf)

<sup>21</sup> The implementing guidelines on fish importation under the second CNI indicate that imports should be disposed after 20 days upon arrival (Item 2 of DAO 01-2022) and sold at a price not exceeding PhP90 per kg (Item 4.c. of DAO 01-2022)

<sup>22</sup> Talavera, Catherine, "DA testing new anti-ASF vaccines". <https://www.philstar.com/nation/2022/04/11/2173678/da-testing-new-anti-asf-vaccines> (accessed May 3, 2022)

<sup>23</sup> 158,730 corn farmers and fisherfolk registered under the Registry System for Basic Sectors in Agriculture (RSBSA) are set to receive PHP3,000 pesos as fuel subsidy. As of May 2, 2022, 233 beneficiaries from Leyte and Zambales have received their discount cards.

streamlining of its database systems to facilitate data monitoring, aid distribution, and the progress evaluation of its agricultural programs.

The DA's Plant Plant Plant Program supports the continuous expansion of vegetable production in strategic areas by providing seeds, farm machinery, proper irrigation systems, and production facilities (e.g., rain shelter and smart greenhouses),<sup>24</sup> among others. Logistics and infrastructure support is also provided via farm-to-market roads, agribusiness industrial corridors,<sup>25</sup> and local *Kadiwa* platforms.<sup>26</sup>

To address agri-fishery smuggling that may distort local food supply and price stability, the government will strengthen the following measures: more active engagement from the Sub-Task Group on Economic Intelligence, surprise inspections,<sup>27</sup> first border controls, and protection, and development of a centralized digital system for better data management and transparency.

### [Weather conditions](#)

According to the Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA),<sup>28</sup> the La Niña phenomenon in the tropical Pacific has strengthened and is likely to continue through June to August 2022. Meanwhile, 8 to 12 tropical cyclones may enter or develop in the Philippines between May to October 2022. PAGASA expects normal rainfall conditions over the majority of the country in the coming months with above-normal rainfall conditions in some areas.

### [Transport Services](#)

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<sup>24</sup> Rodriguez, Adora. DA Communications Group, "Get smart, Korea's modern farming tech levels up Phl food productivity". <https://www.da.gov.ph/get-smart-koreas-modern-farming-tech-levels-up-phl-food-productivity/> (accessed May 2, 2022)

<sup>25</sup> Bejarin, Gumamela Celes. DA Communications Group, "Sec. Dar campaigns for continuity of "OneDA" Reform Agenda". <https://www.da.gov.ph/sec-dar-campaigns-for-continuity-of-oneda-reform-agenda/> (accessed May 2, 2022)

<sup>26</sup> Dela Cruz, Rita. DA Communications Group, "DA, JICA reinforce camaraderie for Phl agri sector". <https://www.da.gov.ph/agri-chief-bats-for-two-pronged-approach-to-address-agri-smuggling/> (accessed May 2, 2022)

<sup>27</sup> DA Communications Group, "Economic intel group confiscates smuggled vegetables in Divisoria Market". <https://www.da.gov.ph/economic-intel-group-confiscates-smuggled-vegetables-in-divisoria-market/> (accessed May 2, 2022)

<sup>28</sup> PAGASA. "Climate Outlook May 2022 – October 2022" *DOST.gov.ph* <https://pubfiles.pagasa.dost.gov.ph/climps/climateforum/climateoutlook.pdf> (accessed on May 3, 2022).

The EDC recommended increasing the fuel subsidy program for public utility vehicle (PUV) drivers from PHP2.5 billion to PHP5 billion to mitigate the impact of the spike in energy-related prices. As of April 30, 2022, 180,000 PUV drivers and operators have already received their PHP6,500 subsidy.<sup>29</sup>

The Service Contracting Program (SCP) Phase 3 was launched on April 11, 2022, with a total budget of PHP7 billion. The Program aims to provide PUV drivers with regular performance-based subsidies based on their number of trips per week, regardless of the number of passengers.<sup>30</sup> As of April 26, 2022, the LTFRB reported that the SCP has benefitted over 11 million commuters or ridership. Two new routes were added (PITX-NLET and Cubao-NLET). The government is looking to further expand these routes. The program is set to run until December 2022.

The Department of Energy (DOE) has also been constantly coordinating with private oil companies for promotional discounts of up to PHP1-4 per liter for the public transportation sector. Additionally, the DOE has been conducting strict monitoring activities to ensure petroleum products' supply sufficiency, quality maintenance, and consumer welfare protection.<sup>31</sup>

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<sup>29</sup> <https://www.gmanetwork.com/news/topstories/nation/830234/ltfrb-1st-part-of-fuel-subsidy-distribution-done-by-mid-may/story/>

<sup>30</sup> DBM. "DBM Releases P7.0 billion for PUV Service Contracting Program". [dbm.gov.ph](https://www.dbm.gov.ph/index.php/secretary-s-corner/press-releases/list-of-press-releases/2110-dbm-releases-p7b-for-puv-service-contracting-program)  
<https://www.dbm.gov.ph/index.php/secretary-s-corner/press-releases/list-of-press-releases/2110-dbm-releases-p7b-for-puv-service-contracting-program> (accessed April 4, 2022)

<sup>31</sup> <https://www.doc.gov.ph/press-releases/doc-assures-ample-oil-supply-amid-russia-ukraine-conflict-cautions-against-price>

### *Global oil prices*

As of March 2022, OPEC+ decided to increase its current pace of production by 0.432 mb/d for the month of May 2022 (from 0.4 mb/d increase in April).<sup>32</sup> The global oil outlook remains uncertain amid developments in global tensions, supply constraints, monetary policy dynamics, high sovereign debt levels, and other geopolitical risks. Based on futures markets as of May 4, 2022, Dubai crude oil prices are expected to remain stable at USD102.9/bbl in June 2022 and slow down to USD96.5/bbl in December 2022.

### *Economic recovery*

Based on the current Alert Level classification for May 1-15, 2022, Alert Level 1 will benefit 81 percent of the economy and 30.1 million workers. As COVID-19 cases subside, the government aims to move the entire country to Alert Level 1 to provide more opportunities for Filipinos to earn and provide for their families amid upward inflationary pressures. Further opening the economy and resuming face-to-face classes will increase domestic activities and enable the economy to return to its pre-pandemic level this 2022.

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<sup>32</sup>27th OPEC and non-OPEC Ministerial Meeting [https://www.opec.org/opec\\_web/en/press\\_room/6845.htm](https://www.opec.org/opec_web/en/press_room/6845.htm) (accessed April 4, 2022)