*Scope and Classification*

Wholesale price refers to the price of commodity transacted in bulk for further resale or processing. It is the actual “spot” transaction price received usually by the wholesalers, distributors or marketing agents for large lots but net of discounts, allowances and rebates. It is the sum of the producer price, wholesale trade margin, tax mark-ups and distribution cost of the wholesaler.

The WPI uses a sample of commodities that represent a large variety of goods traded in the wholesale market. It includes locally produced commodities and imported goods for resale. The current WPI series consists of 437 commodities in Luzon, 302 commodities in Visayas, and 372 commodities in Mindanao. The commodities are classified according to the Philippine Standard Commodity Classification (PSCC). These items are classified into the following major groups:

1. All Items
2. Food
3. Beverages and Tobacco
4. Crude Materials, Inedible except Fuels
5. Mineral Fuels, Lubricants and Related Materials
6. Chemicals, including Animal and Vegetable Oils and Fats
7. Manufactured Goods classified chiefly by Materials
8. Machinery and Transport Equipment
9. Miscellaneous Manufactured Articles

The current series covers wholesale trade intermediaries in the National Capital Region (NCR) to represent Luzon and Cebu City and Davao City, to represent Visayas and Mindanao, respectively.

*Sources of Data and Methodology*

The **Wholesale Price Index** is generated by the Philippine Statistics Authority (PSA). Each commodity in the market basket has at most six price quotations taken from six different wholesale sample outlets. During the reference month, price collection for agricultural food items/unprocessed food items is done weekly every Thursday/Friday; for processed food items and beverages, during the 2nd and 4th week; and for tobacco and non-food items, during the 4th week. These price quotations are used to compute the WPI using the weighted arithmetic mean of price relatives with fixed base period and weights (*Laspeyres’* formula).

The present series uses 1998 as the base period. The overall weights are computed based on the 1994 Input-Output table. Meanwhile, the 1994 Census of Establishments conducted by the PSA/NSO was used as basis for the corresponding weights for the areas covered. The percentage contribution of each of these areas to the total wholesale trade transaction was computed.