



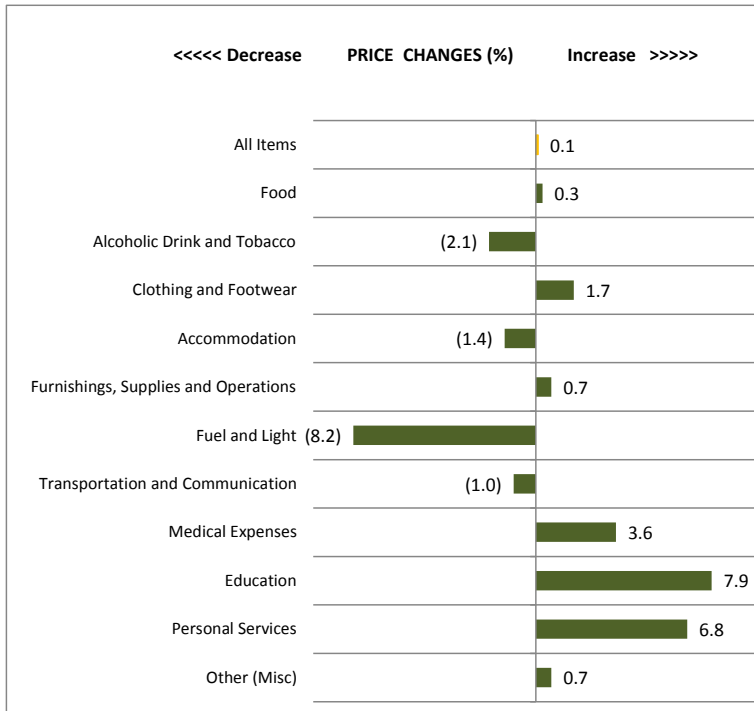
Antigua and Barbuda CONSUMER PRICE INDEX



Release date: 14 Mar 2016

Feb 2016 Inflation Rate 0.1%

Headline Inflation: Year-on-Year Changes for Feb 2016 compared to Feb 2015



The Consumer Price Index or All Items Index for February 2016 has remained essentially unchanged after posting a 0.1% increase over the last twelve months.

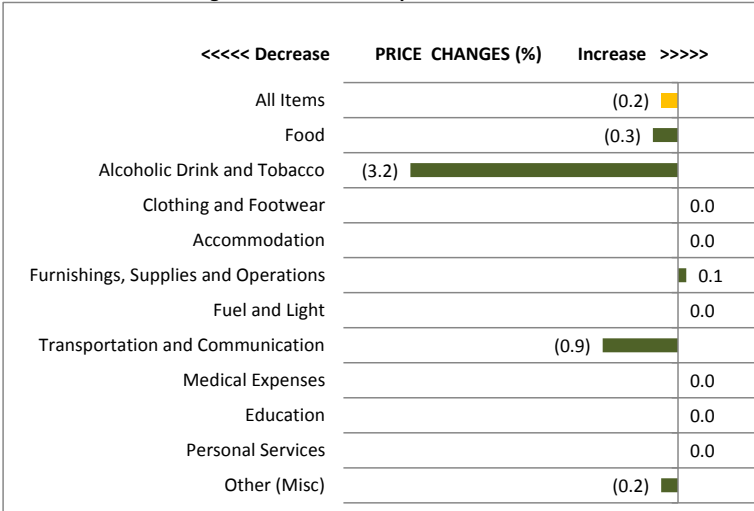
Although this level of inflation is slight it doesn't mean that all prices are identical to those of a year ago. Seven of the eleven price categories including Food are showing slight increases in the level of inflation while energy prices decreased by 8.0% and the All Items Less Food and Energy up 1.1%. The primary cause of the reduction in the overall inflation is that energy prices are down while other categories increased.

The Food Index increased by 0.3%. Both Food Not Elsewhere Specified (Food N.E.S) Index and Fats and Oils Index had the largest increases of 5.1%. The Index for Fruits and Vegetables increased 3.8%.

The Gasoline Index and the Electricity Index were the main cause of the decline in the Energy Index. Gasoline at the pump fell 7.4%. The Fuel and Light Index declined by 8.3% over the period February 2015 to February 2016. The fuel variation rate declined from 69 cents to 60 cents over the 12 month span.

The All Items Less Food and Energy Index increased by 1.1% over the past 12 months. The Index for Services, Household Operations and Goods rose by 0.5% and the Index for Personal Effects advanced 0.7%. The overall increase for the All Items Less Food and Energy was also impacted by increases in the indexes for Education, Personal Services and Clothing.

Month-to-Month Changes for Feb 2016 compared to Jan 2016



The Consumer Price Index for the February 2016 decreased 0.2 percent for the one month period January to February 2016. The Food Index which fell 0.7% in January 2016 declined 0.3% in February 2016. The Index for Meats declined 0.8% after rising 1.6 percent in January. The Index for Dairy Products decreased by 1.8%. The Index for Fruits and Vegetables declined 0.5%. The Vegetables Index declined 4.4% and the Index for Starchy Foods decreased by 1.9%.

The Index for Alcoholic Drink and Tobacco declined by 3.2%. This decline resulted from decreases in the average prices for both alcoholic beverages and cigarettes.

The Energy Index decreased by 1.9%. The Gasoline Index declined 7.4% when gasoline at the pump declined from \$13.50 to \$12.50 per gallon. The Index for Transportation and Communication declined by 0.9% as a result of the reduction of gasoline prices. Its sub-component Index Operation of Personal Transportation fell by 1.2%. The Index for Fuel and Light remain unchanged as there was no change in the Fuel and Light category from January 2016. The fuel variation rate remained at 60 cents from April 2015 to January 2016.

Chart 1: Change in Index Contribution for Feb 2016 Inflation

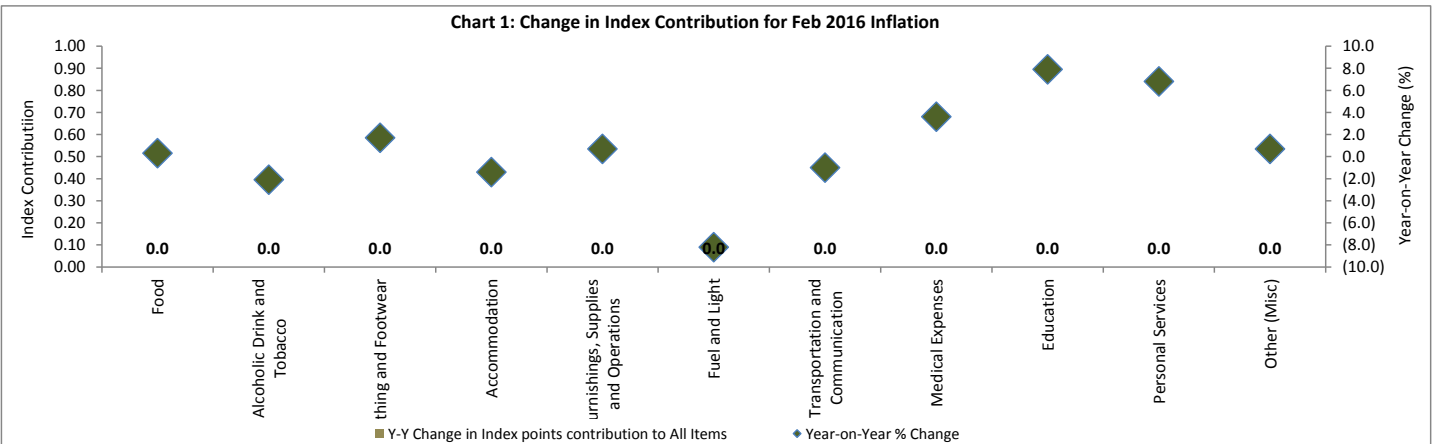


Table 1: Examples of Goods and Services in the 2001-based Consumer Shopping Basket

Main Expenditure Categories	No. of Items	Example of Goods and Services for which prices are collected to calculate the inflation rate	Frequency of price collection
Food	173	<i>Breakfast cereal, milk, coffee, juices, chicken, wine, vegetables, fruits, full-service meals, snacks</i>	Monthly
Alcoholic Drink and Tobacco	12	<i>Beer, stout, rum, whisky</i>	Monthly
Clothing and Footwear	65	<i>Men's pants, boys shorts, women's dresses, brassieres, underwear, infant's disposable diapers, watches, rings, bags</i>	Quarterly
Accommodation	10	<i>Rent paid, repairs and maintenance, property taxes, mortgage payments</i>	Quarterly
Furnishings, Supplies and Operations	74	<i>Sofas, mattress, kitchen cabinets, dressing table, rugs, linoleum, curtains, glassware; hourly wage rate</i>	Quarterly
Fuel and Light	2	<i>Electricity, LPG cooking gas</i>	Monthly
Transportation and Communication	27	<i>cellular phones, cars, license, gasoline, insurance, driving permit</i>	Quarterly
Medical Expenses	16	<i>doctor's bill, hospital care room rate, medicine</i>	Quarterly
Education	8	<i>Tuition fees, books, school supplies, exam fees</i>	Quarterly
Personal Services	10	<i>Hair cut, pedicure, manicure, driving lessons</i>	Quarterly
Other (Misc)	45	<i>Body lotion, toothpaste, shampoo, carnival costumes, gym membership</i>	Monthly, Quarterly
Total number of goods and services in the basket	442	Prices are collected from the second Monday to the second Thursday of every month	

¹ Outlets refer to the businesses where prices are collected (e.g supermarkets). The same outlets are used for Food, Alcoholic Drink & Tobacco, and some Other (Misc) items

What is the Consumer Price Index?

The Consumer Price Index (CPI) is a statistical indicator of changes in the general level of prices of consumer goods and services purchased by private households. The CPI measures price movements of a fixed quality and quantity of goods and services. The mix of these consumer goods and services comprising the CPI are referred to as a "shopping basket." In constructing this "shopping basket", the selected goods and services are organised first by commodity type. They are then divided into sections, then sub-groups and then assigned to a major expenditure category. The Antigua and Barbuda CPI has 26 sections, 30 sub-groups and 11 major categories.

What is the Base Period?

The base period (base year) is the time period that is used as a reference point for measuring the price change of goods and services. The base period for the Antigua and Barbuda CPI is January 2001.

The base period index is represented as 100.0. (Usually presented as 2001 = 100). So for instance, if the April 2010 CPI for chicken legs is 167.1, then it means that the price for chicken legs has gone up by 67.1% since 2001. Similarly, if the January 2010 CPI for bread is 93.1, then the price of bread has dropped by 6.9% compared to its price in 2001.

What is Inflation?

Inflation is the process of rising prices, resulting in diminishing purchasing power of a given amount of money. There are three expressions of price changes:

- year-on-year (*the inflation rate*)
- month-to-month
- annual average (or annualised average)

The annual average CPI is derived by summing the CPI for each month of the year and dividing by 12.

What are Weights?

Weights can be considered in the same way we would express how much we spend on various goods and services each month. Just like a monthly salary can be broken down as 20% on rent, 25% food, 15% mortgage, 10% on utilities and so on, the CPI weights are a collective expression of how households would generally spend their monthly income on goods and services.

The weights for this series of CPI were drawn from a survey of a sample of households in 2001 (the base period). Each household was asked to keep a record of their expenditure for one month. Once completed, the expenditures were added to determine the pattern. This pattern is what is referred to as the weights.

The current weights assume that each month, households would spend the most on *Accommodation* (218.3) followed by *Food* (214.2) and *Transportation and Communication* (153.5). Households would also spend the least on *Alcoholic Drink and Tobacco* (1.6).

Index Points Contribution

Contribution of each expenditure category (category weight over All Items weight) to the All Items index points change.

$$\begin{aligned}
 \text{Year-on-Year Inflation} &= \frac{\text{June 2010 CPI} - \text{June 2009 CPI}}{\text{June 2009 CPI}} \times 100 \\
 \text{Month-to-Month Price Changes} &= \frac{\text{June 2010 CPI} - \text{May 2010 CPI}}{\text{May 2010 CPI}} \times 100 \\
 \text{Annualised Inflation Rate} &= \frac{\text{Average 2010 CPI} - \text{Average 2009 CPI}}{\text{Average 2009 CPI}} \times 100
 \end{aligned}$$

The compilation of the CPI and the calculation of the inflation rate involve the processing of hundreds of price quotations. The Statistics Division wishes to acknowledge the cooperation of the business community in supplying the required prices and accommodating the Statistical Officers on their premises. Price collection is authorised by the *General Statistics Act, No. 13 of 1975*.

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Table 2: CPI and Inflation Rate for Main Categories, Sub-groups and Sections

Expenditure Category and Sub Groups - means zero 0.0 means negligible	Jan 2001 weights	Consumer Price Indices			Year-on-Year % Change	Month-to-Month % Change
		Feb-2016	Jan-2016	Feb-2015	Feb-2016	Feb-2016
					Feb-2015	Jan-2016
All Items	1000.00	134.81	135.10	134.72	0.1	(0.2)
FOOD:	214.20	158.54	158.97	158.09	0.3	(0.3)
Bakery & Cereal Products	199.44	117.40	116.61	118.74	(1.1)	0.7
Bakery	875.34	116.38	115.41	116.47	(0.1)	0.8
Cereal	124.66	124.56	125.03	134.71	(7.5)	(0.4)
Meats	225.02	182.98	184.68	190.50	(3.9)	(0.9)
Beef	59.92	224.09	224.83	221.62	1.1	(0.3)
Pork	37.71	149.08	151.68	170.66	(12.6)	(1.7)
Lamb	36.48	225.21	222.22	249.41	(9.7)	1.3
Mutton	51.99	249.58	238.20	234.96	6.2	4.8
Preserved Meat	156.39	200.98	208.72	207.57	(3.2)	(3.7)
Poultry	316.64	217.44	214.97	233.32	(6.8)	1.1
Fish	340.85	124.56	129.93	126.54	(1.6)	(4.1)
Dairy Products	93.37	184.11	187.50	189.83	(3.0)	(1.8)
Milk	614.06	182.26	184.72	191.99	(5.1)	(1.3)
Cheese	209.94	200.83	201.22	197.21	1.8	(0.2)
Eggs	176.00	170.63	180.84	173.47	(1.6)	(5.6)
Fats & Oils	33.11	181.93	182.37	173.10	5.1	(0.2)
Butter/Oils	1000.00	181.93	182.37	173.10	5.1	(0.2)
Fruits & Vegetables	185.81	163.91	164.57	157.87	3.8	(0.4)
Fruits	222.14	198.04	182.60	167.29	18.4	8.5
Fruit Juices	170.54	138.21	139.40	140.75	(1.8)	(0.9)
Vegetables	498.73	161.78	168.99	163.40	(1.0)	(4.3)
Starchy Foods	108.60	144.20	146.93	140.04	3.0	(1.9)
Sugars, Jams, Confectionery	39.29	166.07	165.70	162.72	2.1	0.2
Sugar	776.23	168.43	167.26	164.54	2.4	0.7
Syrups	92.70	174.05	172.66	175.78	(1.0)	0.8
Jams & Jellies	17.80	105.09	105.09	105.09	-	-
Candy	113.27	152.90	158.82	148.61	2.9	(3.7)
Hot Beverages	15.30	231.73	233.55	224.26	3.3	(0.8)
Foods n.e.s	147.96	155.63	154.11	148.08	5.1	1.0
Condiments & Spices	230.21	207.74	204.18	199.31	4.2	1.7
Miscellaneous Food	159.46	131.76	127.37	117.93	11.7	3.4
Meals Out	610.33	142.21	142.21	136.64	4.1	-
Non-Alcoholic Beverages	60.68	118.37	117.77	115.60	2.4	0.5
ALCOHOLIC DRINK & TOBACCO:	1.60	137.66	142.25	140.56	(2.1)	(3.2)
Alcoholic Beverages	888.15	137.56	142.65	141.38	(2.7)	(3.6)
Tobacco	111.85	138.47	139.08	134.06	3.3	(0.4)
CLOTHING & FOOTWEAR:	110.60	104.60	104.60	102.88	1.7	-
Clothing	755.67	102.36	102.36	99.43	2.9	-
Men's	274.10	119.48	119.48	118.16	1.1	-
Boys'	70.06	126.84	126.84	126.54	0.2	-
Women's	335.61	62.87	62.87	55.22	13.9	-
Girls'	65.87	87.23	87.23	87.04	0.2	-
Infants'	33.47	108.83	108.83	108.83	-	-
Accessories & Raw Materials	220.90	136.89	136.89	137.05	(0.1)	-
Footwear	244.33	111.53	111.53	113.53	(1.8)	-
ACCOMMODATION	218.30	107.54	107.54	109.12	(1.4)	-
FURNISHINGS, SUPPLIES & OPERATIONS:	126.00	141.55	141.42	140.61	0.7	0.1
Furniture, Fixtures & Floor Coverings	209.17	185.42	185.42	182.83	1.4	-
Household Textiles & Furnishings/ Soft Furnishings	66.19	120.30	120.30	120.42	(0.1)	-
Household Utensils	6.72	228.01	228.01	166.47	37.0	-
Household Appliances	263.73	126.11	126.11	127.33	(1.0)	-
Services, Household Operations & Goods	454.19	132.13	131.85	131.45	0.5	0.2
FUEL & LIGHT	63.90	131.73	131.73	143.50	(8.2)	-
TRANSPORTATION & COMMUNICATION:	153.50	136.33	137.63	137.65	(1.0)	(0.9)
Communication Services	92.78	118.31	118.31	118.31	-	-
Operation of Personal Transportation	823.48	137.40	139.13	139.20	(1.3)	(1.2)
Repairs & Maintenance of Personal Transportation	35.48	148.18	148.18	145.28	2.0	-
Transport Services	48.26	144.16	141.46	142.62	1.1	1.9
MEDICAL EXPENSES:	27.60	143.61	143.61	138.65	3.6	-
Private Practitioners	829.46	144.09	144.09	138.34	4.2	-
Pharmaceutical	170.54	141.24	141.24	140.16	0.8	-
EDUCATION	23.40	217.57	217.57	201.71	7.9	-
PERSONAL SERVICES:	43.00	165.42	165.42	154.82	6.8	-
Personal Care	1000.00	165.42	165.42	154.82	6.8	-
OTHER (MISCELLANEOUS):	17.90	124.81	125.09	123.91	0.7	(0.2)
Personal Effects	1000.00	124.81	125.09	123.91	0.7	(0.2)
	All Items less Food	128.34	128.59	128.36	-	(0.2)
	All Items LESS Energy	134.24	134.31	133.09	0.9	(0.1)
	All Items less Food and Energy	126.87	126.84	125.52	1.1	-

Table 3: Distribution of Changes in the Inflation Rate

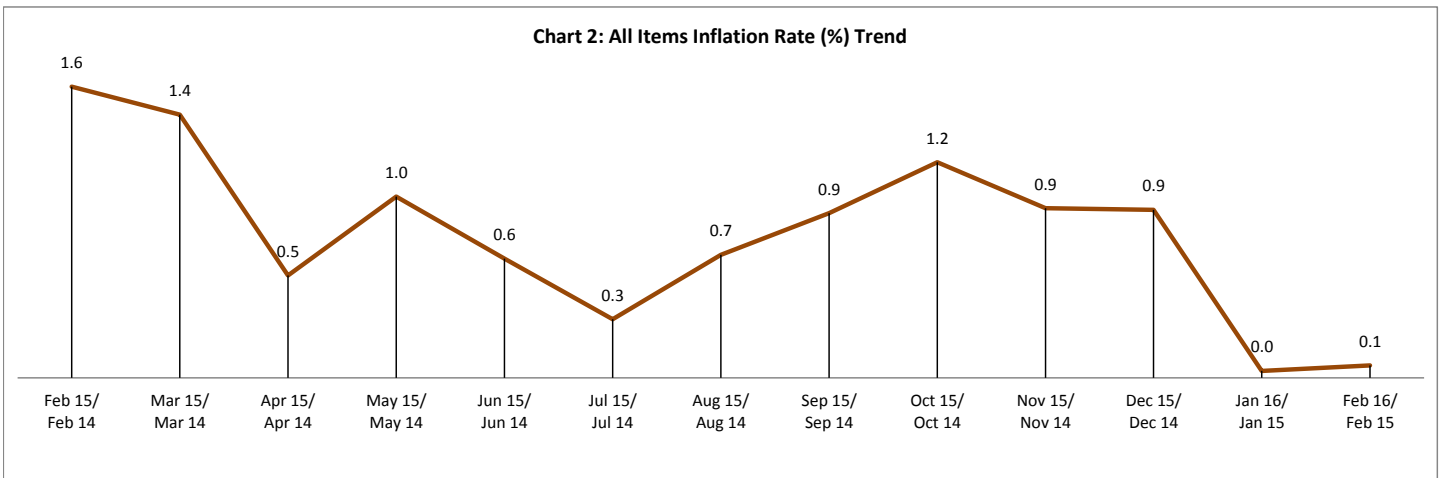
	No. of categories	No. of Decreases	No. of Increases	No. of No Changes
Feb 2016 compared to Feb 2015				
Main Expenditure Level	11	4	7	0
Sub Group Level	26	8	17	1
Section Level	30	13	15	2
Jan 2016 compared to Jan 2015				
Main Expenditure Category Level	11	3	8	0
Sub Group Level	26	7	18	1
Section Level	30	9	19	2
Dec 2015 compared to Dec 2014				
Main Expenditure Category Level	11	4	7	0
Sub Group Level	26	8	17	1
Section Level	30	8	21	1
Feb 2016 compared to Jan 2016				
Main Expenditure Category Level	11	4	1	6
Sub Group Level	26	9	6	11
Section Level	30	13	9	8

Table 3 outlines the distribution of price movements for four inflation periods:

Feb 2016 compared to Feb 2015
 Jan 2016 compared to Jan 2015
 Dec 2015 compared to Dec 2014
 Feb 2016 compared to Jan 2016

In Feb 2016 compared to Feb 2015, 4 of the 11 main expenditure categories recorded price decreases, while 7 recorded price increases. 17 of the 26 sub-group levels also recorded price increases for some of the items that fall in that level. These collective increases and decreases would account for the magnitude and direction of the current inflation rate. 0 of the 11 main expenditure categories recorded no price changes.

Graphical Analysis of the Consumer Price Index



Featured Expenditure Category

