



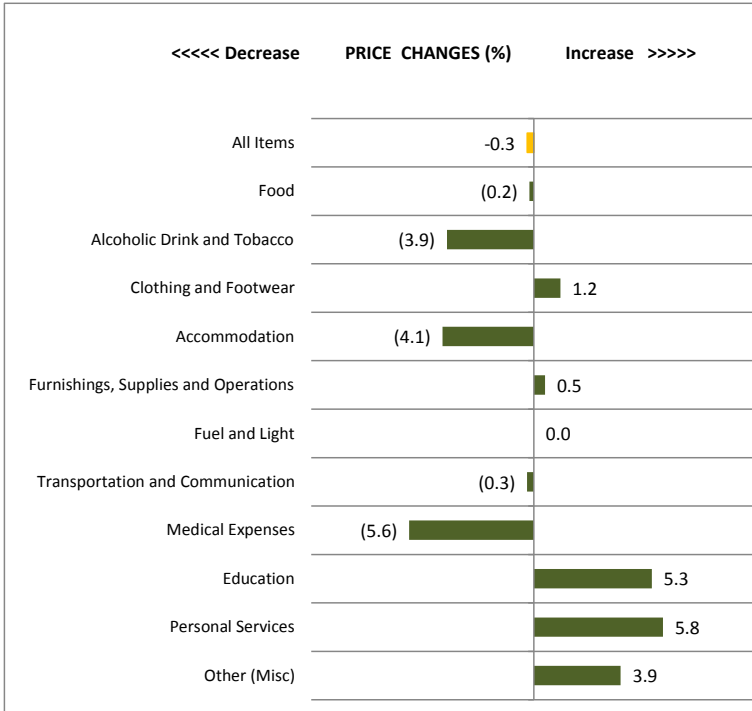
Antigua and Barbuda CONSUMER PRICE INDEX



Release date: 15 Aug 2011

Jul 2016 Inflation Rate -0.3%

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



In July 2016, the annual rate for Consumer Prices fell 0.3%. The Food Index declined 0.2% the third largest decline since May 2016. Three of the nine major supermarket food groups indexes declined during this period.

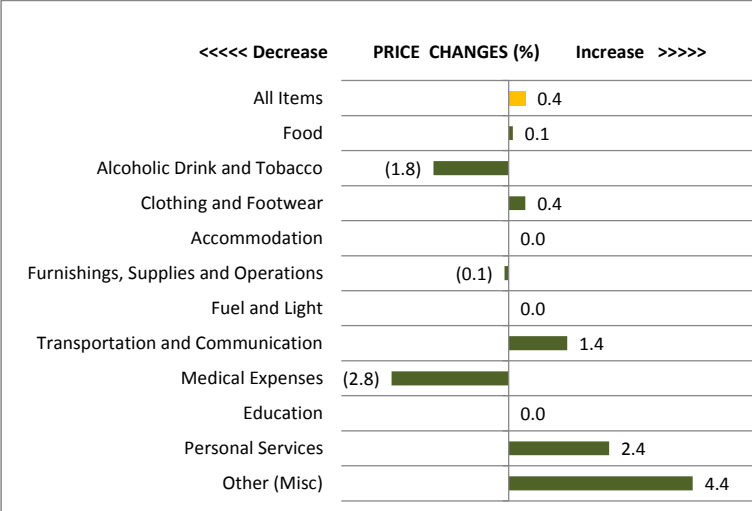
The Index for Meats declined 2.5% over the last twelve months and the Index for Dairy Products has fallen 1.9%. The Index of Bakery and Cereals Products posted a smaller decline of 0.8%.

The Energy Index declined 1.9% over the last year. This decline was attributed to the decrease of gasoline at the pump and the reduction of the fuel variation rate that took effect in February 2016.

The All Items Less Food and Energy Index declined 0.1% after a 0.4% decrease in the twelve month period ending June 2016. The declines were in an array of indexes including Alcoholic Beverages, Transportation of Potable Water, Airline Fares, Medical Expenses and Personal Effects.

The Index for Personal Services increased by 5.8% with increases in the average prices for laundry services. The Index Other (Miscellaneous) increased 3.9%. This increase was attributed to increases in carnival costumes and band fees.

Month-to-Month Changes for Jul 2016 compared to Jun 2016



The Consumer Price Index for the month ending July 2016 increased 0.4% over the month ending June 2016. The Food Index increased 0.1% after a decline of 0.1% in June 2016.

The Index for Fats and Oils increased by 0.8% after been unchanged in June. The Index for Food Not Elsewhere Specified (Food N.E.S) rose 0.5% and the Index for Meats increased 0.5%.

In contrast to these increases, the Index for Dairy Products declined 1.0% its fourth consecutive decline. The Index for Sugar, Jams and Confectionery fell by 0.8% and the Index for Fruits and Vegetables declined by 0.4%.

The Index for Alcoholic Drink and Tobacco declined 1.8% after an increase of 0.5% in June.

The Medical Expenses Index declined 2.8% resulting from average price reduction of drugs and medical supplies.

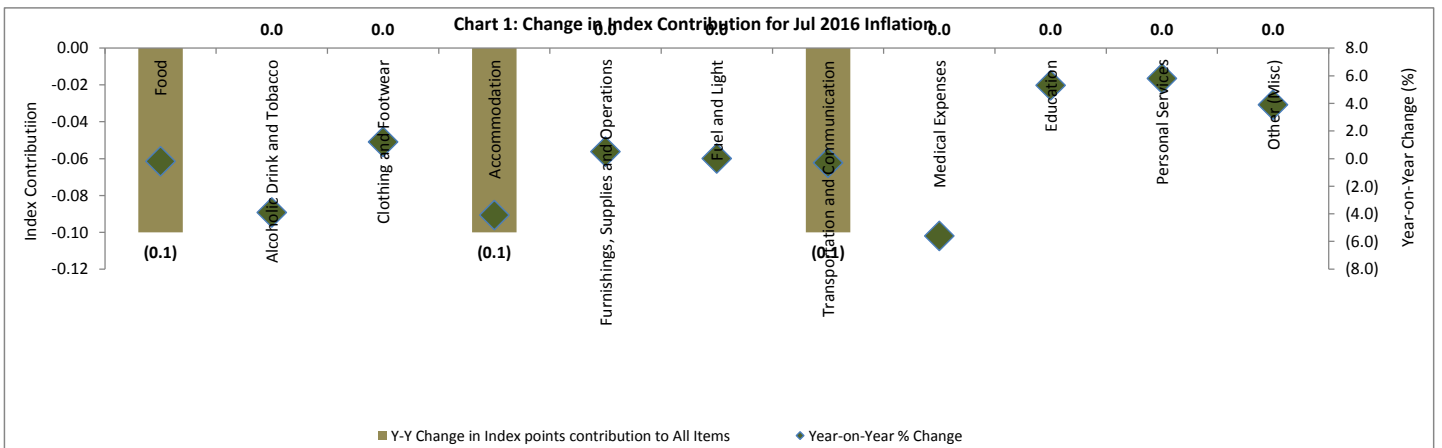


Table 1: Examples of Goods and Services in the 2001-based Consumer Shopping Basket

| 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 |
|---|--------------------------------|------------------------|----------|----------|--------------------------|----------------------------|
| | | Jul-2016 | Jun-2016 | Jul-2015 | Jul-2016 | Jul-2016 |
| | | | | | Jul-2015 | Jun-2016 |
| All Items | 1000.00 | 133.80 | 133.27 | 134.19 | (0.3) | 0.4 |
| FOOD: | 214.20 | 156.14 | 155.95 | 156.50 | (0.2) | 0.1 |
| Bakery & Cereal Products | 199.44 | 117.30 | 117.21 | 118.27 | (0.8) | 0.1 |
| Bakery | 875.34 | 116.20 | 116.07 | 116.98 | (0.7) | 0.1 |
| Cereal | 124.66 | 125.03 | 125.19 | 127.32 | (1.8) | (0.1) |
| Meats | 225.02 | 181.75 | 180.83 | 186.38 | (2.5) | 0.5 |
| Beef | 59.92 | 214.45 | 214.19 | 226.83 | (5.5) | 0.1 |
| Pork | 37.71 | 185.85 | 182.25 | 156.30 | 18.9 | 2.0 |
| Lamb | 36.48 | 217.59 | 224.34 | 241.40 | (9.9) | (3.0) |
| Mutton | 51.99 | 264.31 | 265.23 | 233.08 | 13.4 | (0.3) |
| Preserved Meat | 156.39 | 205.41 | 206.25 | 210.47 | (2.4) | (0.4) |
| Poultry | 316.64 | 202.77 | 203.04 | 220.34 | (8.0) | (0.1) |
| Fish | 340.85 | 128.72 | 124.97 | 127.00 | 1.4 | 3.0 |
| Dairy Products | 93.37 | 183.41 | 185.31 | 186.97 | (1.9) | (1.0) |
| Milk | 614.06 | 182.77 | 185.63 | 188.57 | (3.1) | (1.5) |
| Cheese | 209.94 | 201.30 | 202.02 | 197.97 | 1.7 | (0.4) |
| Eggs | 176.00 | 164.28 | 164.28 | 168.28 | (2.4) | - |
| Fats & Oils | 33.11 | 183.04 | 181.57 | 174.27 | 5.0 | 0.8 |
| Butter/Oils | 1000.00 | 183.04 | 181.57 | 174.27 | 5.0 | 0.8 |
| Fruits & Vegetables | 185.81 | 153.82 | 154.38 | 153.53 | 0.2 | (0.4) |
| Fruits | 222.14 | 188.50 | 189.36 | 168.72 | 11.7 | (0.5) |
| Fruit Juices | 170.54 | 138.54 | 137.05 | 143.06 | (3.2) | 1.1 |
| Vegetables | 498.73 | 147.03 | 148.42 | 153.18 | (4.0) | (0.9) |
| Starchy Foods | 108.60 | 138.08 | 137.46 | 140.56 | (1.8) | 0.5 |
| Sugars, Jams, Confectionery | 39.29 | 162.58 | 163.88 | 159.04 | 2.2 | (0.8) |
| Sugar | 776.23 | 162.30 | 163.97 | 159.76 | 1.6 | (1.0) |
| Syrups | 92.70 | 187.39 | 187.39 | 171.05 | 9.6 | - |
| Jams & Jellies | 17.80 | 104.52 | 104.52 | 105.09 | (0.5) | - |
| Candy | 113.27 | 153.33 | 153.38 | 152.74 | 0.4 | - |
| Hot Beverages | 15.30 | 232.09 | 234.17 | 229.54 | 1.1 | (0.9) |
| Foods n.e.s | 147.96 | 155.52 | 154.72 | 151.43 | 2.7 | 0.5 |
| Condiments & Spices | 230.21 | 205.15 | 205.95 | 198.62 | 3.3 | (0.4) |
| Miscellaneous Food | 159.46 | 135.84 | 136.84 | 124.63 | 9.0 | (0.7) |
| Meals Out | 610.33 | 141.95 | 140.07 | 140.63 | 0.9 | 1.3 |
| Non-Alcoholic Beverages | 60.68 | 117.51 | 114.87 | 116.22 | 1.1 | 2.3 |
| ALCOHOLIC DRINK & TOBACCO: | 1.60 | 134.42 | 136.91 | 139.83 | (3.9) | (1.8) |
| Alcoholic Beverages | 888.15 | 133.62 | 136.91 | 140.58 | (5.0) | (2.4) |
| Tobacco | 111.85 | 140.75 | 136.97 | 133.94 | 5.1 | 2.8 |
| CLOTHING & FOOTWEAR: | 110.60 | 104.19 | 103.74 | 102.98 | 1.2 | 0.4 |
| Clothing | 755.67 | 101.37 | 101.37 | 99.66 | 1.7 | - |
| Men's | 274.10 | 117.16 | 117.16 | 115.54 | 1.4 | - |
| Boys' | 70.06 | 127.26 | 127.26 | 126.61 | 0.5 | - |
| Women's | 335.61 | 62.24 | 62.24 | 57.11 | 9.0 | - |
| Girls' | 65.87 | 86.31 | 86.31 | 88.37 | (2.3) | - |
| Infants' | 33.47 | 108.72 | 108.72 | 110.11 | (1.3) | - |
| Accessories & Raw Materials | 220.90 | 136.39 | 136.39 | 137.83 | (1.0) | - |
| Footwear | 244.33 | 112.90 | 111.05 | 113.24 | (0.3) | 1.7 |
| ACCOMMODATION | 218.30 | 104.65 | 104.65 | 109.12 | (4.1) | - |
| FURNISHINGS, SUPPLIES & OPERATIONS: | 126.00 | 143.13 | 143.22 | 142.38 | 0.5 | (0.1) |
| Furniture, Fixtures & Floor Coverings | 209.17 | 185.11 | 185.11 | 187.12 | (1.1) | - |
| Household Textiles & Furnishings/ Soft Furnishings | 66.19 | 146.94 | 146.94 | 122.50 | 20.0 | - |
| Household Utensils | 6.72 | 242.54 | 242.54 | 181.15 | 33.9 | - |
| Household Appliances | 263.73 | 126.24 | 126.00 | 129.63 | (2.6) | 0.2 |
| Services, Household Operations & Goods | 454.19 | 131.58 | 131.91 | 131.50 | 0.1 | (0.3) |
| FUEL & LIGHT | 63.90 | 131.73 | 131.73 | 131.73 | - | - |
| TRANSPORTATION & COMMUNICATION: | 153.50 | 137.59 | 135.63 | 138.03 | (0.3) | 1.4 |
| Communication Services | 92.78 | 118.30 | 118.30 | 118.31 | - | - |
| Operation of Personal Transportation | 823.48 | 138.98 | 136.73 | 139.60 | (0.4) | 1.6 |
| Repairs & Maintenance of Personal Transportation | 35.48 | 151.40 | 147.51 | 142.70 | 6.1 | 2.6 |
| Transport Services | 48.26 | 140.79 | 141.50 | 145.63 | (3.3) | (0.5) |
| MEDICAL EXPENSES: | 27.60 | 135.13 | 139.09 | 143.19 | (5.6) | (2.8) |
| Private Practitioners | 829.46 | 133.87 | 138.66 | 143.82 | (6.9) | (3.5) |
| Pharmaceutical | 170.54 | 141.21 | 141.21 | 140.16 | 0.7 | - |
| EDUCATION | 23.40 | 212.44 | 212.44 | 201.71 | 5.3 | - |
| PERSONAL SERVICES: | 43.00 | 167.28 | 163.40 | 158.14 | 5.8 | 2.4 |
| Personal Care | 1000.00 | 167.28 | 163.40 | 158.14 | 5.8 | 2.4 |
| OTHER (MISCELLANEOUS): | 17.90 | 128.57 | 123.12 | 123.76 | 3.9 | 4.4 |
| Personal Effects | 1000.00 | 128.57 | 123.12 | 123.76 | 3.9 | 4.4 |
| | All Items less Food | 127.71 | 127.08 | 128.11 | (0.3) | 0.5 |
| | All Items LESS Energy | 133.14 | 132.56 | 133.33 | (0.1) | 0.4 |
| | All Items less Food and Energy | 126.17 | 125.48 | 126.31 | (0.1) | 0.5 |

Table 3: Distribution of Changes in the Inflation Rate

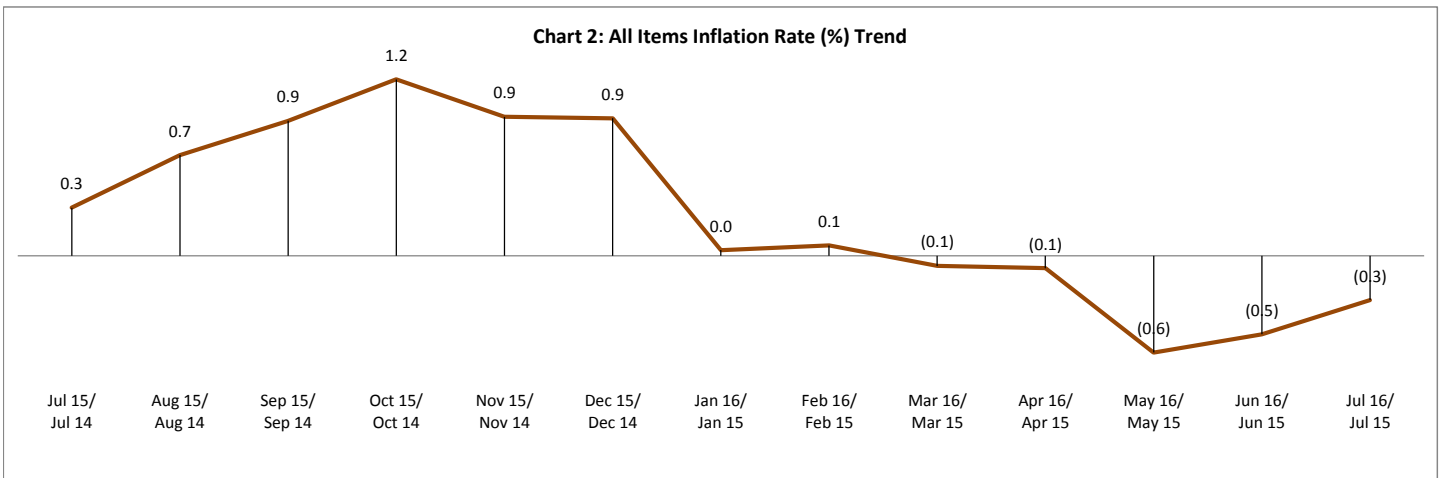
| | No. of categories | No. of Decreases | No. of Increases | No. of No Changes |
|--------------------------------------|-------------------|------------------|------------------|-------------------|
| Jul 2016 compared to Jul 2015 | | | | |
| Main Expenditure Level | 11 | 5 | 5 | 1 |
| Sub Group Level | 26 | 11 | 15 | 0 |
| Section Level | 30 | 15 | 15 | 0 |
| Jun 2016 compared to Jun 2015 | | | | |
| Main Expenditure Category Level | 11 | 6 | 4 | 1 |
| Sub Group Level | 26 | 13 | 13 | 0 |
| Section Level | 30 | 14 | 16 | 0 |
| May 2016 compared to May 2015 | | | | |
| Main Expenditure Category Level | 11 | 6 | 4 | 1 |
| Sub Group Level | 26 | 11 | 15 | 0 |
| Section Level | 30 | 15 | 15 | 0 |
| Jul 2016 compared to Jun 2016 | | | | |
| Main Expenditure Category Level | 11 | 3 | 5 | 3 |
| Sub Group Level | 26 | 8 | 12 | 6 |
| Section Level | 30 | 12 | 8 | 10 |

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

- Jul 2016 compared to Jul 2015
- Jun 2016 compared to Jun 2015
- May 2016 compared to May 2015
- Jul 2016 compared to Jun 2016

In Jul 2016 compared to Jul 2015, 5 of the 11 main expenditure categories recorded price decreases, while 5 recorded price increases. 15 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. 1 of the 11 main expenditure categories recorded no price changes.

Graphical Analysis of the Consumer Price Index



Featured Expenditure Category

