



# Antigua and Barbuda CONSUMER PRICE INDEX



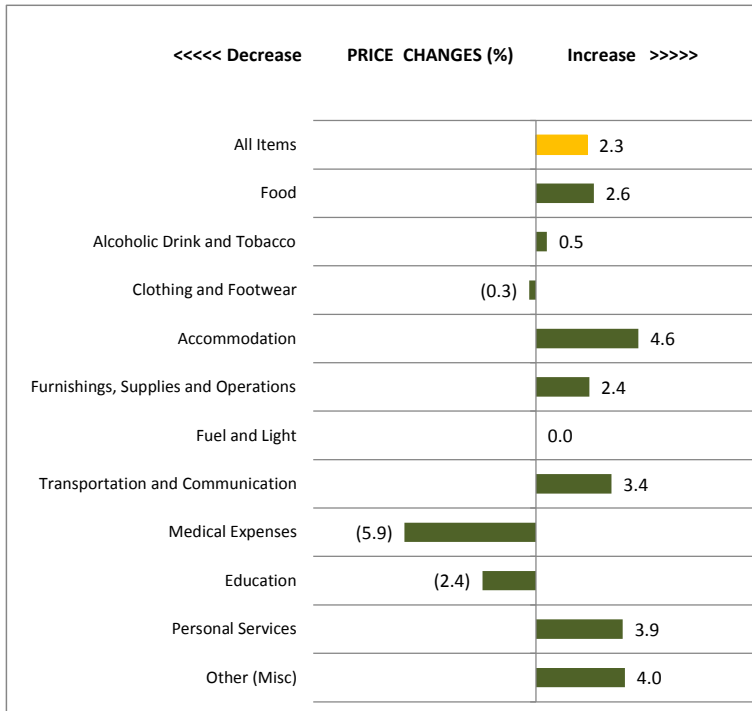
Release date: 19 May 2017

Mar 2017

Inflation Rate

2.3%

## Headline Inflation: Year-on-Year Changes for Mar 2017 compared to Mar 2016



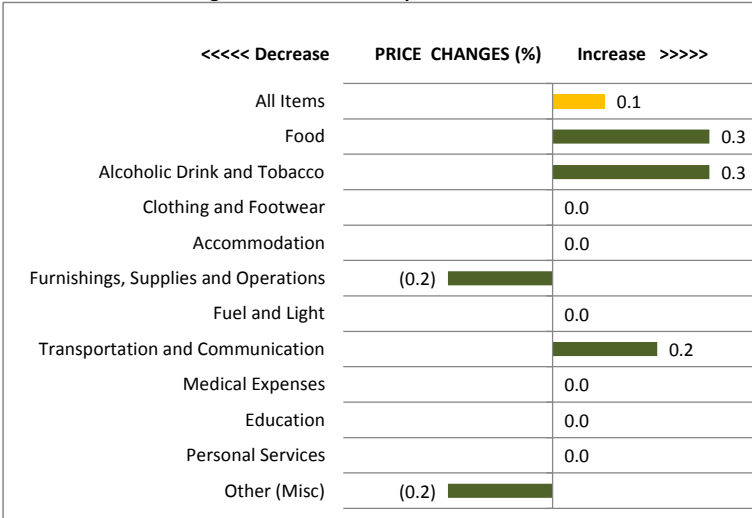
In March 2017, the annual rate for Consumer Prices increased 2.3%. The Food Index rose 2.6% as eight of the nine food groups indexes increased. Five of the eight indexes had increases above 2.6. The Index for Food Not Elsewhere Specified (Food N.E.S) and the Index for Fruits and Vegetables had the largest increase of 6.7% and 6.3% respectively. The increase in the Index for Food Not Elsewhere Specified (Food N.E.S) was impacted by the increase in the Index for Meals Out. The Index for Fruits and Vegetables increased 6.3% with the Indexes for both Vegetables and Starchy Foods rising above 6.0%.

The Index for Non-Alcoholic Beverages rose by 4.1% after decreasing in February. The Index for Hot Beverages increased 2.7% resulting from quality adjustments. The Index for Fats and Oils increased by 1.8%.

The Energy Index has remained unchanged at 0.0%. The Indexes for Gasoline at the Pump, Electricity and Cooking Gas were unchanged.

The All Items Less Food and Energy Index increased 2.5% over the past twelve months. The Index for Personal Effects increased by 4.0%. The Index for Alcoholic Drink and Tobacco increased 0.5%. The Index for Transport Services increased by 1.0%. The Accommodation Index remains unchanged at 4.6%.

## Month-to-Month Changes for Mar 2017 compared to Feb 2017



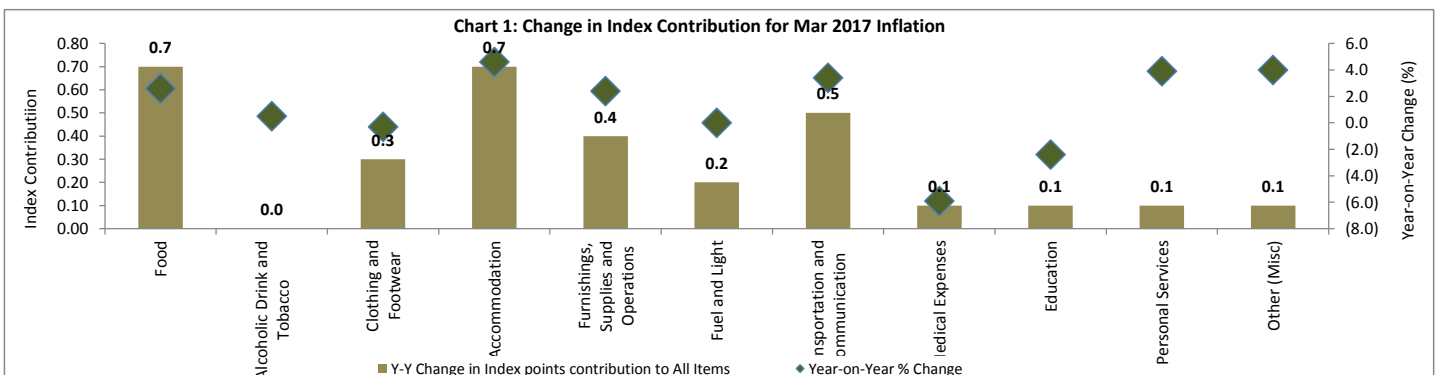
The Consumer Price Index increased 0.1% for the month ending March 2017.

The Food Index increased by 0.3% as six of the nine major food groups indexes increased. The Indexes for Non-Alcoholic Beverages had the largest increase of 3.0%. The Indexes for Meats and Fruits and Vegetables both increased by 0.5%. The Indexes for Bakery and Cereal Products, Dairy Products and Sugar, Jams Confectionery had marginal increases. The Index for Bakery and Cereal Products increased 0.2%, while both the Indexes for Dairy Products and Sugar, Jams Confectionery increased by 0.1%.

The Index for Alcoholic Drink and Tobacco rose 0.3% resulting from a 0.4% increase in the Index for Alcoholic Beverages.

The Index for Other (Miscellaneous) decreased by 0.2% in March after rising 0.1% in February.

In contrast to the increases, the Index for Furnishings, Supplies and Operations declined by 0.2% after rising in January.



**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            |
| <b>Total number of goods and services in the basket</b> | <b>442</b>   | <b>Prices are collected from the second Monday to the second Thursday of every month</b>                                   |                               |

<sup>1</sup> 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<br><br>- means zero      0.0 means negligible | Jan 2001<br>weights | Consumer Price Indices |          |          | Year-on-Year %<br>Change | Month-to-Month<br>% Change |
|---|---------------------|------------------------|----------|----------|--------------------------|----------------------------|
|   |                     | Mar-2017               | Feb-2017 | Mar-2016 | Mar-2017                 | Mar-2017                   |
|   |                     |                        |          |          | Mar-2016                 | Feb-2017                   |
| <b>All Items</b>  | 1000.00             | 137.44                 | 137.33   | 134.38   | 2.3                      | 0.1                        |
| <b>FOOD:</b>  | 214.20              | 160.67                 | 160.18   | 156.63   | 2.6                      | 0.3                        |
| Bakery & Cereal Products  | 199.44              | 117.97                 | 117.76   | 117.15   | 0.7                      | 0.2                        |
| Bakery  | 875.34              | 117.65                 | 117.65   | 115.76   | 1.6                      | -                          |
| Cereal  | 124.66              | 120.25                 | 118.52   | 126.96   | (5.3)                    | 1.5                        |
| Meats   | 225.02              | 181.82                 | 180.86   | 182.49   | (0.4)                    | 0.5                        |
| Beef  | 59.92               | 214.82                 | 215.00   | 225.85   | (4.9)                    | (0.1)                      |
| Pork  | 37.71               | 211.14                 | 209.03   | 153.84   | 37.2                     | 1.0                        |
| Lamb  | 36.48               | 226.04                 | 227.83   | 225.21   | 0.4                      | (0.8)                      |
| Mutton  | 51.99               | 265.89                 | 264.88   | 249.58   | 6.5                      | 0.4                        |
| Preserved Meat  | 156.39              | 209.97                 | 210.15   | 199.37   | 5.3                      | (0.1)                      |
| Poultry   | 316.64              | 195.87                 | 193.01   | 211.72   | (7.5)                    | 1.5                        |
| Fish  | 340.85              | 129.25                 | 129.17   | 128.35   | 0.7                      | 0.1                        |
| Dairy Products  | 93.37               | 188.73                 | 188.55   | 187.95   | 0.4                      | 0.1                        |
| Milk  | 614.06              | 190.55                 | 189.89   | 188.44   | 1.1                      | 0.3                        |
| Cheese  | 209.94              | 203.91                 | 202.19   | 200.83   | 1.5                      | 0.9                        |
| Eggs  | 176.00              | 164.28                 | 167.59   | 170.89   | (3.9)                    | (2.0)                      |
| Fats & Oils   | 33.11               | 184.04                 | 184.04   | 180.76   | 1.8                      | -                          |
| Butter/Oils   | 1000.00             | 184.04                 | 184.04   | 180.76   | 1.8                      | -                          |
| Fruits & Vegetables   | 185.81              | 163.85                 | 162.98   | 154.19   | 6.3                      | 0.5                        |
| Fruits  | 222.14              | 199.13                 | 193.82   | 191.29   | 4.1                      | 2.7                        |
| Fruit Juices  | 170.54              | 141.15                 | 141.15   | 139.41   | 1.2                      | -                          |
| Vegetables  | 498.73              | 159.10                 | 159.42   | 145.75   | 9.2                      | (0.2)                      |
| Starchy Foods   | 108.60              | 149.17                 | 150.54   | 140.30   | 6.3                      | (0.9)                      |
| Sugars, Jams, Confectionery   | 39.29               | 169.15                 | 168.92   | 165.94   | 1.9                      | 0.1                        |
| Sugar   | 776.23              | 168.37                 | 168.08   | 168.31   | -                        | 0.2                        |
| Syrups  | 92.70               | 187.39                 | 187.39   | 170.93   | 9.6                      | -                          |
| Jams & Jellies  | 17.80               | 104.52                 | 104.52   | 105.09   | (0.5)                    | -                          |
| Candy   | 113.27              | 169.68                 | 169.63   | 155.17   | 9.4                      | -                          |
| Hot Beverages   | 15.30               | 237.63                 | 240.46   | 231.32   | 2.7                      | (1.2)                      |
| Foods n.e.s   | 147.96              | 165.85                 | 166.70   | 155.37   | 6.7                      | (0.5)                      |
| Condiments & Spices   | 230.21              | 205.22                 | 208.93   | 206.21   | (0.5)                    | (1.8)                      |
| Miscellaneous Food  | 159.46              | 135.01                 | 135.02   | 132.35   | 2.0                      | -                          |
| Meals Out   | 610.33              | 159.06                 | 159.06   | 142.21   | 11.8                     | -                          |
| Non-Alcoholic Beverages   | 60.68               | 119.43                 | 115.91   | 114.78   | 4.1                      | 3.0                        |
| <b>ALCOHOLIC DRINK &amp; TOBACCO:</b>   | 1.60                | 139.69                 | 139.23   | 138.96   | 0.5                      | 0.3                        |
| Alcoholic Beverages   | 888.15              | 139.32                 | 138.81   | 138.69   | 0.5                      | 0.4                        |
| Tobacco   | 111.85              | 142.60                 | 142.60   | 141.10   | 1.1                      | -                          |
| <b>CLOTHING &amp; FOOTWEAR:</b>   | 110.60              | 104.32                 | 104.32   | 104.60   | (0.3)                    | -                          |
| Clothing  | 755.67              | 100.90                 | 100.90   | 102.36   | (1.4)                    | -                          |
| Men's   | 274.10              | 117.16                 | 117.16   | 119.48   | (1.9)                    | -                          |
| Boys'   | 70.06               | 128.27                 | 128.27   | 126.84   | 1.1                      | -                          |
| Women's   | 335.61              | 62.24                  | 62.24    | 62.87    | (1.0)                    | -                          |
| Girls'  | 65.87               | 86.31                  | 86.31    | 87.23    | (1.1)                    | -                          |
| Infants'  | 33.47               | 108.72                 | 108.72   | 108.83   | (0.1)                    | -                          |
| Accessories & Raw Materials   | 220.90              | 133.94                 | 133.94   | 136.89   | (2.2)                    | -                          |
| Footwear  | 244.33              | 114.89                 | 114.89   | 111.53   | 3.0                      | -                          |
| <b>ACCOMMODATION</b>  | 218.30              | 112.44                 | 112.44   | 107.54   | 4.6                      | -                          |
| <b>FURNISHINGS, SUPPLIES &amp; OPERATIONS:</b>                                    | 126.00              | 144.93                 | 145.17   | 141.56   | 2.4                      | (0.2)                      |
| Furniture, Fixtures & Floor Coverings   | 209.17              | 185.91                 | 185.91   | 185.42   | 0.3                      | -                          |
| Household Textiles & Furnishings/ Soft Furnishings                                | 66.19               | 163.90                 | 163.90   | 120.30   | 36.2                     | -                          |
| Household Utensils  | 6.72                | 253.15                 | 253.15   | 228.01   | 11.0                     | -                          |
| Household Appliances  | 263.73              | 128.60                 | 128.68   | 126.11   | 2.0                      | (0.1)                      |
| Services, Household Operations & Goods  | 454.19              | 131.17                 | 131.67   | 132.14   | (0.7)                    | (0.4)                      |
| <b>FUEL &amp; LIGHT</b>   | 63.90               | 131.73                 | 131.73   | 131.73   | -                        | -                          |
| <b>TRANSPORTATION &amp; COMMUNICATION:</b>  | 153.50              | 140.90                 | 140.65   | 136.21   | 3.4                      | 0.2                        |
| Communication Services  | 92.78               | 118.34                 | 118.34   | 118.31   | -                        | -                          |
| Operation of Personal Transportation  | 823.48              | 142.47                 | 142.47   | 137.40   | 3.7                      | -                          |
| Repairs & Maintenance of Personal Transportation                                  | 35.48               | 160.48                 | 153.34   | 148.18   | 8.3                      | 4.7                        |
| Transport Services  | 48.26               | 143.05                 | 143.05   | 141.61   | 1.0                      | -                          |
| <b>MEDICAL EXPENSES:</b>  | 27.60               | 135.12                 | 135.12   | 143.61   | (5.9)                    | -                          |
| Private Practitioners   | 829.46              | 133.87                 | 133.87   | 144.09   | (7.1)                    | -                          |
| Pharmaceutical  | 170.54              | 141.18                 | 141.18   | 141.24   | -                        | -                          |
| <b>EDUCATION</b>  | 23.40               | 212.44                 | 212.44   | 217.57   | (2.4)                    | -                          |
| <b>PERSONAL SERVICES:</b>   | 43.00               | 171.90                 | 171.90   | 165.42   | 3.9                      | -                          |
| Personal Care   | 1000.00             | 171.90                 | 171.90   | 165.42   | 3.9                      | -                          |
| <b>OTHER (MISCELLANEOUS):</b>   | 17.90               | 129.51                 | 129.80   | 124.56   | 4.0                      | (0.2)                      |
| Personal Effects  | 1000.00             | 129.51                 | 129.80   | 124.56   | 4.0                      | (0.2)                      |
| All Items less Food   |                     | 131.11                 | 131.10   | 128.31   | 2.2                      | -                          |
| All Items LESS Energy   |                     | 137.10                 | 136.98   | 133.77   | 2.5                      | 0.1                        |
| All Items less Food and Energy  |                     | 129.95                 | 129.95   | 126.84   | 2.5                      | -                          |

**Table 3: Distribution of Changes in the Inflation Rate**

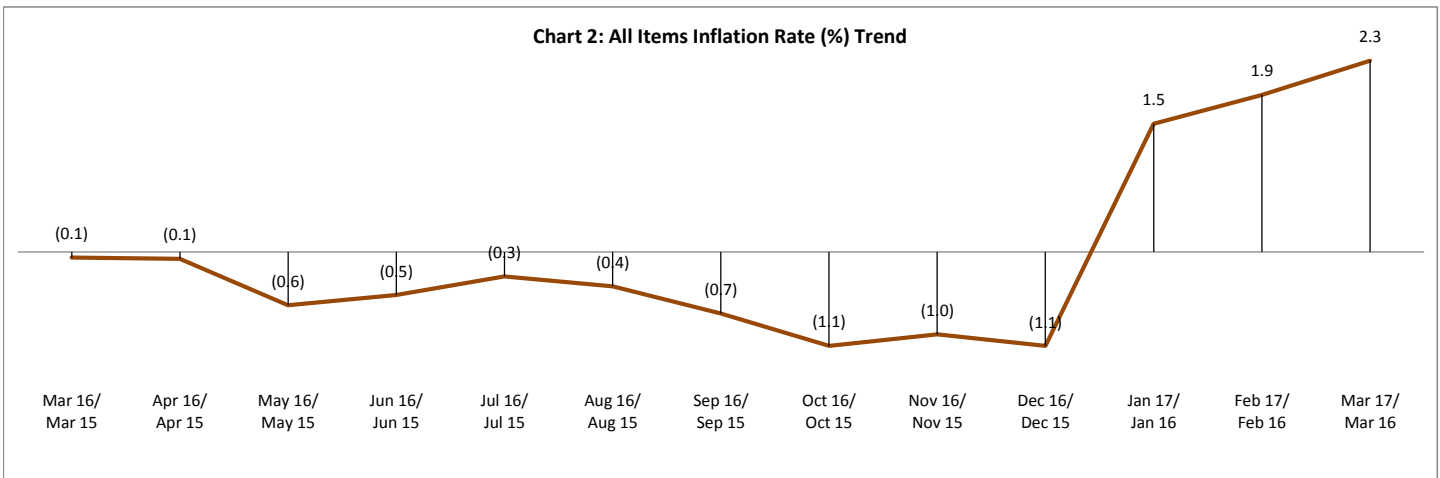
|                                      | No. of categories | No. of Decreases | No. of Increases | No. of No Changes |
|--------------------------------------|-------------------|------------------|------------------|-------------------|
| <b>Mar 2017 compared to Mar 2016</b> |                   |                  |                  |                   |
| Main Expenditure Level               | 11                | 3                | 7                | 1                 |
| Sub Group Level                      | 26                | 5                | 21               | 0                 |
| Section Level                        | 30                | 11               | 19               | 0                 |
| <b>Feb 2017 compared to Feb 2016</b> |                   |                  |                  |                   |
| Main Expenditure Category Level      | 11                | 3                | 7                | 1                 |
| Sub Group Level                      | 26                | 8                | 18               | 0                 |
| Section Level                        | 30                | 13               | 17               | 0                 |
| <b>Jan 2017 compared to Jan 2016</b> |                   |                  |                  |                   |
| Main Expenditure Category Level      | 11                | 4                | 6                | 1                 |
| Sub Group Level                      | 26                | 7                | 19               | 0                 |
| Section Level                        | 30                | 12               | 18               | 0                 |
| <b>Mar 2017 compared to Feb 2017</b> |                   |                  |                  |                   |
| Main Expenditure Category Level      | 11                | 2                | 3                | 6                 |
| Sub Group Level                      | 26                | 5                | 8                | 13                |
| Section Level                        | 30                | 7                | 9                | 14                |

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

- Mar 2017 compared to Mar 2016
- Feb 2017 compared to Feb 2016
- Jan 2017 compared to Jan 2016
- Mar 2017 compared to Feb 2017

In Mar 2017 compared to Mar 2016, 3 of the 11 main expenditure categories recorded price decreases, while 7 recorded price increases. 21 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**

