



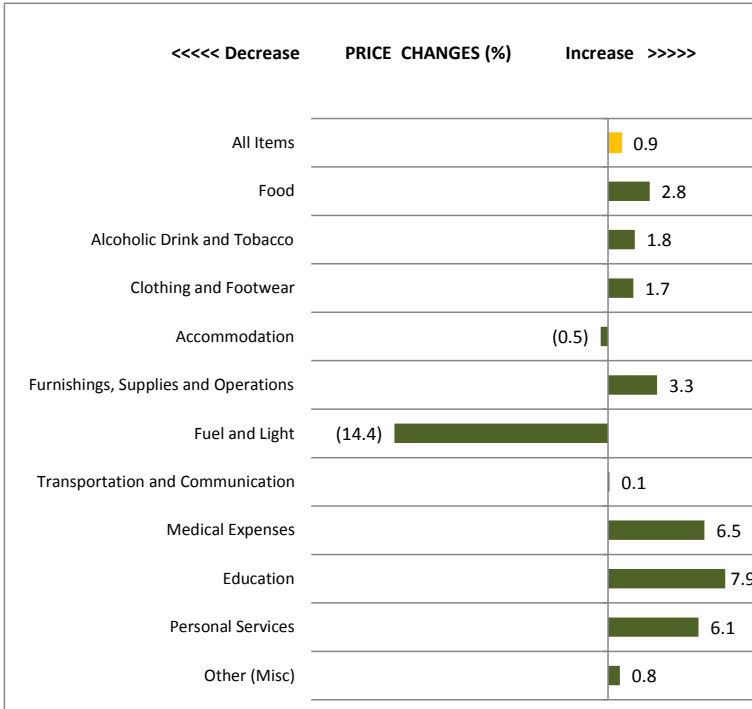
Antigua and Barbuda CONSUMER PRICE INDEX



Release date: 7 Oct 2015

Sep 2015 Inflation Rate **0.9%**

Headline Inflation: Year-on-Year Changes for Sep 2015 compared to Sep 2014



The Consumer Price Index for September 2015 increased by 0.9% over the twelve month period.

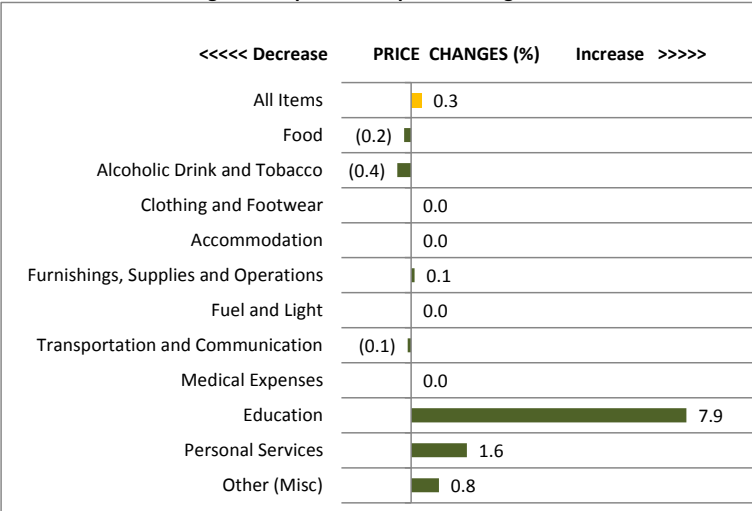
The All Items Less Food and Energy Index has risen 2.3% over the last twelve months; the twelve month change is the largest since July 2015 increase of 1.9%. The Education Index rose 7.9% with tuition fees increasing 12.4%. The indexes for Medical Expenses, Personal Services, Furnishings, Supplies and Operations, Alcoholic Drink and Tobacco and Clothing and Footwear are among the indexes that have increased over the past year.

The Food Index increased by 2.8% over the same twelve month period. The largest increase was the Fruits and Vegetables Index increasing by 8.6%. Both the Fruits and Vegetables indexes increased 8.2% and 9.9% respectively.

The Food Not Elsewhere Specified (Food N.E.S.) Index increased by 4.4%. The index for Miscellaneous Foods rose 6.4% and Condiments and Spices index increased 3.1%. The Index for Meats also increased by 0.9%. The index for both Preserved Meats and Beef rose but the index for Poultry declined by 3.4%. The Index for Bakery and Cereal Products increased by 1.3%, while the index for Dairy Products declined by 1.0%.

The Electricity Index declined by 14.5%. Fuel Variation Rate declined from 77 cents to 60 cents over the same twelve month period.

Month-to-Month Changes for Sep 2015 compared to Aug 2015



The Food Index declined 0.2% in September. The Index for Dairy Products declined by 1.6% with the Milk Index declining by 2.9%. The Meats Index declined by 1.3% with both Poultry and Preserved Meats indexes declining. The Index for Poultry declined 3.5% and the Index for Preserved Meat decreased by 2.9%. Contrary to those decreases the Index for Goat Meats and Pork increased over the one month period. The Index for Bakery and Cereal Products declined by 0.2% and the Index for Non-Alcoholic Beverages decreased by 2.2%.

The Index for Fruits and Vegetables increased by 1.0% with both the Indexes for Fruit juices and Vegetables posting increases. The Index for Sugars, Jams and Confectionery also increased, rising 0.9%. The Index for Food Not Elsewhere Specified (Food N.E.S.) increased 0.8%.

The Fuel and Light Index remain unchanged as there was no change in the Fuel and Light category from August 2015 to September 2015. The fuel variation rate remained at 60 cents for both periods.

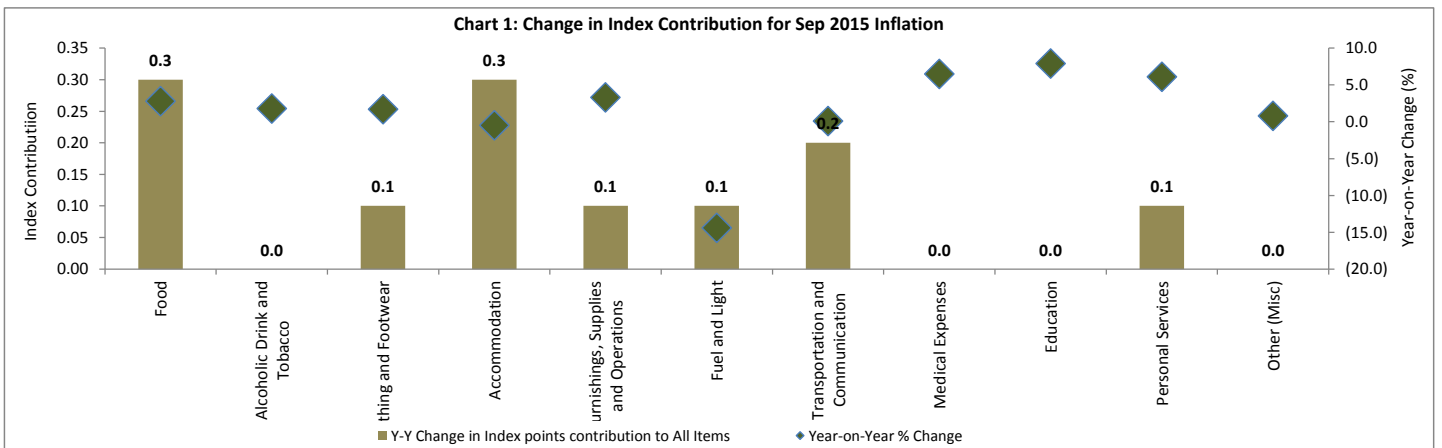


Table 1: Examples of Goods and Services in the 2001-based Consumer Shopping Basket

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
		Sep-2015	Aug-2015	Sep-2014	Sep-2015	Sep-2015
					Sep-2014	Aug-2015
All Items	1000.00	134.82	134.37	133.64	0.9	0.3
FOOD:	214.20	156.87	157.15	152.60	2.8	(0.2)
Bakery & Cereal Products	199.44	118.96	119.14	117.49	1.3	(0.2)
Bakery	875.34	118.03	118.02	114.42	3.2	-
Cereal	124.66	125.50	127.05	139.00	(9.7)	(1.2)
Meats	225.02	184.37	186.83	182.68	0.9	(1.3)
Beef	59.92	228.67	226.34	221.03	3.5	1.0
Pork	37.71	156.64	152.70	166.43	(5.9)	2.6
Lamb	36.48	222.43	241.40	233.87	(4.9)	(7.9)
Mutton	51.99	262.35	233.08	218.75	19.9	12.6
Preserved Meat	156.39	210.17	216.47	196.63	6.9	(2.9)
Poultry	316.64	211.49	219.23	218.86	(3.4)	(3.5)
Fish	340.85	126.64	127.06	126.74	(0.1)	(0.3)
Dairy Products	93.37	184.76	187.85	186.56	(1.0)	(1.6)
Milk	614.06	186.26	191.82	191.63	(2.8)	(2.9)
Cheese	209.94	195.85	195.98	191.77	2.1	(0.1)
Eggs	176.00	166.27	164.26	162.66	2.2	1.2
Fats & Oils	33.11	180.18	173.86	169.81	6.1	3.6
Butter/Oils	1000.00	180.18	173.86	169.81	6.1	3.6
Fruits & Vegetables	185.81	157.04	155.42	144.67	8.6	1.0
Fruits	222.14	168.42	169.43	155.67	8.2	(0.6)
Fruit Juices	170.54	146.76	144.54	138.00	6.3	1.5
Vegetables	498.73	158.00	153.40	143.83	9.9	3.0
Starchy Foods	108.60	145.54	153.15	136.45	6.7	(5.0)
Sugars, Jams, Confectionery	39.29	161.86	160.38	161.86	-	0.9
Sugar	776.23	163.55	160.96	164.26	(0.4)	1.6
Syrups	92.70	167.94	171.05	175.08	(4.1)	(1.8)
Jams & Jellies	17.80	105.09	105.09	105.09	-	-
Candy	113.27	154.22	156.35	143.50	7.5	(1.4)
Hot Beverages	15.30	233.61	232.96	223.27	4.6	0.3
Foods n.e.s	147.96	150.93	149.67	144.56	4.4	0.8
Condiments & Spices	230.21	201.77	202.03	195.67	3.1	(0.1)
Miscellaneous Food	159.46	128.23	119.94	120.52	6.4	6.9
Meals Out	610.33	137.68	137.68	131.56	4.7	-
Non-Alcoholic Beverages	60.68	115.32	117.95	114.91	0.4	(2.2)
ALCOHOLIC DRINK & TOBACCO:	1.60	141.03	141.54	138.59	1.8	(0.4)
Alcoholic Beverages	888.15	141.60	142.49	138.89	2.0	(0.6)
Tobacco	111.85	136.57	133.94	136.24	0.2	2.0
CLOTHING & FOOTWEAR:	110.60	102.98	102.98	101.29	1.7	-
Clothing	755.67	99.66	99.66	97.34	2.4	-
Men's	274.10	115.54	115.54	112.51	2.7	-
Boys'	70.06	126.61	126.61	122.70	3.2	-
Women's	335.61	57.11	57.11	56.42	1.2	-
Girls'	65.87	88.37	88.37	86.79	1.8	-
Infants'	33.47	110.11	110.11	108.83	1.2	-
Accessories & Raw Materials	220.90	137.83	137.83	134.05	2.8	-
Footwear	244.33	113.24	113.24	113.53	(0.3)	-
ACCOMMODATION	218.30	109.12	109.12	109.68	(0.5)	-
FURNISHINGS, SUPPLIES & OPERATIONS:	126.00	142.80	142.67	138.22	3.3	0.1
Furniture, Fixtures & Floor Coverings	209.17	188.27	188.27	177.52	6.1	-
Household Textiles & Furnishings/ Soft Furnishings	66.19	122.50	122.50	115.83	5.8	-
Household Utensils	6.72	181.15	181.15	150.85	20.1	-
Household Appliances	263.73	129.63	129.63	123.83	4.7	-
Services, Household Operations & Goods	454.19	131.91	131.61	131.56	0.3	0.2
FUEL & LIGHT	63.90	131.73	131.73	153.96	(14.4)	-
TRANSPORTATION & COMMUNICATION:	153.50	137.96	138.03	137.88	0.1	(0.1)
Communication Services	92.78	118.31	118.31	118.31	-	-
Operation of Personal Transportation	823.48	139.60	139.60	139.95	(0.3)	-
Repairs & Maintenance of Personal Transportation	35.48	142.70	142.70	137.43	3.8	-
Transport Services	48.26	144.19	145.63	140.51	2.6	(1.0)
MEDICAL EXPENSES:	27.60	143.19	143.19	134.46	6.5	-
Private Practitioners	829.46	143.82	143.82	137.27	4.8	-
Pharmaceutical	170.54	140.16	140.16	140.20	-	-
EDUCATION	23.40	217.57	201.71	201.71	7.9	7.9
PERSONAL SERVICES:	43.00	160.65	158.14	151.36	6.1	1.6
Personal Care	1000.00	160.65	158.14	151.36	6.1	1.6
OTHER (MISCELLANEOUS):	17.90	125.13	124.15	124.18	0.8	0.8
Personal Effects	1000.00	125.13	124.15	124.18	0.8	0.8
All Items less Food		128.80	128.17	128.47	0.3	0.5
All Items LESS Energy		134.01	133.53	130.83	2.4	0.4
All Items less Food and Energy		127.08	126.37	124.23	2.3	0.6

Table 3: Distribution of Changes in the Inflation Rate

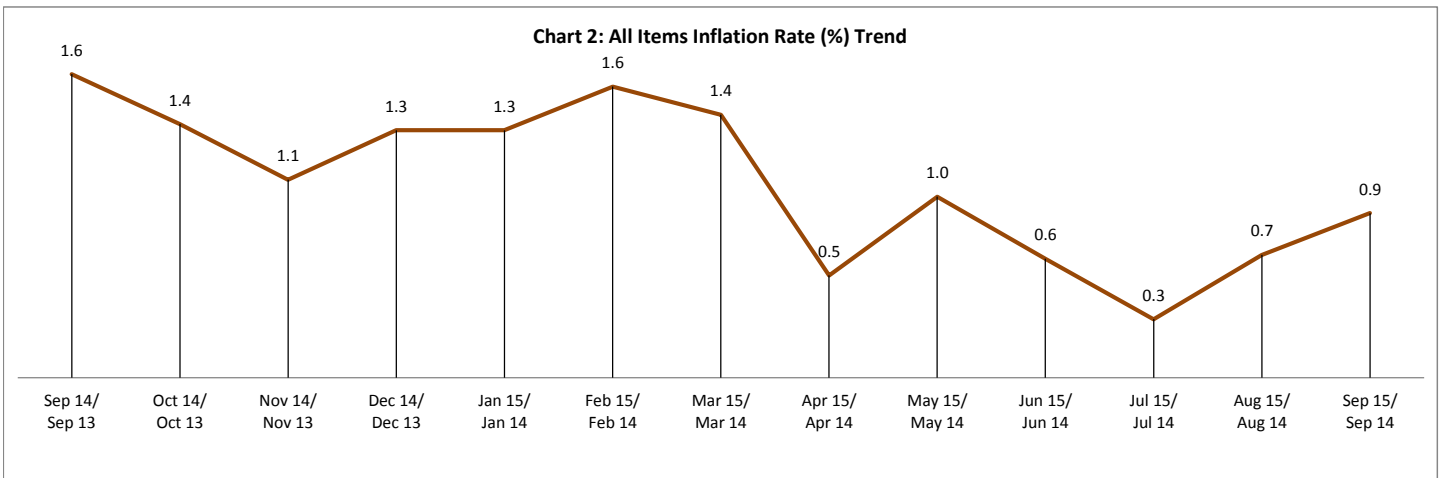
	No. of categories	No. of Decreases	No. of Increases	No. of No Changes
Sep 2015 compared to Sep 2014				
Main Expenditure Level	11	2	9	0
Sub Group Level	26	4	20	2
Section Level	30	8	21	1
Aug 2015 compared to Aug 2014				
Main Expenditure Category Level	11	3	8	0
Sub Group Level	26	8	17	1
Section Level	30	7	22	1
Jul 2015 compared to Jul 2014				
Main Expenditure Category Level	11	4	7	0
Sub Group Level	26	10	15	1
Section Level	30	7	22	1
Sep 2015 compared to Aug 2015				
Main Expenditure Category Level	11	3	4	4
Sub Group Level	26	6	9	11
Section Level	30	12	9	9

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

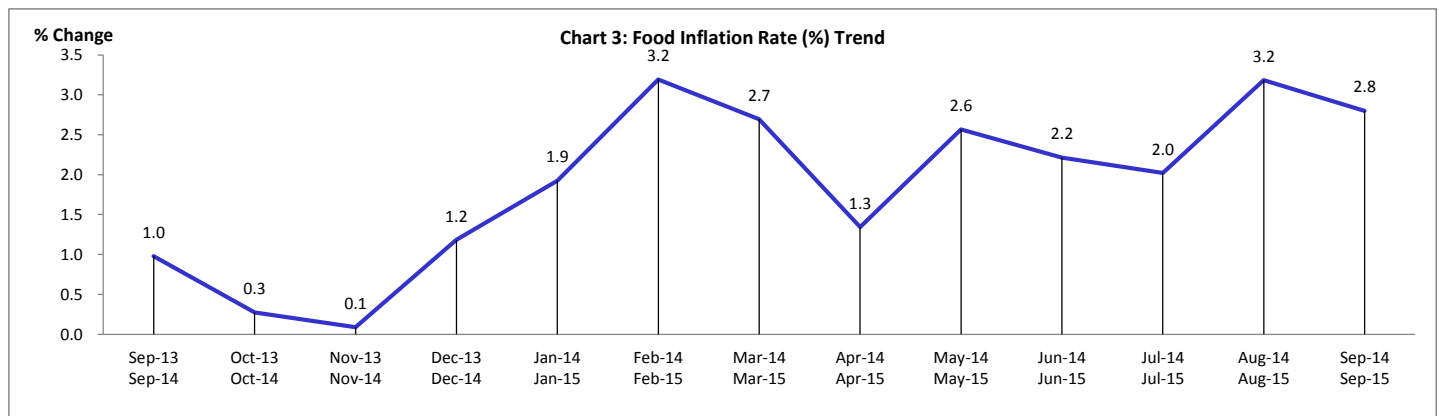
Sep 2015 compared to Sep 2014
 Aug 2015 compared to Aug 2014
 Jul 2015 compared to Jul 2014
 Sep 2015 compared to Aug 2015

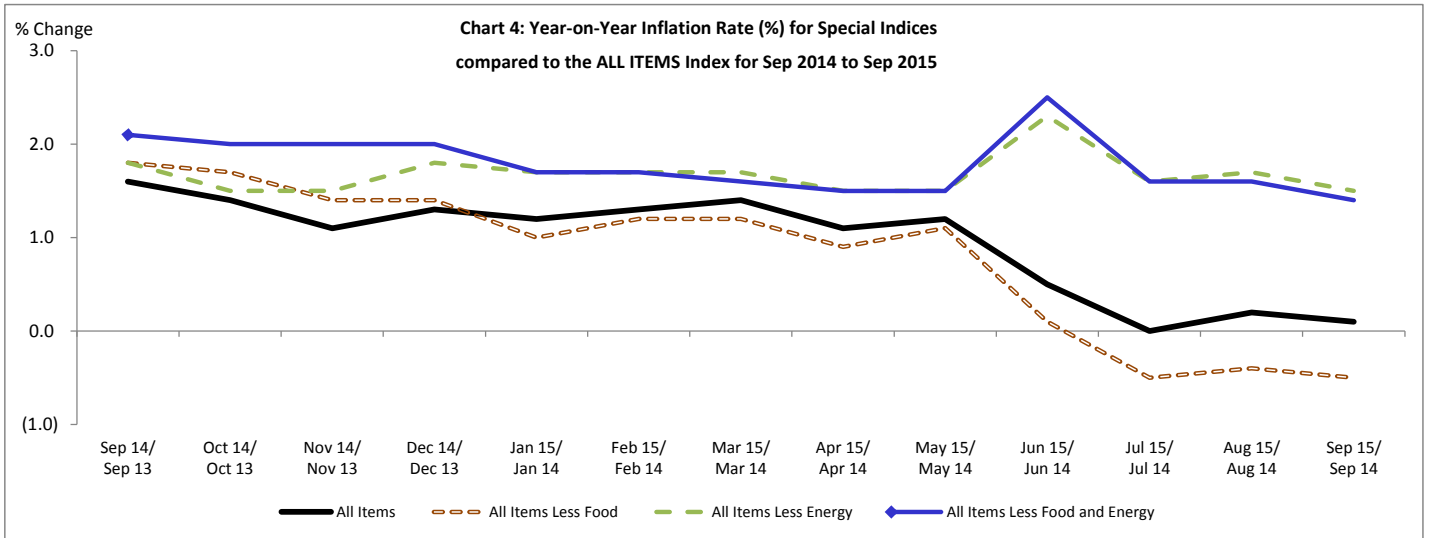
In Sep 2015 compared to Sep 2014, 2 of the 11 main expenditure categories recorded price decreases, while 9 recorded price increases. 20 of the 26 sub-group levels also recorded price increases for some of the items that fall in that level. These collective increases and decreases would account for the 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





Energy includes: Fuel & Light (Electricity ; LPG/Cooking Gas) Gasoline at the pump

