



CONSUMER PRICE INDEX



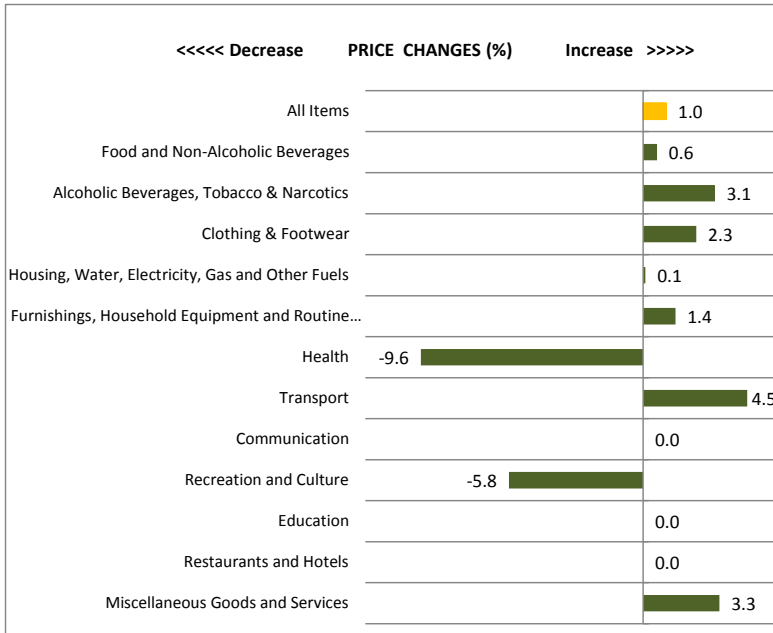
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Jun 2020

Inflation Rate

1%

Headline Inflation: Year-on-Year Changes for Jun 2020 compared to Jun 2019



The All Items Consumer Price Index increased 1.0% for the twelve months ending June 2020.

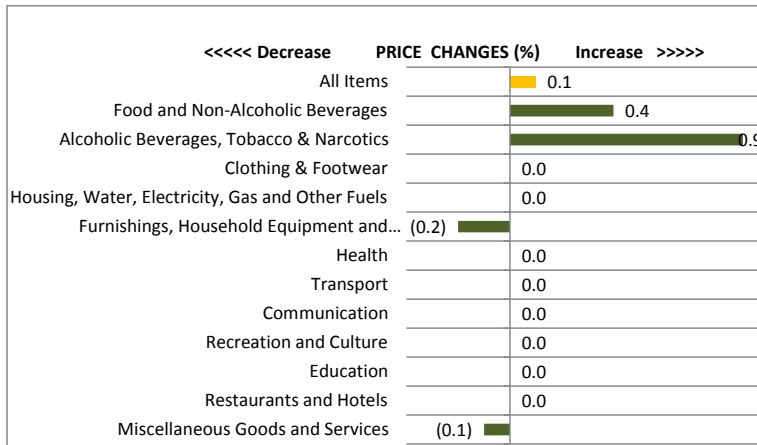
The Food index increased 0.1% for the twelve months period with four of the nine grocery store food groups increasing. The index for Meat and Meat Products rose 4.6% over the period. It reflects an increase in the index for Lamb, Mutton and Goat (+14.3%) and Pork (+11.7%). The index for Food Products Not Elsewhere Classified increased 2.9%.

Contrary to the increases, there were decreases in the other remaining food categories. The index for Fruit decreased 5.6%, it was impacted by a 7.5% reduction in the average price of Fresh and Chilled Fruits.

The Non-Alcoholic Beverages index rose 3.9 %.

The All Items Index Less Food and Energy decreased 1.8% over the past twelve months. The indexes for Health and Recreation and Culture declined 9.6% and 5.8% respectively. The Health index was impacted by declines in the indexes for Medical Products, Appliances and Equipment (-9.9%) and Outpatient Services (-9.4%). The Recreation and Culture index was affected by declines in the average price of computers.

Month-to-Month Changes for Jun 2020 compared to May 2020



The monthly Consumer Price Index increase marginally by 0.1% for the month of June 2020. The Food and Non-Alcoholic Beverages index increased by 0.4% and the overall Food index rose by 0.2%.

The indexes within the food category had mixed results. There were two notable increases in five of the nine food groups with the index for Food Products Not Elsewhere Classified increasing by 4.5% and the index for Fruit (+1.2%).

These increases were offset by declines in the indexes for Milk, Cheese and Eggs (-1.6%), Bread and Cereals (-0.8%) and Sugars, Jams, Honey, Chocolate and Confectionery (-0.8%). Also declining was the index for Oils and Fats (-0.4%).

The Index for All Items Less Food and Energy remained unchanged. The index for Furnishings, Household Equipment and Routine Household Maintenance and Miscellaneous Good and Services both declined while the other remaining indexes recorded no changes.

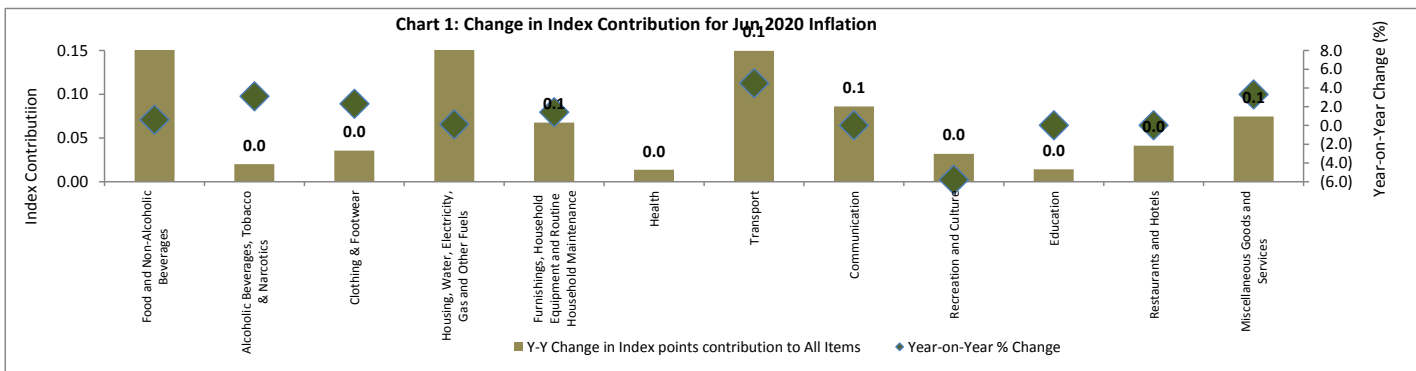


Table 1: Examples of Goods and Services in the 2019-based Consumer Shopping Basket

| 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 and Non Alcoholic Beverages | 192 | <i>Bread, cereals, milk, coffee, juices, meats, fruits,vegetables, sugar, water</i> | Monthly |
| Alcoholic Beverages, Tobacco & Narcotics | 13 | <i>Beer, stout, rum, vodka, wine,whisky,cigarettes</i> | Monthly |
| Clothing and Footwear | 72 | <i>Men’s pants, boys shorts, women’s dresses, brassieres, underwear, laundry services,footwear</i> | Quarterly |
| Housing, Water, Electricity, Gas and Other Fuels | 13 | <i>Rent paid, repairs and maintenance, water supply, electricity, LPG cooking gas</i> | Monthly,Quarterly |
| Furnishings, Household Equipment and Routine Household | 82 | <i>Appliances, sofas, mattress, dressing table, glassware; detergent</i> | Quarterly |
| Health | 8 | <i>doctor’s bill, medicines,vitamins</i> | Monthly |
| Transport | 27 | <i>cars, batteries, license, gasoline, tyres, airline fares,</i> | Monthly, Quarterly |
| Communication | 6 | <i>Cell phones, cell phone rates, internet rates</i> | Quarterly |
| Recreation and Culture | 14 | <i>Televisions, radio, computers, cable tv services, movie cinemas tickets</i> | Quarterly |
| Education | 3 | <i>School fees, exam fees</i> | Annual |
| Restaurants and Hotels | 8 | <i>Meal lunches, burgers, fried chicken, pizza, roti, accommodation</i> | Quarterly |
| Miscellaneous Goods and Services | 28 | <i>Hair cuts, manicure pedicure, saloons, body lotion, toothpaste, shampoo, jewellery</i> | Monthly, Quarterly |
| Total number of goods and services in the basket | 466 | 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 and Non-Alcoholic Beverages, Alcoholic Beverages, Tobacco & Narcotics and some Miscellaneous Goods and Services | | | |

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 2019.

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 2006 (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.

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

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.

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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 2006 weights | Consumer Price Indices | | | Year-on-Year % | Month-to-Month |
|---|--------------------------------|------------------------|----------|----------|----------------|----------------|
| | | Jun-2020 | May-2020 | Jun-2019 | Change | % Change |
| | | | | | Jun-2020 | Jun-2020 |
| | | | | Jun-2019 | May-2020 | |
| All Items | 100.00 | 102.60 | 102.53 | 101.61 | 1.0 | 0.1 |
| FOOD AND NON-ALCOHOLIC BEVERAGES | 17.94 | 102.26 | 101.84 | 101.67 | 0.6 | 0.4 |
| FOOD | 15.85 | 101.93 | 101.69 | 101.80 | 0.1 | 0.2 |
| Bread and Cereals | 2.63 | 100.27 | 101.06 | 100.07 | 0.2 | (0.8) |
| Meat and Meat Products | 2.60 | 107.43 | 107.09 | 102.67 | 4.6 | 0.3 |
| Beef and Veal | 0.28 | 107.33 | 104.21 | 106.59 | 0.7 | 3.0 |
| Pork | 0.32 | 112.32 | 116.35 | 100.60 | 11.7 | (3.5) |
| Lamb, Mutton and Goat | 0.11 | 112.69 | 112.52 | 98.59 | 14.3 | 0.2 |
| Poultry | 1.16 | 105.89 | 106.76 | 102.08 | 3.7 | (0.8) |
| Other Meats and Edible Offal | 0.19 | 115.09 | 115.09 | 107.22 | 7.3 | 0.0 |
| Delicatessen and other Meat Preparations | 0.54 | 104.17 | 99.94 | 102.33 | 1.8 | 4.2 |
| Fish and Seafood | 1.91 | 102.67 | 102.25 | 104.06 | (1.3) | 0.4 |
| Milk, Cheese and Eggs | 1.41 | 97.28 | 98.86 | 98.41 | (1.1) | (1.6) |
| Preserved Milk and Other Milk Products/Powder/Evaporated | 0.89 | 95.41 | 98.01 | 98.09 | (2.7) | (2.7) |
| Cheese | 0.25 | 96.11 | 95.79 | 98.83 | (2.8) | 0.3 |
| Eggs and Egg-based Products | 0.27 | 104.41 | 104.41 | 99.08 | 5.4 | 0.0 |
| Oils and Fats | 0.48 | 97.97 | 98.41 | 100.43 | (2.4) | (0.4) |
| Fruit | 1.03 | 99.19 | 98.06 | 105.09 | (5.6) | 1.2 |
| Vegetables | 3.87 | 102.30 | 101.92 | 102.21 | 0.1 | 0.4 |
| Sugars, Jam, Honey, Chocolate and Confectionery | 0.67 | 97.33 | 98.16 | 101.13 | (3.8) | (0.8) |
| Sugar | 0.35 | 94.22 | 94.32 | 99.43 | (5.2) | (0.1) |
| Jams, Marmalades and Honey/Syrup | 0.09 | 95.10 | 104.99 | 102.96 | (7.6) | (9.4) |
| Confectionery, Chocolate and Other Cocoa Preparation | 0.07 | 104.47 | 101.19 | 105.07 | (0.6) | 3.2 |
| Edible ice, ice cream and sorbet | 0.16 | 102.18 | 101.28 | 101.99 | 0.2 | 0.9 |
| Food Products n.e.c | 1.25 | 103.38 | 98.91 | 100.48 | 2.9 | 4.5 |
| Non-Alcoholic Beverages | 2.09 | 104.71 | 102.96 | 100.74 | 3.9 | 1.7 |
| ALCOHOLIC BEVERAGES, TOBACCO & NARCOTICS | 2.02 | 106.73 | 105.75 | 103.49 | 3.1 | 0.9 |
| Alcoholic Beverages | 1.49 | 102.91 | 101.94 | 99.87 | 3.0 | 1.0 |
| Tobacco | 0.52 | 117.66 | 116.67 | 113.84 | 3.4 | 0.8 |
| CLOTHING & FOOTWEAR | 3.60 | 109.28 | 109.28 | 106.84 | 2.3 | 0.0 |
| Clothing | 2.83 | 105.54 | 105.54 | 102.30 | 3.2 | 0.0 |
| Clothing Material | 0.13 | 120.85 | 120.85 | 99.60 | 21.3 | 0.0 |
| Garments | 2.24 | 104.26 | 104.26 | 101.43 | 2.8 | 0.0 |
| Other articles of Clothing and Clothing Accessories | 0.45 | 107.41 | 107.41 | 107.41 | 0.0 | 0.0 |
| Footwear | 0.77 | 122.97 | 122.98 | 123.48 | (0.4) | 0.0 |
| HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS | 28.06 | 100.07 | 100.07 | 99.95 | 0.1 | 0.0 |
| Actual Rentals for housing | 19.81 | 100.00 | 100.00 | 100.00 | 0.0 | 0.0 |
| Materials for the Maintenance and repair of dwelling | 1.15 | 100.00 | 100.00 | 100.00 | 0.0 | 0.0 |
| Services for the Maintenance and repair of dwelling | 0.60 | 101.39 | 101.39 | 100.00 | 1.4 | 0.0 |
| Water Supply | 1.14 | 99.75 | 99.75 | 100.00 | (0.3) | 0.0 |
| Electricity | 4.62 | 100.00 | 100.00 | 100.00 | 0.0 | 0.0 |
| Gas | 0.72 | 100.00 | 100.00 | 100.00 | 0.0 | 0.0 |
| FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE | 6.84 | 104.81 | 105.02 | 103.40 | 1.4 | (0.2) |
| Furniture and furnishings, Carpets and other floor coverings | 1.95 | 110.43 | 110.43 | 102.59 | 7.6 | 0.0 |
| Household Textiles | 0.43 | 115.52 | 115.52 | 110.66 | 4.4 | 0.0 |
| Household Appliances | 0.66 | 105.46 | 105.46 | 115.64 | (8.8) | 0.0 |
| Glassware, Tableware and Household Utensils | 0.17 | 99.13 | 99.13 | 100.31 | (1.2) | 0.0 |
| Tools and Equipment for House and Garden | 0.16 | 118.06 | 118.06 | 99.27 | 18.9 | 0.0 |
| Goods and Services for routine Household Maintenance | 3.46 | 99.77 | 100.18 | 100.87 | (1.1) | (0.4) |
| HEALTH | 1.37 | 89.94 | 89.94 | 99.46 | (9.6) | 0.0 |
| Medical products, Appliances and Equipment | 0.51 | 88.83 | 88.83 | 98.57 | (9.9) | 0.0 |
| Outpatient Services | 0.86 | 90.61 | 90.61 | 100.00 | (9.4) | 0.0 |
| TRANSPORT | 15.11 | 109.81 | 109.81 | 105.13 | 4.5 | 0.0 |
| Purchase of Vehicles | 4.02 | 98.88 | 98.88 | 101.86 | (2.9) | 0.0 |
| Operations of Personal Transport Equipment | 6.00 | 99.24 | 99.24 | 100.00 | (0.8) | 0.0 |
| Transport Services | 5.10 | 129.43 | 129.43 | 113.33 | 14.2 | 0.0 |
| COMMUNICATION | 8.70 | 100.00 | 100.00 | 100.00 | 0.0 | 0.0 |
| RECREATION AND CULTURE | 3.23 | 94.48 | 94.48 | 100.35 | (5.8) | 0.0 |
| EDUCATION | 1.44 | 100.00 | 100.00 | 100.00 | 0.0 | 0.0 |
| RESTAURANTS AND HOTELS | 4.15 | 99.99 | 99.99 | 100.00 | 0.0 | 0.0 |
| MISCELLANEOUS GOODS AND SERVICES | 7.53 | 103.49 | 103.59 | 100.23 | 3.3 | (0.1) |
| | All Items less Food | 100.00 | 100.00 | 101.62 | (1.6) | 0.0 |
| | All Items less Energy | 100.00 | 100.00 | 101.66 | (1.6) | 0.0 |
| | All Items less Food and Energy | 100.00 | 100.00 | 101.79 | (1.8) | 0.0 |

Table 3: Distribution of Changes in the Inflation Rate

| | No. of categories | No. of Decreases | No. of Increases | No. of No Changes |
|--------------------------------------|-------------------|------------------|------------------|-------------------|
| Jun 2020 compared to Jun 2019 | | | | |
| Main Expenditure Level | 12 | 3 | 7 | 2 |
| Sub Group Level | 23 | 9 | 10 | 4 |
| Section Level* | 12 | 5 | 6 | 1 |
| May 2020 compared to May 2019 | | | | |
| Main Expenditure Category Level | 12 | 3 | 7 | 2 |
| Sub Group Level | 23 | 9 | 10 | 4 |
| Section Level* | 12 | 5 | 6 | 1 |
| Jun 2020 compared to May 2020 | | | | |
| Main Expenditure Level | 12 | 2 | 2 | 8 |
| Sub Group Level | 23 | 1 | 4 | 18 |
| Section Level* | 12 | 4 | 5 | 3 |

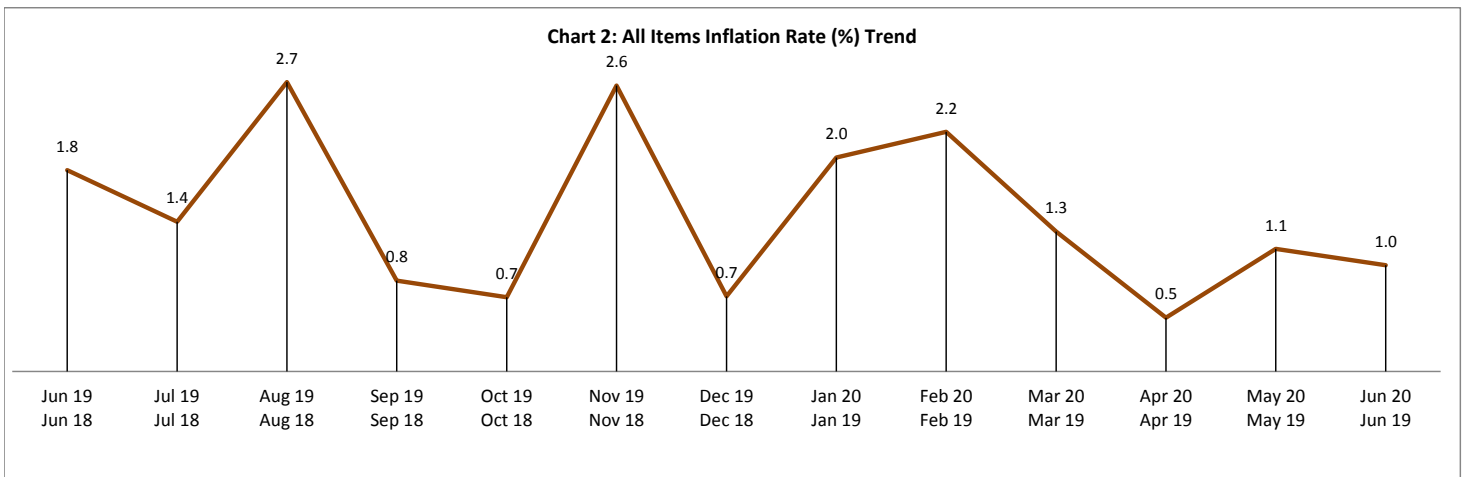
*Section Level is 33 Sections however for comparative purposes between 2020 and 2019 data we are utilizing 12 section levels

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

- Jun 2020 compared to Jun 2019
- May 2020 compared to May 2019
- Jun 2020 compared to May 2020

In Jun 2020 compared to Jun 2019, 3 of the 12 main expenditure categories recorded price decreases, while 7 recorded price increases. 10 of the 23 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. 2 of the 12 main expenditure categories recorded no price changes.

Graphical Analysis of the Consumer Price Index



Featured Expenditure Category

