



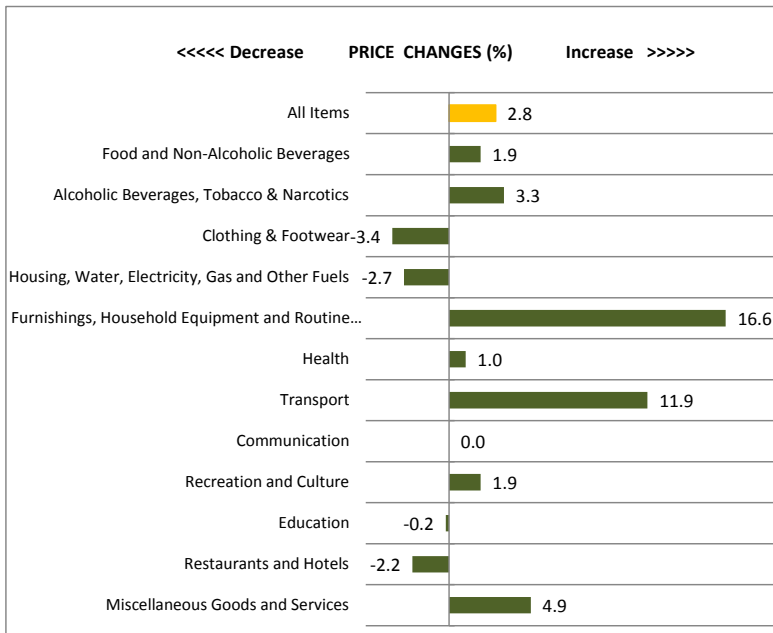
CONSUMER PRICE INDEX



Release date: 19 Jan 2021

Dec 2020 Inflation Rate 2.8%

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



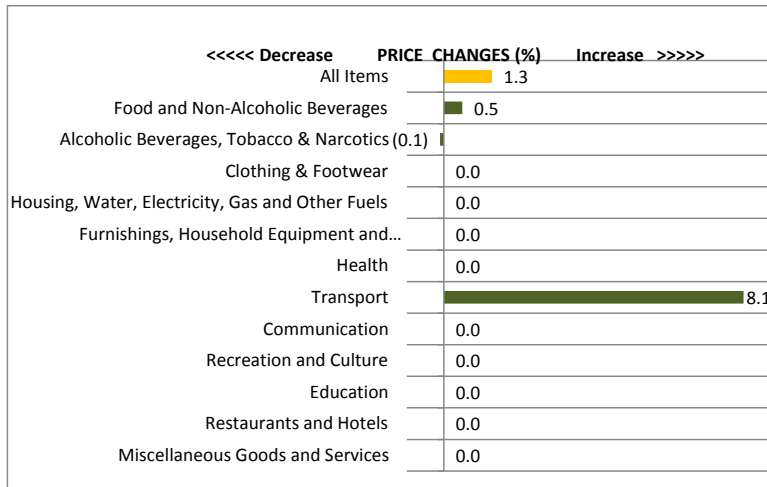
The All Items Consumer Price Index for the month ending December 2020 increased 2.8%.

The Food index increased 2.0% over the last twelve months. Change in the major supermarket food group indexes were mixed in December. The largest increase was the Fruit index which rose 4.6% as the sub index for Fresh and Chilled Fruit increased 6.8%. The smallest increase was the Meat and Meat Products index which increased 1.6% over the last twelve months.

The index for Milk, Cheese and Eggs rose 4.2% over the last year. The Index for Vegetables and Food Products N.E.C also rose 3.1% and 2.4% respectively over the same span.

The index for All Items Less Food and Energy increased 4.4% over the past twelve months. The index for Furnishings, Household Equipment and Routine Household Maintenance increased 16.6%. The index for Transport rose 11.9% due mainly to an increase in airlines fares. The Index for Restaurants and Hotels declined 2.2% its largest twelve month decrease. The index for Miscellaneous Goods and Services increased by 4.9% while the index for Alcoholic Beverages, Tobacco and Narcotics rose 3.3%.

Month-to-Month Changes for Dec 2020 compared to Nov 2020



The monthly Consumer Price Index rose 1.3% in December 2020.

The Food index rose 0.6% in December following a 2.1% decline in November. The index for Meat and Meat Products rose 2.1% after declining 2.0% in November. The change was attributed to a 4.3% increase in the sub index for Poultry. The Index for Bread and Cereals increased 1.1% its largest monthly change since January 2020.

The index for Fruit declined 1.8% its second consecutive decrease. The indexes for Fish and Seafood and Milk, Cheese and Eggs both declined 0.2% in December.

The Index for All Items Less Food and Energy increased by 1.6%. The index for Transport rose 8.1% its largest increase monthly increase since November (13.3%).

Except for Alcoholic Beverages, Tobacco and Narcotics (-0.1) all other major indexes remain unchanged.

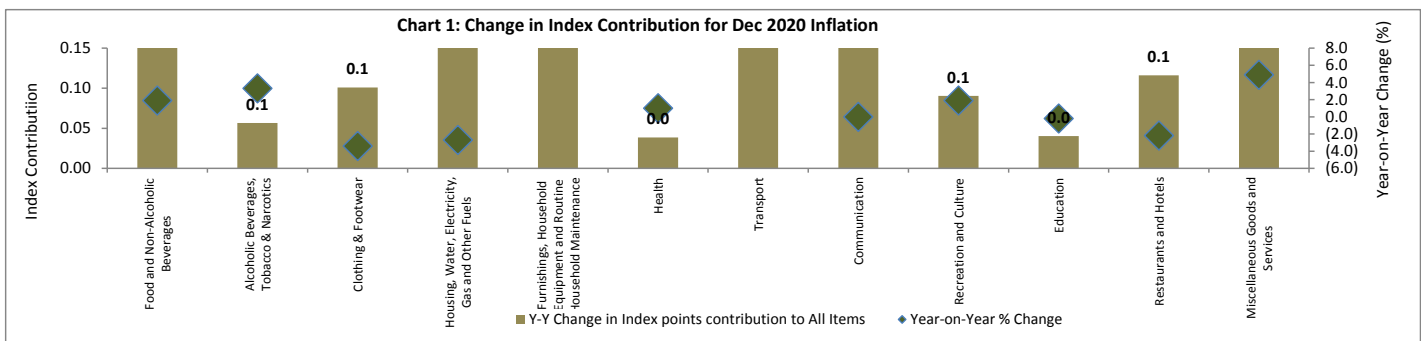


Table 1: Examples of Goods and Services in the 2019-based Consumer Shopping Basket

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.

2nd Floor ACT Building | Cnr. Market & Church Streets
Tel: (268) 462 3233 / 562 7491 | Fax: (268) 562 2542
email: stats@ab.gov.ag | www.statistics.gov.ag

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
		Dec-2020	Nov-2020	Dec-2019	Change	% Change
					Dec-2020	Dec-2020
				Dec-2019	Nov-2020	
All Items	100.00	103.61	102.29	100.81	2.8	1.3
FOOD AND NON-ALCOHOLIC BEVERAGES	17.94	103.63	103.12	101.73	1.9	0.5
FOOD	15.85	103.75	103.18	101.74	2.0	0.6
Bread and Cereals	2.63	102.49	101.40	100.34	2.1	1.1
Meat and Meat Products	2.60	107.89	105.64	106.21	1.6	2.1
Beef and Veal	0.28	106.11	105.29	107.32	(1.1)	0.8
Pork	0.32	110.77	109.84	98.99	11.9	0.8
Lamb, Mutton and Goat	0.11	111.32	111.53	117.32	(5.1)	(0.2)
Poultry	1.16	106.59	102.19	107.47	(0.8)	4.3
Other Meats and Edible Offal	0.19	118.01	118.01	113.72	3.8	0.0
Delicatessen and other Meat Preparations	0.54	105.63	105.24	102.32	3.2	0.4
Fish and Seafood	1.91	102.24	102.42	103.45	(1.2)	(0.2)
Milk, Cheese and Eggs	1.41	103.97	104.17	99.81	4.2	(0.2)
Preserved Milk and Other Milk Products/Powder/Evaporated	0.89	106.15	106.48	99.39	6.8	(0.3)
Cheese	0.25	95.76	95.76	99.18	(3.4)	0.0
Eggs and Egg-based Products	0.27	104.41	104.41	101.74	2.6	0.0
Oils and Fats	0.48	100.63	100.44	101.22	(0.6)	0.2
Fruit	1.03	102.07	103.92	97.56	4.6	(1.8)
Vegetables	3.87	103.99	103.50	100.90	3.1	0.5
Sugars, Jam, Honey, Chocolate and Confectionery	0.67	99.01	98.99	100.57	(1.6)	0.0
Sugar	0.35	94.30	94.70	99.17	(4.9)	(0.4)
Jams, Marmalades and Honey/Syrup	0.09	106.00	104.29	103.28	2.6	1.6
Confectionery, Chocolate and Other Cocoa Preparation	0.07	106.27	107.46	105.07	1.1	(1.1)
Edible ice, ice cream and sorbet	0.16	102.00	101.42	99.99	2.0	0.6
Food Products n.e.c	1.25	104.27	103.49	101.79	2.4	0.8
Non-Alcoholic Beverages	2.09	102.71	102.74	101.64	1.1	0.0
ALCOHOLIC BEVERAGES, TOBACCO & NARCOTICS	2.02	107.70	107.84	104.24	3.3	(0.1)
Alcoholic Beverages	1.49	104.22	104.41	101.62	2.6	(0.2)
Tobacco	0.52	117.66	117.66	111.72	5.3	0.0
CLOTHING & FOOTWEAR	3.60	102.42	102.42	105.97	(3.4)	0.0
Clothing	2.83	96.04	96.04	102.08	(5.9)	0.0
Clothing Material	0.13	110.32	110.32	94.33	17.0	0.0
Garments	2.24	96.31	96.31	101.46	(5.1)	0.0
Other articles of Clothing and Clothing Accessories	0.45	90.52	90.52	107.41	(15.7)	0.0
Footwear	0.77	125.83	125.83	120.27	4.6	0.0
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	28.06	97.37	97.37	100.05	(2.7)	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	101.39	0.0	0.0
Water Supply	1.14	99.75	99.75	99.75	0.0	0.0
Electricity	4.62	83.33	83.33	100.00	(16.7)	0.0
Gas	0.72	100.00	100.00	100.00	0.0	0.0
FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE	6.84	120.72	120.78	103.55	16.6	0.0
Furniture and furnishings, Carpets and other floor coverings	1.95	136.83	136.83	102.59	33.4	0.0
Household Textiles	0.43	170.28	170.28	110.66	53.9	0.0
Household Appliances	0.66	108.25	108.25	115.64	(6.4)	0.0
Glassware, Tableware and Household Utensils	0.17	84.56	84.56	100.31	(15.7)	0.0
Tools and Equipment for House and Garden	0.16	109.40	109.41	103.01	6.2	0.0
Goods and Services for routine Household Maintenance	3.46	109.90	110.02	99.82	10.1	(0.1)
HEALTH	1.37	92.48	92.48	91.59	1.0	0.0
Medical products, Appliances and Equipment	0.51	93.91	93.91	93.23	0.7	0.0
Outpatient Services	0.86	91.63	91.63	90.61	1.1	0.0
TRANSPORT	15.11	113.19	104.75	101.16	11.9	8.1
Purchase of Vehicles	4.02	100.28	100.28	98.17	2.1	0.0
Operations of Personal Transport Equipment	6.00	101.30	101.30	104.16	(2.7)	0.0
Transport Services	5.10	135.69	111.77	99.61	36.2	21.4
COMMUNICATION	8.70	100.00	100.00	100.00	0.0	0.0
RECREATION AND CULTURE	3.23	98.29	98.29	96.44	1.9	0.0
EDUCATION	1.44	99.77	99.77	100.00	(0.2)	0.0
RESTAURANTS AND HOTELS	4.15	98.00	98.00	100.23	(2.2)	0.0
MISCELLANEOUS GOODS AND SERVICES	7.53	104.97	104.99	100.02	4.9	0.0
	All Items less Food	103.71	102.17	100.62	3.1	1.5
	All Items less Energy	104.80	103.38	101.08	3.7	1.4
	All Items less Food and Energy	105.09	103.44	100.67	4.4	1.6

Table 3: Distribution of Changes in the Inflation Rate

	No. of categories	No. of Decreases	No. of Increases	No. of No Changes
Dec 2020 compared to Dec 2019				
Main Expenditure Level	12	4	7	1
Sub Group Level	23	5	13	5
Section Level*	12	5	7	0
Nov 2020 compared to Nov 2019				
Main Expenditure Category Level	12	5	6	1
Sub Group Level	23	6	13	4
Section Level*	12	4	8	0
Dec 2020 compared to Nov 2020				
Main Expenditure Level	12	1	2	9
Sub Group Level	23	2	2	19
Section Level*	12	3	5	4

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

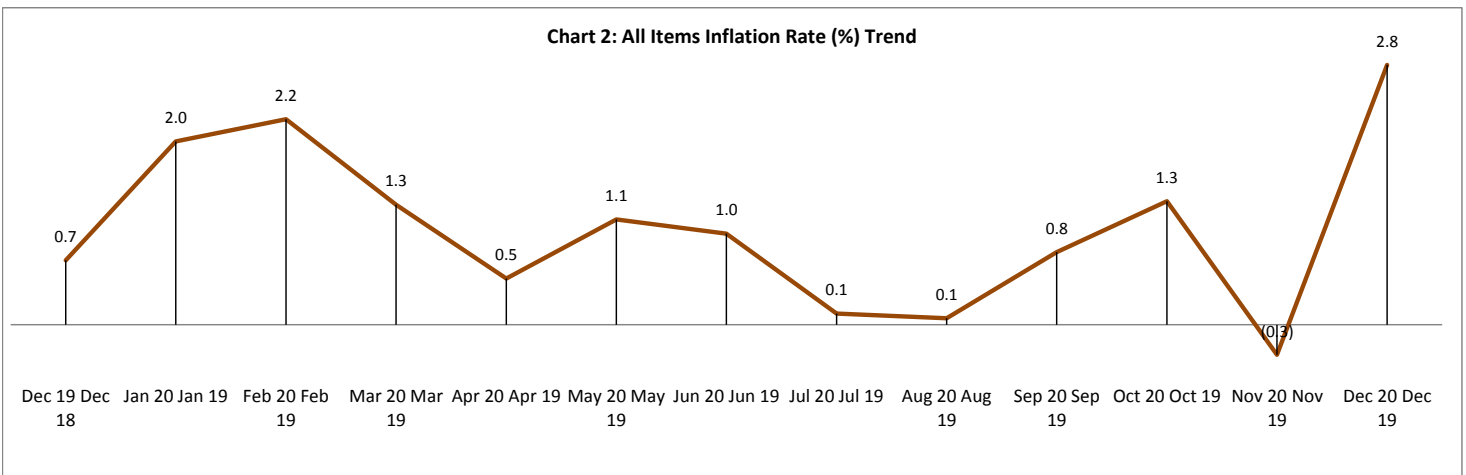
Table 3 outlines the distribution of price movements for four inflation periods:

- Dec 2020 compared to Dec 2019
- Nov 2020 compared to Nov 2019
- Dec 2020 compared to Nov 2020

In Dec 2020 compared to Dec 2019, 4 of the 12 main expenditure categories recorded price decreases, while 7 recorded price increases. 13 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. 1 of the 12 main expenditure categories recorded no price changes.

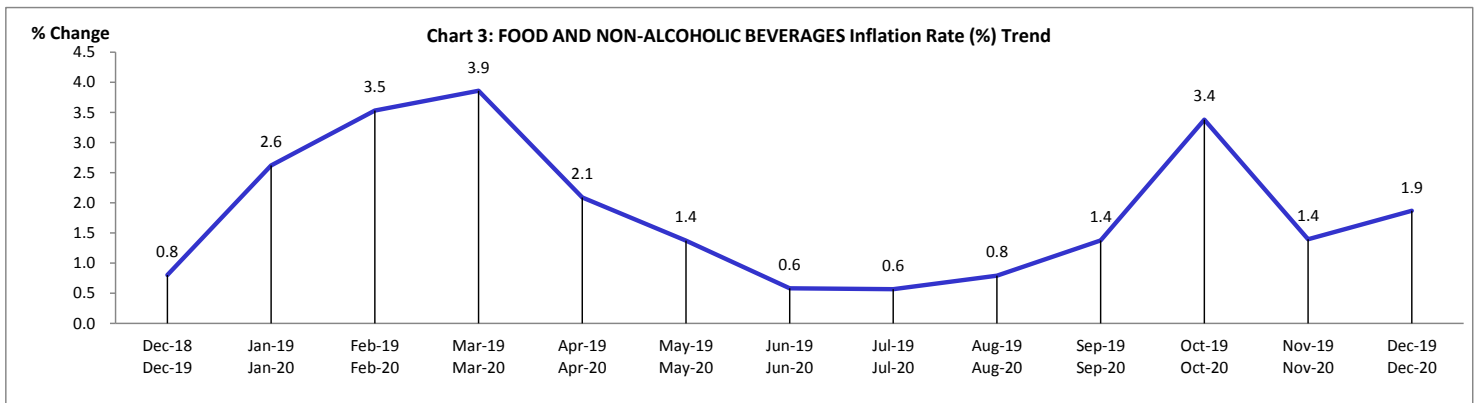
Graphical Analysis of the Consumer Price Index

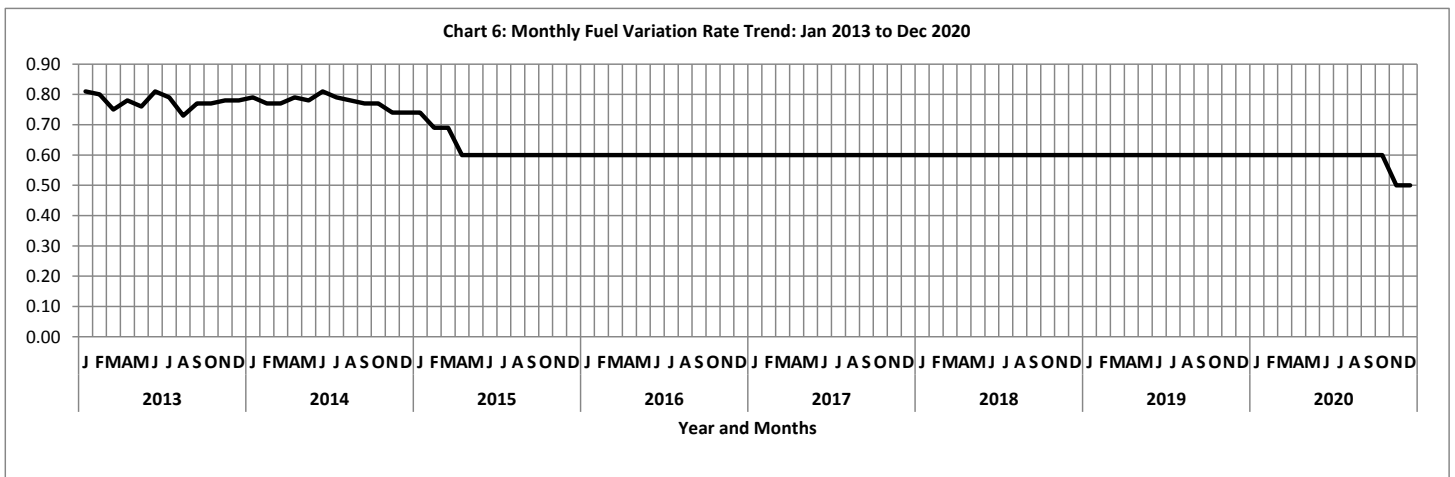
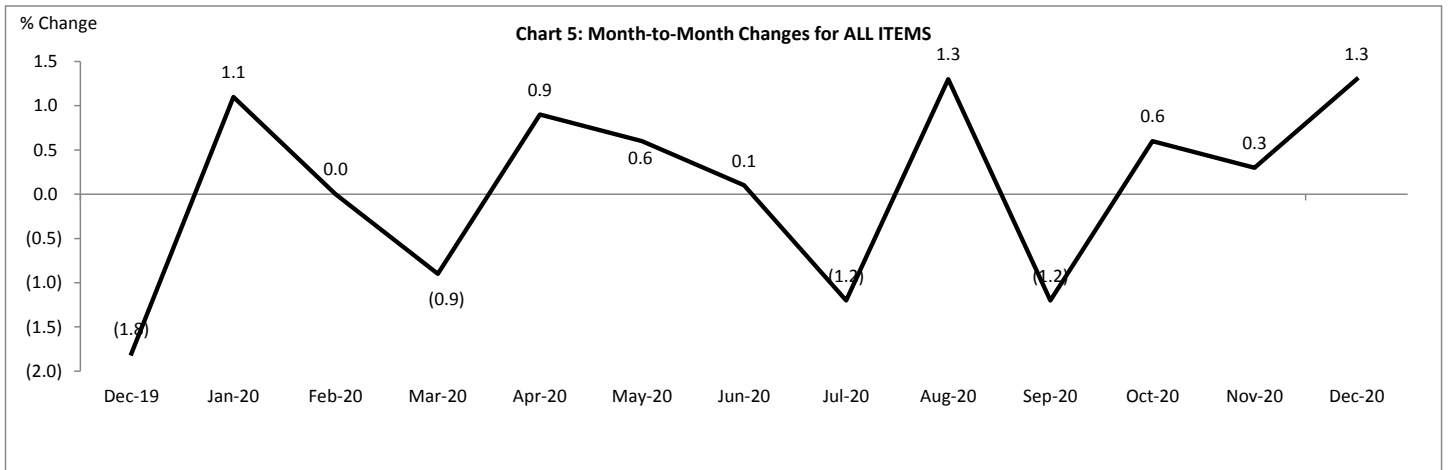
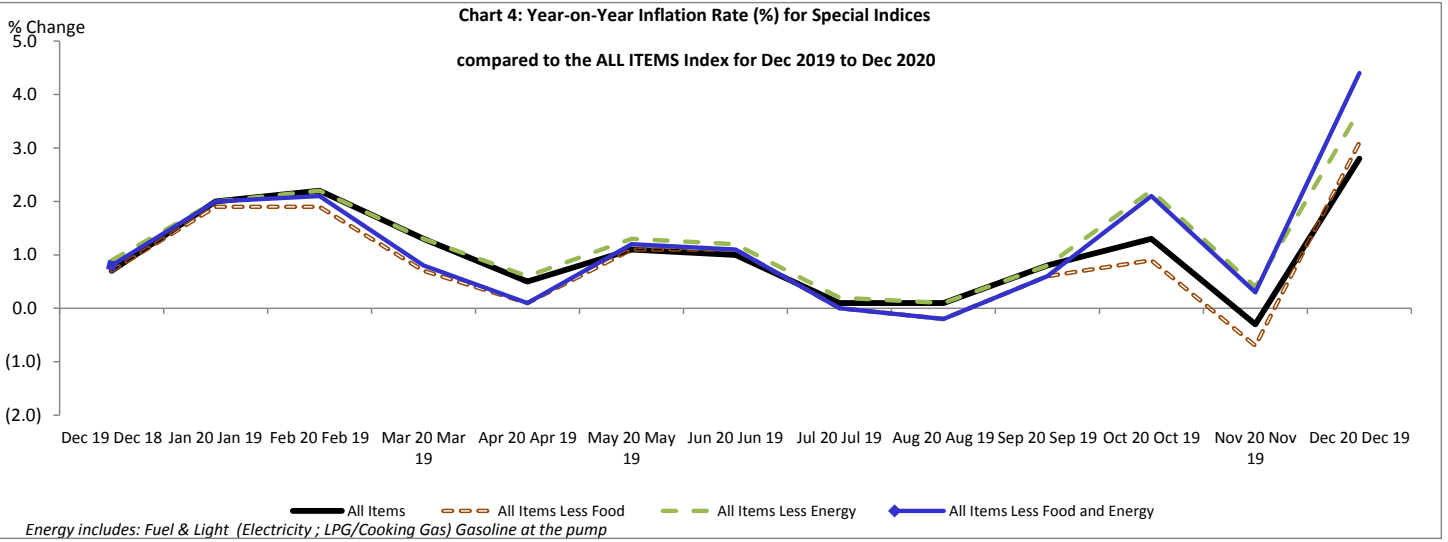
Chart 2: All Items Inflation Rate (%) Trend



Featured Expenditure Category

Chart 3: FOOD AND NON-ALCOHOLIC BEVERAGES Inflation Rate (%) Trend





CPI Dec 2020