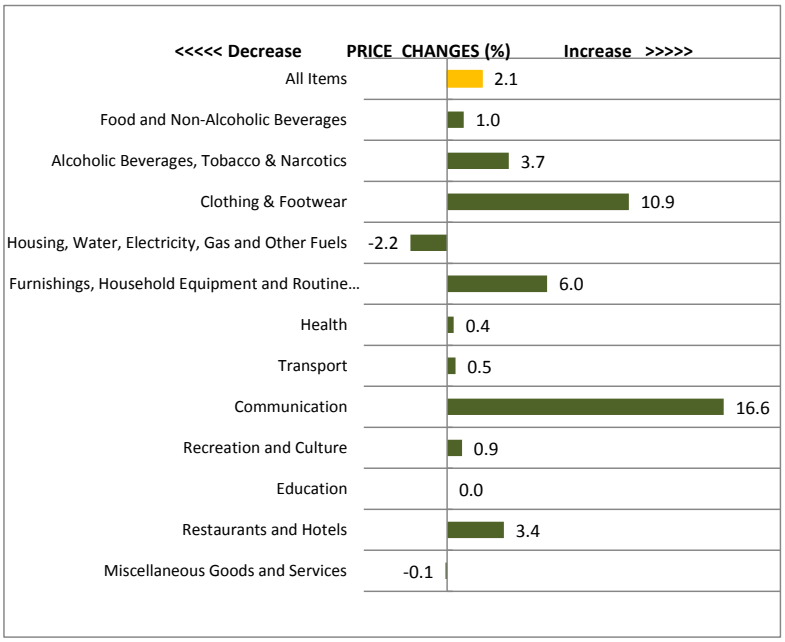
CONSUMER PRICE INDEX

Release date: 18 Oct 2021

Sep 2021 Inflation Rate 2.1%

Headline Inflation: Year-on-Year Changes for Sep 2021 compared to Sep 2020



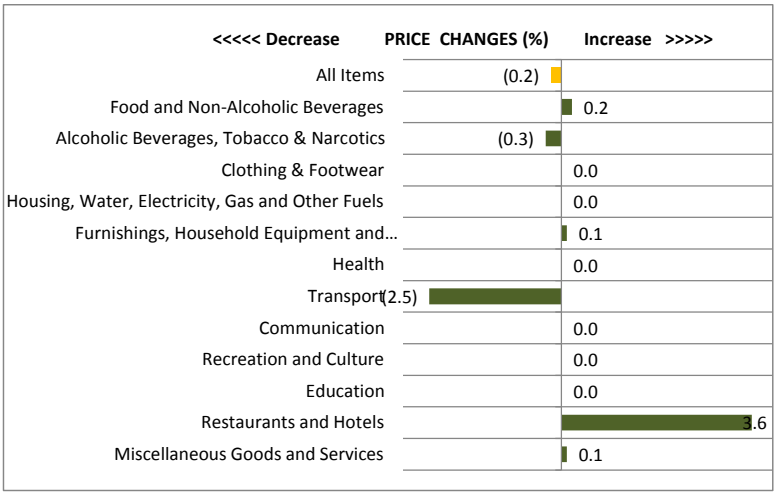
The All Items index rose 2.1% for the twelve months ending September 2021.

The Food index rose 1.2% over the past twelve months. Seven of the nine major supermarket food group indexes increased over the period. The index for Oils and Fats recorded the largest increase of 9.8%.

The indexes for Frozen, Preserved or Processed Fruit and Fresh and Chilled Fruit increased 13.7% and 7.5% respectively. These increases contributed to the overall increase in the index for Fruit which increased 8.4%.

The index for All Items Less Food and Energy rose 3.9% over the past twelve months. The indexes for Communication and Clothing and Footwear continue to be the main contributor with increases of 16.6% and 10.9% respectively. The index for Furnishings, Household Equipment, and Routine Household Maintenance rose 6.0%, while the Alcoholic Beverages, Tobacco, and Narcotics index increased 3.7%. The index for Transport rose 0.5% after a 5.1% decline in August 2021. The index for Restaurants and Hotels rose by 3.4% resulting from increases in accommodation services from the University of the West Indies.

Month-to-Month Changes for Sep 2021 compared to Aug 2021



The Monthly Consumer Price Index decreased 0.2% for the month ending September 2021.

The Food index increased 0.1% in September. The index for Fruit rose 5.2% resulting from a 6.3% increase in the index for Fresh and Chilled Fruit. The index for Sugars, Jam, Honey, Chocolate, and Confectionery increased by 3.7%, the increase was influenced by the index for Sugar which rose 6.0%. The index for Milk Cheese and Eggs rose 1.2% with the index for Eggs increasing 15.4% over the one month period.

The Index for Vegetables declined 2.3%, the decline was influenced by decreases in the indexes for Fresh and Chilled Potatoes (-6.6%) and Fresh and Chilled Vegetables (-4.9).

The index for All Items Less Food and Energy declined 0.3%. The index for Transport declined 2.5%, resulting from a decrease in the index for Transport Services which fell 6.7%. The index for Alcoholic Beverages, Tobacco, and Narcotics fell 0.3%. The index for Furnishings, Household Equipment, and Routine Household Maintenance rose 0.1% and the index for Miscellaneous Goods and Services had an increase of 0.1%.

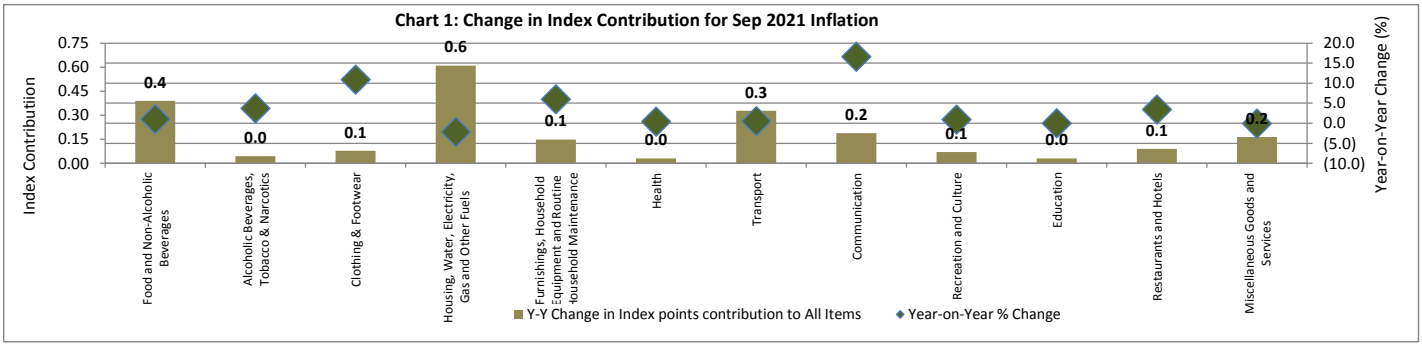


Table 1: Examples of Goods and Services in the 2019-based Consumer Shopping Basket

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	*Bread, cereals, milk, coffee, juices, meats, fruits,vegetables, sugar, water*	Monthly
Alcoholic Beverages, Tobacco & Narcotics	13	*Beer, stout, rum, vodka, wine,whisky,cigarettes*	Monthly
Clothing and Footwear	72	*Men's pants, boys shorts, women's dresses, brassieres, underwear, laundry services,footwear*	Quarterly
Housing, Water, Electricity, Gas and Other Fuels	13	*Rent paid, repairs and maintenance, water supply, electricity, LPG cooking gas*	Monthly,Quarterly
Furnishings, Household Equipment and Routine Household	82	*Appliances, sofas, mattress, dressing table, glassware; detergent*	Quarterly
Health	8	*doctor's bill, medicines,vitamins*	Monthly
Transport	27	*cars, batteries, license, gasoline, tyres, airline fares,*	Monthly, Quarterly
Communication	6	*Cell phones, cell phone rates, internet rates*	Quarterly
Recreation and Culture	14	*Televisions, radio, computers, cable tv services, movie cinemas tickets*	Quarterly
Education	3	*School fees, exam fees*	Annual
Restaurants and Hotels	8	*Meal lunches, burgers, fried chicken, pizza, roti, accommodation*	Quarterly
Miscellaneous Goods and Services	28	*Hair cuts, manicure pedicure, saloons, body lotion, toothpaste, shampoo, jewellery*	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 % Change	Month-to-Month % Change
		Sep-2021	Aug-2021	Sep-2020	*Sep-2021* *Sep-2020*	*Sep-2021* *Aug-2021*
All Items	100.00	103.61	103.81	101.44	2.1	(0.2)
FOOD AND NON-ALCOHOLIC BEVERAGES	17.94	104.89	104.73	103.89	1.0	0.2
FOOD	15.85	105.10	105.02	103.85	1.2	0.1
Bread and Cereals	2.63	105.00	104.73	101.27	3.7	0.3
Meat and Meat Products	2.60	114.80	113.62	109.03	5.3	1.0
Beef and Veal	0.28	114.91	116.04	105.64	8.8	(1.0)
Pork	0.32	116.02	123.27	119.03	(2.5)	(5.9)
Lamb, Mutton and Goat	0.11	117.82	113.54	111.71	5.5	3.8
Poultry	1.16	114.51	111.91	106.13	7.9	2.3
Other Meats and Edible Offal	0.19	112.84	108.48	118.01	(4.4)	4.0
Delicatessen and other Meat Preparations	0.54	114.78	112.25	107.40	6.9	2.3
Fish and Seafood	1.91	99.92	100.57	102.25	(2.3)	(0.6)
Milk, Cheese and Eggs	1.41	102.83	101.64	101.11	1.7	1.2
Preserved Milk and Other Milk Products/Powder/Evapo	0.89	99.59	102.61	101.61	(2.0)	(2.9)
Cheese	0.25	96.18	96.18	96.05	0.1	0.0
Eggs and Egg-based Products	0.27	119.38	103.49	104.10	14.7	15.4
Oils and Fats	0.48	109.08	107.66	99.33	9.8	1.3
Fruit	1.03	112.41	106.90	103.68	8.4	5.2
Vegetables	3.87	99.54	101.93	105.43	(5.6)	(2.3)
Sugars, Jam, Honey, Chocolate and Confectionery	0.67	100.39	96.80	98.83	1.6	3.7
Sugar	0.35	98.43	92.87	96.46	2.0	6.0
Jams, Marmalades and Honey/Syrup	0.09	109.66	107.09	99.77	9.9	2.4
Confectionery, Chocolate and Other Cocoa Preparation	0.07	111.04	112.53	108.95	1.9	(1.3)
Edible ice, ice cream and sorbet	0.16	94.28	92.06	98.75	(4.5)	2.4
Food Products n.e.c	1.25	108.58	111.02	103.49	4.9	(2.2)
Non-Alcoholic Beverages	2.09	103.31	102.59	104.14	(0.8)	0.7
ALCOHOLIC BEVERAGES, TOBACCO & NARCOTICS	2.02	112.22	112.51	108.22	3.7	(0.3)
Alcoholic Beverages	1.49	104.19	105.48	104.92	(0.7)	(1.2)
Tobacco	0.52	135.17	132.63	117.66	14.9	1.9
CLOTHING & FOOTWEAR	3.60	110.24	110.24	99.40	10.9	0.0
Clothing	2.83	108.11	108.11	93.21	16.0	0.0
Clothing Material	0.13	109.68	109.68	111.25	(1.4)	0.0
Garments	2.24	110.02	110.02	93.43	17.8	0.0
Other articles of Clothing and Clothing Accessories	0.45	98.21	98.21	86.86	13.1	0.0
Footwear	0.77	118.06	118.06	122.10	(3.3)	0.0
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	28.06	97.77	97.77	99.97	(2.2)	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	99.92	99.92	99.75	0.2	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	113.89	113.82	107.44	6.0	0.1
Furniture and furnishings, Carpets and other floor coverings	1.95	116.58	116.58	120.46	(3.2)	0.0
Household Textiles	0.43	155.26	155.26	117.26	32.4	0.0
Household Appliances	0.66	99.13	99.13	107.19	(7.5)	0.0
Glassware, Tableware and Household Utensils	0.17	87.48	87.48	87.98	(0.6)	0.0
Tools and Equipment for House and Garden	0.16	183.51	183.51	116.17	58.0	0.0
Goods and Services for routine Household Maintenance	3.46	107.95	107.82	99.35	8.7	0.1
HEALTH	1.37	94.77	94.77	94.38	0.4	0.0
Medical products, Appliances and Equipment	0.51	97.70	97.70	98.97	(1.3)	0.0
Outpatient Services	0.86	93.01	93.01	91.63	1.5	0.0
TRANSPORT	15.11	103.11	105.72	102.59	0.5	(2.5)
Purchase of Vehicles	4.02	105.13	105.13	99.12	6.1	0.0
Operations of Personal Transport Equipment	6.00	102.15	102.15	99.78	2.4	0.0
Transport Services	5.10	102.92	110.31	108.20	(4.9)	(6.7)
COMMUNICATION	8.70	116.59	116.59	100.00	16.6	0.0
RECREATION AND CULTURE	3.23	87.18	87.18	86.38	0.9	0.0
EDUCATION	1.44	99.77	99.77	99.77	0.0	0.0
RESTAURANTS AND HOTELS	4.15	101.29	97.76	98.00	3.4	3.6
MISCELLANEOUS GOODS AND SERVICES	7.53	104.37	104.29	104.45	(0.1)	0.1
All Items less Food		103.35	103.64	100.83	2.5	(0.3)
All Items less Energy		104.83	105.05	101.48	3.3	(0.2)
All Items less Food and Energy		104.82	105.13	100.90	3.9	(0.3)

Table 3: Distribution of Changes in the Inflation Rate

Sep 2021 compared to Sep 2020	No. of categories	No. of Decreases	No. of Increases	No. of No Changes
Main Expenditure Level	12	2	9	1
Sub Group Level	23	9	10	4
Section Level*	12	3	9	0
Aug 2021 compared to Aug 2020				
Main Expenditure Category Level	12	5	7	0
Sub Group Level	23	8	11	4
Section Level*	12	4	8	0
Sep 2021 compared to Aug 2021				
Main Expenditure Level	12	2	4	6
Sub Group Level	23	2	4	17
Section Level*	12	3	6	3

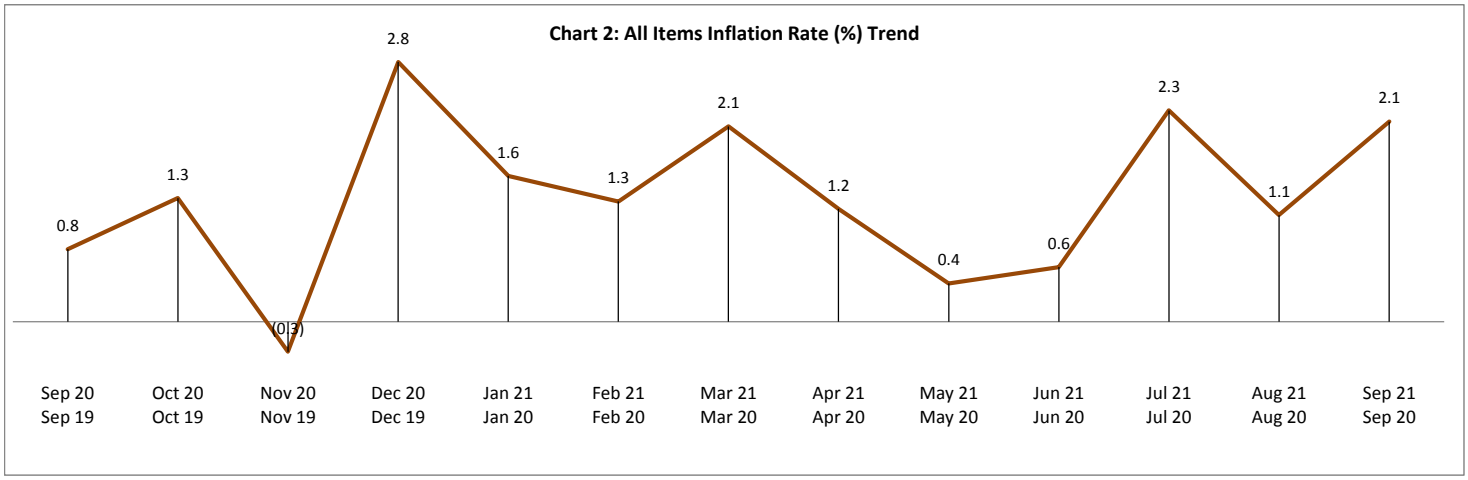
Section Level is 33 Sections however for comparative purposes between 2021 and 2020 data we are utilizing 12 section levels

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

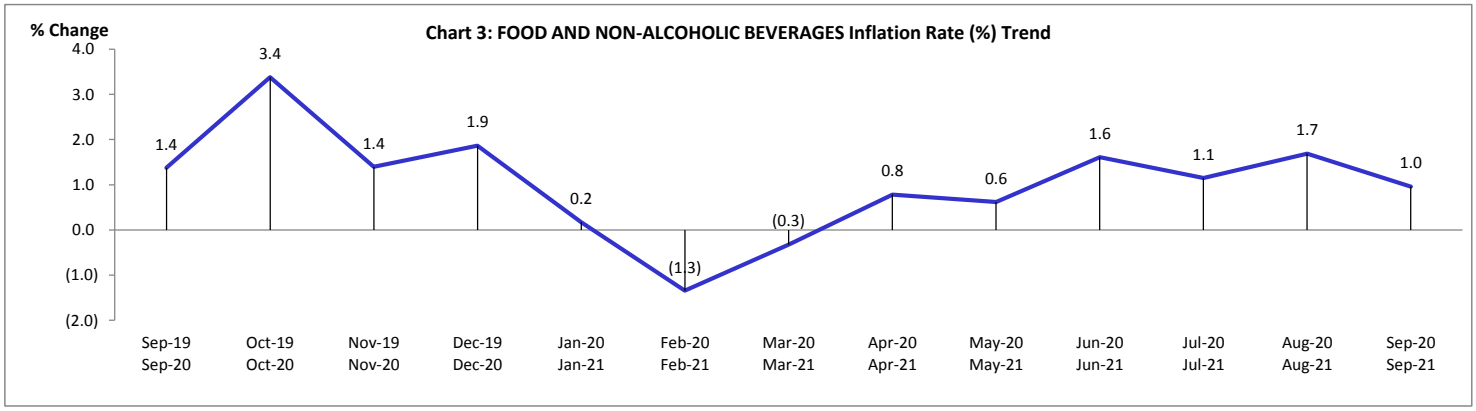
Sep 2021 compared to Sep 2020
Aug 2021 compared to Aug 2020
Sep 2021 compared to Aug 2021

In Sep 2021 compared to Sep 2020, 2 of the 12 main expenditure categories recorded price decreases, while 9 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. 1 of the 12 main expenditure categories recorded no price changes.

Graphical Analysis of the Consumer Price Index



Featured Expenditure Category



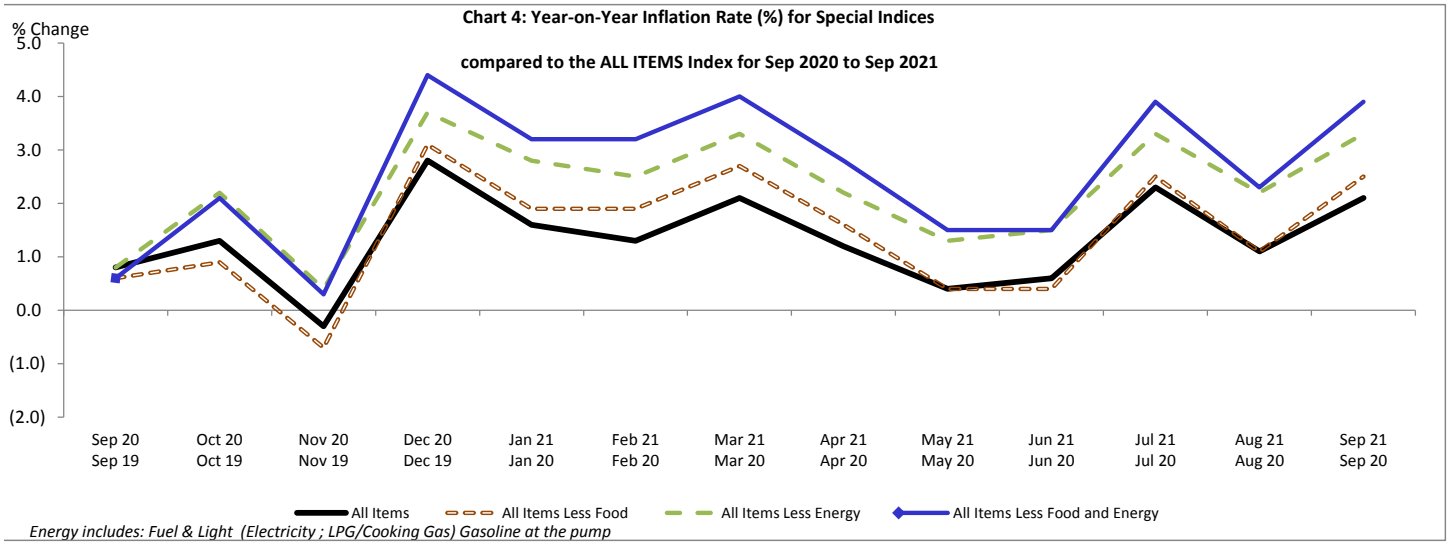


Chart 4: Year-on-Year Inflation Rate (%) for Special Indices
compared to the ALL ITEMS Index for Sep 2020 to Sep 2021
% Change
5.0
4.0
3.0
2.0
1.0
0.0
(1.0)
(2.0)
Sep 20 Sep 19
Oct 20 Oct 19
Nov 20 Nov 19
Dec 20 Dec 19
Jan 21 Jan 20
Feb 21 Feb 20
Mar 21 Mar 20
Apr 21 Apr 20
May 21 May 20
Jun 21 Jun 20
Jul 21 Jul 20
Aug 21 Aug 20
Sep 21 Sep 20
All Items
All Items Less Food
All Items Less Energy
All Items Less Food and Energy
Energy includes: Fuel & Light (Electricity ; LPG/Cooking Gas) Gasoline at the pump

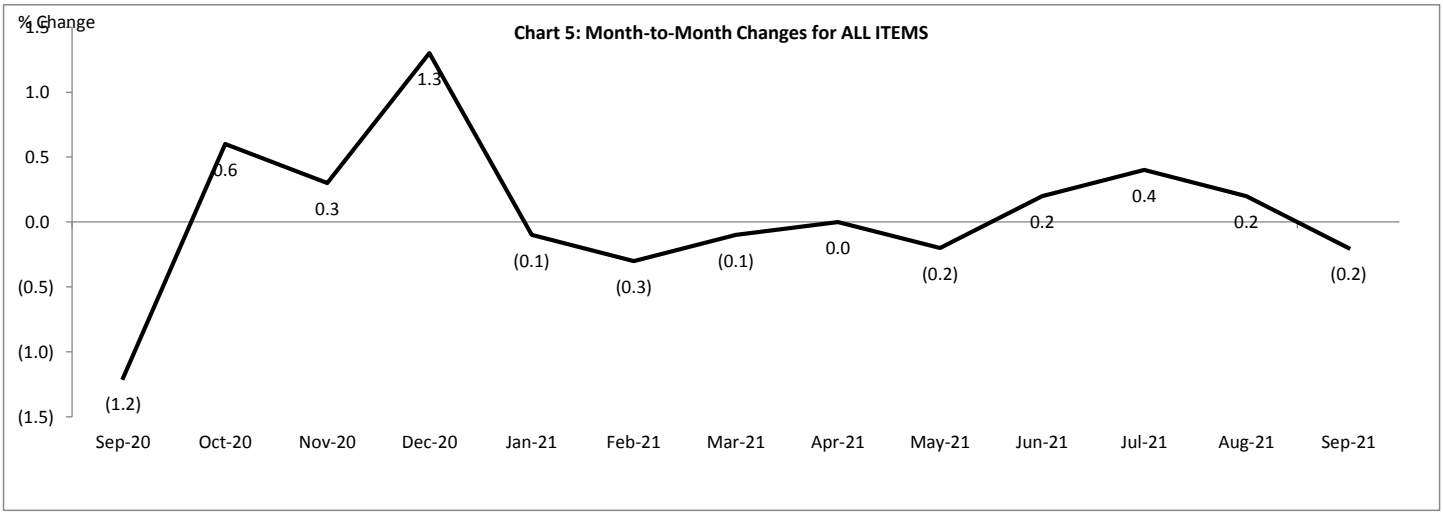


Chart 5: Month-to-Month Changes for ALL ITEMS
% Change
1.5
1.0
0.5
0.0
(0.5)
(1.0)
(1.5)
(1.2)
0.6
0.3
1.3
(0.1)
(0.3)
(0.1)
0.0
(0.2)
0.2
0.4
0.2
(0.2)
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21

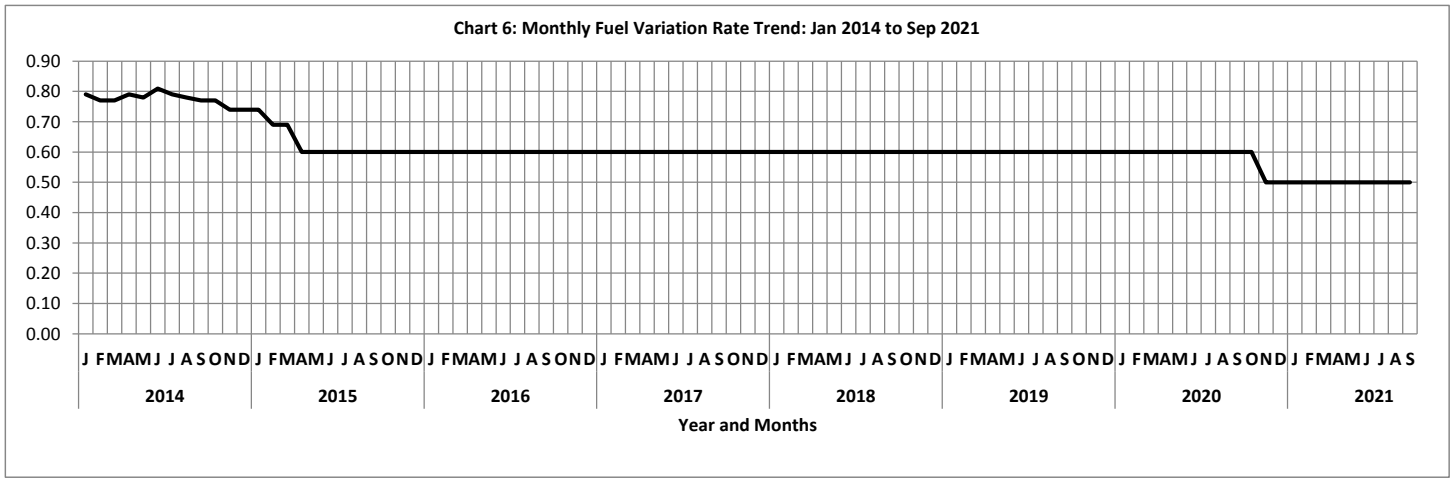


Chart 6: Monthly Fuel Variation Rate Trend: Jan 2014 to Sep 2021
0.90
0.80
0.70
0.60
0.50
0.40
0.30
0.20
0.10
0.00
J F M A M J J A S O N D
2014
2015
2016
2017
2018
2019
2020
2021
Year and Months