



# Anguilla Government Statistics Department

## ANGUILLA'S CONSUMER PRICE INDEX

4<sup>th</sup> Quarter: October - December 2009

**Inflation  
Rate  
0.6%**

The Anguilla Consumer Price Index (AXACPI) for the period in review was 140.4 for *All Items*; a rise in Anguilla's cost of living; with consumers paying on average 0.6% more on goods and services in the final quarter of 2009 (October to December) over the previous quarter (July to September).



The increase in the *All Items* index was most notably due to a rise in the 'Fuel' index (+6.8%). The offsetting price falls were seen in 'Household Goods' index (-0.8%) and 'Other' items index (-2.4%).

Following the third quarter, this is the second consecutive increase in consumer prices after prices were falling or remaining largely unchanged since December 2008.

From an annual outlook, the year-on-year change in the index showed that prices have gone down by 0.8%. The *All Items* index was down  $1\frac{1}{10}$  index points from 141.5 in December 2008. This was as a result of 'Transportation and Communication' index being down -6.6% compared to the December 2008 index; along with related products such as the 'Fuel' index (-11.4%) and also the 'Household Goods' index (-7.8%).

**Table 1: Consumer Price Index by Category and Weights**

Categories	New Weights 2001	Dec. '08	Sept. '09	Dec. '09	Quarterly % Change Dec '09/Sept '09	Annual % Change Dec '09/Dec '08
Food	321.20	144.2	146.7	147.2	0.3%	2.1%
Drinks & Tobacco	2.90	120.7	125.2	126.7	1.1%	5.0%
Accommodation	171.50	113.9	114.0	114.3	0.2%	0.3%
Fuel	68.55	146.6	121.6	129.9	6.8%	-11.4%
Clothing & Footwear	30.65	107.3	110.1	109.5	-0.6%	2.0%
Household Goods	97.30	175.3	163.0	161.7	-0.8%	-7.8%
Transportation & Communication	235.28	148.7	138.0	138.9	0.6%	-6.6%
Medical	30.85	141.7	218.8	219.0	0.1%	54.6%
Education	9.94	200.8	218.0	219.3	0.6%	9.2%
Personal Services	16.42	132.5	134.1	135.8	1.2%	2.4%
Other	15.30	89.9	89.4	87.2	-2.4%	-3.0%
<b>All Items</b>	<b>1000.00</b>	<b>141.5</b>	<b>139.6</b>	<b>140.4</b>	<b>0.6%</b>	<b>-0.8%</b>

### Quarterly Analysis

Overall, for the 4<sup>th</sup> quarter of 2009, the AXACPI showed increases over the 3<sup>rd</sup> quarter of 2009 in eight (8) of the eleven (11) categories, with prices advancing in high weight categories like 'Food', 'Accommodation' and 'Transportation and Communication', on which householders spend a large portion of their income.

The 'Food' index is a heavy hitter, accounting for about 32% of all expenditure by households. This index rose 0.3 % in December over the previous quarter, as a result of price increases in products like poultry; oils and cooking fats; and meals out.

The 'Drinks & Tobacco' index, which covers alcoholic beverages, tobacco and tobacco products, showed a 1.1% increase in the index

over the 3<sup>rd</sup> quarter, with the average price of rum and wine beverages slightly higher than the previous period.

The 'Accommodation' index rose 0.2%, after two (2) consecutive declines, as a result of slightly higher posted prices for repair and maintenance products like paint.

The index for 'Fuel' increased this month due to the inclusion of the additional 7% charge on electricity bill, please note that this charge was introduced earlier in the year and represents higher charges for the consumer. Charges comprise of four (4) components: meter rental, cost per unit consumed and fuel charge and the newest charge; an environmental levy.

The higher average price of both men's and women's clothing caused the 'Clothing & Footwear' index to rise this period by 6.3%.

The category 'Household Goods' index showed a decline by 0.8%, over the previous quarter's index. This was, in part, due to the lower price of major electrical appliances.

The 'Transportation and Communication' index was up 0.6% this quarter. The Transport sub-index increased due to higher prices for parts and accessories for vehicles and higher airfare costs.

The 'Medical' index rose 0.1% over the 3<sup>rd</sup> quarter as a result of the higher Insurance sub-index.

The categories 'Education' and 'Personal Services', both showed advancement in their respective index by 0.1% and 0.6%.

The category "Other" experienced a 2.4% decrease over the index in the last quarter, with lower posted prices for articles and products used in personal care.

## Annual Analysis

December 2009 the AXACPI, showed that over the last 12 months, the index decreased by 0.8%. The main factor for this decline was the 'Transportation and Communication' index, as the repair and maintenance of vehicles sub-index was lower than December 2008.

Three other categories experienced declines in their respective index for 2009 were 'Fuel' through a lower electricity sub-index; 'Household Goods' as a result of declines in furniture and electrical goods sub indices; and 'Other' miscellaneous items such as those used in personal care.

The 'Food' index rose 2.1%, with the products used in the at home component posting higher prices in many of the sub-indices. The sharper increases were seen in the sub-indices for vegetables, soft drinks, and oils and cooking fats. The 'Drinks and Tobacco' index was also higher by 5.0%.

The 'Accommodation' index had relatively minor growth of 0.3% over 2008. The increases were

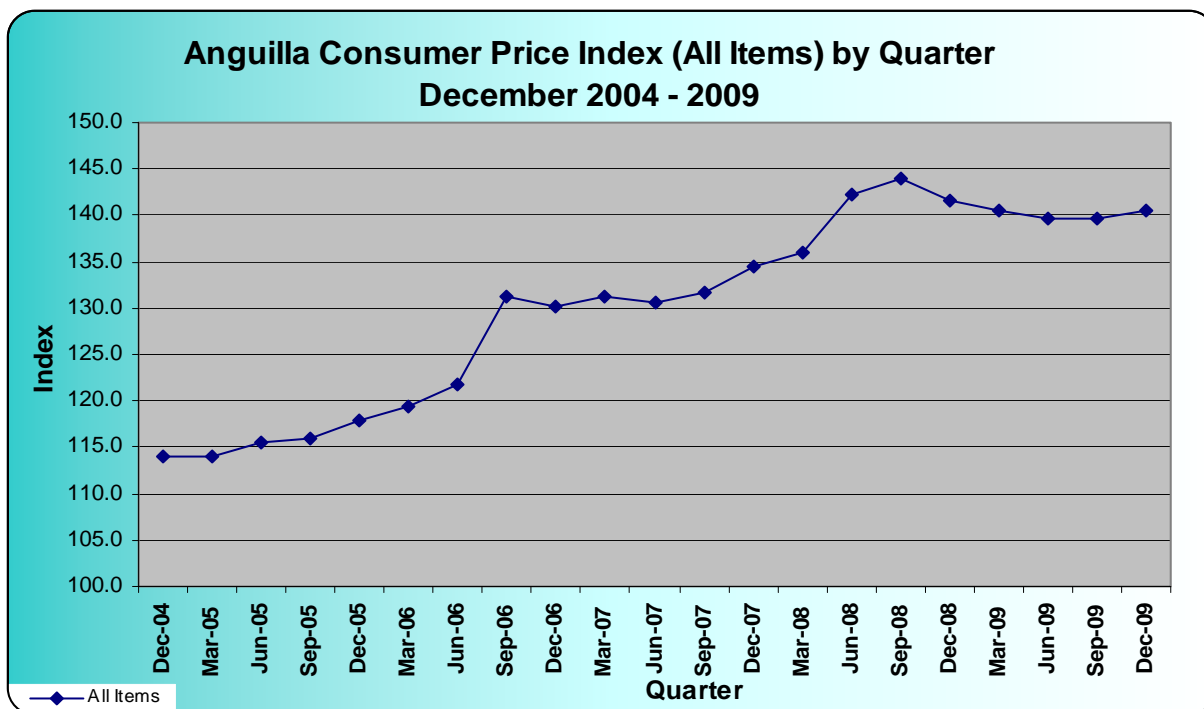
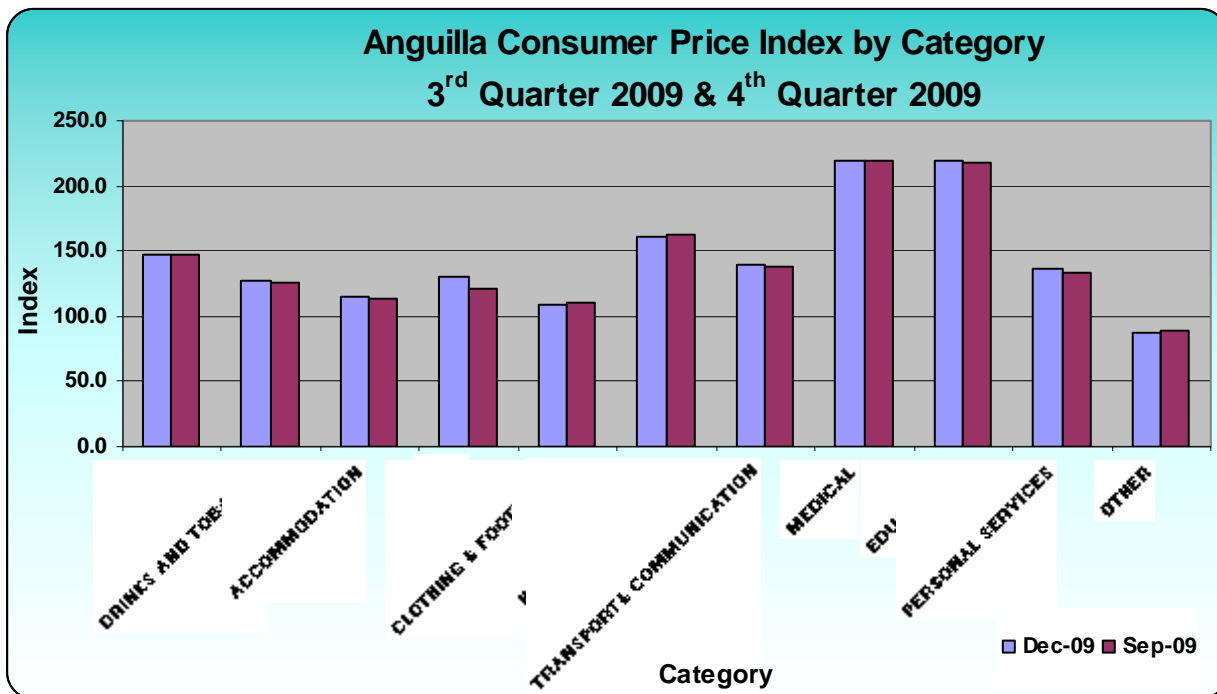
seen in water cost, property tax and repair and maintenance items.

Year-on-year growth in the 'Medical' index was the greatest mover by 54.6%. With all the sub-indices: Medicines, Medical Services including consultations, Hospital and Insurance posting increases.

'Clothing and Footwear', postings showed a 2% increase in the index over 2008 with clothing for adults showing the greatest price changes.

Over the past year the 'Education' index also grew by 9.2%, tuition, private tutoring and exam fees all saw increases.

The 'Personal Services' index rose 2.4% and includes hairdressing and personal grooming which saw an increase, recreation and culture and cleaning services- which experienced the largest growth compared to 2008.



*The CPI can be used in employer and employee contract negotiations to adjust wages, in rental agreements and child support agreements, pensions and other contractual price setting arrangements.*

*This report along with similar reports for CPI, are available at the Government of Anguilla Statistics Department's website:  
[www.gov.ai/statistics](http://www.gov.ai/statistics)*

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