

Anguilla Government Statistics Department ANGUILLA'S CONSUMER PRICE INDEX

4th Quarter: October - December 2012

Inflation Rate 1.9%

The Anguilla Consumer Price Index (AXACPI) shows the rate at which prices of consumption goods and services change from quarter to quarter for households in Anguilla.

For the fourth quarter of 2012 (October to December) the AXACPI showed that the change in consumer prices with an overall inflation rate to be at 1.9% for the quarter. This quarterly analysis isbeing observed as the highest recorded increase for 2012

The annual inflation rate showed that consumer prices rose 3.6% over the 12 month period to December 2012, unlike the quarterly analysis this

is no the highest value for the annual analysis in 2012.

The 'All Items' CPI index stood at 159.3 in December 2012 based on 2000 = 100, moving from 153.8 in December 2011.

The top pressure on the rising price level hasresulted due to the '*Medical*' category.

Table 1: Consumer Price Index by Category and Weights

| Categories | New Weights 2001 | Dec '11 | Sept '12 | Dec '12 | Quarterly % Change Dec '12/Sept '12 | Annual % Change Dec '12/ Dec '11 |
|---|------------------------|---------|----------|---------|---|--|
| Food | 321.2 | 156.1 | 159.6 | 161.8 | 1.4% | 3.7% |
| Drinks & Tobacco | 2.9 | 150.2 | 153.7 | 152.8 | -0.6% | 1.7% |
| Accommodation | 171.5 | 123.6 | 125.1 | 125.1 | 0.0% | 1.2% |
| Fuel | 68.6 | 176.0 | 176.0 | 176.0 | 0.0% | 0.0% |
| Clothing & Footwear | 30.7 | 94.7 | 90.5 | 89.8 | -0.8% | -5.2% |
| Household Goods | 97.3 | 172.4 | 163.7 | 163.1 | -0.4% | -5.4% |
| Transportation & Communication | 235.3 | 161.5 | 166.7 | 170.3 | 2.1% | 5.4% |
| Medical | 30.9 | 218.6 | 245.6 | 296.6 | 20.8% | 35.7% |
| Education | 9.9 | 220.6 | 214.8 | 214.9 | 0.0% | -2.6% |
| Personal Services | 16.4 | 136.2 | 138.4 | 138.4 | 0.0% | 1.6% |
| Other | 15.3 | 72.4 | 72.1 | 71.4 | -0.9% | -1.3% |
| All Items | 1000 | 153.8 | 156.3 | 159.3 | 1.9% | 3.6% |

Quarterly Analysis

For the period under review with a recorded +1.9%,the quarter did have one sharp significant increase, but no significant decreases in the general level of prices. However, there were few observed fluctuations in the level of prices and those which remain stagnant.

The price level that rose significantly over the quarter was from the 'Medical' category, which

rose 20.8% quarterly. This rise in price level was mainly and solely due to the rise in average price of an Optician eye test.

The other 2 categories which increased quarterly were *'Transportation & Communication'* by 2.1% resulting from the increase in a return airfare from St. Thomas (42.7%) and an increase in Gas (3.6%). *'Food'* increase by 1.4%, partial

due to the average increases in wheat bread, some fruits and vegetables prices and prices within the 'Oils and cooking fats' subsection.

There were decreases in four of the categories, 'Others Services' recorded the highest decrease with 0.9% which was partial due to the decrease in the average price of toiletries.

The Category 'Clothing and Footwear' decreased by 0.8%, 'Drinks and Tobacco' by 0.6 and 'Household Goods' by 0.4%

This quarterly analysis also recorded four categories where the prices remained still over the quarters, 'Accommodation', 'Fuel', 'Education' and 'Personal Services'

Annual Analysis

The annual All Items index for Anguilla was up 3.6%, the rate of inflation has decelerated dramatically compared to December 2011 which recorded a high of 8.7%, yet still lower then December 2006 which recorded 10.4%, but is still higher than December 2010 of 0.8%.

During this period, the analysis recorded 4 decreases like the quarterly analysis, however this time 6 increases and one stagnant category, with most of the upward pressure as a result of the Medical category.

Table 2: Inflation in Anguilla, December 2006 – December 2012

| | Dec-06 | Dec-07 | Dec-08 | Dec-09 | Dec-10 | Dec-11 | Dec-12 |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|
| Annual Inflation Rate | 10.4% | 3.3% | 5.3% | -0.8% | 0.8% | 8.7% | 3.6% |

Inflation Rate: annual rate of change in the All Items Consumer Price Index (CPI)

The main contributors to the upward pressure on the AXACPI 12-month rate was the 'Medical' category with other increases in other categories such as 'Food', 'Drinking & Tobacco', 'Accommodation', 'Transportation & Communication', and 'Personal Services'.

The *Medical* index measured a 35.7% change in the index for December 2012 over December 2011. The result of the higher average cost of an Optician eye test over the period.

Food items typically purchased by households on a regular basis were up 3.7% for the year. Most items observed saw an increase in posted prices.

The *Transportation & Communication* category was 5.4% higher, mostly due to the cost of an imperial gallon of Gasoline, the cost of an annual driver license and a return airfare ticket to St. Thomas.

The *Drinks & Tobacco* category was up 1.7% due to the increased averaged cost of beer and the

Personal Services category which increase by 1.6%. The Accommodation category was up 1.2% due to change in the average cost of water delivery and a bag of cement.

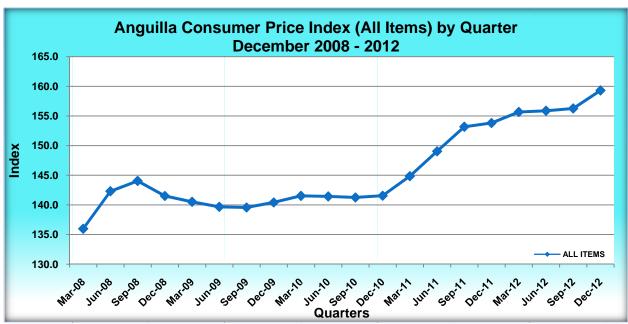
The Fuel category was the only category which remained the same over the period.

There were four decreases, with the Household goods recording the highest decrease of 5.4% which was partial due to the decrease cost of bedroom appliances such as a mattress, a suite Upholstered etc.

Clothing and Footwear was down 5.2%, partial due to the decrease in Men's jeans, dress shirts and socks.

Education and Other Services also experienced decrease of 2.6% and 1.3% respectively due to average cost of tutoring lessons and toiletries.





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.

