

ANGUILLA'S CONSUMER PRICE INDEX

4th Quarter: October - December 2003

The Anguilla Consumer Price Index (AXACPI) recorded an annual increase of 7.0% for December 2003/2002 up from a 4.3% increase for September 2003/2002.

The index for the quarter October to December 2003 showed an increase of 0.7%. While the quarterly increase is slower, it compares with a 0.9% increase for the previous quarter July to September 2003.

Table 1
Quarterly and Annual % change for the Anguilla CPI by category and weights

	Weights	Dec-02	Sept-03	Dec-03	% change Dec 03/Sept 03	% change Dec 03/Dec 02
FOOD	321.20	101.7	99.3	101.7	2.4%	0.0%
DRINKS & TOBACCO	2.90	98.5	98.4	99.5	1.2%	1.1%
ACCOMMODATION	171.50	99.7	90.4	88.9	-1.7%	-10.8%
FUEL	68.55	94.1	103.3	101.4	-1.9%	7.8%
CLOTHING & FOOTWEAR	30.65	111.8	114.7	111.1	-3.2%	-0.6%
HOUSEHOLD GOODS	97.30	105.4	109.7	112.0	2.1%	6.2%
TRANSPORT & COMMUNICATION	235.28	100.5	128.6	129.6	0.7%	29.0%
MEDICAL	30.85	98.2	129.4	129.6	0.1%	31.9%
EDUCATION	9.94	110.5	110.8	114.2	3.1%	3.4%
SERVICES	16.42	114.6	113.4	111.6	-1.6%	-2.6%
OTHER	15.30	105.3	107.8	105.9	-1.7%	0.6%
ALL ITEMS	1000.00	101.5	107.8	108.5	0.7%	7.0%

Weights revised – 1998

Base year Dec. 2000 = 100

CPI is based on prices collected within the 1st week of the last month of the quarter

Quarterly Analysis

The Consumer Price Index for the fourth quarter of 2003 showed that the category with the largest quarterly increase was the Education category, which increased by 3.1%. Although Education had the largest increase, its impact on the overall index was not commensurate with the increase because it carries a very low weight of 9.94 or 0.99 % out of a total basket weight of 1000.

The other categories that showed moderate quarterly increases were Food, Household Goods and Drinks & Tobacco with 2.4%, 2.1% & 1.2% respectively.

The Transport & Communication and Medical categories showed increases of 0.7% and 0.1% respectively.

The Clothing & Footwear category showed a decline of 3.2%. This decline can be attributed to the fall in prices of clothing.

The other categories that showed a decline for the fourth quarter were Fuel, Accommodation, Other and Services with 1.9%, 1.7%, 1.7% and 1.6% respectively.

Annual Analysis

Examination of the Consumer Price Index on an annual basis, that is December 2003 over December 2002 shows that inflation as measured by the CPI amounted to 7.0%. The major contributor to this annual increase was the Transport and Communication category with an increase of 29 % and weight 235.28 points out of a total basket of 1000 points. This increase is accredited to the increase in the cost of monthly telephone rental, the ticket tax and baggage screening fee and the cost of petrol. Increases for telephone rental, ticket tax and baggage screening fee took effect in the second quarter of 2003 whereas petrol has been gradually increasing from the first quarter to present.

The Medical category with an increase of 31.9% and a weight of 30.85 points was the second largest contributor to the 7 % annual increase. This significant increase can be attributed to the increase in Hospital and Dental services, which occurred in the first quarter of 2003.

The Food category, on the other hand, which is one of the categories that accounts for the greatest weight to the CPI showed no annual change. This stability in price is noteworthy as it was feared that the imposition of the 1 % import duty surcharge across the board in January 2003 would see significant changes in the price of food items.

The fuel category had an annual increase of 7.8%. Increases in this category occurred in the first quarter when there was an imposition of a fuel surcharge on electricity consumed and in the third quarter when there was an increase in the cost of cooking gas.

There were also annual increases in the Household Goods, Education and Drinks & Tobacco and Other categories.

The Accommodation category showed an annual decline of 10.8%. This decline can be attributed to downward changes in rent, mortgage rates and the prices of building materials. These declines came about in the first quarter of 2003. There was also an annual decline in the prices of items in the Services and Clothing & Footwear categories.

The Statistics Department takes this opportunity to thank all outlets that assisted with the collection of prices during the past year and looks forward to continued assistance in the coming year.

Seasons Greetings to all.

For more information, please feel free to contact the Statistics Department on 497-3901/5731 or visit our website <http://gov.ai/statistics/statistics.htm>