

ANGUILLA'S CONSUMER PRICE INDEX
1st Quarter: March 2004

The Anguilla Consumer Price Index (AXACPI) recorded an annual increase of 7.3% for March 2004 compared to March of 2003. This compares to an annual increase of 7.0% in December 2003. While the annual rate has been increasing since March of last year the quarterly rate has been decreasing. Over the quarter December 2003 to March 2004, the CPI showed an increase of 0.2%, which is a slower rate than the previous quarter when the increase was 0.7%. Annualizing the quarterly increase in the CPI, inflation is running at 0.8%. There were a number of price shocks that occurred in 2003, which are now working their way through the economy, and next quarter is expected to see a slower 12 month increase.

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

	Weights	March 03	Dec 03	March 04	Quarterly% change Dec 03-March 04	Annual % change March 2003-4
FOOD	321.20	99.6	101.7	102.9	1.1%	3.3%
DRINKS & TOBACCO	2.90	98.4	99.5	99.3	-0.2%	1.0%
ACCOMMODATION	171.50	90.9	88.9	88.3	-0.6%	-2.9%
FUEL	68.55	99.3	101.4	101.4	0.0%	2.1%
CLOTHING & FOOTWEAR	30.65	115.0	111.1	99.5	-10.4%	-13.4%
HOUSEHOLD GOODS	97.30	105.7	112.0	112.3	0.3%	6.3%
TRANSPORT & COMMUNICATION	235.28	103.3	129.6	130.2	0.5%	26.0%
MEDICAL	30.85	128.6	129.6	129.8	0.2%	1.0%
EDUCATION	9.94	111.6	114.2	117.9	3.2%	5.6%
SERVICES	16.42	117.0	111.6	111.6	-0.1%	-4.7%
OTHER	15.30	97.4	105.9	106.1	0.2%	9.0%
ALL ITEMS	1000.00	101.3	108.5	108.7	0.1%	7.3%

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 categories that showed the highest price changes during the first quarter of 2004 were Education, and Food at 3.2% and 1.1% respectively. The main source of increased prices in the education category was private tutoring and among food products meats showed the highest price increases in particular poultry meat. Clothing and footwear prices declined as some stores took advantage of the tourists to put items on sale. This category showed an overall quarterly price decline of 10.4%.

Annual Analysis

Transport and Communications continued to show the highest annual rate of price increase in March 2004 at 26%. This was due to the price increase in the cost of the monthly rental of telephone lines, the baggage-screening fee at the airport and the security ticket tax that were implemented in June last year. Household goods showed an annual increase of 6.3%. The quarterly increase in private tutoring was the primary cause of annual price increase of 5.6% in the education component.