

Anguilla Government Statistics Department ANGUILLA'S CONSUMER PRICE INDEX 2nd Quarter: April - June 2007

Inflation Rate -0.6%

Consumers in Anguilla paid 0.6% less in the 2^{nd} quarter (Apr – June) 2007, than they did during the 1^{st} quarter (Jan - Mar) 2007, as according to the Anguilla Consumer Price Index (AXACPI), for all items within the basket of goods and services. The level of inflation fell from 0.9% measured for 1^{st}

Between the 2^{nd} quarter (Apr- June) 2006 and the 2^{nd} quarter (Apr- June) 2007, there was an annual change increase of *All Items* by 7.2%. The *All Items* index increased from 121.7 to 130.4 for the basket of goods.

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Categories	New Weights 2001	June 06	March 07	June 07	Quarterly % Change June07/Mar07	Annual % Change June07/June06
Food	321.20	112.3	119.1	120.7	1.4%	7.5%
Drinks & Tobacco	2.90	101.4	108.0	107.8	-0.2%	6.4%
Accommodation	171.50	98.7	108.9	107.2	-1.5%	8.7%
Fuel	68.55	130.8	139.6	132.3	-5.2%	1.1%
Clothing & Footwear	30.65	149.4	148.6	144.4	-2.8%	-3.3%
Household Goods	97.30	135.9	170.7	169.2	-0.9%	24.5%
Transportation & Communication	235.28	134.6	141.1	140.2	-0.6%	4.2%
Medical	30.85	134.5	135.9	135.9	0.0%	1.0%
Education	9.94	186.9	197.8	203.8	3.0%	9.0%
Personal Services	16.42	130.2	135.1	135.1	0.0%	3.7%
Other	15.30	117.7	106.4	102.3	-3.9%	-13.1%
All Items	1000.00	121.7	131.2	130.4	-0.6%	7.2%

Quarterly Analysis

Overall, during the 2^{nd} quarter 2007 the AXACPI, showed a decline when compared to the 1^{st} quarter 2007. There were two (2) categories advancing, seven (7) declining and two (2) remaining firm.

The "*Education*" category showed the highest percentage increase of 3.0% over the previous quarter's index. The increase in the cast` of kindergarten fees (5.7%) contributed to this increase.

The increase in prices for "*food*" was reflected in the *Food* category which showed an increase of 1.4%.

Prices within the "*Medical*" and "*Personal Services*" category showed no change over their period; remained constant. The prices in the "*Fuel*" category experienced an overall decrease of 5.2%, which was the highest decrease by a category over the previous quarter.

Prices within the "*Accommodation*" category showed a decline by 1.5%, which can be attributed in part to the cost of imported concrete blocks (-21.5%) and treated pitch pine wood (-1.2%).

The *Other* category experienced an overall decrease of 3.9% over the last quarter. The "*Drinks & Tobacco, Clothing and Footwear, Household Goods and Transport & Communication*" categories also experienced declines by 0.2%, 2.8%, 0.9% and 0.6% respectively.

Annual Analysis

The "Household Goods" category, measured an annual increase of 24.5% as a result of increases in prices for furniture (mattresses & coffee table), linens (Pillows & comforters), electrical goods (gas stoves, fans, washing machine, hot water heater) and household items (the wages of a helper and a gardener, Cable TV Rentals and cleaning products).



Prices in the "Education" category

increased over the past year by 9.0%, which is a result in part due to the increased of kindergarten fees and the cost of private tutoring.

The "Accommodation" category measured an increase in prices of 8.7%, which was in part due to the increase in the price of cement (12.2%), paint (interior/ exterior) (32.3%), thoroseal (36.9%) and treated pitch pine woods (21.5%).

Prices in the "*Food*" category also increased during the 2^{nd} quarter of 2007 by 7.5%, bread, flour, cereals, meats, poultry, milk & dairy products, soft drinks, sugar & preserves, fruits & vegetables and take out meals (*hamburgers & sandwiches*).

The "*Drinks & Tobacco*" category measured an increase of 6.4%, which was part due to the increase in rum.

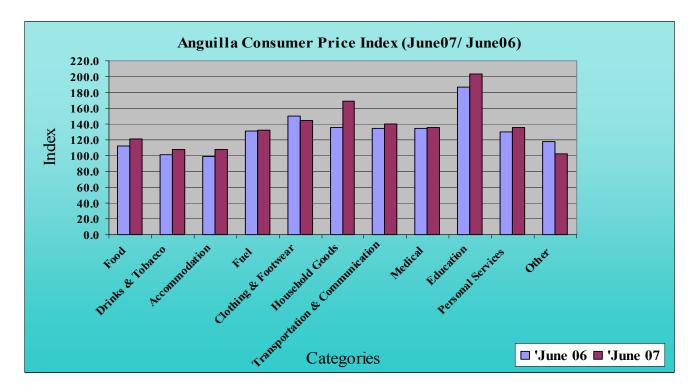
The "*Transportation and Communication*" category experienced an increase of 4.2%. This was in part as a result of price increases of a vehicle and an air fare to St. Thomas.

The prices in *"Personal Services"* category also increase by 3.7%, which is the result of price increases in driving lessons, ladies' and gentlemen's hair grooming services.

The *"Fuel"* category experienced an increase of 1.1%, which was part due to the increase of electricity.

The "*Medical*" category experienced an increase of 1.0% as a result of the increase cost of cough medicine.

The "*Clothing & Footwear*" and the "*Other*" category was the only categories that measured an annually decrease, of all the categories, by 3.3% and 13.1% respectively. This was part due to the drop in prices of men and women clothes in the "*Clothing & Footwear*" category and tennis balls in the "*Other*" category.





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.

