



Anguilla Government Statistics Department

ANGUILLA'S CONSUMER PRICE INDEX

1st Quarter: January - March 2010

**Inflation
Rate
0.8%**

The cost of living, measured by the Anguilla Consumer Price Index (AXACPI), increased by a modest 0.8% for the first quarter of 2010 to 141.5 for the All Items index; when comparing the period, January-March 2010, with the 4th quarter of the past year (October-December 2009).



This means that consumer prices were, on average, 0.8% higher than the previous quarter's. The most upward pressure was seen in the 'Fuel' category, with prices up 5.1% from the 4th quarter; with electricity and LPG for cooking being the contributors to the upward movement of the index.

A similar offsetting decline, of equal but opposite movement (-5.1%), was in the 'Other' category, and within this category the price of power tools were lower in this period than in the previous period.

The annual inflation rate also advanced at a slow rate, with the All Items index showing that prices were 0.7% higher in March 2010 compared to March 2009, with the index moving from 140.5 to 141.5.

Alcoholic 'Drinks and Tobacco', 'Fuel' and 'Education' had the strongest pressures in price increases by 4.4%, 3.5% and 3.4%.

Table 1: Consumer Price Index by Category and Weights

Categories	New Weights 2001	Mar '09	Dec '09	Mar '10	Quarterly % Change Mar '10/Dec '09	Annual % Change Mar '10/ Mar '09
Food	321.2	145.9	147.2	147.9	0.5%	1.4%
Drinks & Tobacco	2.9	121.3	126.7	126.6	-0.1%	4.4%
Accommodation	171.5	115.0	114.3	112.3	-1.7%	-2.4%
Fuel	68.6	132.0	129.9	136.5	5.1%	3.5%
Clothing & Footwear	30.7	110.6	109.5	107.9	-1.4%	-2.5%
Household Goods	97.3	162.6	161.7	163.7	1.2%	0.7%
Transportation & Communication	235.3	139.6	138.9	141.9	2.2%	1.7%
Medical	30.9	218.8	219.0	218.4	-0.3%	-0.2%
Education	9.9	209.2	219.3	216.4	-1.3%	3.4%
Personal Services	16.4	136.1	135.8	135.8	0.0%	-0.2%
Other	15.3	91.6	87.2	82.7	-5.1%	-9.6%
All Items	1000	140.5	140.4	141.5	0.8%	0.7%

Quarterly Analysis

This quarter marks another overall but subdued increase in consumer prices by 0.8%, following a 0.6% increase in December 2009. These increases were preceded by four consecutive quarterly declines in the All Items index starting in the 4th quarter of 2008.

Rising prices were seen in 'Food' (0.5%), 'Fuel' (5.1%), 'Household Goods' (1.2%) and

'Transport & Communication' (2.2%) categories.

Prices remained generally unchanged in the 'Personal Services' category with the index showing no movement between the quarters and the 'Drinks and Tobacco' index experiencing a marginal decline by 0.1%.

Small declines in prices were seen in '*Accommodation*' (-1.7%), '*Clothing & Footwear*' (-1.4%), '*Medical*' (-0.3%), '*Education*' (-1.3%) and '*Other*' (-5.1%) categories.

The '*Food*' index grew slightly with price increases observed in many sub categories, like bread and cereal products for items such as whole wheat flour, cream of wheat and biscuits; and meat especially pork. Conversely, the price of fruits and vegetables was slightly lower this period.

The '*Fuel*' index was up 5.1%, as increasing costs of electricity and LPG caused an advance in the index. Electricity costs reflected a 25% increase in the fuel surcharge for each unit consumed. LPG added to the pressure on consumers with prices up 14% from the previous quarter.

'*Household Goods*' index was up by 1.2 % as subcategories such as linens, electrical goods and household items displayed advancing prices.

Annual Analysis

Overall, 6 of the 11 categories showed price increases in the AXACPI in the 12 months leading to March 2010, with the All Items index up 0.7% for the year.

'*Food*' costs which account for about one-third of the AXACPI were 1.4% higher this period over the corresponding period in 2009. Alcoholic '*Drinks and Tobacco*', with the smallest weight in the consumer basket, had the greatest annual change with prices up 4.4%.

The '*Fuel*' index was up 3.5% with higher prices for nearly all products in this category over the same period in 2009.

'*Transportation and Communication*' index increased 1.7% annually for this period, mainly as a result of transportation costs as communication costs remained relatively unchanged. Price increases were seen in gasoline,

With rising prices for new vehicles, tyres, gasoline; and higher insurance premiums for vehicle coverage, the combined effect of all these items resulted in the Transport & Communication index increasing 2.2% over the previous quarter.

The '*Accommodation*' index was down 1.7% in part to lower prices of materials used in maintenance and repair of accommodation.

The '*Clothing & Footwear*' and '*Education*' categories both have relatively low weight compared to other categories; and were down by 1.4% and 1.3% respectively this period.

The '*Medical*' index was down 0.3% following two consecutive 0.1% increases in the two previous quarters.

In the '*Other*' category, the index was down 5.1%, partly due to miscellaneous items like toiletries and personal hygiene products.

air fares, new vehicles and insurance premiums for motor vehicle coverage.

'*Household Goods*' and '*Education*' were the two final categories to see advancement in the posted prices for consumer goods and services by 0.7% and 3.4%.

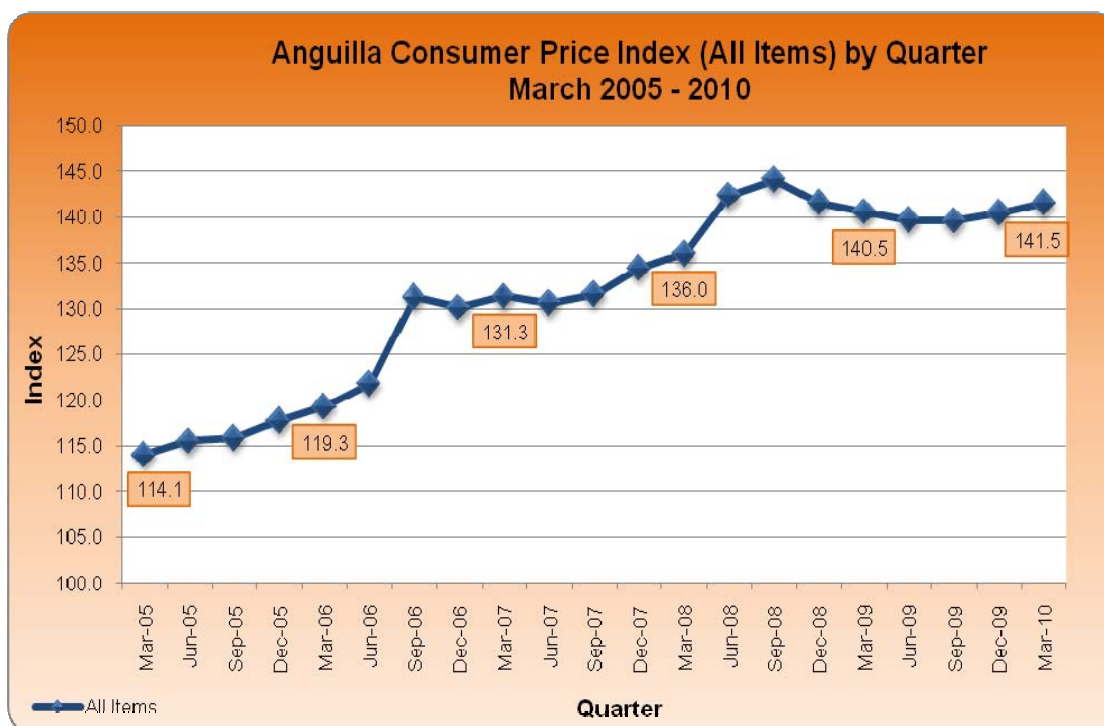
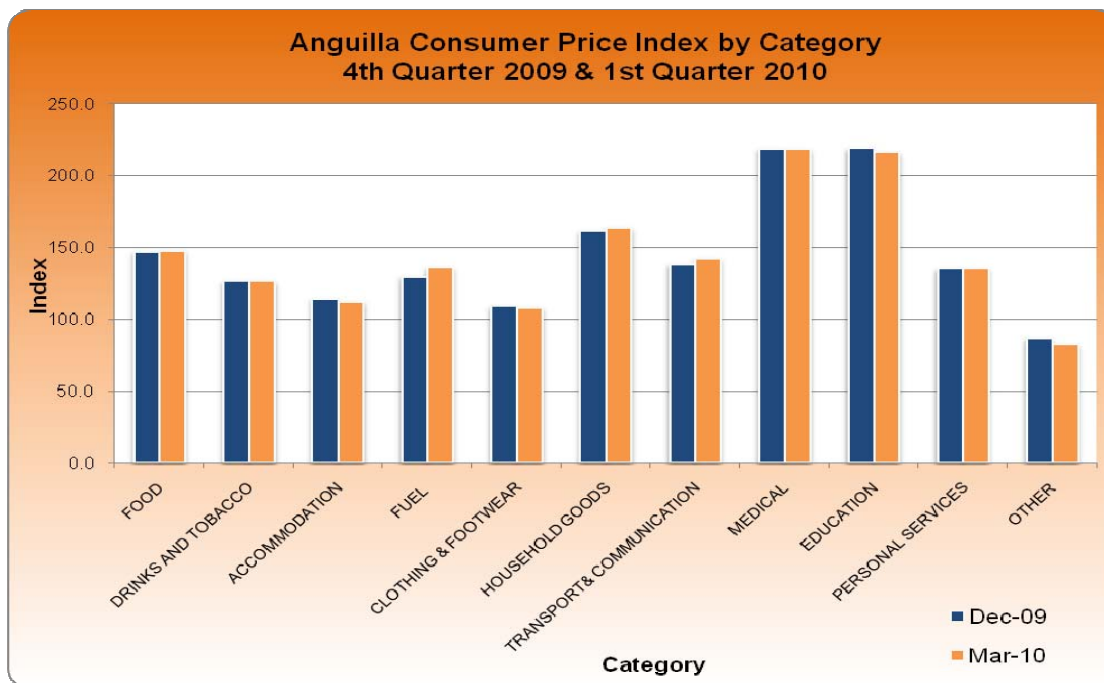
'*Personal services*' saw negligible change for the year, with a decline in the index by 0.2%.

The '*Accommodation*' index reflects lower prices for homeowners' maintenance and repair materials.

The '*Medical*' index was slightly lower as insurance premiums were down compared to March 2009.

Other declines were seen in the '*Clothing and Footwear*' and the '*Other*' indices.





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*

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