



Anguilla Government Statistics Department

ANGUILLA'S CONSUMER PRICE INDEX

3rd Quarter: July - September 2011

**Inflation
Rate
2.8%**

The Anguilla Consumer Price Index (AXACPI) rose 2.8% for the third quarter of 2011. The AXACPI shows the rate at which prices of consumption goods and services are changing from quarter to quarter in Anguilla. The increase this quarter was largely impacted by higher price levels in the 'Food', 'Fuel' and 'Transportation and Communication' categories for consumers.

The continuing increase in the 'All Items' index since December 2010 was reflected in the annual rate. Looking at 'All Items' index over the last twelve months, the price level for the

same basket of goods and services was 8.4% higher at this point.

The main inflationary pressures were seen in the following categories: *Transportation & Communication*, *Fuel*, *Accommodation* and *Food*.



Prices in three (3) categories showed a decline, including *Clothing & Footwear*, *Medical* and *Other* items.

Table 1: Consumer Price Index by Category and Weights

Categories	New Weights 2001	Sept '10	Jun '11	Sept '11	Quarterly % Change Sept '11/Jun '11	Annual % Change Sept '11/Sept'10
Food	321.2	148.6	152.4	155.8	2.2%	4.9%
Drinks & Tobacco	2.9	126.6	146.6	150.2	2.5%	18.6%
Accommodation	171.5	110.3	123.3	122.5	-0.6%	11.1%
Fuel	68.6	136.5	155.6	175.9	13.0%	28.8%
Clothing & Footwear	30.7	107.2	95.9	94.3	-1.6%	-12.0%
Household Goods	97.3	162.4	176.5	173.3	-1.8%	6.7%
Transportation & Communication	235.3	141.9	150.1	159.5	6.3%	12.5%
Medical	30.9	219.3	219.4	218.6	-0.3%	-0.3%
Education	9.9	216.4	216.4	220.6	1.9%	1.9%
Personal Services	16.4	135.7	139.1	136.2	-2.1%	0.4%
Other	15.3	83.3	77.6	74.4	-4.2%	-10.8%
All Items	1000	141.3	149.0	153.2	2.8%	8.4%

Quarterly Analysis

Each quarter for 2011 had a fairly constant rise in prices by 2.3%, then 2.9% and now 2.8% for the third quarter. This section of the analysis compares the level of prices in the second quarter with those observed in the third quarter.

Rising prices were seen in five of the eleven categories, namely in *'Food'* (+2.2%), alcoholic *'Drinks and Tobacco'* (+2.5%),

'Fuel' (+13.0%), *'Transport & Communication'* (+6.3%) and *'Education'* (+1.9%).

In the *'Food'* index, which rose 2.2%, prices were relatively higher for sugar and preserves, meat, milk and dairy products, fruits and starchy vegetables and other items.

The '*Drinks and Tobacco*' category, which covers alcoholic beverages and tobacco, were up 2.5% over the previous quarter.

The '*Fuel*' index was up 13.0% and had the second largest pressure on the market basket, which includes items such as electricity and kerosene.

The '*Transportation and Communication*' category had the largest impact on inflation this quarter, given the large weight it has on the average household's expenditure, with price levels up 6.3%. The higher price of gas or petrol per gallon was one of the key

components and the higher price for a new car.

The '*Education*' index also showed an increase over the previous quarter with the prices of school uniforms and books being higher, which coincides with the beginning of the new school year.

The following indexes showed a relative decline when compared to the second quarter: '*Accommodation*' (-0.6%), '*Clothing & Footwear*' (-1.6%), '*Household Goods*' (-1.8%), '*Medical*' (-0.3%), '*Personal Services*' (-2.1%) and '*Other*' (-4.2%).

Annual Analysis

The 12-month change in the AXACPI for the period ending September 2011 had a sharp increase this year by 8.4% in the '*All Items*' index, as it continued on the upward trend of rising price levels for goods and services consumed by residents.

The '*Transportation and Communication*' category which is the second largest category in the basket had the greatest inflationary pressure of the eleven categories. With items such as car parts like a battery, gas per gallon and a new car all having higher posted prices.

The '*Fuel*' category too had a major impact, up 28.8% for the 12-month period. Electricity cost was the main driver of higher price level in this category, with the rate for fuel surcharge moving from 20¢ to 45¢ per unit over the 12-month period.

The third largest pressure was in the '*Accommodation*' category, which increased 11.1% for the period. This reflected the increase in property tax, higher costs of building and repair materials like lumber and

cement, higher premiums for insurance and so on.

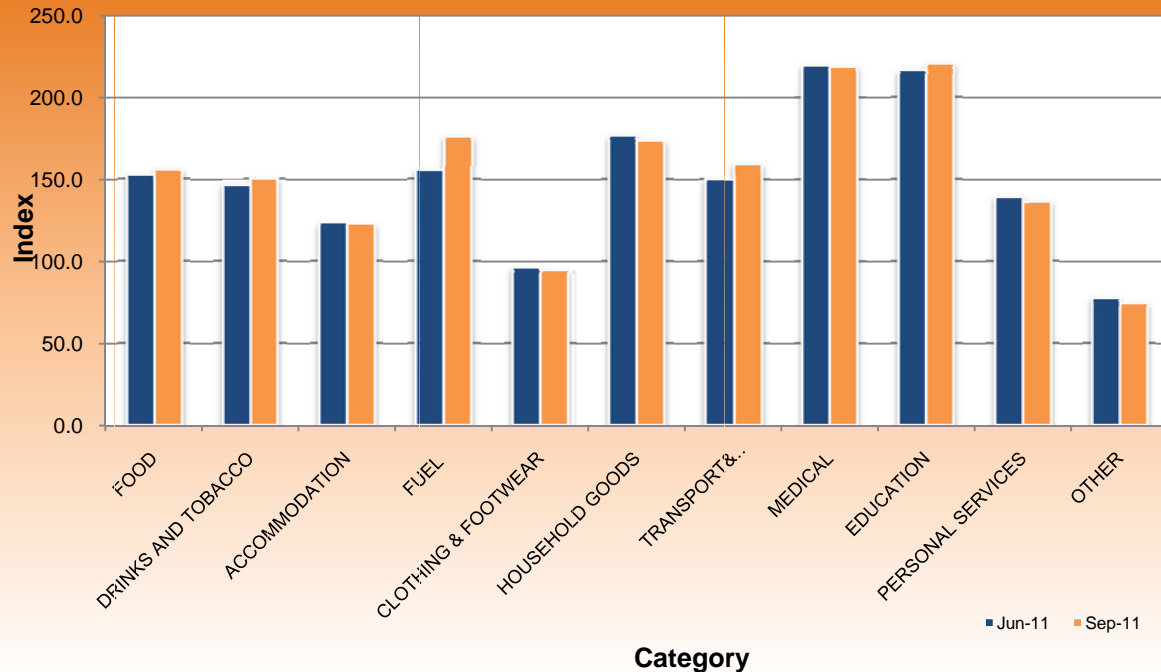
The '*Food*' index for the period had a 4.9% year-on-year increase. There were increases in many of the items like bread, wheat and cereal products such as rice, spaghetti and flour. The prices of meat and poultry showed an increase for most varieties. While fresh fish did not show much price change, salted and tinned fish had price increases. Oils and fats, milk and dairy products, soft drinks and other food stuff showed higher average prices.

Other categories that showed an increase in their index were alcoholic '*Drinks and Tobacco*' (+18.6%), '*Household Goods*' (+6.7%), '*Education*' (+1.9%) and '*Personal Services*' (+0.4%).

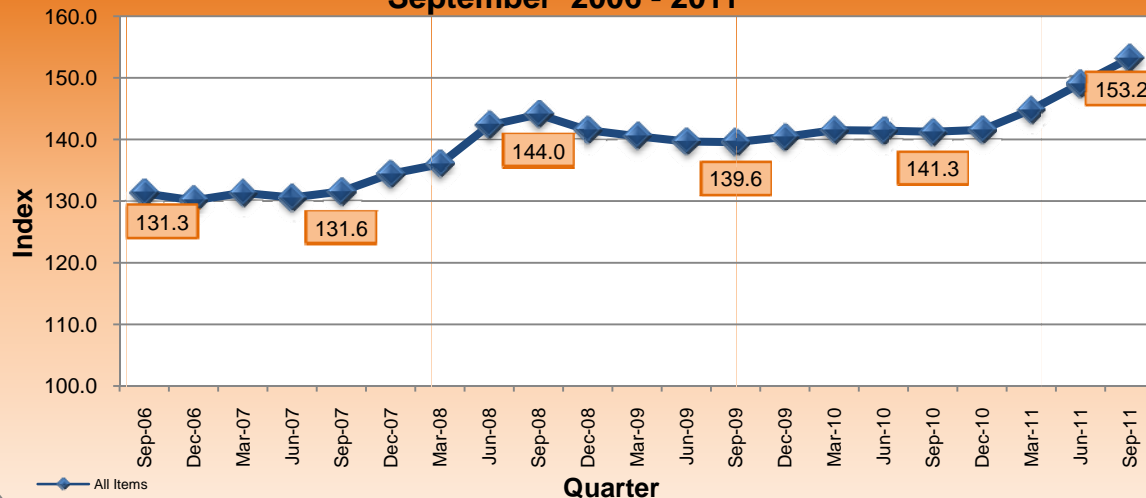
Offsetting declines were seen in three of the indexes. For '*Clothing and Footwear*', which declined 12.0%, this lower level mostly reflects price changes in footwear. This was also seen in the '*Medical*' category which was down by 0.3% and the '*Other*' category which fell 10.8%



Anguilla Consumer Price Index by Category 2nd Quarter 2011 & 3rd Quarter 2011



Anguilla Consumer Price Index (All Items) by Quarter September 2006 - 2011



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*

STATISTICS DEPARTMENT – ANGUILLA
OLD COURT HOUSE BUILDING
P.O.BOX 60
THE VALLEY, ANGUILLA
BRITISH WEST INDIES
Telephone: 1-264-497-5731
Fax: 1-264-497-3986
Email: statistics@gov.ai

'Sound Statistics for Sustainable Development'