



Anguilla Government Statistics Department

ANGUILLA'S CONSUMER PRICE INDEX

4th Quarter: October - December 2011

**Inflation
Rate
0.4%**

The inflation rate as measured by the Anguilla Consumer Price Index (AXACPI) for the final quarter of 2011 (October to December), showed an increase of 0.4% for the quarter and 8.7% for the year.

For each quarter of 2011, there were observed increases in the overall price level of items purchased by households, as shown in the All Items index.

For the period in review, only two categories showed a decline namely, *Household Goods* which showed a slight decrease by 0.6% and the *Other* category down 2.6%.

This quarter, five (5) of the eleven (11) categories showed no change in the overall price level. While relatively small increases were seen in the following categories: *Food* (+0.2%); *Accommodation* (+0.9%); *Clothing & Footwear* (+0.4%); and *Transportation & Communication* (+1.2%).

The annual inflation rate showed that consumer prices rose 8.7% over the 12 month period to December 2011, with increases in eight (8) of the eleven (11) categories.



Table 1: Consumer Price Index by Category and Weights

Categories	New Weights 2001	Dec '10	Sept '11	Dec '11	Quarterly % Change Dec'11/Sept '11	Annual % Change Dec '11/ Dec '10
Food	321.2	148.6	155.8	156.1	0.2%	5.1%
Drinks & Tobacco	2.9	124.1	150.2	150.2	0.0%	21.0%
Accommodation	171.5	110.7	122.5	123.6	0.9%	11.7%
Fuel	68.6	136.5	175.9	176.0	0.0%	28.9%
Clothing & Footwear	30.7	105.5	94.3	94.7	0.4%	-10.2%
Household Goods	97.3	163.4	173.3	172.4	-0.6%	5.5%
Transportation & Communication	235.3	142.9	159.5	161.5	1.2%	13.0%
Medical	30.9	219.3	218.6	218.6	0.0%	-0.3%
Education	9.9	216.4	220.6	220.6	0.0%	1.9%
Personal Services	16.4	135.6	136.2	136.2	0.0%	0.5%
Other	15.3	79.7	74.4	72.4	-2.6%	-9.2%
All Items	1000	141.6	153.2	153.8	0.4%	8.7%

Quarterly Analysis

The increase in the *All Items* index was mainly due to a rise in the *Transport & Communication* index, which carries the second largest weight in household expenditure, which was up 1.2% over the previous quarter. The cost for replacement

parts in maintaining a car was one of the main factors for the increase.

The *Accommodation* index increased 0.9% over the previous quarter, with higher prices seen in materials like cement and paint.

The *Food* index rose 0.2% this quarter, with four (4) of the eight (8) grocery store food groups posting higher prices; namely Oils and Cooking Fats; Fruits and Vegetables; Sugar and Preserves; and Meat, Poultry and Fish.

The *Clothing & Footwear* index was up 0.4%, with various types of footwear posting the increases.

Alcoholic Drinks and Tobacco, Fuel, Medical, Education and Personal Services indices were the

same as the previous quarter. With the general price level of items in these categories unchanged since the third quarter of 2011.

The index for *Household Goods* declined 0.6% for this period, with lower prices for some kitchenware and other household items.

The *Other* category also experienced a decline in its index when compared to the previous period; down 2.6%, with miscellaneous household items like toothpaste being cheaper.

Annual Analysis

Over the last 12 months, with rising consumer prices the *All Items* index for Anguilla was up 8.7%. A review of the 12-month period data revealed that for each December, excluding the

end of 2009, there tended to be a higher level in consumer prices for the same basket of goods and services over the preceding December.

Table 2: Inflation in Anguilla, December 2006 – December 2011

	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11
Annual Inflation Rate	10.4%	3.3%	5.3%	-0.8%	0.8%	8.7%

Inflation Rate: annual rate of change in the All Items Consumer Price Index (CPI)

The main contributors to the upward pressure on the AXACPI 12-month rate were *Transportation & Communication, Accommodation, Fuel and Food*.

The *Transportation & Communication* category was higher than 12 months ago with the price of a new car and replacement parts higher this period; air fares and petrol/gas at the pump were all up.

The *Accommodation* category had an increase in the index by 11.7%. With influencing factors including a rise in posted prices for construction materials and higher rates for property tax.

The *Fuel* category was up 28.9% for the year, mostly due to higher fuel charges per unit of electricity consumed.

The *Food* index for the 12-month period was 5.1% higher. While some food items saw price

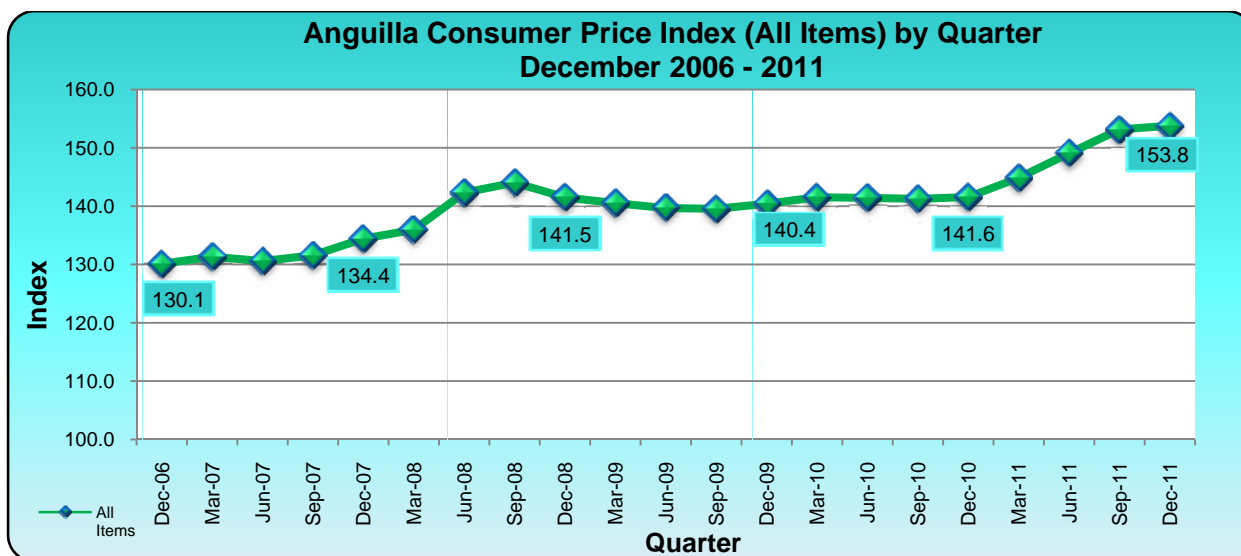
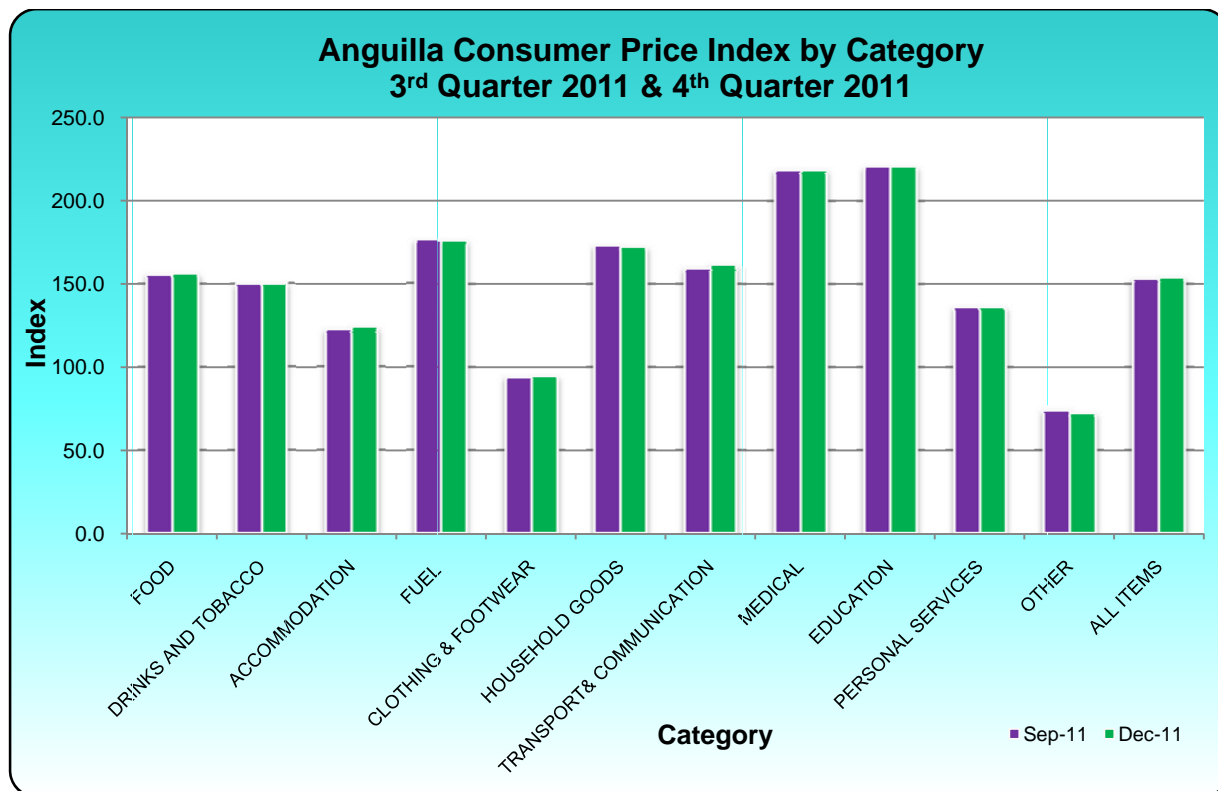
movements by some cents over the period, some goods saw additional dollars being added to the December 2010 price, like white sugar, cooking oils, salt fish and dried milk.

The *Household Goods* index was up 7.7% for the 12-month period, this was mainly due to higher prices for furniture and kitchenware.

The *Alcoholic Drinks & Tobacco* category was up 21.0%, one of the main factors impacting this increase is the change in the import duty of these items and this cost being transferred to consumers.

The *Clothing & Footwear* index fell 10.2%, *Medical* was down 0.3% and the *Other* index declined 9.2%. These three categories have relatively low importance in the regular budget items of a typical household.





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, is available at the Government of Anguilla Statistics Department's website:

www.gov.ai/statistics

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