

CPI

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CONSUMER PRICES UP 0.7% IN OCTOBER 2016

During the month of October 2016, the prices of goods and services purchased by Belizean households were, on average, 0.7 percent higher than they were in October 2015. The All- Items consumer price index stood at 103.6, an increase from 102.9 in last October. For the first ten months of 2016, an inflation rate of 0.6 percent was recorded.

After trending downward for several months earlier in the year, higher prices in the sub-category of 'Fuel' continued to drive the Transport index gradually upward. On average, Diesel prices increased by 21 percent from \$7.05 in October 2015 to \$8.53 in October 2016, while Regular gasoline prices rose by 13 percent from \$8.25 in October 2015 to \$9.32 in October 2016. For the second month in a row, a 26 percent decline in international airfares was not sufficient to offset the rising cost of fuels. As a result, the 'Transport' index recorded its second increase since the start of the year, up by 1.3 percent in comparison to October of last year.

Within the 'Food and Non-Alcoholic Beverages' category, 'Food' prices were down by 0.2 percent in comparison to October 2015. This was mainly due to lower prices in 'Meats' and 'Milk, Cheese and Eggs'. The average price per pound of ground beef decreased by 4.6 percent, while the price per dozen eggs fell by 11.7 percent. However, prices for fruits and vegetables both saw increases on average during the month, as a result of Hurricane Earl in early August of this year. The price per unit of plantains and limes rose by 9.5 and 27 percent, respectively, while that of tomatoes also increased from \$2.39 per pound in October 2015 to \$2.78 in October 2016.

For the month of October 2016, the 'Housing, Water, Electricity, Gas and Other Fuels' category again recorded a slight overall increase of 0.3 percent. Home rental prices, the most significant component of this category, were 0.6 percent higher than in the same month of 2015, while the price of Liquefied Petroleum Gas (LPG) recorded a 2.8 percent increase. Electricity tariffs, on the other hand, remained lower than they were during this same period last year.

On average, prices rose by 1 percent across 'All other categories of goods and services'. This was mainly due to an increase in health services, specifically 'Out-patient services' which recorded a 4.8 percent increase for this month.

All municipalities recorded higher consumer prices for the month, with the exception of Dangriga and Punta Gorda Town, the only two municipalities reporting overall decreases in the Transport index. Corozal Town once again had the highest increase in home rental prices at 9 percent and, as a result, reported the highest inflation rate of 2 percent for the month of October.

Figure 3: Inflation Rates by Municipality (Percent); August 2016

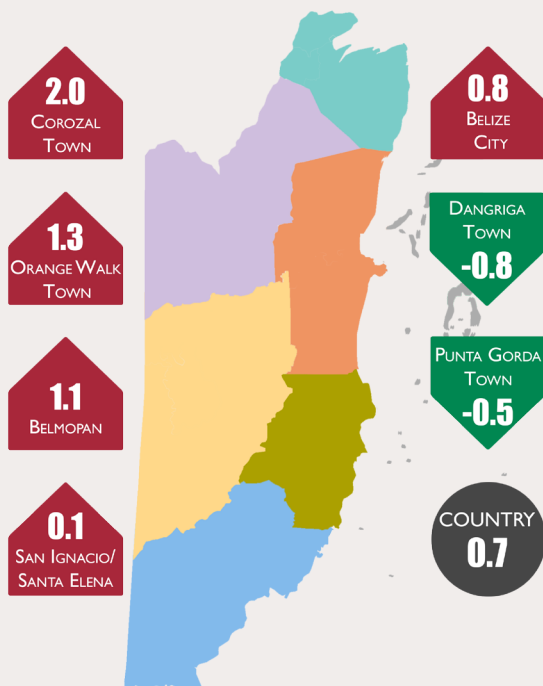


Figure 1: All-Items, Food & Fuel Indices; October 2012- October 2016

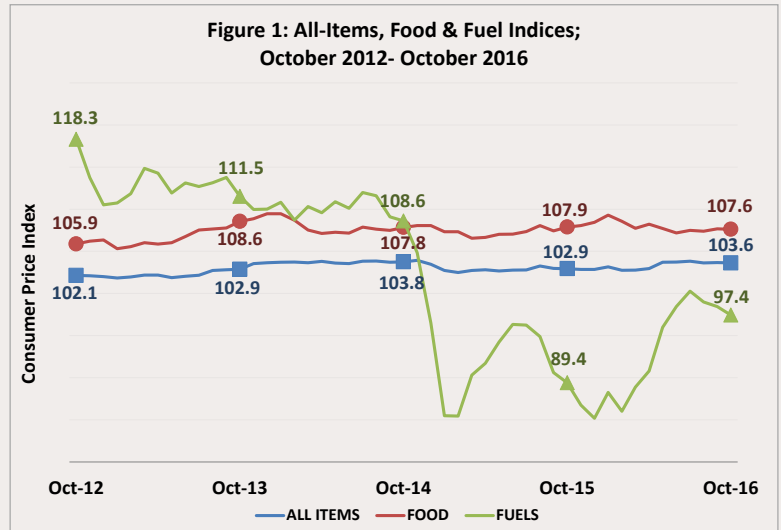


Figure 2: Inflation Rates by Category; October 2016

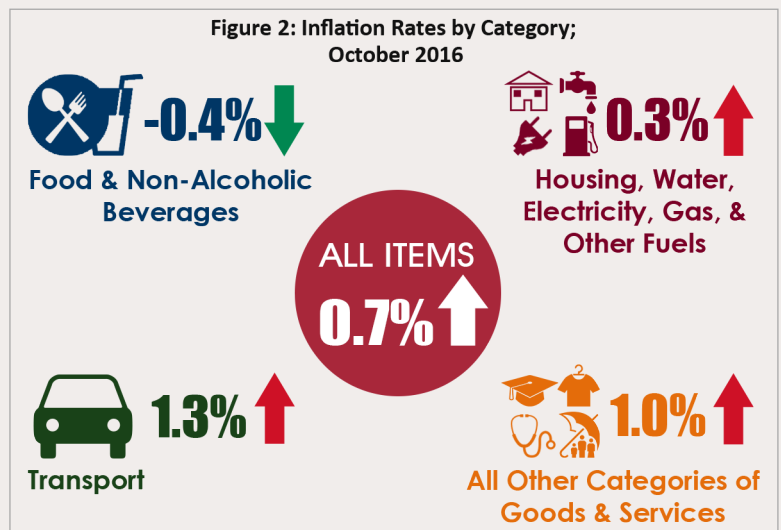


Table 1: Average Prices of Selected Foods and Fuel, October 2015 and October 2016

Item	October 2015	October 2016	% Change
Ground Beef	1 Lb 6.57	6.27	↓ -4.6
Pork Chops	1 Lb 7.20	6.66	↓ -7.5
Pig Tail	1 Lb 4.31	4.42	↑ 2.4
Whole Chicken	1 Lb 2.73	2.68	↓ -1.6
Chicken Breast	1 Lb 3.53	3.33	↓ -5.6
Rice (Retail)	1 Lb 1.10	1.04	↓ -5.3
Flour (Gitana)	1 Lb 0.96	0.95	↓ -1.8
Red Kidney Beans	1 Lb 1.50	1.34	↓ -10.6
Eggs	1 Dozen 3.76	3.32	↓ -11.7
Condensed Milk (Dutch Lady)	397 G 2.44	2.39	↓ -2.0
Milk (La La Light)	1 Litre 2.79	2.69	↓ -3.6
Mixed Vegetables (Del Monte)	411 G 2.14	2.52	↑ 17.9
Yellow Onions	1 Lb 1.85	1.81	↓ -2.0
Sweet Pepper	1 Lb 4.10	3.91	↓ -4.6
Cabbage	1 Lb 1.35	1.34	↓ -0.6
Carrots	1 Lb 1.46	1.44	↓ -1.2
Potatoes	1 Lb 1.53	1.43	↓ -7.0
Watermelon	1 Lb 0.72	0.52	↓ -27.0
Premium Gasoline	1 Gal 9.16	10.13	↑ 10.6
Regular Gasoline	1 Gal 8.25	9.32	↑ 13.1
Diesel	1 Gal 7.05	8.53	↑ 21.0
Liquefied Petroleum Gas (LPG)	100 Lbs 84.27	86.61	↑ 2.8