

# CPI

AUGUST 2017



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### CONSUMER PRICES UP 0.7% IN AUGUST

**ALL-ITEMS:** For the month of August 2017, Belizean consumers experienced a 0.7 percent increase in the average cost of goods and services frequently purchased by households, when compared to August of 2016. The All-Items Consumer Price Index for the month stood at 104.4, an increase from 103.6 in August of 2016 (See Figure 1). For the first eight months of 2017, a year-to-date inflation rate of 1.3 percent was recorded.

**TRANSPORT:** A key element in the overall rise in consumer prices was an overall increase of 5.2 percent across the 'Transport' index (See Figure 1). International airfare prices were significantly higher in August 2017, rising on average by about 49 percent in comparison to that of August 2016. Domestic bus fares, following the price increase which took effect in late 2016, were 8.2 percent higher than they were in August of last year. 'Fuels and Lubricants' experienced a relatively small increase of 0.9 percent as the price per gallon of Premium gasoline, rose from \$10.51 in August 2016 to \$10.62 in August 2017, Regular gasoline rose from \$9.46 to \$9.79, while the price per gallon of Diesel was up from \$8.74 to \$8.80<sup>1</sup> (See Table 1).

**HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:** Prices within the 'Housing, Water, Electricity, Gas and Other Fuels' category recorded an overall increase of 1.4 percent when compared to August of last year. This was mainly attributed to a 0.9 percent increase in home rental costs and a 13.2 percent increase in the average price for Liquefied Petroleum Gas (LPG), as the average cost of a 100-pound cylinder of LPG rose from \$87.76 in August 2016 to \$99.31 in August of 2017 (See Table 1).

**FOOD AND NON-ALCOHOLIC BEVERAGES:** For the month of August 2017, consumers saw a slight decrease of 0.7 percent in the 'Food and Non-Alcoholic Beverages' category (See Figure 2). Various food items including beef steak, pig tail, whole chickens, flour, milk and eggs recorded a decrease for the month (see Table 1). The category of 'Alcoholic Beverages and Tobacco', on the other hand, was up almost 7 percent in comparison to August of 2016, reflecting an 8.2 percent increase in the average price of beer.

Across the seven municipalities<sup>2</sup>, Dangriga once again recorded the highest increase in consumer prices for the month at 3.8 percent. As in previous months, this municipality recorded the highest rate of increase for home rental prices, an item on which households spend a relatively large proportion of their monthly budget and which therefore impacts heavily on the overall Consumer Price Index. Conversely, Orange Walk Town, which recorded the biggest drop in home rental costs, also experienced the lowest inflation rate for the month of negative 1 percent.

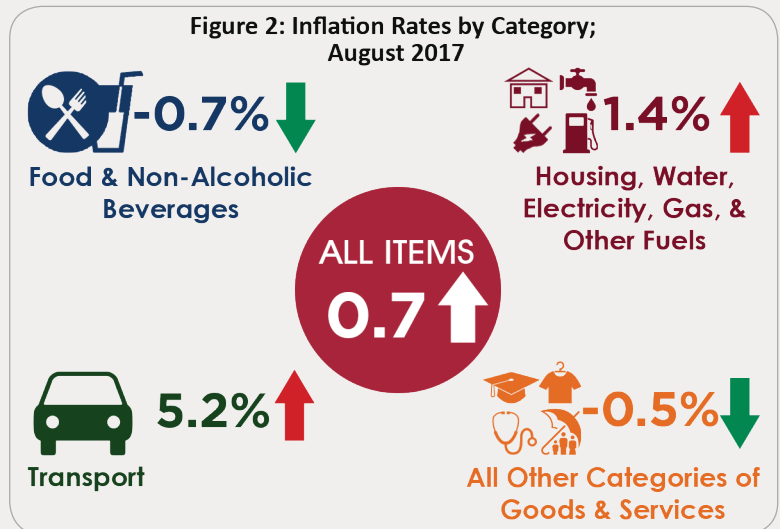
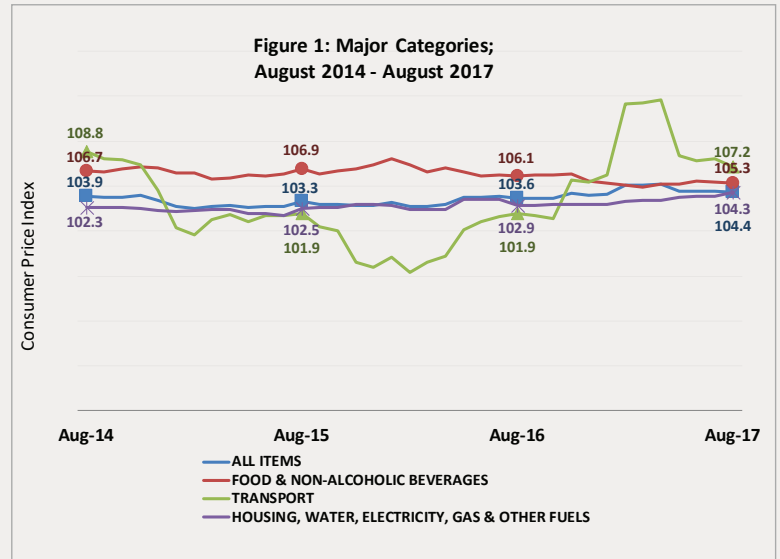


Figure 3: Inflation Rates by Municipality (Percent); August 2017

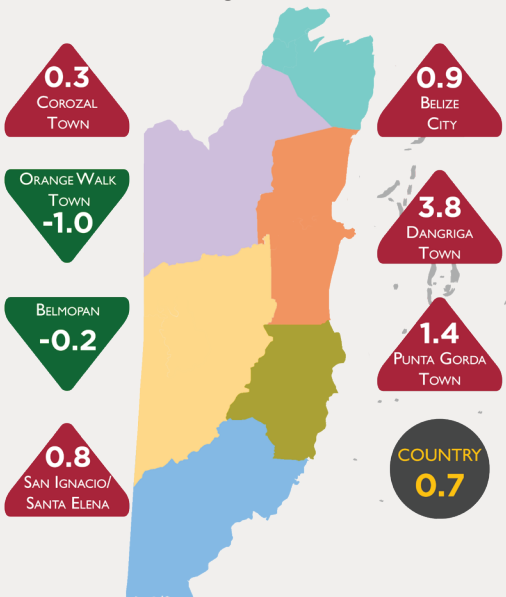


Table 1: Average Prices of Selected Foods and Fuel, August 2016 and August 2017

Item	August 2016	August 2017	% Change
Ground Beef	1 Lb 5.94	5.97	↑ 0.5
Beef Steak	1 Lb 8.18	7.93	↓ -3.0
Pork Chops	1 Lb 6.53	6.95	↑ 6.4
Pig Tail	1 Lb 4.44	4.35	↓ -1.9
Whole Chicken	1 Lb 2.74	2.69	↓ -1.9
Sugar, White	1 Lb 0.79	0.80	↑ 1.4
Flour (Gitana)	1 Lb 0.96	0.94	↓ -1.5
Red Kidney Beans	1 Lb 1.35	1.46	↑ 8.8
Eggs	1 Dozen 3.28	3.11	↓ -5.1
Condensed Milk (Dutch Lady)	397 G 2.46	2.42	↓ -1.9
Milk (La La Light)	1 Litre 2.85	2.51	↓ -12.0
Mixed Vegetables (Del Monte)	411 G 2.28	2.47	↑ 8.5
Yellow Onions	1 Lb 1.79	1.90	↑ 6.2
Sweet Pepper	1 Lb 4.24	4.59	↑ 8.2
Cabbage	1 Lb 1.36	1.42	↑ 4.1
Limes	1 unit 0.26	0.26	↑ 1.7
Potatoes	1 Lb 1.52	1.52	↑ 0.2
Watermelon	1 Lb 0.71	0.62	↓ -12.4
Premium Gasoline	1 Gal 10.51	10.62	↑ 1.1
Regular Gasoline	1 Gal 9.46	9.79	↑ 3.5
Diesel	1 Gal 8.74	8.80	↑ 0.7
Liquified Petroleum Gas (LPG)	100 Lbs 87.76	99.31	↑ 13.2

<sup>1</sup> Price collection for Consumer Price Index compilation takes place during the second week of the month. Price increases which took effect after the August price collection period will be reflected in prices collected for the month of September.

<sup>2</sup> San Pedro Town and Benque Viejo del Carmen are not included in the monthly Consumer Price Index survey.