

CPI CONSUMER PRICE INDEX

For the month of: May 2020 • Published on: June 24th, 2020

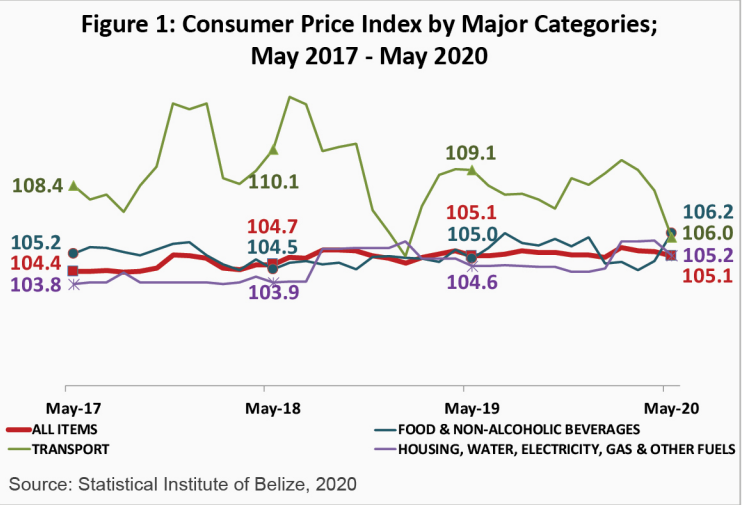
HIGHER FOOD AND HOME RENTAL COSTS BALANCED OUT BY LOWER FUEL AND LPG PRICES IN MAY 2020, RESULTING IN NO OVERALL CHANGE IN CONSUMER PRICE INDEX COMPARED TO LAST MAY

ALL-ITEMS:

For the month of May 2020, the Statistical Institute of Belize’s latest figures on consumer prices showed that the All-Items Consumer Price Index (CPI) stood at 105.1. This was unchanged from the All-Items CPI that was recorded in May 2019 (see Figure 1). This does not indicate, however, that there were no changes in the prices of items within the basket of selected goods and services commonly purchased by Belizean households when compared to last May. Rather, higher prices for a number of basic food items as well as home rental costs were balanced out by significant reductions in prices for fuel and Liquefied Petroleum Gas (LPG) during the month¹.

FOOD AND NON-ALCOHOLIC BEVERAGES:

The ‘Food and Non-Alcoholic Beverages’ category saw a notable increase of 1.1 percent for the month of May 2020 when compared to May 2019 (see Figure 2). This was due primarily to a spike in prices for fresh produce, most of which was observed to take place over the one-month period between April and May 2020. Prices for potatoes as well as several fresh cut vegetables, including oranges, tomatoes, cabbages, sweet peppers and onions rose significantly during the month. Lesser increases were also seen in the prices for rice and eggs. The effect of these higher prices was partially offset by lower prices among other goods within the category, such as ground beef, beef steak, pork chops, plantains and watermelons (see Table 1).



TRANSPORT:

The ‘Transport’ category recorded the most notable decline in consumer prices during May 2020, with an overall decrease of 2.9 percent (see Figure 2). This was due primarily to a significant drop of 15.1 percent in the ‘Fuels and Lubricants’ sub-category, as all fuel types recorded price decreases for the month, when compared to the same month of last year. At the pump, the average price per gallon of Regular gasoline declined by almost \$4.00 from \$10.97 in May 2019 to \$7.36 in May 2020. Diesel was down by almost \$3.00 from \$10.52 to \$8.01, while Premium gasoline decreased from \$11.41 to \$11.03 (see Table 1). Additionally, lower prices for motor oils were also recorded for the month of May 2020.

HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS:

In comparison to May 2019, the month of May 2020 saw an overall increase of 0.5 percent in the ‘Housing, Water, Electricity, Gas and Other Fuels’ category. This was mainly the result of a 1.1 percent increase in average home rental costs, as higher average prices were recorded in the municipalities of Belize City, San Ignacio/ Santa Elena Town and Punta Gorda Town. Nonetheless, the effect of this increase was somewhat dampened by a significant decrease in LPG prices, as the average cost of a 100-pound cylinder dropped by 23.9 percent from \$114.59 in May 2019 to \$87.19 in May 2020 (see Table 1).

Table 1: Average Prices of Selected Foods and Fuel (BZ \$), May 2019 and May 2020

Item		May 2019	May 2020	% Change
Ground Beef	1 Lb	6.07	5.65	↓ -7.0
Beef Steak	1 Lb	8.18	7.98	↓ -2.5
Pork Chops	1 Lb	7.08	6.95	↓ -1.7
Pig Tail	1 Lb	4.31	4.17	↓ -3.2
Whole Chicken	1 Lb	2.71	2.71	0.0
Sugar, White	1 Lb	0.79	0.79	0.0
Sugar, Brown	1 Lb	0.53	0.54	↑ 1.9
Flour (Gitana)	1 Lb	0.92	0.95	↑ 2.8
Rice	1 Lb	1.15	1.24	↑ 7.8
Eggs	1 Dozen	3.29	3.38	↑ 2.8
Natural Milk	1 Litre	2.76	2.60	↓ -5.8
Red Kidney Beans	1 Lb	1.58	1.58	0.0
Pineapple	1 Lb	1.78	1.06	↓ -40.2
Orange	1 unit	0.15	0.21	↑ 40.2
Watermelon	1 Lb	0.88	0.72	↓ -17.9
Plantain	1 unit	0.38	0.37	↓ -1.3
Sweet Pepper	1 Lb	3.46	3.60	↑ 4.2
Onions	1 Lb	1.87	1.96	↑ 5.0
Tomato	1 Lb	1.79	2.48	↑ 38.7
Cabbage	1 Lb	1.32	1.55	↑ 17.7
Limes	1 unit	0.32	0.32	0.0
Potatoes	1 Lb	1.63	1.85	↑ 13.4
Belikin Beer (w/out bottle)	284 ml	2.97	3.01	↑ 1.2
Premium Gasoline	1 Gal	11.41	11.03	↓ -3.3
Regular Gasoline	1 Gal	10.97	7.36	↓ -32.9
Diesel	1 Gal	10.52	8.01	↓ -23.9
Liquified Petroleum Gas (LPG)	100 Lbs	114.59	87.19	↓ -23.9

Source: Statistical Institute of Belize, 2020

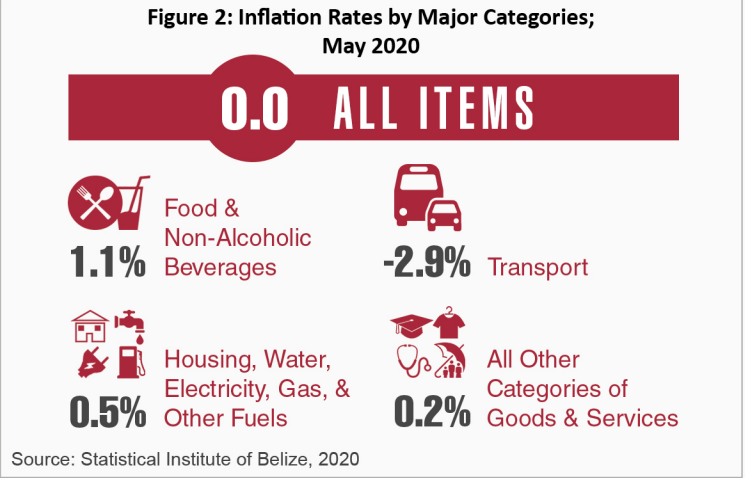
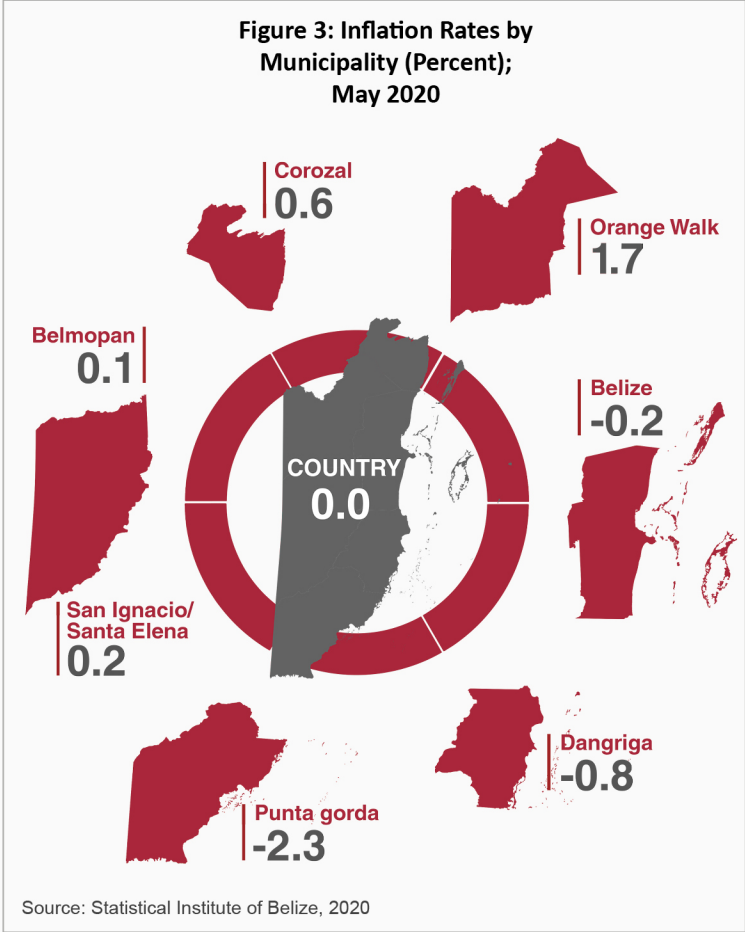
ALL OTHER GOODS AND SERVICES:

For the month of May 2020, consumer prices across all the remaining categories of goods and services combined recorded a slight increase of 0.2 percent when compared to May 2019 (see Figure 2). While schools remained closed during the month of May, the ‘Education’ category was up by 2.8 percent compared to May 2019, reflecting a rise in tertiary education fees that was recorded at the start of the 2019-2020 school year. This was, however, partially offset by decreases in the ‘Restaurants and Hotels’ category, as lower prices for international accommodations were recorded for the month of May 2020 when compared to May 2019.

1 It should be noted that price changes occurring in goods and services not normally purchased by households in Belize, but which have seen an increase in demand due to the COVID 19 pandemic, may not be reflected in the CPI.

INFLATION RATES BY MUNICIPALITY:

With an inflation rate of 1.7 percent, Orange Walk Town experienced the highest rate of increase in consumer prices for May 2020. Consumers in this town saw above average increase in prices for food items, laundry services, cellular phones, and maintenance and repairs of motor vehicles. On the other hand, continuing the general trend which has been observed for the past few months, Punta Gorda Town experienced a deflation for the month, with prices down by 2.3 percent when compared to May of 2019. Consumers in this town saw greater than average reductions in food items, women’s clothing, and women’s, children’s and infant’s footwear in comparison to May of last year.



YEAR TO DATE INFLATION RATES:

The year-to-date inflation rate for the first five months of 2020, when compared to the same period in 2019, stood at 0.2 percent (see Table 2). Among all the categories, the most significant change was seen in the ‘Education’ category, which was up by 3.6 percent, due to the rise in tertiary school tuition for the 2019-2020 school year. The ‘Housing, Water, Electricity, Gas and Other Fuels’ category saw a slight increase of 0.3 percent as higher home rental costs were partially balanced by the significant decline in LPG prices. Additionally, the ‘Transport’ category saw a rise of 0.4 percent as higher prices for international airfares, purchase of new motor vehicles, and maintenance and repairs of motor vehicles were recorded for the period. On the other hand, the ‘Recreation and Culture’ category saw a decline during the first five months of the year, as a result of lower prices for audio-visual equipment, such as television sets.

Table 2: Year to Date Inflation Rates by Category (%)
January to May 2020

Category	Year to Date Inflation Rate
All Items	0.2
Food & Non-Alcoholic Beverages	-0.03
Alcoholic Beverages & Tobacco	-0.2
Clothing & Footwear	-0.1
Housing, Water, Electricity, Gas & Other Fuels	0.3
Furnishing Household Equipment & Routine Household maintenance	0.1
Health	0.2
Transport	0.4
Communication	0.7
Recreation & Culture	-0.8
Education	3.6
Restaurants & Hotels	-1.5
Miscellaneous Goods & Services	0.5

Source: Statistical Institute of Belize, 2020