



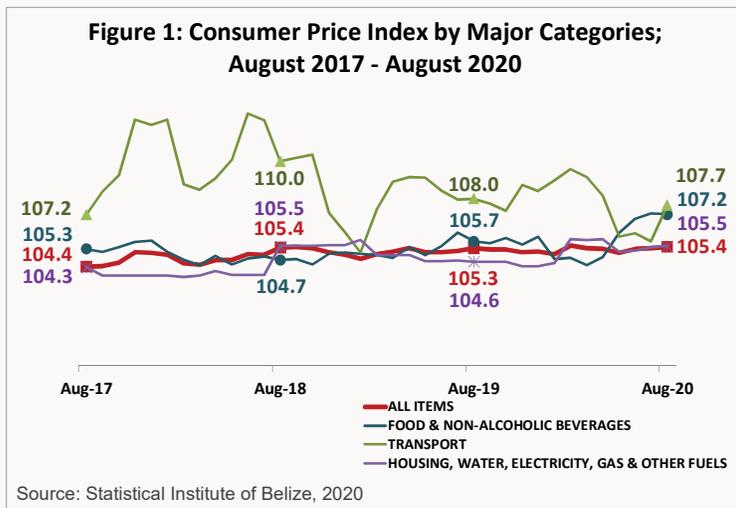
CPI CONSUMER PRICE INDEX

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CONSUMER PRICES UP 0.1% OVERALL IN AUGUST 2020: HIGHER FOOD AND HOME RENTAL COSTS BALANCED OFF BY LOWER FUEL AND LPG PRICES

ALL-ITEMS:

The latest results from the Statistical Institute of Belize's monthly Consumer Price Index (CPI) survey show that for the month of August 2020, on average, Belizean households saw the cost of regularly purchased goods and services almost unchanged, rising by a marginal 0.1 percent when compared to August 2019. Higher prices for various food items as well as home rental costs were balanced out by lower prices for fuel and Liquefied Petroleum Gas (LPG). The All-Items CPI, which summarizes changes across all categories of goods and services, stood at 105.4 in August 2020, a slight increase from 105.3 in August 2019¹ (see Figure 1).



FOOD AND NON-ALCOHOLIC BEVERAGES:

Continuing the upward trend of the past several months, the 'Food and Non-Alcoholic Beverages' category saw prices increasing by 1.4 percent in August 2020 when compared to August 2019 (see Figure 2). This change reflected increases observed across most major groups within the category. Prices for fresh vegetables, while down from the highs recorded in the previous two months, were still up considerably compared to what they were in August 2019. Noticeably higher prices were recorded for tomatoes, cabbages, limes and potatoes, as well as for products such as whole chickens, rice, red kidney beans, eggs and natural milk. The effect of these higher prices was, nonetheless, partially mitigated by reduced prices for other foods items, including ground beef, pork chops, pineapples and sweet peppers (see Table 1).

TRANSPORT:

For the month of August 2020, prices within the 'Transport' category recorded a slight decrease of 0.3 percent when compared to the same period last year (see Figure 2). The main driver behind this drop was a reduction in the 'Fuels and Lubricants' sub-category, which went down by 11.2 percent in August 2020 in comparison to the same month in 2019. At the pump, the average price per gallon of Diesel declined by \$1.89 from \$10.21 to \$8.32. Regular gasoline fell by \$1.77 from \$10.63 in August 2019 to \$8.86 in August 2020, while Premium gasoline decreased by \$1.74 from \$11.21 in August of last year to \$9.47 in August of this year (see Table 1). In contrast, international airfares saw a notable increase compared to August 2019, offsetting the effects of reduced fuel prices for the month².

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

The 'Housing, Water, Electricity, Gas and Other Fuels' category recorded an increase of 0.8 percent for the month of August 2020 when compared to August 2019 (see Figure 2). This was largely the result of a 1.4 percent increase in home rental costs for the month, as higher rental prices were recorded in the municipalities of Belize City, Belmopan, San Ignacio/Santa Elena Town and Punta Gorda Town. Nonetheless, this increase was partially balanced out by lower LPG prices, which fell by 20.4 percent, with the average cost of a 100-pound cylinder falling by \$23.63 from \$115.90 in August 2019 to \$92.28 in August 2020 (see Table 1).

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

Item	August 2019	August 2020	% Change
Ground Beef	1 Lb 5.79	5.68	↓ -1.89
Beef Steak	1 Lb 8.09	8.15	↑ 0.80
Pork Chops	1 Lb 6.93	6.80	↓ -1.83
Pig Tail	1 Lb 4.25	4.20	↓ -1.28
Whole Chicken	1 Lb 2.66	2.77	↑ 4.18
Sugar, White	1 Lb 0.79	0.79	0.00
Sugar, Brown	1 Lb 0.54	0.54	0.00
Flour (Gitana)	1 Lb 0.95	0.95	0.00
Rice	1 Lb 1.11	1.19	↑ 7.20
Eggs	1 Dozen 3.29	3.38	↑ 2.63
Natural Milk	1 Litre 2.56	2.67	↑ 4.65
Red Kidney Beans	1 Lb 1.55	1.66	↑ 7.14
Pineapple	1 Lb 1.24	1.02	↓ -17.91
Orange	1 unit 0.15	0.15	0.00
Watermelon	1 Lb 0.55	0.56	↑ 1.19
Plantain	1 unit 0.31	0.33	↑ 5.96
Sweet Pepper	1 Lb 4.62	4.21	↓ -8.81
Onions	1 Lb 2.09	2.08	↓ -0.38
Tomato	1 Lb 2.57	3.22	↑ 25.34
Cabbage	1 Lb 1.61	1.71	↑ 5.79
Limes	1 unit 0.22	0.23	↑ 6.58
Potatoes	1 Lb 1.66	1.74	↑ 4.73
Belikin Beer (w/out bottle)	284 ml 2.95	3.05	↑ 3.46
Premium Gasoline	1 Gal 11.21	9.47	↓ -15.54
Regular Gasoline	1 Gal 10.63	8.86	↓ -16.63
Diesel	1 Gal 10.21	8.32	↓ -18.47
Liquified Petroleum Gas (LPG)	100 Lbs 115.90	92.28	↓ -20.38

Source: Statistical Institute of Belize, 2020

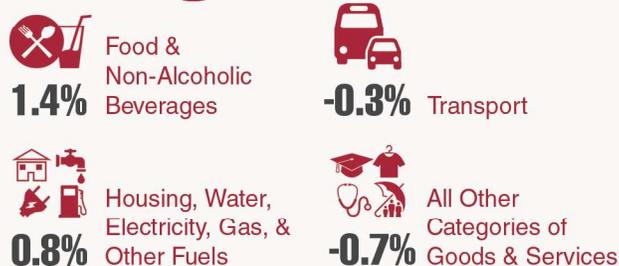
ALL OTHER CATEGORIES OF GOODS AND SERVICES:

For the month of August 2020, consumer prices across 'All Other Categories of Goods and Services' saw an average 0.7 percent dip when compared to the same period last year (see Figure 2). This decline was driven by lower prices in the 'Recreation and Culture' category, which was down by 1.7 percent, due to lower prices for audio-visual devices. The 'Clothing and Footwear' category saw a 1.2 percent decrease, as a result of lower prices for women's and men's clothing in August 2020 when compared to August 2019. Nonetheless, the effect of these decreases was partly counterbalanced by an increase of 0.9 percent in the 'Health' category, which was the result of higher prices for several pharmaceutical products.

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.
2 Since most airlines had not yet resumed flights to and from Belize at the time of price collection, the change for this category was estimated based on actual prices for flights that were operating at the time.

**Figure 2: Inflation Rates by Major Categories;
August 2020**

0.1% ALL ITEMS

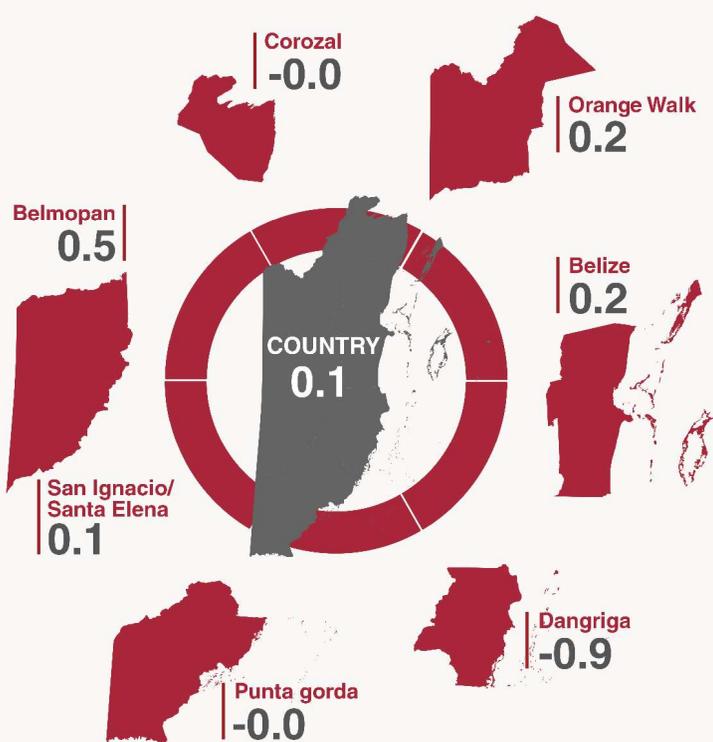


Source: Statistical Institute of Belize, 2020

INFLATION RATES BY MUNICIPALITY:

For the first time this year, the City of Belmopan experienced the highest monthly increase in consumer prices, with an inflation rate of 0.5 percent (see Figure 3) for August 2020. Consumers in this municipality saw higher than average increases in a variety of food items and pharmaceutical products during the period. On the other hand, Dangriga Town reported the only decline in consumer prices for the month of August 2020 when compared to August 2019 with a deflation of 0.9 percent, which was attributed to a decrease in home rental costs within this municipality. No overall price changes were recorded in the municipalities of Corozal Town and Punta Gorda Town, while Belize City and Orange Walk Town each recorded a low inflation rate of 0.2 percent.

**Figure 3: Inflation Rates by Municipality (Percent);
August 2020**



Source: Statistical Institute of Belize, 2020

YEAR TO DATE INFLATION RATES:

The cumulative inflation rate for the first eight months of 2020, when compared to the same period in 2019, stood at 0.1 percent (see Table 2). Across the various categories, the most significant change was seen in 'Housing, Water, Electricity, Gas and Other Fuels', which rose by 0.5 percent compared to the same eight-month period in 2019. This was as a result of higher home rental costs across several municipalities being partially offset by a significant decrease in LPG prices. The 'Food and Non-Alcoholic Beverages' category saw an increase of 0.5 percent, mainly due to higher prices for fresh vegetables. Reductions were recorded in the 'Transport' category, which experienced lower fuel prices over the period, and the 'Recreation and Culture' category, which saw lower prices for audio-visual devices.

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

Category	Year to Date Inflation Rate
All Items	0.1
Food & Non-Alcoholic Beverages	0.5
Alcoholic Beverages & Tobacco	-0.3
Clothing & Footwear	-0.1
Housing, Water, Electricity, Gas & Other Fuels	0.5
Furnishing Household Equipment & Routine Household maintenance	-0.3
Health	0.5
Transport	-0.3
Communication	0.9
Recreation & Culture	-0.9
Education	2.9
Restaurants & Hotels	-4.6
Miscellaneous Goods & Services	0.5

Source: Statistical Institute of Belize, 2020