

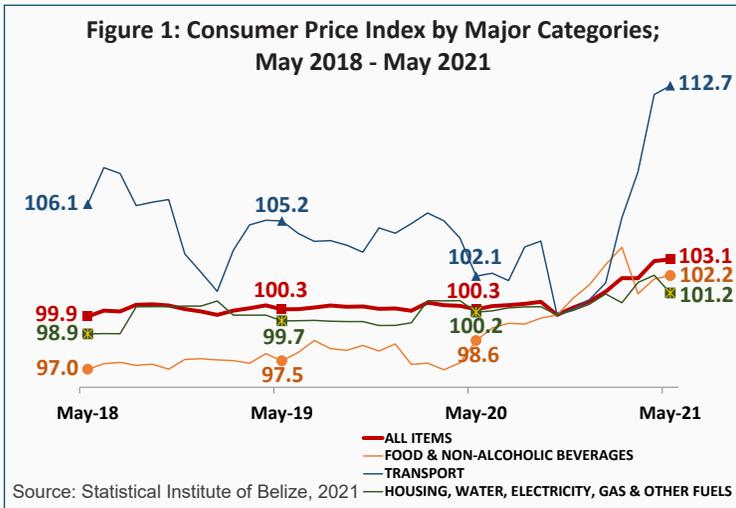


CONSUMER PRICES RISE 2.8% IN MAY 2021:

FUEL, FOOD, LPG AND PERSONAL CARE PRODUCTS UP; HOTEL ACCOMMODATIONS DOWN

ALL-ITEMS:

The latest results from the Statistical Institute of Belize's monthly Consumer Price Index (CPI) survey show that, for the month of May 2021, Belizean households saw the cost of regularly purchased goods and services rise by 2.8 percent on average, when compared to May 2020. The All-Items CPI, which summarizes price levels across all categories of goods and services, stood at 103.1 in May 2021, up from 100.3 in May 2020 (see Figure 1). This represented an overall national inflation rate¹ of 2.8 percent and was the net effect of higher costs for fuel, food items, Liquefied Petroleum Gas (LPG) and personal care products being partially offset by lower hotel accommodation rates.



TRANSPORT:

For the month of May 2021, prices within the 'Transport' category rose by 10.3 percent when compared to May 2020 (see Figure 2). This was mainly the result of a 23.9 percent increase in the 'Fuels and Lubricants' sub-category, with motor vehicle fuel prices substantially higher than they were in the same month last year. At the pump, regular gasoline saw the largest spike, with the average price per gallon going up by 46.5 percent from \$7.36 in May 2020 to \$10.79 in May 2021. Diesel rose by 26.5 percent from \$8.01 to \$10.13, while premium gasoline went up by a more moderate 3.7 percent from \$11.03 to \$11.43 in May 2021 (see Table 1). Also within this category, prices for new motor vehicles rose by 2.5 percent compared to the same month of last year.

FOOD AND NON-ALCOHOLIC BEVERAGES:

Prices within the 'Food and Non-Alcoholic Beverages' category were up by 3.6 percent for the month of May 2021 when compared to May 2020 (see Figure 2). While prices rose across all types of food items, the increase in this category was mainly attributable to higher prices for fresh produce, dairy products and meats. Items that saw notable increases during the month included red kidney beans, limes, pineapples, natural milk, pigtail, whole chickens, and rice (see Table 1). Nonetheless, there was some relief from the steady upward trend observed in previous months, especially in the case of fresh fruits and vegetables, as prices for items such as oranges, watermelons, tomatoes, and cabbages were significantly lower than they were in May of last year.

Table 1: Average Prices of Selected Foods and Fuel (BZ \$); May 2020 and May 2021

Item	Unit of Measurement	Average Prices		% Change
		May 2020	May 2021	
Ground Beef	1 Lb	\$5.65	\$5.54	-1.9
Beef Steak	1 Lb	\$7.98	\$8.06	1.1
Pork Chops	1 Lb	\$6.95	\$7.05	1.4
Pig Tail	1 Lb	\$4.17	\$5.02	20.4
Whole Chicken	1 Lb	\$2.71	\$2.90	6.8
Sugar, White	1 Lb	\$0.79	\$0.80	0.8
Sugar, Brown	1 Lb	\$0.54	\$0.57	5.7
Flour (Gitana)	1 Lb	\$0.95	\$0.98	3.5
Rice	1 Lb	\$1.24	\$1.36	10.2
Eggs	1 Dozen	\$3.38	\$3.48	3.1
Natural Milk	1 Liter	\$2.60	\$2.98	14.4
Red Kidney Beans	1 Lb	\$1.58	\$2.09	31.9
Pineapple	1 Lb	\$1.06	\$1.32	23.5
Orange	1 Unit	\$0.21	\$0.16	-21.6
Watermelon	1 Lb	\$0.72	\$0.60	-17.1
Plantain	1 Unit	\$0.37	\$0.35	-7.3
Sweet Pepper	1 Lb	\$3.60	\$3.27	-9.1
Onions	1 Lb	\$1.96	\$2.13	8.5
Tomato	1 Lb	\$2.48	\$1.80	-27.4
Cabbage	1 Lb	\$1.55	\$1.23	-20.9
Limes	1 Unit	\$0.32	\$0.42	31.0
Potatoes	1 Lb	\$1.82	\$1.84	1.2
Belikin Beer (w/out bottle)	284 MI	\$3.01	\$2.97	-1.3
Premium Gasoline	1 Gallon	\$11.03	\$11.43	3.7
Regular Gasoline	1 Gallon	\$7.36	\$10.79	46.5
Diesel	1 Gallon	\$8.01	\$10.13	26.5
Liquefied Petroleum Gas (LPG)	100 Lbs	\$87.19	\$114.38	31.2

Source: Statistical Institute of Belize, 2021

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

For the month of May 2021, the 'Housing, Water, Electricity, Gas and Other Fuels' category increased by 1.1 percent overall compared to May of 2020, due mainly to higher prices for LPG, which have been steadily increasing for several consecutive months (see Figure 2). The average cost of a hundred-pound cylinder of LPG was up significantly by \$27.18 or 31.2 percent, from \$87.19 in May 2020 to \$114.38 in May 2021 (see Table 1). This was only partially offset by reduced electricity rates and home rental costs, which were down by 2.5 percent and 0.2 percent, respectively, compared to May of last year.

PERSONAL CARE, SOCIAL PROTECTION AND MISCELLANEOUS GOODS AND SERVICES:

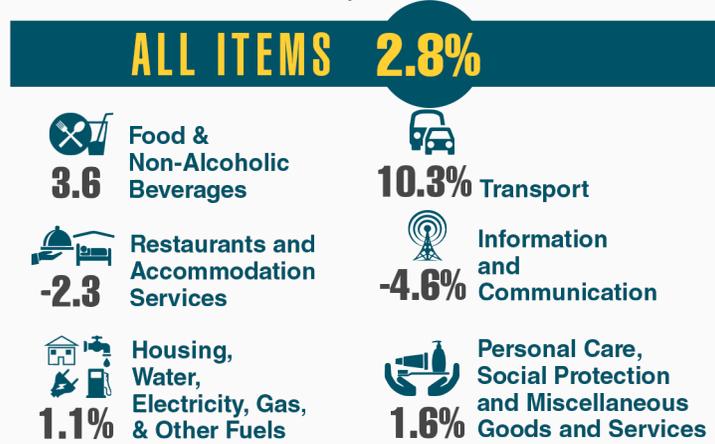
Prices for goods and services in the 'Personal Care, Social Protection and Miscellaneous Goods and Services' category rose by 1.6 percent for the month of May 2021 when compared to May 2020 (see Figure 2). This increase was the result of higher prices for items in the 'Personal Care' sub-category during the month, specifically for personal hygiene products.

¹ The national inflation rate for the month measures the percent change in prices between a given month and the same month in the previous year.

INFORMATION AND COMMUNICATION:

Within the 'Information and Communication' category, prices were down by 4.6 percent on average, when compared to May 2020 (see Figure 2). This was primarily due to a decrease in the 'Information Processing Equipment' sub-category, with lower prices for tablets and external storage devices being recorded. Additionally, a decrease was seen in the 'Equipment for the Reception, Recording and Reproduction of Sound and Vision' sub-category, due to lower prices for television sets during the month.

Figure 2: Inflation Rates for Selected Major Categories; May 2021



Source: Statistical Institute of Belize, 2021

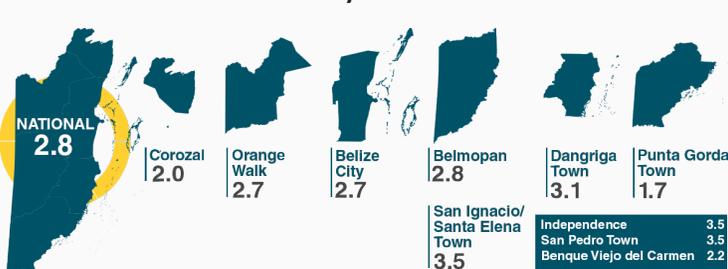
RESTAURANTS AND ACCOMMODATION SERVICES:

In comparison to May 2020, prices for the 'Restaurants and Accommodation Services' category saw an overall decrease of 2.3 percent for the month of May 2021 (see Figure 2). Within the sub-category of 'Accommodation Services', lower hotel accommodation rates were recorded. This was, however, partially balanced out by an increase in the 'Food and Beverage Serving Services' sub-category, with higher prices for restaurants and cafes being recorded for the month.

INFLATION RATES BY MUNICIPALITY:

With an inflation rate of 3.5 percent, the twin towns of San Ignacio/ Santa Elena experienced the highest rate of increase in consumer prices for May 2021 when compared to May 2020. Consumers in these towns saw above average increases in prices for various food items, personal hygiene products, surgeries and pet food. On the other hand, Punta Gorda town recorded the lowest inflation rate of 1.7 percent, as consumers in this municipality saw lower than average increases in prices for food items and pharmaceutical products (see Figure 3).

Figure 3: Inflation Rates by Municipality (%); May 2021



Source: Statistical Institute of Belize, 2021

MONTH TO MONTH INFLATION RATES:

While inflation rates are generally calculated as the percent change in prices for specific items between the current time period and the same period of the previous year, another useful measure for tracking short-term changes in consumer prices is the month-over-month or inter-monthly inflation rate, which measures the percent change in prices between the previous month and the current month.

Over the one-month period between April 2021 and May 2021, consumer prices rose by 0.1 percent on average (see Table 2). The most significant change was seen in the 'Restaurants and Accommodation Services' category, which had a month-over-month inflation rate of 1.3 percent, with prices for hotel accommodations and restaurants and cafes services rising during the month between April and May 2021. The 'Transport' category rose by 0.4 percent, due to higher prices for new motor vehicles and international airfares.

Among the remaining categories, higher prices were observed for various food items and clothing for women and girls over the one-month period. These increases were, however offset by a 1 percent decrease in the 'Housing, Water, Electricity, Gas and Other Fuels' category, as lower LPG prices and home rental costs were recorded for the month of May 2021 when compared to April 2021.

Table 2: Month to Month Inflation Rates by Category (%); May 2021

Category	May 2021
ALL ITEMS	0.1%
Food and Non-Alcoholic Beverages	0.2%
Alcoholic Beverages, Tobacco and Narcotics	0.5%
Clothing and Footwear	1.4%
Housing, Water, Electricity, Gas and Other Fuels	-1.0%
Furnishings, Household Equipment and Routine Household Maintenance	0.3%
Health	0.2%
Transport	0.4%
Information and Communication	-0.1%
Recreation, Sport and Culture	-0.2%
Education Services	-0.1%
Restaurants and Accommodation Services	1.3%
Insurance and Financial Services	0.0%
Personal Care, Social Protection and Miscellaneous Goods and Services	-0.1%

Source: Statistical Institute of Belize, 2021

YEAR-TO-DATE INFLATION RATE:

The year-to-date or cumulative inflation rate for the first five months of 2021 stood at 1.8 percent (see Table 3)². The most significant change was seen in the 'Food and Non-Alcoholic Beverages' category, with an inflation rate of 4.8 percent, resulting mainly from higher prices for fresh vegetables and fruits. The 'Transport' category was also up when compared to the first five months of 2020, with a year-to-date inflation rate of 3.4 percent, as higher prices for all motor vehicle fuels were recorded. 'Housing, Water, Electricity, Gas and Other Fuels' recorded a 1.2 percent year-to-date inflation rate, due to the continued rise in LPG prices, while 'Personal Care, Social Protection and Miscellaneous Goods and Services' was up by 1.8 percent, as a result of higher prices for various personal care items.

In contrast, 'Restaurant and Accommodation Services' saw prices drop by a significant 9.6 percent in the first five months of 2021 when compared to the first five months of 2020, as lower hotel accommodation rates were recorded. Additionally, the 'Clothing and Footwear' category went down by 1.2 percent, as a result of lower prices for men and boys' shirts and guayaberas, and men's and women's footwear.

Table 3: Year to Date Inflation Rates by Category (%); May 2021

Category	May 2021
ALL ITEMS	1.8%
Food and Non-Alcoholic Beverages	4.8%
Alcoholic Beverages, Tobacco and Narcotics	-0.2%
Clothing and Footwear	-1.2%
Housing, Water, Electricity, Gas and Other Fuels	1.2%
Furnishings, Household Equipment and Routine Household Maintenance	-0.8%
Health	1.1%
Transport	3.4%
Information and Communication	-3.6%
Recreation, Sport and Culture	1.2%
Education Services	0.1%
Restaurants and Accommodation Services	-9.6%
Insurance and Financial Services	0.1%
Personal Care, Social Protection and Miscellaneous Goods and Services	1.8%

Source: Statistical Institute of Belize, 2021

² The year-to-date inflation rate as of May 2021 measures the percent change in the average CPI for the first five months of 2020 compared to the average CPI for the first five months of 2021.