

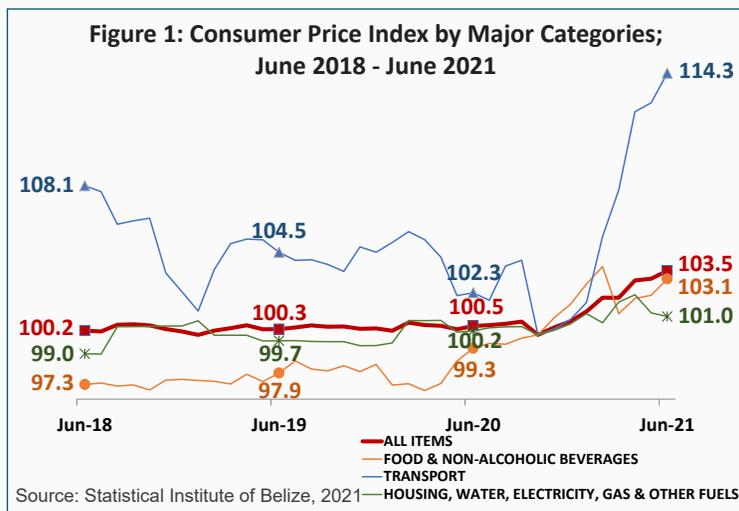


CONSUMER PRICES RISE 3% IN JUNE 2021:

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

ALL-ITEMS:

For the month of June 2021, the All-Items Consumer Price Index (CPI), which summarizes price levels for all categories of goods and services, stood at 103.5, an increase from the 100.5 recorded for June 2020 (see Figure 1). This indicates that the country experienced an overall national inflation rate¹ of 3 percent for the month, or that, on average, prices for items comprising the basket of goods and services commonly purchased by Belizean households were 3 percent higher than they were in June of last year. This was mainly the result of higher costs for motor vehicle fuels, food items, liquefied petroleum gas (LPG) and personal care products, with lower hotel accommodation rates partially offsetting the effects of these increases.



TRANSPORT:

Prices for goods and services in the 'Transport' category were up by 11.7 percent for the month of June 2021 when compared to June 2020 (see Figure 2). This was primarily due to a 26.4 percent spike in the 'Fuels and Lubricants' sub-category, as substantial increases were seen across all types of motor vehicle fuels. Additionally, prices for new motor vehicles were 2.1 percent higher during the month of June 2021 than they were in June 2020. At the pump, diesel saw the highest increase, with the average price per gallon rising by \$3.20, from \$7.38 in June 2020 to \$10.58 in June 2021. Regular gasoline was up by \$2.89, from \$8.16 to \$11.04, while premium gasoline increased by \$0.38 from \$11.06 in June of last year to \$11.43 in June of this year (see Table 1).

FOOD AND NON-ALCOHOLIC BEVERAGES:

Continuing the upward trend of the past several months, prices within the 'Food and Non-Alcoholic Beverages' category, increased by a notable 3.8 percent for the month of June (see Figure 2). This was mainly due to higher prices in the 'Food' subcategory, which recorded an inflation rate of 4.4 percent when compared to June 2020. While prices were up across all food groups, the most striking increases were recorded for meats, which were up by almost 6 percent on average, and fresh fruits, which were up by almost 10 percent. Items that saw marked price increases for the month included oranges, limes, pineapples, potatoes, red kidney beans, pig tail, rice, whole chickens, seafood, eggs, and natural milk (see Table 1). These increases were, nonetheless, partially balanced out by lower prices for other food items, including cabbages, tomatoes, watermelons, and sweet peppers.

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

| Item | Unit of Measurement | Average Prices | | % Change |
|-------------------------------|---------------------|----------------|-----------|----------|
| | | June 2020 | June 2021 | |
| Ground Beef | 1 Lb | \$5.70 | \$5.59 | -1.9% |
| Beef Steak | 1 Lb | \$8.03 | \$8.07 | 0.5% |
| Pork Chops | 1 Lb | \$7.00 | \$7.06 | 0.8% |
| Pig Tail | 1 Lb | \$4.18 | \$5.28 | 26.1% |
| Whole Chicken | 1 Lb | \$2.72 | \$2.88 | 6.1% |
| Sugar, White | 1 Lb | \$0.79 | \$0.80 | 1.3% |
| Sugar, Brown | 1 Lb | \$0.54 | \$0.57 | 5.4% |
| Flour (Gitana) | 1 Lb | \$0.95 | \$0.98 | 2.9% |
| Rice | 1 Lb | \$1.21 | \$1.36 | 11.9% |
| Eggs | 1 Dozen | \$3.37 | \$3.52 | 4.5% |
| Natural Milk | 1 Liter | \$2.65 | \$2.86 | 7.8% |
| Red Kidney Beans | 1 Lb | \$1.58 | \$2.02 | 27.9% |
| Pineapple | 1 Lb | \$1.03 | \$1.24 | 21.3% |
| Orange | 1 Unit | \$0.17 | \$0.21 | 25.7% |
| Watermelon | 1 Lb | \$0.70 | \$0.63 | -10.1% |
| Plantain | 1 Unit | \$0.35 | \$0.34 | -4.6% |
| Sweet Pepper | 1 Lb | \$3.86 | \$3.58 | -7.2% |
| Onions | 1 Lb | \$2.11 | \$2.15 | 2.2% |
| Tomato | 1 Lb | \$3.75 | \$3.19 | -14.7% |
| Cabbage | 1 Lb | \$1.83 | \$1.29 | -29.8% |
| Limes | 1 Unit | \$0.28 | \$0.32 | 15.4% |
| Potatoes | 1 Lb | \$1.82 | \$2.20 | 20.6% |
| Belikin Beer (w/out bottle) | 284 MI | \$3.02 | \$2.97 | -1.7% |
| Premium Gasoline | 1 Gallon | \$11.06 | \$11.43 | 3.4% |
| Regular Gasoline | 1 Gallon | \$8.16 | \$11.04 | 35.4% |
| Diesel | 1 Gallon | \$7.38 | \$10.58 | 43.4% |
| Liquefied Petroleum Gas (LPG) | 100 Lbs | \$91.86 | \$112.74 | 22.7% |

Source: Statistical Institute of Belize, 2021

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

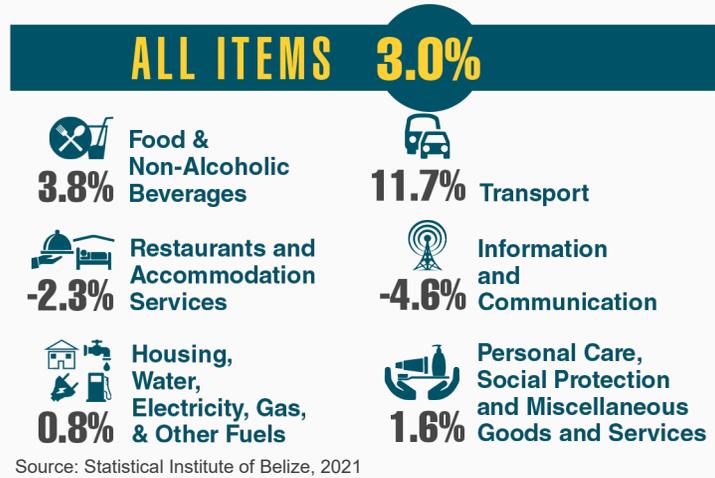
For the month of June 2021, the 'Housing, Water, Electricity, Gas and Other Fuels' category saw an overall increase of 0.8 percent when compared to June 2020 (see Figure 2). As has been the case for the past several months, this was attributable to LPG prices, which experienced a notable increase of 22.7 percent for the month of June 2021. The average cost of a hundred-pound cylinder of LPG was up by more than \$20, from \$91.86 in June 2020 to \$112.74 in June 2021 (see Table 1). The effects of this increase were partially offset by electricity tariffs and home rental costs, which were down by 2.5 percent and 0.2 percent, respectively, compared to June 2020.

PERSONAL CARE, SOCIAL PROTECTION AND MISCELLANEOUS GOODS AND SERVICES:

In comparison to June 2020, prices in the 'Personal Care, Social Protection and Miscellaneous Goods and Services' category rose by 1.6 percent on average during the month (see Figure 2). This was mainly due to increases in the 'Personal Care' sub-category, as higher prices were recorded for personal hygiene products for the month of June 2021.

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

**Figure 2: Inflation Rates for Selected Major Categories;
June 2021**



INFORMATION AND COMMUNICATION:

The category of 'Information and Communication' recorded a deflation of 4.6 percent overall for the month of June 2021 when compared to the same month of last year (see Figure 2), with lower prices being observed for items such as tablets, external storage devices, and television sets.

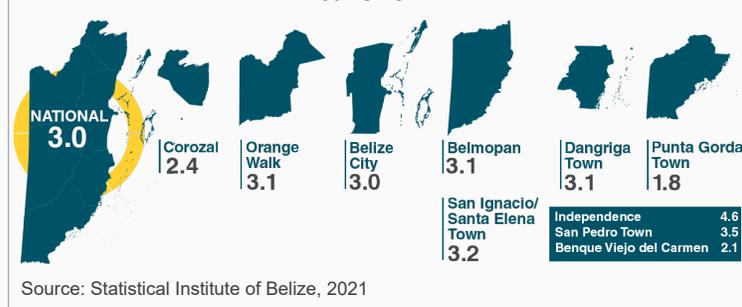
RESTAURANTS AND ACCOMMODATION SERVICES:

Similarly, prices for 'Restaurants and Accommodation Services' saw an overall decrease of 2.3 percent when compared to June 2020 (see Figure 2). This was, for the most part, the result of lower prices in the 'Accommodation Services' sub-category, with hotel accommodation rates down compared to the same month last year. Nonetheless, there were some increases recorded within this category during the month, as higher prices in restaurants and cafes resulted in a rise in the 'Food and Beverage Serving Services' sub-category.

INFLATION RATES BY MUNICIPALITY:

Among the country's municipalities, the twin towns of San Ignacio/Santa Elena experienced the greatest increase in consumer prices for June 2021, with an inflation rate of 3.2 percent. Consumers in these municipalities saw above average increases in prices for various food items, personal hygiene products, fees for surgeries, and pet food. Punta Gorda Town, on the other hand, recorded the lowest inflation rate, with prices going up by 1.8 percent, as consumers in this town saw lower than average increases in prices for food items, and pharmaceutical products (see Figure 3).

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



MONTH-OVER-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 month².

The month-over-month inflation rate for the month of June 2021, when compared to May 2021, stood at 0.4 percent (see Table 2). Prices for 'Food and Non-Alcoholic Beverages' increased by 0.9 percent, as fresh vegetable prices rose by a significant 6.6 percent over the one-month period. Additionally, the 'Transport' category had a month-over-month inflation rate of 1.4 percent, due to higher prices for all motor vehicle fuels. These increases were, however, partially offset by the 'Housing, Water, Electricity, Gas and Other Fuels' category which went down by 0.2 percent, as a result of a reduction in LPG prices between the months of May and June 2021.

**Table 2: Month-Over-Month Inflation Rates by Category (%);
June 2021**

| Category | June 2021 |
|---|-------------|
| ALL ITEMS | 0.4% |
| Food and Non-Alcoholic Beverages | 0.9% |
| Alcoholic Beverages, Tobacco and Narcotics | 0.0% |
| Clothing and Footwear | 0.0% |
| Housing, Water, Electricity, Gas and Other Fuels | -0.2% |
| Furnishings, Household Equipment and Routine Household Maintenance | 0.0% |
| Health | 0.0% |
| Transport | 1.4% |
| Information and Communication | 0.0% |
| Recreation, Sport and Culture | 0.0% |
| Education Services | 0.0% |
| Restaurants and Accommodation Services | 0.0% |
| Insurance and Financial Services | 0.0% |
| Personal Care, Social Protection and Miscellaneous Goods and Services | 0.0% |

Source: Statistical Institute of Belize, 2021

YEAR-TO-DATE INFLATION RATE:

The year-to-date inflation rate for the first six months in 2021, when compared to the same period in 2020, stood at 2 percent (see Table 3). 'Food and Non-Alcoholic Beverages', with a year-to-date inflation rate of 4.6 percent, had the greatest impact on the overall cumulative inflation rate, due largely to the fact that it is the category with the highest weight within the CPI basket. While various food products saw higher prices during the first six months of the year, fresh fruits and vegetables stood out as experiencing the most notable increases. Moreover, the 'Transport' category rose by 4.7 percent, due to higher prices for all motor vehicle fuels. Prices for 'Housing, Water, Electricity, Gas and Other Fuels' were up by 1.1 percent, due mainly to higher LPG prices for the period. The category of 'Personal Care, Social Protection and Miscellaneous Goods and Services' increased by 1.8 percent, reflecting higher prices for personal hygiene items for the first six months of the year.

On the other hand, prices for 'Restaurant and Accommodation Services' were down by a significant 8.4 percent for the first six months of 2021 when compared to the same period in 2020, due to lower hotel accommodation rates. Additionally, the 'Information and Communication' category was down by 3.7 percent for the period, as lower prices for tablets, external storage devices and television sets were recorded.

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

| Category | June 2021 |
|---|-------------|
| ALL ITEMS | 2.0% |
| Food and Non-Alcoholic Beverages | 4.6% |
| Alcoholic Beverages, Tobacco and Narcotics | -0.1% |
| Clothing and Footwear | -1.0% |
| Housing, Water, Electricity, Gas and Other Fuels | 1.1% |
| Furnishings, Household Equipment and Routine Household Maintenance | -0.7% |
| Health | 1.1% |
| Transport | 4.7% |
| Information and Communication | -3.7% |
| Recreation, Sport and Culture | 1.3% |
| Education Services | 0.1% |
| Restaurants and Accommodation Services | -8.4% |
| Insurance and Financial Services | 0.0% |
| Personal Care, Social Protection and Miscellaneous Goods and Services | 1.8% |

Source: Statistical Institute of Belize, 2021

² The month-over-month inflation rate measures the percent change in prices between the previous month and the current month. It is useful for capturing short-term price changes but is also affected by seasonal price movements.

³ The year-to-date inflation rate as of June 2021 measures the percent change in the average CPI for the first six months of 2020 compared to the average CPI for the first six months of 2021