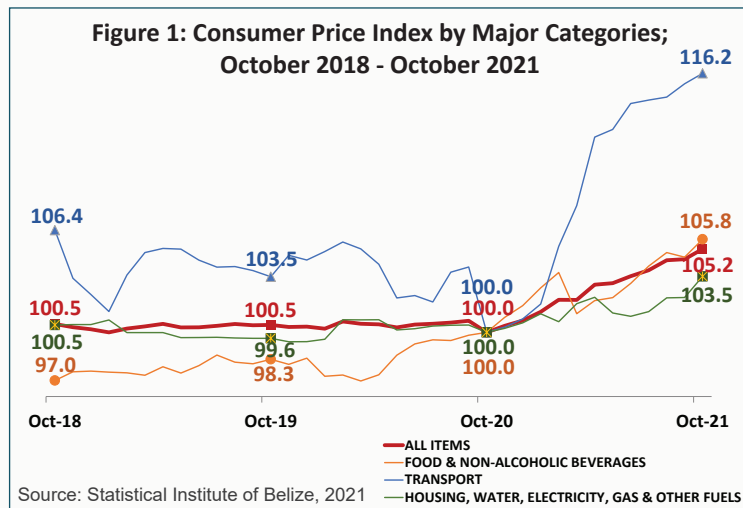




CONSUMER PRICES UP 5.2% IN OCTOBER 2021: MOTOR VEHICLE FUEL, FOOD, LIQUEFIED PETROLEUM GAS (LPG), HOTEL ACCOMMODATIONS, AND RESTAURANT SERVICES UP

ALL-ITEMS:

The most recent results from the Statistical Institute of Belize's monthly Consumer Price Index (CPI) survey show that for the month of October 2021, the All-Items CPI, which summarizes price levels across all categories of goods and services, stood at 105.2, up from 100 in October 2020. This indicated that, on average, the country experienced an overall national inflation rate¹ of 5.2 percent on the cost of goods and services commonly purchased by Belizean households. This was the highest monthly inflation rate recorded since August of 2008 and was due to higher prices for goods and services within the categories of 'Transport', 'Food and Non-Alcoholic Beverages', 'Housing, Water, Electricity, Gas and Other Fuels', and 'Restaurants and Accommodation Services'.



TRANSPORT:

Prices within the 'Transport' category were up by a significant 16.2 percent for the month of October 2021 when compared to October 2020 (see Figure 2). This change reflected a dramatic increase of more than 28 percent in the 'Fuel and Lubricants' sub-category, as substantially higher prices were seen across all types of motor vehicle fuels. At the pump, regular gasoline recorded the greatest increase, with the average price per gallon rising by \$2.85 or 32.7 percent from \$8.71 in October 2020 to \$11.56 in October 2021. Diesel was up by \$2.34 or 27.7 percent, from \$8.44 to \$10.78, while premium gasoline rose by \$2.41 or 25.5 percent from \$9.44 in October of last year to \$11.85 in October of this year (see Table 1). In addition, the cost of new motor vehicles and international airfares were also up for the month of October 2021.

FOOD AND NON-ALCOHOLIC BEVERAGES:

As food prices spiked to their highest level for this year, the 'Food and Non-Alcoholic Beverages' category was up by a considerable 5.8 percent for the month of October 2021 when compared to October 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 meats, cereal products, seafood, cooking oils, and fresh fruits and vegetables. Compared to October of last year, significant price increases were seen for items such as pigtailed, lettuce, cabbages, sweet peppers, potatoes, watermelons, oranges, pineapples, limes, and vegetable oils (see Table 1).

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

Item	Unit of Measurement	Average Prices		% Change
		October 2020	October 2021	
Chicken Cuts	1 Lb	\$3.07	\$3.22	5.0%
Chicken, Legs	1 Lb	\$3.07	\$3.35	9.1%
Chicken, Wings	1 Lb	\$4.71	\$5.10	8.4%
Chicken, Breast	1 Lb	\$3.82	\$3.95	3.5%
Whole Chicken	1 Lb	\$2.78	\$2.90	4.1%
Pigtail	1 Lb	\$4.30	\$5.97	38.9%
Coconut Oil	1 L	\$12.05	\$14.14	17.3%
Vegetable Oil	1 L	\$3.40	\$4.43	30.3%
Flour	1 Lb	\$1.04	\$1.10	5.8%
Cake Baking Mix	15.25 Oz	\$4.67	\$4.96	6.2%
Cake	1 Slice	\$3.18	\$3.60	13.0%
Banana	1 Unit	\$0.15	\$0.16	6.9%
Pineapple	1 Lb	\$1.15	\$1.33	15.8%
Limes	1 Unit	\$0.23	\$0.26	10.7%
Orange	1 Unit	\$0.17	\$0.20	16.9%
Watermelon	1 Lb	\$0.58	\$0.69	18.3%
Cabbage	1 Lb	\$1.75	\$2.31	31.7%
Lettuce	1 Lb	\$2.69	\$3.95	46.8%
Sweet Pepper	1 Lb	\$3.51	\$4.45	26.8%
Onion	1 Lb	\$2.27	\$2.49	9.4%
Irish Potatoes	1 Lb	\$1.74	\$2.12	21.9%
Avocado	1 Unit	\$1.77	\$1.71	-3.1%
Tomatoes	1 Lb	\$3.29	\$3.27	-0.3%
Black Beans	1 Lb	\$2.21	\$2.08	-6.1%
Red Kidney Beans	1 Lb	\$2.17	\$1.96	-9.9%
Premium Gasoline	1 Gallon	\$9.44	\$11.85	25.5%
Regular Gasoline	1 Gallon	\$8.71	\$11.56	32.7%
Diesel	1 Gallon	\$8.44	\$10.78	27.7%
Liquefied Petroleum Gas (LPG)	100 Lbs	\$96.63	\$136.89	41.7%

Source: Statistical Institute of Belize, 2021

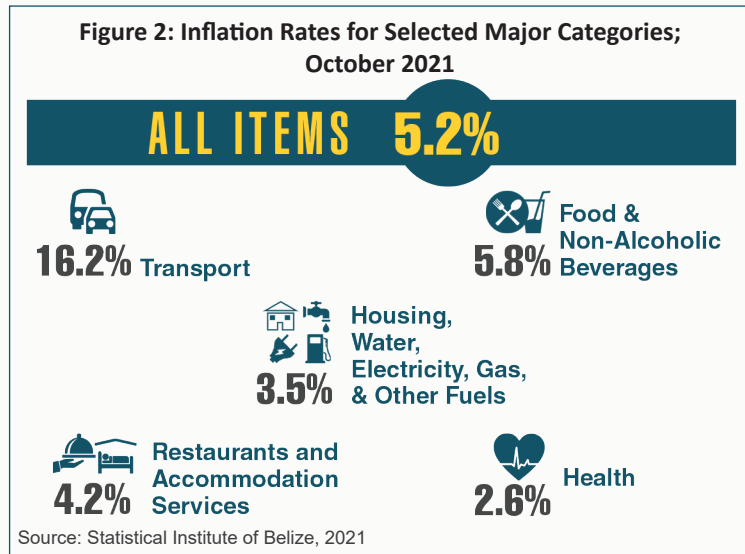
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

The 'Housing, Water, Electricity, Gas and Other Fuels' category, had an overall increase of 3.5 percent for the month (see Figure 2). This was mainly due to a 41.7 percent spike in LPG prices, as the average cost of a hundred-pound cylinder of LPG rose by \$40.26, from \$96.63 in October 2020 to \$136.89 in October 2021 (see Table 1). Also within this category, home rental costs and prices for construction materials were up by 0.2 percent and 2.6 percent, respectively. Nonetheless, the effect of these increases was partially offset by lower electricity tariffs, which were 3.5 percent lower than they were in October of 2020.

¹ The national inflation rate for the month measures the percent change in the CPI between October 2020 and October 2021. Unless otherwise indicated, inflation rates in this document refer to the percent change in prices between the current month and the same month in the previous year.

RESTAURANTS AND ACCOMMODATION SERVICES:

For the month of October 2021, prices within the 'Restaurants and Accommodation Services' category rose by 4.2 percent when compared to the same month in 2020, driven mainly by higher prices for restaurant services and increased hotel accommodation rates.

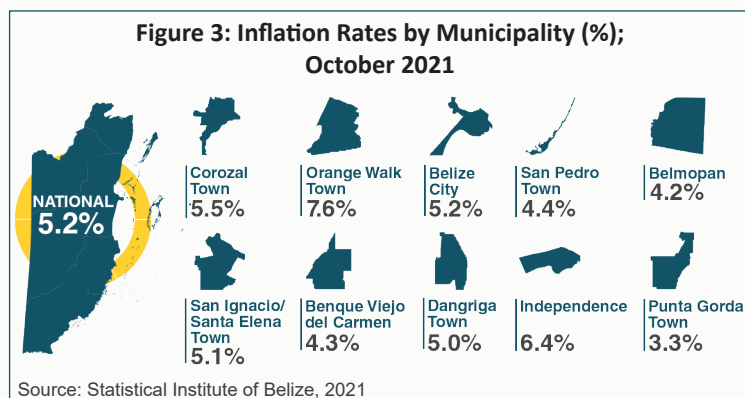


HEALTH:

The 'Health' category recorded an inflation rate of 2.6 percent for the month of October 2021 (see Figure 2). This was attributed to a 1.5 percent increase in the 'Medicines and Health Products' sub-category, with higher prices being seen for various pharmaceutical products. Additionally, regular consultation and surgery fees were up by 2.6 percent and 5.2 percent, respectively, for the month of October 2021 when compared to October 2020.

INFLATION RATES BY MUNICIPALITY:

With an inflation rate of 7.6 percent, Orange Walk Town recorded the highest rate of increase in consumer prices for October 2021. Consumers in this town saw above average increases in prices for food items, home rental costs, restaurant and accommodation services, and men's and women's haircuts. Punta Gorda Town, on the other hand, recorded the lowest inflation rate, with prices going up by 3.3 percent, as consumers in this town saw lower-than-average increases in prices for food items, and restaurant and accommodation services.



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 October 2021, when compared to September 2021, stood at 0.6 percent. 'Food and Non-Alcoholic Beverages' rose by 1.3 percent over the one-month period, due mainly to increases in vegetable prices, while the

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

	October 2021
ALL ITEMS	0.6%
Food and Non-Alcoholic Beverages	1.1%
Alcoholic Beverages, Tobacco and Narcotics	0.0%
Clothing and Footwear	0.0%
Housing, Water, Electricity, Gas and Other Fuels	1.3%
Furnishings, Household Equipment and Routine Household Maintenance	0.0%
Health	0.0%
Transport	0.6%
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

'Transport' category went up by 0.6 percent, as a result of higher prices across all types of motor vehicle fuels. Finally, with LPG prices rising by almost 11 percent over the one-month period alone, the 'Housing, Water, Electricity, Gas and Other Fuels' category had a month-over-month inflation rate of 1.3 percent.

YEAR-TO-DATE INFLATION RATE:

The year-to-date or cumulative inflation rate³ for the first ten months of 2021, when compared to the same period in 2020, stood at 2.8 percent and was driven mostly by higher food, fuel, and LPG prices. The 'Food and Non-Alcoholic Beverages' category was up by 4.9 percent, reflecting higher prices for fresh fruits and vegetables, cereal products, and meats. 'Transport' increased by 7.8 percent for the year-to-date, as prices for motor vehicle fuels rose by more than 15 percent compared to the first ten months of 2020. 'Housing, Water, Electricity, Gas and Other Fuels' was up by 1.4 percent, mainly due to higher prices for LPG, while the 'Personal Care, Social Protection and Miscellaneous Goods and Services' category rose by 1.6 percent, primarily due to higher prices for personal hygiene items. On the other hand, the cost of 'Restaurants and Accommodation Services' were down by 5 percent compared to the first ten months of 2020, driven primarily by lower hotel accommodation rates. The 'Information and Communication' category declined by 3.5 percent, due to reduced prices for tablets, external storage devices, and television sets (see Table 3).

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

	October 2021
ALL ITEMS	2.8%
Food and Non-Alcoholic Beverages	4.9%
Alcoholic Beverages, Tobacco and Narcotics	0.2%
Clothing and Footwear	-0.5%
Housing, Water, Electricity, Gas and Other Fuels	1.4%
Furnishings, Household Equipment and Routine Household Maintenance	-0.2%
Health	1.6%
Transport	7.8%
Information and Communication	-3.5%
Recreation, Sport and Culture	1.2%
Education Services	0.3%
Restaurants and Accommodation Services	-5.0%
Insurance and Financial Services	0.0%
Personal Care, Social Protection and Miscellaneous Goods and Services	1.6%

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 October 2021 measures the percent change in the average CPI for the first nine months of 2020 compared to the average CPI for the first nine months of 2021.