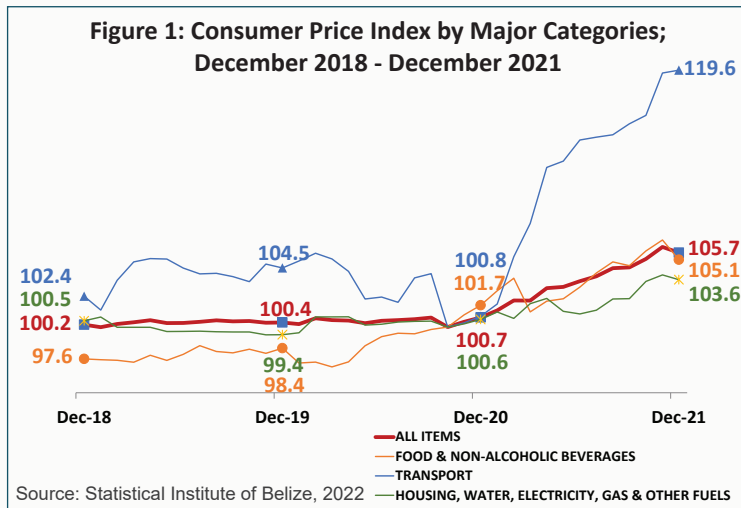




CONSUMER PRICES RISE 4.9% IN DECEMBER 2021: FUEL, FOOD, LPG, RESTAURANT SERVICES, AND HOUSEHOLD CLEANING PRODUCTS UP

ALL-ITEMS:

The most recent data from the Statistical Institute of Belize's monthly Consumer Price Index (CPI) survey indicated that, for December 2021, the All-items CPI, which summarizes price levels across all categories of goods and services, stood at 105.7, an increase from 100.7 recorded for December 2020 (see Figure 1). This indicates that, for the month of December 2021, the country experienced an overall national inflation rate¹ of 4.9 percent on the cost of goods and services regularly purchased by Belizean households. This was primarily driven by higher prices for motor vehicle fuels, various food items, liquefied petroleum gas (LPG), restaurant services, and household cleaning products, when compared to the same month last year.



TRANSPORT:

Prices within the 'Transport' category rose by a notable 18.6 percent in December 2021 when compared to December 2020. This was mainly due to the continued and rapid rise within the 'Fuels and Lubricants' sub-category, which was up by 31.4 percent, as substantial price increases were seen across all types of motor vehicle fuel. At the pump, premium gasoline registered the highest increase, with the average price per gallon rising by \$3.30 from \$9.28 in December 2020 to \$12.58 in December 2021. Diesel was up by \$2.53 from \$8.30 to \$10.84, while regular gasoline rose by \$2.67 from \$9.21 in December of 2020 to \$11.88 in December of 2021 (see Table 1). Additionally, international airfares were 15.3 percent higher than they were one year ago, while prices for new motor vehicles and bus fares were up by 5.5 percent and 3.8 percent, respectively.

FOOD AND NON-ALCOHOLIC BEVERAGES:

In comparison to December 2020, the 'Food and Non-Alcoholic Beverages' category saw an overall increase of 3.4 percent for the month of December 2021 (see Figure 2). As has been the case for the past several months, the overall increase in this category was mainly the result of higher prices for basic food items. Items that saw markedly higher prices for the month included pigtailed, coconut oil, vegetable oil, cakes, chicken wings, pineapples, and potatoes. Nonetheless, there were some price decreases noted among a few food items including some fresh produce, such as cabbages, sweet peppers, tomatoes, black beans, and red kidney beans (see Table 1).

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

Item	Unit of Measurement	Average Prices		% Change
		December 2020	December 2021	
Rice	1 Lb	\$1.37	\$1.44	5.0%
Chicken Cuts	1 Lb	\$3.09	\$3.23	4.4%
Chicken, Legs	1 Lb	\$3.11	\$3.27	5.3%
Chicken, Wings	1 Lb	\$4.68	\$5.11	9.2%
Chicken, Breast	1 Lb	\$3.83	\$3.90	2.0%
Whole Chicken	1 Lb	\$2.79	\$2.88	3.4%
Pigtail	1 Lb	\$4.30	\$6.32	47.0%
Coconut Oil	1 L	\$12.27	\$14.34	16.9%
Vegetable Oil	1 L	\$3.41	\$4.47	31.0%
Flour	1 Lb	\$1.05	\$1.09	3.8%
Cake Baking Mix	15.25 Oz	\$5.02	\$4.96	-1.1%
Cake	1 Slice	\$3.28	\$3.62	10.4%
Banana	1 Unit	\$0.16	\$0.16	0.0%
Pineapple	1 Lb	\$1.16	\$1.31	13.5%
Limes	1 Unit	\$0.24	\$0.25	2.1%
Orange	1 Unit	\$0.17	\$0.18	6.0%
Watermelon	1 Lb	\$0.70	\$0.72	2.5%
Cabbage	1 Lb	\$2.24	\$1.41	-36.9%
Sweet Pepper	1 Lb	\$4.57	\$3.22	-29.5%
Onion	1 Lb	\$2.27	\$2.36	3.9%
Irish Potatoes	1 Lb	\$1.80	\$2.05	13.9%
Tomatoes	1 Lb	\$3.13	\$2.68	-14.5%
Black Beans	1 Lb	\$2.72	\$2.10	-22.8%
Red Kidney Beans	1 Lb	\$2.62	\$1.94	-25.9%
Premium Gasoline	1 Gallon	\$9.28	\$12.58	35.5%
Regular Gasoline	1 Gallon	\$9.21	\$11.88	29.0%
Diesel	1 Gallon	\$8.30	\$10.84	30.5%
Liquefied Petroleum Gas (LPG)	100 Lbs	\$100.04	\$135.84	35.8%

Source: Statistical Institute of Belize, 2022

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

Prices for 'Housing, Water, Electricity, Gas and Other Fuels', had an overall increase of 3 percent for the month of December 2021 (see Figure 2). Within this category, LPG prices were up by a significant 35.8 percent, as the average cost of a hundred-pound cylinder of LPG rose by \$35.80, from \$100.04 in December 2020 to \$135.84 in December 2021 (see Table 1). Additionally, construction materials for household repairs went up by 9.7 percent. However, the effect of these increases was largely offset by lower electricity tariffs, which were down by 3.5 percent compared to December of 2020, and a 0.8 percent decline in home rental costs.

RESTAURANTS AND ACCOMMODATION SERVICES:

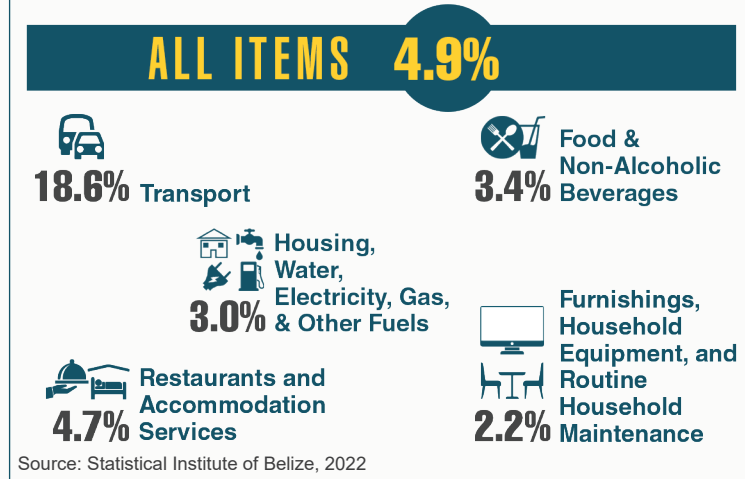
For the month of December 2021, prices within the 'Restaurants and Accommodation Services' category rose by 4.7 percent when compared to the same month in 2020, as higher prices were seen for both hotel accommodations and restaurant services.

¹ The national inflation rate for the month measures the percent change in the CPI between December 2020 and December 2021.

FURNISHINGS, HOUSEHOLD EQUIPMENT, AND ROUTINE HOUSEHOLD MAINTENANCE:

'Furnishings, Household Equipment, and Routine Household Maintenance' recorded an inflation rate of 2.2 percent overall for the month of December 2021 when compared to December 2020 (see Figure 2). This was due, for the most part, to a 6.3 percent increase in prices for laundry products, soaps, and detergents along with a 2.5 percent rise in prices for bedroom furniture.

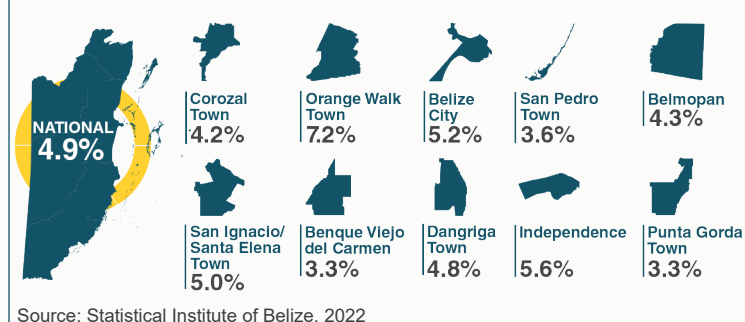
Figure 2: Inflation Rates for Selected Major Categories; December 2021



INFLATION RATES BY MUNICIPALITY:

With an inflation rate of 7.2 percent, Orange Walk Town recorded the highest rate of increase in consumer prices for December 2021. Consumers in this town saw above average increases in prices for home rentals, food items, restaurant and accommodation services, laundry products, women's clothing, and men's and women's haircuts. In contrast, Benque Viejo Del Carmen Town recorded the lowest inflation rate, with prices going up by 3.3 percent on average, as consumers in this town saw lower than average increases in prices for household furniture, pharmaceutical products, doctor consultations, and restaurant and accommodation services (see Figure 3).

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



MONTH-OVER-MONTH INFLATION RATES²:

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. The month-over-month inflation rate for December 2021, when compared to November 2021, stood at -0.4 percent. Prices for 'Food and Non-Alcoholic Beverages' went down by 1.4 percent, due mainly to decreases in prices for various fresh fruits and vegetables over the one-month period, while the 'Housing, Water, Electricity, Gas and Other Fuels' category declined by 0.4 percent as a result of marginally lower LPG prices. On the other hand, 'Transport' had a month-over-month inflation rate of 0.2 percent, due to a slight increase in prices for premium gasoline compared to the previous month.

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

	December 2021
ALL ITEMS	-0.4%
Food and Non-Alcoholic Beverages	-1.4%
Alcoholic Beverages, Tobacco and Narcotics	0.0%
Clothing and Footwear	0.0%
Housing, Water, Electricity, Gas and Other Fuels	-0.4%
Furnishings, Household Equipment and Routine Household Maintenance	0.0%
Health	0.0%
Transport	0.2%
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, 2022

YEAR-TO-DATE INFLATION RATE (ANNUAL INFLATION 2021)³:

Throughout the year 2021, consumer prices rose at an accelerating rate, peaking in November at 5.7 percent. Fuel, food, and LPG prices trended steadily upwards for most of the year and, as a result, an annual inflation rate of 3.2 percent was recorded for the year 2021. 'Transport', which saw a 9.6 percent increase during the year, had the greatest impact on the overall cumulative inflation rate. Within this category, the 'Fuels and Lubricants' sub-group had an annual inflation rate of almost 19 percent, due to steadily and rapidly rising prices for motor vehicle fuels. 'Food and Non-Alcoholic Beverages' rose by 4.8 percent, primarily due to higher prices for fresh produce, meats, and cereal products. 'Housing, Water, Electricity, Gas and Other Fuels' had an annual inflation rate of 1.8 percent, mainly due to higher LPG prices, while the 'Personal Care, Social Protection and Miscellaneous Goods and Services' category rose by 1.4 percent, the result of higher prices for personal hygiene items. These increases were partially offset by a 3.5 percent reduction in the 'Restaurants and Accommodation Services' category, due to lower hotel accommodation rates, and a 3 percent decline in the 'Information and Communication' category, due to reduced prices for tablets, external storage devices, and television sets (see Table 3).

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

	December 2021
ALL ITEMS	3.2%
Food and Non-Alcoholic Beverages	4.8%
Alcoholic Beverages, Tobacco and Narcotics	0.4%
Clothing and Footwear	-0.2%
Housing, Water, Electricity, Gas and Other Fuels	1.8%
Furnishings, Household Equipment and Routine Household Maintenance	0.2%
Health	1.7%
Transport	9.6%
Information and Communication	-3.0%
Recreation, Sport and Culture	1.1%
Education Services	0.3%
Restaurants and Accommodation Services	-3.5%
Insurance and Financial Services	0.0%
Personal Care, Social Protection and Miscellaneous Goods and Services	1.4%

Source: Statistical Institute of Belize, 2022

² The month-over-month inflation rate measures the percentage 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 December 2021 (annual inflation for 2021) measures the percent change in the average CPI for the twelve months of 2020 compared to the average CPI for the twelve months of 2021.