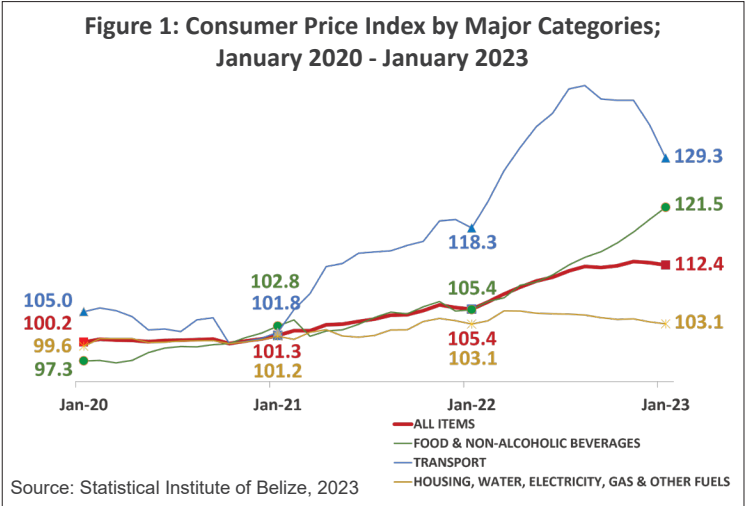




CONSUMER PRICES UP 6.6% IN JANUARY 2023: PRICES FOR FOOD AND FUEL MOST AFFECTED

Overall National Inflation Rate¹ (All-Items):

Data from the most recent monthly Consumer Price Index (CPI) survey conducted by the Statistical Institute of Belize showed that in January 2023, the All-items CPI, which summarizes price levels for all categories of consumer goods and services, stood at 112.4, up from 105.4 in January 2022 (see Figure 1). This indicates that the country saw an overall national inflation rate of 6.6 percent on goods and services that are typically bought by Belizean households. The primary driver of this increase was the ‘Food and Non-Alcoholic Beverages’ category, which once again accounted for over a half of the national inflation rate, as food prices continued to rise rapidly. This was followed by ‘Transport’, which was responsible for almost one-third of the inflation recorded for the month of January, with fuel prices remaining higher than they were in the same month of 2022.



Food and Non-Alcoholic Beverages:

In January 2023, prices for ‘Food and Non-Alcoholic Beverages’ were 15.3 percent higher than they were in January of 2022, the largest increase recorded for this category since late 2008, as food prices continued to rise at an accelerating rate (see Figure 2). The subcategory of ‘Food’ alone had an inflation rate of 17.9 percent, with considerably higher prices being seen across almost all basic food items. Prices for fresh vegetables were up by 26.1 percent, with items such as cabbages, tomatoes, potatoes, sweet peppers, and onions rising most notably. Cereal products were 19.4 percent more costly than in January of last year, driven by increases in prices for rice, flour, bread, and tortillas. Meat products were up by 11 percent, due to sharp increases in the prices of beef, poultry, and pork. Dairy products and eggs saw an overall rise of 21 percent, as a result of significantly higher prices for natural milks, cheeses, and eggs. Notable price increases were also recorded for items such as cooking oils, fish products, and fruits (see Table 1).

Transport:

‘Transport’ costs rose by 9.3 percent in January 2023, primarily due to higher prices for motor vehicle fuels, with both diesel and premium gasoline up considerably compared to January 2022 (see Figure 2). At the pump, diesel registered an increase of \$2.54, with the average price per gallon rising from \$10.71 in January of last year to \$13.26 in January of this year. Premium gasoline increased by \$2.17, from \$12.18 to \$14.35, while regular gasoline was the least affected, rising by \$0.46, from \$11.82 in January 2022 to \$12.28 in January 2023 (see Table 1). Additionally, prices for passenger transport services were 14.6 percent higher than they were in January of last year, reflecting higher bus, taxi, sea, and airfares, while prices for new motor vehicles were up by 5.2 percent.

Table 1: Average Prices of Selected Foods and Fuel (BZ \$);
January 2022 and January 2023

Item	Unit of Measurement	Average Prices		% Change
		January 2022	January 2023	
Rice	1 Lb	\$1.47	\$1.70	15.4%
Flour	1 Lb	\$1.10	\$1.51	36.8%
Ground Beef	1 Lb	\$5.41	\$6.21	14.7%
Beef Steak	1 Lb	\$8.56	\$9.43	10.1%
Chicken Cuts	1 Lb	\$3.22	\$3.62	12.4%
Turkey	1 Lb	\$5.19	\$5.93	14.3%
Chicken, Legs	1 Lb	\$3.31	\$3.56	7.4%
Chicken, Wings	1 Lb	\$4.82	\$5.49	13.9%
Chicken, Breast	1 Lb	\$3.90	\$4.42	13.1%
Whole Chicken	1 Lb	\$2.91	\$3.18	9.5%
Pigtail	1 Lb	\$6.99	\$6.85	-2.0%
Whole Fish	1 Lb	\$7.29	\$8.45	16.0%
Cheese	1 Lb	\$12.40	\$13.81	11.4%
Natural Milk	1 L	\$3.00	\$3.23	7.6%
Egg	1 Unit	\$0.30	\$0.38	28.0%
Vegetable Oil	1 L	\$4.57	\$6.31	38.0%
Watermelon	1 Lb	\$0.69	\$0.91	32.7%
Cabbage	1 Lb	\$1.37	\$2.33	70.7%
Tomatoes	1 Lb	\$2.08	\$3.53	69.8%
Cilantro	1 Lb	\$5.60	\$6.00	7.0%
Habanero	1 Lb	\$4.95	\$4.85	-2.1%
Onion	1 Lb	\$2.29	\$2.65	15.9%
Irish Potatoes	1 Lb	\$2.18	\$2.78	27.8%
Banana	1 Unit	\$0.16	\$0.15	-1.5%
Pineapple	1 Lb	\$1.27	\$1.33	4.8%
Orange	1 Unit	\$0.19	\$0.21	11.4%
Sweet Pepper	1 Lb	\$2.84	\$4.22	48.9%
Black Beans	1 Lb	\$2.04	\$2.05	0.3%
Red Kidney Beans	1 Lb	\$1.93	\$1.92	0.0%
Soy Sauce	10 Fl Oz	\$5.01	\$6.26	25.1%
Coconut Milk	400 MI	\$3.47	\$4.94	42.2%
Premium Gasoline	1 Gallon	\$12.18	\$14.35	17.8%
Regular Gasoline	1 Gallon	\$11.82	\$12.28	3.9%
Diesel	1 Gallon	\$10.71	\$13.26	23.8%
Liquified Petroleum Gas (LPG)	100 Lbs	\$130.41	\$124.31	-4.7%

Source: Statistical Institute of Belize, 2023

Restaurants and Accommodation Services:

The category of ‘Restaurants and Accommodation Services’ recorded an inflation rate of 7.7 percent for the month, driven primarily by increased prices for restaurant and cafe services as well as considerably higher hotel accommodation rates (see Figure 2).

¹ The national inflation rate for the month measures the percent change in the CPI between January 2022 and January 2023.

Recreation, Sport, and Culture:

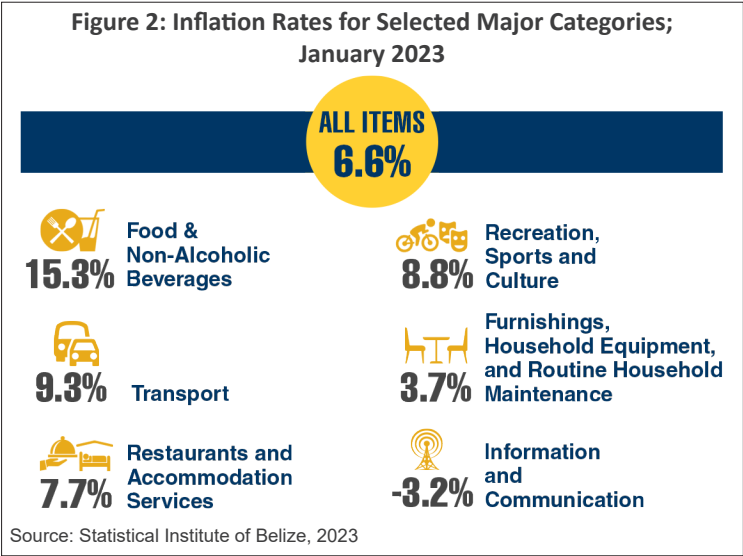
For the month of January 2023, prices for items within the category of “Recreation, Sport, and Culture” were up by 8.8 percent when compared to January 2022. This was largely the result of increased cinema and nightclub entrance fees, as well as higher pet food costs (see Figure 2).

Furnishings, Household Equipment, and Routine Household Maintenance:

‘Furnishings, Household Equipment, and Routine Household Maintenance’ recorded an inflation rate of 3.7 percent (see Figure 2), due mainly to an increase in prices for household cleaning and maintenance products, as well as for domestic services.

Information and Communication:

‘Information and Communication’ continued to be the only category recording an overall decrease, with prices within this category down by 3.2 percent, due to lower costs for internet provision services (see Figure 2).



Inflation Rates by Municipality:

Among the municipalities, the highest rate of increase in consumer prices for January 2023 was seen in Independence Village, with an inflation rate of 9 percent. Residents of this community experienced greater than average price increases for various food items, taxi fares, restaurant services, laundry products, soaps, detergents, and personal hygiene products. On the other hand, Belmopan had the lowest inflation rate of 4.6 percent, with consumers in this city experiencing lower than average increases in prices for food items, taxi fares, and restaurant services (see Figure 3).

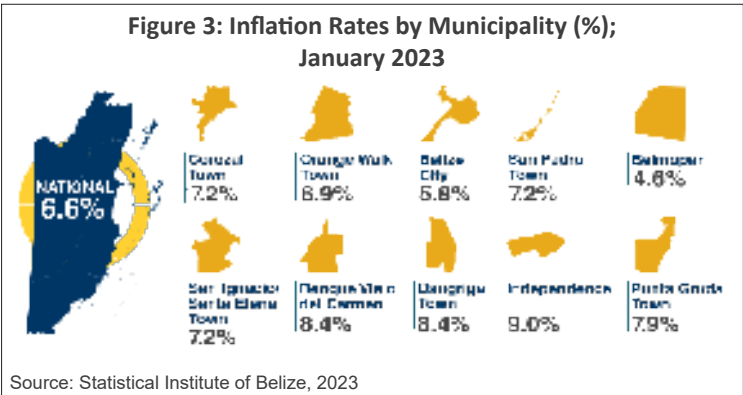


Table 2: Month to Month Inflation Rates by Category (%); January 2023

	January 2023
ALL ITEMS	-0.3%
Food and Non-Alcoholic Beverages	1.6%
Alcoholic Beverages, Tobacco and Narcotics	0.0%
Clothing and Footwear	0.0%
Housing, Water, Electricity, Gas and Other Fuels	-0.3%
Furnishings, Household Equipment and Routine Household Maintenance	0.0%
Health	0.0%
Transport	-3.9%
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, 2023

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.

Over the one-month period between December 2022 and January 2023, consumer prices experienced a slight decrease of 0.3 percent on average (see Table 2). The ‘Transport’ category declined by 3.9 percent over this period, the result of a drop in the average price per gallon for both premium (down by \$1.08) and regular gasoline (down by \$0.77) between December 2022 and January 2023. Furthermore, the “Housing, Water, Electricity, Gas and Other fuels” category saw a decrease of 0.3 percent, mainly due to a small reduction in prices for Liquefied Petroleum Gas. On the other hand, the ‘Food and Non-Alcoholic Beverages’ category had a month-over-month inflation rate of 1.6 percent, owing to the continued rapid rise in the cost of all types of food items.

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.