 **Central Statistics Office**

PREMIER’S OFFICE

 **GOVERNMENT OF THE VIRGIN ISLANDS**

CONSUMER PRICE INDEX BULLETIN

 January 2017

Rate of Inflation at a Glance

For the month of January 2017, the Consumer Price Index stood at 106.92 up by approximately 2.0% in comparison to January 2016. This rise was due to the increases in the annual average prices of goods and services in the following subgroups: Communication; Health Services; Education; Recreation and Culture; Clothing and Footwear; Furniture and Household Equipment; Food and Non-Alcoholic Beverages; Alcoholic Beverages; Restaurant and Hotel Services; and Transportation.

Annual Comparison

**Communication:** The average price of communication goods and services increased significantly by 9.3% as a result of increases in the average price of cellular phone service (up 14.3%); home internet (up 5.6%); and cellular phones (up 5.1%).

**Health Services:** The prices of items in the health services subgroup rose by 7.3% as the average price consultation for a general physician increased by 20.0% and pharmaceutical products by 4.2%.

**Education:** The average price of education increased by 6.2% as tuition for private schools registered significant increases; primary school (up 14.3%); secondary schools (up 10.8%); and tertiary education (up 12.4%).

**Recreation and Culture:**  Recreation and Culture prices increased by 5.7% mainly due to increases in the average price of the following: books and magazines (up 5.6%); video and computer games (up 4.9%); videos, DVDs and CDs prerecorded (up 4.7%); children’s bicycles (up 2.1%); computers and computer software (up 1.8%); and electronics such as television sets, video cameras and camcorders and digital cameras (up 1.7%).

**Clothing and Footwear:** The 4.1% increase in this index was mainly due to increases in the average price of clothing and footwear items (up 3.7% and 1.1% respectively).

**Furniture and Household Equipment:** The prices of furniture and household equipment rose by 3.9 % mainly due to an increase in the average price of living room, kitchen and bedroom furniture which increased by 3.7% and a rise in the average price of household supplies (up 1.6%).

**Food and Beverages:** The prices of food and beverage goods increased by 2.7% as seen by increases in the average price of items in the following food groups: fruits (up 11.1%); alcoholic beverages and tobacco (up 5.4%); (non-alcoholic beverages ( up 5.2%); vegetables (up 3.8%);other food products such as ketchup, mayonnaise and salt (up 3.6%); meat items (up 2.3%); and sugar and confectionery (up 2.3%).

**Restaurant and Hotel Services:** Restaurant and Hotel Services prices increased by 2.0% mainly due to a rise in the average price of accommodation services (up 6.3%) and meals and snacks bought out (up 3.7%).

**Transportation:** Transportation prices rose slightly by 0.6% as the price of the following items increased: unleaded gasoline (up 7.2%); diesel (up 7.2%); vehicle rental (up 6.9%) and airfare (up 1.2%).

**Miscellaneous Goods and Services:** This price index declined by 0.5% as the average price of personal care items such as toiletries; hair dressing and barber services decreased by 2.2%

**Housing and Utilities:** Housing and Utility prices went down by 0.6% mainly due to declines in the average price of imputed rent for owner occupied housing (down 33.4%) and materials for household maintenance (down 9.8%).

Monthly Comparison

Monthly comparisons show that average prices decreased slightly by 0.6% between December 2016 and January 2017. This decline was mainly due to a decrease in the average prices transportation by 4.7% and other minor changes in the other subgroups (see table below).

**Education:** The average price of education increased by 3.6% as a result of an increase in the cost of tuition for tertiary education (up 12.4 %).

**Furniture and Household Supplies:** This index increased by 0.7% as the average price of household supplies rose by 2.2%.

**Transportation:** Transportation prices declined by 4.7% mainly due to reductions in the average price of airfare (down 13.6%); items for vehicle maintenance (down 4.2%); unleaded gasoline (down 2.7%); diesel (down 0.8%); and motor cars’ jeeps and SUVs (down 0.7%).

**Other minor changes**

* Food and Beverages (up 0.2%)
* Housing and Utilities (up 0.2%)
* Recreation and Culture (up 0.2%)

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| **CONSUMER PRICE INDEX: MONTHLY AND ANNUAL COMPARISONS** |
| **(January 2012=100)** |
|  |  |  |  |  |  |  |
|   |  | **January**  | **December**  | **Monthly** | **January**  | **Annual** |
| **Subgroups** | **Weight** | **2017** | **2016** | **Comparison** | **2016** | **Comparison** |
| Food & Non-Alcoholic Beverages  | 147 | 109.62 | 109.59 | 0.03 | 107.99 | 1.51 |
| Alcoholic Beverages  | 14 | 109.49 | 109.10 | 0.36 | 105.34 | 3.94 |
| Clothing & Footwear | 49 | 113.20 | 113.20 | 0.00 | 108.76 | 4.09 |
| Housing & Utilities  | 298 | 101.00 | 100.80 | 0.20 | 101.61 | -0.59 |
| Furniture & Household Equipment  | 39 | 105.51 | 104.81 | 0.66 | 101.58 | 3.86 |
| Health Services  | 32 | 129.06 | 129.07 | -0.01 | 120.31 | 7.27 |
| Transportation | 128 | 97.72 | 102.49 | -4.65 | 97.15 | 0.59 |
| Communication  | 79 | 121.94 | 121.94 | 0.00 | 111.54 | 9.32 |
| Recreation and Culture | 35 | 124.90 | 124.70 | 0.16 | 118.21 | 5.66 |
| Education  | 26 | 110.84 | 106.97 | 3.62 | 104.36 | 6.22 |
| Restaurant and Hotel Services  | 49 | 103.32 | 103.32 | 0.00 | 101.32 | 1.98 |
| Miscellaneous Goods and Services  | 104 | 105.08 | 104.95 | 0.12 | 105.64 | -0.53 |
| All Groups  | 1000 | 106.92 | 107.32 | -0.36 | 104.82 | 2.01 |

* Miscellaneous Goods and Services (up 0.1%)