**Central Statistics Office**

PREMIER’S OFFICE

**GOVERNMENT OF THE VIRGIN ISLANDS**

CONSUMER PRICE INDEX BULLETIN

May 2017

Rate of Inflation at a Glance

For the month of May, the Consumer Price Index stood at a price relative of 106.57. This position leaves the index up by approximately 1.4% in comparison to May 2016 (105.12), but down by approximately 0.2% in comparison to the previous month April 2017.

The upward movement in the annual index was due mainly to the increases in the prices, fees and charges of items or services in the following subgroups: Communication; Miscellaneous Goods & Services; Education; Alcoholic Beverages; Clothing and Footwear; Recreation and Culture; Health Services and Transportation.

The 0.2% decline from the previous month to month index came mostly from the decline in the following subgroups: Transportation; Furniture & Household Equipment and Restaurant & Hotel Services.

Annual Comparison

**Communication:** The increase prices of services such as: cellular phone plans and service (14.3% increase), home internet fees (5.6%) and cellular phone devices (5.1%) caused a 9.3% increase in the Communication subgroup.

**Miscellaneous Goods and Services:** Miscellaneous goods and services subgroup recorded a 6.9% increase due to the movement in the price of personal care items (shampoo, deodorant, toilet soap, toothpaste and lotion).

**Education:** TheEducation group increased by 6.2% due to the increase of tuition for primary school 14.3%; tuition for tertiary education (up 12.4%) and tuition for secondary education (10.7%).

**Alcoholic Beverages:** The Alcohol subgroup reflected a 3.4% increase, due to increase in the price associated with wines.

**Clothing and Footwear:** This subgroup increased by 3.2% as the price of clothing increased by 2.9% while footwear moved up by 1.2%.

**Recreation and Culture:** This subgroup rose by 3.1% as a result of increases in the prices of books and magazines (up 22.8%); video and computer games (up 1.9%); computers and computer software (up 3.7%); electronic appliances (up 7.9%); and CDs and rams 47%.

**Health Services:** TheHealth services subgroup continues to reflect an increase in the index as it moves up by 0.3 % mainly due to prices for pharmaceutical products (1.5%).

**Transportation:** Transportation subgroup raised by 0.2% as the price of vehicle (3.3%), vehicle parts (1.9%) Gasoline (12.0%); hire or rental vehicle cost (7.0%) and taxi fare (11.1%) all reflected upward movements.

**Negative or Non-movement in the Index by subgroups.**

The following subgroup had little or no effect on the general outcome of the index as changes within these subgroups were not significant to change the outcome.

**Food and Non-Alcoholic Beverages:** The prices of food and beverage decline by 2.5% as a result of the average price of items in the following food groups: bread & cereals, fresh or frozen meats, eggs, fruits, vegetables, sugar and condiments declined.

**Housing and Utilities:** Housing and utility subgroup decreased slightly by 0.9% mainly due to a decline in the cost of rent for owner occupied housing (down 33.4%); and material for household maintenance (down 9.3%).

**Restaurant and Hotel Services:** Restaurant and Hotel Services subgroup declined by 0.6% mainly due to a fall in the prices of accommodation services (down 9.0%) and meals and snacks (down 10.8%).

**Furniture and Household Equipment:** This subgroup also indicated a 0.2% decline in the subgroup which was mainly due to the decline in the price of furniture which rose by 15.5% and household supplies by 0.5% to a less effect.

Monthly Comparison

While there was a positive or increase within the annual comparison of the price index, the index also reflected a negative growth between April 2017 and May 2017 (See table 1below) as the index fell by 0.2%. This negative growth was contributed to by the following subgroups: Furniture and Household Equipment (0.3%); Transportation (2.2%) and Restaurant and Hotel Services (0.8%).

***TABLE 1***

***CONSUMER PRICE INDEX: MONTHLY AND ANNUAL COMPARISONS***

***Base Period January 2012 =100***

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **May** | **April** | **Monthly** | **May** | **Annual** |
| **Subgroups** | **Weight** | **2017** | **2017** | **Comparison** | **2016** | **Comparison** |
| Food & Non-Alcoholic Beverages | 147 | 105.90 | 105.70 | 0.19 | 108.57 | -2.46 |
| Alcoholic Beverages | 14 | 109.49 | 109.47 | 0.02 | 105.88 | 3.41 |
| Clothing & Footwear | 49 | 112.78 | 112.78 | 0.00 | 109.33 | 3.15 |
| Housing & Utilities | 298 | 101.15 | 101.15 | 0.00 | 102.03 | -0.86 |
| Furniture & Household Equipment | 39 | 104.19 | 104.51 | -0.30 | 104.21 | -0.02 |
| Health Services | 32 | 128.86 | 128.86 | 0.00 | 128.51 | 0.27 |
| Transportation | 128 | 95.05 | 97.20 | -2.21 | 94.82 | 0.24 |
| Communication | 79 | 121.94 | 121.94 | 0.00 | 111.54 | 9.32 |
| Recreation and Culture | 35 | 123.69 | 123.69 | 0.00 | 119.96 | 3.11 |
| Education | 26 | 110.84 | 110.84 | 0.00 | 104.36 | 6.22 |
| Restaurant and Hotel Services | 49 | 101.79 | 102.59 | -0.79 | 102.39 | -0.59 |
| Miscellaneous Goods and Services | 104 | 111.68 | 111.20 | 0.43 | 104.45 | 6.93 |
| All Groups | 1000 | 106.57 | 106.82 | -0.23 | 105.12 | 1.38 |