

CPI CONSUMER PRICE INDEX

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CONSUMER PRICES UP 0.1% IN JULY 2020: FOOD AND HOME RENTAL COSTS UP, FUEL AND LPG PRICES DOWN

ALL-ITEMS:

The most recent figures from the Statistical Institute of Belize's monthly Consumer Price Index (CPI) survey show that, as of July 2020, the All-Items CPI stood at 105.4, a marginal overall increase of 0.1 percent from 105.2 in July 2019 (see Figure 1). This means that, on average, Belizean households saw the overall cost of regularly purchased goods and services rise by 0.1 percent, when compared to the same month last year¹. This was the result of higher home rental costs and prices for a variety of food items being balanced out by substantially lower prices for fuel and Liquefied Petroleum Gas (LPG).

FOOD AND NON-ALCOHOLIC BEVERAGES:

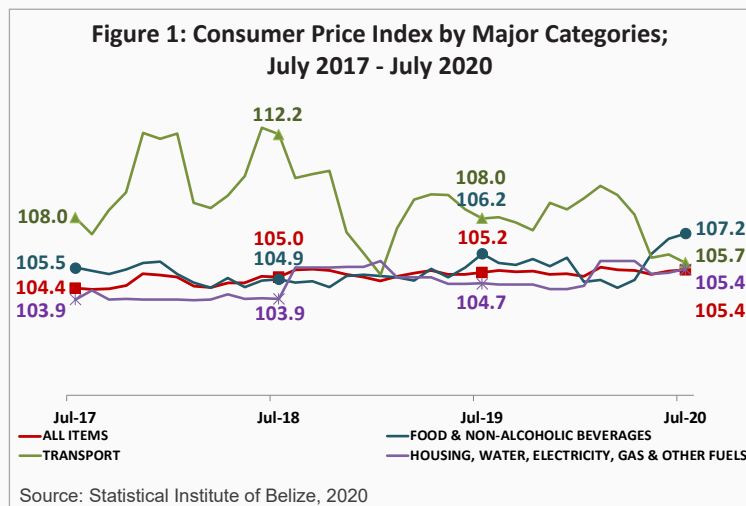
For the month of July 2020, the 'Food and Non-Alcoholic Beverages' category continued its upward trend, with prices rising by 1.0 percent overall, when compared to July 2019 (see Figure 2). During this month, food prices hit their highest level in more than four years and, for the fourth consecutive month, prices for fresh vegetables saw a significant increase over the same month last year. Notable increases were seen in prices for tomatoes, cabbages, plantains, oranges, ground beef, whole chickens, natural milk, red kidney beans, and eggs. These were partially balanced out by reduced prices for other food items, including beef steak, pigtail, pineapples, sweet peppers and watermelons (see Table 1).

the month of July 2020, in comparison to July 2019 (see Figure 2). This was attributed to a 1.3 percent increase in home rental costs, as higher rental prices were recorded in the municipalities of Belize City, San Ignacio/Santa Elena Town and Punta Gorda Town. Nonetheless, the effect of this increase was somewhat mitigated by a substantial drop in LPG prices, which were 20.3 percent lower than they were in July of last year. The average cost of a 100-pound cylinder fell by \$23.47, from \$115.85 in July 2019 to \$92.38 in July 2020 (see Table 1).

**Table 1: Average Prices of Selected Foods and Fuel (BZ \$),
July 2019 and July 2020**

Item		July 2019	July 2020	% Change
Ground Beef	1 Lb	5.45	5.73	↑ 5.00
Beef Steak	1 Lb	8.04	7.91	↓ -1.64
Pork Chops	1 Lb	6.64	6.81	↑ 2.67
Pig Tail	1 Lb	4.29	4.18	↓ -2.59
Whole Chicken	1 Lb	2.57	2.73	↑ 6.04
Sugar, White	1 Lb	0.79	0.79	↓ -0.69
Sugar, Brown	1 Lb	0.54	0.54	↓ -0.90
Flour (Gitana)	1 Lb	0.92	0.95	↑ 2.93
Rice	1 Lb	1.15	1.21	↑ 5.24
Eggs	1 Dozen	3.20	3.37	↑ 5.36
Natural Milk	1 Litre	2.51	2.63	↑ 4.84
Red Kidney Beans	1 Lb	1.48	1.59	↑ 7.63
Pineapple	1 Lb	1.42	1.26	↓ -11.63
Orange	1 unit	0.14	0.17	↑ 16.43
Watermelon	1 Lb	0.70	0.66	↓ -5.60
Plantain	1 unit	0.30	0.37	↑ 25.38
Sweet Pepper	1 Lb	4.76	4.39	↓ -7.69
Onions	1 Lb	2.08	2.00	↓ -3.55
Tomato	1 Lb	2.39	3.40	↑ 42.59
Cabbage	1 Lb	1.81	1.83	↑ 1.27
Limes	1 unit	0.24	0.24	↑ 0.65
Potatoes	1 Lb	1.78	1.72	↓ -3.53
Belikin Beer (w/out bottle)	284 ml	2.96	3.05	↑ 3.24
Premium Gasoline	1 Gal	10.70	9.36	↓ -12.54
Regular Gasoline	1 Gal	10.47	8.67	↓ -17.19
Diesel	1 Gal	10.07	7.72	↓ -23.34
Liquefied Petroleum Gas (LPG)	100 Lbs	115.85	92.38	↓ -20.26

Source: Statistical Institute of Belize, 2020



TRANSPORT:

Prices within the 'Transport' category were down by 2.1 percent for the month of July 2020, when compared to July 2019. The main driver behind the drop in this category was a considerable decrease of 12.9 percent in the 'Fuels and Lubricants' sub-category, as substantial price reductions were seen across all types of motor vehicle fuels. At the pump, Diesel saw the largest dip in prices, with the average price per gallon falling by \$2.35 from \$10.07 in July 2019 to \$7.72 in July 2020. Regular gasoline declined by \$1.80 from \$10.47 to \$8.67, while Premium increased by \$1.34 from \$10.70 in July of last year to \$9.36 in July of this year (see Table 1).

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

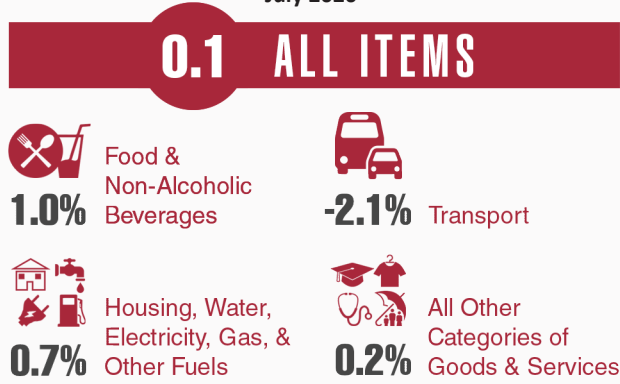
Prices within the 'Housing, Water, Electricity, Gas and Other Fuels' category recorded an overall increase of 0.7 percent for

ALL OTHER CATEGORIES OF GOODS AND SERVICES:

For the month of July 2020, prices across the remaining categories of goods and services collectively experienced a small increase of 0.2 percent, when compared to the same month last year (see Figure 2). This increase was due in part to prices within the 'Education' category, which were 2.8 percent higher than they were in July 2019, reflecting tuition increases that were implemented by several tertiary institutions at the start of the 2019/2020 school year. The 'Health' category also reported a slight increase, with prices going up by 1.2 percent in comparison to July of last year, as a result of higher prices for several pharmaceutical products. These increases, however, were mostly offset by a 1.1 percent dip in the 'Furnishing, Household Equipment and Routine Household Maintenance' category combined with a 9.9 percent decrease in the 'Restaurants and Hotels' category, as lower prices were recorded for living and dining room furniture as well as international hotel accommodations.

1 It should be noted that price changes occurring in goods and services not normally purchased by households in Belize, but which have seen an increase in demand due to the COVID-19 pandemic, may not be reflected in the CPI.

Figure 2: Inflation Rates by Major Categories; July 2020

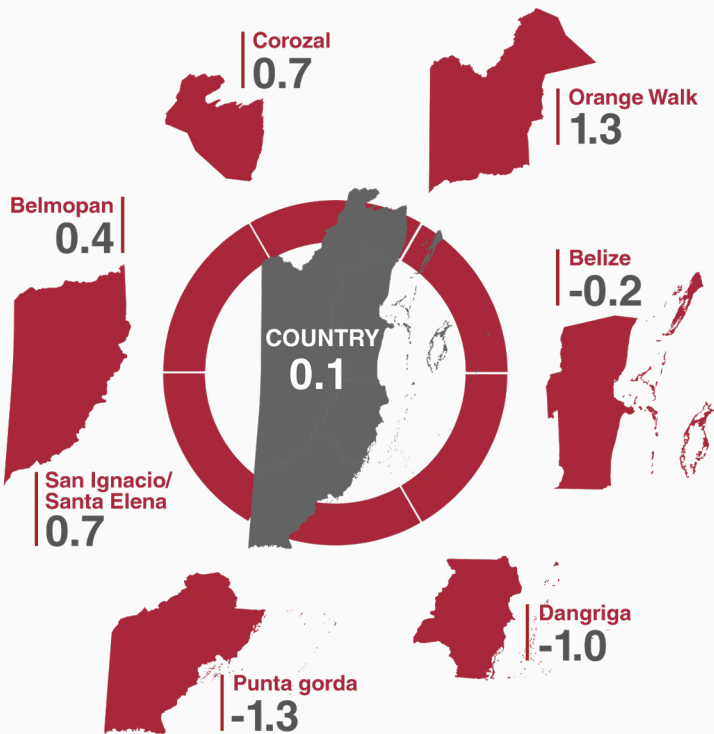


Source: Statistical Institute of Belize, 2020

INFLATION RATES BY MUNICIPALITY:

Consistent with the trends observed over the past few months, Orange Walk Town saw the highest monthly increase in consumer prices, with an inflation rate of 1.3 percent for the month of July 2020. Consumers in this town saw greater than average increases in prices for various food items, men and children's footwear, telephones, and costs associated with the maintenance and repair of motor vehicles. The municipalities of Belize City, Dangriga and Punta Gorda Town, on the other hand, all experienced overall reductions in consumer prices when compared to July 2019 (see Figure 3).

Figure 3: Inflation Rates by Municipality (Percent); July 2020



Source: Statistical Institute of Belize, 2020

YEAR TO DATE INFLATION RATES:

The cumulative inflation rate for the first seven months of 2020, when compared to the same period in 2019, stood at 0.2 percent (see Table 2). Among all the categories, the most significant changes were seen in the 'Housing, Water, Electricity, Gas and Other Fuels' category, which was up by 0.4 percent for the seven-month period due to higher home rental costs, and the 'Education' category which saw an increase of 3.4 percent due to higher tuition fees at the tertiary level for the 2019/2020 school year. These increases were partly offset by decreases in prices for LPG and for audiovisual equipment such as television sets.

Table 2: Year to Date Inflation Rates by Category (%) January to July 2020

Category	Year to Date Inflation Rate
All Items	0.2
Food & Non-Alcoholic Beverages	0.3
Alcoholic Beverages & Tobacco	-0.3
Clothing & Footwear	0.0
Housing, Water, Electricity, Gas & Other Fuels	0.4
Furnishing Household Equipment & Routine Household maintenance	-0.2
Health	0.5
Transport	-0.3
Communication	0.9
Recreation & Culture	-0.8
Education	3.4
Restaurants & Hotels	-4.0
Miscellaneous Goods & Services	0.6

Source: Statistical Institute of Belize, 2020