

**CONSUMER PRICE INDEX
MONTHLY REPORT**

FEBRUARY 2011



PREPARED BY:

**BUREAU OF STATISTICS
DEPARTMENT OF FINANCE**

31.05.11

THE CONSUMER PRICE INDEX

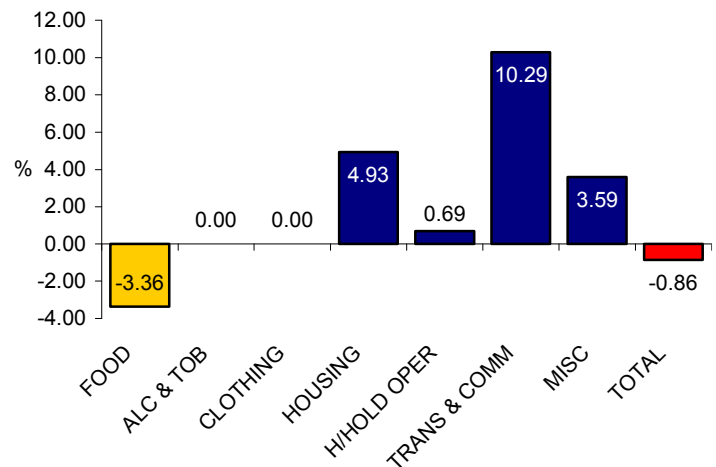
1. Monthly Change

The CPI for the month of February 2011 is reported at **99.82** which show that the index has decreased by **0.86** percent from the previous month of January 2011. The Table below validates the variations of the CPI index between the two observation periods and enclosed in Appendix 1 is the CPI market basket for comparisons. Similarly the annual CPI market basket is attached in Appendix 2 as well as Technical notes in Appendix 3 for readers/users reference.

Table **Change in Monthly Group Indices**

GROUP	JAN '11 INDEX	FEB '11 INDEX	DIFF	% INC (+) DEC (-)
FOOD	58.05	56.10	-1.95	-3.36
ALCOHOL & TOBACCO	16.67	16.67	0.00	0.00
CLOTHING	3.39	3.39	0.00	0.00
HOUSING	2.82	2.69	0.14	4.93
HOUSEHOLD OPERATION	8.28	8.34	0.06	0.69
TRANSPORT & COMMUNICATION	7.03	7.75	0.72	10.29
MISCELLANEOUS	4.45	4.61	0.16	3.59
TOTAL	100.69	99.82	-0.87	-0.86

Chart 1. **% change for February 2011**



Note: Discrepancy of numbers is due to calculations and rounding.

1.1 Monthly Observation

The monthly change for this period ending February 2011 shows a slight decline of **0.86** percent as a result of decrease from one of the seven major group indices. It can be seen in the table above and Chart 1, that the overall decline is attributed to the sole decrease of the Food index with **3.36** percent with the major components posting decreases. The index of rice, onion and coffee has significantly contributed to the decrease while small drops of potatoes, milk powder, fresh milk and soft drink also contributed after experiencing recorded increases in the January CPI.

The Transport & Communication index led the growth with **10.29** percent after rising by 7.49 percent in January. The airfare index contributed the highest growth within the group with a surge of 26.05 percent after reporting a decline in January. Subsequently the oil index contributed to a growth of 5.21 percent closely followed by the petrol and diesel index with 4.56, and 3.15 percent respectively.

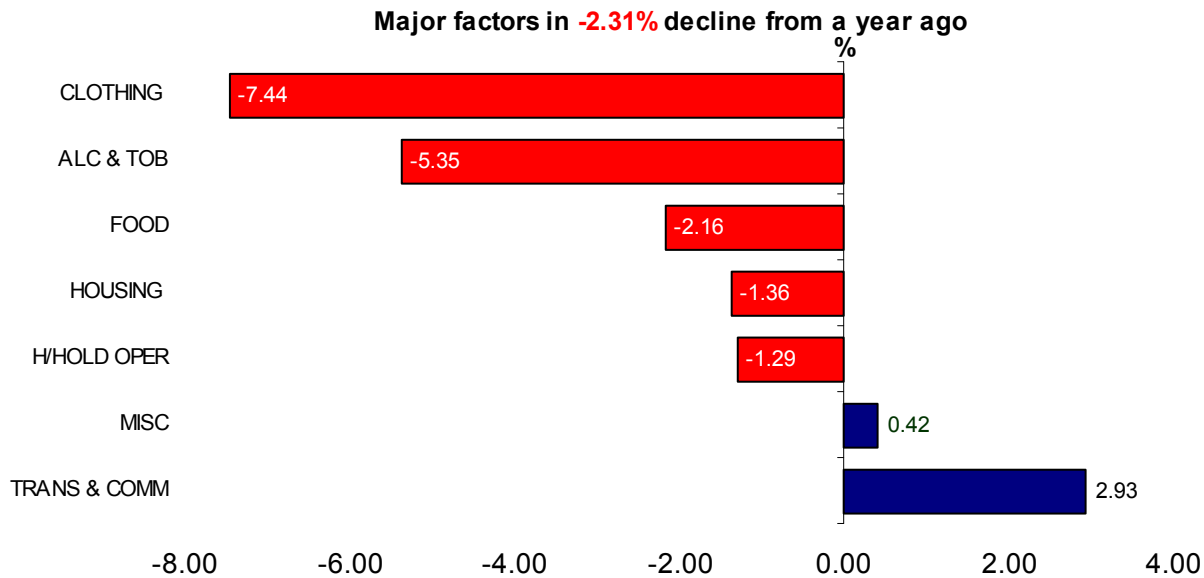
The Housing index posted the second highest growth of **4.93** percent after a decrease in January. The timber and paint index contributed to the growth with timber prices contributing considerably to the increase of 58.33 percent. Closely behind is the Miscellaneous index of **3.59** percent, and showing increases after continued drops since October 2010 where the index for CD-R (22.22%) and soap (5.77%) being the main contributors. Household operation posted the smallest increase with **0.69** percent and is attributed to the small surge of toilet paper (7.41%) and mosquito coils (2.70%).

The index for Alcohol & Tobacco has remained constant since December 2010, while the Clothing index has remained unchanged since June 2010.

2. Annual Change

On an annual basis it is apparent that the annualised change has reported a fall of **2.31** percent as clearly illustrated in Chart 2 below. A majority of the CPI groups such as--Clothing, Alcohol & Tobacco, Food, Housing and Household operations --have all recorded decreases.

Chart 2. Annualised % change since February 2010



2.1 Annual Observation

The 12 month changes in major indexes continue to show decreases in the pattern of growth similar to the January CPI. In the annualised observation the decrease for goods and services is influenced by five of the seven major groups.

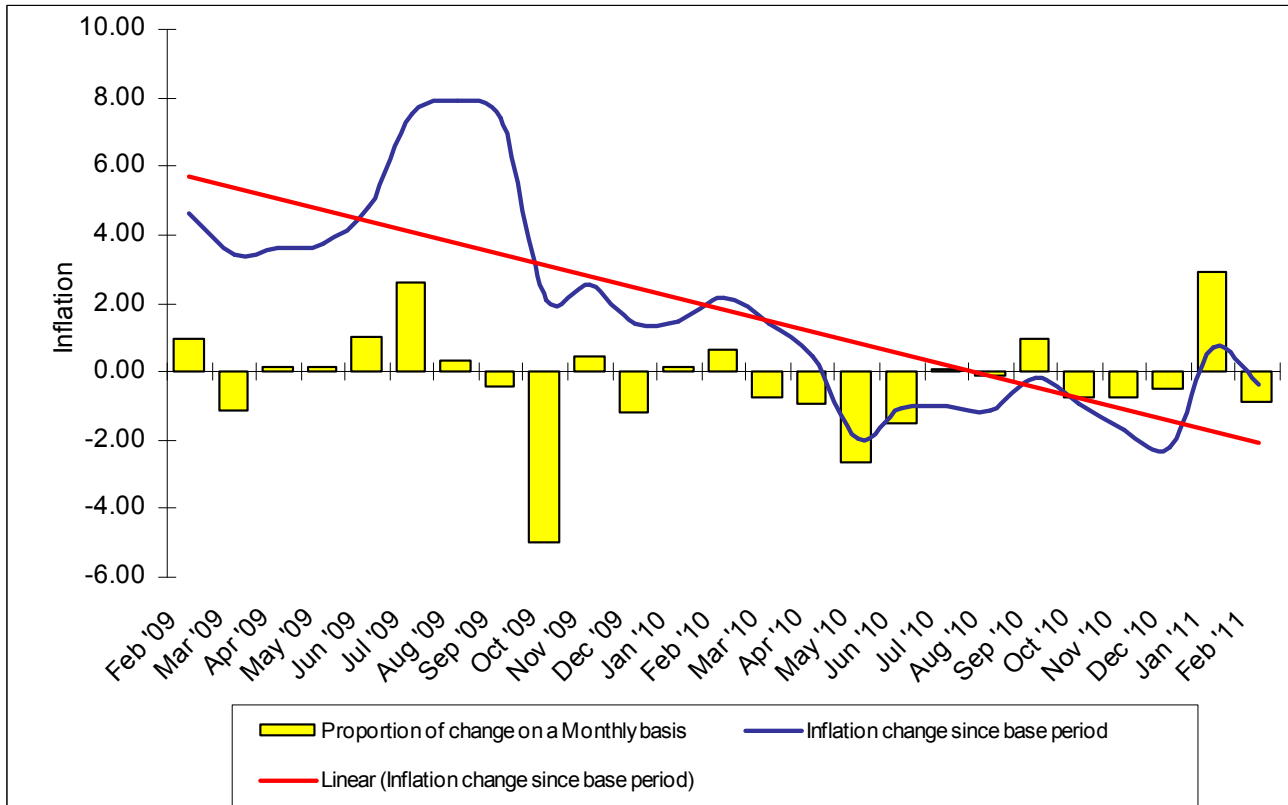
Heading the annual deflation is the Clothing group with a significant decrease of **7.44** percent as a result of decline for ladies mumu. This is followed by the Alcohol & Tobacco group with **5.35** percent and the lone factor impacting the variance is the index for cigarettes, however these two group index have remained constant for the previous periods between eight and two months as stated earlier. Thirdly the index for Food posted a drop of **2.16** percent from a year ago and the fall in the index of rice, onion, cooking oil; soft drink and coffee has made a noticeable impact. Housing and Household operations indexes also contributed to the deceleration with **1.36** and **1.29** percent. The drop in the index of paint solely influenced the decrease in the Housing index, and drops in the indices of washing soap powder and dishwashing liquid contributed to the change in Household operations.

In compensating for this deflation, two groups recorded annualised increases namely; Transport & Communications and Miscellaneous index with growths spurts of **2.93** and **0.42** percent respectively. The resulting fluctuations within the Transport & Communications group are traced to increases in the index of petrol, oil and diesel. Modest increases for the price of animal food specifically dog food solely contributed to the slight growth that occurred within the Miscellaneous group.

3. All Groups CPI Series

The All Groups Monthly index for month of February 2011 has posted a decrease of **0.86** percent subsequently after an increase in January 2011. Under current circumstances the changes since the base period reflect a downward trend continuing in the current period with **0.38** percent.

Chart 3. All Groups CPI Monthly variables and Inflation trend since base period



3.1 Historical Movement

Chart 3 shows the two CPI's historical trends in the last 24 months, with the bar graphs indicating the monthly fluctuations and the line graph depicting the variation since base period.

Observing the monthly fluctuation over the past 24 months it is apparent that inflation volatility is quite common. Some of the major changes affecting the sharp variations have been accounted to the movement of the food index. It is obvious that the monthly fluctuation has declined to negative trends once again after the one off increase in January 2011.

Likewise, in the inflation measured since base period it is observed that the decrease was recorded after having a surge in January, hence the magnitude of decrease was much larger than expected due to, for instance, seasonal affects. Following continued negative trends starting in April 2010 it's indicative according to the sharp decrease of the linear trend overtime that prices prior to the rebase of the CPI in 2008 that inflation must have previously been quite high whereas on average prices are gradually declining as result due to stabilising factors among others.

4. Conclusion

The national CPI posted decreases in the month by month and annual basis as highlighted in the above analysis. Taking into account Chart 3 of the CPI movement since rebase period, it is obvious that the current decelerating trends can be attributed to higher inflations in the base period and prior to the CPI rebased period of August 2008. In perspective this establishes the thresholds that can be achieved by national commodity prices and potential inflationary levels. A glance into the past shows one incident that clearly had an impact on inflation domestically and that was the much anticipated phenomenon of the global economic crisis.

Overtime with economic policy measures to primary goods and services combined with a recovery of global supply and demand of major commodities, the national inflation has steadily been declining to date. This report notes the policy on Price Regulation in effect established in February on fuel prices which increased rates from preceding notices.

Around the Asia and Pacific region rapid rise of food prices along with fuel prices are driving inflation growth in individual countries according to FAO's "Asia Pacific Food Situation Update".

				01 AUG '08	JAN '11		FEB '11	
REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	BASE PRICE	PRICE	INDEX	PRICE	INDEX
	<u>RICE & OTHER CEREALS</u>							
1010	Rice	Imported rice/sunwhite/bag/25kg	15.48	41.00	48.00	18.12	41.00	15.48
1020	Bread (sliced loaf)	Bread//white/local/sliced loaf	3.65	1.75	1.93	4.03	1.93	4.03
1030	Noodles	Noodles/sachet/85g	1.68	0.53	0.65	2.06	0.65	2.06
1040	Other bread and Biscuits	Dry biscuits/brand/250g	0.54	2.10	3.14	0.81	3.14	0.81
1050	Self raising	Imported Flour/self raising/1kg	0.39	2.50	3.48	0.54	3.78	0.59
	<u>MEAT</u>							
1060	Chicken	Imported Chicken/cuts/2kg	7.99	9.18	8.10	7.05	8.40	7.31
1070	Canned Meat	Tinned beef/corned beef/imperial/326g	3.63	4.53	4.67	3.74	4.88	3.91
1080	Canned Meat	Tinned meat/luncheon/397g	1.69	2.43	1.73	1.21	1.73	1.21
1090	Sausages	Sausages/1pack/pork/1kg	1.07	7.33	4.05	0.59	4.05	0.59
	<u>SEAFOOD</u>							
1100	Fish	Tuna/Skipjack(bonita)/1 kg	2.50	6.00	6.00	2.50	6.00	2.50
1110	Canned Fish	Imported tinned mackerel/brand/425g	0.92	2.55	2.70	0.97	2.70	0.97
1120	Reef fish	Reef fish/1 kg	0.75	8.00	8.00	0.75	8.00	0.75
1130	Canned Fish	Tinned sardines/sardines/425g	0.50	2.35	3.25	0.69	3.28	0.70
	<u>FOOD, FRUIT & VEGETABLES</u>							
1140	Canned Tomatoes	Tinned tomatoes/brand/400g	0.71	1.97	2.06	0.74	2.06	0.74
1150	Onions and Chives	Onions/sea feight/1kg	0.34	3.95	6.28	0.54	4.64	0.40
1160	Potatoes	Potatoes/sea freight/1kg	0.14	3.90	6.55	0.24	6.40	0.23
	<u>DAIRY</u>							
1170	Butter	Imported butter/brand/250g	1.43	2.65	2.62	1.41	2.62	1.41
1180	Milk powder	Milk powder/brand/1kg	0.99	12.87	11.72	0.90	11.63	0.89
1190	Cooking Oil	Cooking oil/brand/750ml	0.52	4.57	4.90	0.56	5.05	0.57
1200	Fresh milk	Fresh milk/full cream/1litre	0.42	2.63	2.85	0.46	2.80	0.45
1210	Eggs	Imported Eggs/dozen/600g	0.29	5.47	5.72	0.30	5.90	0.31

				01 AUG '08	JAN '11		FEB '11	
REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	BASE PRICE	PRICE	INDEX	PRICE	INDEX
	<u>OTHER FOODS</u>							
1220	Soft drink	Soft drinks/brand/1can/375ml	0.96	1.03	1.10	1.03	1.08	1.01
1230	Sugar	Imported sugar/white/brand/2kg	4.60	4.10	4.22	4.73	4.50	5.05
1240	Soya sauce	Soya sauce/light/500ml	0.58	2.90	3.02	0.60	3.02	0.60
1250	Tea	Imported tea/100 bags/180g	0.49	4.60	3.30	0.35	3.83	0.41
1260	Coffee	Imported coffee/brand/100g	0.45	7.42	4.58	0.28	4.26	0.26
1270	Baby food	Baby food/heinz/vanilla custard/110g	0.44	1.27	1.48	0.51	1.48	0.51
	<u>TAKE AWAY</u>							
1280	Plate of food/Take away	Plate of food/take away	2.20	3.77	3.38	1.97	3.38	1.97
1290	Dinner out	Dinner for two/Formal/Reynaldo	0.36	22.50	22.50	0.36	22.50	0.36
	Sub total :	(Food group)	55.71			58.05		56.10
	<u>ALCOHOL & TOBACCO</u>							
1410	Beer	Beer/brand/1can/375ml	4.27	2.00	1.65	3.52	1.65	3.52
1420	Cigarettes	Cigarettes/Alpine brand/1packet/25 sticks	12.20	5.50	5.93	13.14	5.93	13.14
	Sub total :	(Alcohol & Tobacco group)	16.47			16.67		16.67
	<u>CLOTHING</u>							
1510	Nappies	Nappies/plastic/brand/size medium/20 per pack	0.81	17.04	13.70	0.65	13.70	0.65
1520	Mumu	Casual/imported formal dress/mumu size large	0.85	15.60	30.00	1.63	30.00	1.63
1530	T/Shirt	Imported T-shirt/duel sex/size large	0.37	10.65	12.50	0.43	12.50	0.43
	<u>FOOTWEAR</u>							
1540	Footwear	Shoes/womens slip-ons/size 9	0.14	3.00	14.35	0.67	14.35	0.67
	Sub total :	(Clothing group)	2.17			3.39		3.39
	<u>RENT</u>							
1610	Rent for dwelling per month	Rent unit/MQ/Location	0.23	75.00	75.00	0.23	75.00	0.23

				01 AUG '08	JAN '11		FEB '11	
REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	BASE PRICE	PRICE	INDEX	PRICE	INDEX
	<u>MAINTENANCE</u>							
1620	Ceramic tiles	Tiles/plastic tiles/size square cm/1case()	1.54	68.80	46.50	1.04	46.50	1.04
1630	Cement	Cement/bag/40 kg	0.76	20.60	23.00	0.85	23.00	0.85
1640	Paint	Paint/brand/enamel/4litre	0.51	62.63	59.00	0.48	60.00	0.49
1650	Timber	Timber/treated pine/4x2/4.8metres	0.44	47.00	24.00	0.22	38.00	0.36
	Sub total :	(Housing group)	3.48			2.82		2.96
	<u>BILLS</u>							
1710	Electricity bill	Electricity bill/kilowatt per hour	1.60	0.30	0.10	0.53	0.10	0.53
1720	Water bill	Water Bill/per 10 litre	0.35	0.03	0.03	0.35	0.03	0.35
	<u>APPLIANCES</u>							
1730	Freezer	Freezer	1.12	750.00	1016.25	1.52	1016.25	1.52
1740	Refridgerator	Refridgerator	0.73	1635.00	1527.50	0.68	1527.50	0.68
1750	Television	Television/brand/15 inch	0.71	369.50	448.67	0.86	448.67	0.86
1760	Washing machine	Washing machine/brand/5kg capacity	0.68	1195.00	993.17	0.57	993.17	0.57
	<u>FURNITURE</u>							
1770	Light fitting	Light fitting/brand/60watt globe	0.28	2.50	1.94	0.22	1.94	0.22
1780	Beds	Beds/single/foam-sponge	0.25	400.00	425.00	0.27	425.00	0.27
	<u>SUPPLIES</u>							
1790	Toilet paper	Toilet Paper/brand/1000 sheets	1.23	2.15	2.25	1.29	2.42	1.38
1800	Washing soap powder	Washing soap powder/brand/500g	0.71	5.60	4.67	0.59	4.47	0.57
1810	Mosquito coil	Mosquito coil/1packet/10coils/120g	0.69	1.14	1.23	0.75	1.27	0.77
1820	Dishwashing liquid	Dishwashing liquid/brand/500ml	0.30	3.48	3.37	0.29	2.98	0.26
1830	Batteries	Batteries/brand/1pack/2 x size D	0.17	2.52	5.53	0.37	5.53	0.37
	Sub total :	(Household Operations group)	8.82			8.28		8.34

REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	01 AUG '08 BASE PRICE	JAN '11 PRICE	INDEX	FEB '11 PRICE	INDEX
	<u>TRANSPORT & COMMUNICATIONS</u>							
1910	Petrol	Petrol/1 litre	5.34	2.00	1.54	4.10	1.61	4.29
1920	Airfair	Return ticket/Australia	2.88	1468.00	998.00	1.96	1258.00	2.47
1930	Oil	Oil/brand/multi-grade/1litre	0.48	14.37	9.22	0.31	9.70	0.32
1940	Deisel	Diesel/1 litre	0.43	2.05	1.54	0.32	1.58	0.33
1950	Departure tax	Departure Tax	0.22	50.00	50.00	0.22	50.00	0.22
1960	Other communication	International call card to Australia/rate per hour	0.12	6.00	6.00	0.12	6.00	0.12
	Sub total :	(Transport & Communication group)	9.47			7.03		7.75
	<u>HEALTH</u>							
2010	Hospital charges	Hospital charges/Minor surgery	0.35	20.00	20.00	0.35	20.00	0.35
2020	Doctors/dentists fees	Doctors/dentist/Consultation fees	0.33	10.00	10.00	0.33	10.00	0.33
	<u>EDUCATION</u>							
2030	School clothing	School clothing/Shirts/shorts	0.34	10.00	10.00	0.34	10.00	0.34
2040	Books & schooling supplies	Exercise Books/brand/64pages	0.16	0.85	1.00	0.19	1.00	0.19
	<u>RECREATION</u>							
2050	Records, Cassettes,CD's	Blank CDR/brand/single/700mb	0.64	1.25	1.20	0.61	1.47	0.75
2060	Fishing equipment and supplies	Fishing hook/brand/Nickel coated/size 7/0	0.34	0.20	0.50	0.85	0.50	0.85
2070	DVD hire	DVD hire	0.16	2.00	2.00	0.16	2.00	0.16
	<u>PERSONAL PRODUCTS</u>							
2080	Bathing soap (liquid/bar)	Soap/bar/brand/100g	0.60	0.89	0.87	0.58	0.92	0.62
2090	Toothpaste	Toothpaste/brand/90g	0.17	2.63	2.40	0.16	2.40	0.16
2100	Deodorant, body spray	Deodorant/brand/body spray/100ml	0.13	3.90	4.95	0.17	4.88	0.16
	<u>MISCELANEOUS</u>							
2110	Overseas, Newspaper, Jounals	Magazine/PIM	0.36	4.95	5.00	0.36	5.00	0.36
2120	Dog food	Dog food/canned/700g	0.30	1.95	2.30	0.35	2.25	0.35
	Sub total :	(Miscellaneous group)	3.88			4.45		4.61
	GRAND TOTAL:	(all groups)	100.00			100.69		99.82

SUMMARY SHEET

GROUP	JAN '11 INDEX	FEB '11 INDEX	DIFFERENCE	% INCREASE (+) DECREASE (-)
FOOD	58.05	56.10	-1.95	-3.36
ALCOHOL & TOBACCO	16.67	16.67	0.00	0.00
CLOTHING	3.39	3.39	0.00	0.00
HOUSING	2.82	2.96	0.14	4.93
HOUSEHOLD OPERATIONS	8.28	8.34	0.06	0.69
TRANSPORT & COMMUNICATION	7.03	7.75	0.72	10.29
MISCELLANEOUS	4.45	4.61	0.16	3.59
TOTAL	100.69	99.82	-0.87	-0.86

REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	01 AUG '08 BASE PRICE	FEB '10 PRICE	INDEX	FEB '11 PRICE	INDEX
	<u>RICE & OTHER CEREALS</u>							
1010	Rice	Imported rice/sunwhite/bag/25kg	15.48	41.00	48.00	18.12	41.00	15.48
1020	Bread (sliced loaf)	Bread//white/local/sliced loaf	3.65	1.75	1.93	4.03	1.93	4.03
1030	Noodles	Noodles/sachet/85g	1.68	0.53	0.65	2.06	0.65	2.06
1040	Other bread and Biscuits	Dry biscuits/brand/250g	0.54	2.10	3.02	0.78	3.14	0.81
1050	Self raising	Imported Flour/self raising/1kg	0.39	2.50	2.78	0.43	3.78	0.59
	<u>MEAT</u>							
1060	Chicken	Imported Chicken/cuts/2kg	7.99	9.18	7.70	6.70	8.40	7.31
1070	Canned Meat	Tinned beef/corned beef/imperial/326g	3.63	4.53	4.65	3.73	4.88	3.91
1080	Canned Meat	Tinned meat/luncheon/397g	1.69	2.43	1.73	1.20	1.73	1.21
1090	Sausages	Sausages/1pack/pork/1kg	1.07	7.33	4.05	0.59	4.05	0.59
	<u>SEAFOOD</u>							
1100	Fish	Tuna/Skipjack(bonita)/1 kg	2.50	6.00	6.00	2.50	6.00	2.50
1110	Canned Fish	Imported tinned mackerel/brand/425g	0.92	2.55	2.70	0.97	2.70	0.97
1120	Reef fish	Reef fish/1 kg	0.75	8.00	8.00	0.75	8.00	0.75
1130	Canned Fish	Tinned sardines/sardines/425g	0.50	2.35	3.25	0.69	3.28	0.70
	<u>FOOD, FRUIT & VEGETABLES</u>							
1140	Canned Tomatoes	Tinned tomatoes/brand/400g	0.71	1.97	2.04	0.74	2.06	0.74
1150	Onions and Chives	Onions/sea feight/1kg	0.34	3.95	5.54	0.48	4.64	0.40
1160	Potatoes	Potatoes/sea freight/1kg	0.14	3.90	4.10	0.15	6.40	0.23
	<u>DAIRY</u>							
1170	Butter	Imported butter/brand/250g	1.43	2.65	2.63	1.42	2.62	1.41
1180	Milk powder	Milk powder/brand/1kg	0.99	12.87	11.52	0.89	11.63	0.89
1190	Cooking Oil	Cooking oil/brand/750ml	0.52	4.57	5.35	0.61	5.05	0.57
1200	Fresh milk	Fresh milk/full cream/1litre	0.42	2.63	2.82	0.45	2.80	0.45
1210	Eggs	Imported Eggs/dozen/600g	0.29	5.47	5.72	0.30	5.90	0.31

REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	01 AUG '08 BASE PRICE	FEB '10 PRICE	INDEX	FEB '11 PRICE	INDEX
	<u>OTHER FOODS</u>							
1220	Soft drink	Soft drinks//brand/1can/375ml	0.96	1.03	1.12	1.04	1.08	1.01
1230	Sugar	Imported sugar/white/brand/2kg	4.60	4.10	4.10	4.60	4.50	5.05
1240	Soya sauce	Soya sauce/light/500ml	0.58	2.90	2.92	0.58	3.02	0.60
1250	Tea	Imported tea/100 bags/180g	0.49	4.60	3.67	0.39	3.83	0.41
1260	Coffee	Imported coffee/brand/100g	0.45	7.42	5.16	0.31	4.26	0.26
1270	Baby food	Baby food/heinz/vanilla custard/110g	0.44	1.27	1.40	0.49	1.48	0.51
	<u>TAKE AWAY</u>							
1280	Plate of food/Take away	Plate of food/take away	2.20	3.77	3.38	1.97	3.38	1.97
1290	Dinner out	Dinner for two/Formal/Reynaldo	0.36	22.50	22.50	0.36	22.50	0.36
	Sub total :	(Food group)	55.71			57.33		56.10
	<u>ALCOHOL & TOBACCO</u>							
1410	Beer	Beer/brand/1can/375ml	4.27	2.00	1.65	3.52	1.65	3.52
1420	Cigarettes	Cigarettes/Alpine brand/1packet/25 sticks	12.20	5.50	6.35	14.09	5.93	13.14
	Sub total :	(Alcohol & Tobacco group)	16.47			17.61		16.67
	<u>CLOTHING</u>							
1510	Nappies	Nappies/plastic/brand/size medium/20 per pack	0.81	17.04	13.70	0.65	13.70	0.65
1520	Mumu	Casual/imported formal dress/mumu size large	0.85	15.60	35.00	1.91	30.00	1.63
1530	T/Shirt	Imported T-shirt/duel sex/size large	0.37	10.65	12.50	0.43	12.50	0.43
	<u>FOOTWEAR</u>							
1540	Footwear	Shoes/womens slip-ons/size 9	0.14	3.00	14.35	0.67	14.35	0.67
	Sub total :	(Clothing group)	2.17			3.66		3.39
	<u>RENT</u>							
1610	Rent for dwelling per month	Rent unit/MQ/Location	0.23	75.00	75.00	0.23	75.00	0.23

REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	01 AUG '08 BASE PRICE	FEB '10 PRICE	INDEX	FEB '11 PRICE	INDEX
	<u>MAINTENANCE</u>							
1620	Ceramic tiles	Tiles/plastic tiles/size square cm/1case()	1.54	68.80	46.50	1.04	46.50	1.04
1630	Cement	Cement/bag/40 kg	0.76	20.60	23.00	0.85	23.00	0.85
1640	Paint	Paint/brand/enamel/4litre	0.51	62.63	65.00	0.53	60.00	0.49
1650	Timber	Timber/treated pine/4x2/metres	0.44	47.00	38.00	0.36	38.00	0.36
	Sub total :	(Housing group)	3.48			3.00		2.96
	<u>BILLS</u>							
1710	Electricity bill	Electricity bill/kilowatt per hour	1.60	0.30	0.10	0.53	0.10	0.53
1720	Water bill	Water Bill/per 10 litre	0.35	0.03	0.03	0.35	0.03	0.35
	<u>APPLIANCES</u>							
1730	Freezer	Freezer	1.12	750.00	1016.25	1.52	1016.25	1.52
1740	Refridgerator	Refridgerator	0.73	1635.00	1527.50	0.68	1527.50	0.68
1750	Television	Television/brand/15 inch	0.71	369.50	448.67	0.86	448.67	0.86
1760	Washing machine	Washing machine/brand/5kg capacity	0.68	1195.00	993.17	0.57	993.17	0.57
	<u>FURNITURE</u>							
1770	Light fitting	Light fitting/brand/60watt globe	0.28	2.50	2.00	0.22	1.94	0.22
1780	Beds	Beds/single/foam-sponge	0.25	400.00	425.00	0.27	425.00	0.27
	<u>SUPPLIES</u>							
1790	Toilet paper	Toilet Paper/brand/1000 sheets	1.23	2.15	2.43	1.39	2.42	1.38
1800	Washing soap powder	Washing soap powder/brand/500g	0.71	5.60	4.93	0.63	4.47	0.57
1810	Mosquito coil	Mosquito coil/1packet/10coils/120g	0.69	1.14	1.28	0.77	1.27	0.77
1820	Dishwashing liquid	Dishwashing liquid/brand/500ml	0.30	3.48	3.30	0.28	2.98	0.26
1830	Batteries	Batteries/brand/1pack/2 x size D	0.17	2.52	5.53	0.37	5.53	0.37
	Sub total :	(Household Operations group)	8.82			8.45		8.34

REF-NO	ITEM NAME	DESCRIPTION	WEIGHT	01 AUG '08 BASE PRICE	FEB '10 PRICE	INDEX	FEB '11 PRICE	INDEX
	<u>TRANSPORT & COMMUNICATIONS</u>							
1910	Petrol	Petrol/1 litre	5.34	2.00	1.54	4.11	1.61	4.29
1920	Airfair	Return ticket/Australia	2.88	1468.00	1258.00	2.47	1258.00	2.47
1930	Oil	Oil/brand/multi-grade/1litre	0.48	14.37	8.56	0.29	9.70	0.32
1940	Deisel	Diesel/1 litre	0.43	2.05	1.54	0.32	1.58	0.33
1950	Departure tax	Departure Tax	0.22	50.00	50.00	0.22	50.00	0.22
1960	Other communication	International call card to Australia/rate per hour	0.12	6.00	6.00	0.12	6.00	0.12
	Sub total :	(Transport & Communication group)	9.47			7.53		7.75
	<u>HEALTH</u>							
2010	Hospital charges	Hospital charges/Minor surgery	0.35	20.00	20.00	0.35	20.00	0.35
2020	Doctors/dentists fees	Doctors/dentist/Consultation fees	0.33	10.00	10.00	0.33	10.00	0.33
	<u>EDUCATION</u>							
2030	School clothing	School clothing/Shirts/shorts	0.34	10.00	10.00	0.34	10.00	0.34
2040	Books & schooling supplies	Exercise Books/brand/64pages	0.16	0.85	1.00	0.19	1.00	0.19
	<u>RECREATION</u>							
2050	Records, Cassettes,CD's	Blank CDR/brand/single/700mb	0.64	1.25	1.47	0.75	1.47	0.75
2060	Fishing equipment and supplies	Fishing hook//brand/Nickel coated/size 7/0	0.34	0.20	0.50	0.85	0.50	0.85
2070	DVD hire	DVD hire	0.16	2.00	2.00	0.16	2.00	0.16
	<u>PERSONAL PRODUCTS</u>							
2080	Bathing soap (liquid/bar)	Soap/bar/brand/100g	0.60	0.89	0.93	0.63	0.92	0.62
2090	Toothpaste	Toothpaste/brand/90g	0.17	2.63	2.40	0.16	2.40	0.16
2100	Deodorant, body spray	Deodorant/brand/body spray/100ml	0.13	3.90	4.90	0.16	4.88	0.16
	<u>MISCELANEOUS</u>							
2110	Overseas, Newspaper, Jounals	Magazine/PIM	0.36	4.95	5.00	0.36	5.00	0.36
2120	Dog food	Dog food/canned/700g	0.30	1.95	2.05	0.32	2.25	0.35
	Sub total :	(Miscellaneous group)	3.88			4.60		4.61
	GRAND TOTAL:	(all groups)	100.00			102.18		99.82

SUMMARY SHEET

GROUP	FEB '10 INDEX	FEB '11 INDEX	DIFFERENCE	% INCREASE (+) DECREASE (-)
FOOD	57.33	56.10	-1.24	-2.16
ALCOHOL & TOBACCO	17.61	16.67	-0.94	-5.35
CLOTHING	3.66	3.39	-0.27	-7.44
HOUSING	3.00	2.96	-0.04	-1.36
HOUSEHOLD OPERATIONS	8.45	8.34	-0.11	-1.29
TRANSPORT & COMMUNICATION	7.53	7.75	0.22	2.93
MISCELLANEOUS	4.60	4.61	0.02	0.42
TOTAL	102.18	99.82	-2.36	-2.31

Technical Notes

Brief Explanation of the CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time of goods and services purchased by households. The basis of goods and services included in the CPI market basket is subsequently the basis for analysis of consumer spending from the Household Income & Expenditure Survey (HIES) carried out by the Bureau of Statistics in 2006. The bureau is mandated to publish monthly CPIs.

The CPIs are based on prices of food, clothing, beverages, fuels, transportation fares, household supplies and other goods and services that people buy for day-to-day living. Prices are collected each month across the island from 6 retail establishments, and other service providers associated within the CPI market basket. Prices of most goods and services are obtained through personal visits by Statistics staff and additional publications such as the Fuel Watch and public notices that reflect the goods and services within the CPI market basket. In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance. Local data are then combined to obtain a national average.

The index measures price change from a designated reference date. For the CPI, the reference base is 2008= 100.00. An increase of 16.5 percent from the reference base, for example, is shown as 116.5. This change also can be expressed in dollars as follows: the price of a base-period market basket of goods and services in the CPI has risen from \$10 in 2008 to \$11.65. For further details, contact the government operator at 557 3133 and ask for the Bureau of Statistics or extension 255.

Calculating index changes

Movements of the indexes from one month to another usually are expressed as percent changes, rather than changes in index points, because index point changes are affected by the level of the index in relation to its base period, whereas percent changes are not. The example shown in the box on this page illustrates the computation of index point and percent changes.

Percent changes within the CPI publication reflects for (1) monthly, (2) annual and (3) historical trends since base period are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the current rate were maintained for the 3 periods specified in the latter.

Index point change		Visual calculation
CPI	202.416 (a)	(b) - (a) = (c)
Less previous index	201.8 (b)	
Equals index point change	0.616 (c)	
Percent change		
Index point difference	0.616	(c) ÷ (b) = (e)
Divided by the previous index	201.8 (d)	
Equals	0.003 (e)	
Results multiplied by one hundred	0.003 x 100	(e) x 100 = (f)
Equals percent change	0.3 (f)	