



Annual Inflation Rate +4.7%

INFLATION RISES

Consumers paid 4.7 per cent more in March than they did a year ago for the basket of goods and services included in the Consumer Price Index (CPI). This level of inflation was up 0.5 percentage points from the February 2023 annual inflation rate of 4.2 per cent.

Between February 2023 and March 2023, the average cost of goods and services in the CPI increased 0.8 per cent. The all-items index rose from 113.8 to 114.7. This means that the basket of goods and services that cost \$100.00 in April 2015 now costs \$114.70.

YEAR-TO-YEAR ANALYSIS

Transport & Foreign Travel

The Transport & Foreign Travel sector was the largest contributor to the twelve-month increase in the CPI (+10.0 per cent). Factoring into the annual increase was the average price of overseas accommodations (+36.7 per cent) and airfares (+25.3 per cent).

Food

In the twelve months to March 2023, the Food sector increased 9.4 per cent. On average, significant annual increases were reported in the cost of pasta (+58.7 per cent), cooking oil (+51.2 per cent), fruit juices

(+33.8 per cent) and ice cream (+30.7 per cent). In contrast, the annual average price of prunes (-15.3 per cent), potatoes (-5.1 per cent) and nuts and snacks (-2.0 per cent) decreased.

Education, Recreation, Entertainment & Reading

Year-over-year, the Education, Recreation, Entertainment & Reading sector rose by 3.3 per cent. The average cost of boat repair and maintenance (+8.5 per cent) and pet care (+5.1 per cent) increased.

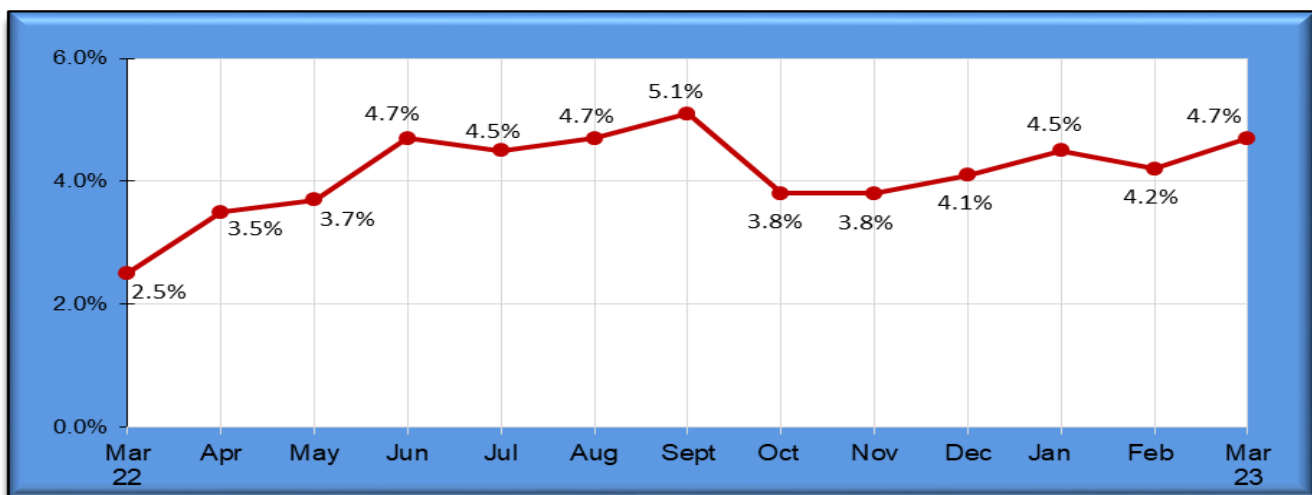
Household Goods, Services & Supplies

The annual increase in the Household Goods, Services & Supplies sector was 4.3 per cent. On average, the cost of china, flatware and pot sets rose 15.3 per cent.

Health & Personal Care

The annual increase in the Health & Personal Care sector was 3.3 per cent. The average cost of self-prescribed medicines and household medical supplies (+5.1 per cent) and prescribed medicines (+3.0 per cent) increased.

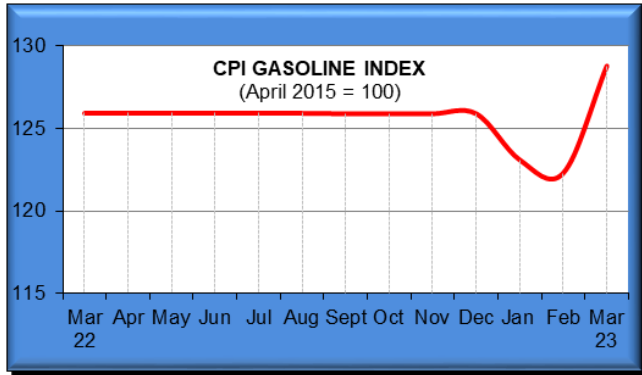
YEAR-TO-YEAR PERCENTAGE CHANGE IN ALL ITEMS INDEX
(April 2015 = 100)



MONTH-TO-MONTH ANALYSIS

Transport & Foreign Travel

The Transport & Foreign Travel sector moved up 3.1 per cent in March. Increases were reported in the average cost of overseas hotel accommodations (+6.5 per cent), premium fuel (+5.3 per cent) and mixed fuel (+5.0 per cent).



Education, Recreation, Entertainment & Reading

The average cost of boat repair and maintenance rose 9.8 per cent for the month. As a result, the Education, Recreation, Entertainment & Reading sector was up 0.9 per cent.

Tobacco & Liquor

The Tobacco & Liquor sector climbed 3.5 per cent in March. The average price of cigarettes (+10.7 per cent), beer (+1.4 per cent) and spirits (+1.1 per cent) increased.

Rent

The Rent sector increased 0.1 per cent as the average cost of properties not subject to rent control and properties subject to rent control both rose 0.2 per cent.

Food

On average, prices within the Food sector rose 0.3 per cent for the month. Price increases were reported for pineapples (+11.5 per cent), potato chips (+6.8 per cent), baby food (+5.8 per cent) and fruit juices (+4.6 per cent). In contrast, the average price of lettuce (-16.3 per cent) and oranges (-7.9 per cent) declined.

Household Goods, Services & Supplies

The Household Goods, Services & Supplies sector increased 0.1 per cent. The average cost of china, flatware and pot sets moved up 4.8 per cent.

Clothing & Footwear

The Clothing & Footwear sector was unchanged in March.

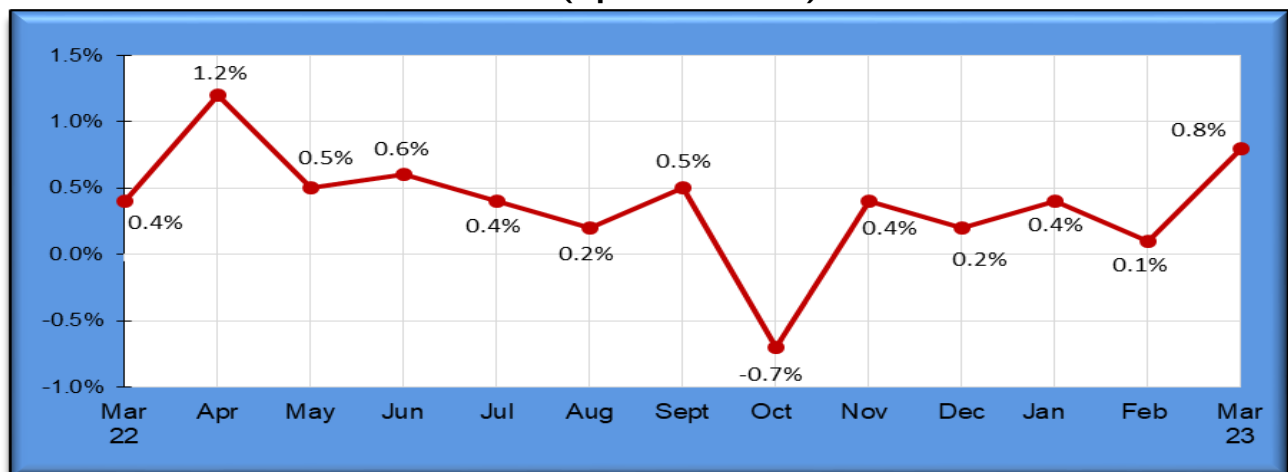
Fuel & Power

The Fuel & Power sector was static for the month.

Health & Personal Care

The increase in the average cost of prescribed medicines (+2.7 per cent) was offset by a decrease in the average cost of antigen rapid tests (-11.0 per cent). As a result, The Health & Personal Care sector was unchanged.

MONTH-TO-MONTH PERCENTAGE CHANGE IN ALL ITEMS INDEX (April 2015 = 100)



BERMUDA CONSUMER PRICE INDEX

APRIL 2015 = 100

	All Items	Food	Rent	Clothing & Footwear	Tobacco & Liquor	Fuel & Power	Household Goods, Services & Supplies	Transport & Foreign Travel	Education, Recreation, & Reading	Health & Personal Care
2013 WEIGHT	1,000	115	267	25	31	39	116	130	147	130

ANNUAL AVERAGE PERCENTAGE CHANGE

2018	+1.4	+2.1	+0.2	+1.6	+4.2	+5.9	-0.2	+0.2	+2.1	+3.1
2019	+1.0	+2.7	+0.9	+1.9	+3.8	+1.0	Nil	-3.0	+0.4	+3.4
2020	Nil	+3.0	-1.8	+0.9	+2.4	-1.8	+0.3	-4.5	+1.1	+2.9
2021	+1.5	+1.9	-0.3	+0.9	-0.6	-5.0	+1.7	+6.4	+2.0	+2.3
2022	+4.0	+7.9	+0.3	+2.2	+0.5	+10.5	+2.9	+7.6	+4.4	+4.0

MONTHLY PERCENTAGE CHANGE

2021										
Oct	+0.6	+0.2	-0.4	+0.3	Nil	+6.9	+0.5	+3.1	+0.1	-0.2
Nov	+0.5	+1.7	+0.1	Nil	+2.3	Nil	Nil	-1.1	+0.4	+1.5
Dec	-0.2	Nil	Nil	Nil	-0.3	+0.2	+0.1	-1.4	Nil	-0.1
2022										
Jan	Nil	+0.8	+0.1	-0.1	-0.1	-2.0	+0.2	-0.8	+0.1	+0.1
Feb	+0.4	+0.6	Nil	Nil	+0.1	Nil	+0.1	+2.2	+0.4	Nil
Mar	+0.4	+0.2	+0.1	Nil	-0.2	Nil	Nil	+0.7	+1.7	-0.1
Apr	+1.2	+0.4	+0.2	+0.2	-1.0	+9.2	+2.0	+1.7	Nil	+2.2
May	+0.5	+0.8	Nil	Nil	-0.1	+0.2	Nil	+3.2	+0.3	Nil
Jun	+0.6	+2.0	+0.1	Nil	-0.2	Nil	+0.1	+1.5	+0.2	+1.0
Jul	+0.4	+1.1	+0.1	+2.1	-0.1	+1.5	+0.1	+0.5	Nil	+0.1
Aug	+0.2	+1.0	Nil	Nil	+0.6	Nil	+0.5	-0.9	+0.4	Nil
Sept	+0.5	+1.3	+0.3	Nil	-0.1	Nil	+0.2	+0.9	+0.9	Nil
Oct	-0.7	-0.1	Nil	+1.6	+0.2	-4.1	+0.5	-4.6	+0.1	Nil
Nov	+0.4	+1.8	+0.1	Nil	-0.2	Nil	+0.1	+0.7	Nil	+0.1
Dec	+0.2	-0.1	+0.1	Nil	Nil	Nil	+0.5	+1.3	Nil	-0.1
2023										
Jan	+0.4	+0.6	Nil	+0.4	+1.3	-3.9	+0.3	+2.7	-0.1	+0.1
Feb	+0.1	-0.2	+0.6	Nil	-0.1	Nil	Nil	-0.3	+0.5	-0.1
Mar	+0.8	+0.3	+0.1	Nil	+3.5	Nil	+0.1	+3.1	+0.9	Nil

ANNUAL PERCENTAGE CHANGE

Mar '23	+4.7	+9.4	+1.6	+4.4	+3.9	+2.4	+4.3	+10.0	+3.3	+3.3
Mar '22										

MONTHLY INDEX

Mar '22	109.6*	119.6	100.1	108.2	126.1	106.8*	106.1	104.1	116.0	119.0
Feb '23	113.8	130.4	101.6	113.0	126.6	109.4	110.6	111.1	118.7	122.9
Mar '23	114.7	130.8	101.7	113.0	131.0	109.4	110.7	114.5	119.8	122.9

* This is not a revision to the official series but rather an indicative calculation of what it would look like if revisions were made.

SUMMARY STATISTICS					
Period	Monthly		Period	Quarterly	
	Index	Annual Per Cent Change		Index	Annual Per Cent Change
2022			2021		
Mar	109.4	+2.5	Q1	106.3	+0.2
Apr	110.7	+3.5	Q2	107.1	+1.2
May	111.3	+3.7	Q3	107.6	+2.0
June	112.0	+4.7	Q4	108.6	+2.7
July	112.6	+4.5			
Aug	112.8	+4.7	2022		
Sept	113.4	+5.1	Q1	109.0	+2.5
Oct	112.6	+3.8	Q2	111.3	+3.9
Nov	113.1	+3.8	Q3	112.9	+4.9
Dec	113.3	+4.1	Q4	113.0	+4.1
2023			2023		
Jan	113.7	+4.5	Q1	114.1	+4.7
Feb	113.8	+4.2			
Mar	114.7	+4.7			

COMPUTING PRICE INCREASES

The Department of Statistics receives calls daily requesting the rate of inflation over specific periods of time. The following calculations are provided to guide users as to how to compute rates of price increases. The monthly index numbers can be obtained from our website: <https://www.gov.bm/bermuda-business-statistics>.

A) Month-to-Month Price Change

The price change between February 2020 and January 2020 is calculated as follows:

$$= \frac{\text{Feb 20 index} - \text{Jan 20 index}}{\text{Jan 20 index}} \times 100$$

$$= \frac{106.1 - 106.3}{106.3} \times 100$$

$$= -0.2\%$$

B) Year-to-Year Price Change

The price change between March 2020 and March 2019 is calculated as follows:

$$= \frac{\text{Mar 20 index} - \text{Mar 19 index}}{\text{Mar 19 index}} \times 100$$

$$= \frac{105.9 - 105.6}{105.6} \times 100$$

$$= 0.3\%$$

C) Particular Period Price Change

The price change between February 2020 and March 2018 is calculated as follows:

$$= \frac{\text{Feb 20 index} - \text{Mar 18 index}}{\text{Mar 18 index}} \times 100$$

$$= \frac{106.1 - 104.3}{104.3} \times 100$$

$$= 1.7\%$$

WHAT IS THE CONSUMER PRICE INDEX?

The Consumer Price Index (CPI) is a statistical tool used for measuring changes in the general level of prices of consumer goods and services purchased by private households.

The index measures price movements of a given quality and quantity of goods and services. The mix of these consumer goods and services comprising the index, is figuratively thought of as a “shopping basket.” In constructing this “shopping basket”, the selected goods and services are organized first by commodity type. They are then divided into sub-components and assigned to a major expenditure group. The Bermuda CPI is structured into nine expenditure groups or sectors:

- Food
- Rent
- Clothing & Footwear
- Tobacco & Liquor
- Fuel & Power
- Transport & Foreign Travel
- Household Goods, Services & Supplies
- Education, Recreation, Entertainment & Reading
- Health & Personal Care

CONCEPTS AND DEFINITIONS

Base Period

The period used as a reference point for measuring the price change of goods and services. The base period for the Bermuda CPI is April 2015.

Price Index Number

A single figure that shows how a set of prices has changed over a specified period. An index number alone means nothing. It must be compared with an index number from another period to have meaning. For example, a comparison of the index number 97.2 for January 2014 with 100.4 for January 2016, reveals that prices have increased by 3.3 per cent.

Laspeyres Equation

The CPI is computed using this statistical equation. This formula calculates the total amount of money a household needs today to purchase the same basket of goods and services that it bought in the base period, April 2015.

WEIGHTED AVERAGE

A mathematical formula that takes into account the relative importance of an item’s price change compared to the overall change in the sector or CPI.

Inflation

Inflation is the process of rising prices, resulting in diminishing purchasing power of a given sum of money.

Cost of Living Index

Many individuals refer to the CPI as a cost-of-living index. The CPI is an index of pure price change only. A cost-of-living index reflects the changes in buying or consumption patterns that consumers would ordinarily make to adjust to any change in the price of a good or service.

A COMPARISON OF RATES OF INFLATION (%) Selected Countries & Bermuda

	2019	2020	2021	2022	Mar 23
Bermuda	+1.0	Nil	+1.5	+4.0	+4.7
United States¹	+1.8	+1.2	+4.7	+8.0	+5.0
Canada²	+1.9	+0.7	+3.4	+6.8	+4.3
United Kingdom³	+2.6	+1.5	+4.1	+11.6	+13.5

Sources:

1. US Bureau of Labour Statistics
2. Statistics Canada
3. UK Office of National Statistics

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