



## Annual Inflation Rate +2.4%

### YEAR-OVER-YEAR INFLATION ANALYSIS

Consumers paid 2.4 per cent more in December than they did a year ago for the basket of goods and services included in the Consumer Price Index (CPI). This level of inflation declined 0.7 percentage points from the 2023 November annual inflation rate of 3.1 per cent.

#### Rent

In the twelve months to December 2023, the Rent sector increased 2.7 per cent. The average cost of properties not subject to rent control advanced 3.5 per cent annually. In addition, properties subjected to rent control rose 1.7 per cent.

#### Education, Recreation, Entertainment & Reading

Year-over-year, the Education, Recreation, Entertainment & Reading sector advanced 3.6 per cent. The average cost of pet care rose 4.3 per cent.

#### Food

The Food sector increased 2.9 per cent. The major contributors to the annual increase in the sector were the average cost of fresh fish (+11.9 per cent), sweet biscuits (+11.3 per cent) and baby food (+10.9 per cent). In contrast, the annual average price of lettuce (-37.3 per cent), eggs (-22.0 per cent) and fresh and frozen lamb legs (-10.1 per cent) declined.

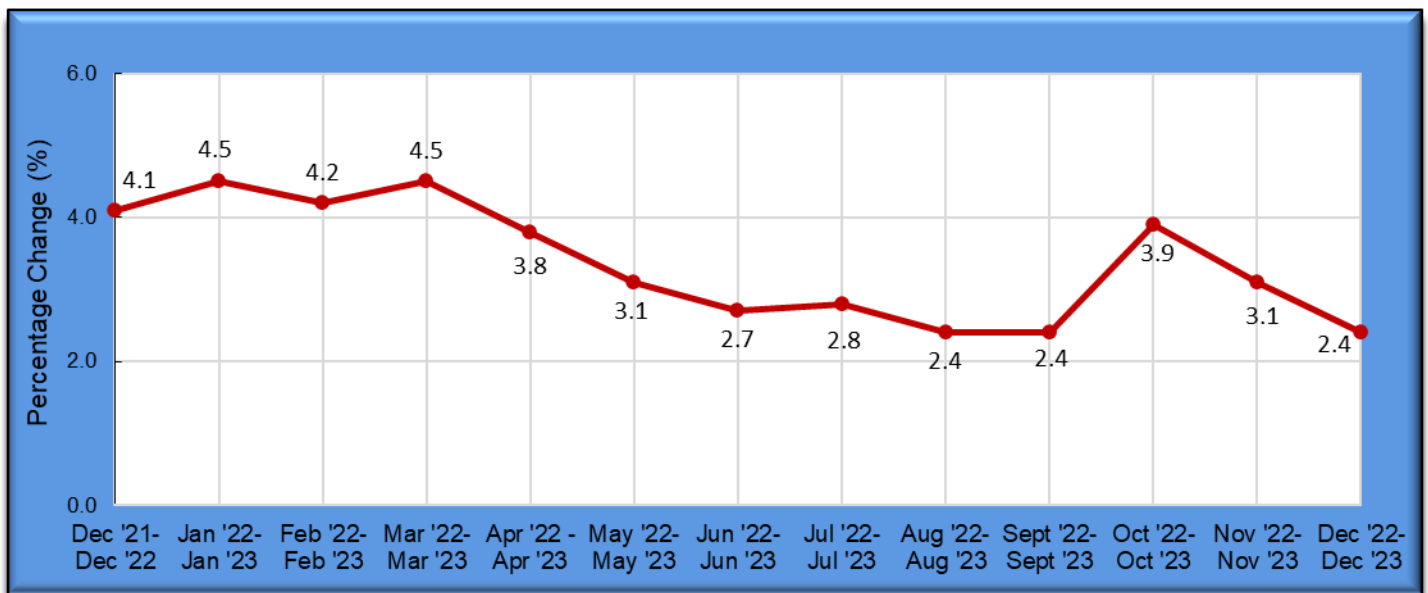
#### Health

Year-over-year, the Health sector increased 2.5 per cent. The average cost of self-prescribed medicines and household medical supplies (+2.9 per cent) and toiletries, cosmetics and perfumes (+2.8 per cent) rose.

#### Household Goods, Services & Supplies

In the twelve months to December 2023, the Household Goods, Services & Supplies sector moved up 1.6 per cent. The average cost of mobile telephone service rose 4.0 per cent.

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



**MONTH-OVER-MONTH INFLATION ANALYSIS**

Between November 2023 and December 2023, the average cost of goods and services in the CPI decreased by 0.5 per cent. The all-items index eased back from 116.6 to 116.0. This means that the basket of goods and services that cost \$100.00 in April 2015 now costs \$116.00.

**Rent**

The Rent sector was up 0.5 per cent in December. The average cost of properties not subject to rent control (+0.9 per cent) and properties subject to rent control (+0.1 per cent) increased.

**Household Goods, Services & Supplies**

The Household Goods, Services & Supplies sector rose 0.6 per cent for the month. The average cost of mobile telephone service increased 4.0 per cent.

**Health & Personal Care**

The Health & Personal Care sector edged up 0.2 per cent. The average cost of at-home rapid antigen tests was up 11.9 per cent. In addition, the average cost of toiletries, cosmetics and perfumes (+0.8 per cent) and self-prescribed medicines and household medical supplies (+0.2 per cent) increased.

**Fuel & Power**

There was no price movement reported for the Fuel & Power sector in December.

**Clothing & Footwear**

The Clothing & Footwear sector was static for the month.

**Tobacco & Liquor**

The Tobacco & Liquor sector fell 0.2 per cent for the month. The average price of wines (-0.5 per cent), beer (-0.4 per cent) and spirits (-0.2 per cent) decreased.

**Education, Recreation, Entertainment & Reading**

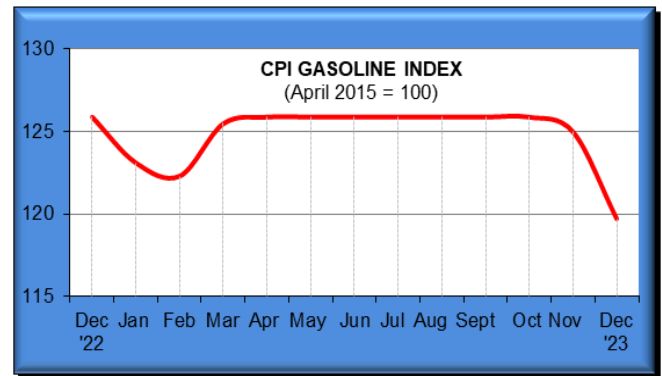
The Education, Recreation, Entertainment & Reading sector dipped 0.2 per cent. The average cost of pet care (+0.6 per cent) was offset by the average cost of boat repair and maintenance (-1.7 per cent).

**Food**

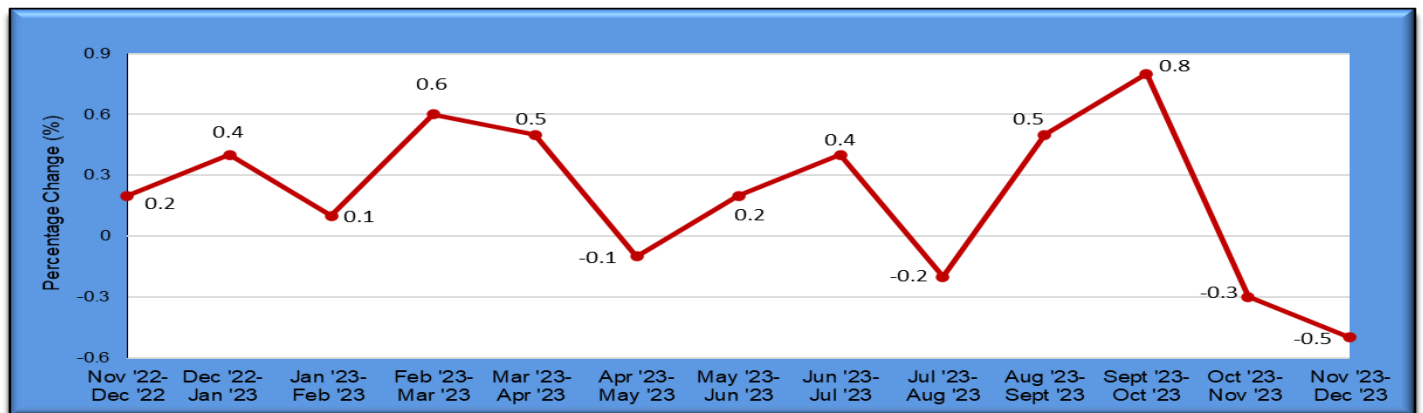
The Food sector was down 0.2 per cent. On average, price decreases were reported for spices (-10.3 per cent), cookies (-9.4 per cent) and boneless porkloin roll (-9.1 per cent). In contrast, the average cost of oranges (+9.8 per cent) and eggs (+8.2 per cent) increased.

**Transport & Foreign Travel**

The Transport & Foreign Travel sector fell 5.1 per cent. The average cost of airfares decreased 13.1 per cent. In addition, the average cost of premium fuels (-4.2 per cent) and mixed fuels (-4.0 per cent) was down.



**MONTH-OVER-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
<b>2013 WEIGHT</b>	1,000	115	267	25	31	39	116	130	147	130
<b>ANNUAL AVERAGE PERCENTAGE CHANGE</b>										
<b>2019</b>	+1.0	+2.7	+0.9	+1.9	+3.8	+1.0	Nil	-3.0	+0.4	+3.4
<b>2020</b>	Nil	+3.0	-1.8	+0.9	+2.4	-1.8	+0.3	-4.5	+1.1	+2.9
<b>2021</b>	+1.5	+1.9	-0.3	+0.9	-0.6	-5.0	+1.7	+6.3	+1.9	+2.3
<b>2022</b>	+4.0	+7.9	+0.3	+2.2	+0.5	+11.3	+2.9	+7.6	+4.4	+4.0
<b>2023</b>	+3.3	+6.5	+1.9	+1.1	+4.9	+0.2	+2.6	+4.8	+3.5	+2.7
<b>MONTHLY PERCENTAGE CHANGE</b>										
<b>2022</b>										
Dec	+0.2	-0.1	+0.1	Nil	Nil	Nil	+0.5	+1.3	Nil	-0.1
<b>2023</b>										
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	+0.6	+0.3	+0.1	Nil	+3.5	Nil	+0.1	+2.2	+0.8	Nil
Apr	+0.5	+0.4	+0.1	-2.2	+1.1	+0.5	+0.1	+1.0	+0.1	+2.0
May	-0.1	-0.2	+0.1	Nil	+0.1	Nil	Nil	-0.9	+0.3	+0.1
Jun	+0.2	+0.6	+0.3	Nil	+0.1	Nil	Nil	-1.0	+0.4	+0.2
Jul	+0.4	+0.2	+0.2	-0.1	-0.3	+2.9	+0.2	+2.0	Nil	-0.1
Aug	-0.2	+0.7	+0.2	Nil	+0.4	Nil	Nil	-2.1	+0.1	Nil
Sept	+0.5	+0.2	+0.4	Nil	+0.4	Nil	+0.1	+1.3	+1.1	Nil
Oct	+0.8	+0.4	+0.1	+0.5	-0.2	+10.0	+0.1	+1.9	+0.5	+0.2
Nov	-0.3	+0.1	+0.1	Nil	-0.8	Nil	+0.2	-3.3	Nil	Nil
Dec	-0.5	-0.2	+0.5	Nil	-0.2	Nil	+0.6	-5.1	-0.2	+0.2
<b>MONTHLY INDEX</b>										
<b>2022</b>										
Dec	113.3	129.9	101.0	112.5	125.1	113.8	110.3	108.5	118.2	122.9
<b>2023</b>										
Jan	113.7	130.7	101.0	113.0	126.7	109.4	110.6	111.4	118.1	123.0
Feb	113.8	130.4	101.6	113.0	126.6	109.4	110.6	111.1	118.7	122.9
Mar	114.5	130.8	101.7	113.0	131.0	109.4	110.7	113.5	119.7	122.9
Apr	115.1	131.3	101.8	110.5	132.5	110.0	110.8	114.6	119.8	125.4
May	115.0	131.1	101.9	110.5	132.6	110.0	110.8	113.6	120.1	125.5
Jun	115.2	131.9	102.2	110.5	132.7	110.0	110.8	112.5	120.6	125.7
Jul	115.7	132.2	102.4	110.4	132.3	113.2	111.0	114.8	120.6	125.6
Aug	115.5	133.1	102.6	110.4	132.8	113.2	111.0	112.4	120.7	125.6
Sept	116.1	133.4	103.0	110.4	133.3	113.2	111.1	113.9	122.0	125.6
Oct	117.0	133.9	103.1	110.9	133.0	124.5	111.2	116.1	122.6	125.8
Nov	116.6	134.0	103.2	110.9	131.9	124.5	111.4	112.3	122.6	125.8
Dec	116.0	133.7	103.7	110.9	131.6	124.5	112.1	106.6	122.4	126.0
<b>ANNUAL PERCENTAGE CHANGE</b>										
<b>Dec '23</b>										
<b>Dec '22</b>	+2.4	+2.9	+2.7	-1.4	+5.2	+9.4	+1.6	-1.8	+3.6	+2.5

SUMMARY STATISTICS		
Period	Monthly	
	Index	Annual Per Cent Change
<b>2022</b>		
Dec	113.3	+4.1
<b>2023</b>		
Jan	113.7	+4.5
Feb	113.8	+4.2
Mar	114.5	+4.5
Apr	115.1	+3.8
May	115.0	+3.1
Jun	115.2	+2.7
Jul	115.7	+2.8
Aug	115.5	+2.4
Sept	116.1	+2.4
Oct	117.0	+3.9
Nov	116.6	+3.1
Dec	116.0	+2.4

### 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 2022 and January 2022 is calculated as follows:

$$= \frac{\text{Feb 22 index} - \text{Jan 22 index}}{\text{Jan 22 index}} \times 100$$

$$= \frac{109.0 - 108.6}{108.6} \times 100$$

$$= 0.4\%$$

#### B) Year-to-Year Price Change

The price change between March 2022 and March 2021 is calculated as follows:

$$= \frac{\text{Mar 22 index} - \text{Mar 21 index}}{\text{Mar 21 index}} \times 100$$

$$= \frac{109.4 - 106.7}{106.7} \times 100$$

$$= 2.5\%$$

#### C) Particular Period Price Change

The price change between February 2022 and March 2020 is calculated as follows:

$$= \frac{\text{Feb 22 index} - \text{Mar 20 index}}{\text{Mar 20 index}} \times 100$$

$$= \frac{109.0 - 105.9}{105.9} \times 100$$

$$= 2.9\%$$

## WHAT IS THE CONSUMER PRICE INDEX?

The 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.

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