



## Annual Inflation Rate +3.8%

### ANNUAL INFLATION DIPS

Consumers paid 3.8 per cent more in April than they did a year ago for the basket of goods and services included in the Consumer Price Index (CPI). This level of inflation fell 0.7 percentage points from the March 2023 annual inflation rate of 4.5 per cent.

Between March 2023 and April 2023, the average cost of goods and services in the CPI increased 0.5 per cent. The all-items index rose from 114.5 to 115.1. This means that the basket of goods and services that cost \$100.00 in April 2015 now costs \$115.10.

### YEAR-TO-YEAR ANALYSIS

#### Food

The Food sector was the largest contributor to the twelve-month increase in the CPI (+9.3 per cent). Factoring into the annual increase was the cost of pineapples (+26.5 per cent), frozen entrees (+19.8 per cent), dry breakfast cereals (+19.5 per cent) and baby food (+11.4 per cent). In contrast, the annual average price of onions (-20.1 per cent), spare ribs (-11.0 per cent) and sausages and hot dogs (-2.0 per cent) decreased.

#### Transport & Foreign Travel

In the twelve months to April 2023, the Transport & Foreign Travel sector increased 8.2 per cent. Notable annual increases were reported in the cost of overseas hotel accommodations (+33.7 per cent), airfares (+18.1 per cent) and motorcycles (+5.6 per cent).

#### Health & Personal Care

The annual increase in the Health & Personal Care sector was 3.1 per cent. The average cost of health insurance premiums (+4.1 per cent), self-prescribed medicines and household medical supplies (+2.7 per cent) and toiletries, cosmetics and perfumes (+2.2 per cent) increased.

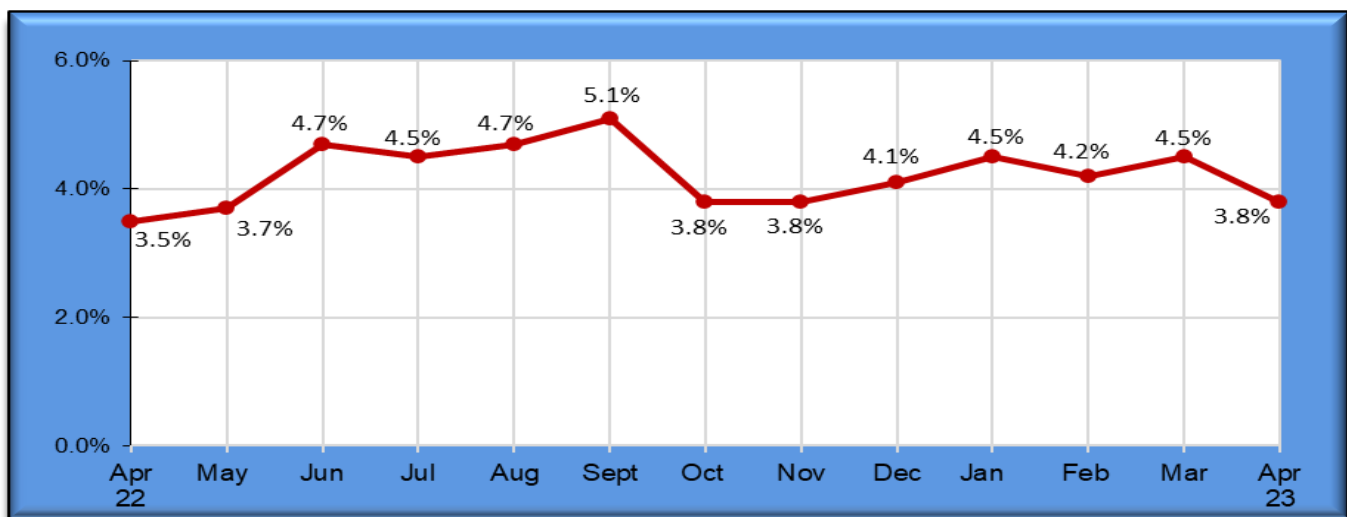
#### Clothing & Footwear Sector

The annual increase in Clothing & Footwear sector was 1.9 per cent. On average, increases were reported in men's outerwear (+33.3 per cent), sweaters (+18.7 per cent), watches (+18.6 per cent), women's outerwear (+11.5 per cent) and men's and women's shoes (+13.3 per cent).

#### Fuel & Power Sector

The Fuel & Power sector slid 5.7 per cent as the fuel adjustment clause fell 22.5 per cent in the twelve months to April 2023.

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



**MONTH-TO-MONTH ANALYSIS**

**Health & Personal Care**

The Health & Personal Care sector rose 2.0 per cent. The average cost of health insurance premiums increased 2.7 per cent. The cost of antigen rapid test rose 12.3 per cent.

**Food**

The Food sector inched up 0.4 per cent in April. Increases were reported in the average cost of green peppers (+14.0 per cent), cheddar cheese (+4.0 per cent) and pineapples (+2.3 per cent). In contrast, the average of cost of onions (-12.8 per cent), red grapes (-9.1 per cent) and cantaloupes (-8.2 per cent) fell.

**Tobacco & Liquor**

The Tobacco & Liquor sector moved up 1.1 per cent as the average price of beer (+3.6 per cent) and spirits (+1.1 per cent) increased.

**Rent**

The increase in the average rent of properties subject to rent control (+0.2 per cent) led to a 0.1 per cent rise in the Rent sector.

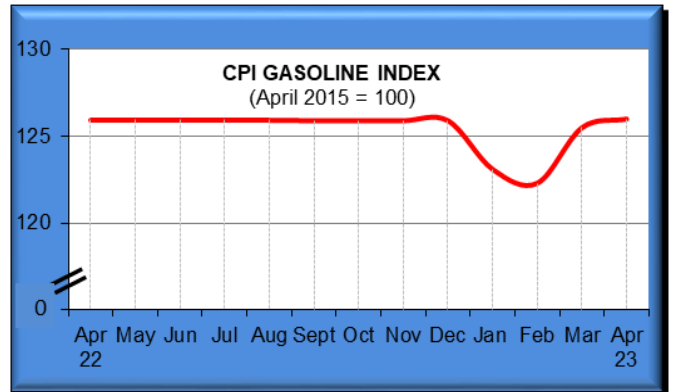
**Fuel & Power**

The increase in the fuel adjustment clause (+2.4 per cent) propelled the Fuel & Power sector to rise 0.5 per cent for the month.

**Transport & Foreign Travel**

The Transport & Foreign Travel sector was up 1.0 per cent for April. The average cost of overseas

hotel accommodations (+10.7 per cent) and motorcycles (+1.3 per cent) increased.



**Household Goods, Services & Supplies**

The Household Goods, Services & Supplies sector moved up 0.1 per cent in April. On average, price increases were reported for living room furniture (+9.5 per cent) and other furniture items such as outdoor and kitchen furniture (+2.4 per cent).

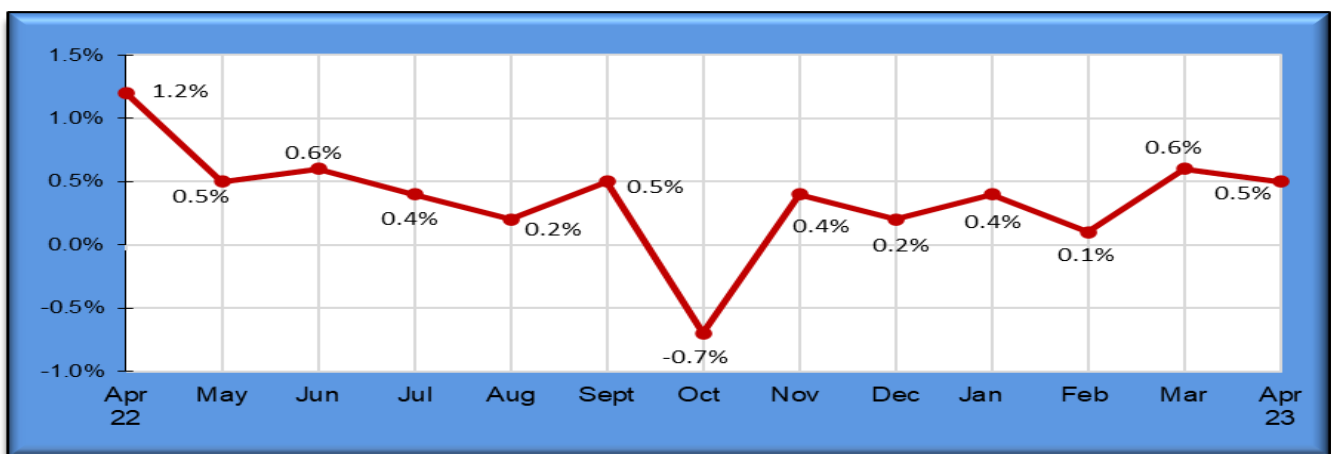
**Education, Recreation, Entertainment & Reading**

The Education, Recreation, Entertainment & Reading sector advanced 0.1 per cent in response to a 0.7 per cent increase in the average cost of pet care.

**Clothing & Footwear**

On average, the cost of women’s sweaters and blouses (-38.5 per cent) and boy’s outerwear (-15.5 per cent) were down for the month, which led to a 2.2 per cent decline in the Clothing & Footwear sector.

**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, Entertainment & 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>2018</b>	+1.4	+2.1	+0.2	+1.6	+4.2	+5.9	-0.2	+0.2	+2.1	+3.1
<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	+6.4	+2.0	+2.3
<b>2022</b>	+4.0	+7.9	+0.3	+2.2	+0.5	+10.5	+2.9	+7.6	+4.4	+4.0
<b>MONTHLY PERCENTAGE CHANGE</b>										
<b>2021</b>										
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
<b>2022</b>										
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
<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 <sup>r</sup>	+0.3	+0.1	Nil	+3.5	Nil	+0.1	+2.2 <sup>r</sup>	+0.8 <sup>r</sup>	Nil
Apr	+0.5	+0.4	+0.1	-2.2	+1.1	+0.5	+0.1	+1.0	+0.1	+2.0
<b>ANNUAL PERCENTAGE CHANGE</b>										
<b>Apr '23</b>	<b>+3.8</b>	<b>+9.3</b>	<b>+1.5</b>	<b>+1.9</b>	<b>+6.2</b>	<b>-5.7</b>	<b>+2.4</b>	<b>+8.2</b>	<b>+3.3</b>	<b>+3.1</b>
<b>Apr '22</b>										
<b>MONTHLY INDEX</b>										
Apr '22	110.9*	120.1	100.3	108.4	124.8	116.7*	108.2	105.9	116.0	121.6
Mar '23	114.5 <sup>r</sup>	130.8	101.7	113.0	131.0	109.4	110.7	113.5 <sup>r</sup>	119.7 <sup>r</sup>	122.9
<b>Apr '23</b>	<b>115.1</b>	<b>131.3</b>	<b>101.8</b>	<b>110.5</b>	<b>132.5</b>	<b>110.0</b>	<b>110.8</b>	<b>114.6</b>	<b>119.8</b>	<b>125.4</b>

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

<sup>r</sup> Revised

SUMMARY STATISTICS					
Period	Monthly		Period	Quarterly	
	Index	Annual Per Cent Change		Index	Annual Per Cent Change
<b>2022</b>			<b>2021</b>		
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	<b>2022</b>		
Aug	112.8	+4.7	Q1	109.0	+2.5
Sept	113.4	+5.1	Q2	111.3	+3.9
Oct	112.6	+3.8	Q3	112.9	+4.9
Nov	113.1	+3.8	Q4	113.0	+4.1
Dec	113.3	+4.1	<b>2023</b>		
<b>2023</b>			Q1	114.0 <sup>r</sup>	+4.6 <sup>r</sup>
Jan	113.7	+4.5			
Feb	113.8	+4.2			
Mar	114.5 <sup>r</sup>	+4.5 <sup>r</sup>			
Apr	115.1	+3.8			

<sup>r</sup> Revised

### 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 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	Apr 23
<b>Bermuda</b>	+1.0	Nil	+1.5	+4.0	+3.8
<b>United States<sup>1</sup></b>	+1.8	+1.2	+4.7	+8.0	+4.9
<b>Canada<sup>2</sup></b>	+1.9	+0.7	+3.4	+6.8	+4.4
<b>United Kingdom<sup>3</sup></b>	+2.6	+1.5	+4.1	+11.6	+11.4

### Sources:

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

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