



Annual Inflation Rate +3.8%

TECHNICAL NOTE

A typographical error was found in the quarterly annual per cent change of the Consumer Price Index (CPI) publications for September 2022 and October 2022. Corrections have been made and a footnote has been placed at the bottom of page one of both publications. The updated publications have been published to the CPI portal page <https://www.gov.bm/bermuda-business-statistics>.

ANNUAL INFLATION UNCHANGED

Consumers paid 3.8 per cent more in November 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 unchanged from the October 2022 annual inflation rate of 3.8 per cent.

Between October 2022 and November 2022, the average cost of goods and services in the CPI increased 0.4 per cent. The all-items index rose from 112.6 to 113.1. This means that the basket of goods and services that cost \$100.00 in April 2015 now costs \$113.10.

YEAR-TO-YEAR ANALYSIS

The Food sector continues to be the largest contributor to the twelve-month increase in the CPI (+10.4 per cent). The major contributors to the annual increase in the sector were the average cost of eggs (+50.3 per cent), fruit juices (+32.9 per cent), ice cream (+21.1 per cent) and bread (+19.0 per cent).

In contrast, raisins (-9.6 per cent), liver (-2.4 per cent) and vanilla extract (-2.4 per cent) were down year-over-year and represented the largest decreases.

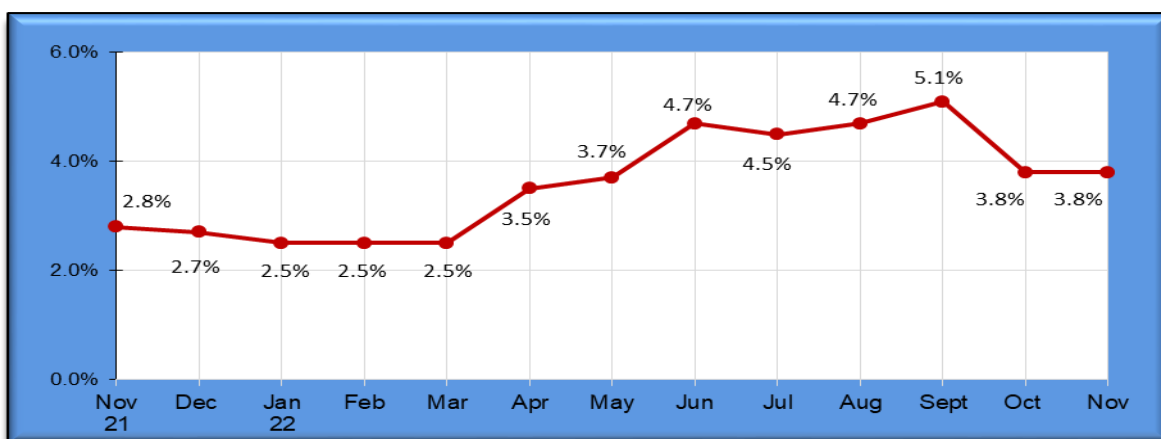
The Education, Recreation, Entertainment & Reading sector impacted the annual rate of inflation by 4.0 per cent. The average cost of televisions (+14.2 per cent) and pleasure boats (+11.0 per cent) increased. On average, toys and games rose 1.8 per cent.

The annual increase in the Health & Personal care sector was 3.3 per cent. On average, the price of self-prescribed medicines and household medical supplies was up 6.4 per cent.

In the twelve months to November 2022, the Transport & Foreign Travel sector increased 3.5 per cent. On average, annual increases were reported in the price of airfares (+6.2 per cent), premium fuel (+4.3 per cent) and mixed fuel (+4.0 per cent).

Year-over-year, the Household Goods, Services and Supplies sector was up 3.8 per cent. The average cost of refrigerators and freezers (+13.5 per cent), stoves (+7.7 per cent) and washers and dryers (+7.0 per cent), increased.

YEAR-TO-YEAR INFLATION RATES
(April 2015 = 100)



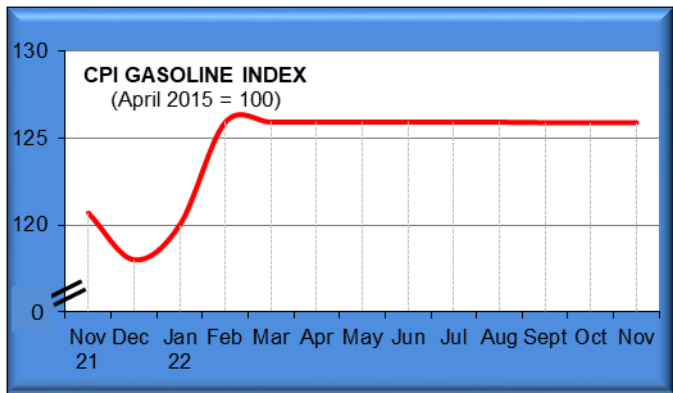
MONTH-TO-MONTH ANALYSIS

Food

Within the Food sector, prices were up 1.8 per cent for November. Price increases were reported in the average cost of lettuce (+40.9 per cent), green peppers (+20.1 per cent) and cantaloupes (+7.9 per cent).

Transport & Foreign Travel

The Transport & Foreign Travel sector advanced 0.7 per cent in response to an increase in the average cost of air fares (+13.0 per cent).



Rent

The Rent sector rose 0.1 per cent as the average rent for units subjected to rent control rose 0.2 per cent while the average rent for units not subjected to rent control increased 0.1 per cent.

Household Goods, Services & Supplies

The Household Goods, Services & Supplies sector increased 0.1 per cent for the month. On average, consumers paid more for stoves (+1.2 per cent).

Health & Personal Care

The Health & Personal Care sector increased 0.1 per cent for the month. The average cost of hand sanitizer and rapid antigen test kits rose 12.8 per cent and 2.1 per cent, respectively.

Clothing & Footwear

The Clothing & Footwear sector was unchanged for the month.

Education, Recreation, Entertainment & Reading

Despite decreases in the average cost of televisions (-3.3 per cent) and toys and games (-1.0 per cent), the Education, Recreation, Entertainment & Reading sector was static in November.

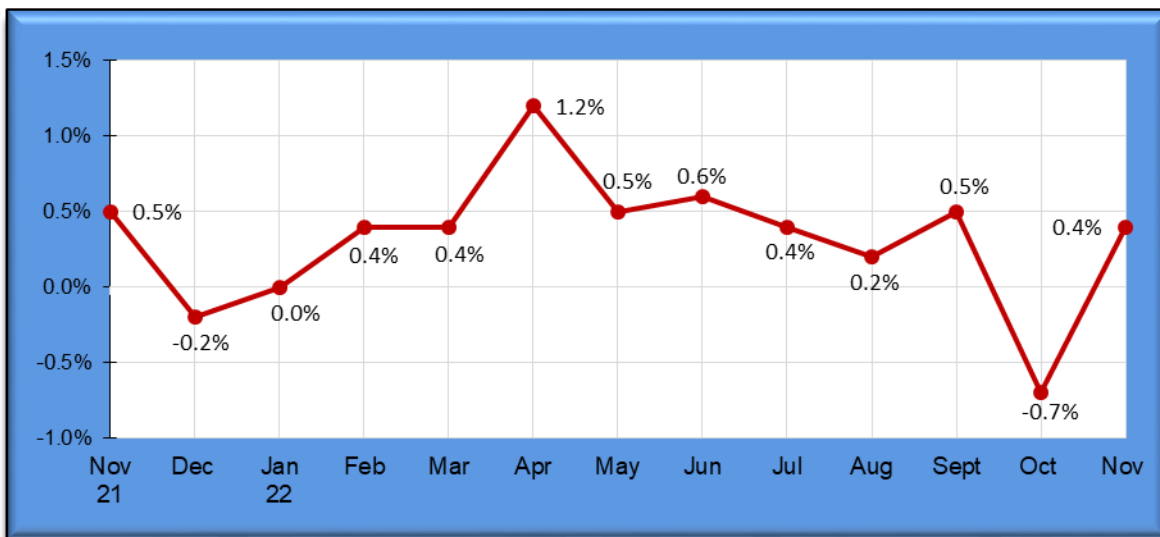
Fuel & Power

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

Tobacco & Liquor

Tobacco & Liquor sector slipped 0.2 per cent in November. The average cost of wine (-0.5 per cent) and spirits (-0.5 per cent) declined.

MONTH-OVER-MONTH INFLATION RATES (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
2013 WEIGHT	1,000	115	267	25	31	39	116	130	147	130

ANNUAL AVERAGE INFLATION RATE (per cent)

2017	+1.9	+2.2	+0.1	+1.5	+7.8	+7.8	+0.5	+3.6	+2.0	+1.3
2018	+1.4	+2.1	+0.2	+1.5	+4.3	+5.8	-0.2	+0.3	+2.1	+3.1
2019	+1.0	+2.7	+0.9	+1.9	+3.8	+1.1	Nil	-3.0	+0.4	+3.4
2020	Nil	+4.5	-1.8	+0.9	+2.3	-1.8	+0.3	-4.6	+1.1	+2.8
2021	+1.5	+0.4	-0.3	+1.0	-0.6	-5.0	+1.7	+6.4	+2.0	+2.3

MONTHLY INFLATION RATE (per cent)

2021

Jan	+0.3	+0.1	+0.5	+0.5	+0.3	+1.0	Nil	+1.5	-0.1	Nil
Feb	+0.3	+0.3	Nil	Nil	-0.8	Nil	Nil	+2.2	+0.2	Nil
Mar	+0.4	+0.3	+0.2	Nil	Nil	Nil	Nil	+2.2	Nil	Nil
Apr	+0.3	Nil	Nil	-0.6	+0.1	+1.5	+0.3	+0.7	Nil	+1.1
May	+0.3	-0.1	-0.7	Nil	-0.1	+0.2	+0.3	+3.7	+0.1	Nil
Jun	-0.3	+0.5	-0.3	Nil	-1.3	-14.1	Nil	+0.8	+0.9	+0.7
Jul	+0.5	+0.1	+0.2	+1.1	+0.1	+2.8	Nil	+1.5	+0.1	Nil
Aug	Nil	+0.5	+0.6	Nil	+0.3	Nil	+0.1	-1.8	+0.1	Nil
Sept	+0.2	+0.3	-0.4	Nil	+0.2	Nil	Nil	+0.2	+1.2	Nil
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

ANNUAL INFLATION RATE (per cent)

Nov '22	+3.8	+10.4	+1.0	+3.9	-1.3	+5.1	+3.8	+3.5	+4.0	+3.3
Nov '21										

MONTHLY INDEX

Nov '21	109.0*	117.8	99.9	108.3	126.8	108.3*	105.7	103.5	113.6	119.1
Oct '22	112.6	127.7	100.8	112.5	125.3	113.8	109.6	106.4	118.2	122.9
Nov '22	113.1	130.0	100.9	112.5	125.1	113.8	109.7	107.1	118.2	123.0

* 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
2021			2020		
Nov	108.8	+2.8	Q1	106.1	+0.8
Dec	108.6	+2.7	Q2	105.8	+0.1
			Q3	105.5	-0.8
			Q4	105.7	Nil
2022			2021		
Jan	108.6	+2.5	Q1	106.3	+0.2
Feb	109.0	+2.5	Q2	107.1	+1.2
Mar	109.4	+2.5	Q3	107.6	+2.0
Apr	110.7	+3.5	Q4	108.6	+2.7
May	111.3	+3.7			
June	112.0	+4.7	2022		
July	112.6	+4.5	Q1	109.0	+2.5
Aug	112.8	+4.7	Q2	111.3	+3.9
Sept	113.4	+5.1	Q3	112.9	+4.9
Oct	112.6	+3.8			
Nov	113.1	+3.8			

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 percent.

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

	2018	2019	2020	2021	Nov 22
Bermuda	+1.4	+1.0	Nil	+1.5	+3.8
United States¹	+2.4	+1.8	+1.2	+4.7	+7.1
Canada²	+2.3	+1.9	+0.7	+3.4	+6.8
United Kingdom³	+3.3	+2.6	+1.5	+4.1	+14.0

Sources:

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

NOTE

This publication now includes two new charts. The charts present year-to-year inflation rates and month-over-month inflation rates.

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