

Press Release

DEPARTMENT OF STATISTICS (STAT)

Government Administration Building

<http://stats.sintmaartengov.org/>

statinfo@sintmaartengov.org

Philipsburg, February 12, 2024

Consumer Price Index Increased in the Fourth Quarter of 2023

Philipsburg, Sint Maarten – The Consumer Price Index (CPI) increased in the fourth quarter of 2023 to 112.30, which represented an increase of 2.61% when compared to the previous quarter. Additionally, when comparing consumer prices in quarter four of 2022 to quarter four of 2023 the results show a notable increase of 3.16%

A comparison of 2023 Q4 with 2023 Q3 revealed the highest increases were in Communication.

In the fourth quarter of 2023, prices rose in 8 of the 12 expenditure categories. Increases were seen in the categories of “*Communication*” (+8.67%), “*Transport*” (+6.94%), “*Housing, water, electricity, gas and other fuels*” (+3.65%), “*Clothing and footwear*” (+2.77%), “*Food and non-alcoholic beverages*” (+0.50%), “*Health*” (+0.10%), “*Miscellaneous goods and services*” (+0.01%). Decreases are seen in the categories of “*Recreation and culture*” (-4.61%), “*Restaurants and hotels*” (-1.74%), “*Furnishings, household equipment and routine household maintenance*” (-1.65%), and “*Alcoholic beverages, tobacco and narcotics*” (-0.86%).

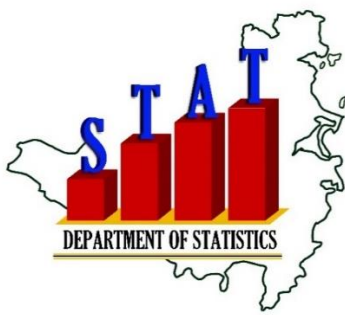
The surge in communication were driven by Telephone and telefax services (10.79%) and postal services (7.34%), which encompasses both shipping and air cargo. The increase in Telephone and telefax services was caused by an increase in local landline rates. Whereas postal services increase appears to be linked to ongoing disturbances and attacks on commercial vessels in the Red Sea in the Middle East. Rerouting ships and increased air cargo rates due to the demand for time-sensitive shipments¹, has resulted in additional costs for shipping companies. These postal constraints have contributed to increased fuel requirements, which increases cost of fuel if global oil production remains constant.

Based on the latest Household Budget Survey, the following four categories² had the largest percentage weight (influence) when calculating the total CPI: “*Housing, water, electricity, gas, and other fuels*” (36.1%), “*Transport*” (14.6%), “*Miscellaneous goods and services*” (13.4%), “*Food and non-alcoholic beverages*” (7.2%).

- The change in the price of **Housing, water, electricity, gas, and other fuels** was influenced by an increase in the price of the following subcategory: Actual rentals for housing saw an increase of 6.94%, which was driven by the subcomponent “*Actual rentals paid by tenants.*” The price of “*Maintenance and repairs on dwellings*” also increased by 4.24%,

¹ <https://www.fitchratings.com/research/corporate-finance/higher-shipping-freight-rates-to-offset-costs-of-re-routing-from-suez-21-12-2023>

² The four categories are 1) Housing, water, electricity, gas, and other fuels, 2) Transport, 3) Miscellaneous goods and services, and 4) Food and non-alcoholic beverages.



Press Release

with a 20.00% increase in the subcomponent of “*Services for the maintenance and repair of the dwelling*”, and a decrease in “*Materials for the maintenance and repair of the dwelling*” (-0.44%). “*Electricity, gas, and other fuels*” increased by 6.16%, with a subcomponent increase in “*Electricity*” (+7.06%), but a decrease in “*Solid fuels*” (-1.65%). “*Water supply and miscellaneous services relating to the dwelling*” was the only subcategory to exhibit a decrease (-0.27), driven by a subcomponent decrease in “*Sewage collection*” (-7.80).

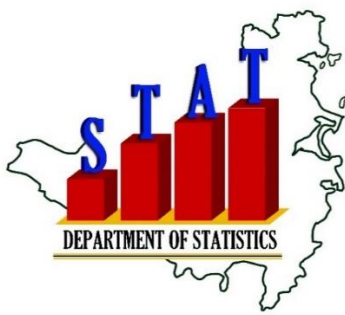
- The prices of the category **Transport** increased by 6.94% and were impacted by the subcategory “*Purchase of vehicles*” (+4.67%), driven by increases in subcomponents “*Motorcycles*” (+6.21%) and “*Motorcars*” (+4.70%), with a decrease in “*Bicycles*” (-1.07%). Subcategory “*Operation of personal transport equipment*³” (+7.79%) increase was derived from changes in “*Maintenance and repair of personal transport equipment*” (+11.66%) and “*Fuels and lubricants for personal transport equipment*” (+9.98%). However, there was a slight decrease in “*Spare parts and accessories for personal transport equipment*” (-0.99%). Subcategory “*Transport services*” (+8.00%) increase was led by “*Passenger transport by road*” (+10.10%) and “*Passenger transport by air*” (+5.24%).
- The prices in the category **Miscellaneous goods and services** (+0.01%) were slightly increased in subcategory “*Personal care*”⁴ (+0.05%) which was driven by an increase in “*Electric appliances for personal care*” (+12.59%) and a decrease in “*Other appliances, articles, and products for personal care*” (-0.08%). Subcategory “*Personal effects n.e.c.*”⁵ decrease was driven by “*Other personal effects*” (-0.21%) and “*Jewelry, clocks, and watches*” (-0.08%).
- **Food and non-alcoholic beverages** increased by 0.50%. The subcategory “*Food*” increased by 0.45% and there was an increase in “*Non-alcoholic beverages*” by 0.77%. The price indices of the subcategory “*Food*” were influenced by the higher prices of “*Oils and Fats*” (+9.51%), “*Milk, cheese, and eggs*” (+3.54%), “*Food products n.e.c.*”⁶ (+0.74%), “*Fruit*” (+0.47%), “*Sugar, jam, honey, chocolate, and confectionery*” (+0.22%). Decreases were observed in “*Fish and Seafood*” (-1.70%), “*Meat*” (+1.38%), “*Bread and cereals*” (-0.81%), and “*Vegetables*” (-0.05%). The subcategory “*Non-alcoholic Beverages*” saw an increase in

³ Purchases of spare parts, accessories, or lubricants made by households to undertake the maintenance, repair, or intervention themselves. If households pay an enterprise to carry out the maintenance, repair, or fitting, the total value of the service, including the costs of the materials used.

⁴ Personal care – are considered as hairdressing salons and personal grooming establishments (S); electric appliances for personal care (SD); and other appliances, articles and products for personal care (ND).

⁵ Personal effects n.e.c. – are considered as jewelry, clocks, watches, travel goods and other carriers, and articles for babies.

⁶ Food products n.e.c. (not elsewhere classified) - are considered as sugar cane consumed for extracting juice or as a snack; prepared baking powders and yeasts, broth, stocks, bouillon cubes, soup bases, agar-agar, instant dessert preparations; and nutritional supplements and fortified food products.



Press Release

“Mineral waters, soft drinks, fruit, and vegetable juices” (+1.02%) and a decrease *“Coffee, tea, cocoa”* (-0.82%).

Increasing costs in all four major categories indicated a strong increase in the CPI from the third to the fourth quarter of 2023.

Fourth quarter Inflation comparison - 2022 Q4 with 2023 Q4 saw the highest increase also in Communication.

The prices of the fourth quarter of 2023 increased when compared to those in the fourth quarter of 2022, with the inflation rate recorded at 3.16%. This rise in prices compared to the previous 12 months was due to an increase in household expenditure categories *“Communication”* (+9.56%), *“Transport”* (+6.48%), *“Restaurants and hotels”* (+6.47%), *“Clothing and footwear”* (+6.09%), *“Education”* (+3.70%), *“Housing, water, electricity, gas and other fuels”* (+3.27%), *“Alcoholic beverages, tobacco and narcotics”* (+1.96%), *“Food and non-alcoholic beverages”* (+1.15%), *“Recreation and culture”* (+1.08%), and *“Furnishings, household equipment and routine household maintenance”* (+0.25%). The only decreases were in *“Miscellaneous goods and services”* (-1.50%) and *“Health”* (-0.39%).

The prices of three in the four expenditure categories had the largest influence on the total CPI increase when compared to the same period in 2022.

- **Housing, water, electricity, gas, and other fuels** rose by 3.27%, driven by an increase in *“Electricity, gas, other fuels”* (+6.20%), *“Actual rentals for housing”* (+6.04%), *“Maintenance and repair of the dwelling”* (+2.83%). While there were decreases in *“Water supply and miscellaneous services relating to the dwelling”* (-0.27%).
- As mentioned previously, **Transport** increased by 6.48%; this was due to the increase in *“Purchase of vehicles”* (+8.40%), *“Operation of personal transport equipment including fuel”* (+6.06%), and in *“Transport services”* (+5.30%).
- **Miscellaneous goods and services** decreased by 1.50%. This was driven by decreases in *“Financial services n.e.c.”* (-9.56%), *“Social protection”* (-4.72%), *Personal effects n.e.c.”* (-0.94%) “, and *“Personal care”* (-0.65%). However, there was an increase in *“Insurance”* (+4.50%).
- In addition, prices of **Food and non-alcoholic beverages** increased by 1.15%, influenced by *“Non-alcoholic beverages”* (+4.86%) and *“Food”* (+0.53%).

Contact Information

For additional information, or to enquire about the methods and/ or data quality of this release, visit www.stats.sintmaartengov.org or contact us on (+1) 721-542-0349 / (+1) 721-542-0640 or statinfo@sintmaartengov.org / shannon.richardson@sintmaartengov.org.

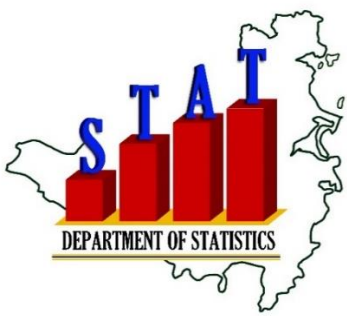


Press Release

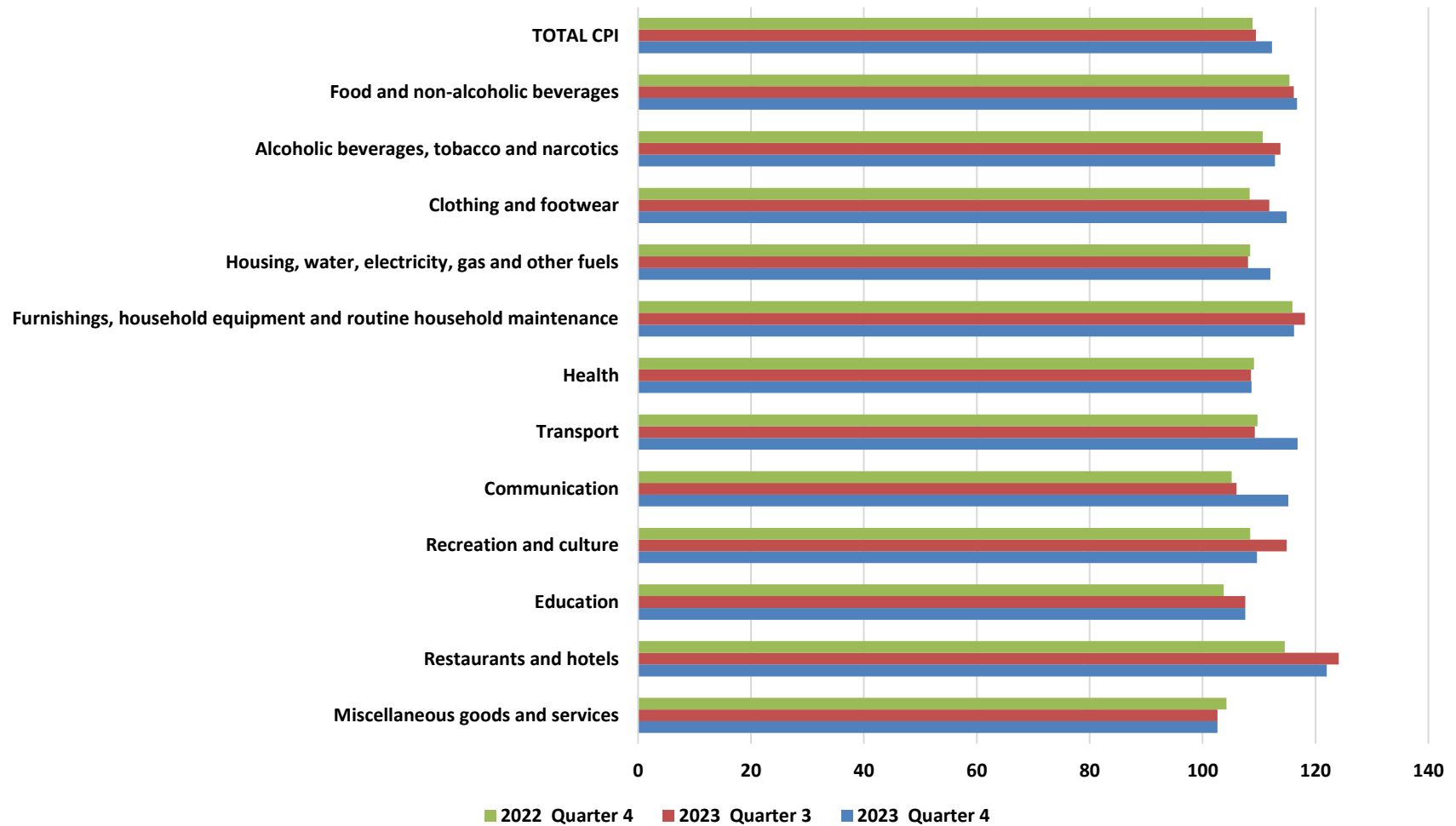
Table 1. Consumer Price Index figures, quarterly percentage changes, and inflation rates for the 12 major expenditure categories for 2023 quarter 4

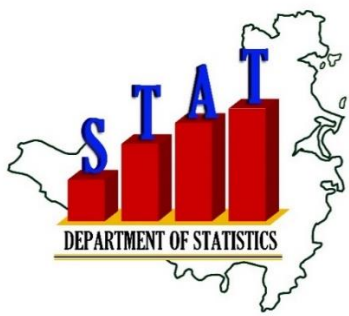
Expenditure Category	2018 WEIGHTS	INDEX	INDEX	INDEX	Quarter-to-Quarter	Year-on-Year
		2022 Quarter 4	2023 Quarter 3	2023 Quarter 4	% Change Q3 2023 to Q4 2023	% Change Q4 2022 to Q4 2023
Food and non-alcoholic beverages	7.2%	115.39	116.14	116.72	0.50%	1.15%
Alcoholic beverages, tobacco, and narcotics	0.4%	110.66	113.81	112.83	-0.86%	1.96%
Clothing and footwear	4.8%	108.33	111.82	114.92	2.77%	6.09%
Housing, water, electricity, gas, and other fuels	36.1%	108.45	108.05	111.99	3.65%	3.27%
Furnishings, household equipment and routine household maintenance	6.5%	115.90	118.14	116.19	-1.65%	0.25%
Health	1.9%	109.09	108.55	108.66	0.10%	-0.39%
Transport	14.6%	109.72	109.25	116.83	6.94%	6.48%
Communication	6.0%	105.14	106.00	115.20	8.67%	9.56%
Recreation and Culture	4.6%	108.44	114.91	109.61	-4.61%	1.08%
Education	2.6%	103.73	107.56	107.56	0.00%	3.70%
Restaurants and hotels	2.0%	114.57	124.13	121.97	-1.74%	6.47%
Miscellaneous goods and services	13.4%	104.21	102.63	102.64	0.01%	-1.50%
TOTAL	100%	108.86	109.44	112.30	2.61%	3.16%

Base Year 2018 = 100



Consumer Price Index Figures - Quarter 4 to Quarter 4 (2022 - 2023)





Press Release

Appendix

- ‘Food products n.e.c.’ - are considered as sugar cane consumed for extracting juice or as a snack; prepared baking powders and yeasts, broth, stocks, bouillon cubes, soup bases, agar-agar, instant dessert preparations; and nutritional supplements and fortified food products.
- ‘Other services relating to the dwelling n.e.c.’ - are considered as co-proprietor charges for caretaking, gardening, stairwell cleaning, heating, and lighting, maintenance of lifts and refuse disposal chutes, pool cleaning, etc. in multi-occupied buildings; road and sidewalk cleaning and chimney sweeping; measuring background radiation and content of harmful substances in dwellings; landscaping and cleaning of grounds surrounding the dwelling; snow removal. Excludes: household services, such as window cleaning, disinfecting, fumigation, and pest extermination.
- ‘Other services relating to the dwelling n.e.c.’ - are considered as co-proprietor charges for caretaking, gardening, stairwell cleaning, heating, and lighting, maintenance of lifts and refuse disposal chutes, pool cleaning, etc. in multi-occupied buildings; road and sidewalk cleaning and chimney sweeping; measuring background radiation and content of harmful substances in dwellings; landscaping and cleaning of grounds surrounding the dwelling; snow removal. Excludes: household services, such as window cleaning, disinfecting, fumigation, and pest extermination.
- Purchases of spare parts – are considered as accessories or lubricants made by households with the intention of undertaking the maintenance, repair, or intervention themselves. If households pay an enterprise to carry out the maintenance, repair or fitting, the total value of the service, including the costs of the materials used.
- Personal care – are considered as Hairdressing salons and personal grooming establishments (S); Electric appliances for personal care (SD); and Other appliances, articles and products for personal care (ND).
- Personal effects n.e.c – Not elsewhere classified are considered as jewelry, clocks, watches, travel goods and other carriers, and articles for babies.