



**DEPARTMENT OF STATISTICS (STAT)**

For more information: 549-0235 or 542-2151 – fax 542-3022

Address: Juancho Yrausquin Boulevard 6 (units 7/8)

Email: [statinfo@sintmaartengov.org](mailto:statinfo@sintmaartengov.org)

# Press release

Philipsburg, January 17<sup>th</sup> 2014

## **Consumer prices Sint Maarten December 2013** ***Prices have increased slightly compared to October 2013***

The consumer price index for Sint Maarten has increased in the month of December 2013 by 0.2 percent compared to that of October 2013.

When comparing average consumer prices over a twelve month period (Dec. 2012 to Dec. 2013), an increase of 2.5 percent was recorded compared to the same period one year earlier. Inflation has shown an overall decline in 2013 (2.5%) compared to the rate of inflation recorded in 2012 (4%), this is also notable in the major expenditure categories; 'Food', 'Housing' and 'Transport & Communication' which recorded rates 50 percent lower than that of 2012.

This is evident from the data that has been released by the Department of Statistics (STAT) today.

## Price changes between October & December 2013

The consumer price index for Sint Maarten has increased in the month of December 2013 by 0.2 percent compared to that of October 2013. The price index recorded in December 2013 is 125.1.

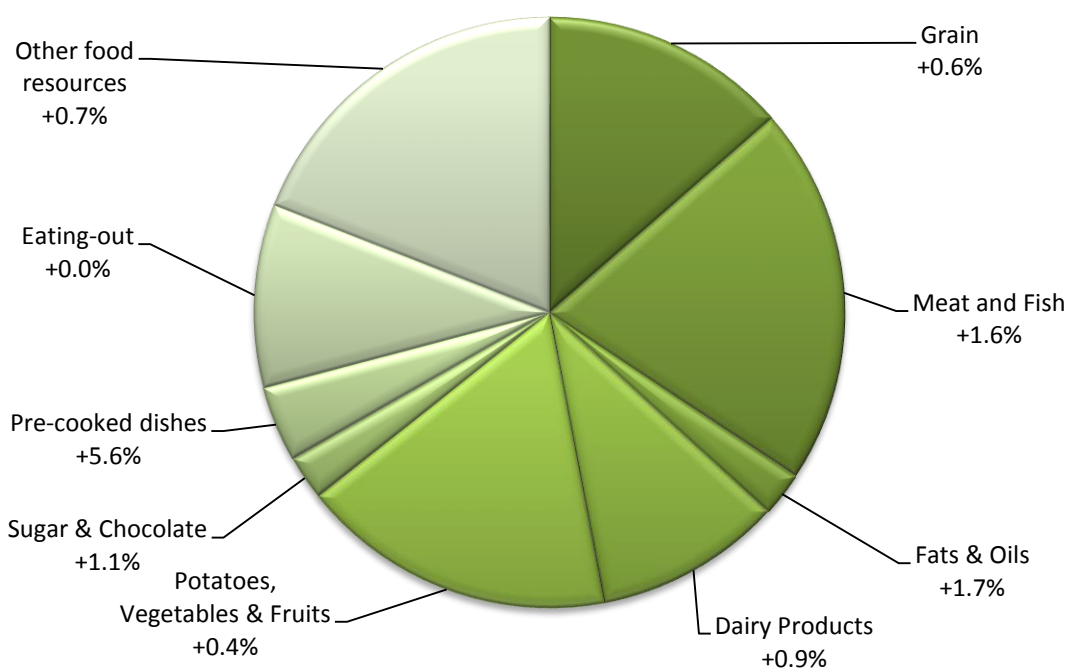
<b>Expenditure Category</b>	<b>WEIGHT</b>	<b>INDEX OCTOBER 2013</b>	<b>INDEX DECEMBER 2013</b>	<b>% CHANGE</b>
Food	10%	171.2	172.9	1.0
Beverages and tobacco	1%	143.6	145.5	1.3
Clothing & footwear	7%	113.6	113.5	-0.1
Housing	39%	124.1	124.6	0.4
Household furnishing & appliances	6%	138.7	140.1	1.0
Medical care	3%	106.2	106.8	0.6
Transport & communication	20%	110.8	110.3	-0.5
Recreation & education	6%	108.0	107.9	-0.1
Misc.	8%	118.6	118.0	-0.5
<b>TOTAL</b>	<b>100%</b>	<b>124.8</b>	<b>125.1</b>	<b>0.2</b>

### *Expenditure Categories – overall moderate increases*

In December 2013, five of the nine expenditure categories have become moderately more expensive, whilst four became cheaper. Amongst the more expensive were the categories; 'Food' (+1.0%), 'Beverages and Tobacco' (+1.3%), 'Housing' (+0.4%), 'Household Furnishing & Appliances' (+1.0%) and 'Medical Care' (+0.6%). Whereas slight decreases were recorded amongst the expenditure categories; 'Clothing and Footwear' (-0.1%), 'Transport & Communication' (-0.5%), 'Recreation & Education' (-0.1%) and 'Miscellaneous' (-0.5%).

## Food

### FOOD EXPENDITURE CATEGORY 10% of CPI



1

Within the expenditure category Food, it can be noted that eight of the nine food groups became more expensive whilst one remain stable. The following increases were recorded in each food group; Grain (+0.6%), Meat and Fish (+1.6%), Fats & Oils (+1.7%), Dairy Products (+0.9%), Potatoes, Vegetables & Fruit (+0.4%), Sugar & Chocolate (+1.1%), Pre-cooked dishes (+5.6%) and other food resources (+0.7%).

More specifically the following products largely influenced the total price change within the food groups: 'Grain', this was largely influenced by white bread (+1.9%), pasta (-4.8%) and flour (7.4%). The food group 'Meat & Fish', was largely influenced by beef (+11.5%), oxtail (+13.6%) , Ham (+6.5%) and pork meat (-2.9%). The food group 'Dairy Products' was largely influenced by; baby powder milk (+6.1%), powdered milk (+1.5%), Yoghurt (-9.0%), Ice cream (-9.9%) and eggs (+7.6%).

The food group 'Potatoes, Vegetables & Fruit' was largely influenced by; potatoes (-6.8%), leafy greens (-7.2%), legumes(+16.3%), onions (+5.0%), fresh vegetables (-3.2%), spices and herbs(+6.4%) apples and pears (-8.0%), grapes and prunes (+4.8%), fresh fruit(+7.0%) and cashews (-89.3%).

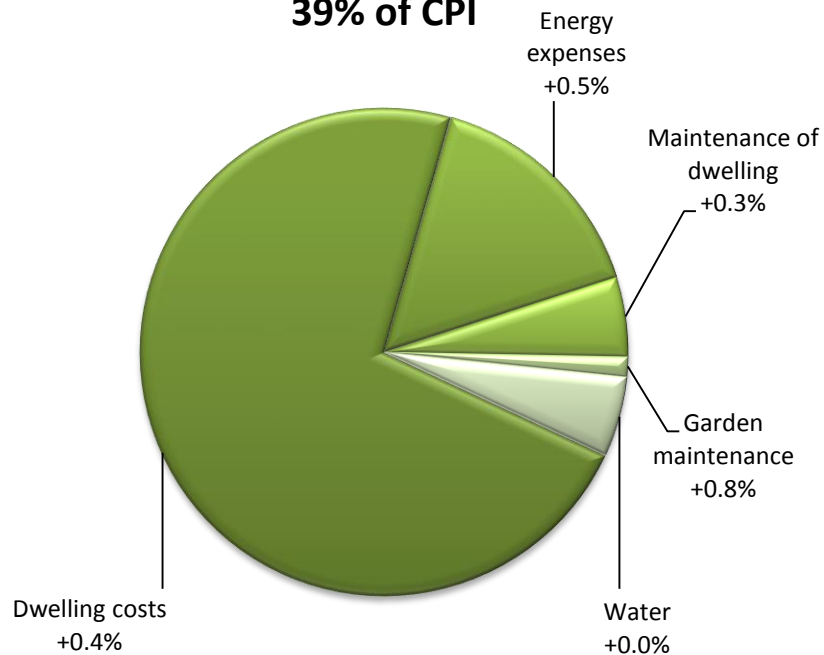
---

1 Please note that the pie chart above depicts the share (*weight*) each food group carries toward the entire Food expenditure category, whilst the percentages indicate the price change within that food group.

## Housing

### HOUSING EXPENDITURE CATEGORY

39% of CPI



2

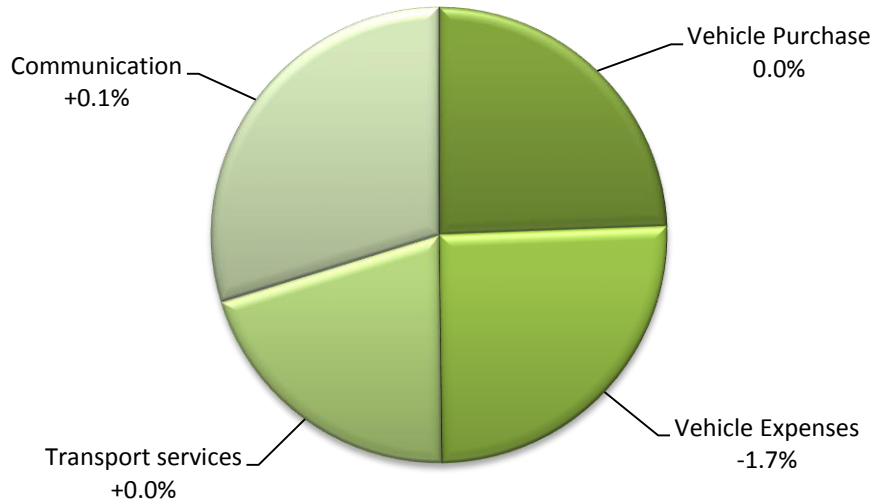
Within the expenditure category Housing, it is noted that four of the five product groups became slightly more expensive whilst one remain stable. The product groups; 'Dwelling costs', 'Garden maintenance', 'Maintenance of dwelling' and 'Energy expenses' increased by 0.4%, 0.8%, 0.3% and 0.5% respectively. A slight increase in the consumer price of electricity by 0.6% influenced the total price change within the product group 'Energy expenses'.

---

2 Please note that the pie chart above depicts the share (*weight*) each food group carries toward the entire Housing expenditure category, whilst the percentages indicate the price change within that product group.

Transport & Communication

**TRANSPORTATION AND COMMUNICATION  
EXPENDITURE CATEGORY  
20% of CPI**



3

Within the expenditure category Transport & Communication, two of the four product groups became less expensive, whilst two remained stable. Noteworthy is that the product group 'Vehicle Expenses' was largely influenced by the following products; Tires (+3.2%), Gasoline (-7.3%) and Diesel (-3.5%).

---

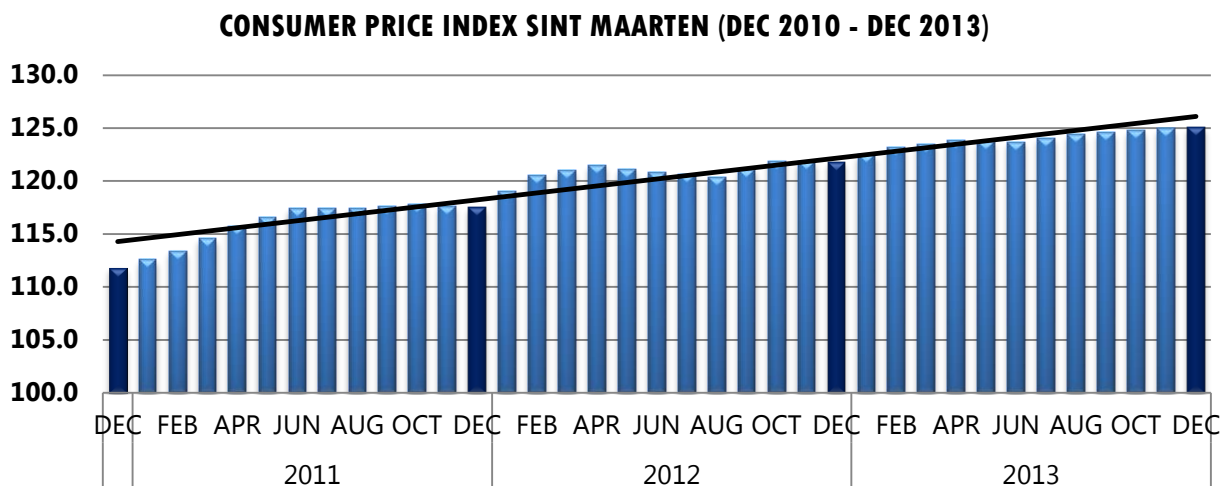
3 Please note that the pie chart above depicts the share (*weight*) each food group carries toward the entire Transport & Communication expenditure category, whilst the percentages indicate the price change within that product group.

## Sint Maarten Consumer Price Index *a Broader Perspective*

Consumer prices in 2013 are generally at a higher level than 3 years ago (see bar chart below). An increasing trend is shown, with consumer prices in December being approximately 13 points above that of December 2010.

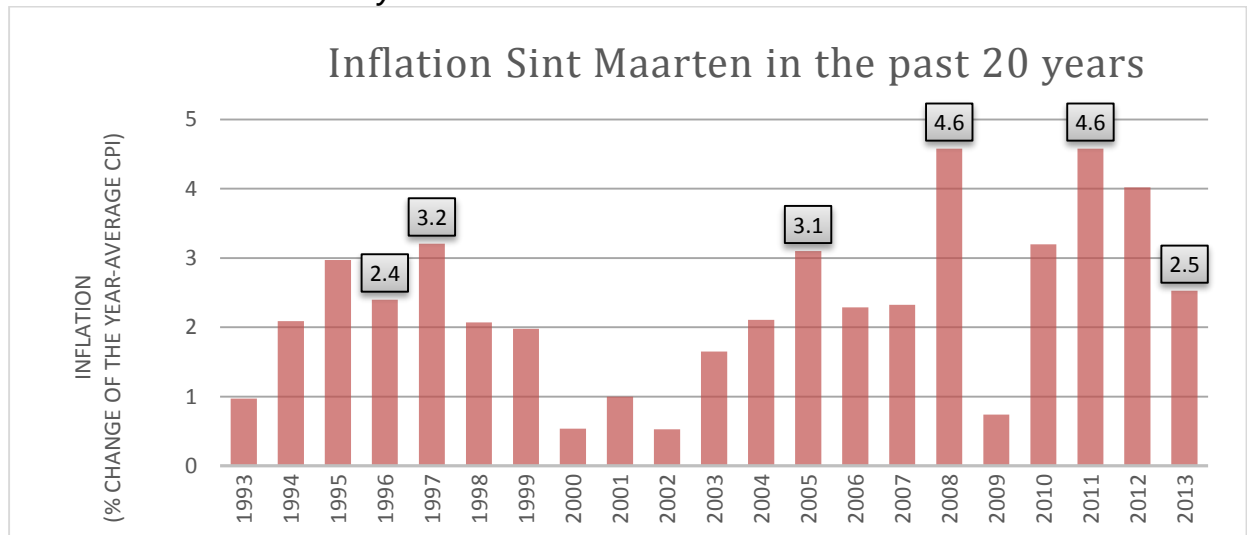
During the last 3 years; there has been periods of easing consumer prices most notably during the months Jun – Aug and Nov – Dec of 2011 & 2012; salient is that though prices has eased in December over the past years a slight increase was recorded in consumer prices of December 2013.

Noteworthy is that the main price increases over the last 3 years have occurred during the first half of the year (Jan – Jun), however the intensity of these increases has dropped from 5 index points (2011), to 2 index points (2012) and for 2013, an increase by 1 index point.



## Long-term inflation

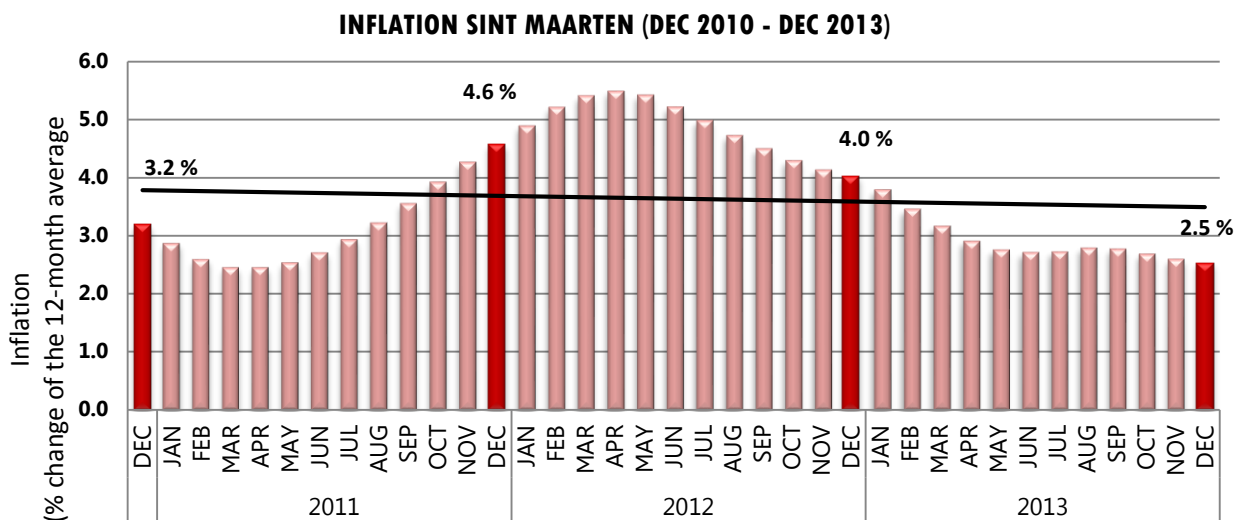
### *Inflation Sint Maarten: 20-year Overview*



The annual inflation recorded on Sint Maarten over the past 20 years has been extremely volatile; ranging from less than 1 percent in some years to over 4.5 percent in other years. Still noticeable is the declining inflation recorded over the last 3-years.

### *3-year Overview*

The trend line depicted on the bar chart below indicates that inflation on Sint Maarten over the prior 3-year period has been slightly descending. The rate of inflation contracted from 4.6 percent in December 2011 to 4.0 percent in December 2012 and 2.5 percent in December 2013. The recorded level of inflation started its descent since mid-2012 and has continued to fall steadily throughout 2013.



## *Inflation Sint Maarten December 2013*

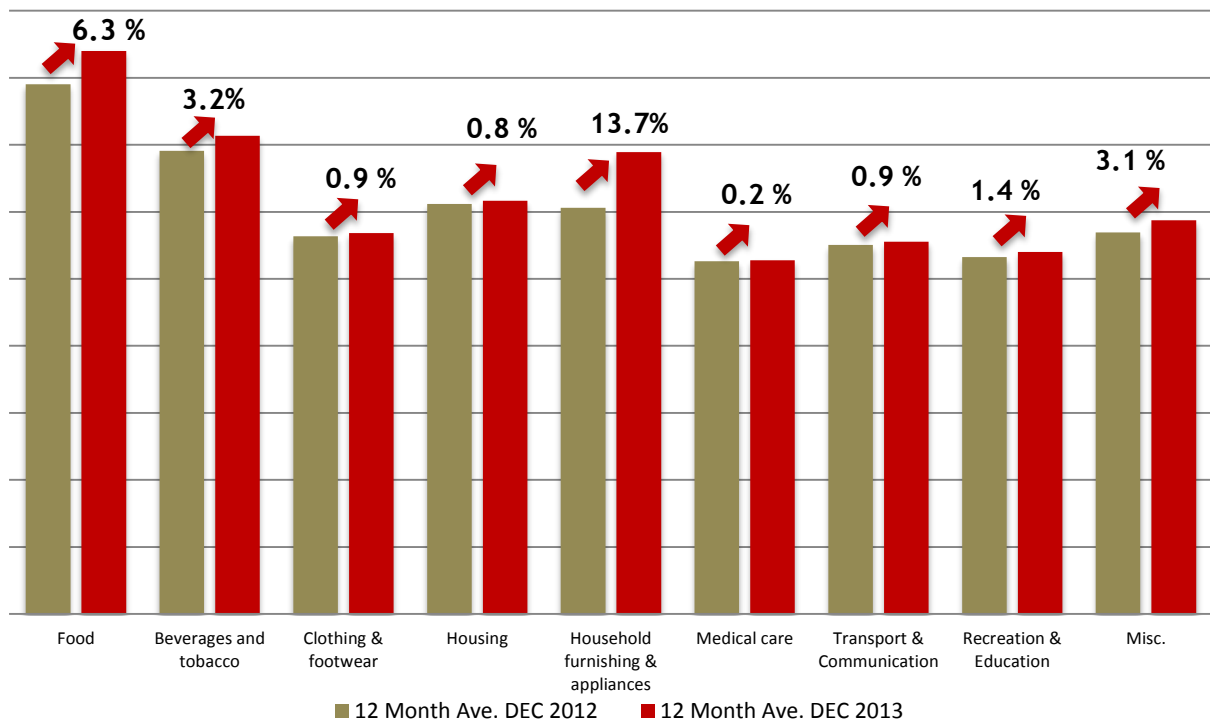
The 12-month average of consumer prices was 2.5 percent higher in December 2013 than a year earlier. This represents a decrease in the inflation rate of 37.5 percent within this period mentioned.

### *Inflation per Expenditure Category*

All nine expenditure categories recorded inflation in December 2013. 'Housing' at a rate of 0.8 percent, 'Transportation and Communication' at a rate of 0.9 percent and 'Food' prices inflated at a rate of 6.3 percent. Noticeable is the development amid food inflation, as double-digit percentages were recorded throughout 2012 and it has now eased significantly to 6.3 percent in October and remained stable through to December 2013. Food inflation has declined throughout 2013; approximately 4 percentage points between Jan. – Oct. 2013.

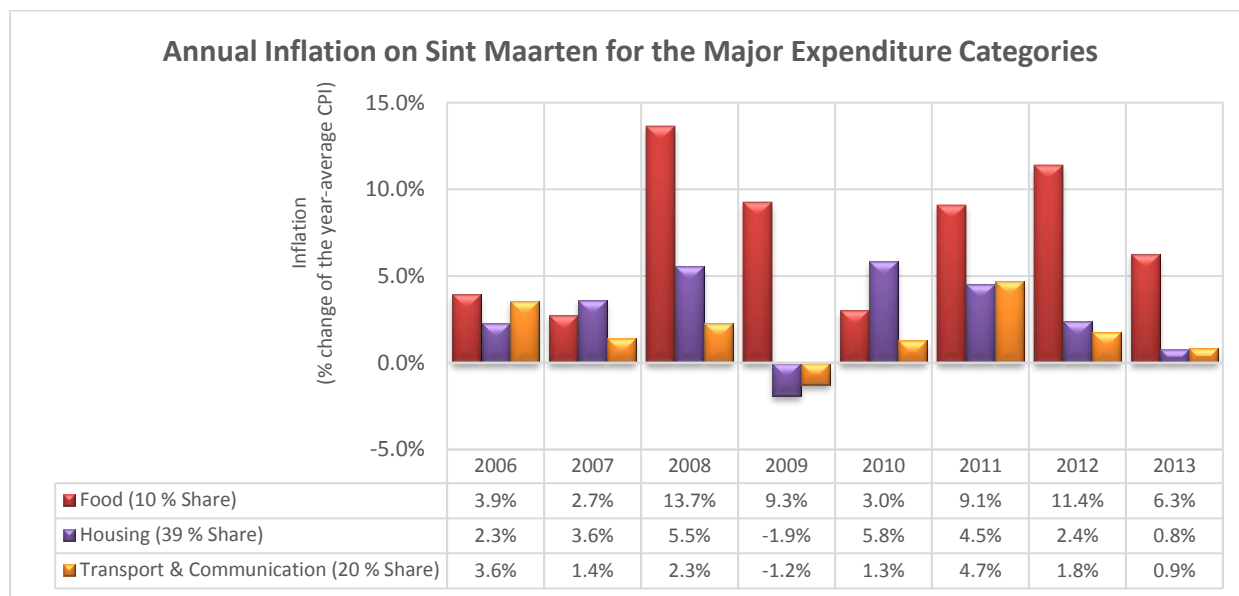
Striking also, is the double-digit inflation recorded in the expenditure category 'Household furnishing & appliances' (+13.7%). Though this category accounts for a small share (6%) of total expenditure, significant is the increasing inflation which began in the early part of 2011 and continues. Consumer prices within this expenditure category recorded sharp increases during the latter part of 2012 and early part of 2013.

**Inflation per Sector on Sint Maarten**





The annual inflation recorded amongst the major expenditure categories 'Housing' (39%), 'Transport & Communication' (20%) and 'Food' (10%) over the past 7-year period is depicted in the bar chart below. Noteworthy is that food inflation recorded much instability as opposed to the other major expenditure categories. Equally notable is the low level of inflation recorded in 2013 for the expenditure categories 'Housing' and 'Transport & Communication'.



### *Inflation Sint Maarten: A Closer Look*

When looking at the building blocks composing the December 2013 inflation rate compared to the same period a year earlier, we note some distinct differences. Namely consumer prices within the expenditure category 'Food' contribute 31% towards overall inflation of December 2012; compared to 27% contribution for December 2013. Noteworthy is that the expenditure category 'Household Furnishing & Appliances' is contributing nearly 4 times more to the December 2013 inflation rate than it did in the same period of 2012; this is attributable to the double-digit inflation recorded in this category.

**Inflation Build-up (Dec 2012= 4.0% vs Dec 2013 = 2.5%)**

- Food
- ▨ Beverages and tobacco
- Clothing & footwear
- Housing
- Household furnishing & appliances
- Medical care
- Transport & Communication
- Recreation & Education
- ▨ Misc.

