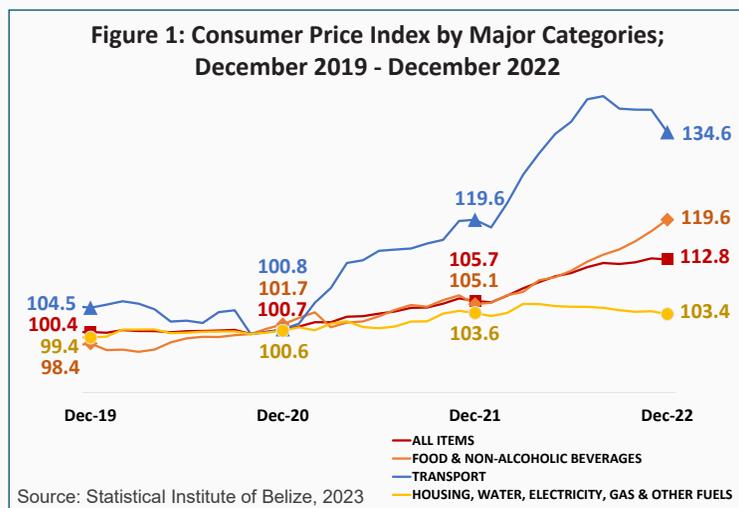




### CONSUMER PRICES UP 6.7% IN DECEMBER 2022: FOOD AND FUEL MOST AFFECTED

#### Overall National Inflation Rate<sup>1</sup> (All-Items):

Data from the Statistical Institute of Belize’s most recent monthly Consumer Price Index (CPI) survey indicated that, for the month of December 2022, the All-items CPI, which summarizes price levels for all categories of consumer goods and services, stood at 112.8, an increase from 105.7 recorded in December 2021 (see Figure 1). This indicates that the country experienced an overall national inflation rate of 6.7 percent on the cost of goods and services regularly purchased by Belizean households. The category of ‘Food and Non-Alcoholic Beverages’ was the main driver of this increase, accounting for more than one-half of the national inflation rate for the month, as food prices continued to rise at an accelerating rate. This was followed by ‘Transport’, which was responsible for just under one-third of the inflation recorded for the month of December, with fuel prices remaining higher than they were in the same period in 2021.



#### Food and Non-Alcoholic Beverages:

Prices for ‘Food and Non-Alcoholic Beverages’ saw an increase of 13.8 percent for the month of December 2022, the highest on record for this category in fourteen years, as a result of the continued steep rise in food prices (see Figure 2). The ‘Food’ subcategory alone had an inflation rate of 16 percent for the month, with considerably higher prices being seen across almost all basic food items. Prices for fresh vegetables were up by 27 percent, as increases were observed for items such as cabbages, tomatoes, cilantro, cucumbers, carrots, and onions. Cereal products saw a 14.5 percent increase, due to higher prices for rice, flour, breads, corn minsa/masa, and corn and flour tortillas. The cost of meats also increased, by 10.7 percent, the result of a sharp rise in prices for beef, poultry, and pork. Dairy products and eggs had an overall increase of 18.6 percent, as higher prices were observed for powdered milks, evaporated milks, condensed milks, cheese, and eggs. There were also notable increases in the cost of cooking oils, fish products, and fruits (see Table 1).

#### Transport:

The ‘Transport’ category recorded an inflation rate of 12.5 percent for the month of December 2022 (see Figure 2), driven primarily by higher prices for motor vehicle fuels. Prices for both premium gasoline and diesel were considerably higher than they were in December of 2021, with increases of 22.7 percent and 23.6 percent, respectively. At the pump, premium gasoline registered an increase of \$2.85, with the average price per gallon up from \$12.58 in December of 2021 to \$15.43 in December of 2022. Diesel was up by \$2.56, from \$10.83 to \$13.39, while regular gasoline rose by \$1.17, from \$11.88 to \$13.05 (see Table 1). Additionally, passenger transport services rose by 14.6 percent, reflecting higher bus, taxi, sea, and airfares across the country, while prices for new motor vehicles were 5.2 percent higher than they were in December of 2021.

Table 1: Average Prices of Selected Foods and Fuel (BZ \$); December 2021 and December 2022

Item	Unit of Measurement	Average Prices		% Change
		December 2021	December 2022	
Rice	1 Lb	\$1.46	\$1.66	13.3%
Flour	1 Lb	\$1.24	\$1.44	15.6%
Ground Beef	1 Lb	\$5.57	\$6.23	11.8%
Beef Steak	1 Lb	\$8.42	\$9.14	8.5%
Chicken Cuts	1 Lb	\$3.23	\$3.57	10.4%
Turkey	1 Lb	\$5.16	\$5.86	13.6%
Chicken, Legs	1 Lb	\$4.00	\$4.41	10.2%
Chicken, Wings	1 Lb	\$4.00	\$4.41	10.2%
Chicken, Breast	1 Lb	\$4.00	\$4.41	10.2%
Whole Chicken	1 Lb	\$2.89	\$3.20	10.7%
Pigtail	1 Lb	\$6.32	\$6.83	8.2%
Whole Fish	1 Lb	\$7.02	\$8.29	18.1%
Cheese	1 Lb	\$10.98	\$11.79	7.4%
Natural Milk	1 L	\$3.05	\$3.34	9.5%
Egg	1 Unit	\$0.28	\$0.37	34.2%
Vegetable Oil	1 L	\$5.75	\$7.35	27.8%
Watermelon	1 Lb	\$0.74	\$1.07	43.9%
Cabbage	1 Lb	\$1.41	\$2.53	79.0%
Tomatoes	1 Lb	\$2.68	\$3.50	30.9%
Cilantro	1 Lb	\$4.91	\$6.96	41.9%
Habanero	1 Lb	\$4.79	\$5.41	13.0%
Onion	1 Lb	\$2.36	\$2.75	16.5%
Irish Potatoes	1 Lb	\$2.04	\$2.75	34.7%
Banana	1 Unit	\$0.16	\$0.16	0.0%
Pineapple	1 Lb	\$1.34	\$1.62	20.8%
Orange	1 Unit	\$0.18	\$0.21	0.0%
Sweet Pepper	1 Lb	\$3.22	\$4.57	41.8%
Black Beans	1 Lb	\$2.10	\$2.05	-2.3%
Red Kidney Beans	1 Lb	\$1.94	\$2.00	2.9%
Soy Sauce	10 Fl Oz	\$4.90	\$5.82	18.8%
Coconut Milk	400 MI	\$3.23	\$4.16	29.1%
Premium Gasoline	1 Gallon	\$12.58	\$15.43	22.7%
Regular Gasoline	1 Gallon	\$11.88	\$13.05	9.9%
Diesel	1 Gallon	\$10.83	\$13.39	23.6%
Liquified Petroleum Gas (LPG)	100 Lbs	\$135.95	\$127.95	-5.9%

Source: Statistical Institute of Belize, 2023

#### Restaurants and Accommodation Services:

‘Restaurants and Accommodation Services’ increased by 7.7 percent in December 2022, when compared to December 2021, due mostly to higher prices for restaurant and cafe services (see Figure 2).

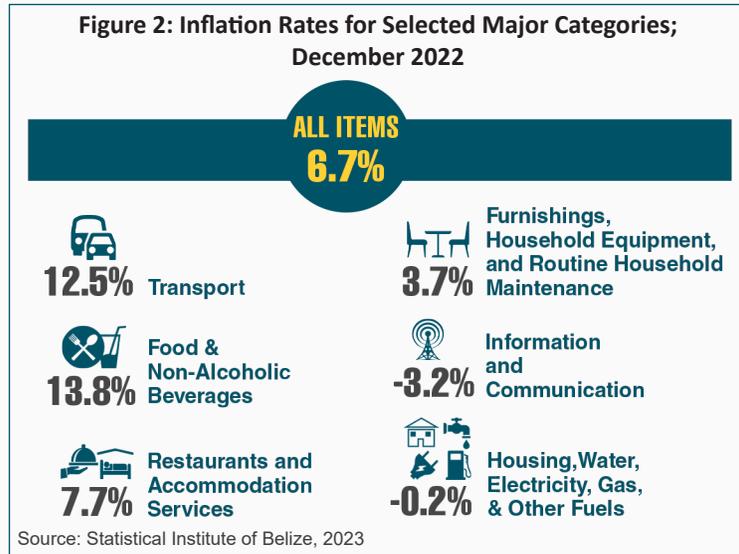
#### Furnishings, Household Equipment, and Routine Household Maintenance:

As a result of rising costs for domestic services and household cleaning and maintenance products, the ‘Furnishings, Household Equipment, and Routine Household Maintenance’ category saw an inflation rate of 3.7 percent for the month of December 2022 (see Figure 2).

<sup>1</sup> The national inflation rate for the month measures the percent change in the CPI between December 2021 and December 2022.

## Information and Communication:

Prices for goods and services within the category of 'Information and Communication', on the other hand, saw an overall decline of 3.2 percent for the month (see Figure 2), due mainly to lower prices for internet provision services.

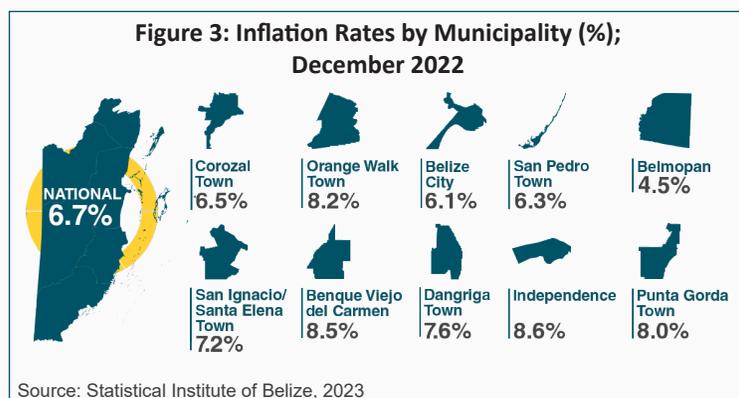


## Housing, Water, Electricity, Gas and Other Fuels:

'Housing, Water, Electricity, Gas and Other Fuels' went down by a marginal 0.2 percent for the month (see Figure 2) due to a reduction in the cost of Liquefied Petroleum Gas (LPG). On average, the price of a 100-pound cylinder of LPG decreased by \$8, from \$135.95 in December 2021 to \$127.95 in December 2022 (see Table 1).

## Inflation Rates by Municipality:

Among the municipalities, Independence Village recorded the highest inflation rate for the month of December at 8.6 percent. This was followed closely by Benque Viejo del Carmen (8.5 percent), Orange Walk Town (8.2 percent), and Punta Gorda Town (8 percent). Consumers in these areas saw above-average increases in prices for various food items, all forms of passenger transport, food served at restaurants and fast food stalls, construction materials for household use, nightclub entrance fees, laundry products, soaps, detergents, women's clothing, and personal hygiene products. The City of Belmopan recorded the lowest inflation rate for December 2022 at 4.5 percent, as consumers in this city saw lower than average increases in prices for food items, taxi fares, restaurant services, laundry products, soaps, and detergents (see Figure 3).



## Month-Over-Month Inflation Rates<sup>2</sup>:

Over the one-month period between November 2022 and December 2022, consumer prices saw a marginal decline of 0.2 percent on average. This was mainly due to a 2.8 percent decrease in the 'Transport' category, the result of lower prices for regular gasoline and butane fuel at the pump. Additionally, the 'Housing, Water, Electricity, Gas and Other fuels' category decreased by 0.5 percent, due to the decrease in LPG prices. These reductions mostly offset a 1.7 percent increase in the 'Food and Non-Alcoholic Beverages' category, reflecting higher prices for fresh produce, meats, oils, and cereals.

**Table 2: Month to Month Inflation Rates by Category (%); December 2022**

	December 2022
<b>ALL ITEMS</b>	<b>-0.2%</b>
Food and Non-Alcoholic Beverages	1.7%
Alcoholic Beverages, Tobacco and Narcotics	0.0%
Clothing and Footwear	0.0%
Housing, Water, Electricity, Gas and Other Fuels	-0.5%
Furnishings, Household Equipment and Routine Household Maintenance	0.0%
Health	0.0%
Transport	-2.8%
Information and Communication	0.0%
Recreation, Sport and Culture	0.0%
Education Services	0.0%
Restaurants and Accommodation Services	0.0%
Insurance and Financial Services	0.0%
Personal Care, Social Protection and Miscellaneous Goods and Services	0.0%

Source: Statistical Institute of Belize, 2023

## Annual Inflation Rate<sup>3</sup>:

The annual inflation rate for the year 2022, when compared to the year 2021, stood at 6.3 percent. Both the 'Transport' and 'Food and Non-Alcoholic Beverages' categories were the main contributors, accounting for more than three-quarters of the inflation experienced by consumers during the year 2022, with increases of 18.2 percent and 7.8 percent, respectively. While higher prices were seen across all types of motor vehicle fuels and passenger transport services during the year, price increases were also seen across all types of food items. 'Food and Non-Alcoholic Beverages', in particular, were observed to be rising at an accelerating rate throughout the year, starting at just 2.5 percent in January and ending at 13.8 percent in December. Higher prices were recorded for goods and services within most of the remaining categories for the year 2022, except for 'Information and Communication', which declined by 1.2 percent, as a result of lower prices for internet provision services (see Table 3).

**Table 3: Year to Date Inflation Rates by Category (%); December 2022**

	December 2022
<b>ALL ITEMS</b>	<b>6.3%</b>
Food and Non-Alcoholic Beverages	7.8%
Alcoholic Beverages, Tobacco and Narcotics	0.6%
Clothing and Footwear	0.6%
Housing, Water, Electricity, Gas and Other Fuels	2.1%
Furnishings, Household Equipment and Routine Household Maintenance	3.3%
Health	1.0%
Transport	18.2%
Information and Communication	-1.2%
Recreation, Sport and Culture	5.0%
Education Services	0.1%
Restaurants and Accommodation Services	5.7%
Insurance and Financial Services	-0.1%
Personal Care, Social Protection and Miscellaneous Goods and Services	1.0%

Source: Statistical Institute of Belize, 2023

<sup>2</sup> The month-over-month inflation rate measures the percentage change in prices between the previous month and the current month. It is useful for capturing short-term price changes but is also affected by seasonal price movements.

<sup>3</sup> The annual inflation rate for the year 2022 measures the percent change in the average CPI for the twelve months of 2022 compared to the average CPI for the twelve months of 2021.