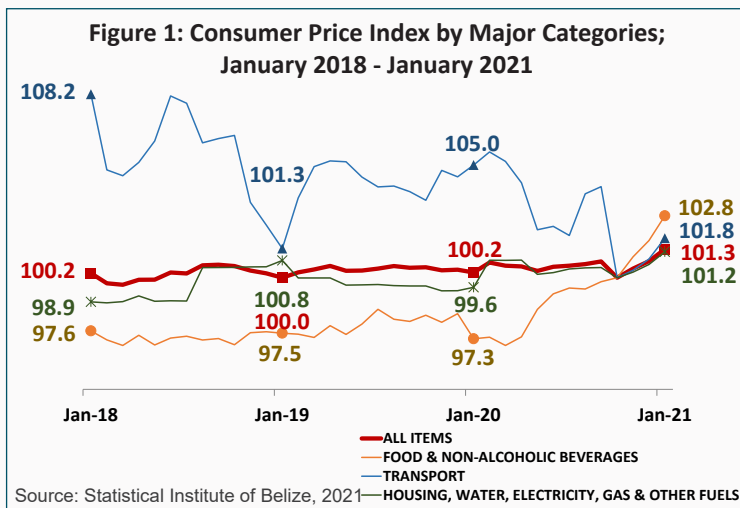




CONSUMER PRICES RISE 1% IN JANUARY 2021 COMPARED TO JANUARY 2020

ALL-ITEMS:

The most recent figures from the Statistical Institute of Belize's monthly Consumer Price Index (CPI) survey show that, for the first month of the year in 2021, the All-Items CPI stood at 101.3, an overall increase of 1 percent from 100.2 in the first month of the year in 2020 (see Figure 1). This indicates that, on average, while prices for some types of goods and services increased and others decreased, the goods and services most typically purchased by Belizean households cost 1 percent more in January 2021 than they did in January of 2020. This overall change was the net effect of higher costs for food items, personal care products and home rentals being counteracted by considerable reductions in prices for hotel accommodations and fuel.



FOOD AND NON-ALCOHOLIC BEVERAGES:

For the month of January 2021, the 'Food and Non-Alcoholic Beverages' category recorded a notable increase of 5.7 percent, the highest rate of inflation seen among the major categories, when compared to January 2020 (see Figure 2). Continuing the trend that has been evident since April of 2020, the 'Food' sub-category alone was responsible for the increase within this category, rising by 6.5 percent compared to January of last year, as higher prices were observed throughout most food groups. Most notably, prices for fresh vegetables were up by more than 30 percent compared to January 2020 and prices for fruits were almost 13 percent higher. Notably higher prices were observed for products such as tomatoes, red kidney beans, natural milk, cabbages, rice, watermelons, potatoes, onions, sweet peppers, whole chickens, and flour. Nonetheless, lower prices were recorded for some items, including ground beef, pork chops, beef steak and plantains (see Table 1).

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS:

In comparison to January 2020, the 'Housing, Water, Electricity, Gas, and Other Fuels' category saw an overall increase of 1.6 percent for the month of January 2021 (see Figure 2). This was largely the result of a 1.6 percent rise in home rental costs for the month, as higher rental prices were recorded in the municipalities of Belize City, San Ignacio/Santa Elena Town, Punta Gorda Town and the City of Belmopan. In addition, Liquefied Petroleum Gas (LPG) prices rose to their highest levels since October of 2019, with the average price of a hundred-pound cylinder of LPG increasing by \$7.26 from \$98.75 in January 2020 to \$106.01 in January 2021 (See Table 1).

Table 1: Average Prices of Selected Foods and Fuel (BZ \$); January 2020 and January 2021

Item	Unit of Measurement	Average Prices		% Change
		January 2020	January 2021	
Ground Beef	1 Lb	5.87	5.70	-2.9
Beef Steak	1 Lb	7.90	7.88	-0.3
Pork Chops	1 Lb	7.04	6.96	-1.1
Pig Tail	1 Lb	4.27	4.36	2.1
Whole Chicken	1 Lb	2.65	2.80	5.5
Sugar, White	1 Lb	0.88	0.82	-6.8
Sugar, Brown	1 Lb	0.53	0.56	5.2
Flour (Gitana)	1 Lb	0.91	0.97	6.6
Rice	1 Lb	1.15	1.29	12.2
Eggs	1 Dozen	3.37	3.54	5.0
Natural Milk	1 Litre	2.37	3.07	29.5
Red Kidney Beans	1 Lb	1.53	2.64	72.6
Pineapple	1 Lb	1.20	1.25	4.1
Orange	1 Unit	0.15	0.17	11.8
Watermelon	1 Lb	0.63	0.83	32.3
Plantain	1 Unit	0.36	0.34	-5.6
Sweet Pepper	1 Lb	3.30	3.89	18.0
Onions	1 Lb	1.91	2.24	17.2
Tomato	1 Lb	1.74	3.58	106.0
Cabbage	1 Lb	1.42	2.18	53.6
Limes	1 Unit	0.24	0.27	12.5
Potatoes	1 Lb	1.56	1.83	17.1
Belikin Beer (w/out bottle)	284 ml	2.98	3.02	1.4
Premium Gasoline	1 Gal	10.85	9.28	-14.5
Regular Gasoline	1 Gal	10.16	9.36	-7.9
Diesel	1 Gal	10.01	8.83	-11.8
Liquefied Petroleum Gas (LPG)	100 Lbs	98.75	106.01	7.4

Source: Statistical Institute of Belize, 2021

PERSONAL CARE, SOCIAL PROTECTION AND MISCELLANEOUS GOODS AND SERVICES:

Prices within the 'Personal Care, Social Protection and Miscellaneous Goods and Services' category were up by 2.2 percent on average for the month of January 2021, when compared to January 2020 (see Figure 2). This increase was mainly due to a 2.7 percent rise in the 'Personal Care' sub-category, with higher prices being recorded for personal hygiene products for the first month of the year.

TRANSPORT:

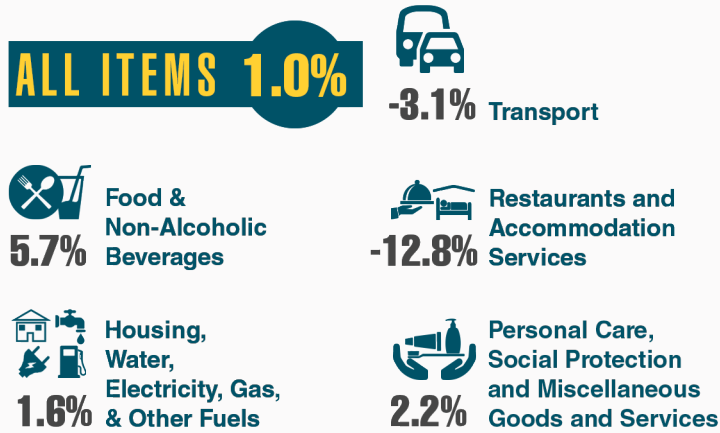
Although fuel prices have trended steadily upward since May of 2020, as of January 2021 they had not yet returned to the levels observed in early 2020. As a result, the 'Transport' category recorded an overall deflation of 3.1 percent for the month of January 2021 when compared to January 2020 (see Figure 2). Prices within the 'Fuels and Lubricants' sub-category were 8.8 percent lower than they were in January 2020. At the pump, the average price per gallon of premium gasoline was down by \$1.57 from \$10.85 in January 2020 to \$9.28 in January 2021, while diesel was down by \$1.18 from \$10.01 to \$8.83 and regular gasoline was down by

\$0.80 from \$10.16 to \$9.36 (see Table 1). In addition, lower prices for motor oils were also recorded for the month of January 2021. Despite these decreases, international airfares and taxi fares were both up in comparison to January of last year.

RESTAURANTS AND ACCOMMODATION SERVICES:

The 'Restaurants and Accommodation Services' category saw a significant drop of 12.8 percent for the month of January 2021 when compared to January 2020 (see Figure 2). The overall decrease in prices for this category was mainly due to a significant drop of 24.4 percent in hotel accommodation rates. A smaller 0.4 percent decline was seen in the 'Food and Beverage Service' sub-category during the month of January 2021, as a result of lower prices in restaurants and cafes when compared to January 2020.

Figure 2: Inflation Rates for Selected Major Categories; January 2021

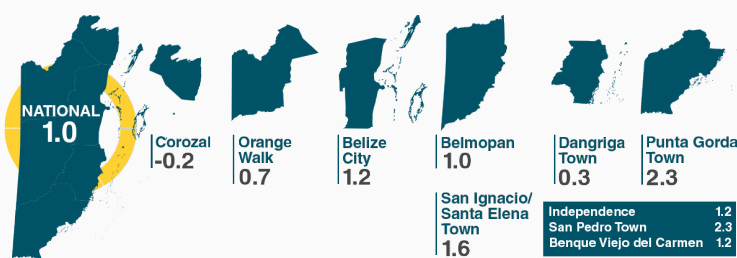


Source: Statistical Institute of Belize, 2021

INFLATION RATES BY MUNICIPALITY:

Among the country's municipalities, Punta Gorda Town experienced the highest rate of increase in consumer prices for January 2021, with an inflation rate of 2.3 percent. Consumers in this municipality saw above average increases in prices for food, pharmaceutical products, and home rental costs. Corozal Town, on the other hand, recorded the lowest inflation rate, with prices going down by 0.2 percent on average when compared to January 2020. Consumers in this town saw greater than average price reductions in footwear for women, clothing, and hotel accommodation rates (see Figure 3).

Figure 3: Inflation Rates by Municipality (%); January 2021



Source: Statistical Institute of Belize, 2021

MONTH TO MONTH INFLATION RATES:

While inflation rates are generally calculated as the percent change in prices for specific items between the current time period and the same period of the previous year, another useful measure for tracking short-term changes in consumer prices is the month-over-month or inter-monthly inflation rate, which measures the percent change in prices between the previous month and the current month. During the one-month period between December 2020 and January 2021, consumer prices rose by 0.5 percent on average. Across the various categories, 'Food and Non-Alcoholic Beverages' had the most pronounced inter-monthly change, with an increase of 1.1 percent, primarily as a result of higher prices for fresh vegetables and fruits. The 'Transport' category saw a 0.9 percent rise between December 2020 and January 2021, due mostly to a rise in all types of motor vehicle fuels. The 'Housing, Water, Electricity, Gas and Other Fuels' category recorded a 0.6 percent increase over the one-month period, as higher LPG prices were recorded in January 2021 when compared to December 2020.

Table 2: Inflation Rates by Category (%); January 2021

Category	January 2021 (%)
ALL ITEMS	1.0%
Food and Non-Alcoholic Beverages	5.7%
Alcoholic Beverages, Tobacco and Narcotics	-0.6%
Clothing and Footwear	0.0%
Housing, Water, Electricity, Gas and Other Fuels	1.6%
Furnishings, Household Equipment and Routine Household Maintenance	-0.8%
Health	0.0%
Transport	-3.1%
Information and Communication	-3.5%
Recreation, Sport and Culture	0.5%
Education Services	-0.2%
Restaurants and Accommodation Services	-12.8%
Insurance and Financial Services	0.0%
Personal Care, Social Protection and Miscellaneous Goods and Services	2.2%

Source: Statistical Institute of Belize, 2021