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Press release

Philipsburg, 23 February 2010

Consumer prices Sint Maarten December 2009

Prices 0.6 percent higher than in October

Annual inflation rate in 2009 at 0.7 percent

In December 2009, the consumer price index for Sint Maarten has increased by 0.6 percent compared to October 2009.

Over the period of twelve months ending with December 2009, average consumer prices have increased by 0.7 percent compared to the same period one year earlier.

This appears from data presented by the Central Bureau of Statistics (CBS).

Price changes between October and December 2009

In December 2009, the consumer price index for Sint Maarten has increased by 0.6 percent compared to October 2009.

This increase is the result of three kinds of price development in December last year. First, four expenditure categories became more expensive: Housing (+1.6%), Food (+0.4%), Miscellaneous (+0.4%) and Recreation and education (+0.1%).

Secondly the prices of three expenditure categories stabilized: Clothing and footwear, Medical care and Transport and communication.

Thirdly the two remaining expenditure categories became cheaper: Household furnishing and appliances (-0,6%) and Beverages and tobacco (-0.4%).

As far as the specific products are concerned, there are a few developments worth mentioning.

The increase in the category Housing was mainly due to the increase in the prices of electricity (+8%) and cooking gas (+4%). In the category Food, potatoes became cheaper (-6%), whilst ham became more expensive (+6%). The category Miscellaneous has especially the price increase of pet food (+5%) as an important contributing factor to the higher cost of living. In the category Transport and communication the price of gasoline (+6%) increased, whilst the price of new cars (-2%) decreased. In the category Household furnishing and appliances the price decrease of insecticides (-5%) is worth mentioning.

Long-term inflation

In 2009, year-average prices were 0.7 percent higher than in 2008. According to the CBS, this is a good indicator for the long-term inflation rate. The annual inflation rate has decreased tremendously, with 85 percent, compared to the inflation of 2008 (+4.6%). The inflation of 2009 is the lowest on the island since 2002, when the inflation level was 0.5 percent. The annual inflation rate for 2009 also represents the inflation rate for the month December 2009.

The two expenditure categories with the most influence on the inflation of Sint Maarten over 2009, albeit in opposite directions, are Food and Housing.

In the past year Food showed, with 9.3 percent, the largest price increase, thus contributing with 137 percent to the total inflation. Especially cereal products (+15.0%), fats and cooking oils (+13.0%) and meat and fish (+12.7%) became more expensive.

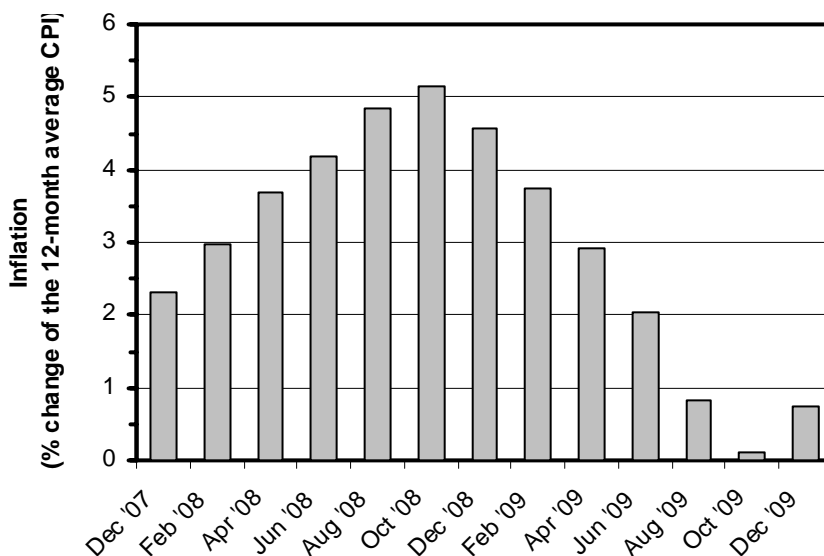
Housing (-1.9%), on the contrary, has become cheaper in the past year. This was caused by the lower energy expenses (-17.9%), due to cheaper electricity (-19%) and cooking gas (-30%). The price increases of dwelling costs (rent) and maintenance of dwelling with 2.3 and 3.9 percent respectively are hereby neutralized. Housing contributes to the inflation in 2009 by -105 percent.

Noteworthy are finally the expenditure categories Household furnishing and appliances and Transport and communication.

The prices of Household furnishing and appliances increased by 4.4 percent in 2009, hereby contributing with more than a third to the inflation over 2009. This was due to especially household appliances and tools (+9.1%), household articles (+8.7%), household expenses n.e.s.¹ (+8.3%), furniture and illumination (+4.6%) and domestic services (+4.2%).

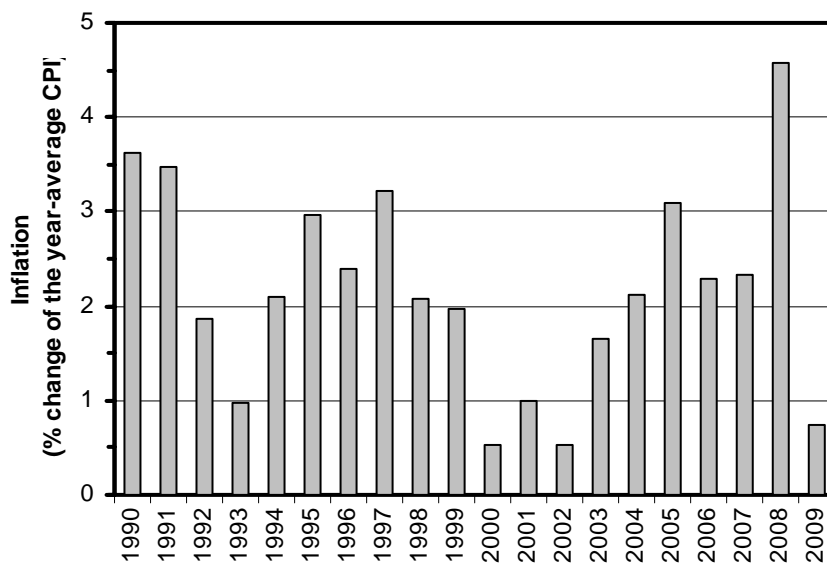
The prices of Transport and communication decreased by -1.2 percent in 2009, mainly due to the price decrease of gasoline and gas oil with respectively 26 and 30 percent. The expenses for own transport vehicles were enormously lowered by this. Taking also into account the price decrease of communication (-1.0%), the expenditure category Transport and communication became overall cheaper in 2009, even though the prices of new cars increased with 4.9 percent. This expenditure category contributes with more than a third to suppress the inflation of St Maarten in 2009.

Inflation Sint Maarten in the past 2 years



¹ N.e.s. = not earlier specified.

Inflation Sint Maarten in the past 20 years



Contributing parts of inflation St Maarten 2009

