



CONSUMER PRICE INDEX (CPI) RELEASE

**BASE PERIOD: NOVEMBER 2019 = 1000
SECOND QUARTER 2023**

**TUVALU CENTRAL STATISTICS DIVISION
Ministry of Finance
Government of Tuvalu**

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GLOSSARY

All Group	The aggregate of all subgroups.
Annual Inflation Rate	The rate at which price has changed when comparing the prices for the target quarter to prices of the same quarter in the previous year.
Average Annual Inflation Rate	The average of the annual inflation rates of the current quarter and the three previous quarters.
CPI	Consumer Price Index is an index used to measure the variation of prices of a basket of goods.
HIES	Household Income and Expenditure Survey
Subgroup	The aggregate of all items that are categorized therein.
Quarterly Inflation Rate	The rate at which price has changed when comparing the target quarter to the previous quarter.

EXECUTIVE SUMMARY

The Consumer Price Index (CPI) is an index system used to measure the variation of prices of selected items over a certain period of time. The selected items are collectively labeled as the basket of goods for the CPI and are usually determined from the Household Income and Expenditure Survey (HIES). This release aims to provide information on the volatility of prices based on the prices collected for the second quarter of 2023. Annual inflation of 6.0%, average annual inflation of 11.5%, and quarterly inflation of 0.5% are observed.

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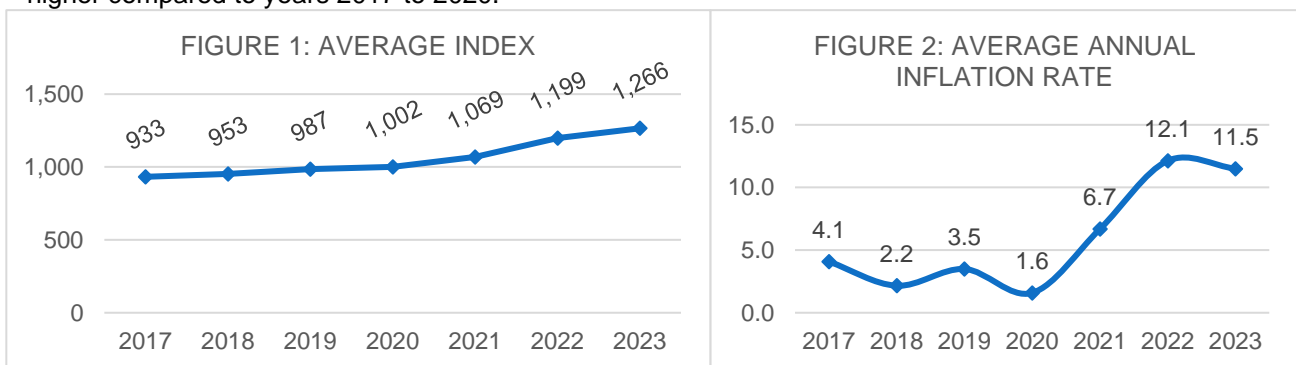
KEY INDICATORS

ALL GROUP INDEX

Quarterly Change	2023 Q1	2023 Q2
All Group Index	1,262.4	1,269.0
Inflation		0.5%
Annual Change	2022 Q2	2023 Q2
All Group Index	1,197.3	1,269.0
Inflation		6.0%
Average Annual Change		Year 2022 to 2023
Inflation		11.5%

PRICE TRENDS

Figure 1 below shows the trend of the average annual price index and Figure 2 shows the trend in the annual inflation rate. The increase in prices may not be alarming when assessing Figure 1 but it definitely demands attention when assessing Figure 2. Prices have steeply increased from 2020 onward but it appears to be normalizing in 2023. However, it is noted that the average annual inflation rate for 2023 is higher compared to years 2017 to 2020.

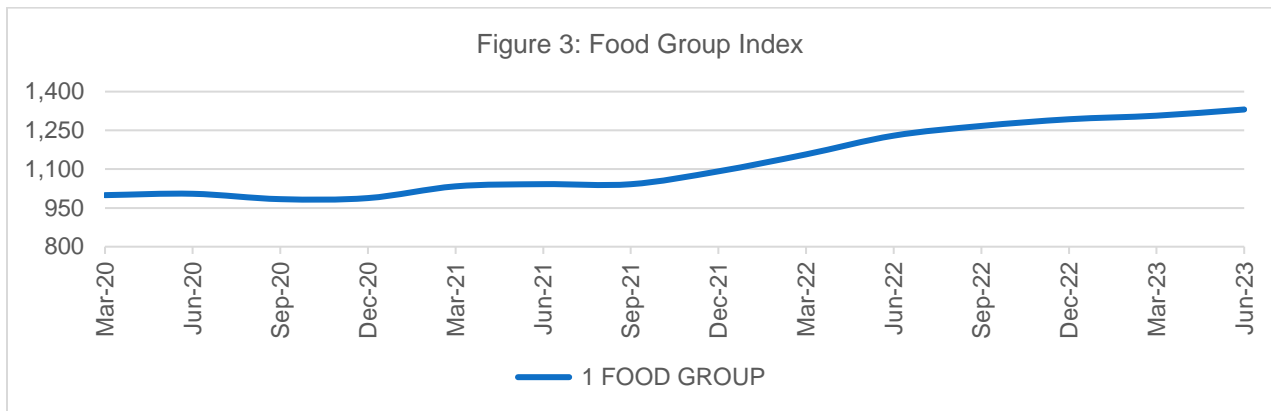


ANALYTICAL SUMMARY

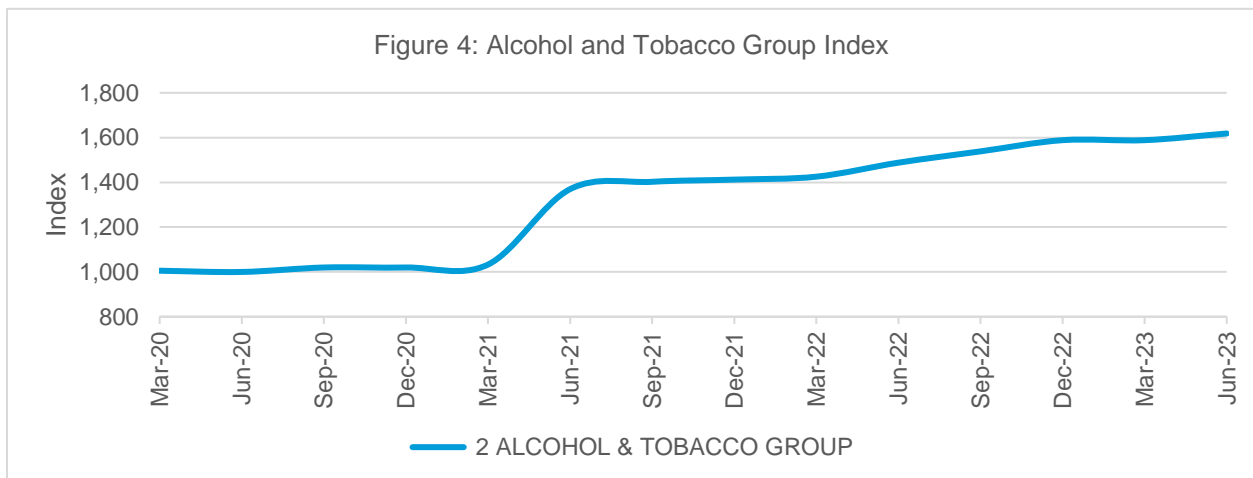
QUARTERLY CHANGE

The changes described below are a comparison of the indices of the current quarter (2023 Q1) and the previous quarter (2022 Q4).

1. **Food** index increased by 1.8% and was influenced by:
 - a. Cereals which increased by 6.2%.
 - b. Beverages which increased by 3.7%.
 - c. Meat which increased by 2.2%.



2. **Alcohol and Tobacco** increased by 1.9% due to the increase in the price of cigarettes at one of the outlets.



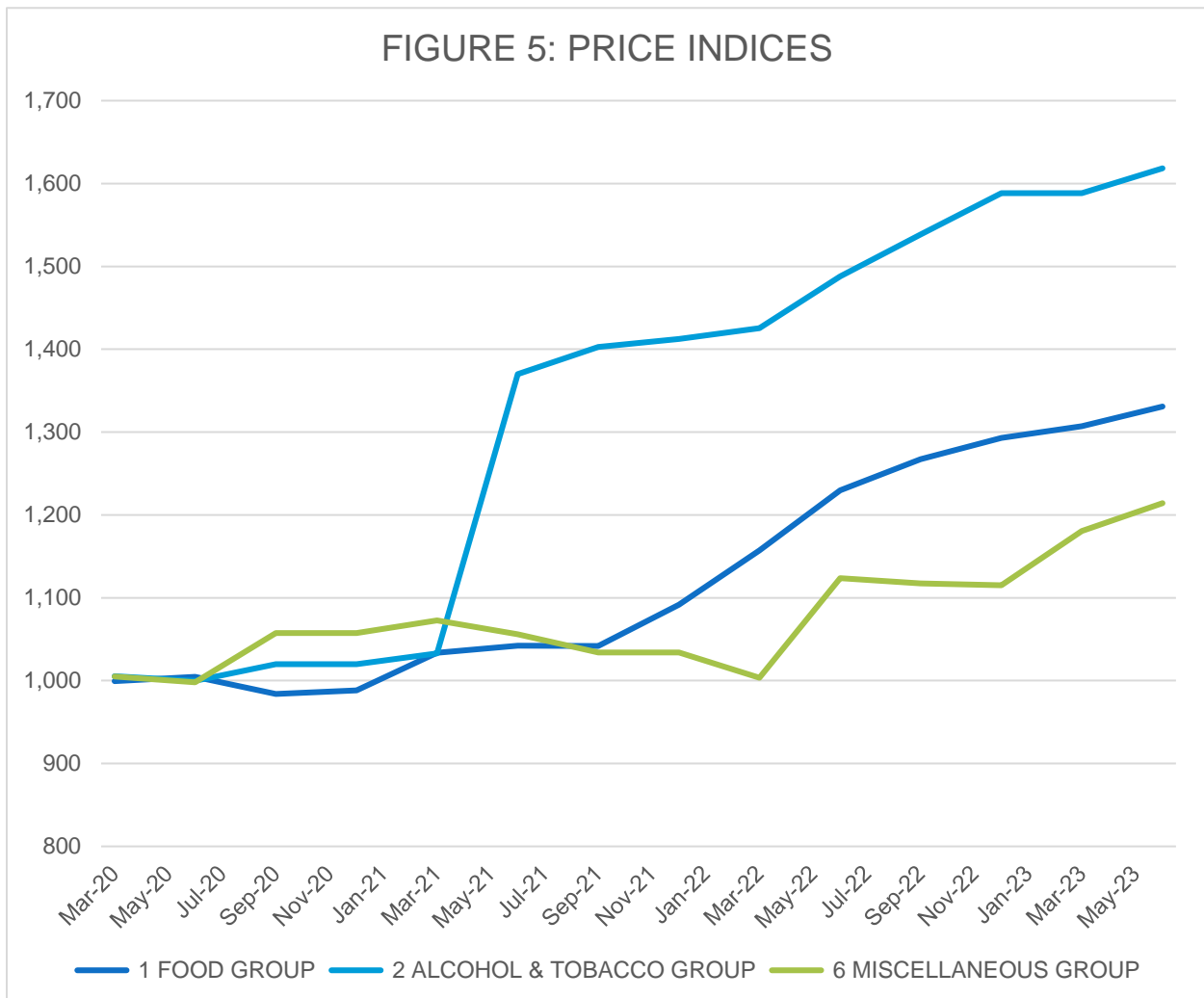
3. **Clothing and textile** decreased by 12.7%, mainly influenced by the decrease in prices of textiles.
4. **Transport** decreased by 7.6% due to a 7.6% decrease in prices of motorcycles at one of the outlets.
5. **Housing** increased by 0.6% due to an increase in the cost of maintenance materials.
6. **Miscellaneous** increased by 0.5% and was influenced by an increase in prices of cleaning materials

ANNUAL CHANGE

The changes described in this section are a comparison of the price index for the second quarter of 2023 with the second quarter of 2022 and only the top three notable increases will be detailed below.

1. The index for the Alcohol and Tobacco Group increased by 9% as is mainly caused by a 10% increase in the prices of cigarettes.
2. The Food Group index increased by 8% and mainly influenced by an increase in the prices of vegetables and fruits, cooking oil and fats such as butter, and miscellaneous food which include restaurant meals and condiments.
3. The Miscellaneous Group index increased by 8% and is mainly due to the increase in call rates, the prices of residential internet, and cleaning materials.

On the other hand, a decrease in the indices of the Clothing and Textile and the Transport Group is observed and is mainly due to a decrease in the price of textile for the former and a decrease in prices of motorcycles for the latter.



APPENDIX

TABLE 1: INDICES & INFLATION RATES

YEAR	QUARTER	INDEX		INFLATION RATE (%)		
		TOTAL	AVERAGE	Annual	Average Annual	Quarterly
2017	Mar-17	927	933.1	4.1	4.1	2.6
	Jun-17	929		4.2		0.2
	Sep-17	935		3.7		0.6
	Dec-17	942		4.3		0.8
2018	Mar-18	948	953.2	2.3	2.2	0.6
	Jun-18	945		1.8		-0.3
	Sep-18	956		2.3		1.1
	Dec-18	964		2.3		0.9
2019	Mar-19	970	986.5	2.3	3.5	0.6
	Jun-19	983		4.0		1.4
	Sep-19	993		3.9		1.0
	Dec-19	1,000		3.7		0.7
2020	Mar-20	1,003.7	1,002.0	3.5	1.6	0.4
	Jun-20	1,005.2		2.3		0.1
	Sep-20	998		0.5		-0.7
	Dec-20	1,000.8		0.1		0.2
2021	Mar-21	1,035.0	1,068.9	3.1	6.7	3.4
	Jun-21	1,068.7		6.3		3.3
	Sep-21	1,073.2		7.5		0.4
	Dec-21	1,098.6		9.8		2.4
2022	Mar-22	1,124.7	1,199.2	8.7	12.1	2.4
	Jun-22	1,197.3		11.9		6.5
	Sep-22	1,225.9		14.2		2.4
	Dec-22	1,248.9		13.7		1.9
2023	Mar-23	1,262.4	1265.7	12.2	11.5	1.1
	Jun-23	1269.0		6.0		0.5

TABLE 2: PRICE INDICES BY QUARTER

ITEMS	2020				2021				2022				2023	
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
1. FOOD														
1.1 MEAT	966	956	930	931	1,001	1,010	1,001	1,120	1,278	1,435	1,418	1,434	1,440	1,471
1.2 FISH	1,183	1,170	1,111	1,208	1,231	1,249	1,249	1,249	1,298	1,309	1,371	1,481	1,478	1,423
1.3 DAIRY PRODUCE	955	989	998	998	1,005	964	977	1,001	1,058	1,309	1,272	1,305	1,444	1,445
1.4 CEREALS	989	996	1,004	991	1,032	1,039	1,049	1,051	1,080	1,096	1,172	1,183	1,142	1,213
1.5 SUGAR AND SWEETS	1,025	1,033	964	964	976	958	962	1,035	1,036	1,067	1,120	1,106	1,167	1,147
1.6 VEGETABLES AND FRUITS	980	1,028	952	952	913	922	930	949	974	827	964	1,095	1,056	1,074
1.7 BEVERAGES	1,011	1,022	1,099	1,099	1,266	1,266	1,225	1,241	1,244	1,254	1,322	1,327	1,334	1,383
1.8 COOKING OIL & FATS	974	1,002	941	941	1,050	1,083	1,074	1,108	1,096	1,163	1,293	1,365	1,328	1,346
1.9 MISCELLANEOUS FOOD	1,020	1,035	1,009	1,009	1,030	1,157	1,157	1,162	1,164	1,164	1,207	1,229	1,401	1,371
1 FOOD GROUP	999	1,005	984	988	1,034	1,042	1,042	1,092	1,157	1,230	1,267	1,293	1,307	1,331
2. ALCOHOL & SMOKES														
2.1 ALCOHOL	1,013	1,000	1,047	1,047	1,050	1,043	1,053	1,076	1,076	1,146	1,219	1,245	1,245	1,222
2.2 TOBACCO	1,000	1,000	1,000	1,000	1,020	1,610	1,659	1,659	1,682	1,739	1,773	1,841	1,841	1,909
2 ALCOHOL & TOBACCO GROUP	1,005	1,000	1,020	1,020	1,033	1,370	1,403	1,412	1,425	1,488	1,539	1,589	1,589	1,618
3. CLOTHING & TEXTILES														
3.1 CLOTHINGS	1,036	1,036	1,139	1,139	1,070	1,107	1,070	1,126	981	981	1,128	1,128	1,105	1,018
3.2 TEXTILE	1,297	1,297	1,297	1,297	676	595	595	595	541	514	703	703	584	324
3 CLOTHING & TEXTILES GROUP	1,095	1,095	1,175	1,175	982	992	964	1,007	882	876	1,032	1,032	988	862
4. Transport														
4.1 SHIP FARES	1,000	1,000	1,000	1,000	1,122	1,122	1,122	1,122	1,122	1,060	1,060	1,060	1,083	1,060
4.2 AIR FARES	1,000	1,000	700	700	1,252	1,252	1,252	1,252	1,252	839	858	858	858	841
4.4 PRIVATE TRANSPORT	1,000	1,000	941	947	1,004	1,002	1,038	1,038	1,048	1,168	1,223	1,250	1,234	1,140
4 TRANSPORT GROUP	1,000	1,000	925	930	1,025	1,024	1,056	1,056	1,065	1,141	1,192	1,216	1,202	1,116
5. Housing														
5.1 HOUSE RENTAL	1,000	1,000	999	999	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
5.2 HOUSE MAINTENANCE	1,025	1,058	1,114	1,114	1,036	1,036	1,036	1,143	1,143	1,143	1,153	1,153	1,347	1,485
5.3 FUEL AND ELECTRICITY	1,007	1,009	1,011	1,011	1,011	1,013	1,018	1,018	1,018	1,099	1,099	1,117	1,118	1,119
5.4 HOUSEHOLDS APPLIANCES	1,000	1,000	997	997	1,168	1,151	1,167	1,167	1,167	1,167	1,087	1,173	1,143	1,129
5 HOUSING GROUP	1,006	1,009	1,013	1,013	1,025	1,024	1,029	1,035	1,035	1,086	1,079	1,099	1,107	1,114
6. Miscellaneous														
6.1 EDUCATION	1,000	959	1,320	1,320	1,587	1,252	1,252	1,252	1,230	1,233	1,316	1,316	1,411	1,160
6.2 TELECOM	1,000	1,000	1,058	1,058	1,058	1,058	982	982	874	1,196	1,196	1,196	1,391	1,391
6.3 ENTERTAINMENT	1,000	1,000	1,000	1,000	1,005	1,026	1,038	1,038	1,034	1,022	1,064	1,064	1,037	1,057
6.4 TOILETRIES	1,038	1,014	1,086	1,086	1,033	1,033	1,095	1,095	1,084	1,194	1,147	1,131	1,188	1,189
6.5 CLEANING MATERIALS	1,000	996	1,031	1,031	1,046	1,046	1,011	1,011	1,026	1,073	1,031	1,031	997	1,181
6.6 MISCELLANEOUS	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,686	1,000
6 MISCELLANEOUS GROUP	1,005	998	1,058	1,058	1,073	1,056	1,034	1,034	1,004	1,124	1,117	1,115	1,181	1,214
Total All Group Expenditure	1,004	1,005	998	1,001	1,035	1,069	1,073	1,099	1,125	1,197	1,226	1,249	1,262	1,269

TABLE 3: ANNUAL CHANGES

ITEMS	2021				2022				2023	
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
1. FOOD										
1.1 MEAT	4%	6%	8%	20%	28%	42%	42%	28%	13%	3%
1.2 FISH	4%	7%	12%	3%	5%	5%	10%	19%	14%	9%
1.3 DAIRY PRODUCE	5%	-3%	-2%	0%	5%	36%	30%	30%	37%	10%
1.4 CEREALS	4%	4%	4%	6%	5%	5%	12%	13%	6%	11%
1.5 SUGAR AND SWEETS	-5%	-7%	0%	7%	6%	11%	16%	7%	13%	8%
1.6 VEGETABLES AND FRUITS	-7%	-10%	-2%	0%	7%	-10%	4%	15%	8%	30%
1.7 BEVERAGES	25%	24%	11%	13%	-2%	-1%	8%	7%	7%	10%
1.8 COOKING OIL & FATS	8%	8%	14%	18%	4%	7%	20%	23%	21%	16%
1.9 MISCELLANEOUS FOOD	1%	12%	15%	15%	13%	1%	4%	6%	20%	18%
1 FOOD GROUP	3%	4%	6%	10%	12%	18%	22%	18%	13%	8%
2. ALCOHOL & SMOKES										
2.1 ALCOHOL	4%	4%	1%	3%	2%	10%	16%	16%	16%	7%
2.2 TOBACCO	2%	61%	66%	66%	65%	8%	7%	11%	9%	10%
2 ALCOHOL & TOBACCO GROUP	3%	37%	38%	38%	38%	9%	10%	12%	11%	9%
3. CLOTHING & TEXTILES										
3.1 CLOTHINGS	3%	7%	-6%	-1%	-8%	-11%	5%	0%	13%	4%
3.2 TEXTILE	-48%	-54%	-54%	-54%	-20%	-14%	18%	18%	8%	-37%
3 CLOTHING & TEXTILES GROUP	-10%	-9%	-18%	-14%	-10%	-12%	7%	3%	12%	-2%
4. Transport										
4.1 SHIP FARES	12%	12%	12%	12%	0%	-5%	-5%	-5%	-3%	0%
4.2 AIR FARES	25%	25%	79%	79%	0%	-33%	-31%	-31%	-31%	0%
4.4 PRIVATE TRANSPORT	0%	0%	10%	10%	4%	17%	18%	20%	18%	-2%
4 TRANSPORT GROUP	3%	2%	14%	14%	4%	11%	13%	15%	13%	-2%
5. Housing										
5.1 HOUSE RENTAL	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5.2 HOUSE MAINTENANCE	1%	-2%	-7%	3%	10%	10%	11%	1%	18%	30%
5.3 FUEL AND ELECTRICITY	0%	0%	1%	1%	1%	9%	8%	10%	10%	2%
5.4 HOUSEHOLDS APPLIANCES	17%	15%	17%	17%	0%	1%	-7%	0%	-2%	-3%
5 HOUSING GROUP	2%	2%	2%	2%	1%	6%	5%	6%	7%	3%
6. Miscellaneous										
6.1 EDUCATION	59%	30%	-5%	-5%	-23%	-1%	5%	5%	15%	-6%
6.2 TELECOM	6%	6%	-7%	-7%	-17%	13%	22%	22%	59%	16%
6.3 ENTERTAINMENT	0%	3%	4%	4%	3%	0%	2%	2%	0%	3%
6.4 TOILETRIES	0%	2%	1%	1%	5%	16%	5%	3%	10%	0%
6.5 CLEANING MATERIALS	5%	5%	-2%	-2%	-2%	3%	2%	2%	-3%	10%
6.6 MISCELLANEOUS	0%	0%	0%	0%	0%	0%	0%	0%	69%	0%
6 MISCELLANEOUS GROUP	7%	6%	-2%	-2%	-6%	6%	8%	8%	18%	8%
Total All Group Expenditure	3%	6%	8%	10%	9%	12%	14%	14%	12%	6%

TABLE 4: PERCENTAGE QUARTERLY CHANGES

ITEMS	2021				2022				2023	
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
1. FOOD										
1.1 MEAT	7.5%	0.9%	-0.9%	11.8%	14.1%	12.3%	-1.1%	1.1%	0.4%	2.2%
1.2 FISH	1.9%	1.4%	0.0%	0.0%	4.0%	0.8%	4.7%	8.0%	-0.2%	-3.7%
1.3 DAIRY PRODUCE	0.7%	-4.1%	1.4%	2.4%	5.7%	23.8%	-2.9%	2.6%	10.6%	0.1%
1.4 CEREALS	4.1%	0.7%	0.9%	0.2%	2.8%	1.5%	6.9%	1.0%	-3.5%	6.2%
1.5 SUGAR AND SWEETS	1.2%	-1.8%	0.4%	7.6%	0.1%	3.0%	4.9%	-1.2%	5.4%	-1.7%
1.6 VEGETABLES AND FRUITS	-4.1%	0.9%	0.9%	2.1%	2.6%	-15.2%	16.7%	13.5%	-3.5%	1.7%
1.7 BEVERAGES	15.1%	0.0%	-3.2%	1.3%	0.2%	0.8%	5.4%	0.4%	0.5%	3.7%
1.8 COOKING OIL & FATS	11.6%	3.2%	-0.9%	3.1%	-1.0%	6.1%	11.1%	5.6%	-2.7%	1.3%
1.9 MISCELLANEOUS FOOD	2.0%	12.4%	0.0%	0.4%	0.1%	0.0%	3.7%	1.8%	14.0%	-2.1%
1 FOOD GROUP	4.6%	0.8%	0.0%	4.8%	6.0%	6.3%	3.1%	2.0%	1.1%	1.8%
2. ALCOHOL & SMOKES										
2.1 ALCOHOL	0.3%	-0.6%	0.9%	2.2%	0.0%	6.6%	6.4%	2.1%	0.0%	-1.8%
2.2 TOBACCO	2.0%	57.7%	3.1%	0.0%	1.4%	3.4%	2.0%	3.8%	0.0%	3.7%
2 ALCOHOL & TOBACCO GROUP	1.3%	32.6%	2.4%	0.7%	0.9%	4.4%	3.4%	3.2%	0.0%	1.9%
3. CLOTHING & TEXTILES										
3.1 CLOTHINGS	-6.0%	3.4%	-3.3%	5.2%	-12.9%	0.0%	15.0%	0.0%	-2.1%	-7.8%
3.2 TEXTILE	-47.9%	-12.0%	0.0%	0.0%	-9.1%	-5.0%	36.8%	0.0%	-16.9%	-44.4%
3 CLOTHING & TEXTILES GROUP	-16.4%	1.0%	-2.9%	4.5%	-12.4%	-0.7%	17.8%	0.0%	-4.3%	-12.7%
4. TRANSPORT										
4.1 SHIP FARES	12.2%	0.0%	0.0%	0.0%	0.0%	-5.5%	0.0%	0.0%	2.1%	-2.1%
4.2 AIR FARES	78.9%	0.0%	0.0%	0.0%	0.0%	-33.0%	2.2%	0.0%	0.0%	-2.0%
4.4 PRIVATE TRANSPORT	6.0%	-0.2%	3.6%	0.0%	1.0%	11.4%	4.8%	2.2%	-1.3%	-7.6%
4 TRANSPORT GROUP	10.3%	-0.2%	3.1%	0.0%	0.9%	7.1%	4.5%	2.0%	-1.2%	-7.2%
5. HOUSING										
5.1 HOUSE RENTAL	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5.2 HOUSE MAINTENANCE	-7.0%	0.0%	0.0%	10.4%	0.0%	-0.1%	0.9%	0.0%	16.8%	10.2%
5.3 FUEL AND ELECTRICITY	0.0%	0.2%	0.5%	0.0%	0.0%	7.9%	0.0%	1.7%	0.0%	0.1%
5.4 HOUSEHOLDS APPLIANCES	17.2%	-1.4%	1.4%	0.0%	0.0%	0.0%	-6.9%	7.9%	-2.5%	-1.2%
5 HOUSING GROUP	1.2%	-0.1%	0.5%	0.6%	0.0%	4.9%	-0.6%	1.8%	0.8%	0.6%
6. MISCELLANEOUS										
6.1 EDUCATION	20.3%	-21.2%	0.0%	0.0%	-1.7%	0.2%	6.8%	0.0%	7.2%	-17.8%
6.2 TELECOM	0.0%	0.0%	-7.2%	0.0%	-11.1%	36.9%	0.0%	0.0%	16.3%	0.0%
6.3 ENTERTAINMENT	0.5%	2.2%	1.2%	0.0%	-0.4%	-1.1%	4.0%	0.0%	-2.5%	1.9%
6.4 TOILETRIES	-4.8%	0.0%	6.0%	0.0%	-1.0%	10.2%	-3.9%	-1.4%	5.1%	0.0%
6.5 CLEANING MATERIALS	1.5%	0.0%	-3.3%	0.0%	1.4%	4.6%	-4.0%	0.0%	-3.3%	18.4%
6.6 MISCELLANEOUS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	68.6%	-40.7%
6 MISCELLANEOUS GROUP	1.4%	-1.6%	-2.1%	0.0%	-2.9%	12.0%	-0.6%	-0.2%	5.9%	2.9%
TOTAL ALL GROUP EXPENDITURE	3.4%	3.3%	0.4%	2.4%	2.4%	6.5%	2.4%	1.9%	1.1%	0.5%