



Isle of Man
Government

Reilthys Ellan Vannin

Isle of Man Inflation Report March 2020

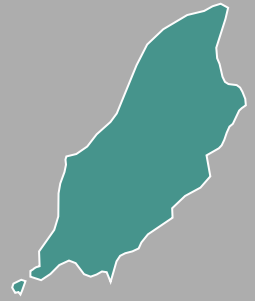
Economic Affairs

Cabinet Office

April 2020

ISLE OF MAN INFLATION

MARCH 2020



KEY POINTS FOR MARCH 2020

CONSUMER PRICES INDEX

1.8%

CONSUMER PRICES INDEX (CPI)

The annual rate of inflation as measured by CPI for March 2020 is 1.8%, this is a decrease of -0.8% from February 2020.

Inflation as measured by the Consumer Price Index is 1.8% for March 2020.

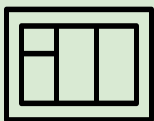
Transport is the most significant contributor to the rate of inflation, responsible for 0.6% of the 12-month rate. Air fares, both off the Island and further afield have increased, as has the cost of driving lessons.

Recreation and culture is the second biggest contributor, contributing to a 0.5% increase towards the overall increase in the rate of inflation over the 12-month period. Within this category, the cost of Subscription to internet underwent the single largest increase compared to last year.

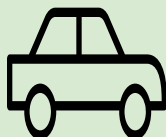
Of the four categories showing a decrease in prices compared to last year, Clothing and footwear and Housing, water, electricity, gas and other fuels experienced the largest decreases. Within Housing, water, electricity, gas and other fuels, Oil and other fuels is the biggest contributor with a -14.2% decrease in prices, and within Clothing and footwear, outerwear for men, women, and children have all decreased in prices.

LARGEST CATEGORY MOVEMENTS OVER 12 MONTHS TO MARCH (CPI)

INCREASES



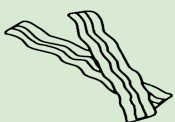
Window cleaning
+20.0%



Driving Lessons
+11.1%



Subscriptions to internet
+13.5%



Pork
+18.1%



Postage
+9.6%



Air travel
+20.8%

DECREASES



Men's Outerwear
-12.4%



Children Outerwear
-13.3%



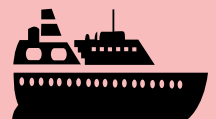
Women's Outerwear
-8.6%



Oils and other fuels
-14.2%



Vegetables
-6.0%



Sea Travel
-6.6%

ISLE OF MAN INFLATION

MARCH 2020
OVERALL CPI 1.8%



12 MONTH CHANGE CATEGORY MOVEMENTS (CPI)



Food and Non-
Alcoholic Beverages
-0.2%



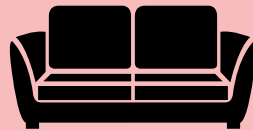
Alcoholic Beverages
and Tobacco
+1.9%



Clothing and
Footwear
-4.9%



Housing, Water,
Electricity, Gas and
Other Fuels
-1.2%



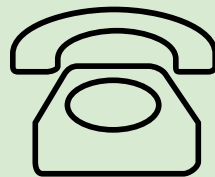
Furniture, Household
Equipment and
Maintenance
-0.6%



Health
+1.5%



Transport
+3.6%



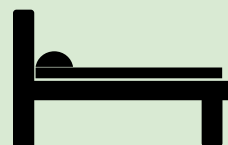
Communication
+4.1%



Recreation and
Culture
+2.6%



Education
+2.0%



Restaurants and
Hotels
+5.0%



Miscellaneous
Goods and Services
+5.1%

Table 1 - Isle of Man Consumer Prices Index - Summary March 2020

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food and non-alcoholic beverages	148	121.4	-0.6%	-0.2%	0.0%
Alcoholic beverages and tobacco	39	152.0	0.1%	1.9%	0.1%
Clothing and footwear	58	87.1	-2.5%	-4.9%	-0.2%
Housing, water, electricity, gas and other fuels	99	140.8	-1.0%	-1.2%	-0.1%
Furniture, household equipment and maintenance	68	144.7	-1.3%	-0.6%	0.0%
Health	20	124.6	-0.1%	1.5%	0.0%
Transport	169	121.7	-1.1%	3.6%	0.6%
Communication	25	148.4	0.0%	4.1%	0.1%
Recreation and Culture	194	127.9	-0.3%	2.6%	0.5%
Education	35	161.4	0.0%	2.0%	0.1%
Restaurants and hotels	70	178.8	0.2%	5.0%	0.4%
Miscellaneous goods and services	76	114.3	0.2%	5.1%	0.4%
Consumer Price Index	1000	132.5	-0.6%	1.8%	1.8%

Note: January 2008 = 100 for the purposes of the Isle of Man Consumer Price Index

Table 2 - Isle of Man Consumer Prices Index detailed indices March 2020
January 2008 = 100

Category	Index	12 month change	Category	Index	12 month change
Food and non-alcoholic beverages	121.4	-0.2%	Furniture, household equipment and maintenance	144.7	-0.6%
Bread	127.0	-1.5%	Furniture	139.2	-1.7%
Cereals	132.2	3.2%	Furnishings	164.6	-5.0%
Biscuits and cakes	129.9	-2.6%	Electrical appliances	82.0	-1.8%
Beef	123.6	0.8%	Other household equipment	159.5	-1.0%
Lamb	134.8	-1.6%	Household consumables	131.6	5.5%
Pork	132.3	18.1%	Domestic help	136.0	0.0%
Bacon	94.2	6.7%	Window cleaning	164.2	20.0%
Poultry	169.9	-3.5%			
Other meat	124.0	3.1%	Health	124.6	1.5%
Fish	121.7	-0.1%	NHS prescription	118.5	0.0%
Butter	170.3	1.5%	Contact lens solution	129.1	-3.5%
Oils and fats	133.9	2.1%	Indigestion tablets	140.1	6.4%
Cheese	129.7	1.2%	Painkiller tablets	150.3	1.4%
Eggs	91.5	3.3%	Multivitamin tablets	162.1	-1.8%
Milk	111.9	-0.7%	Sticking plasters	91.9	2.0%
Milk products	119.4	-4.1%	Dentist fees	108.3	1.7%
Tea	136.3	-2.3%	Subscription to a medical plan	111.7	0.0%
Coffee and other hot drinks	154.1	2.9%			
Soft drinks	104.9	1.3%	Transport	121.7	3.6%
Sugar and preserves	87.6	0.1%	Driving lessons	119.2	11.1%
Sweets and chocolates	127.9	-3.2%	Purchase of motor vehicles	103.8	-1.0%
Potatoes	70.4	-0.8%	Maintenance of motor vehicles	131.1	2.6%
Vegetables	87.6	-6.0%	Petrol and oil	105.7	-2.7%
Fruit	117.1	-2.2%	Sea travel	173.9	-6.6%
Other foods	126.0	0.9%	Air travel	111.3	20.8%
			Bus and coach fares	138.0	0.0%
Alcoholic beverages and tobacco	152.0	1.9%	Other travel costs	127.5	-4.6%
Beer 'off' sales	121.1	8.5%			
Wines & spirits 'off' sales	113.6	0.4%	Communication	148.4	4.1%
Tobacco	213.2	1.9%	Postage	197.2	9.6%
			Telephones, etc.	140.5	3.7%
Clothing and footwear	87.1	-4.9%			
Men's outerwear	81.8	-12.4%	Recreation and culture	127.9	2.6%
Women's outerwear	77.0	-8.6%	Pet care	147.3	3.9%
Childrens' outerwear	115.1	-13.3%	Kennel fees	123.4	0.0%
Other clothing	104.7	1.7%	Subscription to internet	115.1	13.5%
Footwear	94.9	-0.2%	Leisure goods & services	261.8	-0.3%
Housing, water, electricity, gas and other fuels	140.8	-1.2%	Education	161.4	2.0%
Rent	159.0	0.0%	Private education fee	147.1	3.2%
Water Rates	182.0	2.4%	Preschool fees	140.4	5.2%
Repairs and maintenance charges	132.0	0.0%			
DIY materials	106.9	1.0%	Restaurants and hotels	178.8	5.0%
Coal and solid fuels	170.5	3.0%	Catering	171.3	4.9%
Electricity	141.8	3.7%	Beer 'on' sales	152.6	5.3%
Gas	126.4	0.0%	Wines & spirits 'on' sales	287.6	7.4%
Oil and other fuels	102.9	-14.2%			
			Miscellaneous goods and services	114.3	5.1%
			Consumer Price Index	132.5	1.8%

**Table 3 - Isle of Man Consumer Price Index
January 2008 = 100**

Group	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
01 Food and non-alcoholic beverages	121.2	121.4	121.6	121.7	121.8	121.7	121.5	121.3	121.8	121.6	121.4	121.3
02 Alcoholic beverages and tobacco	147.8	149.6	149.1	150.6	149.2	150.2	148.3	149.7	151.3	150.1	150.7	147.6
03 Clothing and footwear	94.6	98.1	91.5	92.9	95.9	97.0	90.7	96.7	98.8	99.1	97.1	95.3
04 Housing, water, electricity, gas and other fuels	142.9	143.0	142.4	142.8	142.4	142.5	142.4	143.9	143.4	143.8	145.8	145.8
05 Furniture, household equipment and maintenance	144.6	143.5	145.6	145.2	147.3	146.9	145.1	147.5	146.5	146.0	147.1	147.3
06 Health	121.8	121.8	122.8	122.4	122.8	122.8	123.5	122.7	123.2	123.3	123.6	123.2
07 Transport	115.4	113.9	117.4	128.1	120.6	120.2	121.3	118.4	122.2	118.7	132.0	117.3
08 Communication	142.5	142.5	142.5	143.5	138.4	147.3	147.3	147.3	147.2	147.2	147.8	147.8
09 Recreation and culture	123.3	124.4	124.7	123.8	123.9	124.6	125.8	126.1	126.1	125.0	126.1	124.4
10 Education	156.5	158.3	158.3	158.3	158.3	158.3	158.3	158.3	159.2	159.1	159.1	159.1
11 Restaurants and hotels	167.5	170.2	170.2	169.4	170.2	170.1	170.1	170.1	170.5	170.5	173.8	173.8
12 Miscellaneous goods and services	109.1	110.0	108.8	106.9	108.2	108.9	110.9	111.8	111.1	110.8	111.7	113.0
Consumer Price Index	129.4	129.9	130.2	132.0	130.9	131.4	131.4	131.7	132.6	131.6	134.7	131.5
CPI inflation rate	2.6%	1.9%	1.3%	1.9%	1.8%	1.8%	2.1%	2.5%	1.1%	0.8%	3.1%	2.1%

Group	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020
01 Food and non-alcoholic beverages	121.6	122.1	121.4									
02 Alcoholic beverages and tobacco	150.3	151.8	152.0									
03 Clothing and footwear	94.5	89.3	87.1									
04 Housing, water, electricity, gas and other fuels	145.6	142.2	140.8									
05 Furniture, household equipment and maintenance	145.9	146.6	144.7									
06 Health	123.4	124.8	124.6									
07 Transport	123.0	123.0	121.7									
08 Communication	148.4	148.4	148.4									
09 Recreation and culture	125.2	128.3	127.9									
10 Education	159.1	161.4	161.4									
11 Restaurants and hotels	173.8	178.4	178.8									
12 Miscellaneous goods and services	113.6	114.1	114.3									
Consumer Price Index	132.8	133.3	132.5									
CPI inflation rate	2.6%	2.6%	1.8%									

Consumer Price Index March 2015 - March 2020

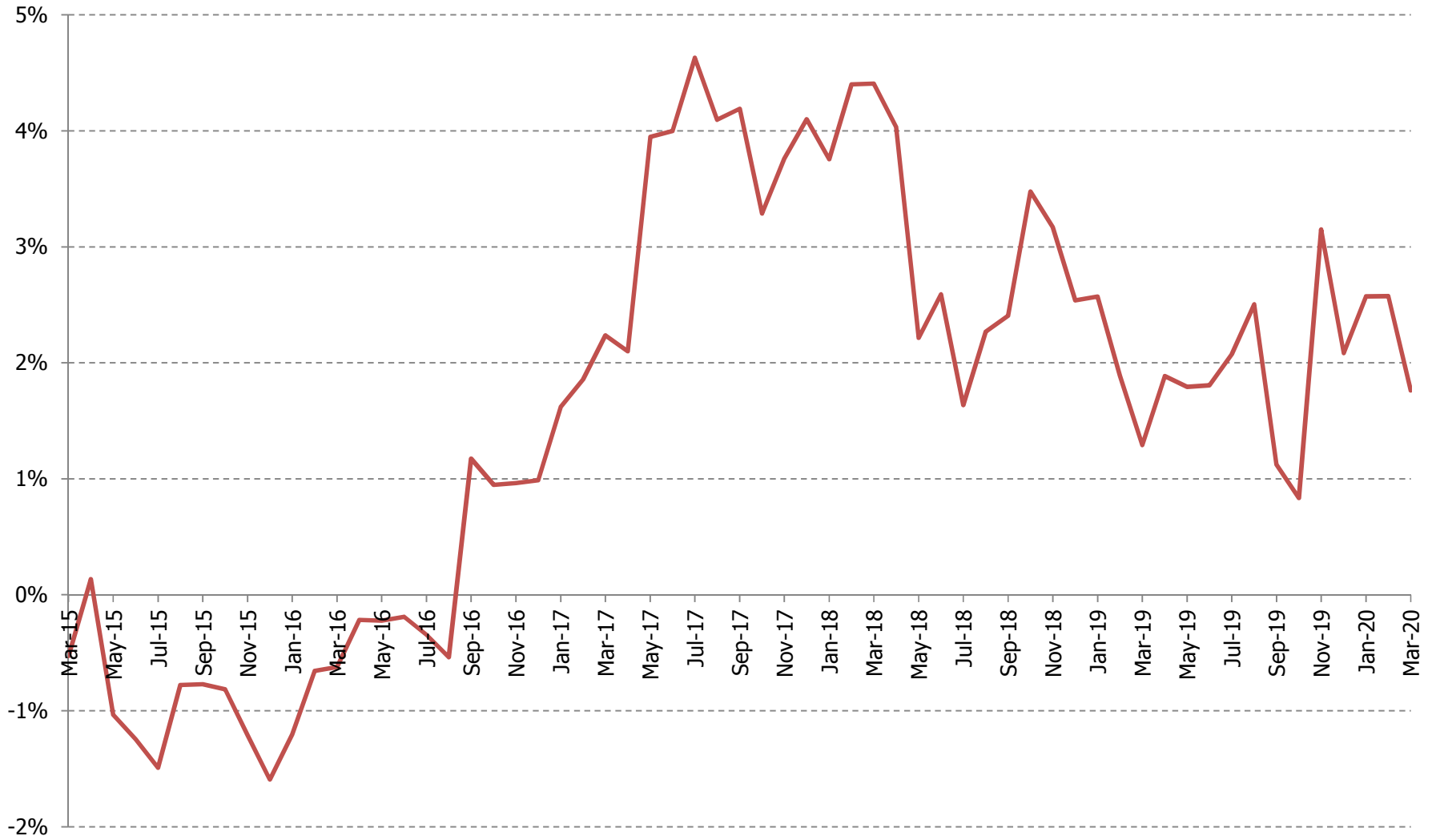


Table 4 - Isle of Man Retail Prices Index - Summary March 2020

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food	131	294.4	-0.7%	-0.3%	0.0%
Catering	43	216.5	0.2%	4.8%	0.2%
Alcoholic drink	41	190.1	-1.4%	3.1%	0.1%
Tobacco	22	387.4	2.1%	2.9%	0.1%
Housing	221	148.4	0.0%	1.7%	0.3%
Fuel and light	71	242.7	-3.0%	-4.5%	-0.3%
Household goods	64	191.5	-0.8%	1.1%	0.1%
Household services	73	159.3	0.0%	5.2%	0.4%
Clothing and footwear	38	191.1	-3.2%	-4.1%	-0.2%
Personal goods and services	56	278.1	3.0%	4.5%	0.3%
Motoring expenditure	89	152.3	-2.4%	1.5%	0.1%
Fares and other travel costs	30	307.9	-0.6%	11.8%	0.5%
Leisure goods	36	216.4	-8.4%	9.0%	0.4%
Leisure services	86	201.3	0.0%	2.6%	0.2%
All Items excluding Housing	779	208.0	-1.1%	2.3%	0.0%
All Items	1000	202.8	-0.9%	2.2%	2.2%

Note: January 2000 = 100 for the purposes of the Isle of Man Retail Price Index

ISLE OF MAN INFLATION

METHODOLOGY



METHODOLOGICAL NOTES

Inflation measures the increase in the cost of living, expressed through the prices paid for goods and services by an average household.

A "basket" of goods has been compiled based on the results of the Household Income and Expenditure Survey 2013. The relevant importance of each item is taken into account by weighting products according to the average expenditure on each.

Combining the movements in all the prices together results in an index value and movements in that index value represent an inflation rate; usually expressed as a percentage increase over the previous year. For example, if an annual rate of inflation is given as 5%, then this means something like: "over the last 12 months, the total cost of goods and services consumed by the average household has increased by 5%".

Currently in the Isle of Man, around 1,000 prices are collected for some 500 items. These prices are collected by the staff of Economic Affairs Division by a combination of: mailing out forms to be filled in by participating businesses, personal visits to premises, telephone contacts, and browsing online shopping sites. Approximately one hundred retailers and other organisations help by either supplying price information or allowing access to their premises. Prices are collected on the 17th/18th of every month (or the nearest working day if this falls on a weekend).

Change to the calculation of the Retail Price Index

As announced in January 2018, April 2018 was the first month where the methodology for the Retail Price Index changed.

The change to the Retail Price Index relates to the formula which is used to create the index, which has changed from the Carli formula to the Jevons formula. This is the same formula which is used in the creation of the Consumer Price Index. However the basket of goods and services and the weightings used in the Retail Price Index will remain the same.

In order to enable comparisons with the United Kingdom's RPI, a comparison chart which takes into account the 'formula effect' is provided below and will be provided each month:

UK RPI (February 2020)	2.5%
Estimated Formula Effect:	-0.83%

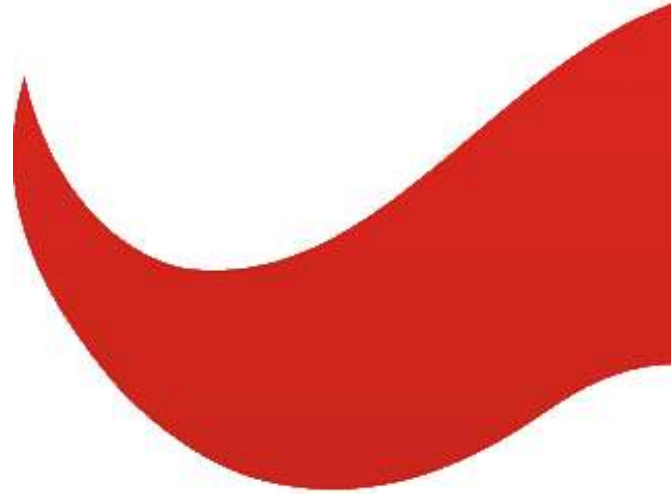
Adjusted UK RPI: 1.67%

This data can be sourced from Table 1 and Table 5 of the ONS Inflation Data release:
<https://www.ons.gov.uk/economy/inflationandpriceindices/datasets/consumerpriceinflation>



Isle of Man
Government

Reilysa Ellan Vannin



Isle of Man Government
Government Office
Bucks Road, Douglas
Isle of Man, IM1 3PN

Telephone: (+44) 01624 685752

Email: **economics@gov.im**

www.gov.im/