

2020

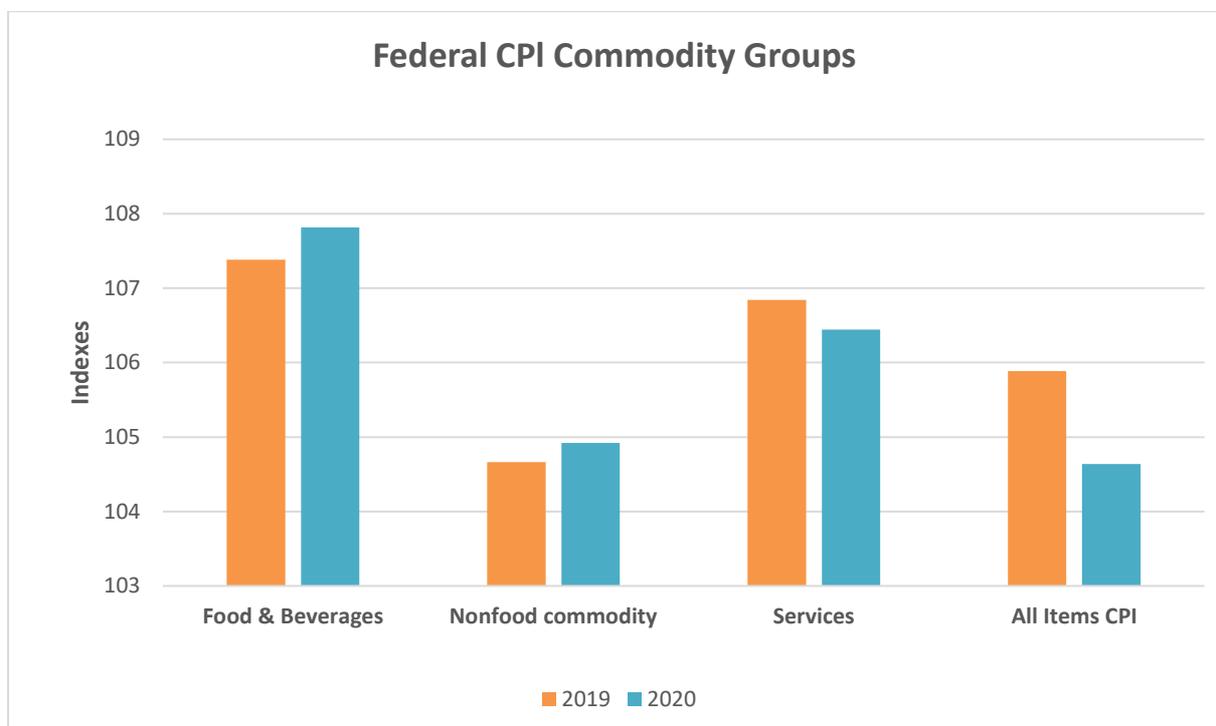
CPI
CONSUMER PRICE INDEX



Consumer Price Index

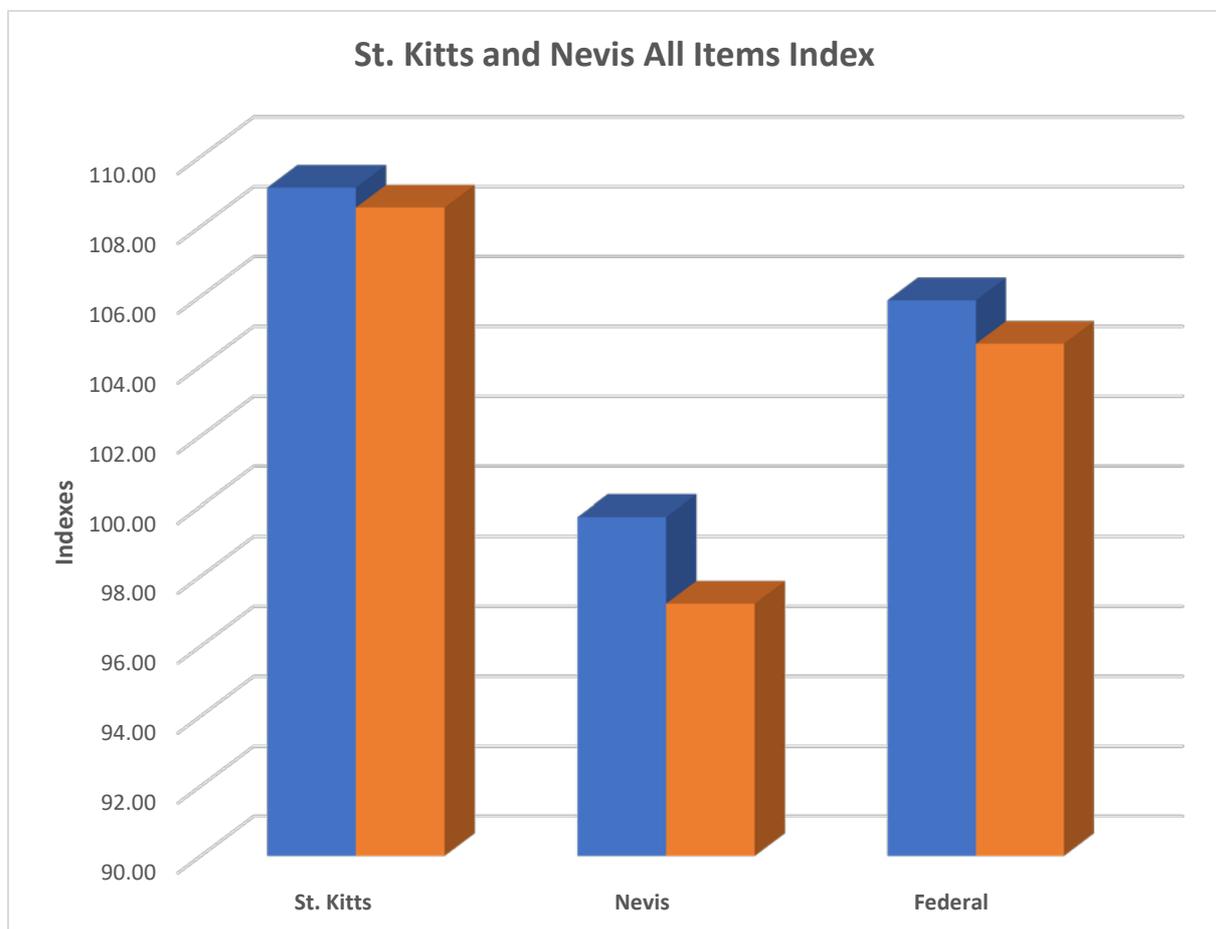
**The Impact of COVID-19 on St. Kitts and Nevis Consumer Price Index
(CPI)**

The Consumer Price Index is a measure of the general price level of a basket of consumer goods and services purchased by the average household; change in the general price level is generally referred to as the inflation rate. The Federation of St. Kitts and Nevis recorded a negative inflation rate (that is general decrease in prices) by 1.18 percent in 2020; this is explained by the average household paid 1.18 percent less for the same basket of goods and services in 2020 as compared to the previous year, 2019. This decline in the CPI is attributed mainly to the economic impact of the COVID-19 pandemic in that decreased household income would have led to a fall in consumer demand, and thus place downward pressure on prices. In particular, the “All Items” index decreased from 105.88 in 2019 to 104.64 (1.18 percent) influenced by a 0.37 percent decline in the Services category, which offset increases in the “Food and Beverages” and “Non-food Commodity” categories of 0.41 and 0.25 percent respectively.



Source: Department of Statistics, Ministry of Sustainable Development

Additionally, analysis by island reveals that while the “All Items index (inflation rate) fell slight by 0.52 percent to 108.54 in St. Kitts, there was a sharper decline of 2.48 percent to 97.21 in Nevis. The decline in the general level of prices was largely in the “Non-food Commodity” and “Services” categories; these categories fell marginally by 0.76 and 0.82 percent respectively in St. Kitts and by 3.45 and 3.00 percent respectively on Nevis. Conversely, the decline in the CPI was tempered by an upward price movement in the “Food and Beverages” category by 0.55 and 1.17 percent in St. Kitts and Nevis respectively.



Source: Department of Statistics, Ministry of Sustainable Development