



Isle of Man
Government

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Isle of Man Inflation Report March 2019

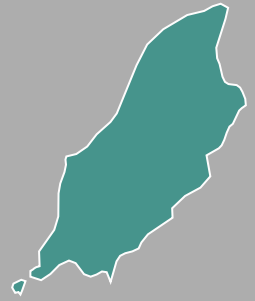
Economic Affairs

Cabinet Office

April 2019

ISLE OF MAN INFLATION

MARCH 2019



KEY POINTS FOR MARCH 2019

CONSUMER PRICES INDEX

1.3%

CONSUMER PRICES INDEX DECREASES (CPI)

The annual rate of inflation as measured by CPI decreased in March 2019 to 1.3%, down from 1.9% in February 2019.

Inflation as measured by the Consumer Price Index stood at 1.3% for the 12 months to March 2019.

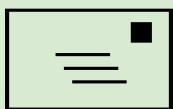
The reduction in the rate of inflation has been caused by Transport and Clothing & Footwear. Air travel has been the main factor for the Transport category as a result of a change in carrier who was servicing a number of routes in 2018 compared to 2019. There was also no inflationary pressure from petrol and diesel prices.

With the exception of footwear, there has been a reduction in price across all types of clothing compared with 12 months ago. This has been caused by price discounting across a number of retailers.

Education costs, particularly preschool fees and education classes, were the most significant contributor to inflation in March 2019.

LARGEST CATEGORY MOVEMENTS OVER 12 MONTHS TO MARCH 2019 (CPI)

INCREASES



Postage
+10.6%



Kennel fees
+20.0%



Milk products
+9.4%



Subscriptions to internet
+11.4%



Preschool fees
+9.0%



Wines & spirits 'on' sales
+13.0%

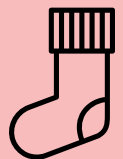
DECREASES



Milk
-5.6%



Men's outerwear
-6.1%



Other clothing
-6.0%



Air travel
-14.0%



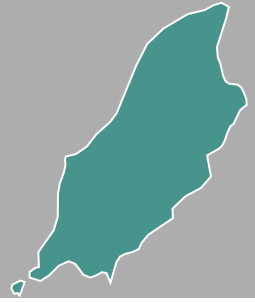
Women's outerwear
-8.8%



Tea
-8.9%

ISLE OF MAN INFLATION

MARCH 2019
OVERALL CPI 1.3%



12 MONTH CHANGE CATEGORY MOVEMENTS (CPI)



Food and Non-
Alcoholic Beverages
+0.5%



Alcoholic Beverages
and Tobacco
+2.6%



Clothing and
Footwear
-5.3%



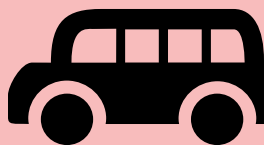
Housing, Water,
Electricity, Gas and
Other Fuels
+1.0%



Furniture, Household
Equipment and
Maintenance
+2.5%



Health
+1.0%



Transport
-1.8%



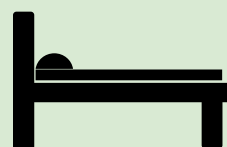
Communication
+4.1%



Recreation and
Culture
+2.1%



Education
+13.1%



Restaurants and
Hotels
+3.5%



Miscellaneous Goods
and Services
+2.2%

Table 1 - Isle of Man Consumer Prices Index - Summary March 2019

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food and non-alcoholic beverages	148	121.6	0.1%	0.5%	0.1%
Alcoholic beverages and tobacco	39	149.1	-0.3%	2.6%	0.1%
Clothing and footwear	58	91.5	-6.7%	-5.3%	-0.3%
Housing, water, electricity, gas and other fuels	99	142.4	-0.4%	1.0%	0.1%
Furniture, household equipment and maintenance	68	145.6	1.5%	2.5%	0.2%
Health	20	122.8	0.8%	1.0%	0.0%
Transport	169	117.4	3.1%	-1.8%	-0.3%
Communication	25	142.5	0.0%	4.1%	0.1%
Recreation and Culture	194	124.7	0.3%	2.1%	0.4%
Education	35	158.3	0.0%	13.1%	0.5%
Restaurants and hotels	70	170.2	0.0%	3.5%	0.3%
Miscellaneous goods and services	76	108.8	-1.1%	2.2%	0.2%
Consumer Price Index	1000	130.2	0.2%	1.3%	1.3%

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

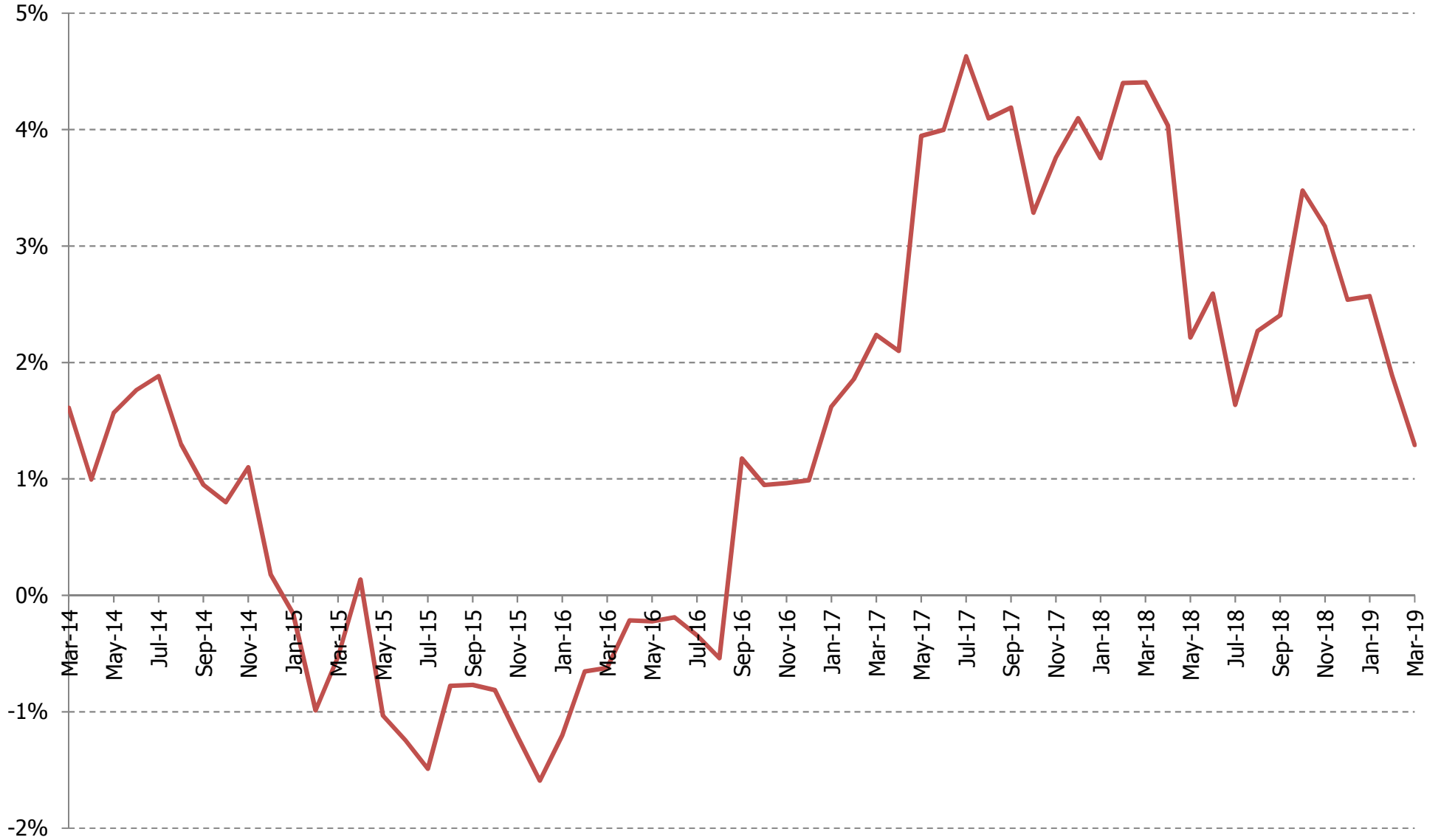
**Table 2 - Isle of Man Consumer Prices Index detailed indices March 2019
January 2008 = 100**

Category	Index	12 month change	Category	Index	12 month change
Food and non-alcoholic beverages	121.6	0.5%	Furniture, household equipment and maintenance	145.6	2.5%
Bread	129.0	0.3%	Furniture	141.6	3.8%
Cereals	128.2	-1.5%	Furnishings	173.3	1.2%
Biscuits and cakes	133.3	-0.1%	Electrical appliances	83.5	-5.0%
Beef	122.5	3.3%	Other household equipment	161.2	6.3%
Lamb	137.0	5.1%	Household consumables	124.8	-0.2%
Pork	112.1	1.7%	Domestic help	136.0	0.0%
Bacon	88.2	-1.7%	Window cleaning	136.8	0.8%
Poultry	175.9	2.1%			
Other meat	120.3	-4.8%	Health	122.8	1.0%
Fish	121.9	3.1%	NHS prescription	118.5	0.0%
Butter	167.8	0.8%	Contact lens solution	133.7	0.0%
Oils and fats	131.2	8.9%	Indigestion tablets	131.7	5.6%
Cheese	128.2	7.7%	Painkiller tablets	148.2	4.1%
Eggs	88.5	-5.4%	Multivitamin tablets	165.1	-1.1%
Milk	112.7	-5.6%	Sticking plasters	90.1	1.2%
Milk products	124.6	9.4%	Dentist fees	106.5	0.0%
Tea	139.5	-8.9%	Subscription to a medical plan	111.7	0.0%
Coffee and other hot drinks	149.8	-3.5%			
Soft drinks	103.6	-3.0%	Transport	117.4	-1.8%
Sugar and preserves	87.5	0.6%	Driving lessons	107.3	0.0%
Sweets and chocolates	132.0	2.0%	Purchase of motor vehicles	104.9	3.4%
Potatoes	71.0	5.6%	Maintenance of motor vehicles	127.8	2.1%
Vegetables	93.2	8.3%	Petrol and oil	108.6	0.0%
Fruit	119.7	-2.7%	Sea travel	186.2	6.6%
Other foods	124.8	0.8%	Air travel	92.1	-14.0%
			Bus and coach fares	138.0	0.0%
Alcoholic beverages and tobacco	149.1	2.6%	Other travel costs	133.7	4.7%
Beer 'off' sales	111.6	-3.0%			
Wines & spirits 'off' sales	113.1	-2.7%	Communication	142.5	4.1%
Tobacco	209.2	8.9%	Postage	179.9	10.6%
			Telephones, etc.	135.5	3.7%
Clothing and footwear	91.5	-5.3%			
Men's outerwear	88.7	-6.1%	Recreation and culture	124.7	2.1%
Women's outerwear	81.1	-8.8%	Pet care	141.8	1.1%
Childrens' outerwear	132.8	-1.5%	Kennel fees	123.4	20.0%
Other clothing	102.9	-6.0%	Subscription to internet	101.4	11.4%
Footwear	94.1	2.4%	Leisure goods & services	257.9	0.3%
Housing, water, electricity, gas and other fuels	142.4	1.0%	Education	158.3	13.1%
Rent	159.1	0.2%	Private education fee	142.6	3.5%
Water Rates	177.7	0.0%	Preschool fees	133.5	9.0%
Repairs and maintenance charges	132.0	4.0%			
DIY materials	105.8	-2.9%	Restaurants and hotels	170.2	3.5%
Coal and solid fuels	165.5	1.3%	Catering	163.4	2.5%
Electricity	136.8	1.7%	Beer 'on' sales	144.9	4.6%
Gas	126.4	0.0%	Wines & spirits 'on' sales	269.8	13.0%
Oil and other fuels	120.0	4.2%			
			Miscellaneous goods and services	108.8	2.2%
			Consumer Price Index	130.2	1.3%

Table 4 - Isle of Man Retail Prices Index - Summary March 2019

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food	131	295.3	-0.9%	0.5%	0.1%
Catering	43	206.5	0.0%	2.4%	0.1%
Alcoholic drink	41	184.5	-1.7%	0.1%	0.0%
Tobacco	22	376.3	1.9%	8.7%	0.2%
Housing	221	145.8	1.2%	0.0%	0.0%
Fuel and light	71	254.2	-1.0%	2.4%	0.2%
Household goods	64	189.4	1.1%	1.5%	0.1%
Household services	73	151.5	0.0%	5.9%	0.4%
Clothing and footwear	38	199.3	-7.4%	-6.6%	-0.3%
Personal goods and services	56	266.3	-5.1%	-2.8%	-0.2%
Motoring expenditure	89	150.1	0.8%	1.0%	0.1%
Fares and other travel costs	30	275.4	8.4%	-13.7%	-0.7%
Leisure goods	36	198.6	-2.0%	-0.4%	0.0%
Leisure services	86	196.1	-0.1%	3.8%	0.3%
All Items excluding Housing	779	203.3	-0.7%	0.3%	
All Items	1000	198.4	-0.4%	0.2%	0.2%

Consumer Price Index March 2014 - March 2019



Isle of Man Retail Prices Index All Items

Year	January	February	March	April	May	June	July	August	September	October	November	December	Average
March 1976 Base = 100													
1976			100.0	101.3	102.6	103.8	104.4	105.1	106.4	107.7	109.1	110.1	
1977	111.3	112.9	114.1	116.2	117.6	118.3	119.5	119.4	120.3	121.7	122.7	123.1	118.1
1978	123.5	124.9	125.5	127.3	128.3	129.3	130.1	129.8	131.0	132.1	132.5	133.2	129.0
1979	134.5	135.8	137.5	139.3	141.4	143.4	151.9	153.1	154.5	155.7	157.1	158.2	146.9
1980	160.3	163.6	166.5	171.1	173.0	175.1	176.8	177.4	177.9	178.6	179.9	180.9	173.4
1981	181.8	183.8	186.0	191.9	194.3	195.6	196.4	197.5	199.5	200.6	203.6	204.3	194.6
1982	205.4	207.2	208.4	209.9	212.9	214.8	215.4	216.5	216.6	217.2	218.6	219.1	213.5
1983	219.1	220.0	221.3	222.9	223.9	225.3	226.9	226.6	227.4	227.9	229.1	229.6	225.0
1984	230.5	231.2	232.0	234.2	236.8	237.7	238.3	240.3	240.5	240.6	241.5	242.1	237.1
1985	244.4	246.6	249.0	251.7	252.5	253.9	253.1	252.6	253.3	252.9	254.4	254.7	251.6
1986	256.5	256.7	256.1	257.1	258.0	258.7	258.2	258.6	258.8	258.9	260.4	261.9	258.3
1987	263.2	264.7	265.4	266.7	268.9	269.6	270.7	271.7	272.7	272.4	273.7	274.4	269.5
1988	275.7	276.5	277.9	280.7	282.3	283.1	283.1	283.5	284.8	284.5	286.2	288.7	282.3
1989	291.7	293.2	295.0	298.2	300.2	302.4	303.7	304.5	306.1	306.8	308.0	310.8	301.7
1990	314.7	316.7	319.1	323.8	326.2	327.8	328.9	332.1	333.8	336.8	337.3	339.1	328.0
1991	340.8	342.9	344.2	350.0	351.4	352.0	355.4	356.5	356.8	358.7	359.3	359.5	352.3
1992	360.3	361.8	363.0	364.7	367.7	368.8	369.7	369.5	370.2	369.7	371.3	371.0	367.3
1993	372.5	371.2	372.1	374.8	374.4	375.2	375.8	377.0	378.3	379.0	379.0	379.1	375.7
1994	380.3	381.2	381.2	385.6	385.7	386.4	387.1	387.6	387.9	387.5	387.3	387.6	385.5
1995	390.0	391.0	392.9	394.0	397.1	398.0	397.8	398.8	399.3	399.5	399.8	399.7	396.5
1996	402.1	402.4	405.1	406.4	408.8	409.0	410.2	410.0	409.5	410.9	411.5	413.4	408.3
1997	413.6	413.7	414.5	415.7	415.6	415.6	416.9	417.5	420.4	421.1	422.6	424.0	417.6
1998	425.1	426.2	426.3	428.1	429.2	430.3	430.5	430.2	430.4	430.8	432.5	432.3	429.3
1999	432.1	432.5	434.4	437.4	437.0	437.4	439.0	438.9	440.3	440.1	440.3	441.9	437.6
2000	442.3												
January 2000 Base = 100													
2000	100.0	100.4	100.8	101.4	101.4	101.6	101.8	102.1	102.8	102.7	102.7	102.5	101.7
2001	102.7	102.8	103.2	104.2	104.2	104.1	103.7	103.6	104.0	103.1	102.9	102.8	103.4
2002	103.5	103.8	104.7	105.7	105.7	105.8	106.2	106.6	106.7	107.0	107.0	107.0	105.8
2003	107.3	108.0	108.5	108.4	108.5	108.7	109.4	109.7	109.9	110.2	110.3	110.4	109.1
2004	111.0	111.8	112.2	114.0	114.6	114.7	114.6	115.3	116.5	116.7	117.3	117.5	114.7
2005	117.7	117.7	118.1	118.9	118.8	119.3	119.6	119.8	120.2	120.9	121.3	121.4	119.5
2006	121.6	121.5	121.7	122.3	122.7	122.8	123.0	123.4	124.1	124.1	124.6	125.2	123.1
2007	125.7	126.1	126.3	127.2	127.8	128.1	128.0	128.4	128.9	129.1	129.6	130.2	128.0
2008	130.9	131.2	131.7	133.5	134.9	136.2	136.3	136.6	137.1	137.2	135.7	133.8	134.6
2009	132.5	132.5	132.4	134.4	134.6	135.0	136.2	136.6	137.2	137.2	137.5	138.2	135.4
2010	138.4	138.9	139.0	141.1	142.2	142.1	142.7	142.7	143.7	144.5	145.0	145.8	142.2
2011	146.8	147.4	148.3	150.6	151.1	151.3	151.8	152.4	152.1	152.0	152.3	152.7	150.7
2012	152.6	153.1	152.8	154.4	155.5	155.0	155.1	155.6	156.3	156.7	156.7	156.4	155.0
2013	156.4	157.5	157.8	159.4	159.2	159.4	160.1	159.7	160.2	160.3	160.6	160.9	159.3
2014	161.2	162.1	161.9	162.5	163.5	163.8	164.9	163.8	164.4	164.0	165.4	164.4	163.5
2015	164.3	164.3	165.0	167.2	166.9	167.2	167.8	168.2	168.6	168.8	169.1	168.2	167.1
2016	168.7	169.7	170.6	173.5	173.3	173.8	174.5	174.9	178.5	179.0	180.1	178.9	174.6
2017	180.3	181.8	184.1	186.2	187.8	188.4	189.3	187.2	191.9	189.9	191.5	191.3	187.4
2018	191.9	195.6	197.9	198.3	197.9	198.7	198.2	196.3	199.4	199.8	200.8	196.3	197.6
2019	198.6	199.1	198.4										

Note:- The average index is the arithmetic average of the monthly indices.

Isle of Man Retail Prices Index All Items 12 month percentage change

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
1977			14.1	14.7	14.6	14.0	14.5	13.6	13.1	13.0	12.5	11.8	
1978	11.0	10.6	10.0	9.6	9.1	9.3	8.9	8.7	8.9	8.5	8.0	8.2	9.2
1979	8.9	8.7	9.6	9.4	10.2	10.9	16.8	18.0	17.9	17.9	18.6	18.8	13.9
1980	19.2	20.5	21.1	22.8	22.3	22.1	16.4	15.9	15.1	14.7	14.5	14.3	18.1
1981	13.4	12.3	11.7	12.2	12.3	11.7	11.1	11.3	12.1	12.3	13.2	12.9	12.2
1982	13.0	12.7	12.0	9.4	9.6	9.8	9.7	9.6	8.6	8.3	7.4	7.2	9.7
1983	6.7	6.2	6.2	6.2	5.2	4.9	5.3	4.7	5.0	4.9	4.8	4.8	5.4
1984	5.2	5.1	4.8	5.1	5.8	5.5	5.0	6.0	5.8	5.6	5.4	5.4	5.4
1985	6.0	6.7	7.3	7.5	6.6	6.8	6.2	5.1	5.3	5.1	5.3	5.2	6.1
1986	5.0	4.1	2.9	2.1	2.2	1.9	2.0	2.4	2.2	2.4	2.4	2.8	2.7
1987	2.6	3.1	3.6	3.7	4.2	4.2	4.8	5.1	5.4	5.2	5.1	4.8	4.3
1988	4.7	4.5	4.7	5.2	5.0	5.0	4.6	4.3	4.4	4.4	4.6	5.2	4.7
1989	5.8	6.0	6.2	6.2	6.3	6.8	7.3	7.4	7.5	7.8	7.6	7.7	6.9
1990	7.9	8.0	8.2	8.6	8.7	8.4	8.3	9.1	9.0	9.8	9.5	9.1	8.7
1991	8.3	8.3	7.9	8.1	7.7	7.4	8.1	7.3	6.9	6.5	6.5	6.0	7.4
1992	5.7	5.5	5.5	4.2	4.6	4.8	4.0	3.6	3.7	3.1	3.3	3.2	4.3
1993	3.4	2.6	2.5	2.8	1.8	1.7	1.6	2.0	2.2	2.5	2.1	2.2	2.3
1994	2.1	2.7	2.4	2.9	3.0	3.0	3.0	2.8	2.5	2.2	2.2	2.2	2.6
1995	2.6	2.6	3.1	2.2	3.0	3.0	2.8	2.9	2.9	3.1	3.2	3.1	2.9
1996	3.1	2.9	3.1	3.1	2.9	2.8	3.1	2.8	2.5	2.9	2.9	3.4	3.0
1997	2.9	2.8	2.3	2.3	1.7	1.6	1.6	1.8	2.7	2.5	2.7	2.6	2.3
1998	2.8	3.0	2.8	3.0	3.3	3.5	3.3	3.0	2.4	2.3	2.3	2.0	2.8
1999	1.6	1.5	1.9	2.2	1.8	1.7	2.0	2.0	2.3	2.2	1.8	2.2	1.9
2000	2.4	2.7	2.6	2.5	2.6	2.7	2.6	2.9	3.3	3.2	3.2	2.6	2.8
2001	2.7	2.4	2.4	2.7	2.8	2.5	1.9	1.5	1.2	0.4	0.2	0.3	1.7
2002	0.8	1.0	1.5	1.4	1.4	1.6	2.4	2.9	2.6	3.8	4.0	4.0	2.3
2003	3.7	4.0	3.6	2.6	2.7	2.8	3.0	2.9	3.0	3.0	3.1	3.2	3.1
2004	3.5	3.5	3.5	5.1	5.5	5.5	4.8	5.1	6.0	5.9	6.3	6.4	5.1
2005	5.9	5.3	5.3	4.3	3.7	4.0	4.4	3.9	3.2	3.6	3.4	3.3	4.2
2006	3.3	3.2	3.0	2.9	3.3	2.9	2.8	2.9	3.3	2.6	2.7	3.1	3.0
2007	3.4	3.7	3.8	4.0	4.2	4.4	4.1	4.1	3.9	4.1	4.0	4.0	4.0
2008	4.2	4.1	4.3	4.9	5.6	6.3	6.5	6.4	6.5	6.2	4.7	2.8	5.2
2009	1.2	1.0	0.5	0.7	-0.2	-0.9	0.0	0.0	0.1	0.0	1.3	3.3	0.6
2010	4.5	4.8	5.0	5.0	5.6	5.3	4.7	4.4	4.7	5.3	5.4	5.5	5.0
2011	6.0	6.1	6.7	6.7	6.3	6.4	6.4	6.8	5.9	5.2	5.0	4.7	6.0
2012	4.0	3.9	3.0	2.5	2.9	2.5	2.2	2.1	2.8	3.1	2.9	2.5	2.8
2013	2.5	2.8	3.3	3.3	2.4	2.8	3.2	2.6	2.4	2.3	2.5	2.9	2.8
2014	3.1	2.9	2.6	1.9	2.7	2.8	3.0	2.6	2.6	2.3	3.0	2.2	2.6
2015	1.9	1.4	1.9	2.9	2.1	2.1	1.8	2.6	2.6	2.9	2.3	2.3	2.2
2016	2.6	3.3	3.4	3.8	3.8	3.9	4.0	4.0	5.9	6.0	6.5	6.4	4.5
2017	6.9	7.1	7.9	7.3	8.4	8.4	8.5	7.0	7.6	6.1	6.3	6.9	7.4
2018	6.4	7.6	7.5	6.5	5.4	5.5	4.7	4.9	3.9	5.2	4.9	2.6	5.4
2019	3.5	1.8	0.2										

Note:- The annual average inflation rate is the change in the annual average index from the year before. This need not be the same as the average of the inflation rates for January to December but in practice the difference is small.

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 (Feb 2019): 2.5 %
Estimated Formula Effect: -0.65%

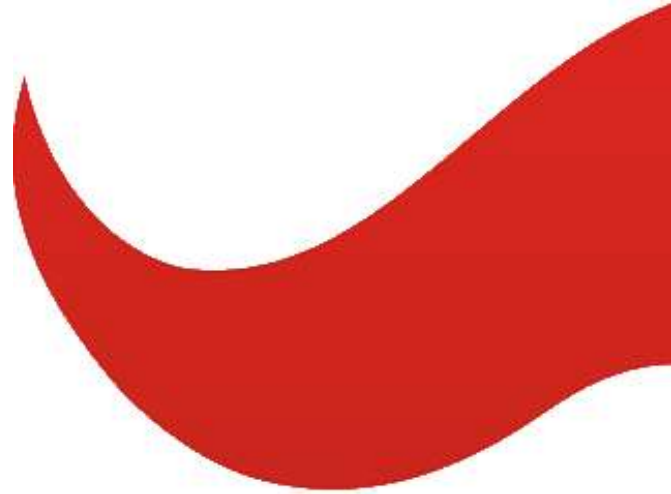
Adjusted UK RPI: 1.85 %

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>



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