



Isle of Man
Government

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Isle of Man Inflation Report July 2021

Economic Affairs

Cabinet Office

August 2021

ISLE OF MAN INFLATION

July 2021



KEY POINTS FOR JULY 2021

CONSUMER PRICES INDEX

2.3%

CONSUMER PRICES INDEX (CPI)

The annual rate of inflation as measured by CPI for July 2021 is 2.3%, this is a decrease of 1.3% on the previous month June 2021.

Inflation as measured by Consumer price index stands at 2.3% for July 2021, down from 3.6% in June 2021.

Clothing and footwear is the biggest contributor to the decrease in the rate of inflation, whereby it contributes a 0.3% decrease in the overall 12-month rate.

All items within this category bar men's outerwear, experienced a decrease in prices. Children's outerwear experienced the biggest decrease (-21.5%), followed by footwear (-10.9%), other clothing (-8.9%) and women's outerwear (-5.8%).

Transport remained the greatest contributor to inflation in July, with petrol and diesel up by 13.9% and other travel costs by 12.1%. There were also increases in rent (private sector), DIY materials and heating oil within Housing, water, electricity, gas and other fuels.

LARGEST CATEGORY MOVEMENTS OVER 12 MONTHS TO JULY 2021

INCREASES



Petrol and oil
+13.9%



Driving Lessons
+16.7%



Oils and fats
+14.3%



Kennel fees
+14.3%



Oils and other fuels
+45.4%



Pork
+14.6%

DECREASES



Women's outerwear
-5.8%



Children's outerwear
-21.5%



Footwear
-10.9%



Beer 'off' sales
-7.2%



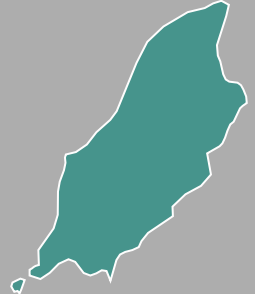
Tea
-11.4%



Other clothing
-8.9%

ISLE OF MAN INFLATION

July 2021
OVERALL CPI 2.3%



12 MONTH CHANGE CATEGORY MOVEMENTS (CPI)



Food and Non-
Alcoholic Beverages
+0.6%



Alcoholic Beverages
and Tobacco
+0.4%



Clothing and
Footwear
-6.6%



Housing, Water,
Electricity, Gas and
Other Fuels
+7.2%



Furniture, Household
Equipment and
Maintenance
+3.7%



Health
-0.3%



Transport
+6.8%



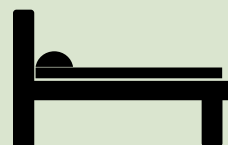
Communication
+1.8%



Recreation and
Culture
+1.2%



Education
+1.1%



Restaurants and
Hotels
+4.7%



Miscellaneous
Goods and Services
+2.1%

Table 1 - Isle of Man Consumer Prices Index - Summary July 2021

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food and non-alcoholic beverages	148	122.5	0.7%	0.6%	0.1%
Alcoholic beverages and tobacco	39	155.0	-0.4%	0.4%	0.0%
Clothing and footwear	58	79.4	-3.1%	-6.6%	-0.3%
Housing, water, electricity, gas and other fuels	99	145.4	0.7%	7.2%	0.7%
Furniture, household equipment and maintenance	68	154.7	0.2%	3.7%	0.3%
Health	20	125.2	-0.1%	-0.3%	0.0%
Transport	169	125.9	-4.1%	6.8%	1.1%
Communication	25	147.0	0.0%	1.8%	0.1%
Recreation and Culture	194	130.2	0.6%	1.2%	0.2%
Education	35	163.2	0.0%	1.1%	0.0%
Restaurants and hotels	70	180.2	0.3%	4.7%	0.4%
Miscellaneous goods and services	76	114.3	-2.3%	2.1%	-0.3%
Consumer Price Index	1000	134.1	-1.2%	2.3%	2.3%

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 July 2021
January 2008 = 100

Category	Index	12 month change	Category	Index	12 month change
Food and non-alcoholic beverages	122.5	0.6%	Furniture, household equipment and maintenance	154.7	3.7%
Bread	120.6	-3.3%	Furniture	145.2	3.7%
Cereals	136.6	2.3%	Furnishings	185.0	3.6%
Biscuits and cakes	129.8	-1.1%	Electrical appliances	85.4	4.0%
Beef	130.2	2.0%	Other household equipment	183.0	7.9%
Lamb	146.3	2.9%	Household consumables	127.6	-1.1%
Pork	144.1	14.6%	Domestic help	160.7	0.0%
Bacon	93.2	-0.9%	Window cleaning	125.9	0.0%
Poultry	172.5	0.6%			
Other meat	128.0	0.7%	Health	125.2	-0.3%
Fish	131.1	2.0%	NHS prescription	118.5	0.0%
Butter	175.6	1.6%	Contact lens solution	133.7	0.0%
Oils and fats	152.5	14.3%	Indigestion tablets	136.5	-2.6%
Cheese	127.3	-0.7%	Painkiller tablets	154.3	0.0%
Eggs	91.8	4.5%	Multivitamin tablets	165.5	2.1%
Milk	118.0	5.2%	Sticking plasters	90.8	-1.7%
Milk products	123.4	2.9%	Dentist fees	108.3	0.0%
Tea	103.0	-11.4%	Subscription to a medical plan	111.7	0.0%
Coffee and other hot drinks	141.5	-2.4%			
Soft drinks	104.0	0.4%	Transport	125.9	6.8%
Sugar and preserves	86.9	-0.8%	Driving lessons	139.1	16.7%
Sweets and chocolates	126.4	-1.6%	Purchase of motor vehicles	111.8	4.7%
Potatoes	70.7	2.6%	Maintenance of motor vehicles	135.6	3.4%
Vegetables	85.6	-2.3%	Petrol and oil	109.1	13.9%
Fruit	118.4	2.2%	Sea travel	192.0	-1.3%
Other foods	126.4	-2.3%	Air travel	105.8	7.4%
			Bus and coach fares	146.7	6.3%
Alcoholic beverages and tobacco	155.0	0.4%	Other travel costs	142.9	12.1%
Beer 'off' sales	109.0	-7.2%			
Wines & spirits 'off' sales	114.7	-1.0%	Communication	147.0	1.8%
Tobacco	224.3	3.1%	Postage	214.5	0.0%
			Telephones, etc.	138.0	2.0%
Clothing and footwear	79.4	-6.6%			
Men's outerwear	78.5	0.1%	Recreation and culture	130.2	1.2%
Women's outerwear	68.0	-5.8%	Pet care	157.7	2.6%
Childrens' outerwear	102.4	-21.5%	Kennel fees	141.1	14.3%
Other clothing	95.4	-8.9%	Subscription to internet	118.2	1.5%
Footwear	82.5	-10.9%	Leisure goods & services	262.7	0.5%
Housing, water, electricity, gas and other fuels	145.4	7.2%	Education	163.2	1.1%
Rent	166.6	5.4%	Private education fee	147.1	0.0%
Water Rates	184.3	0.2%	Preschool fees	144.4	2.8%
Repairs and maintenance charges	131.2	-0.6%			
DIY materials	117.0	9.5%	Restaurants and hotels	180.2	4.7%
Coal and solid fuels	174.6	2.4%	Catering	171.8	5.1%
Electricity	141.8	0.0%	Beer 'on' sales	157.6	3.3%
Gas	126.4	0.0%	Wines & spirits 'on' sales	294.7	2.5%
Oil and other fuels	116.1	45.4%			
			Miscellaneous goods and services	114.3	2.1%
			Consumer Price Index	134.1	2.3%

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

Group		January	February	March	April	May	June	July	August	September	October	November	December
		2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020	2020
01	Food and non-alcoholic beverages	121.6	122.1	121.4	122.0	121.7	121.4	121.7	121.8	121.3	121.9	121.4	121.4
02	Alcoholic beverages and tobacco	150.3	151.8	152.0	153.2	152.0	152.6	154.3	153.9	151.8	153.0	152.2	152.5
03	Clothing and footwear	94.5	89.3	87.1	86.2	84.5	85.8	85.1	85.3	82.6	84.7	85.0	82.7
04	Housing, water, electricity, gas and other fuels	145.6	141.9	140.1	137.4	135.0	134.8	135.6	138.1	138.2	138.2	137.9	138.1
05	Furniture, household equipment and maintenance	145.9	146.6	144.7	145.1	147.8	148.6	149.2	151.4	148.1	147.7	148.8	147.4
06	Health	123.4	124.8	124.6	124.9	124.8	124.8	125.6	125.4	125.4	125.4	124.8	124.4
07	Transport	123.0	123.0	121.7	125.2	117.6	116.9	117.9	113.5	111.9	113.5	131.0	116.4
08	Communication	148.4	148.4	148.4	147.7	148.4	144.4	144.4	144.4	146.8	146.8	146.9	146.9
09	Recreation and culture	125.2	128.3	127.9	128.0	128.4	127.8	128.6	130.3	130.0	128.8	129.4	128.3
10	Education	159.1	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	162.7	162.7	162.7
11	Restaurants and hotels	173.8	178.4	178.8	178.8	178.6	179.9	172.2	171.7	170.8	167.1	170.2	171.0
12	Miscellaneous goods and services	113.6	114.1	114.3	114.3	109.5	112.2	111.9	115.6	114.0	117.2	118.5	119.0
	Consumer Price Index	132.8	133.3	132.5	133.1	131.0	131.0	131.1	131.3	130.3	130.7	134.4	131.3
	CPI inflation rate	2.6%	2.6%	1.8%	0.8%	0.1%	-0.3%	-0.2%	-0.3%	-1.7%	-0.7%	-0.3%	-0.2%

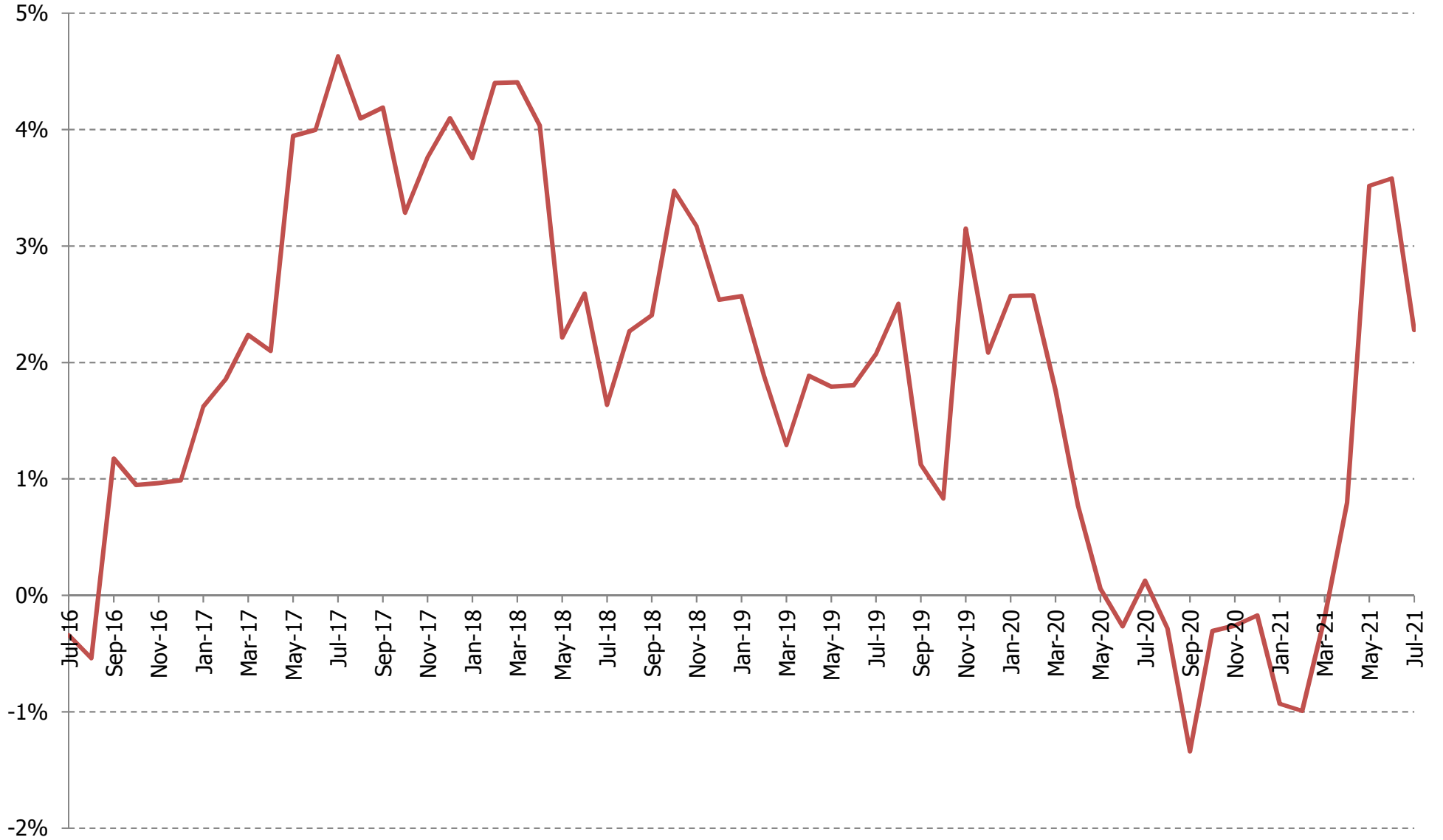
Group		January	February	March	April	May	June	July	August	September	October	November	December
		2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
01	Food and non-alcoholic beverages	121.8	122.2	122.2	122.1	121.7	121.6	122.5					
02	Alcoholic beverages and tobacco	152.1	152.7	152.3	154.4	154.4	155.6	155.0					
03	Clothing and footwear	82.4	80.2	82.2	80.9	82.4	81.9	79.4					
04	Housing, water, electricity, gas and other fuels	139.9	141.1	141.5	142.6	144.4	144.4	145.4					
05	Furniture, household equipment and maintenance	150.2	149.0	149.3	151.6	150.1	154.5	154.7					
06	Health	125.0	124.5	124.9	124.9	123.3	125.4	125.2					
07	Transport	122.3	123.1	123.4	128.1	131.9	131.2	125.9					
08	Communication	147.0	147.0	147.0	147.0	147.0	147.0	147.0					
09	Recreation and culture	127.5	126.8	126.8	129.3	131.0	129.4	130.2					
10	Education	162.7	162.7	162.7	162.7	163.2	163.2	163.2					
11	Restaurants and hotels	171.0	173.1	173.1	174.3	174.6	179.6	180.2					
12	Miscellaneous goods and services	108.1	111.4	111.4	113.8	116.5	117.0	114.3					
	Consumer Price Index	131.6	132.0	132.2	134.1	135.6	135.7	134.1					
	CPI inflation rate	-0.9%	-1.0%	-0.2%	0.8%	3.5%	3.6%	2.3%					

Table 4 - Isle of Man Retail Prices Index - Summary July 2021

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food	131	296.5	0.6%	0.7%	0.1%
Catering	43	217.1	0.4%	5.1%	0.2%
Alcoholic drink	41	190.5	-0.6%	-0.7%	0.0%
Tobacco	22	407.8	0.0%	3.1%	0.1%
Housing	221	154.4	0.9%	3.0%	0.6%
Fuel and light	71	254.6	1.8%	14.5%	0.8%
Household goods	64	200.7	0.5%	2.6%	0.2%
Household services	73	163.6	-5.1%	-0.8%	-0.1%
Clothing and footwear	38	169.6	-3.4%	-8.4%	-0.3%
Personal goods and services	56	261.8	-5.5%	-3.3%	-0.2%
Motoring expenditure	89	159.4	1.4%	7.9%	0.6%
Fares and other travel costs	30	259.7	-12.3%	-14.2%	0.7%
Leisure goods	36	226.9	6.5%	8.2%	0.4%
Leisure services	86	200.0	-0.3%	-2.2%	-0.2%
All Items excluding Housing	779	211.5	-1.2%	2.8%	0.0%
All Items	1000	207.1	-0.8%	2.8%	2.8%

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

Consumer Price Index July 2016 - July 2021



Isle of Man Retail Prices Index All Items

Year	January	February	March	April	May	June	July	August	September	October	November	December	Average
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	202.1	199.7	201.2	200.6	201.1	202.7	201.3	206.0	201.0	201.0
2020	203.0	204.6	202.8	204.0	200.7	201.5	201.4	202.9	201.7	201.8	206.7	201.9	202.7
2021	202.4	203.7	203.6	207.1	209.8	208.8	207.1						

Note:- The average index is the arithmetic average of the monthly indices. The index was rebased to 100 in January 2000.

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
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	1.9	0.9	1.3	1.2	2.4	1.7	0.8	2.6	2.4	1.7
2020	2.3	2.8	2.2	0.9	0.6	0.2	0.5	1.0	-0.4	0.3	0.4	0.4	0.9
2021	-0.3	-0.5	0.4	1.5	4.5	3.6	2.8						

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 (June 2021) 3.9%
Estimated Formula Effect: -1.11%

Adjusted UK RPI: 2.79%

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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