



Isle of Man
Government

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Isle of Man Inflation Report June 2021

Economic Affairs

Cabinet Office

July 2021

ISLE OF MAN INFLATION

June 2021



KEY POINTS FOR June 2021

CONSUMER PRICES INDEX

3.7%

CONSUMER PRICES INDEX (CPI)

The annual rate of inflation as measured by CPI for June 2021 is 3.7%, this is an increase of 0.2% from May 2021.

Inflation as measured by Consumer Price Index stands at 3.7% for June 2021, up from 3.5% in May 2021.

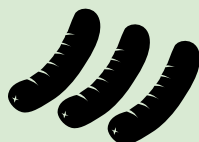
Transport, Housing, water, electricity, gas and other fuels and Miscellaneous goods and services continue to be the three main factors contributing to this increase in inflation, whereby each contributes a 2.1%, 0.7% and 0.3% increase in the overall rate respectively.

The biggest contributor to this increase in the rate of inflation is Transport. All items within this category experienced an increase in prices compared to same month last year (June 2020), with air travel (31.7%) experiencing the greatest increase, followed by bus and coach fares (19.1%), driving lessons (16.7%), other travel costs (12.5%) and petrol and oil (10.9%).

The second biggest contributor to the increase in the rate of inflation is Housing, water, electricity, gas and other fuels. Within this category oils and other fuels experienced the greatest increase in prices (47.2%). Miscellaneous goods and services is the third biggest contributors to the increase in the overall 12-month rate.

LARGEST CATEGORY MOVEMENTS OVER 12 MONTHS TO MAY 2021

INCREASES



Pork
+17.6%



Driving Lessons
+16.7%



Air travel
+31.7%



Oil and other fuels
+47.2%



Kennel Fees
+14.3%



Bus and coach fares
+19.1%

DECREASES



Beer 'off' sales
-5.6%



Children's Outerwear
-11.1%



Footwear
-5.1%



Women's outerwear
-6.9%



Tea
-11.4%



Other clothing
-7.2%

ISLE OF MAN INFLATION

June 2021
OVERALL CPI 3.7%



12 MONTH CHANGE CATEGORY MOVEMENTS (CPI)



Food and Non-
Alcoholic Beverages
+0.6%



Alcoholic Beverages
and Tobacco
+2.0%



Clothing and
Footwear
-4.5%



Housing, Water,
Electricity, Gas and
Other Fuels
+7.1%



Furniture, Household
Equipment and
Maintenance
+3.9%



Health
+0.4%



Transport
+12.6%



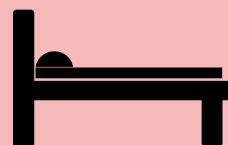
Communication
+1.8%



Recreation and
Culture
+1.3%



Education
+1.1%



Restaurants and
Hotels
-0.1%



Miscellaneous
Goods and Services
+4.3%

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

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food and non-alcoholic beverages	148	122.1	0.1%	0.6%	0.1%
Alcoholic beverages and tobacco	39	155.6	0.8%	2.0%	0.1%
Clothing and footwear	58	81.9	-0.6%	-4.5%	-0.2%
Housing, water, electricity, gas and other fuels	99	144.4	0.0%	7.1%	0.7%
Furniture, household equipment and maintenance	68	154.5	2.9%	3.9%	0.3%
Health	20	125.4	1.7%	0.4%	0.0%
Transport	169	131.7	-0.2%	12.6%	2.1%
Communication	25	147.0	0.0%	1.8%	0.1%
Recreation and Culture	194	129.4	-1.2%	1.3%	0.2%
Education	35	163.2	0.0%	1.1%	0.0%
Restaurants and hotels	70	179.6	2.9%	-0.1%	0.0%
Miscellaneous goods and services	76	117.0	0.4%	4.3%	0.3%
Consumer Price Index	1000	135.9	0.2%	3.7%	3.7%

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 June 2021
January 2008 = 100**

Category	Index	12 month change	Category	Index	12 month change
Food and non-alcoholic beverages	122.1	0.6%	Furniture, household equipment and maintenance	154.5	3.9%
Bread	120.8	-3.3%	Furniture	145.2	4.0%
Cereals	135.6	1.7%	Furnishings	182.1	3.5%
Biscuits and cakes	129.3	-1.5%	Electrical appliances	85.2	3.8%
Beef	139.0	9.6%	Other household equipment	186.0	10.5%
Lamb	141.2	0.1%	Household consumables	126.0	-2.8%
Pork	147.6	17.6%	Domestic help	160.7	0.0%
Bacon	93.2	-0.7%	Window cleaning	125.9	0.0%
Poultry	171.8	1.5%			
Other meat	123.7	-2.9%	Health	125.4	0.4%
Fish	131.7	0.9%	NHS prescription	118.5	0.0%
Butter	175.6	2.4%	Contact lens solution	133.7	0.0%
Oils and fats	139.3	5.5%	Indigestion tablets	140.1	1.2%
Cheese	127.3	-0.2%	Painkiller tablets	154.3	3.9%
Eggs	91.2	3.8%	Multivitamin tablets	165.5	3.4%
Milk	118.9	6.0%	Sticking plasters	89.8	-1.1%
Milk products	123.4	3.4%	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	-1.3%			
Soft drinks	103.0	0.9%	Transport	131.7	12.6%
Sugar and preserves	86.9	-0.8%	Driving lessons	139.1	16.7%
Sweets and chocolates	126.4	-1.6%	Purchase of motor vehicles	109.8	2.7%
Potatoes	69.4	0.8%	Maintenance of motor vehicles	135.6	3.4%
Vegetables	85.5	-2.0%	Petrol and oil	106.7	10.9%
Fruit	118.3	2.1%	Sea travel	183.7	4.4%
Other foods	126.4	-1.8%	Air travel	129.4	31.7%
			Bus and coach fares	164.4	19.1%
Alcoholic beverages and tobacco	155.6	2.0%	Other travel costs	143.3	12.5%
Beer 'off' sales	113.0	-5.6%			
Wines & spirits 'off' sales	115.0	-0.5%	Communication	147.0	1.8%
Tobacco	224.3	5.7%	Postage	214.5	0.0%
			Telephones, etc.	138.0	2.0%
Clothing and footwear	81.9	-4.5%			
Men's outerwear	78.5	1.5%	Recreation and culture	129.4	1.3%
Women's outerwear	69.5	-6.9%	Pet care	155.9	5.6%
Childrens' outerwear	118.0	-11.1%	Kennel fees	141.1	14.3%
Other clothing	95.4	-7.2%	Subscription to internet	116.5	1.2%
Footwear	86.4	-5.1%	Leisure goods & services	261.4	-1.4%
Housing, water, electricity, gas and other fuels	144.4	7.1%	Education	163.2	1.1%
Rent	166.6	5.4%	Private education fee	147.1	0.0%
Water Rates	184.0	0.0%	Preschool fees	144.4	2.8%
Repairs and maintenance charges	126.0	-4.6%			
DIY materials	117.0	9.5%	Restaurants and hotels	179.6	-0.1%
Coal and solid fuels	175.7	2.4%	Catering	171.1	-0.9%
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	110.8	47.2%			
			Miscellaneous goods and services	117.0	4.3%
			Consumer Price Index	135.9	3.7%

**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%

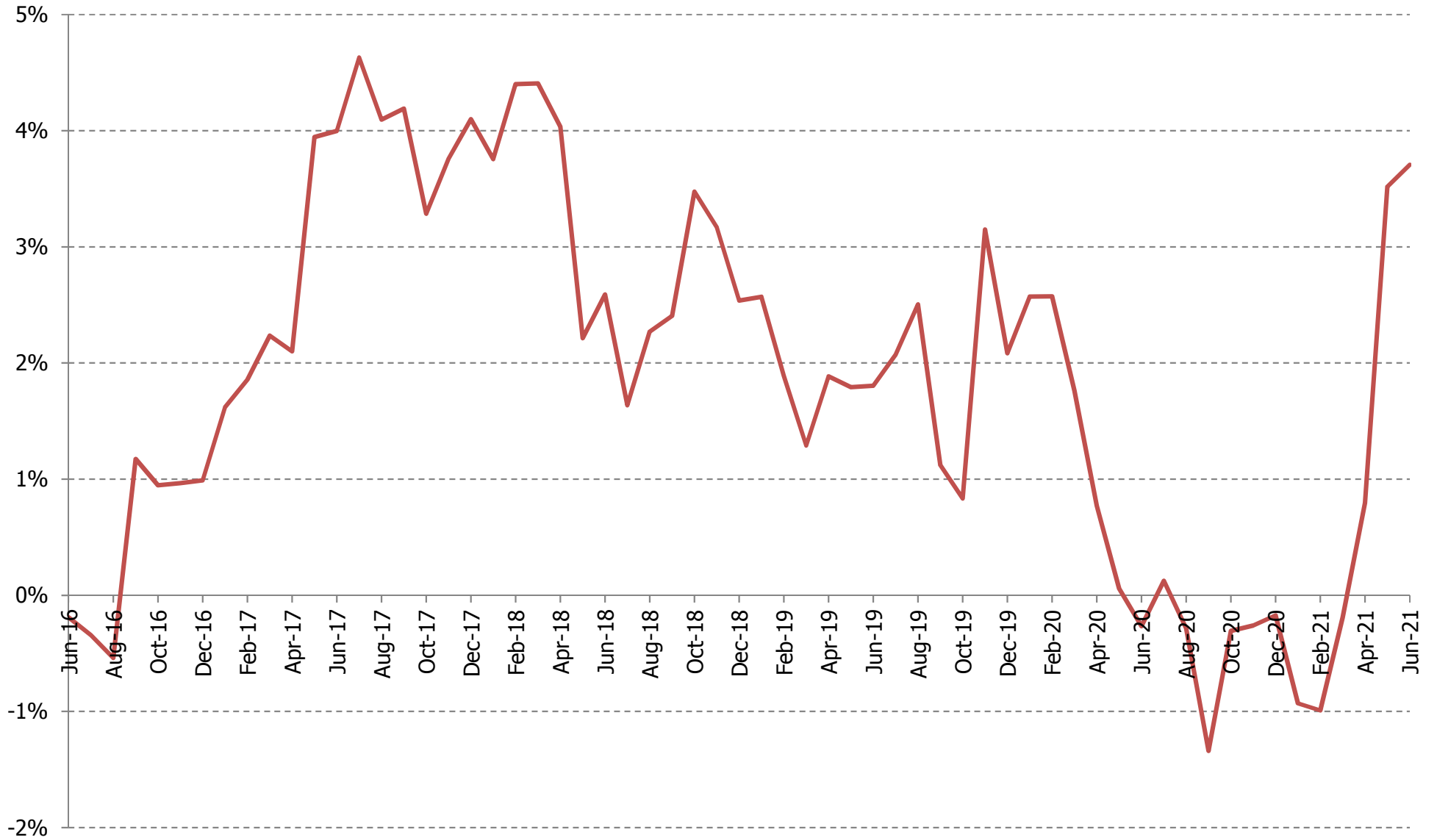
Group		January	February	March	April	May	June	July	August	September	October	November	December
		2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
01	Food and non-alcoholic beverages	121.8	122.2	122.2	122.1	122.0	122.1						
02	Alcoholic beverages and tobacco	152.1	152.7	152.3	154.4	154.4	155.6						
03	Clothing and footwear	82.4	80.2	82.2	80.9	82.4	81.9						
04	Housing, water, electricity, gas and other fuels	139.9	141.1	141.5	142.6	144.4	144.4						
05	Furniture, household equipment and maintenance	150.2	149.0	149.3	151.6	150.1	154.5						
06	Health	125.0	124.5	124.9	124.9	123.3	125.4						
07	Transport	122.3	123.1	123.4	128.1	131.9	131.7						
08	Communication	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						
10	Education	162.7	162.7	162.7	162.7	163.2	163.2						
11	Restaurants and hotels	171.0	173.1	173.1	174.3	174.6	179.6						
12	Miscellaneous goods and services	108.1	111.4	111.4	113.8	116.5	117.0						
	Consumer Price Index	131.6	132.0	132.2	134.1	135.6	135.9						
	CPI inflation rate	-0.9%	-1.0%	-0.2%	0.8%	3.5%	3.7%						

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

Category	Weights	Index	1 month change	12 month change	Contribution to overall 12 month change
Food	131	295.5	-0.1%	0.6%	0.1%
Catering	43	216.2	3.5%	-0.8%	0.0%
Alcoholic drink	41	191.7	1.0%	-0.2%	0.0%
Tobacco	22	407.8	-0.1%	5.9%	0.2%
Housing	221	153.0	-0.7%	2.5%	0.5%
Fuel and light	71	250.0	0.0%	14.5%	0.8%
Household goods	64	199.7	1.9%	3.4%	0.2%
Household services	73	172.3	1.1%	5.7%	0.4%
Clothing and footwear	38	175.5	-0.3%	-6.0%	-0.2%
Personal goods and services	56	277.1	2.4%	0.2%	0.0%
Motoring expenditure	89	157.3	0.5%	6.6%	0.5%
Fares and other travel costs	30	297.4	-4.5%	-0.1%	1.6%
Leisure goods	36	213.0	-11.8%	-2.0%	-0.1%
Leisure services	86	200.5	0.7%	-1.9%	-0.2%
All Items excluding Housing	779	214.3	-0.4%	4.0%	0.0%
All Items	1000	208.9	-0.4%	3.7%	3.7%

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

Consumer Price Index June 2016 - June 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	209.9	208.9							

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	3.7							

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 (May 2021) 3.3%
Estimated Formula Effect: -1.20%

Adjusted UK RPI: 2.1%

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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