

**January 2020**



**RMI CONSUMER PRICE INDEX (CPI)  
4<sup>th</sup> QUARTER 2019**

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### **Suggested Notes Prior to Reading this Consumer Price Index (CPI) Report**

- Before moving forward to Ebeye CPI, readers are suggested to review this publication to understand better the information presented in this report.
- EPPSO did not conduct the CPI collection on Ebeye during the 3<sup>rd</sup> quarter of 2019 due to the dengue outbreak which started in August 7, 2019.
- Please note that the data presented in 4<sup>th</sup> quarter is compared with the price data from the 2<sup>nd</sup> quarter.

## Majuro CPI went up by 0.12 percent in the 4<sup>th</sup> quarter 2019

The quarterly Majuro Consumer Price Index (CPI) went up by 0.12 percent after a downfall of -0.06 percent in the previous quarter.

Four of the CPI's nine groups showed an upward contribution which came from Food, Alcoholic Beverage, Housing utilities and major appliances, and Other goods and services groups. Food group showed an increase trend of 0.38 percent in the 4<sup>th</sup> quarter compared to -1.12 percent drop in the 3<sup>rd</sup> quarter. Alcoholic beverage showed an increase trend of 2.28 percent in the 4<sup>th</sup> quarter compared to -0.40 percent drop in the 3<sup>rd</sup> quarter. Housing utilities and major appliances group showed an increase trend of 0.05 percent compared to an increase of 1.08 percent in the 3<sup>rd</sup> quarter. Other goods and services group increased to 0.31 percent in the 4<sup>th</sup> quarter compared to -2.27 percent drop in the 3<sup>rd</sup> quarter.

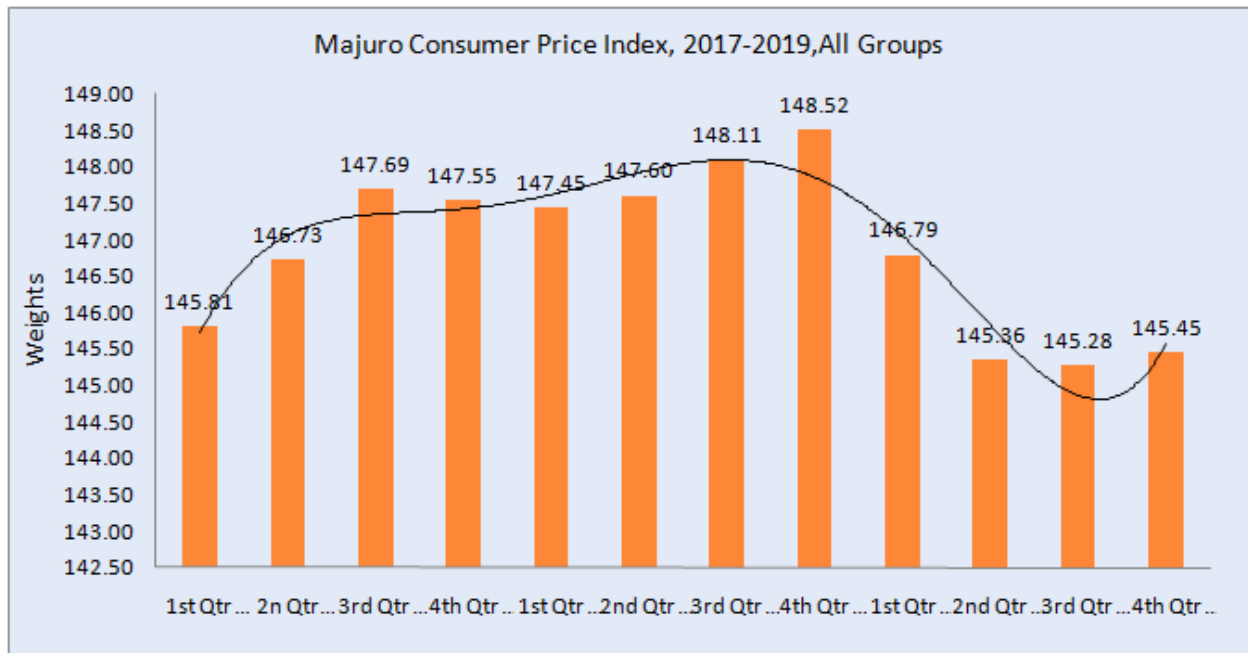
Two of the CPI's nine groups made a downward contribution which came from Apparel and Transportation groups. Apparel group fell by -0.84 percent in the 4<sup>th</sup> quarter compared to 5.51 percent increased in the 3<sup>rd</sup> quarter. Transportation group went down by -0.49 percent in the 4<sup>th</sup> quarter compared to 1.02 percent increased in the 3<sup>rd</sup> quarter.

Other groups, such as Medical care, Recreation and Education and communication remain unchanged this quarter.

### Majuro Consumer Price Index, 4th qtr 2019

	Weights	1st Qtr 2017	2n Qtr 2017	3rd Qtr 2017	4th Qtr 2017	1st Qtr 2018	2nd Qtr 2018	3rd Qtr 2018	4th Qtr 2018	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019
<b>All Group</b>	<b>100.00</b>	<b>145.81</b>	<b>146.73</b>	<b>147.69</b>	<b>147.55</b>	<b>147.45</b>	<b>147.60</b>	<b>148.11</b>	<b>148.52</b>	<b>146.79</b>	<b>145.36</b>	<b>145.28</b>	<b>145.45</b>
Food	35.91	153.93	154.87	156.20	156.23	157.14	157.06	157.75	158.52	156.05	154.06	152.34	152.91
Alcoholic Beverage	1.68	144.53	148.16	147.68	147.17	147.17	147.17	147.17	149.06	149.06	150.88	150.28	153.72
Housing, Utilities and Major Appliances	17.07	206.08	206.08	206.21	206.21	206.21	206.21	206.21	206.21	206.55	206.46	208.69	208.79
Apparel	4.33	114.29	114.35	116.57	116.98	101.22	99.58	104.24	107.19	106.76	109.05	115.05	114.09
Transportation	13.73	153.86	153.86	155.25	154.95	158.23	159.84	160.25	159.64	157.67	157.66	159.26	158.48
Medical Care	2.23	100.22	100.22	100.22	100.22	100.22	100.22	100.22	100.22	100.22	100.22	100.22	100.22
Recreation	2.32	85.57	85.57	85.57	85.57	85.57	85.57	85.57	85.57	89.49	89.58	89.58	89.58
Education and Comm.	6.56	120.39	120.39	120.39	120.39	120.39	120.39	120.39	120.39	120.39	120.36	120.36	120.36
Other Goods and Services	16.17	91.09	94.33	95.43	94.71	93.50	93.71	93.71	94.07	89.70	84.59	82.67	82.92
<b>Quarterly Change</b>													
<b>All Group</b>	<b>100.00</b>	<b>-0.35</b>	<b>0.63</b>	<b>0.65</b>	<b>-0.09</b>	<b>-0.07</b>	<b>0.11</b>	<b>0.34</b>	<b>0.28</b>	<b>-1.17</b>	<b>-0.97</b>	<b>-0.06</b>	<b>0.12</b>
Food	35.91	-1.28	0.61	0.86	0.02	0.58	-0.05	0.44	0.49	-1.56	-1.27	-1.12	0.38
Alcoholic Beverage	1.68	-0.64	2.51	0.00	0.00	0.00	0.00	0.00	1.28	0.00	1.22	-0.40	2.28
Housing, Utilities and Major Appliances	17.07	0.00	0.00	0.06	0.00	0.00	0.00	0.00	0.00	0.17	-0.04	1.08	0.05
Apparel	4.33	0.80	0.05	1.95	0.35	-13.48	-1.62	4.69	2.83	-0.40	2.14	5.51	-0.84
Transportation	13.73	0.99	0.00	0.90	-0.19	2.12	1.02	0.25	-0.38	-1.24	-0.01	1.02	-0.49
Medical Care	2.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recreation	2.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.59	0.10	0.00	0.00
Education and Comm.	6.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.03	0.00	0.00
Other Goods and Services	16.17	-0.22	3.56	1.17	-0.76	-1.27	0.22	0.00	0.39	-4.65	-5.70	-2.27	0.31

Source: EPPSO



### Food Group

The following individual items make an upward contribution to CPI movement based on the higher price in the 4<sup>th</sup> quarter:

- Cereal up by .04 percent
- Corn-beef went up by 0.03 percent
- Canned luncheon meat went up by 0.04 percent
- Canned Mackerel went up by 0.07 percent
- Whole chicken went up by 0.11 percent

### Alcoholic Beverage

This item also made a slight upward contribution to CPI movement in this quarter:

- Beer went up by 0.02 percent

### Housing, Utilities and major appliances

The main upward contribution came from the following items in the 4<sup>th</sup> quarter:

- Refrigerator went up by 0.08 percent
- Air conditioner went up by 0.05 percent

### Apparel

The main downward trend came from the following items in the CPI 4<sup>th</sup> quarter:

- Other women's and girls' clothing went down by 0.04 percent
- Zorrie went down by 0.04 percent

### Transportation

The main downward contribution came from the lower prices of gasoline in the CPI 4<sup>th</sup> quarter:

- Gasoline went down by 0.02 percent

### Other goods and Services group

This item made a slight upward contribution to CPI movement in this quarter:

- Toilet paper also went up by 0.01 percent

## Ebeye CPI Movement: 4<sup>th</sup> Quarter, 2019

Ebeye Consumer Price Index (CPI) fell by -0.41 percent in the 4<sup>th</sup> quarter compared to 0.92 percent increased in the previous quarter. The main driver of this downward trend came from the two main sources of which are Transportation and Other goods and Services groups.

Transportation group went down by -2.92 percent in the 4<sup>th</sup> quarter while during the 2<sup>nd</sup> quarter the price index remains unchanged. Other goods and services group fell by -7.39 percent in the 4<sup>th</sup> quarter compared to 12.47 percent increased in the 2<sup>nd</sup> quarter.

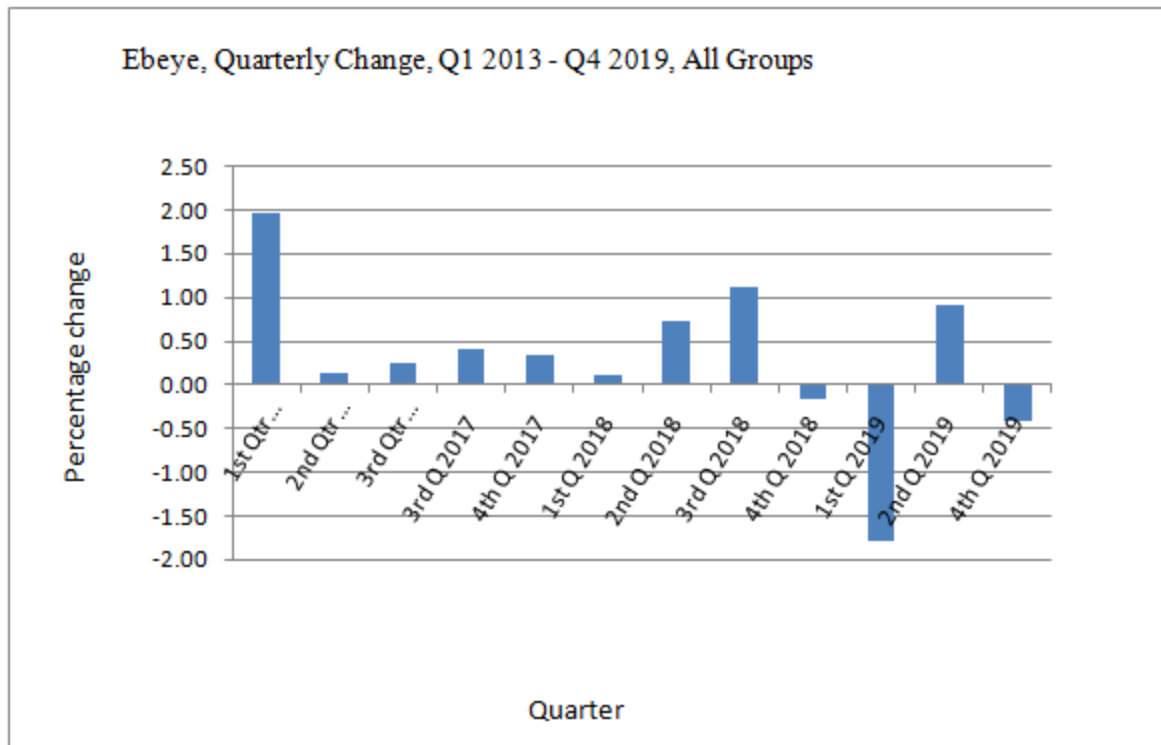
One of the CPI's nine groups made an upward contribution which came from Food group. Food group went up by 1.19 percent in the 4<sup>th</sup> quarter compared to -0.24 percent drop in the 2<sup>nd</sup> quarter.

Other groups, such as Alcoholic beverage, Housing utilities and major appliances, Apparel, Medical care, Recreation, and Education and communication all remain unchanged in the 4<sup>th</sup> quarter.

### Ebeye Consumer Price Index Movement: 4th Quarter, 2019 - All Group

	Weight	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	3rd Q 2017	4th Q 2017	1st Q 2018	2nd Q 2018	3rd Q 2018	4th Q 2018	1st Q 2019	2nd Q 2019	4th Q 2019
<b>All Group</b>	<b>100.00</b>	<b>135.66</b>	<b>135.85</b>	<b>136.19</b>	<b>146.48</b>	<b>146.99</b>	<b>147.17</b>	<b>148.24</b>	<b>149.90</b>	<b>149.65</b>	<b>146.99</b>	<b>148.34</b>	<b>147.74</b>
Food	46.7	149.68	149.97	150.71	171.31	172.17	173.56	173.89	176.81	175.64	168.26	167.85	169.85
Alcoholic Beverage	1.5	95.10	95.10	95.10	98.29	95.60	99.28	99.28	95.63	100.52	102.12	102.12	102.12
Housing, Utilities and Major Appliances	15.9	131.24	131.24	131.24	130.08	130.08	130.08	130.08	130.08	130.08	130.08	130.08	130.08
Apparel	6.1	124.94	124.94	124.94	154.13	156.58	147.28	147.28	147.28	153.54	154.62	154.62	154.62
Transportation	12.3	139.95	139.95	139.95	131.79	131.79	139.63	139.63	139.63	138.77	139.21	139.21	135.15
Medical Care	0.9	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Recreation	2.2	71.90	71.90	71.90	71.90	71.90	71.90	71.90	71.90	71.90	71.90	71.90	71.90
Education and Comm.	4.4	100.00	100.00	100.00	109.73	109.75	109.75	109.75	109.75	109.75	109.75	109.75	109.75
Other Goods and Services	10.1	117.44	117.97	117.97	114.03	114.03	113.99	113.99	117.50	117.00	123.25	138.62	128.38
<b>Quarterly Change</b>													
<b>All Group</b>	<b>100.00</b>	<b>1.97</b>	<b>0.14</b>	<b>0.26</b>	<b>0.41</b>	<b>0.35</b>	<b>0.12</b>	<b>0.73</b>	<b>1.12</b>	<b>-0.16</b>	<b>-1.78</b>	<b>0.92</b>	<b>-0.41</b>
Food	46.7	1.64	0.20	0.49	1.22	0.51	0.81	0.19	1.68	-0.66	-4.20	-0.24	1.19
Alcoholic Beverage	1.5	-3.25	0.00	0.00	0.00	-2.74	3.86	0.00	-3.68	5.12	1.59	0.00	0.00
Housing, Utilities and Major Appliances	15.9	2.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Apparel	6.1	4.51	0.00	0.00	2.81	1.59	-5.94	0.00	0.00	4.25	0.71	0.00	0.00
Transportation	12.3	7.48	0.00	0.00	-0.28	0.00	5.95	0.00	0.00	-0.61	0.32	0.00	-2.92
Medical Care	0.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Recreation	2.2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Education and Comm.	4.4	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Goods and Services	10.1	-3.42	0.45	0.00	-4.74	0.00	-0.03	0.00	3.07	-0.42	5.34	12.47	-7.39

Source: EPPSO



### Food Group

Food prices went upward by 1.19 percent in the 4<sup>th</sup> quarter compared to -0.24 percent in the 2<sup>nd</sup> quarter. The main upward contributions came from the following food items listed below:

- Flour went up by 0.05 percent
- Canned corned beef went up by 0.05 percent
- Whole chicken up 0.21 percent
- Chip-potato/banana up 0.37 percent

### Transportation

The main downward contribution came from the lower prices of gasoline on Ebeye during 4<sup>th</sup> quarter.

- Gasoline down 0.07 percent

### Other goods and services

The main downward contribution came from the lower prices of toilet paper on Ebeye during the 4<sup>th</sup> quarter.

- Toilet paper down 0.12 percent

## Majuro-Ebeye Comparison

As illustrated in the chart below, the trends continue with the average prices of commonly purchased goods remain higher in Ebeye compared to Majuro over the 2<sup>nd</sup> and 4<sup>th</sup> quarters of 2019. In the 2<sup>nd</sup> quarter, the cost of common goods totaled \$138 in Majuro: whereas, in Ebeye, the same basket of goods cost \$174 (0.26 percent difference) in the 2<sup>nd</sup> quarter 2019. In the 4<sup>th</sup> quarter, the average prices of common goods totaled \$138 in Majuro: Meanwhile, in Ebeye, the same basket of goods cost \$172 or a 1 percent drop compared to 2<sup>nd</sup> quarters. The average prices of flour, rice, canned meat and frozen meat went down 1 percent in Ebeye during the 4<sup>th</sup> quarter.

Majuro CPI remains the same over the 2<sup>nd</sup> and 4<sup>th</sup> quarters while Ebeye shows 1 percent drop from the 2<sup>nd</sup> quarters. The average prices of common goods such as rice, flour, canned meat, and frozen meat went down 1 percent in Ebeye during 4<sup>th</sup> quarter while in Majuro the average prices of common goods remain unchanged in the 4<sup>th</sup> quarter.

