

STATISTICAL NEWS

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Consumer Price Index Statistics

This release gives information on changes in the Consumer Price Index (CPI) for the Federated States of Micronesia (FSM) and the four states - Chuuk, Kosrae, Pohnpei and Yap. Appendix 1 contains tables with detailed data for FSM and the four states.

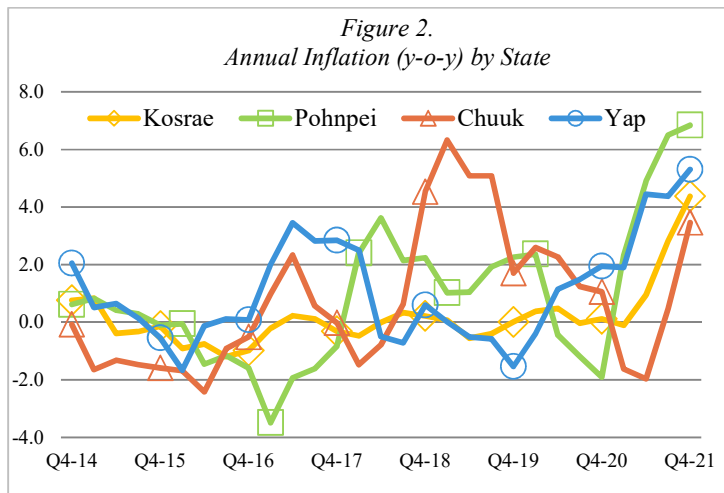
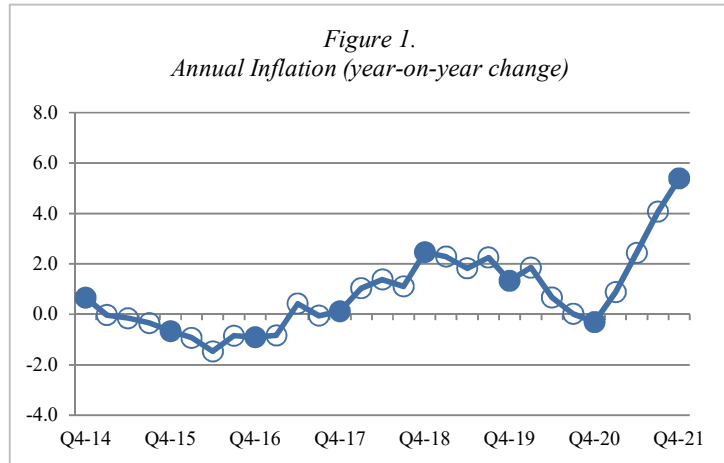
Annual Inflation

The annual inflation in the 4th quarter of 2021 was 5.4% for *All Groups*. The annual inflation rate for the 4th quarter of previous year (2020) was -0.3%, indicating an increase of 5.7 percentage points (Figure 1).

The largest contribution to annual inflation for 4th quarter 2021 came from the *Alcoholic beverages, tobacco, and narcotic* division, which increased in prices by -17.5% compared to the same quarter in the previous year (Figure 3).

Figure 2 shows the rate of annual inflation for 4th quarter 2021 for all four states increased. The highest inflation rate was recorded in Pohnpei at 6.8%, followed by Yap at 5.3%, Kosrae at 4.4% and Chuuk at 3.5%.

The high inflation rate in Pohnpei was caused by the increasing prices for the *Alcoholic beverages, tobacco and narcotics* division, which went up by 27.7%. On the other hand, the *Transport* division was the cause for price increases for Yap, Kosrae, and Chuuk -- up by 13.8%, 11.8%, and 7.9% respectively.



Contributions to inflation

The details of the price changes are presented here, comparing the changes between 2020 and 2021 (Figure 3) and the items/products driving these changes (Figure 4).

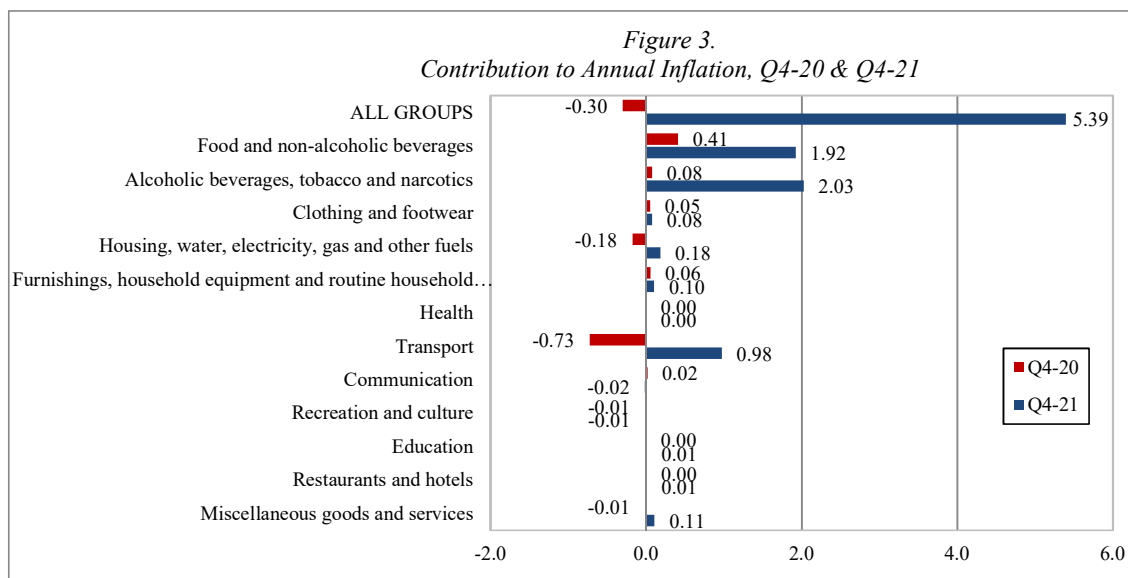


Figure 4.
Contribution to Annual Inflation by Item, Q4-21

Division	% of Contribution to Change	Comments
All Groups	5.39%	Sum=All Groups % Change
Food and non-alcoholic beverages	1.93%	Higher prices were recorded for turkey tails, potatoes, and hot dogs.
Alcoholic beverages, tobacco and narcotics	2.03%	Higher prices were recorded for sakau (take-out) and betelnut
Clothing and footwear	0.08%	Higher prices were recorded for locally made dresses and skirts
Housing, water, electricity and gas	0.19%	Higher Prices were recorded for fuel mix, kerosene, and lumber.
Furnishings and household equipment	0.11%	Higher prices were recorded for appliances (e.g., air conditioners, freezers, and washing machines), detergents, and clorox/bleaches
Health	0.00%	No price changes were recorded in this division.
Transport	0.98%	Higher prices were recorded for gasoline and taxi
Communication	-0.02%	Lower prices of were recorded for cellphones
Recreation and culture	-0.01%	Lower prices were recorded for stationery items like notebooks
Education	0.01%	Higher Prices were recorded for tuition fees for primary schools
Restaurants and hotels	0.01%	Higher prices were recorded for school lunches and restaurant meals
Miscellaneous goods and services	0.11%	Higher prices were recorded for hairdressing and diapers

Appendix 1: Detailed tables

Table 1	Indexes by COICOP category and State
Table 2	Quarterly changes by COICOP category and State
Table 3	Annual changes by COICOP category and State
Table 4	Quarterly contributions by COICOP category and State
Table 5	Annual contributions by COICOP category and State

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/s/

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