



Annual inflation of the Retail Price Index (RPI) in Q4 2016 – 4.7 per cent
Average Resident Population in Q4 2016 – 4,550
Average Resident *St Helenian* Population in Q4 2016 – 4,132

Headlines

- The St Helena RPI grew by 4.7 percent in the year leading up to the fourth calendar quarter of 2016, a 1.5 percentage point increase from the annual growth in the year leading to the previous quarter
- The resident population of St Helena stood at 4,550, a 2.5 per cent decrease from the same period in 2015
- Arrivals to St Helena in the financial year to date are down by 11 per cent compared to the previous financial year, again predominantly due to the reduction in Business passengers

Figure 1a: Annual rate of inflation of the St Helena Retail Price Index, Q1-2006 to Q4 2016

Figure 1b: St Helena Retail Price Index, Q2 2010 = 100

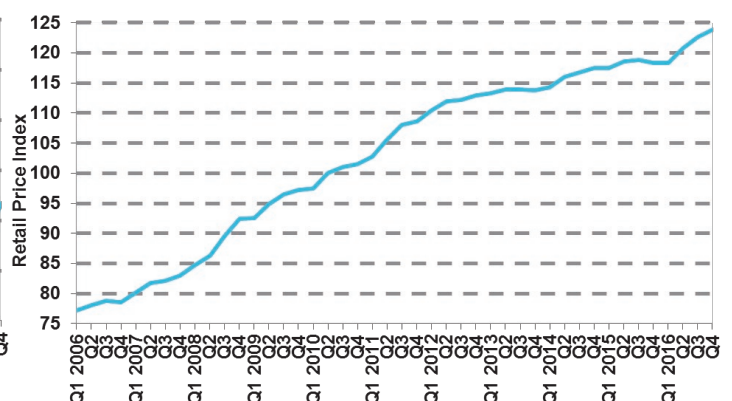
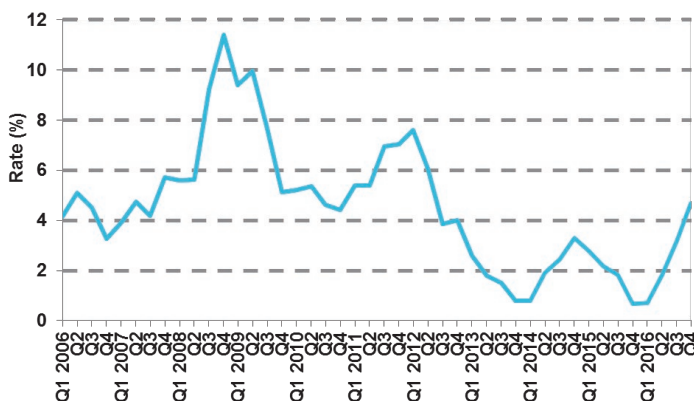


Figure 1a shows the historical trend in annual inflation and figure 1b the trend in the RPI. Table 1, overleaf, lists annual and quarterly changes in inflation of the RPI since it was re-based at the end of Q2 2010. The annual rate of inflation of the RPI stands at 4.7 per cent at the end of Q4 2016 (October - December), an increase of 1.5 percentage points from the previous quarter.

A discussion of changes and pressures on the RPI is given on pages 2-3 of this publication.

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Table 1: St Helena Retail Price Index (RPI), Annual and Quarterly, Q2 2010 to Q4 2016

Q2 = April to June, beginning of the financial year.	Index	Annual or 12 month change (%)	Quarterly or 3 month change (%)
Q2 2010	100.00	5.4	2.6
Q2 2011	105.55	5.6	2.8
Q2 2012	111.96	6.1	1.3
Q2 2013	113.95	1.8	0.5
Q2 2014	116.08	1.9	1.6
Q2 2015	118.61	2.2	1.0
Q3	118.83	1.8	0.2
Q4	118.34	0.7	-0.4
Q1 2016	118.30	0.7	-0.0
Q2	120.79	1.8	2.1
Q3	122.60	3.2	1.5
Q4	123.87	4.7	1.0

Table 2: Annual Inflation on the St Helena RPI, total and by category, Q3 2016 and Q4 2016

Category	Weight (%)	Annual inflation rate Q3 2016 (%)	Annual inflation rate Q4 2016 (%)	Quarterly change in annual rate
Food	33.4	4.1	8.4	+4.3
Transport	18.6	2.9	2.8	-0.1
Services	12.9	-0.5	-0.5	0.0
Housing*	9.8	1.6	1.6	0.0
Miscellaneous goods	8.9	2.1	2.4	+0.3
Fuel & light	7.8	9.2	9.0	-0.2
Household goods	4.1	1.2	2.4	+1.2
Alcohol & tobacco	3.2	1.9	2.6	+0.7
Clothing	1.4	6.8	9.4	+2.6
Total	100	3.2	4.7	+1.5

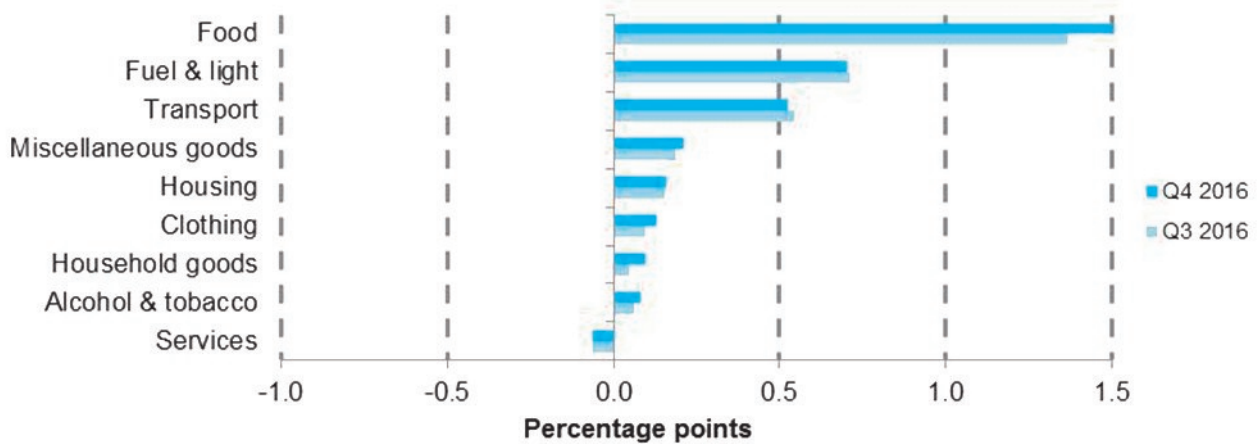
**Note: Housing includes Government Landlord Housing but not private rentals*

At the end of Q4 2016 annual inflation of the St Helena Retail Price Index (RPI) stood at 4.7 per cent. This means that a basket of goods and services that cost £100 in December 2015 would have cost £104.70 at the time of price checks - the second week of December 2016. The rate of annual inflation of the RPI rose by 1.5 percentage points from the previous quarter and also by 4.0 percentage points over the previous 12 months.

The Food category continues to be the largest pressure on the overall rate of inflation with price increases contributing 60 per cent towards the headline rate of inflation. This reflects the increased wholesale costs of imported goods from both the UK and SA. SA, in particular, has seen a general weakening of the pound against the rand, this reduced purchasing power, combined with other impacts such as the current drought situation, means certain goods now cost more compared to previous quarters. This then impacts our local shelf prices; this coupled with increased operational costs (utilities/labour etc.) has led to our highest rate of inflation since Q2 2012.

As usual a number of price changes, increases and decreases, were recorded in the Q4 2016 price checks. The size of this price change along with the weighting, a measure of importance of this item in the 'typical' regular shopping of a St Helenian household, is used to monitor overall trend prices of goods of that type (grouped by subcategory with similar goods and/or service). In this quarterly round of price checks the size, and impact, of observed price increases were greater than those measured one year ago.

Figure 2: Contribution to the headline rate of annual inflation of the St Helena RPI, Q3 2016 (AI =3.2%) and Q4 2016 (AI = 4.7%)



The 1.5 percentage point increase in the rate of annual inflation of the RPI from Q3 2016 to Q4 2016 reflects larger overall annual price increases on the goods and services in the St Helena shopping basket in the year leading up to Q4 2016 than in the year leading up to Q3 2016.

The largest *upwards* pressures on annual inflation of the RPI include:

Food - significant increases were observed in overall prices within the Food category, notably on imported vegetables. Price increases in the Food category contributed 2.8 percentage points, or approximately 60 per cent, towards the headline rate of inflation.

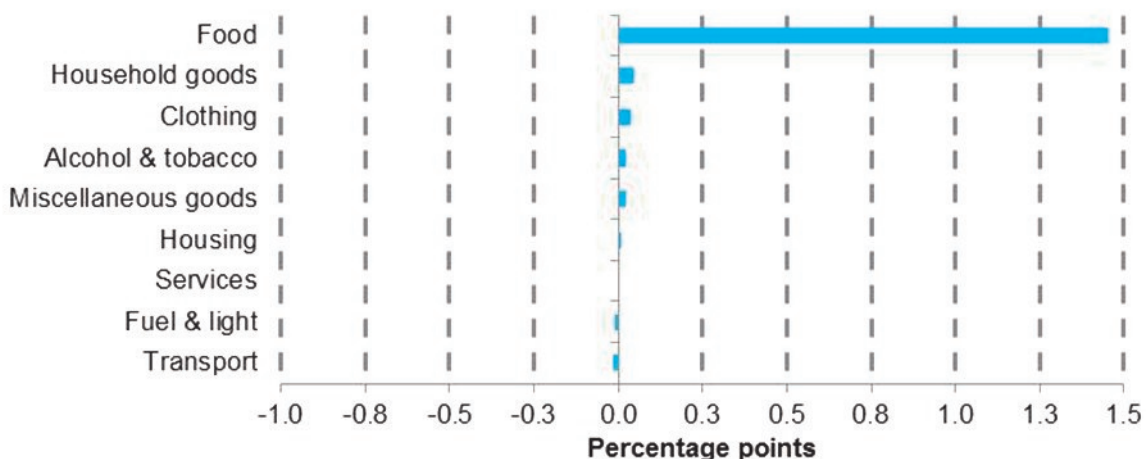
Fuel and light - the effect of the quarter 2 2016 revisions to the Utilities tariff continue to contribute towards the upward pressure on the rate of inflation. This is the second largest upward pressure on the inflation contributing 0.7 percentage points towards the headline rate.

Transport - as with quarter 3 2016, this quarter we note the price change in fuel prices. However, the third largest upward pressure on the inflation is attributed to the total cost of buying and importing a new vehicle - contributing 0.5 percentage points to the headline rate.

The largest *downward* pressures on the annual inflation of the RPI include price decreases in certain low weighted food and household items. The effects of the Q1 2016 reduction in the Broadband internet service also continues to contribute strongly towards this downward pressure.

For further explanation of the St Helena RPI and how it is constructed please see the Methodology on page 5 of this bulletin.

Figure 3: Contribution to the 1.5 percentage point increase in the annual rate of inflation of the St Helena RPI (3.2% to 4.7%) between Q3 2016 and Q4 2016



Global Context

The economic indicators produced by the Statistics Office reflect the economic and social environment of St Helena. If you wish to find out more facts and figures about the economy of other countries the IMF website (www.imf.org) contains a lot of information which will help you. Some of the information which may help to provide context and information on external influences on the St Helena economy include: inflation indices in other countries, currency exchange rates and commodity prices (i.e. price of fuel and food in other countries).

Currency Exchange - South African Rand

The St Helena Pound is on parity with the British Pound Sterling. Although the pound has shown considerable fluctuation over the 2016/17 period, there has been a general weakening against the South African Rand. On the first Monday in December 2016, one Pound was equivalent to 17.6 Rand, down from 21.8 at the same time in 2015.

International Headlines

UK (Office for National Statistics: www.ons.gov.uk)

The Consumer Prices Index (CPI) rose by 1.6% in the year to December 2016, compared with a 1.2% rise in the year to August. The rate in December 2016 was the highest since July 2014, when it was also 1.6%. The main contributors to the increase in the rate were rises in air fare and price of food, along with prices of motor fuels, which fell by less than they did a year ago.

South Africa (Statistics South Africa: www.statssa.gov.za)

Annual consumer price inflation was 6.8% in December 2016, up from 6.6% in November 2016. The consumer price index increased by 0.4% month-on-month in December 2016. In December the CPI for goods increased by 7.8% year-on-year (up from 7.7% in November), and the CPI for services increased by 5.9% year-on-year (up from 5.6% in November).

NOTE: INTERNATIONAL INFLATION FIGURES ARE NOT DIRECTLY COMPARABLE WITH FIGURES FOR ST HELENA. THESE FIGURES ARE INCLUDED TO PROVIDE SOME CONTEXT FOR LOCAL ECONOMIC INDICATORS.

Methodology and Fact Sheet

What is the Retail Price Index (RPI)?

The Retail Price Index is an official measure of prices and is calculated every three months (once per calendar quarter). The RPI measures changes in prices of a basket of goods relative to a base point in time. Increases in the RPI reflect increases in the price of goods.

How is the Retail Price Index (RPI) constructed?

1. Firstly a Household Expenditure Survey is conducted to identify a list of items bought by a range of households. Analysis of these results allow us to compile a basket of goods which represent an 'average' St Helenian household. Corresponding weights are calculated to show the relative importance of each of these items. The full contents and weighting of the basket of goods and services for which prices are monitored is available from the Statistics Office and can be downloaded from the publications section of the SHG website www.sainthelena.gov.sh/statistical-publications
2. The results of this provide the new standard or baseline relative to which RPI is calculated. Price changes are measured relative to this point in time.
3. Each quarter the current price of each item in the basket is collected.
4. The change in price of each item relative to the base point is multiplied by the item weight and this is summed to produce the overall change in the price index of the basket.
5. An RPI of 23.87 indicates that the basket of goods that cost £100 at the time of the baseline (Q2 2010) would now cost £123.87.

Why do we measure the RPI?

The rate of change of price indices are important indicators of how the economy is performing. They are used in many ways by Government, businesses and society in general. By looking at the groups of items and services for which price changes are observed the likely impact on individual household budgets can be considered.

What happens when an item is not available?

If a particular item is not available during a round of price checks, a series of prescribed steps are followed to ensure the correct measure is taken. Either the price will be carried forward from the previous quarter or a suitable substitution will be made. Great care is taken to ensure that this substitution is the closest possible comparison for the original item and that no unfair impact is made on RPI calculations.

What is Inflation?

Inflation simply means that something is growing or increasing. In the context of the economy the most commonly measured form of inflation is the change in prices of goods and services over time. On St Helena we measure this through the increase on the Retail Price Index (RPI). Annual Inflation figures tell us by how much the RPI has grown over the preceding twelve months.

What is the resident population?

The resident population at time of publishing (P_t) is calculated as:

$$P_t = P_{census} + Births - Deaths + Net Migration$$

Where P_{census} = Census enumerated usual resident population
(estimates produced for both 'de jure' and 'de facto' population enumerated on Census night, 7 February 2016)

Births = Number of registered births

Deaths = Number of registered deaths

Net Migration = Migration figures as captured on immigration forms at point of entry/exit

Resident Population

At the end of December 2016 the number of people on St Helena, residents plus visitors, stood at 4,640 with an average over Quarter 4 of 2016 of 4,550. This is a 2.5 per cent (116 person) decrease over the previous 12 months. The *St Helenian* population averaged 4,132 in Q4 2016, a 1.3 per cent (55 person) decrease from the same period in 2015. In general, we tend to see the highest population numbers within the Q1 and Q4 months of each year, coinciding with many Saints working abroad (predominately on Ascension and the Falkland Islands) returning home to visit friends and family. However, Q4 2016 has seen the lowest population numbers for that period since 2013. It remains to be seen whether this is a one-off occurrence due to the uncertainty of RMS bookings and schedule or an indication of a seasonal shift from the festive period to the first quarter months of the New Year.

Figure 4: St Helena resident population, averaged over quarter, Q1 2008 - Q4 2016 (top of bar = de facto population, second line = de facto *St Helenian* population)

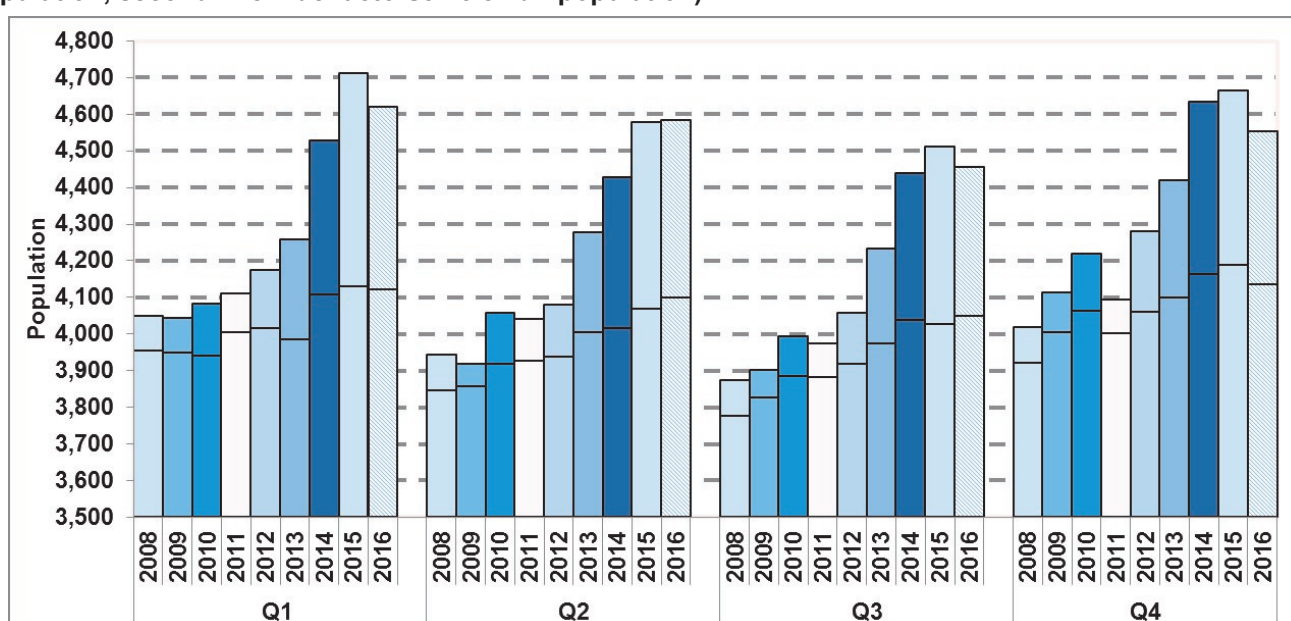


Table 3 - Associated table. Quarterly average estimated population (St Helenian), 2011 to 2016

	2011	2012	2013	2014	2015	2016
Q1 (Jan - Mar)	4,111 (4,004)	4,176 (4,017)	4,259 (3,987)	4,527 (4,109)	4,713 (4,129)	4,694 (4,220)
Q2 (Apr - June)	4,042 (3,928)	4,080 (3,938)	4,278 (4,005)	4,428 (4,016)	4,579 (4,070)	4,588 (4,099)
Q3 (July - Sept)	3,974 (3,882)	4,059 (3,919)	4,234 (3,973)	4,439 (4,039)	4,513 (4,027)	^r 4,454 (4,047)
Q4 (Oct - Dec)	4,093 (4,001)	4,280 (4,061)	4,420 (4,099)	4,636 (4,163)	4,666 (4,188)	4,550 (4,132)

^r Revision

Arrivals to St Helena: April to December 2016

Between the months of April – December 2016 there has been an 11 per cent (323 persons) decline in the total number of passenger arrivals to St Helena compared with the same period of 2015.

Noticeably, the decline can be seen in the RMS passenger figures (21 per cent) particularly in the Business and Tourist arrivals, a 36 and 33 per cent decrease respectively. Uncertainties around the scheduling during the first two quarters of the financial year might have contributed to this reduction.

These and related figures can be found in table 5 on page 8.

Arrivals to St Helena: April to December 2016 continued

Another contributing factor could lie in the completion of the Airport Construction Project, with Airport partners having less personnel based on Island and now preferring to transport their workforce and other staff via the air transportation system.

This observed shift from sea to air travel includes 16 international flights since the St Helena Airport became operational. The impact of which is starting to become apparent, especially in sectors such as the Health service where they have been greatly positive and beneficial. Medevac flights are now able to reach the Island and transport patients to Cape Town in life-saving time and with minimal delay.

This reporting period also saw an increase in the number of yacht arrivals and passengers alongside a noticeable reduction in cruise/expedition vessels. Compared to the same period in 2015, April – December 2016 observed a 10 per cent increase in the number of Yacht arrivals, resulting in a 34 per cent (75 persons) rise in Yacht passenger numbers. This number is likely to increase with the arrival of yachts participating in the 2016/17 World Arc Rally scheduled to reach St Helena in the first quarter of 2017.

Cruise/expedition vessels, on the other hand, more than halved. With a 57 per cent decline in arrivals compared to April – December 2015, fewer cruise/expedition vessels evidently led to a 67 per cent reduction (3,511 persons) in day visitors. Variations in the scheduling of these vessels and the case that St Helena does not always feature as a travel destination are strong factors that should be considered when comparing these counts. However, on a positive note, these arrivals did yield a 93 per cent (41 person) increase in the number of overnight visitors.

Births and Deaths

In the fourth calendar quarter of 2016 the Island saw seven births and seven deaths, bringing the total for 2016 to 35 births and 45 deaths. There has been a general decline in both births and deaths since 2014 and, compared with 2015, there has been a reduction by 13 per cent and 18 per cent respectively.

The number of deaths on St Helena can vary considerably and there is not yet sufficient evidence on the underlying factors which may have contributed to the relatively low number of on-Island deaths in 2016. However, it is noted that there has been considerable investment throughout the Health Service, from primary care (including preventative measures) through to critical care services. Medevac flights have also been possible to fly critical patients to Cape Town for emergency care, with the first taking place in June 2016. This method of travel drastically reduces the amount of time between leaving St Helena and arriving in Cape Town from days to a matter of hours.

Although, there was a decline in births in 2016, over the six year period indicated in the table below (including 2016), there were, on average, three births per month. Some years experience a slightly higher monthly average of four births however, due to the small number of births on St Helena, an average monthly count of three births is fairly standard.

'Off-Island' births are not included in the table below, however, in 2015 and 2016, off-Island births accounted for 13 per cent of total live births, approximately five additional births per year.

Table 4: Births, Deaths on St Helena, 2011 - 2016

	2011	2012	2013	2014	2015	2016
Births	34	32	35	48	40	35
<i>Of which: Male</i>	15 ^f	15	13	25	24	16
Female	19 ^f	17	22	23	16	19
Deaths	49	62	55	61	55	45
<i>Of which: Male</i>	22	36	34	36	32	26
Female	27	26	21	25	23	19

^f Revision

Arrivals to St Helena: April to December 2016

Source: St Helena Immigration database

Table 5: Number of passenger and vessel arrivals to St Helena, April to December 2015 and 2016

Arrival	2015/16	2016/17	Change over year	
			Actual	Percentage
Passenger Arrivals year to date (excl. day visitors)	2,812	2,489	-323	-11%
Of which: By Air	-	144	144	-
By Sea	2,813	2,345	-468	-20%
<i>RMS St Helena</i>	2,474	1,962	-512	-21%
<i>Yachts and Other Vessels</i>	339	383	44	13%
RMS Arrivals				
Number of RMS arrivals	26	21	-5	-19%
<i>of which: from Ascension</i>	14	9	-5	-36%
<i>from Cape Town</i>	12	11	-1	-8%
<i>from UK</i>	-	1	1	-
Total RMS passenger arrivals	2,474	1,962	-512	-21%
<i>of which: from Ascension</i>	1,144	730	-414	-36%
<i>from Cape Town</i>	1,329	1102	-227	-17%
<i>from UK</i>	-	130	-	-
Passenger arrivals by category:				
Business	654	420	-234	-36%
Tourist (Excursion)	418	282	-136	-33%
<i>of which: stayed for Ascension turn-around</i>	250	159	-91	-36%
Visiting Friends or Relatives	478	424	-54	-11%
Returning Resident	802	728	-74	-9%
Transit	122	108	-14	-11%
Yacht Arrivals				
Total Yacht arrivals (Vessels)	68	75	7	10%
Total Yacht arrivals (Passengers/ Crew)	223	298	75	34%
Other Vessels				
Arrivals of other Vessels	14	6	-8	-57%
Overnight visitors	44	85	41	93%
Day visitors	5,243	1732	- 3,511	-67%
Flight Arrivals				
International flight arrivals	-	16	16	-
International flight arrivals (Passengers/ Crew)	-	144	144	-

Table 6: Region of origin of RMS tourist visitors to St Helena, April to December 2016

Region of Origin	Tourist Count	Percentage of Tourist Visitors
UK	129	46%
Europe	35	12%
Saints Resident Overseas	38	13%
South Africa	38	13%
Other	42	15%
TOTAL	282	

News from the Statistics Office

News from the Statistics Office - Hello and Farewell

Over the last four years, the Statistics Office has been fortunate to have been joined by Dr Paula McLeod, Statistician and champion of statistical best practice. Last year saw Paula complete her contract and start the New Year embarking on a new chapter in her career.

On behalf of the Statistics Office we would like to extend a heartfelt thanks to Paula for her valued contributions to the Office and to SHG as a whole. She has been instrumental in developing and building capacity within the team and has been a driving force behind many data improvements during her time on St Helena. We would like to wish Paula, and her family, every success in their new ventures.



The Statistics Office also welcomes Asita Obey to the Statistics team. Asita moved into the role of Statistics Assistant in the later part of 2016 and has been liaising with stakeholders as well as keeping on top of statistical returns.

Next edition of the Stats News - April 2017

Updates will include:

- St Helena Retail Price Index (RPI) for Q1 2017 (January - March 2017)
- Estimated population for Q1 2017
- Updates on global context and high level economic information

How to Contact the Statistics Office

In person - the Statistics Office is on the first floor of the Castle, Jamestown

Telephone - direct line 22138 or via the Castle switchboard on 22470 (the international dialling code for St Helena is +290)

Email - statistics@sainthelena.gov.sh (general office address) or if you know who you want to speak to you can email members of the team directly:

Kelly Clingham	kelly.clingham@sainthelena.gov.sh
Justine Joshua	justine.joshua@sainthelena.gov.sh
Asita Obey	asita.obey@sainthelena.gov.sh

All data and reports are available from our website: www.sainthelena.gov.sh/statistics

ST HELENA RETAIL PRICE INDEX

Quarter 2 2010 = 100

Index numbers and percentages

		Food	Alcohol & tobacco	Housing	Fuel & light	Clothing	Household goods	Transport	Misc. goods	Services	Overall
Category Weight		33.40	3.15	9.84	7.78	1.37	4.05	18.57	8.92	12.92	100.00
2009	Q1	89.97	89.85	96.27	82.41	105.76	105.39	97.94	93.03	96.49	92.62
2010	Q1	97.63	100.45	99.34	85.86	99.06	100.00	99.86	98.63	99.28	97.44
2011	Q1	102.50	105.98	100.30	101.13	100.87	100.46	106.13	104.09	100.15	102.70
2012	Q1	107.07	122.15	106.15	101.88	105.84	116.47	117.69	114.82	110.33	110.49
2013	Q1	109.74	127.85	108.46	108.58	111.79	115.83	118.94	115.50	115.73	113.36
	Q2	110.87	128.64	111.08	117.20	112.09	118.30	113.88	114.99	116.79	113.95
	Q3	110.49	128.67	112.04	117.80	112.15	118.40	113.56	116.91	115.47	113.91
	Q4	109.87	127.86	111.92	118.79	112.64	118.60	113.78	116.28	115.54	113.75
2014	Q1	111.89	128.15	111.88	118.36	114.07	121.54	112.84	115.80	115.39	114.30
	Q2	111.82	128.71	113.19	121.86	114.14	121.11	118.82	118.50	115.83	116.08
	Q3	112.82	131.81	114.20	121.86	114.24	118.91	119.44	119.10	115.83	116.69
	Q4	113.06	132.77	114.14	131.44	114.27	120.17	119.44	117.79	115.89	117.49
2015	Q1	114.18	134.37	114.16	130.85	116.32	120.57	116.84	118.91	115.45	117.48
	Q2	114.94	135.47	114.60	138.82	114.33	120.04	116.66	121.93	115.45	118.61
	Q3	115.38	136.80	115.28	137.99	114.38	120.10	116.63	120.97	116.35	118.81
	Q4	113.67	137.11	115.25	137.99	113.57	120.23	117.00	121.03	116.35	118.34
2016	Q1	114.66	137.21	115.42	136.22	120.75	117.68	117.00	119.00	115.79	118.30
	Q2	116.32	138.80	117.18	150.56	121.97	118.73	118.90	121.23	115.79	120.78
	Q3	120.10	139.40	117.07	150.65	122.15	121.55	120.04	123.52	115.79	122.60
	Q4	123.26	140.74	117.12	150.46	124.20	123.10	120.31	123.88	115.79	123.87
Percentage change current quarter on corresponding quarter in previous year											
2009	Q1	18.0	3.4	3.7	18.3	-6.4	9.3	3.5	6.7	0.4	9.4
2010	Q1	8.5	11.8	3.2	4.2	-6.3	-5.1	2.0	6.0	2.9	5.2
2011	Q1	5.0	5.5	1.0	17.8	1.8	0.5	6.3	5.5	0.9	5.4
2012	Q1	4.5	15.3	5.8	0.7	4.9	15.9	10.9	10.3	10.2	7.6
2013	Q1	2.5	4.7	2.2	6.6	5.6	-0.5	1.1	0.6	4.9	2.6
	Q2	2.1	4.8	4.5	7.9	4.6	-0.2	-4.4	-0.4	5.9	1.8
	Q3	1.0	3.1	5.4	8.5	2.4	2.7	-3.9	0.8	3.9	1.5
	Q4	0.6	2.1	3.3	9.4	-3.2	1.8	-3.7	3.0	-0.7	0.8
2014	Q1	2.0	0.2	3.2	9.0	2.0	4.9	-5.1	0.3	-0.3	0.8
	Q2	0.9	0.1	1.9	4.0	1.8	2.4	4.3	3.1	-0.8	1.9
	Q3	2.1	2.4	1.9	3.4	1.9	0.4	5.2	1.9	0.3	2.4
	Q4	2.9	3.8	2.0	10.6	1.4	1.3	5.0	1.3	0.3	3.3
2015	Q1	2.1	4.8	2.0	10.6	2.0	-0.8	3.5	2.7	0.1	2.8
	Q2	2.8	5.3	1.2	13.9	0.2	-0.9	-1.8	2.9	-0.3	2.2
	Q3	2.3	3.8	0.9	13.2	0.1	1.0	-2.3	1.6	0.3	1.8
	Q4	0.5	3.3	1.0	5.0	-0.6	0.0	-2.0	2.8	0.4	0.7
2016	Q1	0.4	2.1	1.1	4.1	3.8	-2.4	0.1	0.1	0.3	0.7
	Q2	1.2	2.5	2.2	8.5	6.7	-1.1	1.9	-0.6	0.3	1.8
	Q3	4.1	1.9	1.6	9.2	6.8	1.2	2.9	2.1	-0.5	3.2
	Q4	8.4	2.6	1.6	9.0	9.4	2.4	2.8	2.4	-0.5	4.7