



Annual inflation of the Retail Price Index in Q3 2015 – 1.8 per cent
Average Resident Population in Q3 2015 – 4,548
Average Resident *St Helenian* Population in Q3 2015 – 4,031

Headlines

- The St Helena RPI grew by 1.8 percent in the year leading up to the third calendar quarter of 2015, down from 2.2 percent growth in the year leading up to the second calendar quarter of 2015.
- The St Helena population continues to grow

Figure 1a: Annual rate of inflation of the St Helena Retail Price Index, Q1-2006 to Q3 2015

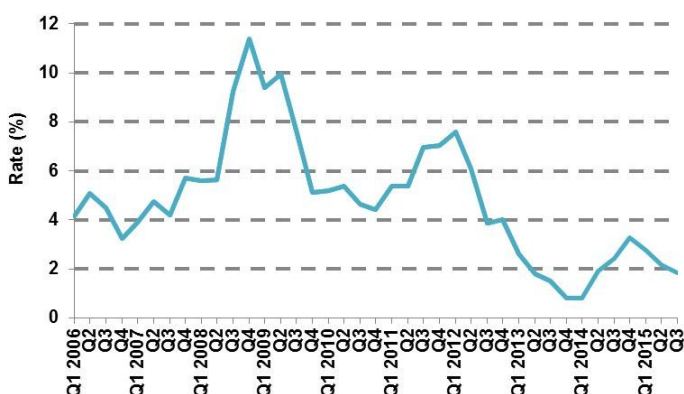


Figure 1b: St Helena Retail Price Index, Q2 2010 = 100

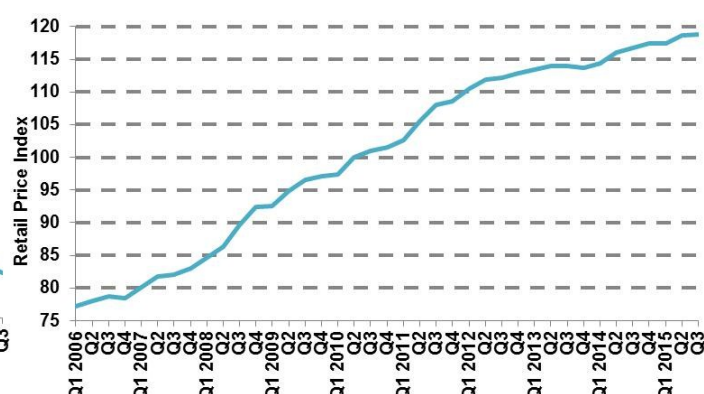


Figure 1a shows the historical trend in annual inflation and figure 1b the trend in the RPI. Table 1, overleaf, lists annual and quarterly changes in inflation of the RPI since it was re-based at the end of Q2 2010. The annual rate of inflation of the RPI stands at 1.8 per cent at the end of Q3 2015, a fall of 0.4 percentage points from the previous quarter.

A discussion of changes and pressures on the RPI is given on pages 2-4 of this publication.

In This Bulletin

Front Page: Headline Statistics and Trends of the RPI
Page 2: Changes in the RPI by category.
Page 4: Global Context: Headline Economic Indicators from UK and South Africa
Page 4: Other High-Level Economic Information on St Helena
Page 5: Methodology and Fact Sheet for RPI calculations
Page 6: St Helena Estimated Resident Population
Page 7: Visitors to St Helena
Page 8: Census 2016; Next updates and contact details
Page 9: St Helena Retail Price Index, 2002 to Present

Table 1: St Helena Retail Price Index (RPI), Annual and Quarterly, Q2 2010 to Q2 2015.

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
Q3	113.91	1.5	-0.0
Q4	113.75	0.8	-0.1
Q1 2014	114.33	0.8	0.5
Q2	116.08	1.9	1.6
Q3	116.69	2.4	0.5
Q4	117.49	3.3	0.7
Q1 2015	117.48	2.8	-0.0
Q2	118.61	2.1	1.0
Q3	118.83	1.8	0.2

Table 2: Annual Inflation on the St Helena RPI, total and by category, Q4 2014 and Q1 2015.

Category	Weight (%)	Annual inflation rate Q2 2015 (%)	Annual inflation rate Q2 2015 (%)	Quarterly change in annual rate
Food	33.4	2.8	2.3	-0.5
Transport	18.6	-1.8	-2.3	-0.5
Services	12.9	-0.3	0.5	+0.8
Housing*	9.8	1.2	0.9	-0.3
Miscellaneous goods	8.9	2.9	1.6	-1.3
Fuel & light	7.8	13.9	13.2	-0.7
Household goods	4.1	-0.9	1.0	+1.9
Alcohol & tobacco	3.2	5.3	3.8	-1.5
Clothing	1.4	0.2	0.1	-0.1
Total	100	2.2	1.8	-0.4

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

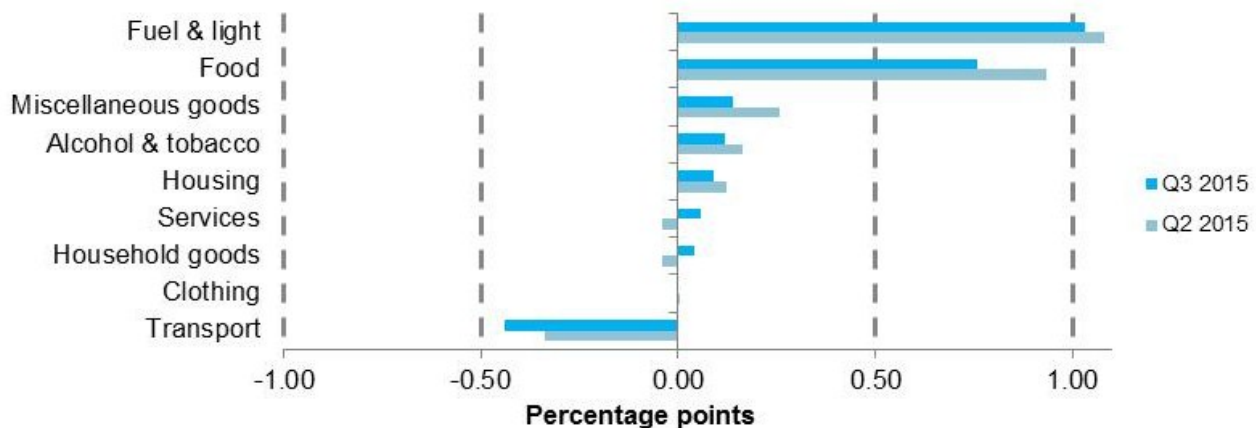
At the end of Q3 2015 annual inflation of the St Helena Retail Price Index (RPI) stood at 1.8 per cent. This means that a basket of goods and services that cost £100 in September 2014 would have cost £101.80 at the time of price checks - the second week of September 2015. The rate of annual inflation of the RPI fell by 0.4 percentage points from the previous quarter.

The most noteworthy effects recorded in the most recent price checks include the impact of an increase in the minimum wage, an increase in bread prices and the extremely favourable exchange rate with the Rand which results in several price decreases partly mitigating upwards inflationary pressures.

On the 1st July 2015 the hourly minimum wage rate for all employees having attained the age of 18 years increased from £2.30 to £2.60. This impact of this is particularly notable in the cost of domestic, gardening, child-care services and building labour.

At the time of price checks the South African exchange rate stood at 21.2 Rand to the pound. The increased buying power of the St Helenian importer in South Africa is reflected locally in a continued reduction in the price of goods imported from South Africa. Although this relates to goods in all sub-categories of the RPI the combined effect is most notable in the Food sub-category where increases in the price of bread and eating out (also an effect of increased labour costs) are somewhat offset by decreases on a number of other Food items resulting in a 0.5 percentage point decrease in the annual rate of inflation within the Food subcategory.

Figure 2: Contribution to the headline rate of annual inflation of the St Helena RPI, Q2 2015 (AI = 2.2%) and Q3 2015 (AI = 1.8%)



The 0.4 percentage point decrease in annual inflation of the RPI from Q2 2015 to Q3 2015 reflects:

- Overall annual price increases on the goods and services in the “St Helena shopping basket” in the year leading up to Q3 2015.
- and
- The amount by which the price of goods and service increased in the twelve months leading up to Q3 2015 was smaller than the price increases in the twelve months leading up to Q2 2015.

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

Fuel & Light - increases in both electricity tariffs and the price of firewood are the largest pressures on annual inflation of the RPI.

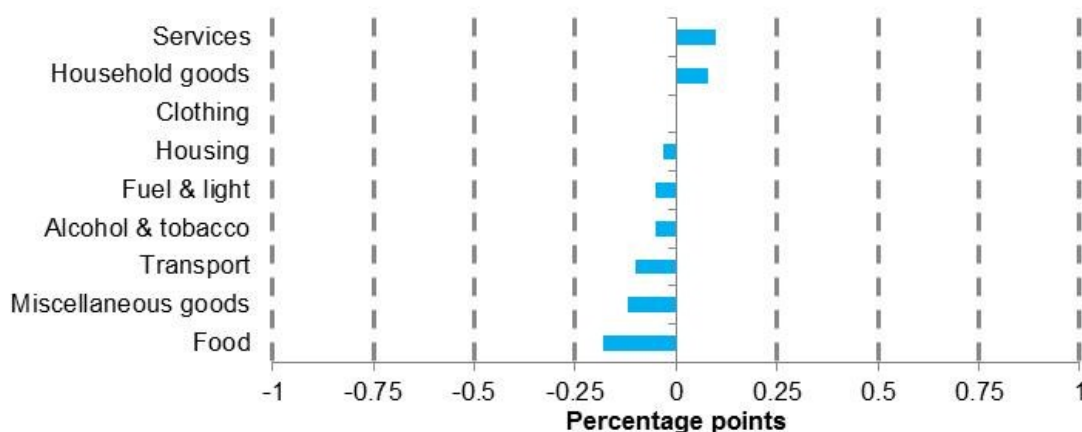
Food - increases in the price of staple food items, most notably local baked goods, outweigh the impact of decreases on miscellaneous food items. These along with the large weighting of the Food sub-category in the St Helena shopping basket lead to this being the second largest overall pressure on the RPI.

The largest *downwards* pressures on annual inflation come from:

Transport - a decrease in pump price of petrol outweighs the impact of an increase in the price of diesel resulting in a downwards pressure on the rate of annual inflation of the RPI. A decrease in the price of various vehicle spare parts creates a further, smaller, downwards pressure.

For further explanation of the St Helena RPI and how it is constructed please see the Methodology on page six of this bulletin. 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 website www.sainthelena.gov.sh/statistical-publications

Figure 3: Contribution to the 0.4 percentage point decrease in the annual rate of inflation of the St Helena RPI (2.2% to 1.8%) between Q2 2015 and Q3 2015



Other High-Level Economic Information

SHG financial report

The unaudited St Helena Government (SHG) financial accounts statements are published each month on the SHG website (www.sainthelena.gov.sh/publications) in the Combined SHG Performance Report. The budget forecast for 2015/16 is available under the finance section of the website. Table 3 shows the performance of the major revenue streams for SHG in financial year 2015/16.

Table 3: Primary sources of St Helena Government revenue, financial year 2014/15 vs 2015/16

	April - Sept. 2014	April - Sept. 2015	Percentage Change
Revenue from Taxes	£1,493,820	£1,842,020	25%
<i>Of which:</i> PAYE & Self-Employed	-	£1,635,606	-
Corporation & Withholding Tax	-	£453	-
Goods & Services	-	£205,961	-
Revenue from Customs Duty	£2,138,450	£2,360,555	10%
<i>Of which:</i> "Other"	£930,535	£1,333,128	43%
Alcohol	£392,778	£544,502	39%
Tobacco	£418,472	£312,492	-25%
Petrol and Diesel	£336,092	£413,098	23%
Liquor Duty	£9,228	£9,753	6%
Excise Duty	£51,346	£85,752	67%
Grant-in-Aid	£6,775,000	£8,402,875	24%

Source: St Helena Government Management Accounts, Period 6 2015/16

Global Context

The economic indicators produced by the Statistics Office reflect the economy 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. In 2015/16 the pound has remained strong against the South African Rand. On the first Monday in September 2015 one pound was equivalent to 21.2 Rand, up from 18.9 in 2014, with an average of 18.5 in the intervening year.

International Headlines

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

The Consumer Prices Index (CPI) fell by 0.1% in the year to September 2015, compared to no change (0.0%) in the year to August 2015. A smaller than usual rise in clothing prices and falling motor fuel prices were the main contributors to the fall in the rate. The rate of inflation has been at or around 0.0% for most of 2015.

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

The headline rate of inflation of the consumer price index (CPI for all urban areas) in September 2015 was 4.6%, unchanged from August 2015. The consumer price index was unchanged month-on-month in September 2015.

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.
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 118.81 indicates that the basket of goods that cost £100 at the time of the baseline would now cost £118.81.

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. They also show the impact of inflation on family budgets.

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, 10th February 2008)

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 September 2015 the resident population of St Helena stood at 4,580 with an average over Quarter 3 of 2015 of 4,548. This is a 2.4 per cent increase over the previous 12 months. The St Helenian population averaged 4,031 in Q3 2015, a nominal increase from the same period in 2014.

The main driver of population change on St Helena is migration. Of the 1,152 long term arrivals to St Helena so far in 2015 approximately 65% have St Helenian or Islander Status. This quarter it is not possible to provide an update on the number of Saints permanently returning after an extended period living and working abroad but it is hoped that this will be possible in the next issues of the Statistics News Bulletin. At present a little over 10 per cent of the resident population are non-St Helenian, predominantly UK officers working for St Helena Government and South African and Thai nationals working on the airport and permanent wharf construction projects.

In the year to date there have been 33 on-island births and 44 deaths. With 3 births for every 4 deaths sustainable population growth on St Helena continues to rely on inwards migration.

Figure 5: St Helena resident population, averaged over quarter, Q1 2008—Q2 2015 (top of bar = de facto population, second line = de facto St Helenian population).

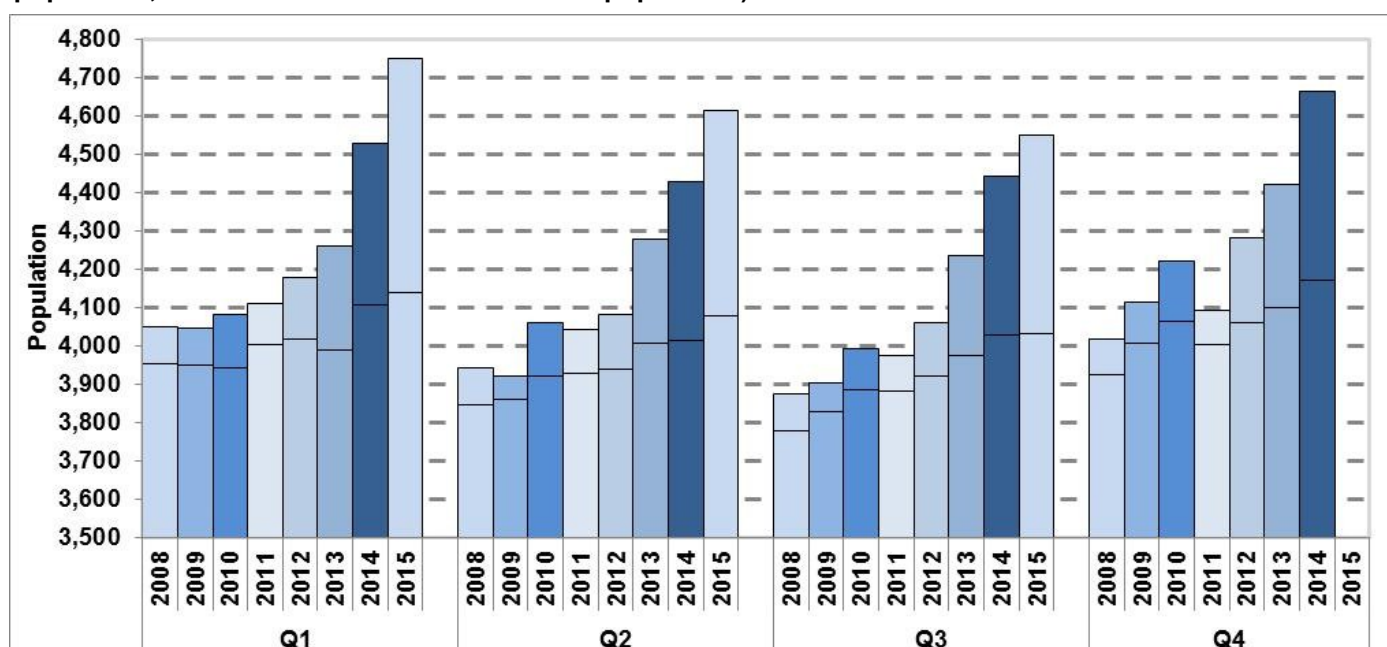


Figure 5— Associated table. Quarterly average estimated population (St Helenian), 2010 to Q2 2015.

	2010	2011	2012	2013	2014	2015
Q1 (Jan - Mar)	4,082 (3,942)	4,111 (4,004)	4,176 (4,017)	4,259 (3,987)	4,527 (4,108)	4,749 (4,137)
Q2 (Apr - June)	4,059 (3,919)	4,042 (3,928)	4,080 (3,938)	4,278 (4,005)	4,427 (4,013)	4,614 (4,078)
Q3 (July - Sept)	3,993 (3,885)	3,974 (3,882)	4,059 (3,919)	4,234 (3,973)	4,442 (4,029)	4,548 (4,031)
Q4 (Oct - Dec)	4,221 (4,063)	4,093 (4,001)	4,280 (4,061)	4,420 (4,100)	4,665 (4,170)	-

Table 4: Births, Deaths on St Helena, 2010-2014.

	2010	2011	2012	2013	2014	2015 (to Sept, 9/12)
Births	34	34	32	35	48	33
Of which: Male	18	18	15	13	25	22
Female	16	16	17	22	23	11
Deaths	53	49	62	55	61	44
Of which: Male	31	22	36	34	36	26
Female	22	27	26	21	25	18

Arrivals to St Helena: April to September 2015

From April to September 2015 there was a 15 per cent increase in the number of RMS passenger arrivals to St Helena when compared to the same period in 2014. Increased passenger movements are noted for all categories of travellers but the largest increases are noted for the Business and Islander passengers.

There has been an overall 6 per cent increase in the total number of tourist visitors to the island and an 59 per cent increase in the traditional "pure" tourist base - those staying on-island during the 8 night turn around of the RMS to Ascension island. This increase equates to an additional 432 bed-nights in the first half of the financial year which will be a significant boost to the island's economy.

The particularly high number of cruise ship arrivals in April and May continue to be reflected in arrivals figures as an additional 2,536 day visitors compared to the same period in 2014. The summer cruise ship season will begin again in November.

Table 5: Number of passenger and vessel arrivals to St Helena, April to September 2015 and 2014.

Arrival	2014/15	2015/16	Change over year	
			Actual	Percentage
Total Passenger Arrivals year to date	1,484	1,733	249	17%
Number of RMS	15	17	2	13%
<i>of which: from Ascension</i>	7	9	2	29%
<i>from Cape Town</i>	8	8	0	0%
Total RMS passenger arrivals	1,316	1,507	191	15%
<i>of which: from Ascension</i>	487	643	156	32%
<i>from Cape Town</i>	829	864	35	4%
Passenger arrivals by category: Business	385	452	67	17%
Tourist (Excursion)	209	222	13	6%
<i>of which: stayed for Ascension turn-around</i>	92	146	54	59%
Visiting Friends or Relatives	198	232	34	17%
Returning Resident	469	530	61	13%
Transit	55	71	16	29%
Total Yacht arrivals (Vessels)	39	42	3	8%
Total Yacht arrivals (Passengers/ Crew)	119	162	43	36%
Arrivals of other Vessels	4	12	8	200%
Overnight visitors	6	179	173	2883%
Day visitors	1,175	3,711	2,536	216%
International flight arrivals	-	1	-	-
International flight arrivals (Passengers/ Crew)	-	5	-	-

Source: St Helena Immigration database

Table 6: Region of origin of RMS tourist visitors to St Helena, April to June 2015

Region of Origin	Tourist Count	Percentage of Tourist Visitors
South Africa	77	34.6%
UK	70	31.5%
Saint Resident Overseas	28	12.6%
Europe	24	10.8%
Other	23	10.4%
TOTAL	222	

Update on Census 2016

A Population and Housing Census will be conducted on St Helena in early 2016 to capture the pre-air access characteristics of the St Helena population.

The date set for the Census is **Sunday 7 February 2016** with piloting planned to take place in November 2015.

During August 2015 the Statistics Office ran a public consultation to gather views and suggestions on topics for the 2016 Census Questionnaire. A variety of helpful and productive comments were received from key stakeholders both on-island and overseas.

The most frequently voiced topic of concern centered on confidentiality and data security. The Statistics Office takes confidentiality and data protection very seriously and can assure the public that throughout the data handling process every possible measure will be taken to safeguard all data collected.

There was also a perception that some of the questions are quite 'nosy'. But all questions that are asked on the Census form are asked for a reason - it is important information which cannot be reliably gathered from any other source. The Census will collect essential information which will inform planning and effective decision making on St Helena for many years to come, and it is vital that you take part. No-one will ever be able to pick out sensitive information about you or your household from the data published.

The next steps will be to look at the comments collected, taking into account UN principles and relevance to the St Helena community. After this, a draft of the proposed 2016 Census Questionnaire will be ready for piloting in November, when the Statistics Office will be asking a number of people to try out the questionnaire to make sure it 'works'. This is an important stage of the Census process and it is hoped that those who are invited to participate in the pilot give their full support. If you have any general questions or comments about the Census you can speak to any member of the statistics team or contact statistician Paula McLeod directly. Contact details are given below.

Next Edition of Stats News– January 2015

Updates will include:

- St Helena Retail Price Index for Q4 2015 (October - December 2015)
- Estimated population for Q4 2015
- Update on Census 2016

How to Contact the Statistics Office

In person - the Statistics Office have now moved to the first floor of the Castle– directly above their old office.

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:

Dr Paula McLeod paula.mcleod@sainthelena.gov.sh

Kelly Clingham kelly.clingham@sainthelena.gov.sh

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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
2008 Q1	76.24	86.86	92.85	69.64	113.02	96.42	94.60	87.19	96.08	84.66
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	116.16	118.81

Percentage change current quarter on corresponding quarter in previous year

2008 Q1	5.3	13.8	0.5	1.2	-1.2	-0.7	8.5	-4.9	14.2	5.6
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	3.9	0.9	13.2	0.1	1.0	-2.3	1.6	0.3	1.8