

CNMI Government
Department of Commerce/Statistic Division
Saipan, MP 96950
Phone: (670) 664-3023
Fax: (670) 664-3067
Email: csd@pticom.com

GENERAL INFORMATION

Saipan Consumer Price Index (CPI) is designed to measure changes in prices of commodities and services normally purchased by the consuming community. Like the U.S. CPI, it is based on the concept of representative "market basket," a sample of goods and services that the consumer purchases. The CPI was first developed during the early part of 1977 and was rebased in 2003 & 2008. The selection of weight distribution was based on household expenditure patterns derived from a household income and expenditure survey conducted by Central Statistics Division in conjunction with the U.S. Census Bureau.

A total of 1176 items are divided into 9 major groups and sub-groups, and indices are computed at different levels of aggregations.

CPI GROUPS AND INDEX

Food	648	101.6
Alcoholic Beverages	18	100.0
Housing & Utilities	176	101.3
Apparel	106	100.8
Transportation	17	103.4
Medical Care	20	100.0
Recreation	74	102.1
Educ. & Communication	25	99.7
Other Goods & Svs.	92	100.0
All Items Index	1176	101.5

Calculating the Consumer Price Index

As with most CPI's around the world, the CSD will continue to use the Laspeyres method to calculate the CPI. This is the most widely-used and internationally-accepted method of calculating price changes for a CPI. The Laspeyres formula is shown below:

$$I_n = \left(\frac{\sum_{i=1}^n p_i q_0}{\sum_{i=1}^n p_0 q_0} \right) \times 100$$

Close to 1,200 price quotations are collected during the middle month of each quarter for computing the CPI. The total number of business and government outlets included in the collection and construction of the CPI is approximately 280, ranging from major retail outlets and grocery stores to a variety of services, establishments such as LPG gas distributors, restaurants and government utility offices.

Interpreting index changes.

In compiling the CPI, price movements for the different component items are combined using WEIGHTS, which represent the relative importance of each of the components to total expenditure of the population.

In determining price relatives, average prices of the selected market basket are matched to previous prices to get actual movements. These price relatives are then multiplied by the previous expenditure weights to derive new expenditure weights. These weights are then combined into composite expenditure groups and sub-groups.

Table 1

**Consumer Price Indexes and Percent Changes for the 2nd Quarter 2009
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
4th Quarter 2008 = 100**

Groups	2nd Qtr 2009	1st Qtr 2009	2nd Qtr 2008	To 2nd Qtr09 fm 1st Qtr09	To 2nd Qtr09 fm 2nd Qtr 08
All Items	101.5	100.2	100.3	1.3	1.2
Food	101.6	100.6	94.6	1.0	6.9
Alcoholic Beverages	106.5	106.5	102.8	0.0	3.5
Housing and Utilities	101.3	99.8	105.8	1.5	-4.5
Apparel	100.8	99.8	99.9	1.0	0.9
Transportation	103.4	100.5	98.8	2.9	4.5
Medical Care	102.8	102.8	99.8	0.0	2.9
Recreation	102.1	100.2	101.7	1.9	0.4
Education and Communication	99.7	96.4	99.2	3.5	0.5
Other Goods and Services	101.7	101.7	92.9	0.0	8.7

Source: Department of Commerce, Central Statistics Division

Table 2
HISTORICAL CPIs FOR SELECTED GROUPS
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
1st Quarter 2003 / 4th Quarter 2008 = 100

Year & Quarter Wgts	Food 19.02	Alcoholic Beverages 1.72	Housing Utilities 27.73	Apparel 2.24	Transportation 33.52	Medical Care 2.36	Recreation 2.44	Education Communication 5.68	Other Goods & Services 5.30	All Items 100.0
2000.1	93.7		67.5	107.0	92.8	78.0				82.4
2000.2	92.6		67.8	105.9	94.9	85.6				84.5
2000.3	94.4		68.6	106.4	97.0	86.1				85.7
2000.4	91.7		66.0	106.5	97.1	85.7				84.1
2001.1	88.2		66.4	106.5	96.8	85.3				83.2
2001.2	90.4		66.3	106.0	96.3	85.3				83.5
2001.3	89.9		68.2	106.0	95.9	85.2				83.6
2001.4	90.7		67.0	106.9	94.5	85.0				83.6
2002.1	89.2		67.3	105.7	95.2	90.6				84.8
2002.2	87.3		64.4	106.4	96.6	90.3				83.7
2002.3	86.1		66.3	106.2	96.6	90.4				83.7
2002.4	83.8		65.7	100.1	96.9	90.4				82.5
2003.1	84.2	95.9	65.5	98.6	95.7	92.5	101.9	98.7	92.9	83.0
2003.2	84.4	96.1	65.5	98.8	95.4	92.5	101.2	98.5	92.9	82.9
2003.3	84.7	95.9	65.0	99.6	95.4	92.5	101.0	98.9	92.9	82.8
2003.4	84.6	95.8	64.1	99.1	96.2	92.5	98.2	98.3	92.9	82.6
2004.1	86.8	95.8	64.4	99.5	96.2	92.5	97.5	98.2	92.9	83.2
2004.2	87.6	95.6	64.0	98.4	96.6	92.5	103.5	98.3	100.6	83.7
2004.3	88.6	96.0	63.8	94.2	95.7	92.5	100.8	97.4	100.6	83.4
2004.4	90.4	95.8	64.2	91.3	95.9	92.5	100.5	99.6	100.6	84.0
2005.1	90.0	95.9	64.3	96.6	96.3	92.5	100.7	96.7	100.6	84.1
2005.2	85.5	103.3	66.3	96.9	92.4	93.2	101.9	100.2	91.4	89.9
2005.3	84.3	96.3	65.7	98.7	92.2	92.8	102.0	98.3	94.2	83.0
2005.4	84.7	95.5	65.6	100.8	95.2	92.5	101.7	99.5	93.9	83.0
2006.1	85.3	96.8	65.7	100.1	109.1	92.8	108.6	101.7	93.6	83.0
2006.2	84.4	96.1	65.5	99.6	96.2	92.5	101.9	99.4	92.9	83.0
2006.3	93.7	97.1	65.5	137.8	96.2	92.5	101.9	100.9	92.9	83.0
2006.4	94.0	98.1	65.5	138.6	96.0	92.5	101.9	97.8	93.3	83.0
2007.1	88.3	99.6	92.3	100.4	95.7	92.5	102.2	99.5	92.9	93.3
2007.2	89.4	99.6	94.6	100.7	95.7	93.5	102.3	99.3	92.9	94.4
Year & Quarter Wgts	Food 19.02	Alcoholic Beverages 1.72	Housing Utilities 27.73	Apparel 2.24	Transportation 33.52	Medical Care 2.36	Recreation 2.44	Education Communication 5.68	Other Goods & Services 5.30	All Items 100.0
2007.3	89.6	99.6	94.7	100.9	95.7	93.5	102.8	99.3	92.9	94.4
2007.4	90.4	100.0	94.9	100.9	95.7	93.5	103.0	99.3	92.9	94.7
2008.1	94.3	102.0	92.3	101.0	95.7	99.8	104.4	99.2	92.9	94.7
2008.2	94.6	102.8	105.8	99.9	98.8	99.8	101.7	99.2	92.9	100.3
2008.3	97.7	99.2	104.3	99.4	92.3	96.7	100.0	99.5	100.0	99.8
2008.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2009.1	100.6	106.5	99.8	99.8	100.5	102.8	100.2	96.4	101.7	100.2
2009.2	101.6	106.5	101.3	100.8	103.4	102.8	102.1	99.7	101.7	101.5

1 The previous Consumer Price Index had only 5 major groups rather than the 9 that are in the revised CPI. Nevertheless, these historical CPIs will provide users with some indication of historical price movement of the CPI.

Source: Central Statistics Division, Department of Commerce

Table 3

**CONSUMER PRICE INDEX FOR 9 SELECTED GROUPS
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
1st Quarter 2003 / 4th Quarter 2008 = 100**

Year & Quarter	All Items	Food	Alcoholic Beverages	Housing Utilities	Apparel	Transportation	Medical Care	Recreation	Education and Communication	Other Goods & Services
2003.1	83.0	84.2	95.9	65.5	98.6	95.7	92.5	101.9	98.7	92.9
2003.2	82.9	84.4	96.1	65.5	98.8	95.4	92.5	101.2	98.5	92.9
2003.3	82.8	84.7	95.9	65.0	99.6	95.4	92.5	101.0	98.9	92.9
2003.4	82.6	84.6	95.8	64.1	99.1	96.2	92.5	98.2	98.3	92.9
2004.1	83.2	86.8	95.8	64.4	99.5	96.2	92.5	97.5	98.2	92.9
2004.2	83.7	87.6	95.6	64.0	98.4	96.6	92.5	103.5	98.3	100.6
2004.3	83.4	88.6	96.0	63.8	94.2	95.7	92.5	100.8	97.4	100.6
2004.4	84.0	90.4	95.8	64.2	91.3	95.9	92.5	100.5	99.6	100.6
2005.1	84.1	90.0	95.9	64.3	96.6	96.3	92.5	100.7	96.7	100.6
2005.2	89.9	85.5	103.3	66.3	96.9	92.4	93.2	101.9	100.2	91.4
2005.3	83.0	84.3	96.3	65.7	98.7	92.2	92.8	102.0	98.3	94.2
2005.4	83.0	84.7	95.5	65.6	100.8	95.2	92.5	101.7	99.5	93.9
2006.1	83.0	85.3	96.8	65.7	100.1	109.1	92.8	108.6	101.7	93.6
2006.2	83.0	84.4	96.1	65.5	99.6	96.2	92.5	101.9	99.4	92.9
2006.3	83.0	93.7	97.1	65.5	137.8	96.2	92.5	101.9	100.9	92.9
2006.4	83.0	94.0	98.1	65.5	138.6	96.0	92.5	101.9	97.8	93.3
2007.1	93.3	88.3	99.6	92.3	100.4	95.7	92.5	102.2	99.5	92.9
2007.2	94.4	89.4	99.6	94.6	100.7	95.7	93.5	102.3	99.3	92.9
2007.3	94.4	89.6	99.6	94.7	100.9	95.7	93.5	102.8	99.3	92.9
2007.4	94.7	90.4	100.0	94.9	100.9	95.7	93.5	103.0	99.3	92.9
2008.1	94.7	94.3	102.0	92.3	101.0	95.7	99.8	104.4	99.2	92.9
2008.2	100.3	94.6	102.8	105.8	99.9	98.8	99.8	101.7	99.2	92.9
2008.3	99.8	97.7	99.2	104.3	99.4	92.3	96.7	100.0	99.5	100.0
2008.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2009.1	100.2	100.6	106.5	99.8	99.8	100.5	102.8	100.2	96.4	101.7
2009.2	101.5	101.6	106.5	101.3	100.8	103.4	102.8	102.1	99.7	101.7

Source: Central Statistics Division, Department of Commerce