

The Inflation That Remained: Sources and Retention of Consumer-Price Increases in Saint Lucia, 2019–2025

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Author Note

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Abstract

Inflation can fall while the official consumer-price level remains high. This study measures that distinction for Saint Lucia using the Central Statistical Office's April 2026 revised monthly consumer price index (CPI) tables for January 2019 through December 2025, with 2018 retained as presample for 2019 12-month and annual-average calculations. The all-items index rose 19.2% between December 2019 and December 2025, although annual-average inflation declined from 9.7% in 2022 to -0.8% in 2024 and 0.7% in 2025. Under the displayed February 2016 weights, the largest synthetic fixed-weight attributions were housing and utilities (8.93 percentage points), food (5.14), and transport (2.62). Housing and food together represented 68.4% of summed positive synthetic attribution. Eleven of 12 divisions, representing 95.7% of displayed February 2016 weight, remained above their December 2019 levels at the end of 2025. Yet only three divisions, representing 44.2% of displayed weight, recorded positive 12-month changes in December 2025. Near-zero headline movement between December 2023 and December 2025 concealed large, offsetting division changes. Because displayed divisions and weights do not exactly reconstruct published all-items CPI, the paper reports the official-minus-synthetic aggregation discrepancy and interprets the attribution as descriptive, not causal. The evidence answers an aggregate CPI question without a new survey, but cannot identify household-specific burdens, affordability, margins, or causal shocks.

Keywords: consumer price index, inflation, CPI decomposition, price-level retention, small island developing states, Saint Lucia

JEL classification: E31, C43, O54

The Inflation That Remained: Sources and Retention of Consumer-Price Increases in Saint Lucia, 2019–2025

Introduction

The public meaning of “inflation has fallen” is easily misunderstood. Inflation is a rate of change. A lower rate means that prices are rising more slowly, and a negative rate means that the measured general price level is declining. Unless enough deflation occurs to reverse an earlier increase, disinflation leaves a higher price level behind. For households, firms, and policymakers, the difference is consequential: the immediate inflation episode can recede while the cumulative price-level increase remains.

Saint Lucia provides a useful case. The revised official series shows annual-average inflation of 9.7% in 2022, followed by 3.9% in 2023, -0.8% in 2024, and 0.7% in 2025 (Central Statistical Office of Saint Lucia [CSO], n.d.-c). Those annual rates describe the changing speed of prices, not the distance of the 2025 price level from its pre-pandemic benchmark. A second question is therefore necessary: which parts of the consumer basket produced the cumulative increase, and how much of the earlier division-level pressure remained after headline inflation slowed?

This article addresses four research questions. First, how large was the cumulative change in Saint Lucia’s official all-items CPI from 2019 through 2025, and when did 12-month inflation peak? Second, which published consumption divisions had the largest synthetic fixed-weight attributions under the CSO’s displayed weights? Third, how broadly did price increases spread during the surge, and which division-level increases remained as an elevated price level by the end of 2025? Fourth, how sensitive are the conclusions to endpoint selection, source revision,

and the fact that displayed public weights and division indices do not exactly reproduce headline CPI?

No new household survey is required to answer these aggregate questions. The official monthly CPI already records price-index movements for the national reference basket and its 12 published divisions. Those data can identify the categories in which the index rose, the arithmetic attribution under displayed weights, the breadth of price increases, and the portion of observed price-level gains that was not reversed. A new survey would be required for a different set of questions: whose personal cost of living rose most, how spending changed by income or district, which prices people actually paid, whether earnings kept pace, or how households coped. The present study deliberately does not claim to answer those distributional or welfare questions.

The study makes three contributions. Empirically, it constructs a reproducible 84-month panel of all-items CPI and all 12 divisions from the CSO's revised consolidated tables and distinguishes the revised data from older annual webpage vintages. Methodologically, it separates three objects that are often conflated: division price changes, synthetic fixed-weight attribution, and the retention of an elevated price level after disinflation. Substantively, it demonstrates that the near-zero change in headline CPI from December 2023 to December 2025 concealed large positive and negative division movements. That compositional result helps explain why aggregate stability need not imply uniform price stability.

Literature and Institutional Context

CPI measurement, household experience, and accounting contributions

A CPI measures the price change of a defined consumption basket; it is not a direct measure of every household's experienced cost of living. The *Consumer Price Index Manual*

distinguishes a fixed-basket price index from a cost-of-living index and emphasizes the roles of expenditure weights, elementary aggregation, quality adjustment, replacement, and index linking (International Labour Office et al., 2020). Official statistical agencies likewise distinguish a component's own inflation rate from its contribution to aggregate inflation: a heavily weighted category can make a large aggregate contribution even if its percentage increase is smaller than that of a lightly weighted category (U.S. Bureau of Labor Statistics, 2025).

These distinctions matter for interpretation. Household inflation can differ because spending baskets and prices paid differ across households (Kaplan & Schulhofer-Wohl, 2017). Inflation inequality can also arise when price movements vary across goods purchased by different groups (Jaravel, 2021). During the COVID-19 period, rapid changes in consumption shares caused official fixed baskets to differ from contemporaneous expenditure patterns in many economies (Cavallo, 2024). These findings do not invalidate a national CPI. They delimit what aggregate CPI evidence can establish and reinforce the need to describe the present results as official-basket price pressure, not household-specific welfare change.

Inflation in small, open island economies

Price formation in small Caribbean economies is shaped by high import dependence, shipping costs, exchange-rate arrangements, taxes, administered prices, domestic distribution, and market structure. Early Caribbean work emphasized the importance of imported inputs and structural features in small-economy price formation (Holder & Worrell, 1985). For the Eastern Caribbean Currency Union (ECCU), Duttagupta and Sun (2008) found that external factors and domestic conditions jointly influenced inflation dynamics. More recent cross-country evidence shows that international shipping-cost shocks pass through to consumer prices with lags (Carrière-Swallow et al., 2023), while work on small island developing states finds relatively

strong and asymmetric pass-through from global commodity inflation, especially food shocks (Alleyne & Blagrove, 2025).

Saint Lucia's own official assessments describe the 2021–2022 acceleration in the context of reopening, petroleum and commodity prices, shipping constraints, and Russia's invasion of Ukraine. The 2022 *Economic and Social Review* reported particularly strong increases in housing-related energy costs and food, while also documenting government measures intended to cushion selected prices (Government of Saint Lucia, Department of Finance, 2022, pp. 43–47; 2023, pp. 36–38). These accounts are contemporaneous contextual evidence, but some contain earlier CPI vintages and therefore are not used as numerical inputs here. More directly, the International Monetary Fund's recent Saint Lucia analysis estimated that a positive U.S. producer-price-index shock raised import prices within one quarter and added about 0.2 percentage point to CPI inflation in the short term, with the estimated effect dissipating within a few quarters (International Monetary Fund [IMF], 2026, pp. 31–32). That evidence supports an import-transmission channel; it does not identify the cause of each division movement in this paper.

Inflation persistence versus a retained price level

The inflation-persistence literature ordinarily concerns how slowly the inflation rate returns after a shock, not whether the price index remains above its starting level. Altissimo et al. (2006) defined persistence in terms of the tendency of inflation to converge slowly to its long-run value following a disturbance. Apparent persistence can also be inflated by shifts in the mean or structural breaks (Corvoisier & Mojon, 2005), and aggregate persistence can differ from the dynamics of disaggregated components (Altissimo et al., 2009; Clark, 2006).

The main phenomenon studied here is therefore more precisely an unreversed price increase, price-level overhang, or retention of an elevated price level. Accordingly, the title uses “retention” rather than promising an estimate of structural inflation persistence. With only 84 study months, extraordinary pandemic and geopolitical breaks, and mechanically overlapping 12-month rates, a formal autoregressive persistence model would offer fragile precision. The design instead uses cumulative price levels, predetermined episode endpoints, peak-to-terminal reversal, and inflation breadth.

Data

Official CPI series and study window

The primary data are the CSO’s CPI portal and consolidated tables, *CPI Summary—Monthly Release—2018 to 2021 (Revised)* and *CPI Summary—Monthly Release—2022 to 2025 (Revised)*, all retrieved on August 13, 2026 (CSO, n.d.-a, n.d.-b, n.d.-c). The latter page identifies an April 2026 revision, and both webpages were modified on April 21, 2026. The tables contain monthly all-items CPI and 12 consumption divisions. The CSO tables label the displayed weights “Weight (Feb 2016),” and those weights sum to 100.00% (CSO, n.d.-b, n.d.-c). IMF staff reports that the updated CPI basket has a January 2018 base and is based on the 2016 Household Expenditure Survey (IMF, 2025, p. 54).

The study sample is January 2019 through December 2025, or 84 months. The 12 months of 2018 are retained only as presample observations to calculate 2019 12-month changes and annual-average inflation. There are no missing monthly observations in the 13-series panel. All extraction, transformations, and tables are reproduced by the accompanying script from archived source snapshots.

December 2019 is the principal cumulative benchmark. It is the last month before the pandemic-era sequence and permits a direct comparison with December 2022 and December 2025. Annual-average inflation is reported separately because it answers a different question and is the official rate displayed by the CSO. Results using January 2019, the 2019 annual average, and December 2020 as alternative baselines serve as robustness checks.

Revision control and vintage separation

The consolidated April 2026 tables differ materially from the CSO's stand-alone annual pages, which were modified earlier in February 2026 (CSO, n.d.-e). The older pages are preserved only for a stand-alone-page versus consolidated-table audit and are never spliced into the analytical panel. Across January 2019–December 2025, at least one of the 13 series differs in every month; 1,058 of 1,092 month-series cells differ by more than 0.005 index point. The all-items series differs in all 84 months, with a maximum absolute difference of 8.26 index points in February 2023. These discrepancies demonstrate why a reproducible paper must specify the exact table vintage rather than cite “the CPI” generically.

As a validation check, annual-average rates recomputed from the revised monthly indices round to every published revised CSO rate from 2019 through 2025 (CSO, n.d.-b, n.d.-d). The largest unrounded difference is 0.046 percentage point, consistent with the two-decimal precision of the displayed monthly indices and the one-decimal precision of published annual rates.

Displayed weights and public-table non-additivity

The displayed 12 division indices and February 2016 weights do not exactly reconstruct the published all-items index. Over the 84 study months, the difference between published all-items CPI and the simple weighted sum of displayed division indices has a mean of -0.529 index

point, mean absolute error of 0.583, root-mean-square error of 0.731, and maximum absolute value of 1.479 in August 2022. The December 2025 discrepancy is -0.888 index point.

Non-additivity in public tables can arise from unrounded lower-level information, price-updated weights, link procedures, or other compilation details not visible in rounded division releases. It is not treated here as evidence of an official error. It does mean, however, that an exact official contribution cannot be recovered from the displayed values alone. The paper therefore presents a transparent synthetic fixed-weight attribution and reports the official-minus-synthetic aggregation discrepancy separately.

Methods

Price changes and inflation rates

Let H_{t*} denote the published all-items CPI in month t , and let $I_{i,t*}$ denote the index for division i . The 12-month inflation rate is

$$\pi_t = 100(H_t / H_{t-12} - 1).$$

Annual-average inflation is the percentage change between the arithmetic mean of the 12 monthly all-items indices in year y and the corresponding mean in year $y - 1$. A cumulative division change from baseline 0 to endpoint T is

$$G_i = 100(I_{i,T} / I_{i,0} - 1).$$

Rates are not added across years; cumulative changes are obtained directly from index ratios. December-to-December and annual-average measures are kept distinct throughout.

Synthetic fixed-weight attribution

Let w_{i*} be division i 's displayed weight expressed as a proportion, with $\sum w_{i*} = 1$. The synthetic aggregate visible in the public table is

$$\tilde{H}_t = \sum_i w_i I_{i,t}.$$

Division i 's synthetic fixed-weight attribution between baseline 0 and endpoint T is

$$A_i = 100w_i(I_{i,T} - I_{i,0}) / \tilde{H}_0.$$

The attributions sum exactly to the synthetic aggregate change, $100(\tilde{H}_{T^*} / \tilde{H}_0 - 1)$. The official-minus-synthetic aggregation discrepancy is

$$D = 100(H_T / H_0 - 1) - 100(\tilde{H}_T / \tilde{H}_0 - 1).$$

This quantity is a diagnostic, not an economic component and not a thirteenth division. The attribution answers an accounting question under the displayed weights; it does not identify why any division changed. The prior scaling by the published baseline index is retained in the replication package as a sensitivity check and changes no reported two-decimal division value or rank.

Price-level retention, episode phases, and breadth

The analysis distinguishes a surge phase, December 2019–December 2022, from a post-surge phase, December 2022–December 2025. For each series, both phase changes and the full-period overhang are computed from endpoint index ratios. A category can therefore show partial reversal after 2022 while remaining substantially above 2019, or it can continue rising after headline inflation has slowed.

Peak-to-terminal retention is used as a complementary description. For series i , the fraction of the maximum observed index-point gap remaining in December 2025 is

$$Q_i = (I_{i,2025:12} - I_{i,2019:12}) / (\max_t I_{i,t} - I_{i,2019:12}), t \in [2019:12, 2025:12].$$

The ratio is not reported when the December 2025 index is below baseline or when the maximum observed gap is no more than 1.00 index point, a prespecified threshold intended to

avoid unstable ratios from trivial denominators. Because category-specific maxima occur in different months and are selected within the sample, the predetermined December 2022 phase split remains the primary comparison.

Inflation breadth is measured monthly as (a) the number of divisions with positive 12-month index changes and (b) the sum of their displayed weights. Breadth distinguishes a generalized inflation episode from a later period in which headline movement reflects fewer or offsetting divisions. Neither measure is seasonally adjusted, and no month-to-month rate is interpreted as seasonally adjusted.

Robustness and statistical interpretation

Robustness analysis repeats division attribution using January 2019 to December 2025, 2019 annual average to 2025 annual average, December 2019 to December 2025, and December 2020 to December 2025. Rank agreement is evaluated descriptively using Spearman and Kendall correlations. The 12 divisions are the complete published classification, not a random sample; therefore, conventional sampling p values are neither necessary nor informative for their ranks. The design quantifies accounting relationships and observed magnitudes. It does not infer causal effects of freight, fuel, taxes, market power, subsidies, or policy interventions.

Results

Headline trajectory: a surge, disinflation, and a retained price level

The revised all-items index was 100.58 in December 2019 and 119.87 in December 2025, a cumulative increase of 19.18%. Its 12-month rate peaked at 10.97% in October 2022. Annual-average inflation peaked at 9.7% in 2022, declined to 3.9% in 2023, turned negative at -0.8% in 2024, and returned to 0.7% in 2025 (Table 1). The December-to-December path was different:

10.03% in 2022, 0.29% in 2023, 0.94% in 2024, and -0.93% in 2025. The contrast illustrates why annual-average and endpoint rates cannot be substituted for one another.

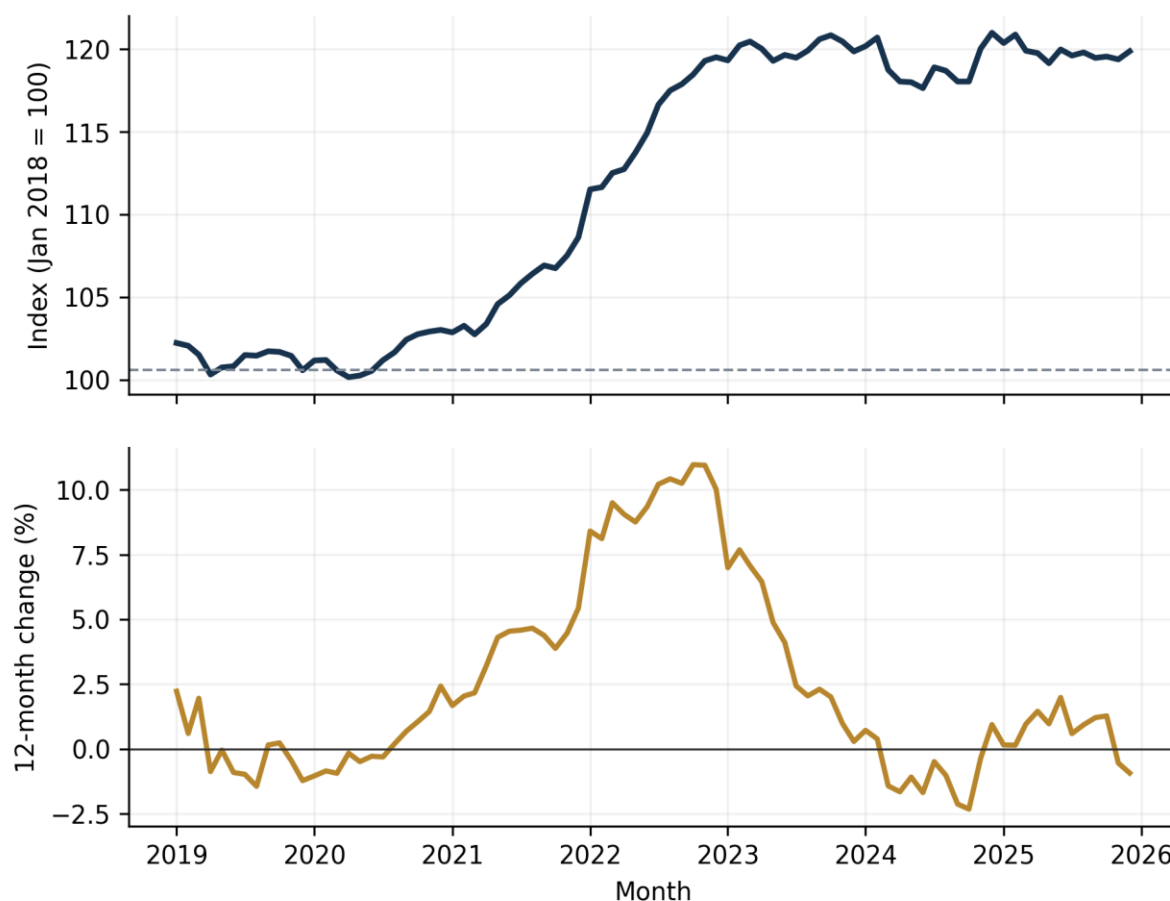
Table 1

Annual All-Items CPI Dynamics, 2019–2025

Year	Annual-average index	Annual-average inflation (%)	December index	December-to-December (%)
2019	101.34	−0.1	100.58	−1.22
2020	101.49	0.1	103.02	2.43
2021	105.33	3.8	108.62	5.44
2022	115.53	9.7	119.51	10.03
2023	120.01	3.9	119.86	0.29
2024	119.00	−0.8	120.99	0.94
2025	119.81	0.7	119.87	−0.93

Note. Annual-average inflation is the published revised CSO rate. December-to-December inflation is the author's calculation from revised monthly indices and is shown separately because it is a different measure. Source: CSO (n.d.-b, n.d.-c, n.d.-d).

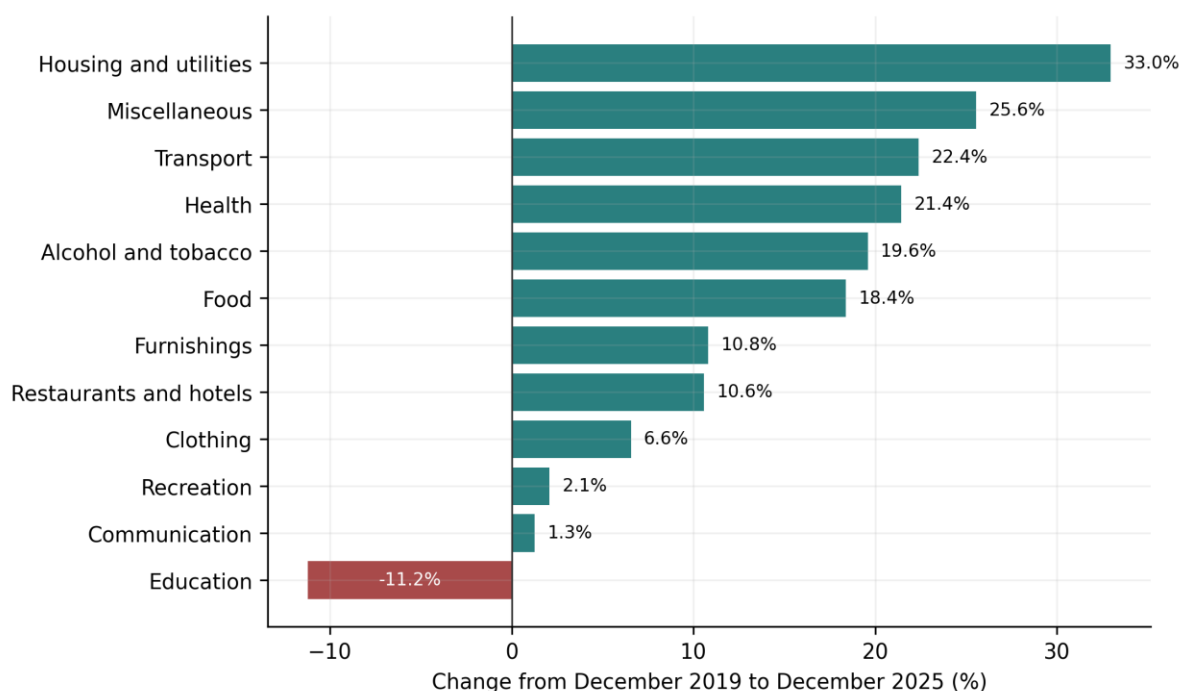
Figure 1 shows the central distinction. The inflation rate fell rapidly after its 2022 peak and moved above and below zero in 2024–2025. The price level did not retrace the earlier rise. The all-items index reached a sample peak of 120.99 in December 2024; December 2025 was only 0.93% below that peak and 19.18% above the December 2019 benchmark. Measured as the December 2025 gain divided by the maximum gain since December 2019, 94.5% of the headline price-level increase was retained.

Figure 1*All-Items CPI Level and 12-Month Inflation, January 2019–December 2025*

Note. The dashed line in the upper panel marks the December 2019 all-items index. The lower panel is the percentage change from the same month one year earlier. Source: Author calculations from revised CSO monthly CPI tables (CSO, n.d.-b, n.d.-c).

Division price increases and synthetic attribution

Division-level price changes varied widely (Figure 2). Housing, water, electricity, gas, and other fuels rose 32.95% from December 2019 to December 2025. Miscellaneous goods and services rose 25.56%, transport 22.39%, health 21.43%, alcoholic beverages and tobacco 19.59%, and food and non-alcoholic beverages 18.38%. Education was the only division below its December 2019 level, declining 11.21%. The largest percentage increase did not necessarily produce the largest synthetic attribution because displayed weights differed substantially.

Figure 2*Cumulative Division-Level Price Changes, December 2019–December 2025*

Note. Bars show percentage changes in each published division index. Source: Author calculations from revised CSO monthly CPI tables (CSO, n.d.-b, n.d.-c).

Applying the displayed February 2016 weights, the largest synthetic fixed-weight attributions were housing and utilities (8.93 percentage points), food (5.14 points), transport (2.62 points), miscellaneous goods and services (1.56 points), and health (0.73 point; Table 2). Housing and food together comprised 14.06 percentage points, or 68.4% of summed positive synthetic attribution.

The synthetic division attributions sum to a 20.08% change in the public-table aggregate, compared with the official all-items increase of 19.18%. The official-minus-synthetic aggregation discrepancy is -0.90 percentage point (Figure 3). It is a diagnostic of public-table non-additivity, not an economic component or a thirteenth division.

Table 2

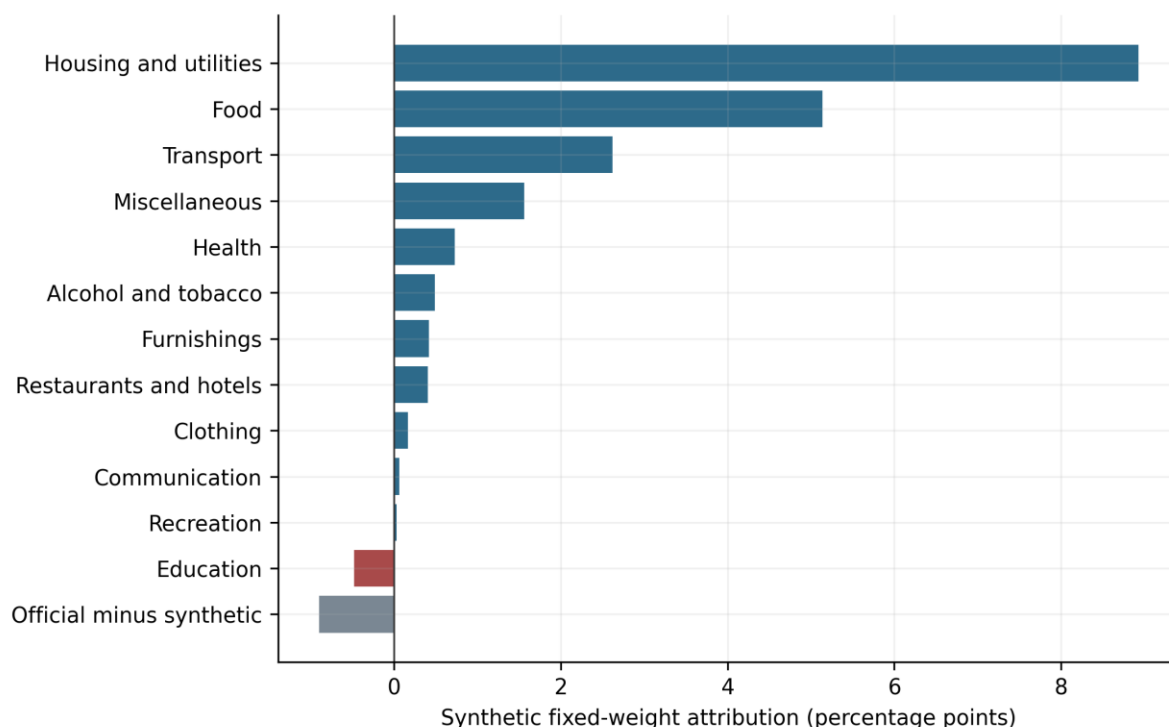
Division Price Changes and Synthetic Fixed-Weight Attribution, December 2019–December 2025

Division	Weight (%)	Index, Dec. 2019	Index, Dec. 2025	Change (%)	Synthetic attribution (pp)
Housing and utilities	26.52	102.72	136.57	32.95	8.93
Food	27.37	102.72	121.60	18.38	5.14
Transport	11.68	100.66	123.20	22.39	2.62
Miscellaneous	6.10	100.83	126.60	25.56	1.56
Health	3.34	102.83	124.87	21.43	0.73
Alcohol and tobacco	2.49	101.63	121.54	19.59	0.49
Furnishings	3.83	100.93	111.85	10.82	0.42
Restaurants and hotels	3.85	100.09	110.67	10.57	0.41
Clothing	2.79	92.58	98.66	6.57	0.17
Communication	6.03	86.03	87.12	1.27	0.07
Recreation	1.70	91.01	92.91	2.09	0.03
Education	4.30	100.00	88.79	-11.21	-0.48
Synthetic aggregate	100.00			20.08	20.08
Official all-items		100.58	119.87	19.18	—
Official-minus-synthetic discrepancy				-0.90	—

Note. Synthetic attribution is $100 \times \text{displayed February 2016 weight} \times \text{division index-point change} / \text{synthetic December 2019 aggregate}$. Division attributions sum to the 20.08% synthetic change. The official-minus-synthetic discrepancy is diagnostic and is not a component. Shares may be negative or exceed 100% when divisions offset. pp = percentage points. Source: Author calculations from CSO (n.d.-b, n.d.-c).

Figure 3

Synthetic Fixed-Weight Attribution and Official-Minus-Synthetic Discrepancy, December 2019–December 2025



Note. Division attribution equals 100 times the displayed February 2016 weight times the division index-point change, divided by the synthetic December 2019 aggregate. The discrepancy is the official all-items percentage change minus the synthetic aggregate change. It is diagnostic, not economic. Source: Author calculations from revised CSO monthly CPI tables (CSO, n.d.-b, n.d.-c).

Broad inflation in 2022, narrower inflation later

The 2022 episode was broad. In both July and August 2022, all 12 divisions, representing 100% of displayed February 2016 weight, recorded positive 12-month changes. Breadth then declined with headline inflation. By December 2025, only three divisions, representing 44.23% of displayed February 2016 weight, had positive 12-month changes. Yet 11 divisions, representing 95.70% of displayed February 2016 weight, still had price levels above December 2019. The apparent tension is the article's core result: current inflation had narrowed, but earlier price-level increases remained widespread.

Figure 4*All-Items Inflation and the Breadth of Division Price Increases*

Note. The dark line is the all-items 12-month percentage change. The shaded series is the sum of displayed February 2016 weights for divisions with a positive 12-month change; it is not a contemporaneous expenditure share. Source: Author calculations from revised CSO monthly CPI tables (CSO, n.d.-b, n.d.-c).

Partial reversals and new post-surge pressure

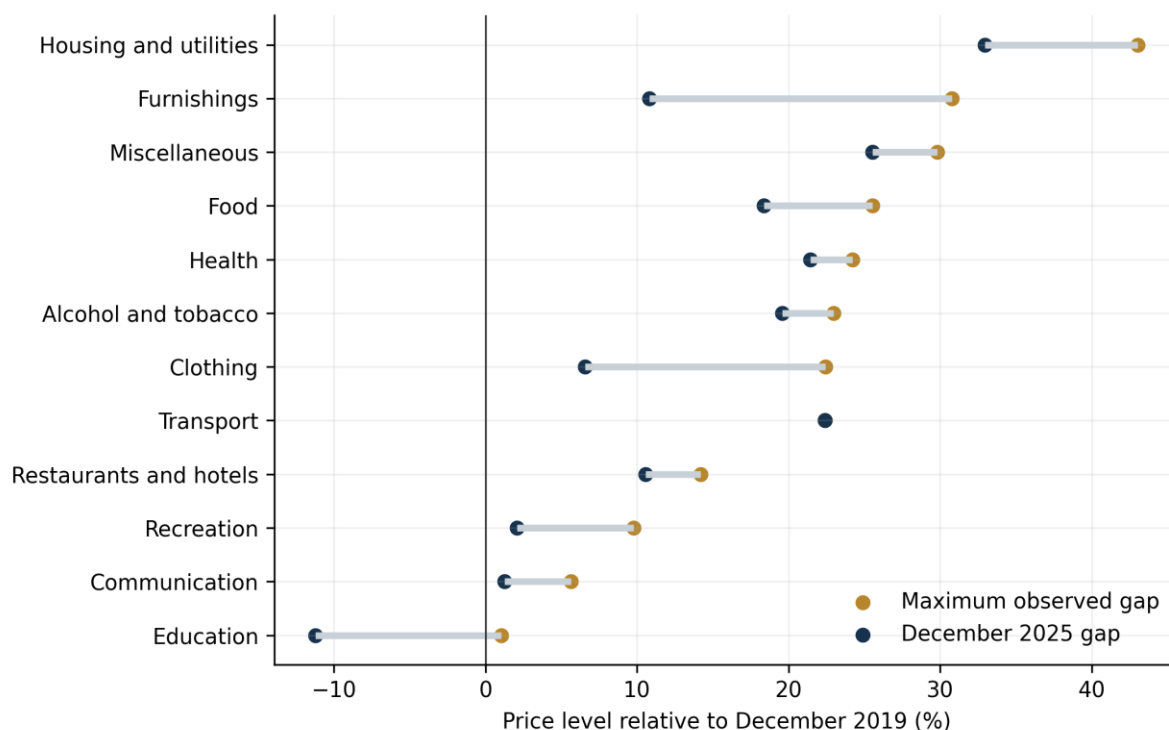
The phase decomposition shows that price-level retention and reversal were not uniform. From December 2019 to December 2022, all-items CPI rose 18.82%; from December 2022 to December 2025 it rose another 0.30%. The December 2025 gap was therefore slightly larger than the December 2022 gap, whereas the 94.5% statistic reported above compares December 2025 with the higher, December 2024 sample maximum. These two benchmarks answer different questions.

Housing and utilities illustrates partial reversal: its index rose 42.96% through December 2022, then fell 7.00% by December 2025, but still ended 32.95% above December 2019. Food rose 19.19% in the surge phase, fell 0.68% afterward, and remained 18.38% above baseline. Furnishings and clothing also reversed part of their earlier increases. In contrast, several divisions rose further after 2022: miscellaneous goods and services by 17.47%, health by 10.38%, transport by 8.43%, and communication by 6.87% between December 2022 and December 2025. The headline overhang was therefore not merely a frozen remnant of 2022; its composition changed (Table 3).

Table 3*Division Price-Level Changes by Phase and Maximum-Gap Retention*

Division	2019–2022 (%)	2022–2025 (%)	2019–2025 (%)	Maximum month	Gap remaining (%)
Food and non-alcoholic beverages	19.19	−0.68	18.38	2023-08	71.9
Alcoholic beverages, tobacco and narcotics	15.74	3.32	19.59	2024-09	85.3
Clothing and footwear	11.40	−4.33	6.57	2023-02	29.3
Housing, water, electricity, gas and other fuels	42.96	−7.00	32.95	2022-11	76.5
Furnishings, household equipment and maintenance	17.99	−6.08	10.82	2023-04	35.2
Health	10.02	10.38	21.43	2025-02	88.5
Transport	12.88	8.43	22.39	2025-12	100.0
Communication	−5.24	6.87	1.27	2021-02	22.5
Recreation and culture	2.78	−0.67	2.09	2022-08	21.3
Education	−14.60	3.97	−11.21	2020-08	—
Restaurants and hotels	11.12	−0.49	10.57	2024-10	74.5
Miscellaneous goods and services	6.88	17.47	25.56	2025-09	85.7

Note. Changes are calculated from published division indices. Gap remaining is the December 2025 index-point gap divided by the maximum observed gap from December 2019 through December 2025. It is not reported when the endpoint is below baseline or the maximum gap is no more than 1.00 index point. Source: Author calculations from CSO (n.d.-b, n.d.-c).

Figure 5*Maximum Observed and December 2025 Division Price-Level Gaps Relative to December 2019*

Note. Maximum observed is the highest monthly division index from December 2019 through December 2025. A shorter December 2025 gap indicates partial reversal; coincident markers indicate no observed reversal. Source: Author calculations from revised CSO monthly CPI tables (CSO, n.d.-b, n.d.-c).

The offsetting composition of 2024–2025 stability

From December 2023 to December 2025, the all-items index moved from 119.86 to 119.87, an increase of 0.01 index point, or approximately 0.01% based on the rounded published indices. That endpoint stability masked large division movements. Miscellaneous goods and services rose 14.23%, health 7.19%, transport 5.98%, and communication 4.19%. Offsetting declines included furnishings and household maintenance (−13.90%), recreation and culture (−5.26%), clothing and footwear (−2.98%), food (−2.42%), housing and utilities (−1.44%), and restaurants and hotels (−1.21%). The underlying unrounded headline movement cannot be recovered from two-decimal public indices.

This result rules out a uniform interpretation of the flat headline endpoint. The aggregate did not remain unchanged because every price was stable. It remained unchanged because sizable increases and declines approximately offset one another under the official aggregation procedures; the displayed February 2016 weights provide a transparent but non-exact account of that offsetting composition.

Robustness and validation

The identity of the principal sources is insensitive to the baseline. Housing and utilities, food, and transport rank first, second, and third under all four specifications: January 2019–December 2025, 2019 average–2025 average, December 2019–December 2025, and December 2020–December 2025. Spearman rank correlations between the main specification and the alternatives range from .972 to .979; the minimum pairwise Kendall correlation across all specifications is .909. The sign and ordering of the dominant sources are therefore not artifacts of selecting December 2019.

Three checks qualify this robustness. First, the magnitudes are vintage-specific: the stand-alone annual pages would yield materially different results. Second, the public-table aggregation discrepancy varies by month, so exact official division contributions require unpublished or more detailed compilation information. Third, endpoint and annual-average measures answer different questions even when their rankings agree. These checks support the substantive ranking while limiting claims of numerical exactness and causality.

Discussion

What the revised CPI can and cannot answer

The revised official data are sufficient to answer the aggregate accounting question that motivated the study. Saint Lucia's measured consumer price level was about one fifth higher at the end of 2025 than immediately before the pandemic-era shocks. Housing and utilities, food, and transport had the three largest synthetic fixed-weight attributions. Most divisions remained above baseline even after annual inflation fell sharply.

The same evidence cannot establish what “actually drove” prices in a causal sense. A division can be an arithmetic source because it has a large weight, a large index increase, or both. CPI alone cannot separate imported costs, freight, fuel, taxes, subsidies, administered-price decisions, wages, rents, margins, product substitution, quality change, or domestic distribution. Contextual research makes external transmission plausible in a highly import-dependent island economy, and official reports document global commodity and shipping disruptions during the surge (Carrière-Swallow et al., 2023; Government of Saint Lucia, Department of Finance, 2022, 2023; IMF, 2026, pp. 31–35). But attribution of a division's observed increase to a specific mechanism would require additional administrative, import-price, tax, regulated-price, firm, or item-level data and a credible identification strategy.

Nor does national CPI identify burden by household type. A 19.2% national-basket increase is not a 19.2% loss of welfare for every household. Affordability depends on household-specific spending, income, transfers, assets, debt, and substitution. People who devote unusually large shares to food, electricity, transport, health, or rent may experience different inflation than the official average, while homeowners and renters can face different housing costs. Those questions require microdata, but they are separate from the aggregate results presented here.

Interpreting the inflation that remained

Three forms of “remaining” pressure emerge. The first is a headline price-level overhang: December 2025 all-items CPI remained 19.18% above December 2019 and only 0.93% below its maximum observed level. The second is cross-division breadth at the level rather than the rate: 95.7% of displayed February 2016 weight was in divisions above the 2019 level, even though only 44.2% of that displayed weight showed positive 12-month inflation in December 2025. The third is compositional rotation: housing and food partially reversed after 2022, while transport, health, communication, and miscellaneous goods and services rose further.

This distinction clarifies that a low current inflation rate and an elevated official CPI level can coexist. Disinflation does not erase the earlier level increase, and divisions can continue to move differently from the aggregate. The data establish that statistical coexistence. They do not measure perceptions, category salience, or hardship across households.

Implications for policy and statistical practice

The results imply that policy diagnosis should distinguish an inflation-rate problem from an elevated price level that may create affordability concerns. Whether affordability worsened, for whom, and by how much requires income and household-expenditure evidence beyond CPI. Competition, targeted relief, productivity, logistics, energy costs, and subsidy or tax design are possible areas for separate policy evaluation; this descriptive decomposition neither establishes their necessity nor estimates their effects. The present analysis also does not evaluate policies intended to reverse the general price level.

Category composition also matters. By 2025, increases were visible in transport, health, communication, and miscellaneous goods and services, while some earlier goods and housing-related indices declined. A policy dashboard that reports only headline inflation can miss this

rotation. Routine publication of official division point contributions, inflation breadth under clearly identified weights, and cumulative changes from a fixed pre-shock benchmark would give decision-makers a clearer view.

The analysis identifies several statistical priorities. The CSO should continue consolidating revised CPI histories, clearly label vintages, and publish machine-readable data with revision metadata. Publication of official point contributions or sufficient unrounded aggregation information would eliminate the need for a synthetic public-table attribution. The displayed February 2016 weights are old by the study endpoint; international guidance recommends regular weight updates, particularly when expenditure patterns change materially (International Labour Office et al., 2020). A future rebasing should be accompanied by a transparent bridge between old and new indices and, if feasible, experimental household-group indices. The 2025 Saint Lucia household budget survey is explicitly intended to update the CPI and collect household-spending data; it is relevant to that extension, not required for the present decomposition (Ministry of Equity, 2025). These recommendations concern measurement capacity, not a claim that the existing CPI is unusable.

Limitations

Seven limitations define the evidentiary boundary. First, the displayed weights refer to February 2016 and may not represent 2019–2025 expenditure patterns, especially after pandemic-era substitution. Synthetic fixed-weight results describe that published weight vector, not contemporaneous spending shares. Second, the published 12-division table is rounded and non-additive; the official-minus-synthetic discrepancy is visible, but its compilation sources cannot be recovered from public data. Third, broad divisions contain heterogeneous items. A decline in a division index does not imply that every item in the division became cheaper.

Fourth, results are national aggregates. They do not estimate inflation by income, district, family structure, renter status, age, or other household characteristic. Fifth, the descriptive design cannot identify causal shocks or estimate pass-through from global prices, fiscal measures, administered prices, or firm behavior. Sixth, the stand-alone annual-page and consolidated revised table vintages differ materially. This paper uses a coherent April 2026 revised history, but future revisions could change reported magnitudes. Seventh, maximum-gap retention is sensitive to sample endpoints, endogenous maximum selection, and the two-decimal precision of published indices; it is descriptive rather than structural. These limitations constrain household and causal claims; they do not overturn the observed revised-series facts or the leading attribution ranks of housing, food, and transport under alternative baselines.

Conclusion

Saint Lucia's inflation rate receded, but its consumer price level largely did not. Between December 2019 and December 2025, revised all-items CPI increased 19.18%. Housing and utilities, food, and transport had the three largest synthetic fixed-weight attributions under every tested baseline. Housing and food comprised 68.4% of summed positive synthetic attribution. By the end of 2025, 11 of 12 divisions, representing 95.7% of displayed February 2016 weight, remained above their pre-pandemic benchmark even though current 12-month increases had narrowed to three divisions representing 44.2% of that displayed weight.

The period after 2022 was not simple stasis. Partial reversals in housing, food, and furnishings offset continued increases in miscellaneous goods and services, health, transport, and communication. Consequently, virtually no net headline change from December 2023 to December 2025 concealed substantial compositional movement. "Inflation fell" and "prices remained high" were both true, but they described different statistics.

The official CPI is sufficient to answer this aggregate question, although is not sufficient to identify causal mechanisms or household-specific hardship. A responsible conclusion is therefore narrower and more useful: the revised data show where official-basket pressure accumulated, how broadly the earlier increases remained embedded, and why a low headline rate should not be mistaken for a return to the 2019 price level.

Data Availability and Reproducibility

The replication package accompanying this article contains archived HTML source snapshots, tidy monthly data, displayed weights, analysis code, derived tables, figures, a source manifest with SHA-256 hashes, and a data dictionary. The code downloads the official public tables, validates completeness and weights, reproduces published annual rates, calculates all results, and records the public-table aggregation discrepancy. No confidential or restricted data are used.

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Appendix A: Source-Vintage Audit

The analytical panel uses only the April 2026 consolidated revised tables. A comparison with the stand-alone annual pages is provided to document source-version risk (CSO, n.d.-e). For January 2019–December 2025, the comparison covers $84 \text{ months} \times 13 \text{ series} = 1,092$ cells. With a difference threshold of 0.005 index point, 1,058 cells (96.89%) differ and at least one series differs in every month. All 13 series differ in 63 months. All-items CPI differs in all 84 months; the largest all-items gap is 8.26 index points in February 2023. The largest division-level gap is 38.45 points for furnishings and household maintenance in November 2025. These comparisons

are a provenance audit, not a reconciliation exercise. Values from the two table versions should not be combined.

Appendix B: Public-Table Aggregation Diagnostic

The synthetic aggregate is $\sum w_i^* I_{i,t}^*$ using the displayed February 2016 weights. The index-point diagnostic is published all-items CPI minus that synthetic aggregate. Across the 84 study months, its mean is -0.529 index point, mean absolute value 0.583 , root-mean-square value 0.731 , and maximum absolute value 1.479 in August 2022. The December 2025 value is -0.888 index point. For December 2019–December 2025, the synthetic aggregate rises 20.079% , the official all-items index rises 19.179% , and the official-minus-synthetic aggregation discrepancy is -0.900 percentage point.

Appendix C: Scope of Inference

The evidence supports statements about (a) the revised national all-items CPI; (b) published division index changes; (c) arithmetic attribution under displayed weights; (d) the breadth of positive division changes; and (e) unreversed price-level increases through December 2025. It does not support claims about causal shocks, firm margins, item-level prices, household-specific inflation, affordability, poverty, real-income loss, or distributional incidence. Those outcomes require additional administrative, item, income, expenditure, or survey data.