

NAMIBIA CONSUMER PRICE INDEX

APRIL 2014



NAMIBIA CONSUMER PRICE INDEX BULLETIN

APRIL 2014

Mission, Vision and Core Values

MISSION STATEMENT

“In a coordinated manner, we produce and disseminate relevant, quality and timely statistics that are fit-for-purpose in accordance with international standards and best practice”

VISION STATEMENT

“Be a high performance institution in statistics delivery”

CORE VALUES

Performance
Integrity
Service focus
Transparency
Accuracy
Partnership

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Preface

The Namibia Consumer Price Index (NCPI) encompasses all the expenditures on goods and services that Namibian private households make. It is compiled by comparing the prices of the goods and services of the month under review with the price of those goods and services in December 2012. More than 9000 prices of goods and services are collected on a monthly basis from more than 900 retail outlets in 8 localities.

The item indices are calculated as unweighted geometric averages of price ratios while the higher-level indices are calculated as weighted arithmetic averages of the item indices by using chained Laspeyres index number formulae. The NCPI weights represent the expenditure share of each commodity in the 2009/10 Namibia Household Income and Expenditure Survey. The Consumer Price Index is published about 15 days after the end of the reference month to which it relates.

The NCPI is used as the basis to calculate the rate of inflation as experienced by households in their role as consumers. The inflation rate measures the change in the NCPI of the month under review to the previous month (month-on-month change) as well as to the same month in the previous year (year-on-year change). The NCPI and the inflation rates are vital for purposes of economic policy-making, especially the conduct of monetary policy.

The inflation rate is used in a wide variety of public and private contracts for the purpose of adjusting payments (such as wages, rents, interest and social security benefits). It therefore, has substantial and wide-ranging financial implications for governments and businesses, as well as for households.



John Steytler
Statistician-General

Summary Comments

1. All Items Index

The April 2014 All Items Index was estimated at 108.3 recording an increase of 1.0 percentage points as compared to that of March 2014 which stood at 107.3. This increase resulted from monthly increases recorded in all the groups comprising the Namibia CPI with the exception of Clothing and footwear which recorded a decline of 0.6 percent. The groups of Communications; Education; Hotels and restaurants showed no changes.

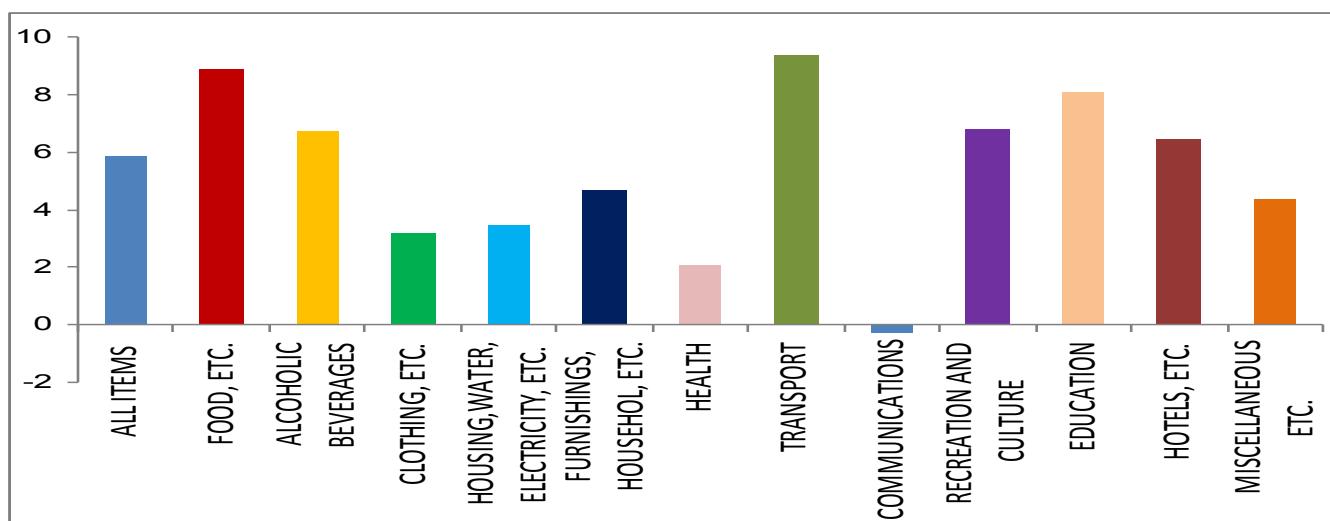
The All Items Index increased to 108.3 in April 2014 from 102.3 in April 2013, recording an increase of 6.0 percentage points. For the month of April 2014, the highest indices were witnessed in the components of Alcoholic beverages and tobacco 112.6, Education 112.4, Transport 111.8, Food and non-alcoholic beverages 110.8 and Hotels, cafes and restaurants 110.7. On the other hand, the Communication component continued recording the lowest Index of 100.0.

2. Monthly and annual inflation rates based on the All Items Index

For April 2014, the monthly inflation rate stood at 1.0 percent recording an increase of 0.4 percentage points over 0.6 percent recorded a month earlier. During the period April 2013 and April 2014, the high monthly inflation rates were observed in months of April 2014 (1.0 percent); January 2014 (0.9 percent); July 2013 and February 2014 both recorded 0.7 percent respectively. Similarly, the months of May 2013 and December 2013 continued to witness the lowest monthly inflation rates of 0.1 percent respectively.

Based on the All Items Index the annual inflation rate for April 2014 was estimated at 5.9 percent showing no change as compared to 5.9 percent recorded during the same period last year. During the period April 2013 to April 2014 the annual inflation rate fluctuated between 4.4 and 6.2 percent. The month of June 2013 recorded the highest annual inflation rate of 6.2 percent with the lowest inflation rate of 4.4 percent recorded in November 2013.

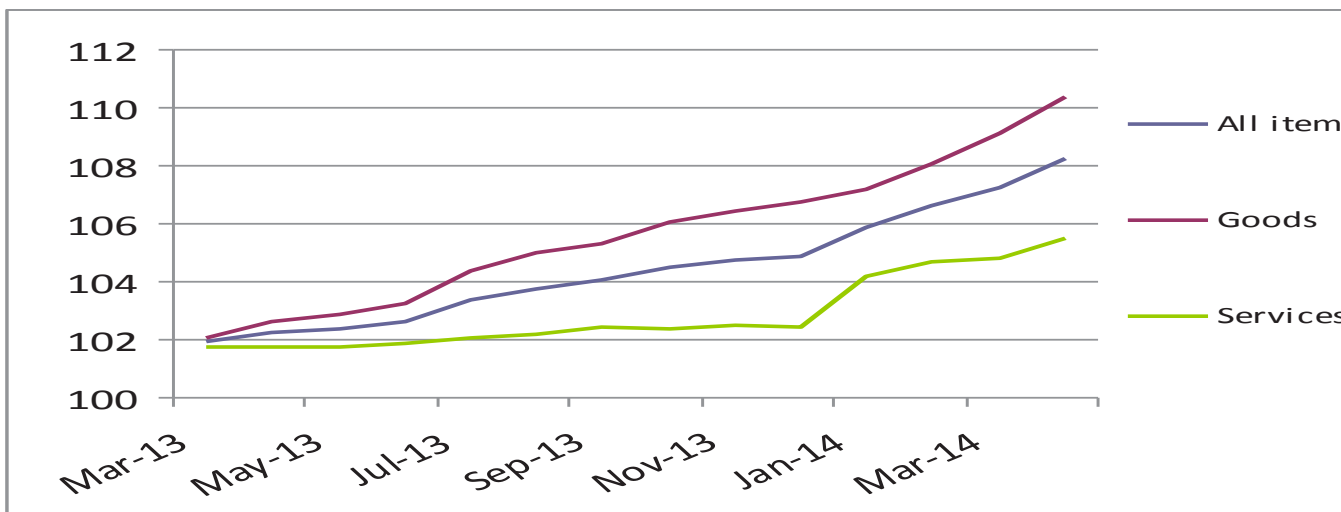
Chart 1: NCPI; April 2014 annual changes by main groups (Dec 2012 = 100)



3. Goods and Services

The Index for Goods and Services for the month of April 2014 stood at 110.4 and 105.5 respectively, as compared to the corresponding indices of 102.6 and 101.7 recorded during the same period a year earlier.

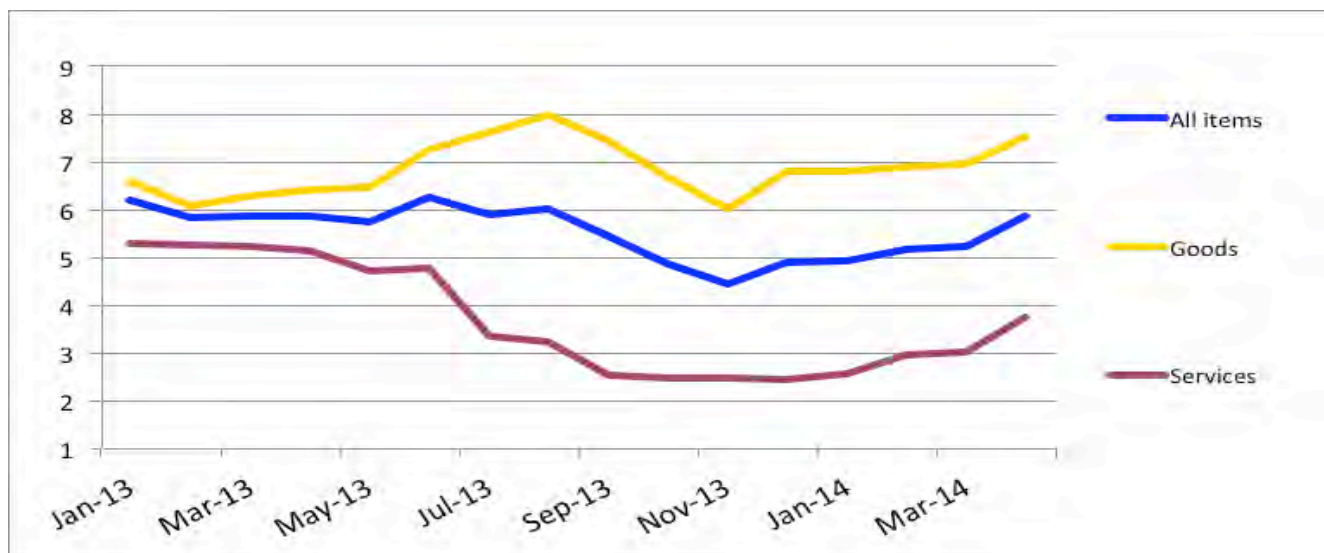
Chart 2: NCPI; All Items, Goods and Services (Dec 2012 = 100)



3.1 Monthly and annual inflation rates for Goods and Services

The monthly and annual inflation rates for Goods were estimated at 1.1 and 7.5 percent respectively, while those of Services stood at 0.7 and 3.8 percent, accordingly indicating that prices of Goods continue to accelerate faster than those of Services. Corresponding rates recorded during the same period last year were 0.6 and 6.4 percent and 0.01 and 5.1 percent respectively.

Chart 3: NCPI; Annual inflation rates; All items, Goods and Services (Dec 2012 = 100)



The monthly inflation rate for Goods is higher as compared to that of Services because of increases in the monthly prices of the 'Alcoholic beverages' subcomponent of the category 'Alcoholic beverages and tobacco'.

4. Annual inflation rates for the NCPI

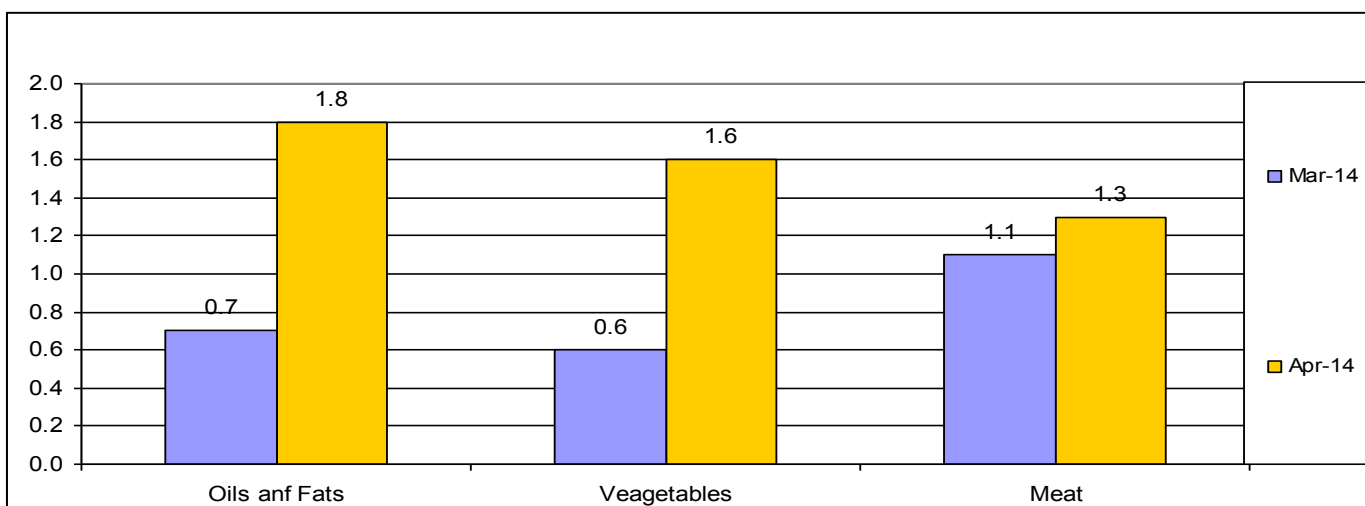
For the major groups comprising the NCPI, the annual inflation rates were: Food and Non-alcoholic beverages (8.9 percent), Transport (9.4 percent), Alcoholic beverages and tobacco (6.8 percent), Housing, water, electricity, gas and other fuels (3.5 percent). Corresponding rates recorded during the same period a year earlier were estimated as; Food and Non-alcoholic beverages (6.8 percent), Transport (4.0 percent), Alcoholic beverages and Tobacco (8.3 percent), Housing, water, electricity, gas and other fuels (6.9 percent).

While as for the minor groups the annual inflation rate were: Education (8.1 Percent), Hotels, cafes and restaurants (6.5 percent), Recreation and culture (6.8 percent), Clothing and footwear (3.2 percent) Furnishings, household and routine (4.7 percent), Miscellaneous goods and services (4.4 percent) Health (2.1 percent) and Communications (-0.3 percent).

4.1 Food and Non alcoholic beverages

For April 2014, the Food and Non alcoholic beverages index stood at 110.8 as compared to 110.1 recorded in March 2014, resulting in an increase of 0.7 percentage points. These increases were shown in the subcomponents of Oils and fats (1.8 percent), Vegetables including potatoes and other tubers (1.6 percent) and Meat (1.3 percent). The corresponding rates observed a month earlier were 0.7 percent, 0.6 percent, and 1.1 percent, as illustrates in chart 4 below.

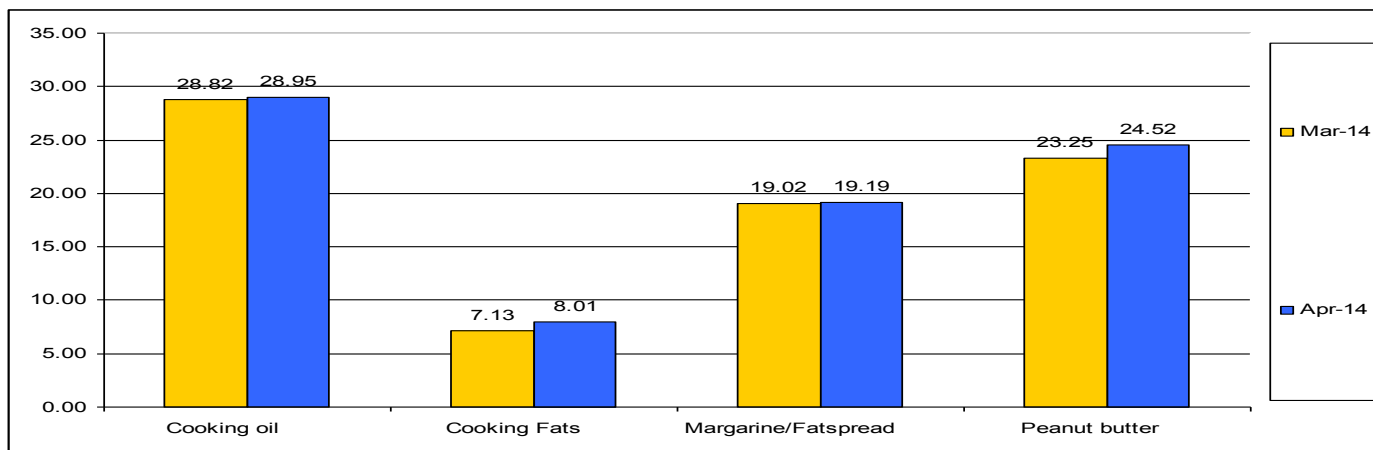
Chart 4: NCPI; Food and Non alcoholic beverages monthly percentage changes (Dec 2012 = 100)



4.2 Categories for Oils and fats with higher average prices

The Fats and oils subcategory recorded the highest monthly price increases in the Food and non alcoholic beverages category for the month of April 2014 with Peanut butter recording the highest average prices increasing from (N\$23.25 to N\$24.52), followed by Cooking fats which increased from (N\$7.13 to N\$8.01), Margarine/fat spread (N\$19.02 to 19.19) and Cooking oil increased from (N\$28.82 to N\$28.95). The weights associated to the presented Oils and fats subcategories are: Peanut butter (0.05), Cooking fats (0.02), Margarine/fat spread (0.10) and Cooking oil (0.50).

Chart 5: NCPI; average prices for Oils and fats (March 2014 and April 2014)



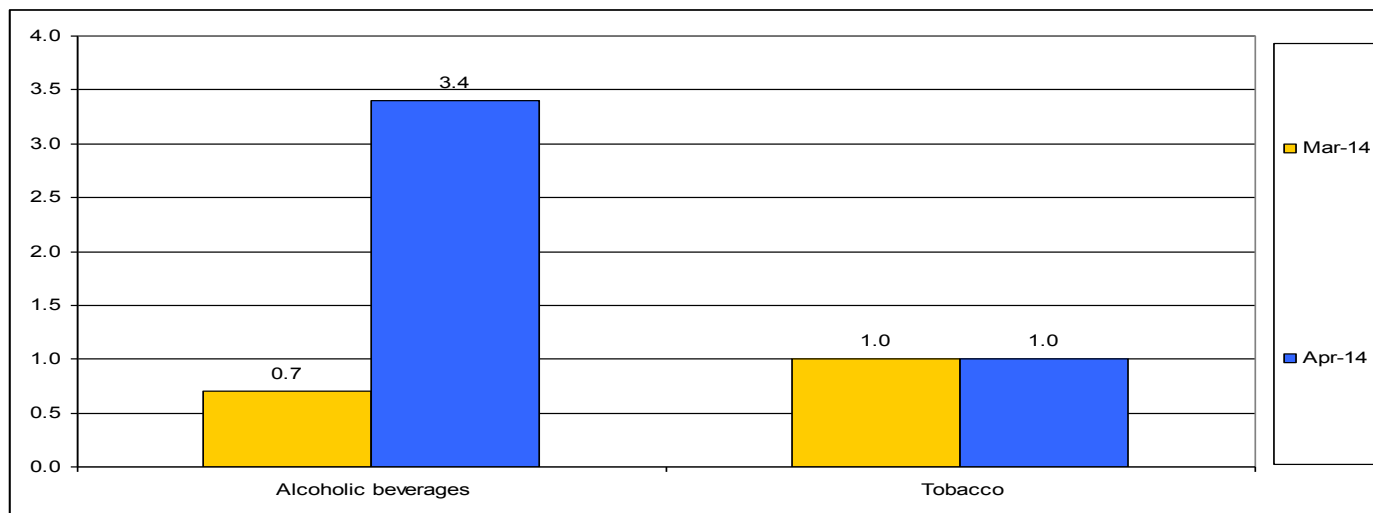
5. Contribution to overall inflation rate

The Food and Non alcoholic beverages category contributed 24.7 percent to the overall annual inflation rate for April 2014 followed by Transport, which contributed 22.7 percent, and Housing, water, electricity with 16.6 and lastly Alcoholic beverage contribution stood at 14.9 percent while all other groups’ contribution stood at 21.1 percent.

6. Alcoholic beverages and tobacco

During the month of April 2014, the group of Alcoholic beverages and tobacco recorded a monthly inflation rate of 2.9 percent as compared to 0.8 percent recorded in March 2014. The monthly inflation rate for Alcoholic beverages recorded an increase of (3.4 percent) while that of tobacco recorded an increase of (1.0 percent) as compared to that of 0.7 percent and 1.0 percent recorded a month earlier respectively.

Chart 6: NCPI chart of the month



The detailed results of the Namibia CPI for the month of April 2014 are displayed in Tables 1-2

Table 1: NCPI: All-Items Index, monthly and annual percentage changes (Dec 2012 =100)			
Period	CPI	m-o-m	y-o-y
Jan-12	95.1	1.1	6.8
Feb-12	95.8	0.8	7.5
Mar-12	96.3	0.5	7.2
Apr-12	96.6	0.3	6.6
May-12	96.8	0.2	6.3
Jun-12	96.6	-0.2	5.8
Jul-12	97.6	1.0	6.3
Aug-12	97.9	0.3	6.1
Sep-12	98.7	0.8	7.0
Oct-12	99.6	0.9	7.1
Nov-12	100.3	0.7	7.5
Dec-12	100.0	-0.3	6.4
An. Av	97.6	0.5	6.7
Jan-13	100.9	0.9	6.2
Feb-13	101.4	0.4	5.8
Mar-13	101.9	0.6	5.9
Apr-13	102.3	0.3	5.9
May-13	102.4	0.1	5.8
Jun-13	102.7	0.2	6.2
Jul-13	103.4	0.7	5.9
Aug-13	103.8	0.4	6.0
Sep-13	104.1	0.3	5.4
Oct-13	104.5	0.4	4.9
Nov-13	104.7	0.2	4.4
Dec-13	104.9	0.1	4.9
An. Av	103.1	0.4	5.6
Jan-14	105.9	0.9	4.9
Feb-14	106.6	0.7	5.2
Mar-14	107.3	0.6	5.2
Apr-14	108.3	1.0	5.9

Table 2: NCPI; Month on month and year on year changes by main groups and subgroups (Dec 2012=100)

	Weights	CPI			Inflation Rate	
		Apr-13	Mar-14	Apr-14	m-o-m	y-o-y
0.0 ALL ITEMS	100.00	102.3	107.3	108.3	1.0	5.9
GOODS	57.7	102.6	109.1	110.4	1.1	7.5
SERVICES	42.3	101.7	104.8	105.6	0.7	3.8
01 FOOD AND NON-ALCOHOLIC BEVERAGES	16.45	101.8	110.1	110.8	0.7	8.9
Food	14.78	101.7	110.7	111.5	0.7	9.6
Bread and cereals	4.84	100.2	110.0	109.9	-0.1	9.7
Meat	3.53	100.9	113.4	114.9	1.3	13.9
Fish	0.81	102.4	104.7	105.5	0.7	3.0
Milk, cheese and eggs	1.17	104.5	110.9	112.0	1.0	7.2
Oils and fats	0.78	101.4	105.8	107.6	1.8	6.1
Fruit	0.33	106.6	115.7	114.6	-0.9	7.6
Vegetables including potatoes and other tubers	1.23	102.5	115.3	117.1	1.6	14.2
Sugar, jam, honey, syrups, chocolate and confectionery	1.44	104.4	108.9	109.7	0.7	5.1
Food products n.e.c.	0.65	102.4	107.0	107.1	0.1	4.6
Non-alcoholic beverages	1.66	102.2	104.5	105.3	0.7	3.1
Coffee, tea and cocoa	0.31	103.2	106.1	105.8	-0.3	2.5
Mineral waters, soft drinks and juices	1.35	101.9	104.2	105.2	1.0	3.2
02 ALCOHOLIC BEVERAGES AND TOBACCO	12.59	105.5	109.4	112.6	2.9	6.8
Alcoholic beverages	9.99	106.3	110.0	113.8	3.4	7.0
Tobacco	2.61	102.1	106.8	107.9	1.0	5.7
03 CLOTHING AND FOOTWEAR	3.05	101.4	105.3	104.6	-0.6	3.2
Clothing	2.04	101.0	104.7	104.8	0.1	3.8
Clothing materials	0.07	100.7	107.7	107.7	0.0	6.9
Ready-made clothing	1.93	101.0	104.7	104.8	0.1	3.7
Men's clothing	0.53	101.0	106.4	106.8	0.4	5.7
Women's clothing	0.58	101.5	104.4	104.2	-0.3	2.6
Children's clothing	0.66	100.4	103.4	103.6	0.2	3.2
Boys' clothing	0.19	100.7	110.4	110.5	0.1	9.8
Girls' clothing	0.26	100.2	97.9	98.1	0.3	-2.1
Infants' clothing	0.09	100.5	105.0	105.3	0.3	4.8
Other articles of clothing and clothing accessories	0.04	102.8	104.0	104.5	0.4	1.6
Dry cleaning, repair and hire of clothing	0.00	100.5	101.0	101.0	0.0	0.5
Footwear	1.01	102.1	106.4	104.2	-2.0	2.1
Adult footwear	0.80	102.1	106.2	103.5	-2.5	1.4
Children's footwear	0.20	102.3	107.1	106.8	-0.3	4.4
Repair of footwear	0.01	101.6	108.0	108.0	0.0	6.3
04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	28.36	101.6	104.9	105.1	0.2	3.5
Rental payments for dwelling (both owners and renters)	23.28	101.7	103.7	103.7	0.0	1.9
Regular maintenance and repair of dwelling	0.19	102.2	107.3	108.6	1.2	6.3
Water supply, sewerage service and refuse collection	1.03	100.0	112.1	112.1	0.0	12.1
Electricity gas and other fuels	3.86	101.1	110.1	111.6	1.3	10.3

Table 2: NCPI; Month on month and year on year changes by main groups and subgroups (Dec 2012=100)

	Weights	CPI			Inflation Rate	
		Apr-13	Mar-14	Apr-14	m-o-m	y-o-y
05 FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE O	5.47	101.7	106.0	106.4	0.4	4.7
Furniture, furnishings, decorations, carpets, floor coverings, incl.	1.78	100.6	103.7	103.2	-0.5	2.6
Furniture and furnishings	1.69	100.6	103.6	103.1	-0.5	2.5
Carpets and other floor coverings	0.07	100.5	105.3	105.9	0.5	5.4
Repair of furnishings and floor coverings	0.02	101.6	103.2	103.2	0.0	1.6
Household textiles	0.73	103.4	110.6	111.9	1.2	8.2
Heating and cooking appliances, refrigerators, washing machines and similar major household appliances, etc	0.92	100.6	107.3	107.9	0.6	7.3
Glassware, tableware and household utensils	0.22	105.5	107.2	107.2	0.1	1.6
Tools and equipment for house and garden	0.43	101.0	104.0	105.3	1.2	4.2
Goods and services for routine household maintenance	1.36	102.4	106.2	106.8	0.6	4.3
06 HEALTH	2.01	102.6	104.6	104.8	0.2	2.1
Medical products, appliances and equipment	0.84	103.2	101.7	102.1	0.4	-1.1
Outpatient Services, medical, dental and paramedical	0.98	102.7	108.0	108.0	0.0	5.2
Hospital services	0.19	100.0	100.0	100.0	0.0	0.0
07 TRANSPORT	14.28	102.3	109.4	111.8	2.2	9.4
Purchase of vehicles	2.88	101.7	111.4	112.3	0.8	10.5
Operation of personal transport equipment	8.96	102.5	110.6	111.3	0.6	8.6
Public transportation services	2.44	102.2	102.5	113.2	10.5	10.8
08 COMMUNICATIONS	3.81	100.3	100.0	100.0	0.0	-0.3
09 RECREATION AND CULTURE	3.55	101.8	106.4	108.7	2.2	6.8
Audio-visual, photographic and data processing equip. incl. repairs	1.16	101.6	105.7	106.5	0.7	4.8
Other major durables for recreation and culture	0.08	103.0	112.4	112.8	0.3	9.5
Other recreational items and equipment; flowers, gardens and pets	0.46	101.0	106.8	107.2	0.4	6.1
Recreation and cultural services	0.85	101.0	103.4	111.3	7.7	10.2
Newspapers, books and stationery	0.89	102.2	105.7	106.5	0.8	4.2
Package holidays	0.11	107.7	135.1	132.0	-2.3	22.6
10 EDUCATION	3.65	104.0	112.4	112.4	0.0	8.1
Pre-primary education (ages 2 to 6 years)	0.23	112.6	122.2	122.2	0.0	8.6
Primary (private) and Secondary education (ages 7 to 17 years)	1.44	103.8	109.7	109.7	0.0	5.6
Tertiary education	1.98	103.2	113.3	113.3	0.0	9.8
11 HOTELS, CAFES AND RESTAURANTS	1.39	104.0	110.8	110.7	0.0	6.5
Catering	0.74	101.1	107.5	107.4	-0.1	6.2
Accommodation services	0.65	107.4	114.6	114.6	0.0	6.7
12 MISCELLANEOUS GOODS AND SERVICES	5.39	100.8	105.1	105.2	0.1	4.4
Personal care	1.41	100.7	105.8	106.1	0.3	5.3
Personal effects n.e.c.	1.03	101.0	108.0	107.9	-0.1	6.9
Insurance	0.74	102.1	105.3	105.3	0.0	3.2
Financial services n.e.c.	0.94	100.0	102.5	103.5	1.0	3.5
Other services n.e.c.	1.26	100.4	103.0	103.1	0.1	2.7



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