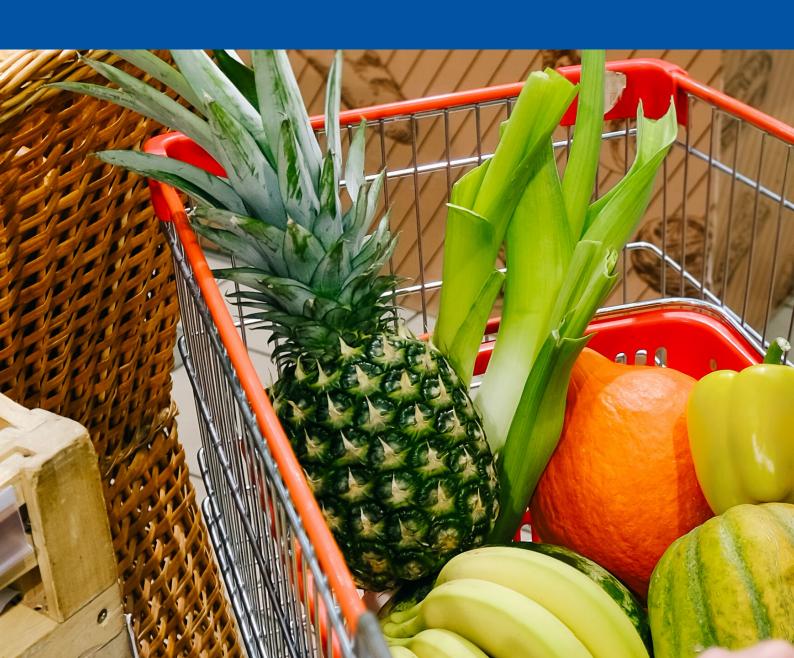
# Namibia Consumer Price Index Bulletin

**AUGUST 2020** 



# TABLE OF CONTENTS

PrefaceKey highlights	3
Key highlights	4
Contributions of the different groups to the annual % change in NCPI	4
Overall Inflation rate	5
Annual Inflation rate by main categories	6
Selected main categories annual inflation rate	
Goods and Services inflation rate	
NCPI basket weights	18
Annex A: NCPI: All-Items Index, monthly and annual percentage changes (Dec 2012 =100)	19
Annex B: NCPI for August 2020 by main groups and sub-groups (Dec.2012=100)	21
Annex 1: Background on Zonal Consumer Price Index	22
Annex 2: Zonal CPI weights	23
Additional detailed information on zonal CPIs	23

## **PREFACE**



This report examines the monthly inflation rate performance in Namibia as measured by the Consumer Price Index. The Namibia Consumer Price Index (NCPI) is used as the basis to calculate the rate of inflation as experienced by consumers. More than 9000 prices of goods and services are collected on a monthly basis from more than 900 retail outlets in 8 localities. The NCPI weights represent the expenditure share of each commodity in the 2009/10 Namibia Household Income and Expenditure Survey (NHIES). The Consumer Price Index is published about 15 days after the end of the reference month to which it relates.

The inflation rate measures the change in the CPI for the month under review to the previous month (month-on-month change) as well as to the corresponding month in the previous year (year-on-year change). The inflation rate is vital for purposes of economic policy-making, especially the conduct of monetary policy and to consumers in general. It is further used in a wide variety of public and private contracts for the purposes of adjusting payments (such as wages, rents, interest and social security benefits). It therefore, has substantial and wideranging financial implications for governments and businesses, as well as for households.

In August 2020, the annual inflation rate slowed to 2.4 percent from 3.7 percent recorded in August 2019, while on a monthly basis, the inflation rate increased to 0.4 percent compared to 0.2 percent recorded last month. The slow growth in the annual inflation rate for August 2020 was mainly as a result of declines in the price levels of Housing, water, electricity, gas and other fuels that declined by -1.5 percent compared to an increase of 1.9 percent recorded in August 2019. Further, prices of Transport also reflected a slowdown by increasing by 1.2 percent in August 2020 compared to 6.1 percent in August 2019.

The Zonal inflation rates for the month of August 2020 revealed that, Zone 1 (Kavango East, Kavango West, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa, and Zambezi) recorded annual inflation rate of 2.5 percent. While in Zone 2 (Khomas) the annual inflation rate was estimated at 2.9 percent. Zone 3 (//Kharas, Erongo, Hardap and Omaheke) registered the lowest annual inflation rate of 1.5 percent among the three Zones. On a monthly basis, Zone 1 and Zone 2 both recorded inflation rate of 0.5 percent, while Zone 3 monthly inflation rate stood at 0.2 percent.

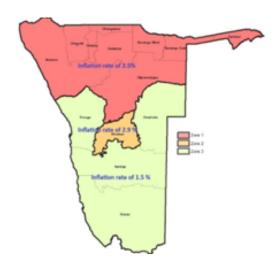
Alex Shimuafeni

Statistician-General & CEO

# Annual inflation rates slow down.

The annual inflation rate slowed to 2.4 percent compared to 3.7 percent recorded in August 2019. On monthly basis it stood at 0.4 percent.

**Box 1: Key highlights** 



- o The annual inflation rate stood at **2.4 percent**
- o The annual inflation rate for Goods was estimated at **3.1 percent**
- o The annual inflation rate for Services stood at **1.5 percent**
- o The average annual inflation rate for August 2019 to August 2020 stood at **2.5 percent**
- o The twelve-month average annual inflation rate from September 2019 to August 2020 was estimated at **2.4 percent**

BOX 2: Contributions of the different groups to the annual percentage change in NCPI

Groups	Contributions (%)				
	July 2020	August 2020			
Food and non-alcoholic beverages	1.1	1.2			
Alcoholic, beverages and tobacco	0.6	0.5			
Clothing and footwear	-0.1	-0.1			
Housing, water, electricity, gas & other fuels	-0.4	-0.4			
Furnishings, household equipment etc	0.1	0.1			
Health	0.1	0.1			
Transport	-0.2	0.2			
Communication	0.1	0.1			
Recreation and culture	0.2	0.2			
Education	0.3	0.3			
Hotels, cafes and restaurants	0	0			
Miscellaneous goods and services	0.3	0.3			
All items	2.1	2.4			

# Overall inflation rate

For the month of August 2020, the annual inflation stood at 2.4 percent, down from 3.7 percent recorded in August 2019, a decrease of 1.3 percentage points. The slowdown in the annual inflation rate between August 2019 and August 2020 resulted mainly from decreases in prices reflected in the categories of Housing, water, electricity, gas and other fuels, which accounts for 28.4 percent of the overall basket of NCPI that declined by -1.5 percent compared to an increase of 1.9 percent recorded in August 2019. Prices of Transport which accounts for 14.28 percent of the overall basket of NCPI also reflected a slowdown by increasing by 1.2 percent in August 2020 compared to 6.1 percent in August 2019. Other categories which contributed to the slow growth of the annual inflation rate were Education that increased by 7.0 percent compared to 12.0 percent recorded in August 2019; and Clothing and footwear that declined by -5.1 percent compared to an increase of 1.6 percent in August 2019.

The monthly inflation rate stood at 0.4 percent an increase of 0.2 percentage points when compared to 0.2 percent recorded during July 2020.

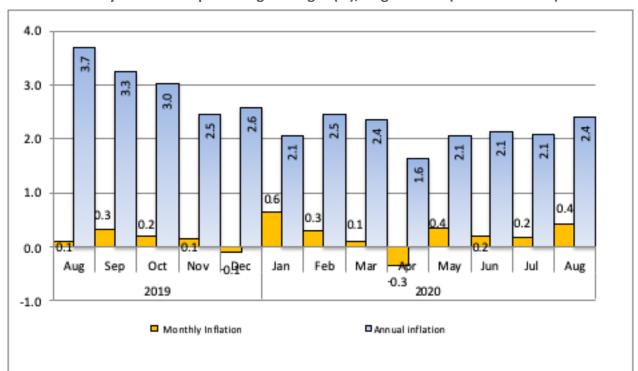
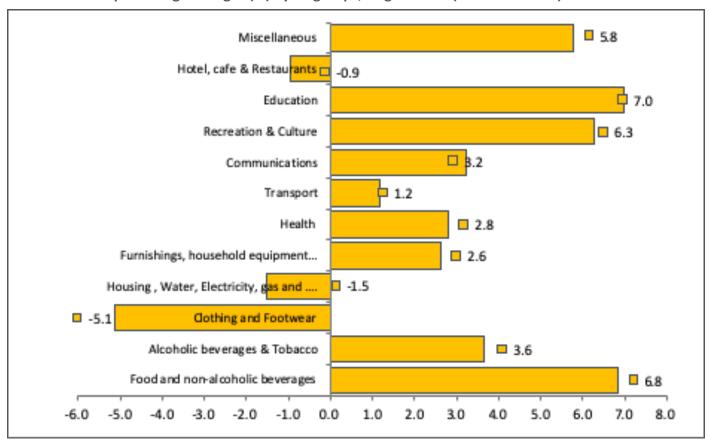


Chart 1: Monthly and annual percentage changes (%); August 2020 (Dec 2012 = 100)

# Annual inflation rate by main categories

The Education category recorded the highest annual inflation rate of 7.0 percent in August 2020, followed by Food and non-alcoholic beverages at 6.8 percent, Recreation and culture at 6.3 percent, Miscellaneous goods and services at 5.8 percent; while Clothing and footwear; and Housing, water, electricity, gas and other fuels categories recorded the lowest annual inflation rates of -5.1 percent and -1.5 percent, respectively.

Chart 2: Annual percentage changes (%) by all groups, August 2020 (Dec 2012 = 100)



# Selected main categories' annual inflation rates

## Food and non-alcoholic beverages

The annual inflation rate for this category was recorded at 6.8 percent in August 2020 compared to 4.1 percent registered during the same period of last year, an increase of 2.7 percentage points. The increase in this group emanated mainly from price increases in Meat (from -0.7 percent to 9.9 percent); Oils and fats (from -0.4 percent to 8.0 percent); Fruits (from 11.0 percent to 18.1 percent) and Coffee, tea and cocoa (from 1.5 percent to 7.2 percent).

On a monthly basis the inflation rate for this category increased from 0.7 percent recorded last month to 1.2 percent obtained in August 2020.

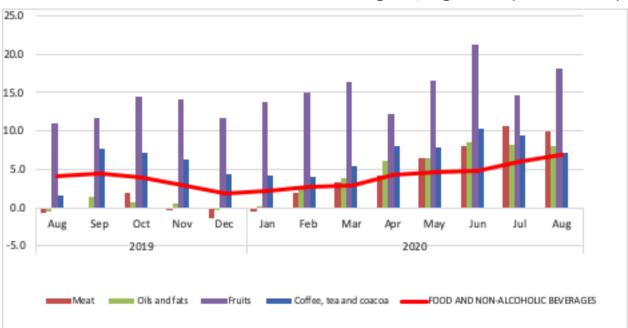
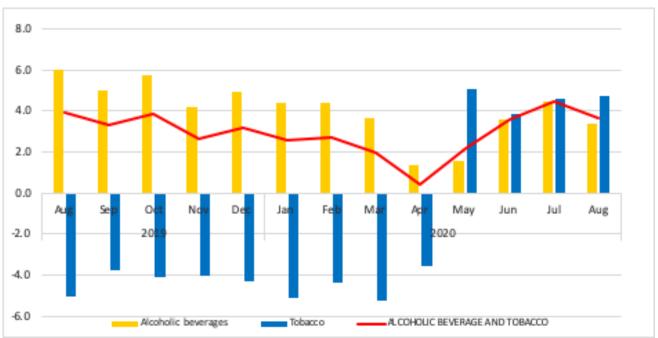


Chart 3: Annual inflation rates for selected food sub-categories; August 2020 (Dec 2012 = 100)

#### Alcoholic beverages and tobacco

During the month of August 2020, the annual inflation rate for the Alcoholic beverages and tobacco group stood at 3.6 percent compared to 3.9 percent registered in August of last year, resulting in a decrease of 0.3 percentage points. The downward movement of inflation rate in this category was due to price decreases in the Alcoholic beverages sub component from 6.0 percent to 3.4 percent. On a monthly basis this category recorded a contraction of -0.7 percent in August 2020 compared to 0.8 percent registered during the preceding month..

Chart 4: Annual inflation rate for Alcoholic beverages and tobacco; August 2020 (Dec 2012 = 100)

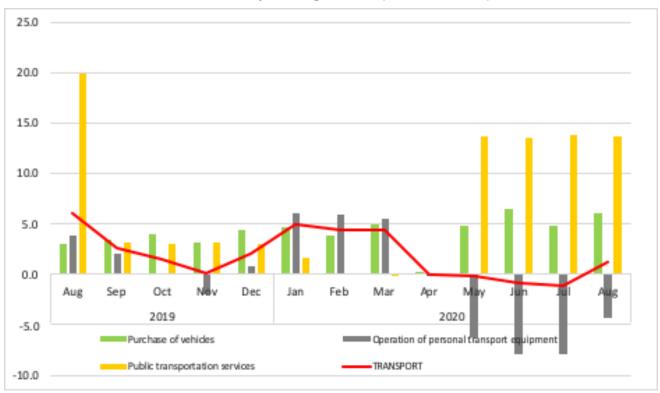


#### **Transport**

The annual inflation rate for the Transport category stood at 1.2 percent during the month of August 2020, a decrease of 4.9 percentage points from 6.1 percent recorded in August 2019. The slowdown was a result of decreases witnessed in the price levels of Operation of personal transport equipment (from 3.8 percent to -4.4 percent) and Public transportation services (from 19.9 percent to 13.7 percent).

On a monthly basis, Transport recorded an increase of 2.4 percent in August 2020 compared to 0.1 percent in July 2020..

Chart 5: Annual inflation rate for Transport; August 2020 (Dec 2012 = 100)

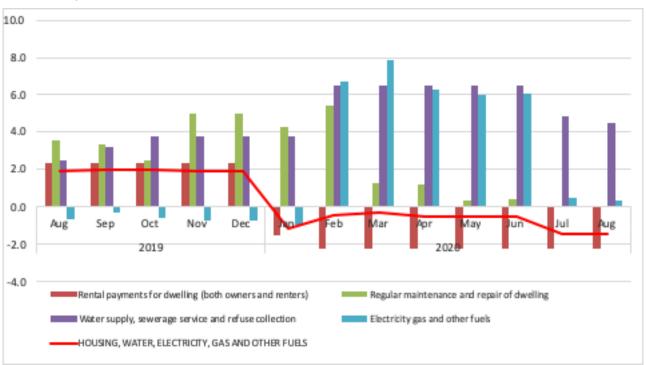


#### Housing, water, electricity, gas and other fuels

The annual inflation rate for Housing, water, electricity, gas and other fuels component registered a decline of -1.5 percent in August 2020 compared to an increase of 1.9 percent recorded during the same period of 2019. The decline was mainly reflected in the price levels of Rental payments which declined (from 2.3 percent to -2.3 percent) and Regular maintenance and repair of dwelling (from 3.6 percent to 0.8 percent).

On a monthly basis, the inflation rate for this component declined by -0.3 percent compared to an increase 0.1 percent in the preceding month.

Chart 6: Annual inflation rate for Housing, water, electricity, gas and other fuels; August 2020 (Dec 2012 = 100)

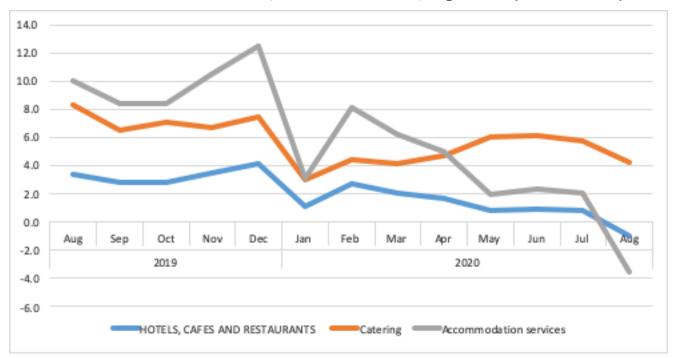


## Hotels, cafes and restaurants

During the month of August 2020, the annual inflation rate for this group declined by -0.9 percent compared to 3.4 percent recorded during the same period of 2019. The decrease in the price levels of this group emanated from Accommodation services (from 1.7 percent to -7.8 percent).

The monthly inflation rate for this group declined by -1.9 percent in August 2020 compared to -0.2 percent recorded a month earlier.

Chart 7: Annual inflation rate for Hotels, cafes and restaurants; August 2020 (Dec 2012 = 100)



## **Clothing and footwear**

For the month of August 2020, the annual inflation rate for Clothing and footwear declined by -5.1 percent compared to an increase of 1.6 percent recorded in August 2019. The decrease was mainly reflected in price decreases observed in Adult footwear (from 4.1 percent to -16.2 percent), Repair of footwear (from 7.8 percent to -7.6 percent), Footwear (from 3.2 percent to -10.8 percent), Clothing materials (from 7.5 percent to -0.9 percent), Boys' clothing (from 1.4 percent to -4.1 percent) and Women's clothing (from 3.4 percent to -1.9 percent)

The monthly inflation rate for this group declined by -0.9 percent in August 2020 compared to -2.4 percent registered during the preceding month.

10.0 5.0

Chart 8: Annual inflation rates for Clothing and footwear August 2020 (Dec 2012 = 100)

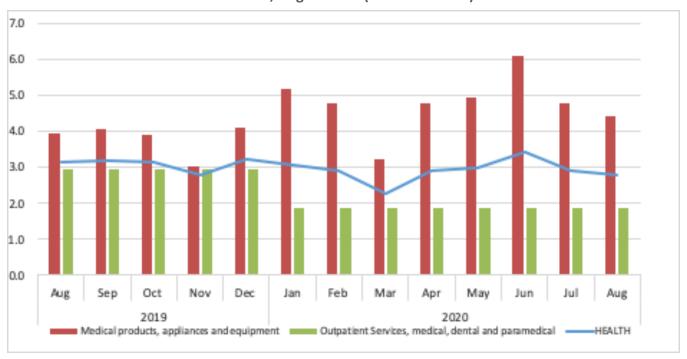
0.0 Aug Sep Oct Nov Dec Jan 2019 -5.0 -10.0-15.0Cothing materials Women's dothing Repair of footwear -20.0Adult footwear CLOTHING AND FOOTWEAR

#### Health

The annual inflation rate for the Health group stood at 2.8 percent in August 2020, a decline of 0.4 percentage points when compared to 3.1 percent recorded in August 2019. The downward movement was reflected in price decrease of the Outpatient Services, medical, dental and paramedical services (from 3.0 percent to 1.9 percent).

On a monthly basis this category recorded 0.1 percent in August 2020 compared to -0.3 percent registered a month earlier.

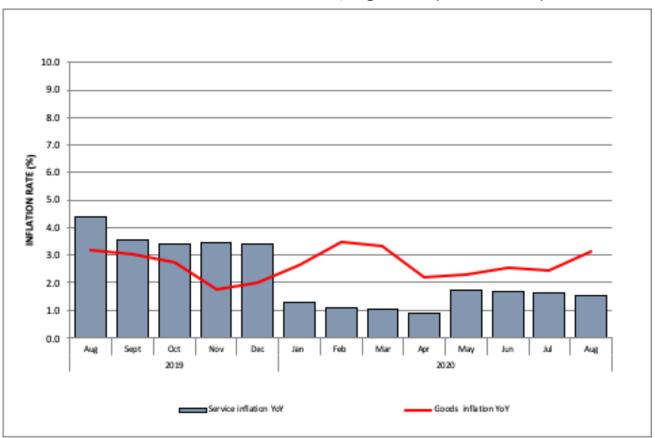
Chart 9: Annual inflation rate for Health, August 2020 (Dec 2012 = 100)



# Goods and Services inflation rates

The Index for Goods and Services for the month of August 2020, stood at 143.0 and 138.7 compared to the corresponding indices of 138.7 and 136.6 recorded during the same period last year. The monthly and annual inflation rates for Goods were 0.8 percent and 3.1 percent, respectively, while for Services the inflation rates were -0.1 percent and 1.5 percent.

Chart 10: Goods and Services annual inflation rates; August 2020 (Dec 2012 = 100)



# **Zonal CPIs**

### **Zone 1 CPI (Northern Part)**

The annual inflation rate fell to 2.5 percent in August 2020 from 3.5 percent recorded in August last year, a decrease of 1.0 percentage points. The decrease in the annual inflation rate was mainly observed in the decline of price levels for Clothing and footwear (from 2.2 percent to -9.8 percent); Transport (from 5.8 percent to 1.7 percent); Housing, water, electricity, gas and other fuels (from 0.5 percent to -2.9 percent); Alcoholic beverages and tobacco (from 5.3 percent to 2.9 percent) and Health (from 3.5 percent to 2.7 percent)

On a monthly basis, the inflation rate for August 2020 increased by 0.5 percent compared to 0.2 percent registered last month.

Table 1: Zone 1 CPI: All-Items Index, monthly and annual percentage changes (Dec 2012 =100)

		-		
Period		Monthly Index	Monthly inflation rate	Annual inflation rate
2019	Jan	136.1	1.0	4.2
	Feb	135.8	-0.2	4.1
	Mar	136.0	0.2	4.1
	Apr	136.1	0.1	3.8
	May	136.3	0.1	3.3
	Jun	136.5	0.2	3.5
	Jul	137.1	0.5	3.3
	Aug	137.3	0.1	3.5
	Sep	137.7	0.3	3.0
	Oct	137.8	0.1	2.8
	Nov	138.5	0.5	2.2
	Dec	138.1	-0.3	2.5
	An. Av	136.9	0.2	3.4
2020	Jan	139.7	1.2	2.7
	Feb	139.6	-0.1	2.8
	Mar	139.5	0.0	2.6
	Apr	139.0	-0.4	2.1
	May	139.4	0.3	2.3
	Jun	139.7	0.2	2.4
	Jul	140.0	0.2	2.1
	Aug	140.7	0.5	2.5

## **Zone 2 CPI (Windhoek Area)**

The annual inflation rate in August 2020 stood at 2.9 percent compared to 3.1 percent recorded in August 2019. The decrease in prices was mainly witnessed in Education (from 15.2 percent to 6.4 percent), Hotels, cafes and restaurants (from 5.7 percent to -2.2 percent), Transport (from 5.5 percent to 1.9 percent), and Housing, water electricity, gas and other fuels (from 2.6 percent to -1.1 percent).

On a monthly basis, the inflation rate stood at 0.5 percent in August 2020 compared to 0.3 percent recorded during the previous month.

Table 1: Zone 2 CPI: All-Items Index, monthly and annual percentage changes (Dec 2012 =100)

	,		0 0 1	,
Period		Monthly Index	Monthly inflation rate	Annual inflation rate
2019	Jan	133.7	1.4	4.9
	Feb	133.3	0.0	4.4
	Mar	133.7	0.3	4.6
	Apr	134.7	0.8	5.0
	May	133.9	-0.6	4.1
	Jun	133.9	0.0	3.7
	Jul	133.8	-0.1	3.0
	Aug	133.8	0.0	3.1
	Sep	134.5	0.5	2.7
	Oct	134.7	0.2	2.5
	Nov	134.7	-0.1	1.9
	Dec	134.8	0.1	2.2
	An. Av	134.1	0.2	3.5
2020	Jan	135.1	0.2	1.0
	Feb	136.1	0.8	2.1
	Mar	136.3	0.2	2.0
	Apr	135.8	-0.4	0.8
	May	136.4	0.5	1.9
	Jun	136.7	0.2	2.1
	Jul	137.1	0.3	2.5
	Aug	137.7	0.5	2.9

# Zone 3 CPI (Eastern, Southern & Western Parts of Namibia)

The annual inflation rate slowed to 1.5 percent in August 2020 from 4.9 percent recorded in August 2019. The decline in the inflation was mainly from decreases recorded in all the groups, except for Recreation and culture which increased (from 2.3 percent to 3.6 percent) and Miscellaneous goods services (from 3.1 percent to 3.3 percent). Communications remained unchanged at 1.8 percent.

On a monthly basis, the inflation rate for August 2020 stood at 0.2 percent compared to 0.0 percent recorded last month.

Table 1: Zone 3 CPI: All-Items Index, monthly and annual percentage changes (Dec 2012 = 100)

Period		Monthly Index	Monthly inflation rate	Annual inflation rate
2019	Jan	142.3	1.0	4.9
	Feb	142.9	0.4	4.9
	Mar	143.1	0.1	4.9
	Apr	143.3	0.1	4.8
	May	144.0	0.5	5.1
	June	144.4	0.2	4.9
	July	144.9	0.3	5.1
	Aug	145.2	0.2	4.9
	Sep	145.2	0.03	4.4
	Oct	145.5	0.20	4.1
	Nov	145.5	-0.01	3.6
	Dec	145.4	-0.1	3.2
	Av	144.3	0.3	4.6
2020	Jan	146.1	0.5	2.7
	Feb	146.5	0.3	2.5
	Mar	146.7	0.2	2.5
	Apr	146.5	-0.2	2.2
	May	146.8	0.2	1.9
	Jun	147.0	0.1	1.8
	Jul	147.0	0.0	1.5
	Aug	147.4	0.2	1.5

## **BOX 3: NCPI BASKET WEIGHTS**

Inflation is calculated based on a basket of goods and services, containing a representative sample of the goods and or services commonly consumed in a country, and weighted in accordance with the relative percentage of expenditure allotted to each of the said goods at household level. The price of these goods and services are then tracked over time, to illustrate the change in the cost of living over time. As spending patterns change, new products and services are added to the basket, and the basket is reweighted so as to better capture the current spending patterns of the consumer at the current point in time.

As such, the inflation basket is generally reconstituted every five years. In Namibia, the basket was last rebased in 2013, using household expenditure data collected in the 2009/10 Household Income and Expenditure Survey. The basket now contains over 350 items, grouped into 12 categories and 55 sub-categories, for which prices are collected on a monthly basis from more than 900 retail outlets.

Namibian inflation is largely determined by three categories of the overall NCPI basket, namely: (i) *Housing, water, electricity, gas and other fuels,* (ii) *Food and non-alcoholic beverages and* (iii) *Transport,* which cumulatively make up just under 60 percent of the total inflation basket. Additionally, following the rebasing of the NCPI basket in 2013, "Alcoholic beverages and tobacco" make up an additional 12.6 percent of the basket, meaning that the four largest categories represent well over 70 percent of the total basket. As such, a large increase in inflation in these categories has a greater impact on the overall inflation than increases in the lower weighted categories. Thus, it is rare to see major increases in overall inflation attributed to the lower weighted categories, despite the fact that these categories may have seen relatively high inflation in their own right.

Category	Weights (%)
Housing, Water, Electricity, Gas and Other Fuels	28.36
Food and Non- Alcoholic Beverages	16.45
Transport	14.28
Alcoholic Beverages and Tobacco	12.59
Furnishings, Household Equipment	5.47
Miscellaneous Goods and Services	5.39
Communication	3.81
Education	3.65
Recreation and Culture	3.55
Clothing and Footwear	3.05
Health	2.01
Hotels, Cafés and Restaurants	1.39

Annex A: NCPI: All-Items Index, monthly and annual percentage changes (Dec 2012 =100)

Period	Index	m-o-m	у-о-у
Jan-18	130.5	1.6	3.6
Feb-18	130.7	0.1	3.5
Mar-18	130.9	0.1	3.5
Apr-18	131.3	0.3	3.6
May-18	131.8	0.4	3.8
Jun-18	132.1	0.2	4.0
Jul-18	132.8	0.5	4.5
Aug-18	132.9	0.0	4.4
Sep-18	133.9	0.8	4.8
Oct-18	134.4	0.4	5.1
Nov-18	135.4	0.7	5.6
Dec-18	135.0	-0.2	5.1
An. Av	132.6	0.4	4.3
Jan-19	136.6	1.2	4.7
Feb-19	136.5	-0.1	4.4
Mar-19	136.8	0.2	4.5
Apr-19	137.2	0.4	4.5
May-19	137.2	-0.1	4.1
Jun-19	137.3	0.1	3.9
Jul-19	137.7	0.2	3.6
Aug-19	137.8	0.1	3.7
Sep-19	138.2	0.3	3.3
Oct-19	138.5	0.2	3.0
Nov-19	138.7	0.2	2.5
Dec-19	138.5	-0.1	2.6
An. Av	137.6	0.2	3.7
Jan-20	139.4	0.6	2.1
Feb-20	139.8	0.3	2.5
Mar-20	140.0	0.1	2.4
Apr-20	139.5	-0.3	1.6
May-20	140.0	0.4	2.1
Jun-20	140.3	0.2	2.1
Jul-20	140.5	0.2	2.1
Aug-20	141.1	0.4	2.4

Annex B: NCPI for August 2020 by main groups and sub-groups (Dec.2012=100)

		Mainle		СРІ		Inflation	Rate
		Weights	Aug-19	Jul-20	Aug-20	m-o-m	у-о-у
ALL ITEMS		100.00	137.8	140.5	141.1	0.4	2.4
GOODS		57.7	138.7	141.9	143.0	0.8	3.1
SERVICES		42.3	136.6	138.7	138.7	-0.1	1.5
SERVICES		72.5	130.0	130.7	130.7	0.1	1.5
FOOD AND N	ION-ALCOHOLIC BEVERAGES	16.45	147.1	155.3	157.2	1.2	6.8
Food		14.78	148.3	157.0	159.0	1.3	7.2
	Bread and cereals	4.84	140.3	142.2	145.1	2.0	3.4
	Meat	3.53	147.9	160.2	162.6	1.5	9.9
	Fish	0.81	153.5	162.8	165.5	1.7	7.8
	Milk, cheese and eggs	1.17	148.0	155.5	157.7	1.5	6.6
	Oils and fats	0.78	131.3	141.1	141.8	0.4	8.0
	Fruit	0.33	174.9	203.4	206.6	1.6	18.1
,	Vegetables including potatoes and other tubers	1.23	171.3	191.5	192.3	0.4	12.3
	Sugar, jam, honey, syrups, chocolate and confectionery	1.44	159.4	167.9	168.2	0.2	5.5
	Food products n.e.c.	0.65	142.4	149.6	150.1	0.3	5.4
Non-alcoh	nolic beverages	1.66	136.6	140.5	141.0	0.3	3.2
	Coffee, tea and cocoa	0.31	166.0	177.5	177.8	0.2	7.2
	Mineral waters, soft drinks and juices	1.35	129.9	132.0	132.5	0.4	2.0
ALCOHOLIC E	BEVERAGES AND TOBACCO	12.59	149.3	155.8	154.8	-0.7	3.6
	Alcoholic beverages	9.99	155.2	161.8	160.5	-0.8	3.4
	Tobacco	2.61	127.0	132.7	133.0	0.3	4.7
CLOTHING A	ND FOOTWEAR	3.05	103.4	99.0	98.1	-0.9	-5.1
Clothing		2.04	105.7	103.9	103.0	-0.8	-2.5
	ng materials	0.07	146.7	145.3	145.3	0.0	-0.9
	made clothing	1.93	104.0	102.1	101.2	-0.9	-2.7
	Men's clothing	0.58	111.2	106.7	104.9	-1.6	-5.6
,	Women's clothing	0.70	92.0	91.3	90.3	-1.1	-1.9
Chi	ldren's clothing	0.66	109.0	108.0	107.8	-0.2	-1.1
	Boys' clothing	0.24	110.4	105.4	105.9	0.5	-4.1
	Girls' clothing	0.33	109.0	109.3	109.0	-0.3	0.0
	Infants' clothing	0.09	107.7	112.3	111.1	-1.1	3.1
Other	articles of clothing and clothing accessories	0.05	115.1	117.5	117.6	0.1	2.2
Dry cle	eaning, repair and hire of clothing	0.00	131.0	136.0	131.6	-3.2	0.5
Footwear		1.01	98.8	89.2	88.2	-1.2	-10.8
	Adult footwear	0.80	93.5	80.0	78.4	-2.0	-16.2
	Children's footwear	0.20	117.1	123.5	124.7	1.0	6.5
	Repair of footwear	0.01	151.6	140.6	140.0	-0.4	-7.6
HOUSING, W	ATER, ELECTRICITY, GAS AND OTHER FUELS	28.36	135.0	133.4	132.9	-0.3	-1.5
	Rental payments for dwelling (both owners and renters)	23.28	129.7	126.8	126.8	0.0	-2.3
	Regular maintenance and repair of dwelling	0.19	141.7	141.5	142.8	0.9	0.8
	Water supply, sewerage service and refuse collection	1.03	178.7	186.7	186.7	0.0	4.5
	Electricity gas and other fuels	3.86	154.8	158.5	155.3	-2.0	0.3

Annex B: NCPI for August by main groups and sub-groups (Dec.2012=100)

				СРІ		Inflatio	n Rate
		Weights	Aug-19	Jul-20	Aug-20	m-o-m	у-о-у
	FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE		127.8	129.3	131.1	1.4	2.6
Furnitu	Furniture, furnishings, decorations, carpets, floor coverings, incl. repairs		100.8	98.5	98.4	0.0	-2.4
	Furniture and furnishings	1.69	99.5	96.9	96.6	-0.3	-2.9
	Carpets and other floor coverings	0.07	108.3	110.0	117.5	6.8	8.5
	Repair of furnishings and floor coverings	0.02	199.2	201.2	198.6	-1.3	-0.3
	Household textiles	0.73	135.8	137.0	145.4	6.2	7.0
	Heating and cooking appliances, refrigerators, washing machines and similar major household appliances, etc	0.92	125.3	128.5	131.2	2.1	4.8
	Glassware, tableware and household utensils	0.22	154.0	153.9	162.0	5.3	5.2
	Tools and equipment for house and garden	0.43	129.7	135.8	135.9	0.1	4.8
	Goods and services for routine household maintenance	1.36	155.5	159.7	159.5	-0.1	2.6
HEALTH		2.01	135.9	139.5	139.7	0.1	2.8
IILALIII	Medical products, appliances and equipment	0.84	131.4	136.9	137.3	0.2	4.4
	Outpatient Services, medical, dental and paramedical	0.98	146.5	149.3	149.3	0.0	1.9
	Hospital services	0.19	100.0	100.0	100.0	0.0	0.0
	Trospital Sel Vices	0.13	100.0	100.0	100.0	0.0	0.0
TRANSPO	RT	14.28	136.3	134.6	137.9	2.4	1.2
	Purchase of vehicles	2.88	155.5	163.0	164.9	1.2	6.0
	Operation of personal transport equipment	8.96	129.5	119.2	123.9	3.9	-4.4
	Public transportation services	2.44	138.6	157.7	157.7	0.0	13.7
COMMUN	IICATIONS	3.81	107.6	110.6	111.1	0.5	3.2
DECDEATIO	ON AND CHITUPE	2.55	124.6	142.0	142.0	0.1	6.2
RECREATION	ON AND CULTURE	3.55	134.6	142.8	143.0	0.1	6.3
	Audio-visual, photographic and data processing equip. incl. repairs	1.16	118.1	128.4	128.8	0.3	9.0
	Other major durables for recreation and culture	0.08	131.6	140.6	140.6	0.0	6.9
	Other recreational items and equipment; flowers, gardens and pets	0.46	128.8	137.5	136.8	-0.5	6.2
	Recreation and cultural services	0.85	141.5	143.2	143.2	0.0	1.2
	Newspapers, books and stationery	0.89	145.0	154.0	154.6	0.4	6.6
	Package holidays	0.11	194.2	222.6	221.8	-0.3	14.2
EDUCATIO	N .	3.65	167.3	179.0	179.0	0.0	7.0
	Pre-primary education (ages 2 to 6 years)	0.23	190.5	201.2	201.2	0.0	5.6
	Primary (private) and Secondary education (ages 7 to 17 years)	1.44	177.8	194.3	194.3	0.0	9.3
	Tertiary education	1.98	157.0	165.3	165.3	0.0	5.3
HOTELS, C	AFES AND RESTAURANTS	1.39	147.8	149.2	146.4	-1.9	-0.9
	Catering	0.74	145.2	151.7	152.7	0.6	5.2
	Accommodation services	0.65	150.8	146.3	139.1	-4.9	-7.8
MISCELLA	MISCELLANEOUS GOODS AND SERVICES		132.2	139.9	139.8	0.0	5.8
	Personal care	1.41	137.0	139.6	141.7	1.5	3.5
	Personal effects n.e.c.	1.03	125.9	129.8	126.5	-2.5	0.4
	Insurance	0.74	101.7	106.9	106.9	0.0	5.1
	Financial services n.e.c.	0.94	168.1	186.1	186.1	0.0	10.7
	Other services n.e.c.	1.26	123.3	133.7	133.7	0.0	8.4

# Annex 1: Background on Zonal Consumer Price Index

Since January 2005, the then Central Bureau of Statistics (CBS) under the National Planning Commission (NPC) published a monthly Consumer Price Index known as the Namibia Consumer Price Index (NCPI) for replacing the Interim Consumer Price Index (ICPI) which has been in existence since 1993. The Index was known as the Interim Consumer Prices Index-Windhoek and refers to the expenditure patterns of the households which resided in Windhoek. The weights and items were derived from a Household Expenditure Survey covering 800 households conducted during October and November 1985.

The NCPI is designed to cover the entire economic territory of the country and includes national, urban and rural households of all income groups as derived from the Namibia Household Income and Expenditure Survey (NHIES). For the compilation of the National CPI, all administrative regions of the country were grouped into three Zones, with each zone considered as one geographic area as follows.

**Zone 1** covers the expenditure patterns of the regions in the northern part of the country namely Kavango East, Kavango West, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa and Zambezi. Prices are collected from the following towns: Katima Mulilo (76 retail outlets covering mainly the Central Business District); Oshakati (107 retail outlets covering mainly Game Shopping Center, Yetu Shopping Center, Oshana Mall, Marula Mall and Ongwediva); and Otjiwarongo (114 retail outlets covering mainly the Central Business District, Orwetoveni, and the Industrial Area).

**Zone 2** covers the expenditure patterns of Khomas region and the price collection covers Windhoek (218 retail outlets covering mainly Khomasdal, Katutura, Northern Industrial Area, Southern Industrial Area, Pioneers Park, Hochland Park, Prosperita, Klein Windhoek, Eros and Kleine Kuppe).

**Zone 3** covers the expenditure patterns of //Karas, Erongo, Hardap, and Omaheke regions with prices being collected from Keetmanshoop (86 retail outlets covering mainly Central Business District, West Dene and Tseiblagte); Swakopmund (108 retail outlets covering Central Business District, Mondesa, Tamariskia, Idustrial Area); Mariental (61 retail outlets covering mainly Central Business District and Ombili); as well as Gobabis (59 retail outlets mainly covering the Central Business District), respectively.

The localities identified for price collection were selected based on a mixed criterion of:

- (i) the relative importance of the locality as determined by its relative share exceeding 30 percent of the total household expenditure at national level;
- (ii) geographic distribution of economic activities; and
- (iii) regional capitals.

# Annex 2: Zonal NCPI weights

		Weights		
	NCPI MAIN GROUPS	ZONE 1	ZONE 2	ZONE 3
1	Food and non-alcoholic beverages	20.4	12.3	16.5
2	Alcoholic beverages and tobacco	13.1	11.0	14.3
3	Clothing and footwear	3.9	2.4	2.6
4	Housing, water, electricity, gas and other fuels	25.8	32.7	25.5
5	Furnishings, household equipment and routine maintenance of the house	5.8	5.2	5.3
6	Health	1.6	2.3	2.2
7	Transport	14.7	13.0	15.6
8	Communications	3.5	3.8	4.4
9	Recreation and culture	2.2	4.8	3.7
10	Education	3.2	4.5	3.1
11	Hotels, cafes and restaurants	0.9	2.0	1.1
12	Miscellaneous goods and services	4.8	5.8	5.6
	All items	100.0	100.0	100.0

#### Additional detailed information on Zonal CPIs see excel tables as Annex.

Note: The above Zonal CPIs time series run from 2018 only for illustrative purposes and for comparing with the previous years. However, the figures for Zonal CPIs are available since the NCPI inception in 2002.

#### Annex I: Zone 1

- (i) Table I: CPI Zone 1: All-Items Index, monthly and annual percentage changes
- (ii) Table 2: CPI Zone 1 Indices
- (iii) Table 3: CPI Zone 1 Monthly Percentage Changes
- (iv) Table 4:CPI Zone 1 Annual Percentage Changes

#### Annex II: Zone 2

- (v) Table I: CPI Zone 2: All-Items Index, monthly and annual percentage changes
- (vi) Table 2: CPI Zone 2 Indices
- (vii) Table 3: CPI Zone 2 Monthly Percentage Changes
- (viii) Table 4:CPI Zone 2 Annual Percentage Changes

#### Annex III: Zone 3

- (ix) Table I: CPI Zone 3: All-Items Index, monthly and annual percentage changes
- (x) Table 2: CPI Zone 3 Indices
- (xi) Table 3: CPI Zone 3 Monthly Percentage Changes
- (xii) Table 4:CPI Zone 3 Annual Percentage Changes

# Namibia Consumer **Price Index Bulletin**

August 2020



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