



Stage I SADC Harmonised Consumer Price Indices August 2011

News Release
Issue No. 1

As measured by the HCPI the month on month inflation rate for the SADC Region rose by 0.5% in August 2011.

This news release presents the Stage I HCPI figures for the SADC region for August 2011. Compilation of the Stage I SADC HCPIs is based on the national HCPIs of fourteen SADC Member States¹. The scope of the HCPIs at this stage does not cover some of the major divisions of the Classification of Individual Consumption by Purpose (COICOP). However the HCPI development must generally be in compliance with the international standards relating to development of Consumer Price Indices (CPI). The excluded items will be covered at a later stage.

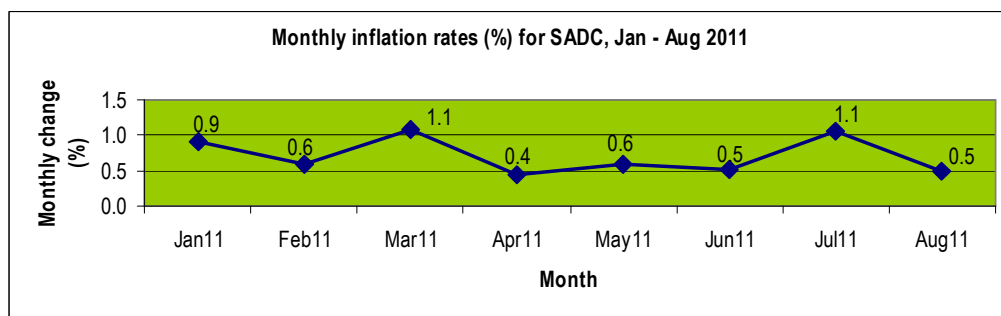
The available data indicate that the month on month inflation rate for the combined SADC region increased by 0.5% in August 2011, compared to 1.1% in July 2011. This represents a 0.6 percentage points decline from the rate observed in July 2011.

The Stage I SADC HCPIs are derived from the ten divisions of COICOP². In August 2011

the following divisions of COICOP registered increases in their indices: Clothing and Footwear (0.9%), Transport (0.7%), Alcoholic Beverages and Tobacco (0.6%), Housing, Electricity, Gas and Other Fuels (0.6%), Food and Non Alcoholic Beverages (0.5%), Restaurants and Hotels (0.4%), Furnishings, Household Equipment and Routine Maintenance of House (0.3%) as well as Miscellaneous Goods and Services (0.1%). Declines were recorded in the price indices for Recreation and Culture (-0.1%) and Communications (-0.4%).

Individual Member States reported the following monthly inflation rates for August 2011: Botswana (1.1%), Democratic Republic of Congo (3.2%), Lesotho (1.8%), Madagascar (0.3%), Malawi (0.6%), Mauritius (0.1%), Mozambique (0.5%), Namibia (0.5%), Seychelles (0.6%), South Africa (0.3%), Swaziland (0.9%), Tanzania (1.6%), Zambia (-0.7%) and Zimbabwe (-0.3%) as reflected in table 1 below.

Figure 1: Monthly inflation rate (%) in SADC region for the period; January to August 2011



¹ Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania Mainland, Zambia and Zimbabwe

² Education and Health are excluded from stage 1 of the HCPI

Figure 2: Monthly inflation rate (%) for SADC region and SADC Member States as at August 2011

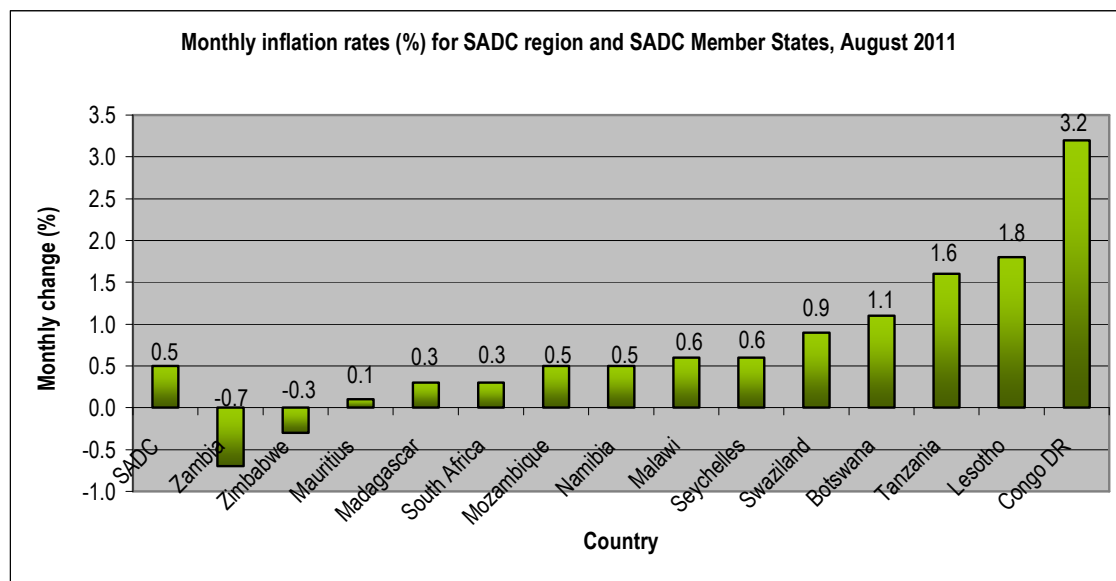


Table 1: Inflation rates (%) for SADC Member States as measured by National HCPIs

Member State	Country weights	Dec10 Jan11	Jan11 Feb11	Feb11 Mar11	Mar11 Apr11	Apr11 May11	May11 Jun11	Jun11 Jul11	Jul11 Aug11
Angola									
Botswana	1.35	0.5	1.0	0.7	1.2	1.1	1.0	0.2	1.1
Congo DR	2.41	1.1	-0.1	0.8	1.3	1.1	3.1	1.5	3.2
Lesotho	0.86	0.8	2.7	0.4	1.0	0.5	0.9	0.2	1.8
Madagascar	3.42	2.6	2.4	0.0	-0.7	-0.7	0.0	0.0	0.3
Malawi	1.74	1.3	2.0	-0.4	-1.9	0.5	0.4	1.9	0.6
Mauritius	2.39	-1.6	1.6	0.5	0.4	-2.2	-1.0	0.1	0.1
Mozambique	3.08	1.6	1.1	-0.1	0.2	0.5	-0.3	0.3	0.5
Namibia	1.38	0.8	0.5	0.8	1.1	0.4	0.4	0.3	0.5
Seychelles	-	0.1	0.2	0.1	0.2	0.3	0.2	0.5	0.6
South Africa	70.82	0.7	0.3	1.3	0.5	0.8	0.5	1.1	0.3
Swaziland	0.95	2.1	0.2	1.2	1.1	0.7	0.2	0.2	0.9
Tanzania	7.83	2.0	2.0	1.5	1.2	0.7	1.0	1.9	1.6
Zambia	2.54	2.0	0.5	1.2	-1.6	-0.2	0.4	1.9	-0.7
Zimbabwe	1.23	1.2	-0.8	-0.1	-0.5	-0.6	-0.2	0.1	-0.3
SADC	100.00	0.9	0.6	1.1	0.4	0.6	0.5	1.1	0.5

Figure 3: Divisions month on month inflation rates as at August 2011

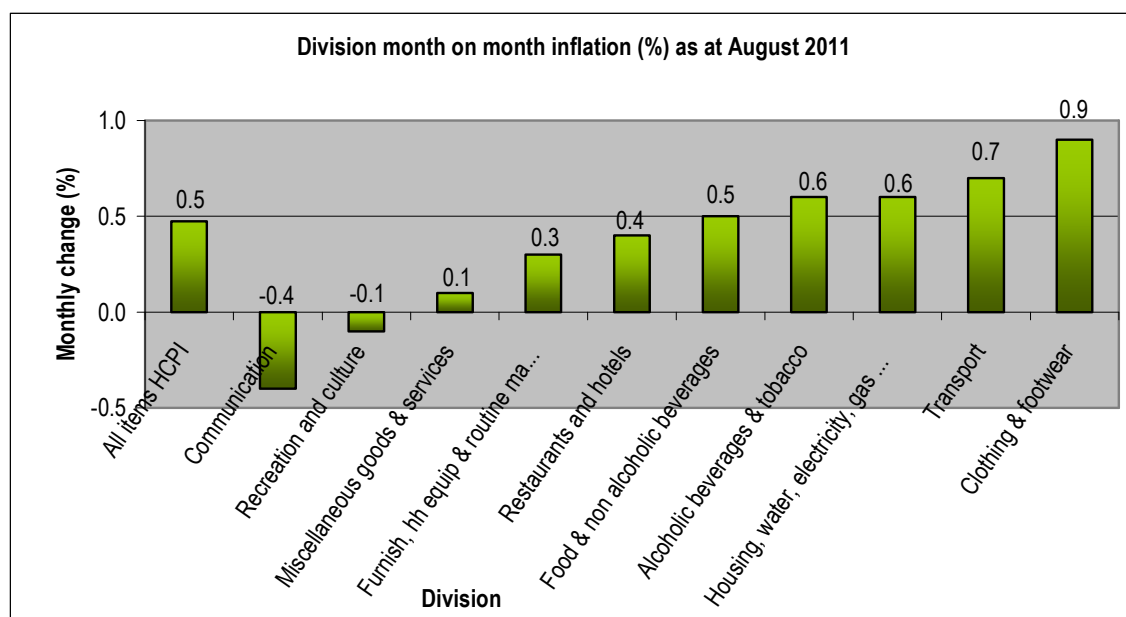


Table 2: Inflation rates (%) for the COICOP divisions from January to August 2011

Division	Weights	Dec10 Jan11	Jan11 Feb11	Feb11 Mar11	Mat11 Apr11	Apr11 May11	May11 Jun11	Jun11 Jul11	Jul11 Aug11
All items HCPI	1,000.00	0.9	0.6	1.1	0.4	0.6	0.5	1.1	0.5
Food & non alcoholic beverages	319.27	2.0	0.7	1.1	0.1	1.1	0.4	0.8	0.5
Alcoholic beverages & tobacco	72.62	0.3	0.2	2.8	0.8	0.2	0.1	0.2	0.6
Clothing & footwear	60.26	0.3	0.5	0.3	0.3	0.4	0.3	0.3	0.9
Housing, water, electricity, gas & other fuels	136.70	0.7	0.2	1.0	0.4	0.3	0.6	5.0	0.6
Furnish, hh equip & routine maintenance	74.94	0.2	0.5	0.7	-0.1	0.5	0.8	0.2	0.3
Health - Excluded From Stage 1	-								
Transport	154.98	0.9	1.2	1.7	1.5	1.0	1.1	0.0	0.7
Communication	31.65	-0.3	-0.1	0.1	-0.1	0.0	0.1	0.2	-0.4
Recreation and culture	41.71	-0.4	0.2	0.8	0.4	0.3	-0.2	-0.1	-0.1
Education - excluded from Stage 1	-								
Restaurants and hotels	50.04	0.6	0.5	1.2	0.4	0.4	0.5	0.2	0.4
Miscellaneous goods & services	57.82	1.0	0.0	0.4	0.5	0.6	0.2	0.4	0.1

Table 3: SADC Region and SADC Member States division profiles - July 2011

Monthly indices for COICOP Divisions – July 2011												
Country	Country weights	Food & non-alcoholic beverages	Alcoholic beverages & tobacco	Clothing & footwear	Housing, water, electricity, gas & other fuels	Furnishings household equipment & routine maintenance of house	Transport	Communications	Recreation & culture	Restaurants & hotels	Misc. goods & services	All items
Angola	-	-										
Botswana	1.35	105.65	105.02	105.81	106.30	105.32	108.55	95.62	106.64	106.44	101.41	105.91
DR Congo	2.41	110.65	102.78	103.73	102.97	105.82	109.74	97.47	99.27	116.65	102.73	109.09
Lesotho	0.86	108.01	109.35	102.15	114.36	104.87	102.67	101.72	102.26	104.80	105.44	106.80
Madagascar	3.42	105.20	99.48	100.39	104.37	102.07	102.73	100.06	100.13	100.27	102.01	103.59
Malawi	1.74	100.87	105.74	104.34	101.56	104.18	115.70	117.37	115.37	103.30	104.97	103.82
Mauritius	2.39	105.62	100.85	101.54	100.33	101.60	104.86	99.61	102.37	84.42	101.37	97.78
Mozambique	3.08	102.98	101.65	101.84	104.88	101.80	104.67	99.74	104.05	106.14	106.81	103.34
Namibia	1.38	105.57	104.34	102.87	106.94	102.28	108.10	100.84	102.49	103.12	103.34	104.44
Seychelles	-	102.96	100.29	100.71	100.60	101.41	103.57	99.97	99.95	102.63	102.01	101.64
South Africa	70.82	106.33	105.28	101.85	108.12	101.61	107.49	99.79	99.61	103.52	102.43	105.16
Swaziland	0.95	105.15	104.10	102.60	105.49	103.39	115.43	100.09	104.19	101.77	106.45	105.86
Tanzania	7.83	110.77	103.82	106.13	120.05	113.29	111.69	99.67	105.83	109.24	107.46	110.81
Zambia	2.54	103.68	100.48	108.85	107.94	103.55	104.11	99.46	103.08	104.79	103.21	104.38
Zimbabwe	1.23	103.30	103.62	102.05	103.95	102.99	109.31	97.75	101.65	104.92	104.46	99.06
SADC	100.00	106.40	104.56	102.48	108.33	102.86	107.70	99.98	100.90	103.87	103.08	105.31

Table 4: SADC Region and SADC Member States division profiles - August 2011

Monthly indices for COICOP Divisions – August 2011												
Country	Country weights	Food & non-alcoholic beverages	Alcoholic beverages & tobacco	Clothing & footwear	Housing, water, electricity, gas & other fuels	Furnishings household equipment & routine maintenance of house	Transport	Communications	Recreation & culture	Restaurants & hotels	Misc. goods & services	All items
Angola	-	-										
Botswana	1.35	106.04	105.27	105.91	106.80	105.93	112.57	95.62	106.91	107.07	101.60	107.09
DR Congo	2.41	114.01	110.44	111.20	109.62	106.14	114.02	97.47	101.38	117.93	103.22	112.57
Lesotho	0.86	109.43	109.54	102.32	129.26	104.68	102.79	101.14	102.78	106.28	105.16	108.74
Madagascar	3.42	105.40	100.74	100.89	104.75	102.71	102.87	100.16	100.53	100.26	102.31	103.89
Malawi	1.74	101.78	105.69	104.73	101.79	104.71	115.13	118.01	118.41	103.33	105.27	104.39
Mauritius	2.39	105.73	100.69	102.14	100.38	102.24	104.26	99.61	102.37	84.49	102.23	97.84
Mozambique	3.08	103.50	101.52	102.23	105.65	101.68	105.20	99.80	104.26	107.17	107.38	103.81
Namibia	1.38	105.99	104.64	104.04	108.00	103.47	108.47	100.84	102.84	102.99	103.17	104.94
Seychelles	-	104.03	100.32	100.71	102.10	101.25	103.57	99.97	99.95	102.63	102.59	102.21
South Africa	70.82	106.56	105.61	102.60	108.57	101.80	108.16	99.18	99.21	103.71	102.50	105.46
Swaziland	0.95	104.99	103.88	103.40	111.50	104.52	116.15	100.09	102.67	101.89	106.74	106.78
Tanzania	7.83	113.60	104.72	107.15	119.64	114.20	112.79	99.79	106.32	111.04	108.09	112.57
Zambia	2.54	102.26	102.49	111.87	106.19	104.51	105.50	98.89	102.99	105.81	101.05	103.60
Zimbabwe	1.23	103.30	103.64	102.14	104.53	103.18	109.61	97.65	101.59	105.95	104.84	98.74
SADC	100.00	106.90	105.14	103.42	108.99	103.18	108.46	99.55	100.77	104.27	103.19	105.81

Measures of inflation³

The annual rate measures the price change between the current month and the corresponding month of the previous year. The rate is responsive to recent changes in price levels but it can also be influenced by one-off effects in either month.

The 12 month average compares the average HCPI in the latest 12 months to the average of the previous 12 months. It overcomes the volatility of the annual measure.

The monthly rate measures the price change between the two latest months. Although up to date, it can be affected by seasonal and other short term effects.

The Harmonised Consumer Price Index

The Harmonised Consumer Price Index (HCPI) is defined as the Consumer Price Index (CPI) developed from comparable methodologies. That means CPIs which have been developed from the concepts, definitions and methods that are comparable. CPIs are economic indicators that measure changes overtime of prices of consumer goods and services purchased by households. HCPI is meant to provide an official measure of inflation in the region, and it makes international comparisons easier since the national HCPIs are produced using harmonised methodologies and as much is practicable using the same statistical classifications, standards and frameworks.

The Member States HCPIs are produced by respective Member States using agreed harmonised methodologies. The SADC HCPI is compiled by the SADC Secretariat by aggregating the National HCPIs of the Member States. These are calculated as weighted averages of the national HCPIs, using as weights each country's total household consumption expenditure converted to a common currency using the 2005 purchasing power parities derived from the results of the 2005 International Comparison Program as supplied by the African Development Bank and the World Bank.

The HCPIs may differ from the national CPIs which are sometimes designed for different purposes. The HCPIs are designed as a macroeconomic measure of monetary inflation whereas some national CPIs may have other purposes such as cost of living which may require different methodologies. More information on SADC HCPI methodology can be availed on demand.

Acknowledgement

The SADC Secretariat duly acknowledges with thanks the continuous support and cooperation of the respective National Statistics Offices of SADC Member States in providing monthly national HCPIs which forms the basis for the aggregate SADC HCPI. The collaboration with COMESA and African Development Bank in this exercise is equally acknowledged.

Production Team

This news release was produced under the auspices of the SADC Statistics Programme in the Directorate of Policy Planning Resource Mobilisation of the SADC Secretariat, Gaborone, Botswana. The production team comprised **Mr. Ackim Jere** (Head SADC Statistics Programme) and **Ms. Mantoa Molengoane**. The news release was produced under the general direction of **Dr. Angelo Mondlane**, Director - Directorate Policy Planning Resource Mobilisation.

³ Some definitions will be used at a later stage

Further information pertaining to methodology and related aspects of the HCPI process in SADC can be obtained by directing inquires to the following two individuals whose contact details are presented below.

<p>Mr. Ackim Jere Senior Officer - Statistics Directorate-Policy, Planning Resource Mobilisation SADC Secretariat Private Bag 0095 Tel: +267 395 1863 Fax: +267 397 2848/318 1070 Gaborone, Botswana Email: ajere@sadc.int Web: www.sadc.int</p>	<p>Ms. Mantoa Molengoane Coordinator – Statistical Capacity Building Directorate-Policy, Planning Resource Mobilisation SADC Secretariat Private Bag 0095 Tel: +267 395 1863 Fax: +267 397 2848/318 1070 Gaborone, Botswana Email: mmolengoane@sadc.int Web: www.sadc.int</p>
--	---

Future release dates

Scheduled dates for the coming months are:

Interim HCPI for	Date of submission to SADC Secretariat	Publication date by SADC Secretariat
September 2011	20 th October 2011	07 th November 2011
October 2011	21 st November 2011	05 th December 2011
December 2011	20 th December 2011	10 th January 2012