



SOUTHERN AFRICAN DEVELOPMENT COMMUNITY
TOWARDS A COMMON FUTURE
SADC Harmonised Consumer Price Indices (HCPI)
December 2016

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The SADC Region registered annual inflation rate of 12.7% in December 2016 compared to December 2015 as measured by the HCPI. Month on Month inflation rate registered an increase of 1.2% in December 2016 compared to November 2016.

Introduction

This is the sixty-fourth issue in series since the launch of news releases on SADC HCPI initiative. The issue provides updates up to December 2016 on HCPI implementation for SADC Member States.

Annual Inflation rates for SADC Member States

The reported annual inflation rates for December 2016 of SADC Member States, on one hand, indicate that three Member States have continued to record highest double-digit inflation rates since January 2016, as follows: Angola (41.5%), Mozambique (27.6%) and Malawi (23.3%). On the other hand, Zimbabwe also continued to register lowest rates, registering a rate of negative 0.8% in December 2016. The rest of the Member States reported annual inflation rates as follows: Botswana (3.3%), DRC (10.0%), Lesotho (7.4%), Madagascar (6.5%), Mauritius (3.7%), Namibia (8.2%),

Seychelles (5.0%), South Africa (7.9%), Swaziland (9.0%), Tanzania (5.0%) and Zambia (9.6%), as reflected in table 2 below.

Compared to the SADC regional annual average inflation rate of 12.7% for December 2016, twelve SADC Member States recorded annual rates below the regional average whilst three Member States namely: Angola, Mozambique and Malawi registered rates higher than the regional average. See figure 3 below for more details.

Month on Month Inflation rates for SADC Member States

All SADC Member States registered increases in the month on month inflation rate in December 2016, with the exception of Namibia and Seychelles registering decreases of 0.2% and 0.3% respectively whilst Botswana registering no change. The highest increase was registered by Malawi (6.4%) followed by DRC (3.4%).

Annual Inflation Rates by COICOP divisions

With regard to the Classification of Individual Consumption by Purpose (COICOP) major divisions, four Divisions registered annual inflation more than the regional average of 12.7% in December 2016 compared to December 2015. These include Alcoholic Beverages & Tobacco (14.2%), Health (15.2%), Food & Non-Alcoholic Beverages (16.7%) and Miscellaneous Goods & Services (16.8%). The remaining Divisions recorded annual rates of inflation below the SADC average of 12.7% with "Education" expenditure category registering lowest increase of 7.1%. See table 4 below.

Month on Month Inflation Rates by COICOP divisions

All the Divisions recorded increases in month on month inflation in December 2016, with the exception of 'Education' registering decrease of 0.3%. The highest increase of 2.5% was registered in category 'Recreation & Culture'.

Figure 1: Month on month inflation rate (%) in SADC region for the period: December 2015 to December 2016

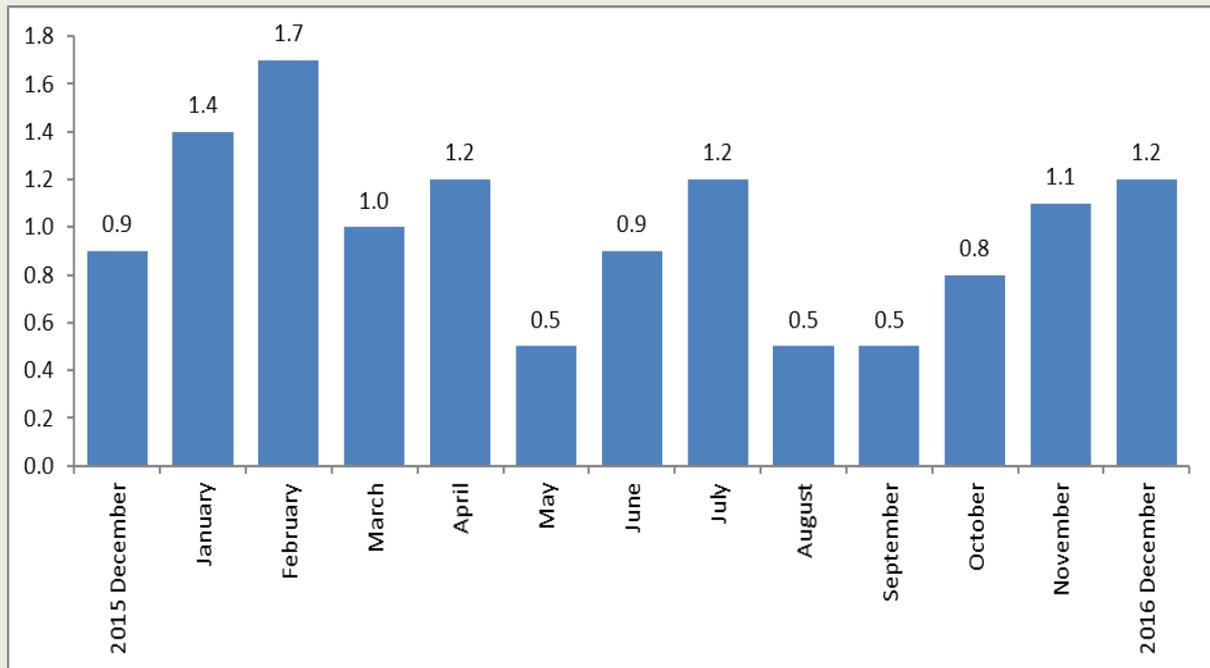


Figure 2: Annual inflation rate (%) in SADC region for the period: December 2015 to December 2016

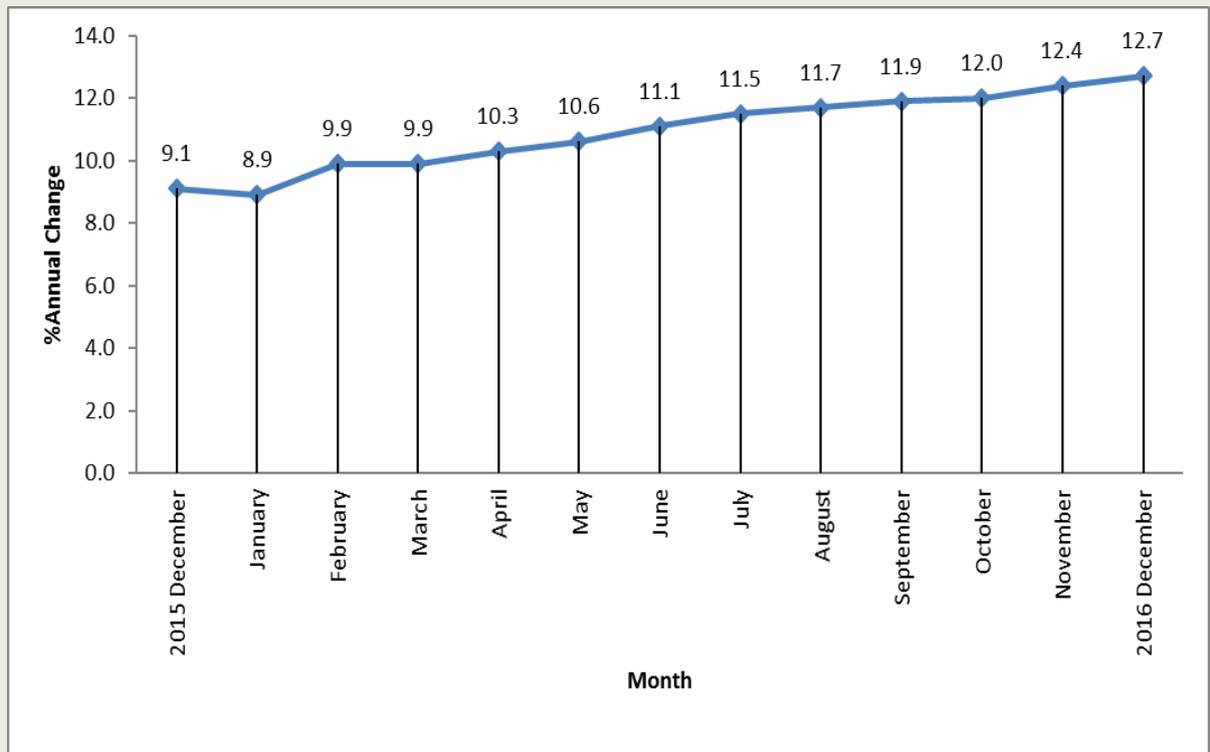


Figure 3: Annual inflation rate (%) for SADC region and SADC Member States as at December 2016

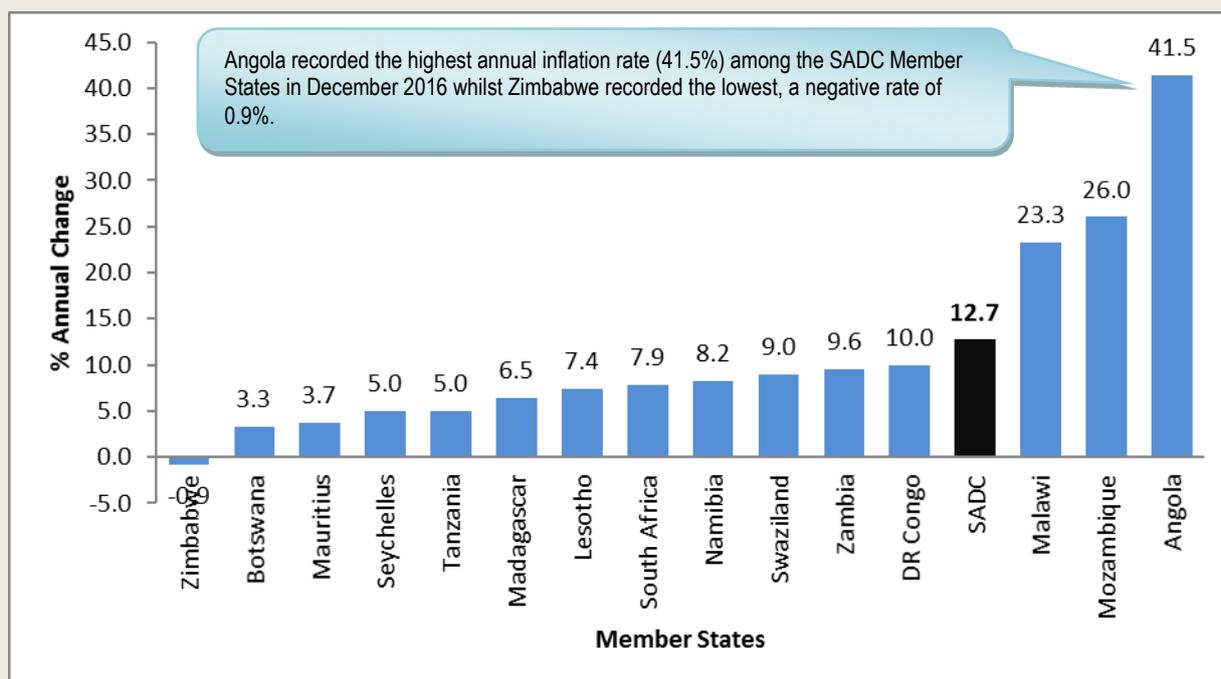


Table 1: Month on Month inflation rates (%) for SADC Member States as measured by National HCPIs, 2015-2016

Member State	Country weights	Feb16 Mar16	Mar16 Apr16	Apr16 May16	May16 June16	June16 July16	July16 Aug16	Aug16 Sept16	Sept16 Oct16	Oct16 Nov16	Nov16 Dec16
Angola	10.87	3.3	3.6	2.8	3.4	4.1	3.2	1.9	1.1	2.6	2.2
Botswana	1.78	0.3	0.9	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.0
Congo DR	4.32	0.2	0.1	0.1	0.4	0.6	0.6	1.0	1.4	1.7	3.4
Lesotho	0.74	2.3	1.7	0.9	0.2	-1.1	0.1	0.0	0.3	0.2	0.1
Madagascar	4.10	0.2	0.4	0.3	0.5	0.5	0.3	0.3	0.4	0.5	1.5
Malawi	2.20	-1.5	-1.1	-1.1	0.7	-0.5	1.5	0.9	2.3	4.4	6.4
Mauritius	2.11	0.6	-1.5	-1.4	0.1	-0.1	1.7	0.9	0.9	0.7	1.6
Mozambique	3.03	1.7	2.1	-0.1	1.0	0.9	1.8	2.7	2.8	2.7	3.1
Namibia	1.77	1.0	1.3	0.5	0.3	0.6	0.7	0.2	0.6	0.2	-0.2
Seychelles	0.15	-0.3	0.4	-0.2	0.3	0.9	-0.6	-0.2	1.4	0.1	-0.3
South Africa	55.34	0.7	1.2	0.2	0.5	1.0	-0.2	0.1	0.6	0.5	0.2
Swaziland	1.00	0.9	1.4	0.1	0.0	0.3	1.0	0.5	0.2	0.7	0.3
Tanzania	6.87	0.5	0.5	0.5	0.5	0.0	-0.2	-0.2	0.1	1.1	0.7
Zambia	3.38	2.1	-0.4	0.3	0.1	-0.1	-1.0	0.1	0.9	1.4	1.5
Zimbabwe	2.35	-0.2	-0.2	-0.2	0.2	-0.2	-0.1	-0.3	0.1	0.0	0.2
SADC	100.00	1.0	1.2	0.5	0.9	1.2	0.5	0.5	0.8	1.1	1.2

Table 2: Annual inflation rates (%) for SADC Member States as measured by National HCPIs, 2015-2016

Member State	Country weights	Mar15 Mar16	Apr15 Apr16	May15 May16	June15 June16	July15 July16	Aug15 Aug16	Sept15 Sept16	Oct15 Oct16	Nov15 Nov16	Dec15 Dec16
Angola	10.87	23.7	27.1	29.1	31.9	36.0	38.7	38.4	39.1	40.8	41.5
Botswana	1.78	3.4	3.1	3.1	3.0	3.1	3.0	3.1	3.1	3.2	3.3
Congo DR	4.32	1.0	1.1	1.2	1.5	2.1	2.6	3.5	4.9	6.5	10.0
Lesotho	0.74	12.8	13.5	13.4	12.5	10.5	9.6	8.6	8.1	7.8	7.4
Madagascar	4.10	4.6	4.8	4.9	5.1	5.4	5.4	5.4	5.5	5.7	6.5
Malawi	2.20	24.3	22.8	24.6	24.9	25.9	25.1	23.7	22.8	22.6	23.3
Mauritius	2.11	1.6	-0.2	1.6	2.1	2.3	3.0	3.1	3.3	3.9	3.7
Mozambique	3.03	13.5	16.8	17.7	19.4	20.3	22.1	25.1	26.3	27.6	26.0
Namibia	1.77	6.3	7.3	7.8	7.5	7.1	7.9	8.3	8.3	8.3	8.2
Seychelles	0.15	3.4	3.1	1.9	3.6	4.0	2.6	2.4	5.2	5.5	5.0
South Africa	55.34	7.0	7.0	7.0	7.1	7.0	6.8	7.1	7.5	7.8	7.9
Swaziland	1.00	7.9	8.2	8.2	7.7	7.4	8.2	8.4	8.4	8.9	9.0
Tanzania	6.87	6.7	6.3	6.0	6.1	5.7	5.2	4.7	4.7	4.9	5.0
Zambia	3.38	30.3	29.3	29.0	28.5	28.0	25.5	24.4	16.5	10.3	9.6
Zimbabwe	2.35	-2.6	-1.7	-1.8	-1.4	-1.6	-1.5	-1.4	-1.0	-1.2	-0.9
SADC	100.00	9.9	10.3	10.6	11.1	11.5	11.7	11.9	12.0	12.4	12.7

Figure 4: COICOP Divisions annual inflation rates as at December 2016

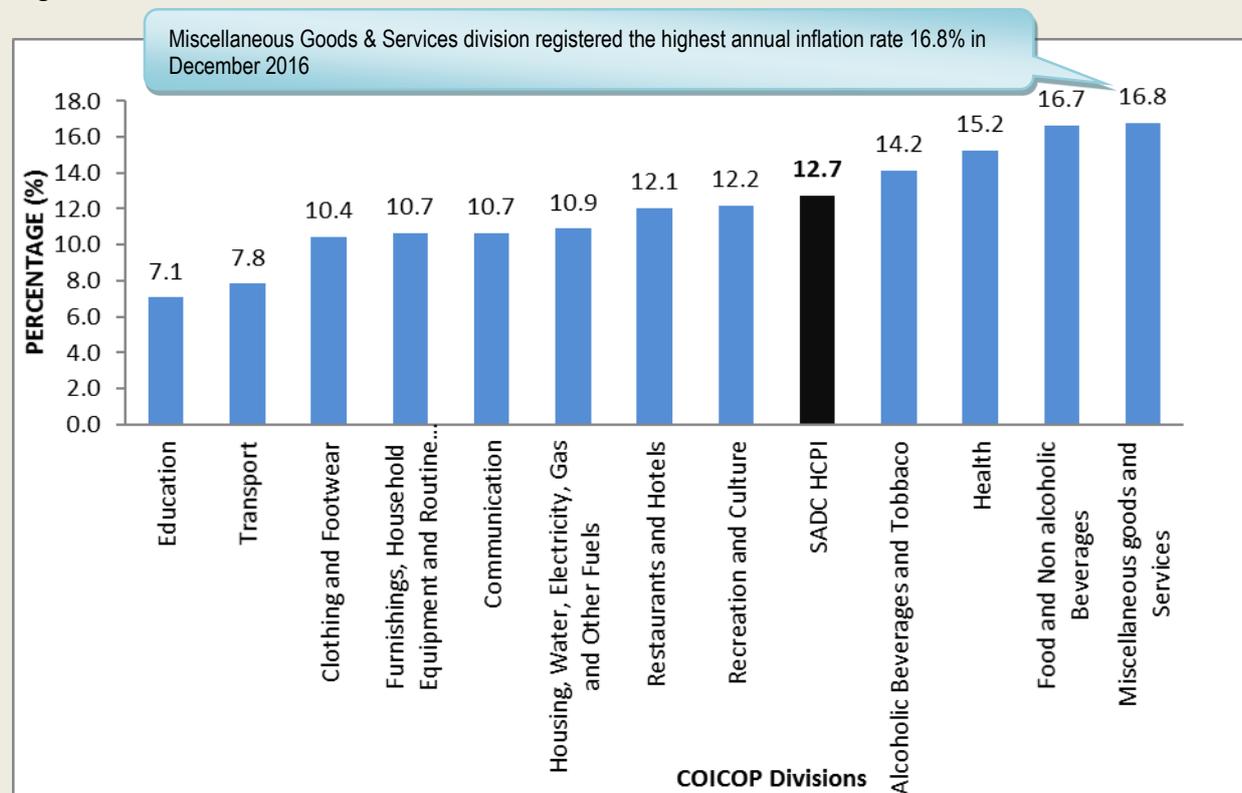


Table 3: Month on Month inflation rates (%) for the COICOP divisions, 2015-2016

Divisions	Division weights	Feb16 Mar16	Mar16 Apr16	Apr16 May16	May16 Jun16	Jun16 Jul16	Jul16 Aug16	Aug16 Sept16	Sept16 Oct16	Oct16 Nov16	Nov16 Dec16
All items HCPI	1000.00	1.0	1.2	0.5	0.9	1.2	0.5	0.5	0.8	1.1	1.2
Food & non-alcoholic beverages	316.62	1.6	1.7	0.4	0.6	1.1	1.0	0.5	0.8	1.3	1.6
Alcoholic beverages & tobacco	50.39	1.9	1.6	0.5	0.9	1.0	0.8	0.8	0.9	0.5	1.1
Clothing & footwear	55.54	0.9	0.8	0.7	1.3	0.4	1.0	1.0	0.6	1.2	1.1
Housing, water, electricity, gas & other fuels	126.02	0.8	0.8	0.7	0.5	2.8	0.4	0.3	0.5	0.8	1.0
Furnish, household equip & routine maintenance	55.91	0.8	0.9	0.2	1.1	0.6	0.5	1.0	1.1	0.8	1.5
Health	18.76	3.0	0.5	0.5	1.1	1.2	1.2	0.4	1.2	0.4	1.3
Transport	143.43	0.0	1.6	0.4	1.7	0.5	-1.0	-0.1	0.9	1.4	0.2
Communications	29.09	0.0	0.3	0.5	1.9	1.4	0.0	0.1	2.0	3.9	0.2
Recreation and culture	27.05	0.2	0.4	0.5	1.1	0.6	1.2	1.0	1.0	1.0	2.5
Education	29.11	3.0	0.0	0.1	0.0	0.0	0.0	0.3	0.4	0.4	-0.3
Restaurants and hotels	41.10	0.7	0.7	1.1	1.2	0.7	0.9	0.7	1.2	0.9	1.3
Miscellaneous goods and services	106.98	1.1	1.3	0.7	1.2	0.9	0.9	1.2	1.1	0.8	1.0

Table 4: Annual inflation rates (%) for the COICOP divisions, 2015-2016

Divisions	Division weights	Mar15 Mar16	Apr15 Apr16	May15 May16	June15 June16	July15 July16	Aug15 Aug16	Sept15 Sept16	Oct15 Oct16	Nov15 Nov16	Dec15 Dec16
All items HCPI	1000.00	9.9	10.3	10.6	11.1	11.5	11.7	11.9	12.0	12.4	12.7
Food & non-alcoholic beverages	316.62	13.0	14.4	14.6	15.1	16.4	16.8	16.8	16.4	16.2	16.7
Alcoholic beverages & tobacco	50.39	9.3	10.1	10.0	10.6	11.5	12.1	12.2	12.9	13.0	14.2
Clothing & footwear	55.54	7.7	8.3	8.8	9.4	9.3	9.9	10.3	10.3	10.4	10.4
Housing, water, electricity, gas & other fuels	126.02	9.5	10.3	11.0	10.9	10.1	10.2	9.9	10.2	11.0	10.9
Furnish, household equip & routine maintenance	55.91	8.2	9.0	8.8	8.9	9.3	9.3	8.9	9.5	10.0	10.7
Health	18.76	11.8	11.8	11.7	12.7	13.6	14.6	14.4	15.2	15.0	15.2
Transport	143.43	7.1	5.5	5.5	6.2	5.8	5.0	5.6	6.1	7.7	7.8
Communication	29.09	0.2	0.5	0.9	2.7	4.4	4.4	4.3	6.2	10.6	10.7
Recreation and culture	27.05	7.0	6.9	7.3	7.9	8.2	8.8	9.3	9.5	9.6	12.2
Education	29.11	7.5	7.4	7.4	7.0	6.8	6.7	6.8	7.2	7.4	7.1
Restaurants and hotels	41.10	8.7	9.1	9.7	10.6	11.0	11.4	11.6	12.1	12.0	12.1
Miscellaneous goods and services	106.98	11.4	12.2	12.8	13.7	14.5	15.2	15.7	16.6	16.7	16.8

Table 5: Month on month inflation rates (%) for SADC Member States as measured by National HCPIs, 2014

Member State	Country weights	Month on month inflation rates											
		Dec13	Jan14	Feb14	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14
		Jan14	Feb14	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14	Dec14
Angola		0.7	0.4	0.2	0.4	0.6	0.4	0.6	0.5	0.7	0.3	0.4	0.8
Botswana	2.32	1.3	0.4	0.3	0.8	0.2	0.2	0.1	0.3	0.3	0.1	0.3	-0.4
Congo DR	4.89	1.1	-0.8	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.0	0.1
Lesotho	0.76	0.4	0.5	0.7	1.1	0.9	0.3	0.0	-0.2	-0.4	0.2	0.0	0.2
Madagascar	3.56	0.8	0.8	0.3	0.5	0.3	0.3	0.3	0.4	0.5	0.4	0.7	1.1
Malawi	1.61	8.8	5.2	0.3	-0.1	-3.7	-1.1	-2.1	2.0	1.5	2.4	4.3	5.6
Mauritius	2.30	0.9	1.0	-0.6	0.0	-1.8	0.1	-0.1	0.2	-0.6	1.0	0.1	0.0
Mozambique	4.03	0.9	0.5	0.9	0.1	-0.4	-0.6	0.0	-0.6	-0.2	0.1	0.4	0.7
Namibia	1.87	1.5	0.8	0.8	1.0	0.3	1.5	-0.9	0.3	0.1	0.1	0.3	-1.0
Seychelles	0.16	0.3	-0.2	0.5	0.1	-0.5	0.0	0.2	-0.3	0.1	0.2	-0.9	0.6
South Africa	64.34	0.9	1.2	1.5	0.5	0.2	0.2	0.9	0.3	-0.2	0.2	0.0	-0.4
Swaziland	1.23	0.5	1.5	0.6	0.6	0.3	0.1	1.3	0.3	0.5	0.1	0.2	-0.1
Tanzania	8.05	1.3	1.3	0.5	0.7	-0.5	-0.4	0.2	0.1	0.6	-0.1	0.6	0.3
Zambia	3.11	1.4	0.9	0.7	0.8	0.8	0.5	1.0	0.6	0.2	0.5	0.7	1.2
Zimbabwe	1.78	0.1	0.0	(0.3)	0.6	-0.1	0.0	0.0	-0.4	0.2	-0.1	-0.6	-0.1
SADC	100.0	1.1	1.1	1.1	0.5	0.0	0.1	0.6	0.3	0.0	0.2	0.2	0.0

Angola did not participate in the 2009 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCCE) which are used as country weights for HCPI compilation

Table 6: Annual inflation rates (%) and annual averages (%) for SADC Member States as measured by National HCPIs, 2014

Member State	Country	Annual inflation rates												Avg 14
		Jan13	Feb13	Mar13	Apr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13	Dec13	
		Jan14	Feb14	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14	Dec14	
Angola*		8.4	7.9	7.2	6.9	6.6	6.3	6.1	6.2	6.6	6.3	6.2	6.3	6.7
Botswana	2.32	4.6	4.8	4.8	5.0	5.1	5.0	5.0	5.0	5.0	4.8	4.6	3.9	4.8
Congo DR	4.89	2.7	1.5	1.6	1.7	1.7	1.6	1.5	1.3	1.2	1.2	1.1	1.0	1.5
Lesotho	0.76	2.3	4.6	5.4	6.1	5.1	6.3	6.5	6.1	6.1	4.2	3.2	3.7	5.0
Madagascar	3.56	7.2	7.5	7.2	7.6	7.7	7.5	7.2	7.1	6.9	6.7	6.5	6.5	7.1
Malawi	1.61	25.0	24.5	24.1	24.0	23.6	23.2	23.0	24.9	24.2	23.7	24.3	24.8	24.1
Mauritius	2.30	0.3	2.4	2.1	4.2	3.1	3.9	3.7	4.2	3.0	1.2	0.3	0.1	2.3
Mozambique	4.03	3.5	2.8	3.4	3.2	3.1	2.8	3.0	2.6	2.1	2.0	1.7	1.9	2.7
Namibia	1.87	6.8	7.3	7.1	7.0	6.9	8.6	6.8	6.7	6.7	6.4	6.3	4.8	6.8
Seychelles	0.16	3.5	2.7	2.5	2.4	1.2	1.1	1.1	0.2	0.0	0.4	-0.4	0.1	1.2
South Africa	64.34	6.1	6.3	6.6	6.7	7.4	7.4	7.1	7.0	6.3	6.3	6.2	5.5	6.6
Swaziland	1.23	1.4	2.2	3.7	5.3	5.5	5.5	6.1	5.9	6.1	6.1	7.2	6.1	5.1
Tanzania	8.05	6.2	6.0	6.3	6.3	6.5	6.4	6.7	6.5	6.6	5.7	5.7	4.7	6.1
Zambia	3.11	10.1	9.7	9.4	9.6	9.4	8.5	8.0	8.6	8.4	8.9	9.3	9.8	9.1
Zimbabwe	1.78	0.7	0.0	-0.9	-0.2	-0.1	0.0	0.4	0.1	0.2	0.2	-0.6	-0.6	-0.1
SADC	100.0	6.1	6.2	6.4	6.6	6.9	7.0	6.7	6.6	6.2	6.0	5.9	5.4	6.3

Angola did not participate in the 2009 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCCE) which are used as country weights for HCPI compilation

Table 7: Month on month inflation rates (%) for the COICOP divisions, 2014

Divisions	Division Weights	Month on month inflation rates											
		Dec13	Jan14	Feb14	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14
		Jan14	Feb14	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14	Dec14
All items HCPI	1 000.00	1.1	1.1	1.1	0.5	0.0	0.1	0.6	0.3	0.0	0.2	0.2	0.0
Food & non-alcoholic beverages	297.59	1.9	0.9	1.2	0.9	0.3	-0.1	-0.2	0.4	0.1	0.0	0.6	0.2
Alcoholic beverages & tobacco	53.99	0.6	0.4	1.4	0.5	0.4	0.1	0.8	0.4	0.2	0.8	0.5	0.1
Clothing & footwear	53.80	0.4	0.6	1.1	0.5	0.4	0.3	0.4	0.8	0.6	0.6	0.8	0.6
Housing, water, electricity, gas & other fuels	126.28	0.7	0.4	0.7	0.4	-0.2	0.4	3.1	0.2	0.4	0.1	0.2	0.3
Furnish, household equipment & maint. of house	56.45	0.3	0.5	0.6	0.1	-0.1	0.9	-0.1	-0.1	0.4	0.0	0.1	0.2
Health	15.92	0.5	2.4	1.0	0.6	0.2	0.5	0.3	0.0	0.4	0.6	0.6	0.1
Transport	150.43	1.1	1.1	1.4	0.3	0.0	0.1	0.9	0.4	-1.0	0.2	-0.7	-1.4
Communication	26.82	0.0	0.1	0.0	-0.3	-0.1	0.1	0.0	0.1	-0.1	0.1	-0.1	-0.5
Recreation and culture	28.10	0.9	0.2	0.6	0.7	0.2	0.2	0.3	0.2	0.2	0.1	0.2	0.6
Education	30.01	1.4	0.2	5.3	0.2	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.1
Restaurants and hotels	43.89	0.9	0.6	0.8	0.6	0.3	0.4	0.3	0.7	0.7	0.5	0.8	0.2
Miscellaneous goods & services	116.74	0.8	2.8	0.4	0.8	0.1	0.0	0.3	0.1	0.2	0.1	0.2	0.1

Table 8: Annual inflation rates (%) and annual averages (%) for the COICOP divisions, 2014

Divisions	Division Weights	Annual inflation												
		Jan13	Feb13	Mar13	Apr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13	Dec13	
		Jan14	Feb14	Mar14	Apr14	May14	Jun14	Jul14	Aug14	Sep14	Oct14	Nov14	Dec14	Avg14
All items HCPI	1000.0	6.1	6.2	6.4	6.6	6.9	7.0	6.7	6.6	6.2	6.0	5.9	5.4	6.3
Food & non-alcoholic beverages	297.59	5.3	5.9	7.2	7.7	8.4	8.5	8.2	8.4	7.7	7.0	6.6	6.3	7.3
Alcoholic beverages & tobacco	53.99	8.0	7.4	6.8	6.1	6.1	5.9	5.8	6.0	6.0	6.3	6.6	6.4	6.4
Clothing & footwear	53.80	4.8	5.3	5.9	6.2	6.2	6.3	6.4	6.5	6.5	6.6	7.1	7.4	6.3
Housing, water, fuels etc.	126.28	6.8	7.3	7.3	7.4	7.0	7.0	7.3	7.2	7.4	7.1	6.9	6.9	7.1
Furnish, h/hold equipment	56.45	2.9	3.7	3.7	3.8	3.6	3.8	3.6	3.5	3.0	2.9	2.7	2.8	3.3
Health	15.92	5.4	5.8	6.7	6.2	6.0	6.7	6.9	6.8	6.8	7.0	7.5	7.5	6.6
Transport	150.43	7.4	7.4	6.7	6.6	7.8	7.8	6.5	5.9	4.7	4.9	4.4	2.3	6.0
Communications	26.82	0.5	0.6	0.0	0.2	0.2	-0.3	-0.5	-0.4	-0.5	-0.6	-0.1	-0.5	-0.1
Recreation and culture	28.10	4.3	4.1	4.1	4.4	4.6	4.6	4.9	4.7	4.1	4.3	4.1	4.5	4.4
Education	30.01	9.0	8.8	8.2	8.3	8.1	8.0	8.0	8.1	8.1	7.9	7.7	7.6	8.1
Restaurants and hotels	43.89	5.7	6.5	7.0	7.2	7.1	7.2	7.3	7.5	7.7	7.7	7.6	7.0	7.1
Miscellaneous goods & services	116.74	6.1	5.5	5.7	6.2	6.4	6.2	6.4	6.3	6.3	5.8	5.9	6.1	6.1

Table 9: SADC HCPI Time series data - January 2014 to date (December 2010=100)

Month	SADC HCPI			Month on month inflation rate			Year on year inflation rate		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
January	124.3	131.8	143.5	1.1	1.7	1.4	6.1	6.0	8.9
February	125.7	132.7	145.9	1.1	0.7	1.7	6.2	5.6	9.9
March	127.1	134.1	147.3	1.1	1.0	1.0	6.4	5.5	9.9
April	127.7	135.2	149.1	0.5	0.9	1.2	6.6	5.9	10.3
May	127.7	135.5	149.9	0.0	0.2	0.5	6.9	6.1	10.6
June	127.9	136.1	151.2	0.1	0.5	0.9	7.0	6.4	11.1
July	128.7	137.2	153.0	0.6	0.8	1.2	6.7	6.6	11.5
August	129.0	137.6	153.7	0.3	0.3	0.5	6.6	6.6	11.7
September	129.0	138.1	154.5	0.0	0.3	0.5	6.2	7.0	11.9
October	129.3	139.1	155.8	0.2	0.7	0.8	6.0	7.5	12.0
November	129.60	140.2	157.6	0.2	0.8	1.1	5.9	8.2	12.4
December	129.60	141.1	159.4	0.0	0.9	1.2	5.4	9.1	12.7
Annual average HCPI	128.0	136.6	151.7				6.3	6.7	11.1

Measures of inflation

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.

Both the HCPIs and national CPIs measure inflation faced by consumers, and use the same data sources in most part. However, the

two measure inflation with different aims and therefore, sometimes use different concepts and methods. HCPI's main use is for monetary policy, and is used as one of the convergence criteria to assess compliance of Member States to economic unions and to monitor progress towards integration. Member states of economic unions are given target inflation levels to achieve, in specified period to be considered for some preferential treatments within the integration. And this requires a harmonised conceptual framework and comparable results. The national CPIs in addition to being the measure of inflation have many other purposes such as cost of living which require different methodologies.

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 purchasing power parities derived from the results of the 2005 (**for HCPIs prior to January 2013**), 2009 (**for HCPIs January 2013 to December 2014**) and 2011 (**for HCPIs since January 2015**) International Comparison Program as supplied by the African Development Bank and the World Bank.

More information on SADC HCPI methodology can be availed on demand.

Acknowledgement

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National Statistics Offices of SADC Member States in providing monthly national HCPIs which form the basis for the aggregate SADC

HPCI. 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.

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SADC HCPI website link:

<http://www.sadc.int/news-events/newsletters/harmonised-consumer-price-index-newsletter/>

Proposed Future release dates

Scheduled dates for the coming months are:

SADC HCPI for:	Publication date by SADC Secretariat
January 2017	05 th March 2017
February 2017	05 th April 2017
March 2017	05 th May 2017