



SADC Harmonised Consumer Price Indices (HCPI) February 2013

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As measured by the HCPI, the annual inflation rate for the SADC Region was 7.7% in February 2013 compared to February 2012. Monthly inflation was 1.0 % in February 2013, an increase of 0.4 percentage points from the rate observed in January 2013.

Introduction

This is the nineteenth news release in series on SADC HCPIs and is the second issue relating to Stage 2 or the full scale HCPI for the SADC region. As stated in the last release this issue differs from Stage 1 HCPI on three fronts as follows: (i) From *January 2013, all the 12 divisions of the Classification of Individual Consumption by Purpose (COICOP) including Education and Health which were excluded during Stage 1 SADC HCPI computation are now included*; (ii) *SADC Stage 2 HCPI is based on all the fifteen SADC member states, including Angola, which did not participate during Stage 1; and (iii) the introduction from January 2013 of new Country weights based on recent data obtained from the 2009 International Comparison Program for Africa (ICP-*

Africa) results on Household Final Monetary Consumption Expenditure.

1 below.

Inflation rates for SADC Member States

The reported annual inflation rates for February 2013 for Member States ranged from a highest of 35.8% for Malawi and a lowest of 2.5% for Democratic Republic of Congo. Malawi has continuously recorded the highest annual inflation rate among the SADC countries since June last year. Annual rates for the rest of the Member States were reported as follows: Botswana (8.5%), Lesotho (6.2%), Madagascar (5.3%), Mauritius (6.3%), Mozambique (4.3%), Namibia (7.9%), Seychelles (7.0%), South Africa (6.8%), Swaziland (7.2%), Tanzania (11.1%), Zambia (7.1%) and Zimbabwe (5.6%) as reflected in table

Inflation Rates by COICOP divisions

In terms of COICOP major divisions, all divisions registered increases in their indices in February 2013 compared to February 2012 as follows: Alcoholic Beverages and Tobacco (10.1%), Transport (9.1%), Housing, Electricity, Water, Gas and Other Fuels (8.2%), Miscellaneous Goods and Services (8.2%), Recreation and Culture (6.7%), Food and Non Alcoholic Beverages (6.5%), Furnishings, Household Equipment and Routine Maintenance of House (5.8%), Communication (5.3%), Restaurants and Hotels (5.2%) and Clothing and Footwear (4.6%). See table 2 below.

Figure 1: Monthly inflation rate (%) in SADC region for the period: February 2012 to February 2013

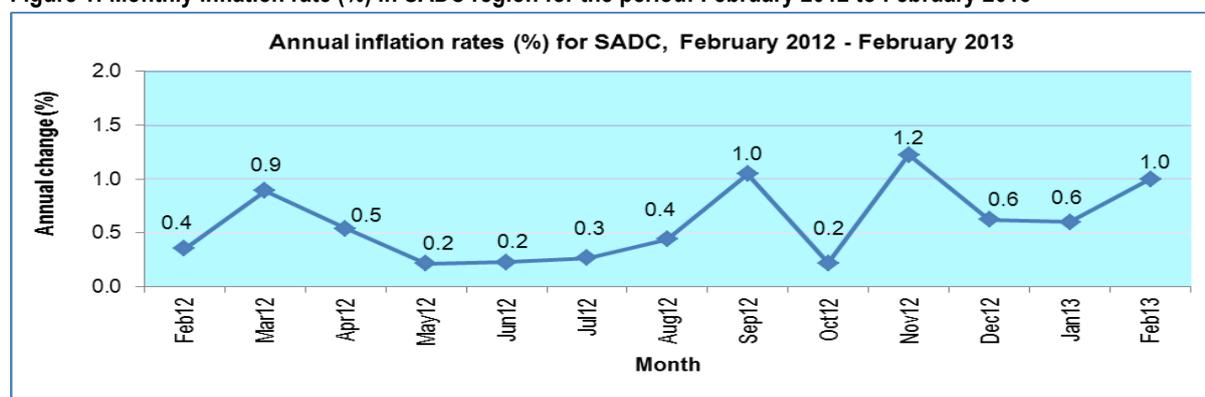


Figure 2: Annual inflation rate (%) in SADC region for the period: February 2012 to February 2013

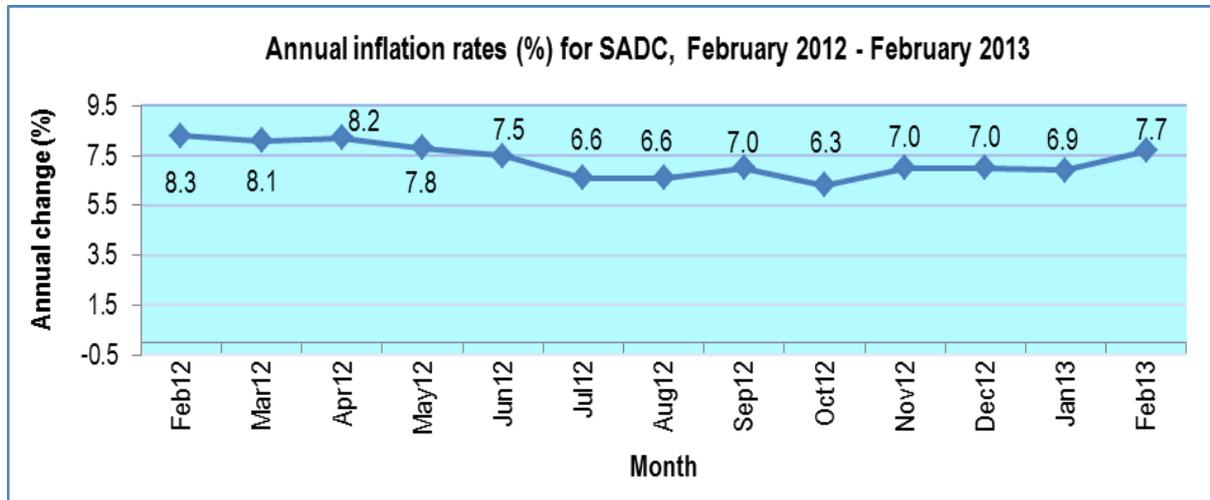


Figure 3: Annual inflation rate (%) for SADC region and SADC Member States as at February 2013

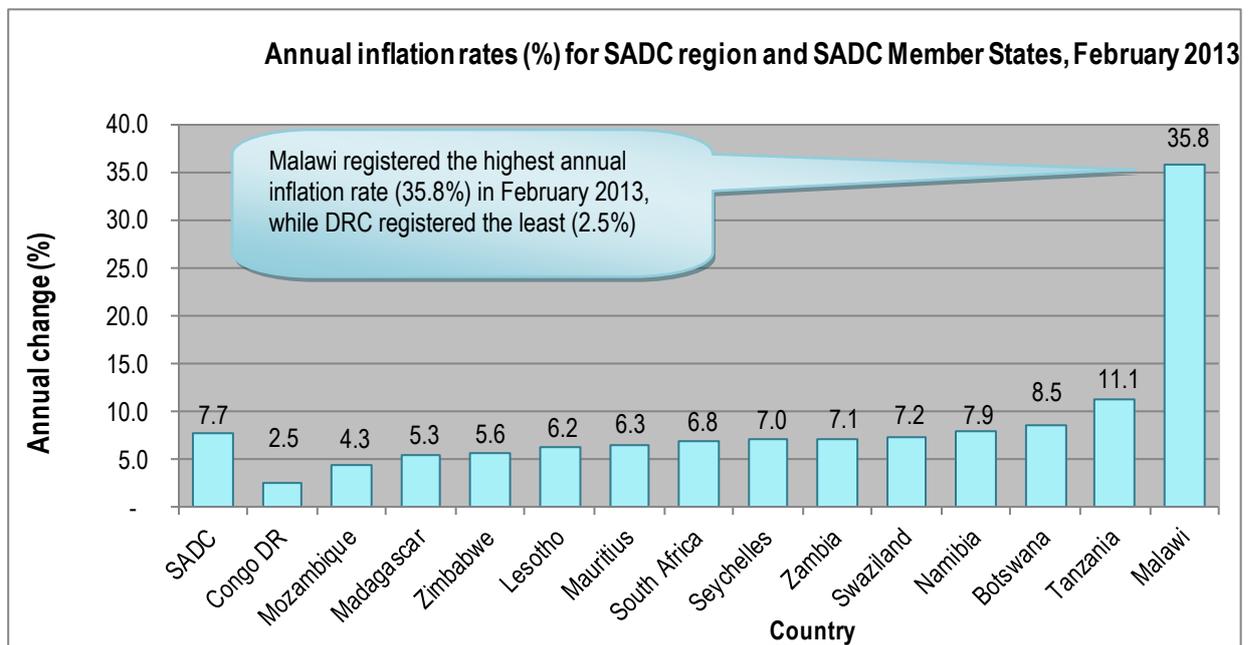


Table 1: Monthly and annual inflation rates (%) for SADC Member States as measured by National HCPIs, 2013

Member State	Country weights	Month on month (%)		Annual (%)	
		Dec12 Jan13	Jan13 Feb13	Jan12 Jan13	Feb12 Feb13
Angola*		0.5	0.9		
Botswana	2.32	1.1	0.2	8.6	8.5
Congo DR	4.89	0.1	0.3	0.9	2.5
Lesotho	0.76	2.3	-0.4	7.0	6.2
Madagascar	3.56	1.3	0.4	5.6	5.3
Malawi	1.61	2.5	6.0	30.1	35.8
Mauritius	2.30	1.6	-1.2	6.1	6.3
Mozambique	4.03	1.4	1.2	2.8	4.3
Namibia	1.87	1.8	0.4	8.2	7.9
Seychelles	0.16	1.1	0.6	6.8	7.0
South Africa	64.34	0.2	1.0	6.0	6.8
Swaziland	1.23	2.0	0.7	7.5	7.2
Tanzania	8.05	1.4	1.5	11.5	11.1
Zambia	3.11	2.1	1.3	5.9	7.1
Zimbabwe	1.78	1.6	0.7	5.7	5.6
SADC	100.00	0.6	1.0	6.9	7.7

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

Figure 4: Divisions annual inflation rates as at February 2013

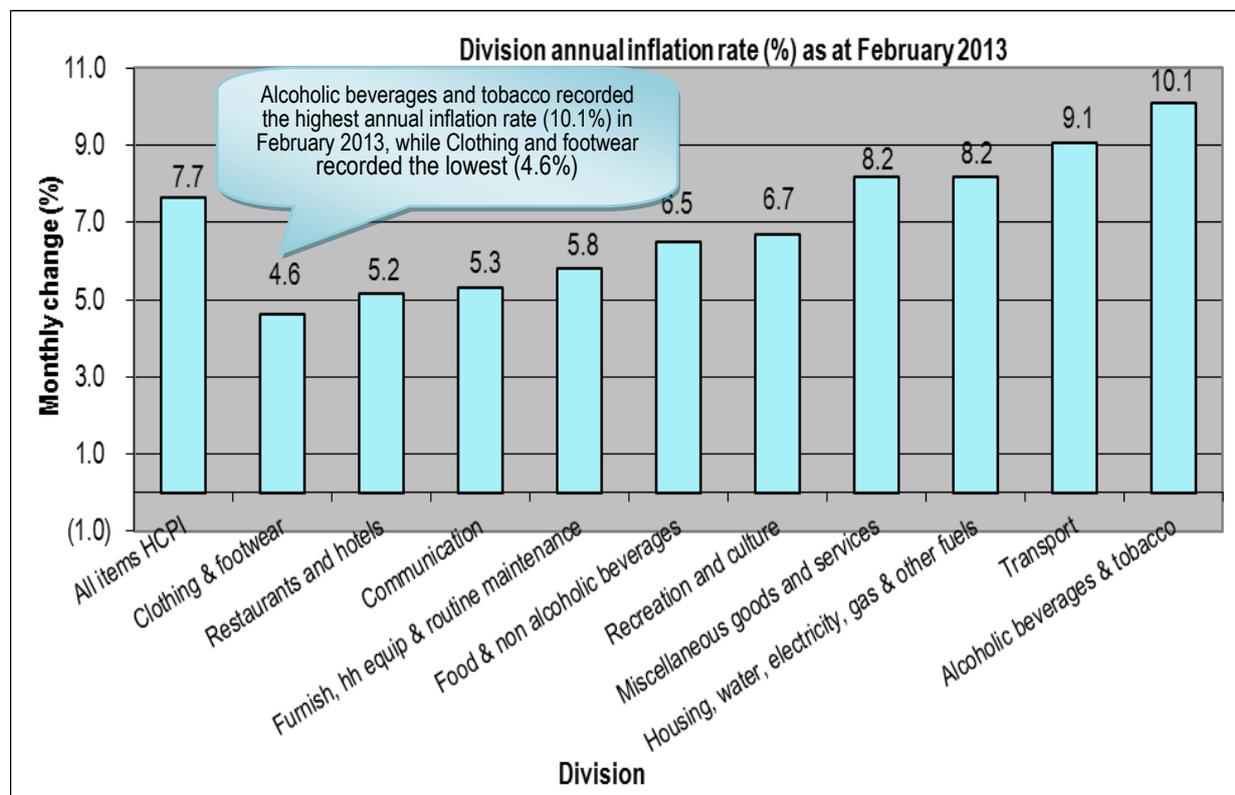


Table 2: Monthly and annual inflation rates (%) for the COICOP divisions, 2013

Divisions	Division weights	Month on month (%)		Annual (%)	
		Dec 12 Jan13	Jan13 Feb13	Jan12 Jan13	Feb12 Feb13
All items HCPI	1000.00	0.6	1.0	6.9	7.7
Food & non alcoholic beverages	300.39	1.0	0.3	6.1	6.5
Alcoholic beverages & tobacco	54.36	0.8	0.9	9.4	10.1
Clothing & footwear	54.36	-0.2	0.2	5.1	4.6
Housing, water, electricity, gas & other fuels	125.96	0.1	-0.3	8.9	8.2
Furnish, household equip & routine maintenance	56.23	0.5	0.1	5.8	5.8
Health	15.69		2.0		
Transport	149.39	1.2	1.1	9.1	9.1
Communication	26.12	1.1	0.0	5.1	5.3
Recreation and culture	27.97	1.2	0.8	6.9	6.7
Education	29.36		0.3		
Restaurants and hotels	43.28	-0.7	-0.1	5.7	5.2
Miscellaneous goods and services	116.88	0.4	3.4	5.2	8.2

Table 3: Month on month inflation rates (%) for SADC Member States as measured by National HCPIs, 2012

Member State	Country weights	Month on month inflation rates											
		Dec11	Jan12	Feb12	Feb12	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12
		Jan12	Feb12	Feb12	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12
Angola													
Botswana	1.4	0.5	0.2	0.5	0.9	1.6	0.5	0.2	0.5	0.9	0.4	1.1	0.4
Congo DR	2.4	2.1	-0.9	1.2	0.3	0.1	0.2	0.3	0.0	0.0	0.1	0.1	0.1
Lesotho	0.9	0.2	0.3	1.1	-0.1	0.5	0.3	0.2	0.3	0.9	0.2	-0.8	1.5
Madagascar	3.4	1.2	0.8	0.9	0.6	0.0	-0.4	-0.2	0.2	0.4	0.5	0.6	0.9
Malawi	1.7	1.0	1.5	-0.3	0.8	3.2	2.4	0.3	3.7	3.6	2.5	3.1	3.5
Mauritius	2.4	0.1	-1.4	0.4	0.6	-2.4	-0.1	-0.3	0.2	-0.1	2.4	1.4	3.8
Mozambique	3.1	0.6	-0.3	0.2	-0.2	-0.6	-0.4	0.0	0.0	0.1	0.3	1.1	1.1
Namibia	1.4	0.5	0.6	0.8	0.4	0.9	-0.1	0.5	0.4	0.6	0.9	1.1	0.0
Seychelles*	-	0.1	0.4	0.3	1.4	1.5	0.7	0.5	0.1	0.3	0.1	0.1	0.1
South Africa	70.8	0.5	0.2	1.0	0.5	0.2	0.2	0.3	0.3	1.2	0.0	1.4	0.2
Swaziland	1.0	2.7	1.0	-0.2	2.0	0.0	0.6	-0.1	1.0	-0.8	1.9	-0.4	0.2
Tanzania	7.8	1.9	1.8	1.1	0.9	0.1	0.3	0.1	0.8	1.0	0.4	0.8	2.1
Zambia	2.5	1.2	0.2	0.4	0.5	0.3	-0.3	0.6	0.8	0.7	0.5	-0.8	0.8
Zimbabwe	1.2	0.8	0.8	1.0	0.1	-0.1	0.6	-0.1	-0.1	0.7	0.6	0.3	0.2
SADC	100.0	0.8	0.4	0.9	0.5	0.2	0.2	0.3	0.4	1.0	0.2	1.2	0.6

*Seychelles did not participate in the 2005 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCE) which are used as country weights for HCPI compilation

Table 4: Annual inflation rates (%) and annual averages (%) for SADC Member States as measured by National HCPIs, 2012

Member State	Country weights	Annual inflation rates												
		Jan11	Feb11	Mar11	Apr11	May11	Jun11	Jul11	Aug11	Sep11	Oct11	Nov11	Dec11	Avg12
		Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	
Angola*														
Botswana	1.4	9.3	8.5	8.2	7.8	8.4	7.9	7.9	7.2	7.7	7.5	7.9	7.9	8.0
Congo DR	2.4	20.7	19.8	20.3	19.1	17.9	14.5	13.2	9.7	8.3	3.7	4.2	3.6	12.5
Lesotho	0.9	11.0	8.3	9.0	7.9	7.8	7.2	7.2	5.6	6.1	5.5	3.9	4.8	7.0
Madagascar	3.4	7.1	5.4	6.3	7.7	8.5	8.0	7.7	7.7	7.8	7.3	6.8	5.5	5.6
Malawi	1.7	11.1	10.4	10.5	13.6	16.6	18.9	17.0	20.7	23.9	25.3	27.8	28.3	18.8
Mauritius	2.4	5.0	1.9	1.9	2.1	1.8	2.7	2.4	2.5	2.6	4.7	4.4	4.5	3.1
Mozambique	3.1	4.8	3.4	3.7	3.3	2.1	2.1	1.8	1.3	1.5	1.7	2.3	1.9	2.5
Namibia	1.4	7.3	7.4	7.4	6.7	7.1	6.6	6.8	6.7	7.4	6.6	7.5	6.9	7.0
Seychelles*	-	4.4	4.7	4.9	6.1	7.3	7.8	7.8	7.3	7.3	7.2	6.2	5.8	6.4
South Africa	70.8	7.4	7.4	7.1	7.1	6.6	6.3	5.5	5.5	6.2	5.3	6.5	6.4	6.4
Swaziland	1.0	10.2	11.0	9.5	10.4	9.7	10.1	9.8	10.0	9.0	10.2	9.1	8.2	9.8
Tanzania	7.8	20.5	20.3	19.8	19.5	18.8	17.9	15.9	15.0	13.4	12.8	12.0	12.1	16.3
Zambia	2.5	3.0	2.7	1.9	4.0	4.5	3.8	2.4	4.0	4.3	4.3	3.7	4.9	3.6
Zimbabwe	1.2	-1.9	-0.3	0.8	1.4	2.0	2.8	2.6	2.8	3.8	4.5	4.5	4.8	2.3
SADC	100.0	8.6	8.3	8.1	8.2	7.8	7.5	6.6	6.6	7.0	6.3	7.1	7.0	7.4

*Seychelles did not participate in the 2005 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCE) which are used as country weights for HCPI compilation

Table 5: Month on month inflation rates (%) for the COICOP divisions, 2012

Divisions	Division Weights	Month on month inflation rates												
		Dec11	Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	
		Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	
All items HCPI	1 000.00	0.8	0.4	0.9	0.5	0.2	0.2	0.3	0.4	1.0	0.2	1.2	0.6	
Food & non-alcoholic beverages	319.22	1.6	0.0	0.3	0.1	-0.1	-0.2	-0.1	0.1	1.5	0.2	2.6	0.6	
Alcoholic beverages & tobacco	72.61	0.5	0.2	4.2	0.6	0.2	0.4	0.7	0.5	0.2	0.2	0.5	0.3	
Clothing & footwear	60.42	0.5	0.6	0.3	0.3	0.3	0.4	0.4	0.6	0.4	0.2	0.6	0.3	
Housing, water, electricity, gas & other fuels	136.69	0.3	0.4	0.7	0.5	0.4	0.6	3.3	0.9	0.8	0.2	0.2	0.5	
Furnish, household equipment & routine maintenance of house	74.92	0.7	0.1	1.0	0.3	0.3	0.9	0.2	0.3	0.3	0.1	0.7	0.6	
Health														
Transport	154.97	-0.1	1.1	1.2	1.7	0.8	0.3	-1.7	0.6	2.3	0.1	0.8	0.4	
Communication	31.64	0.1	-0.2	0.9	-0.4	0.4	0.1	0.2	0.7	0.4	0.2	1.3	0.1	
Recreation and culture	41.70	0.3	1.1	-0.2	0.8	-0.2	0.7	0.5	0.0	0.5	0.1	1.8	-0.2	
Education														
Restaurants and hotels	50.04	0.5	0.4	1.2	0.6	0.3	0.5	0.3	0.3	0.6	0.3	1.1	0.8	
Miscellaneous goods & services	57.78	0.5	0.6	0.4	0.2	0.2	0.3	-0.1	0.5	-0.1	0.1	1.5	0.7	

Table 6: Annual inflation rates (%) and annual averages (%) for the COICOP divisions, 2012

Divisions	Division Weights	Annual inflation												
		Jan11	Feb11	Mar11	Apr11	May11	Jun11	Jul11	Aug11	Sep11	Oct11	Nov11	Dec11	Avg12
		Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	
All items HCPI	1000.00	8.6	8.3	8.1	8.2	7.8	7.5	6.6	6.6	7.0	6.3	7.1	7.0	7.4
Food & non-alcoholic beverages	319.22	11.3	10.6	9.8	9.7	8.4	7.7	6.8	6.4	6.8	5.2	7.2	6.7	8.0
Alcoholic beverages & tobacco	72.61	6.7	6.7	8.2	8.0	8.1	8.4	8.9	8.8	8.9	8.8	8.6	8.9	8.1
Clothing & footwear	60.42	5.8	5.9	6.0	5.9	5.8	5.8	5.9	5.6	5.3	5.1	5.1	5.0	5.8
Housing, water, electricity, gas & other fuels	136.69	10.1	10.4	10.1	10.2	10.2	10.2	8.5	8.8	9.0	7.7	9.0	9.2	9.5
Furnish, household equipment & routine maintenance of house	74.92	4.5	4.1	4.4	4.7	4.6	4.6	4.7	4.6	4.5	4.1	5.1	5.5	4.6
Health														
Transport	154.97	10.4	10.3	9.7	10.0	9.7	8.9	7.0	6.9	8.9	7.6	7.7	7.6	8.6
Communications	31.64	-0.9	-1.1	-0.3	-0.7	-0.2	-0.2	-0.2	1.0	1.5	2.0	3.7	3.8	1.2
Recreation and culture	41.70	1.9	2.8	1.9	2.3	1.7	2.7	3.3	3.5	3.5	4.2	5.3	5.5	3.0
Education														
Restaurants and hotels	50.04	6.2	6.1	6.1	6.3	6.2	6.1	6.2	6.1	6.1	5.9	6.9	7.0	6.3
Miscellaneous goods & services	57.78	4.0	4.7	4.7	4.4	4.0	4.1	3.6	4.0	3.3	2.6	4.1	4.9	4.0

Table 7: SADC HCPI Time series data - December 2010 to date (December 2010=100)

	SADC HCPI			Month on month inflation rate			Year on year inflation rate		
	2011	2012	2013	2011	2012	2013	2011	2012	2013
February	100.86	109.51	117.09	0.9	0.8	0.6		8.6	6.9
February	101.46	109.88	118.30	0.6	0.4	1.0		8.3	7.7
March	102.57	110.87		1.1	0.9			8.1	
April	103.02	111.47		0.4	0.5			8.2	
May	103.62	111.71		0.6	0.2			7.8	
June	104.16	111.96		0.5	0.2			7.5	
July	105.27	112.29		1.1	0.3			6.6	
August	105.77	112.74		0.5	0.4			6.6	
September	106.44	113.92		0.6	1.0			7.0	
October	107.42	114.17		0.9	0.2			6.3	
November	107.96	115.57		0.5	1.2			7.1	
December	108.66	116.29		0.7	0.6		8.7	7.0	
Annual average HCPI	104.77	112.53						7.4	

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 may 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 may 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**) and 2009 (**For HCPIs since January 2013**) 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

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 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

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Future release dates

Scheduled dates for the coming months are:

SADC HCPI for:	Publication date by SADC Secretariat
March 2013	06 th May 2013
April 2013	05 th June 2013
May 2013	05 th July 2013