



Stage I SADC Harmonised Consumer
Price Indices (HCPI)
August 2012

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As measured by the HCPI, the annual inflation rate for the SADC Region was 6.6% in August 2012 compared to August 2011. Monthly inflation was 0.4% in August 2012, indicating a 0.1 percentage points increase from the rate observed in July 2012.

This news release is thirteenth in series and presents the Stage I HCPI figures for the SADC region for August 2012.

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 include the Education and Health 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.

SADC Secretariat collaborating with Member States has already initiated measures for the migration to Stage 2 or full scale HCPI.

The reported annual inflation rates for August 2012 for Member States ranged from a highest of 20.7% for Malawi, and a lowest of 1.3% for Mozambique. The rates for the rest of the Member States were reported as follows: Botswana (7.2%), DRC (10.4%), Lesotho (5.6%), Madagascar (7.7%), Mauritius (2.5%), Namibia (6.7%), Seychelles (7.3%), South Africa (5.5%), Swaziland (10.0%), Tanzania (15.0%), Zambia (4.0%) and Zimbabwe (2.8%), as reflected in table 1 below.

In terms of COICOP major divisions, all divisions registered increases in their indices in August 2012 compared to August 2011 as follows: Alcoholic Beverages and Tobacco (8.8%), Housing, Electricity, Water, Gas and Other Fuels (8.8%), Transport (6.9%), Food and Non Alcoholic Beverages (6.4%), Restaurants and Hotels (6.1%), Clothing and Footwear (5.6%), Furnishings, Household Equipment and Routine Maintenance of House (4.6%), Miscellaneous Goods and Services (4.0%), Recreation and Culture (3.5%) and Communication (1.0%). See table 2 below for more details.

Figure 1: Monthly inflation rate (%) in SADC region for the period: August 2011 to August 2012

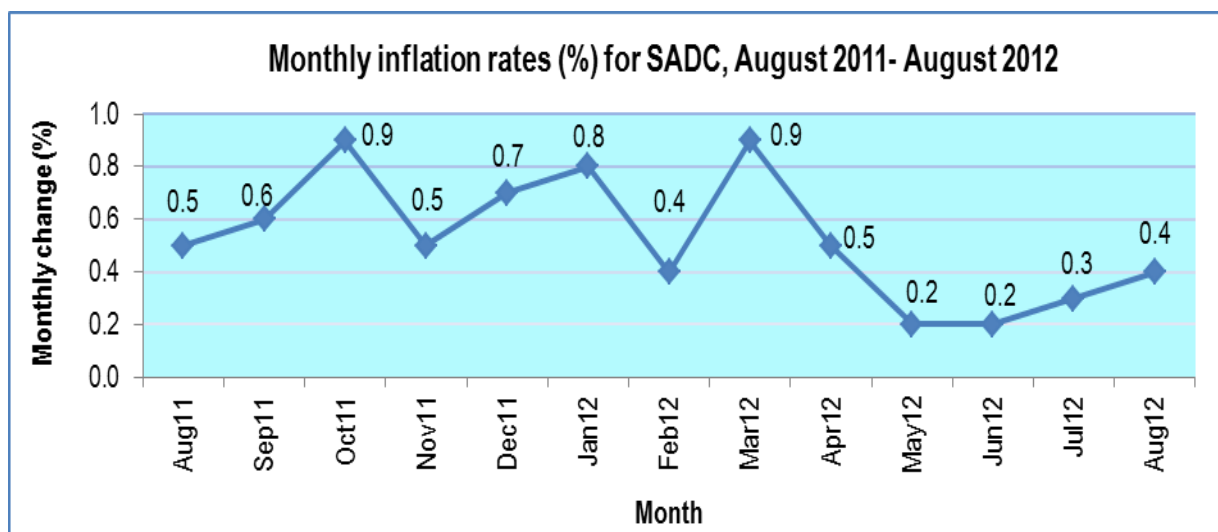


Figure 2: Annual inflation rate (%) for SADC region and SADC Member States as at August 2012

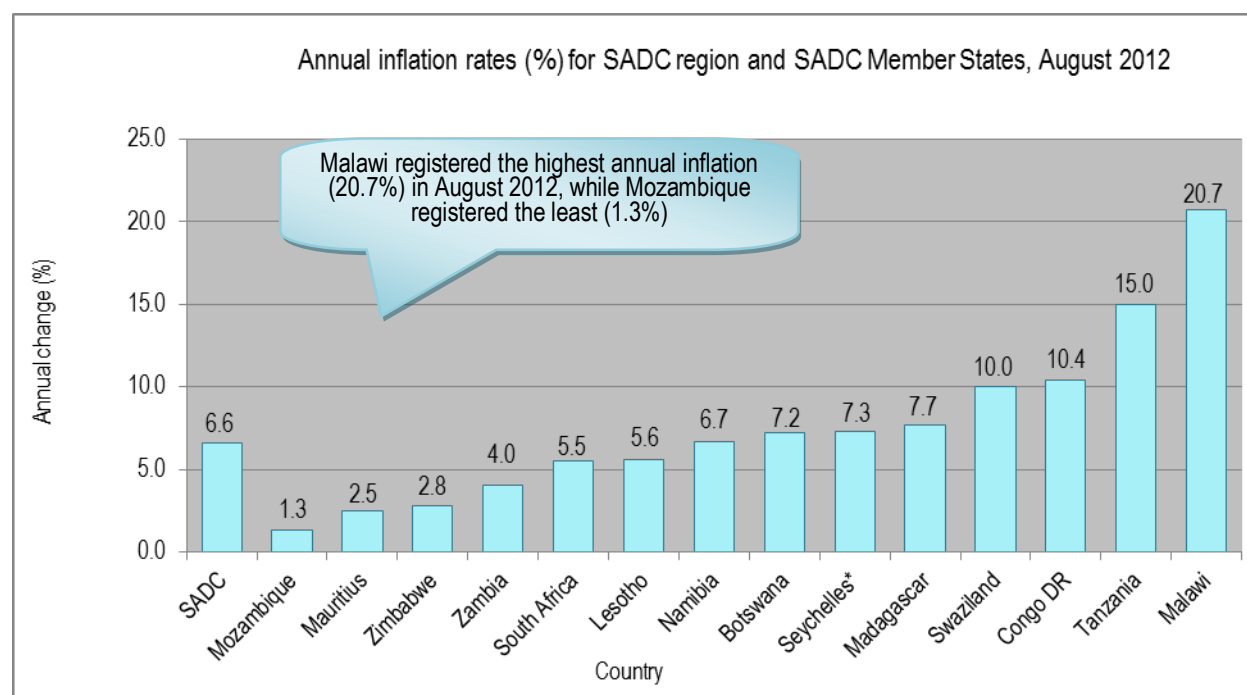


Table 1: Month on month inflation rates (%) for SADC Member States as measured by National HCPIs

Member State	Country weights	Month on month inflation rates													
		Jul11	Aug11	Sep11	Oct11	Nov11	Dec11	Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12
		Aug11	Sep11	Oct11	Nov11	Dec11	Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12	
Angola															
Botswana	1.4	1.1	0.4	0.6	0.7	0.4	0.5	0.2	0.5	0.9	1.6	0.5	0.2	0.5	
Congo DR	2.4	3.2	1.3	4.5	-0.3	0.6	2.8	-1.2	1.2	-0.1	0.3	0.2	0.6	0.2	
Lesotho	0.9	1.8	0.5	0.8	0.8	0.7	0.2	0.3	1.1	-0.1	0.5	0.3	0.2	0.3	
Madagascar	3.4	0.3	0.3	1.0	1.1	0.7	1.2	0.8	0.9	0.6	0.0	-0.4	-0.2	0.2	
Malawi	1.7	0.6	0.9	1.3	1.1	3.1	1.0	1.5	-0.3	0.8	3.2	2.4	0.3	3.7	
Mauritius	2.4	0.1	-0.2	0.3	1.7	3.7	0.1	-1.4	0.4	0.6	-2.4	-0.1	-0.3	0.2	
Mozambique	3.1	0.5	-0.1	0.1	0.5	1.4	0.6	-0.3	0.2	-0.2	-0.6	-0.4	0.0	0.0	
Namibia	1.4	0.5	0.0	1.6	0.3	0.6	0.5	0.6	0.8	0.4	0.9	-0.1	0.5	0.4	
Seychelles*	-	0.6	0.4	0.2	1.1	0.5	0.1	0.4	0.3	1.4	1.5	0.7	0.5	0.1	
South Africa	70.8	0.3	0.5	0.9	0.4	0.3	0.5	0.2	1.0	0.5	0.2	0.2	0.3	0.3	
Swaziland	1.0	0.9	0.1	0.9	0.6	1.0	2.7	1.0	-0.2	2.0	0.0	0.6	-0.1	1.0	
Tanzania	7.8	1.6	2.5	1.0	1.5	2.0	1.9	1.8	1.1	0.9	0.1	0.3	0.1	0.8	
Zambia	2.5	-0.7	0.5	0.4	-0.3	-0.3	1.2	0.2	0.4	0.5	0.3	-0.3	0.6	0.8	
Zimbabwe	1.2	-0.3	-0.2	-0.1	0.3	-0.2	0.8	0.8	1.0	0.1	-0.1	0.6	-0.1	-0.1	
SADC	100.0	0.5	0.6	0.9	0.5	0.7	0.8	0.4	0.9	0.5	0.2	0.2	0.3	0.4	

*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 2: Annual inflation rates (%) for SADC Member States as measured by National HCPIs

Member State	Country weights	Annual inflation rates									
		Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	May 11	Jun 11	Jul11	Aug11	
		Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	Jul 12	Aug12	
Angola											
Botswana	1.4	9.3	9.3	8.5	8.2	7.8	8.4	7.9	7.9	7.2	
Congo DR	2.4	19.6	21.5	20.2	20.6	19.0	18.1	14.7	13.7	10.4	
Lesotho	0.9	11.7	11.0	8.3	9.0	7.9	7.8	7.2	7.2	5.6	
Madagascar	3.4	7.1	7.1	5.4	6.3	7.7	8.5	8.0	7.7	7.7	
Malawi	1.7	11.3	11.1	10.4	10.5	13.6	16.6	18.9	17.0	20.7	
Mauritius	2.4	3.2	5.0	1.9	1.9	2.1	1.8	2.7	2.4	2.5	
Mozambique	3.1	5.9	4.8	3.4	3.7	3.3	2.1	2.1	1.8	1.3	
Namibia	1.4	7.5	7.3	7.4	7.4	6.7	7.1	6.6	6.8	6.7	
Seychelles*	-	4.4	4.4	4.7	4.9	6.1	7.3	7.8	7.8	7.3	
South Africa	70.8	7.6	7.4	7.4	7.1	7.1	6.6	6.3	5.5	5.5	
Swaziland	1.0	9.6	10.2	11.0	9.5	10.4	9.7	10.1	9.8	10.0	
Tanzania	7.8	20.6	20.5	20.3	19.8	19.5	18.8	17.9	15.9	15.0	
Zambia	2.5	3.9	3.0	2.7	1.9	4.0	4.5	3.8	2.4	4.0	
Zimbabwe	1.2	-1.5	-1.9	-0.3	0.8	1.4	2.0	2.8	2.6	2.8	
SADC	100.0	8.7	8.6	8.3	8.1	8.2	7.8	7.5	6.6	6.6	

*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

Figure 3: Divisions annual inflation rates as at July 2012

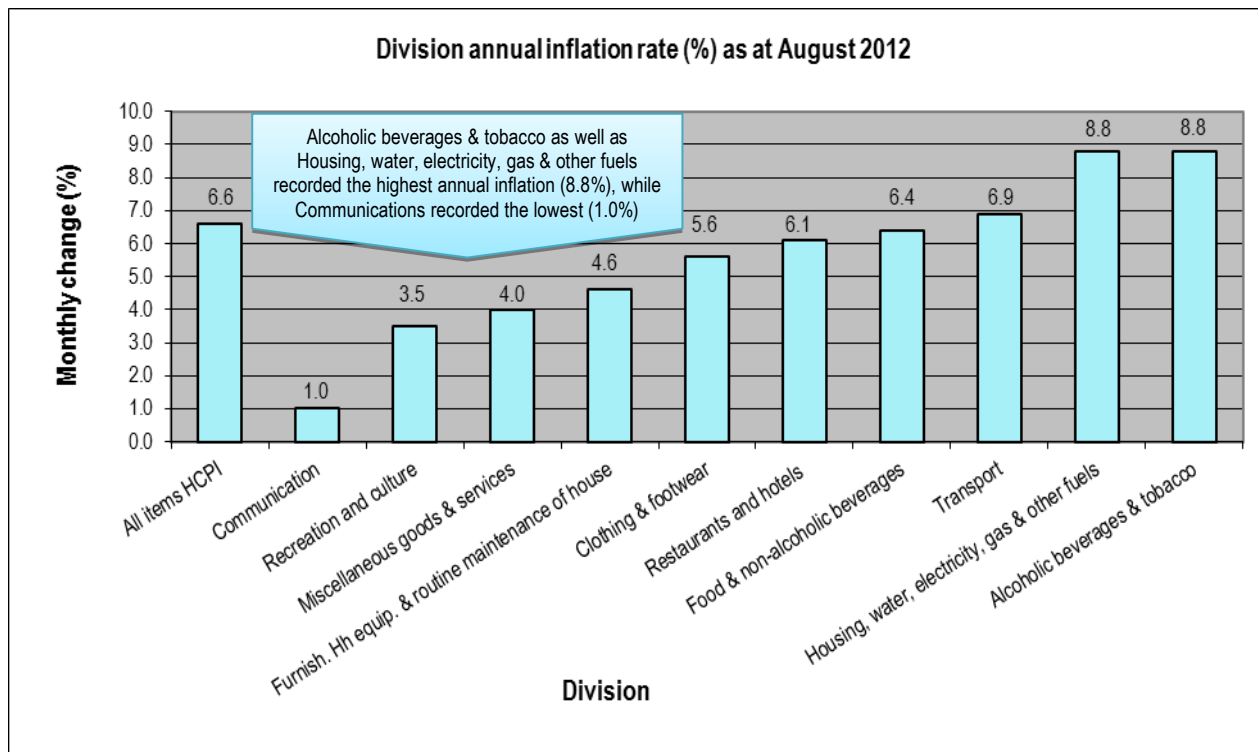


Table 3: Month on month inflation rates (%) for the COICOP divisions

Divisions	Weights	Month on month inflation rates													
		Jun11	Jul11	Áug11	Sep11	Óct11	Nov11	Dec11	Jan12	Feb12	Mar12	Ápr12	May12	Jun12	
		Jul11	Áug11	Sep11	Óct11	Nov11	Dec11	Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	
All items HCPI	1 000.00	0.5	0.6	0.9	0.5	0.6	0.8	0.4	0.9	0.5	0.2	0.2	0.3	0.4	
Food & non-alcoholic beverages	319.22	0.5	1.1	1.7	0.8	0.9	1.6	0.0	0.3	0.1	-0.1	-0.2	-0.1	0.1	
Alcoholic beverages & tobacco	72.61	0.6	0.1	0.3	0.7	0.0	0.5	0.2	4.2	0.6	0.2	0.4	0.7	0.5	
Clothing & footwear	60.42	0.9	0.6	0.4	0.5	0.4	0.5	0.6	0.3	0.3	0.3	0.4	0.4	0.6	
Housing, water, electricity, gas & other fuels	136.69	0.6	0.7	1.3	-0.9	0.3	0.3	0.4	0.7	0.5	0.4	0.6	3.3	0.9	
Furnish, household equipment & routine maintenance of house	74.92	0.3	0.4	0.4	-0.2	0.2	0.7	0.1	1.0	0.3	0.3	0.9	0.2	0.3	
Health - Excluded From Stage 1															
Transport	154.97	0.7	0.4	1.2	0.7	0.5	-0.1	1.1	1.2	1.7	0.8	0.3	-1.7	0.6	
Communication	31.64	-0.4	-0.1	-0.4	-0.3	0.0	0.1	-0.2	0.9	-0.4	0.4	0.1	0.2	0.7	
Recreation and culture	41.70	-0.1	0.4	-0.6	0.8	-0.3	0.3	1.1	-0.2	0.8	-0.2	0.7	0.5	0.0	
Education - excluded from Stage 1															
Restaurants and hotels	50.04	0.4	0.5	0.5	0.1	0.7	0.5	0.4	1.2	0.6	0.3	0.5	0.3	0.3	
Miscellaneous goods & services	57.78	0.1	0.6	0.8	0.0	-0.2	0.5	0.6	0.4	0.2	0.2	0.3	-0.1	0.5	

Table 4: Annual inflation rates (%) for the COICOP divisions

Divisions	Weights	Annual inflation									
		Dec10	Jan11	Feb11	Mar11	Apr11	May11	Jun11	Jul11	Áug11	
		Dec11	Jan12	Feb12	Mar12	Apr12	May12	Jun12	Jul12	Aug12	
All items HCPI	1 000.00	8.7	8.6	8.3	8.1	8.2	7.8	7.5	6.6	6.6	
Food & non-alcoholic beverages	319.22	11.8	11.3	10.6	9.8	9.7	8.4	7.7	6.8	6.4	
Alcoholic beverages & tobacco	72.61	6.4	6.7	6.7	8.2	8.0	8.1	8.4	8.9	8.8	
Clothing & footwear	60.42	5.5	5.8	5.9	6.0	5.9	5.8	5.8	5.9	5.6	
Housing, water, electricity, gas & other fuels	136.69	10.5	10.1	10.4	10.1	10.2	10.2	10.2	8.5	8.8	
Furnish, household equipment & routine maintenance of house	74.92	4.0	4.5	4.1	4.4	4.7	4.6	4.6	4.7	4.6	
Health - Excluded From Stage 1											
Transport	154.97	11.6	10.4	10.3	9.7	10.0	9.7	8.9	7.0	6.9	
Communication	31.64	-1.2	-0.9	-1.1	-0.3	-0.7	-0.2	-0.2	-0.2	1.0	
Recreation and culture	41.70	1.1	1.9	2.8	1.9	2.3	1.7	2.7	3.3	3.5	
Education - excluded from Stage 1											
Restaurants and hotels	50.04	6.3	6.2	6.1	6.1	6.3	6.2	6.1	6.2	6.1	
Miscellaneous goods & services	57.78	4.6	4.0	4.7	4.7	4.4	4.0	4.1	3.6	4.0	

Table 5: SADC Region and SADC Member States division profiles – August 2011 (December 2010=100)

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	Furn., hh eqipt. & routine maintenance of house	Transport	Communication	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	103.57	100.00	100.17	103.74	101.95	102.49	99.89	100.30	99.87	101.74	102.55
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	107.58	103.82
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	106.84	105.12	103.40	108.96	103.16	108.45	99.54	100.77	104.26	103.18	105.77

Table 6: SADC Region and SADC Member States division profiles – July 2012 (December 2010=100)

Monthly indices for COICOP Divisions – July 2012												
Country	Country weights	Food & non-alcoholic beverages.	Alcoholic beverages. & tobacco	Clothing & footwear	Housing, water, electricity, gas & other fuels	Furn., hh eqipt. & routine maintenance of house	Transport	Communication	Recreation & culture	Restaurants & hotels	Misc. goods & services	All items
Angola												
Botswana	1.35	113.86	112.64	111.58	114.92	113.78	120.37	95.94	112.95	114.32	104.19	114.24
DR Congo	2.41	123.77	129.65	123.83	118.39	118.39	134.73	97.72	128.98	111.35	125.19	124.03
Lesotho	0.86	119.08	116.24	102.81	119.90	107.75	110.21	101.14	104.73	105.66	105.96	114.46
Madagascar	3.42	111.24	105.82	109.59	112.87	108.00	105.86	101.72	102.23	106.20	105.92	110.18
Malawi	1.74	113.43	124.71	126.92	128.50	134.59	131.51	108.87	132.09	122.96	122.16	121.50
Mauritius	2.39	108.22	115.65	105.29	107.02	105.56	102.52	96.21	105.83	83.26	103.70	100.09
Mozambique	3.08	105.62	105.31	104.57	108.33	103.99	103.13	98.84	100.21	109.82	107.87	105.18
Namibia	1.38	115.43	115.79	104.06	114.25	105.56	115.85	100.62	106.00	108.03	106.58	111.52
Seychelles	-	109.95	107.38	106.87	114.79	105.62	114.63	100.55	106.19	121.11	110.90	109.56
South Africa	70.82	112.01	113.04	106.00	116.90	104.19	115.36	99.94	100.95	109.84	104.39	110.92
Swaziland	0.95	118.59	107.60	107.51	118.49	109.28	123.76	100.04	106.15	110.16	110.33	116.24
Tanzania	7.83	132.91	122.76	122.21	132.52	130.54	122.40	99.74	120.56	122.69	120.73	128.47
Zambia	2.54	103.92	108.84	120.91	111.22	109.91	111.03	100.88	110.26	106.64	108.39	106.91
Zimbabwe	1.23	106.44	112.64	100.72	108.44	101.54	83.31	84.19	87.97	112.82	104.56	101.62
SADC	100.00	113.56	113.88	108.48	117.45	107.63	115.26	99.76	104.23	110.31	106.83	112.25

Table 7: SADC Region and SADC Member States division profiles – August 2012 (December 2010=100)

Monthly indices for COICOP Divisions – August 2012												
Country	Country weights	Food & non-alcoholic beverages.	Alcoholic beverages & tobacco	Clothing & footwear	Housing, water, electricity, gas & other fuels	Furn., hh eqpt. & routine	Transport	Communication	Recreation & culture	Restaurants & hotels	Misc. goods & services	All items
Angola												
Botswana	1.35	114.39	112.89	112.88	114.79	114.24	121.48	95.95	113.41	114.84	104.41	114.81
DR Congo	2.41	124.07	117.00	129.77	123.87	118.50	134.80	97.72	129.14	111.41	125.28	124.28
Lesotho	0.86	119.59	116.47	102.87	120.16	108.08	110.29	101.14	104.83	105.69	107.55	114.85
Madagascar	3.42	111.22	108.19	110.73	113.31	108.15	106.07	101.74	102.23	106.29	105.78	110.41
Malawi	1.74	114.87	126.64	128.47	150.02	137.78	137.05	108.87	133.56	125.93	123.70	125.99
Mauritius	2.39	107.94	115.57	106.04	107.02	105.86	102.46	96.21	105.63	83.97	103.78	100.27
Mozambique	3.08	105.55	105.30	104.67	108.41	104.00	103.10	98.84	100.42	110.06	107.78	105.18
Namibia	1.38	115.79	116.38	104.75	115.71	106.09	116.70	100.62	106.53	108.20	107.57	112.00
Seychelles	-	110.83	107.38	106.87	114.87	105.60	113.15	100.55	106.19	121.11	110.84	109.68
South Africa	70.82	111.85	113.61	106.58	117.53	104.30	116.25	100.98	100.98	110.08	104.73	111.30
Swaziland	0.95	119.86	113.39	108.37	114.58	112.64	126.61	100.04	108.50	111.82	115.73	117.45
Tanzania	7.83	134.37	125.68	122.45	133.70	131.30	121.26	99.72	120.17	123.47	122.82	129.49
Zambia	2.54	105.02	109.08	120.74	111.93	111.06	110.31	100.93	109.20	104.83	108.90	107.73
Zimbabwe	1.23	106.04	112.97	100.55	108.38	101.27	84.02	84.19	87.84	112.03	103.90	101.48
SADC	100.00	113.64	114.40	109.17	118.52	107.91	115.94	100.50	104.26	110.59	107.34	112.74

Table 6: Time series data - December 2010 to date (December 2010=100)

Year	Month	SADC HCPI	Month on month inflation rate	Year on year inflation rate
2 010	December	100.00		
2 011	January	100.86	0.9	
	February	101.46	0.6	
	March	102.57	1.1	
	April	103.02	0.4	
	May	103.62	0.6	
	June	104.16	0.5	
	July	105.27	1.1	
	August	105.77	0.5	
	September	106.44	0.6	
	October	107.42	0.9	
	November	107.96	0.5	
	December	108.66	0.7	8.7
		Annual average HCPI - 2011	104.40	
2 012	January	109.51	0.8	8.6
	February	109.88	0.4	8.3
	March	110.87	0.9	8.1
	April	111.47	0.5	8.2
	May	111.71	0.2	7.8
	June	111.96	0.2	7.5
	July	112.29	0.3	6.6
	August	112.74	0.4	6.6
	September			
	October			
	November			
	December			
	Annual average HCPI - 2012			

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 as 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 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.

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 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 SADC Secretariat, Gaborone,

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

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Future release dates

Scheduled dates for the coming months are:

Stage I SADC HCPI for:	Publication date by SADC Secretariat
September 2012	05 th November 2012
October 2012	05 th December 2012
November 2012	11 th January 2013