

# Stage I SADC Harmonised Consumer Price Indices (HCPI) September 2012

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As measured by the HCPI, the annual inflation rate for the SADC Region was 7.0% in September 2012 compared to September 2011. Monthly inflation was 1.0% in September 2012, indicating a 0.6 percentage points increase from the rate observed in August 2012.

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

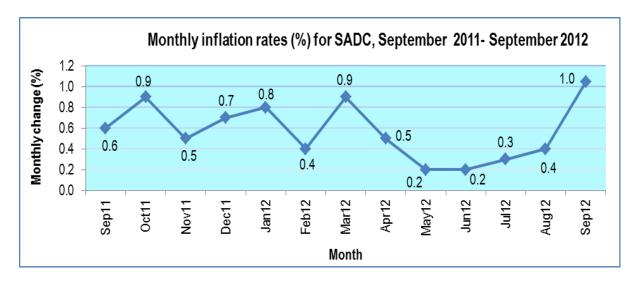
Compilation of the Stage I SADC HCPIs is based on the national HCPIs of fourteen SADC Member States1. The scope of the HCPIs at this stage does not include the Education and Health divisions of the Classification Individual ٥f Consumption by Purpose (COICOP). However the HCPI development must generally 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 September 2012 for Member States ranged from a highest of 23.9% for Malawi, and a lowest of 1.5% for Mozambique. The rates for the rest of the Member States were reported as follows: Botswana (7.7%), DRC (9.1%), Lesotho (6.1%), Madagascar (7.8%), Mauritius (2.6%), Namibia (7.4%), Seychelles (7.3%), South Africa (6.2%), Swaziland (9.0%), Tanzania (13.4%), Zambia (4.3%) and Zimbabwe (3.8%), as reflected in table 1 below.

In terms of COICOP major divisions, all divisions registered increases in their indices in September 2012 compared to September 2011 as follows: Housing, Electricity, Water, Gas and Other Fuels (9.0%), Alcoholic Beverages and Tobacco (8.9%), Transport (8.9%), Food and Non Alcoholic Beverages (6.8%), Restaurants and Hotels (6.1%), Clothing and Footwear (5.3%), Furnishings, Household Equipment and Routine Maintenance of House (4.5%), Recreation and Culture (3.5%), Miscellaneous Goods and Services (3.3%) and Communication (1.5%). See table 2 below for more





<sup>1</sup> Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

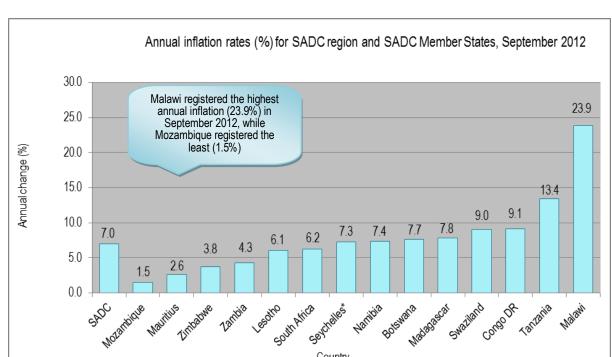


Figure 2: Annual inflation rate (%) for SADC region and SADC Member States as at September 2012

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

Country

	λs						Month on	month infl	ation rates					
Member State	Country weights	Áug11	Sep11	Óct11	Nov11	Dec11	Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	Aug12
	ა ≽	Sep11	Óct11	Nov11	Dec11	Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	Aug12	Sep12
Angola														
Botswana	1.4	0.4	0.6	0.7	0.4	0.5	0.2	0.5	0.9	1.6	0.5	0.2	0.5	0.9
Congo DR	2.4	1.3	4.5	-0.3	0.6	2.8	-1.2	1.2	-0.1	0.3	0.2	0.6	0.2	0.2
Lesotho	0.9	0.5	0.8	0.8	0.7	0.2	0.3	1.1	-0.1	0.5	0.3	0.2	0.3	0.9
Madagascar	3.4	0.3	1.0	1.1	0.7	1.2	0.8	0.9	0.6	0.0	-0.4	-0.2	0.2	0.4
Malawi	1.7	0.9	1.3	1.1	3.1	1.0	1.5	-0.3	0.8	3.2	2.4	0.3	3.7	3.6
Mauritius	2.4	-0.2	0.3	1.7	3.7	0.1	-1.4	0.4	0.6	-2.4	-0.1	-0.3	0.2	-0.1
Mozambique	3.1	-0.1	0.1	0.5	1.4	0.6	-0.3	0.2	-0.2	-0.6	-0.4	0.0	0.0	0.1
Namibia	1.4	0.0	1.6	0.3	0.6	0.5	0.6	0.8	0.4	0.9	-0.1	0.5	0.4	0.6
Seychelles*	-	0.4	0.2	1.1	0.5	0.1	0.4	0.3	1.4	1.5	0.7	0.5	0.1	0.3
South Africa	70.8	0.5	0.9	0.4	0.3	0.5	0.2	1.0	0.5	0.2	0.2	0.3	0.3	1.2
Swaziland	1.0	0.1	0.9	0.6	1.0	2.7	1.0	-0.2	2.0	0.0	0.6	-0.1	1.0	-0.8
Tanzania	7.8	2.5	1.0	1.5	2.0	1.9	1.8	1.1	0.9	0.1	0.3	0.1	0.8	1.0
Zambia	2.5	0.5	0.4	-0.3	-0.3	1.2	0.2	0.4	0.5	0.3	-0.3	0.6	0.8	0.7
Zimbabwe	1.2	-0.2	-0.1	0.3	-0.2	0.8	0.8	1.0	0.1	-0.1	0.6	-0.1	-0.1	0.7
SADC	100.0	0.6	0.9	0.5	0.6	0.8	0.4	0.9	0.5	0.2	0.2	0.3	0.4	1.0

\*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

						Annual Infl	ation Rates				
Member State	Country Weight	Dec 10	Jan 11	Feb 11	Mar 11	Ápr 11	May 11	Jun 11	Jul11	Aug11	Sep 11
Otate	g.i.	Dec 11	Jan 12	Feb 12	Mar 12	Ápr 12	May 12	Jun 12	Jul 12	Aug12	Sep 12
Angola											
Botswana	1.4	9.3	9.3	8.5	8.2	7.8	8.4	7.9	7.9	7.2	7.7
Congo DR	2.4	19.6	21.5	20.2	20.6	19.0	18.1	14.7	13.7	10.4	9.1
Lesotho	0.9	11.7	11.0	8.3	9.0	7.9	7.8	7.2	7.2	5.6	6.1
Madagascar	3.4	7.1	7.1	5.4	6.3	7.7	8.5	8.0	7.7	7.7	7.8
Malawi	1.7	11.3	11.1	10.4	10.5	13.6	16.6	18.9	17.0	20.7	23.9
Mauritius	2.4	3.2	5.0	1.9	1.9	2.1	1.8	2.7	2.4	2.5	2.6
Mozambique	3.1	5.9	4.8	3.4	3.7	3.3	2.1	2.1	1.8	1.3	1.5
Namibia	1.4	7.5	7.3	7.4	7.4	6.7	7.1	6.6	6.8	6.7	7.4
Seychelles*	-	4.4	4.4	4.7	4.9	6.1	7.3	7.8	7.8	7.3	7.3
South Africa	70.8	7.6	7.4	7.4	7.1	7.1	6.6	6.3	5.5	5.5	6.2
Swaziland	1.0	9.6	10.2	11.0	9.5	10.4	9.7	10.1	9.8	10.0	9.0
Tanzania	7.8	20.6	20.5	20.3	19.8	19.5	18.8	17.9	15.9	15.0	13.4
Zambia	2.5	3.9	3.0	2.7	1.9	4.0	4.5	3.8	2.4	4.0	4.3
Zimbabwe	1.2	-1.5	-1.9	-0.3	0.8	1.4	2.0	2.8	2.6	2.8	3.8
SADC	100.0	8.7	8.6	8.3	8.1	8.2	7.8	7.5	6.6	6.6	7.0

\*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 September 2012

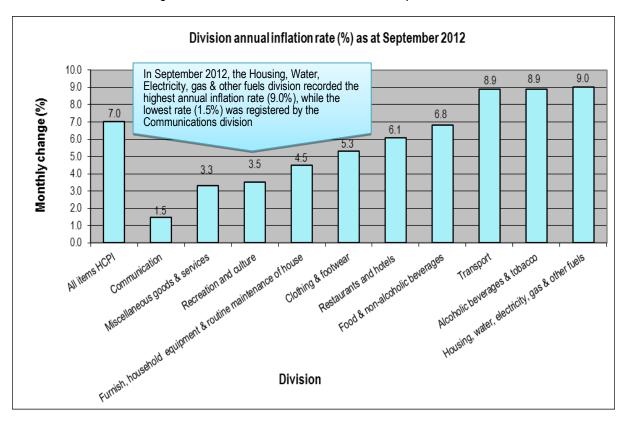


Table 3: Month on month inflation rates (%) for the COICOP divisions

Divisions	ω						Month on r	nonth infl	ation rates					
	Weights	Áug11	Sep11	Óct11	Nov11	Dec11	Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	Aug12
	8	Sep11	Óct11	Nov11	Dec11	Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	Aug12	Sep12
All items HCPI	1 000.00	0.6	0.9	0.5	0.6	0.8	0.4	0.9	0.5	0.2	0.2	0.3	0.4	1.0
Food & non-alcoholic beverages	319.22	1.1	1.7	0.8	0.9	1.6	0.0	0.3	0.1	-0.1	-0.2	-0.1	0.1	1.5
Alcoholic beverages & tobacco	72.61	0.1	0.3	0.7	0.0	0.5	0.2	4.2	0.6	0.2	0.4	0.7	0.5	0.2
Clothing & footwear	60.42	0.6	0.4	0.5	0.4	0.5	0.6	0.3	0.3	0.3	0.4	0.4	0.6	0.4
Housing, water, electricity, gas & other fuels	136.69	0.7	1.3	-0.9	0.3	0.3	0.4	0.7	0.5	0.4	0.6	3.3	0.9	0.8
Furnish, household equipment & routine maintenance of house	74.92	0.4	0.4	-0.2	0.2	0.7	0.1	1.0	0.3	0.3	0.9	0.2	0.3	0.3
Health - Excluded I	From Stage 1													
Transport	154.97	0.4	1.2	0.7	0.5	-0.1	1.1	1.2	1.7	0.8	0.3	-1.7	0.6	2.3
Communication	31.64	-0.1	-0.4	-0.3	0.0	0.1	-0.2	0.9	-0.4	0.4	0.1	0.2	0.7	0.4
Recreation and culture	41.70	0.4	-0.6	0.8	-0.3	0.3	1.1	-0.2	0.8	-0.2	0.7	0.5	0.0	0.5
Education - excluded	from Stage 1													
Restaurants and hotels	50.04	0.5	0.5	0.1	0.7	0.5	0.4	1.2	0.6	0.3	0.5	0.3	0.3	0.6
Miscellaneous goods & services	57.78	0.6	0.8	0.0	-0.2	0.5	0.6	0.4	0.2	0.2	0.3	-0.1	0.5	-0.1

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

Divisions	ıts				Ar	nnual inflati	on				
	Weights	Dec10 Dec11	Jan11 Jan12	Feb11 Feb12	Mar11 Mar12	Apr11 Apr12	May11 May12	Jun11 Jun12	Jul11 Jul12	Áug11 Aug12	Aug12 Sep 12
All items HCPI	1 000.00	8.7	8.6	8.3	8.1	8.2	7.8	7.5	6.6	6.6	7.0
Food & non-alcoholic beverages	319.22	11.8	11.3	10.6	9.8	9.7	8.4	7.7	6.8	6.4	6.8
Alcoholic beverages & tobacco	72.61	6.4	6.7	6.7	8.2	8.0	8.1	8.4	8.9	8.8	8.9
Clothing & footwear	60.42	5.5	5.8	5.9	6.0	5.9	5.8	5.8	5.9	5.6	5.3
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	9.0
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	4.5
Health - Excluded	l From Stage 1										
Transport	154.97	11.6	10.4	10.3	9.7	10.0	9.7	8.9	7.0	6.9	8.9
Communication	31.64	-1.2	-0.9	-1.1	-0.3	-0.7	-0.2	-0.2	-0.2	1.0	1.5
Recreation and culture	41.70	1.1	1.9	2.8	1.9	2.3	1.7	2.7	3.3	3.5	3.5
Education - exclude	d 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	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	3.3

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

			ogion una c		indices for COI	COP Divisions -	September	· 2011	•		,	
Country	Country weights	Food & non- alcoholic beverages.	Alcoholic beverages. & tobacco	Clothing & footwear	Housing, water, electricity, gas & other	Furn., hh equipt. & routine maintenance	Transport	Communicati on	Recreation & culture	Restaurants & hotels	Misc. goods & services	All items
Angola												
Botswana	1.35	106.69	105.38	106.53	107.63	107.49	112.62	95.62	106.79	107.28	101.92	107.57
DR Congo	2.41	114.21	108.72	116.59	112.49	105.75	119.66	100.62	107.52	118.40	116.06	114.05
Lesotho	0.86	110.10	109.86	102.59	130.22	104.79	102.91	101.14	103.00	106.28	105.34	109.25
Madagascar	3.42	103.87	99.91	100.95	103.86	102.18	102.92	100.00	100.66	100.11	102.29	102.84
Malawi	1.74	103.10	106.57	105.67	105.79	106.92	108.42	119.75	118.95	102.95	107.36	105.36
Mauritius	2.39	105.32	100.96	102.48	100.39	102.21	103.27	94.83	103.00	84.53	102.17	97.60
Mozambique	3.08	103.08	102.36	101.95	105.85	102.68	105.23	99.84	103.52	107.34	108.10	103.70
Namibia	1.38	106.52	104.52	104.19	107.06	103.01	107.78	100.84	102.64	104.41	102.94	104.95
Seychelles	-	104.70	100.32	102.04	102.10	101.97	103.86	99.97	101.05	104.94	102.68	102.60
South Africa	70.82	107.69	105.82	103.13	109.02	102.17	108.66	98.85	99.55	104.21	102.44	106.01
Swaziland	0.95	105.38	103.93	103.38	110.18	104.82	116.37	100.09	102.66	101.85	107.79	106.88
Tanzania	7.83	117.56	104.83	109.00	122.14	115.23	114.01	99.78	106.32	112.93	111.63	115.34
Zambia	2.54	102.70	101.94	110.29	108.25	105.12	105.67	104.08	104.16	106.33	101.69	104.08
Zimbabwe	1.23	103.76	104.05	102.28	106.28	103.55	106.91	97.96	101.82	106.20	105.02	98.50
SADC	100.0 0	108.00	105.27	104.06	109.69	103.60	108.87	99.44	101.20	104.82	103.83	106.44

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

					thly indices for CO							
Country	Country weights	Food & non- alcoholic beverages.	Alcoholic beverages. & tobacco	Clothing & footwear	Housing, water, electricity, gas & other fuels	Furn., hh equipt. & routine maintenance	Transport	Communicati on	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 7: SADC Region and SADC Member States division profiles – September 2012 (December 2010=100)

				Monthly indi	ces for COICOP [	)ivisions –	September :	2012				
Country	Country weights	Food & non- alcoholic beverages.	Alcoholic beverages. & tobacco	Clothing & footwear	Housing, water, electricity, gas & other fuels	Furn., hh equipt. & routine	Transport	Communicati on	Recreation & culture	Restaurants & hotels	Misc. goods & services	All items
Angola												
Botswana	1.35	114.80	113.04	113.88	114.85	114.76	124.59	95.95	113.57	116.03	104.58	115.82
DR Congo	2.41	124.36	117.13	129.77	123.87	118.50	134.80	97.72	129.14	111.41	125.28	124.49
Lesotho	0.86	120.63	117.47	103.04	124.88	108.45	110.64	101.14	104.91	106.66	107.87	115.90
Madagascar	3.42	111.54	108.37	111.11	114.39	109.50	106.46	101.76	102.64	106.32	106.43	110.88
Malawi	1.74	118.34	132.58	130.88	162.87	139.91	142.26	108.88	134.20	131.52	123.90	130.52
Mauritius	2.39	106.21	115.61	106.50	107.06	106.23	102.69	96.21	105.65	84.75	103.46	100.16
Mozambique	3.08	105.69	105.58	104.67	108.45	103.91	103.12	98.82	100.39	110.02	107.60	105.24
Namibia	1.38	116.42	116.84	105.29	116.06	106.49	117.93	100.65	106.49	109.13	108.36	112.68
Seychelles	-	111.55	107.38	109.70	115.21	106.01	113.15	100.55	106.31	121.11	111.18	110.06
South Africa	70.82	113.96	113.77	107.04	118.05	104.49	119.45	101.37	101.58	110.38	104.72	112.60
Swaziland	0.95	120.08	108.86	107.44	114.69	111.60	121.49	100.04	106.97	110.28	110.82	116.55
Tanzania	7.83	135.11	126.30	123.31	138.34	132.35	123.14	99.75	120.53	126.60	122.25	130.82
Zambia	2.54	106.36	109.33	120.58	109.81	110.96	112.75	105.31	109.40	105.87	108.87	108.52
Zimbabwe	1.23	107.58	113.01	100.06	109.37	101.12	84.84	84.28	88.44	112.10	104.63	102.20
SADC	100.00	115.31	114.67	109.63	119.52	108.21	118.55	100.89	104.74	111.21	107.28	113.92

ear	Month	SADC HCPI	Month on month inflation rate	Year on year inflation rate
2 010	December	100.00		
	January	100.86	0.9	
	February	101.46	0.6	
	March	102.57	1.1	
	April	103.02	0.4	
T I	May	103.62	0.6	
F	June	104.16	0.5	
2 011	July	105.27	1.1	
2011	August	105.77	0.5	
<b>†</b>	September	106.44	0.6	
Ì	October	107.42	0.9	
T I	November	107.96	0.5	
F	December	108.66	0.7	
T I	Annual average HCPI - 2011	104.40		
	January	109.51	0.8	
	February	109.88	0.4	8
<u> </u>	March	110.87	0.9	8
	April	111.47	0.5	
	May	111.71	0.2	
	June	111.96	0.2	
2 012	July	112.29	0.3	
	August	112.74	0.4	
	September	113.92	1.0	
<u> </u>	October			
ľ	November			
	December			

### 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 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 cases. 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. 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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# **Future release dates**

Scheduled dates for the coming months are:

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