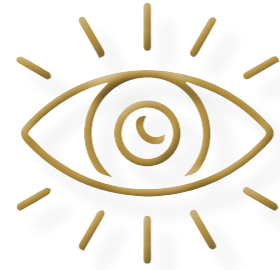


Namibia Consumer Price Index Bulletin - *NCPI*

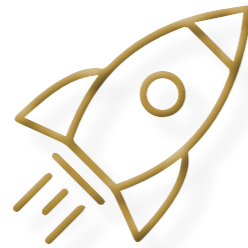
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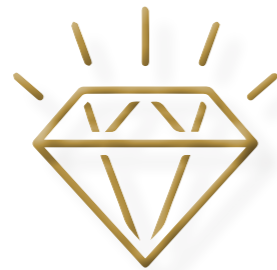
Vision Statement

“To be a high performing and sustainable institution in quality statistics and spatial data delivery for research, planning, and decision-making.”



Mission Statement

“Leveraging on partnerships and innovative technologies, to produce and disseminate relevant, quality, timely statistics and spatial data that are fit-for-purpose.”



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- Accuracy*
- Teamwork*
- Accountability*
- Transparency*

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LIST OF ACRONYMS

CPI :	Consumer Price Index
NCPI :	Namibia Consumer Price Index
NHIES :	Namibia Household Income and Expenditure Survey

PREFACE



This report examines the monthly inflation rate performance in Namibia as measured by the Namibia Consumer Price Index (NCPI). The inflation rate measures the change in the Consumer Price Index (CPI) for the month under review compared to the previous month (month-on-month changes) as well as to the corresponding month in the previous year (year-on-year changes). The inflation rate is vital for purposes of economic policymaking, especially the conduct of monetary policy and to consumers in general. The Consumer Price Index is published about 15 days after the end of the reference month to which it relates.

During the month of October 2023, the annual inflation rate stood at 6.0 percent compared to 7.1 percent witnessed in October 2022. On a monthly basis, the inflation rate for October 2023 was unchanged at 0.8 percent compared to last month.

At the Zonal level for the month of October 2023, **Zone 1** (Kavango East, Kavango West, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa, and Zambezi regions) recorded the highest annual inflation rate of 6.6 percent, followed by **Zone 2** (Khomas region) with an annual inflation rate of 5.7 percent while **Zone 3** (//Kharas, Erongo, Hardap, Omaheke regions) recorded the least annual inflation rate estimated at 5.6 percent.

Analysis of the average retail prices of selected products for the month of October 2023 revealed that consumers in **Zone 1** paid the highest price for Fillet steak per kg at N\$249.97 followed by **Zone 2** at N\$240.63 while consumers in **Zone 3** paid the least price of N\$238.26. For Chicken, frozen assorted pieces per 1.5 kg consumers in **Zone 3** paid the highest of N\$96.04 followed by **Zone 2** at N\$84.79, while in **Zone 1** paid the least price of N\$80.49.

I would like to extend my gratitude and appreciation to all stakeholders who assisted in the production of this bulletin. Further, I would like to urge our readers and users of this bulletin to send to us any comments that may enhance statistical production and contribute to the improvement of this bulletin at info@nsa.org.na.

ALEX SHIMUAFENI
STATISTICIAN-GENERAL & CEO

Major divisions contribution to the annual inflation rate

The major contributors to the annual inflation rate of 6.0 percent in October 2023 were Food and non-alcoholic beverages (1.8 percentage points); Alcoholic beverages and tobacco; and Transport each contributed (1.0 percentage points); and Housing, water, electricity, gas, and other fuels (0.8 percentage points).

The monthly inflation rate for October 2023 remained unchanged at 0.8 percent.

Chart 1: NCPI groups contribution to annual inflation rate (%), October 2023

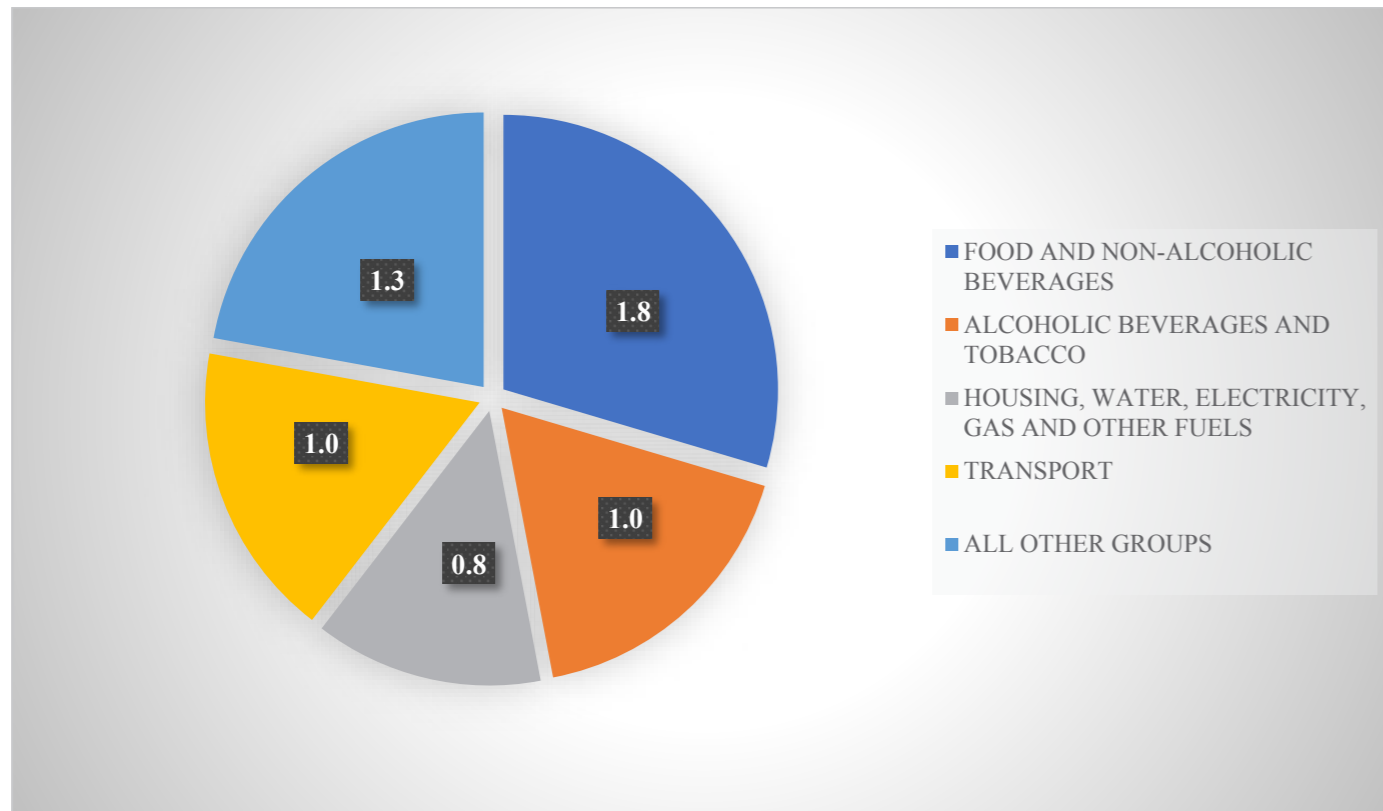
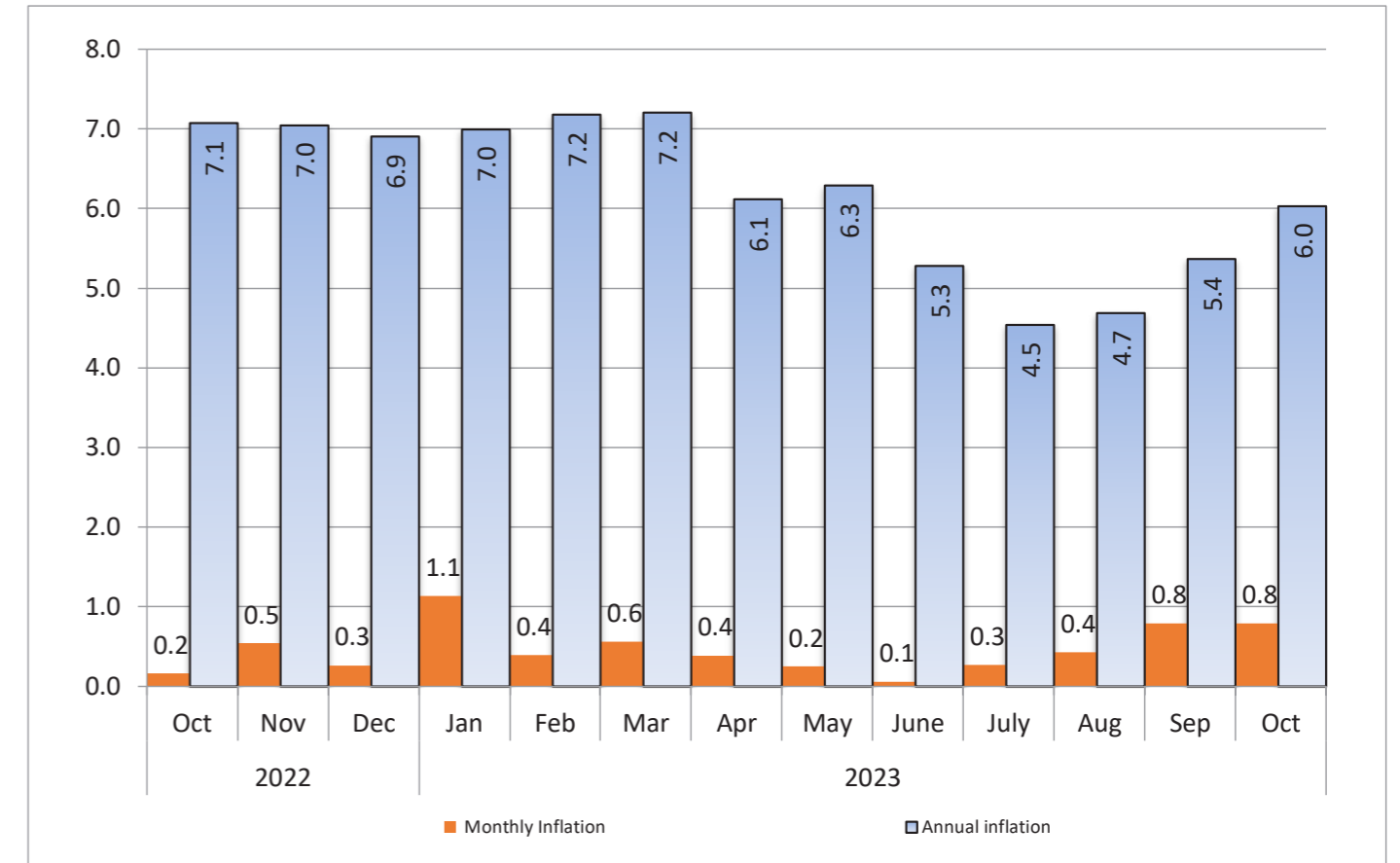


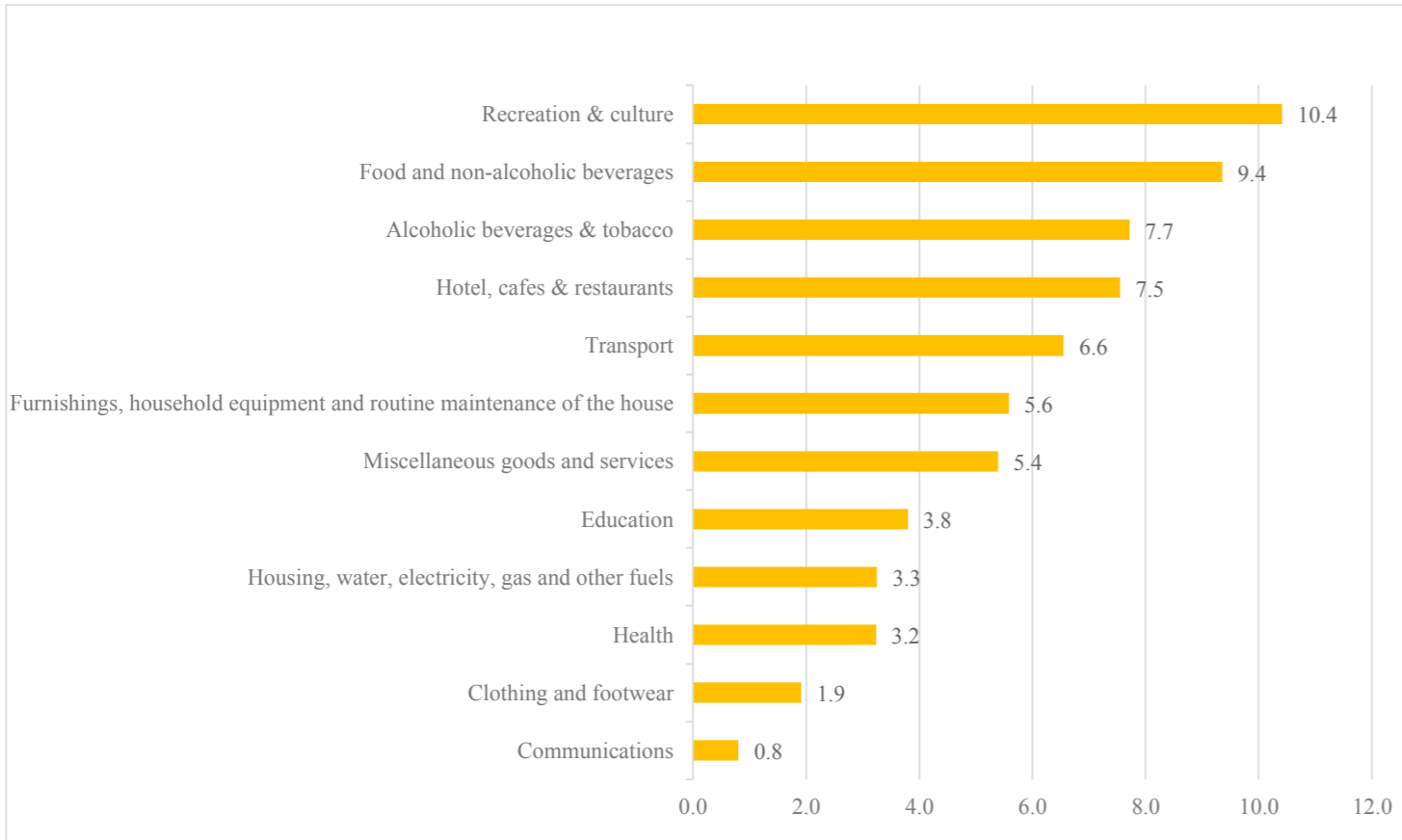
Chart 2: Monthly and annual percentage change (October 2022- October 2023)



Annual inflation rate by All Divisions

Divisions with the highest annual percentage changes during October 2023 were Recreation and culture (10.4%); Food and non-alcoholic beverages (9.4%); Alcoholic beverages and tobacco (7.7 %); Hotels, cafés and restaurants (7.5%); Transport (6.6%); Furnishings, household equipment and routine maintenance of the house (5.6%); and Miscellaneous goods and services (5.4%).

Chart 3: Annual percentage change by division, October 2023



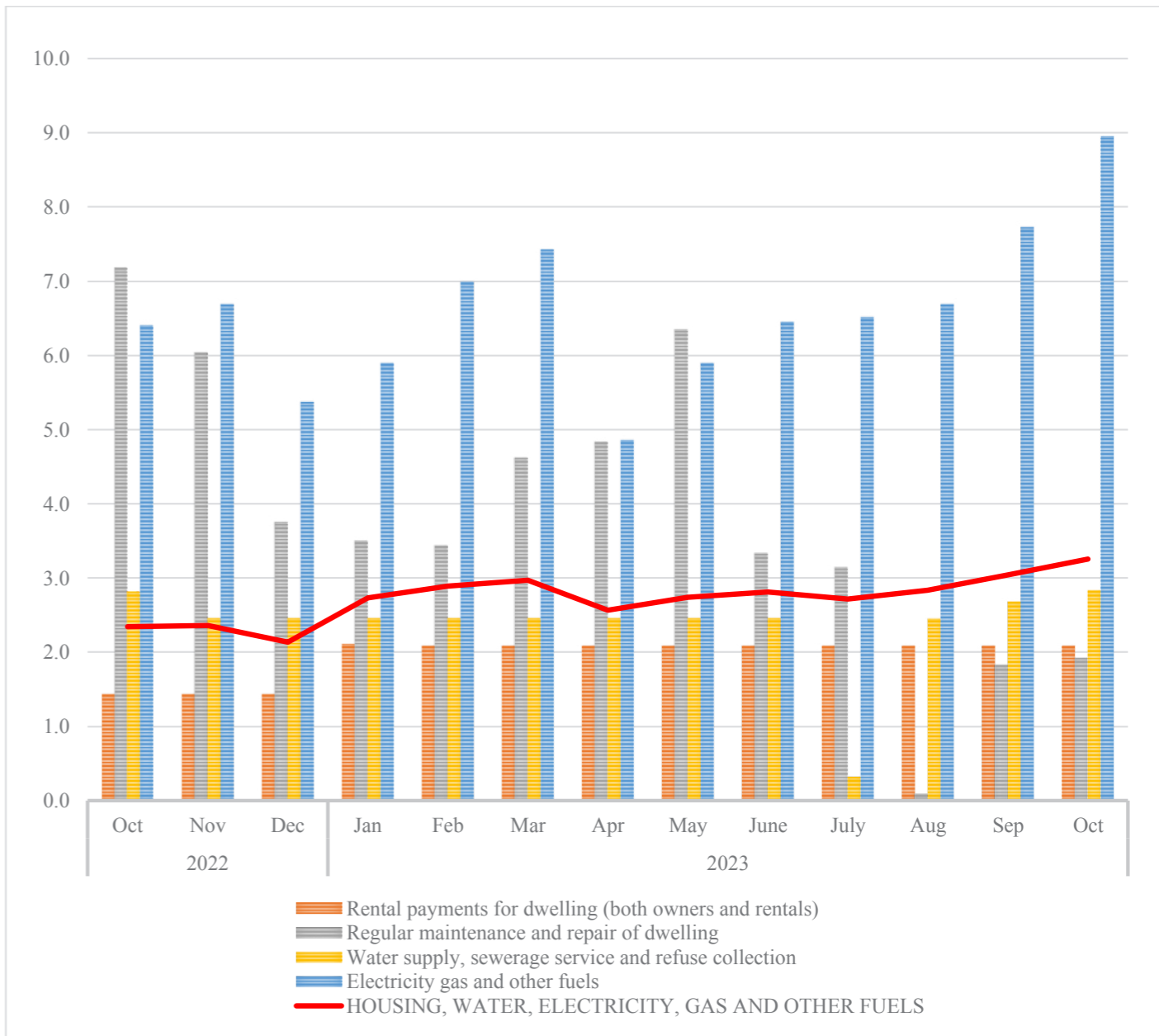
Major divisions annual inflation rates

Housing, water, electricity, gas and other fuels

The annual inflation rate for Housing, water, electricity, gas, and other fuels component which accounts for 28.4 percent of the consumer basket, registered an increase of 3.3 percent during October 2023 compared to 2.3 percent witnessed in October 2022.

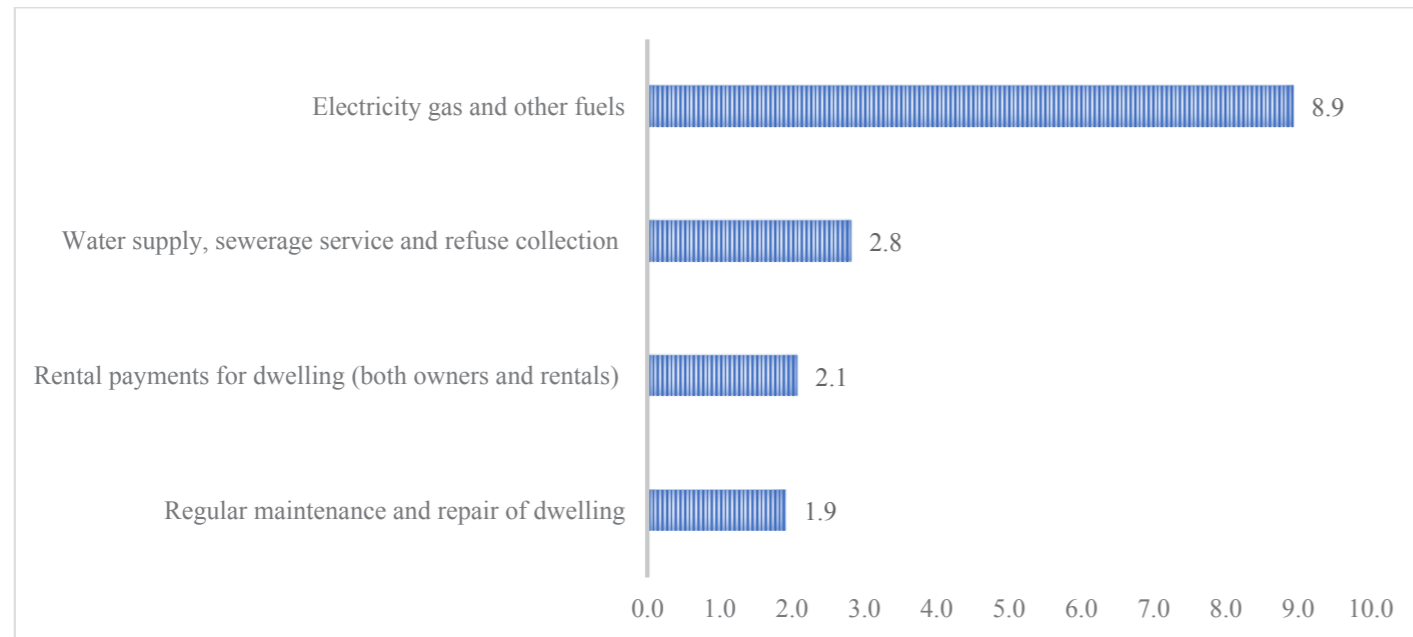
On a monthly basis, the inflation rate remained unchanged at 0.3 percent.

Chart 4: Annual inflation rates (%) for Housing, water, electricity, gas, and other fuels (October 2022-October 2023)



The increase in the annual inflation rate for this category was mainly reflected in the subgroup of Electricity, gas, and other fuels which registered 8.9 percent compared to 6.4 percent witnessed in October 2022 and Rental payments for dwelling that recorded 2.1 percent compared to 1.4 percent obtained October of the preceding year.

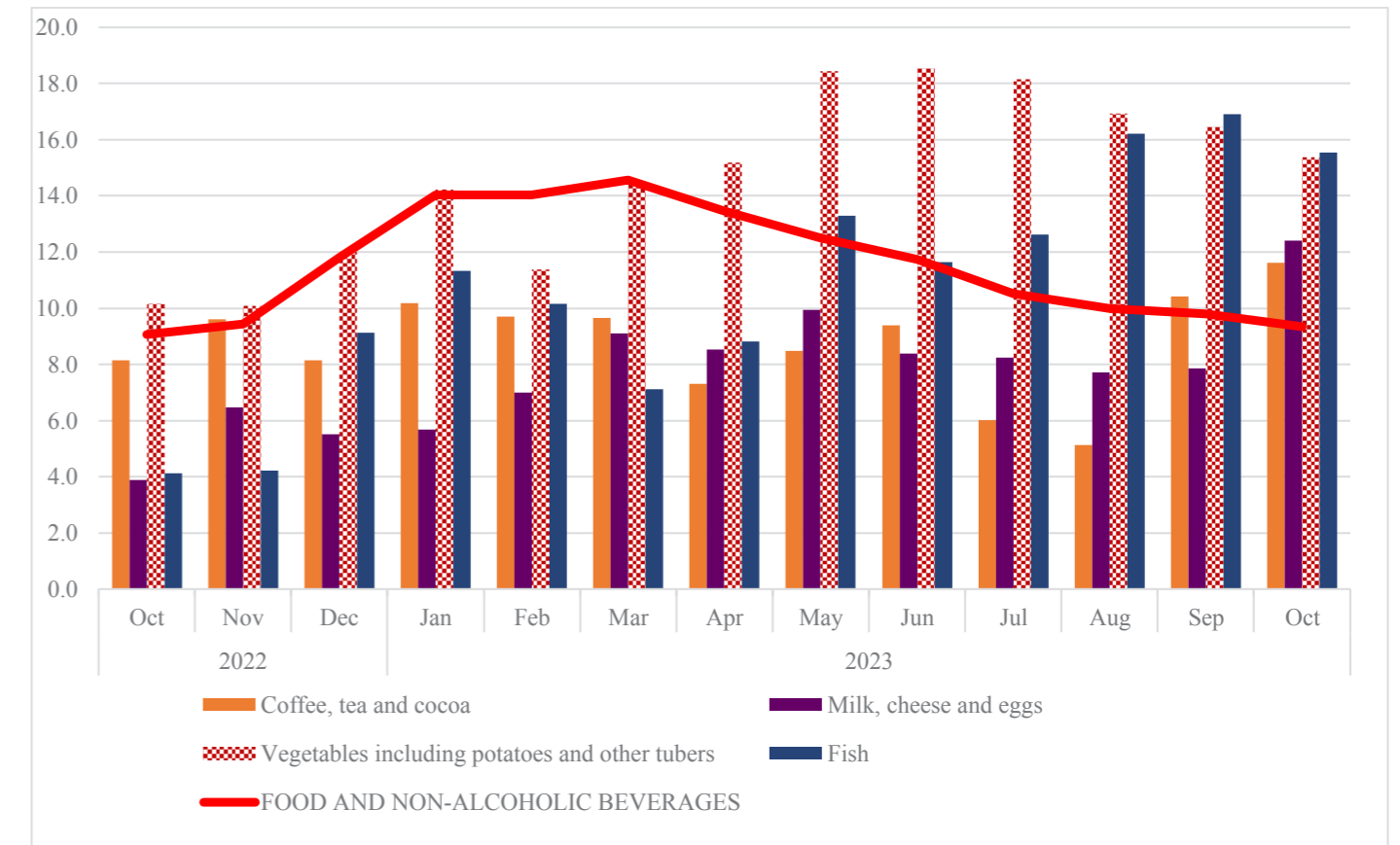
Chart 5: Annual inflation rate (%) for Housing, water, electricity, gas, and other fuels for October 2023



Food and non-alcoholic beverages

Food and non-alcoholic beverages which accounts for 16.5 percent of the NCPI basket, registered annual inflation rate of 9.4 percent during October 2023, compared to 9.1 percent registered during the corresponding period of 2022.

Chart 6: Annual inflation rates (%) for Food and non-alcoholic beverages and selected food sub-categories (October 2022 – October 2023)



The Food sub-category accounts for 14.8 percent of the consumer basket in the NCPI. Within the Food sub-component, Bread, and cereals accounts for the highest weight of Food items that consumers purchase, having a weight of (4.8%) followed by Meat (3.5%); Sugar, jam, honey, syrups, chocolate, and confectionery (1.4%); Vegetables and Milk, cheese, and eggs (1.2%) each.

On average, **Fish** prices increased by 15.5 percent in October 2023. The largest rise was observed in Dried, smoked, or salted fish and sea food (from-4.7% to 13.6%); Bottled/Tinned fish (from 1.4% to 13.6%) and Fresh, chilled & frozen fish (from 6.6% to 16.3%).

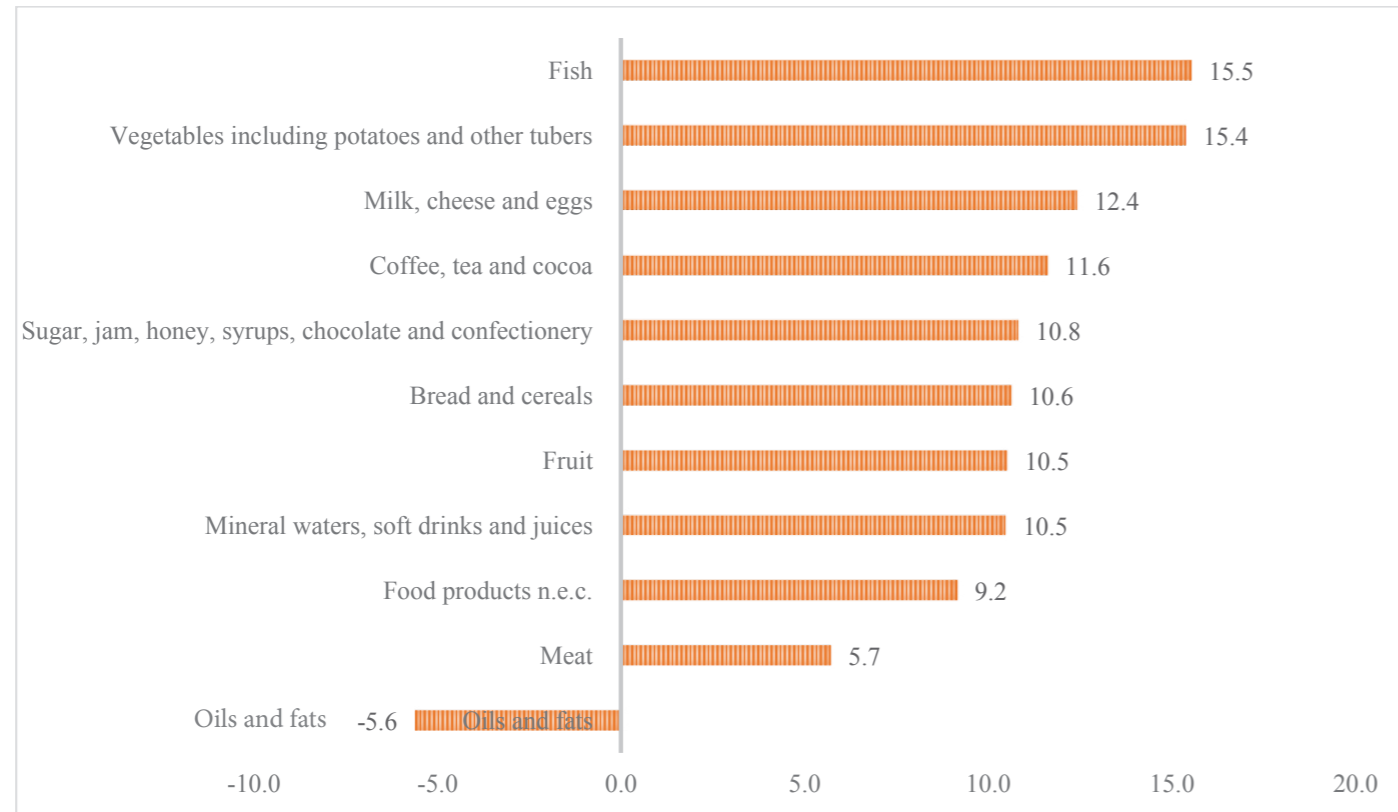
On average prices for **Milk, cheese & eggs** rose by 12.4 percent during October 2023 compared to 3.9 percent recorded during the same period a year earlier. The price increase was observed in Yoghurt/clotted/cultured milk (from 0.7% to 13.3%); Fresh milk, long life milk etc (from 2.3% to 12.5%) and Preserved milk (from 5.2% to 12.5%).

Vegetables prices increased by 15.4 percent in October 2023 compared to 10.2 percent recorded a year ago. The increase in the annual inflation rate for this subcategory was mainly observed in Cabbage (from-7.6% to 44.9%); Potatoes (from 1.4% to 40.0%); Broccoli, cauliflower (from 11.1% to 40.6%) and Spinach (from-19.9%

to 6.0%).

The coffee, tea and cocoa recorded an annual inflation rate of 11.6 percent during October 2023 compared to 8.1 percent registered during the same period a year earlier. The increases were reflected mainly in the price levels of Tea (from 5.8% to 10.8%) and Coffee (from 11.5% to 13.3%).

Chart 7: Annual inflation rates (%) for the main subcategories of Food and non-alcoholic beverages (October 2023)

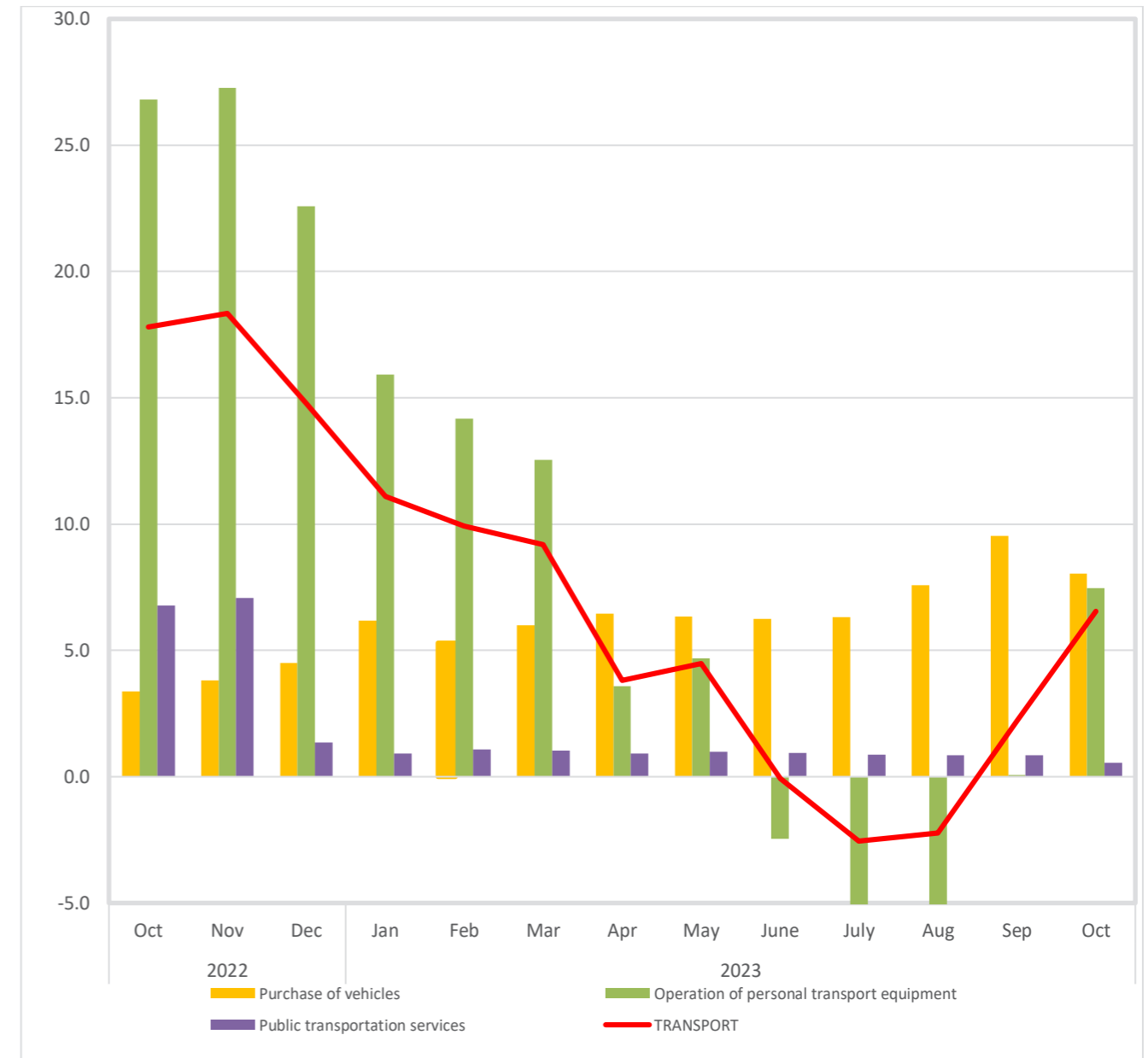


Transport

The Transport category which accounts for 14.3 percent of the consumer basket stood at 6.6 percent during October 2023 compared to 17.8 percent recorded in October 2022. The slow increase in the annual inflation rate for this component was reflected mainly in the subcomponent of Operation of personal transport equipment (from 26.8% to 7.5%) and Public transportation services (from 6.8% to 0.5%).

Month-on-month, this category recorded an increase of 3.5 percent compared to 2.9 percent observed during the previous month.

Chart 8: Annual inflation rates (%) for Transport (October 2022 - October 2023)



Annual inflation rate for Operation of personal transport equipment stood at 7.5 percent in October 2023 compared to an increase of 26.8 percent recorded in October 2022. The slow increase was mainly witnessed in the subcategories of Petrol/Diesel (from 45.8% to 9.0%).

Annual inflation rate for Public transportation services stood at 0.5 percent in October 2023, a slow increase when compared to 6.8 percent registered during the same period of the preceding year. The slowdown in the

inflation rate of this subcomponent emanated mainly from Furniture removal & transportation (from 21.4% to 5.2%).

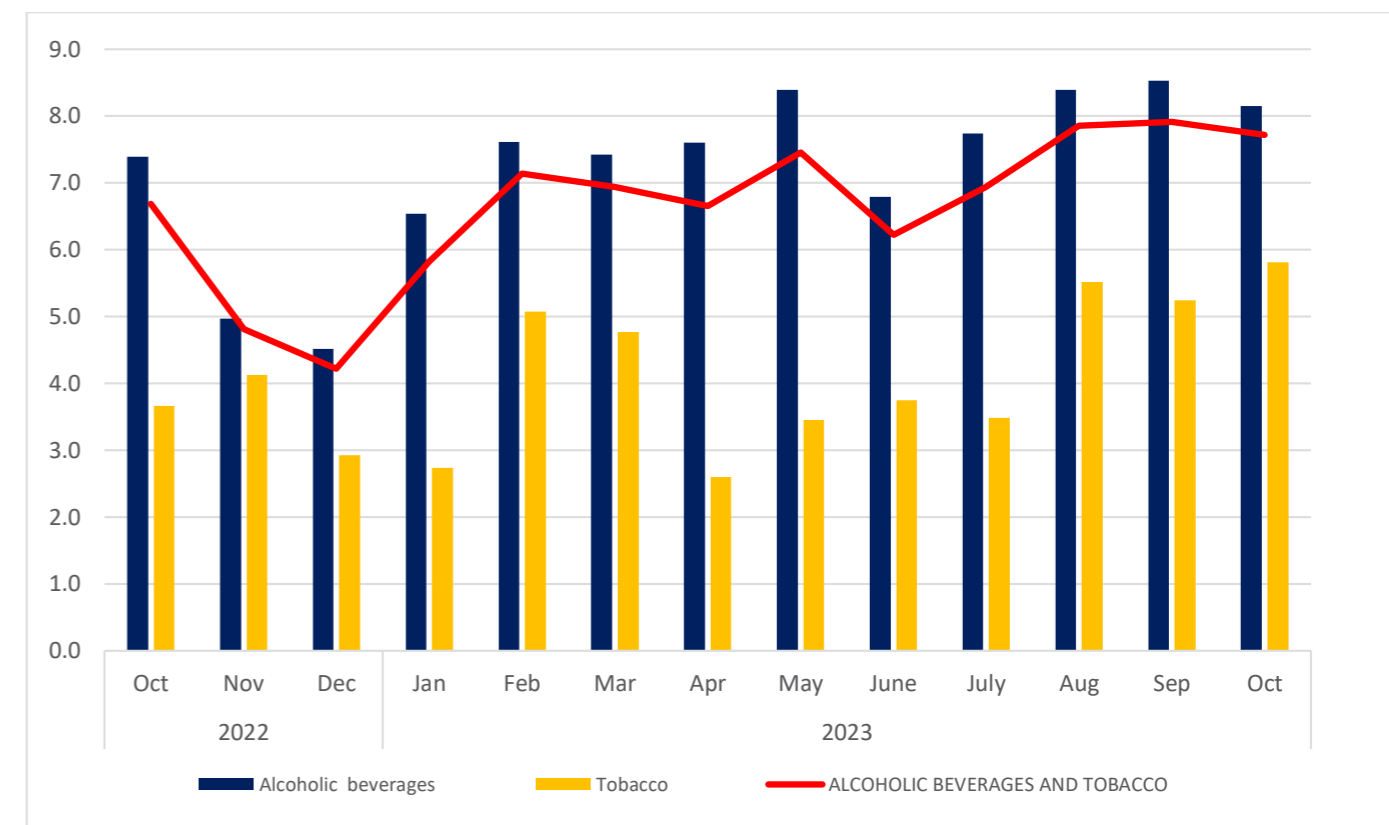
Purchase of vehicles registered annual inflation rate of 8.0 percent during October 2023 compared to 3.4 percent recorded in October 2022. The increase in the annual inflation rate for this category was observed in Motor cars (from 3.2% to 8.5%).

Alcoholic beverages and tobacco

Year-on-year inflation rate for Alcoholic beverages and tobacco stood at 7.7 percent in October 2023 compared to 6.7 percent registered in October of the preceding year. The increase in the annual inflation rate for this category resulted from increases witnessed in all subcomponents.

Month-on-month, inflation rate for this category inflation stood at 0.2 percent compared to 0.8 percent registered a month earlier.

Chart 9: Annual inflation rates (%) for Alcoholic beverages and tobacco (October 2022 – October 2023)



Annual inflation rate for Alcoholic beverages registered an increase of 8.1 percent in October 2023, compared to 7.4 percent recorded in October 2022. The main products which pushed up the inflation rate for this subcomponent were Sparkling wines/Champagnes (from -0.4% to 11.1%).

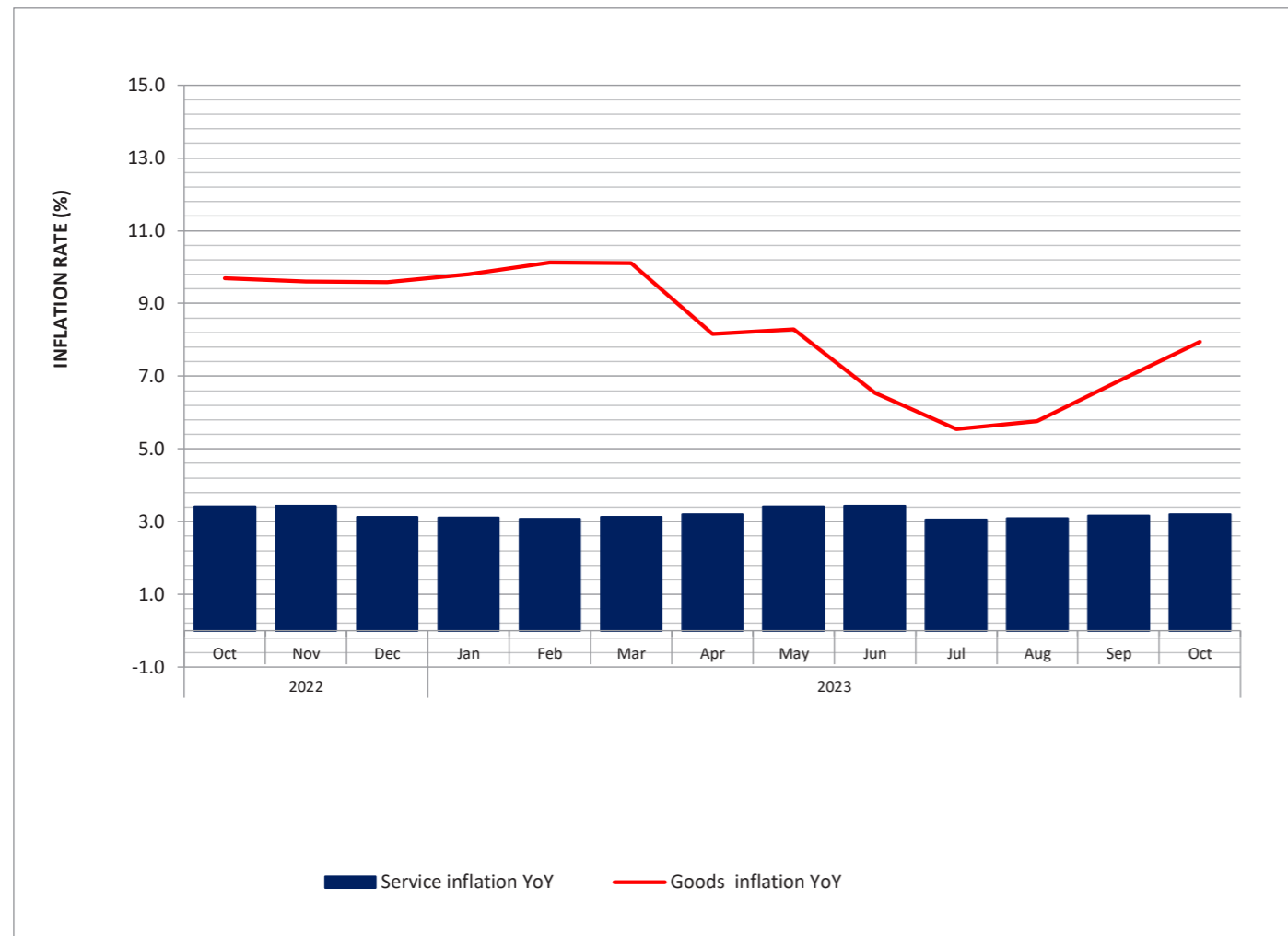
Annual inflation rate for Tobacco was estimated at 5.8 percent during the period under review compared to 3.7 percent recorded in October 2022. The increase in the price levels for this subcategory was reflected in Pipe tobacco (from -2.1% to 12.3%).

Goods and Services inflation rates

Goods annual percentage changes stood at 7.9 percent in October 2023 compared to 9.7 percent witnessed a year ago, while annual inflation rate for Services stood at 3.2 percent in October 2023 compared to 3.4 percent recorded in October 2022.

Month-on-month, the respective inflation rates for Goods and Services were estimated at 1.2 percent and 0.2 percent in October 2023, unchanged when compared to last month.

Chart 10: Goods and services annual inflation rates (%) (October 2022 – October 2023)



Inflation rates by Zones

The NCPI is designed to cover the entire economic territory of the country and includes national, urban, and rural households of all income groups as derived from the Namibia Household Income and Expenditure Survey (NHIES). For the compilation of the National CPI, all administrative regions of the country were grouped into three Zones, with each zone considered as one geographic area as follows: **Zone 1** (Kavango East, Kavango West, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa, and Zambezi); **Zone 2** (Khomas) and **Zone 3** (//Kharas, Erongo, Hardap and Omaheke).

Table 1: Zonal annual inflation rates (%) – October 2022 – October 2023

	Zone 1	Zone 2	Zone 3
Sept-22	6.6	7.8	6.9
Oct-22	6.5	7.8	6.8
Nov-22	6.4	7.9	6.9
Dec-22	6.5	7.6	6.4
Jan -23	7.4	6.5	7.1
Feb -23	7.6	6.7	7.3
Mar -23	7.7	6.6	7.2
Apr -23	6.3	5.9	6.0
May -23	6.3	6.2	6.3
June -23	5.2	5.4	5.2
July -23	4.7	4.6	4.2
Aug -23	5.3	4.5	4.0
Sep-23	6.1	5.2	4.6
Oct -23	6.6	5.7	5.6

Zone 1 - The year-on-year inflation rate stood at 6.6 percent during the period under review compared to 6.5 percent recorded during October 2022. The increase in the annual inflation rate emanated mainly from increases registered in the price levels of Alcoholic beverages and tobacco (from 5.4% to 11.2%); Recreation and culture (from 1.4% to 7.0%); Housing, water, electricity, gas, and other fuels (from 1.6% to 4.4%).

On a monthly basis, the inflation rate stood at 0.7 percent compared to 0.9 percent registered during the preceding month.

Zone 2 – Year-on-year inflation rate for the period under review stood at 5.7 percent, a slowdown when compared to 7.8 percent recorded during the same period of 2022. The slowdown emanated mainly from the price levels of Furnishing, household equipment and routine maintenance of the house (from 18.3% to 4.9%), Transport (from 18.4% to 7.0%) and Hotels, cafes, and restaurants (from 14.9% to 10.0%).

On a monthly basis, the inflation rate stood at 0.7 percent in October 2023 compared to 0.8 percent recorded during the preceding month.

Zone 3 – The year-on-year inflation rate slowed to 5.6 percent in October 2023 down from 6.8 percent recorded during same period last year. The decrease in the annual inflation rate resulted mainly from decreases witnessed in the price levels of Transport (from 19.5% to 6.7%).

On a monthly basis, the inflation rate for October 2023 increased by 1.1 percent compared to 0.7 as registered last month.

Zonal average prices N\$ on selected products

Table 2: Average prices in N\$ on selected products– October 2023

Item	Unit of measurement	Zone 1	Zone 2	Zone 3
White bread	Each	14.24	14.71	13.82
Brown bread	each	13.82	14.54	13.66
Chicken, frozen assorted pieces	1.5kg	80.49	84.79	96.04
Eggs	Pack of 6	19.98	22.42	21.07
Citrus Fruits	Per kg			
Oranges, loose	Per kg	22.55	25.22	25.70
Grapefruit: loose	Per kg	26.12	29.55	26.60
Lemons: loose	Per kg	23.99	31.32	23.52
Pure Sunflower oil	750ml	31.78	31.64	30.47
Brown sugar	1kg	19.91	21.49	20.82
Honey	500g	91.52	100.89	98.51
Beef	Per kg			
Stewing Beef	Per kg	87.23	88.39	91.91
Rump steak	Per kg	164.47	179.73	174.18
Fillet steak	Per kg	249.97	240.63	238.26
Beef brisket	Per kg	89.33	107.50	104.42
Beer (local)	330ml	13.03	13.18	12.90
Petrol	Per litre	23.38	23.30	23.31
Diesel	Per litre	23.66	23.58	23.58

Box 2: NCPI basket weights

Inflation is calculated based on a basket of goods and services, containing a representative sample of the goods and or services commonly consumed in a country, and weighted in accordance with the relative percentage of expenditure allotted to each of the said goods at household level. The price of these goods and services are then tracked over time, to illustrate the change in the cost of living over time. As spending patterns change, new products and services are added to the basket, and the basket is reweighted to better capture the current spending patterns of the consumer at the current point in time.

As such, the inflation basket is generally reconstituted every five years. In Namibia, the basket was last rebased in 2013, using household expenditure data collected in the 2009/10 Household Income and Expenditure Survey. The basket now contains over 350 items, grouped into 12 categories and 55 sub-categories, for which prices are collected monthly from more than 900 retail outlets.

Namibian inflation is largely determined by three categories of the overall NCPI basket, namely: (i) Housing, water, electricity, gas, and other fuels, (ii) Food and non-alcoholic beverages and (iii) Transport, which cumulatively make up just under 60 percent of the total inflation basket. Additionally, following the rebasing of the NCPI basket in 2013, "Alcoholic beverages and tobacco" make up additional.

12.6 percent of the basket, meaning that the four largest categories represent well over 70 percent of the total basket. As such, a large increase in inflation in these categories has a greater impact on the overall inflation than increases in the lower weighted categories. Thus, it is rare to see major increases in overall inflation attributed to the lower weighted categories, even though these categories may have seen relatively high inflation.

Category	Weight %
Housing, Water, Electricity, Gas and Other Fuels	28.4
Food and Non-Alcoholic Beverages	16.5
Transport	14.3
Alcoholic Beverages and Tobacco	12.6
Furnishing, Household Equipment...	5.5
Miscellaneous Goods and Services	5.4
Communications	3.8
Education	3.7
Recreation and Culture	3.6
Clothing and Footwear	3.1
Health	2.0
Hotels, Cafés, and Restaurants	1.4

BOX 3: Zonal NCPI weights

	NCPI MAIN GROUPS	Weights		
		ZONE 1	ZONE 2	ZONE 3
1	Food and non-alcoholic beverages	20.4	12.3	16.5
2	Alcoholic beverages and tobacco	13.1	11.0	14.3
3	Clothing and footwear	3.9	2.4	2.6
4	Housing, water, electricity, gas, and other fuels	25.8	32.7	25.5
5	Furnishings, household equipment and routine maintenance of the house	5.8	5.2	5.3
6	Health	1.6	2.3	2.2
7	Transport	14.7	13.0	15.6
8	Communications	3.5	3.8	4.4
9	Recreation and culture	2.2	4.8	3.7
10	Education	3.2	4.5	3.1
11	Hotels, cafes and restaurants	0.9	2.0	1.1
12	Miscellaneous goods and services	4.8	5.8	5.6
	All items	100.0	100.0	100.0

Annexure

Annex A: NCPI: All Items Index, monthly and annual percentage changes October 2023

Period		Index	m-o-m	y-o-y
2022	Jan	149.7	1.1	4.6
	Feb	150.1	0.2	4.5
	Mar	150.9	0.5	4.5
	Apr	153.0	1.4	5.6
	May	153.1	0.1	5.4
	Jun	154.7	1.0	6.0
	Jul	156.2	1.0	6.8
	Aug	156.7	0.3	7.3
	Sep	156.9	0.1	7.1
	Oct	157.1	0.2	7.1
	Nov	158.0	0.5	7.0
	Dec	158.4	0.3	6.9
	An. Av	154.6	0.6	6.1
2023	Jan	160.2	1.1	7.0
	Feb	160.8	0.4	7.2
	Mar	161.7	0.6	7.2
	Apr	162.4	0.4	6.1
	May	162.8	0.2	6.3
	June	162.9	0.1	5.3
	July	163.3	0.3	4.5
	Aug	164.0	0.4	4.7
	Sep	165.3	0.8	5.4
	Oct	166.6	0.8	6.0

Annex B: NCPI Zonal All - Items Index, Monthly and Annual inflation rates (Dec 2012=100)

Zones		Zone 1			Zone 2			Zone 3		
Period		Index	m-o-m	y-o-y	Index	m-o-m	y-o-y	Index	m-o-m	y-o-y
2022	Jan	147.9	0.5	4.1	146.8	2.0	5.3	157.5	0.4	4.4
	Feb	148.4	0.3	3.9	147.2	0.2	5.3	157.7	0.1	4.1
	Mar	149.1	0.5	3.8	147.8	0.5	5.3	158.8	0.7	4.4
	Apr	151.5	1.6	5.1	149.7	1.3	6.3	160.9	1.3	5.3
	May	151.6	0.0	4.8	149.9	0.1	6.3	161.1	0.1	5.1
	June	153.3	1.1	5.6	151.2	0.9	6.7	162.8	1.1	5.6
	July	154.4	0.7	6.2	152.9	1.1	7.7	164.6	1.1	6.6
	Aug	155.0	0.4	6.8	153.2	0.1	7.9	165.3	0.4	7.2
	Sept	155.2	0.1	6.6	153.4	0.1	7.8	165.5	0.2	6.9
	Oct	155.5	0.2	6.5	153.6	0.2	7.8	165.7	0.1	6.8
	Nov	156.3	0.5	6.4	154.5	0.5	7.9	166.6	0.5	6.9
	Dec	156.8	0.3	6.5	154.9	0.3	7.6	166.9	0.2	6.4
	An. Av	152.9	0.5	5.5	151.3	0.6	6.8	162.8	0.5	5.8
2023	Jan	158.9	1.4	7.4	156.3	0.9	6.5	168.8	1.1	7.1
	Feb	159.6	0.5	7.6	157.0	0.4	6.7	169.2	0.3	7.3
	Mar	160.6	0.6	7.7	157.7	0.4	6.6	170.3	0.6	7.2
	Apr	161.2	0.3	6.3	158.6	0.6	5.9	170.6	0.2	6.0
	May	161.2	0.0	6.3	159.2	0.4	6.2	171.3	0.4	6.3
	June	161.2	0.0	5.2	159.4	0.1	5.4	171.3	0.0	5.2
	July	161.6	0.2	4.7	160.0	0.4	4.6	171.6	0.2	4.2
	Aug	163.1	1.0	5.3	160.0	0.0	4.5	171.9	0.2	4.0
	Sep	164.6	0.9	6.1	161.3	0.8	5.2	173.1	0.7	4.6
	Oct	165.8	0.7	6.6	162.3	0.7	5.7	175.00	1.1	5.6

Annex C: Background of the Zonal Consumer Price Index

The NCPI is designed to cover the entire economic territory of the country and includes national, urban and rural households of all income groups as derived from the Namibia Household Income and Expenditure Survey (NHIES). For the compilation of the National CPI, all administrative regions of the country were grouped into three Zones, with each zone considered as one geographic area as follows.

Zone 1 covers the expenditure patterns of the regions in the northern part of the country namely Kavango East, Kavango West, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa and Zambezi. Prices are collected from the following towns: Katima Mulilo (76 retail outlets covering mainly the Central Business District); Oshakati (107 retail outlets covering mainly Game Shopping Center, Yetu Shopping Center, Oshana Mall, Marula Mall and Ongwediva); and Otjiwarongo (114 retail outlets covering mainly the Central Business District, Orwetoveni, and the Industrial Area).

Zone 2 covers the expenditure patterns of Khomas region, and the price collection covers Windhoek (218 retail outlets covering mainly Khomasdal, Katutura, Northern Industrial Area, Southern Industrial Area, Pioneers Park, Hochland Park, Prosperita, Klein Windhoek, Eros, and Kleine Kuppe).

Zone 3 covers the expenditure patterns of //Kharas, Erongo, Hardap, and Omaheke regions with prices being collected from Keetmanshoop (86 retail outlets covering mainly Central Business District, West Dene and Tseiblagte); Swakopmund (108 retail outlets covering Central Business District, Mondesa, Tamariskia, Industrial Area); Mariental (61 retail outlets covering mainly Central Business District and Ombili); as well as Gobabis (59 retail outlets mainly covering the Central Business District), respectively.

The localities identified for price collection were selected based on a mixed criterion of:

- i. the relative importance of the locality as determined by its relative share exceeding 30 percent of the total household expenditure at national level.
- ii. geographic distribution of economic activities; and
- iii. Regional capitals.

Annex D: Forthcoming report

Report	Expected release date
November	07 December 2023

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Namibia Statistics Agency (NSA)
FGI House 44 Post Street Mall, Windhoek
Namibia P.O.Box 2133, Windhoek, Namibia
Tel: 061-431 3200, Fax: 061-4313253
www.nsa.org.na