

### **REPUBLIC OF NAMIBIA**

# NATIONAL PLANNING COMMISSION SECRETARIAT

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## NAMIBIA CONSUMER PRICE INDEX- (NCPI)

(June 2009)

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#### PREFACE

From February 2005 the Central Bureau of Statistics (CBS), National Planning Commission Secretariat (NPCS), started producing and publishing the Namibia Consumer Price Index (NCPI). It replaces the **Interim Consumer Price Index for Windhoek** that had been running since January 1993, with December 1992 as a base period.

With the NCPI, the CPI population coverage is extended to include all Namibian private households living in urban and rural areas and is compiled by comparing the prices of the goods and services with the prices prevailing in December 2001. It measures the rate at which the prices of consumer goods and services are changing from month to month. The prices are collected from more than 650 retail outlets in 8 localities. The index is calculated as a weighted arithmetic average of the proportionate changes in the prices of goods and services in the basket, with the weights representing the expenditure shares on each commodity in 1993-94 NHIES. The index is published about 15 days after the end of the reference month to which it relates.

The CPI is widely used as a measure of the rate of inflation as experienced by households in their role as consumers. The CPI has become a key statistic for purposes of economic policy-making, especially monetary policy. It is often specified in legislation and in a wide variety of private contracts for the purposes of adjusting payments (such as wages, rents, interest and social security benefits) for the effects of inflation. It can therefore have substantial and wide-ranging financial implications for governments and businesses, as well as for households.

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#### **SUMMARY COMMENTS**

The monthly inflation rate for June 2009 was estimated at 0.4 percent, the same percentage points recorded in May 2009

The All Items Index for June increased by 0.7 percentage points up from 164.2 in May 2009 to 164.9

The index for Food and Non Alcoholic Beverages for June 2009 increased to 192.5 a monthly increase of 0.7 percentage points from 191.8 recorded in May 2009. This increase was due to increases recorded in the subgroups of Bread and Cereals (3.5 percent), Milk, cheese and eggs (1.3 percent), Oils and fats as well as Food products n.e.c (1.2 percent) respectively, Mineral waters, soft drinks and juices (0.8 percent), Food (0.4 percent) as well as Non-alcoholic beverages (0.3 percent).

The annual inflation rate for June 2009 stood at 9.1 percent compared to 10.3 percent recorded during the same period last year. The annual inflation rates for the major groups comprising the NCPI were Food and Non-Alcoholic Beverages (11.5 percent), Housing, Water, Electricity, Gas and Other Fuels (8.2 percent) and Transport (4.1 percent).

Below are the detailed results of the NCPI for the month of June 2009 as shown in the Tables 1-5 and in Charts 1-5 respectively.