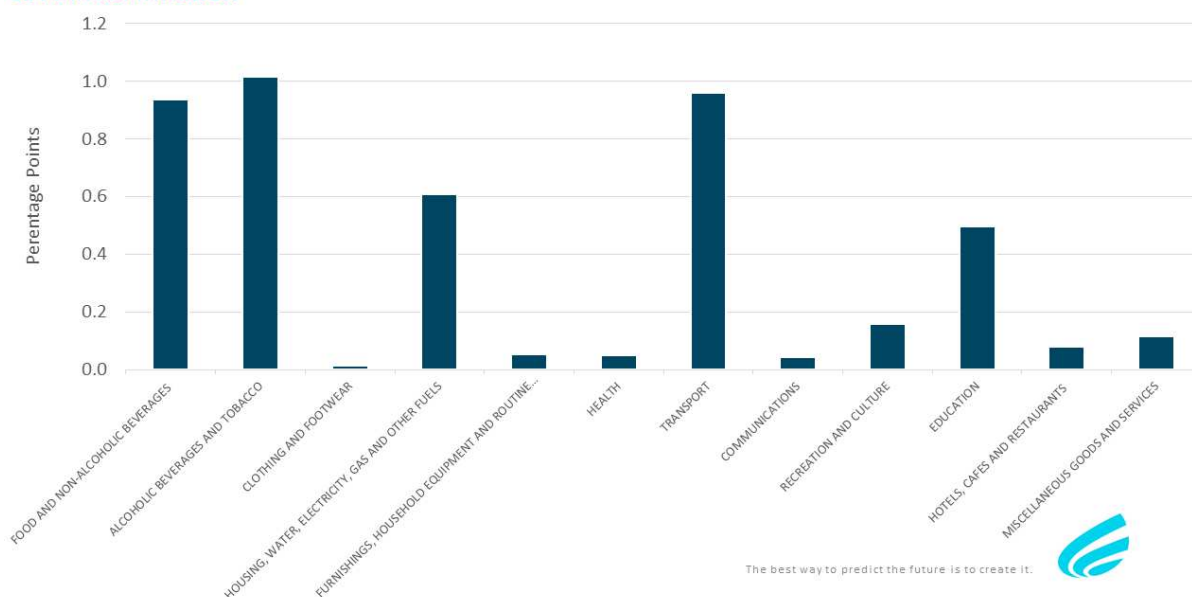


NCPI Note – April 2019

Annual inflation for April 2019 increased to 4.5% from the 3.6% recorded a year ago. For the first four months this year, annual inflation has averaged 4.5% and is expected to remain below 5% for 2019.

The increase in annual inflation was once again driven by the same culprits. Food and non-alcoholic beverages rose by 5.3%, the slowest rate so far this year for this category, owing largely to slower price growth for items such as bread and cereals, and vegetables. Price levels for alcoholic beverages and tobacco accelerated to 7.5%, the fastest rate annual rate for this component in three years. Annual inflation in the transport component reached 7.1%, in part due to marginally higher fuel prices than a year prior.

Percentage Point Contribution to Annual Inflation



Looking ahead, inflation in the transport and food components can be expected owing to rising oil prices and the regional drought, which will see Namibia needing to import crops from her neighbours.

This is also the first incorporation of zonal CPIs for Namibia. Zone 1 covers the northern regions of the country (Kavango East, Kavango West, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa, and Zambezi). Zone 2 covers the Khomas region, focusing on retail outlets in select suburbs of Windhoek. Zone 3 monitors the //Karas, Erongo, Hardap, and Omaheke regions.

Annual inflation was lowest in Zone 1, at 3.8% for April 2019. Zones 2 and 3 exhibited significantly higher annual inflation, at 5.0% and 4.8% respectively.

Zonal Annual Inflation

