



SOUTHERN AFRICAN DEVELOPMENT COMMUNITY
TOWARDS A COMMON FUTURE
SADC Harmonised Consumer Price Indices (HCPI)
December 2014

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The SADC Region registered annual inflation rate of 5.4% in December 2014 compared to December 2013 as measured by the HCPI. This represents a 0.5% reduction from the annual rate recorded in November 2014 compared to November 2013. Month on Month inflation rate registered no change in December 2014 compared to November 2014.

Introduction

This is the fortieth issue in series since the launch of news releases on SADC HCPI initiative. It provides updates up to December 2014 on HCPI for SADC Member States

Annual Inflation rates for SADC Member States

The reported annual inflation rates for December 2014 for Member States range from a highest at 24.8% for Malawi to -0.6% for Zimbabwe. As in previous months, Malawi continued to record the highest, double digit inflation rate among the SADC Member States. The annual inflation rates for the rest of the other Member States were reported as follows: Angola (6.3%), Botswana (3.9%), Democratic republic of Congo (1.0%), Lesotho (3.7%), Madagascar (6.5%), Mauritius (0.1%), Mozambique (1.9%), Namibia (4.8%), Seychelles (0.1%), South Africa (5.5%), Swaziland (6.1%),

Tanzania (4.7%) and Zambia (9.8%), as reflected in table 2 below.

Compared to the SADC regional annual average inflation rate of 5.4% for December 2014, nine SADC Member States recorded annual rates below the regional average whilst six Member States namely: Angola, Madagascar, Malawi, South Africa, Swaziland and Zambia registered rates higher than the regional average. See figure 3 below for more details.

Month on Month Inflation rates for SADC Member States

Four SADC Member States registered decreases in the month on month inflation rates in December 2014, with Botswana and South Africa registering the highest rate of 0.4% decrease. The highest month on month inflation rate of 5.6% was registered by Malawi as reflected in table 1 below.

Annual Inflation Rates by COICOP divisions

With regard to the Classification of Individual Consumption by Purpose (COICOP) major divisions, eight Divisions registered annual inflation more than the regional average of 5.4% in December 2014 compared to December 2013. These include Miscellaneous Goods & Services (6.1%), Food and Non-alcoholic Beverages (6.3%), Alcoholic Beverages and Tobacco (6.4%), Housing, Water, Electricity, Gas and Other Fuels (6.9%), Restaurant and Hotels (7.0%), Clothing and footwear (7.4%), Health (7.5%), and Education (7.6%). The remaining Divisions recorded annual rates of inflation below the SADC average of 5.4%. See table 4 below.

Month on Month Inflation Rates by COICOP divisions

All the Divisions recorded increases in month on month inflation in November 2014 with the exception of Transport and Communication registering decreases of 1.4% and 0.5% respectively. Table 3 below provides details.

Figure 1: Month on month inflation rate (%) in SADC region for the period: December 2013 to December 2014

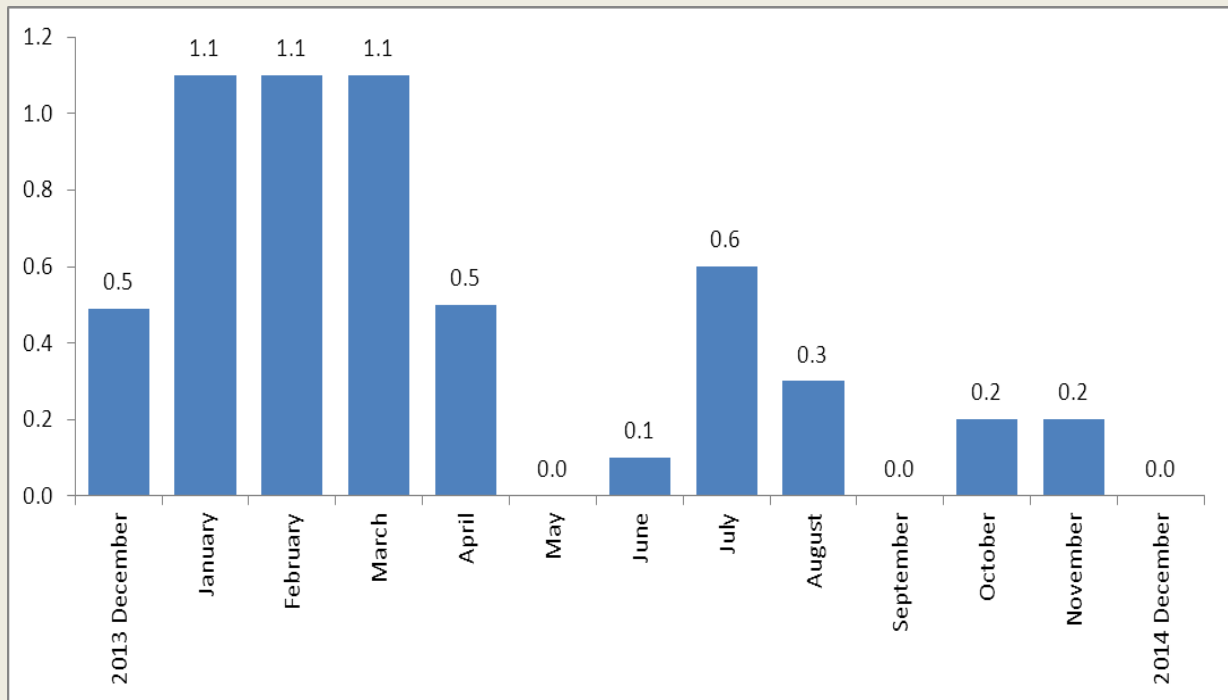


Figure 2: Annual inflation rate (%) in SADC region for the period: December 2013 to December 2014

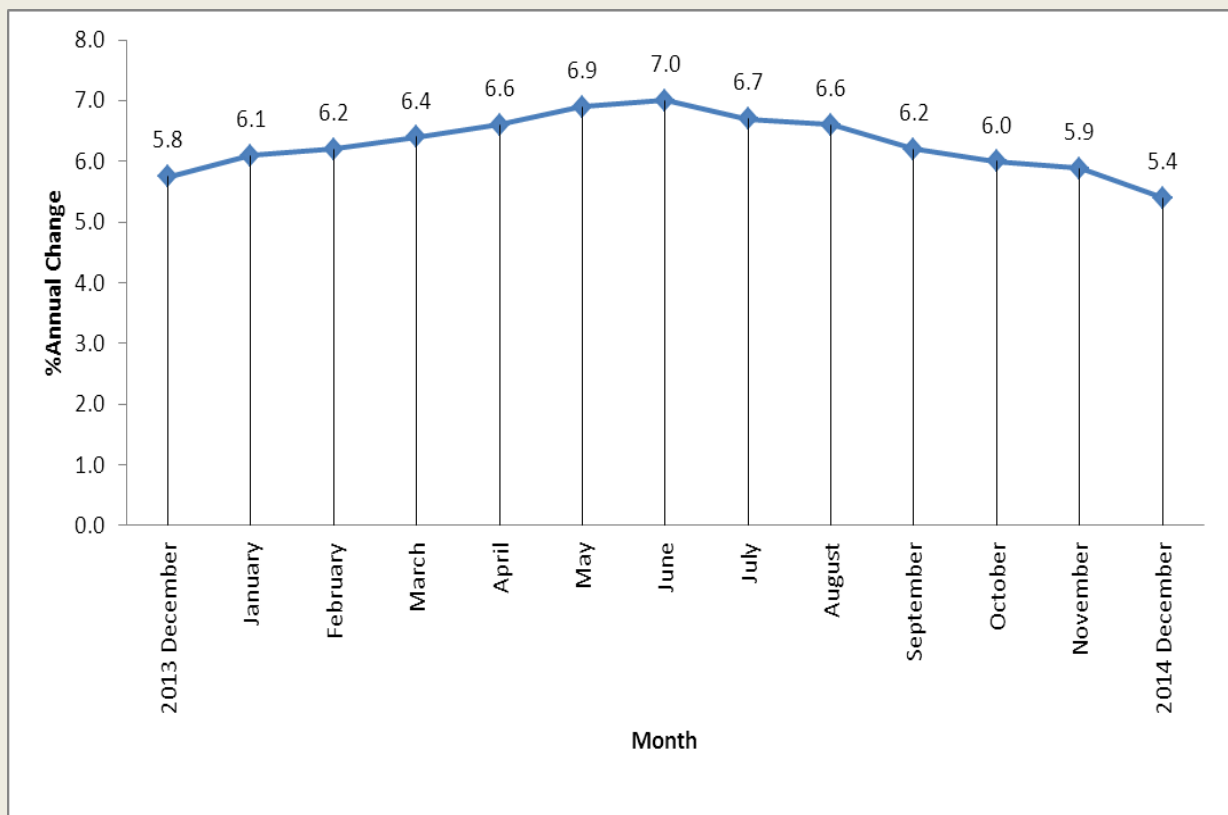


Figure 3: Annual inflation rate (%) for SADC region and SADC Member States as at December 2014

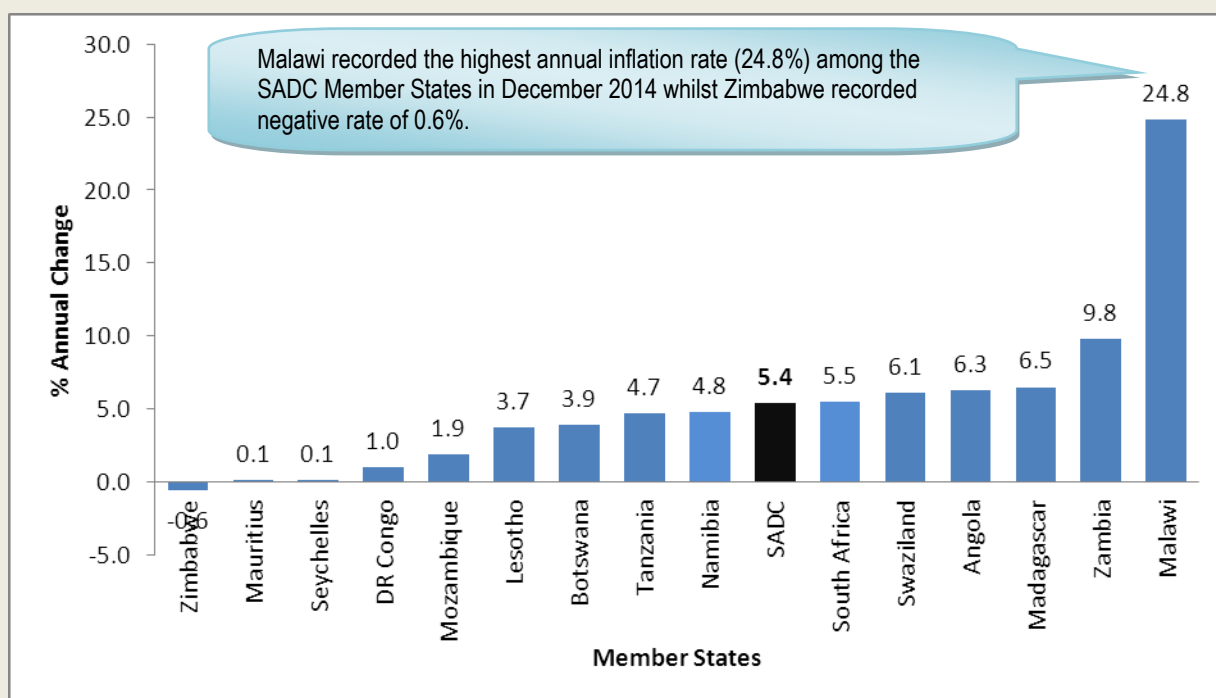


Table 1: Month on Month inflation rates (%) for SADC Member States as measured by National HCPIs, 2014

Member State	Country weights	Feb14 Mar14	Mar14 Apr14	Apr14 May14	May14 June14	June14 July14	July14 Aug14	Aug14 Sept14	Sept4 Oct14	Oct4 Nov14	Nov4 Dec14
Angola*		0.2	0.4	0.6	0.4	0.6	0.5	0.7	0.3	0.4	0.8
Botswana	2.32	0.3	0.8	0.2	0.2	0.1	0.3	0.3	0.1	0.3	-0.4
Congo DR	4.89	0.2	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.0	0.1
Lesotho	0.76	0.7	1.1	0.9	0.3	0.0	-0.2	-0.4	0.2	0.0	0.2
Madagascar	3.56	0.3	0.5	0.3	0.3	0.3	0.4	0.5	0.4	0.7	1.1
Malawi	1.61	0.3	-0.1	-3.7	-1.1	-2.1	2.0	1.5	2.4	4.3	5.6
Mauritius	2.30	-0.6	0.0	-1.8	0.1	-0.1	0.2	-0.6	1.0	0.1	0.0
Mozambique	4.03	0.9	0.1	-0.4	-0.6	0.0	-0.6	-0.2	0.1	0.4	0.7
Namibia	1.87	0.8	1.0	0.3	1.5	-0.9	0.3	0.1	0.1	0.3	-1.0
Seychelles	0.16	0.5	0.1	-0.5	0.0	0.2	-0.3	0.1	0.2	-0.9	0.6
South Africa	64.34	1.5	0.5	0.2	0.2	0.9	0.3	-0.2	0.2	0.0	-0.4
Swaziland	1.23	0.6	0.6	0.3	0.1	1.3	0.3	0.5	0.1	0.2	-0.1
Tanzania	8.05	0.5	0.7	-0.5	-0.4	0.2	0.1	0.6	-0.1	0.6	0.3
Zambia	3.11	0.7	0.8	0.8	0.5	1.0	0.6	0.2	0.5	0.7	1.2
Zimbabwe	1.78	(0.3)	0.6	-0.1	0.0	0.0	-0.4	0.2	-0.1	-0.6	-0.1
SADC	100.00	1.1	0.5	0.0	0.1	0.6	0.3	0.0	0.2	0.2	0.0

Angola did not participate in the 2009 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, 2014

Member State	Country weights	Mar13 Mar14	Apr13 Apr14	May13 May14	June13 June14	July13 July14	Aug13 Aug14	Sept13 Sept14	Oct13 Oct14	Nov13 Nov14	Dec13 Dec14
Angola*		7.2	6.9	6.6	6.3	6.1	6.2	6.6	6.3	6.2	6.3
Botswana	2.32	4.8	5.0	5.1	5.0	5.0	5.0	5.0	4.8	4.6	3.9
Congo DR	4.89	1.6	1.7	1.7	1.6	1.5	1.3	1.2	1.2	1.1	1.0
Lesotho	0.76	5.4	6.1	5.1	6.3	6.5	6.1	6.1	4.2	3.2	3.7
Madagascar	3.56	7.2	7.6	7.7	7.5	7.2	7.1	6.9	6.7	6.5	6.5
Malawi	1.61	24.1	24.0	23.6	23.2	23.0	24.9	24.2	23.7	24.3	24.8
Mauritius	2.30	2.1	4.2	3.1	3.9	3.7	4.2	3.0	1.2	0.3	0.1
Mozambique	4.03	3.4	3.2	3.1	2.8	3.0	2.6	2.1	2.0	1.7	1.9
Namibia	1.87	7.1	7.0	6.9	8.6	6.8	6.7	6.7	6.4	6.3	4.8
Seychelles	0.16	2.5	2.4	1.7	1.1	1.1	0.2	0.0	0.4	-0.4	0.1
South Africa	64.34	6.6	6.7	7.4	7.4	7.1	7.0	6.3	6.3	6.2	5.5
Swaziland	1.23	3.7	5.3	5.5	5.5	6.1	5.9	6.1	6.1	7.2	6.1
Tanzania	8.05	6.3	6.3	6.5	6.4	6.7	6.5	6.6	5.7	5.7	4.7
Zambia	3.11	9.4	9.6	9.4	8.5	8.0	8.6	8.4	8.9	9.3	9.8
Zimbabwe	1.78	-0.9	-0.2	-0.1	0.0	0.4	0.1	0.2	0.2	-0.6	-0.6
SADC	100.00	6.4	6.6	6.9	7.0	6.7	6.6	6.2	6.0	5.9	5.4

Angola did not participate in the 2009 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCE) which are used as country weights for HCPI compilation

Figure 4: COICOP Divisions annual inflation rates as at December 2014

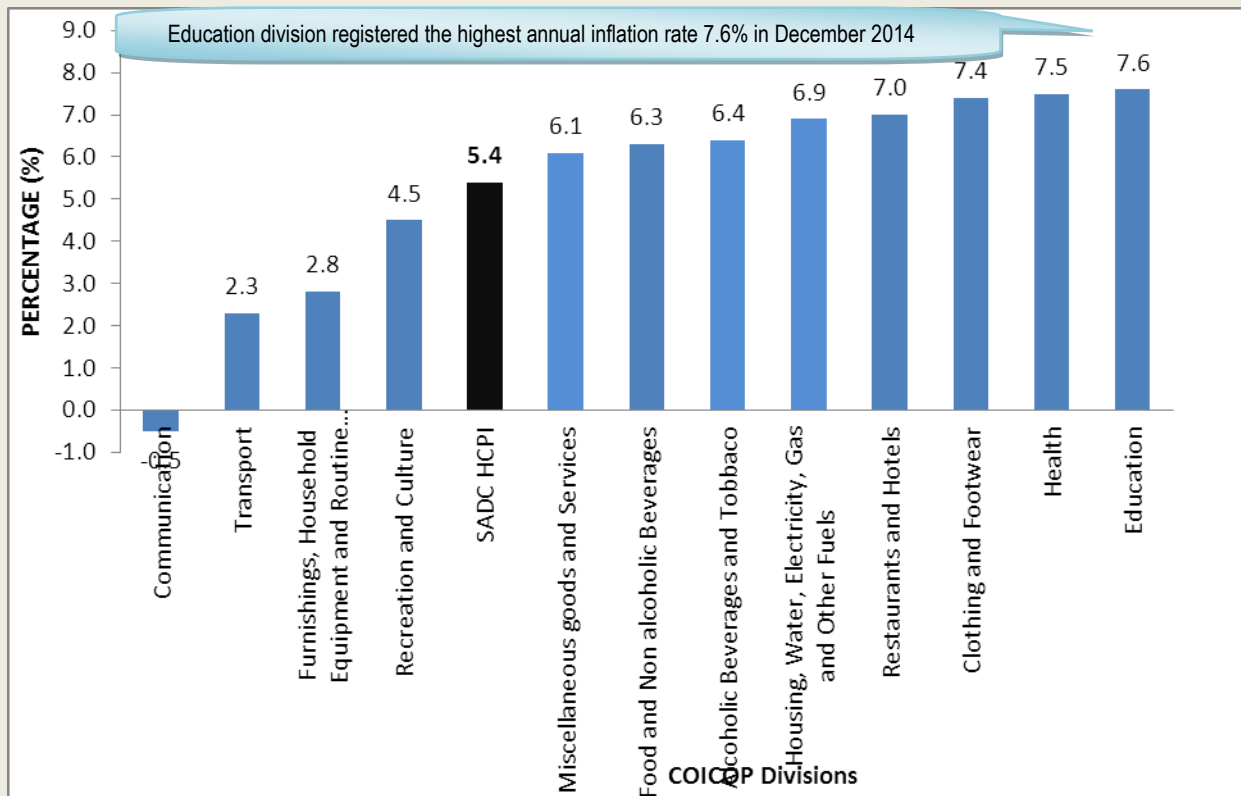


Table 3: Month on Month inflation rates (%) for the COICOP divisions, 2014

Divisions	Division weights	Feb14 Mar14	Mar14 Apr14	Apr14 May14	May14 Jun14	Jun14 Jul14	Jul14 Aug14	Aug14 Sept14	Sept14 Oct14	Oct14 Nov14	Nov14 Dec14
All items HCPI	1000.00	1.1	0.5	0.0	0.1	0.6	0.3	0.0	0.2	0.2	0.0
Food & non-alcoholic beverages	297.59	1.2	0.9	0.3	-0.1	-0.2	0.4	0.1	0.0	0.6	0.2
Alcoholic beverages & tobacco	53.99	1.4	0.5	0.4	0.1	0.8	0.4	0.2	0.8	0.5	0.1
Clothing & footwear	53.80	1.1	0.5	0.4	0.3	0.4	0.7	0.6	0.6	0.8	0.6
Housing, water, electricity, gas & other fuels	126.28	0.7	0.4	-0.2	0.4	3.1	0.3	0.4	0.1	0.2	0.3
Furnish, household equip & routine maintenance	56.45	0.6	0.1	-0.1	0.9	-0.1	-0.1	0.4	0.0	0.1	0.2
Health	15.92	1.0	0.6	0.2	0.5	0.3	0.0	0.4	0.6	0.6	0.1
Transport	150.43	1.4	0.3	0.0	0.1	0.9	0.4	-1.0	0.2	-0.7	-1.4
Communications	26.82	0.0	-0.3	-0.1	0.1	0.0	0.1	-0.1	0.1	-0.1	-0.5
Recreation and culture	28.10	0.6	0.7	0.2	0.2	0.3	0.2	0.2	0.1	0.2	0.6
Education	30.01	5.3	0.2	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.1
Restaurants and hotels	43.89	0.8	0.6	0.3	0.4	0.3	0.7	0.7	0.5	0.8	0.2
Miscellaneous goods and services	116.74	0.4	0.8	0.1	0.0	0.3	0.1	0.2	0.1	0.2	0.1

Table 4: Annual inflation rates (%) for the COICOP divisions, 2014

Divisions	Division weights	Mar13 Mar14	Apr13 Apr14	May13 May14	June13 June14	July13 July14	Aug13 Aug14	Sept13 Sept14	Oct13 Oct14	Nov13 Nov14	Dec13 Dec14
All items HCPI	1000.00	6.4	6.6	6.9	7.0	6.7	6.6	6.2	6.0	5.9	5.4
Food & non-alcoholic beverages	297.59	7.2	7.7	8.4	8.5	8.2	8.4	7.7	7.0	6.6	6.3
Alcoholic beverages & tobacco	53.99	6.8	6.1	6.1	5.9	5.8	6.0	6.0	6.3	6.6	6.4
Clothing & footwear	53.80	5.9	6.2	6.2	6.3	6.4	6.5	6.5	6.6	7.1	7.4
Housing, water, electricity, gas & other fuels	126.28	7.3	7.4	7.0	7.0	7.3	7.2	7.4	7.1	6.9	6.9
Furnish, household equip & routine maintenance	56.45	3.7	3.8	3.6	3.8	3.6	3.5	3.0	2.9	2.7	2.8
Health	15.92	6.7	6.2	6.0	6.7	6.9	6.7	6.8	7.0	7.5	7.5
Transport	150.43	6.7	6.6	7.8	7.8	6.5	5.9	4.7	4.9	4.4	2.3
Communication	26.82	0.0	0.2	0.2	-0.3	-0.5	-0.4	-0.5	-0.6	-0.1	-0.5
Recreation and culture	28.10	4.1	4.4	4.6	4.6	4.9	4.7	4.1	4.3	4.1	4.5
Education	30.01	8.2	8.3	8.1	8.0	8.0	8.1	8.1	7.9	7.7	7.6
Restaurants and hotels	43.89	7.0	7.2	7.1	7.2	7.3	7.5	7.7	7.7	7.6	7.0
Miscellaneous goods and services	116.74	5.7	6.2	6.4	6.2	6.4	6.3	6.3	5.8	5.9	6.1

Table 5: Month on month inflation rates (%) for SADC Member States as measured by National HCPIs, 2013

Member State	Country weights	Month on month inflation rates											
		Dec12	Jan13	Feb13	Feb13	Ápr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13
		Jan13	Feb13	Feb13	Apr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13	Dec13
Angola			0.9	0.9	0.7	0.9	0.6	0.8	0.4	0.3	0.7	0.5	0.6
Botswana	2.32	1.1	0.2	0.3	0.6	0.2	0.3	0.1	0.2	0.3	0.3	0.4	0.3
Congo DR	4.89	0.1	0.3	0.1	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.2
Lesotho	0.76	3.6	-1.6	-0.1	0.4	1.8	-0.8	-0.1	0.1	-0.4	2.0	0.9	-0.3
Madagascar	3.56	1.3	0.4	0.6	0.1	0.2	0.5	0.5	0.5	0.7	0.7	0.9	1.0
Malawi	1.61	7.3	5.6	0.6	0.0	-3.3	-0.9	-2.0	0.4	2.1	2.8	3.8	5.2
Mauritius	2.30	1.6	-1.2	-0.3	-2.0	-0.8	-0.6	0.1	-0.3	0.6	2.7	1.0	0.1
Mozambique	4.03	1.2	1.2	0.3	0.3	-0.4	-0.3	-0.2	-0.2	0.2	0.2	0.7	0.5
Namibia	1.87	1.8	0.4	0.9	1.2	0.4	0.0	0.7	0.4	0.2	0.4	0.4	0.3
Seychelles	0.16	1.1	0.6	0.6	0.2	0.7	0.2	0.2	0.6	0.3	-0.1	-0.1	0.1
South Africa	64.34	0.2	1.0	1.2	0.4	-0.4	0.2	1.3	0.4	0.4	0.2	0.1	0.2
Swaziland	1.23	2.0	0.7	-0.9	-0.9	0.2	0.0	0.7	0.6	0.3	0.1	-0.7	1.0
Tanzania	8.05	1.4	1.5	0.2	0.7	-0.6	-0.4	0.0	0.3	0.5	0.8	0.7	1.3
Zambia	3.11	2.1	1.3	1.0	0.6	1.0	1.3	1.5	0.1	0.4	0.1	0.3	0.7
Zimbabwe	1.78	1.6	0.7	0.6	0.0	-0.2	-0.1	-0.4	-0.1	0.1	0.0	0.1	0.0
SADC	100.0	0.8	1.0	0.9	0.3	-0.3	0.1	0.8	0.4	0.4	0.4	0.3	0.5

Angola did not participate in the 2009 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCE) which are used as country weights for HCPI compilation

Table 6: Annual inflation rates (%) and annual averages (%) for SADC Member States as measured by National HCPIs, 2013

Member State	Country weights	Annual inflation rates												
		Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	Avg 13
		Jan13	Feb13	Mar13	Ápr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13	Dec13	
Angola*														
Botswana	2.32	8.6	8.5	8.3	8.0	6.5	6.3	6.2	5.9	5.3	5.2	4.6	4.4	6.5
Congo DR	4.89	1.6	2.8	1.7	1.4	1.5	1.5	1.3	1.6	1.6	1.7	1.6	1.7	1.7
Lesotho	0.76	8.3	6.2	5.0	5.5	6.9	5.7	5.4	5.2	3.8	5.7	7.4	5.6	5.9
Madagascar	3.56	5.6	5.3	5.0	4.5	4.7	5.6	6.4	6.7	7	7.2	7.5	7.7	6.1
Malawi	1.61	36.2	41.7	43	41.8	32.9	28.7	25.8	21.8	20.1	20.5	21.2	23.2	29.2
Mauritius	2.30	6.1	6.3	5.6	2.9	4.6	4.0	4.4	4.0	4.7	5	4.7	1	4.4
Mozambique	4.03	2.5	4.0	4.2	4.7	4.9	5.0	4.8	4.5	4.7	4.6	4.2	3.7	4.3
Namibia	1.87	8.2	7.9	7.9	8.8	8.3	8.4	8.6	8.6	8.1	7.6	6.9	7.2	8.0
Seychelles	0.16	6.8	7.0	7.4	6.1	5.3	4.8	4.5	5	4.9	4.7	4.4	4.4	5.4
South Africa	64.34	6	6.8	7.1	7	6.3	6.2	7.3	7.4	6.6	6.8	5.4	5.4	6.5
Swaziland	1.23	7.5	7.2	6.4	3.4	3.6	3.0	3.8	3.3	4.5	2.5	2.1	2.9	4.2
Tanzania	8.05	11.5	11.1	10.1	9.8	9	8.2	8.1	7.5	6.9	7.3	7.2	6.3	8.5
Zambia	3.11	5.9	7.1	7.7	7.8	8.5	10.2	11.2	10.5	10.1	9.7	11	10.9	9.2
Zimbabwe	1.78	5.7	5.6	5.2	5.0	4.8	4.1	3.8	3.8	3.2	2.5	2.3	2.1	4.0
SADC	100.0	7.0	7.7	7.7	7.5	6.9	6.8	7.4	7.3	6.7	6.9	5.9	5.8	7.0

Angola did not participate in the 2009 ICP round hence there is no Household Final Monetary Consumption Expenditure data (HFMCE) which are used as country weights for HCPI compilation

Table 7: Month on month inflation rates (%) for the COICOP divisions, 2013

Divisions	Division Weights	Month on month inflation rates											
		Dec12	Jan13	Feb13	Feb13	Ápr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13
		Jan13	Feb13	Feb13	Apr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13	Dec13
All items HCPI	1 000.00	0.8	1.0	0.9	0.3	-0.3	0.1	0.8	0.4	0.4	0.4	0.3	0.5
Food & non-alcoholic beverages	297.59	1.0	0.4	0.0	0.4	-0.4	-0.2	0.0	0.3	0.7	0.8	0.9	0.5
Alcoholic beverages & tobacco	53.99	0.9	1.0	1.9	1.2	0.3	0.3	0.8	0.2	0.2	0.6	0.2	0.3
Clothing & footwear	53.80	0.8	0.1	0.5	0.3	0.5	0.1	0.3	0.7	0.6	0.5	0.4	0.4
Housing, water, electricity, gas & other fuels	126.28	0.0	-0.1	0.7	0.3	0.1	0.5	2.8	0.3	0.2	0.4	0.4	0.3
Furnish, household equipment & maint. of house	56.45	1.4	-0.3	0.6	0.0	0.0	0.6	0.1	0.0	0.9	0.1	0.3	0.1
Health	15.92		2.1	0.1	1.1	0.4	-0.1	0.1	0.1	0.4	0.4	0.1	0.1
Transport	150.43	1.2	1.2	2.0	0.5	-1.2	0.1	2.1	0.9	0.2	0.0	-0.2	0.6
Communication	26.82	1.8	0.1	0.5	-0.5	-0.1	0.7	0.3	0.0	0.0	0.2	-0.5	-0.1
Recreation and culture	28.10	2.1	0.3	0.6	0.5	0.1	0.2	-0.1	0.4	0.7	0.0	0.3	0.3
Education	30.01		0.3	5.9	0.1	0.3	0.1	0.0	0.0	0.1	0.3	0.2	0.2
Restaurants and hotels	43.89	-0.6	-0.1	0.3	0.5	0.3	0.3	0.3	0.5	0.5	0.5	0.8	0.8
Miscellaneous goods & services	116.74	0.7	3.4	0.1	0.3	0.0	0.2	0.1	0.2	0.2	0.5	0.1	-0.1

Table 8: Annual inflation rates (%) and annual averages (%) for the COICOP divisions, 2013

Divisions	Division Weights	Annual inflation												
		Jan12	Feb12	Mar12	Ápr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	Avg13
		Jan13	Feb13	Mar13	Ápr13	May13	Jun13	Jul13	Aug13	Sep13	Oct13	Nov13	Dec13	
All items HCPI	1000.0	7.0	7.7	7.7	7.5	6.9	6.8	7.4	7.3	6.7	6.9	5.9	5.8	7.0
Food & non-alcoholic beverages	297.59	6.1	6.5	6.2	6.6	6.3	6.3	6.4	6.6	5.8	4.7	4.6	4.4	5.8
Alcoholic beverages & tobacco	53.99	9.4	10.1	7.7	8.4	8.5	8.4	8.6	8.3	8.3	8.7	8.4	8.4	8.6
Clothing & footwear	53.80	5.3	4.8	5.0	4.9	5.2	4.9	4.9	4.9	5.1	5.2	5.2	5.3	5.1
Housing, water, fuels etc.	126.28	8.8	8.3	8.3	8.1	7.8	7.7	7.2	6.6	6.0	6.1	6.3	6.1	7.2
Furnish, h/hold equipment	56.45	6.3	5.9	5.5	5.1	4.9	4.7	4.6	4.3	5.0	4.5	4.5	4.0	4.9
Health	15.92													
Transport	150.43	9.0	9.1	10.0	8.7	6.6	6.3	10.4	10.8	8.5	7.9	7.4	7.5	8.5
Communications	26.82	5.6	6.0	5.6	5.5	4.9	5.5	5.6	4.8	4.4	3.9	2.6	2.3	4.7
Recreation and culture	28.10	7.3	6.5	7.3	7.0	7.2	6.7	6.1	6.5	6.8	5.7	5.0	5.5	6.5
Education	30.01													
Restaurants and hotels	43.89	5.7	5.2	4.3	4.2	4.2	4.0	4.0	4.3	4.2	4.3	4.2	4.1	4.4
Miscellaneous goods & services	116.74	5.2	8.1	7.8	8.0	7.7	7.6	7.8	7.6	7.8	6.9	6.8	6.0	7.3

Table 9: SADC HCPI Time series data - January 2012 to date (December 2010=100)

Month	SADC HCPI			Month on month inflation rate			Year on year inflation rate		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
January	109.51	117.20	124.3	0.8	0.7	1.1	8.6	7.0	6.1
February	109.88	118.41	125.7	0.4	1.0	1.1	8.3	7.7	6.2
March	110.87	119.44	127.1	0.9	0.9	1.1	8.1	7.7	6.4
April	111.47	119.85	127.7	0.5	0.3	0.5	8.2	7.5	6.6
May	111.71	119.45	127.7	0.2	-0.3	0.0	7.8	6.9	6.9
June	111.96	119.56	127.9	0.2	0.1	0.1	7.5	6.8	7.0
July	112.29	120.57	128.7	0.3	0.8	0.6	6.6	7.4	6.7
August	112.74	120.99	129.0	0.4	0.4	0.3	6.6	7.3	6.6
September	113.92	121.51	129.0	1.0	0.4	0.0	7.0	6.7	6.2
October	114.17	121.99	129.3	0.2	0.4	0.2	6.3	6.9	6.0
November	115.57	122.35	129.60	1.2	0.3	0.2	7.1	5.9	5.9
December	116.29	122.95	129.60	0.6	0.5	0.0	7.0	5.8	5.4
Annual average HCPI	112.59	120.36	127.97				7.4	7.0	6.3

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 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 part. However, the two measure inflation with different aims and therefore, sometimes October 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 October 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 purchasing power parities derived from the results of the 2005 (for HCPIs prior to January 2013) and 2009 (For HCPIs since January 2013) 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 form 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, Botswana.

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SADC HCPI website link:

<http://www.sadc.int/news-events/newsletters/harmonised-consumer-price-index-newsletter/>

Proposed Future release dates

Scheduled dates for the coming months are:

SADC HCPI for:	Publication date by SADC Secretariat
January 2015	05 th March 2015
February 2015	05 th April 2015
March 2015	05 th May 2015