

Federal Republic of Somalia
Ministry of Planning, Investment and Economic Development
Directorate of National Statistics



CONSUMER PRICE INDEX

January 2019



Executive Summary

Over the twelve months to the month of January 2019 (the rate of inflation), the All items CPI increased 3.18 percent (index points).

The All items CPI index was 109.62 in the month of January 2019, compared with 111.46 in the month of December 2018.

The monthly change, in January 2019 compared to December 2018, was a decrease of -1.39percent (index points). This is compared to a monthly increase of -0.35percent in the previous month of December 2018. The most significant monthly price increases were for the Group **Tobacco & Narcotics**(+2.65 percent). This was due to rise in the cost of chewing Khat/Miraa based products which was impacted by normal volatility in its prices.(Chart 2).

Table 1: Inflation rate according to CPI; January 2019 (Dec 2014 = 100)

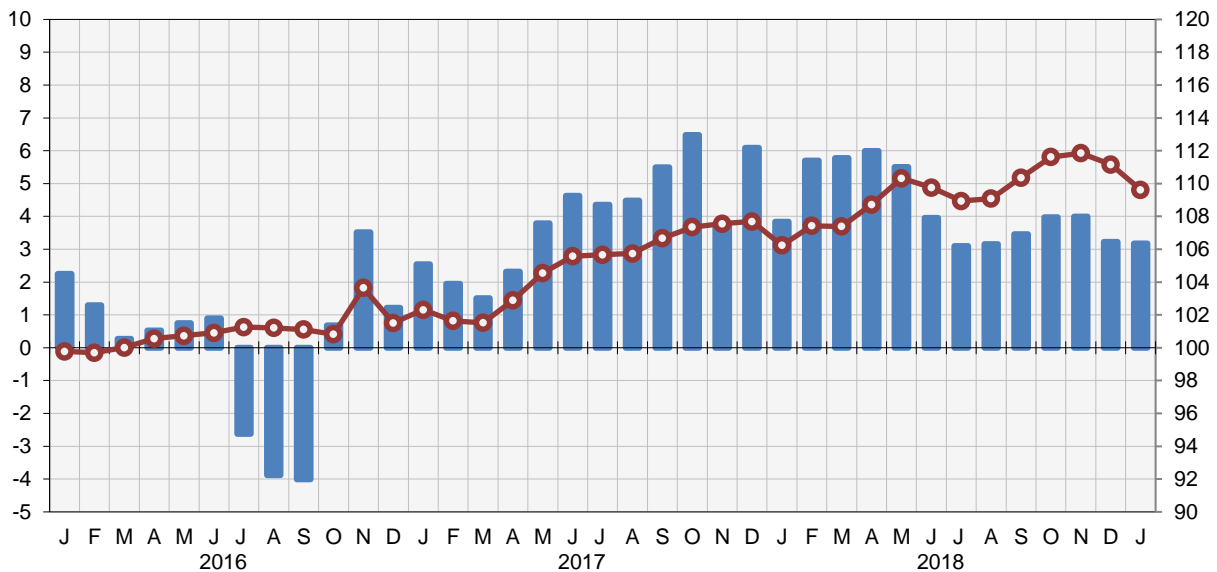
Consumer Price Index, January 2019	
Annual % change (inflation rate)	3.18%
Monthly % change	-1.39%
Index (current month)	109.62
Index (previous month)	111.46
Index (previous year, same month)	106.24

CPI Inflation rate

Percent change over twelve months

CPI Index

January 2014=100



Source: Directorate of National Statistics

A bulletin on the January 2019 CPI and more detailed data in time series format have been posted on the DNS website: <http://www.dns.org.so>. Twitter @DNS_MoPIED

Consumer Price Index (CPI) January 2019

Overall inflation rate: All items CPI, January 2019

The rate of inflation for January 2019 is the percentage change in the Consumer Price Index (CPI) over the twelve-month period, from January 2018 to January 2019.

The **All items CPI** increased 3.18 percent over the twelve months to January 2019.

The **All items CPI** monthly change for January 2019 was a decrease of -1.39 percent. This is compared to a decrease of -0.35 percent recorded for December 2018.

Inflation rates: Selected Groups, January 2019

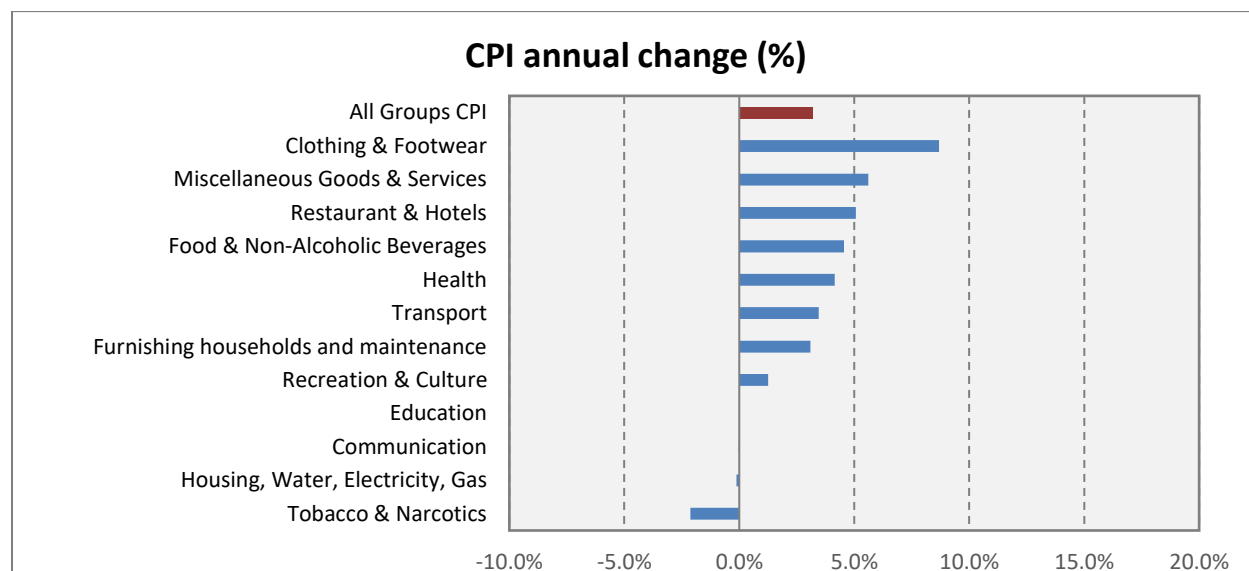
The rate of inflation for the Groups **Food and Non-Alcoholic Beverages** and **Housing, Water, Electricity, Gas** contributed most to the change in the all items inflation rate. These Groups had the largest weighted influence on the **All items CPI inflation rate**.

Food and Non-Alcoholic Beverages index experienced a month on month decrease of -2.80 percentage points. This was due to falls in the cost of some food items for example, Vegetables (-16.94%) and Pasta products (-2.29%) As a result, the year on year inflation rate rose to 4.55 percent in January 2019. This is compared to the year on year inflation of 5.96 percent experienced in the year to December 2018.

Housing, Water, Electricity and Gas index experienced a month on month Increased of 0.07 percentage points. The year on year inflation rate decreased to -0.11 percent in January 2019. This is compared to the year on year inflation decrease of -1.85 percent experienced in the year to December 2018.

A. Major contributions of the different groups to the annual percentage change in the CPI

Chart 1: CPI indices, Annual inflation rate by all groups; January 2019 (Dec 2014 = 100)



Major contributions (positive):

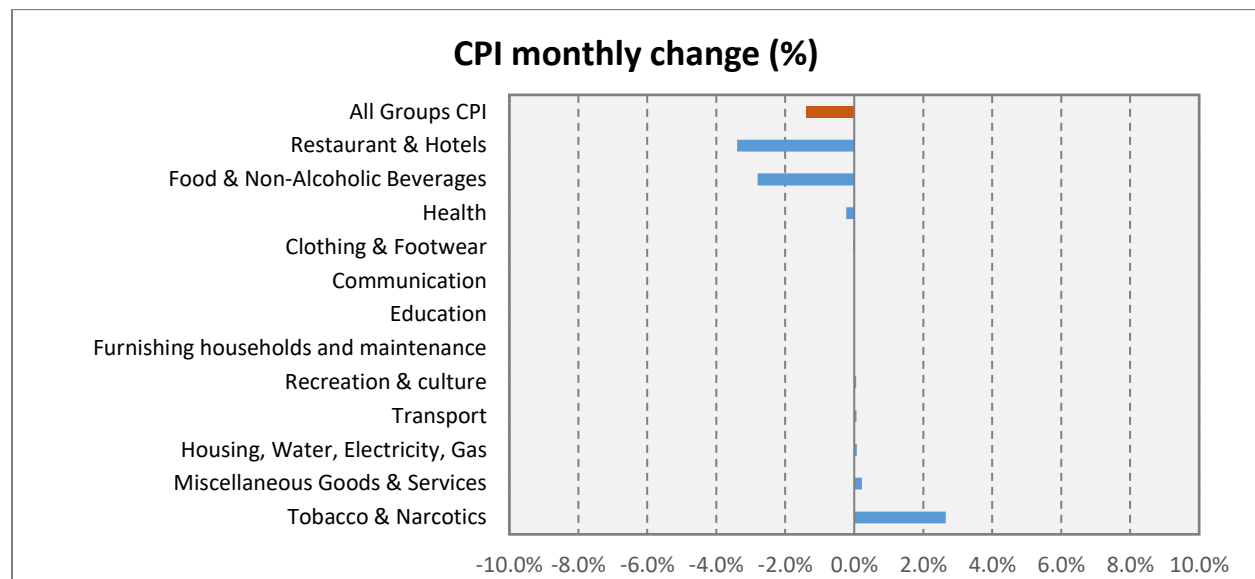
- **Clothing and Footwear** recorded an increase of 8.68 percentage points compared to an annual decrease of 8.26 percent in December 2018. Most of the upwards contribution came from prices on garments(+12.01 percent) due to price increases of clothing. Many clothing stores switch stock from down priced during Holidays to newly arrived clothing between December2018 and January 2019.
- **Food & Non-Alcoholic Beverages** decreased 4.55 percentage points over the 12-months to January 2019. This is compared of an annual increase of 5.96 Percent in December 2018. The increase was mainly the result of higher prices of Fish (+15.32%).
- **Restaurants & Hotels** Decreased by 5.06 percentage points in January 2019 compared to 8.75percent recorded for the year December 2018. The decrease was mainly the result of prices of Restaurants, cafés and the like(S). Most of the upwards contribution came from prices of restaurants (+8.44%).
- **Miscellaneous Goods & Services** registered a rise of 5.61 percent in January 2019 from the 5.37percentage point fall recorded in December 2018. Most of the upwards contribution came from prices on Personal care (+8.91%) Mainly due to the increase in the prices of Electrical appliances for personal care.

Major contributions (negative):

- **Tobacco & Narcotics** recorded an annual decrease of -2.13 percent in January 2019 compared to an annual decrease of -4.73percent in December 2018. Most of the downwards contribution came from prices on chewing Miraa/Khat (-6.00%).The decrease was impacted by normal volatility in prices for khat.

Major contributions of the different groups to the monthly percentage change in the CPI

Chart 2: CPI; Monthly inflation rate by all groups; January 2019 (Dec 2014 = 100)



Major contributions (positive):

- **Tobacco & Narcotics** registered an increase of 2.65 percent during the month of January 2019. Most of the upwards contribution came from prices on Miraa/Khat (+4.44%). The increase was impacted by normal volatility in prices for khat.

Major contributions (negative):

- **Food and Non-Alcoholic Beverages** decreased by -2.80 percent during the month of January 2019 following an increase of 0.05 percent recorded for the month of December 2018. The decrease was mainly the result of lower prices of Vegetables and Fruits. Most of downwards contribution came from prices of Vegetables cultivated for their fruit (fresh, chilled or frozen) (-34.67%).

- **Table 2: Changes in the Price Indices for January 2019 by main COICOP groups (Dec 2014=100)**

COICOP Classification Group		CPI Weight	January 2018 Index	December 2018 Index	January 2019 Index	% change on previous month and current month	% change on same month of previous year (yr on yr)
	All Groups CPI	100.00	106.24	111.16	109.62	-1.39	3.18
01	Food & Non-Alcoholic Beverages	46.04	108.67	116.89	113.62	-2.80	4.55
02	Tobacco & Narcotics	1.25	130.47	124.39	127.68	2.65	-2.13
03	Clothing & Footwear	5.03	100.16	108.88	108.85	-0.03	8.68
04	Housing, Water, Electricity & Gas	23.41	105.80	105.62	105.69	0.07	-0.11
05	Furnishing, Households and Maintenance	2.93	101.17	104.29	104.30	0.01	3.09
06	Health	5.00	98.47	102.77	102.55	-0.22	4.15
07	Transport	3.77	102.11	105.57	105.64	0.06	3.45
08	Communication	2.80	94.38	94.37	94.37	0.00	-0.02
09	Recreation & Culture	1.00	101.29	102.50	102.55	0.05	1.25
10	Education	4.00	100.43	100.45	100.45	0.00	0.02
11	Restaurant & Hotels	2.00	126.56	137.63	132.96	-3.39	5.06
12	Miscellaneous Goods & Services	2.77	101.95	107.44	107.68	0.22	5.61

Note:

The Consumer Price Index is generated by conducting a survey of purchaser prices for a representative basket of household consumption (goods and services), during the first and third weeks of the collection month. The prices are obtained from selected retail outlets in four data collection zones spread across Mogadishu.

The CPI weights (relative shares of average household spending) are based on Somali High Frequency Survey (Wave 1) conducted 2016.

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