

CONSUMER PRICE INDEX (CPI)

OCTOBER 2020

15 November 2020

Executive Summary

The All Groups CPI was 120.61 in the month of October 2020, compared with 120.63 in the month of September 2020.

The monthly change, October 2020 compared to September 2020, was a decrease of -0.02 percent. This is compared to a monthly increase of 0.45 percent in the previous month of September 2020. The most significant monthly price increases were **Education** (+2.17%). Most of the upwards contribution came from prices of Pre primary and primary education. (+9.00%) (Chart 2).

Over the twelve months to the month of October 2020 (inflation rate), the All Groups CPI decreased to 3.75 percent, compared with 3.93 percent over the twelve months to the month of September 2020.

Table 1: Inflation rate according to CPI; October 2020 (Dec 2014 = 100)

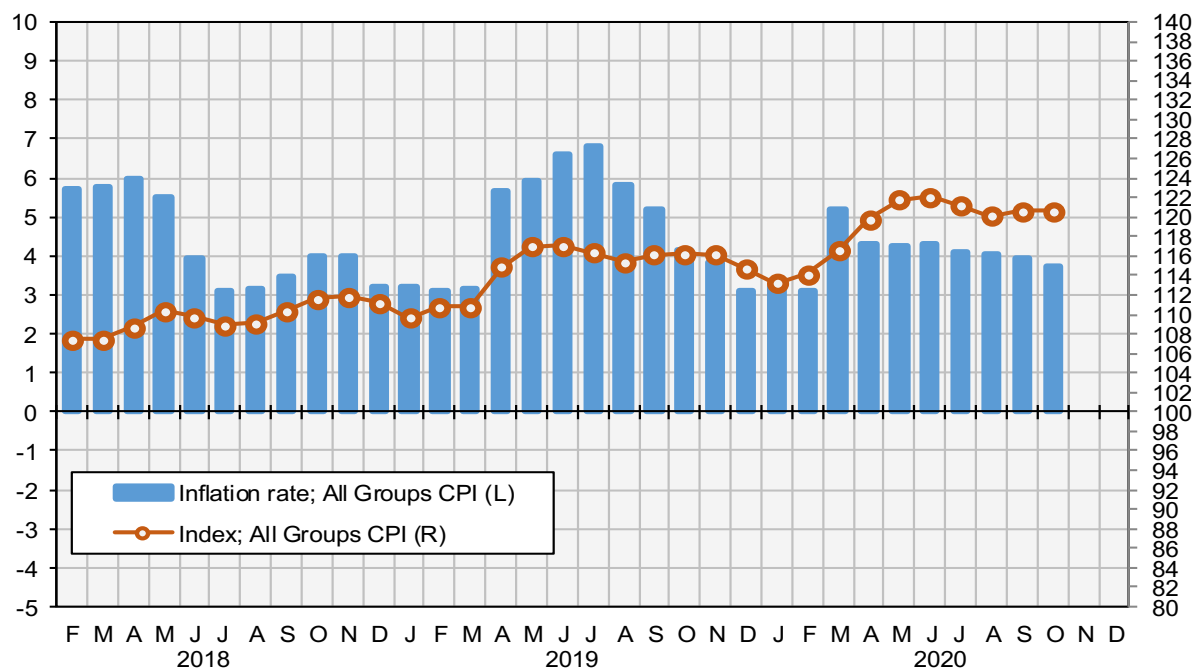
Consumer Price Index, October 2020	
Index (current month)	120.61
Index (previous month)	120.63
Index (previous year, same month)	116.25
Monthly % change	-0.02%
Annual % change (inflation rate)	3.75%

Inflation rate according to CPI

Percent change over twelve months

CPI Index

Index = 100 @ December 2014



Source: NBS

A bulletin on the October 2020 CPI and more detailed data in time series format have been posted on the SNBS website: <http://www.nbs.gov.so>. Twitter @NBS_Somalia

Consumer Price Index (CPI) October 2020

General Inflation rate: All Groups CPI, October 2020

The rate of inflation for October 2020 is the percentage change in the Consumer Price Index (CPI) over the twelve-month period, from October 2019 to October 2020.

The **All Groups CPI** decreased 3.75 percent over the twelve months to October 2020 compared to 3.93 percent over the twelve months to September 2020.

The **All Groups CPI** monthly change for October 2020 was a decrease of -0.02 percent. This is compared to an increase of 0.45 percent recorded for September 2020.

General Inflation rate: Selected Groups, October 2020

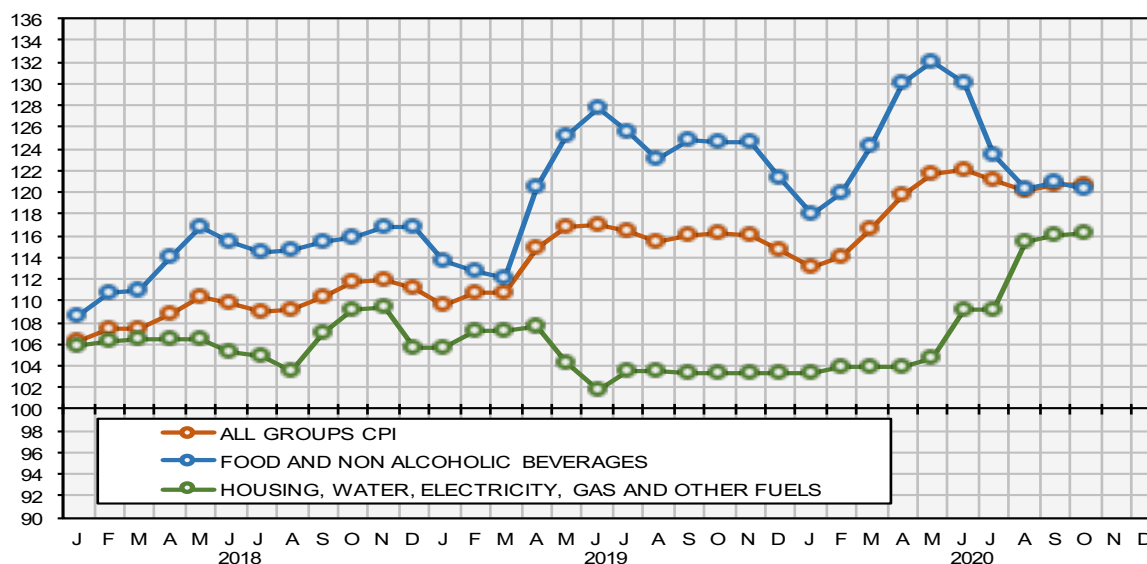
The rate of inflation for **Food and Non-Alcoholic Beverages** and **Housing, Water, Electricity, Gas** are the most significant items in the consumer basket in terms of expenditure and have the largest weighted influence on the **All Groups CPI**.

Food and Non-Alcoholic Beverages experienced a monthly decrease of -0.52 percent during the month of October compared with an increase of 0.44 percent in September. This was due to a decrease in prices of some foodstuffs. As a result, the year on year inflation decreased to -3.59 percent in October 2020. This is compared to the year on year inflation of -3.11 percent experienced in September 2020.

Housing, Water, Electricity and Gas experienced a monthly decrease of 0.23 percent during the month of October 2020 compared to a monthly increase of 0.42 percent experienced in September 2020. The year on year inflation increased to 12.48 percent in October 2020. This is compared to the year on year inflation of 12.22 percent experienced in September 2020.

All Groups CPI and Selected Groups

Index = 100 @ December 2014

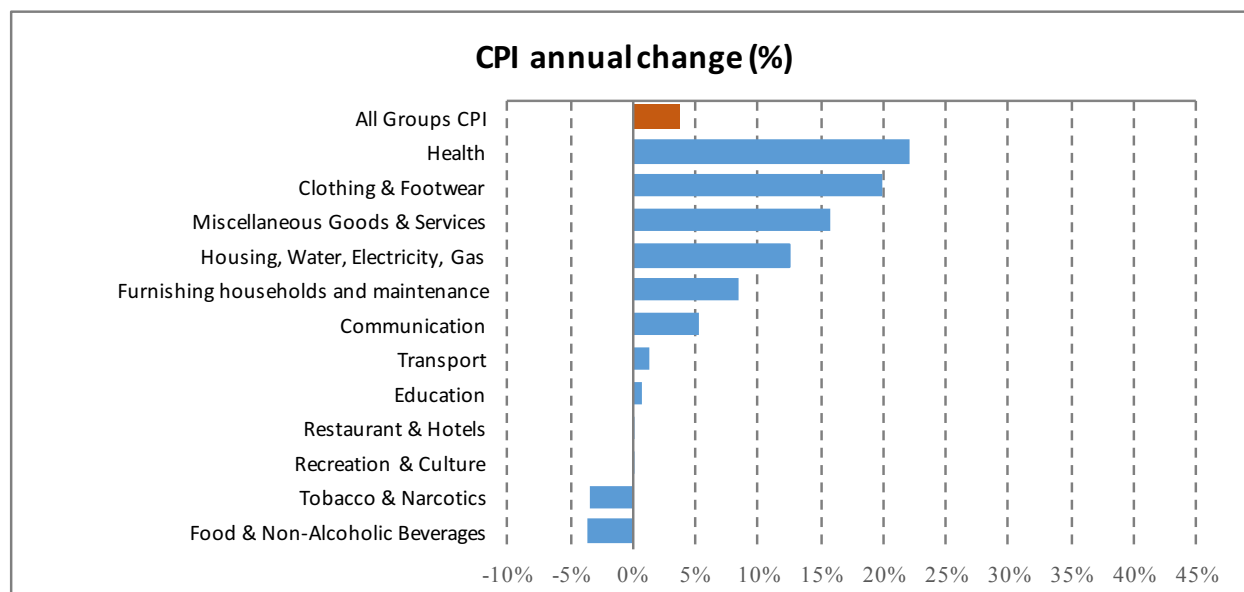


Source: NBS

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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; October 2020 (Dec 2014 = 100)



Major contributions (positive):

- **Clothing and Footwear** recorded an annual increase of 19.87 percent. Most of the upward contribution came from prices on clothing (+22.08%) and footwear (19.09%) respectively due to price increases on garments for women (+23.65%), Children (26.31%) and Shoes and other footwear (+19.09).
- **Housing, Water, Electricity and Gas** recorded an annual increase of 12.48 percent in October 2020. The increase was mainly the result of higher prices of Actual rentals paid by tenants (15.41%), Materials for the maintenance and repair of the dwelling (10.58%). Most of upwards contribution came from prices of House Painting Color (+36.36%).
- **Health** showed an annual inflation rate of 22.07 percent in October. The increase was mainly the result of higher prices of Hospital services (+94.41%). Most of the upwards contribution came from prices of patient treatment (+150.00%).
- **Furnishing, Households and Maintenance** showed an annual inflation rate of 8.45 percent in October 2020 compared to 7.34 percent registered in September. The increase was mainly attributed to household appliance (+13.85%).
- **Miscellaneous Goods & Services** recorded an annual increase of 15.76 percent in October. The increase was mainly the result of higher prices of personal care (+13.05%). Most of the upwards contribution came from prices of Other appliances, articles and products for personal care (+13.78%).

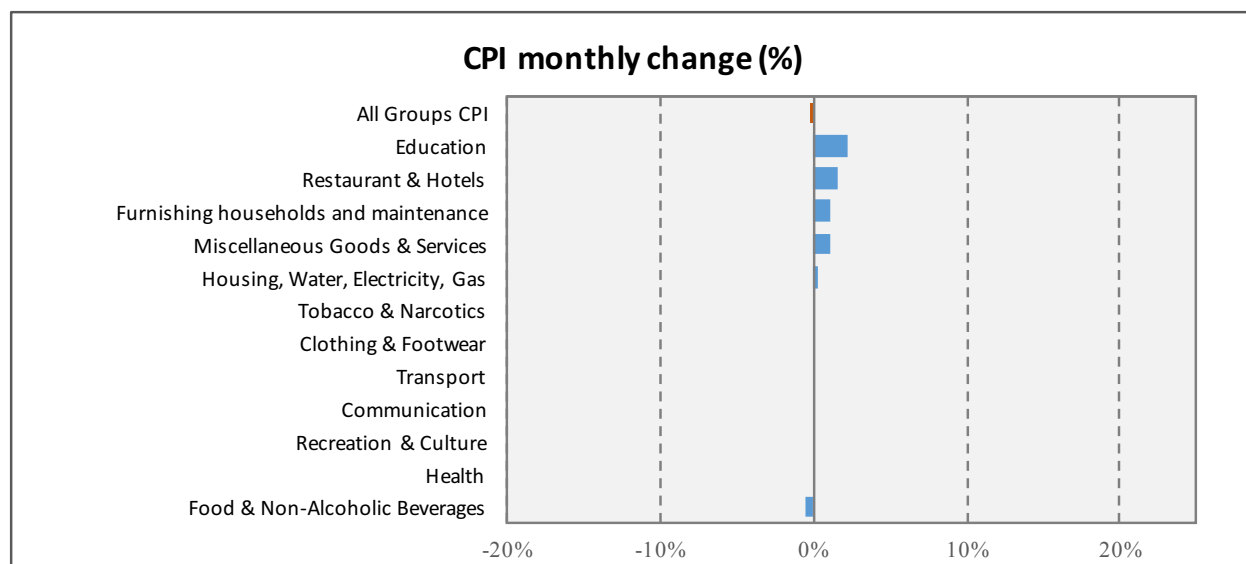
Major contributions (negative):

- **Food and Non-Alcoholic Beverages** recorded an annual decrease of -3.59 percent in October 2020 compared to an annual decrease of -3.11 percent in September 2020. Most of the downwards contribution came from prices on food (-3.93%).

A bulletin on the October 2020 CPI and more detailed data in time series format have been posted on the SNBS website: <http://www.nbs.gov.so>. Twitter @NBS_Somalia

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

Chart 2: CPI; Monthly inflation rate by all groups; October 2020 (Dec 2014 = 100)



Major contributions (positive):

- **Education** registered an increase of 2.17 percent during the month of October 2020. Most of the upwards contribution came from prices on preprimary and primary education (+9.00%).

Major contributions (negative):

- In general, no groups showed a significant Negative monthly change for the month of October 2020.

Table 2: Changes in the Price Indices for October 2020 by main COICOP groups (Dec 2014=100)

COICOP Classification Group	CPI Weight	Oct 2019 Index	Sept 2020 Index	Oct 2020 Index	% change on previous month and current month	% change on same month of previous year (yr on yr)
All Groups CPI	100.00	116.25	120.63	120.61	-0.02	3.75
Food & Non-Alcoholic Beverages	46.04	124.70	120.85	120.22	-0.52	-3.59
Tobacco & Narcotics	1.25	142.16	137.35	137.35	0.00	-3.38
Clothing & Footwear	5.03	120.68	144.66	144.66	0.00	19.87
Housing, Water, Electricity & Gas	23.41	103.33	115.96	116.22	0.23	12.48
Furnishing, Households and Maintenance	2.93	102.71	110.24	111.40	1.05	8.45
Health	5.00	118.92	145.16	145.16	0.00	22.07
Transport	3.77	110.57	112.00	112.00	0.00	1.30
Communication	2.80	96.32	101.31	101.31	0.00	5.17
Recreation & Culture	1.00	98.45	98.54	98.54	0.00	0.09
Education	4.00	107.75	106.27	108.58	2.17	0.77
Restaurant & Hotels	2.00	138.61	136.61	138.76	1.58	0.11
Miscellaneous Goods & Services	2.77	105.03	120.35	121.58	1.03	15.76

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.

Next release

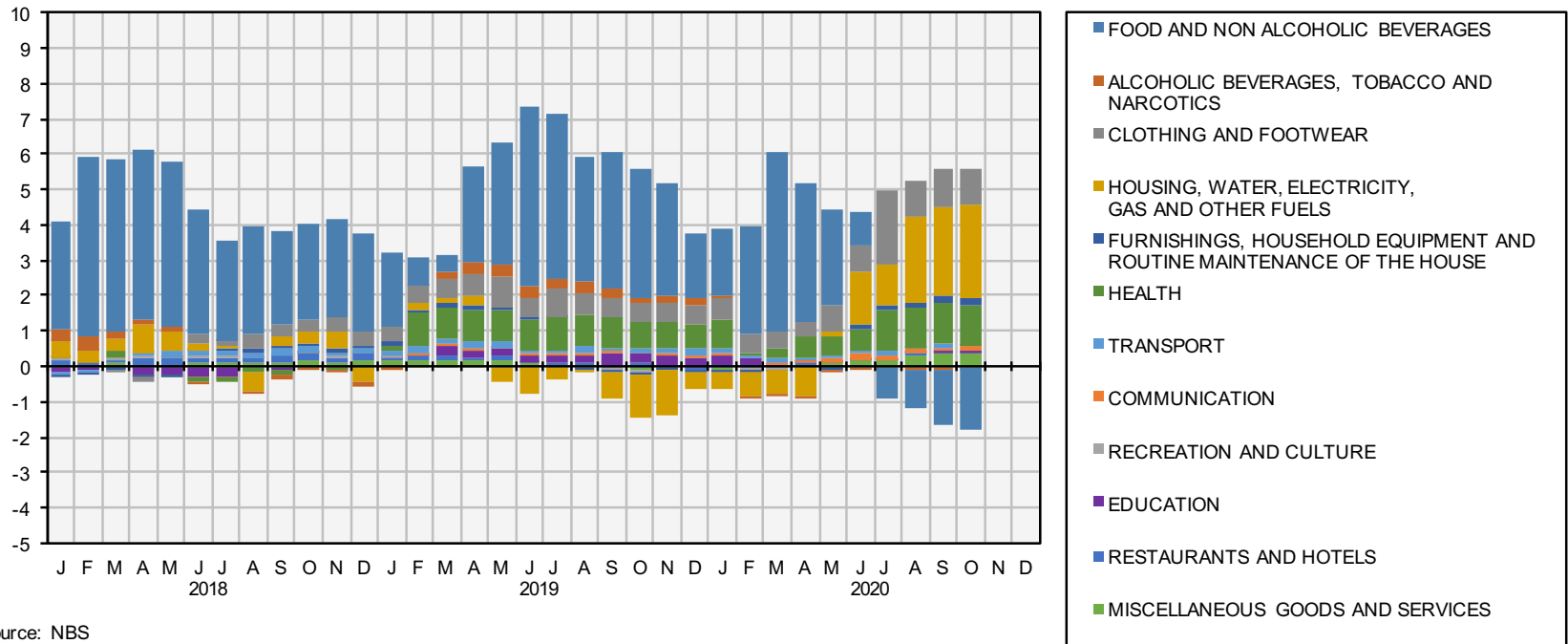
Consumer price index, November 2020, will be released on 15th December 2020. For more information on prices and other official statistics, please visit the SNBS website at <http://www.nbs.gov.so>

A bulletin on the October 2020 CPI and more detailed data in time series format have been posted on the SNBS website: <http://www.nbs.gov.so>. Twitter @NBS_Somalia

Annex 1: All Groups CPI – Points Contribution to Inflation Rate by COICOP Division in October 2020.

All Groups CPI

Points contribution (%) to inflation rate (contribution by COICOP)



Source: NBS

Annex 1 provides an analysis of the inflation rate for the month broken up into a cross section of COICOP Divisions displaying their respective impact (contribution) to the All Groups CPI.