

CONSUMER PRICE INDEX (CPI)

August 2021

Executive Summary

The All Groups CPI was 125.19 in the month of August 2021, compared with 126.89 in the month of July 2021.

The monthly change, August 2021 compared to July 2021, was a decrease of -1.34 percent. This is compared to a monthly increase of 0.73 percent in the previous month of July 2021. The most significant monthly price increases were **Clothing & Footwear** (+4.70%). The increase for Clothing & Footwear was mainly the result of higher prices of Clothing (+7.49%). Most of the upwards contribution came from prices of Garment for children (Chart 2).

Over the twelve months to the month of August 2021 (inflation rate), the All Groups CPI decreased to 4.24 percent, compared with 4.76 percent over the twelve months to the month of July 2021.

Table 1: Inflation rate according to CPI; August 2021 (Dec 2014 = 100)

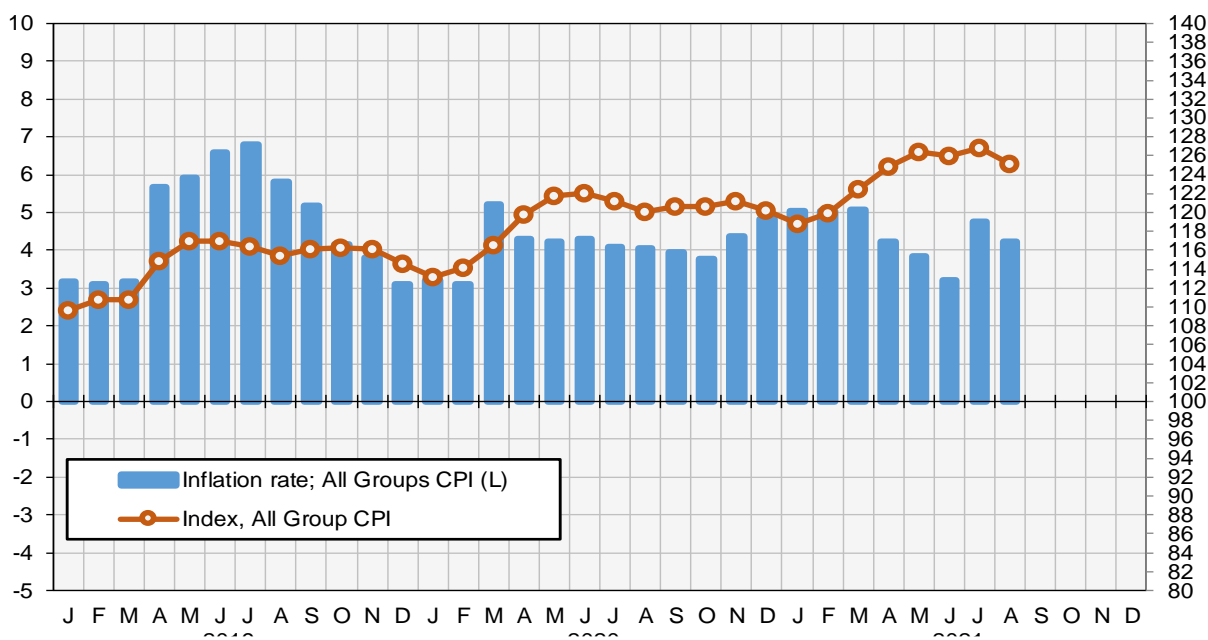
Consumer Price Index, August 2021	
Index (current month)	125.19
Index (previous month)	126.89
Index (previous year, same month)	120.09
Monthly % change	-1.34%
Annual % change (inflation rate)	4.24%

Inflation rate according to CPI

Percent change over twelve months

CPI Index

Index = 100 @ December 2014



A bulletin on the August 2021 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) August 2021

General Inflation rate: All Groups CPI, August 2021

The rate of inflation for August 2021 is the percentage change in the Consumer Price Index (CPI) over the twelve-month period, from August 2020 to August 2021.

The **All Groups CPI** decreased to 4.24 percent over the twelve months to August 2021 compared to 4.76 percent over the twelve months to July 2021.

The **All Groups CPI** monthly change for August 2021 was a decrease of -1.34 percent. This is compared to an increase of 0.73 percent recorded for July 2021.

General Inflation rate: Selected Groups, August 2021

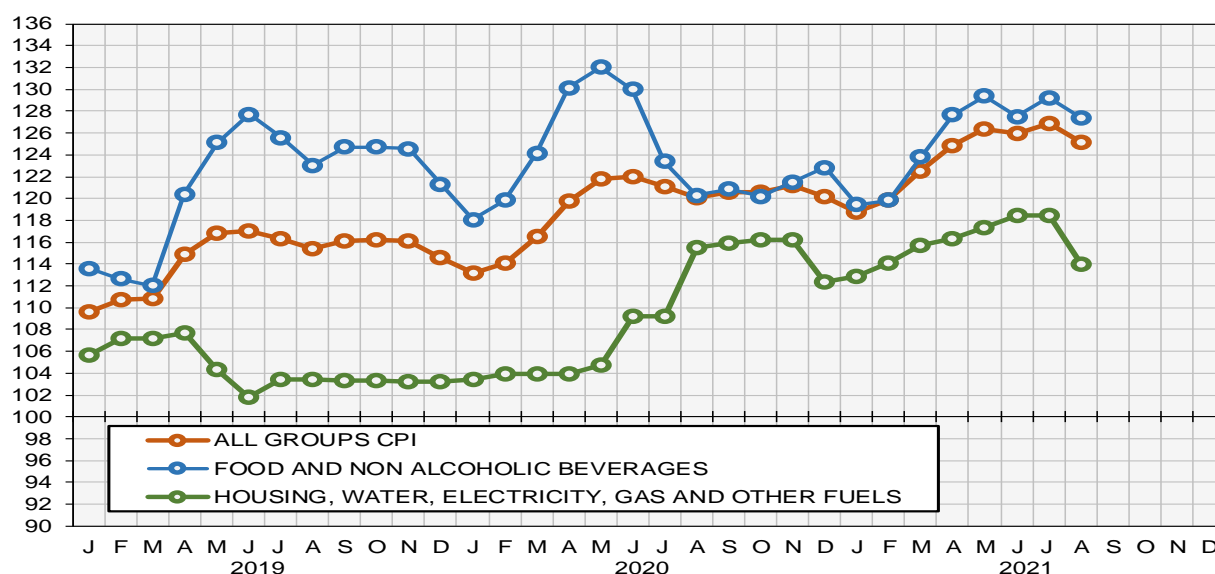
The rate of inflation for **Food and Non-Alcoholic Beverages** and **Housing, Water, Electricity, Gas** are the most significant items in the consumer basket in terms of expenditure and have the largest weighted influence on the **All Groups CPI**.

Food and Non-Alcoholic Beverages experienced a monthly decrease of -1.34 percent during the month of August compared with an increase of 1.35 percent in June. This was due to an increase in prices of some foodstuffs. As a result, the year on year inflation increased to 5.91 percent in August 2021. This is compared to the year on year inflation of 4.72 percent experienced in July 2021.

Housing, Water, Electricity and Gas experienced a monthly decrease of -3.79 percent during the month of August 2021 compared to a monthly increase of 0.96 percent experienced in July 2021. The year on year inflation increased to -1.28 percent in August 2021.

All Groups CPI and Selected Groups

Index = 100 @ December 2014

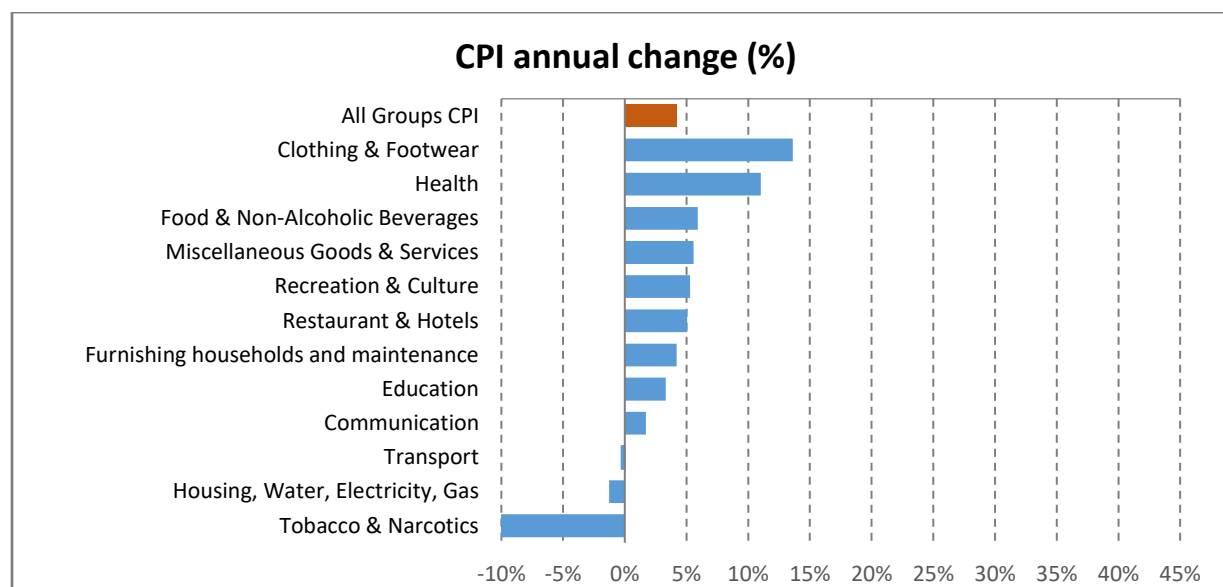


Source: NBS

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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; August 2021 (Dec 2014 = 100)



Major contributions (positive):

- **Clothing and Footwear** showed an annual inflation rate of 13.63 percent in August 2021. The increase was mainly the result of higher prices of clothing (+7.49%). Most of the upwards contribution came from prices of garment for children (+57.78%).
- **Health** showed an annual inflation rate of 11.02 percent in August 2021. The increase was mainly the result of higher prices of out-patient services (+11.36%). Most of the upwards contribution came from prices of Paramedical services (+58.14%).
- **Food & Non-Alcoholic Beverages** increased 5.91 percent over the 12-months to August 2021. The increase was mainly the result of higher prices of Food (6.05%). Most of upwards contribution came from prices of Oils and Fats (+52.46%) and meat (+13.46%).
- **Miscellaneous Goods & Services** recorded an annual increase of 5.57 percent in August. The increase was mainly the result of higher prices of personal care (+10.95%). Most of the upwards contribution came from prices of Hair dressing salons and personal grooming establishments (+12.39%).
- **Recreation & Culture** recorded an annual increase of 5.29 percent in August 2021. This increase was mainly the result of higher prices of Audio-visual, photographic and information processing equipment (+6.21%). Most of the upward contribution came from prices of cable TV (+11.11%) and LCD Television, Flat screen (+16.67%).
- **Restaurant & Hotels** showed an annual increase of 5.05 percent for the year August 2021. Most of the upwards contribution came from prices of Restaurants, cafés and the like(S) (+5.51%).
- **Furnishing, Households and Maintenance** showed an annual inflation rate of 4.21 percent in August 2021. The increase was mainly attributed to goods and services for routine household maintenance (+11.22%).
- **Education** showed an annual inflation rate of 3.32 percent in August 2021. Most of the upwards contribution came from pre-primary and primary education (+12.45%).

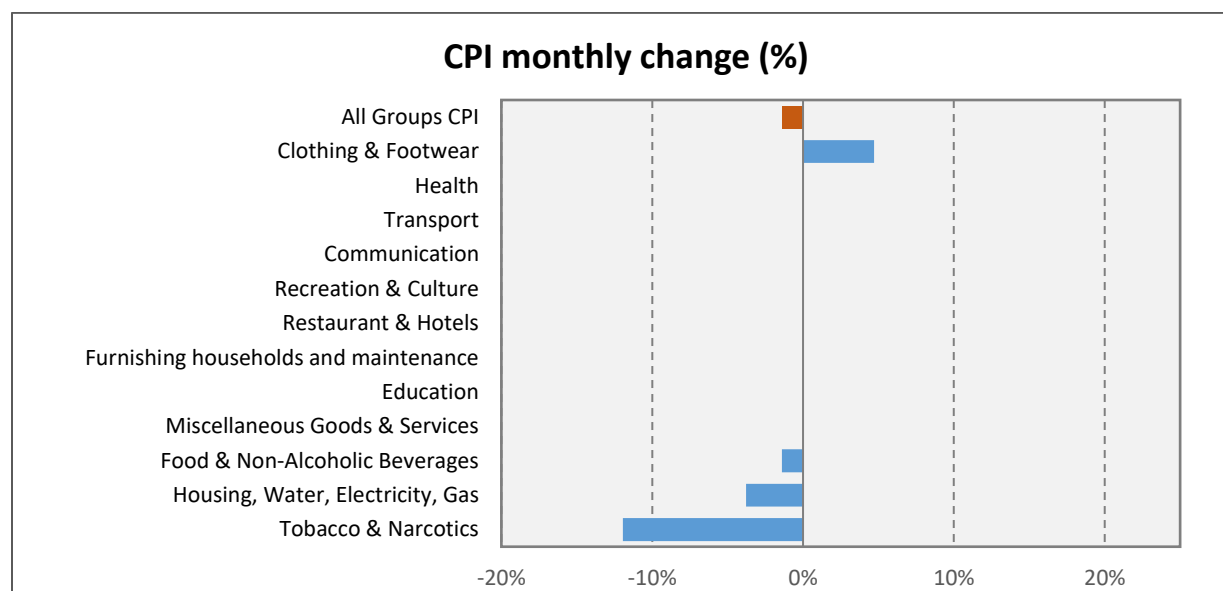
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Major contributions (negative):

- **Tobacco and Narcotics** recorded an annual decrease of -17.65 percent in August 2021 compared to an annual a decrease of -6.30 percent in July2021. Most of the downwards contribution came from prices on Narcotics (-29.03%).

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

Chart 2: CPI; Monthly inflation rate by all groups; August 2021 (Dec 2014 = 100)



Major contributions (positive):

- **Clothing and Footwear** registered a monthly increase of 4.70 percent during the month of August 2021 from 0.00 percent recorded in July2021. Most of upwards contribution came from prices of clothing (+7.49%).

Major contributions (negative):

- **Tobacco and Narcotics** recorded a monthly decrease of -11.94 percent in August 2021 from 0.00 percent recorded in July2021. Most of the downwards contribution came from prices on Narcotics (-21.94%).
- **Housing, Water, Electricity & Gas** recorded a monthly decrease of -3.79 percent in August 2021 from 0.00 percent recorded in July2021. Most of the downwards contribution came from prices on actual rentals for housing (-6.04%).

Table 2: Changes in the Price Indices for August 2021 by main COICOP groups (Dec 2014=100)

A bulletin on the August 2021 CPI and more detailed data in time series format have been posted on the SNBS website: <http://www.nbs.gov.so>. Twitter @NBS_Somalia

COICOP Classification Group	CPI Weight	August 2020 Index	July 2021 Index	August 2021 Index	% change on previous month and current month	% change on same month of previous year (yr on yr)
All Groups CPI	100.00	120.09	126.89	125.19	-1.34	4.24
Food & Non-Alcoholic Beverages	46.04	120.32	129.24	127.43	-1.40	5.91
Tobacco & Narcotics	1.25	137.35	128.44	113.10	-11.94	-17.65
Clothing & Footwear	5.03	143.37	155.60	162.91	4.70	13.63
Housing, Water, Electricity & Gas	23.41	115.47	118.49	114.00	-3.79	-1.28
Furnishing, Households and Maintenance	2.93	108.96	113.55	113.55	0.00	4.21
Health	5.00	145.16	161.16	161.16	0.00	11.02
Transport	3.77	110.83	110.54	110.54	0.00	-0.25
Communication	2.80	101.31	103.03	103.03	0.00	1.70
Recreation & Culture	1.00	98.54	103.75	103.75	0.00	5.29
Education	4.00	106.27	109.80	109.80	0.00	3.32
Restaurant & Hotels	2.00	136.61	143.51	143.51	0.00	5.05
Miscellaneous Goods & Services	2.77	119.06	125.69	125.69	0.00	5.57

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.

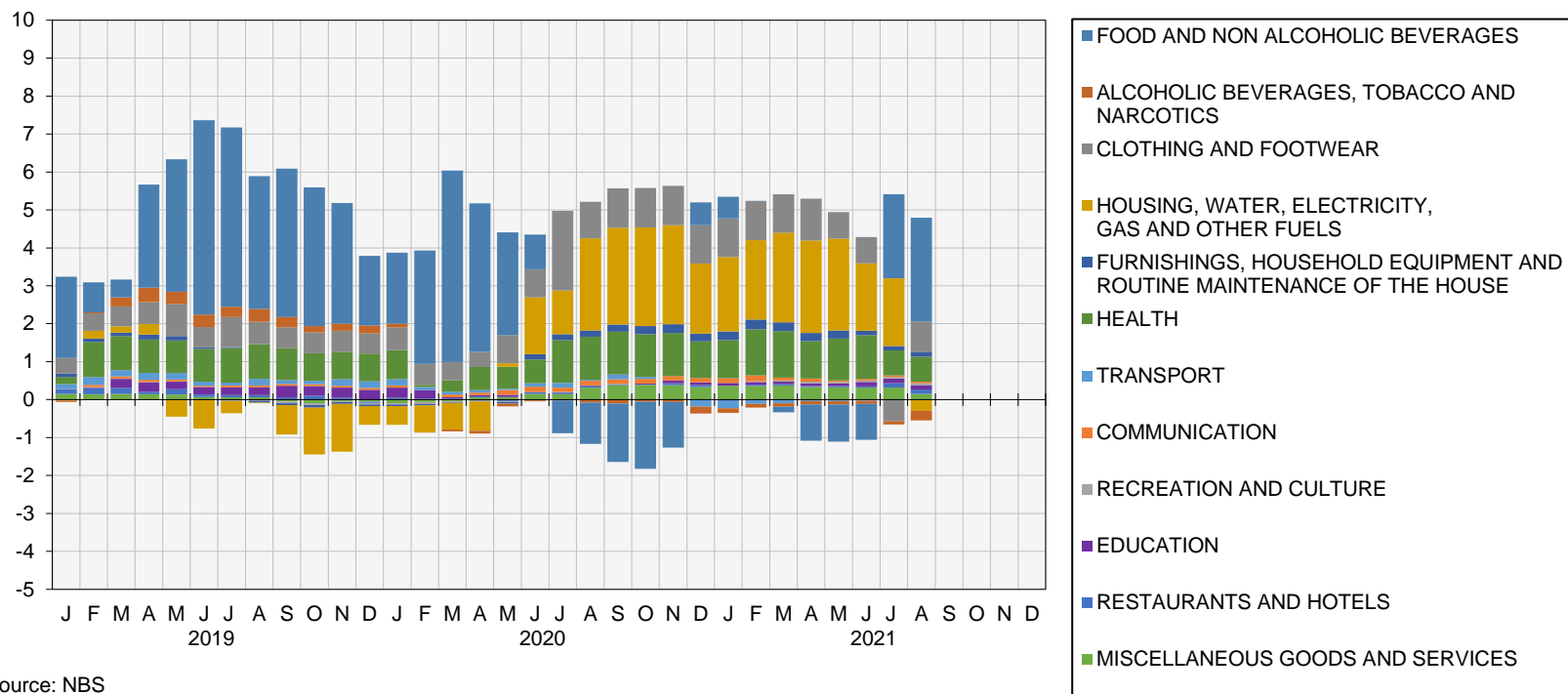
Next release

Consumer price index, September 2021, will be released on 15th October 2021. For more information on prices and other official statistics, please visit the SNBS website at <http://www.nbs.gov.so>

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Annex 1: All Groups CPI – Points Contribution to Inflation Rate by COICOP Division in August 2021.

All Groups CPI



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.

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