

Namibia CPI

April 2026



Overview

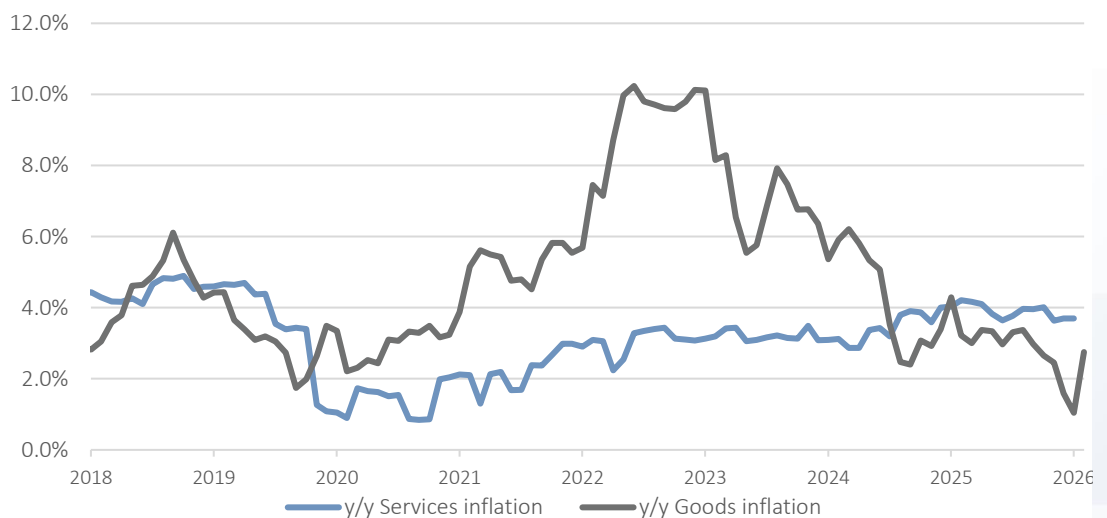
Category	Weight	Apr-26 m/m %	Mar-26 y/y %	Apr-26 y/y %	Direction
Food	16.4%	0.3%	1.7%	2.0%	↗
Alcoholic B&T	12.6%	0.4%	1.9%	1.8%	↘
Clothing	3.0%	0.1%	-0.1%	0.1%	↗
Housing utilities	28.4%	0.1%	4.6%	4.4%	↘
Furniture	5.5%	0.5%	3.4%	3.1%	↘
Health	2.0%	0.4%	4.5%	4.8%	↗
Transport	14.3%	5.8%	-1.7%	5.0%	↗
Communications	3.8%	0.0%	-1.4%	-1.3%	↗
Recreation	3.6%	2.2%	3.9%	3.8%	↘
Education	3.6%	0.0%	2.4%	2.4%	→
Hotels	1.4%	1.0%	3.7%	4.9%	↗
Miscellaneous	5.4%	0.0%	1.2%	1.1%	↘
All Items	100%	1.1%	2.1%	3.1%	↗

Source: Namibia Statistics Agency, IIG Securities

As anticipated, Namibia's annual inflation rate accelerated from 2.1% y/y in March to 3.1% y/y in April. On a year-on-year basis, prices in six of the twelve CPI basket categories increased at a faster pace in April, while five categories recorded slower inflation rates and one category remained unchanged relative to the previous month. Notably, the transport category, which had exhibited broad-based price deceleration in recent months, rebounded sharply to 5.0% y/y from -1.7% y/y in March.

The effects of the conflict between the United States and Iran appear to have filtered through to domestic prices, contributing to the recent inflationary pressures. This is reflected in the uptick in goods inflation, which accelerated from 1.0% y/y in March to 2.8% y/y in April, while services inflation eased marginally to 3.6% y/y from 3.7% y/y.

Goods vs Services Inflation (y/y %)



Source: Namibia Statistics Agency, IIG Securities

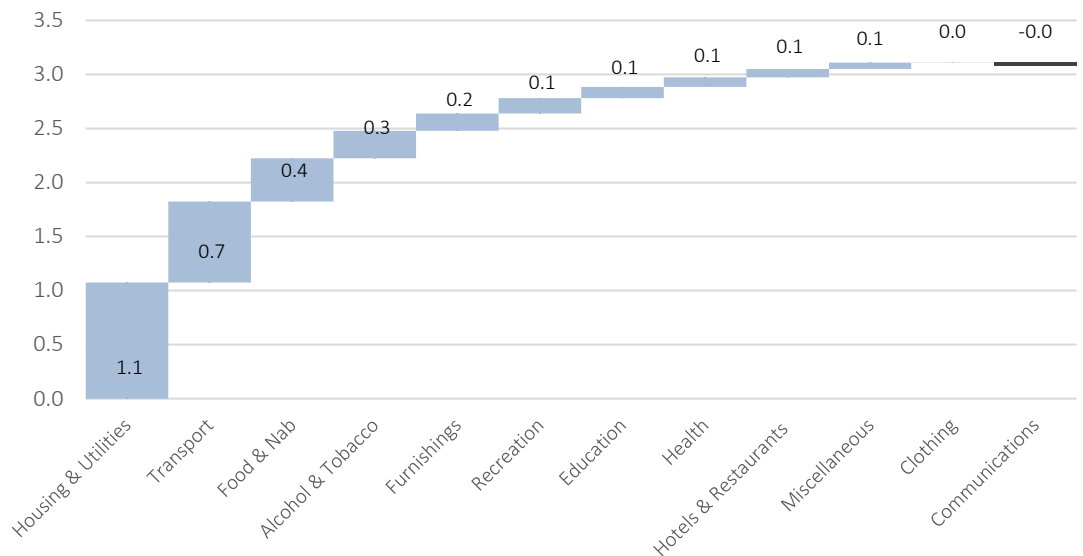
Inflation Contributors



Housing and utilities remained the primary driver of annual inflation in April, contributing 1.1 percentage points to the overall inflation rate of 3.1%. Transport, which carries the third-largest weight in the CPI basket at 14.3% and had contributed negatively to annual inflation in recent months, emerged as the second-largest contributor in April, adding 0.7 percentage points.

Meanwhile, food and non-alcoholic beverages ranked as the third-largest source of inflationary pressures, contributing 0.4 percentage points to the annual rate. The sharp rebound in the transport category marks a notable shift from the disinflationary trend observed in previous months, highlighting renewed price pressures that are likely to persist in the near term. This outlook is reinforced by the latest fuel price adjustments announced by the Ministry of Industries, Mines and Energy for May, which saw petrol and diesel prices increase by N\$1.40 per litre and N\$4.63 per litre, respectively.

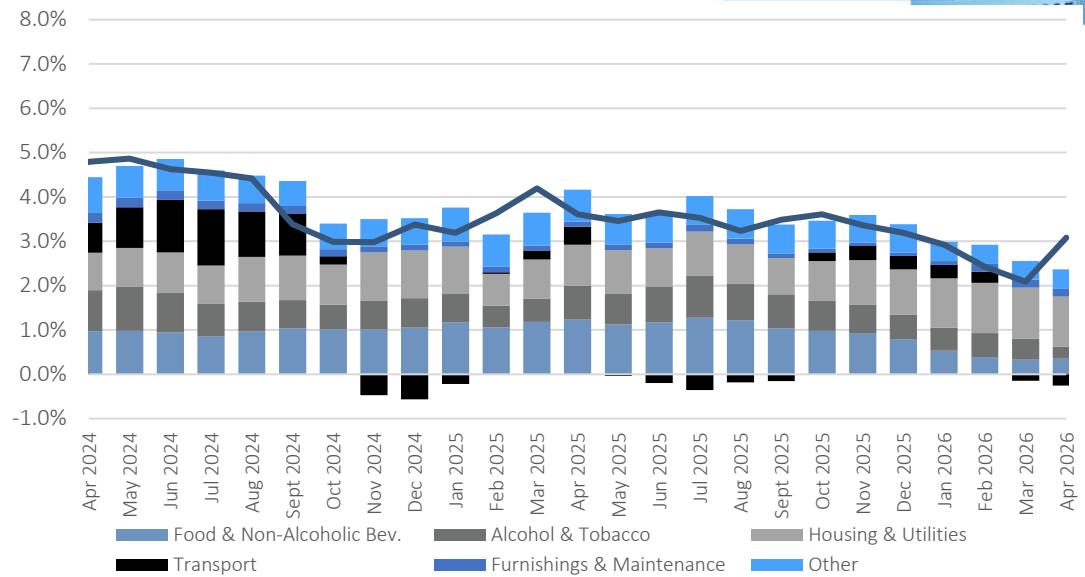
Contribution to the Annual Inflation Rate
(percentage points)



Source: Namibia Statistics Agency, IJG Securities

The **alcohol and tobacco, furnishings, and recreation and culture categories** also made notable contributions to annual inflation, adding 0.3 percentage points, 0.2 percentage points and 0.1 percentage point, respectively. Notably, prices within the recreation and culture category rose by 2.2% m/m in April, driven primarily by a sharp increase in the package holidays sub-category, likely reflecting higher travel-related costs stemming from the rise in jet fuel prices.

Historic NCPI Contribution Breakdown



Source: Namibia Statistics Agency, IJG Securities

Housing, Water & Electricity

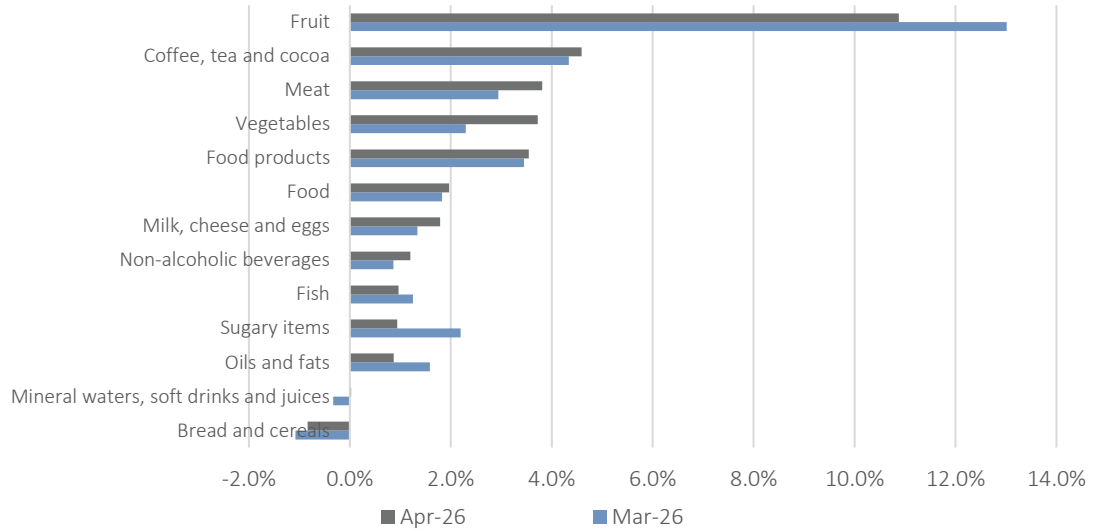
Despite remaining the largest contributor to annual inflation, price pressures within this category eased marginally, with inflation slowing from 4.6% y/y in March to 4.4% y/y in April. On a month-on-month basis, however, prices increased by 0.1% slightly above the pace recorded in the previous month. The moderation in annual inflation was primarily driven by slower price growth in the “rental payments for dwellings” component for both owners and tenants, where inflation eased from 5.0% y/y in March to 4.7% y/y in April.

Food & Non-Alcoholic Beverages

Annual inflation in the food and non-alcoholic beverages category increased by 0.3% m/m, rising to 2.0% y/y in April, marking the highest annual inflation rate recorded for the category so far this year. Prices in nine of the thirteen sub-categories recorded increases on a year-on-year basis, with the largest increase being observed in the prices of vegetables which increased from 2.3% y/y in March to 3.7% y/y in April. Meat prices also experienced notable upward pressure, with annual inflation accelerating to 3.8% y/y from 2.9% y/y in March. Meanwhile, processed food inflation softened in April, as price increases for sugary items and oils and fats moderated relative to March. Although fruit continues to record the highest annual inflation rate within the category, this eased from 13.0% y/y in March to 10.9% y/y in April. We expect fruit price inflation to accelerate again in May, given that Namibia imports approximately 97% of its fruit, leaving prices particularly vulnerable to higher transport costs.

The graph below depicts the year-on-year price changes in the sub-categories for March and April.

Food and Non-Alcoholic Beverages Inflation (y/y %)

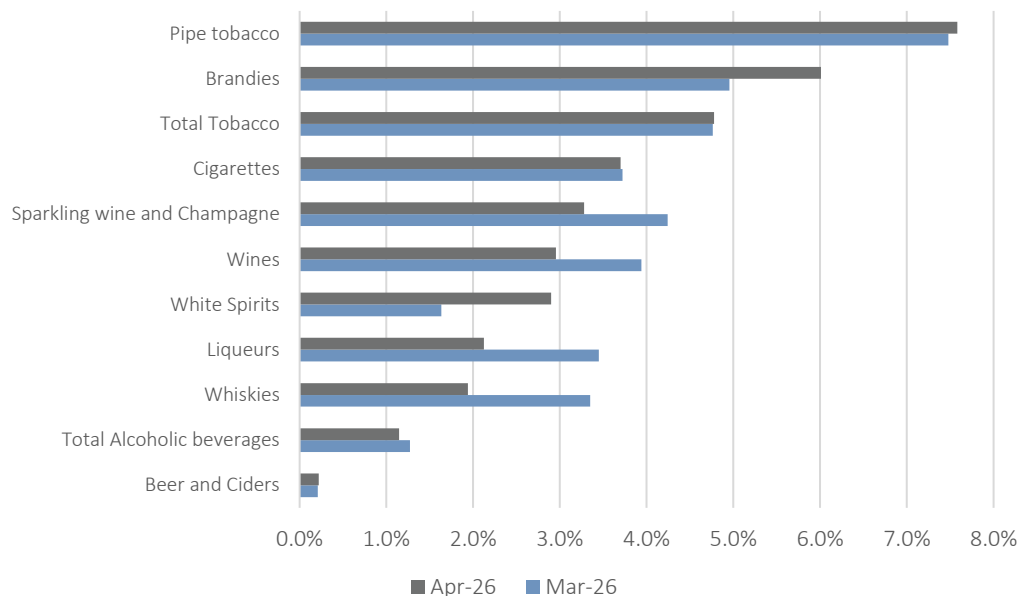


Source: Namibia Statistics Agency, IJG Securities

Alcohol & Tobacco

Annual inflation in the alcohol and tobacco category eased to 1.8% y/y in April, down from 1.9% y/y in the previous month, signalling a further moderation in price pressures within the category year-to-date. The deceleration was largely driven by alcoholic beverages, where inflation slowed to 1.1% y/y in April, marking the lowest annual inflation rate recorded since October 2021. Annual inflation in the tobacco category held steady at 4.8% y/y. The inflation moderation in the overall alcohol and tobacco category was primarily driven by the 'Whiskies' sub-category, where inflation eased from 3.3% y/y in March to 1.9% y/y in April. Inflation in the 'White Spirits' and 'Wines' sub-categories also softened, while annual inflation for 'Brandies' accelerated from 5.0% y/y in March to 6.0% y/y in April.

Alcohol & Tobacco Inflation (y/y)



Source: Namibia Statistics Agency, IJG Securities





0,0005	4,85%
0,0003	13,04%
0,001	50,00%
0,0003	14,29%
0,0005	12,50%

Conclusion & Forecast

The rise in oil prices and heightened uncertainty resulting from the conflict between the United States and Iran have begun to filter through to domestic prices, with annual inflation accelerating to 3.1% y/y in April from 2.1% y/y previously. The sharp increase in transport costs was a key driver of the higher inflation print and likely to exert additional upward pressure in the months ahead. Looking forward, we expect more broad-based price increases across categories, with elevated oil prices likely to place pressure on food inflation, especially for heavily imported goods.

According to IJG's inflation model, inflation is expected to range between 2.9% and 5.2% in 2026, with the base case forecast at 4.0%.



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