

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

## Overview

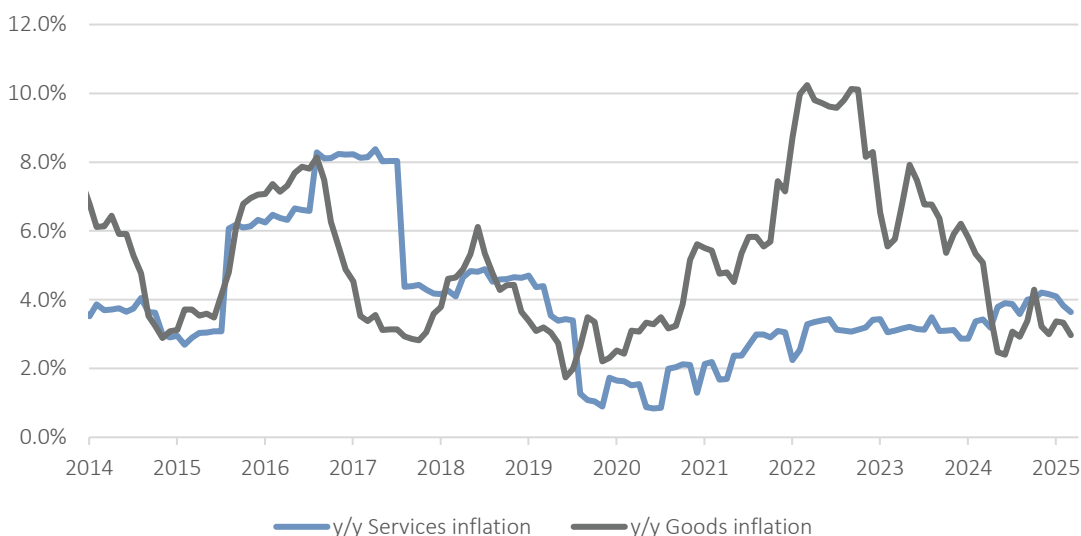
Category	Weight	Aug-25 m/m %	Jul-25 y/y %	Aug-25 y/y %	Direction
Food	16.4%	-0.2%	6.1%	5.2%	↘
Alcoholic B&T	12.6%	-0.2%	6.0%	5.5%	↘
Clothing	3.0%	-0.3%	2.0%	1.5%	↘
Housing utilities	28.4%	0.1%	3.6%	3.4%	↘
Furniture	5.5%	-0.2%	2.6%	2.0%	↘
Health	2.0%	-0.1%	3.2%	3.4%	↗
Transport	14.3%	0.2%	-1.2%	-1.0%	↗
Communications	3.8%	0.1%	0.0%	0.4%	↗
Recreation	3.6%	0.6%	3.4%	3.8%	↗
Education	3.6%	0.0%	4.3%	4.3%	→
Hotels	1.4%	0.0%	5.1%	3.8%	↘
Miscellaneous	5.4%	0.3%	3.2%	3.5%	↗
<b>All Items</b>	<b>100%</b>	<b>0.0%</b>	<b>3.5%</b>	<b>3.2%</b>	↘

Source: Namibia Statistics Agency, IJG Securities

The Namibian annual inflation rate moderated from 3.5% y/y in July to 3.2% y/y in August, with prices in the NCPI basket remaining steady on a month-on-month basis. On a year-on-year basis, overall prices in five of the twelve basket categories rose at a quicker rate in August than in July, with six categories recording slower rates of inflation and one category recording an increase consistent with the prior month.

Prices of services increased by 0.1% m/m and 3.6% y/y, down from 3.8% y/y previously recorded in July, signifying a third consecutive moderation since May. Prices of goods remained steady m/m but rose by 3.0% y/y.

### Goods vs Services Inflation (y/y %)



Source: Namibia Statistics Agency, IJG Securities

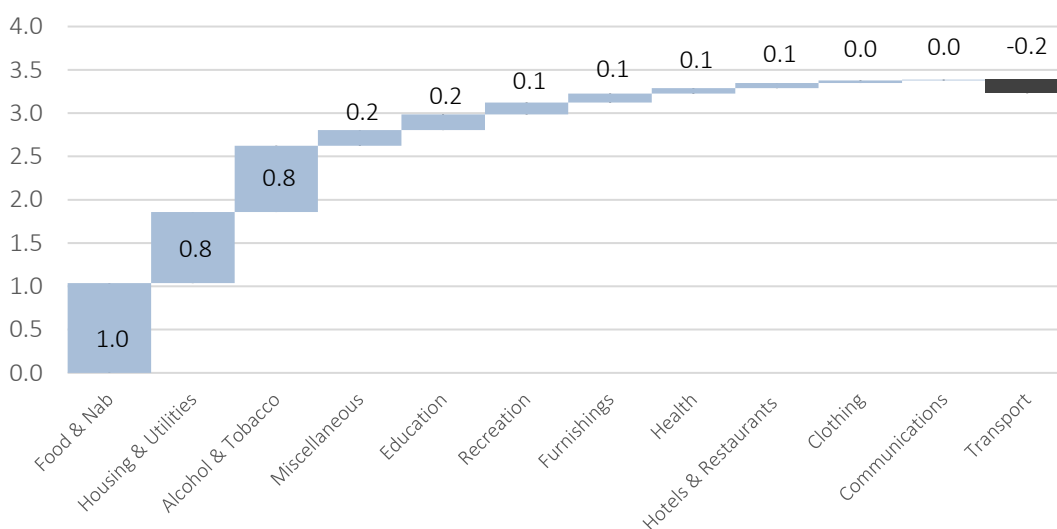
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## Inflation Contributors

**Food & non-alcoholic beverages, housing & utilities** as well as **alcohol & tobacco** were once again the three largest contributors, respectively, to the annual inflation rate in August. Food & non-alcoholic beverages accounted for 1 percentage point of the total 3.2% annual inflation rate while the housing & utilities category and the alcohol & tobacco category contributed 0.8 percentage point each. Inflation in all three categories has moderated on a year-on-year basis. Prices for food & non-alcoholic beverages fell 0.2 % m/m but are up 5.2% y/y. Housing & utilities inflation has similarly slowed to 3.4% y/y, 0.2 percentage points down from July.

Prices in the transport category rose 0.2% m/m but are down 0.1% y/y, on the back of lower fuel prices. Consequently, this category has contracted by 1.0% y/y in August, thereby reducing the annual inflation rate by 0.2 percentage points.

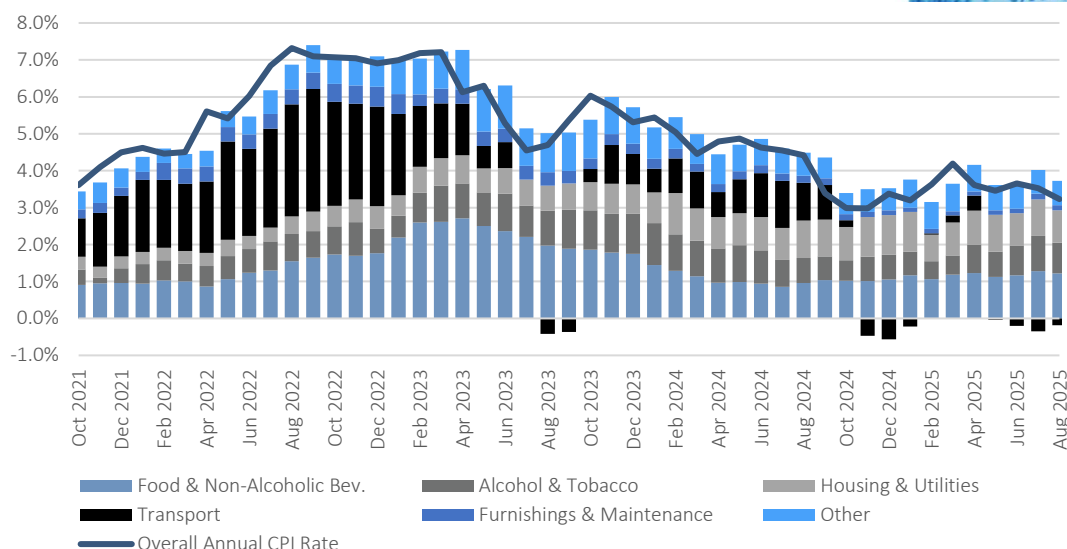
Contribution to the Annual Inflation Rate (percentage points)



Source: Namibia Statistics Agency, IJG Securities

The **miscellaneous** and **education** categories each contributed 0.2 percentage points to the overall annual inflation rate. Prices for miscellaneous goods have increased by 3.5% y/y, with personal care prices having increased by 4.6 % y/y, 0.8 percentage points up from the prior month. Inflation in the education category was steady at 4.3% y/y.

### Historic NCPI Contribution Breakdown



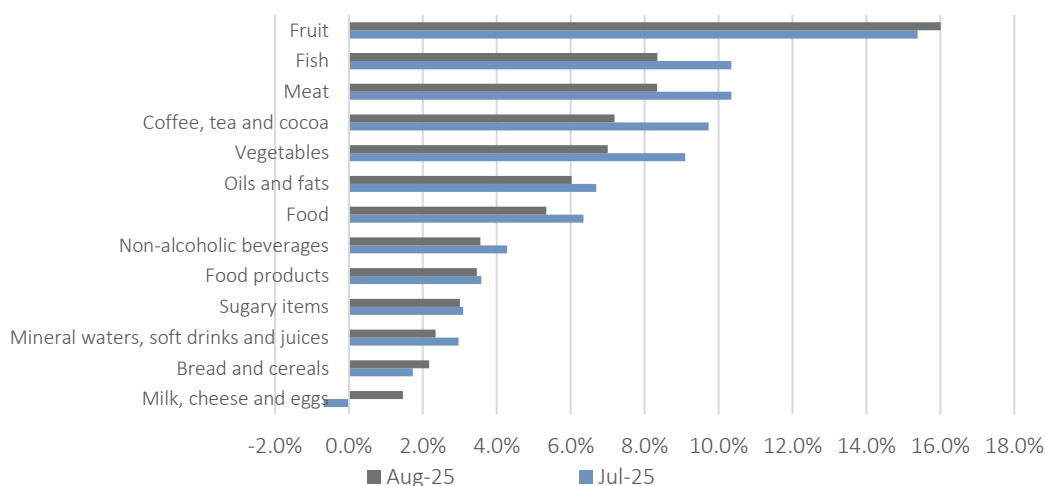
Source: Namibia Statistics Agency, IIG Securities

### Food & Non-Alcoholic Beverages

On an annual basis, inflation in the food & non-alcoholic beverages category has moderated to is up 5.2% y/y in August from 6.1% y/y in July. Three of the thirteen sub-categories recorded quicker inflation on a year-on-year basis compared to July. The largest increase was observed in the prices of fruits which increased by 0.5% m/m and 16.0% y/y, whilst the second largest increases were attributable to meat and fish price increases of 8.3% y/y.

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

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



Source: Namibia Statistics Agency, IIG Securities

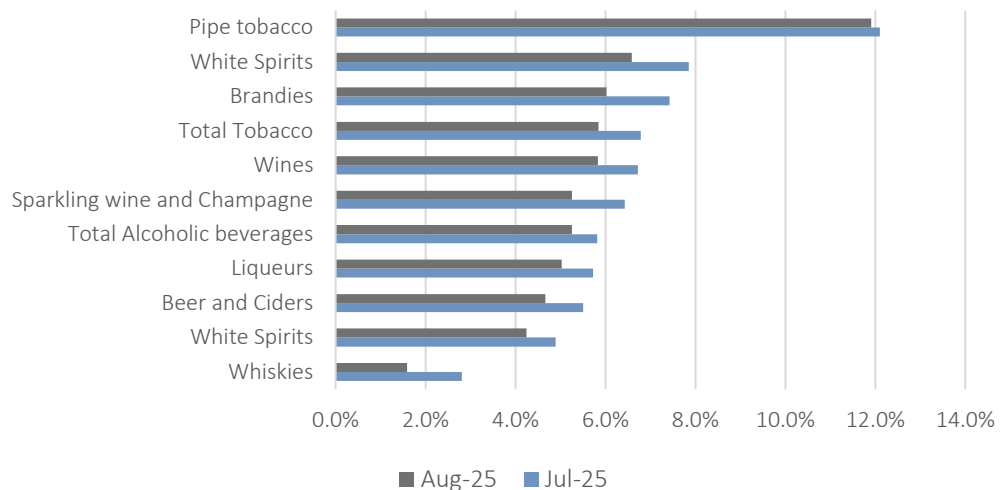
### Housing, Water & Electricity

Housing & utilities inflation has further moderated to 3.4% y/y, down from 3.6 % y/y in July. Prices of this category increased by 0.1% m/m. Electricity, gas and other fuels was the only sub-category to record quicker inflation on a year-on-year basis at 1.6%. Rental inflation moderated to 3.7% y/y, along with regular maintenance and repair of dwellings inflation moderating to 2.0% y/y. Inflation for water supply, sewage services and refuse collection eased to 4.0% y/y, down from 4.6% y/y in July.

## Alcohol & Tobacco

Prices in the Alcohol and Tobacco category fell by 0.2% m/m but were up 5.5% y/y. Inflation for alcoholic beverages slowed to 5.3% y/y, down from 5.8% y/y in July, while inflation for tobacco products slowed to 6.6% y/y, down from 6.8% y/y in July.

### Alcohol & Tobacco Inflation (y/y)



Source: Namibia Statistics Agency, IJG Securities

## Conclusion & Forecast

Namibia's annual inflation rate slowed for a second consecutive month in August, reaching its lowest level since January. IJG's inflation model projects Namibia's annual inflation rate to edge up to about 3.6% in September before easing to roughly 3.1% by year-end, with CPI expected to range between 2.1% and 4.4% in 2026.



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