

Namibia CPI

December 2025

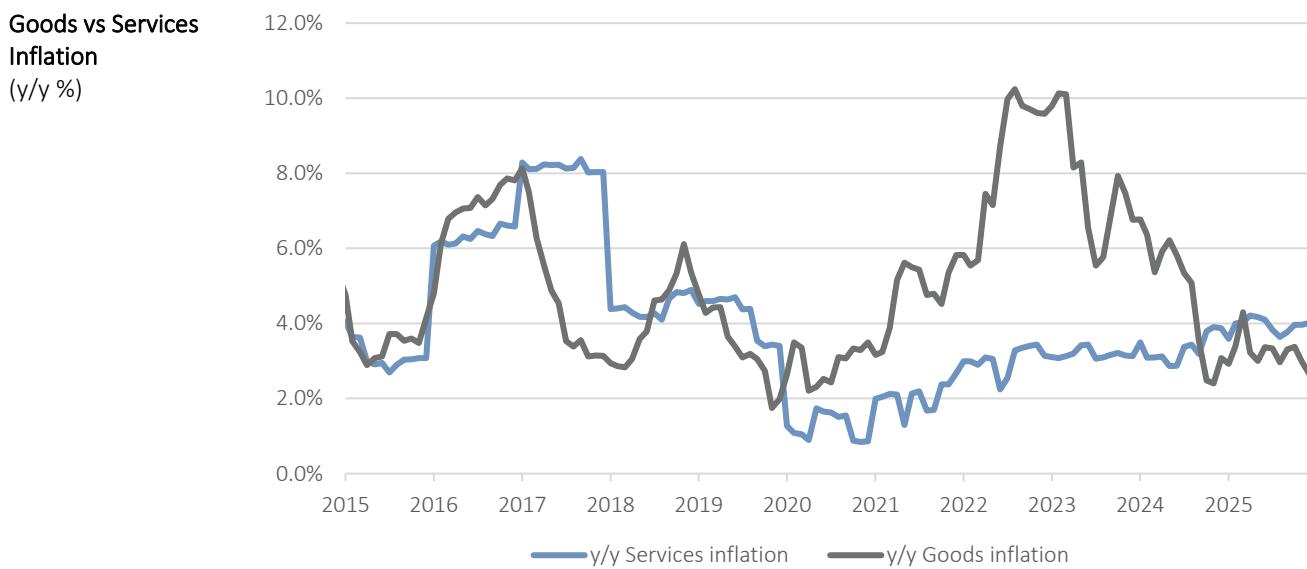
Overview

Category	Weight	Dec-25 m/m %	Nov-25 y/y %	Dec-25 y/y %	Direction
Food	16.4%	-0.2%	3.9%	2.6%	↓
Alcoholic B&T	12.6%	-0.1%	3.9%	3.7%	↓
Clothing	3.0%	0.1%	1.6%	1.5%	↓
Housing utilities	28.4%	0.4%	4.1%	4.5%	↗
Furniture	5.5%	0.2%	1.4%	1.7%	↗
Health	2.0%	0.4%	2.7%	2.7%	→
Transport	14.3%	0.1%	2.0%	2.0%	→
Communications	3.8%	0.2%	0.0%	0.4%	↗
Recreation	3.6%	0.1%	3.8%	4.3%	↗
Education	3.6%	0.0%	4.3%	4.3%	→
Hotels	1.4%	0.2%	4.8%	4.2%	↓
Miscellaneous	5.4%	0.1%	2.8%	2.8%	→
All Items	100%	0.1%	3.4%	3.2%	↓

Source: Namibia Statistics Agency, IJG Securities

The Namibian annual inflation rate fell to 3.2% y/y in December from 3.4% y/y in November. Prices in the NCPI basked increased by 0.1% on a monthly basis. Year-on-year inflation rose at a faster pace in four of the twelve basket categories in December, slowed in four categories, and remained unchanged in the other four, relative to November.

Prices of services increased by 4.0% y/y, while prices of goods increased by 2.7% y/y, down from the 3.0% y/y recorded in November.

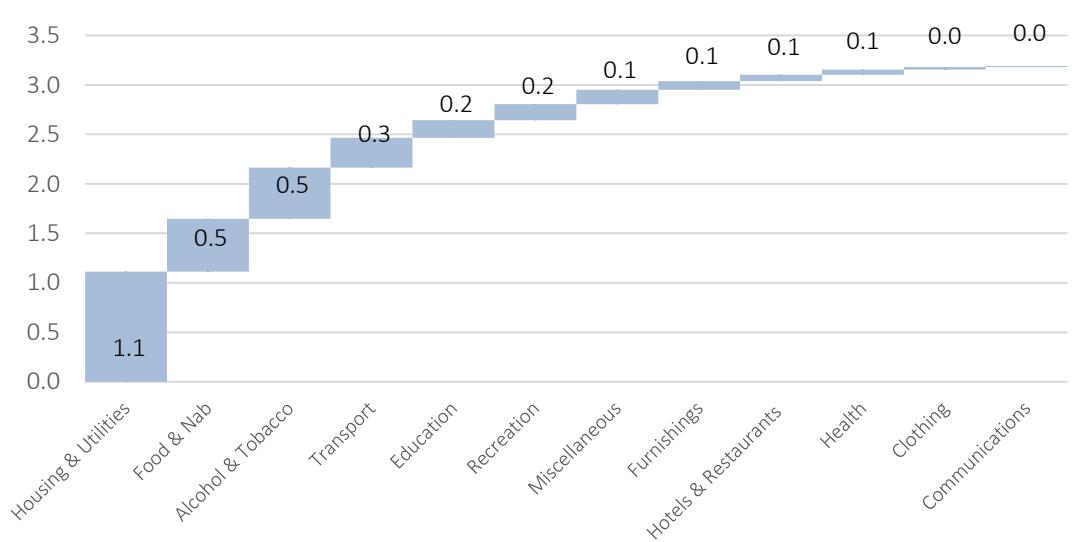


Source: Namibia Statistics Agency, IJG Securities

Inflation Contributors

Housing and utilities continued to be the main driver of annual inflation in December, accounting for 1.1 percentage points of the overall 3.2% inflation rate. **Food and non-alcoholic beverages** contributed 0.5 percentage points to the annual inflation rate, matched by an equal 0.5 percentage point contribution from the **alcohol and tobacco category**. Inflation in the food and non-alcoholic beverages as well as the alcohol and tobacco categories have both moderated on a year-on-year basis, while inflation in the housing, water, electricity, gas and other fuels category has picked up.

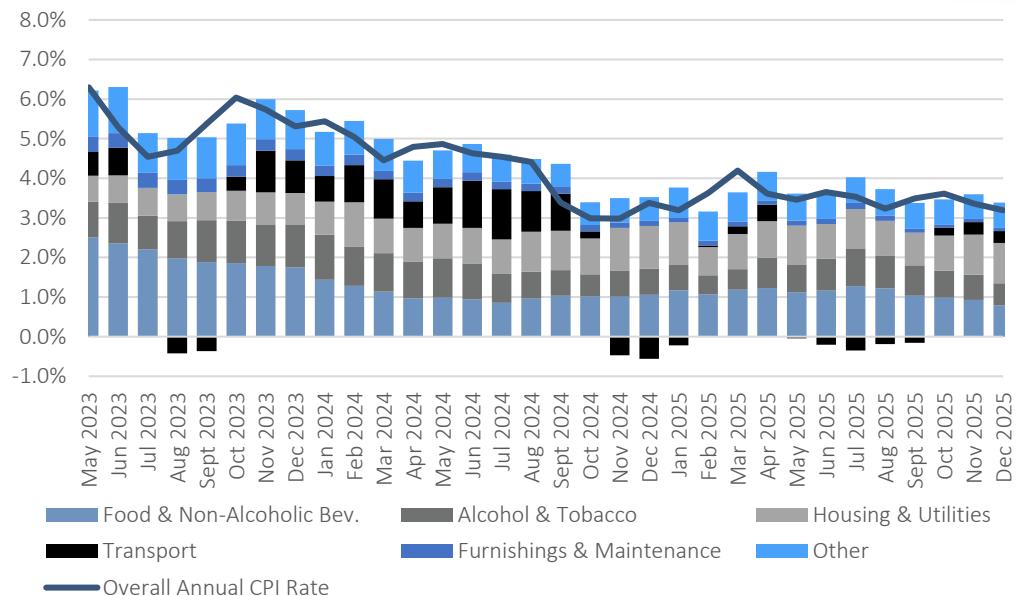
Contribution to the Annual Inflation Rate (percentage points)



Source: Namibia Statistics Agency, IJG Securities

The **transport** category, weighted at 14.3% of the consumer basket, made a 0.3 percentage point contribution to annual inflation. This followed a shift from deflation of 1.4% in December 2024 to inflation of 2.0% in December 2025. Inflation in the **education** category remained steady at 4.3% y/y during December.

Historic NCPI Contribution Breakdown



Source: Namibia Statistics Agency, IJG Securities

Housing, Water & Electricity

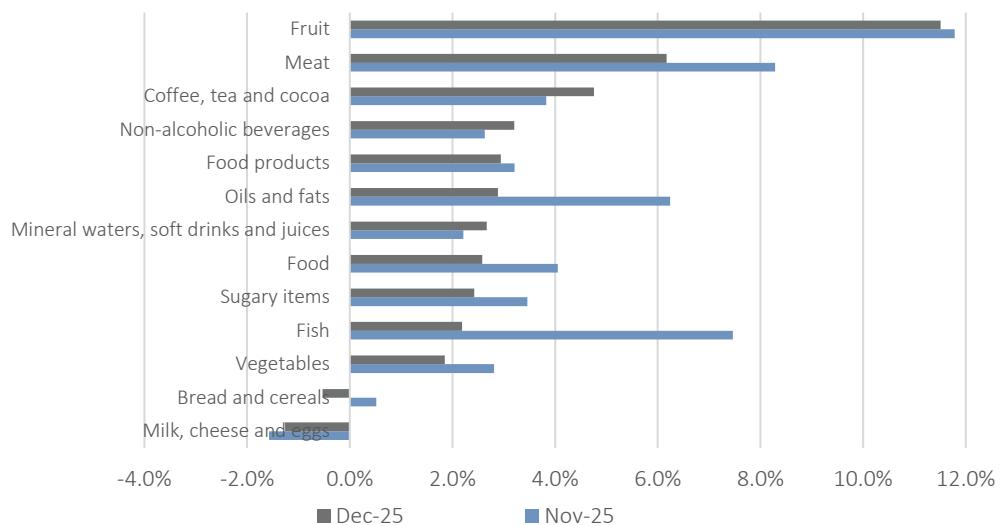
Housing & utilities account for the largest part of the NCPI basket with a weighting of 28.4%. The annual inflation rate for this category stood at 4.5%, up from 4.4% recorded in December 2024. On a month-on-month basis, this category recorded inflation of 0.4%, following steady prices in the previous month. The sub-categories that recorded quicker year-on-year inflation were 'Electricity gas and other fuels', which increased by 2.3% m/m and 4.5% y/y, and 'Regular maintenance and repair of dwelling', which posted price increases of 0.5% m/m and 3.0% y/y.

Food & Non-Alcoholic Beverages

Annual inflation for food and non-alcoholic beverages eased to 2.6% in December from 3.9% in November. The category, which carries a weight of 16.5% in the NCPI basket, recorded a month-on-month price decline of 0.2%, following a flat reading in the previous month. Four of the thirteen sub-categories recorded quicker inflation on a year-on-year basis compared to November. The largest increases came from the price of fruits and meat, with fruits increasing by 11.5% y/y and meat increasing by 6.2% y/y. Notably, the annual inflation rate for fish moderated to 2.2% in December 2025, from 7.5% in November. According to the Namibian Statistics Agency, this is primarily due to a sharp slowdown in fresh, chilled, and frozen fish prices, which moved into deflation.

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

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



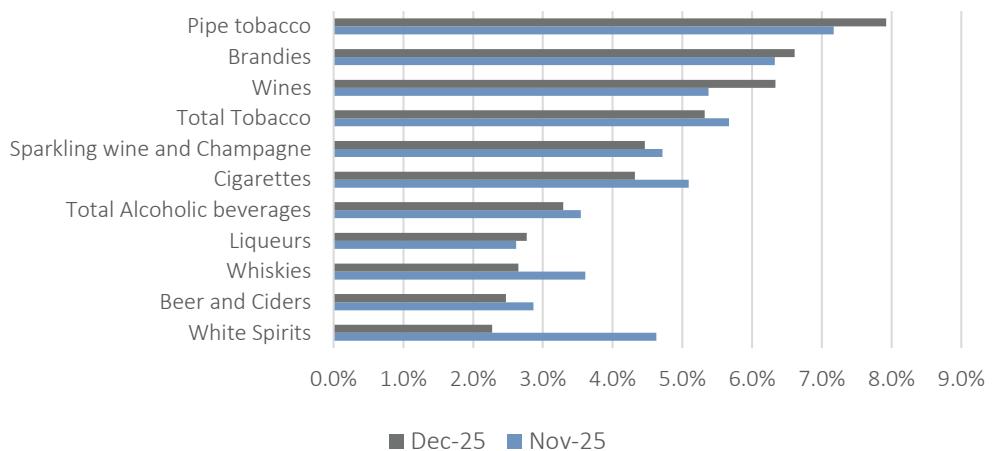
Source: Namibia Statistics Agency, IIG Securities

Alcohol & Tobacco

Inflation in the alcohol & tobacco category slowed to 3.7% y/y, down from 3.9% recorded in the previous month. Inflation for 'alcoholic beverages' further slowed to 3.3% y/y, down from 3.5% y/y in November. According to the NSA, this moderation was mainly driven by lower price increases for 'white spirits' (from 5.2% to 2.3%); 'sparkling wines/champagnes' (from 7.6% to 4.5%); and 'liqueurs' (from 5.0% to 2.8%). Inflation for 'tobacco' slowed to 5.3% y/y from 5.7% y/y in November.



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



Source: Namibia Statistics Agency, IJG Securities

Conclusion & Forecast

Annual inflation eased slightly to 3.2% in December 2025, compared with 3.4% in both November 2025 and December 2024, with overall price pressures remaining modest. According to IJG's inflation model, inflation is expected to range between 2.0% and 3.9% in 2026.



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