

Namibia CPI

January 2026

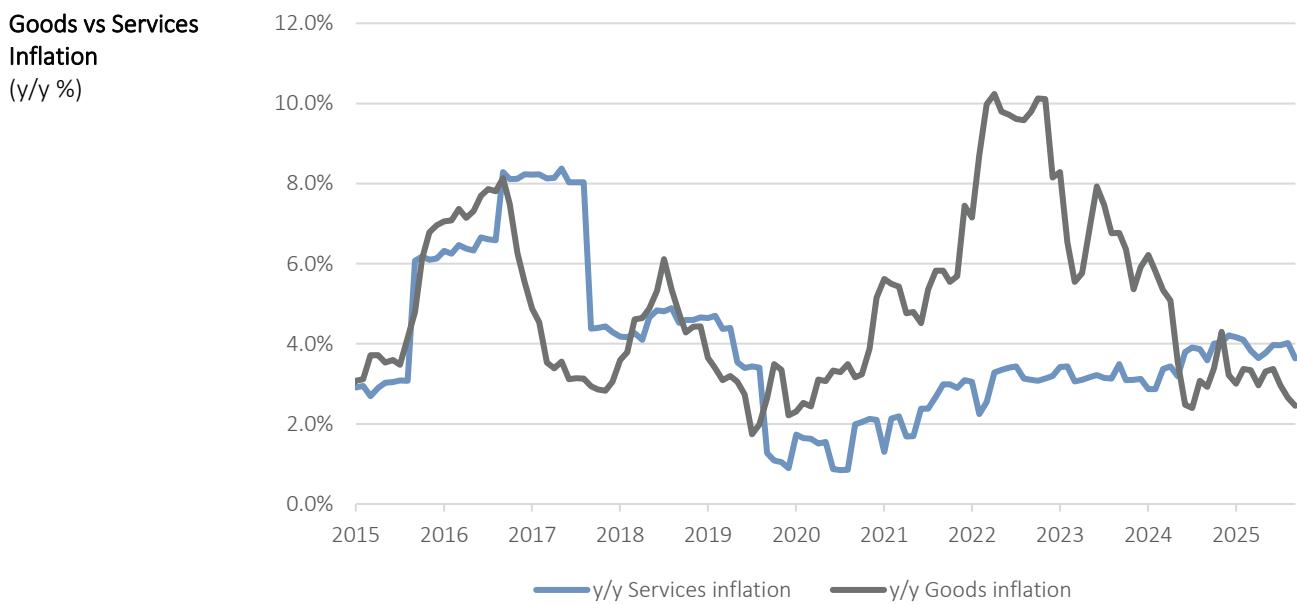
Overview

Category	Weight	Jan-26 m/m %	Dec-25 y/y %	Jan-26 y/y %	Direction
Food	16.4%	0.3%	2.6%	1.9%	↓
Alcoholic B&T	12.6%	0.5%	3.7%	3.8%	↗
Clothing	3.0%	-0.3%	1.5%	0.7%	↓
Housing utilities	28.4%	1.4%	4.5%	4.6%	↗
Furniture	5.5%	2.7%	1.7%	3.4%	↗
Health	2.0%	2.5%	2.7%	4.2%	↗
Transport	14.3%	0.0%	2.0%	1.7%	↓
Communications	3.8%	-1.3%	0.4%	-1.4%	↓
Recreation	3.6%	0.0%	4.3%	3.7%	↓
Education	3.6%	2.4%	4.3%	2.4%	↓
Hotels	1.4%	1.7%	4.2%	3.6%	↓
Miscellaneous	5.4%	0.9%	2.8%	1.5%	↓
All Items	100%	0.8%	3.2%	2.9%	↓

Source: Namibia Statistics Agency, IJG Securities

The Namibian annual inflation rate fell further to 2.9% y/y in January from 3.2% y/y in December. Prices in the NCPI basket increased by 0.8% on a monthly basis. Year-on-year inflation rose at a faster pace in four of the twelve basket categories in January and slowed in the remaining categories compared to December.

Prices of services increased by 3.6% y/y, while prices of goods increased by 2.5% y/y, down from the 2.7% y/y recorded in December.

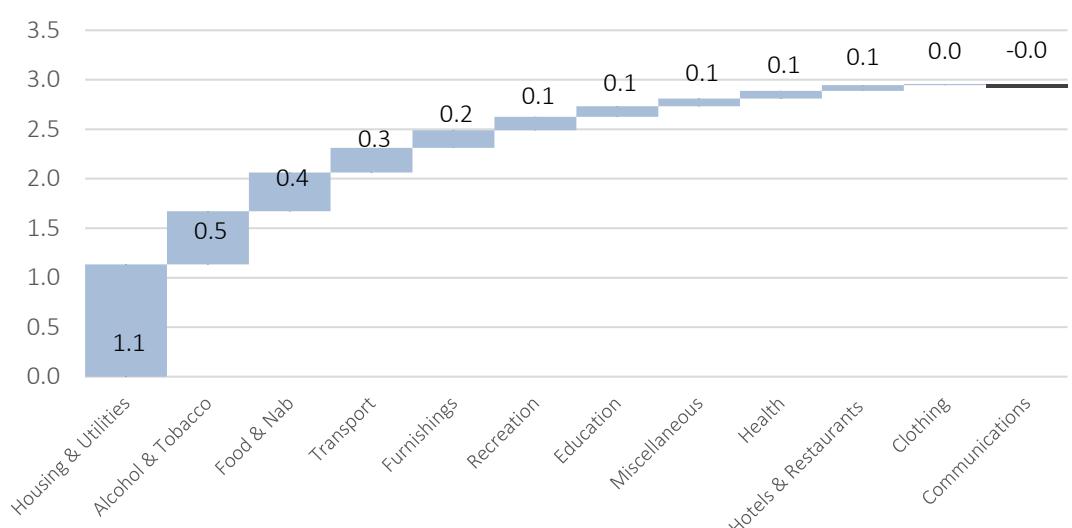


Source: Namibia Statistics Agency, IJG Securities

Inflation Contributors

Housing and utilities continued to be the main driver of annual inflation in January, accounting for 1.1 percentage points of the overall 2.9% inflation rate. **Alcohol and tobacco** products were the second-largest contributors to annual inflation, adding 0.5 percentage points to the overall rate. **Food and non-alcoholic beverages** ranked third, contributing 0.4 percentage points.

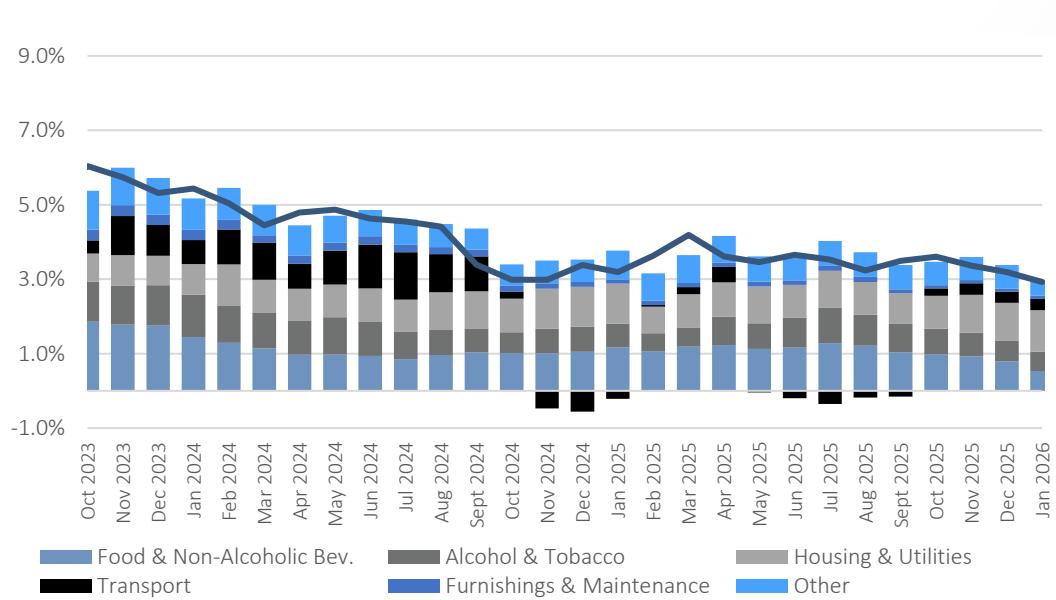
Contribution to the Annual Inflation Rate
(percentage points)



Source: Namibia Statistics Agency, IJG Securities

Transport was the fourth-largest contributor, with the annual inflation rate accelerating to 1.7% in January 2026 from 0.3% in January 2025. This notable increase was primarily driven by the “operation of personal transport equipment” sub-component, after recording a deflation of 1.1% in January 2025, the category rebounded to growth of 2.1% in January 2026. The increase was mainly driven by higher price increase in fuel (from -3.7% to 1.8%), as per the NSA.

Historic NCPI Contribution Breakdown



Source: Namibia Statistics Agency, IJG Securities

Housing, Water & Electricity

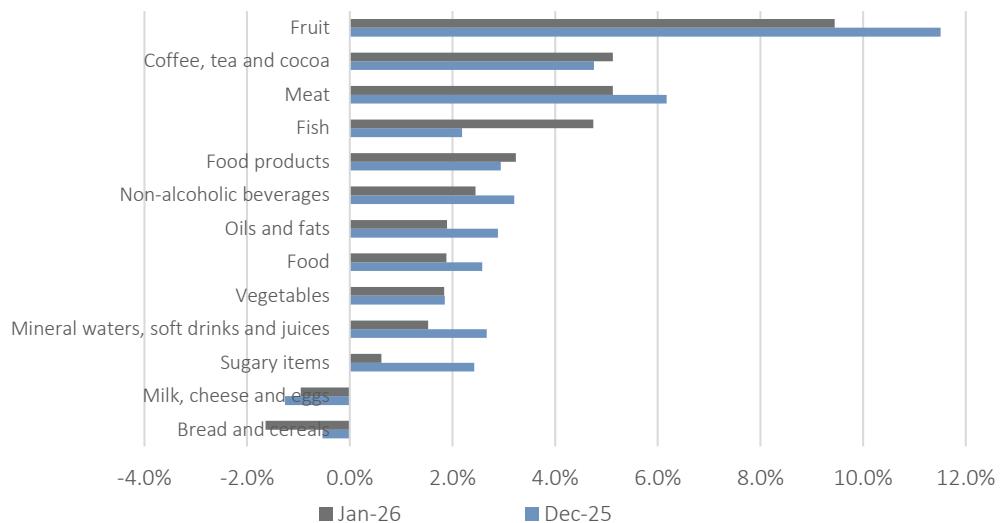
Housing & utilities account for the largest part of the NCPI basket with a weighting of 28.4%. The annual inflation rate for this category stood at 4.6%, up from 2.9% recorded in January 2025. On a month-on-month basis, this category recorded inflation of 1.4%, compared to 0.4% recorded in the previous month. The sub-category that recorded quicker year-on-year inflation was 'Rental payments for dwelling', which increased by 1.8% m/m and 4.9% y/y. According to the NSA, the rise in annual inflation for this category was largely driven by higher prices in the sub-components "Electricity, gas and other fuels", which accelerated from 1.3% in January 2025 to 4.4% in the current month, and "Rental payments for dwellings (both owners and renters)", which increased from 3.2% to 4.9%.

Food & Non-Alcoholic Beverages

Annual inflation for food and non-alcoholic beverages eased to 1.9% in January from 2.6% in December. The category, which carries a weight of 16.5% in the NCPI basket, recorded a month-on-month price increase of 0.3%, following a 0.2% decline in prices recorded in the previous month. Four of the thirteen sub-categories recorded quicker inflation on a year-on-year basis compared to December. The largest increases came from the price of fruits which increased by 9.4% y/y. According to the NSA, this moderation was driven by a decline in prices for 'bananas' (from 22.4% to -3.7%), 'citrus fruits' (from 22.8% to 1.4%) and 'watermelons' (from 22.0% to 11.8%).

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

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



Source: Namibia Statistics Agency, IJG Securities

Alcohol & Tobacco

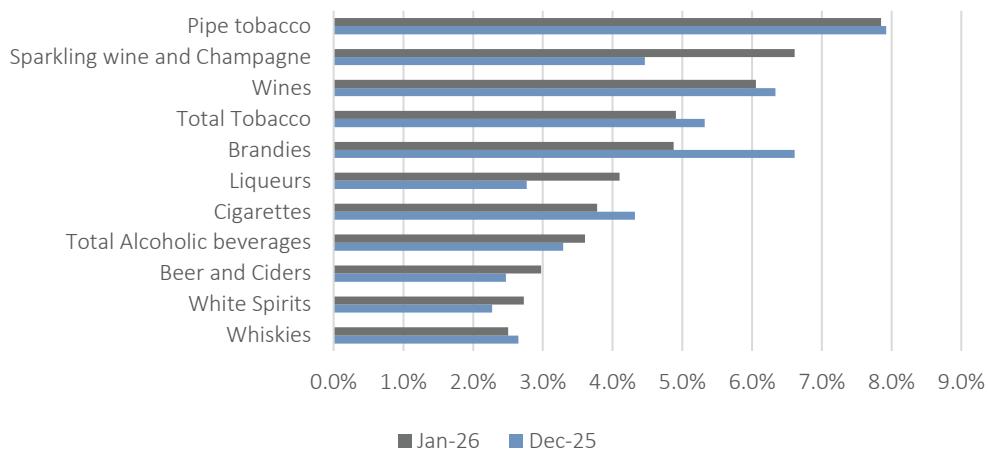
Inflation in the alcohol & tobacco category increased to 3.8% y/y, up from 3.7% recorded in the previous month. The inflation rate for 'alcoholic beverages' increased to 3.6% y/y, up from 3.3% y/y in December. The Inflation rate for 'tobacco' fell to 4.9% y/y, down from the 5.3% y/y recorded in December 2025. The monthly inflation rate accelerated to 0.5%, up from a 0.1% contraction recorded a month earlier.



Alcohol & Tobacco

Inflation

(y/y)



Source: Namibia Statistics Agency, IJG Securities

Conclusion & Forecast

The annual inflation rate eased to 2.9% y/y in January 2026, compared to 3.2% y/y in December 2025, with overall price pressures remaining modest. According to IJG's inflation model, inflation is expected to range between 2.0% and 3.7% in 2026. Namibia's inflation is expected to rise from the unusually low 2.9% recorded in January 2026 as price pressures normalize.



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