

Namibia CPI

March 2026

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

Overview

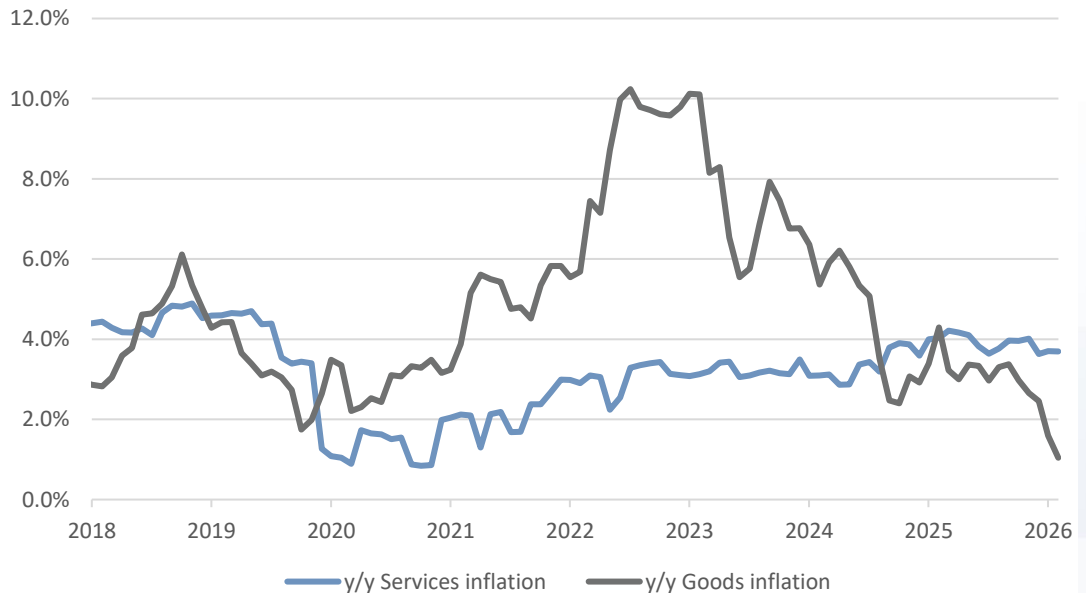
Category	Weight	Mar-26 m/m %	Feb-26 y/y %	Mar-26 y/y %	Direction
Food	16.4%	0.4%	1.6%	1.7%	↗
Alcoholic B&T	12.6%	0.2%	3.4%	1.9%	↘
Clothing	3.0%	-0.1%	0.3%	-0.1%	↘
Housing utilities	28.4%	0.1%	4.7%	4.6%	↘
Furniture	5.5%	-0.2%	3.5%	3.4%	↘
Health	2.0%	0.7%	4.0%	4.5%	↗
Transport	14.3%	0.4%	-1.0%	-1.7%	↘
Communications	3.8%	0.1%	-1.6%	-1.4%	↗
Recreation	3.6%	0.1%	3.9%	3.9%	→
Education	3.6%	0.0%	2.4%	2.4%	→
Hotels	1.4%	-0.2%	4.8%	3.7%	↘
Miscellaneous	5.4%	0.2%	1.3%	1.2%	↘
All Items	100%	0.2%	2.4%	2.1%	↘

Source: Namibia Statistics Agency, IJG Securities

Namibia's inflationary pressures continued to ease in March, with the annual inflation rate declining further to 2.1% y/y, from 2.4% recorded in February. This marks the lowest level of inflation observed since July 2020. An assessment of the inflation basket points to a generally moderating trend across most categories. On a year-on-year basis, overall prices in only three of the twelve basket categories rose at a quicker rate in March than in February, with seven categories recording slower rates of inflation and two categories recording an increase consistent with the prior month.

Services inflation held steady at 3.7% y/y, unchanged from the previous month, while goods inflation eased to 1.0% y/y, down from 1.6% y/y recorded in February.

Goods vs Services Inflation (y/y %)



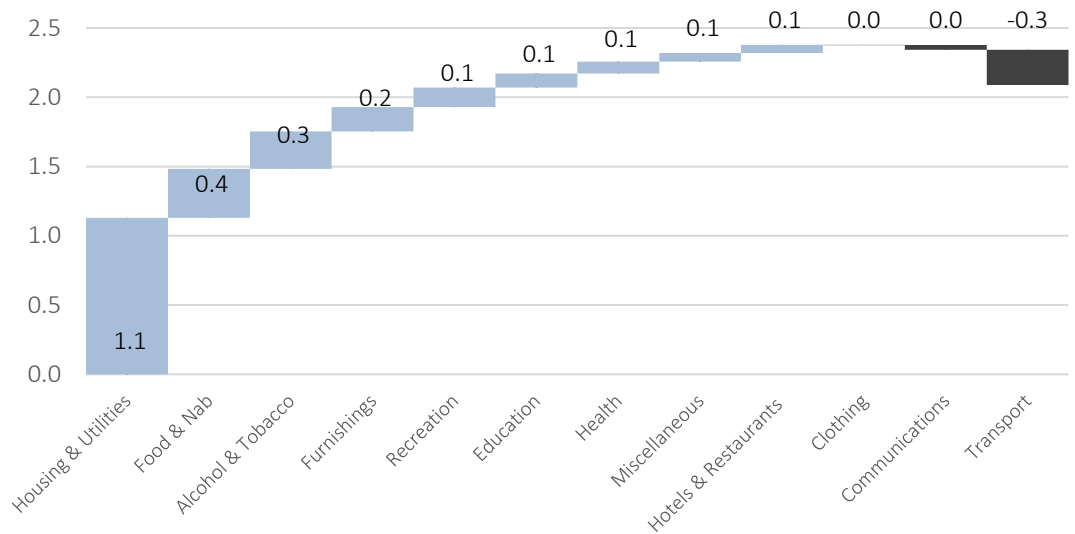
Source: Namibia Statistics Agency, IJG Securities



Inflation Contributors

Housing and utilities continued to be the primary drivers of annual inflation in March, contributing 1.1 percentage points to the overall 2.1% inflation rate. This category holds the largest weighting in the consumer price basket at 28.5%, which amplifies the impact of changes in housing-related costs on overall inflation. **Food and non-alcoholic beverages** ranked as the second-largest contributor, accounting for 0.4 percentage points, while **Alcohol and Tobacco** products represented the third-largest source of inflationary pressure, adding 0.3 percentage points to total inflation rate.

Contribution to the Annual Inflation Rate (percentage points)

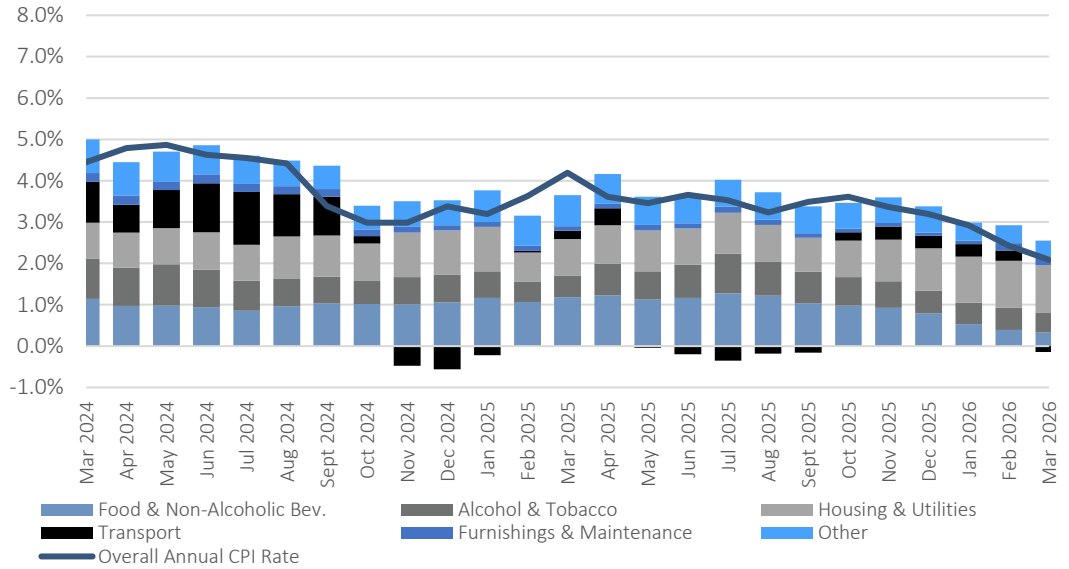


Source: Namibia Statistics Agency, IJG Securities

The **transport** category, which holds a weighting of 14.3% in the overall inflation basket, recorded a deflation of 1.7% y/y in March. This reflects a significant turnaround from the 2.6% y/y increase recorded March 2025, indicating a marked easing in transport-related price pressures over the past year. In contrast, on a month-to-month basis, the category registered a slight increase of 0.4% in March 2026, compared to a deflation of 1.2% in February. Notably, more recent developments point to emerging upward pressure, with petrol prices increasing by N\$2.50 per litre and diesel prices rising by N\$4.00 per litre in April. While these adjustments fall outside the March reporting period, they are likely to exert upward pressure on transport costs and may contribute to higher inflation in this category in the coming months.

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Historic NCPI Contribution Breakdown



Source: Namibia Statistics Agency, IJG Securities

Housing, Water & Electricity

The annual inflation rate for this category increased to 4.6% in March 2026, up from 3.8% recorded in March 2025, indicating a gradual build-up in price pressures over the past year. On a month-to-month basis, prices rose by 0.1%, unchanged from the increase recorded in the previous month, suggesting relatively stable short-term price movements.

The upward trend in annual inflation was primarily driven by higher prices in the ‘electricity, gas and other fuels’ sub-category, where inflation accelerated to 4.1% y/y, compared to 1.8% in March 2025. Additionally, ‘rental payments for dwellings, for both owners and tenants’, contributed to the increase, with inflation in this component rising from 4.2% y/y in March 2025 to 5.0% in March 2026. Overall, these developments point to mounting cost pressures within housing and utilities, which remain key drivers of inflation in this category.

Food & Non-Alcoholic Beverages

Annual inflation in the food and non-alcoholic beverages category moderated sharply to 1.7% in March, down significantly from 6.2% y/y recorded in March 2025, reflecting broad-based easing in food price increases over the year. The category, which carries a substantial weight of 16.5% in the NCPI basket, registered a modest month-on-month increase of 0.4%.

The most notable contribution to the slower growth trend came from the ‘bread and cereals’ sub-category, which holds the largest share within food items purchased by households (up to 4.8%). Inflation in this sub-component shifted into deflationary territory, recording a decline of 1.1% y/y in March 2026, compared to a 6.1% increase in March 2025. According to the Namibia Statistics Agency (NSA), this sharp decline was observed across key staples, including maize meal/grain (from 11.4% y/y to -5.6% y/y), rice (from 11.4% y/y to 2.2% y/y), bread (from 5.4% y/y to -0.5% y/y), and mealie rice/malt (from 2.6% y/y to -1.2% y/y).

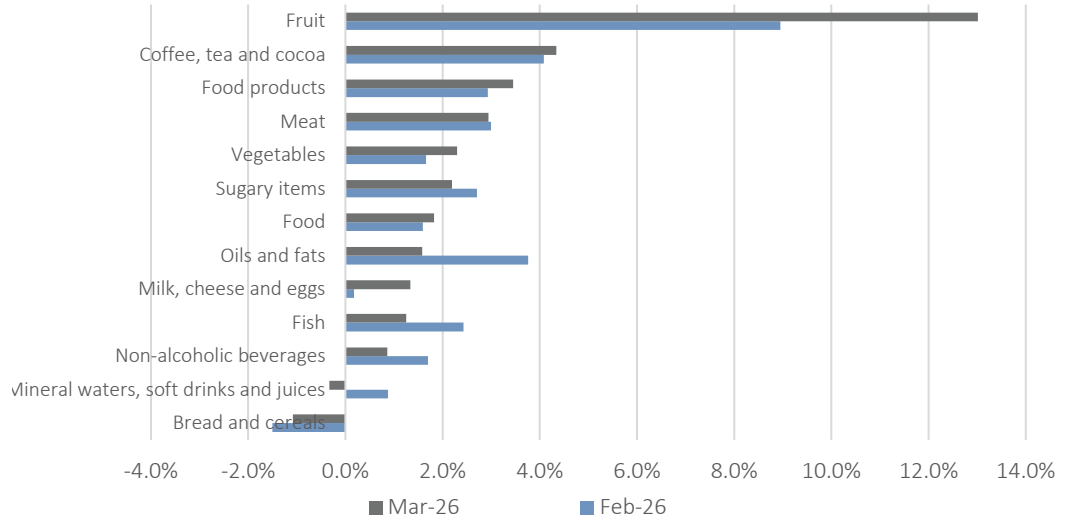
Further easing was also observed in other key food components. ‘Fish’ prices recorded an increase of 1.3% y/y in March 2026, markedly lower than the 7.9% y/y registered in the same period last year. Similarly, the coffee, tea and cocoa category decelerated to 4.3% y/y from 9.4% y/y in March 2025.

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



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

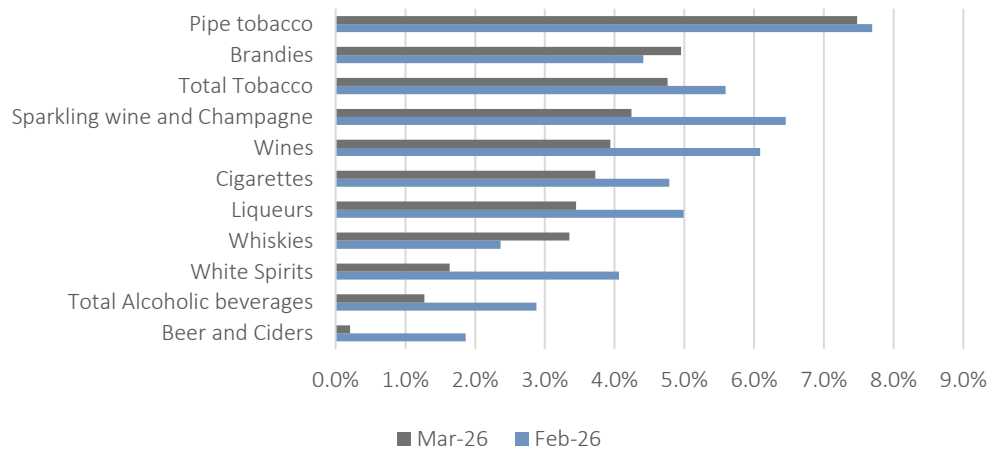


Source: Namibia Statistics Agency, IJG Securities

Alcohol & Tobacco

Annual inflation in the alcohol and tobacco category eased to 1.9% y/y in March, down from 3.4% y/y recorded in the previous month, indicating a notable moderation in price pressures within this segment. The deceleration was primarily driven by alcoholic beverages, where inflation slowed to 1.3% y/y from 2.9% y/y in February. Tobacco also contributed to the overall slowdown, with the inflation rate in this category easing to 4.8% y/y in the current month. According to the NSA, the decline in inflation was driven by changes in the price levels of ‘Wines’ (from 11.8% to 3.9%); ‘Sparkling wine/Champagnes’ (from 8.6% to 4.2%); ‘White spirits’ (from 5.8% to 1.6%); and ‘Beer/Ales/Ciders’ (from 3.7% to 0.2%).

Alcohol & Tobacco Inflation (y/y)



Source: Namibia Statistics Agency, IJG Securities



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Conclusion & Forecast

Overall, inflationary pressures in Namibia continued to ease in March 2026, reflecting a sustained moderation in price increases across the economy. The annual inflation rate declined further to 2.1%, down from 2.4% in February and 2.9% in January, confirming a steady downward trend in inflation during the first quarter of the year. On a month-to-month basis, prices increased marginally by 0.2%, indicating relatively stable consumer price movements.

However, the increase in fuel prices in April 2026 is expected to place upward pressure on transport costs and related goods and services in the coming months. This development may temper the current low-inflationary environment going forward, given the widespread pass-through effects of fuel price adjustments across the economy.

Nonetheless, the March inflation outcome highlights an improved inflationary environment and offers temporary relief to consumers.

According to IJG's inflation model, inflation is expected to range between 1.9% and 3.1% in 2026.



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