

Namibia CPI

November 2024

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

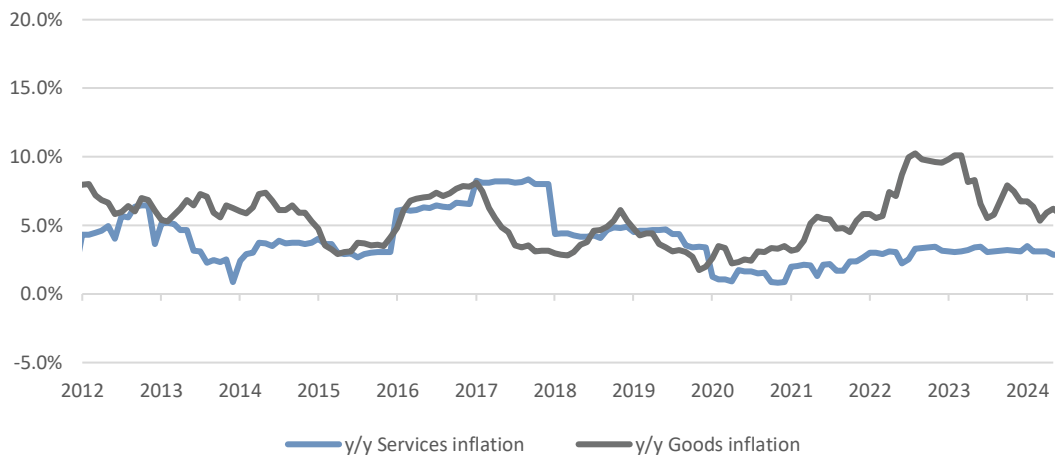
Overview

Category	Weight	Nov-24 m/m %	Oct-24 y/y %	Nov-24 y/y %	Direction
Food	16.4%	0.7%	5.1%	5.3%	↗
Alcohol & Tobacco	12.6%	0.5%	4.8%	4.8%	→
Clothing	3.0%	0.2%	2.3%	2.7%	↗
Housing & Utilities	28.4%	0.0%	4.4%	4.4%	→
Furniture	5.5%	0.1%	2.6%	2.5%	↘
Health	2.0%	0.1%	4.2%	4.4%	↗
Transport	14.3%	0.0%	-2.9%	-3.5%	↘
Communications	3.8%	0.0%	-1.3%	-1.1%	↗
Recreation	3.6%	0.5%	4.7%	5.5%	↗
Education	3.6%	0.0%	1.7%	1.7%	→
Hotels	1.4%	0.6%	5.4%	5.6%	↗
Miscellaneous	5.4%	0.1%	3.1%	3.1%	→
All Items	100%	0.3%	3.0%	3.0%	→

Source: Namibia Statistics Agency, IIG Securities

Namibia's annual inflation rate held steady at 3.0% y/y in November, with the overall Namibia Consumer Price Index (NCPI) rising by 0.3% m/m, compared to 0.4% m/m in October. Annually, six of the twelve basket categories experienced faster inflation rates in November than in October, while four categories remained unchanged. Prices for goods increased by 2.4% y/y, while service prices rose by 3.9% y/y.

Goods vs Services Inflation (y/y %)



Source: Namibia Statistics Agency, IIG Securities

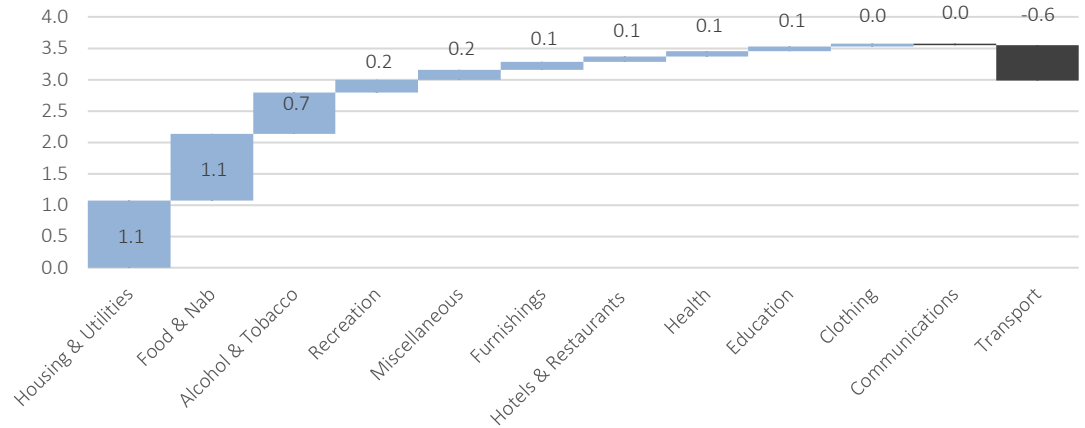


Inflation Contributors

Housing and utilities, the largest category by weight in the inflation basket, contributed 1.08 percentage points to the total annual inflation rate. **Food and non-alcoholic beverages** added 1.05 percentage points, while **alcohol and tobacco** contributed 0.67 percentage point.

In November, fuel prices were on average 13.2% lower y/y compared to November 2023. This decline caused the **transport** category to have a deflationary effect of -0.56 percentage point. This disinflationary trend is expected to continue in December, with fuel prices currently averaging 8.0% lower than the same period last year.

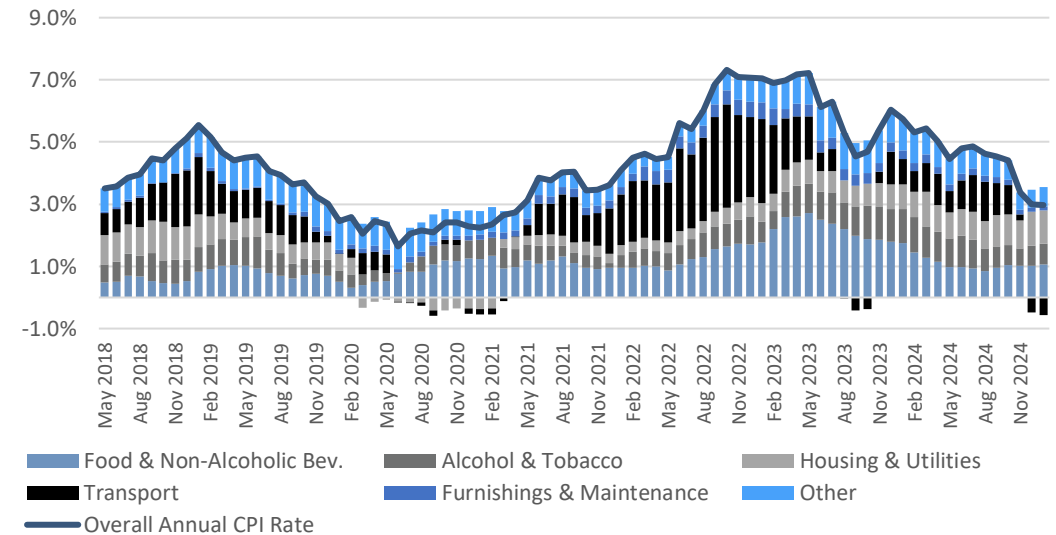
Contribution to the Annual Inflation Rate (percentage points)



Source: Namibia Statistics Agency, IJG Securities

In November, the **recreation** and **miscellaneous** categories contributed 0.20 and 0.16 percentage points, respectively.

Historic NCPI Contribution Breakdown



Source: Namibia Statistics Agency, IJG Securities

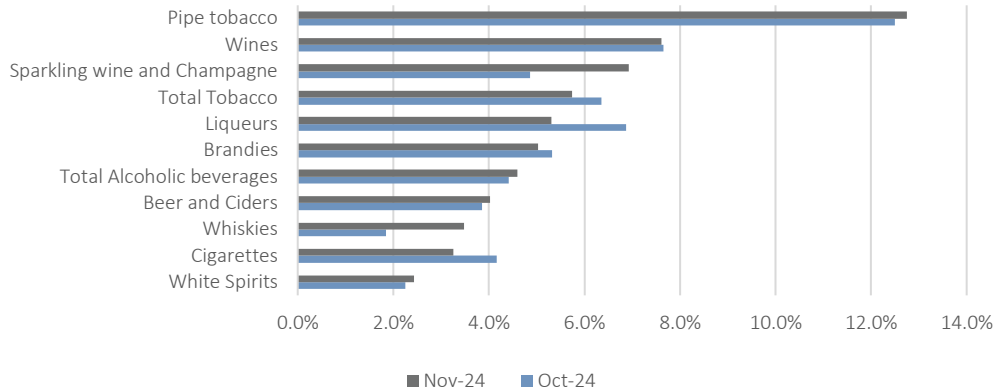




Alcohol & Tobacco

In November, the **alcohol and tobacco** category recorded an inflation rate of 0.5% m/m and 4.8% y/y, consistent with the 4.8% y/y observed in October 2024. Tobacco prices increased by 5.7% y/y, while prices for alcoholic beverages rose by 4.6% y/y.

Alcohol & Tobacco Inflation (y/y)



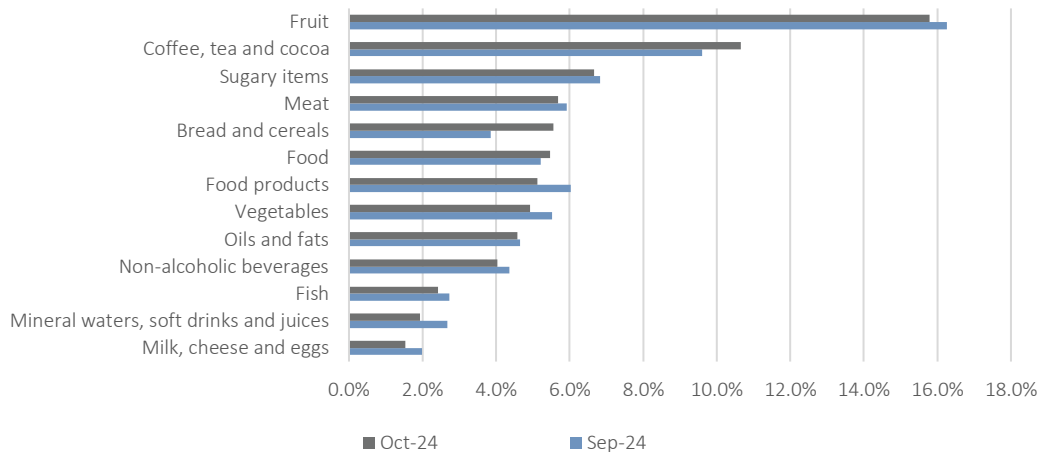
Source: Namibia Statistics Agency, IJG Securities

Food & Non-Alcoholic Beverages

Prices in this category increased by 5.3% y/y in November, slightly higher than the 5.1% y/y recorded in October. While most sub-categories within **food and non-alcoholic** beverages experienced monthly declines, three sub-categories posted increases, driving the faster growth in this basket. The largest increases were observed in coffee, tea, and cocoa (10.7% y/y), bread and cereals (5.6% y/y), and other food products (5.5% y/y).

The graph below illustrates the annual increases across sub-categories for October and November.

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



Source: Namibia Statistics Agency, IJG Securities

Housing, Water & Electricity

The **housing and utilities** category recorded annual inflation of 4.4% y/y, remaining unchanged on a monthly basis. Rental payments saw an annual increase of 5.1%. The regular maintenance and repair of dwellings sub-category experienced a price rise of 3.3% y/y. Water supply and sewage services posted an annual price increase of 4.8% y/y, while electricity, gas, and other fuels rose by 1.5% y/y.



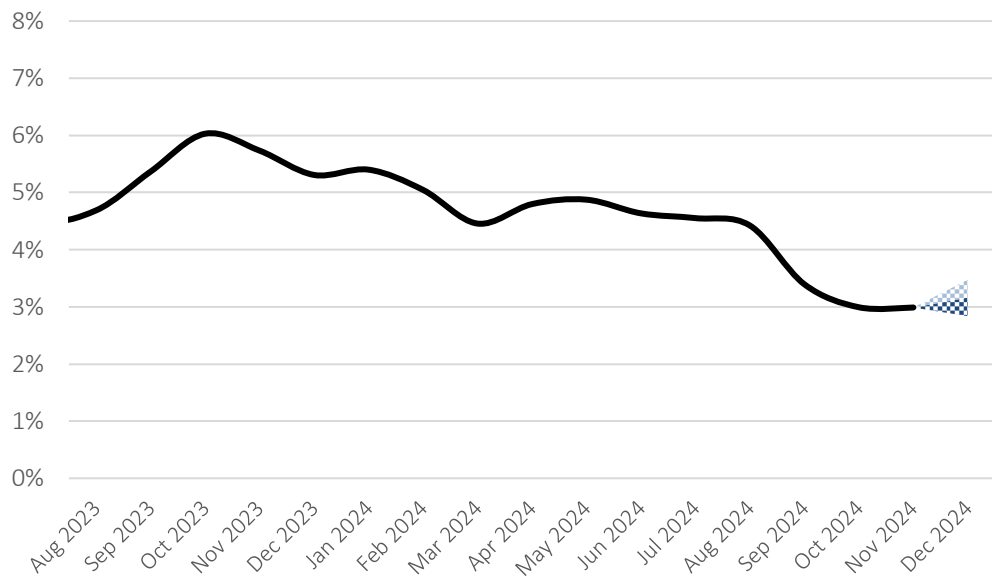
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Conclusion & Forecast

Namibia's CPI has been trending downward, reflecting moderating inflationary pressures, particularly from the transport category, which continues to exert a deflationary impact due to lower fuel prices. Stable inflation in housing and utilities, alongside moderate increases in food and non-alcoholic beverages, suggests subdued price pressures in key categories. With fuel prices expected to remain lower y/y, disinflation in transport is likely to persist in the near term. Overall, annual inflation is anticipated to remain steady or decline slightly in the coming months, barring significant external shocks. This aligns with broader expectations of a stable economic environment for consumers.

IJG's inflation model is currently forecasting the annual Namibian inflation rate to average between 4.2% and 4.3% in 2024, with our base case being 4.2%.

Annual Inflation Forecast (% y/y)



Source: Namibia Statistics Agency, IJG Securities

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