

## Common Market for Eastern and Southern Africa (COMESA)

### Macroeconomic Indicators

#### News Release - Interim HCPI-COMESA in Sept 2012

##### COMESA region Year - On - Year inflation stood at 12.3% in Sept 2012

The year on year inflation rate (*annual percentage change*) in the COMESA region as measured by the Interim Harmonized Consumer Price Index (HCPI-COMESA) stood at **12.3%** for the month of **September 2012**, it was unchanged compared to **12.3%** recorded in **August 2012**.

The month on month inflation rate in **Sept 2012** stood at **1.3%** shedding **0.4** percentage points on the **August 2012** rate of **1.7%**.

The Interim HCPI-COMESA comprises of ten divisions of expenditure. These divisions registered the following average price changes during the month of **Sept 2012** compared with **Sept 2011**.

Food and Non alcoholic Beverages (**+13.1%**); Alcoholic Beverages and Tobacco (**+13.4%**); Clothing and Footwear (**+12.8%**); Housing, Water, Electricity, Gas and Other Fuels (**+11.0%**); Furnishings, Household Equipment and Routine Household Maintenance (**+12.4%**); Transport (**+13.5%**); Communication (**+6.8%**); Recreation and Culture (**+15.6%**); Restaurants and Hotels (**+6.7%**); and Miscellaneous goods and Services (**+9.9%**).

##### COMESA Member States Y-O-Y inflation rates (%) as at Sept 2012

The participating Member States that contribute to the Interim HCPI-COMESA registered the following rates of total inflation in **Sept 2012** compared to **Sept 2011**.

**Burundi**(+20.8%), **Democratic Republic of Congo**(+9.1%), **Egypt** (+8.0%), **Ethiopia** (+11.4%), **Kenya** (+4.7%), **Madagascar** (+7.8%), **Malawi**(+23.9%), **Mauritius**(+2.6%), **Rwanda**(+6.3%), **Seychelles**(+7.3%), **Sudan**(+38.1%), **Swaziland**(+9.0%), **Uganda**(+3.2%), **Zambia**(+4.3%) and **Zimbabwe**(+3.8%).

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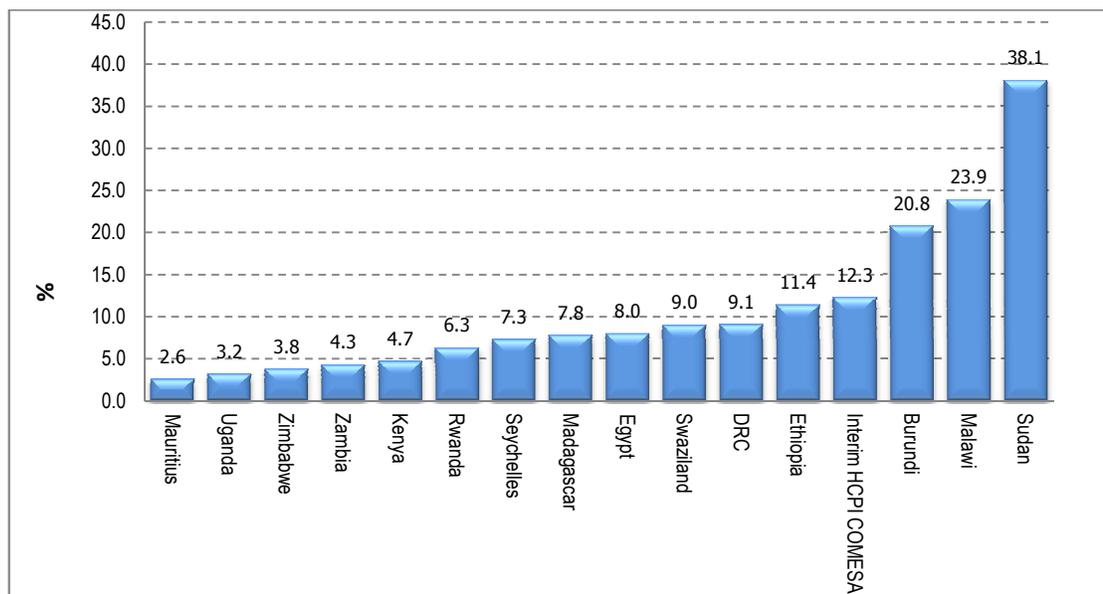
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Sudan recorded the highest year on year inflation rate of **(+39.1%)** in September 2012 whilst Mauritius recorded the lowest rate of **(+2.6%)**

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**Figure 1:**

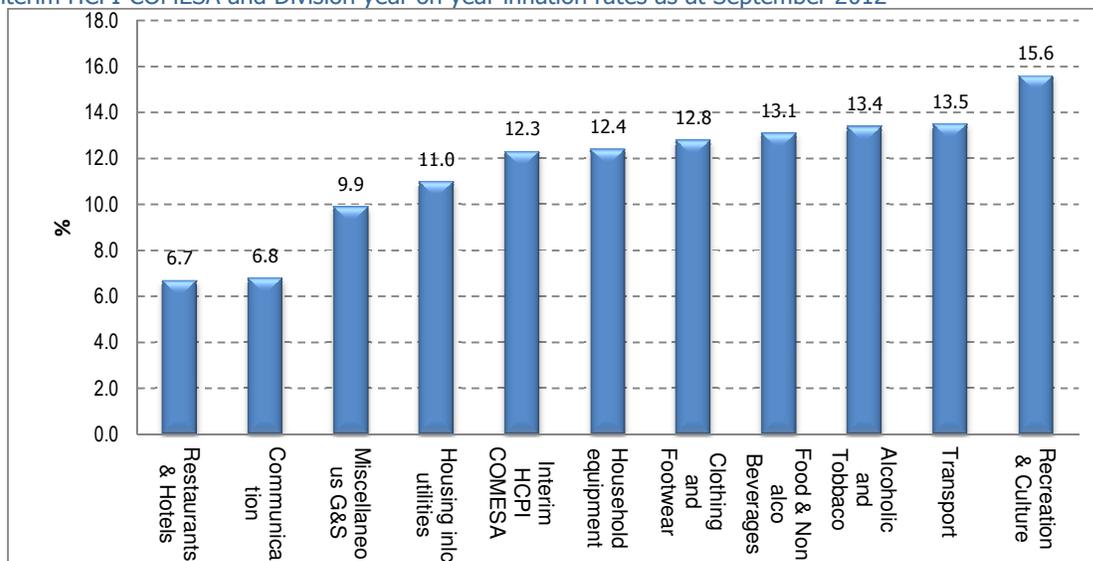
Year on year inflation rates (%) in the COMESA Region and in the individual Member States as at September 2012



*Sudan recorded the highest year on year inflation rate of (+39.1%) in September 2012 whilst Mauritius recorded the lowest rate of (+2.6%)*

**Figure 2:**

Average Interim HCPI-COMESA and Division year on year inflation rates as at September 2012



*The Recreation and Culture division registered the highest rate of year on year inflation of (+15.6%) whilst the Restaurants and Hotels division recorded the smallest average change of (+6.7%) in September 2012.*

**Table 1:**

Year on Year (Y-O-Y) Inflation rates in (%) for each Member State, measured by Interim HCPIs

Year on Year (Y-O-Y) inflation rates in 2012 in the COMESA Member States and COMESA Region													
COMESA Member States	Weights	Jan12	Feb12	Mar 12	Apr 12	May12	Jun12	Jul12	Aug12	Sept12	Oct12	Nov12	Dec12
		Jan11	Feb11	Mar11	Apr11	May11	Jun11	Jul11	Aug11	Sept11	Oct11	Nov11	Dec11
Burundi		14.5	26.0	31.4	28.8	27.4	25.0	24.9	22.8	20.8			
Comoros													
DRC	1.88	21.5	20.2	20.6	19.0	18.1	14.7	13.7	10.4	9.1			
Djibouti													
Egypt	53.08	10.3	11.5	10.8	10.9	9.4	7.7	6.4	6.8	8.0			
Eritrea													
Ethiopia	7.20	-1.7	2.8	-3.0	-2.7	-3.3	8.7	12.4	11.4	11.4			
Kenya	8.67	17.4	15.9	14.7	12.2	11.3	9.4	7.2	5.5	4.7			
Libya													
Madagasc	2.67	7.1	5.4	6.3	7.7	8.5	8.0	7.7	7.7	7.8			
Malawi	1.36	11.1	10.4	10.5	13.6	16.6	18.9	17.0	20.7	23.9			
Mauritius	1.86	5.0	1.9	1.9	2.1	1.8	2.7	2.4	2.5	2.6			
Rwanda	1.10	8.8	9.2	9.4	7.8	7.9	6.0	5.6	6.0	6.3			
Seychelles		4.4	4.7	4.9	6.1	7.3	7.8	7.8	7.3	7.3			
Sudan	14.16	20.1	22.0	22.3	25.7	27.5	38.0	39.6	39.8	38.1			
Swaziland	0.74	10.2	11.0	9.5	10.4	9.7	10.1	9.8	10.0	9.0			
Uganda	4.34	27.2	27.2	22.7	21.6	19.2	17.3	13.8	10.4	3.2			
Zambia	1.98	3.0	2.7	1.9	4.1	4.5	3.8	2.4	4.0	4.3			
Zimbabwe	0.96	-1.9	-0.3	0.8	1.4	2.0	2.8	2.6	2.8	3.8			
<b>Interim HCPI - COMESA</b>	<b>100.00</b>	<b>11.9</b>	<b>13.0</b>	<b>11.9</b>	<b>12.3</b>	<b>11.6</b>	<b>12.9</b>	<b>12.3</b>	<b>12.3</b>	<b>12.3</b>			

COMESA region year on year inflation stood at **12.3%** in **September 2012** whilst month on month inflation stood at **1.3%** during the same month.

The HCPIs are in principle open for revision, in particular when improved data become available; hence they may change after the results are published.

Egypt has the largest country weight of **53.08%** compared with **0.74%** for Swaziland. Seychelles and Burundi have no Household Final Monetary Consumption Expenditure (HFMCCE) data from the 2005 International Comparison Program (ICP) round. Their weights will be calculated once new data from the 2011 ICP becomes available.

**Table 2:**

Inflation rates (%) for main components of expenditure

Year on Year (Y-O-Y) inflation rates in 2012 in the COMESA Member States and Region													
COMESA Region	Weights	Jan12	Feb12	Mar 12	Apr 12	May12	Jun12	Jul12	Aug12	Sept12	Oct12	Nov12	Dec12
		Jan11	Feb11	Mar11	Apr11	May11	Jun11	Jul11	Aug11	Sept11	Oct11	Nov11	Dec11
Food & non alcoholic Beverages	531.80	14.4	16.0	13.2	13.8	13.8	14.7	13.5	13.2	13.1			
Alcoholic Beverages & Tobacco	27.60	26.7	26.9	27.3	28.2	24.7	18.9	14.2	13.6	13.4			
Clothing & Footwear	73.12	10.8	11.8	12.1	12.5	11.8	12.8	13.4	14.2	12.8			
Housing, including utilities	102.73	11.4	12.2	15.7	12.9	7.8	7.8	6.5	6.2	11.0			
Household equipment	55.74	9.1	9.4	9.3	9.5	9.9	12.4	12.9	13.8	12.4			
Health													
Transport	67.99	5.2	5.2	5.0	4.9	4.6	13.9	13.6	14.8	13.5			
Communication	24.23	-1.3	-2.3	0.6	0.7	0.5	0.4	3.1	6.3	6.8			
Recreation and Culture	19.22	10.6	11.4	11.5	11.3	11.7	12.9	14.2	18.2	15.6			
Education													
Restaurants and Hotels	58.71	3.9	4.5	4.9	5.2	5.2	6.4	7.3	7.5	6.7			
Miscellaneous Goods and Services	38.86	7.7	8.5	7.7	8.9	8.9	10.2	11.2	10.8	9.9			
<b>Interim HCPI - COMESA</b>	<b>1000.00</b>	<b>11.9</b>	<b>13.0</b>	<b>11.9</b>	<b>12.3</b>	<b>11.6</b>	<b>12.9</b>	<b>12.3</b>	<b>12.3</b>	<b>12.3</b>			

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Food and Non Alcoholic Beverages Division has the largest expenditure weight of **531.80 parts per 1000** whilst Recreation and Culture has the smallest weight of **19.22 parts per 1000 in the COMESA region.**

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**Table 3:**

Index levels for the month of September 2011

Interim HCPI1s – (Dec 2010=100) – COMESA Region & Member States Division Profiles												
September 2011												
COMESA Member States <sup>2</sup>	Weights	Food & non alcoholic beverages	Alcoholic Beverages & tobacco	Clothing & footwear	Housing, water, electricity & gas	Furnish& Household equip	Transport	Communication	Recreation & Culture	Restaurants and hotels	Miscellaneous goods and services	Member States All Items Interim HCPI <sup>3</sup>
Burundi		114.61	118.44	126.38	107.46	114.49	122.79	100.00	114.52	113.22	95.36	<b>111.80</b>
Comoros												
DRC	1.88	114.21	108.72	116.59	112.49	105.75	119.66	100.62	107.52	118.40	116.06	<b>114.05</b>
Djibouti												
Egypt	53.08	114.76	125.34	101.09	108.52	104.20	100.86	95.51	105.17	101.50	103.01	<b>110.34</b>
Eritrea												
Ethiopia	7.20	105.60	103.23	105.24	99.66	102.28	102.94	99.99	101.10	102.75	104.08	<b>104.11</b>
Kenya	8.67	116.69	108.05	107.15	112.31	109.65	115.25	98.50	105.38	112.22	106.85	<b>113.20</b>
Libya												
Madagascar	2.67	105.70	100.65	101.69	104.87	102.95	103.31	100.27	100.89	100.50	102.87	<b>104.18</b>
Malawi	1.36	103.10	106.57	105.67	105.79	106.92	108.42	119.75	118.95	102.95	107.36	<b>105.36</b>
Mauritius	1.86	105.32	100.96	102.48	100.39	102.21	103.27	94.83	103.00	84.53	102.17	<b>97.60</b>
Rwanda	1.10	110.10	99.87	105.24	107.38	104.79	108.69	100.11	101.96	103.78	102.33	<b>107.41</b>
Seychelles		104.70	100.32	102.04	102.10	101.97	103.86	99.97	101.05	104.94	102.68	<b>102.60</b>
Sudan	14.16	123.46	111.65	118.71	108.44	117.66	119.94	108.71	109.26	107.60	122.76	<b>119.64</b>
Swaziland	0.74	105.38	103.93	103.38	110.18	104.82	116.37	100.09	102.66	101.85	107.79	<b>106.88</b>
Uganda	4.34	140.00	116.48	128.25	122.85	125.20	115.41	101.75	122.04	113.12	111.67	<b>125.26</b>
Zambia	1.98	102.70	101.94	110.29	108.25	105.12	105.67	104.08	104.16	106.33	101.69	<b>104.08</b>
Zimbabwe	0.96	103.76	104.05	102.28	106.28	103.55	106.91	97.96	101.82	106.20	105.02	<b>98.50</b>
<b>INTERIM HCPI - COMESA</b>	<b>100.00</b>	<b>115.54</b>	<b>117.14</b>	<b>106.24</b>	<b>108.58</b>	<b>107.37</b>	<b>106.51</b>	<b>99.05</b>	<b>106.18</b>	<b>104.05</b>	<b>106.90</b>	<b>111.41</b>

<sup>1</sup> The HCPI is Interim because it is based on Stage 1 Regulations; the development of Stage 2 Regulations is in progress. See HCPI Guide on (<http://comstat.comesa.int>) for details.

<sup>2</sup> Note that some countries have not submitted the indices and hence are not included in the computations.

<sup>3</sup> Health and Education Divisions are temporarily excluded from Stage 1 of the harmonization program.

**Table 4: Index levels for the month of August 2012**

<b>Interim HCPI4s – (Dec 2010=100) – COMESA Region &amp; Member States Division Profiles</b>												
<b>August 2012</b>												
<b>COMESA Member States<sup>5</sup></b>	<b>Weights</b>	<b>Food &amp; non alcoholic beverages</b>	<b>Alcoholic Beverages &amp; tobacco</b>	<b>Clothing &amp; footwear</b>	<b>Housing, water, electricity &amp; gas</b>	<b>Furnish &amp; Household equip</b>	<b>Transport</b>	<b>Communication</b>	<b>Recreation &amp; Culture</b>	<b>Restaurants and hotels</b>	<b>Miscellaneous goods and services</b>	<b>Member States All Items Interim HCPI<sup>6</sup></b>
Burundi		125.59	141.39	147.15	143.64	87.64	119.30	100.00	93.99	135.54	107.82	<b>134.00</b>
Comoros												
DRC	1.88	124.07	117.00	129.77	123.87	118.50	134.80	97.72	129.14	114.41	125.28	<b>124.28</b>
Djibouti												
Egypt	53.08	123.69	136.79	104.18	109.93	108.34	102.33	96.12	105.71	103.56	103.12	<b>116.57</b>
Eritrea												
Ethiopia	7.20	115.69	107.85	110.17	101.32	119.36	98.83	97.81	115.07	116.70	114.52	<b>113.07</b>
Kenya	8.67	120.27	112.20	114.29	118.10	118.38	117.05	105.61	115.65	121.89	115.38	<b>118.28</b>
Libya												
Madagascar	2.67	111.22	108.19	110.73	113.31	108.15	106.07	101.74	102.23	106.29	105.78	<b>110.41</b>
Malawi	1.36	114.87	126.64	128.47	150.02	137.78	137.05	108.87	133.56	125.93	123.70	<b>125.99</b>
Mauritius	1.86	107.94	115.57	106.04	107.02	105.86	102.46	96.21	105.63	83.97	103.78	<b>100.27</b>
Rwanda	1.10	124.77	103.81	109.14	106.78	110.17	106.62	97.24	95.89	104.60	107.00	<b>113.72</b>
Seychelles		110.83	107.38	106.87	114.87	105.60	113.15	100.55	106.19	121.11	110.84	<b>109.68</b>
Sudan	14.16	173.50	161.36	181.84	116.00	169.56	206.83	154.12	197.37	129.64	170.70	<b>166.34</b>
Swaziland	0.74	119.86	113.39	108.37	114.58	112.64	126.61	100.04	108.50	111.82	115.73	<b>117.45</b>
Uganda	4.34	134.75	123.28	132.98	139.91	135.60	122.48	102.92	128.52	117.49	126.74	<b>129.41</b>
Zambia	1.98	105.02	109.08	120.74	111.93	111.06	110.31	100.93	109.20	104.83	108.90	<b>107.73</b>
Zimbabwe	0.96	106.04	112.97	100.55	108.38	101.27	84.02	84.19	87.84	112.03	103.90	<b>101.48</b>
<b>INTERIM HCPI - COMESA</b>	<b>100.00</b>	<b>129.05</b>	<b>132.48</b>	<b>119.13</b>	<b>113.05</b>	<b>120.43</b>	<b>120.42</b>	<b>105.95</b>	<b>121.75</b>	<b>110.73</b>	<b>116.63</b>	<b>123.53</b>

Member States profiles show index levels for the latest months for each and every Member State by division up to All Items Indices. The same applies to Interim HCPI-COMESA.

<sup>4</sup> The HCPI is Interim because it is based on Stage 1 Regulations; the development of Stage 2 Regulations is in progress. See HCPI Guide on (<http://comstat.comesa.int>) for details.

<sup>5</sup> Note that some countries have not submitted the indices and hence are not included in the computations.

<sup>6</sup> Health and Education Divisions are temporarily excluded from Stage 1 of the harmonization program.

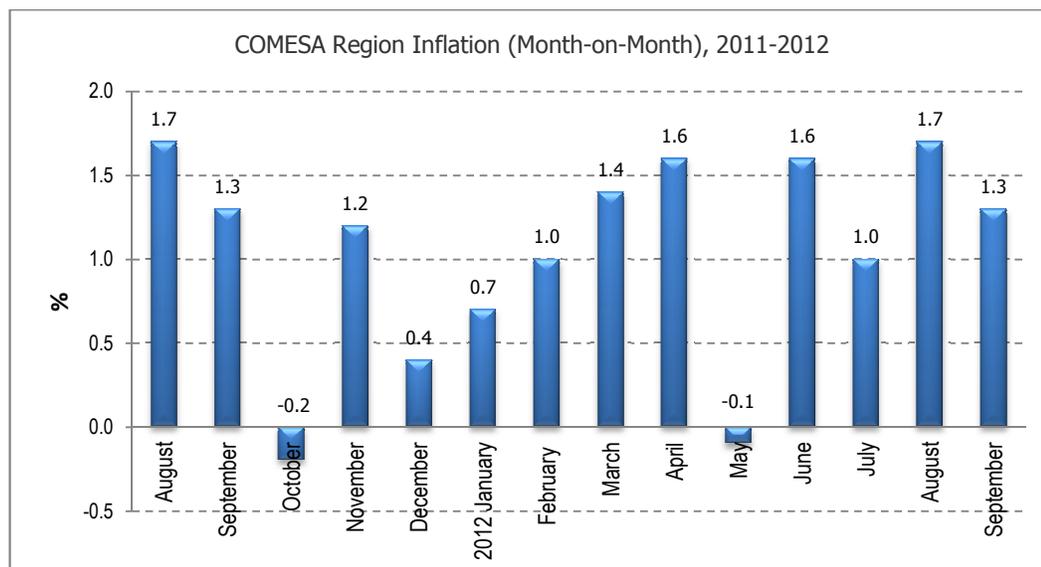
Table 5: Index Levels for the month of August 2012

Interim HCPIs – (Dec 2010=100) – COMESA Region & Member States Division Profiles												
September 2012												
COMESA Member States	Weights	Food & non alcoholic beverages	Alcoholic Beverages & tobacco	Clothing & footwear	Housing, water, electricity & gas	Furnish & Household equip	Transport	Communication	Recreation & Culture	Restaurants and hotels	Miscellaneous goods and services	Member States All Items Interim HCPI
Burundi		124.58	139.35	145.01	144.90	115.98	119.30	100.00	112.73	135.54	107.82	<b>135.06</b>
Comoros												
DRC	1.88	124.36	117.13	129.77	123.87	118.50	134.80	97.72	129.14	111.41	125.28	<b>124.49</b>
Djibouti												
Egypt	53.08	126.56	136.79	104.18	123.00	108.50	102.56	95.97	105.71	103.56	103.61	<b>119.21</b>
Eritrea												
Ethiopia	7.20	119.44	113.26	115.78	105.03	119.19	99.51	97.86	117.44	121.46	117.25	<b>116.59</b>
Kenya	8.67	120.34	112.25	114.55	118.22	118.36	117.74	105.61	115.90	122.31	115.52	<b>118.46</b>
Libya												
Madagascar	2.67	111.54	108.37	111.11	114.39	109.50	106.46	101.76	102.64	106.32	106.43	<b>110.88</b>
Malawi	1.36	118.34	132.58	130.88	162.87	139.91	142.26	108.88	134.20	131.52	123.90	<b>130.52</b>
Mauritius	1.86	106.21	115.61	106.50	107.06	106.23	102.69	96.21	105.65	84.75	103.46	<b>100.16</b>
Rwanda	1.10	125.36	103.79	108.42	106.99	111.21	107.10	100.51	94.15	104.72	108.13	<b>114.21</b>
Seychelles		111.55	107.38	109.70	115.21	106.01	113.15	100.55	106.31	121.11	111.18	<b>110.06</b>
Sudan	14.16	171.15	161.36	183.31	116.43	170.50	207.30	152.35	201.99	128.56	173.22	<b>165.20</b>
Swaziland	0.74	120.08	108.86	107.44	114.69	111.60	121.49	100.04	106.97	110.28	110.82	<b>116.55</b>
Uganda	4.34	135.94	121.35	133.02	139.63	135.70	123.49	102.92	130.84	117.39	127.28	<b>129.62</b>
Zambia	1.98	106.36	109.33	120.58	109.81	110.96	112.75	105.31	109.40	105.87	108.57	<b>108.52</b>
Zimbabwe	0.96	107.58	113.01	100.06	109.37	101.12	84.84	84.28	88.44	112.10	104.63	<b>102.20</b>
<b>INTERIM HCPI - COMESA</b>	<b>100.00</b>	<b>130.65</b>	<b>132.85</b>	<b>119.80</b>	<b>120.48</b>	<b>120.71</b>	<b>120.87</b>	<b>105.75</b>	<b>122.69</b>	<b>111.06</b>	<b>117.48</b>	<b>125.15</b>

Indices for the COMESA region are obtained by multiplying the country weights by the corresponding country indices and dividing the **total product** by the sum of weights (100) [column wise]. This applies to all Divisions up to all Items Level (Interim HCPI-COMESA).

**Figure 3:**

Interim HCPI-COMESA month on month inflation rates, 2011-2012




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In September 2012 month on month inflation in the COMESA region stood at 1.3%, shedding 0.4 percentage points on the August 2012 rate of 1.7%. Average month on month inflation rates from August 2011 to September 2012 are shown in figure 3 above.

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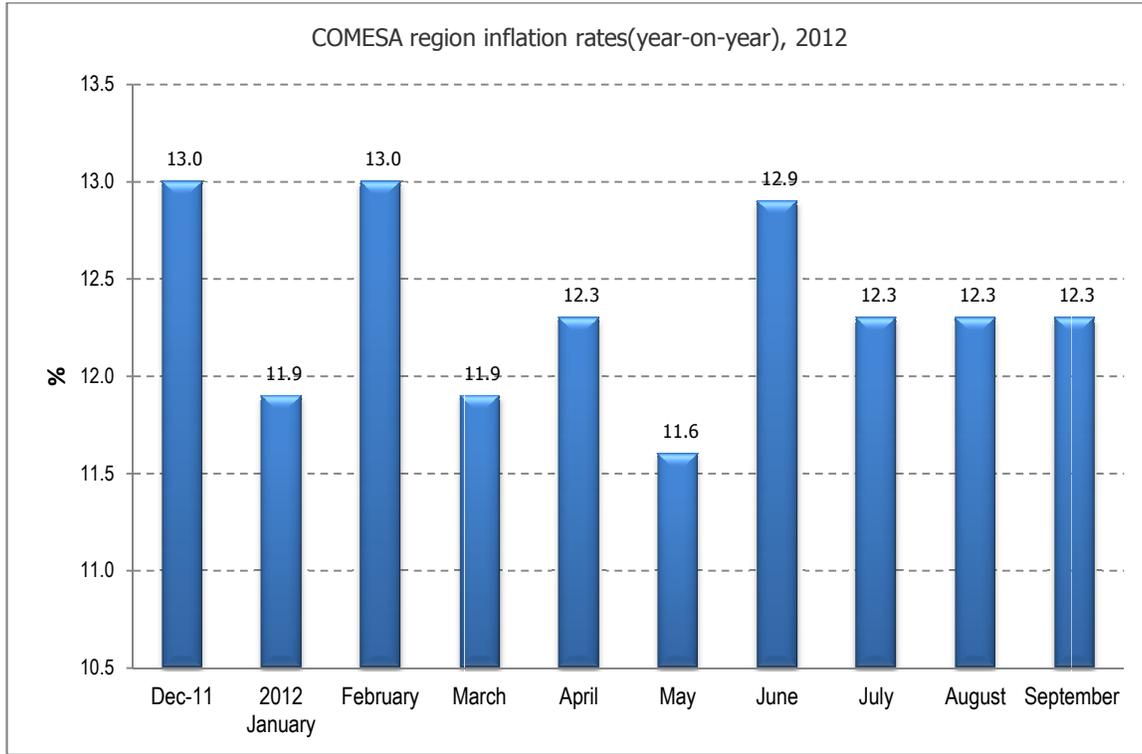
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The COMESA region month on month inflation rate ranged from -0.2% to 2.4% in 2011. Month on month inflation peaked at 2.4% in March 2011 and slowed down to -0.2% in October 2011.

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**Figure 4:**

Interim HCPI-COMESA year on year inflation rates, 2012




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The COMESA region year on year inflation rate stood at **12.3% in September 2012**, it was unchanged compared to the **August rate of 12.3%**.

Month on Month inflation stood at **1.3% in September 2012** and **September 2011**. This explains why the rate of year on year inflation in **September 2012** compared to **August 2012** remained unchanged at **12.3%**.

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**Table 6:****Interim HCPI-COMESA; Time Series data (December 2010 – latest period);**

<b>Year</b>	<b>Interim HCPI-COMESA (December 2010=100)</b>	<b>COMESA region; month on month inflation rate</b>	<b>COMESA region; year on year inflation rate</b>
Dec 2010	100.00		
Annual Average; HCPI-COMESA; <b>2011</b>	107.69		
<b>2011</b> January	101.71	1.7	
February	101.81	0.1	
March	104.28	2.4	
April	105.53	1.2	
May	106.07	0.5	
June	106.57	0.5	
July	108.14	1.5	
August	109.96	1.7	
September	111.41	1.3	
October	111.23	-0.2	
November	112.52	1.2	
December	113.00	0.4	13.0
<b>2012</b> January	113.85	0.7	11.9
February	115.00	1.0	13.0
March	116.66	1.4	11.9
April	118.49	1.6	12.3
May	118.41	-0.1	11.6
June	120.28	1.6	12.9
July	121.46	1.0	12.3
August	123.53	1.7	12.3
September	125.15	1.3	12.3
October			
November			
December			

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The annual average HCPI-COMESA stood at 107.69 points in 2011. HCPI-COMESA stood at 100.00 points in December 2010 and increased to 113.00 in December 2011. This represents a year on year increase of 13.0%.

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### **Measures of inflation**

The *annual rate* measures the price change between a particular month and the same month one year earlier. This measure is responsive to recent changes in price levels but it can also be influenced by one-off effects in either of the two end months.

It is intended to publish annual inflation rates and 12 month average inflation rates when the first 12 and 24 months' HCPIs, respectively, are available.

The *monthly rate* measures the price change between the two latest months. Although up to date, it can be affected by seasonal and other short term effects.

### **HCPIs designed for international comparison**

The Harmonized Consumer Price Indices (HCPIs) are produced by the COMESA Secretariat in collaboration with the Member States with the aim of measuring inflation in similar ways and can therefore be compared directly with each other without the need for making special adjustments. The HCPIs benefit from incorporating many of the international developments in consumer price index theory and methods in recent years. Further improvements to the HCPI methods are expected in the coming years.

The HCPIs may differ from national consumer price indices which are sometimes designed for different purposes. The HCPIs are designed as a macroeconomic measure of monetary inflation, whilst some national CPIs have other purposes such as cost of living measurement, which may be more suitable for uses such as wage indexation.

Further information on HCPI methodology can be found from COMSTAT, one of the COMESA Secretariat websites (<http://comstat.comesa.int>) under HCPI Resources.

The Member States HCPIs are compiled by the Member States themselves, using harmonized methods laid down in COMESA Regulations. The aggregated COMESA figures are compiled by the COMESA Secretariat. An aggregated HCPI is known as an "HCPI-COMESA". The aggregates are calculated as weighted averages of the national HCPIs, using as weights each country's total household expenditure in the national accounts converted to a common currency using purchasing power parities supplied by the African Development Bank and the World Bank. The country weights are shown in Table 1.

**Future release dates;**

Scheduled publication dates for the forth coming months are;

<b>Interim HCPI for</b>	<b>Publication date by COMESA Secretariat</b>
October 2012	7 December 2012
November 2012	7 January 2013
December 2012	8 February 2013

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