



MINISTRY OF NATIONAL PLANNING AND DEVELOPMENT
Central Statistics Department

PRESS RELEASE

Monthly consumer price index (April 2016)



SOMALILAND CONSUMER PRICE INDEX

Consumer Price Index (CPI) April, 2016

- Stability of CPI of April 2016, compared to previous month (Mar 2016)
- CPI Annual change 9.8 %

The Central Statistics Department of the Ministry of National Planning & Development (MoNP&D), has released the Consumer Price Index (CPI) for the month of April 2016 (Base year 2012=100). The CPI of April, 2016 is estimated at 0.1, showing slight decrease for all items [M-o-M basis], when compared to CPI of March 2016 that was 1.0 for all items. Compared to CPI of April 2015, an increase [Y-o-Y basis] of 9.8% all items has been registered in the general index (CPI) of this month.

An analysis [on M-o-M basis] of CPI for April, 2016 compared with March, 2016 CPI, shows that there are two main groups, where respective indices in this month have risen, namely: "Food and Non-Alcoholic Beverages by 1.7%," "Transport" by 0.7%, A decline in prices is also noticed in "Alcoholic Beverage, Tobacco & Narcotics by -3.3%," "Housing, water, Electricity and Gas by -3.2%," "Furnishings, Household Equipment and Routine Household Maintenance -0.3%," and "Communication by -0.3%," "Clothing and footwear by 0.5%," and Restaurants and Hotels - 0.1%," "Health by 0.1%," Recreation and Culture -0.2," "Education -1.0%," and Miscellaneous Goods and Services by -0.6%.

Graph 1 showing consumer movement of consumer price indices and

Graph 2 shows Annual inflation Rate.

A comparison of the CPI, April, 2016 with the CPI, April, 2015, points a rise in the Annual Inflation rate by all items 9.8, food 14.9% and none food 6.5%, This [Y-o-Y] price surge is primarily due to the increasing prices seen in the seven groups namely: "Food and Non Alcoholic Beverages by 14.6%," "Clothing and Footwear by 11.7%" Health" by 6.4%, "Transport" by 1.5%," "Communication" by 5.5%, "Recreation and Furniture by 5.9%, "Education by 4.2%," Also there is in decrease price level in other rest groups namely: "Alcoholic Beverages, Tobacco and Narcotics by 13.6%," "Furnishings, Household Equipment and Routine Household Maintenance by 5.4%," Housing, Water, Electricity, Gas and Other Fuels 4.5%, Restaurants and Hotels by 2.8%," "Miscellaneous Goods and Services 9.3%.

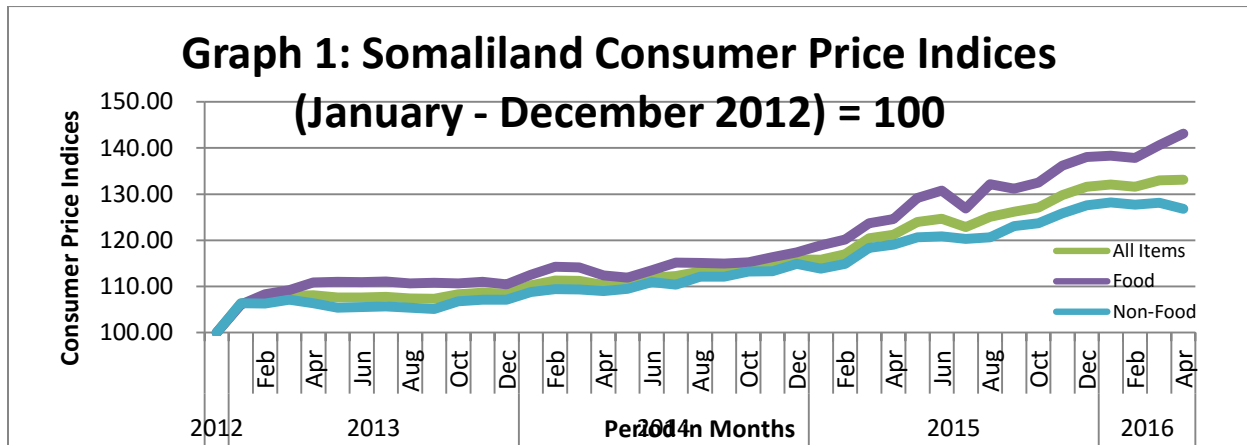
The CPI of April, 2016 including all items, food and none a food items shows the monthly percentage change of CPI in Table (1) presents.

Table 1 Base year 2012=100

	Major Groups Division	Percentage Change		Apr-15	Mar-16	Apr-16	CPI Weights 2012 Calendar Year
		Y-o-Y	M-o-M				
	All Items	9.8	0.1	121.21	132.98	133.13	100.0000
	Food	14.9	1.7	124.57	140.64	143.08	38.7104
	Non-Food	6.5	-1.0	119.09	128.15	126.84	61.2896
1	Food and Non-Alcoholic Beverages	14.6	1.7	124.85	140.69	143.12	41.7492
2	Alcoholic Beverages, Tobacco and Narcotics	13.6	-3.3	151.75	178.36	172.41	4.5572
3	Clothing and Footwear	11.7	0.5	115.46	128.26	128.95	5.7334
4	Housing, Water, Electricity, Gas and Other Fuels	4.5	-3.2	122.72	132.41	128.22	14.1022
5	Furnishings, Household Equipment and Routine Household Maintenance	5.4	-0.3	114.45	121.01	120.63	5.5487
6	Health	6.4	0.1	115.47	122.67	122.84	2.5546
7	Transport	1.5	0.7	108.80	109.66	110.43	8.8513
8	Communication	5.5	-0.3	114.23	120.85	120.49	2.9933
9	Recreation and Furniture	5.9	-0.2	115.73	122.83	122.54	2.2456
10	Education	4.2	-1.0	113.97	120.02	118.80	3.6880
11	Restaurants and Hotels	2.8	0.1	109.85	112.96	112.89	3.3520
12	Miscellaneous Goods and Services	9.3	-0.6	117.01	128.63	127.86	4.6245

Graph 1: Somaliland Consumer Price Indices

Graph 1 shows that price levels for food have gradually persistently moved faster than those for the non food category through the entire period of index measurement. i.e. from January 2013 to April 2016. During the period from December 2013 to December 2014, the gap narrowed but food price levels still remained higher. This implies that the food sector has gradually contributed a lot to the rising price levels of household consumer goods and services as indicated in the graph.



Graph 2: Somaliland Annual Inflation Rates

Graph 2 also demonstrates that for the entire period i.e. January 2014 to April 2016, all the measured annual inflation is positive. This is an indication of persistent increase in consumer prices within the Somaliland economy which has a negative impact on the welfare of the households more especially those with a fixed income together with those with very low income and without any savings at all. The same graph shows that food prices were volatile compared to non-food prices. Food prices changed more frequently and sharply mostly due the seasonal factors. The second factor that is likely to have affected the food prices is the depreciation of the local currency. It is assumed that a good proportion of food consumed in Somaliland is imported; hence a direct increase in prices for such products whenever there is a depreciation of the local currency.

