

Consumer Price Index

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AVERAGE ANNUAL INFLATION RATE THE LOWEST SINCE 1973

The official annual inflation rate as measured by the change in the Consumer Price Index, is 9,0% at December 1998. Therefore, the average annual inflation rate for the year 1998 is 6,9%, which is the lowest since 1973, when it was 6,5%. The annual rate of 6,9% is 1,7 percentage points lower than the corresponding rate of 8,6% for 1997 and 0,5 of a percentage point lower than the corresponding rate of 7,4% for 1996.

The official annual core inflation rate is 7,5% for 1998 which is 1,3 percentage points lower than the corresponding rate of 8,8% for 1997.

The average food inflation rate of 6,2% for 1998 is substantially lower than the corresponding rate of 9,4% for 1997.

The price index for housing shows an average rate of increase of 7,7% for 1998. This is 1,1 percentage points lower than the corresponding rate of 8,8% for 1997 and 3,8 percentage points lower than the corresponding rate of 11,5% for 1996.

INFLATION RATE DECREASES TO 9,0% AT DECEMBER 1998

The official inflation rate, i.e. the annual rate of change in the Consumer Price Index for metropolitan areas, is 9,0% at December 1998. This rate is 0,4 of a percentage point lower than the corresponding annual rate of 9,4% at November 1998. From November 1998 to December 1998 the Consumer Price Index for metropolitan areas remained the same. The seasonally adjusted index increased by 0,1% for the same period.

The difference between the official inflation rate of 9,0% and the core inflation rate of 7,8% (which increased by 0,1 of a percentage point at November 1998) is still mainly due to the impact of rising interest rates on existing mortgage bonds during the months July to September 1998, which are included in the official inflation rate but excluded from the core inflation rate.

The annual increase of 9,0% in the Consumer Price Index for metropolitan areas is mainly due to annual increases in the price indices for housing (+4,1 percentage points), food (+1,2 percentage points), medical care and health expenses (+0,8 of a percentage point), household operation (+0,7 of a percentage point) and transport (+0,5 of a percentage point) (cf. Table 2.1).

The inflation rate for metropolitan and other urban areas is 8,7% at December 1998. This rate is 0,3 of a percentage point lower than the corresponding annual rate of 9,0% at November 1998. From November 1998 to December 1998 the Consumer Price Index for metropolitan and other urban areas increased by 0,1 of a percentage point.

CORE INFLATION RATE

The core inflation rate for metropolitan areas (see note 7 on page 5) is 7,8% at December 1998. This rate is 0,1 of a percentage point higher than the annual rate of 7,7% at September, October and November 1998. From November 1998 to December 1998 the core inflation index for metropolitan areas increased by 0,3%.

The annual increase of 7,8% in the core inflation index for metropolitan areas is mainly due to annual increases in the price indices for housing (+1,7 percentage points), medical care and health expenses (+1,2 percentage points), food (+0,9 of a percentage point), household operation (+0,9 of a percentage point) and transport (+0,7 of a percentage point) (cf. Table 2.3).

The core inflation rate for metropolitan and other urban areas (see note 7 on page 5) is 7,6% at December 1998, which is 0,1 of a percentage point higher than the corresponding annual rate of 7,5% at November 1998. From November 1998 to December 1998 the core inflation index for metropolitan and other urban areas increased by 0,3%.

METROPOLITAN AREAS

Contributions to monthly "change" in the CPI

The monthly "change" of 0,0% in the Consumer Price Index for metropolitan areas is due to monthly increases in the price indices for food (+0,1 of a percentage point) and household operation (+0,1 of a percentage point). These increases were counteracted by monthly decreases in the price indices for housing (-0,1 of a percentage point) and transport (-0,1 of a percentage point).

Contributions to monthly increase in core inflation index

From November 1998 to December 1998 the core inflation index for metropolitan areas increased by 0,3%. This monthly increase is due to monthly increases in the price indices for food (+0,1 of a percentage point), clothing and footwear (+0,1 of a percentage point), housing (+0,1 of a percentage point) and household operation (+0,1 of a percentage point), which were slightly counteracted by a monthly decrease in the price index for transport (-0,1 of a percentage point).

Food inflation

The price index for food shows an annual rate of increase of 6,5% at December 1998. This rate is the same as the corresponding annual rate at November 1998. From November 1998 to December 1998 this index increased by 0,6%, while the seasonally adjusted index increased by 0,3%.

The price index for food shows a monthly increase of 0,6%, which is mainly due to increases in the price indices for fruit and nuts (+1,5%), fats and oils (+1,3%), meat (+1,2%), coffee, tea and cocoa (+0,7%) and "other" food items (+0,5%). These increases were slightly counteracted by a monthly decrease in the price index for vegetables (-0,6%).

Price index for non-food items

The price index for non-food items shows an annual rate of increase of 9,5% at December 1998. This rate is 0,5 of a percentage point lower than the corresponding annual rate of 10,0% at November 1998. From November 1998 to December 1998 this index decreased by 0,2%, while the seasonally adjusted index increased by 0,2%.

Relatively large monthly increases occurred in the price indices for cigarettes, cigars and tobacco (+2,4%), personal care (+2,1%) and household operation (+0,9%). Relatively large monthly decreases occurred in the price indices for housing (-0,8%), "other" items (-0,6%) and transport (-0,2%, mainly due to a decrease of 2c/l in the price of petrol).

An alternative expression of the change in the Consumer Price Index

An alternative expression of the change in the Consumer Price Index is to annualise the percentage change between the average index of the three months up to December 1998 and the average index of the previous three months. This approach, when using seasonally adjusted data shows an increase of 9,3% (which is 6,2 percentage points lower than the corresponding rate of 15,5% for November 1998), while the unadjusted data shows an increase of 7,9% (which is 7,2 percentage points lower than the corresponding rate of 15,1% for November 1998).

Pensioners

The inflation rate for pensioners in the metropolitan areas is 8,3% at December 1998, which is 0,1 of a percentage point lower than the corresponding annual rate of 8,4% at November 1998.

METROPOLITAN AND OTHER URBAN AREAS

Contributions to monthly "change" in the CPI

The Consumer Price Index for metropolitan and other urban areas shows a monthly increase of 0,1%. This increase is due to monthly increases in the price indices for food (+0,1 of a percentage point), household operation (+0,1 of a percentage point) and personal care (+0,1 of a percentage point), which were slightly counteracted by monthly decreases in the price index for housing (-0,2 of a percentage point).

Food inflation

The price index for food shows an annual rate of increase of 7,0% at December 1998, which is the same as the corresponding rate at November 1998. From November 1998 to December 1998 this index increased by 0,6%.

The price index for food shows a monthly increase of 0,6%, which is mainly due to increases in the price indices for fruit and nuts (+2,0%), meat (+1,2%), fats and oils (+1,1%), coffee, tea and cocoa (+0,5%) and 'other' food products (+0,5%).

Price index for non-food items

The price index for non-food items shows an annual rate of increase of 9,1% at December 1998, which 0,3 of a percentage point lower than the corresponding annual rate of 9,4% at November 1998. From November 1998 to December 1998 this index decreased by 0,1%.

Relatively large monthly decreases occurred in the price indices for housing (-0,8%), "other" items (-0,6%), clothing and footwear (-0,1%), transport (-0,1%, mainly due to a decrease of 2c/l in the price of petrol) and alcoholic beverages (-0,1%). Relatively large monthly increases occurred in the price indices for personal care (+2,1%), cigarettes, cigars and tobacco (+1,9%) and household operation (+1,0%).

An alternative expression of the change in the Consumer Price Index

An alternative expression of the change in the Consumer Price Index is to annualise the percentage change between the average index of the three months up to December 1998 and the average index of the previous three months. This approach, when using unadjusted data shows an increase of 7,6%, which is 6,1 percentage points lower than the corresponding rate of 13,7% for November 1998. A better method should be to use seasonally adjusted data for the calculation of the alternative expression, but at this stage there is no seasonally adjusted data available for metropolitan and other urban areas. This is due to the fact that the index for metropolitan and other urban areas exists only since January 1997. Seasonal adjustment can only significantly be done using at least three years' data.

Pensioners

The inflation rate for pensioners in the metropolitan and other urban areas is 7,9% at December 1998. The other urban areas in Mpumalanga recorded the highest rate of increase, namely 9,8%, while the lowest rate of 6,7% was recorded for other urban areas in Northern Cape.

Areas indices

The other urban areas in Mpumalanga recorded the highest inflation rate of 9,9%, while the lowest rate of 7,0% was recorded for the other urban areas in Northern Cape.

Regarding food prices, the highest annual increase of 10,1% was recorded for the other urban areas in Mpumalanga, while Pietersburg reflected the lowest increase of 4,4%.

CPI FOR JANUARY 1999

In addition to the usual price surveys for January 1999, it has come to the attention of Stats SA that changed prices will apply during the first seven days of January 1999 regarding refuse removal in certain areas.

ANNUAL AVERAGE INDICES AND RATES OF CHANGE

This table refers to metropolitan areas only.

	Year					
	1996		1997		1998	
	Index	% change	Index	% change	Index	% change
All income groups						
Core inflation	107,4	7,4	116,6	8,6	124,6	6,9
Food	..	..	116,6	8,8	125,3	7,5
Housing	106,1	6,1	116,1	9,4	123,3	6,2
	111,5	11,5	121,3	8,8	130,7	7,7

EXPLANATORY NOTES

1. All price information refers to the first seven days of the reference month.
2. By the phrase "each area compared with itself", Stats SA reminds the user that the consumer price indices relating to various metropolitan and other urban areas as shown in Table 4 and Table 6 do not permit inter-urban comparison of price levels or living costs. The indices do not indicate whether it is more expensive to live in one city than in another. The indices indicate for each urban area, independently of any of the other urban areas, the price changes which have taken place from time to time.
3. The indices for all items excluding food, Table 4.4, have been calculated for each area separately as from July 1994. These indices are calculated by means of the index for all items and the index for food of each area.
4. Value Added Tax (VAT) is included in general in the prices of all items on which VAT is applicable.
5. The five expenditure group categories or quintiles were defined according to total annual expenditure per household as in October 1995 as:

Very low expenditure group - up to R6 340

Low expenditure group - R6 341 up to R11 590

Middle expenditure group - R11 591 up to R21 909

High expenditure group - R21 910 up to R49 498

Very high expenditure group - R49 499 and more

6. A more detailed set of weights for the metropolitan and other urban areas in total according to the new 1995-weighting structure of the CPI, as well as that for the core basket were published in Statistical release P0141.5 of 27 March 1997.

7. Core inflation:

The primary objective of calculating core inflation is to capture the underlying inflation pressures in the economy, i.e. the trend in the general price level which reflects the balance between aggregate demand and supply in the economy over the medium term. Core inflation is a measure designed in relation to the specific structure of a country's economy. Hence in the South African context, core inflation is derived by excluding items from the CPI basket on the basis that changes in their prices are highly volatile, subjected to temporary influences, or affected by government intervention and policy.

Items excluded from the CPI basket to obtain the "core" basket, and the reasons for exclusion are as follows:

- Fresh and frozen meat and fish: Prices may be highly volatile, particularly during and following periods of drought.
- Fresh and frozen vegetables and fresh fruit and nuts: Prices may be highly volatile from quarter to quarter due to their sensitivity to climatic conditions.
- Interest rates on mortgage bonds and overdrafts/personal loans: These are excluded due to their "perverse" effect on the CPI. A tightening in monetary policy to counter inflation pressures would cause interest rates to rise and be reflected in the interest cost component of measured inflation. This, in turn, could provoke a further tightening of monetary policy resulting in excessive movements in the inflation rate.
- VAT (Value Added Tax): VAT is predominantly determined by government (fiscal policy).
- Assessment rates: These taxes are predominantly determined by local government.

The choice of exclusions was informed by best practice amongst several other international agencies, and after consultation with the South African Reserve Bank and other local technical experts.

7. Symbols used: * = revised

8. RESPONSE RATE

The response rate for the CPI for December 1998 was 87%. This response rate is slightly lower than the normal minimum response rate of 90%, due to the rush during festive season.

TABLE 1.1 EXPENDITURE GROUP INDICES AND PERCENTAGE CHANGE

BASE : 1995 = 100

Group	Dec. 1998	Nov. 1998	Dec. 1997	Percentage change compared with		
				Nov. 1998		Dec. 1997
				Actual	Seasonally adjusted	Actual
Expenditure groups						
Very Low	131,5	130,9	120,9	+0,5	..	+8,8
Low	130,7	130,0	120,3	+0,5	..	+8,6
Middle	130,1	129,5	120,0	+0,5	..	+8,4
High	130,2	129,8	119,8	+0,3	..	+8,7
Very High	129,0	129,1	118,3	-0,1	..	+9,0
All expenditure groups - Metropolitan	129,4	129,4	118,7	0,0 ¹⁾	+0,1 ¹⁾	+9,0 ¹⁾
All expenditure groups - Metro and other urban areas	129,0	128,9	118,7	+0,1	..	+8,7
Food only - Metropolitan	126,7	125,9	119,0	+0,6	+0,3	+6,5
Food only - Metro and other urban areas	127,6	126,8	119,2	+0,6	..	+7,0
All items excluding food - Metropolitan	130,0	130,2	118,7	-0,2	+0,2	+9,5
All items excluding food - Metro and other urban areas	129,3	129,4	118,5	-0,1	..	+9,1
All expenditure groups (VAT EXCLUDED) - Metropolitan	129,4	129,4	118,7	0,0 ¹⁾	0,0 ¹⁾	+9,0 ¹⁾
All expenditure groups (VAT EXCLUDED) - Metro and other urban areas	129,0	128,9	118,7	+0,1	..	+8,7
Core inflation - Metropolitan	128,9	128,5	119,6	+0,3	-	+7,8
Core inflation - Metro and other urban areas	128,8	128,4	119,7	+0,3	-	+7,6

1) On theoretical grounds and due to rounding off, these rates of change can differ.

TABLE 1.2 ANNUAL INFLATION ON A MONTHLY BASIS

Metropolitan areas - All Items

Base year: 1995 = 100

Year	Index	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Ave.
1996	Index	103,6	103,7	104,6	105,2	105,9	106,9	107,7	108,3	109,4	110,4	110,8	111,9	107,4
	%	+6,9	+6,5	+6,3	+5,5	+5,8	+6,9	+7,1	+7,4	+8,4	+9,1	+9,2	+9,4	+7,4
1997	Index	113,3	113,9	114,6	115,6	116,0	116,3	117,5	117,7	118,2	118,7	118,3	118,7	116,6
	%	+9,4	+9,8	+9,6	+9,9	+9,5	+8,8	+9,1	+8,7	+8,0	+7,5	+6,8	+6,1	+8,6
1998	Index	119,7	120,0	120,8	121,4	121,9	122,3	125,3	126,7	128,9	129,4	129,4	129,4	124,6
	%	+5,6	+5,4	+5,4	+5,0	+5,1	+5,2	+6,6	+7,6	+9,1	+9,0	+9,4	+9,0	+6,9

TABLE 2.1 EFFECT OF ANNUAL PRICE CHANGES ON THE CONSUMER PRICE INDEX
- ALL EXPENDITURE GROUPS (METROPOLITAN AREAS)

Group	Contribution
Food	1.2
Non-alcoholic beverages	0.1
Alcoholic beverages	0.1
Cigarettes, cigars and tobacco	0.3
Housing	4.1
Fuel and power	0.2
Household operation	0.7
Medical care and health expenses	0.8
Transport	0.5
Communication	0.2
Recreation and entertainment	0.1
Education	0.2
Personal care	0.2
Other	0.3
All items	9.0

TABLE 2.2 EFFECT OF MONTHLY PRICE CHANGES ON THE CONSUMER PRICE INDEX
- ALL EXPENDITURE GROUPS (METROPOLITAN AREAS)

Group	Contribution
Food	0.1
Housing	-0.1
Transport	-0.1
Household operation	0.1
All items	0.0

TABLE 2.3 EFFECT OF ANNUAL PRICE CHANGES ON THE CORE INFLATION INDEX
- ALL EXPENDITURE GROUPS (METROPOLITAN AREAS)

Group	Contribution
Food	0.9
Non-alcoholic beverages	0.1
Alcoholic beverages	0.1
Cigarettes, cigars and tobacco	0.4
Clothing and footwear	0.1
Housing	1.7
Fuel and power	0.3
Furniture and equipment	0.2
Household operation	0.9
Medical care and health expenses	1.2
Transport	0.7
Communication	0.3
Recreation and entertainment	0.1
Reading matter	0.1
Education	0.3
Personal care	0.3
Other	0.1
All items	7.8

TABLE 2.4 EFFECT OF MONTHLY PRICE CHANGES ON THE CORE INFLATION INDEX
- ALL EXPENDITURE GROUPS (METROPOLITAN AREAS)

Group	Contribution
Food	0.1
Clothing and footwear	0.1
Housing	0.1
Household operation	0.1
Transport	-0.1
All items	0.3

TABLE 3 GROUP INDICES - WEIGHTED AVERAGE
3.1 METROPOLITAN AREAS

BASE : 1995 = 100

Group	Dec. 1998	Nov. 1998	Dec. 1997	Percentage change compared with		Weights
				Nov. 1998	Dec. 1997	
All items	129,4	129,4	118,7	0,0	+9,0	100,00
Expenditure groups - Very low	131,5	130,9	120,9	+0,5	+8,8	0,51
Low	130,7	130,0	120,3	+0,5	+8,6	1,78
Middle	130,1	129,5	120,0	+0,5	+8,4	5,24
High	130,2	129,8	119,8	+0,3	+8,7	17,70
Very high	129,0	129,1	118,3	-0,1	+9,0	74,77
Commodities	124,9	124,4	117,6	+0,4	+6,2	55,00
Services	135,7	136,2	120,8	-0,4	+12,3	45,00
All items, excluding housing	126,4	126,0	118,4	+0,3	+6,8	75,93
All items, excluding food	130,0	130,2	118,7	-0,2	+9,5	81,98
Food	126,7	125,9	119,0	+0,6	+6,5	18,02
Expenditure groups - Very low	128,7	127,9	118,9	+0,6	+8,2	40,73
Low	128,7	127,7	119,3	+0,8	+7,9	34,39
Middle	128,6	127,5	119,4	+0,9	+7,7	31,12
High	127,3	126,5	119,2	+0,6	+6,8	25,42
Very high	125,9	125,3	118,7	+0,5	+6,1	14,84
Processed	128,3	127,7	119,2	+0,5	+7,6	9,12
Unprocessed	125,0	124,1	118,8	+0,7	+5,2	8,90
Grain products	134,3	133,8	121,1	+0,4	+10,9	3,31
Meat	115,9	114,5	115,9	+1,2	0,0	5,33
Fish and other seafood	131,6	131,2	118,7	+0,3	+10,9	0,80
Milk, cheese and eggs	132,2	132,2	126,3	0,0	+4,7	1,90
Fats and oils	139,1	137,3	120,4	+1,3	+15,5	0,85
Fruit and nuts	120,3	118,5	110,0	+1,5	+9,4	1,08
Vegetables	135,5	136,3	127,5	-0,6	+6,3	1,80
Sugar	127,2	126,8	118,0	+0,3	+7,8	0,59
Coffee, tea and cocoa	121,5	120,6	110,4	+0,7	+10,1	0,72
Other	131,3	130,6	119,3	+0,5	+10,1	1,64
Non-alcoholic beverages	137,4	136,9	124,4	+0,4	+10,5	0,82
Alcoholic beverages	129,7	129,9	118,8	-0,2	+9,2	1,18
Cigarettes, cigars and tobacco	197,3	192,7	158,9	+2,4	+24,2	0,95
Clothing and footwear	109,3	109,4	108,3	-0,1	+0,9	4,76
Clothing	109,6	109,6	107,8	0,0	+1,7	3,55
Footwear	109,6	109,8	110,9	-0,2	-1,2	1,21
Housing	141,4	142,6	122,1	-0,8	+15,8	24,07
Fuel and power	127,8	127,8	119,6	0,0	+6,9	3,11
Furniture and equipment	115,3	114,5	111,6	+0,7	+3,3	3,94
Furniture	121,3	120,0	115,5	+1,1	+5,0	1,62
Appliances	109,5	109,8	107,1	-0,3	+2,2	1,08
Other household equipment and textiles	112,4	111,3	110,1	+1,0	+2,1	1,24
Household operation	149,5	148,2	132,2	+0,9	+13,1	4,69
Household consumables	136,1	135,5	123,9	+0,4	+9,8	1,14
Domestic workers	163,4	161,5	142,3	+1,2	+14,8	3,19
Other household services	122,2	122,2	115,6	0,0	+5,7	0,36
Medical care and health expenses	146,9	146,4	130,8	+0,3	+12,3	5,95
Transport	117,9	118,1	114,0	-0,2	+3,4	14,74
Vehicles	116,3	116,2	110,7	+0,1	+5,1	5,25
Running cost	124,3	124,9	120,4	-0,5	+3,2	5,75
Public and hired transport	113,0	113,0	111,7	0,0	+1,2	3,74
Communication	119,7	119,7	110,6	0,0	+8,2	3,06
Recreation and entertainment	113,1	112,6	108,5	+0,4	+4,2	2,38
Reading matter	136,2	136,2	124,3	0,0	+9,6	0,74
Education	135,6	135,6	122,2	0,0	+11,0	2,04
Personal care	129,1	126,5	117,9	+2,1	+9,5	3,06
Other	119,0	119,7	114,8	-0,6	+3,7	6,49

TABLE 3 GROUP INDICES - WEIGHTED AVERAGE
3.2 METRO AND OTHER URBAN AREAS

BASE : 1995 = 100

Group	Dec. 1998	Nov. 1998	Dec. 1997	Percentage change compared with		Weights
				Nov. 1998	Dec. 1997	
All items	129,0	128,9	118,7	+0,1	+8,7	100,00
Expenditure groups - Very low	131,0	130,6	120,2	+0,3	+9,0	0,93
Low	130,1	129,5	119,8	+0,5	+8,6	2,99
Middle	129,0	128,4	119,2	+0,5	+8,2	7,58
High	129,5	129,2	119,4	+0,2	+8,5	20,09
Very high	128,7	128,8	118,3	-0,1	+8,8	68,41
Commodities	124,5	124,0	117,2	+0,4	+6,2	57,34
Services	135,1	135,5	120,7	-0,3	+11,9	42,66
All items, excluding housing	126,4	126,0	118,1	+0,3	+7,0	77,55
All items, excluding food	129,3	129,4	118,5	-0,1	+9,1	80,52
Food	127,6	126,8	119,2	+0,6	+7,0	19,48
Expenditure groups - Very low	130,8	130,5	119,5	+0,2	+9,5	44,17
Low	130,4	129,7	119,9	+0,5	+8,8	38,83
Middle	129,4	128,5	119,6	+0,7	+8,2	32,67
High	128,0	127,1	119,3	+0,7	+7,3	25,61
Very high	126,6	125,7	119,0	+0,7	+6,4	15,02
Processed	128,0	127,4	118,7	+0,5	+7,8	10,52
Unprocessed	127,2	126,2	119,8	+0,8	+6,2	8,96
Grain products	135,0	134,5	121,4	+0,4	+11,2	3,73
Meat	115,8	114,4	114,8	+1,2	+0,9	5,84
Fish and other seafood	133,0	132,5	120,6	+0,4	+10,3	0,77
Milk, cheese and eggs	131,6	131,5	125,7	+0,1	+4,7	2,02
Fats and oils	137,5	136,0	118,9	+1,1	+15,6	0,94
Fruit and nuts	120,2	117,9	109,9	+2,0	+9,4	1,07
Vegetables	142,3	142,3	130,2	0,0	+9,3	1,94
Sugar	128,6	128,1	118,8	+0,4	+8,2	0,73
Coffee, tea and cocoa	120,4	119,8	109,0	+0,5	+10,5	0,79
Other	130,7	130,1	119,2	+0,5	+9,6	1,65
Non-alcoholic beverages	139,9	139,7	125,0	+0,1	+11,9	0,82
Alcoholic beverages	130,2	130,3	120,0	-0,1	+8,5	1,17
Cigarettes, cigars and tobacco	191,0	187,5	155,5	+1,9	+22,8	1,04
Clothing and footwear	109,8	109,9	108,2	-0,1	+1,5	5,07
Clothing	109,8	109,9	107,8	-0,1	+1,9	3,80
Footwear	109,6	109,6	109,2	0,0	+0,4	1,27
Housing	138,2	139,3	120,6	-0,8	+14,6	22,45
Fuel and power	124,5	124,5	116,3	0,0	+7,1	3,54
Furniture and equipment	113,5	112,7	110,8	+0,7	+2,4	4,34
Furniture	118,6	117,2	114,1	+1,2	+3,9	1,77
Appliances	109,0	109,0	107,5	0,0	+1,4	1,19
Other household equipment and textiles	111,0	110,2	109,3	+0,7	+1,6	1,38
Household operation	153,7	152,2	135,3	+1,0	+13,6	4,87
Household consumables	134,2	133,8	121,6	+0,3	+10,4	1,27
Domestic workers	164,8	162,9	142,9	+1,2	+15,3	3,25
Other household services	120,1	120,1	114,3	0,0	+5,1	0,35
Medical care and health expenses	143,6	143,1	127,9	+0,3	+12,3	5,81
Transport	116,2	116,3	112,9	-0,1	+2,9	13,65
Vehicles	111,8	111,7	107,9	+0,1	+3,6	5,31
Running cost	124,2	124,8	120,1	-0,5	+3,4	5,16
Public and hired transport	110,4	110,4	109,3	0,0	+1,0	3,18
Communication	123,1	123,1	113,7	0,0	+8,3	3,21
Recreation and entertainment	109,3	108,9	105,1	+0,4	+4,0	2,18
Reading matter	134,0	134,0	122,4	0,0	+9,5	0,69
Education	136,0	136,0	120,9	0,0	+12,5	1,82
Personal care	129,6	126,9	118,6	+2,1	+9,3	3,08
Other	120,4	121,1	116,0	-0,6	+3,8	6,78

TABLE 4 AREAS INDICES
 TABLE 4.1 Index for all items
 Each area compared with itself

BASE : 1995 = 100

Urban area	All items			Percentage change compared with	
	Dec. 1998	Nov. 1998	Dec. 1997	Nov. 1998	Dec. 1997
Western Cape	128,1	128,1	118,3	0,0	+8,3
Cape Peninsula	129,2	129,4	118,8	-0,2	+8,8
Other urban areas	127,2	127,1	118,0	+0,1	+7,8
Eastern Cape	131,3	131,1	120,6	+0,2	+8,9
Port Elizabeth/Uitenhage	128,9	128,9	118,2	0,0	+9,1
East London	131,8	131,7	120,4	+0,1	+9,5
Other urban areas	131,5	131,3	120,8	+0,2	+8,9
Northern Cape	125,8	125,7	117,4	+0,1	+7,2
Kimberley	130,2	130,4	119,7	-0,2	+8,8
Other urban areas	125,1	125,0	116,9	+0,1	+7,0
Free State	124,8	124,8	116,1	0,0	+7,5
Bloemfontein	129,9	130,1	118,8	-0,2	+9,3
Free State Goldfields	124,8	124,6	115,9	+0,2	+7,7
Other urban areas	124,0	124,1	115,7	-0,1	+7,2
KwaZulu-Natal	128,4	128,1	118,3	+0,2	+8,5
Durban/Pinetown	131,0	130,4	119,8	+0,5	+9,3
Pietermaritzburg	128,1	127,7	119,2	+0,3	+7,5
Other urban areas	127,0	126,8	117,3	+0,2	+8,3
North West	126,9	126,6	116,4	+0,2	+9,0
Klerksdorp/Stilfontein/Orkney	125,7	126,0	116,4	-0,2	+8,0
Other urban areas	126,9	126,5	116,2	+0,3	+9,2
Gauteng	130,2	130,3	119,4	-0,1	+9,0
Pretoria/Centurion/Akasia	129,0	128,9	119,3	+0,1	+8,1
Witwatersrand	129,4	129,5	118,2	-0,1	+9,5
Other urban areas	129,5	129,4	119,0	+0,1	+8,8
Mpumalanga	130,8	130,8	118,9	0,0	+10,0
Nelspruit/Witbank	130,2	130,1	119,0	+0,1	+9,4
Other urban areas	130,4	130,5	118,6	-0,1	+9,9
Northern Province	126,9	126,5	117,7	+0,3	+7,8
Pietersburg	128,0	128,4	118,5	-0,3	+8,0
Other urban areas	126,9	126,5	117,8	+0,3	+7,7
Weighted average - Metro and other urban areas	129,0	128,9	118,7	+0,1	+8,7
Weighted average - Metropolitan	129,4	129,4	118,7	0,0	+9,0

TABLE 4. AREA INDICES
 TABLE 4.2 Index for food
 Each area compared with itself

BASE : 1995 = 100

Urban area	Food			Percentage change compared with	
	Dec. 1998	Nov. 1998	Dec. 1997	Nov. 1998	Dec. 1997
Western Cape	127,2	126,5	119,1	+0,6	+6,8
Cape Peninsula	126,9	127,0	118,8	-0,1	+6,8
Other urban areas	126,7	125,4	118,5	+1,0	+6,9
Eastern Cape	137,0	136,6	125,3	+0,3	+9,3
Port Elizabeth/Uitenhage	127,0	125,9	119,1	+0,9	+6,6
East London	132,6	131,1	124,2	+1,1	+6,8
Other urban areas	139,4	139,2	126,7	+0,1	+10,0
Northern Cape	122,5	122,3	116,9	+0,2	+4,8
Kimberley	124,1	124,4	116,8	-0,2	+6,3
Other urban areas	122,1	121,9	116,8	+0,2	+4,5
Free State	121,6	121,7	115,6	-0,1	+5,2
Bloemfontein	126,9	127,4	119,4	-0,4	+6,3
Free State Goldfields	122,1	121,5	114,4	+0,5	+6,7
Other urban areas	121,0	121,1	115,4	-0,1	+4,9
KwaZulu-Natal	129,1	126,7	120,2	+1,9	+7,4
Durban/Pinetown	135,1	131,4	125,0	+2,8	+8,1
Pietermaritzburg	128,7	126,8	121,2	+1,5	+6,2
Other urban areas	126,9	125,0	118,3	+1,5	+7,3
North West	124,2	123,4	115,1	+0,6	+7,9
Klerksdorp/Stilfontein/Orkney	122,2	122,2	115,3	0,0	+6,0
Other urban areas	124,3	123,4	115,0	+0,7	+8,1
Gauteng	125,8	125,2	118,3	+0,5	+6,3
Pretoria/Centurion/Akasia	128,2	127,4	120,8	+0,6	+6,1
Witwatersrand	124,4	124,1	117,2	+0,2	+6,1
Other urban areas	126,2	125,1	117,9	+0,9	+7,0
Mpumalanga	133,6	133,8	121,8	-0,1	+9,7
Nelspruit/Witbank	128,6	128,1	120,0	+0,4	+7,2
Other urban areas	134,5	134,8	122,2	-0,2	+10,1
Northern Province	131,0	129,8	121,5	+0,9	+7,8
Pietersburg	128,4	128,4	123,0	0,0	+4,4
Other urban areas	131,4	130,0	121,4	+1,1	+8,2
Weighted average - Metro and other urban areas	127,6	126,8	119,2	+0,6	+7,0
Weighted average - Metropolitan	126,7	125,9	119,0	+0,6	+6,5

TABLE 4 AREAS INDICES
 TABLE 4.3 Index for all items excluding housing
 Each area compared with itself

BASE : 1995 = 100

Urban area	All items excluding housing			Percentage change compared with	
	Dec. 1998	Nov. 1998	Dec. 1997	Nov. 1998	Dec. 1997
Western Cape	126,0	125,6	118,1	+0,3	+6,7
Cape Peninsula	126,8	126,6	118,8	+0,2	+6,7
Other urban areas	125,4	124,9	117,6	+0,4	+6,6
Eastern Cape	130,3	129,8	120,4	+0,4	+8,2
Port Elizabeth/Uitenhage	126,7	126,2	118,5	+0,4	+6,9
East London	131,5	130,9	121,7	+0,5	+8,1
Other urban areas	130,6	130,1	120,4	+0,4	+8,5
Northern Cape	125,1	124,7	116,8	+0,3	+7,1
Kimberley	127,4	127,3	118,3	+0,1	+7,7
Other urban areas	124,7	124,3	116,5	+0,3	+7,0
Free State	124,4	124,2	116,7	+0,2	+6,6
Bloemfontein	127,8	127,6	119,6	+0,2	+6,9
Free State Goldfields	123,6	123,2	116,0	+0,3	+6,6
Other urban areas	124,1	123,9	116,3	+0,2	+6,7
KwaZulu-Natal	125,2	124,4	117,4	+0,6	+6,6
Durban/Pinetown	127,0	126,0	119,3	+0,8	+6,5
Pietermaritzburg	125,0	124,2	117,9	+0,6	+6,0
Other urban areas	124,5	123,8	116,5	+0,6	+6,9
North West	124,1	123,6	115,8	+0,4	+7,2
Klerksdorp/Stilfontein/Orkney	123,1	123,1	116,4	0,0	+5,8
Other urban areas	124,1	123,5	115,5	+0,5	+7,4
Gauteng	126,9	126,5	118,7	+0,3	+6,9
Pretoria/Centurion/Akasia	126,5	126,0	118,9	+0,4	+6,4
Witwatersrand	126,4	126,1	118,0	+0,2	+7,1
Other urban areas	125,9	125,5	118,0	+0,3	+6,7
Mpumalanga	127,3	127,1	117,7	+0,2	+8,2
Nelspruit/Witbank	126,8	126,4	118,4	+0,3	+7,1
Other urban areas	127,1	126,9	117,3	+0,2	+8,4
Northern Province	124,4	123,9	116,8	+0,4	+6,5
Pietersburg	125,7	125,6	119,1	+0,1	+5,5
Other urban areas	124,3	123,7	116,6	+0,5	+6,6
Weighted average - Metro and other urban areas	126,4	126,0	118,1	+0,3	+7,0
Weighted average - Metropolitan	126,4	126,0	118,4	+0,3	+6,8

TABLE 4. AREA INDICES (concluded)
 TABLE 4.4 Index for all items excluding food
 Each area compared with itself

BASE : 1995 = 100

Urban area	All items excluding food			Percentage change compared with	
	Dec. 1998	Nov. 1998	Dec. 1997	Nov. 1998	Dec. 1997
Western Cape	128,3	128,5	118,1	-0,2	+8,6
Cape Peninsula	129,9	130,2	119,0	-0,2	+9,2
Other urban areas	127,4	127,6	117,8	-0,2	+8,1
Eastern Cape	129,7	129,7	119,2	0,0	+8,8
Port Elizabeth/Uitenhage	129,3	129,6	117,8	-0,2	+9,8
East London	131,8	132,0	119,5	-0,2	+10,3
Other urban areas	129,1	128,9	119,1	+0,2	+8,4
Northern Cape	126,8	126,7	117,5	+0,1	+7,9
Kimberley	132,8	132,9	120,8	-0,1	+9,9
Other urban areas	125,9	125,8	117,0	+0,1	+7,6
Free State	125,8	125,8	116,3	0,0	+8,2
Bloemfontein	130,9	131,1	118,8	-0,2	+10,2
Free State Goldfields	125,6	125,5	116,4	+0,1	+7,9
Other urban areas	125,0	125,0	115,8	0,0	+7,9
KwaZulu-Natal	128,3	128,4	117,8	-0,1	+8,9
Durban/Pinetown	130,1	130,2	118,7	-0,1	+9,6
Pietermaritzburg	128,0	127,9	118,5	+0,1	+8,0
Other urban areas	127,0	127,1	117,1	-0,1	+8,5
North West	127,6	127,4	116,7	+0,2	+9,3
Klerksdorp/Stilfontein/Orkney	126,3	126,7	116,6	-0,3	+8,3
Other urban areas	127,6	127,3	116,6	+0,2	+9,4
Gauteng	131,1	131,2	119,6	-0,1	+9,6
Pretoria/Centurion/Akasia	128,7	128,7	118,7	0,0	+8,4
Witwatersrand	130,5	130,6	118,6	-0,1	+10,0
Other urban areas	130,4	130,5	119,2	-0,1	+9,4
Mpumalanga	130,0	130,0	118,2	0,0	+10,0
Nelspruit/Witbank	130,2	130,2	118,5	0,0	+9,9
Other urban areas	129,4	129,4	117,6	0,0	+10,0
Northern Province	125,9	125,8	116,8	+0,1	+7,8
Pietersburg	127,7	128,2	117,4	-0,4	+8,8
Other urban areas	125,8	125,6	116,9	+0,2	+7,6
Weighted average - Metro and other urban areas	129,3	129,4	118,5	-0,1	+9,1
Weighted average - Metropolitan	130,0	130,2	118,7	-0,2	+9,5

TABLE 5 Seasonally adjusted indices

Base 1995=100

1998													
Dec	Nov*	Oct*	Sep*	Aug*	Jul*	Jun*	May*	Apr*	Mar*	Feb*	Jan*		
All Items	130,1	130,0	129,3	128,9	126,8	125,1	122,6	122,0	121,3	120,8	120,2	119,6	100,00
Expenditure groups – Very low	..	..	..	..	..	..	..	..	..	..	..	..	0,51
Low	..	..	..	..	..	..	..	..	..	..	..	..	1,78
Middle	..	..	..	..	..	..	..	..	..	..	..	..	5,24
Higher	..	..	..	..	..	..	..	..	..	..	..	..	17,70
Very High	..	..	..	..	..	..	..	..	..	..	..	..	74,77
All items excluding food	131,0	130,8	130,2	129,8	127,3	125,3	122,3	121,7	121,2	120,9	120,4	119,8	81,98
Commodities	125,0	124,6	124,2	123,8	123,1	122,2	121,4	120,8	120,0	119,1	118,6	117,9	55,00
Food	126,6	126,2	125,2	124,8	124,2	124,2	124,3	123,0	121,6	120,7	119,8	118,9	18,02
Food and non alcoholic beverages	127,1	126,7	125,7	125,3	124,7	124,6	124,6	123,4	121,9	121,0	120,1	119,2	18,84
Alcoholic beverages, cigarettes, cigars and tobacco	163,5	161,8	160,3	159,1	159,2	154,9	153,0	151,6	150,5	146,4	143,9	140,8	2,13
Clothing and footwear	108,3	108,3	107,8	107,9	107,6	107,5	107,4	107,5	107,4	107,2	107,4	108,0	4,72
Furniture and equipment	115,3	114,4	113,9	113,5	113,1	112,8	112,5	113,0	112,6	112,5	112,4	112,1	3,85
Vehicles	116,9	116,4	115,4	115,3	113,9	113,5	113,7	113,3	113,1	112,8	112,1	111,6	5,52
Other transport commodities	125,5	127,0	129,5	130,3	128,9	125,3	124,2	121,0	121,0	119,8	120,4	119,7	4,63
Other commodities	129,7	128,8	128,7	127,6	126,9	125,5	122,9	123,4	122,6	121,4	120,9	120,0	15,58
Services	137,7	137,0	136,0	135,2	131,7	129,0	124,1	123,9	123,2	123,3	123,2	122,8	45,00
Housing and domestic workers	141,9	143,6	142,6	141,7	135,2	131,0	123,0	122,6	123,0	125,3	124,1	123,1	25,99
Transport	112,4	112,3	112,0	111,6	111,2	110,6	110,9	110,7	110,5	110,4	111,1	110,6	4,15
Other services	140,0	136,1	134,9	134,1	133,7	132,4	130,2	130,3	128,1	125,4	126,5	126,9	14,15
All items (VAT excluded)	129,9	129,9	129,2	128,7	126,6	125,0	122,5	121,9	121,2	120,7	120,3	119,6	100,00

TABLE 6 THE CONSUMER PRICE INDEX FOR PENSIONERS - AREA INDICES
Each area compared with itself

BASE : 1995 = 100

Urban area	All items			Percentage change compared with	
	Dec. 1998	Nov. 1998	Dec. 1997	Nov. 1998	Dec. 1997
Western Cape	126,9	126,7	118,6	+0,2	+7,0
Cape Peninsula	129,8	129,8	120,7	0,0	+7,5
Other urban areas	126,2	125,8	118,1	+0,3	+6,9
Eastern Cape	132,2	131,8	121,4	+0,3	+8,9
Port Elizabeth/Uitenhage	129,3	128,9	119,1	+0,3	+8,6
East London	133,0	132,4	121,4	+0,5	+9,6
Other urban areas	132,2	131,9	121,6	+0,2	+8,7
Northern Cape	127,7	127,4	119,4	+0,2	+7,0
Kimberley	133,7	133,8	122,8	-0,1	+8,9
Other urban areas	126,9	126,5	118,9	+0,3	+6,7
Free State	124,6	124,4	116,3	+0,2	+7,1
Bloemfontein	129,3	129,3	118,6	0,0	+9,0
Free State Goldfields	125,3	125,1	115,8	+0,2	+8,2
Other urban areas	124,1	123,9	116,1	+0,2	+6,9
KwaZulu-Natal	127,2	126,5	118,1	+0,6	+7,7
Durban/Pinetown	129,7	128,9	119,8	+0,6	+8,3
Pietermaritzburg	127,3	126,7	118,2	+0,5	+7,7
Other urban areas	125,9	125,3	117,2	+0,5	+7,4
North West	127,5	126,9	117,3	+0,5	+8,7
Klerksdorp/Stilfontein/Orkney	128,1	128,0	118,5	+0,1	+8,1
Other urban areas	127,1	126,4	116,9	+0,6	+8,7
Gauteng	129,8	129,4	119,8	+0,3	+8,3
Pretoria/Centurion/Akasia	128,0	127,6	119,3	+0,3	+7,3
Witwatersrand	130,8	130,5	120,2	+0,2	+8,8
Other urban areas	127,9	127,5	118,6	+0,3	+7,8
Mpumalanga	132,5	132,3	120,9	+0,2	+9,6
Nelspruit/Witbank	131,4	130,9	121,4	+0,4	+8,2
Other urban areas	132,6	132,5	120,8	+0,1	+9,8
Northern Province	127,7	127,1	118,6	+0,5	+7,7
Pietersburg	129,2	129,2	120,0	0,0	+7,7
Other urban areas	127,6	127,0	118,6	+0,5	+7,6
Weighted average - Metro and other urban areas	128,5	128,1	119,1	+0,3	+7,9
Weighted average - Metropolitan	130,1	129,8	120,1	+0,2	+8,3