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Prices : Consumer Price Index (CPI)

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THE INFLATION RATE FOR JUNE 1996 INCREASES FOR THE SECOND CONSECUTIVE MONTH

The official inflation rate, i.e. the annual rate of change in the Consumer Price Index, is 6,9% at June 1996. This rate is 1,0 percentage point higher than the corresponding inflation rate of 5,9% at May 1996.

The monthly increase in the index for the period May 1996 to June 1996 is 0,9%, while the seasonally adjusted index shows a monthly increase of 1,2%.

An alternative expression of the change in the CPI is to annualise the change between the average index of the three months up to June 1996 and the average index of the previous three months. This approach should use seasonally adjusted data, yielding a 7,0% increase and 8,1% unadjusted.

CONTRIBUTIONS TO THE MONTHLY INCREASE OF 0,9%

The monthly increase of 0,9% in the CPI can be attributed to increases in the price indices for housing (+0,4 of a percentage point, mainly due to an increase of 1 percentage point in the interest rates on mortgage bonds), furniture and equipment (+0,1 of a percentage point), medical care and health expenses (+0,1 of a percentage point), transport (+0,3 of a percentage point, mainly due to an increase of 4,3% in the index for running cost which was largely caused by an increase of 13c/ in the price of petrol) and all other items (+0,1 of a percentage point). These increases were slightly counteracted by a decrease in the price index for food (-0,1 of a percentage point).

FOOD PRICES

The price index for food shows an annual rate of increase of 2,5% at June 1996. This rate is 1,0 percentage point higher than the corresponding annual rate of increase of 1,5% at May 1996.

However, the price index for food for June 1996, shows a monthly decrease of 0,3% compared with May 1996. This decrease was caused by decreases in the price indices for meat (-0,2%), fruit and nuts (-4,3%), vegetables (-1,4%) and coffee, tea and cocoa (-0,3%). These decreases were to a large extent counteracted by increases in the price indices for grain products (+0,2%), fish and other seafood (+1,1%), milk, cheese and eggs (+0,9%), fats and oils (+0,6%), sugar (+1,4%) and "other" food items (+0,4%).

THE MONTHLY INCREASE IN THE PRICE INDEX FOR ALL ITEMS EXCLUDING FOOD IS 1,2%

The monthly rate of increase of 1,2% in the index for all items excluding food, was caused by increases in the price indices for non-alcoholic beverages (+0,6%), alcoholic beverages (+0,7%), cigarettes, cigars and tobacco (+1,1%), clothing and footwear (+0,5%), housing (+2,4%), fuel and power (+0,1%), furniture and equipment (+1,5%), household operation (+0,6%), medical care and health expenses (+1,0%), transport (+2,1%), recreation and entertainment (+0,1%) and personal care (+1,7%). A decrease of 0,2% was recorded in the price index for "other" items.

INCOME GROUP INDICES

An inflation rate of 6,4% was recorded for households in the lower income group, 7,1% for those in the middle income group and 6,9% for those in the higher income group.

URBAN AREAS INDICES

The highest inflation rate of 8,1% was recorded for Pietersburg, while the lowest rate of 5,4% was recorded for the Free State Goldfields.

Regarding food, the highest annual rate of increase of 5,0% was recorded for Nelspruit/Witbank, while the lowest annual rate of increase of 1,0% was recorded for Bloemfontein.

INFLATION RATE FOR PENSIONERS

The inflation rate for pensioners is 6,3% at June 1996. The highest inflation rate of 7,1% was recorded for Pietersburg and the lowest rate of 4,9% was recorded for the Free State Goldfields.

FOOD INFLATION AS MEASURED AT CHAIN-STORES AND OTHER RETAILERS

Food prices at chain-stores show an annual rate of increase of 2,6%, while food prices at other retailers show an annual rate of increase of 1,9%. From May 1996 to June 1996, food prices at chain-stores decreased by 0,6%, while those at other retailers decreased by 0,1%.

CPI FOR JULY 1996

In addition to the normal price surveys for July 1996, it has come to the attention of the CSS that changed prices apply with effect from July 1996 with regard to maintenance of graves, motor vehicle insurance, postage tariffs and certain urban areas' bus tariffs and parking fees.

EXPLANATORY NOTES

1. All price information refers to the first seven days of the relevant month.
2. The Consumer Price Indices relating to different urban areas as shown in Table 4 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. Consumer Price Indices have been compiled for the areas Pietersburg and Nelspruit/Witbank as from July 1994. Although prices are collected in each of the respective areas, the indices for June 1994 and the weighting structure of Pretoria were used as basis for the CPI for Pietersburg and those of the Vaal Triangle as basis for Nelspruit/Witbank. The weighting structure of the said areas will be used until the Survey of the Expenditures of Households has taken place in 1995, and the weighting structure for each of the new areas will then be determined accordingly. Furthermore, it should be noted that the indices for the weighted average have been calculated excluding the new areas. The new areas will be taken into account in the calculation of the weighted average as soon as a weighting structure for each has been brought into effect.
4. 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 indices for all items and food of each area.
5. Value Added Tax (VAT) is included in general in the prices of all items on which VAT is applicable.

6. A more comprehensive description of the weighting system, seasonal adjustment, price collection methodology, etc., appears in the brochure "Inflation" as well as in the notes of Chapter 3 of the Bulletin of Statistics.

TABLE 1 INCOME GROUP INDICES AND PERCENTAGE CHANGE

BASE : 1990 = 100

Group	Jun. 1996	May 1996	Jun. 1995	Percentage change compared with		
				May 1996		Jun. 1995
				Actual	Seasonally adjusted	Actual
Lower income group	180,2	179,0	169,4	+0,7	+0,8	+6,4
Middle income group	185,2	183,5	173,0	+0,9	+1,2	+7,1
Higher income group	182,2	180,4	170,4	+1,0	+1,3	+6,9
All income groups	182,3	180,7	170,6	+0,9 ¹⁾	+1,2 ¹⁾	+6,9 ¹⁾
Food only	203,7	204,3	198,8	-0,3	+0,2	+2,5
All items excluding food	177,0	174,9	163,8	+1,2	+1,4	+8,1
All income groups (VAT EXCLUDED)	176,4	174,8	165,1	+0,9 ¹⁾	+1,2 ¹⁾	+6,8 ¹⁾

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

TABLE 2 EFFECT OF PRICE CHANGES ON THE CONSUMER PRICE INDEX

- ALL INCOME GROUPS

Group	Contribution
Food	-0,1
Housing	+0,4
Furniture and equipment	+0,1
Medical care and health expenses	+0,1
Transport	+0,3
All other items	+0,1
All items	+0,9

TABLE 3 GROUP INDICES - WEIGHTED AVERAGE OF THE PRINCIPAL URBAN AREAS

BASE : 1990 = 100

Group	Jun. 1996	May 1996	Jun. 1995	Percentage change compared with		Weights
				May 1996	Jun. 1995	
All items	182,3	180,7	170,6	+0,9	+6,9	100,00
Lower income group	180,2	179,0	169,4	+0,7	+6,4	19,42
Middle income group	185,2	183,5	173,0	+0,9	+7,1	24,09
Higher income group	182,2	180,4	170,4	+1,0	+6,9	56,50
Commodities	185,8	184,2	176,9	+0,9	+5,0	57,92
Services	179,6	177,8	163,7	+1,0	+9,7	42,08
All items, excluding housing	191,9	190,7	181,8	+0,6	+5,6	79,46
All items, excluding food	177,0	174,9	163,8	+1,2	+8,1	81,36
Food	203,7	204,3	198,8	-0,3	+2,5	18,64
Lower income group	203,8	204,2	197,5	-0,2	+3,2	25,16
Middle income group	204,8	205,1	199,4	-0,1	+2,7	20,85
Higher income group	202,9	203,9	199,2	-0,5	+1,9	15,45
Processed	197,1	196,5	186,0	+0,3	+6,0	11,69
Unprocessed	209,9	211,5	211,1	-0,8	-0,6	6,95
Grain products	196,8	196,4	176,8	+0,2	+11,3	2,92
Meat	211,1	211,6	216,0	-0,2	-2,3	6,17
Fish and other seafood	188,6	186,6	173,0	+1,1	+9,0	0,70
Milk, cheese and eggs	184,7	183,1	173,8	+0,9	+6,3	2,28
Fats and oils	205,8	204,6	192,6	+0,6	+6,9	0,87
Fruit and nuts	255,9	267,4	257,3	-4,3	-0,5	1,18
Vegetables	206,0	208,9	213,3	-1,4	-3,4	1,88
Sugar	202,7	199,9	184,9	+1,4	+9,6	0,48
Coffee, tea and cocoa	192,0	192,6	189,3	-0,3	+1,4	0,59
Other	192,1	191,4	179,1	+0,4	+7,3	1,57
Non-alcoholic beverages	208,1	206,9	188,4	+0,6	+10,5	0,69
Alcoholic beverages	202,2	200,8	189,0	+0,7	+7,0	0,96
Cigarettes, cigars and tobacco	231,8	229,3	206,6	+1,1	+12,2	1,21
Clothing and footwear	148,3	147,5	142,4	+0,5	+4,1	7,02
Clothing	148,0	147,2	142,0	+0,5	+4,2	5,87
Footwear	148,1	147,7	142,8	+0,3	+3,7	1,15
Housing	143,2	139,8	125,9	+2,4	+13,7	20,54
Fuel and power	182,7	182,6	170,6	+0,1	+7,1	3,26
Furniture and equipment	145,2	143,1	140,3	+1,5	+3,5	5,50
Furniture	147,1	144,7	141,6	+1,7	+3,9	2,47
Appliances	146,5	144,5	143,3	+1,4	+2,2	1,57
Other household equipment and textiles	148,4	146,5	142,1	+1,3	+4,4	1,46
Household operation	214,7	213,4	193,9	+0,6	+10,7	2,57
Household consumables	190,6	190,3	176,3	+0,2	+8,1	1,37
Domestic workers	266,6	263,4	230,3	+1,2	+15,8	0,83
Other household services	199,7	199,7	188,3	0,0	+6,1	0,37
Medical care and health expenses	218,6	216,4	203,2	+1,0	+7,6	5,22
Transport	192,9	189,0	179,9	+2,1	+7,2	14,43
Vehicles	208,4	206,4	204,4	+1,0	+2,0	5,51
Running cost	184,9	177,2	162,9	+4,3	+13,5	5,76
Public and hired transport	174,4	174,4	162,1	0,0	+7,6	3,16
Communication	202,2	202,2	189,3	0,0	+6,8	1,61
Recreation and entertainment	158,6	158,4	149,7	+0,1	+5,9	3,71
Reading matter	211,7	211,7	190,7	0,0	+11,0	0,75
Education	310,9	310,9	284,4	0,0	+9,3	1,76
Personal care	176,2	173,2	163,1	+1,7	+8,0	2,64
Other	181,9	182,2	175,3	-0,2	+3,8	9,49

TABLE 4 URBAN AREAS INDICES

TABLE 4.1 Index for all items. Each area compared with itself

BASE : 1990 = 100

Urban area	All items			Percentage change compared with	
	Jun. 1996	May 1996	Jun. 1995	May 1996	Jun. 1995
	Cape Peninsula	185,0	183,3	173,5	+0,9
Port Elizabeth / Uitenhage	184,0	182,2	172,5	+1,0	+6,7
East London	183,6	181,9	171,3	+0,9	+7,2
Kimberley	183,0	182,1	172,4	+0,5	+6,1
Pietermaritzburg	187,4	185,5	174,5	+1,0	+7,4
Durban / Pinetown	179,4	177,1	167,2	+1,3	+7,3
Pretoria / Centurion / Akasia	184,4	182,8	171,9	+0,9	+7,3
Witwatersrand	181,5	180,0	170,0	+0,8	+6,8
Klerksdorp / Stilfontein / Orkney	181,0	179,7	170,3	+0,7	+6,3
Vaal Triangle	173,8	172,2	162,0	+0,9	+7,3
Free State Goldfields	179,5	178,5	170,3	+0,6	+5,4
Bloemfontein	177,0	175,1	166,5	+1,1	+6,3
Weighted average of the twelve areas	182,3	180,7	170,6	+0,9	+6,9
Nelspruit / Witbank	170,9	169,0	159,5	+1,1	+7,1
Pietersburg	182,7	180,7	169,0	+1,1	+8,1

TABLE 4.2 Index for food. Each area compared with itself

BASE : 1990 = 100

Urban area	Food			Percentage change compared with	
	Jun. 1996	May 1996	Jun. 1995	May 1996	Jun. 1995
	Cape Peninsula	213,2	213,1	209,1	0,0
Port Elizabeth / Uitenhage	209,0	208,6	204,8	+0,2	+2,1
East London	212,5	212,5	203,1	0,0	+4,6
Kimberley	194,4	196,5	190,5	-1,1	+2,0
Pietermaritzburg	226,0	225,5	216,7	+0,2	+4,3
Durban / Pinetown	201,1	199,3	193,2	+0,9	+4,1
Pretoria / Centurion / Akasia	203,6	204,9	197,9	-0,6	+2,9
Witwatersrand	199,7	201,3	195,8	-0,8	+2,0
Klerksdorp / Stilfontein / Orkney	203,2	202,6	196,1	+0,3	+3,6
Vaal Triangle	191,7	191,8	183,5	-0,1	+4,5
Free State Goldfields	198,0	200,0	195,5	-1,0	+1,3
Bloemfontein	206,6	206,4	204,6	+0,1	+1,0
Weighted average of the twelve areas	203,7	204,3	198,8	-0,3	+2,5
Nelspruit / Witbank	188,1	187,0	179,2	+0,6	+5,0
Pietersburg	199,4	200,6	190,9	-0,6	+4,5

TABLE 4 URBAN AREAS INDICES (concluded)

TABLE 4.3 Index for all items excluding housing. Each area compared with itself

BASE : 1990 = 100

Urban area	All items excluding housing			Percentage change compared with	
	Jun. 1996	May 1996	Jun. 1995	May 1996	Jun. 1995
	Cape Peninsula	194,7	193,5	185,6	+0,6
Port Elizabeth / Uitenhage	193,8	192,4	184,1	+0,7	+5,3
East London	194,3	192,9	182,9	+0,7	+6,2
Kimberley	190,0	189,6	181,7	+0,2	+4,6
Pietermaritzburg	196,7	195,3	185,7	+0,7	+5,9
Durban / Pinetown	188,1	186,2	177,7	+1,0	+5,9
Pretoria / Centurion / Akasia	194,3	193,2	183,3	+0,6	+6,0
Witwatersrand	191,3	190,2	180,9	+0,6	+5,7
Klerksdorp / Stilfontein / Orkney	188,0	187,0	177,9	+0,5	+5,7
Vaal Triangle	179,7	178,4	168,8	+0,7	+6,5
Free State Goldfields	187,9	187,2	179,1	+0,4	+4,9
Bloemfontein	188,9	187,4	180,0	+0,8	+4,9
Weighted average of the twelve areas	191,9	190,7	181,8	+0,6	+5,6
Nelspruit / Witbank	176,2	174,6	166,0	+0,9	+6,1
Pietersburg	192,3	190,8	180,6	+0,8	+6,5

TABLE 4.4 Index for all items excluding food. Each area compared with itself

BASE : 1990 = 100

Urban area	All items excluding food			Percentage change compared with	
	Jun. 1996	May 1996	Jun. 1995	May 1996	Jun. 1995
	Cape Peninsula	174,4	172,3	161,3	+1,2
Port Elizabeth / Uitenhage	175,1	172,9	161,8	+1,3	+8,2
East London	174,3	172,2	161,4	+1,2	+8,0
Kimberley	176,3	174,5	164,0	+1,0	+7,5
Pietermaritzburg	174,7	172,6	161,3	+1,2	+8,3
Durban / Pinetown	168,7	166,4	155,8	+1,4	+8,3
Pretoria / Centurion / Akasia	177,5	175,4	163,8	+1,2	+8,4
Witwatersrand	174,3	172,2	161,4	+1,2	+8,0
Klerksdorp / Stilfontein / Orkney	172,2	170,8	160,9	+0,8	+7,0
Vaal Triangle	167,9	165,9	155,4	+1,2	+8,0
Free State Goldfields	169,8	168,2	159,2	+1,0	+6,7
Bloemfontein	168,0	165,8	155,5	+1,3	+8,0
Weighted average of the twelve areas	177,0	174,9	163,8	+1,2	+8,1
Nelspruit / Witbank	165,2	163,2	153,4	+1,2	+7,7
Pietersburg	176,3	173,7	161,8	+1,5	+9,0

TABLE 5 SEASONALLY ADJUSTED INDICES

BASE : 1990 = 100

Group	BASE : 1990 = 100				Weights
	Jun. 1996	May 1996	Apr. 1996	Mar. 1996	
All items	182,6	180,5	179,0	178,7	100,00
Lower income group	180,4	178,9	177,9	177,4	19,42
Middle income group	185,7	183,5	182,1	181,6	24,09
Higher income group	182,3	180,0	178,4	178,1	56,50
All items excluding food	177,0	174,6	172,5	171,8	81,36
Commodities	186,0	184,4	183,5	183,2	57,92
Food	205,5	205,0	205,8	206,6	18,64
Food and non-alcoholic beverages	205,5	205,0	205,7	206,4	19,33
Alcoholic beverages, cigarettes, cigars and tobacco	218,6	216,2	212,0	208,7	2,17
Clothing and footwear	148,2	147,4	146,8	145,5	7,02
Furniture and equipment	144,6	143,2	142,7	142,2	5,50
Vehicles	208,6	206,4	206,0	207,0	5,51
Other transport commodities	181,5	172,4	164,9	162,1	5,09
Other commodities	179,0	178,5	177,8	177,6	13,30
Services	179,2	176,7	174,5	174,0	42,08
Housing and domestic workers	147,0	143,1	140,0	139,6	21,37
Transport	179,8	178,6	179,1	179,2	3,83
Other services	222,9	221,8	220,1	219,4	16,88
All items (VAT excluded)	176,8	174,7	173,3	172,9	100,00

TABLE 6 THE CONSUMER PRICE INDEX FOR PENSIONERS

- URBAN AREAS INDICES - Each area compared with itself

BASE : 1990 = 100

Urban area	All items			Percentage change compared with	
	Jun. 1996	May 1996	Jun. 1995	May 1996	Jun. 1995
	Cape Peninsula	188,2	186,9	176,3	+0,7
Port Elizabeth / Uitenhage	183,4	182,2	173,7	+0,7	+5,6
East London	187,5	186,1	176,3	+0,8	+6,4
Kimberley	183,8	183,1	172,4	+0,4	+6,6
Pietermaritzburg	184,2	182,9	173,2	+0,7	+6,4
Durban / Pinetown	183,9	182,2	172,2	+0,9	+6,8
Pretoria / Centurion / Akasia	184,8	183,8	174,4	+0,5	+6,0
Witwatersrand	182,3	181,3	171,8	+0,6	+6,1
Klerksdorp / Stilfontein / Orkney	182,5	181,3	172,5	+0,7	+5,8
Vaal Triangle	177,7	176,4	166,2	+0,7	+6,9
Free State Goldfields	169,9	169,4	162,0	+0,3	+4,9
Bloemfontein	186,0	184,7	176,3	+0,7	+5,5
Weighted average of the twelve areas	184,3	183,1	173,4	+0,7	+6,3
Nelspruit / Witbank	174,2	172,7	162,8	+0,9	+7,0
Pietersburg	181,4	180,0	169,3	+0,8	+7,1

TABLE 7 PERCENTAGE CHANGE BY TYPE OF STORE

TABLE 7.1 Chain-stores

Group	Percentage change compared with	
	May 1996	Jun. 1995
Food	-0,6	+2,6
Processed	+0,2	+6,1
Unprocessed	-1,1	-0,4
Grain products	+0,1	+11,9
Meat	-0,7	-2,6
Fish and other seafood	+0,9	+9,7
Milk, cheese and eggs	+0,6	+5,4
Fats and oils	+0,6	+7,0
Fruit and nuts	-4,9	-0,4
Vegetables	-1,4	-0,8
Sugar	+1,3	+10,2
Coffee, tea and cocoa	-0,6	+1,0
Other	+0,1	+7,4

1/ With at least 15 branches

TABLE 7.2 Other retailers

Group	Percentage change compared with	
	May 1996	Jun. 1995
Food	-0,1	+1,9
Processed	+0,7	+5,2
Unprocessed	-0,7	-0,8
Grain products	+0,5	+8,2
Meat	+0,2	-1,1
Fish and other seafood	+0,7	+7,4
Milk, cheese and eggs	+1,1	+6,2
Fats and oils	+0,3	+6,4
Fruit and nuts	-4,2	-1,6
Vegetables	-2,1	-5,9
Sugar	+1,3	+8,2
Coffee, tea and cocoa	+0,7	+2,1
Other	+1,2	+6,7

2/ Retailers not considered as chain-stores (see Table 7.1)